

# **Northern Areas Council Annual Report**



**2017 - 2018**

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## CHIEF EXECUTIVE OFFICER'S THE YEAR IN BRIEF 2017-18

It is with great pleasure I present the 2017-18 Annual Report for the Northern Areas Council, highlighting the many achievements Council has made during the year.

Council undertook a Community Survey, the first for a number of years, to understand the needs of the community and how Council was performing in the eyes of the community.

We had a very successful response (just under 300) to the survey which allowed the data that was collected to be of substance when decisions were being made based on responses.

From the survey data we found that the most important functions to the community were the sealed road network, garbage collection, public toilets, health services and the unsealed road network.

The services that needed to be improved were footpaths, street lighting, unsealed road maintenance, green waste collection, stormwater drainage, playgrounds and sealed road maintenance.

The highlight of the data taken from the survey was the development of a Footpath Strategy, a Public Lighting Audit was undertaken and a Road Sealing Program was established.

In the budget for 2018-19 funds were approved for these three main issues taken from the community survey. A clear sign that says the community has spoken and Council has reacted to the needs of the community.



Community engagement was a high priority for the year, as well as the community survey, council held four community forums for the year. The community forums were held out in the council region and rotated between the townships.

The community forums allowed members of the community to meet with elected members and staff to hear about what Council was currently undertaking and ask questions that related to their community. These forums were very positively received and the community thanked Council for being out in the rural areas.

## CHIEF EXECUTIVE OFFICER'S THE YEAR IN BRIEF 2017-18 CONT'D

Focussing on strategic issues became the main area of work in 2017-18.

- Asset Management Plans
- Long Term Financial Plan
- Governance – Policies Review
- Representation Review
- Community Engagement

Were all developed, completed or updated during the year. A strategic approach to the operating of Council has allowed the planning and delivery of services to become more efficient and effective.

Asset Management Plans enabled the Long Term Financial Plan to be updated with data that had been verified through the development of Asset Management Plans. This financial data then enabled elected members to make more informed decisions when setting the Long Term Financial Plan and the one year budgets.

Service Level documents were also developed for some of the functions areas and are continuing to be developed into the next financial year. These documents have given our field staff more information on the needs of a function area in terms of maintenance and renewal. Efficiencies have flowed from these documents through being able to better plan our operational activities.

Council continues to value and appreciate the number of volunteer organisations in the Council area. These volunteer organisations provide services to the community that Council cannot afford to provide. In the latest census the volunteering rate in the Northern Areas Council area was just over 40% of the total population in the Council area, this number is very high when compared to the state average of 19%, so well done to all our volunteers.

The Northern Areas Council is always looking for continuous improvement in our operations whether it is in the administration of Council or in the delivery of operational functions of Council, we challenge ourselves to be better in what we do. Financial Sustainability is a major factor in the operations of Council so any where we can look at a function being carried out in a more efficient manner we will examine the idea.

I thank Elected Members and all staff for the efforts this year which has set a path for the future.



Colin Byles – Chief Executive Officer

## COUNCIL PROFILE

The Northern Areas Council is situated in the heartland of the Southern Flinders Ranges, approximately 200 kilometres north of Adelaide and within the traditional lands of the Ngadjuri Aboriginal people. The Council area is divided into four Wards: Belalie (4 Elected Members), Rocky River (3 Elected Members), Yackamoorundie (1 Elected Member) and Broughton (1 Elected Member). The Council covers an area of 3070km<sup>2</sup>, and has a total of 2,330km of roads of which 133km are sealed.

Council's towns and communities were developed during the prosperous times of traditional cereal and grazing practices complemented by forestry operations and in more recent years, tourism, events and wind energy infrastructure. Jamestown is the main service centre for the district with additional services offered at Gladstone, Laura and Spalding providing for the smaller communities of Caltowie, Georgetown, Gulnare, Stone Hut, Tarcowie and Yacka. Council's close network of towns offers a range of opportunities for shopping, recreation, employment, health and education. Together, Council and the community have built and maintained infrastructure such as recreation facilities and town halls to support the activities of local communities as well as generating interest and income from visitors and tourists.

The Council area hosts a number of significant events, including Jamestown Fly-In and Air Spectacular, Laura Folk Fair, Jamestown Show and Jamestown Races as well as a number of local community events.

Cycle infrastructure has increased in recent times offering residents and visitors the opportunity to use recreational and mountain biking trails, improving visitor numbers as well as providing options for healthy lifestyles.



## COUNCIL PROFILE CONTINUED



The economy remains firmly based in broadacre farming, with the Jamestown Saleyards one of the few remaining regional livestock sales facilities. Recent windfarm development has made a strong contribution to the economy and has brought new families into the district. The roll-out of high speed broadband through Mid North will make the district more attractive to telecommuters and expand opportunities for health and education within the region.

## CONTACT DETAILS AND OFFICE HOURS

### Principal Office:

94 Ayr Street, JAMESTOWN SA 5491

Monday to Friday 9am – 5pm

Telephone 8664 1139

Fax 8664 1085

Email: [admin@nacouncil.sa.gov.au](mailto:admin@nacouncil.sa.gov.au)

Webpage: [www.nacouncil.sa.gov.au](http://www.nacouncil.sa.gov.au)

### Branch Offices:

14 Fifth Street

GLADSTONE SA 5473

Monday to Friday, 9am-5pm

Telephone: 8662 2018

Main Street

SPALDING SA 5454

Tuesdays 10 am – 2.30 pm

Thursdays 9am-5pm

Telephone: 8845 2017



<b>Total Population</b>	<b>4584</b>
<b>Total Area</b>	<b>3070km<sup>2</sup></b>
<b>Number of Rateable Properties</b>	<b>4186</b>
<b>Total Road Network</b>	<b>2330 km</b>
<b>Number of Electors</b>	<b>3332</b>
<b>Total Number of Elected Members (including Mayor)</b>	<b>9</b>
<b>Number of Staff – FTE</b>	<b>54</b>
<b>State Electorate</b>	<b>Stuart, Frome</b>
<b>Federal Electorate</b>	<b>Grey</b>

# STRATEGIC STATEMENT

## About the Strategic Plan

The Council's Strategic Plan was reviewed in May 2018 and has been developed using insights gained through consultation with the community, Councillors and Council management.

The strategic plan focuses on Council's priorities, reflecting a desire to move into a sound financial position, to manage assets, to provide a high standard of equitable services across the Council area and to support and develop staff.



## Building on our Strengths

Our strengths provide a strong basis for a sound future:

- Proactive, flexible planning – helping families and bringing business to the area;
- Clean tidy towns – a sense of civic pride;
- Working in partnership with our community and voluntary groups;
- Good staff doing a great job.

## Our Vision

A well-managed, financially sustainable council that meets community expectations for effectiveness and transparency.

## Key Goals

Goal	Outcome
Financial Sustainability	<ul style="list-style-type: none"> <li>- Operate at break even by 2018 and achieve cash surplus by 2022;</li> <li>- Prudent and effective financial management</li> </ul>
Effective management of infrastructure, assets and built environment	<ul style="list-style-type: none"> <li>- Road (including footpaths and kerbing) repair program continues at an achievable level;</li> <li>- All non road assets owned by Council (e.g. buildings and recreation facilities) are used effectively by the community</li> <li>- Storm water projects are delivered as scheduled</li> </ul>
Deliver a high standard of service to our community on an equitable basis	<ul style="list-style-type: none"> <li>- Council aspires to meet community expectations regarding equitable development, management and maintenance of community services.</li> <li>- Better delivery of the Community Projects Budget</li> <li>- Planning processes encourage appropriate development and provide timely responses</li> <li>- Support regional partnerships.</li> </ul>
Council recruits and retains highly skilled staff	<ul style="list-style-type: none"> <li>- Staff are capable, approachable and have a high level of skills and knowledge about Local Government</li> <li>- Staff have a 'can do' attitude and work as a united team</li> <li>- Safe, efficient work systems and community safety.</li> </ul>



## ELECTED MEMBER INFORMATION



Mayor Denis Clark  
(Belalie Ward)



Deputy Mayor Hank Langes  
(Belalie Ward)



Cr. Glan Moore  
(Belalie Ward)



Cr. Merv Robinson  
(Belalie Ward)



Cr. Ben Browne  
(Broughton Ward)



Cr. Jim Walden  
(Yackamoorundie Ward)



Cr. Geoff Lange  
(Rocky River Ward)



Cr. Sue Scarman  
(Rocky River Ward)



Cr. Kathy Webb  
(Rocky River Ward)

## ELECTED MEMBER INFORMATION CONTINUED

The Local Government (Elections) Act 1999 requires that elections will be held at intervals of four years, with the last election occurring in November 2014. The next scheduled election will be in November 2018.

The Northern Areas Council community is represented by nine members.

Northern Areas Council comprises four wards:

- Belalie
- Rocky River
- Yackamoorundie
- Broughton

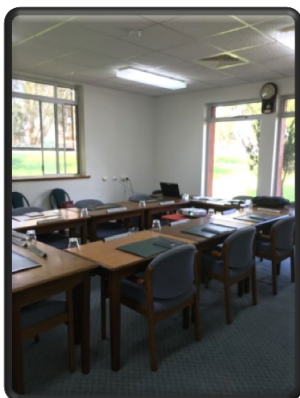
### Meeting Times

Ordinary Meetings of the Northern Areas Council are held on the third Tuesday of each month commencing at 2:00pm.

Council conducted Council meetings in the region until August 2017 . In September 2017 Council resolved to hold all Council meetings in Jamestown the principal office of Council.

Council also resolved at the September 2017 Council meeting to hold Community Forums across the area every 2 months rotating the location. These forums provide the local community the opportunity to meet with elected members and senior staff and discuss issues.

Council Meetings are open to the public and Council encourages people to attend.



Members of the public can write to Council on any relevant issue or topic.

To be included in the Agenda for any Council Meeting, items need to be submitted at least 10 days prior to the respective Council Meeting to ensure inclusion on the Agenda for distribution to Elected Members prior to the meeting.

Agendas and Minutes of all meetings are available for inspection at the Council's Administration Offices located at Jamestown, Gladstone and Spalding. These documents are also available on Council's website at [www.nacouncil.sa.gov.au](http://www.nacouncil.sa.gov.au).

With the permission of the Mayor, any member of the public can address Council personally, or as a representative of any group or Committee, to discuss relevant issues.

Public Question Time is now a part of the normal Council Meeting agenda which allows questions in writing or taken from the gallery. Questions and responses are then recorded in the Council Minutes.

Written petitions covering issues within Council's jurisdiction can be addressed to the Council.



## ELECTED MEMBER INFORMATION CONTINUED

### Council Members Attendance

ELECTED MEMBERS JULY 2017 – JUNE 2018	Number Ordinary Meetings	Number Ordinary Meetings Attended	Number Special Meetings	Number Special Meetings Attended
Cr. Denis Clark (Mayor)	12	11	3	3
Cr. Merv Robinson	12	12	3	3
Cr. Ben Browne	12	12	3	3
Cr. Geoff Lange	12	11	3	3
Cr. Hank Langes (Deputy Mayor)	12	11	3	3
Cr. Glan Moore	12	11	3	3
Cr. Sue Scarman	12	11	3	3
Cr Jim Walden	12	9	3	1
Cr Kathy Webb	12	11	3	2

### Council Allowances

The allowances after the November 2014 Election were determined by the South Australian Remuneration Tribunal in accordance with the Local Government Act. The Northern Areas Council is in Group 4.

Council Members Allowances (per annum)	
Mayor	\$37,948
Deputy Mayor	\$11,859
Council Members	\$9,487

An additional allowance in the form of a sitting fee is payable to a Councillor who is a presiding members of a committee (Section 41) of \$100 per meeting limited to an aggregate amount of allowance of \$600 per annum.

A travel allowance for 'eligible journeys' (as defined in Regulation 3 of the Local Government Members Allowances and Benefits) Regulations 1999 at the rate per kilometre prescribed in Section 82KX(1)(a) of the Income Tax Assessment act 1936 is available.

An allowance is paid to Council Members, excluding Principal Members, whose usual place of residence is within the relevant Council area and is located at certain distances from the Council's principal office as follows:

Allowances	
At least 30kms but less than 50 km	\$336 per annum
At least 50km but less than 100km	\$560 per annum
100 km or more	\$1120 per annum

Council resolved that its Allowances be paid quarterly in arrears.

### Elected Member Training/Conferences

The Northern Areas Council is committed to providing training and development activities for its Council Members and recognises its responsibility to develop and adopt a policy for this purpose



## ELECTED MEMBER INFORMATION CONTINUED

under the Local Government Act, section 80A. Council adopted this Policy in 2006, and it is reviewed annually.

Elected Members have attended the following during the year:

- Mayor's Chairpersons Residential Seminar
- LGA Conference and General Meeting
- Roads and Works Conference
- Council Members Forum
- SATIC LG Tourism Forum

### Elector Representation

An Elector Representation Review was commenced in June 2016 and the review was concluded in February 2017. The report has now been approved by the Electoral Commissioner.

The Review outcome was as follows:

- Council will continue to have wards. There will be four wards. Two of the wards have changed names  
Jamestown → Belalie  
Spalding → Broughton
- The total number of electors will be nine, as listed below:
  1. Belalie Ward: 4 Elected Members
  2. Broughton Ward: 1 Elected Member
  3. Rocky River Ward: 3 Elected Members
  4. Yackamoorundie Ward: 1 Elected Member
- A Mayor will be elected from within the nine Elected Members elected by the voters.

### Current Representation

According to the House of Assembly Roll and the Supplementary Voters Roll, as maintained by Council, there were 3440 persons eligible to vote in Local Government elections in the Northern Areas Council. Electors - 3332 – No of Wards 4 – Quota per Member – 370.

The Northern Areas Council ward quota of 370 is comparable to Councils in South Australia of a similar size.

Name	Number Of Electors	Number of Elected Members	Representation Quota
Coorong	3790	9	421
Kangaroo Island	3480	10	348
Goyder	3061	7	437
Yankalilla	4277	9	475

## ELECTED MEMBER INFORMATION CONTINUED

### Council Appointed Delegates to Organisation and Committees

Local Government Bodies	
Local Government Association	<div>➤ Mayor</div> <div>➤ Deputy Mayor (Proxy)</div>
Local Government Finance Authority of SA	<div>➤ Mayor</div> <div>➤ Deputy Mayor (Proxy)</div>
Regionally Appointed Delegates	
Mid North Health Advisory Council	<div>➤ Cr. Clark</div>
Northern Passenger Transport Network	<div>➤ Cr. Lange</div> <div>➤ Manager Community Development</div>
Southern Flinders Better Living Group	<div>➤ Cr. Lange</div>
Southern Flinders Health Advisory Committee	<div>➤ Cr. Lange</div>
Section 43 Regional Subsidiaries	
Central Local Government Region/LEGATUS	<div>➤ Mayor</div> <div>➤ Deputy Mayor (Proxy)</div>
Central Local Government Region Committees	
Central Region Transport Committee	<div>➤ Committees are in abeyance subject to CLGR future directions findings.</div>
Central Region Waste Management Committee	
Central Region Water Committee	
Section 101A Development Act 1993	
Strategic Planning and Development Policy Committee	<div>➤ All Council Members</div>
Section 41 Committees	
CEO Performance Management Panel	<div>➤ Mayor</div> <div>➤ Cr. Browne</div> <div>➤ Cr. Lange</div> <div>➤ Cr. Scarman</div>
Ewart Oval Management Committee	<div>➤ Cr. Webb</div>
Flinders Mobile Library	<div>➤ Cr. Lange</div> <div>➤ Judith Gill</div> <div>➤ Manager Corporate Services (Proxy)</div>
Gladstone Swimming Pool Management Committee	<div>➤ Cr. Webb</div>
Gulnare Memorial Institute	<div>➤ Cr. Walden</div>

## ELECTED MEMBER INFORMATION CONTINUED

Jamestown Health & Ambulance Centre Management Committee	➤ Cr. Langes
	➤ Cr. Moore ➤ Jim Moss (Community Rep) ➤ Max Prior (Community Rep)
Jamestown Regional Hydrotherapy Pool Committee	➤ Cr. Moore
Jamestown Swimming Pool Management Committee	➤ Cr. Robinson
Laura Civic Centre Management Committee	➤ Cr. Scarman
Mid North Be Active Field Officer Management Committee	➤ Manager Community Development
Northern Areas Council Audit Committee	➤ Lavonne Lea (Chair) ➤ Mayor ➤ Cr. Lange ➤ Cr. Langes
<b>Section 41 Committees continued</b>	
Northern Areas Council Finance Committee	➤ All Council Members
Northern Areas Community Road Safety Committee	➤ Cr. Webb ➤ Cr. Browne (Proxy) ➤ Risk Management Officer
Northern Areas Council Works Committee	➤ All Council Members
Southern Flinders Regional Sports Complex Management Committee (established August 2011)	➤ Cr. Webb ➤ Cr. Lange (Proxy) ➤ Scott Crawford ➤ John Hennessey ➤ David Humphris ➤ Tom Humphris
Spalding Swimming Pool Management Committee	➤ Spalding Ward Councillor
Stone Hut Soldiers Memorial Hall Committee	➤ Cr. Scarman
Victoria Park Jamestown Management Committee	➤ Cr. Moore
Yacka Community Development Board	➤ Cr. Browne
	➤ Cr. Walden
Yacka Hall Committee	➤ Leanne Kunoith
<b>CFS</b>	
Bundaleer CFS Group	➤ Cr Lange

## ELECTED MEMBER INFORMATION CONTINUED

Hallett CFS Group	➤ Cr. Robinson
<b>Community Based Organisations</b>	
AGL Hallett Wind Farm Community Fund Panel	➤ Cr. Moore ➤ Manager of Community Development
Gladstone Community Development & Tourism Association Inc	➤ Cr. Webb
Georgetown Community Development Association Inc	➤ Yackamoorundie Ward Councillor
Jamestown Community Library	➤ Cr. Langes ➤ Cr. Moore ➤ Chief Executive Officer ➤ Vivian Hector
Jamestown Development Association Inc	➤ Cr. Langes ➤ Cr. Robinson ➤ Cr. Clark (Proxy) ➤ Cr. Moore (Proxy)
Laura Community Development & Tourism Association Inc	➤ Cr. Scarman
Spalding District Inc	➤ Spalding Ward Councillor

## AUSTRALIA DAY AWARDS 2018

**Northern Areas Council's Citizen of the Year for 2018** Colin Raison was nominated for the Australia Day Citizen of the Year Award for his concerted and continuing contribution to the betterment of the citizens of the Gladstone and broader communities. Colin is thorough in all that he attempts and achieves in his own quiet way.

- **Retired Deputy Principal, Gladstone High School:** Since retiring nearly twenty years ago, Colin has increased his involvement in helping the community. His management skills and knowledge are evident in all the projects he has taken on.
- **Gladstone Art Exhibition:** Colin is the instigator and coordinator of the "Flinders Ranges - a brush with art" exhibition in Gladstone. This year's successful exhibition, the ninth straight, was held in Sept/Oct, was open every day for six hours and staffed totally by volunteers. It's scope, variety, quality of exhibits and number of visitors ranks it as the biggest and most comprehensive exhibition in this annual northern event. Colin is backed up by a small committee.
- **Lions Club of Rocky River:** Member of the club for nearly thirty years. In that time has served as president of the club and as membership co-ordinator for the district. Currently 1<sup>st</sup> Vice President of the club.
- **Southern Flinders HAC:** Currently the Gladstone representative on the Southern Flinders Health Advisory Council.



**Gladstone Community Development & Tourism Committee:** Inaugural secretary when formed in 1997 until he retired from that position in 2001. Secretary of the former Gladstone Community Development Board from 1986 to 1997 and was heavily involved in the operation of the Gladstone Gaol as a volunteer community tourist project prior to being run by private lessees.

- **Gladstone Caravan Park Management Committee:** Inaugural secretary from 1997 to 2011 and played a major role in raising the standard of the park to a 3-1/2 star rating, led the design and building of the much-acclaimed camp kitchen and the groundwork for the installing of the first two ensuite cabins.
- **Well-being Groups:** Supporter and participant of several groups in town such as Tai Chi and the Strong and Steady weekly exercise groups.
- **Laura & Districts Probus Club:** He is currently Tour Director of the club and has also served as President and Secretary on a number of occasions.

• **Laura & District Meals on Wheels:** Current volunteer.

• **Gladstone High School Centenary:** Colin was editor of the Centenary Book publication in 2007, "Small School - Great Heart: 100 Years of Secondary Education".

• **Three Gauges Park Display:** Colin played a major role in the research and establishment of the nine panels displaying Gladstone's railway heritage in 'Three Gauges Park' opposite IGA in the main street. His grasp of history and how it should be displayed was instrumental in the quality of this outstanding resource. Has proven to be very popular with tourists and railway-buffs alike, as most of our physical rail heritage has been lost.

• **Southern Flinders Tourism Association:** Publicity Officer and newsletter editor of the former named SFTnT Association. Co-ordinator of the three-day seminar in Port Pirie for the SFTA in 2010. Very successful event with over 100 delegates from around the state attending.

## AUSTRALIA DAY AWARDS 2018 CONTINUED

- **Gladstone Community Award:** Gladstone's recipient of the Community Award in 2015 for services to the community.

Through his professionalism, attention to detail, ability to do just about anything, his quiet demeanor and his good counsel, Colin Raison has prepared the organisations of which he was the inaugural secretary, to operate fairly and professionally. He has been the 'solid rock' in many organisations over the years. He is indeed, a worthy nominee for the Award.

**The Community Event of the Year was awarded to** Jamestown Agricultural, Horticultural and Floricultural Show Society Incorporated.

- Congratulations to
  - President – David Cooper
  - Patron – Tony Bray
  - Treasurer – Charlotte Bermeister
  - Committee Members
  - Will Bray
  - Tash Downing
  - John Malone
  - Les Messenger
  - Merv Robinson
  - Maryanne Turnor
  - Plus the many other volunteers who did so much to help
  - Vice Presidents – Tim Hall & James Moore
  - Secretary – Anne Page
  - Leith Cooper
  - Neville Gibb
  - Tom Malone
  - Rosemary O'Leary
  - Matthew Semler

The 2017 Jamestown AH & F Show Committee, produced a highly successful show on October 1<sup>st</sup> and 2<sup>nd</sup>, featuring many changes to the show format and layout

- A reinvigorated committee consisting of previous and well experienced show committee members along with new, younger members of the community
- A group of community volunteers who worked with the Show Committee to help coordinate and arrange the event
- The major change in format was to a two day show, which was the format during the 1920's.
- The two day show provided a link between the Jamestown Races on Saturday September 30<sup>th</sup> and the traditional show day on Monday Oct 2<sup>nd</sup>.
- Sunday events included the Speed Shear Event, a substantial goods & services auction, catering and fireworks.
- The exhibits in the Stacey Pavilion were judged Sunday afternoon, allowing the pavilion to be opened to the public the remainder of the Sunday afternoon and all day Monday
- Total Exhibits in the Stacey Pavilion were 1390, coming from the broader community and the local schools.
- The Big Shed was used to host the Official Show opening, the Fashion Parades and presentation of trophies for the sheep and wool sections.
- The Poultry entries totalled 410 – a show record, with exhibitors from areas as far away as Whyalla, Broken Hill and Alice Springs.
- Gate takings of \$23,000 on the day were the highest since the 2013 show



## AUSTRALIA DAY AWARDS 2018 CONTINUED



Why did I consider the 2017 Jamestown AH&F Show nominating as the Northern Areas Council Community Event Year?

