

Port Pirie Regional Council
Annual Report 2016 - 17





ACKNOWLEDGEMENT OF COUNTRY

Thalpiri Yarta by Jessica Turner, Nukunu artist

The Port Pirie Regional Council acknowledges the Nukunu people as the traditional owners and custodians of the lands of the Port Pirie township and northern regions and the Kaurna people in southern parts of the region. We honour their ongoing cultural and spiritual connections to country and pay our respects to their Elders past and present. We respect the cultural heritage, customs and beliefs of all Indigenous people and extend that respect to other Aboriginal and Torres Strait Islander people who live in the region.

“Thalpiri Yarta” is the Nukunu name for Port Pirie.

The Port Pirie region was once used as a central location for all Aboriginal groups and tribes from around the area to meet and come together to trade materials and other products.

In my painting I have incorporated Port Pirie and the Pirie River and interpreted how the area was used as a meeting place. We also believe the hills and region was also created by the Great Dreamtime Serpent “Akurra”, which I have also included to represent the Hills. I also wanted to include the “Yirityi”, Crab, which is also well known in Port Pirie and Coastal area.

Jessica Turner
June 2017

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COUNCIL PROFILE

Total Population	17,625
Total Area	1,761 sq kms
Number of Rateable Properties	10,233
Total Road Network	1,309 kms
Sealed Roads	315 kms
Unsealed Roads	994 kms
Number of Electors	12,679
Total number of Elected Members, including the Mayor	10
Number of Staff FTE	100
Total Revenue	\$34m
Value of Infrastructure Maintained	\$237m





MESSAGE FROM THE MAYOR & CEO

Introduction

It gives us great pleasure to present Port Pirie Regional Council's 2016/17 Annual Report, highlighting the many achievements made by Council during the year.

The face of Port Pirie has changed significantly during the year, following the completion of a number of our big 'game changing' projects.

In May this year the first stage of the Port Pirie CBD upgrade was completed (Alexander Street and Florence Street – Norman to Alexander Street), the Boat Ramp Precinct was completed and in January 2017 Council's largest ever project, the Port Pirie Regional Sports Precinct commenced.

These projects are the major cornerstone of Council's vision which involves transforming Port Pirie into an attractive modern regional capital supported by a prosperous region.

CBD Rejuvenation

Council commenced construction of stage 1 of the Port Pirie CBD Rejuvenation in January 2017. This work involved providing a palm tree lined traffic island in Florence Street, removing kerbing in Alexander Street and significant upgrades to the footpaths, streetscape, street furniture and road surfaces as well as adding a touch of colour to both Alexander and Florence Streets.



The total value of this work was \$4 million and complements previous CBD works which has included significant drainage upgrades and the undergrounding of power in the CBD.

This project is about enabling the activation of the CBD. It's about bringing more people into the City centre.

Foreshore

Council completed extensive works in and around the Solomontown Boat Ramp during the year. In total this project included dredging between the Boat Ramp and Fishermen's Jetty, expanding the Boat Ramp launching capacity, replacing the old Yacht Club pontoon, the installation of a toilet block, large grassed area and the provision of free Wi-Fi to the area. These works will complement the recent opening of the Italian Community's 'Port Pirie Molfettesi Fishing Boat Museum'; as well as works undertaken at Solomontown Beach Plaza and along the beach area in the last few years.

Sports Precinct

After many years of planning, the Port Pirie Regional Sports Precinct became a reality with construction commencing in January 2017.

Council had previously secured \$5 million in funding each from the Australian and South Australian Governments with Council committing to match this funding. In May 2017 Council awarded the tender and signed off on the final scope of this project which allowed the \$21.7 million project to commence in earnest.



The Sports Precinct is more than providing state of the art sports facilities to the community. The Precinct will enable us to attract and host regional, state and national events to showcase the talent we have in our region and to highlight what Port Pirie and the surrounding region has to offer. It will be about bringing the community together and celebrating our culture, our history and our future.

Come See Change

Council together with the Port Pirie Chamber of Commerce, Nyrstar, TLAP and Regional Development Australia Yorke & MidNorth came together during the year to determine how collectively we could leverage off Council's infrastructure spend and the Nyrstar redevelopment to help change people's perceptions of Port Pirie.

As a result in February 2017, ***Come See Change*** was launched.

Come See Change is about changing people's perceptions of Port Pirie and changing the City's reputation.

That is, we invite people to see for themselves, don't take our word for it. We are challenging the community and the State to change your opinion...change your views...change your mind about Port Pirie.



Rural Activities

While Council has had a number of higher profile projects in Port Pirie, it has also continued to provide the services our rural community requires and expects. Some of these works have included construction of a walking trail in Crystal Brook, upgrades to a number of rural cemeteries, construction of John Street in Crystal Brook, improvements at Nelshaby Reservoir, Lawrie Park and White Cliffs reserves, as well as our routine activities such as improving our rural road network.

Council continues to contribute to our rural communities by way of providing financial assistance. A number of organisations benefited from this assistance during the year including a \$150,000 contribution to the Crystal Brook Recreation Centre upgrade, and our regular support of various rural community Australia Day celebrations, Christmas pageants and carols, community development associations, community halls, sporting clubs and other organisations under Council's Community Assistance Fund.

A complete list of grants provided by the Community Assistance Fund is located in the Community Wellbeing section of this report.



Community Survey

The Port Pirie Regional Council prides itself on how it consults with the community. During the year there was extensive consultation on the Sports Precinct Redevelopment and CBD upgrade, and a second community survey was undertaken following the success of the survey completed in 2015.

Key results from the 2017 Community Survey include:

- A significant improvement in Council's "overall performance", increasing from 2.85 (below average) to 3.17 (average).
- A positive improvement in Consultation with the Community (from 2.64 to 2.97) and information about decisions and projects (from 2.76 to 3.07) as a result of Council placing more resources in this area.
- A strong increase in the community's views on Council's customer service as highlighted in the areas of Responsiveness to Complaints (from 2.86 to 4.15), General Courtesy of Council Staff (from 3.55 to 3.7) and the processing of Building and Development Applications (from 2.87 to 3.02).

Increasing concerns however were expressed about the condition of footpaths, insect control, parking, Solomontown Beach and pedestrian crossings.

Council will commence addressing community concerns this year and integrate actions into the next Business Plan.



The Future

The year ahead looks exciting with the focus of activating the Port Pirie CBD and foreshore following major upgrades. Council intends to continue with construction of the Port Pirie Sports Precinct, the upgrade and expansion of the Crystal Brook Library/community centre, provision of entrance statements to our rural towns, as well as seek funding to complete stage 2 of the Port Pirie CBD upgrades.

Early in 2017/18 Council is expected to adopt its Economic Development Strategy which will outline how Council will attract and create opportunities for business investment and jobs in the region. Amongst the recommendations in the draft strategy is to maximise the opportunities in our rural sector and set Crystal Brook up as the agricultural capital of the mid north with a number of value add ventures.

All of these projects and many more will help us transform our City and region in the coming years to an attractive and prosperous place to live.

We wish to thank everyone for their support and look forward to a positive and prosperous future for the City and region.



Dr Andrew Johnson

B.Ec(Acc) MBA PhD FCPA GAICD MLGMA
Chief Executive Officer

John Rohde

Mayor

ELECTED MEMBERS



Mayor John Rohde

- CEO Performance Review Committee
- Spencer Gulf Cities Association
- Central Local Government (Trading as Legatus)
- Proxy Member Local Government Association



**Deputy Mayor
Cr Leon Stephens**

- Audit Committee
- CEO Performance Review Committee
- Entrances Committee
- Sport & Recreation Committee
- TLAP Consultative Committee



Cr Debbie Devlin

- CEO Performance Review Committee (Chairperson)
- Sport & Recreation Committee
- Public Art Selection Group
- Council Development Assessment Panel



Cr Dino Gadaleta

- Asset Management Committee
- Entrances Committee



Cr Mick Hopgood

- Asset Management Committee
- Sports & Recreation Committee



Cr Kendall Jackson

- CEO Performance Review Committee
- Public Art Selection Group (Chairperson)



Cr Darryl Johnson

- Asset Management Committee
- Entrances Committee (Chairperson)
- Sport & Recreation Committee (Chairperson)
- TLAP Consultative Committee



Cr Joe Paparella

- TLAP Consultative Committee
- Council Development Assessment Panel



Cr Neville Wilson

- Asset Management Committee (Chairperson)
- Audit Committee



Cr Alan Zubrinich

- Audit Committee
- TLAP Consultative Committee (Chairperson)
- Council Development Assessment Panel

ELECTED MEMBER TRAINING

1 July 2016 to 30 June 2017

Elected Member	Course/Conference
Mayor John Rohde	GMUSG & SACOME Conference & Expo
	LGA Conference & AGM
	SEGRA Conference
	SAROC & LGA Board Meeting
	USG CPG Delegation to Canberra
	LGA Showcase & OGM
	IPWEA SA
	Spencer Gulf Cities-Limestone Coast LGA
Cr Debbie Devlin	Nil
Cr Dino Gadaleta	LGA Showcase & OGM
Cr Michael Hopgood	Nil
Cr Kendall Jackson	Nil
Cr Darryl Johnson	LGA Dinner & AGM
	LGA Showcase & OGM
Cr Joe Paparella	Nil
Cr Leon Stephens	Nil
Cr Neville Wilson	LGA Roads & Works Conference
Cr Alan Zubrinich	LGA Showcase & OGM

EXECUTIVE MANAGEMENT



Dr. Andrew Johnson
Chief Executive Officer



James Holyman
Director Corporate and Community

Primary Functions:

- Administration and Governance
- Community Assistance
- Community Development
- Financial Services
- Human Resources
- IT Communication
- Library
- Property Rates
- Property Services
- Records Management
- Risk Management and WH&S
- Special Events
- Starclub Program
- Tourism and Arts



Kathryn Johnson
Director Infrastructure

Primary Functions:

- Aerodrome
- Asset Management
- Cemeteries
- Crystal Brook Caravan Park
- Drainage and Tidal Levee
- Emergency Management
- Marine Facilities
- Natural Environment
- Parks and Gardens
- Public Conveniences
- Public Safety
- Roads
- Street Scaping
- Water Recycling



Grant McKenzie
Director Development and Regulation

Primary Functions:

- Animal Management
- Community Health Service
- Development Applications
- Dog and Cat Control
- Effluent Drainage Systems
- Fire Prevention
- Planning
- Regulatory Control
- Swimming Pools
- Waste Management



MAJOR PROJECTS

Central Business District

In 2013 a Master Plan was developed for the revitalisation of the Central Business District (CBD).

In November 2015 Council engaged a contractor through a competitive tender process. The design process involved an inception meeting where the broad initiatives of the Places for People funding and Council's 2013 Master Plan document were reviewed.

The contractor was engaged to carry out the concept development and detail design and documentation for Florence Street from Mary-Elie Street through to David Street, Norman Street from Ellen Street to Florence Street and Alexander Street from Ellen Street to Florence Street. The Stage 1 area for the rejuvenation of the CBD was determined by the successful funding application to the Department for Planning, Transport and Infrastructure (DPTI's) Places for People funding program. The rejuvenation works included landscaping, street furniture and public art, new road surface, kerb and footpath and lighting to the following precincts:

- Alexander Street between Florence Street and Ellen Street
- Florence Street between Alexander Street and Norman Street

The concept development and detailed design were completed in 2015/16 including an extensive public consultation program.



Florence Street

- Central median with openings to accommodate access to off-street parking areas
- Majestic date palm trees in the central median with lower ground covers
- A selection of deciduous and evergreen trees planted in kerb side plantings
- Large format exposed aggregate concrete paving with feature banding in clay brick paving at shop entrances
- Overall improvements in parking provision with parking bay numbers maintained and an increase in disabled parking allocations
- Decorative and functional street furniture
- Wayfinding installation and flag poles
- Provision for parklets



Alexander Street

- Maintained two-way traffic and parallel parking
- Single profile 'no lip' kerbing between footpath and roadway with central spoon drain
- Central underground drainage under spoon drain which has increased capacity compared to current arrangement
- Traffic lanes constructed with asphalt
- Parking constructed with clay brick size pavers and defined with 'no lip' kerb edge
- Bollards to protect pedestrian zone
- New street lighting poles
- Existing garden beds maintained but new plantings of deciduous and evergreen trees
- Provision of Parking

Central Business District continued

Funding for construction was allocated in 2016/17 with a competitive tendering process resulting in the contract being awarded to a locally based company.

Construction commenced on 9 January 2017 and was completed with handover to Council on 21 June 2017.

An extensive program of public communication was undertaken during construction including but not limited to the following:

- Trader engagement evenings before the project commenced
- Trader update meetings during the project
- Daily face to face site visit/interaction with traders and direct phone line access to Council staff
- Competition
- Posters
- Television advertising
- Cash Classified
- Facebook

A community that values and promotes its rich cultural and built heritage and provides pleasant, well designed environments (living, working, shopping and civic) that are enduring and sustainable.

Revitalise the Central Business District area and implement the Port Pirie Town Centre recommendations.



MAJOR PROJECTS

Sports Precinct

Port Pirie Regional Council has been working with the community since 2013 to redevelop the ageing sport facilities in Port Pirie at Memorial/Pirie West Oval and the Port Pirie Swimming Pool. This is part of Council's vision of making the Port Pirie Region, the Premier region in South Australia where people want to be.

Council has commissioned a number of independent reports into the feasibility, affordability and benefit of the proposed Precinct. These included engaging the South Australian Centre for Economic Studies to undertake a Cost Benefit Analysis; Regional Development Australia Yorke & Mid North to prepare a Situational Analysis of Port Pirie Community: Analysis of Trends and Opportunities for the Port Pirie Sporting Precinct; and UHY Haines Norton undertook a Prudential Review of the project.

The construction cost of the project is estimated at \$21.7 million (excluding contingencies and design costs) and is funded by the State Government (\$5m), the Australian Government's National Stronger Regions Fund Round 2 (\$5m), with the balance of the funding being provided by Council by way of loan funding.



Sports Precinct (continued)

The project will deliver to the community the following facilities:

- A totally redeveloped Memorial Oval Precinct (incorporating Pirie West Oval) which will accommodate the existing sports of football, cricket and baseball; as well as relocating existing sports from Globe Oval and Savoy Park. This includes the expansion of the Pirie West Oval, realignment of Memorial Oval; new lighting to both ovals; new change rooms, canteen and toilets; together with a Function Centre and viewing facilities.
- A Port Pirie Recreation Centre at the existing Port Pirie Swimming Pool with a new amenities block, reception area and canteen which will also accommodate gymnastics, squash and potentially others in a multi-purpose facility; as well as providing an indoor learn to swim pool (10x15m), lagoon pool and toddler pool to replace the current toddlers pool.
- Relocation of the Port Pirie Croquet Club and upgrade all three greens for the Port Pirie Croquet Club and the Port Pirie Bowling Club to artificial surfaces.



Sports Precinct (continued)

CONSTRUCTION COSTS	EST COSTS
Demolition	\$152,385
Function Centre (including tiered seating)	\$7,487,000
Recreation Centre	\$6,965,640
Civils sporting fields & car parking (Council)	\$3,738,424
Croquet and bowls	\$654,574
Heritage grandstand	\$ -
CONSTRUCTION COSTS (Original Scope)	\$18,998,023 *
Indoor pool (Stage 2 brought forward)	\$2,750,000
TOTAL STAGE 1 & 2 CONSTRUCTION COSTS	\$21,748,023 *

*Excludes any contingencies & preliminary design costs

Some of the benefits of the Sports Precinct include:

- A game changing project which will change people’s perceptions of Port Pirie and the range of activities and opportunities which can occur in the City.
- Maintain Port Pirie’s competitiveness as a major regional capital.
- Provide the facilities expected in a major regional centre.
- Assist in attracting visitors and new residents to Port Pirie.
- Stimulate economic activity.
- Bring the community together.



Sports Precinct (continued)

Port Pirie Regional Council staff have been actively involved in all civil works associated with this project. This has included:

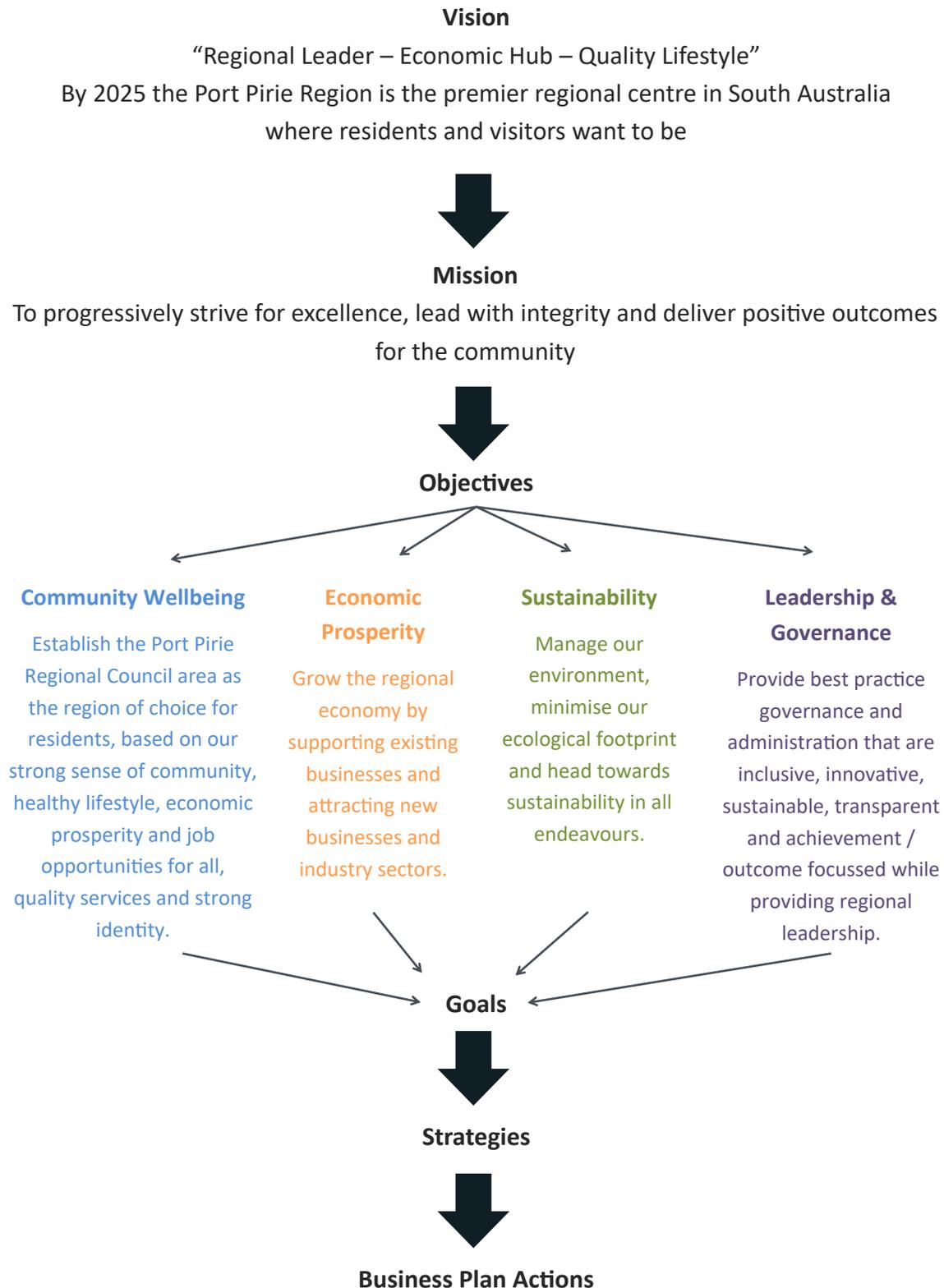
- Entire works project managed by Council staff
- Demolition of all non building structures
- Removal of existing oval and realign
- Carpark, ovals and site to completed base level
- Root zone material spread and to completed level
- Surplus material used to construct a viewing mound
- All site drainage works
- Stormwater installation at Memorial Oval
- Road earth works and final trim at Memorial Oval

Council Staff Jeff Adams and Robert Stead guiding the community on an onsite tour of the sporting Complex .

