

# DISTRICT COUNCIL OF LOWER EYRE PENINSULA

## Annual Report 2018/19



“Working with our Rural & Coastal Communities”

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The year further visits planned across the Council district during the first half of the new financial year. The idea is to have the opportunity to have informal chats with local residents about concerns they may have regarding their community.

Julie Low's retirement Council continues to regularly partner with the Cummins & District Financial Service Community Bank to the overwhelming benefit of the wider community. Their ongoing support continues to assist with keeping community projects on track.

at the upcoming elections. Julie's involvement as a Councillor and Mayor for the District Council of Lower Eyre Peninsula spanned more than 23 years. I would like to thank Julie for her commitment and enthusiasm shared with our community.

Council elections were held in November 2018 and we welcomed new members Brett Howell, Alan Tingay and Steve Woolley. Wendy Holman, Peter Mitchell Geoff Bayly along with myself were re-elected to Council for the new four year term. I believe we formed an energetic, cohesive group that I am looking forward to working with for the betterment of our district over the next 4 years.

Along with elected members, staff and the wider community we were saddened to learn of the unexpected death of our fellow member Geoff Bayly. Geoff was an integral, enthusiastic and passionate advocate for the Hawson area and all things environmental. He will be missed by all, especially by his wife Cheryl and family.

As a new Mayor it was important to me to find a way to engage with our wider community, as such the introduction of 'Meet & Greets' commenced in 2019. At the time of writing this report we have held 4 Meet & Greets in Louth Bay, Poonindie and North Shields, with

Council agreed to consider the implementation of a Flight Training Service at the Port Lincoln Airport believing there would be economic benefits to our region. However due to Flight Training Adelaide (FTA) winning the Qantas Training Contract, and thus needing to concentrate on their immediate operational needs they decided to leave Port Lincoln and concentrate on their base at Wellcamp.

This proposed development was very contentious for Council, with concerns being raised by residents of nearby townships regarding Flight Training Adelaide's use of the airspace. These concerns were relayed on to FTA who considered community feedback in their decision making.

Council had previously committed to the refurbishment of the Cummins Homes. Bathrooms have been gutted and redone with the last two to be finished by June 2020. As part of the refurbishment council have recently finished the replacement of kitchens at the homes to the great satisfaction of residents.

The decision by Viterra to not re-issue a grain transportation contract to Genesee Wyoming has effectively resulted in the closure of the state owned rail system for grain freight on the Eyre Peninsula – a devastating outcome for our communities. Council continues to liaise with DPTI in relation to the upgrade of our state arterial roads to cope with projected extra truck movements. There is unlikely to be sufficient State & Commonwealth funding available to undertake all desired works, as such Council will be committed towards achieving the best possible outcomes from available funding.

Council is currently working towards better waste management with the introduction of free dumping of glass, metal and plastics at its Cummins and Coffin Bay Waste Transfer Stations. Council will undertake community consultation prior to negotiating a new waste contract in the 2021 year, including in relation to the possibility of introducing kerb-side recycling and green waste.

We farewell Alex Douglas from the role of Director of Works & Infrastructure and thank him for his input and ideas over the past six years and will be welcoming Tim Blacker to the role and look forward to his long partnership with Council.

CEO Rod Pearson continues to lead Council with strong leadership and commitment to the wider community and I thank him for his support and encouragement as I navigate my new role.

**Jo-Anne Quigley**  
**Mayor**



Following the Cummins on route to the Port Council Lincoln export port will be a safety and amenity issue for those towns, and Council will continue to work with local communities in relation to speed limits and possible road safety improvements in those towns.

It is pleasing that the business activities of Council have operated successfully in the past year with the Coffin Bay Caravan Park, Cummins Homes and Community Waste Water Management Systems all recording small operating profits. The Port Lincoln Airport also recorded a small operating profit before accounting for the six percent return on investment made back to Council ratepayers. Importantly the airport had a cash surplus of \$30,000 after deducting loan principal repayments.

untiring efforts on behalf of the District Council of Lower Eyre Peninsula. In particular I thank retiring Councillors Julie Low, Diana Laube and Don Millard as each of these people have made a significant contribution towards our Council.

The approach by Flight Training Adelaide to develop an international student flight training school at the Port Lincoln Airport has proved to be extremely emotive, with strong views expressed in the community both against and for the proposed development. The development was to be assessed by the State Council Assessment Panel (SCAP), however the proponents withdrew their development application prior to all agency reports being completed, and prior to SCAP formally assessing the development.

Upgrade of the Cummins Homes independent living accommodation has been a great example of what can be achieved in cooperation with the local community bank. Cummins District Financial Services have contributed fifty percent of funds towards bathroom upgrades for three successive years with Council committing to the upgrade of all kitchens to significantly improve the facilities.

The newly elected Council has seamlessly continued with the works commenced by the retiring Council, led by new Mayor Jo-Anne Quigley.

Council has been involved in several significant issues over the course of the 2018/19 year, not the least being the closure of the grain rail transport system on Eyre Peninsula following the decision of Viterra to not renew their contract with Genesee Wyoming Australia. Council had lobbied for the retention of rail, however has now turned attention to working with the State Government in improvements they will make to the local arterial road network to manage the entire grain transport task on their roads.

This decision has no impact on the fact that Council has commenced a review of the airport business plan, under which it is reviewing the management structure, operations and financial management of the airport. It is envisaged that this review will be completed in the coming financial year.

Overall Council recorded an operating profit of \$1.18m in 2018/19, but after deducting grant monies paid in advance by the Commonwealth Government, and after deducting abnormal operating savings that profit would be in the order of \$240,000, being quite reasonable for a local government entity.

The issue of managing the flow of trucks to and from the grain receival strategic site at Cummins is an issue to be dealt with by Council, Viterra and the State Government, with the government committing to lead a review of truck movements throughout the town. The change to the number truck movements through the towns of North Shields, Poonindie, Edillilie, North Shields and

From a financial perspective Council put considerable effort into ensuring its financial sustainability while developing its 2018/19 budget, and this resulted in rates increasing by 6.55% to average land owners, or 4.25% in excess of CPI. This additional rate revenue was brought in following community consultation to allow for future asset renewal, and to provide for increased effort in road maintenance.

Council has been awaiting the release of the new Planning & Development Code from the State Government which will apply across the State, and which will replace the current Council Development Plan. This project presents a massive change in the management of development across South Australia, with the

State Government to lead strategic site at Cummins. Beyond people across the Council district community and Council its freight task the road also plays with access to a fortnightly range consultation in coming months. an important social and tourism of events. The implementation of the new role, being one of three east - Council has also continued its code has hampered the process to west connector roads across Eyre program under which close to one gain final decisions from the Peninsula. Importantly, of these percent of rate revenue is Minister in relation to expansion of connector roads only the Bratten redistributed via a competitive bid residential living in Coffin Bay, and Way section from Cummins to Mt process to the community to assist in regard to expansion of rural Hope is Council owned. sporting or community groups to living in the Lincoln fringe area. These projects will need to be Rubble road re-sheeting was develop new or upgraded facilities, assessed under the new code. carried out on Chapman Road, or to help with local projects on Airport Lane, Marble View Road Council land. These Council grants can provide leverage to groups for

Progress has continued with the retrospective sealing of roads in the townships of Boston and Tiatukia, with Wakelin Road being fully sealed and further sealing being undertaken on Roberts Road during the past year. In addition Council has reached agreement with landowners to purchase a small amount of land to provide a fire access link between Roberts road and Hidden Valley Lane, improving connectivity and fire safety in that locality. From a community perspective the evolution of the Friends of the Cummins Cemetery has been well received, with the fresh enthusiasm to maintain and upgrade the cemetery leading to the development of several projects with the support of Council and the community bank. The continuation of the Creating Connections program supported by the Red Cross has also been well received, providing elderly

Council has requested that the State Government consider taking ownership of the Bratten Way from Cummins to Mt Hope on the basis that the road serves a regional purpose in the transport of grain from within and beyond the Council district to the Viterra The opportunities in the tourism sector across the Eyre Peninsula have been widely recognised in recent times, and Council is working closely with Regional Development Australia Whyalla & Eyre Peninsula on several initiatives, including the 'Eyes on Eyre' project which would see the Farm Beach camp ground upgraded, and a new camp ground developed at Fishery Bay as part of an Eyre Peninsula wide project. A tourism committee has been formed including representatives of all Councils aimed at working closely with RDAWEP on tourism initiatives.

**ROD PEARSON  
CHIEF EXECUTIVE OFFICER**

## COUNCIL HISTORY AND PROFILE

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The District Council of Lower Eyre Peninsula is largely a rural community, interspaced with small country and coastal towns.

The extensive east and west coasts of Council's boundaries provide magnificent fishing and surfing beaches, complimented by breathtaking views of rugged cliffs, idyllic picnic-spots and the beauty of the colour-changing Marble Ranges.

The major industries of agriculture, aquaculture, fishing and tourism are recognised as being of primary significance in the State's economy.

The District Council of Port Lincoln was proclaimed on 1 January 1880, and at this time its area comprised only the Hundred of Lincoln. Following the passing of the District Council's Act No. 419 of 1887 the area of the District Council of Port Lincoln was extended on 5 January 1888 to include the remainder of the County of Flinders and all the surrounding islands.

On 3 July 1890 the Hundreds of Kiana, Mitchell and Shannon were added to the Council area. The Hundreds of Yaranyacka, Koppio and Stokes were severed from the District Council of Port Lincoln and together with other areas formed the District Council of Tumby Bay - promulgated on 21 June 1906.

On 18 August 1921, an area of 2,153 hectares was severed from the District Council of Port Lincoln to become the Corporate Town of Port Lincoln, with the remainder of the area becoming known as the District Council of Lincoln.

On 21 March 1935, approximately 1,214 hectares was severed from the Corporation of Port Lincoln and re-annexed to the District Council of Lincoln. On 1 July 1981,

an area of 1,970 hectares was severed from the District Council of Lincoln and annexed to the Corporation of the City of Port Lincoln and on 1 July 1982, an area of 1,634 hectares was severed from the District Council of Lincoln and annexed to the District Council of Tumby Bay.

The Council area was divided into five wards until 1938, when on 7 April, the area was further divided to create six wards, with one Councillor for each ward. This remained until 20 February 1947, when the number of Councillors for Mortlock Ward was increased to two, effective from the first Saturday in July. On 19 November 1987, a proclamation was gazetted re-dividing the area into four wards, whilst maintaining the number of Councillors at seven. These changes took effect on 1 January 1989.

On 21 January 1988, by proclamation in the government Gazette, the name of the Council was changed to the District Council of Lower Eyre Peninsula. On 7 April 1994, a proclamation appeared in the Government Gazette to abolish the ward boundaries and the seven Councillor memberships were retained.

The Council today encompasses an area of 4,754 square kilometres with 709 kms of coastline. The resident population is 5,510<sup>1</sup> and the Council is responsible for maintaining a road network of 1,323 kms of which 140 kms is

sealed. Council owns and operates the Port Lincoln Airport, which plays a vital role in the transport system serving Eyre Peninsula.

In 2018/19, the airport catered for 167,921 passengers and 7,538 regular passenger transport aircraft movements supported by Qantaslink and Regional Express, plus 9,720 general aviation and recreational aviation aircraft movements.

Council owns and operates sixteen aged independent living units in Cummins. Council also owns the Coffin Bay Caravan Park and the operation of this facility is leased to independent managers.

The Head Office of Council is located in Cummins and the original office in Port Lincoln has been retained as a Branch Office. Works Depots and staff are located in Cummins and at the Port Lincoln Airport. Council has a work force of forty-two employees and contracts out a number of specialised functions and major projects.

Facilities provided by other organisations in the area include a medical clinic and hospital with hostel accommodation at Cummins, the Cummins Area School, Medical Centre at Coffin Bay, Primary Schools at Lake Wangary and Poonindie and a wide range of sporting facilities throughout the district.

As at 30 June 2019 the Council comprised of, J T (Jo-Anne) Quigley (Mayor), PL (Peter) Mitchell (Deputy Mayor), W (Wendy) Holman, A Tingay (Alan), R B (Brett) Howell and S (Steve) Woolley.

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<sup>1</sup> ABS Data – 2016 Census

## COUNCIL INFORMATION

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**Principal Office:**

Mon – Fri: 9.00 am – 5.00 pm  
32 Railway Terrace  
PO Box 41  
Cummins SA 5631  
Phone: 86760400  
Fax: 86762375

**Email:** [mail@dclep.sa.gov.au](mailto:mail@dclep.sa.gov.au)

**Web:** [www.lowereyrepeninsula.sa.gov.au](http://www.lowereyrepeninsula.sa.gov.au)

**Branch Office:**

Mon – Fri: 10.00 am – 1.00 pm/2.00 pm – 4.00 pm  
38 Washington Street  
Port Lincoln SA 5606  
Phone : 86230600

**Council Meetings:** 9.00 am - Third Friday of every month, 32 Railway Terrace, Cummins



*Councillors – Back row (L-R) S Woolley, W Holman, B Howell, G Bayly; Front row (L-R) A Tingay, J Quigley, P Mitchell*

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## ELECTED MEMBERS

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**Mayor J T Quigley**  
Councillor: 2010 – Current  
Mayor: 2018 - Current

**MEETINGS 2018/19**

Attended: 13  
Apology: 1  
Absent: 0

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**Cr P L Mitchell**  
Councillor: 2010 – Current  
Deputy Mayor: 2018 – Current

**MEETINGS 2018/19**

Attended: 14  
Apology: 0  
Absent: 0

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**Cr W Holman**  
Councillor: Feb 2003-2006  
Councillor: 2010 - Current

**MEETINGS 2018/19**

Attended: 14  
Apology: 0  
Absent: 0

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**Cr S Woolley**  
Councillor: 2018 - Current

**MEETINGS 2018/19**

Attended: 8  
Apology: 0  
Absent: 0

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**Cr B Howell**  
Councillor: 2018 - Current

**MEETINGS 2018/19**

Attended: 8  
Apology: 0  
Absent: 0

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**Cr A Tingay**  
Councillor: 2018 - Current

**MEETINGS 2018/19**

Attended: 8  
Apology: 0  
Absent: 0

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**Cr G Bayly**  
Councillor: 2014 – June 2018

**MEETINGS 2018/19**

Attended: 12  
Apology: 1  
Absent: 0

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## 2018/19 Retired Elected Members

At the 2018 Council general elections, the following elected members retired from Council. We wish our retiring members all the best for the future and thank them for their service to the community, the District Council of Lower Eyre Peninsula and to Local Government in general.

**Julie Low** -Mayor: 2009 – 2018, Deputy Mayor: 2006 – 2009, Councillor: 1995 – 2018.

**Don Millard** – Deputy Mayor; 2014 – 2018, Councillor: 2010 – 2018

**Dianna Laube** – Councillor: 2014 - 2018

## In memoriam – Councillor Geoff Bayly

*Council would like to acknowledge the passing of our fellow councillor and friend Geoff Bayly in June 2019.*

*Geoff's enthusiastic approach as an Elected Member to community projects, such as the hanging of the historical Auster aircraft at the Port Lincoln Airport, was testament to his can-do attitude towards the betterment of our region.*



*Geoff Bayly with his beloved Auster (Photo Credit – Port Lincoln Times)*

*His passion and concern for the environment and the need to look after it for future generations, along with his knowledge of local history was well received by fellow Councillors and this passion highlighted his love for people and places.*

*Geoff was a happy, personable man with an infectious laugh and he will be fondly remembered by all as a passionate advocate for his community and a valued, hardworking member of Council who was widely respected by all who knew him.*

## Supplementary Election

Following the passing of Councillor Geoff Bayly, a supplementary election is planned for late 2019.

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### Allowance paid to Elected Members

All Council members receive an annual allowance as set by the Remuneration Tribunal of South Australia for each election period, with periodic adjustments (based upon a formula) taking effect on 1 November annually thereafter for the term of the governing period.

The District Council of Lower Eyre Peninsula is classed as a Group 4 Council, with current remuneration for Elected Members as follows:

- An allowance of \$39,600 per annum for the position of Chairperson or Mayor;
- An allowance of \$12,375 per annum for the position of Deputy Chairperson or Deputy Mayor;
- An allowance of \$9,900 per annum, per Councillor
- A travel time allowance of \$410 per annum for Councillors (excluding Principal Members) that reside between 30 to 50kms from the principal office of Council (currently one Elected Members)
- A travel time allowance of \$700 per annum for Councillors (excluding Principal Members) that reside between 50 to 75kms from the principal office of Council (currently three Elected Members)
- A travel time allowance of \$1,050 per annum for Councillors (excluding Principal Members) that reside between 75kms to 100kms from the principal office of Council (currently no Elected Members)
- Travel reimbursement for Council events in line with the travel reimbursement mileage rates as set by the Australian Taxation Office.

Reimbursements were also provided to Elected Members for eligible expenses in line with Section 77 of the Local Government Act 1999 & Council policy GOV-POL- 04 – Council Members allowances and benefits.

### Training & Development Activities for Members

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

| <b>TRAINING</b>                   | <b>ATTENDED BY:</b>   |
|-----------------------------------|---|
| Elected Member mandatory training | Mayor Quigley, Cr Tingay, Cr Howell, Cr Holman, Cr Mitchell |
| New Council member residential    | Cr Tingay, Cr Howell  |
| Media Training                    | Mayor Quigley   |

| <b>MAJOR CONFERENCE / SEMINARS</b>     | <b>ATTENDED BY:</b>                                   |
|--|---|
| AAA National Conference                | Mayor Quigley   |
| Local Government Association AGM       | Mayor Quigley   |
| EPLGA Conference                       | Mayor Quigley, S Woolley, B Howell, W Holman, G Bayly |
| Australian Local Government Conference | Mayor Quigley, W Holman                               |

## Public Meetings

Public meetings held throughout the year were as follows:

| <b>PUBLIC MEETINGS</b>                          | <b>DATE</b>  | <b>ATTENDED BY:</b>  |
|---|--------------|--|
| Tulka Community Meeting                         | 5 Feb 2019   | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman, P Mitchell |
| Annual Business Plan – Port Lincoln Golf Club   | 5 June 2019  | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman             |
| Annual Business Plan – Coffin Bay Sporting Club | 5 June 2019  | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman, P Mitchell |
| Annual Business Plan – Cummins Council Chambers | 5 June 2019  | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman             |
| Meet & Greet – North Shields                    | 26 June 2019 | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman             |
| Meet & Greet – Poonindie                        | 26 June 2019 | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman             |
| Meet & Greet – Louth Bay                        | 26 June 2019 | Mayor Quigley, A Tingay, S Woolley, B Howell, W Holman             |

## Internal Workshops & Sessions

Informal gatherings or discussions are periodically held in accordance with section 90(8) of the Local Government Act 1999, including:

- planning sessions associated with the development of policies and strategies;
- briefing or training sessions on relevant topics or policies;
- workshops; and,
- social gatherings to encourage informal communication between members or between members and staff.

| <b>INTERNAL WORKSHOPS / SESSIONS</b>                 | <b>ATTENDED BY:</b> |
|--|---------------------|
| Port Lincoln Airport Worksop – Review of Master Plan | All Councillors     |
| Long Term Financial / Strategic Plan                 | All Councillors     |
| Budget Workshops                                     | All Councillors     |

## HUMAN RESOURCES

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The District Council of Lower Eyre Peninsula believes it has a social responsibility towards all members of its community and aims to create an employment environment which reflects the values and needs of the community. Accordingly, the District Council of Lower Eyre Peninsula is firmly committed to the principle of equal employment opportunity for all Staff.

Council's policies reflect commitment to create a work place that is free of discrimination and in which all people are permitted equal access and opportunity to progress to the full extent of their ability.

Council have a Consultative Committee which meets concurrently with the Work Health & Safety committee to discuss matters related to employment.

### EXECUTIVE OFFICERS

Council employs four executive officers and two additional senior contract roles. Details of these contracts and a summary of benefits provided to the officers for year ending 30 June 2019 are as follows:

#### Executive Team

- **Chief Executive Officer** Rodney Pearson
  - Salary
  - Private use of motor vehicle
  - Mobile phone
  
- **Director of Works & Infrastructure** Alex Douglas
  - Salary
  - Private use of motor vehicle
  - Mobile phone
  
- **Manager Development & Environmental Services** Leith Blacker
  - Salary
  - Private use of motor vehicle
  - Mobile phone
  
- **Manager Corporate Services** Sacheen Hopewell
  - Salary
  - Private use of motor vehicle
  - Mobile phone

#### Senior Contract Roles

- **Airport Manager** Peter O'Rielly
    - Salary
    - Private use of motor vehicle
    - Mobile phone
  
  - **Works Manager** Gary Jutzen
    - Salary
    - Private use of motor vehicle
    - Mobile phone
-

## SERVICE DELIVERY

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This Council uses a variety of options to ensure the cost-effective delivery of services. These include:

- Waste collection and disposal is subject to competitive tendering.
- Operation of waste transfer stations is undertaken by Council employees.
- Council's public convenience cleaning is subject to competitive tendering.
- The majority of Council's gardening and footpath maintenance is undertaken by a combination of contracting by competitive tendering and Council's workforce and equipment.
- Bitumen work not undertaken by Council staff, including maintenance and new work, is subject to competitive tendering.
- The construction of open surface roads is a significant part of Council's ongoing service delivery program. The method of delivering this service is a combination of Council staff and equipment charged out on hourly hire rates and contractors paid at unit rates. This has been found to be the most cost-effective method to undertake this type of work over many years. The contract component relies on production rates to generate contractor payments and the Council staff component is aimed at ensuring standards and quality requirements are met without excessive supervision costs.
- The construction of sealed roads is also undertaken using a combination of contract components and Council staff and equipment charged out at hourly hire rates.
- Staff regularly monitor the unit costs of Council work against other Councils and contractors to ensure cost-effective outcomes.
- All major projects of a specialised nature, such as the crushing of road base material or specialist project planning, are subject to a competitive tendering process.
- Council's work teams are given an opportunity to tender for all services which are subject to a competitive tendering process.
- Council's Policy regarding purchasing procedures includes: *Preference for local suppliers is encouraged where the quality and price are competitive.*

## ELECTOR COMPARISON

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As depicted in the table below outlining comparable Rural Agricultural Medium Councils in South Australia, at 30 June 2019, the number of electors for the area was 3,694 with 7 Councillors constituting the Council, resulting in a "representation quota" of 527 (i.e. One (1) Councillor for every 527 electors).

| Council              | Electors    | Members  | RepQuota   |
|----------------------|-------------|----------|------------|
| Barunga West         | 1979        | 9        | 219        |
| Ceduna               | 2052        | 9        | 228        |
| Goyder               | 3024        | 7        | 432        |
| Kangaroo Island      | 3471        | 10       | 347        |
| Kingston             | 1821        | 8        | 227        |
| Lower Eyre Peninsula | 3694        | 7        | 527        |
| Mt Remarkable        | 2125        | 7        | 303        |
| Peterborough         | 1210        | 9        | 134        |
| Southern Mallee      | 1321        | 7        | 188        |
| Tumby Bay            | 1985        | 7        | 283        |
| Yankalilla           | 4203        | 9        | 467        |
| <b>Average:</b>      | <b>2444</b> | <b>8</b> | <b>305</b> |

## REPRESENTATION REVIEW

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The Local Government Act 1999 requires a Council to undertake a 'Representation review' at regular intervals determined by the Minister for Local Government.