- Leading up to the show the community was buzzing with the news of the new two day show, the change in format, fireworks and the goods and services auction – a truly community event with whole community involvement
- The crowd of people at the show when my family and I attended the show on the Monday
- The new show layout resulted in new stalls and exhibits and a change in the location of the exhibits, it was “fresh”
- The show passed the “4 kids test” – they weren’t bored and we stayed hours longer than normal.
- What did the kids love
  - Looking for their exhibits in the Stacey Pavilion, they placed both school work and other exhibits, and even won prizes ( and are eager to do more this year)
  - The Lions Paws Walk – collecting a good range of trinkets from the various stall holders
  - The remote control earth moving machinery and trucks
  - The wool processing exhibition where wool was carded, spun on a wheel, plied, made into a ball and the knitted into a jumper – something I had seen happen often during my childhood, but not something children of today see
  - The “Bubble Man” who kept many, many kids mesmerised as he made huge bubbles for them
  - The “old car” display on the oval – and having to explain that cars didn’t always come with air conditioning, heating, seat belts or radios
  - The farm machinery display
  - The poultry exhibits – which also included eggs

The Awards were presented by Mayor Denis Clark and the Council’s 2018 Australia Day Breakfast at Tresylva Park Gladstone on Australia Day 26 January 2018.

## CITIZENSHIP CEREMONY

Mayor Denis Clark presided over a Citizenship Ceremony in August 2017 held at the Jamestown Administration Centre for Mr. Martin Elmer of Laura and Mr. Brian Jones of Yacka.





## CEO UNIT

### Organisational Structure

Council's organisation is headed by Chief Executive Officer and Department Manager's covering Chief Executive Officer Unit, Operational Services, Corporate Services and Community Development.



*L - R James Lang (Manager Community Development), Peter Porph (Manager Operational Services), Colin Byles (Chief Executive Officer), David Rattley (Manager Corporate Services), Alan Thomson (Manager Regulatory Services)*

Council's workforce as at 30 June 2018 consisted of 54 full-time equivalent employees. The head count equated to 66 people being 25 Female and 41 male, none with disability and no Aboriginal or Torres Strait Islander descent.

### Work Health and Safety

Council's commitment to providing a safe workplace for workers is ongoing and is being proactively supported by the Management Team.

Council through the Work Health and Safety Committee updates workers on WHS matters. Updates are also provided at Workgroup meetings (including toolbox meetings), emails, noticeboards, Health & Safety Representatives.

Balancing resourcing and areas identified for improvement is always challenging, however this process is continuously improving. The Senior Management team are constantly striving to increase their commitment to ensuring actions, objectives and target dates in both WHS and scheduled daily work are realistic and achievable.

## CEO UNIT CONTINUED

The recent Work Health and Safety Key Performance Indicator Audit has identified a number of areas that show non-compliance with the essential requirements. An action plan has been established from these non-compliances to ensure compliance by the next audit.

Appropriate Work Health and Safety training is continuing, this year concentrating on Hazard &, Incident Reporting & Investigation, Manual Handling, Risk Management, CAPA Management, Health & Safety Representative and Council's WHS Procedures.

Council has continued with its successful Health Monitoring Program in conjunction with Local Government Worker's Compensation Scheme. Regular health assessments, skin cancer screenings and immunisation programs are offered to all employees.

### **Fire Prevention**

Historically, bushfires in the Northern Areas Council district have not grown to unmanageable proportions. The adoption by Council, communities and individuals of sound Fire Prevention practices that acknowledge the responsibility for the protection of their own assets, coupled with the identification and reduction of the threat to community assets, will help reduce the risk of major bushfires in the future. Bushfire prevention and safety remains an important part of this district, however prevention methods must continually be exercised and upgraded.

District fire hazard inspections in the following townships were undertaken Caltowie, Georgetown, Gladstone, Gulnare, Jamestown, Laura, Spalding and Yacka.

One hundred and sixty five (165) hazard reduction (Section 105F) notices were issued to property owners. The majority of the property owners complied with the requested fire hazard reduction work, including fourteen (14) property owners who negotiated an extension of time to enable them to carry out the required work.

Hazard reduction notices were posted to:

1. 121 of the 165 property owners requesting only that the vegetation on the property be mowed/ slashed or removed from the land;
2. 12 of the 165 property owners requesting only that work be carried out on trees; and
3. 11 of the 165 property owners requesting that work be carried out on trees and that the vegetation on the property be mowed/ slashed or removed from the land.

A Council contractor was engaged to carry out fire hazard reduction work at nine (9) of the 165 properties due to the property owners not carrying out the requirements of the Section 105F notice. The cost of engaging the contractor to carry out the work was then passed on to the property owner (this was done in accordance with the FESA legislation).

### **Additional fire prevention information:**

The NAC actively participates in the management and reduction of bushfire/ grassfire hazards in the following ways:

1. Active membership within the Flinders Mid North Yorke Bushfire Management Committee (FMNY BMC), and participation in the review and update of the FMNY Area Bushfire Management Plan;

## CEO UNIT CONTINUED

2. Weekly observations of roadside grasses for curing (generally from September to December) and greening (generally from February to May);
3. The slashing of roadside grasses in key areas, including, where possible, the perimeter of townships.
4. Review of township properties from the beginning of August to the end of April for potential bushfire/ grassfire hazards;
5. The issuing and follow up of hazard reduction (Section 105F) notices to property owners (generally from mid-August to the end of April); and
6. The issuing of Schedule 9 Permits during the Fire Danger Season (cannot be issued for Total Fire Ban Days)

### HR Policies

Section 107 (1) of the Local Government Act states “The Chief Executive Officer must ensure that sound principles of human resource management are applied to employment in the administration of council and must take reasonable steps to ensure that those principles are known to all employees”.



## HUMAN RESOURCES

### Salary Package for Senior Officers

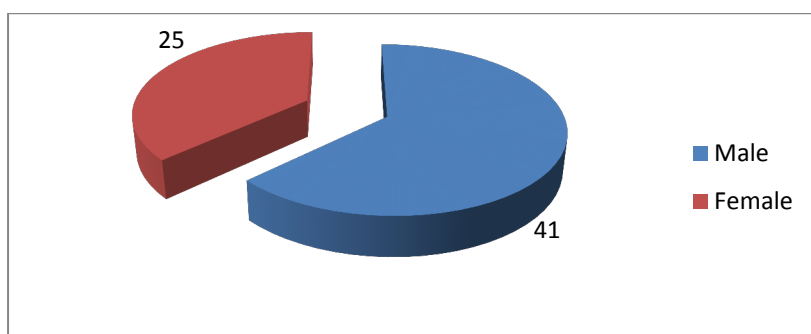
As at 30 June 2018, the Senior Management Team consisted of the Chief Executive Officer and 4 Department Managers. The Senior Management Team were paid remuneration packages in the range of \$92,000 to \$185,000. These packages included:

- Salary;
- Superannuation;
- Mobile Phone;
- Provision of motor vehicle for private use.



Council employed a total workforce of 66 people which was equivalent to 54 full time employees as at 30 June 2018.

### Staff according to Gender



Salaries for the above officers are in accordance with the applicable Award and Council's Enterprise Agreement. Other benefits/conditions of employment include provision of mobile phone and vehicle for business and private use, with all fringe benefits tax expenses paid by Council.

### Human Resources

Conduct, Counselling and Discipline Procedure  
Conduct, Counselling and Discipline – Termination Checklist  
Equal Opportunity Policy  
Equal Opportunity Procedure  
Performance Appraisal Policy  
Performance Appraisal Procedure  
Recruitment & Selection Policy  
Recruitment and Selection Procedure  
Training and Development Policy  
Training and Development Procedure





## CORPORATE SERVICES

During 2017/18 a range of financial and administrative improvements and efficiencies have continued to be introduced to Councils operations.

### Annual Financial Statements

Preparation of The Annual Financial Statements for 2016/17 spanned from July to October 2017 following implementation of new timelines to coincide with earlier annual report adoption. In previous years the audited financial statements were adopted in November each year.

Section 127 of the Local Government Act, 1999 and Sections 11 & 13 of the Local Government (Financial Management) Regulations, 1999, require the Financial Report be adopted and submitted by Council to prescribed persons and bodies, by the 30th November each year.

The final version of the financial statements were prepared for the first time by using a new LG Solutions product. The templates allow general ledger accounts to be mapped and pasted into the template with many fields then automatically populated. The ledger mapping is designed to save time in the future by being carried forward into templates for subsequent years.

Preparation also included the incorporation of required asset revaluations which normally occur every 3-4 years or when materially different. This included Land & Buildings and Bridges asset revaluations which were undertaken by Asset Valuation and Consulting. In addition Road Infrastructure asset revaluations were undertaken by Moloney Asset Management Systems. All revaluations were dated 1st July 2016 which meant the opening asset values were updated and revised depreciation amounts took effect for the entire 2016/17 year.

Following audit committee review of the statements at the 16th October meeting Council subsequently adopted the audited statements at the October Council meeting on the 17th.

### Electronic Rate Notices

In recent years Council introduced a new option for ratepayers to receive notices by email. Council's rate notice printer Forms Express has set up an application called "eNotices". In each quarters rate notice a flyer was included with instructions on how to register for the email service. By year end take up of the service has continued to grow to 249 assessments or 5% with this expected to keep growing as more people realise the benefits in receiving electronic billing (June 2017 was 193 assessments). Savings in postage of notices will also grow as take up increases.

### Budget Reviews

Quarterly budget reviews are required to be presented to Council by legislation. This year they continued to be carried out in a more detailed comprehensive fashion with many more budget adjustments made at each review based on the forecasting method.

Managers were required to each review their areas of expertise and accordingly submit budget review recommendations. The mid year budget review dated 31st January was presented to the February Council meeting. Greater focus was given to year to date performance against the key Financial Sustainability Indicators. The short turnaround from end of January to adoption of the

## CORPORATE SERVICES CONTINUED

review at the February Council Meeting was enabled due to managers being more in control of their budgets on a monthly basis.

### Long Term Financial Plan Review

A review was conducted of the Long Term Financial Plan which was originally set in February 2017. It was presented to a special Council meeting in March 2018 and focused on reviewing target Financial Sustainability Indicators and planning for future Rate Capping legislation that would limit rate increases in years 2-10 to the Local Government Price Index (expected to average 2.5%). In addition there was an increased focus on forecast Capital spending in order to improve years 2-10 of the Asset Sustainability Ratio.

The adopted Ratio Targets were as follows;

Operating Surplus Ratio Between 0 % and 10 %

Net Financial Liabilities Ratio Between 0 % and 50 %

Asset Sustainability Ratio Between 95% and 105%

### Roads to Recovery

Councils standard annual Roads to Recovery allocation in the current 5 year program has averaged \$287,359. Total program funds totalled \$2,632,410 which included 2 one-off fuel excise amounts of \$534,008 in 2015/16 and \$661,607 in 2016/17. In the 2017/18 financial year Council was required to spend it's allocation for the final 2 years of the program. This amount was \$532,090.

A new Roads to Recovery program is set to commence on 1 July 2019. At this stage annual allocations for Northern Areas Council are expected to be similar to previous standard allocations.

### Audit Committee

The Audit Committee held 3 meetings in the 2017/18 financial year (the 3rd meeting in June being a merger of the 3rd and 4th scheduled meetings). Meeting content was in accordance with the adopted Model Work program for the financial year.

At the December 2017 meeting the Committee received a report which addressed it's performance over the previous 2016/17 financial year.

The 2016/17 year was the second year that a scheduled Work Program was put into place. The Work Program set the items for the year to be considered and which meeting they were expected to occur. The quantity of matters being considered by the committee was considerably greater than previous years. It was noted that by year end 76% of actions set out in the work program had been carried out.

## **CORPORATE SERVICES CONTINUED**

At the October 2017 meeting the Auditors Ian McDonald and Nancy Tran addressed the meeting and discussed the completed 2016/17 financial results as well as other audit matters. This was following the conclusion of the second year of a 5 year audit term.

### **2018/19 Annual Business Plan & Budget Process**

Continuation of improved budget timelines allowed Council to hold 2 budget workshops in April and May thus allowing more Councillor input into the process than previous years. Workshops were again focused at the Strategic level (especially around Financial Sustainability Indicators).

Management input into Capital budgets was required by the end of February and Operating budgets by 19th March. Considerable effort was made to provide budget detail at a lower level for management purposes. As such budgets for 2018/19 have been loaded into Councils Synergy financial system at both Job and 'IE' code levels. This allows management to monitor job budgets more accurately e.g. park maintenance by location

The Annual Business Plan consultation period culminated with a public meeting on Wednesday 6th June with 6 members of the public in attendance. Councillors and staff were in attendance to hear verbal submissions and answer questions.

Due date for written submissions for the Draft Annual Business Plan was Friday 8th June with one written submission received during the consultation period which commenced on 9th May.

In addition a Community Forum was held in Jamestown on Tuesday 29th May. As the meeting fell during the consultation period a large part of the meeting was dedicated to the Annual Business Plan and associated questions. There were no issues arising from the meetings that required changes to the draft budget.

The final budget adoption was again held in June at the Council Meeting on the 19th.

### **Financial Assistance Grants to Local Government**

Council relies on the receipt of Financial Assistance Grants each year as a significant component of revenue. For 2017/18 the amount of Financial Assistance Grants included in the original adopted budget equated to 20% of operating revenue.

During 2017/18 Council actually received a total of \$2,027,474 (this included an amount of \$955,266 relating to 2018/19 which was received as an advance payment in June 2018 and reported in the 2017/18 financial statements).

Federal government funding decisions have had a significant impact on Council from 2014/15 through to 2016/17. This included the loss of non-tied Supplementary road funding for South Australia and paused indexation of the Financial Assistance Grants totalling approximately \$180,000 and \$54,000 respectively. The impact of this funding change was equivalent to a general rate increase of approximately 6.3% in the final year 2016/17.

## CORPORATE SERVICES CONTINUED

The 2017/18 financial year welcomed the return of much needed indexation on Financial Assistance Grants. In addition the above total received in 2017/18 included an amount of \$200,531 for supplementary local road funding which is specifically for South Australian Councils. At this stage the return of supplementary road funding was for an initial period of 2 years.

### Energy Efficiency

A key departmental task for 2017/18 was to investigate ways to improve energy efficiency at the Jamestown office (e.g. lighting, solar, battery). The office already had a 20kW solar photovoltaic (PV) system which was installed back in 2012 that had reduced energy bills by approx. 50%.

A company that specialises in LED lighting was contacted and subsequently provided proposals for a range of Council buildings. Government subsidies under the Retailer Energy Efficiency Scheme (REES) are available to certain types of high use buildings. Anecdotally LED lighting uses approx. 1/3rd of the electricity of a standard globe or fluorescent tube and requires less ongoing maintenance. As such proposals to change to LED lighting offered relatively quick payback periods. Following some testing of LED tubes and battens installation of LED battens proceeded at the office in March 2018.

Other Council sites to subsequently receive LED installs included the Jamestown and Gladstone depots, Washdown Bay, Hydrotherapy Pool/Gymnasium, Wilkins Building and Belalie Creek Tree lighting. At the depots in particular previous lighting was very old and at times inadequate, the new LED lighting has greatly improved the light output and as such working conditions for employees.

At the Jamestown office previous power black-outs had started discussion about options to continue limited services when such an event occurs. These included a generator or a Lithium-Ion battery linked to the solar PV system. A decision was made to go down the battery/solar path due to return on investment.

By increasing the Solar PV by an extra 10kW we will draw less energy from the grid in the future further reducing our energy bills plus have the ability to store energy in a Lithium-Ion battery. As such the additional 10kW Solar PV was installed in May 2018.

Currently the battery installation is awaiting approval from SA Power Networks. Once installed the battery will be used to power the building into the evening rather than draw from the grid as well as cover critical circuits in power outages and allow computers, phones and lighting to run for many hours when grid power is unavailable. Essentially the battery will become a large uninterruptible power supply (UPS) for our computer/phone servers.

### Yearly Investment Review

Through the use of a variety of investment products, Council has achieved a high quality, low risk investment portfolio by obtaining investment return rates which deliver the best value within investment guidelines.



## CORPORATE SERVICES CONTINUED

During the 2017/18 financial year the official cash rate did not change. The last change to the Reserve Bank of Australia (RBA) cash rate was a 0.25% reduction from 1.75% to 1.50% in August 2016. The RBA cash rate has remained unchanged at 1.50% for the last 22 months.

Investment earnings ranged from 1.50% to 2.15% on funds invested during the period (excluding the LGFA bonus rate).

The total interest income from financial institutions for the year was \$90,050, which was 39% above the previous year's interest income of \$64,739, as a result of higher cash reserves in the 2017/18 financial year.

The table below provides Council's investment portfolio performance for the year ended 30 June 2018 compared to the official cash rate and the bank bill swap rate.

Financial Institution	Average Holding	Average Return
Local Government Finance Authority Cash deposit	3,579,286	2.11%
<b>Total Average Investments</b>	<b>3,579,286</b>	<b>2.11%</b>
NAB Council Operating Account	850,595	1.50%
90 Day Bank Bill Swap Rate		1.84%
Official Cash Rate		1.50%

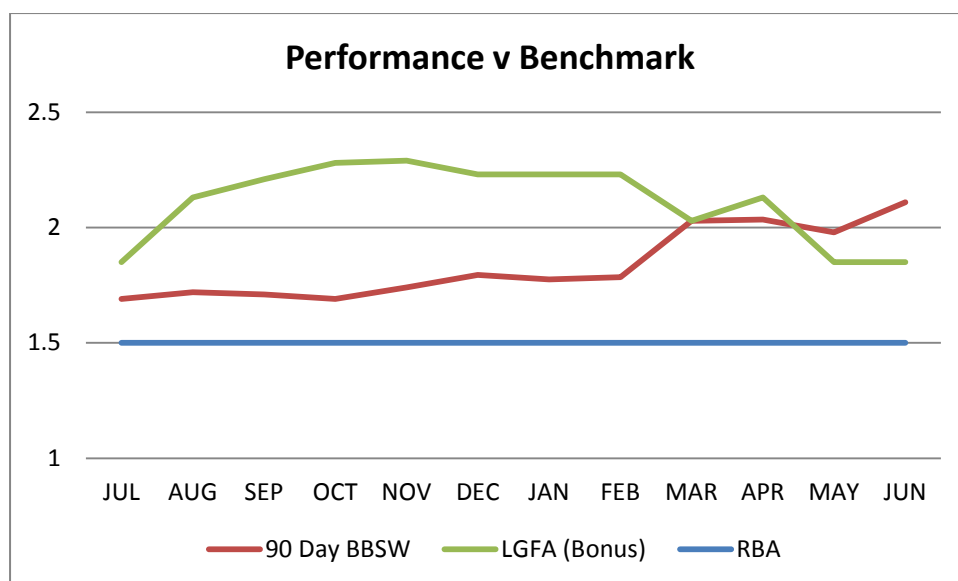
**\*\* LGFA average return factors in a yearly bonus percentage of 0.35%.**

*Note: The 90 Day BBSW as at 30 June 2018 was 2.11% and the RBA cash rate was 1.50%.*

On average, Council investments provided greater returns than both the 90 day bank bill swap rate and the official cash rate.

The following graph provides a comparison of Council's average investment interest rates with the LGFA (including bonus percentage) compared to the BBSW and the official Reserve Bank of Australia interest rates for the previous financial year. Council's average investment returns with the LGFA increased from August to April as reserves were invested for higher rate fixed terms, generally for 90 days at a time.

## CORPORATE SERVICES CONTINUED



## 2017-18 Annual Business Plan Summary

The Annual Business Plan sets out the Council's proposed services, programs and projects for 2017-18. It aims to maintain efficient services for the community and continue progress towards the longer term objectives for the district as set out in the Strategic Management Plan adopted by the Council on 20th September 2011. Specific objectives for the year are proposed consistent with the Council's Long-term Financial and Asset Management Plans to ensure the long-term sustainability of the Council's financial performance and position.

Council relies heavily on rates and grant revenue as primary sources of income. The following table provides a summary of the Budgeted Operating Income and Expenditure for the 2017-18 year.

Operating Income	\$m	Operating Expenses	\$m
Rates	\$7.76	Employee costs	\$3.33
User/Statutory charges	\$0.26	Materials, Contract, Other	\$2.94
Grants	\$2.26	Finance costs	\$0.43
Other income	\$0.89	Depreciation	\$4.36
<b>Total</b>	<b>\$11.17</b>	<b>Total</b>	<b>\$11.06</b>

A full copy of the Annual Business Plan is available at [www.nacouncil.sa.gov.au](http://www.nacouncil.sa.gov.au)

### Project Priorities for the Year

In 2017-18 Council will undertake major Capital Works in line with Council's Asset Management Plans to ensure the longevity of existing assets and statutory compliance.

## CORPORATE SERVICES CONTINUED

Council is proposing capital expenditure of \$5.9 million of which \$1.1 million is allocated for new assets and the remaining \$4.8 million for renewal and upgrade of existing assets.

### Civil

- Re-sealing of existing Sealed roads \$520,000;
- New Seal allowance \$380,000 – Loan funded;
- Unsealed road re-sheeting \$1,720,000;
- Bridges \$51,500;
- Footpaths \$50,000;
- Signage \$100,000;
- Laura Streetscape Upgrade \$230,000  
(part E -subject to grant funding).

### Stormwater

- Georgetown/Huddleston Floodway \$450,000;
- Various Drainage and Flood Mitigation (Study, Design & Construction) \$175,000.

### Plant

- Net Plant replacement program - Loans of \$700,000;

### Buildings

- Swimming Pool Upgrades \$202,000.
- Various building upgrades \$222,000.