(Photo credit: Greg Mayfield, of The Recorder)

STRATEGIC ARCHITECTURE

The Community Plan 2016 - 2025 defines our strategic architecture that articulates and translates community aspirations into our future direction and implementable actions. Port Pirie Regional Council has aligned all corporate planning to this architecture. The following pages of this Annual Report detail achievements against the objectives that are outlined below.



Community Wellbeing





INCLUSIVITY

Clean Up Australia Day

Clean Up Australia Day was held on Sunday 5 March 2017, with approximately 20 volunteers attending. The target areas for the clean up included Memorial Park and Phoenix Park Wetlands.

Council offered half price fees for domestic waste at the Port Pirie and Crystal Brook Transfer Stations for Clean Up Australia Day, which proved very popular with the general public.

Port Pirie Regional Library Service

Statistics

The following statistics indicates the performance of the Library service (Port Pirie and Crystal Brook) over the 2016/17 financial year.

	2015/16	2016/17
Items loaned (hard copy)	115,919	110,245
Incoming material from other libraries	9,182	11,364
Material sent to other libraries	10,974	11,244
Patrons visiting the libraries	92,076	76,814
Active library membership (use within last 3 years)	6,165	6,000
Library holdings	37,062	35,694
Flinders Mobile Library Users	3,458	3,667

With the implementation of the One Library Management System (1LMS) across the State, borrowers who had a card at multiple libraries now only need to have one card which can be used at all libraries across the State. This means we are seeing a decrease in memberships per library. For example, in the past people from Napperby or Port Germein may have had a Port Pirie Library card along with a Flinders Mobile Library card but now they only need to use their Flinders Mobile Library card to borrow at Port Pirie.



The Library also provides ebooks and eMagazines for loan and these statistics are not included in the libraries “loaned” figure as these are recorded against Public Library Services South Australia. Access to the eResources can occur from home and no longer requires a physical visit to the library to borrow.

Key Activities

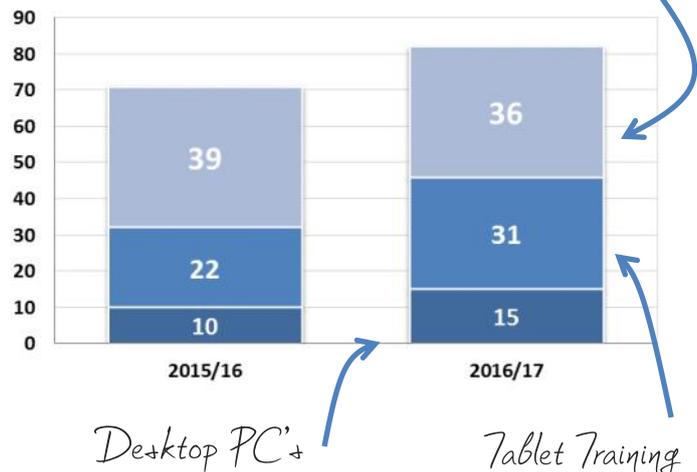
- **Holiday Fun @ Your Library**
Activities for children 4—10 years of age.
- **Children’s Book Week**
686 children over a two week period.
- **Children’s Fun Day in the Park**
Story time in the Park event on the 27th October.
- **1001 Books Before School**
81 children registered with 2 children reaching the 1001 books milestone.
- **Little Bang Discovery Program**
A new program for 3-5 year olds.
- **Baby Bounce**
Regularly attracts ten Mums and their babies/toddlers to a session of rhyme, song and story time
- **Sunday Story Time**
This program sees a story read by a staff member at 3pm followed by a craft activity.
- **Gen Z**
Runs every fortnight in term time for 11-16 year olds.
- **National Summer Reading Program**
Twenty young people ranging in age from 9-16 participated in the National Summer Reading program.



Harry Potter Trivia Night

To celebrate 20 years since the first Harry Potter book was published the Library hosted a trivia night after hours where tickets were capped at 66 and the event was soon sold out. As well as providing an enjoyable event the aim was to expose the Library to members of the public who would not normally visit the Library. For a quarter of those who attended, it was their first visit to the Library.

Public Computer Training — Number of Courses + Individual Training



- **Public Computer Training**
The last two years has seen an increase in the variety of technological devices available to the public and this is reflected in the type of services offered by the IT suite in the Library.
- **Home Library**
Delivering to 32 residents on either a fortnightly or monthly basis.

IT Suite

The IT Suite has conducted a number of services for our Council with involvement in the annual report and promotional material for the Library and other Council areas. One of these being a promotional leaflet about Library services which was delivered to every household in Port Pirie and Crystal Brook by Australia Post.

Gift of Reading

Since 2013 the Port Pirie Regional Library Service has been assisting the Port Pirie & Local Areas Christmas Assistance Committee with the donation of books for needy children in our community. The Port Pirie & Local Areas Christmas Assistance Committee comprises of Uniting Care Wesley, Families SA, and St Vincent de Paul.

Library customers and many council staff have assisted with the donation of 155 books, which were handed over in December 2016.

COMMUNITY ASSISTANCE

Port Pirie Regional Council strives to improve lifestyle and quality of life through the provision of quality services and facilities throughout the Council area. It recognises the influence community groups (including sporting bodies), have on quality of life. The following table is a demonstration of Council's support of community groups. During 2016/17 \$216,371 was distributed to community groups.

ORGANISATION	PURPOSE	TOTAL
Northern Country Music Association Inc	Port Pirie Country Music Festival - 6 - 9 October 2016	\$2,000
Crystal Brook Scout Group	Hire of Crystal Brook Institute - 9 July 2016	\$150
Port Pirie Harness Racing Club Inc	Harnessing Young Talent event 7 - 9 October 2016	\$2,000
Port Pirie Bowling Club Inc	29 Annual Bowling Club Spring Carnival - September 2016	\$1,100
Crystal Brook Apex Club	Hire of Bowmans Park and use of Community Bus for fundraiser held on 6 August 2016	\$300
Port Pirie Ministers Association	Carols by Candlelight	\$1,500
Port Pirie Regional Gymnastics Academy	Port Pirie Invitational event - 30 September - 3 October 2016	\$1,500
John Pirie Secondary School	Port Pirie Police Station Wall Mural	\$1,000
Koolunga Tennis Club Inc	Supply and Install new air-conditioner at the Tennis Clubrooms	\$1,100
Crystal Brook Community Association Inc	Consultant prepared a Crystal Brook town centre strategy	\$2,450
Virtus Soccer Club Inc	A ride on mower for the club	\$5,000
Port Pirie Softball Association Inc	Supply equipment for the SA State Junior Softball Championships on 17, 18 and 19 February 2017	\$300
Crystal Brook Netball Club	Hire of Crystal Brook Institute - 31 March 2017	\$346
Cancer Council of SA - Port Pirie Relay for Life	Supply equipment, cleaning and grounds maintenance work at Woodward Park for the PP Relay for life event held on 8 and 9 April 2017	\$3,000
Port Pirie Motorcycle Club Inc	Use of Council watercart and driver - Easter Motocross event - 15 and 16 April 2017	\$1,500
Port Pirie Motorcycle Club Inc	2016 Prince and King of the Gulf Motocross spectacular (Inc SA Womens Cup) - 15 and 16 April 2017	\$1,000
Port Pirie Harness Racing Club Inc	Port Pirie 2017 Pacing Cup event - 25 March 2017	\$1,000
Broughton Plains Heritage Society	Traffic Management for Anzac Day - 23 April 2017	\$1,500
Port Pirie Autism Support Group	Street Banners in Norman Street to promote Autism Awareness month in April 2017	\$605
RSL - Port Pirie Sub Branch Inc	Hosting 2017 ANZAC Day	\$750
Cancer Council of SA - Port Pirie Relay for Life	Monetary assistance towards the Relay for Life Port Pirie event held on 8-9 April 2017	\$950
Crystal Brook Motorcycle Club Inc	2017 Australia Post Classic Motocross Championships held on 26 and 27 August 2017	\$4,000
BH Community Club Inc	2017 Smelters Picnic held on 27 September 2017	\$5,000
	SUB TOTAL	\$38,051

COMMUNITY ASSISTANCE CONTINUED

ORGANISATION	PURPOSE	TOTAL AMOUNT
	C/FWD	\$38,051
Crystal Brook Motorcycle Club Inc	Upgrade to Toilet/Shower Block	\$1,000
Port Pirie Harness Racing Club Inc	Harnessing Young Talent event held 12 - 15 October 2017	\$2,000
Outback PA Hire	Emergency Services Big Day Out event held 2 July 2017 - In-kind works towards waste collection for the event.	\$600
Crystal Brook Netball Club	Reimbursement for Development application fees relating to new shelter project at Netball courts	\$620
Northern Country Music Association Inc	Port Pirie Country Music Festival - 12 - 15 October 2017	\$2,000
North-Western Agricultural Society Inc	Crystal Brook Annual Show	\$6,000
Australia Day Committee	Australia Day - Port Pirie	\$14,000
Crystal Brook Development Association	Australia Day - Crystal Brook	\$3,000
Redhill Development Board	Australia Day - Redhill	\$1,500
BH Club	Smelters Picnic – Port Pirie	\$8,000
Combined Services Club	Christmas Pageant – Port Pirie	\$14,000
Crystal Brook Development Association	Christmas Pageant / Street Party – Crystal Brook (held every 2 years)	\$4,500
Port Pirie RSL	Anzac Day and Remembrance Day	\$7,000
Port Pirie Italian Association	Blessing of the Fleet	\$1,100
Koolunga Development Association	Bunyip Festival	\$1,500
Port Pirie Ministers Association	Christmas Carols - Port Pirie	\$2,500
Crystal Brook Community Association	Christmas Carols - Crystal Brook	\$3,000
	SUB TOTAL	\$72,320
Other Contributions		
Community Development Associations	Crystal Brook	\$5,000
	Redhill	\$5,000
	Koolunga	\$5,000
	Pirie Districts	\$5,000
Community Halls	Wandearah Hall	\$500
	Napperby Hall	\$1,500
	Port Pirie Sporting Association	\$9,000
Sport facility management contributions	Crystal Brook Oval	\$25,000
Redhill Community Development Association	Redhill Oval	\$15,000
Port Pirie Softball Association	Leonard Park	\$15,000
Other	Waste disposal rebates	\$20,000
	SUB TOTAL	\$106,000
	TOTAL	\$216,371



COMMUNITY RESILIENCE & HEALTH

Dog Registrations

During 2016/17 Council continued to promote dog registration throughout the Council Region. A total of 3,656 dogs were registered during this year, down by 128 when compared to dogs registered in 2015/16.

Dog Control

In association with Council's Animal Management Plan, responsible pet owners are encouraged to properly identify their pets, preferably by micro-chip. This ensures prompt identification and return of pets to owners. Authority for the management of dogs and cats within the Region is vested in Council under the Dog and Cat Management Act, 1995.

The objectives of the Act are to encourage responsible ownership, promote effective management and reduce the public and environmental impact from dogs and cats.

Council is responsible under the Act to receive registration of dogs, provide a suitable pound for detained dogs and for enforcement of the Act. During the report year, Council received 378 complaints in relation to dogs barking, wandering at large and attacking or harassing persons or other animals, in comparison to 402 for the 2015/2016 financial year.

Council attended to 280 reports of dogs wandering at large, with a total of 174 dogs impounded for wandering at large. Of these, 102 were reunited with their owners, 52 were desexed, immunised, micro-chipped and rehomed, and 20 were euthanased.



Cat Control

Council continues to assist the community with the control of feral cats by offering a cat trap service. There were 256 cat trap requests during the 2016/17 period, an increase of 31 from the previous year, indicative of a continuing problem. Use of this service can be arranged through the Council Administration Office.

Council's "By Law No.6 – Cats", assists in controlling cat numbers and cats causing a nuisance. The By Law is available on Council's website.

Cat owners are urged to collar and micro-chip domestic cats to identify inadvertently seized pets and ensure their release. In addition to micro-chipping of pets, Council recommends de-sexing of animals that are not required for specific breeding purposes.

Cooling Towers

The Environmental Health Officer ensures that the 27 High Risk Manufactured Water systems within the Council area are inspected this year by an independent party. This is a protection against legionella.

Community Swimming Pools

There are eight public access pools throughout the Region; each pool is inspected at least annually, to ensure safe water quality is maintained.

Food Premises Inspections

183 routine food premises inspections were conducted throughout the Region during the year, using Australian Food Safety Assessment System, under the SA Food Act 2001. There were no significant issues discovered and all matters were resolved using education and diplomacy.

Mosquito Control

Council engages the services of a professional Pest Controller to conduct its on-going eradication program. At present more than 28 known breeding sites are treated at least three times each year. The current Mosquito Control Program, as described in Council's Mosquito Management Plan, is partially funded by subsidies from the State Government and has seen the average number of mosquito related complaints received by the Council fall from more than 300 per year on average to five. This is despite the notable increase in the severity of the mosquito problem Statewide.

Feral Bird Management

Council collaborates with the Australian Sporting Shooters Association in an effort to control feral bird populations throughout the Region. During the 2016/17 year 1,688 feral birds were destroyed, mostly in Port Pirie.

Environmental Health Activities Summary

Activity	Inspections		Orders/ Warnings		Comments
	2015/16	2016/17	2015/16	2016/17	
Sharps Disposal	60	35	0	0	302 containers – Approx. 150 used syringes collected from public areas
On-Site Wastewater Systems	66	28	0	0	14 new systems installed, each requiring two inspections
CWMS	75	70	0	0	Both CWMS are monitored and compliance tested regularly.
HRMWS	8	8	8	8	Mandatory Inspection Orders are issued annually for each system.
Pools	8	8	0	0	Public pools are inspected periodically and disinfection logs checked.
Food Safety	181	183	1 warning	1 warning	All food premises are routinely inspected.
Feral Birds	-	9	-	2	1,688 Feral birds have been destroyed during 2016/17 year.
European Wasps	-	0	-	0	

Sharps Disposal

Council continues to provide sharps disposal containers to pensioners and health care card holders free of charge, and to other members of the community for a minimal charge. During 2016/17 302 sharps containers were distributed.

In addition, the Environmental Health Officer regularly patrols more than 20 public areas to collect discarded, used syringes. Council maintains a data base of records where these needles have been found and regularly shares it with SAPOL in the hope of increasing police presence at those sites. During the year more than 150 used syringes were collected.



Port Pirie Community Gardens Inc

Port Pirie Community Gardens Inc was incorporated on 1 September 2016.

Research has found that community gardens:

- Improve participants' 'quality of life'
- Provide opportunities for exercise and relaxation and increase participants' physical activity
- Support fruit and vegetable consumption through increasing access to fresh produce
- Increase the amount of fruit and vegetables gardeners consume



Port Pirie Regional Council Director Corporate & Community James Holmwood, second from right, and Cr Kendall Jackson, second from left, presented a defibrillator to the Pirie Districts Development Association for installation at the Napperby Community Tennis Club. Pictured receiving this donation are Geraldine Habils (Pirie Districts Development Association secretary), left, Napperby Community Tennis Club president Rosalie Jensen, centre, and Pirie Districts Development Association chairperson Paul Collins.

Council Installs Life Saving Defibrillators

Port Pirie Regional Council has demonstrated its care for the community by installing life saving equipment across the region. Automated external defibrillators are modern technology proven to save lives by automatically assessing whether someone who is having an apparent heart attack is a candidate for shock, then administering one if needed.

These defibrillators have been fitted at the following sites:

- Council Administration Centre, 115 Ellen Street, Port Pirie
- Works Depot, Broadstock Road, Port Pirie
- Port Pirie Regional Tourism & Arts Centre, 3 Mary Elie Street, Port Pirie
- Waste Transfer Station, Three Chain Road, Port Pirie
- Crystal Brook Library/Offices, Bowman Street, Crystal Brook
- Napperby Tennis Club
- 4 other defibrillators were purchased for Redhill, Koolunga and Crystal Brook

This is one step Council can take to support the wellbeing and resilience of our residents.



RECREATION AND SPORT

Crystal Brook Walking Trail – Stage 2

Encourage increased physical activity, healthier lifestyles and community connectedness through recreation and sport.

Create quality adaptive and integrated open spaces

Through community involvement, an alignment for stage 2 of the Crystal Brook Walking Trail was determined with work commencing in early May 2017. The purpose behind the construction of this trail was to remove walkers away from the current footpaths by introducing 1,300m of extra trail. This extension takes walkers through the Crystal Brook golf course, up past the swimming pool and in through the old hockey fields. Overall, the trail travels around the Crystal Brook Township passing by and linking together most key sporting assets within the town.

It is hoped that by introducing this new section of trail it will boost a walker's overall experience and encourage others to use it, as well as providing a safer path to travel.

STARClub

The Port Pirie Regional Council – alongside Mount Remarkable, Northern Areas, Orroroo Carrieton and Peterborough Councils – continued to support our sporting clubs through the engagement of the Mid-North STARClub Officer.

STARClub is a funded initiative of the Department for Recreation & Sport and a 'STARClub' is defined as "a well-run club where quality coaches and officials work alongside valued volunteers in a safe and welcoming environment." 2016 saw the departure of Marie-Therese Smith – taking up a position with Tennis SA – and the appointment of Rhys Millington as Mid-North STARClub Officer.