An elector representation review gives Councils and their community the opportunity to examine their present composition and structure and allows the opportunity to plan and implement changes that will better reflect the future requirements of their community.

### Legislation

Section 12 of the Act sets out the process to be followed when undertaking a review and the areas of composition for which advantages and disadvantages are to be considered, namely the:

- name of the Council
- process to be undertaken to elect the Principal Member of Council (publicly elected or from within the Council body);
- number of Elected Members; and,
- wards or area representation (and if wards, the boundaries of each ward).

The District Council of Lower Eyre Peninsula was prescribed to conduct this review in 2017 with a result at the conclusion of the process as follows:

- no change to the name of the District Council of Lower Eyre Peninsula
- the Principal Member of Council continues to be elected from amongst the Council Members;
- the Council area not be divided into wards and the existing area representation be retained; and,
- the number of elected members remain at seven.

**Council's next review** is scheduled for October 2024 at which time the community will be provided with opportunity to provide comment through surveys, meetings and workshops.

Chapter 3 of the Local Government Act 1999 outlines the provisions available to electors to make submissions for a review of Council structures, with procedures available on the Department of Planning, Transport & Infrastructure website.

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## COMMUNITY ENGAGEMENT

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Council have adopted a Community Engagement Strategy (available on Council's website) identifying groups within the community that can be utilised by Council as community sounding boards. These groups are invited to all public meetings held, and at least annually, Council invite representatives from these groups to a function in which Council can hear updates on group activities and receive information and feedback on suggestions for the betterment of the local communities.

The current Focus Groups are listed below:

- Community Focus Group 1
  - Coffin Bay Progress Association
  - Marble Range Community & Sports Centre
  - Mount Dutton Bay Progress Association
  - Couлта Hall Committee
  
- Community Focus Group 2
  - Cummins & District Enterprise Committee
  - Yeelanna Memorial Association
  - Karkoo Hall Committee
  - Mount Hope Soldiers Memorial Hall Committee
  - Youth Advisory Committee
  - Edillilie Memorial Progress Association
  
- Community Focus Group 3
  - White Flat Hall Committee
  - Wanilla Progress Association
  - Greenpatch farming community
  - Western Approach area (Coomunga & Surrounds)
  - Tulka Progress Association
  - North Shields Progress Association
  - Boston / Tiatukia Rural Living Area
  - Louth Bay Community Club
  - Sleaford Bay Progress Association

The Community Engagement Strategy was reviewed by Council in April 2019 and provided for public consultation prior to adoption in August 2019.

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## **DECISION MAKING STRUCTURE**

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The decision making body of Council is the full Council whose standard meeting date is on the third Friday of every month, with other meetings called as required. In addition to this, Council has established a number of Committees to assist with the decision making process as follows:

### **Cummins Homes Committee**

The role of the Cummins Homes Committee:

- consider policy issues pertaining to the management and development of the Cummins Homes complex and provide recommendations to Council regarding such issues; and
- consider applications for tenancy of the Cummins Homes and make recommendations to the CEO regarding such issues.

### **Audit Committee**

The role of the Audit Committee is to:

- monitor & review the integrity of the financial statements of Council (including its annual report)
- review & challenge the internal controls and risk management systems of Council
- ensure arrangements are in place for Whistle blowing
- consider and make recommendations to the Council on matters pertaining to the engagement, re-appointment & removal of the Council's external auditor and meet with the auditor as required.

Independent Members receive an allowance of \$40 per meeting attended and a mileage allowance is paid for travel to Audit Committee meetings.

### **Staff Committee**

The role of the Staff Committee:

- deal with issues pertaining to the engagement and employment management of the CEO,
- provide assistance to the CEO in relation to negotiation of Enterprise Bargaining Agreements.

### **Bushfire Management Advisory Committee**

The role of the Bushfire Management Advisory Committee:

- provide advice to Council on local matters relating to bushfire management; and,
- provide guidance to Council's representative on the Lower Eyre Peninsula Bushfire Management Committee in relation to his / her duties as may be required from time to time.

### **Council Assessment Panel**

In addition to the Committees, Council has also established a Council Assessment Panel. The panel operates independently to Council and is responsible for the assessment of development applications against the provisions of Council's Development Plan.

Community representatives appointed to the Development Assessment Panel received a fee of \$100 per meeting attended. Presiding community member receives a fee of \$150 per meeting, and a mileage allowance is also available.

**Codes**

The following Codes of Conduct are required to be kept under the Local Government Act 1999 and are also outlined in Appendix B of this report:

**Section 63**

Members Code of Conduct

**Section 92**

Code of Practice for Access to Meetings and Documents

**Section 110**

Employees Code of Conduct

**Registers**

The following are the registers required to be kept under the Local Government Act 1999 and are available on Council's website (where prescribed):

**Section 68**

Members Register of Interests

**Section 79**

Members Register of Allowances and Benefits

**Section 105**

Officers Register of Salaries and Benefits

**Section 116**

Officers Register of Interests

**Section 188**

Fees & Charges

**Section 196**

Community Land Management Plans

**Section 207**

Community Land

**Section 231**

Public Road

**Section 252**

By-Laws

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## **COUNCIL REGULATIONS, POLICIES & PLANS**

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Council is regulated under several Acts and / or is required to provide information under other Acts. A listing of key Acts and Plans that Council either operates under or takes guidance from includes: -

### **ACTS & STANDARDS**

Burial & Cremation Act 2013  
Community Titles Act 1996  
Development Act 1993  
Development (Development Plans) Amendment Act 2006  
Dog & Cat Management Act 1995  
Environment Protection Act 1993 and Environment Protection (Waste to Resources) Policy 2010  
Expiation of Offences Act 1996  
Fences Act 1975  
Fines Enforcement & Debt Recover Act 2017  
Fire and Emergency Services Act 2005 and Fire and Emergency Services Regulations 2005  
Freedom of Information Act 1991  
Food Act 2001  
Heavy Vehicle National Law (South Australia) Act 2013  
Land & Business (Sale & Conveyancing) Act 1994  
Liquor Licensing Act 1997  
Local Government Act 1999  
Local Nuisance and Litter Control Act 2016 and Local Nuisance and Litter Control Regulations 2017  
Natural Resources Management Act 2004, Natural Resources Management (General) Regulations 2005 and Natural Resources Management (Transitional Provisions - Levies) Regulations 2005  
Planning, Development and Infrastructure Act 2016  
Real Property Act 1886  
Electronic Conveyancing National Law (South Australia) Act 2013  
Roads (Opening and Closing) Act 1991  
Road Traffic Act 1961 (SA), Road Traffic (Miscellaneous) Regulations 2014 and Road Traffic (Road Rules – Ancillary and Miscellaneous)  
Safe Drinking Water Act 2011  
South Australian Public Health Act 2011, South Australian Public Health (Legionella) Regulations 2013, South Australian Public Health (Wastewater) Regulations 2013 and South Australian Public Health (General) Regulations 2013  
Strata Titles Act 1988  
Unclaimed Goods Act 1987  
Water Industry Act 2012 and Water Industry Regulations 2012  
Work Health and Safety Act 2012  
Building Code of Australia + Relevant Australian Standards

### **INTERNAL PLANS**

Development Plan  
Strategic Plan  
Annual Business Plan  
Long Term Financial Plan  
Disaster Recovery Plan

### **EXTERNAL PLANS**

South Australian Strategic Plan  
Regional Development Australia Whyalla and Eyre Peninsula Strategic Plan  
Eyre Peninsula Local Government Association Strategic Plan

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## Council Policies

Council's Policy Documents are available on Council's website and for inspection or purchase at the principal office of Council, Railway Terrace, Cummins, SA 5631, between the hours of 9.00 am and 5.00 pm, Monday to Friday, excluding Public Holidays.

The following are the policies required to be kept under the Local Government Act 1999:

Section 49 - Contracts & Tenders

Section 50 - Public Consultation

Section 77(1)(b) - Reimbursement of Council Member Expenses

Section 78 - Provision of Facilities & Support for Council Members

Section 80A - Council Member Training & Development

Section 125 - Internal Control policies

Section 219 - Road naming

Section 259 - Order Making

Section 270 - Internal review of Council decisions

A full list of Council's policy documents as at 30 June 2019 is outlined at '**Appendix B**' of this report.

## By-Laws

Council has adopted a number of By-Laws which came into effect 28 May 2019.

By-Law No. 1 – Permits & Penalties

By-Law No. 2 – Moveable signs

By-Law No.3 – Roads

By-Law No. 4 – Local Government Land

By-Law No. 5 – Dogs

By-Law No. 6 - Foreshores

Council have a schedule of review for the implementation of these By-Laws (i.e. decisions are required to be made by Council on what land or areas each of these will be applied) and have the following indicative timelines for dealing with the by-law implementation resolutions as outlined below:

- By-Law No. 2            Moveable Signs – write to business owners and policy development – October to December 2019
- By-Law No. 3            Roads - Policy development and Resolutions - April to June 2020
- By-Law No. 4            Local Government Land - Policy Development and Resolutions – April to June 2020
- By-Law No. 5            Dogs - Resolutions - October to December 2019
- By-Law No. 6            Foreshore - Community consultation between October to December 2019 and resolutions – April to June 2020.

## Delegations

Council employs a number of staff to undertake the day to day running of the organisation and to facilitate the provision of services to the community. Council have delegated authority to the Chief Executive Officer who in turn delegates to members of staff to make decisions on various administrative and operational matters.

Council delegated its powers under relevant Acts to the Chief Executive Officer and a review of the delegations is due to be conducted by the end of 2019.

## Auditor Independence

Dean Newbery & Associates have been appointed as Councils Auditor. During the 2018/19 financial year the remuneration paid to the Auditor was \$19,810. There were no amounts paid in non-audit fees.

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## Community Land

No community land was disposed of or purchased by Council in 2018/19.

It is worth noting that while Council did purchase a property on Railway Terrace, Cummins with grant money sourced by the Community for the purpose of the establishment of the 'Cummins Men's Shed' building (in conjunction with the Cummins & District Enterprise Committee), this was excluded from the community land register at the time of purchase and is currently leased to the CDEC / Men's Shed Committee.

## FREEDOM OF INFORMATION

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The Freedom of Information Act 1991 provides legislation and guidelines for access and provision of information to the public. If Council refuses access to a document a certificate must be issued stating the reason for the document being treated as a restricted document.

Most information and files held by the District Council of Lower Eyre Peninsula are available for public viewing. There are some exceptions such as personal and personnel records and matters which are subject to litigation, however, information is generally readily available for viewing at no charge or at a minimal reproduction charge.

Most information is readily available without recourse to the Freedom of Information Act and members of the public are invited to discuss access to Council documents not available for inspection, free of charge or for purchase with the Chief Executive Officer.

All requests under Section 13 of the Freedom of Information Act 1991 for access to documents should be accompanied by the relevant application fee and directed in writing to:-

Freedom of Information Officer  
District Council of Lower Eyre Peninsula  
PO Box 41  
Cummins SA, 5631

Additional search fees may apply to requests where substantial staff time is involved to access the requested documentation.

Search fees associated with the lodgement of Freedom of Information requests are determined under the Freedom of Information Regulations and prescribed updates occur annually.

## Requests Received for Information under the Freedom of Information Act 1991

Three (3) Freedom of Information requests were received in the 12 months to 30 June 2019.

### Request by Public for Amendment to Council Records

The Chief Executive Officer will consider requests for amendment of Council records concerning personal affairs of a member of the public. In such instances applications are required to be addressed to:-

Chief Executive Officer  
PO Box 41  
Cummins SA 5631

Nil (0) requests for amendments to Council Records were received in the 12 months to 30 June 2019.

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## ***NATIONAL COMPETITION POLICY***

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Council did not conduct any category one or two “Significant Business Activities” or submit any “In House Tenders” for Council activities during the 2018/19 year.

The Port Lincoln Airport is operated by Council and is the only significant business activity of Council.

To maintain competitive neutrality Council utilise cost reflective pricing in its airport operations. Cost reflective pricing is a calculation of the cost of providing the service, taking account of the following to arrive at a price which is competitively neutral:

- The actual costs of providing the good or service on a full-cost basis
- The cost advantages of local government ownership (e.g. non-payment of taxes, lower cost of finance);
- The cost disadvantages of local government ownership (e.g. increased accountability and administration, higher award rates or costs associated with enterprise agreements); and
- Return on investment and dividend payments to local government owners.

Council received no competitive neutrality complaints during the year and Council Policies include the Council Contracts Tendering and Purchasing Policy which includes competitive tendering.

## ***INTERNAL REVIEW OF COUNCIL DECISIONS***

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Council received one (1) internal review of Council decision request in the 2018/19 year, requesting that Council review a decision relating to

- (a) requirements of the Works & Development departments in relation to subdivisions, and
- (b) the level of Council contribution to the road construction process.

The review was undertaken by members of the Eyre Peninsula Local Government Association (EPLGA)’s Governance panel, with that panel finding that Council did not err in its decision making in this matter.

## ***LOCAL NUISANCE & LITTER CONTROL ACT 2016***

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- 15 Illegal dumping investigations.
- 8 Noise investigations. Industrial noise (machinery and small plant), bird scaring devices, generators and construction site noise.
- 1 Asbestos investigation.
- 3 Smoke investigations.
- 1 Odour investigation.
- 1 Encroachment Investigation.
- 1 Exemption notice building site IGA Coffin Bay.
- 1 Dumped building materials in a water course on private land investigation.
- No Abatement notices
- No expiations
- No applications to the courts.

Note: Illegal dumpers have begun to take steps to remove identifying documents from rubbish as Council staff were unable to identify offenders from illegal piles.

All of the above except for the asbestos investigation had been resolved without issuing an abatement notice.

## CONFIDENTIALITY PROVISIONS

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Council and Council committee meetings are open to the public and attendance is encouraged with the public only excluded from the meeting where Council (or the Council committee) believes it is necessary in the broader community interest to exclude the public from the discussion (and, if necessary, the decision) of a particular matter.

The public will only be excluded when considered proper and necessary i.e. the need for confidentiality outweighs the principle of open decision-making.

Council has adopted a Code of Practice for public access to Council meetings which is available on Councils website.

Ten (10) Council meetings held during 2018/19 involved a portion of the meeting where the public were excluded.

No committees of Council considered a matter in confidence in the 2018/19 year.

Sixteen items of business were considered in confidence (two items had multiple grounds) during this financial year and the decision to keep those minutes confidential is reviewed annually.

Matters considered in confidence in respect to S90 (2) & (3) (a-n) of the Act included:

| LG         | ACT | DESCRIPTION  | 2018/19 |
|------------|-----|--|---------|
| 90 (3)(b)  |     | <i>Information that could confer a commercial advantage or prejudice the commercial position of the Council</i>  | 12      |
| 90 (3)(d)  |     | <i>Commercial information of a confidential nature (not being a trade secret) that could prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party</i>            | 1       |
| 90 (3) (g) |     | <i>Matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty;</i> | 1       |
| 90 (3) (i) |     | <i>(h) legal advice; (i) information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council;</i>           | 1       |
| 90 (3)(k)  |     | <i>tenders for the supply of goods, the provision of services or the carrying out of works;</i>  | 3       |

All confidentiality orders issued under Section 91 (7) of The Act in 2018/19 remain confidential as at 30 June 2019 as the items continue to be ongoing. Four (4) of the eight (8) confidentiality orders issued during 2017/18 have ceased to apply while the remainder continue to be ongoing in confidence.

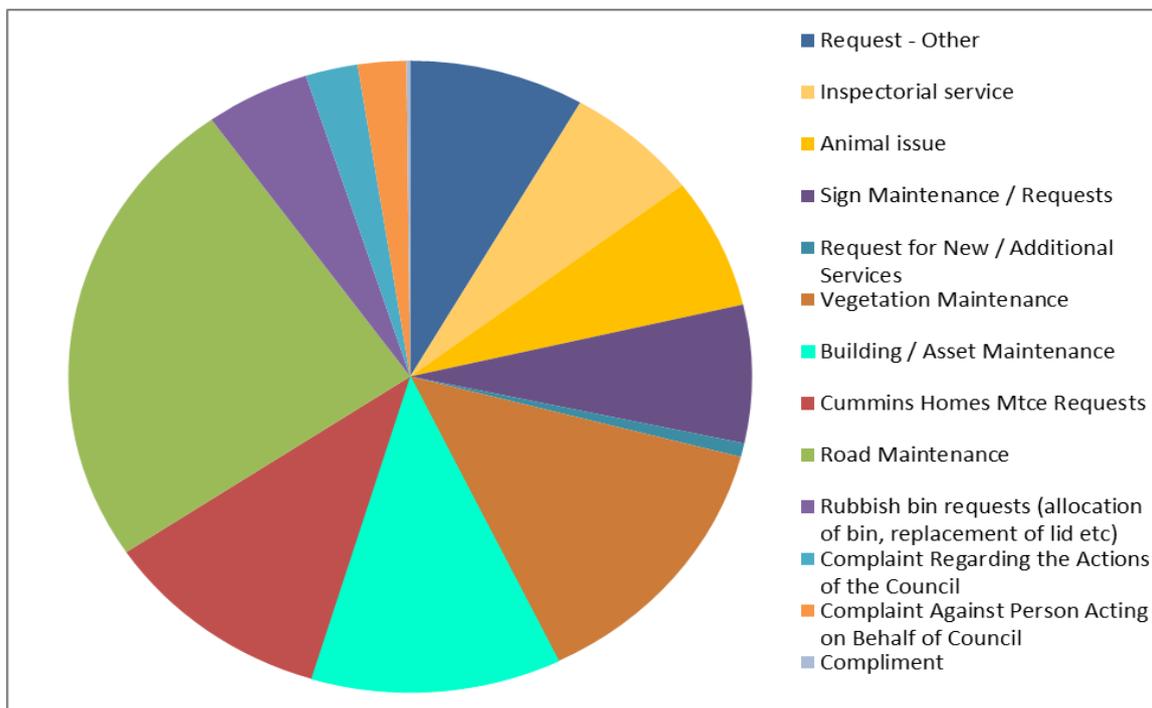
**REVIEW OF DECISIONS AND REQUESTS FOR SERVICES**

Section 270 of The LG Act states that Council must develop and maintain policies, practices and procedures for dealing with any reasonable request for services or improvements to services and also in relation to any complaints regarding the actions of employees or contractors of Council.

Staff record all incoming requests and complaints and allocate Responsible Officers for addressing each item, within given time periods. This information is then used to ensure items are being addressed in a timely, effective and fair way as well as being used as data on which to consider improvement to services and operations.