### Public Open Space

- Playgrounds \$50,000;

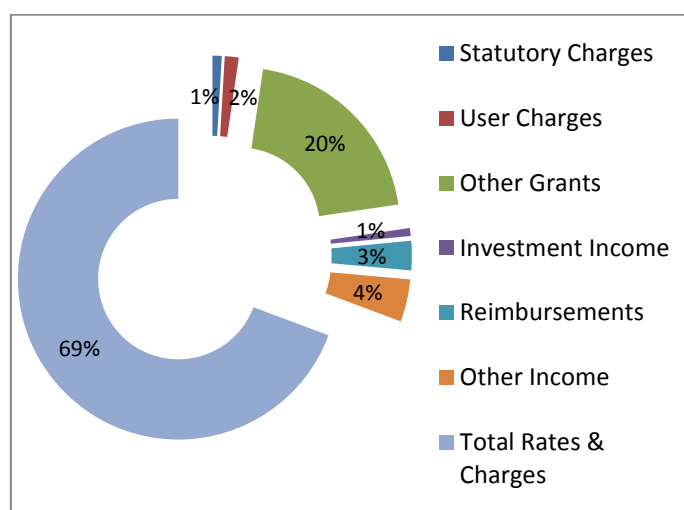
### CWMS

- CWMS projects \$177,000 (some grants applicable);



## CORPORATE SERVICES CONTINUED

### 2017/18 Operating Revenue Mix



### Significant Influences and Priorities

A number of significant factors have influenced the preparation of the Council's 2017-18 Annual Business Plan. These include:

- Consumer Price Index increases on relevant goods and services of 2.0% for the year;
- Council to make gradual improvements towards a financially sustainable operating position;
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, stormwater drainage, street trees and plantings, open space and Council properties;
- Service and infrastructure needs for a changing population;
- Commitments to continuing projects and partnership initiatives over more than one year.
- Reduction/removal of State/Commonwealth grant funding for services deemed to continue;
- New fees/changes imposed by other governments e.g Waste Levy, NRM Levy;

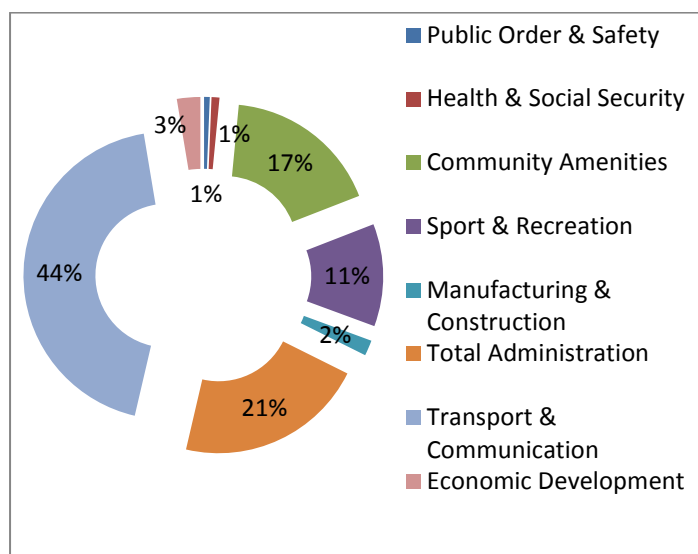
In response to these factors, and to minimise the burden on ratepayers, the Annual Business Plan has been prepared within the following guidelines:

- The Annual Business Plan will result in the total revenue raised through general rates increasing by 8.0% (excluding growth);

## CORPORATE SERVICES CONTINUED

- Total operating expenses to be held within 1.0% of the current year's level;
- Maintenance of service levels for continuing Council programs and activities;
- Continuing to pursue shared service opportunities with governmental agencies, other local government authorities and private enterprise;
- Improving Asset Management practices through the implementation of various Asset Management Plans and associated service level documents.

### 2017/18 Operating Expense Mix



### Reflecting on 2016-17

Highlights of the goals and outcomes achieved by Council during the 2016-17 financial year include:

#### Building Maintenance Program

Including the upgrade of the Laura Civic Centre air conditioning.

#### Events

Council continues to support a range of significant events in its communities. Events this year included the Laura Folk Fair, Jamestown Show and Laura Country Music Festival.

#### Other Operations

- Maintenance of roads and associated infrastructure including patrol grading, road patching and footpath/kerb repairs in the range of \$1.5M per annum.

## CORPORATE SERVICES CONTINUED

- Parks and garden Maintenance of approx \$450K per annum.
- Waste management, including Transfer Station operations and kerbside waste and recycling collection of approx. \$550K per annum.

\$1.3M Re-sheeting 63kms of various rural roads

A capital works program of \$5.2m, including \$4.6m for the replacement and renewal of existing assets and \$0.6m for new and upgraded assets



### Major projects were:

- Re-sheeting approx. 63kms of unsealed roads to the value of \$1.3M
- Town Re-sealing works to the value of \$0.5M
- Gulnare Toilet Construction
- Jamestown Swimming Pool Change-room Upgrade
- Practical completion of the Laura Flood Mitigation Project (\$1M over 3 years)
- Major plant replacement program, Net \$646K
- Laura CWMS Irrigation Project

### *What it means for rates in 2017-18*

#### How does Council determine the rates payable?

Council adopts the capital values (as provided by the State Valuation Office) on all properties in the Council District. Council determines what revenue is required for Council operations in the district for each financial year in the form of the Annual Business Plan & Budget. The rate in the dollar and the fixed charge are then declared by Council for all properties in the area.

For example: A property has a capital value of \$200,000 and Council declares a rate in the dollar of 0.477 cents. That property will pay  $\$200,000 \times 0.477 \text{ cents} = \$954.00$  + \$370.00 fixed charge for total of \$1,324.00.

In 2016-17 Council's general rate revenue was \$5,806,300. It is budgeted that in the 2017-18 financial year an 8.0% average general rate increase apply to existing rateable properties. New assessments will also add additional rate revenue of 1.4% bringing the gross expected rate income to \$6,353,000.

### Overview

In setting its rates for the 2017/2018 financial year Council considered the following:

## CORPORATE SERVICES CONTINUED

- The current economic climate and relevant factors such as inflation and interest rates;
- The specific issues faced by our community, including the effects of the drought and the previous impact of poor seasons for the farming community;
- The need to continue to replace and upgrade infrastructure and other assets including both plant and machinery and the road network;
- The objective of attracting and continuing to attract and support business activity to generate economic development;
- Council's Strategic Management Plan and the meeting of its objectives;
- The Budget for the 2017/2018 Financial Year and the Long Term Financial Plans;
- Householders, businesses and farmers;
- Employed, unemployed & pensioners;
- The broad principal of achieving equity in the distribution of rates;
- Minimising the level of general rates required by levying user pays fees and charges for goods and services where possible;
- Setting fees and charges to recover the full cost of operating or providing the services of goods, with provision for concessions to those members of the community unable to readily meet the full cost;
- Taking into account increases on Council valuations by the State Valuation Office;
- Council's membership of Regional Development Australia which in turn supports small businesses in the Council area;
- Promoting Single Farm Enterprise benefit which has reduced the rate burden on primary production businesses.

Council conducts public consultation on a broad range of issues as required by its Public Consultation Policy. The draft Annual Business Plan was available to all ratepayers and community members who had the opportunity to provide written feedback and comments prior to adoption. Council also held a one hour public meeting on the 7th June 2017 for personal submissions.

### Method Used To Value Land

Council may adopt one of three valuation methodologies to value properties in its area. They are:

- Capital Value – the value of the land and all improvements on the land;
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements;
- Annual Value – a valuation of the rental potential of the property.

Council has decided to continue to use capital value as the basis for valuing land within its Council area. Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers when applying the equity test of taxation.

## CORPORATE SERVICES CONTINUED

### Adoption of Valuations

Council will adopt the valuations made by the State Valuation Office as provided to the Council in May 2017.

A ratepayer may object to the Valuer-General in writing, within 60 days of receiving the notice of the valuation at the following address.

State Valuation Office  
GPO Box 1354, Adelaide 5001  
Email: [lsgobjections@sa.gov.au](mailto:lsgobjections@sa.gov.au)  
Phone: 1300 653 346.

Council has no role in this process. It is also important to note that the lodgement of an objection does not change the due date or amount for payment of rates.

### General Rates

All land within a council area, except for land specifically exempt (e.g. crown land, council occupied land and other land prescribed in the Local Government Act 1999 – refer Section 168 of the Local Government Act 1999), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties.

It is proposed to raise \$6,353,000 net general rate revenue in a total revenue budget of \$11,175,000. Council proposes to set a general rate of 0.3250 cents in the dollar for rural assessments and 0.4770 cents in the dollar for urban assessments to raise the necessary revenue.

### Differential General Rates

Council proposes to impose differential general rates based on:

- Whether the land is rural or urban;
- General rate of 0.3250 cents in the dollar for rural assessments and 0.4770 cents in the dollar for urban assessments;
- Generating \$3,945,000 being raised from rural rates and \$2,408,000 being raised from urban rates.

### Fixed Charge

Council proposes to impose a fixed charge on rateable properties of \$370. The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge is levied against two or more pieces of adjoining land, whether intercepted by a road or not, if the land is owned by the same owner(s) and occupied by the same occupier(s). Council believes that a fixed charge provides an equitable base for the rating system.



## CORPORATE SERVICES CONTINUED

If two or more pieces of rateable land within the area of the Council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land. The single farm enterprise provision allows for eligible farmers to achieve more equitable distribution of the fixed charge (which reflects the changing nature of farm holdings in the area).

Approval is subject to a written application and such evidence as Council may reasonably require. Applications must be received by June 30 to take effect in the following financial year.

### Annual Service Charges

Council provides a Community Wastewater Management System (CWMS) to most properties in Jamestown, Laura, Gladstone and the Moyletown area of Jamestown. Council will recover the full cost of operating, maintaining and improving this service for this financial year (includes setting aside funds for the future replacement of the assets employed in providing the service and septic tank de-sludge on a 4-yearly cycle) through the imposition of an annual service charge of \$455.00 per occupied property unit and \$369.00 per unoccupied unit.

Any surplus of revenue over expense is kept in a dedicated reserve account for future replacement or upgrades of respective schemes.

Council provides waste collection services to townships within the Council area. This annual service charge will be calculated at 100% of anticipated costs of roadside waste collection and disposal for all areas having a pickup. The Waste Collection Annual Service Charge proposed for 2017/18 year is \$160.00 per unit (2 bin system).

In addition a refund of \$25 per service charge for 2016/17 will be applied due to savings realised when the service changed to a contractor mid year.

Some rural properties voluntarily participate in the service and are invoiced through Council's debtor system. Please note that properties exempt from General Rates are not necessarily exempt from Annual Service Charges if applicable.

### State Government Concessions

These concessions were formerly available to the holders of pensioner concession cards, veterans, low-income earners, unemployed, students, and self-funded retirees.

These concessions were all abolished by the State Government with effect from 30 June 2015. From 1 July 2015, the State Government has elected to replace these concessions with a single "cost-of-living payment" provided directly to those entitled. This payment may be used for any purpose, including offsetting Council rates.

Note that not all former recipients of rates concessions will be entitled to the new payment. To check eligibility, contact the Department for Communities and Social Inclusion (DCSI) Concessions Hotline 1800 307 758 or email [concessions@sa.gov.au](mailto:concessions@sa.gov.au) or at [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions).

## CORPORATE SERVICES CONTINUED

Also from 1 July 2017 the separate concession entitlements for Council Community Wastewater Management Systems (CWMS) will also be handled directly by the State Government. DCSI will write to all affected households informing of the changes and explaining how sewerage concessions for CWMS households will be administered from 1 July 2017.

### Postponement of Rates for State Seniors Card Holders

Section 182A of the Local Government Act 1999 provides for the option for State Seniors Card Holders to postpone part of the rates on a long term basis. A deferred amount is subject to a monthly interest charge with the accrued debt being payable on the disposal or sale of the property. Applications are subject to the same conditions as deferral or postponement of rates.

For further information and details please contact the Rates Officer;  
Northern Areas Council PO Box 120 Jamestown SA 5491 or  
Phone 8664 1139.

### Rate Capping

Council provides a rate cap upon application of 50% for the 2017/18 financial year. Rate capping does not apply to properties where the current ratepayer was not a ratepayer for that property prior to 1st July 2016 or where a building/development approval has been granted since 1st July 2016 valued at \$20,000 or more. Applications for the rebate must be received by 31 August 2017.

### Payment of Rates

The Council has decided that the payment of rates will be by quarterly billing, due on the 1st September 2017, 1st December 2017, 2nd March 2018 and 1st June 2018.

### Difficulty in paying Rates

Any ratepayer who may, or is likely to experience difficulty with meeting the standard payment arrangements is invited to contact the Rates Officer, to discuss alternative payment arrangements. Council treats such inquiries confidentially.

### Late Payment of Rates

The Local Government Act provides that Councils impose a penalty of a 2% fine on any payment for rates, whether due by instalment or otherwise that are unpaid after the due date. A payment that continues to be in arrears is then charged penalty interest at an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Penalty fines allow the Council to recover some of the administration costs that arise because rates were not received by the due date.

### Remission and Postponement of Rates

Section 182 of the Local Government Act, permits a Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact the Rates Officer to discuss the matter.

## CORPORATE SERVICES CONTINUED

A ratepayer will be required to submit evidence of the hardship being suffered to benefit from the application of Section 182. Council treats such inquiries confidentially.

### **Rebate of Rates**

The Local Government Act 1999, requires Councils to rebate the rates payable on some land. This includes a 100% rebate for hospitals, health centres, churches and cemeteries. A minimum rebate of 75% is applied for land used predominantly for educational purposes (subject to some qualifications). Applications for any other discretionary rebates should be in writing to the Manager Corporate Services, detailing the basis for applying for the rebate. Council will consider each application on merit.

### **Sale of Land for Non-Payment of Rates**

Section 184 of the Local Government Act, provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of the land of its intention to sell the land; provide the owner with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

### **Natural Resource Management (NRM) (State Govt) Levy**

The Natural Resources Management Act 2004 requires Council to raise a levy on behalf of the Northern & Yorke Natural Resources Management Board. This levy is shown separately on the rates notice. Council does not retain this revenue, nor determine how the revenue is spent. Council is required to raise \$254,800 in 2017/18, being an increase of \$13,900 or 5.8%. Council will recover this amount by applying a Levy of 0.01722 cents in the \$ against the capital value of every property in the area.

*Any queries relating to the NRM Levy should be directed to:*

**Northern & Yorke NRM Board**  
**155 Main North Road, Clare SA 5453**  
**Phone: (08) 8841 3400**  
**Email: [DEWNR.nynrmboard@sa.gov.au](mailto:DEWNR.nynrmboard@sa.gov.au)**

### **Rating\_Zones**

All land zoned "Primary Production", "Rural Landscape Protection" and "Forestry" in Council's Development Plan consolidated 17<sup>th</sup> January 2013 will constitute the "rural" rating zone. All other land not zoned "Primary Production", "Rural Landscape Protection" and "Forestry" will be zoned "urban" for rating purposes.

## COMMUNITY DEVELOPMENT

Council's Manager, Community Development was successful in securing the following grant funds from external sources, during the 2017/2018 financial year.

Grant	Applicant	Project
Office for Recreation and Sport, Community Recreation and Sport Facilities Program	Spalding Amateur Swimming Club	Resurfacing of the Spalding Swimming Pool
Office for Recreation and Sport, Sport and Recreation Development and Inclusion Program	Mid North Star Club Management Committee (Port Pirie Regional Council, Northern Areas Council, District Council of Mount Remarkable, District Council of Orroroo/Carrieton, District Council of Peterborough)	Star Club Field Officer Funding 2018/19 – 2020/21
Office for Recreation and Sport, Active Club Program	Caltowie Bowling Club	Programs and Equipment
Department of Veterans Affairs Armistice Grants	Gladstone Ex Service Personnel Group	Production of Regional History Book of local Diggers

### Community Projects Budget and Grant Rounds

Since 2008/09 Council has assigned funds to the Community Projects Budget to consider 'one-off' requests from community groups for support prioritising projects or events do not 'fit' existing funding or grant guidelines.

With the increasing number of 'one-off' requests being presented to Council from both Section 41 Committees or Incorporated community and sporting groups, it became prevalent that a process was required to ensure the fair and equitable distribution of the funds.



The allocation of funds from the Community Projects Budget was distributed over a single round in November 2017, with \$20,000 available. A total of 21 applications were received of which 14 were successful, the projects being:

## COMMUNITY DEVELOPMENT CONTINUED

Successful Applicants 2017/18	Awarded
Spalding Swimming Pool Management Committee	\$3000
Jamestown Development Association	\$2300
Jamestown Regional Hydrotherapy Pool and Gymnasium Management Committee	\$2300
Laura Memorial Civic Centre Management Committee	\$2300
Spalding District	\$2300
Jamestown Flying Group	\$1200
Jamestown Mural Festival	\$1200
Jamestown Community Garden	\$950
Gladstone Community Development and Tourism Association	\$935
Rocky River Historic and Art Society	\$935
Belalie Arts Society	\$800
Gladstone History Group	\$650
Rocky River Garden Club	\$600
Laura Folk Fair	\$530

### AGL Hallett Wind Farm Community Fund

Whilst there was a continuation of the AGL Hallett Wind Farm Community Fund, which saw an allocation of \$25,500 distributed to groups across the Council area.

Applications were received from 19 community groups, of which 12 were successful in their applications.



Successful Applicants 2017/18	Awarded
Bundaleer Forest Community Areas Association	\$3000
Jamestown Apex Club	\$3000
RSL and Combined Services Club	\$3000
Gladstone Ex Service Personnel Group	\$1890
Gladstone Memorial Hall Management Committee	\$1890
Jamestown Development Association	\$1890
Jamestown Regional Hydrotherapy Pool and Gymnasium Management Committee	\$1890
Laura Community Development and Tourism Association	\$1890
Laura Memorial Civic Centre Management Committee	\$1890
Australian Red Cross – Jamestown Branch	\$1890
Jamestown National Trust Branch	\$1790
CFS Jamestown	\$1570

## COMMUNITY DEVELOPMENT CONTINUED

### Neoen Energy Hornsdale Wind Farm General Community Fund

2017/18 saw the Neoen Hornsdale Wind Farm Community Fund split in to two separate rounds. Whilst the agreed annual allocation from Neoen has been for \$120,000, an anomaly occurred during the year with an additional \$40,000 available through a payment allocated for the completion of stage three of the project, resulting in a total funding pool of \$160,000.

Accordingly the fund was then split in to two even rounds, one being for the “traditional” general projects round and the other round specifically for energy efficiency related projects.

A total of 48 groups sought funding with, 27 groups sharing in \$80,000 in funding. The successful groups were:

<b>Successful Applicants 2017/18</b>	<b>Awarded</b>
Gladstone Hall Management Committee	\$5000
Laura Memorial Civic Centre Management Committee	\$5000
Spalding District	\$5000
Combined Sports Association – Gladstone	\$4000
Gladstone History Group	\$4000
Jamestown Development Association – Diggers Walk Sub Committee	\$4000
Jamestown Lions Club	\$4000
Jamestown Regional Sports Stadium	\$4000
Laura Community Caravan Park	\$4000
Laura Cricket Club	\$4000
Gladstone Community Caravan Park	\$3000
Jamestown AH & F Show Society	\$3000
Jamestown Apex Club	\$3000
Jamestown Development Association – Hall Sub Committee	\$3000
Jamestown Development Association – Tourism Sub Committee	\$3000
Mannanarie Public Hall Committee	\$3000
Visit Jamestown Tourism Committee	\$3000
Bundaleer Forest Community Areas Association	\$2000
Gladstone Country Fair	\$2000
Jamestown Flying Group	\$2000
Jamestown Regional Hydrotherapy Pool and Gymnasium Management Committee	\$2000
Mid North Suicide Prevention Committee	\$2000
Yacka Community Development Association	\$2000
Rocky River Historic and Art Society	\$1250
Spalding Cricket Club	\$1250
Jamestown National Trust	\$1000
Belalie Arts Society	\$500



## COMMUNITY DEVELOPMENT CONTINUED

### Neoen Energy Hornsdale Wind Farm Energy Efficiency Fund

2017/18 also saw the expansion of the Neoen Energy Hornsdale Wind Farm Community Fund, with \$80,000 made available specifically for energy efficiency projects.

A total of 21 different community groups sought funding, of which 12 were successful in the 2017/18 round. The combined annual energy consumption costs of the 12 recipients, was just over \$70,000. With the advent of projects which have been made possible via the energy efficiency fund, it is anticipated that this will significantly reduce this annual amount, leading to major savings for the community. The advantage of undertaking such projects is the multiplier effect with the projects delivering savings year on year.



Successful projects for 2017/18 were:

Successful Applicants 2017/18	Awarded
Jamestown Regional Sports Stadium	\$8000
Laura Community Caravan Park	\$8000
Gladstone Swimming Pool Management Committee	\$7000
Jamestown Development Association	\$7000
Jamestown Regional Hydrotherapy Pool and Gymnasium Management Committee	\$7000
Jamestown Lawn Tennis Club	\$7000
Jamestown Swimming Pool Management Committee	\$7000
RSL and Combined Services Club Jamestown	\$7000
Spalding Sports Association	\$7000
Bundaleer Sport and Recreation Committee	\$5000
Jamestown Bowling Club	\$5000
Victoria Park Jamestown Management Committee	\$5000



## COMMUNITY DEVELOPMENT CONTINUED

In total 64 different grants were awarded across the four funds, from a total of 109 applications, delivering \$205,500 to not for profit volunteer based organisations across the Council area.