COMMUNITY DIVERSITY

Culturally Significant Occasions

Port Pirie Regional Council celebrated a number of culturally significant occasions, including:

- Australia Day Celebrations
- Blessing of the Fleet
- ANZAC Day Dawn Service and Civic Observance
- Remembrance Day and Vietnam Veterans Day
- Aboriginal Referendum and the 25th Anniversary of the Mabo Decision

Recognise and value the enduring culture and connection of Aboriginal and Torres Strait Islander people as traditional custodians of the land, and improve community wellbeing through active engagement and reconciliation.

Australia Day Awards

The Australia Day Awards form an integral part of our local Australia Day celebrations in Port Pirie, Crystal Brook and Redhill. The Awards recognise and honour outstanding individuals and organisations within our community.

Recipients of the 2017 Australia Day Awards:

Port Pirie

Citizen of the Year – Rosa-Lee Pisani

Young Citizen of the Year – Alex Giles and Breeanna Warne (joint winners)

Community Event of the Year – Opening of the Port Pirie/ Molfettesi Fishing Boat Museum and Back to Port Pirie Dinner Dance (joint winners)

Crystal Brook

Citizen of the Year - Dr Richard Mackinnon

Redhill

Citizen of the Year – John Coffee



Citizen of the Year, Rosa-Lee Pisani, centre, is congratulated by Cr Dino Gadaleta and Member for Frome Geoff Brock. Cr Gadaleta also accepted the Community Event of the Year award for the Port Pirie Italian Community's opening of the Fishing Boat Museum. (photo credit – The Recorder)

ANZAC, Remembrance and Vietnam Veterans Day Services

Numbers at all services held within the Council region continue to increase, with the number of youth attendees on the rise, particularly at the Dawn Service.

Aboriginal Referendum and the 25th Anniversary of the Mabo Decision

This year saw the 50th Anniversary of the Aboriginal Referendum and the 25th Anniversary of the Mabo Decision. Assistance funding was made available, through the Department of Prime Minister & Cabinet, to commemorate these milestones.

The Port Pirie Regional Council submission for funding was successful and a number of initiatives were realised to strengthen Council's commitment to Aboriginal and Torres Strait Islander recognition.

- Welcome to Country, by Nukunu Elder, Michael Turner, and provision of 'bush tucker', at the 2017 Black Screen event, at the Northern Festival Centre;
- Development of the official Acknowledgement of Country, which is spoken at Official Functions and is printed within Council documents;
- Purchase of an original artwork, by Nukunu artist, Jessica Turner, along with copyright. This artwork forms the visual foundation of the Acknowledgement of Country. The original artwork hangs within the Public Foyer of Council.

Port Pirie Regional Council has also begun work on the development of Reconciliation Action Plans which recognise both the Nukunu and Kaurna people, within whose ancestral lands the Council is situated.



Cultural and Community Events

Council is partially or fully responsible for many cultural and community events. Its aim is to create vibrancy with a community that actively support activities.

Christmas

Christmas Pageants and Candlelight Carols.

Community Events

Crystal Brook Show; Koolunga Bunyip Festival; New Year's Eve; Smelters Picnic; Variety Bash; Volunteers Day March.

Markets

Port Pirie Producers Markets; Christmas Markets.

Music Events

Port Pirie Country Music Festival; Youth Talent Quest.

Sporting

Open Swim; Port Pirie Gymnastics Invitational; Port Pirie Tennis International; Council provided support and assistance, including:

- Event permits, applications and approvals
- Venue maintenance and preparation
- Traffic management and approvals
- Financial assistance
- Promotion and marketing
- Licencing
- Insurance
- Waste management
- Risk management and assessments
- Event management plans and processes
- Technical advice
- Community engagement and consultation
- Equipment



BUILT ENVIRONMENT

Projects and Initiatives

Upgrade to WW1 Memorial

Some of the stonework at the World War I Memorial was in need of replacing, repointing and rendering.

This project to restore the memorial will be carried out over a number of years.

It will ensure that the community can celebrate Anzac Day and remember the fallen soldiers who lost their lives fighting for this Country, and be proud of the Memorial created for them.

A community that values and promotes its rich cultural and built heritage and provides pleasant, well designed environments (living, working, shopping and civic) that are enduring and sustainable.

Identify and protect character areas and iconic sites.

Port Pirie Cemetery

As part of the ongoing expansion of Port Pirie Cemetery a new concrete lawn beam has been constructed, which includes new irrigation and roll out turf.

Port Pirie Cemetery – War Graves

Previously the old Port Pirie War Graves section contained over 320 individual headstones, which were outdated and had been deteriorating significantly. As part of Council's Capital Works Program, a rejuvenation of this area was scheduled and implemented. The individual headstones were replaced with a more modern and practical design, as featured in the new war graves sections.



This featured design saw 13 concrete beams of 18m lengths being cast in-situ to replace these outdated headstones. This work will enable the lawn within the War Graves section to be rehabilitated and maintained to a higher standard in the future. The redevelopment has also enabled future expansion with another 50 grave sites available in the War Graves section of the cemetery.

Work began in mid May 2017 and was finalised in mid to late June 2017.

The completion of this overall project has boosted the aesthetic appeal of the war graves area, introducing additional symmetry into the area while reducing maintenance times.

Napperby Cemetery

A new shelter was installed for visitors to the Cemetery. This will enable people to take shelter from the elements and a place to rest and reflect.

Keilli Cemetery, Munderoo

A niche wall has been constructed at Keilli Cemetery. The new wall will enable ashes internments to be done at the Cemetery. The Council would like to thank the local residents who helped Council with this project, especially the local resident who financially contributed to the cost of the niche wall.

Bringing Christmas Cheer to Port Pirie

A 6m high Christmas tree was installed for the community to enjoy. A small ceremony to mark the turning on of the Christmas tree lights was held on Thursday 24 November 2016. The lights were turned on by His Worship the Mayor of Port Pirie, John Rohde and the Mayoress, Karen Rohde. Santa also made a guest appearance and gave out treats to the children who attended.



I Heart Port Pirie CBD Competition

Port Pirie Regional Council worked with businesses and individuals to create the 'I Heart Port Pirie CBD Competition' to help reinvigorate shopping in the CBD precinct as CBD Upgrade works continued. The competition proved to be a great success and helped to promote and support the businesses in Florence and Alexander Streets affected by the rejuvenation works, averaging more than 1000 entries per week.

Shoppers simply needed to spend \$10 or more at any of the participating businesses and complete an entry form to go in the weekly prize draws. There were five weekly draws of a \$500 shopping spree before all entries went back into the draw for the major prize, a \$1000 shopping spree. The major prize was drawn on Monday 5 June, 2017.

Congratulations to Robyn Pollard of Port Pirie for being the Major Prize Winner of our I Heart Port Pirie CBD Competition!



Ellen Street Lighting

Works to replace the streetlights on the median strip on Ellen Street has taken place, spanning from Mary Elie Street to David Street.

This work has enabled new LED lights to be installed that are energy efficient, requiring less maintenance and reduced ongoing costs to Council.

The new poles also allow for banners to be attached, providing the ability to promote local themes and events and assisting to beautify the Port Pirie CBD.

A community that values and promotes its rich cultural and built heritage and provides pleasant, well designed environments (living, working, shopping and civic) that are enduring and sustainable.

Revitalise the Central Business District area and Implement the Port Pirie Town Centre recommendations.



Photo: Smelters Picnic coordinator Graham Nichols speaking with Kathryn Johnson, Director Infrastructure near the Merlino Gates.

Merlino Gates Return to Smelters Picnic

The historic Merlino Gates have been installed at Memorial Park where they will remain an icon of the Smelters Picnic. Residents who enjoyed the traditional Smelters Picnic events at Crystal Brook would recall the historic gates creating a grand entrance to the event.

The Gates were installed in the early 1970s and named after H.V. Merlino to recognise his 22 years of service to the BHAS Employees' Picnic and Sporting Association. The Gates were removed from the former picnic grounds at Crystal Brook in 2014 due to the expansion of the neighbouring Crystal Brook Caravan Park. Picnic organisers the BH Club decided to take the historic gates and in conjunction with Council install them at Memorial Park, the current Picnic site. The gates have been sandblasted, repainted and installed at the eastern corner adjacent to Memorial Drive and Gertrude Street.

Economic Prosperity





ECONOMIC DIVERSITY

Council Development Assessment Panel

The Development Assessment Panel has the delegated authority from Council to function under the Development Act. As of June 2016, the Panel consists of three Elected Members: Crs Debbie Devlin, Joe Paparella and Alan Zubrinich and four members of the public: Chad King, Corey Loizeau, Anthony Pisani and Presiding Member, Fiona Barr.

The Panel meets monthly, or as required to consider applications for development approval.

Land Divisions

Council received seven land division applications (staged) within the 2016/17 period, which has resulted in the creation of 30 additional allotments. Approval for another 64 allotments is pending. This compares with 12 land divisions for the previous financial year.

Development Applications

Including the above applications, Council received 275 development applications during the 2016/17 period. These applications represent in excess of \$20 million of development in the region.

During the reporting period, 268 applications were processed as Category 1 (no public notification), six were Category 2 (adjoining owner notification) and one was a Category 3 (public notification by public notice).

The assessment of Development Applications is undertaken by Council staff under delegated authority; however the Council Development Assessment Panel (CDAP) made decisions on two applications.

Chemical Manufacturing Facility

In 2016 an application for a \$400,000 Chemical Manufacturing Facility was lodged. Development approval was issued and construction of the facility is currently underway.

TOURISM

Visitor Statistics

The number of tourist enquiries received by the Port Pirie Regional Tourism & Arts Centre saw a downturn in 2016/17.

Door traffic decreased by 21% compared to the previous year* Front counter enquiries decreased by 5%. There was a 12% decline in Visitor Numbers, across the Flinders Ranges & Outback, for the same period.

	2015	2016
Tourist Enquiries at Counter	11,425	10,853
Door Traffic	89,601	70,998

Origin	2015/16	Percentage	2016/17	Percentage
Local	3,357	29%	2,794	26%
Rest of SA	2,991	26%	3,323	31%
Interstate	4,160	37%	3,848	36%
International	806	8%	737	7%

This year has seen a continued trend with interstate visitors holding the highest visitation numbers for the fifth year running, but intrastate tourism is closing the gap, up 5% on the previous year. The most popular interstate visitors consisted of Victoria, New South Wales and Queensland.

Retail expenditure saw some interesting changes. While there was an 8% decrease in income – alongside a 37% reduction in expenditure and a 75% increase in overall profits, for 2016/17. This can be seen as a result of the decision to stock more local produce, with lower cost (due to reduced shipping) and higher sales appeal.

**Technical issues prevented the collection of door traffic figures in June 2017.*





Tourism Attractions

The Port Pirie Regional Tourism & Arts Centre continues to operate the popular tourist and community attractions of Shakka the Great White Shark Exhibition, Pirie Rail Express Miniature Railway, Pirie Model Railway and Outside the Gates Tours. Visitation for 2016/17 compared to the previous financial year is indicated in the table below.

Attraction	2015	2016
Shakka the Great White Shark Exhibition	2,803	2,539
Pirie Rail Express Miniature Railway	1327	1224
Pirie Model Railway	94	213
Outside the Gates (Commenced Dec 2014)	575	604

Visitor Reality Shark Cage Dive

As part of the revitalisation of the 'Shakka' the Great White Shark exhibit, within the Visitor Information Centre, it was decided to offer a Virtual Reality (VR) Shark Cage Diving Experience.

Using current VR technology, locals and visitors, aged 12 years and over, are able to experience an underwater adventure with a 'Shakka'-style surprise. In conjunction with Magic-FM, 'divers' also went in to a draw to win two Port Lincoln Shark Cage Dives, thanks to Calypso Star Charters, which will be drawn in August.

Visitor Guide Launch

On Monday, June 26, the Port Pirie Visitor Information Centre hosted the launch of the 9th Edition of the Port Pirie & Southern Flinders Ranges Visitor Guide.

The Guide features articles about the area, townships, attractions and events, walking, driving and cycling trails, food and wine.



The launch also featured two unique highlights – a Southern Flinders Producer’s Grazing Table, featuring a selection of foods from across the Southern Flinders Ranges. The table incorporated olives, quince paste, capers, seafood, meats, bread and cheese – accompanied by Trend Drinks and Blessing Wines.

The second highlight was the launch of the Heritage Rail Trail Promotional Video, produced by Pat Kent, from Steamtown, in Peterborough.

The Heritage Rail Trail encourages travellers to journey along the former railway corridor between Broken Hill and Port Pirie. Copies of the Visitor Guide are distributed across South Australia and available from the Visitor Information Centre.

A report will be provided to Council, outlining a variety of options, for enhancing and revitalising the current signs and the layout of the Historic Walks, in both Council areas.

Water Park Activity

Earlier this year a touring Water Park, South Australia’s own Splash ‘n’ Bounce, dropped into Port Pirie, at short notice, for a 4-day family friendly stint. The event was marketed across social media and received the largest reach of recent postings. Splash ‘n’ Bounce attracted close to 1,000 attendees across the 4-days.

The success of the event has Splash ‘n’ Bounce keen to return to Port Pirie in the 2017/18 summer period and supports the desire for Port Pirie to provide greater family friendly opportunities.

Port Pirie’s proximity to the Southern Flinders Ranges, Port Augusta, Whyalla and the Clare Valley, makes it a prime location for a tourism hub, within which to be based, while enjoying the sites and experiences of the local and wider areas.



Exercise Hamel

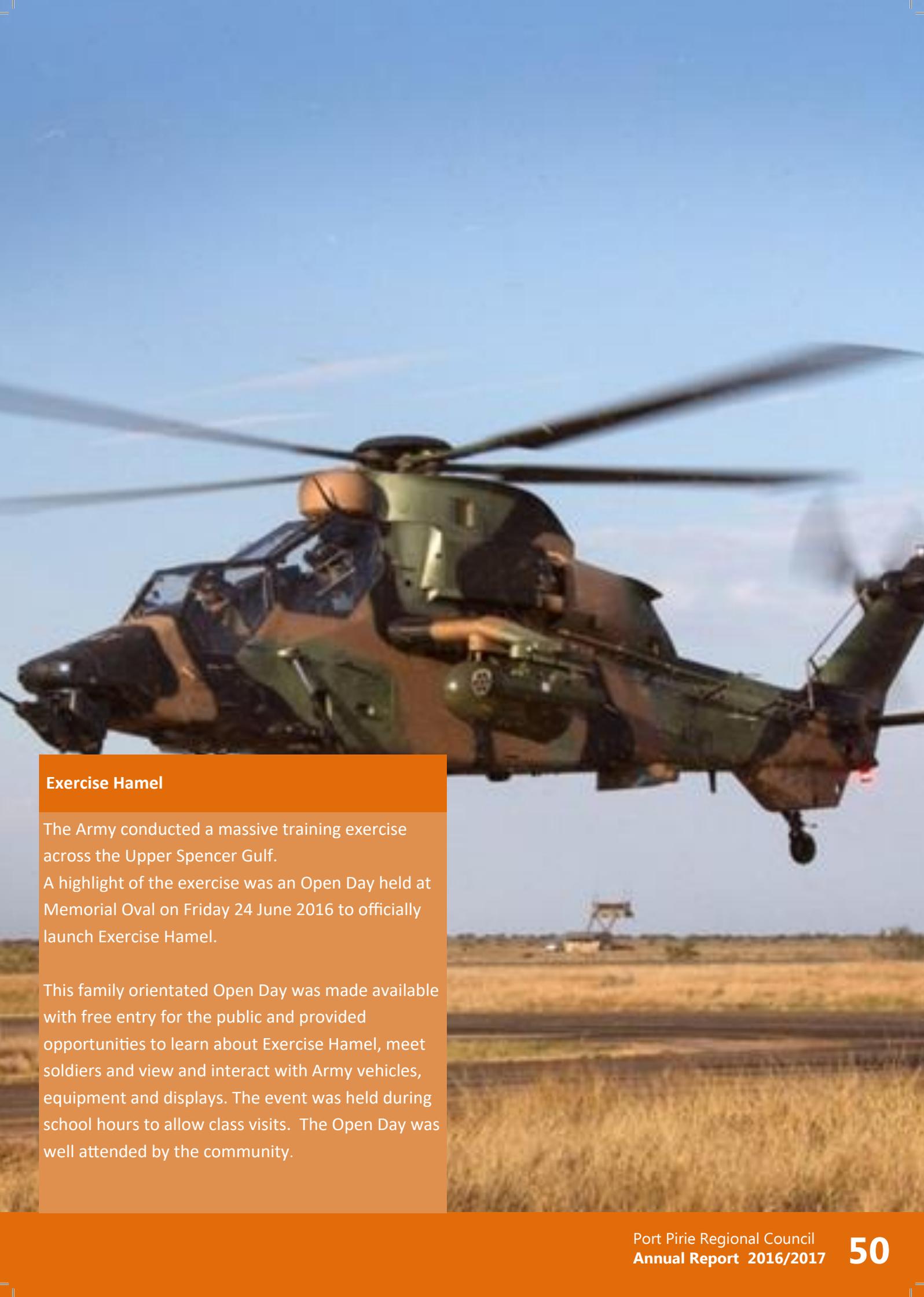
Exercise Hamel was held between 27 June and 14 July 2016 in the Spencer Gulf, in what is a major training exercise for the Australian Army in preparing soldiers for deployment.

The Army began to move into the region from early June, with movements of soldiers peaking around 16 June to 14 July. Soldiers and equipment departed following the exercise from 15 July to 29 July.

The exercise was spread throughout the Spencer Gulf, with Port Pirie hosting the main aerial contingent for the exercise based at the Port Pirie Aerodrome. This included up to 700 soldiers based in the city at any one time, together with a large number of army helicopters conducting various operations. The equipment based in Port Pirie during the exercise has an estimated value of \$1 billion.

The exercise featured a variety of training combat scenarios, which included the use of blank ammunition and pyrotechnics; however no live ammunition or explosives were utilised. During the peak of the exercise the aerial activity increased from 12 hour to 24 hour operations with increased noise as a result. However, this was managed by the helicopters avoiding built up areas where possible. The community was provided with regular updates regarding the operations, and what they could expect during exercises.

In the lead up to Exercise Hamel, the Australian Army worked closely with Port Pirie Regional Council and local emergency services to ensure the exercise provides adequate community consultation and has minimal impact to the local community. The planning for the event took over 12 months to ensure that every detail was considered.



Exercise Hamel

The Army conducted a massive training exercise across the Upper Spencer Gulf.

A highlight of the exercise was an Open Day held at Memorial Oval on Friday 24 June 2016 to officially launch Exercise Hamel.