During the 2018/19 year, 567 requests for services were recorded in Council’s records management system in the following categories:

| REQUEST TYPE  | NUMBER     |
|---|------------|
| Request - Other   | 47         |
| Inspectorial service  | 36         |
| Animal issue  | 38         |
| Sign Maintenance / Requests   | 40         |
| Request for New / Additional Services                                   | 4          |
| Vegetation Maintenance  | 78         |
| Building / Asset Maintenance  | 67         |
| Cummins Homes Maintenance Requests                                      | 62         |
| Road Maintenance  | 139        |
| Rubbish bin requests (allocation of bin, replacement of lid etc)        | 28         |
| Complaint Regarding the Actions of the Council                          | 14         |
| Complaint Against Person Acting on Behalf of Council                    | 13         |
| Compliment  | 1          |
| <b>Total (excluding internal work requests &amp; change of address)</b> | <b>567</b> |



## ANNUAL BUSINESS PLAN

### Report card against 2018/19 planned projects

| Area                   | Project  | Status        | Comment  |
|------------------------|--|---------------|--|
| Port Lincoln Airport   | Hang Auster plane in terminal  | Complete      |  |
|                        | Runway lighting  | Deferred      | Deferred pending new Manual of Standards (MOS) implementation by federal government                                      |
| Land Development       | Coffin Bay, Residential Allotments   | Deferred      | Concept plans developed. Deferred pending feasibility review of retirement living component as requested by new Council. |
|                        | Coffin Bay, Retirement Style Community Title Development   | Deferred      | Feasibility review to be undertaken as requested by new Council.   |
|                        | Cummins, Residential Allotments  | In Progress   | Concept plans developed. Development costs included in 2019/20 budget  |
| Rubble Roads           | Re-sheeting  | In Progress   | Remaining roads included in 2019/20 budget for completion  |
| Road Sealing           | Dodd Road Intersection Upgrade   | Not commenced | Third party (State Government) funding not provided  |
|                        | Wakelin Road, Boston   | Complete      |  |
|                        | Roberts Road (Stage 2), Boston   | Complete      |  |
|                        | Sheoak Road, Tulka   | Complete      |  |
|                        | Capital Reseals  | Complete      |  |
|                        | Bratten Way Rehabilitation   | In Progress   | Grant funding applied for, funding included in Council budget.   |
| Cummins Homes          | Kitchen Upgrades   | In Progress   | In progress with financial grants being received from Cummins District Financial Services.                               |
| Stormwater             | Warrow Road Stormwater Harvesting  | Complete      |  |
|                        | North Shields, Outfall Improvements  | Not commenced | Carried f/wd to 2019/20. Project to be specified prior to implementation.  |
|                        | Coffin Bay, Stormwater Management Plan   | Deferred      | Grant funding not received, reapply in 2019/20   |
| Foreshore Construction | North Shields, Beach access  | In Progress   | Carried f/wd to 2019/20, awaiting approval from State Government Agencies  |
| Reserves               | Streetscape upgrade, Cummins   | Not Commenced | Define the excised piece of land between the triangle & RSL - Carried f/wd to 2019/20                                    |
|                        | Tulka, Landscape Improvements / path   | Not Commenced | Carried f/wd to 2019/20.   |
|                        | Seating & Signage, Dutton Bay boat ramp  | Complete      |  |
|                        | Relocate Airport canopy to Tulka   | In Progress   | Council has agreed to fund an alternative project on the reserve as requested by Tulka Progress Association.             |
|                        | Relocate Airport canopy to Coffin Bay lookout  | In Progress   | Alternative project being pursued at look out.   |
| Effluent Construction  | Cummins – Pump upgrades, Line relay, relocate flushing points and mobile pump purchases                  | In progress   | Design undertaken and project scheduled for completion 2019/20   |
|                        | Cummins – Lagoon Upgrade   | In Progress   | Carried f/wd to 2019/20  |
|                        | Coffin Bay – Pump Upgrades and mobile pump purchases   | Not Commenced | Carried f/wd to 2019/20  |
|                        | Tulka – Generator and Trailer, smart communications system, easement finalisation and risk and OTR plans | Not Commenced | Carried f/wd to 2019/20  |
|                        | North Shields – Pump Station Refurbishment   | In progress   | Design undertaken and project scheduled for completion 2019/20   |

| Area                  | Project   | Status        | Comment  |
|-----------------------|---|---------------|--|
| Community Development | Cummins Skate Park                                    | Complete      |  |
|                       | Creating Connections program                          | Complete      | Program continued in 2019/20 budget                                      |
|                       | Inclusion of festivals & events budget line           | Complete      |  |
| Footpaths             | Crinoline Point, Coffin Bay                           | Complete      |  |
|                       | Greenly Avenue, Coffin Bay                            | Complete      |  |
| Jetties               | Replace piles as per identified in inspection report  | Deferred      | Pending engagement of suitable contractor                                |
| Public Conveniences   | Farm Beach  | Deferred      | Awaiting Eyes on Eyre implementation. Funding carried f/wd to 2019/20    |
|                       | George Dorward Memorial reserve, toilet refurbishment | Not commenced | Carried f/wd to 2019/20  |
| Cemeteries            | Upgrade to Cummins carpark etc                        | Complete      |  |
|                       | Poonindie Cemetery Project                            | Deferred      | Carried F/wd to 2019/20  |
| Halls                 | Cummins Hall, Future uses report                      | Complete      |  |
|                       | Cummins Hall, Repairs to facade                       | Deferred      | Awaiting contractor report re: overall structural condition of the hall. |

In April 2016, Council adopted Strategic Plan in which they reconsidered the vision and mission statements, reaching a final consensus on both as follows:

**VISION:**

To promote and inspire safe, prosperous and inclusive rural and coastal communities

**MISSION:**

To assist our community achieve its economic and social potential through services, programs and advocacy and responsible management.

Within the new Strategic Plan, key function areas were identified with a specific goal assigned to it, and actions below those goals to outline how Council will achieve its targets:



The Strategic plan will be reviewed by the new Council in 2019/20.

## Infrastructure & Services

Council recognises that appropriate Public infrastructure and assets are among the highest priorities that the community expects and demands from local government. Council will maintain and improve Councils infrastructure and assets to support economic and social development of the district.

| STRATEGIC ACTIONS |   | Measure / Comment  | 2018/19 Achievements / comment  | Status       | 2019/20 Projections – NB – subject to identified priorities in new strategic plan   |
|-------------------|---|--|---|--------------|---|
| 11                | Maintain kerbside collection and Waste Transfer Stations in line with the Waste Management Level of Service Standards.  | Contractual arrangements in place for collection of kerbside waste.  | Weekly Kerbside Waste Collection undertaken.  | Achieved     | Weekly Kerbside Waste Collection undertaken.  |
|                   |   | Transfer stations operating in line with established procedures and operating times within budget constraints. | Waste transfer stations available in Cummins and Coffin Bay.  | Achieved     | Waste transfer stations available in Cummins and Coffin Bay.  |
|                   |   | In conjunction with CoPL and DCTB a shared use residual waste facility is in operation on Lower Eyre Peninsula | Residual waste facility in operation  | Achieved     | Residual waste facility continues to be in operation.   |
| 12                | Explore opportunities for joint Council contracts for the collection and disposal of waste streams such as domestic and business waste, recyclable products and effluent.                       | A review is undertaken and consideration given to sourcing the best value product and cost for Council.        | The existing kerbside collection contract with the existing provider was extended following consideration of the value for money, and with reflection of the decisions of adjoining Councils. | Achieved     | Whole of Council review of waste management to be undertaken  |
| 13                | Implement Council's Rural Roadside Vegetation Management Policy.  | Maintenance undertaken in line with Council budget.  | Work undertaken along rural roadsides in line with council policy and budget.   | Achieved     | Work is undertaken along rural roadsides in line with council policy.   |
| 14                | Maintain and where practical improve the standard of Council owned rural roads in line with Council's Road Network Level of Service Standards and the Asset and Infrastructure Management Plan. | Patrol grading undertaken in line with established Road network service standards                              | Budget expended in line with Council policies and standards   | Achieved     | Budget expended in line with Council policies and standards   |
|                   |   | 80% of re-sheeting identified in annual budgets is completed (allowing for weather events)                     | 80% of re-sheeting projects are completed   | Not Achieved | Carried over roads are included in 2019/20 budget along with new roads. Plans being developed to complete all projects in 2019/20 using combination of Council resources and contractors. |

| STRATEGIC ACTIONS |  | Measure / Comment  | 2018/19 Achievements / comment   | Status       | 2019/20 Projections – NB – subject to identified priorities in new strategic plan  |
|-------------------|--|--|--|--------------|--|
| 15                | Maintain and where required Improve the standard of urban roads by progressively sealing roads subject to high traffic volumes and supporting expanding residential populations. | Work has been undertaken in line with identified priorities in the Capital Works Program and within budgetary allowances.                  | Sealing projects were undertaken in line with the identified projects & capital works programs.<br><br>Land acquisition completed for fire access road link between Hidden Valley Lane & Roberts Road.   | Achieved     | Sealing projects will be undertaken in line with the identified projects<br><br>Fire access track to be constructed between Roberts Road & Hidden Valley Lane.<br>Additional Road links to be pursued as opportunity arises. |
| 16                | Expand staff knowledge and resources in the development and implementation of a best practice approach to the management of a quality road network.                              | Training budget expended.  | Training undertaken by relevant staff, internal workshop held in June 2019.  | Achieved     | Internal workshops to create standardised processes and quality controls.  |
| 17                | Develop a street scape amenity plan for each major town.   | Plan created and implemented / budgeted. Template created for other townships within the district with works considered in future budgets. | Action not undertaken in 2018/19, other priorities took precedent.   | Not Achieved | Development of street scape amenity plan will be undertaken in 2019/20 for key townships.  |
| 18                | Maintain and upgrade Council reserves in accordance with the Community Land Management Plan.   | 90% of annual maintenance undertaken on reserves in line with annual budget.   | Budget fully expended.   | Achieved     | Annual maintenance budget has been increased in recognition of greater focus in budget.  |
|                   |  | 90% Council projects identified in annual budgets are completed  | Relocation of canopies to Tulka & Coffin Bay no longer being pursued – Alternative approach being taken to Coffin Bay Look Out, and funding alternative project at Tulka at the request of the Tulka Progress association. Mt Dutton Bay signage & seating completed | In progress  | Coffin Bay Look Out to be upgraded<br><br>Funding provided to Tulka Progress Association for community shed.   |
| I&S9              | Footpaths and trails maintained and developed in accordance with the Footpath Strategic Plan.  | 90% of annual maintenance undertaken on footpaths in line with budget (allowing for weather events)  | Budget expended  | Achieved     | Footpaths maintenance in line with Footpath Strategic Plan / LTFF / Strategic Plan and 2019/20 budget  |
|                   |  | 90 % Capital works programmed are completed.   | Budget expended in line with capital works program   | Achieved     | 90% Capital works programmed are completed.  |
|                   |  | Footpath Strategic Plan reviewed in 2017/18.   | Footpath strategic plan was not reviewed as other priorities took precedent.   | Not Achieved | Review to be undertaken in 2019/20 year.   |

| STRATEGIC ACTIONS |  | Measure / Comment   | 2018/19 Achievements / comment   | Status       | 2019/20 Projections – NB – subject to identified priorities in new strategic plan |
|-------------------|--|---|--|--------------|---|
| I&S10             | Maintain and upgrade public conveniences within Council townships and at important tourist locations.  | Contracts are in place and monitored for effectiveness and quality.               | Contracts in place and monitored for effectiveness   | Achieved     | Contracts renewed October 2019  |
|                   |  | Identified Capital works from budget have been commenced.                         | Project put on hold pending RDAWEP's 'Eyes on Eyre' project  | On Hold      | Concept plans in place and conveniences upgraded.                                 |
| I&S11             | Develop and implement a playground Strategic Plan.   | Playground Strategic Plan is reviewed in 2017/18                                  | The Playground Strategic Plan was not reviewed as planned due to other priorities  | Not Achieved | The Playground Strategic Plan is to be reviewed.                                  |
| I&S12             | Maintain and upgrade playgrounds in accordance with the Playground Strategic Plan.   | 100% of existing playgrounds inspected quarterly                                  | Playground inspections have been undertaken with actions identified recorded and addressed.  | Achieved     | Existing playgrounds maintained and inspected regularly.                          |
|                   |  | Inspections are undertaken within four weeks of the target dates                  | Inspections undertaken in line with schedule   | Achieved     | Inspections undertaken in line with schedule                                      |
|                   |  | Cummins Skate Park design completed by end 2017/18                                | Council agreed to allow a community skate park committee to redesign the proposed plan and set schedule of work<br>Skate Park upgrade completed. | Achieved     | Skate Park inspected and maintained.  |
| I&S13             | Street lighting standards are maintained or improved in accordance with the Street Lighting Strategic Plan.  | 90% Capital works completed.  | Capital installations completed in line with budgets   | Achieved     | Capital inclusions considered in upcoming budgets                                 |
| I&S14             | Maintain and improve the standard of Council cemeteries in accordance with the Cemetery Management Plan  | Annual maintenance undertaken on reserves in line with budget.                    | Budget expended in line with management / strategic plans.   | Achieved     | Review Cemetery Management Plan in conjunction with stakeholders                  |
|                   |  |   | Council has resolved to review Poonindie Cemetery however this has not occurred as other priorities took precedent.                              | Not Achieved | Review of Poonindie Cemetery undertaken to create a management plan for the site. |
| I&S15             | Enact administrative requirements in accordance with the Burial & Cremations Act 2013, and to ensure the dignified treatment of human remains by the allocation of sufficient resources. | Policies and procedures implemented and full compliance with the act is in place. | Policies and procedures have not been finalised, however new forms are in place & being utilised   | In Progress  | Finalise the procedures and policies.   |

## Community Wellbeing

Council aspires to provide an appropriate level of amenity and support to maintain and improve the wellbeing of the community and recognises that the willingness of residents to live, work and recreate within the district is enhanced through the provision of quality health and educational institutions and the amenity of the area, including well maintained streetscapes, parks and reserves.

Continued support and encouragement of local community groups and organisations to undertake their activities is seen as important by Council to assist in maintaining the attitude of self-help that has existed almost uniquely within the Lower Eyre Peninsula communities over many years.

| STRATEGIC ACTIONS |  | Measure / Comment   | 2018/19 Achievements / comment   | Status       | 2019/20 Projections – NB – subject to identified priorities in new strategic plan  |
|-------------------|--|---|--|--------------|--|
| C1                | Encourage the retention of, and where appropriate provide new access to the coastline for the local community and visitors alike, whilst working in conjunction with responsible State Government agencies to protect and ensure sustainable use of the extensive coastline of the Council area. | Identified work from Strategic Plan included in annual budgets  | North Shields beach access commenced, but waiting on approval from State Government Agencies.  | In Progress  | New North Shields Beach Access to be completed, subject to approval from State Government Agencies.  |
| C2                | On Council's coastal reserves, ensure appropriate signage identifying known high risks and highlighting the conservation values to assist the community in protecting the habitat of those areas.  | (1) Signage audit undertaken<br>(2) Signage installed and fit for purpose.  | Signage audit undertaken by Regional Development Australia Whyalla & Eyre Peninsula on a regional basis.                             | Achieved     | Upon provision of a standard from RDAWEP, Council to assess audit and consider budget allocation in future budgets.  |
| C3                | Participate in the development of a Coastal Access Strategy in conjunction with the EPLGA and RDAWEP.  | Participate in process as opportunities arise.  | Council provided funding to RDAWEP for a Coastal Access Strategy, being used for a Wayfinding Project (signage audit).               | In Progress  | Determine areas in which by-laws will apply for addressing coastal access in our Council area.   |
| C4                | Review Council's Climate Change Adaption Report, and implement where necessary in the interests of community safety.   | Report reviewed as scheduled  | Review planned to commence in 2018/19, however has been rescheduled.   | N/A          | Review to be undertaken in 2020/21   |
| C5                | Monitor climate change impacts on Council's coastal towns and settlements and take the appropriate actions to reduce identified impacts where resources permit.  | Action taken to address identified climate change impacts.  | Council has been provided with LIDAR mapping data from EPNRM.  | Not Achieved | Council to source grant funding to assist with the engagement of consultants to model the LIDAR data to map impact on North Shields, Farm Beach and Tulka                      |
| C6                | Mitigate the potential negative impact of stormwater run off from coastal towns or settlements.  | Coffin Bay Stormwater Management Plan completed<br><br>Implementation of actions arising from Coffin Bay Stormwater Management Plan | Coffin Bay Stormwater Management Plan did not receive State Government.<br>Actions will be scheduled subject to outcome of the plan. | Not Achieved | A further application will be made to State Government for funding to develop Coffin Bay Stormwater Management Plan. Actions will be scheduled subject to outcome of the plan. |

| STRATEGIC ACTIONS |   | Measure / Comment   | 2018/19 Achievements / comment  | Status   | 2019/20 Projections – NB – subject to identified priorities in new strategic plan                            |
|-------------------|---|---|---|----------|--|
| C7                | Continue to provide 'Community & Sports Groups Capital Grants' to assist with the upgrading of local facilities.  | Community Capital Grants available annually to community groups and organisations.  | Grants were allocated to successful bodies, guidelines / policy were developed to assist council.   | Achieved | Continue to provide a budget allocation for Community group assistance.                                      |
| C8                | Support strategic upgrading of sporting, recreation and community facilities in the Council area.   | Community Development Officer to assist groups accessing funding.   | Hours of Community Development Officer were increased to 3 days per week (with funding assistance from Cummins District Financial Services), and the position expanded to be titled 'Economic & Community Development Officer'. | Achieved | Economic & Community Development Officer position retained.  |
| C9                | Provide recycled water to improve community assets where feasible.  | Recycled water is made available to the Coffin Bay Golf Club & the Cummins Oval   | Recycled water continues to be available to Port Lincoln Golf Club, Coffin Bay Golf Club & Cummins Oval.  | Achieved | Recycled water continues to be available to Port Lincoln Golf Club, Coffin Bay Golf Club & Cummins Oval.     |
| C10               | Provide a community bus in association with the Cummins & District Enterprise Committee and the Cummins Community Bank to provide a medium of transport for disadvantaged persons, business groups and the wider community for social events. | Bus available for community use and maintained to an appropriate standard.  | Monthly Community Bus program was tried but lack of community use made in unviable. Creating Connections program utilises bus on regular occasions.   | Achieved | Investigate further opportunities for community use of the bus   |
|                   |   | New shed built to house community bus.  | Action complete in 2017/18  | N/A      | Nil.   |
| C11               | Ensure annual budget allocations and staff cars are made available for Red Cross Community Transport Services.  | A Memorandum of Understanding is entered into with the Red Cross Port Lincoln to enable access to vehicles for the purpose of patient transportation. | MOU in place and access to Council vehicles provided.<br><br>Donation of \$2,000 included in annual budget.   | Achieved | MOU continues to be in place and Council vehicles utilised when required / available. Budget included.       |
| C12               | Promote local community groups and events through a range of services and funding initiatives.  | Promotion of community events on Council social media and website   | Community focus groups asked for events, community calendar created on website, events shared on facebook when known  | Achieved | Promotion of community activities via website & Facebook and increased use of community calendar encouraged. |
| C13               | Retain the position of a part time Community Development Officer to support local community groups.   | Officer engaged   | Officer engaged   | Achieved | Officer engaged  |
| C14               | Provide 'Community Reserves Support Grants' to assist with local initiatives.   | Community Reserves Support Grants available annually to community   | Grants were allocated to successful bodies, guidelines / policy were  | Achieved | Continue to provide a budget allocation for Community group  |

| STRATEGIC ACTIONS | Measure / Comment   | 2018/19 Achievements / comment   | Status  | 2019/20 Projections – NB – subject to identified priorities in new strategic plan |  |
|-------------------|---|--|---|---|--|
|                   |   | groups and organisations.  | developed to assist council.  |   | assistance.  |
| C15               | Support the youth of our community through the Youth Advisory Committee.  | Community Development Officer provides administrative / coordination support for the Youth Advisory Committee  | Officer in place  | Achieved  | Officer continues to provide support for Youth Activities  |
| C16               | Work with the State Recovery Office to prepare an Emergency Response Plan for the Council area that will ensure a unified and appropriate response is planned and resourced ahead of an event to enable Council to support the community in the aftermath of a natural disaster.  | R&D Grant received from Local Government Association and consultant engaged to prepare a Community Recovery Plan for DCLEP through consultation with the community and stakeholders. | R&D grant successful with Disaster Recovery plan and template for Local Government completed in 2018/19   | Achieved  | Plan reviewed and tested.  |
| C17               | Facilitate the establishment of a committee to review support services and accommodation needs of the elderly aimed at enhancing the lives of older people living at home or in aged care. The terms of reference for the committee include but are not limited to assessment of existing and future services, public and private facilities and land availability where necessary in order to meet identified needs. | A committee for Health & Ageing has been formed and a project officer engaged to review the Health & Ageing needs of our communities.  | Completed in 2017/18.<br><br>Economic Community Development Officer to continue updating and progressing the plan   | Achieved  | Action the implementation plan   |
| C18               | Advocate for, and where appropriate provide reasonable resources to support the establishment of health facilities and to progress initiatives that will support improved health outcomes for the community.  | Activity undertaken in support of improved health outcomes for the community.  | Council participating on EPLGA Health Working Party.<br>Health & Aging in our community report completed.<br>Participation in 3 Council 'Ageing Well in Southern EP' project. | Achieved  | Continued participation.<br><br>CDO role to action items identified.<br><br>Project completed and staff to attend working group as required. |
| C19               | Implement actions from the Regional Health Plan within resourcing constraints.  | Actions from the Regional Health Plan commenced.   | Progress Plan against Regional Health Plan developed across CoPL, DCTB & DCLEP.   | Achieved  | Implement actions emanating from the plan.   |

## Economic

Council will work to promote its area and provide a supportive framework to assist the development and expansion of private enterprise in recognition that small/medium enterprises are significant employers and are major contributors to the economic well being of the district.