### Community Grant Historical Summary

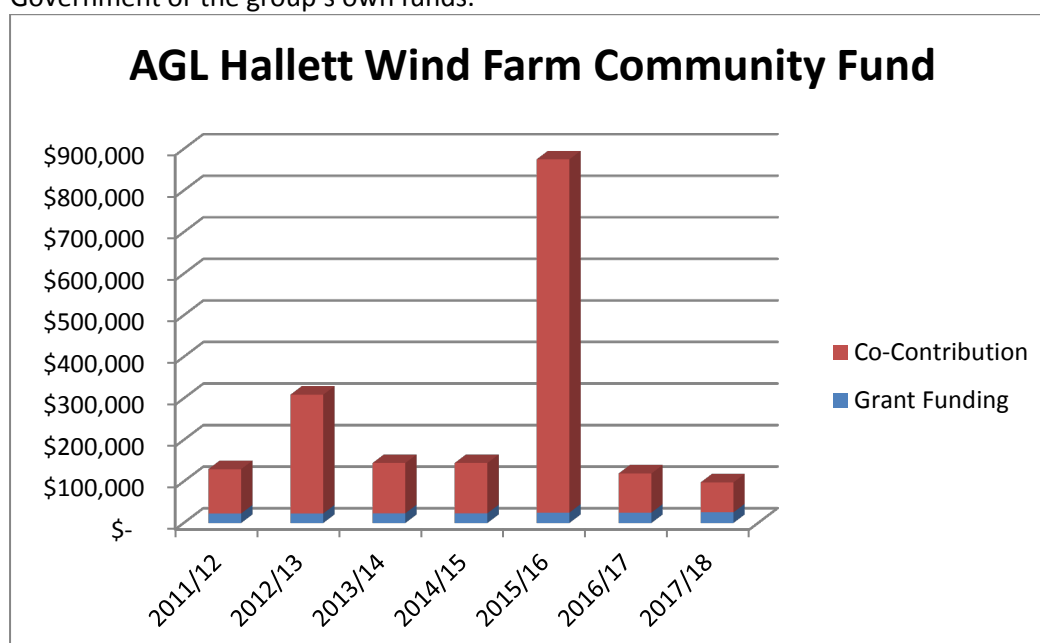
Since a major review was undertaken in 2011 and Council commenced its own budget allocation via the Community Projects Grants in 2011/12, to complement the AGL Hallett Wind Farm Community Fund, combined with the recently established funding programs via Neoen's Hornsdale Wind Farm, there has been a vastly increased opportunity in funding for local projects for community groups.

Whilst there is no requirement for funding recipients to match funds on a dollar for dollar basis, which is common practice for many state and federal government programs, it has been interesting to review the level of funding co-contributions for projects which have been allocated funding via the various community funding programs.

The final respective value inclusive of all labour costs is difficult to determine, due to the fact projects are managed by volunteers, with a significant level of volunteer labour contribution. Given that Council's rate of volunteering in the community as reflected in the 2016 National Census stands at 40.2 percent of the community, in comparison to the South Australian average of 21.4 percent and the national average of 19 percent, it represents the capability of highly successful outcomes for the community, its volunteers, Council and the funding partners through such programs.

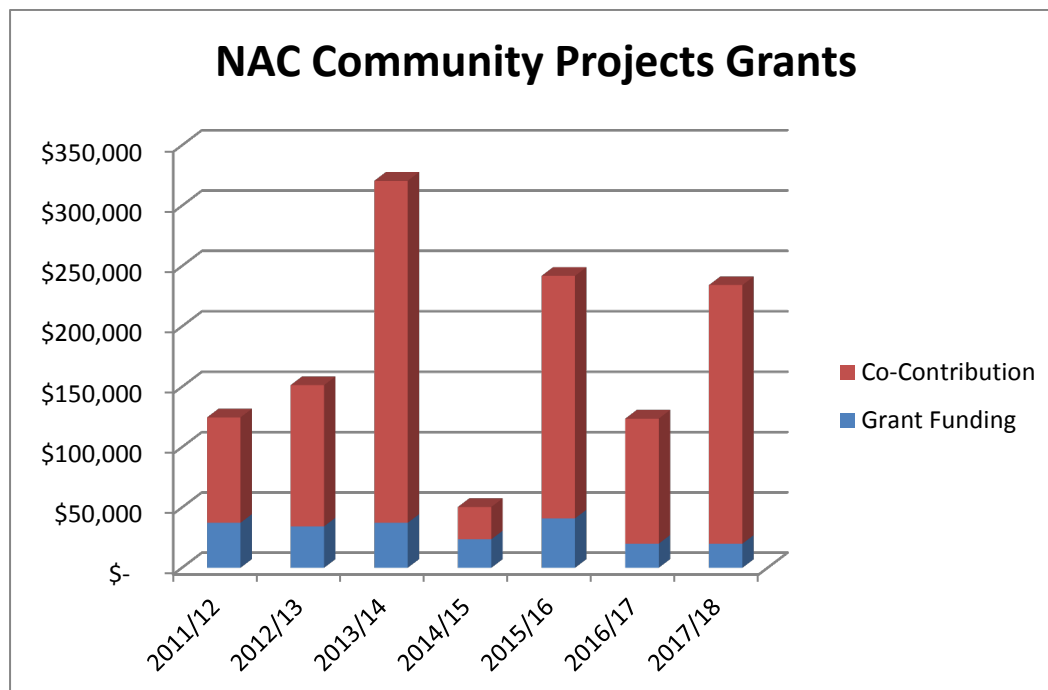
However in terms of non labour costs, as detailed in the following graphs, it can be demonstrated that for the vast majority of years, there has been a reasonably similar level of funding co-contributions, with the occasional exception being for years which may have seen contributions to large events such as the Jamestown Fly In and Air Spectacular or large community capital projects such as the Spalding Community Sporting Complex.

As detailed via the following graphs, each fund has been successful in both assisting the community and enabling leveraging of other funding, be it by other funding sources such as the State or Federal Government or the group's own funds.

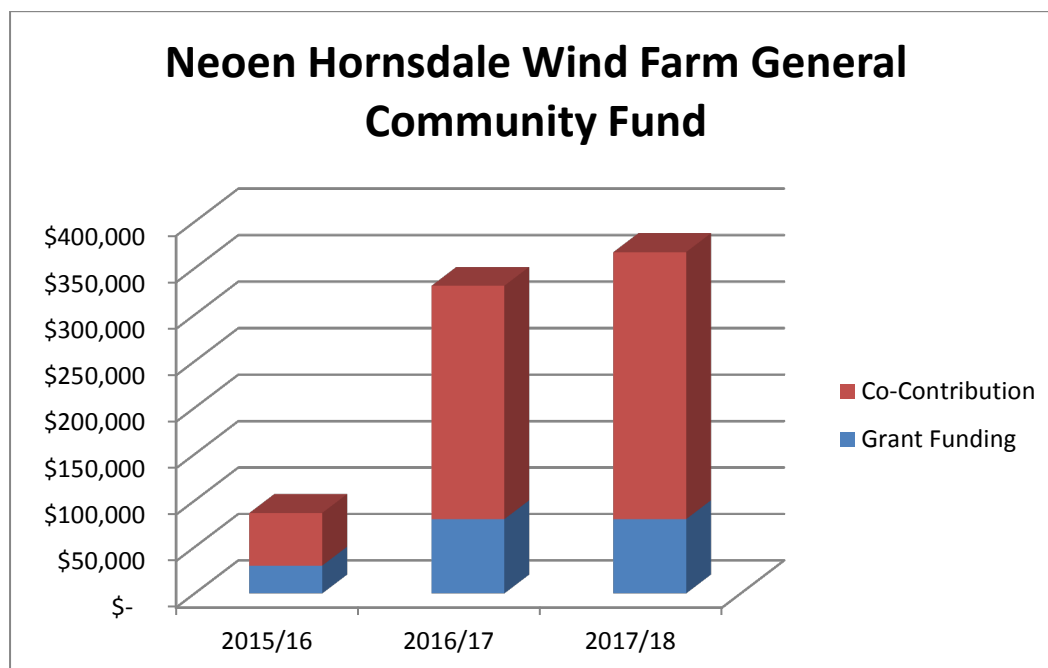


## COMMUNITY DEVELOPMENT CONTINUED

Since 2011/12 the total level of funding allocated via the AGL Hallett Wind Farm Community Fund has been \$168,168, whilst the value of other co-contributions has been \$1,650,627.

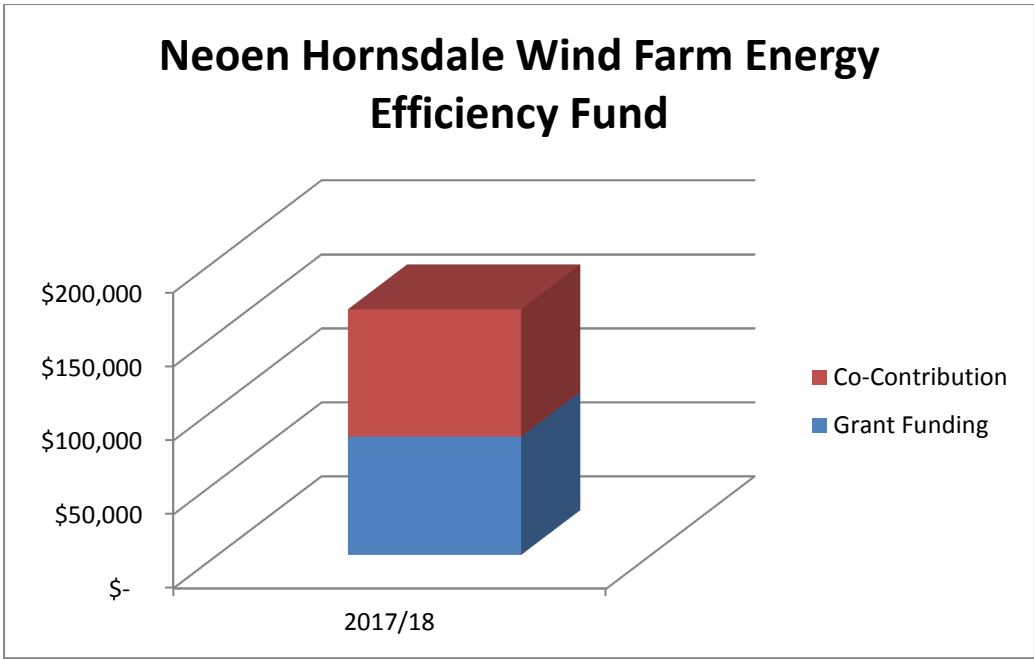


Across the same period of time the total level of funding allocated via Council's Community Grants Funding Program has been \$213,519, with the value of co-contributions being \$1,033,513.



Since being established in 2015/16 the total level of funding allocation via the Neoen Hornsdale Wind Farm General Community Fund has seen a combined total allocation of \$190,000 with the value of other co-contributions being \$595,138.

COMMUNITY DEVELOPMENT CONTINUED



In its inaugural year the total level of funding allocated has been \$80,000 whilst the value of other co-contributions has been \$85,981.

With regard to the Neoen Hornsdale Wind Farm Energy Efficiency Fund, applicants were invited to apply for up to \$8000 per project, as opposed to the cap of \$5000 per project through the Neoen Hornsdale Wind Farm General Fund.

Due to the slightly higher nature of capital costs for such energy efficiency projects, including items such as solar energy systems, this has made it possible for groups to be able to fully complete projects. This has proved to be of significant importance, given that such projects enable groups to deliver significant future savings on energy costs for many years in to the future.

## COMMUNITY DEVELOPMENT CONTINUED

### **Southern Flinders Tourism Network**

2017/18 saw Council continue to seek to partner with neighbouring Councils across the region to promote Tourism in the Southern Flinders Ranges. In partnership with the Port Pirie Regional Council, District Council of Mount Remarkable, District Council of Orroroo/Carrieton and the District Council of Peterborough a new Tourism and Events Strategy and Action Plan was established.

The purpose of the plan is to support the Southern Flinders Ranges tourism economy as a whole, to achieve its potential share of the total Flinders Ranges and Outback tourism expenditure, estimated at \$452 million per annum by 2020, and help deliver a resilient and diverse regional economy.

The Action Plan also aligns with the South Australian Tourism Plan 2020 and focuses on five key priority areas:

1. Driving Demand
2. Creating a Collaborative Culture
3. Supporting Port Pirie and Southern Flinders Businesses
4. Increasing Awareness of the Value of Tourism, and
5. Using Events to Drive Visitation

The plan also identifies local gaps in tourism product and sought after experiences which will create opportunities for future tourism development and growth.

The plan and its targets will be reviewed and revised each year.



## COMMUNITY DEVELOPMENT CONTINUED

### Bundaleer and Beetaloo Reservoir Recreational Fishing Access

In 2014 the State Government committed to investigate the potential for recreational fishing access at up to five offline reservoirs to improve recreational fishing opportunities in South Australia.

Initially the State Government committed to opening five reservoirs for recreational fishing access in the state, including Bundaleer. Beetaloo was later considered under a review of further access, however due to some access already being established for the general public, negotiations were undertaken by SA Water and the State Government directly.

With regard to Bundaleer, Council were successful in acquiring grant funding of \$92,600 which was utilised to establish suitable infrastructure enabling recreational fishing access, including a car park, public toilet, park furniture and a significant amount of fencing to ensure various areas were excluded from public access for safety purposes.

Council, Recfish SA and SA Water entered in to a Memorandum of Access Agreement with regard to operational maintenance of recreational fishing infrastructure at the Bundaleer Reservoir, whilst SA Water continues to maintain all aspects of the Beetaloo Reservoir.

Monday the 16th of October saw the official commencement of recreational fishing at the Bundaleer Reservoir, with Minister for Regional Development Hon. Geoff Brock MP joining Mayor Clark, CEO Colin Byles and representatives of Recfish SA in declaring the site open.





## COMMUNITY DEVELOPMENT CONTINUED

Members of the public were able to access both the Beetaloo and Bundaleer Reservoirs at specific times set by SA Water, with all fishers required to seek an access permit from Recfish SA. A review of the first year of operation is set to be undertaken in 2018/19.



### Mid North Starclub Field Officer

Council continued its commitment to the Mid North Starclub Officer program, along with the Port Pirie Regional Council, District Council of Mount Remarkable, District Council of Orroroo Carrieton, District Council of Peterborough and the Office for Recreation and Sport.

The Office for Recreation and Sport had previously committed funding for the program for three years, for the 2015/16, 2016/17 and 2017/18 financial years, with additional funding contributed from each of the partner Councils. It was announced in March 2018 that the Office for Recreation and Sport had committed a funding contribution of \$180,000 for a further three years of the program, in partnership with the five Councils.

The role of the Starclub Field Officer is to work with Sporting Clubs, associations, schools and physical activity providers to support the development of active recreation and sport; further develop clubs and organisations and the programs and services they provide; and increase community participation in active sport and recreation programs. There has been an increased focus on establishing good governance practices and policies through the Starclub program.

The Field Officer has concentrated efforts towards the following key areas:

- Coaching, Officiating & Volunteers
- Safe Supportive Environments
- Club Management Structures and Processes



## COMMUNITY DEVELOPMENT CONTINUED

Rhys Millington continued in the role of Mid North Star Club Field Officer having previously commenced in the role in February 2017.

Specific training was held for local community sporting organisations in the areas of:

- Child Safe
- Essentials for Coaching Children
- Responsible Service of Alcohol
- Club Governance and Constitutions
- Committee Induction
- Grant Writing

Across the financial year, the Caltowie Bowling Club were the sole organisation from within the Northern Areas Council to be successful in achieving grant funding through the Active Club Programs and Equipment Fund.



Whilst the Spalding Amateur Swimming Club were successful in being allocated grant funding to resurface both the main pool and the infant pool, via the Community Sport and Recreation Facilities Program.

## COMMUNITY DEVELOPMENT CONTINUED

### Swimming Pools

Swimming Pools continue to serve as a key recreational facility across the Council area. Council continues to operate three outdoor swimming pools, located at Gladstone, Jamestown and Spalding.

Council employs staff to undertake activities at the pools where it remains necessary, whilst community volunteers and organisations provide assistance where required and deemed suitable. In all cases, Council ensures that all workers operate within compliance of Work, Health and Safety regulations as per the *WHS Act 2012*.

VACSWIM and school swimming programs remain a key activity at the facilities, whilst competitive swimming continues to be a popular sporting choice at Gladstone and Jamestown.

In accordance with Council's asset management plan and working in alignment with the previously completed operational level plans, Council continued to upgrade swimming pool facilities during 2018/19, predominantly in the area of plant room infrastructure.

The plant room at the Jamestown Pool undertook a major upgrade prior to the season, whilst similar work commenced at Spalding during the latter part of 2017/18 with the project slated for completion early in the new financial year.



## COMMUNITY DEVELOPMENT CONTINUED

### Regional Hydrotherapy Pool and Gymnasium

Council continues to operate the Regional Hydrotherapy Pool and Gymnasium, located in Jamestown. The facility offers both a hydrotherapy pool rehabilitation facility and a gymnasium.

The facility continues to serve the wider region and enable people to access such a facility locally, as opposed to travelling to Adelaide.

During the 2017/18 financial year, Council undertook the consultancy services of Statewide Pools to prepare an operational level asset management plan, in addition to a service level plan for the plant room. Fibreglass specialist firm All Tanks were also engaged to undertake an assessment of the pool surface, to assess the longevity of the pool in its current form and any potential impacts of management practices, and to advised of any preventative maintenance required.

The facility's Management Committee, were successful in accessing grant funding to enable the installation of an electronic automated security system for the gymnasium, which was installed during May 2018. The purpose is to ensure that the facility is only accessed by members and to deter instances of facility misuse.





## COMMUNITY DEVELOPMENT CONTINUED

### Flinders Mobile Library

The Flinders Mobile Library continued to provide library services to residents of the Northern Areas Council, Mount Remarkable District Council and the Port Pirie Regional Council during 2017/18. The Flinders Mobile Library service is based out of Gladstone, with the mobile library truck visiting 16 townships and 9 schools on a fortnightly schedule.

POPULATION SERVED	2013/14	2014/15	2015/16	2016/17	2017/18
District Council of Mt Remarkable	2910	2849	2827	2773	2774
Northern Areas Council	2501	2478	2482	2468	2450
Port Pirie Regional Council	743	741	681	1007	996
<b>TOTAL</b>	<b>6154</b>	<b>6068</b>	<b>5990</b>	<b>6248</b>	<b>6220</b>

The total population served data is gathered from the Census and provided to Flinders Mobile Library by PLS (Public Library Services); this is the data used to determine the percentage of a Council's contribution to the library each year. A reallocation in 2016/17 saw Port Pirie Regional Councils total population served jump a little, however the overall the balance between all three funding Councils has remained fairly consistent with previous years.



### Circulation Statistics

LOANS	2013/14	2014/15	2015/16	2016/17	2017/18
Total Physical Loans	42,327	50,473	46,100	42,554	41,421
Total Digital Loans (online eContent)	502	493	905	896	1246
Total Holds placed & collected	4982	7876	7411	6662	7745
Total Incoming holds from other Libraries in SA	4027	6932	6744	5443	6947
Total Outgoing holds to other Libraries in SA	6542	6751	9096	9084	9046

### Collection Statistics

Collection maintenance is a constant and ongoing process, meaning that collection totals are in a constant state of flux as old items go out and new items come in. At June 30<sup>th</sup> 2018, Flinders Mobile Library had a total of 20,477 physical items in the collection. These items consist of books, DVD's, CD's, CD-ROM's, magazines, language kits and audio books.

COLLECTION	30/6/14	16/6/15	30/6/16	30/6/17	30/6/18
Items on the Flinders Mobile Library truck	6279	7055	7090	6804	6564
Items in the Flinders Mobile Library depot	13285	14058	13175	13799	13913
<b>TOTAL items in the entire collection</b>	<b>19,564</b>	<b>21,113</b>	<b>20,265</b>	<b>20,603</b>	<b>20,477</b>

### Borrower Statistics

We had an decrease of 87 borrowers registered directly with Flinders Mobile Library during the 2017/18 financial year, however this is due to an annual borrower 'cull' of people who have not used a library service at all in the last 3 years. Therefore these borrowers are now deemed inactive and

## COMMUNITY DEVELOPMENT CONTINUED

should be removed from the system to provide a more accurate reflection of actual borrower statistics.

The Flinders Mobile Library officially had 1270 registered members at June 30 2018; however in actual fact, 1399 people regularly access our library service in one way or another.

Of these 1270 borrowers, 591 are students who, for the majority of visits, access the Flinders Mobile Library when we visit their school during the school term. These student borrowers made up 46.5% of the total Flinders Mobile Library borrowers for 2017/18, making a fairly even split between student borrowers and all other borrowers. Flinders Mobile Library borrower numbers are in a constant state of change due to the fact that new students are always arriving as old ones are leaving. Our total number of registered borrowers usually hovers around the 1300 mark. Inactive borrower removal is regularly undertaken by staff to try and ensure an accurate reflection of total borrowers.



BORROWERS	2013/14	2014/15	2015/16	2016/17	2017/18
Borrowers registered with Flinders Mobile Library	1118	1209	1291	1357	1270
Borrowers registered with another home library but also use our service regularly	54	74	104	123	129
<b>TOTAL borrowers utilising Flinders Mobile Library</b>	<b>1172</b>	<b>1283</b>	<b>1395</b>	<b>1480</b>	<b>1399</b>

BORROWERS BY COUNCIL AREA	2013/14	2014/15	2015/16	2016/17	2017/18
District Council of Mt Remarkable	476	514	557	589	558
Northern Areas Council	462	503	542	569	540
Port Pirie Regional Council	152	159	159	164	134
Other	28	33	33	35	38
<b>TOTAL</b>	<b>1118</b>	<b>1209</b>	<b>1291</b>	<b>1357</b>	<b>1270</b>

Below is a break-down of Flinders Mobile Library borrowers by their home towns for 2017/18. We visit the local school in each of the towns marked with an \*, which is why there are more borrowers in these towns.

BORROWER BREAKDOWN BY TOWN	2013/14	2014/15	2015/16	2016/17	2017/18
<i>District Council of Mount Remarkable</i>					
Murray Town	8	12	11	11	8
Appila	16	14	14	16	16
Port Germein	33	33	38	43	36
Wirrabara (*until end of 2017)	54	57	61	56	33
Melrose*	77	69	75	89	84
Wilmington*	93	90	93	95	95
Booleroo Centre*	199	248	267	290	278
<i>Northern Areas Council</i>					



## COMMUNITY DEVELOPMENT CONTINUED

Gulnare	5	7	9	8	10
Yacka	23	25	27	28	26
Spalding*	41	51	60	60	58
Georgetown	59	54	52	36	25
Laura*	149	159	159	169	170
Gladstone*	206	227	246	277	271
<i>Port Pirie Regional Council</i>					
Redhill	24	29	28	28	22
Koolunga*	48	44	47	57	53
Napperby*	76	77	78	77	58
UNDEFINED	-	13	1	17	27

## INFRASTRUCTURE SERVICES

Councils Infrastructure Services Department provides a range of services, construction and maintenance to service the built assets of council. Assets of council are represented below in the table showing the value for each asset class and the percentage of the total asset holding for each class.