This family orientated Open Day was made available with free entry for the public and provided opportunities to learn about Exercise Hamel, meet soldiers and view and interact with Army vehicles, equipment and displays. The event was held during school hours to allow class visits. The Open Day was well attended by the community.



PRIMARY PRODUCTION

Marine Facility Improvements

Port Pirie has a strong fishing and boating culture, its marine facilities are well used by recreational boat enthusiasts, fishermen and also commercial fishermen. For this reason, Council has invested significant resources into the upgrade of the Solomontown Boat Launching Facilities.

Since February 2013, the number of boats registered in the 5540 postal code has increased from 539 to 773.

Port Pirie Dredging Works and Boat Ramp Upgrade

Council continued with the improvement of its Marine Facilities. More specifically, Council was successful in its application for funding from the SA Recreation Boating and Fishing Committee for the replacement and upgrade of the boat launching facilities at Solomontown.

Funding of \$571,000 was provided by the SA Boating Advisory Committee towards further upgrade of the boat ramp and the dredging of the Pirie River.

The estimated volume of material to be dredged within this area was 6,500m which would provide a water depth of 1.5m at zero tidal datum. This will ensure larger vessels such as the SES and commercial fishing boats will have sufficient depth of water to launch even at low tide.

Construction of a rock wall was required to provide for placement and storage of the dredged material between the existing boat ramp and the John Pirie Bridge. Once the dredged material has been placed in this area with adequate capping the final height is intended to be 3.0m Australian Height Datum.



There was an opportunity to increase the boat launching capacity by constructing a fourth lane to the east of the new pontoons.

Upgrade of Short-Term Boat Mooring Facility

Council received funding of \$350,000 from the Department of Planning, Transport and Infrastructure for the construction of a public boat mooring facility. This upgrade has provided public access to short-term boat mooring facility adjacent to the Royal Port Pirie Yacht Club. With the aim of providing:

- Safe berthing of vessels
- Lay by berth for vessels
- Safe loading and unloading of passengers during all tide situations.

Solomontown Beach Jetty

As part of an ongoing maintenance and repair program, repairs were carried out to the jetty at Solomontown Beach. Works involved replacing the ageing timber deck and installing suitable edging strips.

Unfortunately works over and above standard repair and maintenance was required to the jetty following vandalism that consisted of fire and theft of timber handrails. Due to the extent of the damage, high risk construction work was involved to undertake the repair works and an insurance process which meant the jetty was blocked off to the public for a number of months.

Sustainability



Port Pirie
Regional Council



WASTE MANAGEMENT

Waste and Recycling

About 8,900 residential, business and Council properties are serviced by the kerbside recycling collection program.

The kerbside recycling collection service is contracted to Veolia for a seven year period which is due to expire in November 2018. Council is provided with regular reports from Veolia detailing the number of bins collected and any non-conformance issues, such as:

- Overweight bins
- Contamination

On average, there has been an 80% uptake of Recycling (yellow bin) and a 40% uptake of Green (green bin).

Council is currently working with Veolia to review the management of non-conformance in an effort to improve the process.

During this reporting period, Council has explored several options in regards to suitable community education programs that can directly target the reported non-conformance issues. These educational programs are finalised and have been developed in conjunction with KESAB with support from Veolia. Council rolled out the “Take the Pledge” program where residents could commit to a 12 week program. By sending less to landfill and distributing household waste/recycling/green organics into the correct bins, those with the least contaminated bins in their pickup area won a prize. Council will continue this education program with the support of KESAB and Veolia over the 2017/18 financial year.



Waste Transfer Station - In

The Port Pirie Waste Transfer Station is a large modern facility set up by Council to service our regional commercial and residential needs.

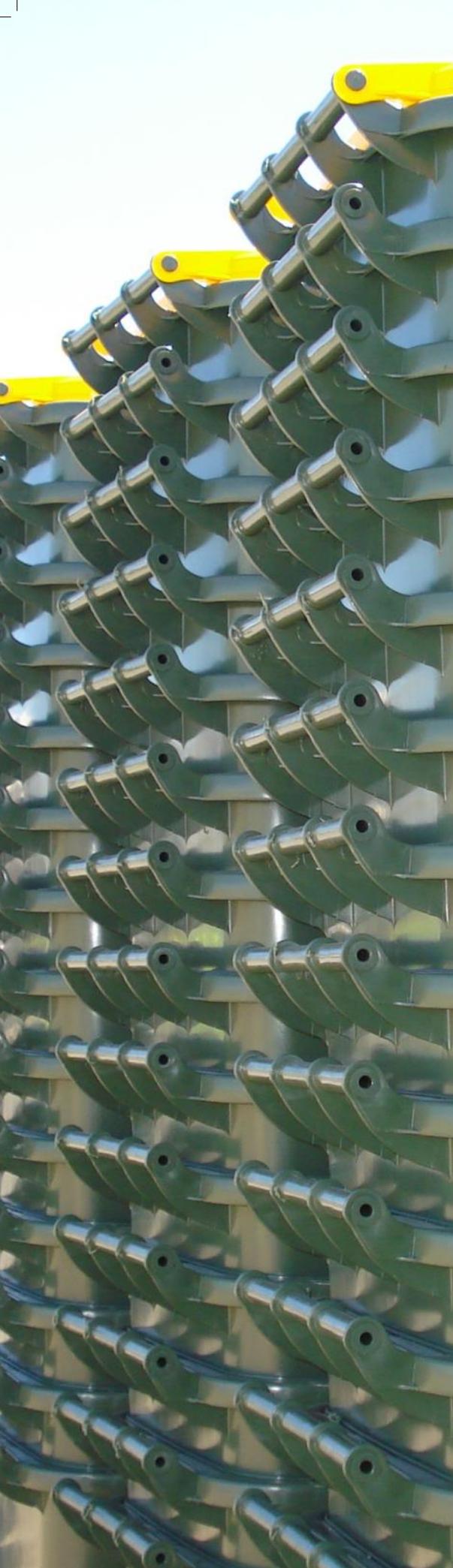
This facility receives, transfers and processes a wide range of waste and resources, materials such as but not limited to the following:

- Council's Kerbside collection service for General waste, Recycling and Green Organics
- Other materials received directly through our gate are, Council Street Sweeping material, Tyres, Whitegoods, Asbestos, Construction and Demolition material, Cardboard, E-Waste (TV and Computer) Clean Rubble and Soils, Gas Cylinders, Green Waste, Concrete, Mattresses and Lounges, Oils, Domestic Mixed Waste and Recyclables.

The majority of all waste and recyclables disposed at the Crystal Brook Waste Transfer Station are removed directly from site under contract by Clare Valley Waste and taken to the facility at Brinkworth for processing. Council staff collects all green waste and mattresses from the site and transports them into the Port Pirie facility for processing. E-Waste in the past was also removed from the site by Council staff back to the Port Pirie facility, however a container is now located at the Crystal Brook site for E-Waste and it is transported directly from the site to Adelaide for processing. This has eliminated the need for double handling. Waste coming into the Waste Transfer Station is initially assessed at the weighbridge office and reported in the weighbridge software as an incoming transaction.

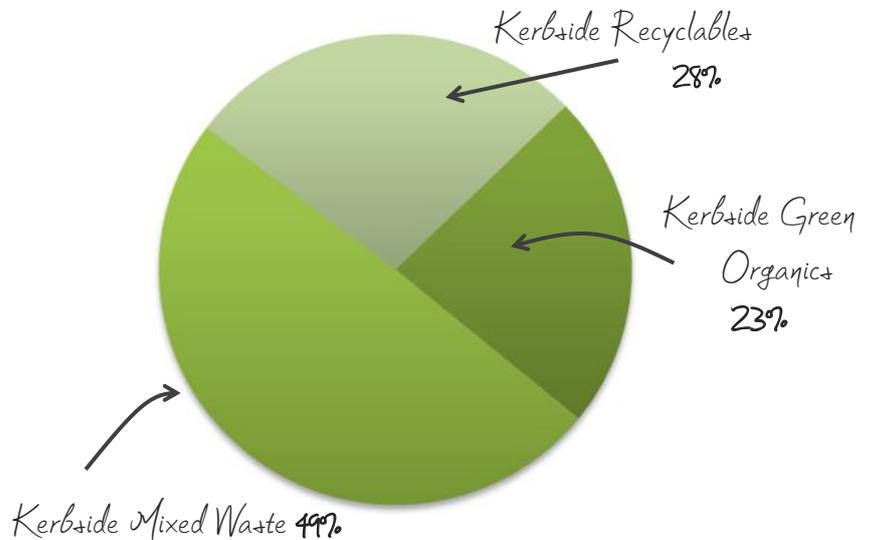
Incoming transactions can be reported in one of the following ways:

- \$ Value
- Weight (tonne)
- Quantity (number)
- Volume



The graph below is an indicative representation of the number of transactions across the weighbridge by Veolia as part of the kerbside collection service. This represents 7% of the total transactions over the weighbridge at the Waste Transfer Station.

Kerbside Collection Service - Waste Collected



The graph below is an indicative representation of public transactions across the weighbridge. This represents 93% of the total transactions over the weighbridge at the Waste Transfer Station.

	2015/16	2016/17
Mixed Waste	32%	32%
Green Waste	27%	27%
Recyclables Separated	18%	18%
Clean Rubble & Soils	7%	4%
Street Sweeping	4%	6%
E-waste TV & Computers	4%	4%
Mattresses and Lounges	4%	5%
Tyres	1%	1%
Asbestos	1%	1%
C&D Mixed	1%	1%
Incoming Concrete	0.74%	0.74%
Cardboard	0.17%	0.18%
Whitegoods	0.08%	0.08%
Gas Cylinders	0.01%	0.01%



Waste Transfer Station - Processing

Some waste can be processed onsite and reused by Council. Approximately 16,000m³ of green waste has been shredded by a contractor for re-use on site as part of the remediation of the landfill. Approximately 8,000m³ of construction and demolition waste material has been crushed by a contractor into material suitable for road making. This material will be used as road base on Council's road construction projects.

Waste Transfer Station - Out

Council has a number of contracts in place for the transport and disposal of waste from the Waste Transfer Station.

General Waste

Council has a contract with Transpacific Industries (Cleanaway) to transport general waste to a landfill at Inkerman. The contract is a three year contract that expired in July 2016, with an optional renewal of two years. During this period Council endorsed the renewal for a further two years. As part of the extension Council was able to include an educational component into the contract that will be used to further inform the community on best practice waste management. For this reporting period, approximately 7,100t of general waste was removed from site and sent to landfill.

Recyclables

Under the same contract, Transpacific Industries (Cleanaway) also removes the recyclables from the Waste Transfer Station and transports them to VISY at Wingfield for processing. For the same period, approximately 1,100t of recyclables were removed from site.

Cardboard

Approximately 49t of cardboard has been removed from site by Clare Valley Waste and taken to the facility at Brinkworth for processing. Council renewed its two year contract in July 2015.



E-Waste

The Commonwealth Government removed the Computer and Television Product Stewardship Scheme, Council has had to pay for the removal of e-waste from site. Approximately 50t of E-Waste has been removed from site over the 2016/17 financial year.

Outgoing Recoverables

Other minor items such as small scrap steel, bottles and cans, are recycled with Pirie Bottle and Scrap Metal, which is located next door to the Transfer Station. Large stock piles of scrap steel are recycled with Simms Metal located in Adelaide.

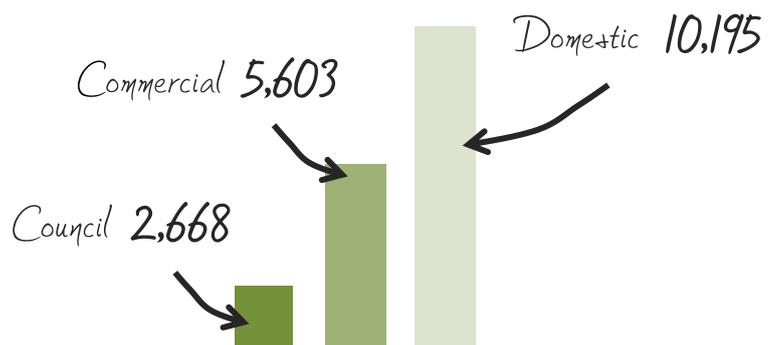
Approximately 550t of recoverables has been removed from site over the 2016/17 financial year, compared to 1,200t the previous year. The amounts do not reflect actual amounts recovered during the financial year due to stockpiling. With the exception of waste soil all other Incoming and Outgoing materials have been consistent over the recent years. Soil from Abattoirs Road (8,000t) in the previous year distorts figures for comparison purposes.

Port Pirie Waste Transfer Station – Operations

The current operating hours of the Waste Transfer Station are Monday to Friday, 10am-4pm, and Saturday, Sunday and Public Holidays, 10am-2pm.

For the reporting period, the total number of transactions over the weighbridge was 18,466.

The breakdown of these transactions is as follows:





NATURAL ENVIRONMENT

Council has increased its focus on the natural environment and partnering with the Northern and Yorke Natural Resources Board to enhance the natural assets such as Nelshaby Reservoir, Bowman Park and White Cliffs. Council is in the process of developing management plans for these sites.

Council has also partnered with local community groups to implement the management plans and bring about improvements in these areas.

Council has not yet completed its Register of Community Land. It will engage consultants during 2017/18 to complete management plans not already in place and this will finalise the Register.

White Cliffs, Koolunga

Council continued working with the dedicated volunteers of the Koolunga area to implement the Management Plan for White Cliffs. This work largely involves revegetation and weed control. A consultant was engaged to work through the process of rescinding the mining licence with Department of Mining, Industry, Training and Energy (DMITRE) so that the rehabilitation of the former quarry site can be formalised. Unfortunately, the area was impacted by flooding of the Broughton River in late September 2016. However, most of the revegetated area withstood the flood waters but the concrete causeway did not. It will be repaired in 2017/18.

Nelshaby Reservoir and Lawrie Park

Over the past year, a new overflow pipe was installed at Nelshaby Reservoir to divert excess water from the reservoir to Nelshaby Creek. Yourtown in conjunction with Work for the Dole helped to beautify Lawrie Park/Nelshaby Reservoir and have completed erecting a new front boundary fence. In addition, they have completed works at Nelshaby Reservoir including slashing of the tracks, painting the bird hide and installation of new furniture.



Nelshaby Reservoir Community Forum

A community forum was held on 31 May 2017, to release the Draft Management Plan for public consultation. The purpose for this session was to give an overview of the Draft Management Plan to demonstrate it addresses all previously identified issues and priorities for the management of the reservoir and Lawrie Park precinct and to discuss the strategies for managing each of the top priority issues.

The draft Management Plan was released for public consultation with the feedback received incorporated into the final document ready for Council adoption in 2017/18.

The second part of the forum was to seek input into the Napperby/Nelshaby/Warnertown Floodplain Management Plan. Information gathered at the forum will be used to develop guidelines for the management of seasonal watercourses in private land. The Floodplain Management Plan will raise community awareness of the natural disaster risks and help landowners understand roles and responsibilities. The forum helped Council to understand the level of resilience of the community with discussions providing issues to be resolved in the development of Council's Community Emergency Management Plan.



Bowman Park

Council continued to work with the Bowman Park Management Committee on improvements to Bowman Park.

Council worked with the Department of Environment, Water and Natural Resources on the development of the project plan for the Crystal Brook Creek which runs through Bowman Park. The primary aim of the project is focused on improving the health across the landscape of the Crystal Brook Creek sub-catchment. This will be addressed via project activities targeting water use efficiency, biodiversity and land management practices.

Phoenix Park Wetlands

Yourtown in conjunction with World Wetlands Discovery Day have started a new six month project at Phoenix Park Wetlands. Works to be carried out will be clearing rubbish, dead debris, lifting small tree canopies, repainting fences and installing bollards and gates. Works will continue into 2017/18.

World Wetlands Discovery Day

World Wetlands Discovery Day was held Friday 24 February 2017 with around 30 people in attendance.

This event formed part of the World Wetlands Celebration initiative, organised by Port Pirie Regional Council in partnership with Natural Resources Northern and Yorke and the Yorke and Mid North Science Hub. Guest presenters included Wetland Bird Identification facilitated by Peter Langdon of Birds SA, Macro invertebrate identification facilitated by Doug Green (DEWNR Senior Water Ecologist) and Frog Identification FrogSpotter App facilitated by Regina Durbridge.



National Tree Day

National Tree Day is an important event which helps to green the environment. On Sunday 31 July 2016, Council hosted National Tree Day with approximately 25 volunteers participating and planting nearly 300 trees and shrubs at the Port Pirie Waste Transfer Station, helping to screen and suppress the dust/noise from the Station. The day was a success ending with a sausage sizzle supplied by Council and cooked by the Rotary Club.

Tree Management

Tree planting has been conducted throughout the Region, including street trees and feature trees in various parks. Tree watering was heavily undertaken in response to a long dry summer which caused a number of the newer street trees to suffer.

Streets in areas of Risdon Park South were planted out with Angophoras while other areas around Port Pirie and the Region's townships were planted with Tuckeroos, Jacarandas, Ornamental Pears, Cape Myrtles, Bottle Brushes and Golden Raintrees.

Council engaged contractor T and J Tree Professionals to remove 20 large problem trees around Port Pirie and Napperby. Contractors were engaged as specialist equipment was required due to the size of the trees.



Acacia Street Park Upgrade

Acacia Park, Port Pirie was upgraded with the site receiving a new irrigation system and new turf being laid. New garden beds, footpaths and trees were also planted along with new furniture/bin and drinking fountain. The playground was also updated with a new boundary and fresh soft fall added.

Irrigation

All irrigation around the Town's Region has been maintained to keep the turfed areas and garden beds watered. New irrigation was fitted to Bowman Street, Crystal Brook, Acacia Park and the Foreshore, Port Pirie.

New Garden Beds, Crystal Brook

Council has planted some other small plants and Crape Myrtils in the garden beds in Bowman Street, Crystal Brook to help keep the town looking tidy. New irrigation to these beds has also been installed.

Emergency Management

A statewide weather event occurred 28 and 29 September 2016, which resulted in a power outage from approximately 4pm on the 27 September 2016 to 4pm on the 28 September 2016.

Extended periods of outages were experienced by some rural communities.

In addition to the power outage, which activated Councils BCP a king tide at approximately 7.30pm on the 28 September 2016 initiated the deployment of our temporary levee barriers.

The level of rainfall experience resulted in the flooding of Koolunga Friday 30 September 2016 through to Wednesday 5 October 2016 before water receded. Areas of Wandearah were cut off by flooded roads as the Broughton River continued to overflow.

Council roads and drainage infrastructure was impacted by flood waters. The repair bid was over \$1.5million. Council was deemed to have a valid claim for assistance under the Local Government Disaster Recovery Assistance and is eligible for grant funding to repair damaged infrastructure.