| STRATEGIC ACTIONS |  | Measure / Comment   | 2018/19 Achievements / comment  | Status   | 2019/20 Projections – NB – subject to identified priorities in new strategic plan   |
|-------------------|--|---|---|----------|---|
| E1                | Work cooperatively with the Department of Water, Environment and Natural resources, Eyre Peninsula Natural Resource Management Board, SA Water and other relevant Government agencies to pursue a quality, sustainable and expanded water supply.  | Participate in the Eyre Peninsula Water Taskforce.                          | Council elected representatives to EP Water Task force.<br><br>Council has been represented at Tod Reservoir working group meetings.  | Achieved | Continue to participate as opportunities arise  |
| E2                | Support initiatives to improve power, water and telecommunication infrastructure for the region.   | Participation undertaken as opportunities arise.                            | Participation in electricity forums with feedback provided through agendas and meetings.<br>Meetings held with SA Water to pursue desalination initiative at Sleaford Bay.  | Achieved | Continue to participate and advocate for increased reliability as opportunities arise.  |
| E3                | Maintain & develop relationships with government, airlines and other stakeholder interests to ensure the prosperity of the airport.  | Engagement with stakeholders as issues arise                                | Meetings & Communication maintained with airlines, Regional Development Australia, State Government related to opportunities at the airport.<br>Budget provision made for air access marketing campaign, but not proceeded with due to return expected not being considered to be realisable.                                 | Achieved | Meetings held with airline operators and relevant stakeholders.<br>Investigate opportunities for increasing passenger numbers at the airport.<br>Investigate commercial opportunities as they present opportunity at the airport. |
| E4                | Advocate for initiatives that preserve and enhance the transport infrastructure of the region, including: <ul style="list-style-type: none"> <li>· Rail retained and upgraded to be the principal mover of grain and mining produce across the region;</li> <li>· Highways upgraded to improve safety of road users;</li> <li>· Reduce conflict between social and freight movements.</li> </ul> | Advocate for retention of rail on Eyre Peninsula for the movement of grain. | Council advocated regularly to State Government for retention of rail for grain transport.<br>Viterra did not renew the contract for Genessee Wyoming Australia to transport grain by the rail network.<br>State government announced closure of railway.<br>Council advocating for improvements to road network as a result. | Achieved | Advocate for improvements to highways and township thoroughfares with the State Government.   |

| STRATEGIC ACTIONS |  | Measure / Comment  | 2018/19 Achievements / comment  | Status      | 2019/20 Projections – NB – subject to identified priorities in new strategic plan   |
|-------------------|--|--|---|-------------|---|
|                   |  |  |   |             |   |
| E5                | Support the Eyre Peninsula Natural Resource Management Board, government agencies, agricultural interests and the community to ensure sustainable land management practices are utilised.        | Participation undertaken as opportunities arise.   | Work undertaken by Council and landowners to improve water flow through the Peelina Creek.  | Complete    |   |
| E6                | Elected Members and relevant staff participate in appropriate land management forums conducted in the region.  | Participation undertaken as opportunities arise.   | No relevant forums held in 2018/19  | N/A         | Participate as opportunities arise.   |
| E7                | Actively support the establishment of locally based value added business initiatives.  | Support provided for value adding businesses.  | Engagement with and support provided where possible with letters of support provided for grant funding as requested.  | N/A         | Continue to support value adding businesses.  |
| E8                | Work with relevant agencies to encourage development of business activity and initiatives conducive to ensuring young residents have the option of remaining and working in the area e.g. RDAWEP | Participation undertaken as opportunities arise.   | CEO participated as a member of RDAWEP Skills Development Group.  | Achieved    | Pursue as opportunities arise.  |
| E9                | Consider the social & environmental impacts on the DCLEP community of mining proposals while seeking to maximise economic benefits.  | Work with and monitor activity of the Eyre Peninsula Mining Taskforce.                           | Eyre Peninsula Mining Taskforce meeting minutes and information received.   | Achieved    | Respond to activities of the Eyre Peninsula Mining Taskforce.   |
| E10               | Ensure that appropriate quantities and availability of industrial & residential land exists in key towns.  | Active steps are taken to ensure appropriate land is available for key towns to expand and grow. | Progression of costings for residential concept plans. Discussion with relevant parties on expansion of Cummins Industrial Land. Assessment of adequacy of Industrial Land in Coffin Bay. | In progress | Feasibility analysis of Coffin Bay Retirement Living as part of Coffin Bay residential expansion. Pursue industrial land provision in Cummins as opportunity allows. Protect Industrial Land in Coffin Bay. |
| E11               | Utilise the Council website to provide links to businesses locally and regionally.   | Staff actively present articles on the website to promote business.                              | Community Calendar created on website and community groups contacted for articles periodically  | Achieved    | Refurbishment of Council website while moving to new platform Identify how the website can be enhanced/ links created to business domains   |
| E11               | Support tourism opportunities by promoting the area, its facilities and attractions both locally and to the broader tourist market.  | Consider tourism initiatives as presented by RDAWEP.   | Council supported Eyes on Eyre project.   | Achieved    | Work with RDAWEP and Eyre Peninsula Councils to pursue the Eyes on Eyre project.  |

| STRATEGIC ACTIONS |  | Measure / Comment  | 2018/19 Achievements / comment   | Status  | 2019/20 Projections – NB – subject to identified priorities in new strategic plan   |
|-------------------|--|--|--|---|---|
|                   |  | Support regional tourism initiatives                             | <p>Community Development Officer has represented Council EPLGA CEO Committee Tourism Committee meetings</p> <p>Council has offered to be a partner in the City of Port Lincoln Southern Eyre Peninsula Tourism Plan.</p> <p>Inclusion of funding to promote increased visitor access to the region through the airport included in the budget, however has not utilised due to return expected not being realisable.</p> | <p>Achieved</p> <p>Achieved</p> <p>Achieved</p> | <p>Continue to be represented at EPLGA CEO Committee Tourism Committee meetings.</p> <p>Seek input into the Southern Tourism Plan which was adopted by the City of Port Lincoln</p> <p>Investigate opportunities for increasing passenger growth at the airport. Investigate opportunities for marketing of air access to the region.</p> |
| E12               | Along with Eyre Peninsula Councils and other stakeholders assist with funding of a Regional Tourism Officer employed by Regional Development Australia Whyalla & Eyre Peninsula. | Continue to provide funding for regional Tourist Officer.        | RDAWEP employs a Regional Tourism Officer using Council funding.   | Achieved  | Council will continue to provide funding to RDAWEP, who in turn employ a tourism officer.   |
| E13               | Engage with the South Australian Tourism Commission to explore opportunities for the airport to grow and expand its role as a visitor gateway to the Lower Eyre Peninsula.       | Minimum of one meeting held between Council staff and SATC staff | Meetings held with Minister and Department of Tourism Trade & Investment re economic opportunities..   | Achieved  | Minimum of one meeting held between Council staff and SATC staff  |
| E14               | Promote significant tourism destinations via Council website with links to regional websites.  | Links to regional websites are provided on the Council website.  | Website review planned for 2019/20 when website hosting platform changes.  | In progress                                     | Links to regional websites are provided on the Council website. Investigate whether RDAWEP website has current links / information.   |
| E15               | Explore opportunities with the South Australian Tourism Commission to promote our region as an area of high quality coastal experiences.   | Participation undertaken as opportunities arise.                 | Funding committed to Bike SA regional tour. Opportunity for air access marketing explored to back onto SATC summer campaign – not taken up due to view that may not provide a cost benefit.  | Achieved  | Funding provided to Bike SA for three night stay in our district during September event. Explore further opportunities for air access marketing plan.   |

| STRATEGIC ACTIONS |  | Measure / Comment            | 2018/19 Achievements / comment  | Status   | 2019/20 Projections – NB – subject to identified priorities in new strategic plan  |
|-------------------|--|------------------------------|---|----------|--|
| E17               | Invest in tourism infrastructure at significant tourist locations including the Port Lincoln Airport and Council owned Caravan Parks and Camp grounds. | 85% Capital Works completed. | Historical Auster aircraft displayed at Port Lincoln Airport.<br>Extension and Upgrade completed to General Aviation Apron & taxiway.<br>Capital works included in the 2018/19 budget completed or Council decision made to defer projects. | Achieved | Runway 15/33 pavement replacement.<br>Capital works projects as identified in Long Term Financial Plan and Council 2019/20 budget. |

## Responsible Governance

Council will provide vision and leadership in a stable environment reflecting a high level of integrity and accountability to the community.

Operating within the State Government legislative framework, namely the Local Government Act 1999 and associated regulations, the Council will diligently discharge its duties in providing a range of services and advocating for facilities and services on behalf of the community and business sector.

| STRATEGIC ACTIONS |   | Measure / Comment  | 2018/19 Achievements / comment   | Status      | 2019/20 Projections – NB – subject to identified priorities in new strategic plan   |
|-------------------|---|--|--|-------------|---|
| G1                | Undertake biennial reviews of Councils rating methodology, to ensure fairness for both built up and rural land owners.  | Rating reviews conducted   | Monitoring of rates collected from rural and township areas undertaken as part of budget preparation to ensure fairness to the sectors.  | Achieved    | Undertake full review of rating methodology taking into account all of the facilities provided to each township, interrogating the methodology of assessment, and giving appropriate consideration to the future needs of each community. |
| G2                | Review Council business activities annually (Airport, Cummins Homes, Coffin Bay Caravan Park, Community Waste Water Management Schemes) to ensure they represent value to the ratepayers.                 | Review LTFP Business activities (PLA, Caravan Park, Cummins homes)           | LTFP business activities reviewed to ensure financial sustainability and appropriate charging methodology applied where appropriate.   | Achieved    | Long Term Financial Plan reviewed annually  |
| G3                | Enact appropriate policies and procedures to ensure the financial transparency of Council, the minimisation of risk is sufficient and that Council is compliant with the Financial Regulations and codes. | Internal controls are considered and where improvement is required, enacted. | Internal Controls reviewed.  | Achieved    | Internal controls are considered and where improvement is required, enacted.  |
| G4                | Review the Infrastructure & Asset Management Plan to ensure the asset figures are current and replacement of assets and infrastructure is planned and resourced sufficiently.                             | A review of the Asset & Infrastructure management plan is commenced.         | Review of the Asset & Infrastructure Management Plan was commenced, but not completed due to staff transition. New asset valuations have been attained incorporated into budgets and financial statements and funds budgeted for 2018/19 asset software. | In progress | Complete AIMP review<br>Implement asset management software.  |
| G5                | Review the Community Engagement Strategy on an annual basis to ensure it provides for flexibility in engagement options and remains tailored to the current needs of the community.                       | Community Engagement Strategy reviewed                                       | Strategy reviewed by new Council and 'Meet & Greets' initiated with CEO and Mayor visiting various communities for informal 'chat'.  | Achieved    | Meet & Greets continued, opportunities for engagement continue to be investigated.  |

| STRATEGIC ACTIONS |   | Measure / Comment   | 2018/19 Achievements / comment   | Status   | 2019/20 Projections – NB – subject to identified priorities in new strategic plan                                   |
|-------------------|---|---|--|----------|---|
| G6                | Review the make up of Community Reference Groups on an annual basis to assist in their effectiveness in representing their respective communities.  | Community Reference Groups reviewed   | Undertaken as part of Community Engagement Strategy review   | Achieved | Continue to keep groups under review.   |
| G7                | Encourage smaller communities to establish their own local resident 'data bases' and 'news feeds' to engender connection within individual areas and to provide a communication avenue for Council.   | Alternative avenues for community consultation & assisting residents form groups where appropriate.                 | Contact details are requested annually to ensure most current contacts are available.  | Achieved | Contact details are requested annually to ensure most current contacts are available.                               |
| G8                | Develop and implement the Customer Service Standards which outline the level of service customers can expect for a variety of Council's services.   | DCLEP Customer Service Levels implemented   | Review completed   | Achieved | Keep levels under review  |
| G9                | Allocate internal resources for the review of Governance practices once in the term of the Council.   | Governance review is conducted in 2018/19   | Governance review postponed to 2019/20   | N/A      | Governance Review is to be undertaken in 2019/20.   |
| G10               | Regularly review internal practices and procedures utilising independent parties where considered necessary.  | Manage Internal Controls in line with Council's auditor recommendations   | High risk controls identified were put in place from auditor recommendations   | Achieved | Review and implement further internal controls as considered necessary.   |
| G11               | Allocate sufficient resourcing to ensure the safety of our employees and compliance with the Work Health & Safety Act 2012 and to meet the required Performance Standards for Self Insured Entities.  | Annual budget allowances in training and the continued engagement of a Work Health & Safety Administration officer. | WHS Officer engaged in a part time role.<br>Training budget expended.  | Achieved | Annual budget allowances in training and the continued engagement of a Work Health & Safety Administration officer. |
| G12               | Represent and advocate for residents, community groups and business to other levels of government or agencies where regional, social or economic development activity is considered to be of benefit to the region or is consistent with the strategic objectives of Council. | As opportunities arise advocate on behalf of our Council area   | Council has advocated to government on a range of activities including in relation to rail continuance, power supply and reliability and in relation to private enterprise as appropriate. | Achieved | Represent and advocate as opportunities arise.  |
| G13               | Elected Members and staff will participate in forums, meetings and other activities involving the Local Government Association, Eyre Peninsula Local Government Association or relevant government agencies.  | As opportunities arise advocate on behalf of our Council area   | DCLEP was represented at all LGA and EPLGA meetings.   | Achieved | Continue to represent the interests of the DCLEP communities at an Eyre Peninsula and State Level.                  |
|                   |   |   |  |          |   |

| STRATEGIC ACTIONS |   | Measure / Comment  | 2018/19 Achievements / comment  | Status   | 2019/20 Projections – NB – subject to identified priorities in new strategic plan |
|-------------------|---|--|---|----------|---|
| G14               | Actively engage in regional collaboration initiatives in conjunction with other Local Government entities for the betterment of our region. | Council has actively sought out regional collaboration initiatives | Council has participated or explored a range of regional activities including Regional Roadside Vegetation Management Plan, RDAWEP tourism initiatives, Regional Health Plans, Coastal Access Strategy, DPTI / Local Govt MOU and local shared services.  | Achieved | Continue to pursue opportunities as they arise.                                   |
| G15               | Maintain effective working relationships with State & Federal Governments and agencies.   | As opportunities arise advocate on behalf of our Council area      | <p>Council has worked closely with DPTI relating to the new State Government Planning System.</p> <p>Council continues to liaise with the LGA in relation to the previously completed Council Recovery Plan undertaken in conjunction with the state Recovery Office.</p> <p>Council has worked with Country Health SA in developing the Health &amp; Ageing in our Community project and continues to pursue improvements to our health system as opportunity arises.</p> <p>Council has worked with RDAWEP on a number of projects throughout the year.</p> <p>Council engages with NRM and other agencies as required.</p> | Achieved | Continue to pursue opportunities as they arise.                                   |

## Statutory

The Council operates within a highly legislated and regulated environment that both influences and dictates its administrative functions and a range of services provided to the community.

Council will at all times discharge its statutory responsibilities to aid the safety of the community in a fair and courteous manner while enforcing the activities vested in the Council as outlined by the relevant legislation.

| STRATEGIC ACTIONS |   | Measure / Comment  | 2018/19 Achievements / comment   | Status      | 2019/20 Projections – NB – subject to identified priorities in new strategic plan                                       |
|-------------------|---|--|--|-------------|---|
| S1                | Maintain the current level of dog control and enforcement services in accordance with the Animal Management Plan.   | Manage animal compliance in line with Councils Animal Management Plan  | General Inspector engaged and conducting activities in line with legislative requirements.   | Achieved    | Continued engagement of General Inspector   |
| S2                | Review the Council's Animal Management Plan in 2017.  | Review conducted when planned  | Animal management plan reviewed  | Achieved    | By-laws as they apply to animal management will be considered in the 2019/20 year.                                      |
| S3                | Undertake a Master Plan review of Cummins and Coffin Bay Townships between 2016/17 and 2018/19.   | Planning and budget provision has been considered and where appropriate, action commenced.                       | No budget allocation provided  | N/A         | No actions identified for 2019/20   |
| S4                | Undertake a Section 30 review in line with requirements of the Development Act 1993, to ensure that the area is developed in an orderly and economically sustainable fashion. | Section 30 review undertaken   | Due to new planning legislation a section 30 review is not considered to be required.  | N/A         | Not considered to be required   |
| S5                | Undertake Development Plan Amendments where a Section 30 review has identified the need for the rezoning of land.   | DPA amendments are undertaken where identified   | Council has worked with DPTI in determining the appropriateness of pursuing development plan amendments, noting that the new 'Planning & Design Code' system is to take effect during 2019/20 year. In some cases this has required a changed approach to prepare for a Code Amendment Review. | N/A         | Continue to review status of Development Plan Amendments based on new legislation and approach of the State Government. |
| S6                | Assess the opportunity for the employment of specialist planning and development staff to support Councils across the region.   | In conjunction with the CoPL and DCTB Councils continue to work towards a streamlining of development practices. | Shared service meetings have considered options and opportunities for the sharing of development resources.  | In progress | New shared services arrangements developed between Council and neighbouring Councils.                                   |

| STRATEGIC ACTIONS |   | Measure / Comment  | 2018/19 Achievements / comment   | Status       | 2019/20 Projections – NB – subject to identified priorities in new strategic plan  |
|-------------------|---|--|--|--------------|--|
| S7                | Participate in the development and implementation of Bushfire Management Area Plans for our district and region.                                | Provide active provision of comment and input in Regional and State plans where opportunities arise.   | Input provided to the BMAP process.  | Achieved     | Provide annual input into Lower Eyre Peninsula Bushfire Management Area Plan.  |
| S8                | Implement recommendations of the Bushfire Management Area Plan by inclusion in Council annual budgets   | Implement the works program associated with the LEP BMAP.  | Work undertaken in line with allocated budgets.  | Achieved     | Identified works are undertaken in line with Council budget  |
| S9                | Support CFS Community Education initiatives which inform and assist landholders to be prepared for bushfires and to build community resilience. | Share information on Council's website, newsletters, facebook page as available.   | Information regarding forums, training opportunities and preparedness information shared on Council media.                             | Achieved     | Continue to share current Information available on Council's website and information shared on facebook and other media.                 |
| S10               | Consider opportunities for retrofitting road linkages to improve fire access / egress in township and rural living areas                        | Consider opportunities to retrofit roads in rural living area within budget constraints and subject to landowner willingness to discuss options. | Agreement reached with land owners to allow Roberts Road to Hidden Valley Lane link road.  | Achieved     | Fire access track to be constructed, while fencing and associated works is to be undertaken as agreed with neighbouring land owners.     |
|                   |   |  | Council will continue to work with developer who is looking to build Mazda Drive to Boundary Road link as part of private development. | In progress  | Continue to progress this link with developer where possible.  |
| S11               | Activate the Local Bushfire Prevention Committee to gain local knowledge and expertise from local CFS representatives                           | Reform the DCLEP Bushfire Prevention Committee   | Consider the reinstatement of the DCLEP Bushfire Prevention Committee.   | Achieved     | A call for expressions of interest from the community to be on this committee was made with insufficient interest to create a committee. |
| S12               | Undertake Food Act inspections as required by legislation.  | Food Premise annual inspections are undertaken   | No action was undertaken in 2018/19 as suitably qualified contractors were unavailable.  | Not achieved | Food Premise annual inspections will be undertaken   |
| S13               | Undertake an annual review of Council's Environmental Health resourcing arrangements to ensure they meet the needs of the Council.              | Review Environmental Health Officer operations within DCLEP with consideration of shared service opportunities                                   | Shared service MOU agreement in place with DCTB.   | Achieved     | Keep an agreement in place for access to these services.   |

## *SUBSIDIARIES*

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### **Eyre Peninsula Local Government Association**

Council also continues to participate in the Eyre Peninsula Local Government Association in conjunction with other Eyre Peninsula Councils. This Association is constituted as a Regional Subsidiary pursuant to Section 43 of the Local Government Act.

A copy of the Eyre Peninsula Local Government Association Annual Report and audited financial statements for 2018/19 have been included in this report as **Appendix "C"**.

**APPENDIX 'A'**

**COUNCIL FINANCIAL STATEMENTS**

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**GENERAL PURPOSE FINANCIAL REPORTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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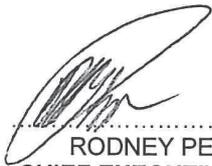
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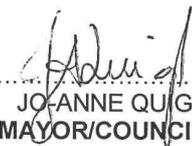
**DISTRICT COUNCIL OF LOWER EYRE PENINSULA  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**CERTIFICATION OF FINANCIAL STATEMENTS**

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.