Public Open Space (including cemeteries)	part of buildings total (LY \$3.9M)
Plant Vehicles and Equipment	\$8,584,000
Storm water	\$4,334,000
Buildings	\$28,369,000
CWMS	\$17,220,000
Bridges	\$9,427,000
Roads and associated infrastructure	\$151,297,000
<b>Total Value</b>	<b>\$219,231,000</b>
<b>(excludes land 8,354,000)</b>	

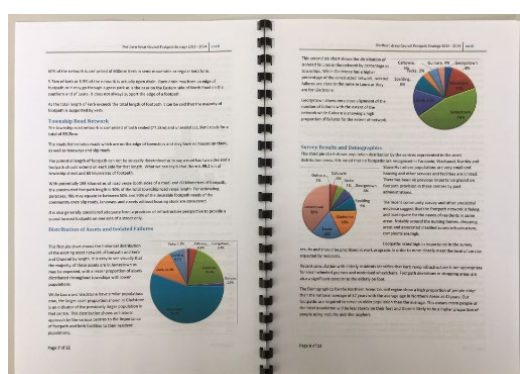
Included in the services not otherwise represented by an asset class and carried out by the Infrastructure Services Department are waste and cleaning services.

The Infrastructure Services Department of Council experienced a dry year with minimal rain in the last half of the year. Climatic conditions impacts council operations due to growth of vegetation and maintenance grading activities. Both are reduced in dryer year's which enables the internal labour force to focus on a range of other maintenance tasks which are often secondary.

A great deal has been achieved during 2017-18. Firstly: through on the ground construction and maintenance; Second, in the development of strategic plans which will be used to direct the activities of the Department into the future; And thirdly, in the capture and management of asset data which leads to efficiencies in the field and stronger economic understanding which lowers the overall risk to the community of asset failure or deterioration.

Through the numerous community forums held throughout the year there has been a recurrent message of satisfaction with regularly occurring green team or parks and reserves related works and the desire for these to continue is noted. The team was established out of recognition of the need for regular and concerted efforts in each township. The ongoing need for this approach to maintenance will ensure the team is regularly assembled and dispatched to areas of need.

The customer survey conducted during the year highlighted a number of areas where residents have identified a higher level of service is desirable. These areas include footpaths, public lighting and roads, both sealed and unsealed.



Key challenges recognised last year for this department is the formalisation of a range of work activities to provide greater certainty of service and establish

## INFRASTRUCTURE SERVICES CONTINUED

systems for ensuring works promised are scheduled and delivered in an ordered way. The development of the Northern Areas Footpath Strategy 2018 – 24 is one response to the identified needs of residents. This document provides direction for staff working on the renewal of footpath assets through out the district.

Position changes in the department have realised gains in identifying council assets through GIS platforms. Storm water assets like culverts and flood-ways which were not previously quantified or mapped have now been mapped, photographed, assessed for condition and entered into a basic data base. Tablets have been deployed to key personnel so that information is available to them in the field. This has improved efficiency of operation from office to field improving use of time for key staff and ensuring the infrastructure identified for repair is the infrastructure that is repaired or replaced.

Work practices are being reviewed and where continuous improvement initiatives are identified and can be implemented, changes are being made to past practices. All staff contribute to a continuous improvement culture through their suggestions from the work site and engagement with supervisory staff.

In amongst the constructive feedback from the public are many incidents of expressions of thanks from residents and visitors passing through who are seeing good things being done by council staff and expressing their appreciation and thanks for those good outcomes.

### Strategic actions

In conformance with Council's strategic plan, the Infrastructure services Department has commenced or delivered a number of initiatives through the year in conjunction with the delivery of core services.

STRATEGIC REFERENCE:	
<b>Goal 2</b>	Effective management of infrastructure, assets and built environment
<b>Outcome 2.1</b>	Roads (including footpaths and kerbing) repair program continues at an achievable level
<b>Action 2.1.1</b>	Review the road network and determine maintenance standards of all roads.

### Road Works

The design for the roadworks planned for Cross and High Streets Gladstone were presented for noting and displayed at a public forum in Gladstone during the year.

Permits for 30m Road Trains on Williams Road were reviewed following a period of trial and canvassing of the views of residents along the roadway. Vehicles were directed onto Glasson Road at the junction with Williams Road as there was strong opposition to their use of the north end of the road.

The road access for heavy vehicles coming into Jamestown from the south was considered by council and discussed with DPTI representatives. Investigations carried out by DPTI staff were reviewed and

## INFRASTRUCTURE SERVICES CONTINUED

options for an alternate entry to be formalised as the preferred route were debated. A public consultation process was commenced to assist in resolving a preferred route to be developed in coming years in conjunction with State and Federal Government.

STRATEGIC REFERENCE:		
<b>Goal</b>	<b>2</b>	Effective management of infrastructure, assets and built environment
<b>Outcome</b>	<b>2.1</b>	Prudent and effective financial management
<b>Action</b>	<b>2.1.2</b>	Road (including footpaths and kerbing) repair program continues at an achievable level.
		Develop a road renewal/maintenance plan under an Asset Management Plan (2012)

### Community Assets

Council made an allocation for capital works to assist the Jamestown Junior Cricket Club to realise their goal of a new spectator shelter through the provision of hard stand to the slab area.

### Sealing Unsealed Streets

Council made a determination to allocate funds over 5 years to seal key unsealed township streets throughout the council district. This strategic decision resulted in an allocation in the 2017-18 year capital program to commence the program and a total of 21,000 square metres of unsealed road were sealed between Laura, Stone Hut, Jamestown and Gladstone. A further Allocation has been made for 2018-19 for streets sealing in Yacka township.

### Road Signage

In 2014 a report was developed following a road signage audit identified the absence of many hundreds of road signs throughout the road network. Following a report to council, funds were allocated to a program of installing the regulatory signage across the district and this program continued through out the year.

### Historic Grader Gifted

Following an approach by the Laura Community Development and Tourism Association Inc. council gifted an historic grader to the group for them to restore. The intention is to display the machine as an attraction to users of the highway. As an object of interest it can enhance Laura as a place to attract visitors.



## INFRASTRUCTURE SERVICES CONTINUED

### NHVR Requests – Gladstone Grain Delivery Access

Through the NHVR and working collaboratively with the Department Planning Transport and Infrastructure (DPTI), council have been able to play a vital part in facilitating access to the Gladstone grain handling facilities for 30 metre road trains. Staff met on site with representatives of Viterra, grain growers and transport operators and DPTI staff to review the movement of heavy vehicles through areas where restrictions have applied to gain agreement to lift the restrictions and provide more viable options for growers to deliver grain to the receiving locations.

STRATEGIC REFERENCE:		
<b>Goal</b>	<b>2</b>	Effective management of infrastructure, assets and built environment Prudent and effective financial management
<b>Outcome</b>	<b>2.2</b>	All non-road assets owned by Council (e.g. buildings and recreational facilities) are used effectively by the community
<b>Action</b>	<b>2.2.4</b>	Generate an asset management plan for retained assets

### Street Lighting

Council assessed a quote for an audit of street lighting across the district and determined to proceed with the audit. On review of the findings of the audit, council determined to make an allocation within the capital program over a number of years to implement the improvements to street lighting across the townships.

An allocation was approved to commence this program in the 2018-19 budget preparation program.

### Buildings

An allocation was made for the replacement of the main section of the Jamestown Town Hall roof following significant roof leaks above the ornate plaster ceiling. These works were tendered and completed during the year.

### Community Group Support

Council considered a letter from the Gladstone Ex-service Personnel and associated report and approved the citing of a "Peace Garden" with a level of assistance to the community group delivering the project.

The Tresylva Park Management Plan was developed with community consultation and adopted by council. This document will assist the community groups involved to attract grant funds to deliver projects within the plan and provide guidance for the range of improvement works agreed within the plan.

## INFRASTRUCTURE SERVICES CONTINUED

### CWMS Improvements

Council considered options for the management of excess volumes of water at the Jamestown CWMS ponds and determined to proceed with an irrigation project in conjunction with the Apex Club of Jamestown. This project has drawn considerable outside interest as a means for raising funds

from a wasted resource for re-investment back into community projects.



### Plant

Council continued with the plant replacement program with key purchases this year including the replacement of a side loader trailer and prime mover. Also delivered was a new Komatsu Grader replacing the oldest CAT grader in the fleet. This

item had been purchased in the preceding year but not delivered until August. The right plant replaced at appropriate intervals provides more surety in provision of services with reduced breakdown and associated down time achieving more in terms of service for the same cost. Council staff reviews the needs of plant replacement and considers the best way for delivering its range of services.

### Stormwater

Council engaged Tonkin Consulting to develop a Storm Water Management Plan for Jamestown and committed funds to review and implement stormwater flooding measures within Georgetown and Gulnare for the 2018-19 financial year.





## INFRASTRUCTURE SERVICES CONTINUED

STRATEGIC REFERENCE:	
Goal 3	Deliver a high standard of service to our community on an equitable basis. Council aspires to meet community expectations regarding equitable development, management and maintenance of community services.
Outcome 3.1	

### Public Events

Council supported community events with management of road closures through statutory processes and liaison with the Department Planning Transport and Infrastructure. A range of other measures were provided to assist the Laura Folk Fair, Australia Day celebrations, Christmas Pageants and other sundry events which assist in building community.

STRATEGIC REFERENCE:	
Goal 3	Deliver a high standard of service to our community on an equitable basis. Support Regional Partnerships. Monitor, participate in, and where appropriate facilitate regional partnerships to achieve Council and Community goals.
Outcome 3.4	

### Road Network

Council continues to work with DPTI as an integral part of the road network management within the district. Through the National Heavy Vehicle Regulator requests come to council as the road manager to consider permitting various vehicle combinations on particular roads. Council has approved access to particular roads for operators and implemented trials as considered appropriate to endeavour to meet the needs of road users generally and individual businesses that are important to the economic health of the council district. Where existing B-double commodity networks exist and there is no risk of excess damage to infrastructure like bridges, council has been open to the introduction of 30 metre road trains within the road network,

STRATEGIC REFERENCE:	
Goal 4	Council recruits and retains highly skilled staff Safe, efficient work systems and community safety Maintain Risk and Occupational Health Safety & Welfare management systems for Council operations and assets
Outcome 3	

### Chain of Responsibility

Council considered the implications of the revised Chain of Responsibility legislation which comes into effect on October 1<sup>st</sup> 2018. A range of implications are being reviewed which extend from

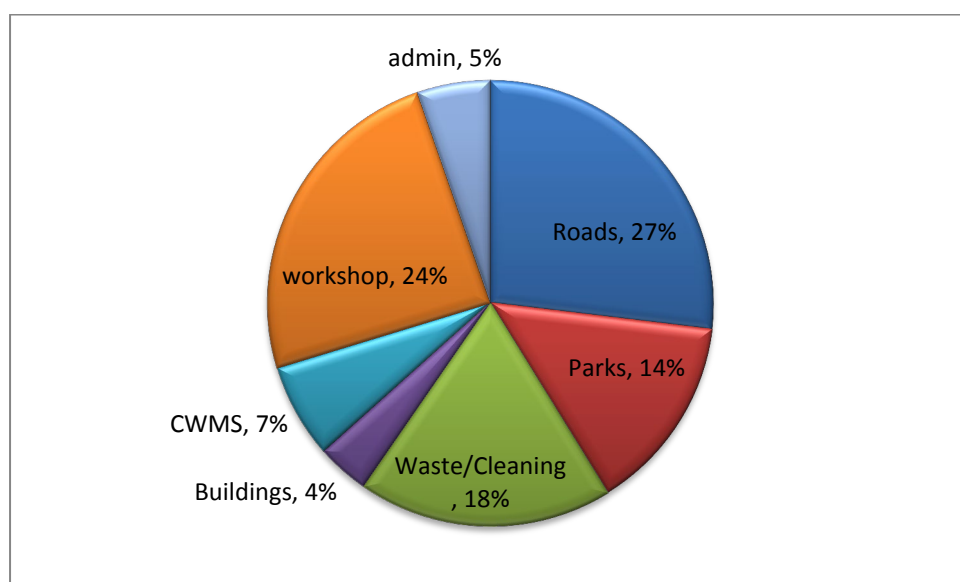
## INFRASTRUCTURE SERVICES CONTINUED

governance mechanisms like management policy through to physical activity and safe work procedures.

### Budget

Councils operations and maintenance budget is split across the activities of the asset groups and includes costs for labour, materials and contracts associated with carrying out the day to day services and maintenance across the council region.

Plant costs are recouped through internal plant hire as equipment used in operational (and capital) activities is charged to the service the plant is providing. So while the cost of plant is almost a quarter of the operational expense in Infrastructure, those costs are covered by plant income from the other budget sectors. The hours the machine is used is charged to the budget account for the activity. That may be a re-sheeting expense account or a maintenance account for example.



In the chart above, Parks includes mown road reserves as a component of all maintained parks areas; Buildings includes water supply costs, Roads includes storm water, footpaths and bridges; Admin incorporates WHS, protective clothing and supervision and training costs, Plant includes vehicles and equipment fuel and oils, registration, maintenance and insurance.

### Asset Management

As a high priority council has promoted the development of Asset Management Plans. These strategic documents provide high level information that informs the future funding needs of the asset class for which they have been developed. The final plans to complete a full set of asset management plans were adopted early in the 2017-18 financial year.

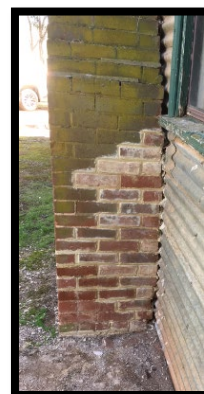
In accord with Section 122 of the Local Government Act 1999 Council is required to develop and adopt strategic plans. Asset Management Plans (AMP) are considered to constitute a core component of the set of strategic plans that meet this statutory requirement.

## INFRASTRUCTURE SERVICES CONTINUED

The goal of infrastructure management is to meet a required level of service, in the most cost effective manner, through the management of assets for present and future customers. To enable this to occur, we must identify the failures, like this chimney, and carry out repairs before the fault causes more costly damage.

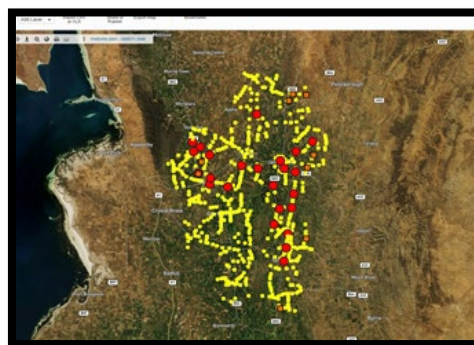


Where asset data held by Council is complete enough, AMP provide a comprehensive assessment of the overall current state of the asset class with financial projections which inform future upgrade, replacement and maintenance budgets and council's 10 year financial strategy.



Asset Management improvement plans flow from the adopted Asset Management Plans. Tasks undertaken in the ongoing improvement of council's asset management included the following among other tasks:

- The commencement of an analysis of all council land assets. This is a significant project which will span the next financial year and involve staff from Planning, Infrastructure, Governance and Finance.
- Software identification, appraisal and deployment for spatial identification and condition rating of assets. This task facilitated the following task:
- Storm water asset identification. This project entailed physically locating, spatial mapping, classifying and detailing for size and condition rating. That exercise enables the assets in worst condition to be identified and programmed for maintenance and renewal. The effect of this is to put the effort where it provides the greatest benefit creating efficiencies. This screen shot shows the colour and size of stormwater infrastructure identified in this way across the council district. The red and orange colours denote assets at advanced states of deterioration, meaning their need for repair or replacement is highest.
- Reviewing and prioritising bridge maintenance requirements. This project incorporates an analysis of key bridges to assess load rating information which is critical for managing heavy vehicles in the road network.



## INFRASTRUCTURE SERVICES CONTINUED

### Capital Program

Despite the challenges with weather the Capital program was substantially delivered. Capital tasks showed progress against program at 93% to the end of June. Council completed its re-sheeting, re-sealing and new seal projects throughout the council district on time and under budget. Spalding Pool Plant Room Upgrade and pool lining projects were awarded and commenced with the photo



showing a section of new pipework from the project; The Main section of the Jamestown Town Hall roof was replaced; the Laura stormwater project in Victoria St was completed, bringing the \$1M dollar project to fruition and provide a greater degree of flood protection to the southern end of the township. A Stormwater Management Plan for Jamestown was commenced which will inform future flood mitigation projects. Works incomplete have carry-forward values identified and generally relate to design and statutory approval delays preventing completion.

## REGULATORY SERVICES

STRATEGIC REFERENCE:	
<b>Goal 3</b>	Deliver a high standard of service to our community on an equitable basis
<b>Outcome 3.3</b>	Planning processes encourage appropriate development and provide timely responses
<b>Action 3.2</b>	Empower staff to continue to be proactive and be responsive in their consideration of planning applications.

Regulatory services comprise a range of activities including Building Permits and matters of Environmental Health. These incorporate statutory reporting and compliance to a range of legislation including but not limited to: Building Code of Australia; Environmental Protection Act 1993; Dog and Cat Management Act 1995; Local Nuisance and Litter Control Act 2016 and Regulations, Food Act 2001 and Regulations 2002, Public Health Act 2011, Burial and Cremation Act 2013 and Regulations 2014; Safe Drinking Water Act 2011 and Regulations 2012 and Local Government Act and Regulations 1999.

### Building Assessment

During the 2017-18 financial year Council received 145 development applications which included a number of extensions to dwellings and sheds, pergolas, verandahs and swimming pools along with new dwellings and large machinery and hay sheds. These applications were valued at over \$7 million for the year.

Staff assess these applications against the relevant Planning and Building Codes with building applications also assessed by Private Certifiers engaged by the applicants.

Council continues to encourage property owners to contact staff with any queries prior to submitting a development application with staff carrying out pre-application inspections to assist applicants to understand the information required to be provided with an application.

Council's Building Inspection Policy requires that inspections of 30% of all development approvals issued (domestic sheds & commercial) and 100% of swimming pools must be carried out.

Inspections carried out last year related to swimming pools, under floor waste drainage, footings, wall and roof framing, wet area waterproofing.

Council has been proactive in attracting development in the industrial zone at Jamestown, any future development in this zone may have limitations due to the existing inadequate water supply, however the existing water supply will have limitations on development in this area therefore with future development in the industrial area, upgrading the mains water supply needs to be included in Council's planning for future development in the industrial zone.

The Council owned facility for Ambulance services in the district which forms a portion of the Medical Centre building at the corner of Irvine and Muirkirk Streets, Jamestown has undergone significant internal renovations to upgrade the facilities used by the volunteers who provide the service funded by the South Australian Ambulance Service (SAAS).

### Building Fire Safety Committee

Under Section 71 of the Development Act Council's Building Fire Safety Committee which consists of a consulting engineer, representatives from the CFS Building Fire Safety Unit and a Council

## REGULATORY SERVICES CONTINUED

staff member continues to monitor the fire safety of Council owned buildings, industrial buildings and buildings that supply accommodation in the Council area to ensure that the buildings comply with relevant fire safety standards applicable to the classification and use of the building.

Buildings that do not comply must be upgraded, and maintained to comply with the relevant safety standards.

Building Fire Safety inspections have been carried out at Yacka Bowling Club; Georgetown Bowling Club; Gladstone Bowling Club; Spalding Town Hall; Spalding Sports Complex; Gulnare Bowling Club; Commercial Hotel Gladstone; Spalding Hotel; Belalie Hotel Jamestown.

In most cases the upgrading can be staged with the priority being the safe evacuation from the building in the event of an emergency and the safety of the occupants.

Applications for residential development in high bush fire zones are referred to the CFS Building Fire Safety Unit for an assessment and report that specifies additional standards of fire protection for the dwelling in the bush fire zone.

### Complaints

The majority of complaints received at Council continue to be regarding the condition and unsightly appearance of premises, buildings and vacant allotments in town areas with particular reference to car bodies, vehicle parts, loose and scrap metal and refuse on residential allotments in town areas.

These items are unsightly and have the potential to harbour vermin or snakes and increase the fire hazard, as controlling the grass and flammable under-growth is difficult on these allotments. Unsightly premises detract from the appearance of the area and street scape and do create neighbourly disputes.

In following up these complaints Council encourages the cooperation of the land owner with untidy and unsightly premises before considering any action.

Allowing car bodies, vehicle parts etc. to be stored on site represents a change of land use, which must have Council approval. The Local Nuisance and Litter control Act provides Council with the legislation to enforce owners to clean up unsightly premises.

### Dog Control

1298 dogs were registered in the 2017-18 financial year with \$32,545 in registration fees received.

During 2017-18, 50 complaints were received and investigated by Council's Animal Management Officer with 10 expiation notices issued for harassment of animals or humans, unregistered and wandering dogs.

12 dogs were returned to owners without impoundment, with 25 dogs impounded and 24 of those returned to owners.

A small number of dog related incidents were referred to the Court system throughout the year.



## REGULATORY SERVICES CONTINUED

Residents who are troubled by wandering or excessive numbers of cats on their properties can access cat cages by contacting Council administration offices or Animal Management Officer, Garry Harris. A \$20 refundable deposit is required.

Staff has been involved in training for the Dog and Cat Management Board's new on-line registration system, DACO (dogs and cats online) which is the 'one stop shop' for dog and cat registrations for all 68 South Australian Councils. The system will allow dog owners to register their dogs in the comfort of their own home at any time of the day and update details as necessary including when moving to another Council area.

The DACO system is scheduled to go 'live' on 1<sup>st</sup> July 2018 for all dog registrations in the Council area to be renewed and new animals included. Cats must be microchipped and also recorded into the DACO system even though Council does not require cats to be registered.

### Waste Control Systems

The installation or alteration of a waste control system (septic tank, grease arrestors, aerobic waste water systems, septic tanks and connections to the CWMS) must have Council approval.

Information regarding the installation of waste control systems is available from council offices with staff available to answer any queries about the application process.

### Community Waste Water Management Systems

All waste disposal systems connected to the CWMS in Gladstone, Jamestown and Laura are required to have sludge removed every four years.

A number of Gladstone CWMS property connections have been carried out during the 2017-18 year.

Council's contractor is desludging waste disposal systems in each town and the desludging programme should be completed by the end of 2018.

Further information regarding the desludging programme is available from the council office.

Water quality reporting is a requirement of the license conditions of the CWMS schemes. Water samples are taken monthly to inform reporting to the Department of Health and Aging (DHA) for CWMS recycled water. These are collected by an accredited agency and submitted to the DHA periodically.

### Gravity Main Flushing

CWMS gravity mains in Gladstone, Jamestown and Laura are being flushed using a high pressure system which removes all accumulated sludge from the pipe and thoroughly cleans the barrel of the pipe. The contract to flush the drains is continuing through a program to flush the oldest areas first.

### Pest Control

The control of pigeons and corellas has been an ongoing project for Council with a cull continuing. In selected areas property owners have been contacted asking for their permission for Council's contractor to enter their properties to carry out a cull. This programme will begin in July 2018.