Targeted Lead Abatement Program (TLAP)

A total of eight new benches have been installed on Ellen Street and on the corner Norman Street and Florence Street replacing old timber benches. The new benches are anodised aluminium and will help in dust management around the CBD.

Port Pirie Regional Council Administration Centre



Leadership and Governance



SUSTAINABLE ORGANISATION

Finance

Achievements

- Unqualified Audit Report
- Adoption of Business Plan, Budget and Rates
- Budget Reviews completed each quarter
- Review and adoption of Fees and Charges
- Review of Finance policies and procedures
- Review of Long Term Financial Plan
- Review of Audit Committee performance and work plan

Financial Plan and Budget

The Long Term Financial Plan is part of an integrated suite of plans to guide the future of the Council. Changing economic conditions, rate policy review, State and Federal Government plans and legislation, all influence financial planning and impact on the ability of Council to deliver services to the community. The Long Term Financial Plan provides a high level financial framework to enable Council to assess service levels and to manage and maintain its wide range of community assets within the limits of expected financial resources.

This plan forecasts the expected financial position over a ten year period in an effort to set performance target ranges and to monitor the long-term sustainability of the Council. The Long Term Financial Plan was revised during the development of the Annual Business Plan and Budget.

The strategy of the Long Term Financial Plan provides for a sustained small operating surplus with modest levels of borrowing and a capital works budget of \$93 million over the next ten year period.



The Council adopted its 2016/17 Annual Business Plan in July 2016 as part of the Annual Budget process. The Annual Business Plan outlines the services, programs and projects for the coming year and has strong links to the Council's Strategic Plan and other long term plans and policies.

Loans

Council maintains modest borrowing liabilities compared to many other Councils and generally below the industry average.

There are currently three outstanding loans, all from the Local Government Finance Authority.

Loans are used to finance shortfalls in the funding of the capital works program in the Annual Budget. Consistent with the Treasury Management Policy, a mixture of fixed term loans and cash advance debentures is used to minimise financial risk by providing a variety of repayment terms and interest rates.

Council also lends funds to community groups, generally to improve facilities located on Council property. The Council policy is to recover market interest rates on such loans, which may be financed through either the Local Government Finance Authority or internally from Council funds.

Rates and Service Charges

In 2013 Council reviewed the Rating Strategy and introduced land use rating to all properties. The purpose was to align the approach to rating of property and provide a more consistent approach to future rate movements. The strategy was implemented over a three year period.

In 2016 Council decided that future rate increases would aim to be both reasonable and consistent across all land use types. Total Rate Income is planned to increase by no more than 5% each year in the Long Term Financial Plan. The increase in 2016/17 was 3.7%. There was no change in the fees for CWMS and the three bin residential collection services.



Financial Performance

The Annual Financial Statements were prepared and the independent audit was conducted by Ian McDonald, Chartered Accountant, to form an opinion according to Australian Accounting Standards and other statutory requirements, as to whether the statements form a fair view of the operations and the financial position of Council for the year ended 30 June 2017.

The audited Statements for the year were reviewed and endorsed by the Audit Committee at its meeting held on 23 October 2017, and subsequently presented to Council.

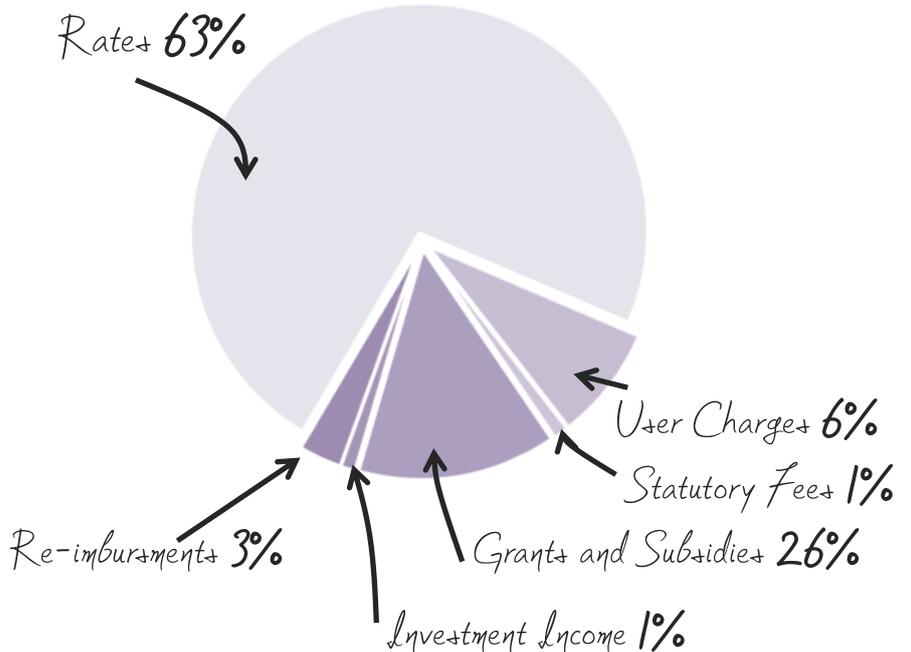
The full version of the 2016/17 Annual Financial Statements is included as an attachment to the Annual Report.

Operations

Council achieved an operating surplus of \$2.31 million in 2016/17 compared to a deficit of \$0.86 million in 2015/16.

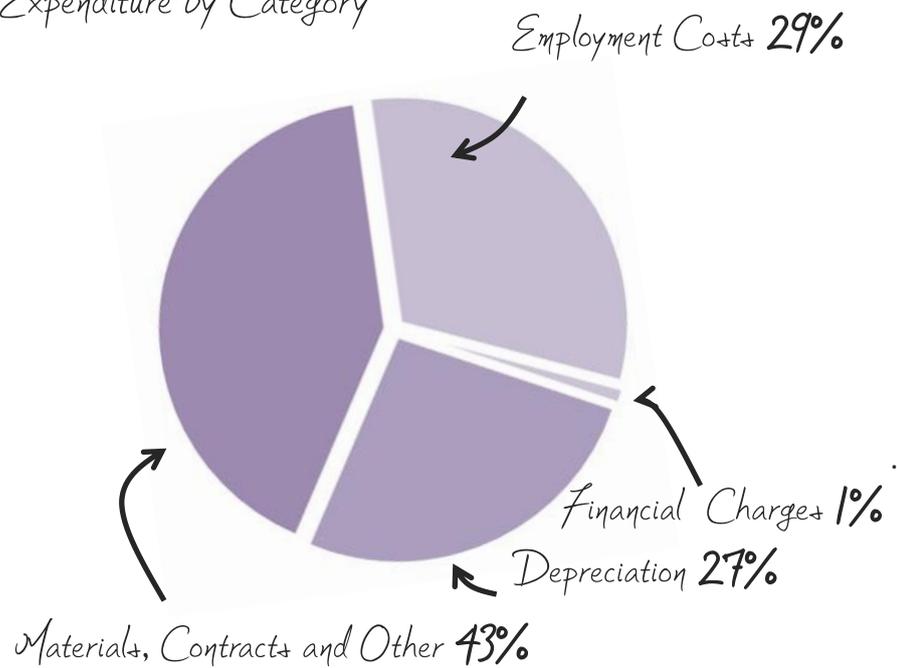
The surplus was due to the advance payment of financial assistance grants for 2017/18, made in June 2017.

Income by Source





Expenditure by Category



Full details of operating income and expenditure are presented in Notes 2 and 3 of the 2016/17 Annual Financial Statements.

Financial Position - Equity

Equity (Net current assets) has increased to \$239 million. This includes reserve funds held for community wastewater management schemes totalling \$0.81 million and for other minor purposes of \$0.01 million.

Net Current Assets

The total amount of cash and equivalents held at 30 June 2017 was \$6.57 million and outstanding receivables were \$3.3 million. The amount of funds held was high due to the advance payment of funds from the SA Grants Commission (for 2017/18).

Capital Expenditure

Capital works undertaken in 2016/17 amounted to \$4.9 million for the construction of new assets and upgrade of existing assets, while \$5.7 million was spent on renewal and replacement of existing assets.



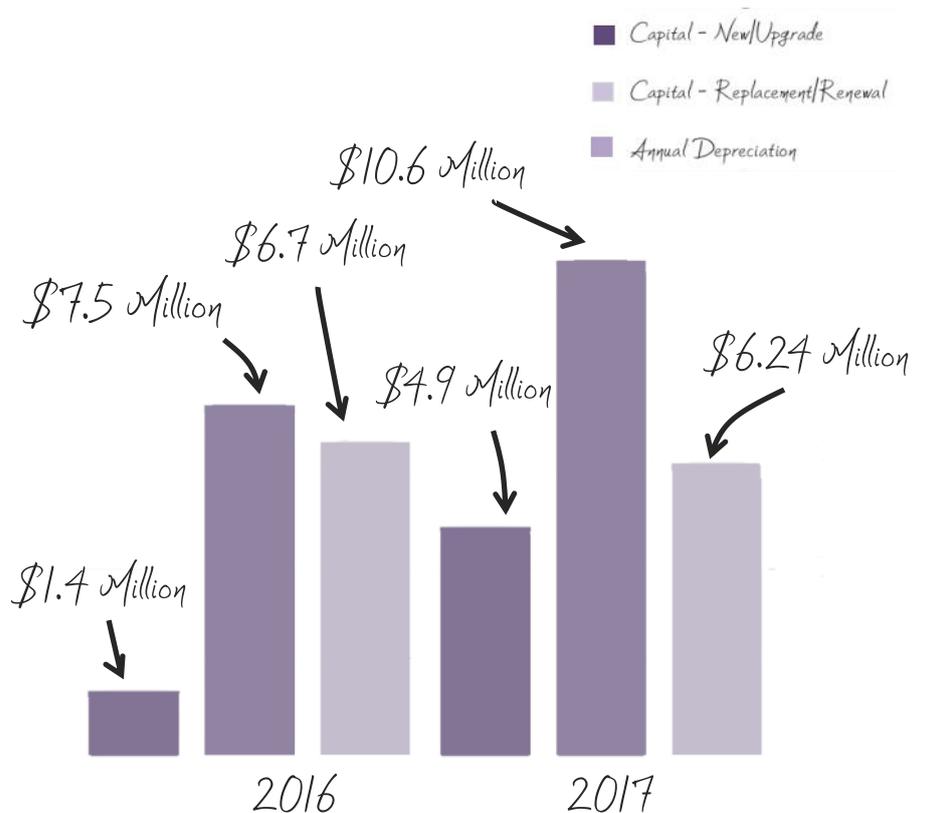
Major projects undertaken during the year included:

- Central Business District \$4.2million
- Road reconstruction and resealing \$0.13 million
- Rural road resheeting \$0.74 million
- Stormwater drainage \$1.184 million
- Sport and Recreation \$1.6 million
- Community development and Cemeteries \$1.56 million
- Equipment, Plant and Vehicles \$0.66 million
- Solomontown Boat Ramp \$0.95 million
- Port Pirie Entrances \$0.20 million
- Storm damage restoration \$1.39 million

The capital program was supported by grant funds of \$6.8 million from the Federal and State Governments.

The graph below compares capital expenditures on new and existing assets against depreciation in the last 2 years.

Capital Expenditure vs Depreciation





Non-Current Assets

The value of non-current assets increased from \$231 million to \$240 million due to a revaluation of the road assets and the completion of a significant capital works program.

Long term asset management and planning continues to be a major focus for Council. Infrastructure assets are being reviewed to ensure that data is current and accurate, to enable further assessment of service levels required by the community.

Council is committed to maintaining and upgrading its infrastructure, property, plant and equipment at serviceable and sustainable levels.

Liabilities

Liabilities include accounts payable, borrowings and a provision to remediate the landfill depot with an allowance for post-closure costs. The landfill provision was revised to \$0.99 million as at 30 June 2017 with the introduction of a revised plan which will be completed in June 2018.

Financial Sustainability

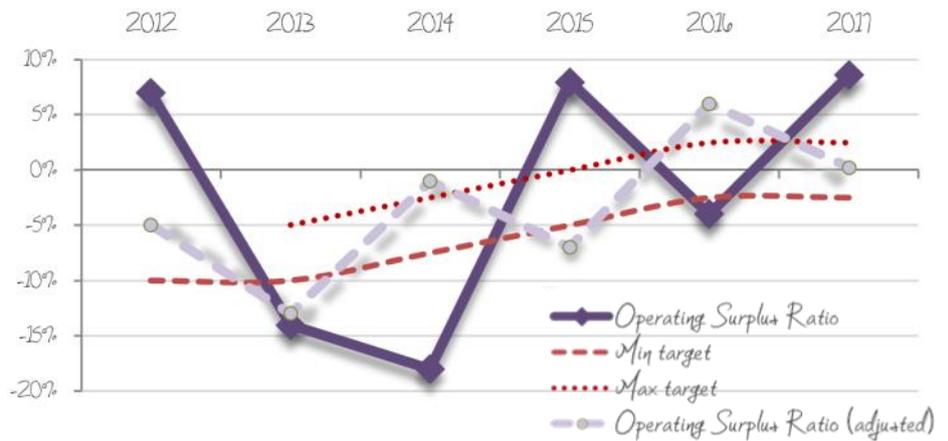
The long term financial sustainability is measured by three key financial indicators. Further detail on financial indicators can be found in Note 15 of the 2016/17 Annual Financial Statements.

The Operating Surplus Ratio expresses the operating surplus (or deficit) as a percentage of total income. The result for 2017 was a positive 9% largely due to the advance payment of the financial assistance grants.



The Adjusted Operating Surplus Ratio (excluding advance grant payments) however indicates a ratio of 0% which aligns with the aim of the long term trend (as shown in the graph below).

Operating Surplus Ratio



The Net Financial Liabilities Ratio measures total liabilities less financial assets, expressed as a percentage of total operating income. The result of 2% for 2017 is a decrease from 32% for 2016 and 20% in 2015. The improvement for 2017 is due to the declining balance in the loan portfolio and also that no new loans were taken in 2016/17. Although this result is inconsistent with the Long Term Financial Plan which provides for a target range of between 30%-70%, it is consistent with the planned future trend.

Net Financial Liabilities Ratio

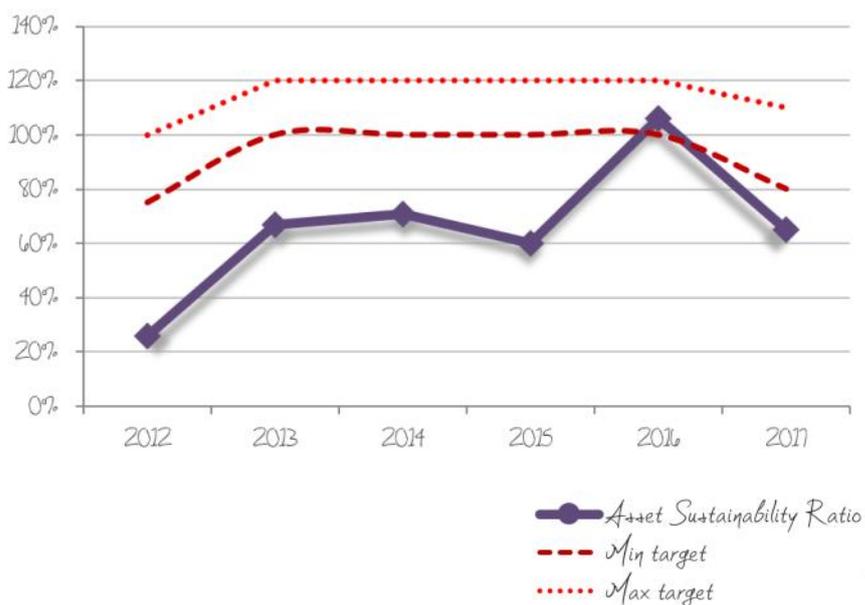




The Long Term Financial Plan had set a target to produce an operating surplus by 2015 and to increase the surplus in future years to create the capacity to self fund rather than borrow for essential works. The current target range is between -2.5% and 2.5% which gradually increases over the next ten year period.

The Asset Sustainability Ratio compares the capital expended on existing assets to the planned replacement of assets as presented in the Asset Management Plan for the year. The ratio for 2017 shows 65% and reflects that the capital works projects for the renewal and replacement of assets in this year was less than planned. This compares with 106% in 2016 and 60% in 2015.

Asset Sustainability Ratio



The target range for 2017 was between 80%-110%, reflecting the change in priority towards servicing and replacing existing assets consistent with the Long Term Financial Plan and Capital Works Program. The long term aim is to achieve 100% of the Asset Management Plan target.



Long Term Financial Plan

The Long Term Financial Plan provides the framework for Council to reach and maintain financial sustainability. The Plan along with the Asset Management Plan and Capital Works Program, includes the following strategies to support the ability to provide the infrastructure, facilities and deliver the services to the community:

- review of rating systems for equity and consistency
- applying user pays principles where appropriate
- reducing operating expenditure where possible
- increasing capital commitment to existing assets
- reducing and prioritising construction of new assets
- seeking and maximising external funding of new assets
- improving asset data and management
- determining sustainable asset service levels



Plant and Equipment

New Plant / Equipment:

Combi Roller

The E-combi roller purchased by council will be used for unsealed road maintenance, and can be operated as a smooth steel drum roller or a rubber multi tyred roller.

3.6m Cut Mower Replacement

Council purchased a 3.6m cut Howard Condor rotary cut mower, this unit will be used to maintain the aerodrome runways and local parks and reserves .

RTV Utility Vehicle with Spray Unit

The RTV Utility Vehicle with Spray Unit will be used by the Parks and Recreation Workgroup in weed control operation within the entire Council region. This unit has been fitted out with a 300 lt spray tank, 4 metre spray boom and various spray guns that will increase productivity by enabling staff to cover a larger area in a shorter time.

Diesel Powered Single Phase Generator

Council has purchased a 14 Kva single phase generator. The purpose of this generator is to provide stand by power for the aerodrome runway lights in the event of an emergency.



Asset Management

Council's Asset Management team continued mapping all of Council's assets using geographical information system (GIS), MapInfo and linking to documentation such as plans, specifications and photos.

Using specialist asset management software, to analyse the asset data, further work has been done to update the road assets including kerb and footpath.

The focus of this financial year was built assets, with significant improvement made to the accuracy of the asset data particularly relating to buildings and associated structures. This culminated in the updated information being imported into the new system and re-valued.

The new updated data will enable the asset system to generate maintenance plans to help improve the way we look after buildings.

Tourism & Arts Centre – Carpet Replacement

On 25 October 2016 new carpet was installed to the Cultural Precinct Tourism and Arts main reception area, photocopier room and the art gallery office. Works were carried out efficiently and under budget and staff and volunteers are pleased with the new look.

Aerodrome

The Aerodrome has continued to be maintained to a high level.