  
.....  
RODNEY PEARSON  
CHIEF EXECUTIVE OFFICER

  
.....  
JOANNE QUIGLEY  
MAYOR/COUNCILLOR

Date: 28/10/2019

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|  | Notes | 2019<br>\$        | 2018<br>\$        |
|--|-------|-------------------|-------------------|
| <b>INCOME</b>  |       |                   |                   |
| Rates  | 2     | 7,435,607         | 6,917,480         |
| Statutory charges  | 2     | 146,187           | 148,702           |
| User charges   | 2     | 2,323,966         | 2,239,442         |
| Grants, subsidies and contributions  | 2     | 1,896,934         | 1,822,758         |
| Investment income  | 2     | 132,039           | 106,307           |
| Reimbursements   | 2     | 122,600           | 90,740            |
| Other income   | 2     | 55,879            | 17,645            |
| Net gain - equity accounted Council businesses                               | 19    | -                 | 386               |
| <b>Total Income</b>  |       | <b>12,113,212</b> | <b>11,343,460</b> |
| <b>EXPENSES</b>  |       |                   |                   |
| Employee costs   | 3     | 2,802,725         | 2,634,864         |
| Materials, contracts & other expenses  | 3     | 4,357,040         | 4,435,780         |
| Depreciation, amortisation & impairment                                      | 3     | 3,476,292         | 3,441,811         |
| Finance costs  | 3     | 293,178           | 320,123           |
| <b>Total Expenses</b>  |       | <b>10,929,235</b> | <b>10,832,578</b> |
| <b>OPERATING SURPLUS / (DEFICIT)</b>   |       | <b>1,183,977</b>  | <b>510,882</b>    |
| Asset disposal & fair value adjustments                                      | 4     | (20,080)          | (25,919)          |
| Amounts received specifically for new or upgraded assets                     | 2     | 142,500           | 378,486           |
| <b>NET SURPLUS / (DEFICIT) (transferred to Equity Statement)</b>             |       | <b>1,306,397</b>  | <b>863,449</b>    |
| <b>Other Comprehensive Income</b>  |       |                   |                   |
| Changes in revaluation surplus - infrastructure, property, plant & equipment | 9     | (254,600)         | -                 |
| Share of other comprehensive income - equity accounted Council businesses    | 19    | -                 | 37,751            |
| <b>Total Other Comprehensive Income</b>                                      |       | <b>(254,600)</b>  | <b>37,751</b>     |
| <b>TOTAL COMPREHENSIVE INCOME</b>  |       | <b>1,051,797</b>  | <b>901,200</b>    |
| Share of Net Surplus / (Deficit)   |       |                   |                   |
| Council  |       | <b>1,306,397</b>  | 863,449           |
|  |       | <b>1,306,397</b>  | 863,449           |
| Share of Other Comprehensive Income  |       |                   |                   |
| Council  |       | <b>(254,600)</b>  | 37,751            |
|  |       | <b>(254,600)</b>  | 37,751            |
| <b>TOTAL COMPREHENSIVE INCOME</b>  |       | <b>1,051,797</b>  | <b>901,200</b>    |

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|   | Notes | 2019<br>\$         | 2018<br>\$         |
|---|-------|--------------------|--------------------|
| <b>ASSETS</b>                               |       |                    |                    |
| <b>Current Assets</b>                       |       |                    |                    |
| Cash and cash equivalents                   | 5     | 4,706,798          | 4,409,372          |
| Trade & other receivables                   | 5     | 936,787            | 935,858            |
| Inventories                                 | 5     | 226,904            | 179,715            |
| <b>Total Current Assets</b>                 |       | <b>5,870,489</b>   | <b>5,524,945</b>   |
| <b>Non-current Assets</b>                   |       |                    |                    |
| Financial assets                            | 6     | 57,000             | 22,898             |
| Infrastructure, property, plant & equipment | 7     | 94,512,560         | 94,959,204         |
| Other non-current assets                    | 6     | 436,031            | 130,165            |
| <b>Total Non-current Assets</b>             |       | <b>95,005,591</b>  | <b>95,112,267</b>  |
| <b>Total Assets</b>                         |       | <b>100,876,080</b> | <b>100,637,212</b> |
| <b>LIABILITIES</b>                          |       |                    |                    |
| <b>Current Liabilities</b>                  |       |                    |                    |
| Trade & other payables                      | 8     | 700,029            | 1,120,958          |
| Borrowings                                  | 8     | 931,336            | 1,206,844          |
| Provisions                                  | 8     | 854,963            | 797,032            |
| <b>Total Current Liabilities</b>            |       | <b>2,486,328</b>   | <b>3,124,834</b>   |
| <b>Non-current Liabilities</b>              |       |                    |                    |
| Borrowings                                  | 8     | 5,684,061          | 5,864,988          |
| Provisions                                  | 8     | 75,520             | 69,016             |
| <b>Total Non-current Liabilities</b>        |       | <b>5,759,581</b>   | <b>5,934,004</b>   |
| <b>Total Liabilities</b>                    |       | <b>8,245,909</b>   | <b>9,058,838</b>   |
| <b>NET ASSETS</b>                           |       | <b>92,630,171</b>  | <b>91,578,374</b>  |
| <b>EQUITY</b>                               |       |                    |                    |
| Accumulated Surplus                         |       | 36,733,984         | 35,229,879         |
| Asset Revaluation Reserves                  | 9     | 55,618,396         | 55,872,996         |
| Other Reserves                              | 9     | 277,791            | 475,499            |
| <b>TOTAL EQUITY</b>                         |       | <b>92,630,171</b>  | <b>91,578,374</b>  |

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

| 2019   | Notes | Acc'd<br>Surplus<br>\$ | Asset Rev'n<br>Reserve<br>\$ | Other<br>Reserves<br>\$ | TOTAL<br>EQUITY<br>\$ |
|--|-------|------------------------|------------------------------|-------------------------|-----------------------|
| Balance at end of previous reporting period                                  |       | 35,229,879             | 55,872,996                   | 475,499                 | 91,578,374            |
| Restated opening balance   |       | 35,229,879             | 55,872,996                   | 475,499                 | 91,578,374            |
| <b>Net Surplus / (Deficit) for Year</b>                                      |       | <b>1,306,397</b>       |                              |                         | <b>1,306,397</b>      |
| <b>Other Comprehensive Income</b>  |       |                        |                              |                         |                       |
| Gain on revaluation of infrastructure, property,<br>plant & equipment        |       |                        | (254,600)                    |                         | (254,600)             |
| Transfers between reserves   |       | 197,708                |                              | (197,708)               | -                     |
| <b>Balance at end of period</b>  |       | <b>36,733,984</b>      | <b>55,618,396</b>            | <b>277,791</b>          | <b>92,630,171</b>     |
| <b>2018</b>  |       |                        |                              |                         |                       |
| Balance at end of previous reporting period                                  |       | 34,576,348             | 55,872,996                   | 227,322                 | 90,676,666            |
| Restated opening balance   |       | 34,576,348             | 55,872,996                   | 227,322                 | 90,676,666            |
| <b>Net Surplus / (Deficit) for Year</b>                                      |       | <b>863,449</b>         |                              |                         | <b>863,449</b>        |
| <b>Other Comprehensive Income</b>  |       |                        |                              |                         |                       |
| Share of other comprehensive income - equity<br>accounted Council businesses |       | 37,751                 |                              |                         | 37,751                |
| Other equity adjustments - equity accounted<br>Council businesses            |       | 508                    |                              |                         | 508                   |
| Transfers between reserves   |       | (248,177)              |                              | 248,177                 | -                     |
| <b>Balance at end of period</b>  |       | <b>35,229,879</b>      | <b>55,872,996</b>            | <b>475,499</b>          | <b>91,578,374</b>     |

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

|   | Notes | 2019<br>\$         | 2018<br>\$         |
|---|-------|--------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |       |                    |                    |
| <i>Receipts:</i>  |       |                    |                    |
| Rates - general & other   |       | 7,409,289          | 6,882,592          |
| Fees & other charges  |       | 146,187            | 179,401            |
| User charges  |       | 2,291,220          | 2,464,615          |
| Investment receipts   |       | 138,920            | 103,743            |
| Grants utilised for operating purposes                          |       | 1,896,549          | 2,190,722          |
| Reimbursements  |       | 107,034            | 91,810             |
| Other revenues  |       | 140,065            | 849,959            |
| <i>Payments:</i>  |       |                    |                    |
| Employee costs  |       | (2,742,286)        | (2,681,237)        |
| Materials, contracts & other expenses                           |       | (4,823,693)        | (5,199,255)        |
| Finance payments  |       | (287,493)          | (326,792)          |
| <b>Net Cash provided by (or used in) Operating Activities</b>   | 11    | <u>4,275,792</u>   | <u>4,555,558</u>   |
| <br><b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |       |                    |                    |
| <i>Receipts:</i>  |       |                    |                    |
| Amounts specifically for new or upgraded assets                 |       | 142,500            | 378,486            |
| Sale of replaced assets   |       | 208,271            | 272,548            |
| Repayments of loans by community groups                         |       | 25,763             | 63,709             |
| Distributions received from equity accounted Council businesses |       | -                  | 269,032            |
| <i>Payments:</i>  |       |                    |                    |
| Expenditure on renewal/replacement of assets                    |       | (1,936,735)        | (2,435,039)        |
| Expenditure on new/upgraded assets                              |       | (1,881,730)        | (1,305,132)        |
| Loans made to community groups                                  |       | (80,000)           | (18,000)           |
| <b>Net Cash provided by (or used in) Investing Activities</b>   |       | <u>(3,521,931)</u> | <u>(2,774,396)</u> |
| <br><b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |       |                    |                    |
| <i>Receipts:</i>  |       |                    |                    |
| Proceeds from borrowings  |       | 462,000            | 350,000            |
| <i>Payments:</i>  |       |                    |                    |
| Repayments of borrowings  |       | (918,435)          | (1,279,042)        |
| <b>Net Cash provided by (or used in) Financing Activities</b>   |       | <u>(456,435)</u>   | <u>(929,042)</u>   |
| <b>Net Increase (Decrease) in cash held</b>                     |       | <u>297,426</u>     | <u>852,120</u>     |
| <br>Cash & cash equivalents at beginning of period              | 11    | <u>4,409,372</u>   | <u>3,557,252</u>   |
| <b>Cash &amp; cash equivalents at end of period</b>             | 11    | <u>4,706,798</u>   | <u>4,409,372</u>   |

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**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 dollar (\$).

**2 The Local Government Reporting Entity**

The District Council of Lower Eyre Peninsula is incorporated under the SA Local Government Act 1999 and has its principal place of business at 32 Railway Terrace, Cummins SA 5631. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

**3 Income recognition**

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

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

|         | <b>Cash Payment<br/>Received</b> | <b>Annual Allocation</b> | <b>Difference</b> |           |
|---------|----------------------------------|--------------------------|-------------------|-----------|
| 2016/17 | \$1,321,685                      | \$872,080                | +                 | \$449,605 |
| 2017/18 | \$1,123,195                      | \$1,083,416              | +                 | \$39,779  |
| 2018/19 | \$1,543,931                      | \$1,109,569              | +                 | \$434,362 |

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 and Net Liabilities Ratio disclosed in Note 15 have 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 LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

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

**3.1 Construction Contracts**

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

**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.

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

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

**5 Inventories**

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

**6 Infrastructure, Property, Plant & Equipment**

**6.1 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.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

**6.4 Subsequent Recognition**

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

**6.5 Depreciation of Non-Current Assets**

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

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

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

**6.6 Impairment**

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not assessed for impairment.

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

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

**6.7 Borrowing Costs**

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

**7 Payables**

**7.1 Goods & Services**

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

**7.2 Payments Received in Advance & Deposits**

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

**8 Borrowings**

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

**9 Employee Benefits**

**9.1 Salaries, Wages & Compensated Absences**

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

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.

**9.2 Superannuation**

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

**10 Leases**

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

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

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

**11 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.

**12 GST Implications**

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

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

**13 Pending Accounting Standards**

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2019 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 16   | 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.)

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities, which will commence from 1 July 2019, affect the timing with which revenues, particularly special purpose grants, are recognised. Amounts received in relation to contracts with sufficiently specific performance obligations will in future only be recognised as these obligations are fulfilled. In these Statements, the sum of \$0 has been recognised as revenue, in accordance with the current Standards, but would in future be recorded as a liability "Amounts in Advance" until the performance obligations have been fulfilled.

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability.

At 30 June 2019, Council has no leases to which this treatment will need to be applied.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 2 - INCOME**

|  | Notes | 2019<br>\$       | 2018<br>\$ |
|--|-------|------------------|------------|
| <b>RATES REVENUES</b>                                |       |                  |            |
| <u>General Rates</u>                                 |       | <b>6,356,726</b> | 5,856,948  |
| Less: Mandatory rebates                              |       | <b>(22,309)</b>  | (22,225)   |
| Less: Discretionary rebates, remissions & write offs |       | <b>(49,802)</b>  | (46,164)   |
|  |       | <b>6,284,615</b> | 5,788,559  |
| <u>Other Rates</u> (including service charges)       |       |                  |            |
| Natural Resource Management levy                     |       | <b>341,409</b>   | 337,455    |
| Community wastewater management systems              |       | <b>772,105</b>   | 755,750    |
|  |       | <b>1,113,514</b> | 1,093,205  |
| <u>Other Charges</u>                                 |       |                  |            |
| Penalties for late payment                           |       | <b>37,478</b>    | 35,716     |
|  |       | <b>37,478</b>    | 35,716     |
|  |       | <b>7,435,607</b> | 6,917,480  |
| <b>STATUTORY CHARGES</b>                             |       |                  |            |
| Development Act fees                                 |       | <b>29,261</b>    | 30,517     |
| Town planning fees                                   |       | <b>57,704</b>    | 61,912     |
| Health & Septic Tank Inspection fees                 |       | <b>11,502</b>    | 9,687      |
| Animal registration fees & fines                     |       | <b>35,858</b>    | 34,930     |
| Other licences, fees, & fines                        |       | <b>11,862</b>    | 11,656     |
|  |       | <b>146,187</b>   | 148,702    |
| <b>USER CHARGES</b>                                  |       |                  |            |
| Cemetery Fees  |       | <b>10,880</b>    | 29,644     |
| Passenger Levy                                       |       | <b>1,568,361</b> | 1,530,482  |
| Landing Fees   |       | <b>67,022</b>    | 65,584     |
| Waste Transfer Station Fees                          |       | <b>47,753</b>    | 57,414     |
| Additional Bin Charges                               |       | <b>39,502</b>    | 40,885     |
| Property Rentals                                     |       | <b>421,140</b>   | 382,508    |
| Parking fees   |       | <b>129,215</b>   | 87,869     |
| Sundry   |       | <b>40,093</b>    | 45,056     |
|  |       | <b>2,323,966</b> | 2,239,442  |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 2 - INCOME (continued)**

| <b>INVESTMENT INCOME</b>  | <b>Notes</b> | <b>2019</b>      | <b>2018</b> |
|---|--------------|------------------|-------------|
|   |              | <b>\$</b>        | <b>\$</b>   |
| Interest on investments:  |              |                  |             |
| Local Government Finance Authority                                      |              | <b>81,164</b>    | 59,817      |
| Banks & other   |              | <b>48,158</b>    | 42,191      |
| Loans to community groups   |              | <b>2,717</b>     | 4,299       |
|   |              | <b>132,039</b>   | 106,307     |
| <b>REIMBURSEMENTS</b>   |              |                  |             |
| - for roadworks   |              | -                | 804         |
| - for private works   |              | <b>6,349</b>     | 5,024       |
| - other   |              | <b>116,251</b>   | 84,912      |
|   |              | <b>122,600</b>   | 90,740      |
| <b>OTHER INCOME</b>   |              |                  |             |
| Sundry  |              | <b>55,879</b>    | 17,645      |
|   |              | <b>55,879</b>    | 17,645      |
| <b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>                                 |              |                  |             |
| Amounts received specifically for new or upgraded assets                |              | <b>142,500</b>   | 378,486     |
| Other grants, subsidies and contributions                               |              |                  |             |
| Untied - Financial Assistance Grant                                     |              | <b>1,543,931</b> | 1,123,195   |
| Roads to Recovery   |              | <b>291,668</b>   | 588,237     |
| Community   |              | -                | 15,112      |
| Employee Schemes  |              | -                | 30,879      |
| Health  |              | <b>3,649</b>     | 27,494      |
| Library & Communications  |              | <b>2,199</b>     | 1,963       |
| Airports  |              | -                | 1,182       |
| Sundry  |              | <b>55,487</b>    | 34,696      |
|   |              | <b>1,896,934</b> | 1,822,758   |
|   |              | <b>2,039,434</b> | 2,201,244   |
| <i>The functions to which these grants relate are shown in Note 12.</i> |              |                  |             |
| <b>Sources of grants</b>  |              |                  |             |
| Commonwealth government   |              | <b>327,559</b>   | 656,696     |
| State government  |              | <b>1,679,849</b> | 1,525,836   |
| Other   |              | <b>32,026</b>    | 18,712      |
|   |              | <b>2,039,434</b> | 2,201,244   |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 2 - INCOME (continued)**

| <i>Conditions over grants &amp; contributions</i>  | <b>2019</b>         | <b>2018</b>       |
|--|---------------------|-------------------|
| <i>Notes</i>   | <b>\$</b>           | <b>\$</b>         |
| <i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i> |                     |                   |
| <i>Unexpended at the close of the previous reporting period</i>  | <b>61,786</b>       | 10,841            |
| <i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>  |                     |                   |
| <i>Foreshore Protection (National Landcare Program)</i>  | -                   | (10,841)          |
| <i>Foreshore Protection (Recreational Fishing Program)</i>   | <b>(49,686)</b>     |                   |
| <i>Health (Engage Ageing Residents Program)</i>  | <b>(12,100)</b>     |                   |
| <i>Subtotal</i>  | <b>(61,786)</b>     | <b>(10,841)</b>   |
| <i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>  |                     |                   |
| <i>Foreshore Protection (Recreational Fishing Program)</i>   | -                   | 49,686            |
| <i>Health (Engage Ageing Residents Program)</i>  | -                   | 12,100            |
| <i>Subtotal</i>  | <b>-</b>            | <b>61,786</b>     |
| <i>Unexpended at the close of this reporting period</i>  | <b>-</b>            | <b>61,786</b>     |
| <br><i>Net increase / (decrease) in assets subject to conditions in the current reporting period</i>   | <br><b>(61,786)</b> | <br><b>50,945</b> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 3 - EXPENSE**

|  | Notes | 2019<br>\$       | 2018<br>\$       |
|--|-------|------------------|------------------|
| <b>EMPLOYEE COSTS</b>                                    |       |                  |                  |
| Salaries and Wages                                       |       | 2,467,940        | 2,358,897        |
| Employee leave expense                                   |       | 429,486          | 360,755          |
| Superannuation - defined contribution plan contributions | 18    | 244,833          | 225,415          |
| Superannuation - defined benefit plan contributions      | 18    | 35,389           | 38,748           |
| Workers' Compensation Insurance                          |       | 69,212           | 75,598           |
| Less: Capitalised and distributed costs                  |       | (444,135)        | (424,549)        |
| <b>Total Operating Employee Costs</b>                    |       | <b>2,802,725</b> | <b>2,634,864</b> |

|                                  |           |           |
|----------------------------------|-----------|-----------|
| <b>Total Number of Employees</b> | <b>42</b> | <b>38</b> |
|----------------------------------|-----------|-----------|

*(Full time equivalent at end of reporting period)*

**MATERIALS, CONTRACTS & OTHER EXPENSES**

Prescribed Expenses

|                                  |  |                |                |
|----------------------------------|--|----------------|----------------|
| Auditor's Remuneration           |  |                |                |
| - Auditing the financial reports |  | 22,499         | 21,500         |
| Bad and Doubtful Debts           |  | 1,425          | -              |
| Elected members' expenses        |  | 139,181        | 123,889        |
| Subtotal - Prescribed Expenses   |  | <b>163,105</b> | <b>145,389</b> |

Other Materials, Contracts & Expenses

|  |  |                  |                  |
|--|--|------------------|------------------|
| Contractors                                      |  | 1,718,450        | 1,758,615        |
| Consultants                                      |  | 266,989          | 170,460          |
| Energy   |  | 280,538          | 265,536          |
| Fuels / Lubricants                               |  | 180,966          | 177,886          |
| Bank Charges                                     |  | 22,819           | 20,238           |
| Water  |  | 60,154           | 83,487           |
| Insurance  |  | 279,248          | 276,526          |
| Contributions                                    |  | 179,131          | 314,700          |
| Advertising                                      |  | 39,286           | 31,089           |
| Telecommunications                               |  | 42,653           | 44,996           |
| Minor Furniture & Equipment                      |  | 66,920           | 140,366          |
| Levies paid to government - NRM levy             |  | 341,459          | 337,311          |
| Parts, accessories & consumables                 |  | 447,521          | 466,493          |
| Sundry   |  | 508,710          | 408,642          |
| Less: Capitalised and Distributed Costs          |  | (240,909)        | (205,954)        |
| Subtotal - Other Materials, Contracts & Expenses |  | <b>4,193,935</b> | <b>4,290,391</b> |
|  |  | <b>4,357,040</b> | <b>4,435,780</b> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 3 - EXPENSE (continued)**

|  | 2019             | 2018           |
|--|------------------|----------------|
| Notes  | \$               | \$             |
| <b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b> |                  |                |
| <b>Depreciation</b>                                |                  |                |
| Buildings & Other Structures                       | <b>636,280</b>   | 638,972        |
| Infrastructure                                     |                  |                |
| - CWMS Schemes                                     | <b>233,424</b>   | 233,132        |
| - Recreation & Culture                             | <b>6,496</b>     | 6,217          |
| - Sealed Roads                                     | <b>792,589</b>   | 776,263        |
| - Formed & Surfaced Roads                          | <b>897,116</b>   | 897,116        |
| - Port Lincoln Airport                             | <b>267,706</b>   | 263,708        |
| - Aerodromes                                       | <b>11,293</b>    | 11,293         |
| - Boat Ramps                                       | <b>45,975</b>    | 45,975         |
| - Footpaths  | <b>26,575</b>    | 24,320         |
| - Stormwater                                       | <b>55,399</b>    | 55,397         |
| - Economic Affairs                                 | <b>11,503</b>    | 11,503         |
| - Bridges  | <b>5,133</b>     | 5,133          |
| - Foreshore  | <b>7,190</b>     | 6,234          |
| Plant & Equipment                                  | <b>128,274</b>   | 119,557        |
| Furniture & Fittings                               | <b>4,056</b>     | 3,248          |
| Machinery  | <b>356,631</b>   | 351,569        |
|  | <b>3,485,640</b> | 3,449,637      |
| Less: Capitalised and distributed costs            | <b>(9,348)</b>   | <b>(7,826)</b> |
|  | <b>3,476,292</b> | 3,441,811      |
| <b>FINANCE COSTS</b>                               |                  |                |
| Interest on Loans                                  | <b>293,178</b>   | 320,123        |
|  | <b>293,178</b>   | 320,123        |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS**

|   | Notes | 2019<br>\$      | 2018<br>\$      |
|---|-------|-----------------|-----------------|
| <b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>      |       |                 |                 |
| <i>Assets renewed or directly replaced</i>                  |       |                 |                 |
| Proceeds from disposal                                      |       | 208,271         | 272,548         |
| Less: Carrying amount of assets sold                        |       | <u>228,351</u>  | <u>298,467</u>  |
| <b>Gain (Loss) on disposal</b>                              |       | <u>(20,080)</u> | <u>(25,919)</u> |
| <br>  |       |                 |                 |
| <b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b> |       | <u>(20,080)</u> | <u>(25,919)</u> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 5 - CURRENT ASSETS**