## **REGULATORY SERVICES CONTINUED**

### **Community Projects**

Council's assistance with community initiated projects has continued during the 2017-18 financial year with assessment of applications by the Bundaleer Forest Community Areas Association for a proposed Event & Visitor Centre and the Combined Sports Incorporation at Gladstone for an extension to the Southern Flinders Sports Stadium storage area.

### **Food Notification**

Food shops, sporting organisations, volunteer groups and home cooked food prepared for sale are required to submit a notification form to council with details of the food prepared; name and address of the property and compliant labelling.

Mobile food vendors proposing to operate in Council area must notify Council and be issued with a permit under section 222 of the Local Government Act 1999, to operate a business on a public road in the Council area. A Council permit will specify a site location, hours of operation and any other conditions that apply to the use of Council land.

All mobile food vans must comply with the relevant food standards codes and notify the Council where the vehicle is 'garaged'. The food safety passport system allows mobile food vans to operate across Council boundaries and be subject to an inspection by adjoining Council Environmental Health Officers.

Council needs to determine the areas that Food vending businesses are permitted to operate. A mobile food vending business holding a permit issued by the Council may operate anywhere in the Council area, subject to complying with these location rules and any other requirements of its permit.

### **Regional Health Plan**

The SA Public Health Act requires council to prepare a Regional Public Health Plan. Council joined with Goyder Regional Council and the Clare and Gilbert Valley Council to prepare the plan with a review planned for the 2018-19 financial year.

### **Cemeteries**

Management of cemetery records and interment processes is an ongoing activity for Council. 33 interments and 9 placements of ashes have occurred during 2017-18.

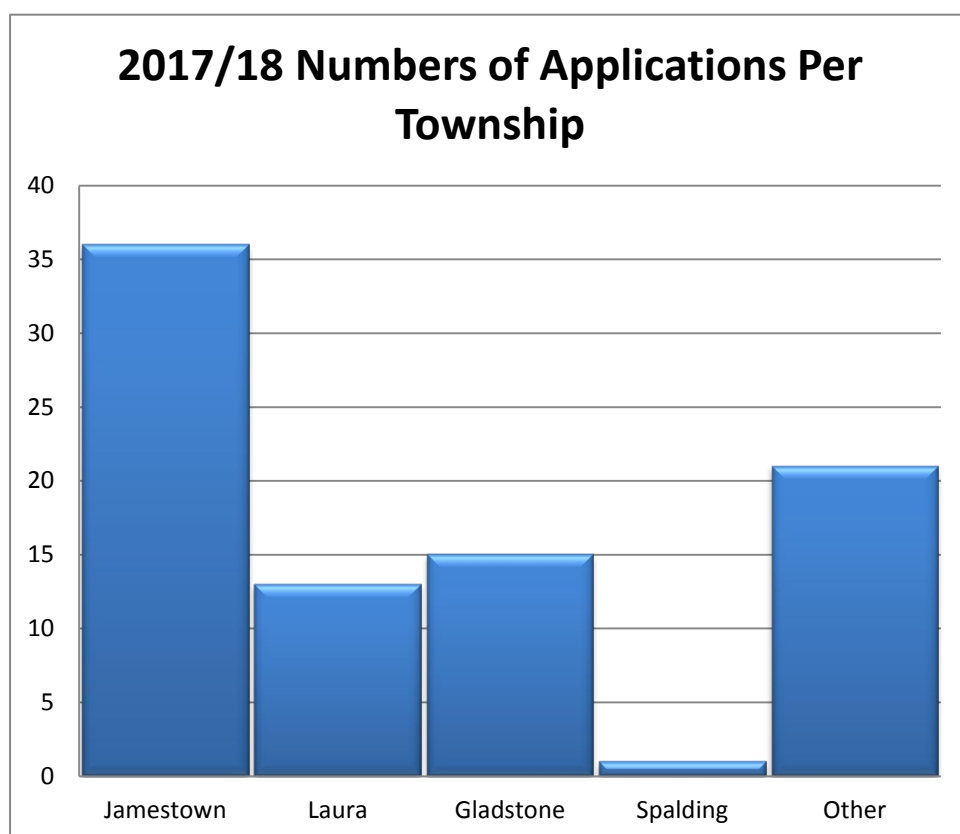
## REGULATORY SERVICES CONTINUED

### Development Applications

Council provide an efficient and professional service providing sound advice relating to planning matters to a range of stakeholders including State Government Agencies, builders/tradespeople, developers and the general public. The Planning Department assess applications for various forms of development against the provisions of the Development Act 1993 and Regulations 2008 and the Northern Areas Council Development Plan. There have been 124 development applications submitted to Council during the reporting period.

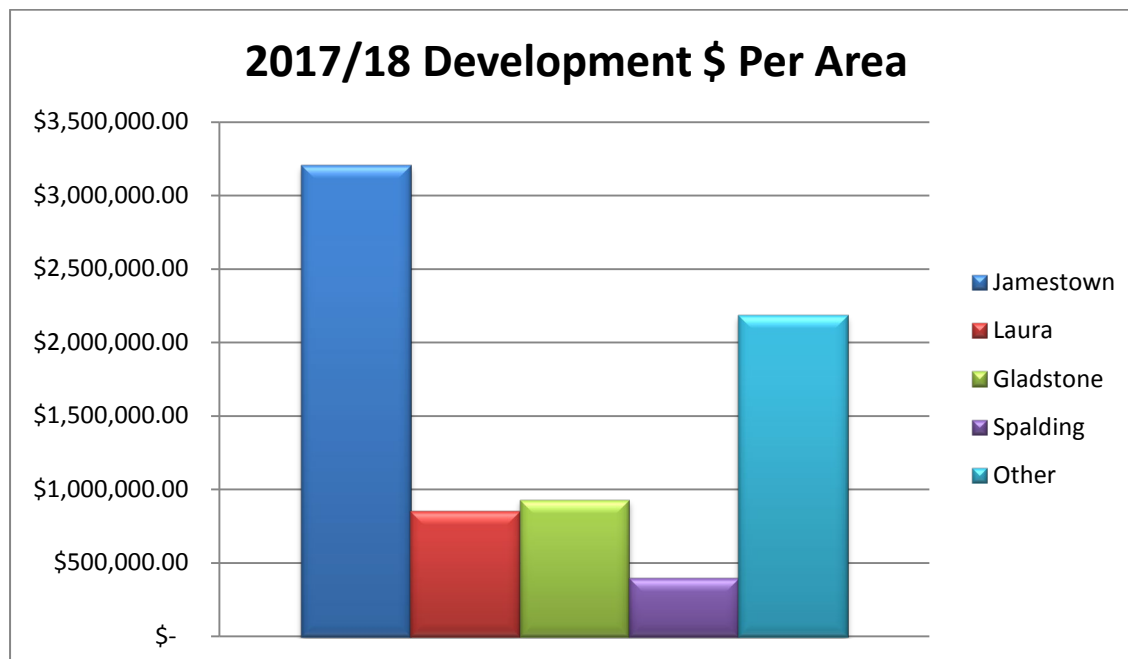
The majority of applications processed by Council did not require public notification and were therefore assessed under delegation.

The following chart shows the combined number of applications per township and combined other areas for 2017/18. The combined other areas are outside the townships and incorporate all other areas such as Yacka, Mannanarie, Caltowie, Georgetown and Gulnare, Narridy, Stone Hut, Tarcowie, Hornsdale and Belalie. The areas are combined to provide a meaningful gauge of activity outside townships.



## REGULATORY SERVICES CONTINUED

The following chart shows the monetary value of development applications per township for the 12 months to the end of June 2018.



### The Northern Areas Council Assessment Panel

The Northern Areas Council Assessment Panel considers development applications on behalf of the Council where the nature of the development is deemed non-complying or where a particular development has been through public notification and representation has been received.

The Panel consist of Elected Member Cr Merv Robinson and 4 independent members, Ian Trengove (Presiding Member), Joanne Daly, Tracy Cunningham and Ricky Stephen.

Of the 124 development applications received during this reporting period there have not been any applications go to the Panel for assessment. In the past five years there have been 5 applications that went to the Panel for assessment.

Allowances paid to the Council Panel Members for the period of 1 July 2017 to 30 June 2018 were:

Presiding Member - \$170 per meeting

Independent Member - \$120 per meeting

Elected Member - \$120 per meeting

### The Planning, Development and Infrastructure Act 2016

The staged implementation of the Planning, Development and Infrastructure Act 2016 over the next few years is expected to significantly change the development assessment regime. It is likely to introduce a larger proportion of complying or 'accepted development' through the Planning and Design Code (which will replace the Council's Development Plan).

## REGULATORY SERVICES CONTINUED

The Planning, Development and Infrastructure Act 2016 begins the biggest overhaul to South Australia's planning system in over 20 years. A more efficient and effective planning program promises to shape the future of South Australia, revolutionising the way planning decisions are made. The Act gradually started to be implemented during 2017.

We continue to provide input into and feedback on the state government's planning reforms which are expected to result in changes to the assessment panel formation. New reforms being developed require a significant level of planning accreditation and experience of panel members and the region for which they will operate is likely to incorporate multiple council districts. Consultation with respect to their formation and structure commenced this year and will continue into the new financial year. This process is being administered by State Government.

### Local Nuisance and Litter Control Act 2016

The new Local Nuisance and Litter Control Act 2016, helps communities resolve local environmental complaints more efficiently through council. The Act includes littering and activities that cause nuisance such as noise, smoke and dust impact on our enjoyment of local areas. The Act also has a focus on effectively dealing with litter and illegal dumping across South Australia.

#### Benefits of the Act:

These are the complaints with relatively minor environmental impacts but which impact on amenity at a local level such as dust, noise and smoke and can be of high importance to those people affected. Research has shown that the majority of people consider their local council responsible for the management of local nuisance issues. The Act formalises the role of Local Government in managing local nuisance issues to provide consistency of services across all councils, create better tools for enforcement and more effectively deal with localised minor environmental complaints. Council have dealt with 16 offences under the Local Nuisance and Litter Control Act 2016.

The Act will:

- ensure more effective regulation of local nuisances
- establish a modern legislative scheme for litter control in South Australia (including tiered offences depending on the type of litter)
- improve the use of surveillance for evidence gathering in the case of illegal dumping (linking an offence to the registered owner of a vehicle)
- allow other agencies to undertake compliance activities
- allow for the implementation of a 'dob in a litterer' scheme

### Abandoned Vehicles

Two complaints regarding abandoned vehicles resulted in owners not being identified. In these cases the vehicles were impounded.

## COMPLIANCE STATEMENT

### Access to Council Documents

The following documents are available for public inspection at the Council Office, 9 am to 5 pm Monday to Friday at 94 Ayr Street, Jamestown. Members of the public may purchase copies of these documents, charges are available on Council's website.

- Council Agenda
- Council Minutes
- Annual Financial Statements
- Assessment Book Entry
- CEO's Roll
- Development Application Register
- Register of Employees' Salaries, Wages and Benefits
- Register of Fees and Charges Levied by Council
- Statutory Appointments
- Strategic Plan

### Freedom of Information

Requests for other information not included in the above listed documents are considered in accordance with Section 9 of the Freedom of Information Act, 1991. The Freedom of Information Act 1991 provides legislation and guidelines for access and provision of information to the public. Requests under the FOI Act 1991 for access to documents in the possession of Council should be accompanied by the relevant application fee and directed in writing to:

Freedom of Information Officer  
Northern Areas Council  
PO Box 120  
Jamestown SA 5491

Forms are available at the Council Office. Applications will be responded to as soon as possible within the statutory 30 days of Council receiving the properly completed Freedom of Information Request Form, together with the application and search fees. Two Freedom of Information requests were received in 2017/2018, one was fully released and one was refused access.

### Amendment of Council Records

A Member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act 1999. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date. To gain access to these Council records, a member of the public must complete a Freedom of Information Request Form as indicated above outlining the records, that person wishes to inspect.



## COMPLIANCE STATEMENT CONTINUED

### Community Lands

Council has compiled a register of all lands determined through public consultation that are not excluded from the definition of community land.

Pursuant to Section 197 (3) of the Local Government Act 1999, Council at its meeting on 14 December 2004, adopted Management Plans for all Council Community Lands.

Section 198 provides:

- A management plan may be amended by the adoption of a proposal for its amendment.
- Council may only adopt a proposal for amendment to, a management plan after the Council has carried out the public consultation that would be required if the proposal were for a new management plan.
- However, public consultation is not required if the amendment has no impact or no significant impact on the interests of the community.
- A council must give public notice of its adoption of a proposal for the amendment or revocation of a management plan.

No land has been excluded from Community Land definition during the 2017/18 year.

### Competitive Tendering and Cost Effective Services

Council continues to strive to provide value for money with service delivery to the ratepayers of Northern Areas Council.

During the past year the Council used the competitive tender process 14 times.

During the year Council utilised the services of contractors, due to Council not being a specialist in this area.

### Auditor's Remuneration

Council's Audit Fees for the 2017/18 financial year were paid as follows:

Ian G McDonald	\$ 12,000
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### Application of Competition Principles – National Competition Policy

In accordance with the Revised Clause 7 Statement on the Application of Competition Principles to Local Government under the Competitive Principles Agreement (September 2002), Council is required to review its business activities in order to determine whether Council is involved in any "significant business activities", that should be subject to the Government Business Enterprises (Competition) Act 1996.

### Private Works

Council undertook private works during the year, on an ad hoc basis, dependant on workload, however this was not considered to be a significant activity under the Competition Principles.

There were no activities conducted by Council in Category 1 (ie business activities with an annual revenue in excess of \$2 million, or employing assets in excess of \$20 million).

## COMPLIANCE STATEMENT CONTINUED

During the reporting period, Council did not receive any complaints regarding the application of competitive neutrality.

### **Procurement Policy**

Council's Procurement Policy was first adopted in June 2010.

The purpose of this policy is to establish a framework of broad principles to ensure that the procurement of goods and services by Council are:

- timely
- competitive and cost effective
- of quality and fit for intended purpose
- support the efficient delivery of Council services
- are conducted transparently and ethically in accord with relevant legislation

The existence of this Policy is to provide Elected Members, Council officers, potential suppliers and buyers and the Community with a framework detailing how procurement activities will be undertaken by Council in a consistent, fair and transparent manner.

### **Confidentiality Provisions**

Under Section 90 and 91 of the Local Government Act, the following information is provided with regard to Confidential Items raised at Council Meetings from 1 July 2017 to 30 June 2018.

Council held 12 Ordinary Meetings and 3 Special Meetings between 1 July 2017 and 30 June 2018. A total of 363 resolutions were made at these meetings of which 18 were considered "in confidence".

The reason for the consideration of matters "in confidence" was as follows:

- Road Development
- CEO Performance Review
- Storm Water Management Plan Consultancy
- Tender for Truck Replacement
- Tender for Bituminous Surfacing
- Public Lighting Tariff Dispute
- CEO Performance Management Performance
- Australia Day Awards
- Tender for Jamestown WWTP upgrade and Irrigation Project
- Tender for Council Chamber Extension
- CEO Performance Review
- Tender for Spalding Pool Relining
- Release of Confidential Minutes
- Jamestown Medical Centre Lease Renewal
- CEO Performance Review

Two items have been released from confidentiality during 2017/2018.

## COMPLIANCE STATEMENT CONTINUED

### Elector Representation

An Elector Representation Review was last undertaken in 2017.

The Review outcome was as follows:

- Council will continue to have wards. There will be four wards. Two of the wards have changed names  
Jamestown → Belalie  
Spalding → Broughton
- The total number of electors will be nine, as listed below:
  5. Belalie Ward: 4 Elected Members
  6. Broughton Ward: 1 Elected Member
  7. Rocky River Ward: 3 Elected Members
  8. Yackamoorundie Ward: 1 Elected Member

A Mayor will be elected from within the nine Elected Members elected by the voters.

### Current Representation

According to the House of Assembly Roll and the Supplementary Voters Roll, as maintained by Council, there were 3332 persons eligible to vote in Local Government elections in the Northern Areas Council. Electors - 3332 – No of Wards 4 – Quota per Member – 370

The Northern Areas Council ward quota of 370 is comparable to Councils in South Australia of a similar size.

Name	Number Of Electors	Number of Elected Members	Representation Quota
Coorong	3790	9	421
Kangaroo Island	3480	10	348
Goyder	3061	7	437
Yankalilla	4277	9	475

### Registers, Codes and Policies

In accordance with the Local Government Act, 1999 Council must maintain certain Registers, Codes and Policies.

#### Registers

- Register of Interest – Primary and Ordinary Returns – Council Members
- Register of Allowances and Benefits – Council Members
- Register of Remuneration, Salaries and Benefits – Employees
- Register of Primary and Ordinary Returns – Council Chief Executive Officer and Managers
- Members Allowances and Benefits

## COMPLIANCE STATEMENT CONTINUED

### Codes

- Code of Conduct for Elected Members
- Code of Conduct for Employees
- Access to Council and Committee Meetings and Documents Code of Practice

### Policies

Council is governed by a number of policies covering operational and governance areas, which are reviewed on a regular basis.

Policies		
Access to Council & Committee Meetings and Documents Code of Practice	Annual Allocation for the Management of Council owned Caravan Parks	Asset Accounting Policy
Asset Management Policy	Australia Day - Participation	Budget Framework Policy
Caretaker Policy	Community Development	Complaints Policy
Council Agenda Distribution	Council Members Allowances and Benefits Policy	Debt Recovery Policy
Disposal of Land and Assets	Enforcement Policy	External Grant Funding Policy
Fraud and Corruption Prevention Policy	Gifts, Benefits & Hospitality Policy	Grievance Resolution Policy and Guidelines
Hardship Policy for Residential Customers of CWMS and Recycle Water Services	Informal Gatherings Policy	Internal Financial Control Policy
Investment Policy	Land Division Policy	Management of Town Development Boards and or Associations
Media Protocol	Order Making Policy	Procurement Policy
Property Access	Provision of Council support to the Emergency Services	Prudential Management Policy
Public Consultation Policy	Public Relations	Records Management Policy
Reimbursement of out of Pocket Expenses for Mayor	Request for Service Policy	Risk Management Policy
Risk Management Strategy	Road and Public Place Naming	Roadside Cultivation
Safe Environment Policy	Sale of Closed Roads	Storage and Disposal of Timber
Tourism	Training and Development Policy for Council Members	Tree Management Policy
Volunteer Policy	Whistleblower Protection Policy	Work Experience/Community Service Order Schemes

## COMPLIANCE STATEMENT CONTINUED

### Section 41 Committees

- CEO Performance Management Panel
- Ewart Oval Management Committee
- Flinders Mobile Library Committee (1 July 2016)
- Georgetown Heritage Society
- Gladstone Swimming Pool Management Committee
- Jamestown Health and Ambulance Centre Management Committee
- Jamestown Regional Hydrotherapy Pool and Gymnasium Management Committee
- Northern Areas Community Road Safety Committee
- Northern Areas Council Audit Committee
- Northern Areas Council Finance Committee
- Southern Flinders Regional Sports Complex Management Committee
- Spalding Swimming Centre (dissolved 29<sup>th</sup> June 2018)
- Stone Hut Development Committee (Dissolved 29 June 2018)
- Stone Hut Soldiers Memorial Hall Committee
- Strategic Planning and Development Policy

### Statutory Committees

- Council Assessment Panel
- Building Fire Safety Committee

### Subsidiaries

Council is a member of 1 regional subsidiary pursuant to Section 43 of the Act.

- Legatus

Legatus is made up of 15 Councils that meet regularly and make recommendations to the Local Government Association.

## GOVERNANCE

### Decision Making Structure of Council

#### 1. Attendance by the Public

Council meetings are held at the Council Chamber, 94 Ayr Street, Jamestown at 2 pm on the third Tuesday of each month.

Council's Audit Committee meet at least twice per year, and other times as appropriate.

The Development Assessment Panel meets as required. In the 2017/2018 reporting year, the Panel did not meet.

The Building Fire Safety Committee hold a minimum of 2 meeting each calendar year.

Council, Committee and Panel meetings are open to the public and attendance at these meetings is encouraged.

Members of the public can raise a relevant topic or issue with Council, in the following manner:

#### 2. Deputations

With the permission of the Committee Chair or Mayor, a member of the public can address Council or a Committee personally, or on behalf of a group of residents

#### 3. Written Requests

Any person wishing to raise a matter with Council, should communicate in writing to the Chief Executive Officer

#### 4. Petitions

Written petitions should be addressed to the Council on any relevant issue that is covered by Council's jurisdiction, for presentation to Council.

#### 5. Elected Members

Members of the public can contact an Elected Member of Council to discuss any issue relevant to Council. Contact details are available on Council's website.

Closing dates are applicable for Council meetings for items to be included on Agendas. Contact Council to determine these timelines.

Agendas for meetings are placed on public display at Council's Principle Office in Jamestown and satellite offices at Gladstone and Spalding, and on Council's website, no less than three clear days prior to meetings.

Minutes for Council meetings are displayed within 5 days of the meeting date.



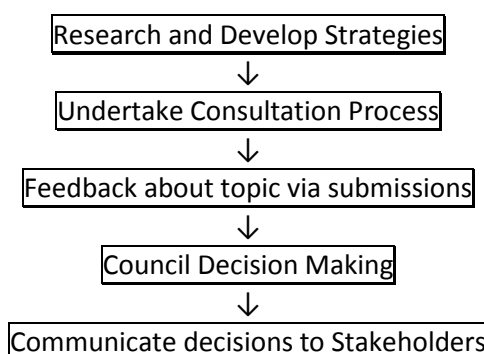
## GOVERNANCE CONTINUED

### Public Consultation

The Council consults with local residents on particular issues that affect their neighbourhood.

Northern Areas Council has adopted a Public Consultation Policy in accordance with Section 50 of the Local Government Act 1999. The policy is available for inspection at the Council Offices and on Council's website.

The steps taken in implementing the Consultation and Decision Making processes are outlined below:



### Tender Policy and Procedure

Council's Tender Policy and Procedure has established basic principles that allow industry to have an equal opportunity to compete and participate. They aim to protect the interest of all parties and to ensure propriety and public accountability in arranging contracts within local government. Council's Tender Policy and Procedure was reviewed in September 2016, and renamed the policy to Procurement Policy

Tenders are called if:

- (1) the expected value for any one item of plant or machinery is over \$440,000 (including GST).
- (2) the expected value for any other one item of a goods or service is over \$110,000 (including GST).

The execution of projects by contract, or the supply of goods or services, are initiated by one of four basic tendering procedures.

These being:

- **Open Tenders.** All interested parties are invited through open public advertisement to tender on a common basis. Tenderers are required to prove they have the necessary competence, resources, quality, occupational health and safety management and financial capacity to undertake the work.
- **Selected Tenders.** A limited number of organisations are directly invited to tender because of their proven experience or recognised ability to undertake particular work.
- **Negotiated Tenders.** A firm tender is arrived at by negotiation with a single prospective organisation. The negotiations must be carried out in good faith.