Public consultation was undertaken on the draft Master Plan for the Aerodrome. There was a good level of responses to the public consultation, with feedback incorporated into updating the draft Master Plan. The Master Plan will be run through a secondary process to ensure that the improvements and developments identified are feasible. This further work will take place in 2017/18.

The Aerodrome has had a new generator installed that will allow the runway lighting to be used in case of a power failure. This improves the Aerodrome and services like the Royal Flying Doctor Service being able to land in all conditions.



Painting Projects of Council Infrastructure

Council has an operational painting program for all of its buildings and structures. A number of Council owned buildings were painted as part of the 2016/17 program:

- Koolunga Institute
- Shelters at the beachfront and lawn areas
- Crystal Brook Rotunda
- Crystal Brook Toilet Block, Adelaide Square
- Senate Road Toilet Block
- Globe Oval Toilets
- Flinders View Shelter
- Warnertown Park Shelter

Refurbishment of Canopies at the Tourism & Arts Building

The canopies at the Tourism & Arts Centre were in need of refurbishment, rust was dripping on the new exterior paint work of the building. The canopies' mesh frames were taken down and new mesh was installed and all the frames re-galvanised.

School Crossing – Mary Elie Street

With major works being undertaken at John Pirie Secondary School and the relocation of their main entrance for students there was a need to relocate the school crossing to improve safety. These works were mainly undertaken during the July school holidays to reduce disruption.

Parham Street

The capital works on Parham Street involved the construction of approximately 370m of rollover kerb, crusher footpaths (both sides), road formation to improve drainage and then a final two coat 14mm/7mm spray seal. These works were undertaken with the road open and in conjunction with local businesses to reduce impact. Works were completed on schedule in December 2016.

Road Maintenance

Pothole repairs in sealed and unsealed roads across the network were undertaken in response to customer requests and condition inspections:

- Victoria Street – two coat spray seal
- Ellen Street – the section of road between George Street and the entrance to Nyrstar has been subject to additional heavy vehicle movements as part of the transformation project. Maintenance works were undertaken to stabilise the surface using a two coat 14mm/7mm spray seal to extend its life until capital works can be completed.



John Street, Crystal Brook

Capital works have been undertaken to construct and form roads and drainage infrastructure in an expanding residential area of Crystal Brook. The works involved the demolition of existing unsealed roads and the formation of new roads that will allow for possible future sealing. The installation of drainage culverts and appropriate easements secures the future needs of this residential area.

Patrol Grading

Patrol grading of Council's unsealed road network is undertaken to maintain structural form and integrity. These works were undertaken by Council staff and plant in conjunction with contractors in some regional locations.

Road Resheeting

In 2016/17 just under \$600,000 was expended on resheeting rural roads. The program for these works is determined through the Asset Management database of roads depths and condition ratings.

The table below shows the cost and length of rural roads that were resheeted in the last two years.

2015/16	32km	\$712,000
2016/17	29km	\$600,000

Road Maintenance

Road maintenance activities were undertaken across the whole of the Council area. Activities undertaken included:

- Sealed road patching and maintenance
- Repair of edge breaks to sealed roads in the rural area
- Unsealed road maintenance with grading and rolling
- Patrol grading in the rural area
- Patching of unsealed roads where necessary



Hot Mix Works

Hot mix has been completed on Fisher Street, Symonds Street and Hackett Street adjacent Anzac Road, Port Pirie.

Sealed road maintenance was carried out on Barnes Street and Anzac Road as well as on the road at the rear of the Ellen Hotel. Cattle Track between Crystal Brook and Redhill – maintenance work to the road shoulder was completed.

- Balmoral Road Carpark – road repairs and line marking
- Senate Road – road repairs
- Crossovers – Palmer Street and Cottell Street

Line marking was carried out on Beach Road in front of the Nyrstar Accommodation Camp to manage parking conditions and in the rear carpark of the Ellen Hotel.

Line marking was carried out in the following locations:

- Three Chain Road
- Batty Street / Eunice Street intersection
- Port Pirie Boat Ramp
- Lealholme Aged Care Centre – Halliday Street

Annual Track Upgrades

As part of Council annual track upgrades program works were undertaken on Jack's Track and Wilson's Track. These upgrades are aimed at lower category roads/tracks, which are then formed and accessible to assist agricultural operations.

Footpath Works – John Pirie Secondary School

Capital works have been carried out to reconstruct the concrete footpath and kerb on the southern side of Mary Elie Street between Wandearah Road and Gertrude Street. Works were done in conjunction with NBN installation to reduce impact to residents.



Anzac Reserve

The scope of works at Anzac Reserve was to stabilise the existing pavers in the footpath surrounding the reserve and formalise the drainage inlet points. These drainage inlets were designed to permit pedestrian traffic to walk across them while allowing surface water from the adjacent road to drain into the reserve and away through the wider stormwater system.

Kerb Works

General maintenance was undertaken across the Region to repair damaged sections of kerb and water table to remove trip hazards and to improve surface water flows where required.

Capital works included sections of kerb on Mary Elie Street, Warnertown Road (adjacent to Globe Oval), which also included the installation of a new RV dump point, and Musgrave Street, Crystal Brook.

Emergency Drainage Maintenance – Flood Prevention

Due to a low pressure cell, emergency flood prevention work was undertaken, with side entry pits monitored and maintained to reduce the risk of flooding from occurring. Works were also identified and scoped on the levee bank.

A blockage at the Port Pirie Swimming Pool was cleared and stormwater systems throughout the township were checked.

Regular inspections of the tide valves and pits are undertaken upon receiving advance warning of a storm or tide surge from the Bureau of Meteorology or State Emergency Services.

Drainage Works

Soakage pit between Arthur Street and Harrison Crescent was rebuilt to reduce the impact of flooding.

Magor Road Drain

The Magor Road stormwater drain, that delivers stormwater to the Magor Road drainage basin, was constructed. This has relieved pressure on the Harris Road drainage basin and reduced risk of flooding in the Kingston Road, Magor Road and Harris Road precinct.



ACCOUNTABILITY

Compliance Statement

Summary

- Access to Council Documents
- Freedom of Information
- Community Land
- Competitive Service Delivery
- Confidentiality Provisions
- Elector Representation
- Procurement Policy for Goods and Services
- Registers, Codes and Policies
- Salary Packaging for Senior Officers
- Existing Committees
- Statutory Committees
- Staffing
- Subsidiaries
- Tenders
- Work Health & Safety

Access to Council Documents

The following documents are available for public inspection at the Council Offices free of charge. Members of the public may purchase copies of these documents for a fee of 30 cents per page.

Council Agenda & Minutes

- Section 41 Committee Agendas & Minutes
- Council Policies
- Strategic Plan
- Business Plan
- Annual Report
- Council By-laws
- Annual Financial Statements
- Development Application Register
- Register of Elected Members - Allowances & Benefits
- Register of Employees' Salaries



- Assessment Book
- Register of Public Roads
- Register of Fees & Charges
- Register of Authorised Officers
- Development Plan
- Dog & Cat Management Plan
- Any document seeking public comment

Freedom of Information

Residents and non-residents are able to access information not mentioned in the above by lodging a Freedom of Information (FOI) request. Details on how to do this can be obtained from the Council website or Council Offices.

In the period 1 July 2016 to 30 June 2017, twelve (12) requests for access under Section 13 of the Freedom of Information Act 1991 were processed. Access was granted for each request.

Community Land

Local Government land (other than a road) that is acquired by, or is brought under the care, control and management of, the council is taken to have been classified as community land unless:

- The council resolves before it becomes local government land that it is to be excluded from classification as Community land; and
- The land is not affected by provisions of a reservation, dedication, trust or other instrument that would prevent or restrict its alienation.

Competitive Service Delivery

Council's Procurement Policy sets out how it will acquire goods and services. It includes contracting out, competitive tendering and purchasing locally and ensures probity and accountability, whilst obtaining value for money.

EXPENDITURE BY CATEGORY FOR YEAR 2015/16

• Employee Costs	\$7,216,000	31%
• Contractual Services, Materials & Other	\$9,488,000	69%
• Total Expenditure (excluding capital, including depreciation)	\$23,133,000	100%



Confidentiality Provisions

Council is required to report on the use of confidentiality provisions under subsections 90(2) and 91(7) of the Local Government Act.

The following table shows the confidentiality orders made during the 2016/17 financial year, the grounds for those orders and the status of the orders (whether expired, released or current).

Use of Section 90(2) Orders to Exclude the Public

		Totals
Section 90(2)	• No. of Orders Made	29
Section 90(3) Grounds	• Personal Affairs of a Person	15
	• Commercial Advantage	3
	• Trade Secret	-
	• Prejudice Commercial Position	1
	• Security of Council, Members & Employees	-
	• Maintenance of Law	-
	• Does not Breach any Law or Court	-
	• Legal Advice	-
	• Litigation may take place	-
	• Information provided by Crown Minister	-
	• Tenders	10
	• DPA's	-
	• FOI	-

Section 90(3) Grounds:

No. of S91(7) Orders Made	No. of S91(7) Orders that Expired or were Released	No. of S91(7) Orders Remaining Operative at 30 June 2016
26	21	5



Elector Representation

An Elector Representation Review, gazetted on 28 November 2013, reduced the number of Members from 10 to 9 Councillors and a Mayor, a total of 10 Elected Members. The name of the Council remained the same, Port Pirie Regional Council.

The new number of Elected Members was used for the November 2014 Council Elections.

The Minister for Local Government will from time to time publish in the Gazette a timing schedule for when the next elector representation review must be held.

The elector ratio for the Port Pirie Regional Council is 1:1291 based on the total number of members on Council (10), not the total number of councillors.

When carrying out an elector representation review the Council must:

- a) by public notice— (i) inform the public of the preparation of the representation options paper; and (ii) invite interested persons to make written submissions to the council on the subject of the review within a period specified by the council (being a period of at least 6 weeks); and
- b) publish a copy of the notice in a newspaper circulating within its area.

Council	Members	Electors	Elector Ratio
Copper Coast	11	11,047	1:1004
Murray Bridge	10	14,076	1:1407
Port Pirie	10	12,910	1:1291
Victor Harbor	10	12,148	1:1214
Wattle Range	12	8,530	1:710
Yorke Peninsula	12	9,194	1:766



Procurement Policy For Goods and Services

Council has adopted several policies to ensure a fair, transparent and accountable process in the purchase of goods and services. Council aims to ensure that its methods are cost effective and represent best value for money.

In fulfilling Council's purchasing role, the following principles apply:

- Open and fair competition
- Value for money
- Probity, accountability and transparency
- Effective management of the end to end procurement lifecycle
- Identification and management of risks
- Environmental protection
- Encouragement of competitive local business and industry
- Ensuring compliance with relevant Legislation

Generally, Council will adopt the following approaches:

- Direct purchasing
- Quotations (Informal)
- Request for quotations (RFQ)
- Requests for Expressions of Interest (REOI)
- Request for tenders
- Panel Contracts
- Strategic Alliances

Registers, Codes & Policies

In accordance with the Local Government Act 1999, Council must maintain certain Registers, Codes and Policies. The following information is available for inspection by the public at the Port Pirie Regional Council Administration Centre.



Registers

- Members Register of Interest
- Members Register of Allowances and Benefits
- Register of Public Roads and Streets
- Register of Fees and Charges
- Development Application Register
- Register of Employee Salaries, Wages and Benefits
- Officers Register of Interest
- Bylaws
- Annual Business Plan & Budget
- Annual Report
- Financial Statements
- Meeting Agendas and Minutes

Codes

- Code of Conduct for Council Members
- Code of Practice for access to Council and Committee meetings and documents
- Code of Conduct for Council Employees

Policies

Policies are a statement of principle guiding Council's operations and decision making. Policies are established by resolution of Council (governance policies) or of the Executive Management Team (operational policies)

Refer to the Port Pirie Regional Council website for a full list of policies.

Salary Packaging for Senior Officers

Council's Senior Officers are provided with a vehicle for private and work plus a mobile phone and tablet. Access to performance bonus exists for the Directors. Council's Senior Officers are as follows:

- Chief Executive Officer
- Director Corporate and Community
- Director Development and Regulation
- Director Infrastructure
- Manager Environmental Services
- Manager Operations
- Manager Assets
- Manager People and Culture
- Manager Finance



Section 41 Committees

Existing Committees

- Asset Management Committee
- Audit Committee
- Sport & Recreation Committee
- CEO Performance Review Committee
- Entrances Committee
- Public Art Selection Group
- TLAP Consultative Committee

Statutory Committees

- Council Development Assessment Panel
- Building Fire Safety Committee
- Strategic Planning & Development Policy Committee

Staffing

As at 30 June 2017, Council employed 101.7 full-time equivalent employees including cadets, trainees and apprentices in all areas of Council operations.

Subsidiaries

Council has not formed any single Council subsidiary pursuant to Section 42 of the Local Government Act 1999.

Council is a member of one (1) regional subsidiary pursuant to Section 43 of the Act:

The Central Local Government Region is made up of 13 councils that meet regularly to discuss issues and make recommendations to the Local Government Association. The annual contribution \$11,700 (GST incl) in 2016/17.

The report of activities and the annual financial statements are the responsibility of the body, therefore the financial activities are not included in the accounts of this Council. Reports received from the subsidiary are available for inspection at the Port Pirie Administration Centre.

Tenders

For the year ended 30 June 2017, a total of fifteen (15) major tenders (ie greater than \$100K) and thirty (30) minor tenders (ie \$20K to \$100K) were sought for the supply of goods and services.



Work Health and Safety

The Port Pirie Regional Council continues to maintain a high standard of Work Health & Safety (WHS) Management.

The Management Plan for Work Health and Safety, which had been developed pursuant to the Return to Work SA Performance Standards for Self Insurers, requires Council as an exempt employer, to set its own Work Health & Safety objectives based on the organisation's own requirements and to integrate Work Health and Safety into the organisation's Management Plan.

The setting of this management plan is a systematic process which covers review of WHS data and statistics, and planning and programming of realistic and achievable actions, objectives and target dates. The plan has commitment from the Senior Management Team for accountability and responsibility.

Annual KPI Audits are undertaken by Local Government Association Workers Compensation Scheme to evaluate our level of compliance against the Performance Standards for Self Insurers. In addition yearly WHS system reviews are undertaken in-house to ensure areas that require improvement are being addressed.

Council's Health and Safety Committees, which comprise management and employee representatives, continue to update their plans, policies and procedures for the use of employees.

Workplace inspections are undertaken on a regular basis.

Council participates in the Local Government Association Workers Compensation Scheme's Healthy Lifestyle projects and continues to provide annual health screenings for its employees.

Work Health and Safety training information sessions are made available to employees on a continuing basis.



GOVERNANCE STATEMENT

Summary

Aged Care Facilities

Applications for a rate rebate were received from three Aged Care facilities, totalling \$65,446.

By-Laws

By-laws by definition are rules made by a local authority for the regulation of its affairs or management of the area it governs. Council also has the power to make By-laws for different activities of Council not stated directly in legislation.

Current By-laws are:

1. Permits & Penalties
2. Moveable Signs
3. Local Government Land
4. Roads
5. Dogs
6. Cats

A review of all By-laws was undertaken last year with some amendments made, including introduction of a definition of recreational vehicles. They were gazetted on 30 June after public consultation, and came into effect on 30 October, 2016.



Attendance by the Public

Council Meetings are held at the Council Chamber, Port Pirie Administration Centre, 115 Ellen Street, Port Pirie, at 7.30 pm on the 4th Wednesday of each month.

The Audit Committee meets at least two times a year at appropriate times in the reporting and audit cycle and otherwise as required.

The Development Assessment Panel meets on the third Wednesday of each month.

The Building Fire Safety Committee holds a minimum of two meetings each calendar year on a day and time nominated by the Presiding Member.

Council, Committee and Panel meetings are open to the public and attendance at these meetings is encouraged, however members of the public may only observe the proceedings unless invited to address the meeting.

Members of the public are able to put forward their views on particular issues before Council in the following manner:

- (a) **Deputations**
With the permission of the Committee Chairperson or the Mayor, a member of the public can address Council or a Committee personally, or on behalf of a group of residents.
- (b) **Written Requests**
Any person wishing a matter to be considered by Council should communicate in writing to the Chief Executive Officer.
- (c) **Petitions**
Written petitions should be addressed to the Council on any issue within Council's jurisdiction, and will then be presented to Council.
- (d) **Elected Members**
Members of the public can contact an Elected Member of Council to discuss any issue relevant to Council.
- (e) **Public Question Time**
Council will allocate fifteen (15) minutes in the Council Agenda for each monthly Ordinary Meeting for the purpose of Public Question Time.



Closing dates apply for matters to be included in Council agendas. Please check with Council for these “deadlines”.

Agendas for all meetings are placed on public display at the Administration Centre no less than three clear days prior to meetings. Minutes of Council meetings are placed on display within five days after a meeting.

Council Decision Review

Council is committed to transparent decision-making processes and to providing a fair and objective procedure for the review of decisions made by Council.

A formal Complaints Policy & Procedure has been adopted as part of a customer focus approach to service delivery.

Many issues arise during the course of the Council activities and most are initially made verbally by telephone, face-to-face or in writing to a Council Officer, or to an Elected Member. Any grievances will first be referred to the relevant Council staff member and on most occasions this results in the matter being resolved satisfactorily.

The Complaints Policy & Procedures is to provide 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 promptly when possible, to the satisfaction of the complainant, and in a manner which, as far as possible, ensures that such issues will not be the subject of future similar complaints.

The Internal Review of Decisions Policy provides a structural process for the review of Council decisions. Any person may ask for a review of a decision that has affected them.

During 2016-17 there was 1 review completed.



Delegations

The Chief Executive Officer and Senior Officers have the authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are reviewed on an annual basis. A complete list of delegations can be found at www.pirie.sa.gov.au.

Elected Member Allowances

Members' allowances to June 2017 were as follows:

Mayor	\$52,193
Deputy Mayor	\$16,310
Councillors	\$13,048

Councillors receive an additional 25% if appointed Chair of at least one prescribed committee. A \$100 allowance per meeting attended was paid to Council Members, Crs D Devlin, J Paparella and A Zubrinich appointed to the Council Development Assessment Panel.

Elections

Council elections are held every 4 years with all positions being declared vacant. Following the Council election conducted in November 2014, the next election will be held in November 2018.

Financial Plan and Budget

The Long Term Financial Plan 2013-23 was adopted by Council on 10 July 2013. The Plan will be reviewed in 2017. The purpose of the Plan is to achieve the following objectives:

Financial Sustainability

To achieve and maintain financial sustainability, where the planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

Asset Management

To ensure that the maintenance and renewal of existing assets is fairly and equitably funded from current and future ratepayers and that new assets are acquired and constructed in accordance with community demand and affordability.