|  |              | 2019             | 2018             |
|--|--------------|------------------|------------------|
| <b>CASH &amp; EQUIVALENT ASSETS</b>      | <b>Notes</b> | <b>\$</b>        | <b>\$</b>        |
| Cash on Hand and at Bank                 |              | 149,210          | 255,837          |
| Deposits at Call                         |              | 1,757,588        | 1,653,535        |
| Short Term Deposits                      |              | 2,800,000        | 2,500,000        |
|  |              | <u>4,706,798</u> | <u>4,409,372</u> |
| <br><b>TRADE &amp; OTHER RECEIVABLES</b> |              |                  |                  |
| Rates - General & Other                  |              | 388,320          | 362,310          |
| Rates postponed for State Seniors        |              | 1,943            | 1,635            |
| Accrued Revenues                         |              | 248,168          | 231,807          |
| Debtors - general                        |              | 167,990          | 213,392          |
| GST Recoupment                           |              | 79,276           | 93,691           |
| Prepayments                              |              | 7,131            | 9,199            |
| Loans to community organisations         |              | 48,959           | 28,824           |
| Total                                    |              | 941,787          | 940,858          |
| Less: Allowance for Doubtful Debts       |              | 5,000            | 5,000            |
|  |              | <u>936,787</u>   | <u>935,858</u>   |
| <br><b>INVENTORIES</b>                   |              |                  |                  |
| Stores & Materials                       |              | 226,904          | 179,715          |
|  |              | <u>226,904</u>   | <u>179,715</u>   |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 6 - NON-CURRENT ASSETS**

|                                     | Notes | 2019<br>\$            | 2018<br>\$            |
|-------------------------------------|-------|-----------------------|-----------------------|
| <b>FINANCIAL ASSETS</b>             |       |                       |                       |
| <b>Receivables</b>                  |       |                       |                       |
| Loans to community organisations    |       | <u>57,000</u>         | <u>22,898</u>         |
| <b>TOTAL FINANCIAL ASSETS</b>       |       | <u><b>57,000</b></u>  | <u><b>22,898</b></u>  |
| <br><b>OTHER NON-CURRENT ASSETS</b> |       |                       |                       |
| Capital Works-in-Progress           |       | <u>436,031</u>        | <u>130,165</u>        |
|                                     |       | <u><b>436,031</b></u> | <u><b>130,165</b></u> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

|                              | Fair Value Level | 2018<br>\$'000     |                   |                     |                   | 2019<br>\$'000     |                   |                     |                   |
|------------------------------|------------------|--------------------|-------------------|---------------------|-------------------|--------------------|-------------------|---------------------|-------------------|
|                              |                  | Fair Value         | Cost              | Acc' Dep'n          | Carrying Amount   | Fair Value         | Cost              | Acc' Dep'n          | Carrying Amount   |
| Land                         | 2                | 13,529,000         | -                 | -                   | 13,529,000        | <b>13,320,400</b>  | -                 | -                   | <b>13,320,400</b> |
| Buildings & Other Structures | 2                | 26,301,987         | 316,824           | (10,829,102)        | 15,789,709        | <b>26,284,786</b>  | <b>435,402</b>    | <b>(11,451,966)</b> | <b>15,268,222</b> |
| Infrastructure               |                  |                    |                   |                     |                   |                    |                   |                     |                   |
| - CWMS Schemes               | 3                | 15,865,818         | 50,732            | (4,932,176)         | 10,984,374        | <b>15,865,818</b>  | <b>67,522</b>     | <b>(5,165,600)</b>  | <b>10,767,740</b> |
| - Recreation & Culture       | 3                | 1,384,386          | 24,785            | (174,217)           | 1,234,954         | <b>1,384,386</b>   | <b>40,010</b>     | <b>(180,713)</b>    | <b>1,243,683</b>  |
| - Sealed Roads               | 3                | 37,981,258         | 5,557,809         | (19,144,359)        | 24,394,708        | <b>37,981,258</b>  | <b>7,251,843</b>  | <b>(19,936,947)</b> | <b>25,296,154</b> |
| - Formed & Surfaced Roads    | 3                | 23,799,997         | 1,184,178         | (16,492,420)        | 8,491,755         | <b>23,799,997</b>  | <b>1,572,620</b>  | <b>(17,389,536)</b> | <b>7,983,081</b>  |
| - Port Lincoln Airport       | 3                | 17,196,717         | 605,033           | (5,297,892)         | 12,503,858        | <b>17,196,717</b>  | <b>916,415</b>    | <b>(5,565,598)</b>  | <b>12,547,534</b> |
| - Aerodromes                 | 3                | 371,856            | -                 | (175,765)           | 196,091           | <b>371,856</b>     | -                 | <b>(187,058)</b>    | <b>184,798</b>    |
| - Boat Ramps                 | 3                | 1,429,737          | -                 | (741,921)           | 687,816           | <b>1,429,737</b>   | -                 | <b>(787,896)</b>    | <b>641,841</b>    |
| - Footpaths                  | 3                | 860,295            | 202,545           | (394,062)           | 668,778           | <b>860,295</b>     | <b>256,900</b>    | <b>(420,637)</b>    | <b>696,558</b>    |
| - Stormwater                 | 3                | 2,924,330          | 98,575            | (1,216,085)         | 1,806,820         | <b>2,924,330</b>   | <b>165,854</b>    | <b>(1,271,484)</b>  | <b>1,818,700</b>  |
| - Economic Affairs           | 3                | 331,948            | 99,469            | (225,034)           | 206,383           | <b>331,948</b>     | <b>99,469</b>     | <b>(236,537)</b>    | <b>194,880</b>    |
| - Bridges                    | 3                | 385,000            | -                 | (292,600)           | 92,400            | <b>385,000</b>     | -                 | <b>(297,733)</b>    | <b>87,267</b>     |
| - Foreshore                  | 3                | 395,501            | -                 | (74,443)            | 321,058           | <b>395,501</b>     | <b>49,195</b>     | <b>(81,633)</b>     | <b>363,063</b>    |
| - Sanitation & Garbage       | 3                | -                  | 353,796           | -                   | 353,796           | <b>353,796</b>     | -                 | -                   | <b>353,796</b>    |
| Plant & Equipment            |                  | -                  | 1,414,362         | (770,577)           | 643,785           | -                  | <b>1,473,795</b>  | <b>(879,399)</b>    | <b>594,396</b>    |
| Furniture & Fittings         |                  | -                  | 27,140            | (17,226)            | 9,914             | -                  | <b>37,647</b>     | <b>(13,804)</b>     | <b>23,843</b>     |
| Machinery                    |                  | 894,000            | 3,696,244         | (1,546,239)         | 3,044,005         | <b>719,000</b>     | <b>4,032,057</b>  | <b>(1,624,453)</b>  | <b>3,126,604</b>  |
| <b>Total IPP&amp;E</b>       |                  | <b>143,651,830</b> | <b>13,631,492</b> | <b>(62,324,118)</b> | <b>94,959,204</b> | <b>143,604,825</b> | <b>16,398,729</b> | <b>(65,490,994)</b> | <b>94,512,560</b> |
| <b>Comparatives</b>          |                  | <b>144,017,818</b> | <b>10,054,231</b> | <b>(59,283,552)</b> | <b>94,788,497</b> | <b>143,651,830</b> | <b>13,631,492</b> | <b>(62,324,118)</b> | <b>94,959,204</b> |

*This Note continues on the following pages.*

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

|                              | 2018              | CARRYING AMOUNT MOVEMENTS DURING YEAR |                  |                  |                    |                  | 2019              |
|------------------------------|-------------------|---------------------------------------|------------------|------------------|--------------------|------------------|-------------------|
|                              | \$                | \$                                    |                  |                  |                    |                  | \$                |
|                              | Carrying Amount   | Additions                             |                  | Disposals        | Depreciation       | Net Revaluation  | Carrying Amount   |
|                              |                   | New / Upgrade                         | Renewals         |                  |                    |                  |                   |
| Land                         | 13,529,000        | 46,000                                | -                | -                | -                  | (254,600)        | 13,320,400        |
| Buildings & Other Structures | 15,789,709        | 44,904                                | 73,673           | (3,784)          | (636,280)          | -                | 15,268,222        |
| Infrastructure               | -                 | -                                     | -                | -                | -                  | -                | -                 |
| - CWMS Schemes               | 10,984,374        | -                                     | 16,790           | -                | (233,424)          | -                | 10,767,740        |
| - Recreation & Culture       | 1,234,954         | -                                     | 15,225           | -                | (6,496)            | -                | 1,243,683         |
| - Sealed Roads               | 24,394,708        | 1,292,642                             | 401,393          | -                | (792,589)          | -                | 25,296,154        |
| - Formed & Surfaced Roads    | 8,491,755         | -                                     | 388,442          | -                | (897,116)          | -                | 7,983,081         |
| - Port Lincoln Airport       | 12,503,858        | 297,186                               | 14,196           | -                | (267,706)          | -                | 12,547,534        |
| - Aerodromes                 | 196,091           | -                                     | -                | -                | (11,293)           | -                | 184,798           |
| - Boat Ramps                 | 687,816           | -                                     | -                | -                | (45,975)           | -                | 641,841           |
| - Footpaths                  | 668,778           | 54,355                                | -                | -                | (26,575)           | -                | 696,558           |
| - Stormwater                 | 1,806,820         | 51,770                                | 15,509           | -                | (55,399)           | -                | 1,818,700         |
| - Economic Affairs           | 206,383           | -                                     | -                | -                | (11,503)           | -                | 194,880           |
| - Bridges                    | 92,400            | -                                     | -                | -                | (5,133)            | -                | 87,267            |
| - Foreshore                  | 321,058           | 49,195                                | -                | -                | (7,190)            | -                | 363,063           |
| - Sanitation & Garbage       | 353,796           | -                                     | -                | -                | -                  | -                | 353,796           |
| Plant & Equipment            | 643,785           | 45,678                                | 47,955           | (14,748)         | (128,274)          | -                | 594,396           |
| Furniture & Fittings         | 9,914             | -                                     | 17,985           | -                | (4,056)            | -                | 23,843            |
| Machinery                    | 3,044,005         | -                                     | 649,049          | (209,819)        | (356,631)          | -                | 3,126,604         |
| <b>Total IPP&amp;E</b>       | <b>94,959,204</b> | <b>1,881,730</b>                      | <b>1,640,217</b> | <b>(228,351)</b> | <b>(3,485,640)</b> | <b>(254,600)</b> | <b>94,512,560</b> |
| <i>Comparatives</i>          | <b>94,788,497</b> | <b>1,305,132</b>                      | <b>2,619,279</b> | <b>(304,067)</b> | <b>(3,449,637)</b> | <b>-</b>         | <b>94,959,204</b> |

*This note continues on the following pages.*

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 7 (continued) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

**Valuation of Assets**

**General Valuation Principles**

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

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

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.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 7 (continued) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

**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.

|   |          |
|---|----------|
| Office Furniture & Equipment            | \$5,000  |
| Other Plant & Equipment                 | \$5,000  |
| Buildings - new construction/extensions | \$10,000 |
| Park & Playground Furniture & Equipment | \$10,000 |
| Road construction & reconstruction      | \$10,000 |
| Paving & footpaths, Kerb & Gutter       | \$10,000 |
| Drains & Culverts                       | \$10,000 |
| Reticulation extensions                 | \$10,000 |
| Sidelines & household connections       | \$10,000 |
| Artworks                                | \$10,000 |

**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:

|                                      |                 |
|--------------------------------------|-----------------|
| Plant, Furniture & Equipment         |                 |
| Office Equipment                     | 5 to 10 years   |
| Office Furniture                     | 10 to 20 years  |
| Vehicles and Road-making Equip       | 5 to 8 years    |
| Other Plant & Equipment              | 5 to 15 years   |
| Building & Other Structures          |                 |
| Buildings – masonry                  | 50 to 100 years |
| Buildings – other construction       | 20 to 40 years  |
| Park Structures – masonry            | 50 to 100 years |
| Park Structures – other construction | 20 to 40 years  |
| Playground equipment                 | 5 to 15 years   |
| Benches, seats, etc                  | 10 to 20 years  |
| Infrastructure                       |                 |
| Sealed Roads – Surface               | 15 to 25 years  |
| Sealed Roads – Structure             | 20 to 50 years  |
| Unsealed Roads                       | 10 to 20 years  |
| Bridges – Concrete                   | 80 to 100 years |
| Paving & Footpaths, Kerb & Gutter    | 80 to 100 years |
| Drains                               | 80 to 100 years |
| Culverts                             | 50 to 75 years  |
| Flood Control Structures             | 80 to 100 years |
| Dams and 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  |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**NOTE 7 (continued) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

**Land & Land Improvements**

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. Additions are recognised at cost.

Land was revalued as at 1 July 2016 by Council staff inline with site valuations received by the Valuer-General for use by Council in the 2016/17 year.

Following a review of Council's land asset register in the year ended 30 June 2019 it was identified that duplicate land records existed on the asset register which have been written out of the asset register with an adjustment to the asset revaluation reserve.

**Buildings & Other Structures**

Buildings and other structures were revalued as at 1 July 2016 by Graham Martin of Maloney Field Services.

**Infrastructure**

Infrastructure (excluding Sanitation and Garbage) was revalued by the following members with an effective valuation date of 1 July 2016 with all acquisitions made after the respective dates of valuation being recorded at cost:

|                      |   |
|----------------------|---|
| Roads                | Tonkins Consulting Pty Ltd and Council Staff        |
| Aerodromes           | Aerodrome Design Services Pty Ltd and Council Staff |
| Effluent Schemes     | Gayler Professional Services and Council Staff      |
| Stormwater           | Council Staff                                       |
| Footpaths            | Council Staff                                       |
| Other Infrastructure | Council Staff                                       |

Assets categorised as Sanitation and Garbage have been treated at cost. The assets are earthworks associated with the capping of the historical Cummins and Coffin Bay landfill sites when converting these facilities to Waste Transfer Stations.

**Furniture & Equipment**

These assets are recognised on the cost basis.

**Plant & Equipment**

These assets are recognised on the cost basis.

**All other assets**

These assets are recognised on the cost basis.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 8 - LIABILITIES**

|   | Notes | 2019           |                  | 2018             |                  |
|---|-------|----------------|------------------|------------------|------------------|
|   |       | Current        | Non-current      | Current          | Non-current      |
|   |       | \$             | \$               | \$               | \$               |
| <b>TRADE &amp; OTHER PAYABLES</b>   |       |                |                  |                  |                  |
| Goods & Services  |       | 371,729        | -                | 376,655          | -                |
| Payments received in advance  |       | 1,782          | -                | 2,868            | -                |
| Accrued expenses - employee entitlements  |       | 57,282         | -                | 79,087           | -                |
| Accrued expenses - other  |       | 213,151        | -                | 606,263          | -                |
| Deposits, Retentions & Bonds  |       | 56,085         | -                | 56,085           | -                |
|   |       | <b>700,029</b> | <b>-</b>         | <b>1,120,958</b> | <b>-</b>         |
| <b>BORROWINGS</b>   |       |                |                  |                  |                  |
| Loans   |       | 931,336        | 5,684,061        | 1,206,844        | 5,864,988        |
|   |       | <b>931,336</b> | <b>5,684,061</b> | <b>1,206,844</b> | <b>5,864,988</b> |
| <i>All interest bearing liabilities are secured over the future revenues of the Council.</i>                  |       |                |                  |                  |                  |
| <b>PROVISIONS</b>   |       |                |                  |                  |                  |
| Annual Leave (Including Oncosts)  |       | 388,628        | -                | 372,064          | -                |
| Long Service Leave (Including Oncosts)  |       | 460,150        | 75,520           | 424,968          | 69,016           |
| Time Off in Lieu  |       | 6,185          | -                | -                | -                |
|   |       | <b>854,963</b> | <b>75,520</b>    | <b>797,032</b>   | <b>69,016</b>    |
| <i>Amounts included in provisions that are not expected to be settled within 12 months of reporting date.</i> |       | <b>535,670</b> |                  | <b>497,612</b>   |                  |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 9 - RESERVES**

| <b>ASSET REVALUATION RESERVE</b> | 1/7/2018          | Net<br>Increments/<br>(Decrements) | Transfers,<br>Impairments | 30/6/2019         |
|----------------------------------|-------------------|------------------------------------|---------------------------|-------------------|
| <b>Notes</b>                     | \$                | \$                                 | \$                        | \$                |
| Land                             | 13,713,072        | (254,600)                          | -                         | <b>13,458,472</b> |
| Buildings & Other Structures     | 3,560,570         | -                                  | -                         | <b>3,560,570</b>  |
| Infrastructure                   |                   |                                    |                           |                   |
| - CWMS Schemes                   | 8,622,954         | -                                  | -                         | <b>8,622,954</b>  |
| - Recreation & Culture           | 878,108           | -                                  | -                         | <b>878,108</b>    |
| - Sealed Roads                   | 12,740,504        | -                                  | -                         | <b>12,740,504</b> |
| - Formed & Surfaced Roads        | 4,152,664         | -                                  | -                         | <b>4,152,664</b>  |
| - Port Lincoln Airport           | 9,061,464         | -                                  | -                         | <b>9,061,464</b>  |
| - Aerodromes                     | 127,702           | -                                  | -                         | <b>127,702</b>    |
| - Boat Ramps                     | 508,890           | -                                  | -                         | <b>508,890</b>    |
| - Footpaths                      | 374,741           | -                                  | -                         | <b>374,741</b>    |
| - Stormwater                     | 1,368,070         | -                                  | -                         | <b>1,368,070</b>  |
| - Economic Affairs               | 99,705            | -                                  | -                         | <b>99,705</b>     |
| - Bridges                        | 75,087            | -                                  | -                         | <b>75,087</b>     |
| - Foreshore                      | 246,655           | -                                  | -                         | <b>246,655</b>    |
| Machinery                        | 342,810           | -                                  | -                         | <b>342,810</b>    |
| <b>TOTAL</b>                     | <b>55,872,996</b> | <b>(254,600)</b>                   | <b>-</b>                  | <b>55,618,396</b> |
| <b>Comparatives</b>              | <b>55,872,996</b> | <b>-</b>                           | <b>-</b>                  | <b>55,872,996</b> |

| <b>OTHER RESERVES</b>                   | 1/7/2018       | Transfers to<br>Reserve | Transfers<br>from Reserve | 30/6/2019        |
|---|----------------|-------------------------|---------------------------|------------------|
| Community Wastewater Management Schemes | 679,700        | 86,900                  |                           | <b>766,600</b>   |
| Port Lincoln Airport                    | 36,000         |                         | (216,700)                 | <b>(180,700)</b> |
| Cummins Homes                           | (145,400)      |                         | (94,100)                  | <b>(239,500)</b> |
| Coffin Bay Caravan Park                 | (100,000)      | 26,100                  |                           | <b>(73,900)</b>  |
| Open Space                              | 5,199          | 92                      |                           | <b>5,291</b>     |
| <b>TOTAL OTHER RESERVES</b>             | <b>475,499</b> | <b>113,092</b>          | <b>(310,800)</b>          | <b>277,791</b>   |
| <b>Comparatives</b>                     | <b>227,322</b> | <b>440,177</b>          | <b>(192,000)</b>          | <b>475,499</b>   |

**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)**

**CWMS** - Funds associated with the operation and capital works of Community Wastewater Management Schemes. Interest is calculated and the reserve adjusted for on amounts owing or owed to Council.

**Port Lincoln Airport** - Funds associated with the operation and future capital works of the Port Lincoln Airport. Interest is calculated and the reserve adjusted for on amounts owing or owed to Council.

**Cummins Homes** - Funds associated with the operation and capital works of the Cummins Homes with Council waiving any interest payable associated with a negative cash balance.

**Coffin Bay Caravan Park** - Funds associated with the operation and capital works of the Coffin Bay Caravan Park. Interest is calculated and the reserve adjusted for on amounts owing or owed to Council.