## GOVERNANCE CONTINUED

- Pre-registered tenders. Expressions of interest are invited for a project. Applicants are evaluated with a small number meeting the required criteria then being invited to tender.

A copy of the Tender Policy and Procedure is available on the Council website.

### Internal Review of Council Decision

Council is committed to open, responsive and accountable government. This includes providing processes by which citizens adversely affected by a decision of Council can have their grievances considered.

Many issues arise during the course of the Council activities and most are initially made verbally by telephone, fact to face or in writing to a Council Officer and flow through to a customer request, or to an Elected Member.

This policy and procedure specifically addresses the manner in which request for a review of a previous decision of Council will be dealt with, and provides a fair, consistent and structured process for any party dissatisfied with a decision which has been made by Council.

Any grievances are first referred to the relevant Council staff member, and on most occasions this will result in the matter being resolved satisfactorily.

No requests were received to review a Council Decision in the 2016/2017 year.

### Complaints Policy and Procedure

The Complaints Policy and Procedure provides a framework to Council for receiving and responding to complaints from the public as a means of improving customer service in all areas of Council's operations.

This policy aims to ensure that issues which are the subject of complaints are addressed efficiently and effectively, to the satisfaction of the complainant.

### Delegations

The Chief Executive Officer and Senior Officers have the authority from Council to make decisions on specified administrative and policy areas.

### Strategic Plan

The 2018-2020 Strategic Plan focuses on Council's priorities, reflecting the desire to move into a sound financial position, to manage assets, to provide a high standard of equitable services across the Council area, and to support and develop staff.

The Plan has been developed through a process which involved:

- Consultation;
- Review and analysis of policies and documentation;
- Aligning with State and Regional plans;
- Workshop with Elected Members and Senior Staff;
- Assistance from an external Consultant

## GOVERNANCE CONTINUED

The Plan has four goals:

Goal 1 – Financial Sustainability;

Goal 2 – Effective Management of infrastructure, assets and build environment;

Goal 3 – Deliver a high standard of service to our community on an equitable basis;

Goal 4 – Council recruits and retains highly skilled staff.

Actions have been development for each of these Goals.

### Key External Organisation Links

Council is a member of and involved with a number of statute and operational organisations, including:

- Legatus
- Local Government Association of SA
- Local Government Finance Authority of SA
- Northern Passenger Transport Network
- Northern and Yorke Natural Resource Management Board
- Regional Development Australia Yorke and Mid North

### Council Member Allowances

The Northern Areas Council is in Group 4. The Annual allowances for the Northern Areas Council Members as at 30 June 2018 were:

Councillor	\$ 9,487 per annum
Deputy Mayor	\$11,859 per annum
Mayor	\$37,948 per annum

Council Member Allowances are paid quarterly in arrears.

# Northern Areas Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2018

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# Northern Areas Council

## General Purpose Financial Statements for the year ended 30 June 2018

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## Northern Areas Council

### General Purpose Financial Statements for the year ended 30 June 2018

### 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 2018 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.



Colin Robert Byles  
**CHIEF EXECUTIVE OFFICER**



Denis Vincent Clark  
**MAYOR**

**Date: 10 October 2018**



# Northern Areas Council

## Statement of Comprehensive Income

for the year ended 30 June 2018

\$ '000	Notes	2018	2017
<b>Income</b>			
Rates Revenues	2a	7,713	7,293
Statutory Charges	2b	133	118
User Charges	2c	166	136
Grants, Subsidies and Contributions	2g	2,864	3,853
Investment Income	2d	115	90
Reimbursements	2e	113	383
Other Income	2f	378	504
Net Gain - Equity Accounted Council Businesses	19	7	2
<b>Total Income</b>		<b>11,489</b>	<b>12,379</b>
<b>Expenses</b>			
Employee Costs	3a	3,364	3,454
Materials, Contracts & Other Expenses	3b	3,026	3,073
Depreciation, Amortisation & Impairment	3c	4,653	4,529
Finance Costs	3d	410	432
<b>Total Expenses</b>		<b>11,453</b>	<b>11,488</b>
<b>Operating Surplus / (Deficit)</b>		<b>36</b>	<b>891</b>
Asset Disposal & Fair Value Adjustments	4	72	15
Amounts Received Specifically for New or Upgraded Assets	2g	194	820
<b>Net Surplus / (Deficit) <sup>1</sup></b>		<b>302</b>	<b>1,726</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	-	30,117
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	48	-
<b>Total Other Comprehensive Income</b>		<b>48</b>	<b>30,117</b>
<b>Total Comprehensive Income</b>		<b>350</b>	<b>31,843</b>

<sup>1</sup> Transferred to Statement of Changes in Equity

# Northern Areas Council

## Statement of Financial Position

as at 30 June 2018

\$ '000	Notes	2018	2017
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5a	5,943	5,097
Trade & Other Receivables	5b	656	1,273
Inventories	5c	107	58
<b>Total Current Assets</b>		<b>6,706</b>	<b>6,428</b>
<b>Non-Current Assets</b>			
Financial Assets	6a	477	471
Equity Accounted Investments in Council Businesses	6b	55	-
Infrastructure, Property, Plant & Equipment	7a	165,856	165,671
<b>Total Non-Current Assets</b>		<b>166,388</b>	<b>166,142</b>
<b>TOTAL ASSETS</b>		<b>173,094</b>	<b>172,570</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	766	786
Borrowings	8b	1,886	1,928
Provisions	8c	936	981
<b>Total Current Liabilities</b>		<b>3,588</b>	<b>3,695</b>
<b>Non-Current Liabilities</b>			
Borrowings	8b	6,831	6,557
Provisions	8c	61	54
<b>Total Non-Current Liabilities</b>		<b>6,892</b>	<b>6,611</b>
<b>TOTAL LIABILITIES</b>		<b>10,480</b>	<b>10,306</b>
<b>Net Assets</b>		<b>162,614</b>	<b>162,264</b>
<b>EQUITY</b>			
Accumulated Surplus		9,411	9,109
Asset Revaluation Reserves	9a	152,015	151,967
Other Reserves	9b	1,188	1,188
<b>Total Council Equity</b>		<b>162,614</b>	<b>162,264</b>

# Northern Areas Council

## Statement of Changes in Equity for the year ended 30 June 2018

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
<b>2018</b>					
<b>Balance at the end of previous reporting period</b>		9,109	151,967	1,188	<b>162,264</b>
<b>a. Net Surplus / (Deficit) for Year</b>		302	-	-	<b>302</b>
<b>b. Other Comprehensive Income</b>					
- Share of OCI - Equity Accounted Council Businesses	19	-	48	-	<b>48</b>
<b>Other Comprehensive Income</b>		-	48	-	<b>48</b>
<b>Total Comprehensive Income</b>		<b>302</b>	<b>48</b>	<b>-</b>	<b>350</b>
<b>Balance at the end of period</b>		<b>9,411</b>	<b>152,015</b>	<b>1,188</b>	<b>162,614</b>
<b>2017</b>					
<b>Balance at the end of previous reporting period</b>		7,424	121,850	1,147	<b>130,421</b>
<b>a. Net Surplus / (Deficit) for Year</b>		1,726	-	-	<b>1,726</b>
<b>b. Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	30,117	-	<b>30,117</b>
<b>Other Comprehensive Income</b>		-	30,117	-	<b>30,117</b>
<b>Total Comprehensive Income</b>		<b>1,726</b>	<b>30,117</b>	<b>-</b>	<b>31,843</b>
<b>c. Transfers between Reserves</b>		(41)	-	41	<b>-</b>
<b>Balance at the end of period</b>		<b>9,109</b>	<b>151,967</b>	<b>1,188</b>	<b>162,264</b>

# Northern Areas Council

## Statement of Cash Flows

for the year ended 30 June 2018

\$ '000	Notes	2018	2017
<b>Cash Flows from Operating Activities</b>			
<b><u>Receipts</u></b>			
Rates Receipts		7,664	7,250
Statutory Charges		133	129
User Charges		166	148
Grants, Subsidies and Contributions (operating purpose)		2,864	3,867
Investment Receipts		115	90
Reimbursements		113	417
Other Receipts		1,048	708
<b><u>Payments</u></b>			
Payments to Employees		(3,403)	(3,481)
Payments for Materials, Contracts & Other Expenses		(3,041)	(3,813)
Finance Payments		(415)	(369)
<b>Net Cash provided by (or used in) Operating Activities</b>	11b	<b>5,244</b>	<b>4,946</b>
<b>Cash Flows from Investing Activities</b>			
<b><u>Receipts</u></b>			
Amounts Received Specifically for New/Upgraded Assets		194	820
Sale of Replaced Assets		72	92
Sale of Surplus Assets		-	35
Repayments of Loans by Community Groups		3	59
Distributions Received from Equity Accounted Council Businesses		7	2
<b><u>Payments</u></b>			
Expenditure on Renewal/Replacement of Assets		(4,838)	(3,230)
Expenditure on New/Upgraded Assets		-	(837)
Net Purchase of Investment Securities		(13)	1
Loans Made to Community Groups		-	(50)
Purchase of Interests in Equity Accounted Council Businesses		(55)	-
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(4,630)</b>	<b>(3,108)</b>
<b>Cash Flows from Financing Activities</b>			
<b><u>Receipts</u></b>			
Proceeds from Borrowings		232	646
<b><u>Payments</u></b>			
Repayments of Borrowings		-	(903)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>232</b>	<b>(257)</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>846</b>	<b>1,581</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	11	<b>5,097</b>	<b>3,516</b>
<b>Cash &amp; Cash Equivalents at end of period</b>	11	<b>5,943</b>	<b>5,097</b>
Additional Information:			
plus: <b>Investments on hand - end of year</b>	5a	<b>117</b>	<b>104</b>
<b>Total Cash, Cash Equivalents &amp; Investments</b>		<b>6,060</b>	<b>5,201</b>

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

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## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Contents of the Notes accompanying the Financial Statements

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n/a - not applicable

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

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

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.4 Rounding

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

#### 2 The Local Government Reporting Entity

Northern Areas Council is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 94 Ayr Street, Jamestown, SA 5491. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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

#### 3 Income Recognition

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

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

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

	Cash Payment Received	Annual Allocation	Difference
2015/16	\$870,464	\$1,804,354	- \$933,890
2016/17	\$2,702,602	\$1,784,052	+ \$918,550
2017/18	\$2,027,474	\$1,990,758	+ \$955,266



## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 1. Summary of Significant Accounting Policies (continued)

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

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

#### 4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

#### 5 Inventories

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

#### 6 Infrastructure, Property, Plant & Equipment

##### 6.1 Initial Recognition

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

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

##### 6.2 Materiality

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

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000
Reticulation extensions	\$5,000
Sidelines & household connections	\$5,000
Artworks	\$5,000

##### 6.3 Subsequent Recognition

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

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

valuations, methods and valuers are provided at Note 7.

#### 6.4 Depreciation of Non-Current Assets

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

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

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

##### *Plant, Furniture & Equipment*

Office 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

##### *Other Assets*

Library Books	10 to 15 years
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Artworks indefinite

#### 6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

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

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

#### 6.6 Borrowing Costs

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

#### 7 Payables

##### 7.1 Goods & Services

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

##### 7.2 Payments Received in Advance & Deposits

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 1. Summary of Significant Accounting Policies (continued)

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#### 8 Borrowings

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

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

#### 9 Employee Benefits

##### 9.1 Salaries, Wages & Compensated Absences

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

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

Weighted avg. discount rate	2.31% (2017, 2.20%)
Weighted avg. settlement period	9.3 years (2017, 9.3 years)

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

##### 9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy

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

#### 10 Provisions for Reinstatement, Restoration and Rehabilitation

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

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

#### 11 Equity Accounted Council Businesses

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.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

**13 New accounting standards and UIG interpretations**

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

Northern Areas Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective.

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

**Effective for annual reporting periods beginning on or after 1 January 2018**

- AASB 9 *Financial Instruments* This replaces AASB 139 *Financial Instruments: Recognition and Measurement*, and addresses the classification, measurement and disclosure of financial assets and liabilities.

The standard introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses. Based on assessments to date, council expects a small increase to impairment losses however the standard is not expected to have a material impact overall.

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

AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. AASB 2016-8 provides

Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*. Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards.

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

**Effective for annual reporting periods beginning on or after 1 January 2017**

- AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*
- AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*
- AASB 2016-7 *Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities*

**Effective for annual reporting periods beginning on or after 1 January 2018**

- AASB 9 *Financial Instruments*
- AASB 15 *Revenue from Contracts with Customers*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*
- AASB 2014-1 *Amendments to Australian Accounting Standards (Part E)*
- AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 1. Summary of Significant Accounting Policies (continued)

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- AASB 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*
- AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*
- AASB 2016-6 *Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts*
- AASB 2017-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 4*

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

- AASB 16 *Leases*
- AASB 16 *Leases (Appendix D)*
- AASB 1058 *Income of Not-for-Profit Entities*
- AASB 1058 *Income of Not-for-Profit Entities (Appendix D)*
- AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*
- AASB 2017-1 *Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments*
- AASB 2017-4 *Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments*
- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 1059 *Service Concession Arrangements: Grantors (Appendix D)*

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

- AASB 17 *Insurance Contracts*

- AASB 17 *Insurance Contracts (Appendix D)*

### **14 Comparative Figures**

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

### **15 Disclaimer**

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

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 2. Income

\$ '000	Notes	2018	2017
<b>(a). Rates Revenues</b>			
<b>General Rates</b>			
General Rates		6,412	5,871
<b>Total General Rates</b>		<b>6,412</b>	<b>5,871</b>
<b>Other Rates (Including Service Charges)</b>			
Natural Resource Management Levy		256	241
Waste Collection		296	457
Community Wastewater Management Systems		777	749
<b>Total Other Rates</b>		<b>1,329</b>	<b>1,447</b>
<b>Other Charges</b>			
Penalties for Late Payment		36	34
Legal & Other Costs Recovered		5	6
<b>Total Other Charges</b>		<b>41</b>	<b>40</b>
Less: Discretionary Rebates, Remissions & Write Offs		(69)	(65)
<b>Total Rates Revenues</b>		<b>7,713</b>	<b>7,293</b>
<b>(b). Statutory Charges</b>			
Development Act Fees		63	53
Town Planning Fees		18	17
Animal Registration Fees & Fines		34	32
Sundry		18	16
<b>Total Statutory Charges</b>		<b>133</b>	<b>118</b>
<b>(c). User Charges</b>			
Cemetery/Crematoria Fees		43	30
Hall & Equipment Hire		30	28
Sundry		26	23
Waste Management		30	34
Road Rents		10	11
Washdown Bay		27	10
<b>Total User Charges</b>		<b>166</b>	<b>136</b>



# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 2. Income (continued)

\$ '000	Notes	2018	2017
<b>(d). Investment Income</b>			
Interest on Investments			
- Local Government Finance Authority		84	61
- Banks & Other		6	4
- Loans to Community Groups		25	25
<b>Total Investment Income</b>		<b>115</b>	<b>90</b>
<b>(e). Reimbursements</b>			
Roadworks		16	225
NRM costs		9	17
Other		88	141
<b>Total Reimbursements</b>		<b>113</b>	<b>383</b>
<b>(f). Other Income</b>			
Insurance & Other Recoupments - Infrastructure, IPP&E		-	1
Rebates Received		60	175
Sundry		13	24
Section 41 Committees		305	304
<b>Total Other Income</b>		<b>378</b>	<b>504</b>
<b>(g). Grants, Subsidies, Contributions</b>			
Amounts Received Specifically for New or Upgraded Assets		194	820
<b>Total Amounts Received Specifically for New or Upgraded Assets</b>		<b>194</b>	<b>820</b>
Untied - Financial Assistance Grant		2,027	2,703
Roads to Recovery		532	992
Library and Communications		17	19
Sundry		288	139
<b>Total Other Grants, Subsidies and Contributions</b>		<b>2,864</b>	<b>3,853</b>
<b>Total Grants, Subsidies, Contributions</b>		<b>3,058</b>	<b>4,673</b>
The functions to which these grants relate are shown in Note 12.			
<b>(i) Sources of grants</b>			
Commonwealth Government		532	992
State Government		2,190	3,118
Other		336	563
<b>Total</b>		<b>3,058</b>	<b>4,673</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 3. Expenses

\$ '000	Notes	2018	2017
<b>(a). Employee Costs</b>			
Salaries and Wages		3,105	3,007
Employee Leave Expense		382	392
Superannuation - Defined Contribution Plan Contributions	18	256	235
Superannuation - Defined Benefit Plan Contributions	18	70	75
Workers' Compensation Insurance		96	159
Less: Capitalised and Distributed Costs		(545)	(414)
<b>Total Operating Employee Costs</b>		<b>3,364</b>	<b>3,454</b>
Total Number of Employees (full time equivalent at end of reporting period)		54	52
<b>(b). Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		12	12
Bad and Doubtful Debts		-	8
Elected Members' Expenses		122	117
Election Expenses		8	10
<b>Subtotal - Prescribed Expenses</b>		<b>142</b>	<b>147</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		875	615
Energy		144	129
Legal Expenses		71	16
Levies Paid to Government - NRM levy		255	241
Water		129	159
Community Grants/Donations		213	133
Insurance		396	405
Maintenance - Infrastructure		773	1,091
Maintenance - Plant & Equipment		374	360
Fuel - Plant & Equipment		384	376
Libraries		86	84
Waste Management		492	514
Section 41 Expenses		103	113
Section 41 Expenses - Transfer to Incorporated		13	36
IT & Communications		109	115
Less: Capitalised and Distributed Costs		(1,533)	(1,461)
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>2,884</b>	<b>2,926</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>3,026</b>	<b>3,073</b>
<b>(iii) Individually significant items</b>			
Section 41 Expenses <sup>(1)</sup>		13	36

<sup>(1)</sup> Significantly higher than usual to recognise the transfer of funds from Section 41 Committees to Incorporated Bodies.

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 3. Expenses (continued)

\$ '000	Notes	2018	2017
<b>(c). Depreciation, Amortisation and Impairment</b>			
<b>(i) Depreciation and Amortisation</b>			
Buildings & Other Structures		461	444
Infrastructure			
- Stormwater Drainage		91	81
- CWMS		287	281
- Roads		3,171	3,081
- Bridges		95	94
Plant & Equipment		522	519
Furniture & Fittings		26	29
<b>Subtotal</b>		<b>4,653</b>	<b>4,529</b>
<b>(ii) Impairment</b>			
Nil			
<b>Total Depreciation, Amortisation and Impairment</b>		<b>4,653</b>	<b>4,529</b>
<b>(d). Finance Costs</b>			
Interest on Loans		390	413
Bank Fees		20	19
<b>Total Finance Costs</b>		<b>410</b>	<b>432</b>

### Note 4. Asset Disposal & Fair Value Adjustments

#### Infrastructure, Property, Plant & Equipment

<b>(i) Assets Renewed or Directly Replaced</b>			
Proceeds from Disposal		72	92
Less: Carrying Amount of Assets Sold		-	(92)
<b>Gain (Loss) on Disposal</b>		<b>72</b>	<b>-</b>
<b>(ii) Assets Surplus to Requirements</b>			
Proceeds from Disposal		-	35
Less: Carrying Amount of Assets Sold		-	(20)
<b>Gain (Loss) on Disposal</b>		<b>-</b>	<b>15</b>
<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>		<b>72</b>	<b>15</b>

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 5. Current Assets

\$ '000	Notes	2018	2017
<b>(a). Cash &amp; Cash Equivalents</b>			
Cash on Hand at Bank		3,523	2,696
Deposits at Call		2,420	2,401
<b>Total Cash &amp; Cash Equivalents</b>		<b>5,943</b>	<b>5,097</b>
<b>(b). Trade &amp; Other Receivables</b>			
Rates - General & Other		386	337
Accrued Revenues		12	28
Debtors - General		92	728
GST Recoupment		92	110
Loans to Community Organisations		74	70
<b>Total Trade &amp; Other Receivables</b>		<b>656</b>	<b>1,273</b>
<b>(c). Inventories</b>			
Stores & Materials		40	39
Trading Stock		67	19
<b>Total Inventories</b>		<b>107</b>	<b>58</b>

### Note 6. Non-Current Assets

<b>(a). Financial Assets</b>			
<b>Receivables</b>			
Loans to Community Organisations		360	367
<b>Total Receivables</b>		<b>360</b>	<b>367</b>
<b>Other Financial Assets (Investments)</b>			
Fixed term Deposits - Section 41 Committees		117	104
<b>Total Other Financial Assets (Investments)</b>		<b>117</b>	<b>104</b>
<b>Total Financial Assets</b>		<b>477</b>	<b>471</b>
<b>(b). Equity Accounted Investments in Council Businesses</b>			
Central Local Government Association	19	55	-
<b>Total Equity Accounted Investments in Council Businesses</b>		<b>55</b>	<b>-</b>

## Northern Areas Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2018

#### Note 7a (i). Infrastructure, Property, Plant & Equipment

\$ '000	Fair Value Level	as at 30/6/2017				Asset Movements during the Reporting Period					as at 30/6/2018			
		At Fair Value	At Cost	Acc. Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Acc. Dep'n	Carrying Value
						New / Upgrade	Renewals							
Land - Other	2	8,354	-	-	8,354	-	-	-	-	-	8,354	-	-	8,354
Buildings & Other Structures	2	2,079	7	83	2,003	121	-	-	(94)	-	2,079	128	177	2,030
Buildings & Other Structures	3	25,748	535	12,851	13,432	111	226	-	(367)	-	25,748	872	13,218	13,402
Infrastructure														
- Stormwater Drainage	3	3,699	635	606	3,728	-	326	-	(91)	-	3,699	961	697	3,963
- CWMS	3	17,113	107	4,471	12,749	-	521	-	(287)	-	17,113	628	4,756	12,985
- Roads	3	149,370	1,927	31,860	119,437	355	2,189	-	(3,171)	-	149,370	4,471	35,030	118,811
- Bridges	3	9,423	4	6,379	3,048	-	3	-	(95)	-	9,423	7	6,473	2,957
Plant & Equipment		-	8,190	5,388	2,802	-	963	-	(522)	-	-	8,955	5,712	3,243
Furniture & Fittings		-	394	276	118	-	20	-	(26)	-	-	414	303	111
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>215,786</b>	<b>11,799</b>	<b>61,914</b>	<b>165,671</b>	<b>587</b>	<b>4,248</b>	<b>-</b>	<b>(4,653)</b>	<b>-</b>	<b>215,786</b>	<b>16,436</b>	<b>66,366</b>	<b>165,856</b>
<b>Comparatives</b>		193,227	18,648	75,747	136,128	838	3,231	(114)	(4,529)	30,117	215,786	11,799	61,914	165,671

#### Note 7a (ii). Investment Property

Nil

### Notes to and forming part of the Financial Statements for the year ended 30 June 2018

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

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\$ '000

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##### Valuation of Assets

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

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

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

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

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

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

##### Information on Valuations

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

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

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

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

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\$ '000

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#### Valuation of Assets (continued)

##### Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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, current replacement cost is taken to be the fair value.

##### Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

##### Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

##### 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.

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

Land & land Improvements were revalued as at 1 July 2016 by Asset Valuation & Consulting Pty Ltd. All acquisitions made after this time are recorded at cost.

The next scheduled revaluation date will be during the 2020/21 financial year.

##### Buildings & Other Structures

Buildings and other structures were revalued as at 1 July 2016 by Asset Valuation & Consulting Pty Ltd. All acquisitions made after this time are recorded at cost.

The next scheduled revaluation date will be during the 2020/21 financial year.



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

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

\$ '000

Valuation of Assets (continued)

Infrastructure

Transportation assets were valued by Moloney Asset Management Systems at depreciated current replacement cost as at 1 July 2016, based on actual costs incurred during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation date will be during the 2020/21 financial year.

Stormwater drainage infrastructure was valued by Asset Valuation & Consulting Pty Ltd as at 1 July 2013 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2013. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation date will be during the 2018/19 financial year.

Community wastewater management system infrastructure was valued at depreciated current replacement cost during the reporting period ended 30 June 2016 by Gayler Professional Services. All acquisitions made after the respective dates of valuation are recorded at cost.

Bridges were revalued as at 1 July 2016 by Asset Valuation & Consulting Pty Ltd. All acquisitions made after this time are recorded at cost.

The next scheduled revaluation date will be during the 2020/21 financial year.

Plant & Equipment

These assets are recognised on the cost basis.

All other Assets

These assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

Note 8. Liabilities

\$ '000	Notes	2018	2018	2017	2017
		Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Goods & Services		537	-	514	-
Accrued Expenses - Employee Entitlements		24	-	25	-
Accrued Expenses - Finance Costs		58	-	63	-
Accrued Expenses - Other		147	-	184	-
Total Trade and Other Payables		766	-	786	-

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 8. Liabilities (continued)

\$ '000	Notes	2018 Current	2018 Non Current	2017 Current	2017 Non Current
<b>(b). Borrowings</b>					
Loans		1,886	6,831	1,928	6,557
<b>Total Borrowings</b>		<b>1,886</b>	<b>6,831</b>	<b>1,928</b>	<b>6,557</b>

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

### (c). Provisions

Employee Entitlements (including oncosts)	936	61	981	54
<b>Total Provisions</b>	<b>936</b>	<b>61</b>	<b>981</b>	<b>54</b>

### Note 9. Reserves

\$ '000	1/7/2017	Increments (Decrements)	Transfers	Impairments	30/6/2018
<b>(a). Asset Revaluation Reserve</b>					
Land - Other	7,685	-	-	-	7,685
Buildings & Other Structures	10,381	-	-	-	10,381
Infrastructure					
- Stormwater Drainage	2,805	-	-	-	2,805
- CWMS	7,029	-	-	-	7,029
- Roads	120,856	-	-	-	120,856
- Bridges	3,211	-	-	-	3,211
Joint Ventures - Other Comprehensive Income	-	-	48	-	48
<b>Total Asset Revaluation Reserve</b>	<b>151,967</b>	<b>-</b>	<b>48</b>	<b>-</b>	<b>152,015</b>
<b>Comparatives</b>	<b>121,850</b>	<b>30,117</b>	<b>-</b>	<b>-</b>	<b>151,967</b>

\$ '000	1/7/2017	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2018
<b>(b). Other Reserves</b>					
Jamestown CWMS Reserve	728	-	(435)	-	293
Laura CWMS Reserve	295	-	(2)	-	293
Gladstone CWMS Reserve	165	-	(3)	-	162
<b>Total Other Reserves</b>	<b>1,188</b>	<b>-</b>	<b>(440)</b>	<b>-</b>	<b>748</b>
<b>Comparatives</b>	<b>1,147</b>	<b>54</b>	<b>(13)</b>	<b>-</b>	<b>1,188</b>

## Northern Areas Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2018

#### Note 9. Reserves (continued)

\$ '000

##### (b). Other Reserves (continued)

#### PURPOSES OF RESERVES

##### Asset Revaluation Reserves

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).

##### Jamestown CWMS Reserve

The Jamestown CWMS reserve is used to record the holding of funds for future Jamestown Community Wastewater Management System development (formally STEDS).

##### Laura CWMS Reserve

The Laura CWMS reserve is used to record the holding of funds for future Laura Community Wastewater Management System development (formally STEDS).

##### Gladstone CWMS Reserve

The Gladstone CWMS reserve is used to record the holding of funds for future Gladstone Community Wastewater Management System development (formally STEDS).

#### Note 10. Assets Subject to Restrictions

\$ '000

Notes

2018

2017

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

##### Cash & Financial Assets

##### Unexpended amounts received from Federal Government

CWMS

1,244

1,182

##### Total Cash & Financial Assets

1,244

1,182

##### Total Assets Subject to Externally Imposed Restrictions

1,244

1,182

CWMS - LGFA reserve from separate rates which remain unexpended on CWMS maintenance, upgrade and replacement over the period of each individual scheme.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2018	2017
<b>(a). Reconciliation of Cash</b>			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	5,943	5,097
<b>Balances per Statement of Cash Flows</b>		<b>5,943</b>	<b>5,097</b>
<b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>302</b>	<b>1,726</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		4,653	4,529
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(7)	(2)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(194)	(820)
Net (Gain) Loss on Disposals		(72)	(15)
Recognition of Investment in Central Local Government Association		48	-
		<b>4,730</b>	<b>5,418</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		621	(333)
Net (Increase)/Decrease in Inventories		(49)	(18)
Net Increase/(Decrease) in Trade & Other Payables		(20)	(127)
Net Increase/(Decrease) in Unpaid Employee Benefits		(38)	6
<b>Net Cash provided by (or used in) operations</b>		<b>5,244</b>	<b>4,946</b>

**(c). Financing Arrangements**

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

Bank Overdrafts	150	150
Corporate Credit Cards	20	20
LGFA Cash Advance Debenture Facility	2,000	2,000

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

## Northern Areas Council

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

#### Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017
<b>\$ '000</b>										
Business Undertakings	-	-	-	-	-	-	-	-	136	76
Economic Development	213	114	336	209	(123)	(95)	196	80	720	746
Protection of the Environment	2	5	5	5	(3)	-	-	-	-	-
Sport & Recreation	217	196	1,103	1,176	(886)	(980)	60	23	15,262	15,269
Transport & Communication	1,285	1,413	4,706	4,892	(3,421)	(3,479)	1,407	1,632	126,221	126,711
Other Purposes	224	505	940	892	(716)	(387)	-	-	6,448	6,015
Mining, Manufacturing & Construction	47	41	185	173	(138)	(132)	-	-	-	-
Community Amenities	106	324	1,878	1,881	(1,772)	(1,557)	13	-	14,114	13,912
Health & Welfare	45	53	74	85	(29)	(32)	-	5	1,117	1,106
Public Order & Safety	48	44	94	50	(46)	(6)	-	-	290	294
Administration	9,302	9,684	2,132	2,125	7,170	7,559	1,382	2,113	8,786	8,441
<b>Total Functions/Activities</b>	<b>11,489</b>	<b>12,379</b>	<b>11,453</b>	<b>11,488</b>	<b>36</b>	<b>891</b>	<b>3,058</b>	<b>3,853</b>	<b>173,094</b>	<b>172,570</b>

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 12b. Components of Functions

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\$ '000

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**The activities relating to Council functions are as follows:**

#### **ECONOMIC DEVELOPMENT**

Regional Development, Support to Local Businesses, Tourism, Caravan Parks, Community Grants and Other Economic Development.

#### **PROTECTION OF THE ENVIRONMENT**

Agricultural Services and Other Environment.

#### **SPORT AND RECREATION**

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

#### **TRANSPORT AND COMMUNICATION**

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

#### **OTHER PURPOSES**

Depots, Plant Maintenance & Operating, Minor Plant, Work Health & Safety, Training, Loan Interest, Weed Spraying, Vandalism.

#### **MINING, MANUFACTURING & CONSTRUCTION**

Building Control, Clean Air/Pollution Control, Litter Control, Health Inspections

#### **COMMUNITY AMENITIES**

Town Planning, Waste/Recycling Collection and Disposal, Green Waste, Transfer Stations, Other Waste Management, Street Cleaning, Street Lighting, Cemeteries/Crematoria, Public Conveniences, Street Cleaning, Community Waste Water Management Systems (CWMS).

#### **HEALTH & WELFARE**

Northern Passenger Transport Scheme, Health Centres, Youth programs, Aged Homes support, Community support programs

#### **PUBLIC ORDER & SAFETY**

Dog Control, Fire Prevention, Emergency Services Levy

#### **COUNCIL ADMINISTRATION**

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

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 13. Financial Instruments

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\$ '000

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**Recognised Financial Instruments**

**Bank, Deposits at Call, Short Term Deposits**

**Accounting Policy:**

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

**Terms & Conditions:**

Deposits are returning fixed interest rates between 1.50% and 2.15% (2017: 1.50% and 2.15%).

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

**Receivables**

**Rates & Associated Charges**

(including legals & penalties for late payment)

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

**Accounting Policy:**

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

**Terms & Conditions:**

Secured over the subject land, arrears attract interest of 9% (2017: 9%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Receivables**

**Fees & Other Charges**

**Accounting Policy:**

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

**Terms & Conditions:**

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

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

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\$ '000

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**Recognised Financial Instruments**

**Receivables**

**Other Levels of Government**

**Accounting Policy:**

Carried at nominal value.

**Terms & Conditions:**

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

**Carrying Amount:**

Approximates fair value.

**Receivables**

**Retirement Home Contributions**

**Accounting Policy:**

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

**Terms & Conditions:**

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Liabilities**

**Creditors and Accruals**

**Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

**Terms & Conditions:**

Liabilities are normally settled on 30 day terms.

**Carrying Amount:**

Approximates fair value.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

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\$ '000

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**Recognised Financial Instruments**

**Liabilities**

**Retirement Home Contributions**

**Accounting Policy:**

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

**Terms & Conditions:**

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

**Carrying Amount:**

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

**Liabilities**

**Interest Bearing Borrowings**

**Accounting Policy:**

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

**Terms & Conditions:**

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 3.75% and 6.70% (2017: 3.75% and 6.70%

**Carrying Amount:**

Approximates fair value.

**Liabilities**

**Finance Leases**

**Accounting Policy:**

Accounted for in accordance with AASB 117.

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2018</b>					
<b><u>Financial Assets</u></b>					
Cash & Equivalents	5,943	-	-	5,943	5,943
Receivables	70	275	204	549	630
Other Financial Assets	117	-	-	117	172
<b>Total Financial Assets</b>	<b>6,130</b>	<b>275</b>	<b>204</b>	<b>6,609</b>	<b>6,745</b>
<b><u>Financial Liabilities</u></b>					
Payables	537	-	-	537	537
Current Borrowings	2,763	-	-	2,763	1,886
Non-Current Borrowings	-	5,014	2,562	7,576	6,831
<b>Total Financial Liabilities</b>	<b>3,300</b>	<b>5,014</b>	<b>2,562</b>	<b>10,876</b>	<b>9,254</b>
<b>2017</b>					
<b><u>Financial Assets</u></b>					
Cash & Equivalents	5,097	-	-	5,097	5,097
Receivables	106	296	174	576	1,303
Other Financial Assets	104	-	-	104	104
<b>Total Financial Assets</b>	<b>5,307</b>	<b>296</b>	<b>174</b>	<b>5,777</b>	<b>6,504</b>
<b><u>Financial Liabilities</u></b>					
Payables	516	-	-	516	514
Current Borrowings	2,570	-	-	2,570	1,928
Non-Current Borrowings	-	4,639	1,943	6,582	6,557
<b>Total Financial Liabilities</b>	<b>3,086</b>	<b>4,639</b>	<b>1,943</b>	<b>9,668</b>	<b>8,999</b>

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

	30 June 2018		30 June 2017	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	3.60%	1,000	3.75%	1,000
Fixed Interest Rates	5.21%	7,717	5.65%	7,485
		<b>8,717</b>		<b>8,485</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.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

\$ '000

**Risk Exposures**

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

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

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

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

Note 14. Commitments for Expenditure

\$ '000

Notes

2018

2017

**Capital Commitments**

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

Buildings	135	33
Infrastructure	-	55
Plant & Equipment	-	346
	<b>135</b>	<b>434</b>

**These expenditures are payable:**

Not later than one year	135	434
	<b>135</b>	<b>434</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 15. Financial Indicators

	Amounts	Indicator	Prior Periods	
\$ '000	2018	2018	2017	2016

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

**1. Operating Surplus Ratio**

Operating Surplus	36	0%	7%	(10%)
Total Operating Income	11,489			

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

**2. Net Financial Liabilities Ratio**

Net Financial Liabilities	3,404	30%	28%	55%
Total Operating Income	11,489			

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

**Adjustments to Ratios**

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

<b>Adjusted Operating Surplus Ratio</b>	(8%)	(0%)	(1%)
<b>Adjusted Net Financial Liabilities Ratio</b>	32%	30%	51%

**3. Asset Sustainability Ratio**

Net Asset Renewals	4,766	102%	69%	78%
Infrastructure & Asset Management Plan required expenditure	4,653			

*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.*

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2018

Note 15. Financial Indicators - Graphs (continued)

<div><div>1. Operating Surplus Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2016</td><td>-10%</td></tr><tr><td>2017</td><td>7%</td></tr><tr><td>2018</td><td>0%</td></tr></table></div>	Year	Ratio %	2016	-10%	2017	7%	2018	0%	<div><div>Purpose of Operating Surplus Ratio</div><div>This indicator is to determine the percentage the operating revenue varies from operating expenditure</div></div>	<div><div>Commentary on 2017/18 Result</div><div><div>2017/18 Ratio</div><div>0%</div></div><div>Council's Target range is 0-10%. This was adopted by Council in March 2018 as part of reviewing the Long Term Financial Plan (LTFP).</div></div>
Year	Ratio %									
2016	-10%									
2017	7%									
2018	0%									
<div><div>2. Net Financial Liabilities Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2016</td><td>55%</td></tr><tr><td>2017</td><td>28%</td></tr><tr><td>2018</td><td>30%</td></tr></table></div>	Year	Ratio %	2016	55%	2017	28%	2018	30%	<div><div>Purpose of Net Financial Liabilities Ratio</div><div>This indicator shows the significance of the net amount owed to others, compared to operating revenue</div></div>	<div><div>Commentary on 2017/18 Result</div><div><div>2017/18 Ratio</div><div>30%</div></div><div>Council's Net Financial Liabilities as a proportion of Council's annual operating income will peak in 2018-19 and is expected to reduce over the remaining life of the LTFP as our cash position improves. Council's Target range is 0-50%</div></div>
Year	Ratio %									
2016	55%									
2017	28%									
2018	30%									
<div><div>Adjusted Operating Surplus Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2016</td><td>-1%</td></tr><tr><td>2017</td><td>0%</td></tr><tr><td>2018</td><td>-8%</td></tr></table></div>	Year	Ratio %	2016	-1%	2017	0%	2018	-8%	<div><div>Purpose of Adjusted Operating Surplus Ratio</div><div>This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure</div></div>	<div><div>Commentary on 2017/18 Result</div><div><div>2017/18 Ratio</div><div>-8%</div></div><div>A breakeven position was budgeted to occur in the 2017/18 Budget. The continued improving trend will see the Operating Surplus Ratio exceed the target range by 2022/23.</div></div>
Year	Ratio %									
2016	-1%									
2017	0%									
2018	-8%									
<div><div>Adjusted Net Financial Liabilities Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2016</td><td>51%</td></tr><tr><td>2017</td><td>30%</td></tr><tr><td>2018</td><td>32%</td></tr></table></div>	Year	Ratio %	2016	51%	2017	30%	2018	32%	<div><div>Purpose of Adjusted Net Financial Liabilities Ratio</div><div>This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure</div></div>	<div><div>Commentary on 2017/18 Result</div><div><div>2017/18 Ratio</div><div>0%</div></div><div>2018/19 Financial Assistance Grants received in advance in June 2018 amounted to \$955,266.</div></div>
Year	Ratio %									
2016	51%									
2017	30%									
2018	32%									
<div><div>3. Asset Sustainability Ratio</div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2016</td><td>78%</td></tr><tr><td>2017</td><td>69%</td></tr><tr><td>2018</td><td>102%</td></tr></table></div>	Year	Ratio %	2016	78%	2017	69%	2018	102%	<div><div>Purpose of Asset Sustainability Ratio</div><div>This indicator aims to determine if assets are being renewed and replaced in an optimal way</div></div>	<div><div>Commentary on 2017/18 Result</div><div><div>2017/18 Ratio</div><div>102%</div></div><div>Budgeted renewal of existing assets over the life of the current LTFP averages 91% which is just below Council's target range of 95-105%</div></div>
Year	Ratio %									
2016	78%									
2017	69%									
2018	102%									

## Northern Areas Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2018

#### Note 16. Uniform Presentation of Finances

\$ '000	2018	2017
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	11,489	12,379
less Expenses	(11,453)	(11,488)
<b>Operating Surplus / (Deficit)</b>	<b>36</b>	<b>891</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(4,838)	(3,230)
<i>add back</i> Depreciation, Amortisation and Impairment	4,653	4,529
<i>add back</i> Proceeds from Sale of Replaced Assets	72	92
<b>Subtotal</b>	<b>(113)</b>	<b>1,391</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	-	(837)
<i>add back</i> Amounts Received Specifically for New and Upgraded Assets	194	820
<i>add back</i> Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	-	35
<b>Subtotal</b>	<b>194</b>	<b>18</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>117</b>	<b>2,300</b>

#### Note 17. Operating Leases

Council does not have any Operating Leases



### Notes to and forming part of the Financial Statements for the year ended 30 June 2018

#### Note 18. Superannuation

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\$ '000

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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 2017/18; 9.50% in 2016/17). 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 2016/17) 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.

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 19. Interests in Other Entities

\$ '000

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

	Council's Share of Net Income		Council's Share of Net Assets	
	2018	2017	2018	2017
Joint Ventures	7	2	55	-
<b>Total</b>	<b>7</b>	<b>2</b>	<b>55</b>	<b>-</b>

#### (i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

##### (a) Carrying Amounts

Name of Entity	Principal Activity	2018	2017
Central Local Government Association	Local Government Regional Collaboration	55	48
<b>Total Carrying Amounts - Joint Ventures &amp; Associates</b>		<b>55</b>	<b>48</b>

##### Central Local Government Association (Trading as Legatus Group)

Established in 1988, this organisation is formed under Section 43 of the Local Government Act to allow membership Councils to approach regional issues in a collaborative manner.

##### (b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2018	2017	2018	2017	2018	2017
Central Local Government Association	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%

##### (c) Movement in Investment in Joint Venture or Associate

	Central Local Government Association	
	2018	2017
Opening Balance	48	46
Share in Operating Result	7	2
<b>Council's Equity Share in the Joint Venture or Associate</b>	<b>55</b>	<b>48</b>

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

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

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

## Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

### 1. LAND UNDER ROADS

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

At reporting date, Council controlled 2,203 km of road reserves of average width 20 metres.

### 2. POTENTIAL INSURANCE LOSSES

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

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

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

### 3. BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$434,167 (2017: \$367,215) at reporting date.

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

### 4. LEGAL MATTERS

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had no notice of appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

### 5. TRUST FUNDS

Council holds funds on behalf of community bodies totalling \$443,407.26. These have not been included in the financial statements.

# Northern Areas Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018

### Note 22. Events after the Balance Sheet Date

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Events that occur after the reporting date of 30 June 2018, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Accordingly, the "authorised for issue" date is 10/10/18.

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

### Note 23. Related Party Transactions

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\$ '000	2018	2017
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#### Key Management Personnel

##### Transactions with 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, 14 persons were paid the following total compensation:

##### The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	702	663
Long-Term Benefits	-	7
<b>Total</b>	<b>702</b>	<b>670</b>

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

##### Receipts from Key Management Personnel comprise:

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

Planning and Building Application Fees	-	1
<b>Total</b>	<b>-</b>	<b>1</b>

## Northern Areas Council Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of the Northern Areas Council, for the year ended 30 June 2018.

### Opinion

In our opinion, the financial statements of the Council are properly drawn up:

- a) to present fairly the financial position of the Council as at the 30 June 2018 and the results of its operations for the period then ended, and;
- b) according to Australian Accounting Standards.

### Basis for Opinion

For the audit of the Council we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information – Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the council to meet the requirements of the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

### Responsibilities of Management for the Financial Report

The Board of Management is responsible for the preparation of the financial report in accordance with the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011 and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule 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 judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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



Ian G McDonald FCA  
Registered Company Auditor 16458

Signed: 10<sup>th</sup> day of October 2018 at Grange, South Australia

## Independent Assurance Report on the Internal Controls of the Northern Areas Council

We have audited the compliance of the Northern Areas Council with the requirements of Section 125 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 2017 to 30 June 2018 have been conducted properly and in accordance with law.

### Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls established by the Council in relation 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 2017 to 30 June 2018.

### Basis for Opinion

For the audit of the Council we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129* 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.

### Inherent Limitations

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

### 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* in relation to Internal Controls 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 Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125* 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. Our engagement has been conducted in accordance with applicable *Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements*, issued by the *Australian Auditing and Assurance Standards Board*, in order to state whether, in all material respects, the Council has complied with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2017 to 30 June 2018. *ASAE 3100* also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

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



Ian G McDonald FCA

Chartered Accountant

Registered Company Auditor 16458

Signed: 10<sup>th</sup> day of October 2018 at Grange, South Australia

## Northern Areas Council

### General Purpose Financial Statements for the year ended 30 June 2018

### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Northern Areas Council for the year ended 30 June 2018, the Council's Auditor, Ian G McDonald FCA 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*.



Colin Robert Byles  
**CHIEF EXECUTIVE OFFICER**



Lavonne Lea  
**PRESIDING MEMBER, AUDIT COMMITTEE**

**Date: 10 October 2018**



## NORTHERN AREAS COUNCIL

### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Northern Areas Council for the year ended 30 June 2018, we have maintained our 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*.



**Ian G McDonald FCA**

Dated this 24th day of September 2018