Borrowing

To utilise debt in a responsible manner, to finance short term works which will provide for future efficiencies or major long term infrastructure.

Rates

To raise Rate income in a responsible and equitable manner, that will be used to fund the long term needs of the community. As a principle source of income, it is important to maintain a consistent and predictable rating structure.

Performance Indicators

To set targets and monitor progress towards the three key financial performance indicators of Asset Sustainability Ratio, Net Financial Liabilities Ratio and the Asset Sustainability Ratio.

Review

The 2016/17 Budget was formally reviewed on three (3) occasions during the year. Several projects were added and removed during the year and adjustments made accordingly.

Adherence to Budget is monitored on a quarterly basis through the reporting mechanisms of the Audit Committee.

Policies

Port Pirie Regional Council retains a suite of policies to assist in the governance of its operations. Council policies are developed and reviewed pursuant to the requirements of the Local Government Act 1999 and other applicable legislation, and are frequently released for public consultation prior to endorsement by Council in accordance with Council's Community Engagement Policy. A complete list of Council Policies can be found at www.pirie.sa.gov.au.



Rate Rebates & Remissions

Sections 159 to 166 of the Local Government Act 1999 require Council to grant certain statutory or discretionary rebates on rates.

The total value of statutory and discretionary rebates granted for 2016/17 was \$355,359, excluding those properties that are exempt from Council rates such as Government land.

Also, the General Purpose Financial Statements contain a number of Financial Performance Indicators.

Regional Groups

Council supports and makes contributions to the following regional groups:

- Upper Spencer Gulf Common Purpose Group
- Regional Development Australia Yorke and Mid North
- Central Local Government Region

Community Plan

The Community Plan provides the structure for the creation of the Council's future over the next 10 years. The plan outlines priorities and directions for 2016-2025 and has been developed through an extensive process which has involved:

- Comprehensive consultation with the community, industry, government and key stakeholders through a community survey and focus groups to determine their needs and any key issues
- Review and analysis of information collected
- Consideration of State and regional plans
- Workshops with Elected Members and Senior Council staff

The Plan's strategic direction focuses on four key objectives:

- Community Wellbeing
- Economic Prosperity
- Sustainability
- Leadership and Governance



Goals and strategies have been developed for each of these key areas. This report is structured to report to community on Councils performance against the Community Plan.

The Community Plan, which was adopted on 24 August 2016, is supported by a 10 year Long Term Financial Plan and a Capital Works Plan. The annual budget is developed to align with this suite of plans.

Building Fire Safety Committee

As a statutory function controlled under the Development Act, Councils are required to ensure the ongoing safety of building occupiers and users of buildings within their Council boundaries. Council's Building Fire Safety Committee is a stand-alone committee established pursuant to Section 71 of the Act to investigate whether building owners are maintaining proper levels of fire safety in their buildings.

The Committee comprises of representatives of the SA Metropolitan Fire Service, SA Country Fire Service, a qualified Building Surveyor and Council's Building Officer. The Committee conducts inspections on a quarterly basis and have inspected 14 buildings during the current reporting period.

Better Development Plan

Section 30 of the Development Act 1993 (Strategic Directions Reports) requires Council to review its Development Plan every 3 to 5 years to address the strategic planning issues within the area of Council, implement the State Government Planning Strategy and any other policy or document prescribed by the regulations, whilst at the same time reflecting community needs and trends.

Council is currently at the point where it is required to amend the policies within its current Development Plan and change the format to the new State Government Better Development Plan format (BDP).



The BDP sets out clear Government policy whilst allowing Council to add local policy provisions that are unique to the Port Pirie Regional Council Area.

As part of the conversion the Port Pirie Regional Council community had the opportunity to have input into the new Development Plan as part of the public consultation component of the process.

Litter Control

The dumping of household rubbish within the Council area is a recurring problem, resulting in costs to the community associated with cleanup and disposal.

Council has a program which offers a financial reward to any person who provides information leading to a successful prosecution for the dumping of rubbish on property under the control of Council.

During the 2016/17 period, six expiation notices were issued for illegal dumping, compared to five during the 2015/2016 year.

Environmental Health

During the 2016/17 year the activities of the Environmental Health Officer included routine compliance inspections of food premises, on-site wastewater systems, temporary accommodation facilities, high risk manufactured water systems, swimming pools and infectious disease vector control/ investigations, as directed by the Communicable Diseases Branch of SA Health.

Waste Control Systems

Fourteen On-site Wastewater Systems applications were approved during the year. As part of the approval process, each system is subject to two mandatory inspections by the Environmental Health Officer.



Community Wastewater Management Systems

Council operates Community Wastewater Management Systems (CWMS) in Napperby and Crystal Brook.

The Environmental Health Officer regularly monitors the quality of effluent processed by the systems in line with the South Australian Public Health (Wastewater) Regulations 2013 and mandatory water quality testing is performed each quarter by the Australian Water Quality Centre. Both systems were upgraded during the year and are operating well within compliance criteria.

Fire Prevention

The Port Pirie Regional Council delivers strategies and activities that aim to protect life and reduce the impact of bushfires with the key outcomes including:

- Reduction in the frequency of fires
- Reduction in the impact that fires have on the community
- An educated and informed community
- The provision of cost-effective levels of community fire protection whilst maintaining a balance of proper land management

Role of a Fire Prevention Officer

Each Council must appoint a suitably qualified Fire Prevention Officer to administer legislative requirements and coordinate the management of a fire prevention program and activities to mitigate risks, both on public and private land.

These responsibilities include:

- Community Education and Awareness
- Provide Information and Advice
- Property Inspection and Enforcement

Properties are generally inspected prior to the fire danger season, with those requiring works being listed. The locations requiring works to develop an Asset Protection Zone (APZ) or to maintain an existing APZ will be issued a warning notice outlining the works required. Should the works not be completed the 105f process will be initiated to ensure the desired outcome. A total of 251 105f Schedule 12 notices were issued to private land owners, resulting in 28 requiring enforcement.



Council's Fire Prevention Officer continues to liaise with State Government Agencies to ensure that land owned by or under the care, control and management of State Government are also managed and the risks mitigated through works undertaken where they impact on assets.

Council's Fire Prevention Officer attended four instances of illegal burning during 2016/2017 and the property owners complied with Council's request to extinguish the fires. Warnings were issued on these occasions due to the minor nature of the burning.

Fire Permits were issued to primary producers to undertake stubble or broad acre burning from 11 March 2017. A total of 43 burning permits were issued, all being for stubble or broad acre burns. Two schedule 30 permits were issued during 2016 due to a total fire ban day being declared for Christmas Day.

A total of 43 Clean Air Policy permits were issued during the 2016/2017 period. These have been issued mainly for comfort fires during winter inside the township boundaries.



People and Culture

Council has a dedicated People and Culture department that provides support, advice and training to our team that enables them to deliver our services to the community at an optimum level.

The core services provided include:

- Attraction and Engagement
- Training and Development
- Performance Management and Recognition
- Industrial Relations
- Organisational Development
- Work Health and Safety
- Workers Compensation and Rehabilitation
- Workforce Planning

Council's workforce as at 30 June 2017 consisted of 115 employees that were all employed under one of two Enterprise Agreements. Of these employees four are on fixed term contracts for very specific council projects.

Our ongoing commitment towards the growth of employment within our region was supported with 64% of our vacancies being offered to local people. Overall we had a total of 498 applications for employment with 213 received from within our region.

Staff turnover for the financial year was 7.2% of our permanent staff compliment with a further 3% as a result of the conclusion of project specific fixed term contracts.

We successfully negotiated the ASU Enterprise Agreement and look forward to re-commencing the process for our AWU Enterprise Agreement later in the calendar year.



Total Number of Employees

	Female	Male
Total	45	70

Gender and Age		
Age	Female	Male
15 years - 19 years	3	0
20 years - 24 years	2	3
25 years - 34 years	11	6
35 years - 44 years	8	18
45 years - 54 years	7	21
55 years - 64 years	7	15
65 years and over	7	7
Total	45	70

Employment Status

	Female	Male
Employees Paid via Council Payroll:		
Permanent - Full Time	23	53
Permanent - Part Time	7	0
Casual	7	5
Trainees	1	2
Fixed Term contract less than 2 yrs	6	5
Fixed Term contract greater than 2 yrs	1	5
Total Employees on Payroll	45	70

Length of Continuous Service

Length of Service	Female	Male
0 years - 2 years	8	13
2 years - 5 years	10	14
5 years - 10 years	14	21
10 years - 15 years	4	5
15 years and over	9	17
Total	45	70



Investing in the future of our People

Career training and development opportunities, performance feedback and regular communication are key elements to the creation of a supportive culture. The development of our staff is a priority and this is why Council invested in 89 separate training courses and seminars for the employees, Council and community benefit. Work also commenced on a comprehensive Training Needs Analysis that will capture the very specific requirements of all roles including our volunteers.

Council employees were able to access fee and study leave assistance to undertake further education or specialised training related to their field of work.

Further to Council's training plan the Government funded traineeships in:

- Certificate III Civil Construction
- Certificate III Business Administration
- Certificate III in Waste Driving Operation.

Six traineeships in Certificate III Civil Construction were offered to Council employees.

In support of council's goal to be a regional leader, staff are encouraged to participate on committees and boards within the areas of their expertise.

This provides an opportunity to share knowledge with their colleagues across the local government network. Job critical memberships to relevant associations and qualifications are fully supported by Council. In addition, Council offered expert technical support to our colleagues within two other council areas.



Recognising Service

Nine staff achieved service milestones during 2016/17 and received recognition from both Council and the LGA of SA.

Employees	Years of Service
Scott Smith	10 Years
Ben Kildea	10 Years
Simon Peters	10 Years
Cazz Nitschke	10 Years
Robert McRae	20 Years
Graham Darley	20 Years
Robert Lemmey	30 Years
Mark Hoare	30 Years
Stephen Farrugia	30 Years

Healthy Lifestyle

Having a flexible approach to the working environment allows employees to manage family and work responsibilities with a lot more ease. During the reporting year approximately 10% of employees benefited from a flexible working arrangement.

Council offered employees access to counselling services, subsidised flu vaccinations, health assessments, hearing and sight testing and skin cancer screenings. Employees are encouraged to have a healthy approach towards blood donation as a way of further involving employees in our community.

In addition, considerable effort went into creating a Domestic and Family Violence Leave policy that puts steps in place to support any of our staff that may experience domestic or family violence in their home life.



Overall Pride of Workmanship winner
Steve Joyce with Rotary president
Dannielle Camporeale.

2016 Southern Flinders Business, Employment & Training Awards

Steve Joyce, Port Pirie Regional Council's Aerodrome Manager, was instrumental in organising and managing the Australian Army's Exercise Hamel which was based out of the Aerodrome. Steve supported the Army Exercise with assistance and backup from Port Pirie Regional Council, all the while balancing usual airport operations and going above and beyond to provide assistance wherever possible to Army personnel and event organisers.

Steve's local knowledge and networks and tireless work enabled the Exercise to run smoothly and successfully and he served as an excellent ambassador for the Port Pirie region. Steve was involved in the early planning of the Exercise through to site rehabilitation, liaising with the Army continually from December 2015 through to July 2016.

Port Pirie Regional Council congratulates Steve who was nominated for a Pride of Workmanship Award in the 2016 Southern Flinders Business Employment and Training Awards. Not only did Steve win an award, but he subsequently was awarded as the Overall Winner in this category. The Southern Flinders Business, Employment & Training Awards were held at the Port Football and Community Sporting Club on Wednesday 7 September 2016.



INNOVATION AND LEADERSHIP

Information, Communications and Technology

The Council's internal ICT team has a very wide and diverse portfolio. ICT Projects and operational tasks include providing IT helpdesk services, capital project delivery and Records Management.

In the 2016/17 financial year the helpdesk received 998 internal requests for assistance and closed 1002 tickets. This is a reduction in opened tickets from the previous 12 months; an indication of a stable and productive operating environment.

Each year a computer replacement cycle is planned and enacted. This year 10 desktops, 7 laptop/ Tablet devices, 22 terminals and 16 mobile phones were replaced. This represents around one third of the end user devices.

Capital replacement of the Port Pirie IT Centre computing fleet was performed. 8 new high performance computers were installed including a centralised management console for deep freezing (safe state restore software) and antivirus.

The works depot's large format (A0) printing, copying and scan device was upgraded providing extended printing and copying capabilities for the public and employees alike.

Software enhancements included the installation of a large file transfer service to enable the transfer of files too large to email. This gave Council a secure and audited method of transferring important documentation. Adobe's Creative Cloud software was introduced to enhance the in-house desktop publishing capabilities.



A new web server was installed, allowing web service communication to external devices and third party services. A great example of the extended functionality this system provides is the ability for general inspectors to live lookup Council's dog register in the field on their mobile devices.

IT supported the inclement weather events of winter and has made significant improvements to Council's IT resilience based on lessons learned. All servers are now replicated to a second site for easy disaster recovery and service continuity purposes. Plans are being enacted to relocate Council's primary server room/data centre as it was identified as a risk. Council's works depot main switchboard has been rewired to include an essential services supply switchboard to enable generated supply to be used in events of extended power outages.

Port Pirie Regional Council has taken the lead role to assist all SA councils using iVision software (SynergySoft Local Government software) in a number of ways this year.

This includes software changes to suit new Superannuation reporting expectations and a consultant worked with council staff to assess the SynergySoft records management system for compliance against State Records GDS21 certification requirements. This assessment is only part of the process required but will benefit all South Australian users of this records management system.

A Public WiFi network was a key capital project to provide free high speed public internet in Crystal Brook and Port Pirie. Crystal Brook public WiFi went live at the December 2016 Christmas street party and Port Pirie Public WiFi was first available at the beach precinct for Australia Day celebrations.

To improve communications capability a new SMS text messaging system was implemented and used to communicate important information to stakeholders regarding projects.



Council's ICT Manager was a member of the Local Government Information Technology of South Australia (LGITSA) Board and also chaired the South Australian ITVision SynergySoft user group for another year. Bi-annual user group meetings were held in Adelaide with workshop days either side to upskill South Australian users on a number of topics.

An additional office was commissioned at the Port Pirie Sports Precinct for onsite staff during the construction phase and time lapse photography systems were installed to capture demolition, ground works and construction at both the Memorial Oval and Swimming pool sites.

The Port Pirie Administration office alarm system was replaced and significant improvements were made to Staff duress systems at the Port Pirie Waste Transfer Station and the Port Pirie Cultural Precinct. Other security enhancements included 360 degree camera installations at Port Pirie's CCTV locations. These cameras give Council and SAPOL a greater high level overview of target areas primarily for public safety.

In records management, consolidation of paper based records storage to a single Port Pirie location was this year's primary focus. Previously having many storage locations including the Port Pirie rail platform and Crystal Brook Rural Office led to significant inefficiencies.

This issue was resolved via relocation of two large compactus units and their contents from Crystal Brook to Port Pirie and installation of a third compactus to hold additional paper records. Additionally, to resolve safety concerns a new compactus was installed in the Port Pirie Administration office for primary records storage and to enable the commencement of a new physical filing system.

Records management staff conducted its first internally approved temporary record disposal seeing 11x 240L bins securely destroyed and a further 133 boxes of temporary records ready for destruction have been identified. Financial records over 50 years old were listed and council is currently seeking approval from the State Records Council for their destruction.

Financial Statements





Port Pirie
Regional Council

FINANCIAL STATEMENTS

FOR YEAR ENDED

30 JUNE 2017

PORT PIRIE REGIONAL COUNCIL

General Purpose Financial Reports for the year ended 30 June 2017

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PORT PIRIE REGIONAL COUNCIL

General Purpose Financial Reports for the year ended 30 June 2017

CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2017 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.

.....
Dr Andrew Johnson
CHIEF EXECUTIVE OFFICER

.....
John Rohde
MAYOR/COUNCILLOR

Date: 23/10/17

PORT PIRIE REGIONAL COUNCIL

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
INCOME			
Rates	2	16,914	16,287
Statutory charges	2	268	300
User charges	2	1,578	1,697
Grants, subsidies and contributions	2	7,394	3,109
Investment income	2	105	112
Reimbursements	2	680	761
Other income	2	15	12
Total Income		<u>26,954</u>	<u>22,278</u>
EXPENSES			
Employee costs	3	7,151	7,216
Materials, contracts & other expenses	3	10,595	9,488
Depreciation, amortisation & impairment	3	6,741	6,236
Finance costs	3	157	193
Total Expenses		<u>24,644</u>	<u>23,133</u>
OPERATING SURPLUS / (DEFICIT)		2,310	(855)
Asset disposal & fair value adjustments	4	(909)	(912)
Amounts received specifically for new or upgraded assets	2	7,352	1,952
NET SURPLUS / (DEFICIT)		8,753	185
transferred to Equity Statement			185
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	3,285	652
Impairment (expense) / recoupments offset to asset revaluation reserve	9	-	(1,333)
Total Other Comprehensive Income		<u>3,285</u>	<u>(681)</u>
TOTAL COMPREHENSIVE INCOME		<u>12,038</u>	<u>(496)</u>

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

PORT PIRIE REGIONAL COUNCIL

STATEMENT OF FINANCIAL POSITION as at 30 June 2017

	Notes	2017 \$'000	2016 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,201	6,857
Trade & other receivables	5	3,273	2,340
Inventories	5	93	98
Total Current Assets		<u>6,567</u>	<u>9,295</u>
Non-current Assets			
Financial assets	6	244	291
Infrastructure, property, plant & equipment	7	237,089	232,189
Other non-current assets	6	2,566	1,930
Total Non-current Assets		<u>239,899</u>	<u>234,410</u>
Total Assets		<u>246,466</u>	<u>243,705</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,595	9,849
Borrowings	8	393	378
Provisions	8	2,547	2,246
Total Current Liabilities		<u>4,535</u>	<u>12,473</u>
Non-current Liabilities			
Borrowings	8	2,691	3,085
Provisions	8	111	1,056
Total Non-current Liabilities		<u>2,802</u>	<u>4,141</u>
Total Liabilities		<u>7,337</u>	<u>16,614</u>
NET ASSETS		<u>239,129</u>	<u>227,091</u>
EQUITY			
Accumulated Surplus		63,862	55,113
Asset Revaluation Reserves	9	174,437	171,152
Other Reserves	9	830	826
TOTAL EQUITY		<u>239,129</u>	<u>227,091</u>

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

PORT PIRIE REGIONAL COUNCIL

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

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
2017	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	55,113	171,152	826	227,091
Restated opening balance	<u>55,113</u>	<u>171,152</u>	<u>826</u>	<u>227,091</u>
Net Surplus / (Deficit) for Year	8,753	-	-	8,753
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant & equipment	-	3,285	-	3,285
Transfers between reserves	(4)	-	4	-
Balance at end of period	<u>63,862</u>	<u>174,437</u>	<u>830</u>	<u>239,129</u>
2016				
Balance at end of previous reporting period	52,577	171,833	3,177	227,587
Restated opening balance	<u>52,577</u>	<u>171,833</u>	<u>3,177</u>	<u>227,587</u>
Net Surplus / (Deficit) for Year	185	-	-	185
Other Comprehensive Income				
Changes in revaluation surplus - infrastructure, property, plant & equipment	-	652	-	652
Impairment (expense) / recoupments offset to asset revaluation reserve	-	(1,333)	-	(1,333)
Transfers between reserves	2,351	-	(2,351)	-
Balance at end of period	<u>55,113</u>	<u>171,152</u>	<u>826</u>	<u>227,091</u>

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

PORT PIRIE REGIONAL COUNCIL

STATEMENT OF CASH FLOWS for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		16,998	15,340
Fees & other charges		295	327
User charges		172	1,591
Investment receipts		90	112
Grants utilised for operating purposes		7,394	5,153
Reimbursements		773	824
Other revenues		1,291	1,861
<u>Payments</u>			
Employee costs		(7,359)	(7,169)
Materials, contracts & other expenses		(12,387)	(12,933)
Finance payments		96	(204)
Net Cash provided by (or used in) Operating Activities		7,363	4,902
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		-	6,952
Sale of replaced assets		119	181
Sale of surplus assets		120	91
Repayments of loans by community groups		49	50
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(4,663)	(7,518)
Expenditure on new/upgraded assets		(6,505)	(1,394)
Loans made to community groups		-	(25)
Net Cash provided by (or used in) Investing Activities		(10,880)	(1,663)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Repayments of borrowings		(379)	(865)
Net Cash provided by (or used in) Financing Activities		(379)	(865)
Net Increase (Decrease) in cash held		(3,896)	2,374
Cash & cash equivalents at beginning of period	11	6,857	4,483
Cash & cash equivalents at end of period	11	2,961	6,857

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

PORT PIRIE REGIONAL COUNCIL

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. Particular areas involving a high degree of judgement or complexity includes the estimation of future payments and timing in relation to landfill restoration. Further information in relation to the estimation of these liabilities is given in the relevant sections of this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

Port Pirie Regional Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at 115 Ellen Street, Port Pirie. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in those 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:

Year	Cash Payment Received	Annual Allocation	Difference	
2014/15	\$6,650,172	\$4,225,221	+	\$2,224,951
2015/16	\$2,205,820	\$4,225,221	-	\$2,224,951
2016/17	\$6,622,521	\$4,372,264	+	\$2,250,257

PORT PIRIE REGIONAL COUNCIL

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

Inventories held in respect of stores have been valued by using the 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 lower of cost and net realisable value.