**Open Space** - Developer or Council open space contributions set aside for open space projects throughout the Council District.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**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.

|  | Notes | 2019<br>\$   | 2018<br>\$   |
|--|-------|--------------|--------------|
| <b>CASH &amp; FINANCIAL ASSETS</b>                             |       |              |              |
| Open Space Reserve Contributions                               |       | <u>5,291</u> | <u>5,122</u> |
| <b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b> |       | <u>5,291</u> | <u>5,122</u> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**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 | 2019<br>\$       | 2018<br>\$       |
|----------------------------------|-------|------------------|------------------|
| Total cash & equivalent assets   | 5     | <u>4,706,798</u> | <u>4,409,372</u> |
| Balances per Cash Flow Statement |       | <u>4,706,798</u> | <u>4,409,372</u> |

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

|   |  |                         |                         |
|---|--|-------------------------|-------------------------|
| Net Surplus (Deficit)   |  | 1,306,397               | 863,449                 |
| Non-cash items in Income Statement                                    |  |                         |                         |
| Depreciation, amortisation & impairment                               |  | 3,476,292               | 3,441,811               |
| Equity movements in equity accounted investments (increase)/ decrease |  | -                       | (386)                   |
| Net increase (decrease) in unpaid employee benefits                   |  | 42,630                  | (46,373)                |
| Grants for capital acquisitions treated as Investing Activity         |  | (142,500)               | (378,486)               |
| Net (Gain) Loss on Disposals  |  | <u>20,080</u>           | <u>25,919</u>           |
|   |  | <u>4,702,899</u>        | <u>3,905,934</u>        |
| Add (Less): Changes in Net Current Assets                             |  |                         |                         |
| Net (increase) decrease in receivables                                |  | 19,206                  | 295,475                 |
| Net (increase) decrease in inventories                                |  | (47,189)                | (2,752)                 |
| Net increase (decrease) in trade & other payables                     |  | <u>(399,124)</u>        | <u>356,901</u>          |
| <b>Net Cash provided by (or used in) operations</b>                   |  | <u><b>4,275,792</b></u> | <u><b>4,555,558</b></u> |

**(c) Financing Arrangements**

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

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Corporate Credit Cards               | 18,861    | 17,350    |
| LGFA Cash Advance Debenture facility | 4,751,939 | 4,768,775 |

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 12 - FUNCTIONS**

| INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
|--|-------------------|-------------------|-------------------|-------------------|--------------------------------|----------------|------------------------------|------------------|---|--------------------|
|  | INCOME            |                   | EXPENSES          |                   | OPERATING SURPLUS<br>(DEFICIT) |                | GRANTS INCLUDED IN<br>INCOME |                  | TOTAL ASSETS HELD<br>(CURRENT &<br>NON-CURRENT) |                    |
|  | ACTUAL            | ACTUAL            | ACTUAL            | ACTUAL            | ACTUAL                         | ACTUAL         | 2019                         | 2018             | 2019  | 2018               |
|  | 2019              | 2018              | 2019              | 2018              | 2019                           | 2018           | 2019                         | 2018             | 2019  | 2018               |
|  | \$                | \$                | \$                | \$                | \$                             | \$             | \$                           | \$               | \$  | \$                 |
| Administration   | 7,532,326         | 7,016,464         | 1,489,391         | 1,303,036         | 6,042,935                      | 5,713,428      | -                            | 30,879           | 7,658,064                                       | 7,326,072          |
| Public Order & Safety  |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Fire Protection  | 1,208             | 5,187             | 72,193            | 111,541           | (70,985)                       | (106,354)      | -                            | -                | 149,814   | 153,594            |
| Other  | 36,284            | 35,343            | 65,351            | 55,893            | (29,067)                       | (20,550)       | -                            | -                | 138,452   | 143,121            |
| Health   |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Health Inspections   | -                 | -                 | -                 | 5,078             | -                              | (5,078)        | -                            | -                | -   | -                  |
| Other Health   | 3,649             | 3,294             | 13,287            | 57,944            | (9,638)                        | (54,650)       | 3,649                        | 27,494           | 235,000   | 235,000            |
| Social Security & Welfare  |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Aged & Disabled Services   | -                 | 24,200            | 12,844            | 12,711            | (12,844)                       | 11,489         | -                            | -                | -   | -                  |
| Families & Children  | 2,269             | 1,286             | 6,876             | 4,810             | (4,607)                        | (3,524)        | 2,269                        | 720              | -   | -                  |
| Other Social Security & Welfare  | -                 | -                 | -                 | -                 | -                              | -              | -                            | -                | -   | -                  |
| Housing & Community Amenities  |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Housing  | 123,190           | 114,252           | 119,355           | 123,716           | 3,835                          | (9,464)        | 12,500                       | 10,843           | 1,196,135                                       | 1,091,495          |
| Town Planning  | 9,025             | -                 | 201,556           | 203,216           | (192,531)                      | (203,216)      | -                            | -                | -   | -                  |
| Community Development  | -                 | -                 | 103,947           | 84,067            | (103,947)                      | (84,067)       | -                            | -                | 81,000  | 81,000             |
| Sanitation & Garbage   | 87,255            | 98,300            | 967,609           | 982,880           | (880,354)                      | (884,580)      | -                            | 32,250           | 769,889   | 780,477            |
| Effluent   | 11,502            | 9,687             | 680,412           | 637,798           | (668,910)                      | (628,111)      | -                            | -                | 11,476,021                                      | 11,471,924         |
| Urban Stormwater Drainage  | 10,000            | -                 | 96,276            | 96,506            | (86,276)                       | (96,506)       | 10,000                       | -                | 1,818,701                                       | 1,829,599          |
| Other Community Amenities  | 12,240            | 31,868            | 359,122           | 352,834           | (346,883)                      | (320,966)      | -                            | -                | 723,225   | 739,300            |
| Protection of the Environment  | 3,330             | 3,249             | 374,355           | 390,048           | (371,025)                      | (376,799)      | -                            | 49,686           | 377,790   | 335,462            |
| Recreation & Culture   |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Libraries  | 2,199             | 1,963             | 53,047            | 58,512            | (50,848)                       | (56,549)       | 2,199                        | 1,963            | -   | -                  |
| Other Cultural Services  | -                 | -                 | 14,989            | 31,086            | (14,989)                       | (31,086)       | -                            | -                | -   | -                  |
| Sport & Recreation   | 10,806            | 26,040            | 483,067           | 603,755           | (472,261)                      | (577,715)      | -                            | 15,112           | 11,068,477                                      | 11,196,059         |
| Fuel & Energy  |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Agricultural Services  | 7,327             | 1,224             | 17,995            | 5,890             | (10,668)                       | (4,666)        | 7,327                        | 1,224            | -   | -                  |
| Mining Manufacturing Construction  |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Development Act  | 95,183            | 105,282           | 25,838            | 62,045            | 69,344                         | 43,237         | -                            | -                | -   | -                  |
| Other  | -                 | -                 | -                 | -                 | -                              | -              | -                            | -                | -   | -                  |
| Transport & Communication  |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Road Construction & Maintenance  | -                 | -                 | -                 | -                 | -                              | -              | -                            | -                | -   | -                  |
| Sealed Roads   | -                 | -                 | 1,166,735         | 1,013,904         | (1,166,735)                    | (1,013,904)    | 291,668                      | 838,237          | 25,296,154                                      | 24,431,911         |
| Formed & Surfaced Roads  | 1,333,799         | 1,240,873         | 1,703,074         | 1,867,239         | (369,274)                      | (626,366)      | 1,042,132                    | 651,832          | 7,983,082                                       | 8,491,755          |
| Natural Surfaced Formed Roads  | -                 | -                 | -                 | -                 | -                              | -              | -                            | -                | -   | -                  |
| Natural Surface Unformed Roads   | -                 | -                 | -                 | -                 | -                              | -              | -                            | -                | -   | -                  |
| Bridges  | -                 | -                 | 5,133             | 5,133             | (5,133)                        | (5,133)        | -                            | -                | 87,267  | 92,400             |
| Footpaths  | -                 | -                 | 103,547           | 88,081            | (103,547)                      | (88,081)       | -                            | -                | 696,558   | 668,778            |
| Port Lincoln Airport   | 1,938,639         | 1,834,983         | 2,097,741         | 1,823,634         | (159,102)                      | (11,349)       | 130,000                      | 36,889           | 23,262,686                                      | 23,525,053         |
| Authorised Landing Areas   | -                 | -                 | 22,544            | 18,821            | (22,544)                       | (18,821)       | -                            | -                | 542,738   | 554,091            |
| Other Transport & Communication  | -                 | -                 | 224,852           | 176,658           | (224,852)                      | (176,658)      | -                            | -                | 647,295   | 687,816            |
| Economic Affairs   |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Tourism  | -                 | -                 | 46,364            | 13,187            | (46,364)                       | (13,187)       | -                            | -                | -   | -                  |
| Caravan Parks & Camping Grounds  | 148,881           | 146,828           | 99,609            | 94,407            | 49,272                         | 52,421         | -                            | -                | 2,606,701                                       | 2,680,938          |
| Other Economic Affairs   | 109               | 27                | 69                | 73                | 40                             | (46)           | -                            | -                | 227,872   | 228,389            |
| Other Purposes NEC   |                   |                   |                   |                   |                                |                |                              |                  |   |                    |
| Public Debt Transactions   | 2,717             | 4,299             | 293,178           | 320,123           | (290,461)                      | (315,824)      | -                            | -                | -   | -                  |
| Other Purposes NEC   | 705,385           | 605,673           | 34,223            | 18,817            | 671,162                        | 586,856        | -                            | -                | 118,021   | 241,303            |
| Works Department   | -                 | -                 | 75,782            | 91,036            | (75,782)                       | (91,036)       | -                            | -                | 586,473   | 607,670            |
| Machinery Operations   | 35,891            | 32,752            | (101,386)         | 128,048           | 137,277                        | (95,296)       | 35,891                       | 32,752           | 3,126,604                                       | 3,044,005          |
| SEPS Operations  | -                 | -                 | -                 | -                 | -                              | -              | -                            | -                | -   | -                  |
| DCL/EP/SEPS Expenditure  | -                 | -                 | 260               | 251               | (260)                          | (251)          | -                            | -                | -   | -                  |
| <b>TOTALS</b>  | <b>12,113,212</b> | <b>11,343,074</b> | <b>10,929,235</b> | <b>10,832,578</b> | <b>1,183,977</b>               | <b>510,496</b> | <b>2,039,434</b>             | <b>2,201,244</b> | <b>100,876,080</b>                              | <b>100,637,212</b> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 12 (continued) - COMPONENTS OF FUNCTIONS**

The activities relating to Council functions are as follows:

**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.

**Public Order and Safety**

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Nursing Homes, Preventive Health Services, Other Health Services, Community Support, Elderly Citizens Facilities, Home Assistance Scheme, Other Services for the Aged and Disabled, Child Care Centres, Children and Youth Services, community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Cemeteries / Crematoria, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

**Social Security & Welfare**

Aged and disabled services, community welfare, rural counselling.

**Housing and Community Amenities**

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services, Waste Management, Domestic Waste, Green 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.

**Protection of the Environment N.E.C**

Foreshore protection, flood prevention, noise control.

**Recreation and Culture**

Libraries, cultural services, sport and recreation, reserves, swimming pools, halls.

**Mining, Manufacturing & Construction**

Building Act.

**Agricultural Services**

Pest plants, pest animals.

**Transport & Communication**

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

**Economic Affairs**

Tourism, Caravan Parks, rental properties.

**Other Purposes N.E.C.**

Public debt transactions, plant operations and other.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**  
**NOTE 13 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

|  |   |
|--|---|
| <b>Bank, Deposits at Call, Short Term Deposits</b>   | <p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning interest rates between 0.55% and 1.50% (2018: 0.55% and 1.50%). Short term deposits have an average maturity of 90 days and an average interest rates of 2.46% (2018: 90 days, 2.00%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>   |
| <b>Receivables - Rates &amp; Associated Charges (including legal &amp; penalties for late payment)</b> | <p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 6.60% (2018: 6.75%) 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><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>                                   |
| <b>Receivables - Fees &amp; other charges</b>  | <p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> 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><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>  |
| <b>Receivables - other levels of government</b>  | <p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> 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><b>Carrying amount:</b> approximates fair value.</p>   |
| <b>Receivables - Retirement Home Contributions</b>   | <p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>  |
| <b>Liabilities - Creditors and Accruals</b>  | <p><b>Accounting Policy:</b> 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><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>   |
| <b>Liabilities - Retirement Home Contributions</b>   | <p><b>Accounting Policy:</b> To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p><b>Terms &amp; conditions:</b> Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p><b>Carrying amount:</b> approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.</p> |
| <b>Liabilities - Interest Bearing Borrowings</b>   | <p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable over various terms ranging from 5 to 15 years; interest is charged at fixed rates for fixed term loans between 3.85% and 6.60% (2018: 3.85% and 8.05%) with variable cash advanced debenture loans being charged interest between 3.75% and 3.35% (2018: 3.72% and 3.75%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>  |
| <b>Liabilities - Finance Leases</b>  | <p><b>Accounting Policy:</b> accounted for in accordance with AASB 117.</p>   |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 13 - FINANCIAL INSTRUMENTS (continued)**

**Liquidity Analysis**

| 2019                         | Due < 1 year     | Due > 1 year<br>≤ 5 years  | Due > 5 years    | Total Contractual<br>Cash Flows | Carrying Values  |
|------------------------------|------------------|----------------------------|------------------|---------------------------------|------------------|
|                              | \$               | \$                         | \$               | \$                              | \$               |
| <b>Financial Assets</b>      |                  |                            |                  |                                 |                  |
| Cash & Equivalents           | 4,706,940        |                            |                  | 4,706,940                       | 4,706,798        |
| Receivables                  | 993,787          | -                          | -                | 993,787                         | 993,787          |
| Other Financial Assets       | 51,356           | 41,351                     | 20,787           | 113,494                         | 105,959          |
| <b>Total</b>                 | <b>5,752,083</b> | <b>41,351</b>              | <b>20,787</b>    | <b>5,814,221</b>                | <b>5,806,544</b> |
| <b>Financial Liabilities</b> |                  |                            |                  |                                 |                  |
| Payables                     | 429,596          | -                          | -                | 429,596                         | 429,596          |
| Current Borrowings           | 1,202,167        | -                          | -                | 1,202,167                       | 931,336          |
| Non-Current Borrowings       | -                | 4,671,816                  | 1,756,978        | 6,428,794                       | 5,684,061        |
| <b>Total</b>                 | <b>1,631,763</b> | <b>4,671,816</b>           | <b>1,756,978</b> | <b>8,060,557</b>                | <b>7,044,993</b> |
| <b>2018</b>                  |                  |                            |                  |                                 |                  |
|                              | Due < 1 year     | Due > 1 year;<br>≤ 5 years | Due > 5 years    | Total Contractual<br>Cash Flows | Carrying Values  |
|                              | \$               | \$                         | \$               | \$                              | \$               |
| <b>Financial Assets</b>      |                  |                            |                  |                                 |                  |
| Cash & Equivalents           | 4,409,372        |                            |                  | 4,409,372                       | 4,409,372        |
| Receivables                  | 599,811          | -                          | -                | 599,811                         | 599,811          |
| Other Financial Assets       | 30,672           | 23,773                     | -                | 54,445                          | 51,722           |
| <b>Total</b>                 | <b>5,039,855</b> | <b>23,773</b>              | <b>-</b>         | <b>5,063,628</b>                | <b>5,060,905</b> |
| <b>Financial Liabilities</b> |                  |                            |                  |                                 |                  |
| Payables                     | 435,608          | -                          | -                | 435,608                         | 435,608          |
| Current Borrowings           | 1,500,413        | -                          | -                | 1,500,413                       | 1,206,844        |
| Non-Current Borrowings       | -                | 4,976,204                  | 1,683,763        | 6,659,967                       | 5,864,988        |
| <b>Total</b>                 | <b>1,936,021</b> | <b>4,976,204</b>           | <b>1,683,763</b> | <b>8,595,988</b>                | <b>7,507,440</b> |

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

|                      | 30 June 2019                         |                  | 30 June 2018                      |                  |
|----------------------|--------------------------------------|------------------|-----------------------------------|------------------|
|                      | Weighted<br>Average Interest<br>Rate | Carrying Value   | Weighted Average<br>Interest Rate | Carrying Value   |
|                      | %                                    | \$               | %                                 | \$               |
| Other Variable Rates | 3.58                                 | 1,648,061        | 3.73                              | 1,531,224        |
| Fixed Interest Rates | 4.36                                 | 4,967,336        | 4.41                              | 5,540,608        |
|                      |                                      | <b>6,615,397</b> |                                   | <b>7,071,832</b> |

**Net Fair Value**

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

**Risk Exposures:**

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

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

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

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 14 - COMMITMENTS FOR EXPENDITURE**

|   |       | 2019                    | 2018                    |
|---|-------|-------------------------|-------------------------|
|   | Notes | \$                      | \$                      |
| <b>Other Expenditure Commitments</b>  |       |                         |                         |
| Other non-capital expenditure commitments in relation to investment properties: |       |                         |                         |
| Waste Collection & Disposal   |       | <b>1,444,502</b>        | 2,145,035               |
| Annual Audits   |       | <b>20,500</b>           | 42,420                  |
| Annual Septic Tank Pumping  |       | -                       | 27,100                  |
| Employee Contracts  |       | <b>1,603,031</b>        | 2,319,623               |
|   |       | <b><u>3,068,033</u></b> | <b><u>4,534,178</u></b> |
| These expenditures are payable:   |       |                         |                         |
| Not later than one year   |       | <b>1,340,097</b>        | 1,457,840               |
| Later than one year and not later than 5 years                                  |       | <b>1,727,936</b>        | 3,076,338               |
| Later than 5 years  |       | -                       | -                       |
|   |       | <b><u>3,068,033</u></b> | <b><u>4,534,178</u></b> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 15 - FINANCIAL INDICATORS**

|                                | 2019 | 2018 | 2017 |
|--------------------------------|------|------|------|
| <b>Operating Surplus Ratio</b> |      |      |      |
| <u>Operating Surplus</u>       | 10%  | 4.5% | 8.0% |
| Total Operating Income         |      |      |      |

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

**Net Financial Liabilities Ratio**

|                                  |     |       |       |
|----------------------------------|-----|-------|-------|
| <u>Net Financial Liabilities</u> | 21% | 33.0% | 42.0% |
| Total Operating Income           |     |       |       |

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

**Adjustments to Ratios**

*In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These **Adjusted Ratios** correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison between years.*

|   |     |       |       |
|---|-----|-------|-------|
| <b>Adjusted Operating Surplus Ratio</b>         | 6%  | 4.2%  | 4.3%  |
| <b>Adjusted Net Financial Liabilities Ratio</b> | 30% | 28.0% | 40.0% |

**Asset Renewal Funding Ratio**

|                                       |     |       |       |
|---------------------------------------|-----|-------|-------|
| <u>Net Outlays on Existing Assets</u> | 50% | 71.0% | 94.0% |
| Net Asset Renewals - IAMP             |     |       |       |

*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 LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**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

|   | 2019                    | 2018                  |
|---|-------------------------|-----------------------|
|   | \$                      | \$                    |
| Income  | 12,113,212              | 11,343,460            |
| Expenses  | <u>(10,929,235)</u>     | <u>(10,832,578)</u>   |
| <b>Operating Surplus / (Deficit)</b>  | <b>1,183,977</b>        | <b>510,882</b>        |
| <br><b>Net Outlays on Existing Assets</b>   |                         |                       |
| Capital Expenditure on renewal and replacement of Existing Assets   | (1,936,735)             | (2,435,039)           |
| Add back Depreciation, Amortisation and Impairment  | 3,476,292               | 3,441,811             |
| Proceeds from Sale of Replaced Assets   | <u>208,271</u>          | <u>272,548</u>        |
|   | <b>1,747,828</b>        | <b>1,279,320</b>      |
| <br><b>Net Outlays on New and Upgraded Assets</b>   |                         |                       |
| Capital Expenditure on New and Upgraded Assets<br><i>(including investment property &amp; real estate developments)</i> | (1,881,730)             | (1,305,132)           |
| Amounts received specifically for New and Upgraded Assets   | 142,500                 | 378,486               |
| Proceeds from Sale of Surplus Assets<br><i>(including investment property and real estate developments)</i>             | -                       | -                     |
|   | <u>(1,739,230)</u>      | <u>(926,646)</u>      |
| <b>Net Lending / (Borrowing) for Financial Year</b>   | <b><u>1,192,575</u></b> | <b><u>863,556</u></b> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 17 - OPERATING LEASES**

***Leases providing revenue to the Council***

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

Investment Property:

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

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

|  | <b>2019</b>             | 2018                    |
|--|-------------------------|-------------------------|
|  | <b>\$</b>               | <b>\$</b>               |
| Not later than one year                        | <b>245,200</b>          | 201,516                 |
| Later than one year and not later than 5 years | <b>948,693</b>          | 836,465                 |
| Later than 5 years                             | <b>1,834,415</b>        | 1,698,020               |
|  | <b><u>3,028,308</u></b> | <b><u>2,736,001</u></b> |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**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 2018-19; 9.50% in 2019-20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

**Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017-18) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

**Contributions to Other Superannuation Schemes**

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

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 19 - INTERESTS IN OTHER ENTITIES**

**Equity accounted Council Businesses**

All equity accounted Council businesses are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

Council has interests in the following equity accounted Council businesses that are assessed as being material in relation to Council's overall operations:

**Southern Eyre Peninsula Subsidiary**

Established by the District Council of Lower Eyre Peninsula and the District Council of Tumby Bay this subsidiary is responsible for shared machinery.

The principal place of business of each entity is within the boundaries of the constituent Councils. There are no restrictions on the ability of these entities to pay cash dividends to or make repayment of advances to Council.

The Southern Eyre Peninsula Subsidiary was by notice in the 7 November 2017 Government Gazette by the Minister for Local Government officially wound up effective 30 November 2017.

All assets for the subsidiary were disposed of or received and any outstanding liabilities were paid with all remaining cash being distributed to the constituent councils based on each entity's share as determined in the entity's constitution.

The 2017/18 financial statements form the last financial statements of the entity for inclusion in the District Council of Lower Eyre Peninsula's financial statements.

| <b>Southern Eyre Peninsula Subsidiary</b>                                | <b>2019</b> | <b>2018</b>  |
|--|-------------|--------------|
| Council's respective interests are:                                      |             |              |
| - interest in the operating result                                       | -           | 50%          |
| - ownership share of equity  | -           | 50%          |
| - the proportion of voting power   | -           | 50%          |
| <u>Movements in Investment in Joint Operation</u>                        |             |              |
| Opening Balance  | -           | 230,387      |
| Share in Operating Result  | -           | 386          |
| Share in other comprehensive income                                      | -           | 37,751       |
| Adjustment to Equity Share   | -           | 508          |
| Distributions Received   | -           | (269,032)    |
| <b>Share in Equity of Joint Operation</b>                                | <b>-</b>    | <b>-</b>     |
| <b>Summarised financial information of the equity accounted business</b> |             |              |
| <u>Statement of Financial Position</u>                                   |             |              |
| Cash and cash equivalents  | -           | -            |
| Other current assets   | -           | -            |
| Non-current assets   | -           | -            |
| <b>Net Assets</b>  | <b>-</b>    | <b>-</b>     |
| <u>Statement of Comprehensive Income</u>                                 |             |              |
| Other income   | -           | 2,438        |
| <b>Total Income</b>  | <b>-</b>    | <b>2,438</b> |
| Materials, contracts & other expenses                                    | -           | 1,356        |
| Depreciation, amortisation & impairment                                  | -           | 310          |
| <b>Total expenses</b>  | <b>-</b>    | <b>1,666</b> |
| <b>Operating Result</b>  | <b>-</b>    | <b>772</b>   |
| <b>Total Comprehensive Income</b>  | <b>-</b>    | <b>772</b>   |

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 20 - NON-CURRENT ASSETS HELD FOR SALE  
& DISCONTINUED OPERATIONS**

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

**1. LAND UNDER ROADS**

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

At reporting date, Council controlled 1,366 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.

**3. BANK GUARANTEES**

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$109,959 (2018: \$51,722) at reporting date.

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

**NOTE 21 - EVENTS OCCURING AFTER THE REPORTING DATE**

There were no events after 30 June 2019 that need to be disclosed in the financial statements.

**DISTRICT COUNCIL OF LOWER EYRE PENINSULA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**NOTE 22 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 17 persons were paid the following total compensation:

|  | <b>2019</b>    | 2018           |
|--|----------------|----------------|
|  | \$             | \$             |
| Salaries, allowances & other short term benefits | 973,816        | 972,873        |
| Post-employment benefits                         | -              | -              |
| Long term benefits                               | -              | -              |
| Termination benefits                             | -              | -              |
| <b>TOTAL</b>                                     | <b>973,816</b> | <b>972,873</b> |

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

|  | <b>2019</b>  | 2018         |
|--|--------------|--------------|
|  | \$           | \$           |
| Contributions for fringe benefits tax purposes | 1,539        | 1,031        |
| Planning and building applications fees        | -            | 542          |
| Rentals for Council property                   | -            | -            |
| <b>TOTAL</b>                                   | <b>1,539</b> | <b>1,573</b> |

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

Key management personnel or close family members (including related parties) lodged no planning and building application during the year of which payment was required on lodgement.

**TRANSACTIONS BETWEEN COUNCIL AND RELATED PARTIES**

|                             | <b>2019</b>   | 2018           |
|-----------------------------|---------------|----------------|
|                             | \$            | \$             |
| Rate Rebates or Payments    | 6,076         | 4,391          |
| Donations and Contributions | 21,562        | 132,950        |
| Grants                      | 12,900        | 20,000         |
| Contractual Services        | 4,569         | 7,502          |
| Other                       | 600           | 2,742          |
| <b>TOTAL</b>                | <b>45,707</b> | <b>167,585</b> |

Two Elected Members and two employees are members of or have family members who are on the management committees of the following six organisations:

- Yeelanna Memorial Association
- United Yeelanna Football Club
- Cummins & District Enterprise Committee
- Cummins District Financial Services
- Cummins Bowling Club
- City of Port Lincoln

In accordance with the Local Government Act 1999, these persons declare a conflict of interest and leave the meeting environs when any matter affecting their club or organisation is discussed or voted upon.

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the District Council of Lower Eyre Peninsula

### Opinion

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

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

### Basis for Opinion

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

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

### Council's Responsibility for the Financial Report

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

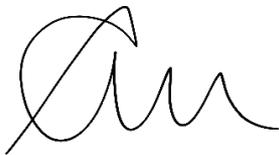
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

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

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

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**SAMANTHA CRETEN  
PARTNER**

Signed on the 30<sup>th</sup> day of October 2019,  
at 214 Melbourne Street, North Adelaide

## INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE DISTRICT COUNCIL OF LOWER EYRE PENINSULA

### Opinion

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

### Basis for opinion

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

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

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

### The Council's Responsibility for the Internal Controls

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

### Our Independence and Quality Control

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

### Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial

transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

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

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

#### **Limitation on Use**

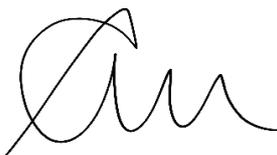
This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the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

#### **Limitations of Controls**

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

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

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**SAMANTHA CRETEN  
PARTNER**

Signed on the 30<sup>th</sup> day of October 2019  
at 214 Melbourne Street, North Adelaide, South Australia, 5006

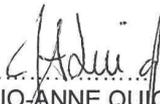
**DISTRICT COUNCIL OF LOWER EYRE PENINSULA  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the District Council of Lower Eyre Peninsula for the year ended 30 June 2019, the Council's Auditor, Dean Newbery and Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

  
.....  
RODNEY PEARSON  
CHIEF EXECUTIVE OFFICER

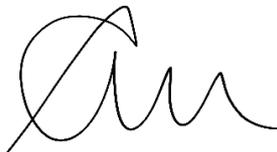
  
.....  
JO-ANNE QUIGLEY  
PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 28/10/2019

## **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the District Council of Lower Eyre Peninsula for the year ended 30 June 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



**SAMANTHA CRETEN**

**Partner**

**DEAN NEWBERY & PARTNERS**

**CHARTERED ACCOUNTANTS**

**Dated this 30<sup>th</sup> day of October 2019**

## APPENDIX B – POLICY DOCUMENTS

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### 1. **Animal Management**

|            |                                  |
|------------|----------------------------------|
| ANI-POL-01 | Poultry in Townships             |
| ANI-POL-02 | Horses on Residential Allotments |
| ANI-POL-03 | Keeping of Bees                  |
| ANI-POL-04 | Keeping of Dogs & Cats           |

### 2. **Community Relations**

|           |                               |
|-----------|-------------------------------|
| CR-POL-01 | Media                         |
| CR-POL-02 | Public Consultation           |
| CR-POL-03 | Community Engagement Strategy |
| CR-POL-04 | Requests for Services         |
| CR-POL-05 | Compliments & Complaints      |
| CR-POL-06 | Australia Day Awards          |
| CR-POL-07 | Mobile Food Vendor locations  |

### 3. **Development Control**

|            |   |
|------------|---|
| DEV-POL-01 | Height of Fences                                  |
| DEV-POL-02 | Land Division Applications                        |
| DEV-POL-03 | Building Inspection                               |
| DEV-POL-04 | Habitation of sheds, garages & other outbuildings |

### 4. **Equipment Plant, Fleet and Stores**

|            |                    |
|------------|--------------------|
| EPS-POL-01 | Private Works Hire |
|------------|--------------------|

### 5. **Financial Management**

|            |   |
|------------|---|
| FIN-SCH-01 | Schedule of Fees and Charges  |
| FIN-POL-02 | Loans to Sporting Bodies and Community Groups                               |
| FIN-POL-03 | Treasury Management   |
| FIN-POL-04 | CWMS Hardship   |
| FIN-POL-05 | Refund of Dog Registration  |
| FIN-POL-08 | Internal Controls   |
| FIN-POL-09 | Procurement   |
| FIN-POL-10 | Small sponsorship and donations   |
| 33.03.01   | Competitive Tendering, Purchasing, Sale and Disposal of Land & Other Assets |

### 6. **Governance**

|            |                                       |
|------------|---------------------------------------|
| GOV-POL-01 | Gifts, Benefits & Hospitality         |
| GOV-POL-02 | Council Meeting Agenda                |
| GOV-POL-03 | Supplementary Elections               |
| GOV-POL-04 | Council Members Allowances & Benefits |
| GOV-POL-05 | Council Induction                     |
| GOV-POL-06 | Council Member Access to Information  |
| GOV-POL-07 | Order Making                          |
| GOV-POL-08 | Public Interest Disclosure            |
| GOV-POL-09 | Fraud & Corruption Prevention         |
| GOV-POL-10 | Caretaker Period                      |
| GOV-POL-11 | Internal Review of Council Decisions  |
| GOV-POL-12 | Training – Elected Members            |
| GOV-POL-13 | Informal Gatherings                   |
| GOV-POL-14 | Petitions                             |

### 7. **Human Resources**

|           |                   |
|-----------|-------------------|
| HR-POL-01 | Volunteer Policy  |
| HR-POL-02 | Equal Opportunity |
| HR-POL-03 | Smoke Free        |

### 8. **Information Management**

|           |                    |
|-----------|--------------------|
| IT-POL-01 | Records Management |
|-----------|--------------------|

**9. Infrastructure**

|            |   |
|------------|---|
| INF-POL-01 | Electricity Mains Under Road Reserves                           |
| INF-POL-02 | Permits to Use a Public Road for Business Purpose               |
| INF-POL-03 | Verge Development   |
| INF-POL-04 | Property Identification / Property Identification / Road Naming |
| INF-POL-05 | Vegetation Management - Unsealed Rural Roads                    |
| INF-POL-08 | Rural School Bus Stops  |

**10. Legal Provisions**

|           |  |
|-----------|--|
| LP-POL-01 | Mayor / Chairperson seeking legal advice |
|-----------|--|

**11. Property Management**

|            |                                |
|------------|--------------------------------|
| PRM-POL-01 | Hire of Council Chambers       |
| PRM-POL-02 | Camping                        |
| PRM-POL-03 | Cummins Homes – Tenancy        |
| PRM-POL-04 | Council Property Maintenance   |
| PRM-POL-05 | Community Bus Transport Scheme |
| PRM-POL-06 | Rubble Pits & Compensation     |

**12. Social, Cultural and Community Services**

|           |  |
|-----------|--|
| CS-POL-01 | Involvement in emergency response operations (CFS) |
|-----------|--|

**13. Traffic Management**

|           |                      |
|-----------|----------------------|
| TM-POL-01 | Portable Stock Signs |
|-----------|----------------------|

**14. Work Health & Safety**

|            |                                |
|------------|--------------------------------|
| WHS-POL-01 | WHS & RTW                      |
| WHS-POL-02 | WHS Contractor Management      |
| WHS-POL-03 | Administration of WHSMS        |
| WHS-POL-04 | Communication and Consultation |
| WHS-POL-05 | Emergency Management           |
| WHS-POL-06 | Hazard Management              |
| WHS-POL-07 | Hazardous Work                 |

**15. CODES**

|   |
|---|
| Code of Conduct - Members   |
| Code of Conduct for Employees   |
| Code of practice – Public Access to Council Meetings & Associated documents |
| Code of Practice – Meeting Procedure  |

**16. CHARTERS**

|                          |
|--------------------------|
| CWMS Customer Charter    |
| Customer Service Charter |

**17. TERMS OF REFERENCE**

|                          |
|--------------------------|
| Council Assessment Panel |
| Audit Committee          |
| Cummins Homes Committee  |
| Staff Committee          |
| WHS Committee            |

***APPENDIX C – EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION ANNUAL REPORT & FINANCIAL STATEMENTS***

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**APPENDIX 'C'**

**EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS**



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

# *Annual Report* *2018/19*





*Cover photo:  
Minnipa Siding*



## THE PRESIDENT'S REPORT

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

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

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

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

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

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

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

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

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

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

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

**MAYOR SAM TELFER**



## THE REGION - Snapshot

### Regional Population and Local Government

The region has 11 Local Government Authorities (LGAs). The LGAs are: the City of Whyalla and City of Port Lincoln; and the District Councils of Ceduna, Cleve, Elliston, Franklin Harbour, Kimba, Lower Eyre Peninsula, Streaky Bay, Tumby Bay, and Wudinna.

The regional Local Government area population of 54,288 (ABS 2006 Census), 55,654 (ABS 2011 Census) and 55,919 (ABS 2016 Census) comprises about 3.5% of the South Australian population. These people reside in the eleven Council districts, which collectively occupy 43,779km<sup>2</sup> 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 <sup>2</sup> | % 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           |
| <b>Collective Local Government (11 LGA's)</b> | <b>43,778.6</b> | <b>18.8</b> | <b>54,288</b>   | <b>55,654</b>   | <b>55,919</b>   |

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

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

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

The demographic change is caused by several factors, with the desire for a sea change lifestyle being a key reason. Streaky Bay and Tumby Bay are very desirable coastal locations and new estate developments have been established to cater for growing housing demand, notably by retirees from the agricultural sector.



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

### Population Ageing

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

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

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

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

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

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

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

### Regional Economic Snapshot

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

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

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



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

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

### **Regional Economic Summary**

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

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

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

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

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

## **MEMBER COUNCILS 2018/2019**

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



## THE LOCAL GOVERNMENT REPRESENTATIVES/ APPOINTMENTS

### *EPLGA Board Executive:*

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

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

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

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

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

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

### **Chief Executive Officers Committee:**

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



**Engineering & Works Committee:**

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

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

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

**Eyre Peninsula Power Supply Reference Group:**

The entire EPLGA Board members

**EPLGA Health Working Party**

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

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

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

**Joint Planning Board Staff Group**

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

Chief Executive Officers (1 to Chair):

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

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

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

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

**Other Groups**

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

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



**Other Regional Organisations:**

**Regional Development Australia Whyalla and Eyre Peninsula Inc:**

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

**Eyre Peninsula Natural Resources Management Board:**

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

**Zone Emergency Management Committee:**

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

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

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

**Eyre Peninsula Integrated Climate Change Sector Agreement Steering Committee:**

Tony Irvine, Executive Officer - EPLGA

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

Tony Irvine, Executive Officer - EPLGA

**Eyre Peninsula Water Taskforce:**

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

**EPLGA Board Members 2018/19**

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

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



## ANNUAL CONFERENCE AND BOARD MEETINGS SCHEDULE

A highlight on the EPLGA calendar is the Annual Conference, hosted each year by a member Council. To assist in host Council planning, the following conference and Board meeting schedule is included (including the past 12 months meeting and conference locations).

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



## REPORT OF ACTIVITIES 2018/19

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

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



## PLANS, PROGRAMS AND REPORTS – CURRENT STATUS

### OUTREACH SERVICES PROGRAM (LGA)

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

### REGIONAL TRAINING

The Executive Officer of the EPLGA encourages Councils to participate in LGA sponsored training programs and other training sessions/seminars. The Executive Officer provides advice to the LGA on locations and timing of training to avoid clashes with regional seasonal events such as harvest, as well as other scheduled events. As part of the independently conducted Outreach Services Pilot Program survey, the following statement was made with regard to training:

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

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

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

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

The sessions ran in the last 12 months were:

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



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

A total of 311 participants involved in regional training.

### CORPORATE PLAN 2016 – 19

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

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

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

### MANAGEMENT PLAN PERFORMANCE FOR 2017 – 18

#### Goal Area 1.1 Advocacy and Representation

##### Core Activities

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

##### Comments:

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

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



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

#### **Strategic Actions**

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

#### **Comments:**

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

### **Goal Area 1.2 Governance**

#### **Core Activities**

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

#### **Comments:**

**Compliance met.**

#### **Strategic Actions**

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

#### **Comments:**

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

### **Goal Area 1.3 Member Services**

#### **Core Activities**

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



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

**Comments:**

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

**Strategic Actions**

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

**Comments:**

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

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

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

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

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

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

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

**Goal Area 1.4 Outreach Services**

**Core Activities**

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

**Comments:**

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



**Strategic Actions**

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

**Comments:**

*This service will cease at 30 June 2019.*

**KEY PERFORMANCE INDICATORS**

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

| KPI  | MEASURED BY                               | TARGET SCORE  |
|--|---|---|
| Member General Satisfaction                        | Number of formal complaints               | Zero complaints from members<br>Actual: Zero complaints received.   |
| Member attendance at meetings, workshops, training | Number of members who are represented     | All members<br>Actual: Usually all 11 Councils represented.   |
| Competitive funding secured                        | Dollars secured                           | Equal to membership (\$193K)<br>Actual External Funding: (\$226k)<br>Target met.  |
| Achieved annual work plan                          |   | All items either achieved or timeframes for completion, and process, in place. Some subject to external funding.<br>Actual: On target |
| EPLGA is represented at LGA regions meetings       | Number of meetings attended               | 100%<br>Actual: 100%  |
| Co-ordinate regional training activities on EP     | Number of days training sessions per year | At least 6<br>Actual: 13  |
| Annual review of Executive Officer                 | Final achievement score                   | Actual: Report of satisfactory performance by President and Executive Committee after surveying all member councils.                  |
| Greater media activity                             | Number of interviews and media releases   | At least 1 interview per month. Media releases at least every 2 months.<br>Actual: Met target   |

**EPLGA COMMITTEE REPORTS**

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



## **USE OF FINANCIAL RESOURCES**

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



4 Tasman Terrace, PO Box 2180  
Port Lincoln, SA 5606  
Telephone: (08) 8682 1899  
Facsimile: (08) 8682 1408  
Email: gpk@gpk.com.au  
ABN 64 945 523 972  
ACN 007 909 382

2<sup>nd</sup> September, 2019

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

Dear Tony,

**RE: AUDIT OF EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

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

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

Having completed the Audit we now make the following comments:

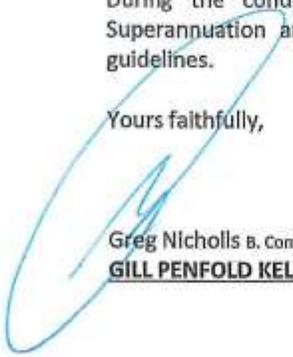
***Internal Controls***

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

***Taxation & Superannuation Liabilities***

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

Yours faithfully,

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

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

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To the members of Eyre Peninsula Local Government Association,

*Report on the financial report*

We have audited the accompanying financial reports, being a special purpose financial report, of Eyre Peninsula Local Government Association, for the year ended 30<sup>th</sup> June 2019.

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

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

*Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian auditing standards. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

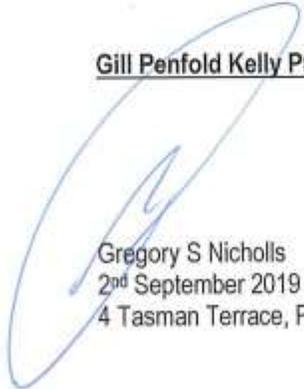


disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared. We believe that the audit evidence we have obtained is sufficient and appropriate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

*Auditor's opinion*

In our opinion the financial report of the Eyre Peninsula Local Government Association presents fairly the operations and financial position of the association for the year ended 30<sup>th</sup> June 2019.

**Gill Penfold Kelly Pty Ltd**



Gregory S Nicholls  
2<sup>nd</sup> September 2019  
4 Tasman Terrace, Port Lincoln SA 5606



**EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION**

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

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## EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

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

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

*The accompanying notes form part of these financial statements.*



## EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

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

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

*The accompanying notes form part of these financial statements.*



**EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE, 2019**

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

*The accompanying notes form part of these financial statements.*



**EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

|  | 2019              | 2018              |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b><u>NOTE 2 - Grants Received</u></b> |                   |                   |
| LGA of SA - Outreach Service           | 25,000            | 50,000            |
| LGA of SA - Regional Capacity          | 200,413           | 120,598           |
|  | <u>\$ 225,413</u> | <u>\$ 170,598</u> |

|   |          |          |
|---|----------|----------|
| <b><u>NOTE 3 - Project Income - EP Councils</u></b> |          |          |
| Emergency Management Planning                       | \$ 5,680 | \$ 5,680 |

|  |                   |                   |
|--|-------------------|-------------------|
| <b><u>NOTE 4 - Membership Fees</u></b>   |                   |                   |
| District Council of Ceduna               | 16,308            | 15,142            |
| District Council of Cleve                | 13,738            | 13,009            |
| District Council of Elliston             | 12,788            | 12,045            |
| District Council of Franklin Harbour     | 12,409            | 12,209            |
| District Council of Kimba                | 12,575            | 12,075            |
| Wudinna District Council                 | 12,764            | 12,256            |
| District Council of Lower Eyre Peninsula | 18,469            | 16,985            |
| District Council of Streaky Bay          | 14,666            | 13,704            |
| District Council of Tumby Bay            | 15,207            | 14,115            |
| City of Whyalla                          | 36,063            | 35,304            |
| City of Port Lincoln                     | 28,306            | 27,184            |
|  | <u>\$ 193,293</u> | <u>\$ 184,028</u> |

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

|  | 2019              | 2018              |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b><u>NOTE 5 - Project Expenditure</u></b>           | 3,169             | -                 |
| Unspent Funds at 1 July                              | (10,801)          | (92,210)          |
| Committee & Working Group Mtg                        | 8,247             | 3,777             |
| Emergency Management Planning                        | 3,781             | 4,042             |
| EP Integrated Climate Change Agreement Program       | -                 | 7,683             |
| Mining Taskforce                                     | 495               | 25,109            |
| CORES EP   | 2,276             | 6,828             |
| Coast & Wayfind Assess Project                       | -                 | 35,000            |
| LIDAR Project  | -                 | 90,000            |
| Regional Governance-JPB Pilot                        | 1,779             | 8,161             |
| Regional HML Signage Project                         | -                 | 35,250            |
| Regional Roads Strategy                              | 28                | 8,538             |
| Unspent Funds at 30 June                             | -                 | 10,801            |
|  | <u>\$ 8,974</u>   | <u>\$ 142,979</u> |
| <b><u>NOTE 6 - Cash at Bank</u></b>                  |                   |                   |
| BankSA Society Cheque Account                        | 16,460            | 42,782            |
| Bendigo Bank Term Deposit                            | 162,198           | 158,845           |
| LGFA   | 334,788           | 79,695            |
|  | <u>\$ 513,446</u> | <u>\$ 281,322</u> |
| <b><u>NOTE 7 - Sundry Creditors</u></b>              |                   |                   |
| PAYG Withheld  | 2,604             | 2,612             |
| Superannuation                                       | 1,224             | 1,224             |
|  | <u>\$ 3,828</u>   | <u>\$ 3,836</u>   |
| <b><u>NOTE 8 - Unspent Project Funds</u></b>         |                   |                   |
| Cores - EP   | -                 | 2,236             |
| CWMS Group   | -                 | 8,565             |
|  | <u>\$ -</u>       | <u>\$ 10,801</u>  |
| <b><u>NOTE 9 - Prov'n for Long Service Leave</u></b> |                   |                   |
| District Council of Tumby Bay                        | 6,562             | 6,562             |
| Eyre Peninsula Local Govt. Association               | 19,176            | 16,116            |
|  | <u>\$ 25,738</u>  | <u>\$ 22,678</u>  |