6 Infrastructure, Property, Plant & Equipment

6.1 Land Under Roads

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

6.2 Initial Recognition

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

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

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

PORT PIRIE REGIONAL COUNCIL

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

6.3 Materiality

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

6.4 Subsequent Recognition

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

6.5 Depreciation of Non-Current Assets

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

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

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

6.6 Impairment

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

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

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

6.7 Borrowing Costs

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

PORT PIRIE REGIONAL COUNCIL

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

7 Payables

7.1 Goods and 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 and Deposits

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

8 Borrowings

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

9 Employee Benefits

9.1 Salaries, Wages and Compensated Absences

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

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 average discount rate	1.50%	(2016: 1.75%)
Weighted average settlement period	5 years	(2016: 5 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 is liable to pay untaken sick leave for employees who commenced employment prior to 1995.

9.2 Superannuation

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

10 Provisions for Reinstatement, Restoration, Rehabilitation etc

Restoration other post closure costs include the removal of residual materials and remediation and rehabilitation of disturbed areas at the Port Pirie landfill. Estimated 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 post closure plan, such plans are based on current environmental requirements which may change.

PORT PIRIE REGIONAL COUNCIL

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

11 Leases

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

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

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
- Non - current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

13 Pending Accounting Standards

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

- AASB 7 *Financial Instruments - Disclosures*
- AASB 9 *Financial Instruments*
- AASB 15 *Revenue from Contracts with Customers*
- AASB 16 *Leases*
- AASB 1058 *Income of Not-for-Profit Entities*

Standards containing consequential amendments to other Standards and Interpretations arising from the above:

- AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AACB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

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

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

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

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

PORT PIRIE REGIONAL COUNCIL

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

Note 2 - INCOME

	2017 \$'000	2016 \$'000
RATES REVENUES		
<u>General Rates</u>	14,755	14,226
Less: Mandatory rebates	(313)	(300)
Less: Discretionary rebates, remissions & write offs	(35)	(32)
	<u>14,407</u>	<u>13,894</u>
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	382	310
Waste collection	1,746	1,733
Community wastewater management systems	172	173
	<u>2,300</u>	<u>2,216</u>
<u>Other Charges</u>		
Penalties for late payment	114	131
Legal & other costs recovered	104	63
	<u>218</u>	<u>194</u>
Less: Discretionary rebates, remissions & write offs	(11)	(17)
	<u>16,914</u>	<u>16,287</u>
STATUTORY CHARGES		
Development Act fees	37	51
Town planning fees	76	92
Health & Septic Tank Inspection fees	3	6
Animal registration fees & fines	111	117
Parking fines / expiation fees	20	16
Search fees	21	18
	<u>268</u>	<u>300</u>
USER CHARGES		
Cemetery fees	156	168
Community Housing	-	41
Waste Disposal	1,124	1,220
Lease/Rental fees	71	46
Sport/Recreation and Hall Hire fees	46	49
Tourism (including Special Events)	99	106
Aerodrome user fees	54	34
Library & IT Centre	24	20
Sundry	4	13
	<u>1,578</u>	<u>1,697</u>
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	81	84
Banks & other	9	8
Loans to community groups	15	20
	<u>105</u>	<u>112</u>

PORT PIRIE REGIONAL COUNCIL

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

NOTE 2 - INCOME (continued)

	2017 \$'000	2016 \$'000
REIMBURSEMENTS		
Insurance Claims and Related Recoupments	6	10
Outside Parties - Government Departments	134	112
Private Works	92	103
Workers Compensation	166	157
Other Reimbursements	282	379
	680	761
OTHER INCOME		
Contributions from Outside Parties	8	7
Tourism and Special Events	-	1
Sundry	7	4
	15	12
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Amounts received specifically for new or upgraded assets	7,352	1,952
Other grants, subsidies and contributions	7,394	3,109
	14,746	5,061
<i>The functions to which these grants relate are shown in Note 12.</i>		
Sources of grants		
Commonwealth government	500	-
State government	7,394	3,109
Other	6,852	1,952
	14,746	5,061
Conditions over grants & contributions		
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
<i>Unexpended at the close of the previous reporting period</i>	6,243	6,393
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
<i>Port Pirie CBD Rejuvenation Project Grant</i>	(1,243)	(150)
<i>Port Pirie Sports Precinct Grant</i>	(5,000)	-
	(6,243)	(150)
<i>Unexpended at the close of this reporting period</i>	-	6,243
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	(6,243)	(150)

PORT PIRIE REGIONAL COUNCIL

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

Note 3 - EXPENSES

	Notes	2017 \$'000	2016 \$'000
EMPLOYEE COSTS			
Salaries and Wages		5,718	6,065
Employee leave expense		850	814
Superannuation - defined contribution plan contributions	18	538	487
Superannuation - defined benefit plan contributions	18	116	126
Workers' Compensation Insurance		324	316
Less: Capitalised and distributed costs		<u>(395)</u>	<u>(592)</u>
Total Operating Employee Costs		<u>7,151</u>	<u>7,216</u>
 Total Number of Employees		 100	 97
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		15	24
Bad and Doubtful Debts		(1)	53
Elected members' expenses		219	228
Election expenses		7	5
Operating Lease Rentals - non-cancellable leases	17		
- minimum lease payments		71	72
Subtotal - Prescribed Expenses		<u>311</u>	<u>382</u>
<u>Other Materials, Contracts & Expenses</u>			
Advertising/Printing/Postage & Freight		162	169
Building Materials, Repairs and Maintenance		118	93
Consultants		718	475
Contractor - Trades		229	186
Contractor - Works		1,202	1,154
Contractor - Other		1,018	833
Contributions and Donations		567	641
Fuels and Oils		274	239
Insurances and Registrations - Inc Plant		599	523
IT Software/Licensing and Hardware/Consumables		238	258
Legal Fees		77	39
Levies Paid to Government - NRM Levy only		379	309
Materials		378	386
Minor Tools/Plant and Equipment		59	77
Office Supplies, Subscriptions and Telephone/Internet		173	173
Other Levies/Taxes/Bank Charges		134	127
Plant Repairs & Maintenance		267	243
Training and Development		153	85
Utilities - Water and Electricity		1,209	1,265
Waste Management Contracts		1,862	1,804
Sundry		468	27
Subtotal - Other Materials, Contracts & Expenses		<u>10,284</u>	<u>9,106</u>
		<u>10,595</u>	<u>9,488</u>

PORT PIRIE REGIONAL COUNCIL

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

Note 3 - EXPENSES (cont)

	Notes	2017 \$'000	2016 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings - Level 2		336	460
Buildings - Level 3		288	296
Structures/Site Improvements - Level 2		521	517
Structures/Site Improvements - Level 3		226	233
Roads		3,405	3,037
Kerbing		617	496
Footpaths		202	196
Bridges		61	62
Signs/Traffic/Spoon Drains		41	41
Road Ancillary		137	-
Stormwater Drainage		371	346
CWMS		89	89
Equipment		537	540
Furniture & Fittings		26	26
Impairment			
Land		-	228
Buildings		-	810
Roads		-	295
		<u>6,857</u>	<u>7,672</u>
Less: Capitalised and distributed costs		(116)	(103)
Less: Impairment expense offset to asset revaluation reserve	9	-	(1,333)
		<u>6,741</u>	<u>6,236</u>
FINANCE COSTS			
Interest on Loans		<u>157</u>	<u>193</u>
		<u>157</u>	<u>193</u>

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Assets renewed or directly replaced

Proceeds from disposal	119	181
Less: Carrying amount of assets sold	<u>1,000</u>	<u>1,104</u>
Gain (Loss) on disposal	<u>(881)</u>	<u>(923)</u>

Assets surplus to requirements

Proceeds from disposal	120	91
Less: Carrying amount of assets sold	<u>148</u>	<u>80</u>
Gain (Loss) on disposal	<u>(28)</u>	<u>11</u>

NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS

<u>(909)</u>	<u>(912)</u>
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PORT PIRIE REGIONAL COUNCIL

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

Note 5 - CURRENT ASSETS

	Notes	2017 \$'000	2016 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		180	5,997
Deposits at Call		<u>3,021</u>	<u>860</u>
		<u>3,201</u>	<u>6,857</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		1,260	1,344
Accrued Revenues		53	816
Debtors - general		1,864	332
GST Recoupment		199	5
Prepayments		55	-
Loans to community organisations		<u>47</u>	<u>49</u>
Total		<u>3,478</u>	<u>2,546</u>
Less: Allowance for Doubtful Debts		<u>205</u>	<u>206</u>
		<u>3,273</u>	<u>2,340</u>
 INVENTORIES			
Stores & Materials		81	81
Trading Stock		<u>12</u>	<u>17</u>
		<u>93</u>	<u>98</u>

Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS			
Receivables			
Loans to community organisations		<u>244</u>	<u>291</u>
		<u>244</u>	<u>291</u>
 OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		<u>2,566</u>	<u>1,930</u>
		<u>2,566</u>	<u>1,930</u>

PORT PIRIE REGIONAL COUNCIL

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Fair Value Level	2016 \$'000				2017 \$'000			
		AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Land - Level 2	2	6,008	-	-	6,008	5,860	-	-	5,860
Land - Level 3	3	17,775	-	-	17,775	17,775	-	-	17,775
Buildings - Level 2	2	21,202	549	(11,552)	10,199	19,784	675	(10,837)	9,622
Buildings - Level 3	3	21,008	50	(9,646)	11,412	20,960	53	(9,896)	11,117
Structures/Site Improvements - Level 2	2	20,196	790	(10,669)	10,317	19,211	791	(10,347)	9,655
Structures/Site Improvements - Level 3	3	15,204	1,299	(7,173)	9,330	18,831	1,298	(7,307)	12,822
Roads		120,496	2,118	(33,339)	89,275	121,666	3,880	(38,788)	86,758
Kerbing		47,202	15	(11,599)	35,618	47,169	123	(13,569)	33,723
Footpaths		10,747	16	(1,253)	9,510	11,975	877	(1,553)	11,299
Bridges		5,540	-	(3,068)	2,472	5,540	-	(3,129)	2,411
Signs/Traffic/Spoon Drains		1,033	64	(597)	500	-	-	-	-
Road Ancillary		-	-	-	-	6,892	-	(1,636)	5,256
Stormwater Drainage		30,842	2,387	(11,046)	22,183	30,801	3,671	(11,386)	23,086
CWMS		5,329	29	(2,535)	2,823	5,299	141	(2,602)	2,838
Equipment		-	7,315	(2,900)	4,415	-	7,800	(3,259)	4,541
Furniture & Fittings		-	623	(271)	352	-	623	(297)	326
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		322,582	15,255	(105,648)	232,189	331,763	19,932	(114,606)	237,089
Comparatives		324,006	10,194	(102,772)	231,428	322,582	15,255	(105,648)	232,189

This Note continues on the following pages.

PORT PIRIE REGIONAL COUNCIL

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2017 \$'000
	\$'000										
	2016 CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT	
	New/Upgrade	Renewals	In				Out				
Land - Level 2	6,008	-	-	(148)	-	-	-	-	-	-	5,860
Land - Level 3	17,775	-	-	-	-	-	-	-	-	-	17,775
Buildings - Level 2	10,199	12	113	-	(336)	-	-	-	(366)	-	9,622
Buildings - Level 3	11,412	-	3	-	(288)	-	-	-	(10)	-	11,117
Structures/Site Improvements - Level 2	10,317	351	69	-	(521)	-	-	-	(561)	-	9,655
Structures/Site Improvements - Level 3	9,330	2,428	1,321	-	(226)	-	-	-	(31)	-	12,822
Roads	89,275	411	1,350	(430)	(3,405)	-	-	-	(443)	-	86,758
Kerbing	35,618	47	60	(94)	(617)	-	-	-	(1,291)	-	33,723
Footpaths	9,510	240	623	(199)	(202)	-	-	-	1,327	-	11,299
Bridges	2,472	-	-	-	(61)	-	-	-	-	-	2,411
Signs/Traffic/Spoon Drains	500	-	-	-	(41)	-	-	-	(459)	-	-
Road Ancillary	-	114	251	(91)	(137)	-	-	-	5,119	-	5,256
Stormwater Drainage	22,183	1,767	337	(11)	(371)	-	-	(819)	-	-	23,086
CWMS	2,823	56	56	(8)	(89)	-	-	-	-	-	2,838
Equipment	4,415	108	721	(166)	(537)	-	-	-	-	-	4,541
Furniture & Fittings	352	-	-	-	(26)	-	-	-	-	-	326
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	232,189	5,534	4,904	(1,147)	(6,857)	-	-	(819)	3,285	-	237,089
<i>Comparatives</i>	<i>231,428</i>	<i>2,239</i>	<i>6,726</i>	<i>(1,184)</i>	<i>(6,339)</i>	<i>(1,333)</i>	<i>-</i>	<i>-</i>	<i>652</i>	<i>-</i>	<i>232,189</i>

This Note continues on the following pages.

PORT PIRIE REGIONAL COUNCIL

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

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

Valuation of Assets

General Valuation Principles

Accounting procedure:

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

Highest and best use:

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

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

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

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

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

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

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

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

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

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

PORT PIRIE REGIONAL COUNCIL

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

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

Capitalisation Thresholds

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

Buildings, Structures, Site Improvements	\$5,000	Plant, Machinery, Fleet	\$5,000
Road Infrastructure	\$10,000	Minor Plant, Loose Tools	\$2,000
Stormwater Drainage, CWMS	\$5,000	Office Furniture, Equipment	\$2,000

Estimated Useful Lives

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

Buildings	30 to 120 years	Footpaths	30 to 40 years
Building Components	15 to 50 years	Bridges	60 to 100 years
Structures	20 to 100 years	Stormwater Drainage	25 to 100 years
Site Improvements	5 to 100 years	CWMS	20 to 80 years
Sealed Roads - Pavement	20 to 100 years	Major Plant	4 to 20 years
Sealed Roads - Surface	17 to 40 years	Minor Plant	5 to 10 years
Sealed Roads - Formation	Indefinite	Fleet	2 to 5 years
Unsealed Roads - Surface	12 to 20 years	ICT Equipment	5 to 10 years
Unsealed Roads - Formation	Indef	Other Equipment	10 to 20 years
Kerbing	80 years	Furniture	10 to 40 years

Land and Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliable 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.

Level 2 and Level 3 fair value hierarchy of land were determined by Maloney Field Services.

Buildings, Structures and Site Improvements

Buildings, structures and site improvements were valued by Maloney Field Services as at 1 July 2013 on the basis of Depreciated Replacement cost and Market Value (where applicable). All acquisitions made after the respective dates of valuation are recorded at cost. Level 2 and Level 3 fair value hierarchy of buildings, structures and site improvements were determined by Maloney Field Services.

Infrastructure

Road, kerbing and footpath assets were valued by Tonkin Consulting at written down current replacement cost during the reporting period ended 30 June 2017.

Road Ancillary assets were valued by Tonkin Consulting at written down current replacement cost during the reporting period ended 30 June 2017.

Bridge assets were valued by Mace Engineering Services at written down current replacement cost during the reporting period ended 30 June 2016.

Stormwater drainage infrastructure was valued by Tonkin Consulting at written down current replacement cost during the reporting period ended 30 June 2014.

Community wastewater management system infrastructure was valued by Tonkin Consulting at written down current replacement cost during the reporting period ended 30 June 2014. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture, Equipment and Other Assets

These assets are recognised on the cost basis.

PORT PIRIE REGIONAL COUNCIL

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

Note 8 - LIABILITIES

	2017		2016	
	\$'000		\$'000	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	706	-	2,856	-
Payments received in advance	454	-	6,251	-
Accrued expenses - employee entitlements	134	-	416	-
Accrued expenses - other	301	-	326	-
	1,595	-	9,849	-
BORROWINGS				
Loans	393	2,691	378	3,085
	393	2,691	378	3,085

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

PROVISIONS

Employee annual leave entitlements (including oncosts)	663	-	572	-
Employee LSL entitlement (including oncosts)	891	111	848	99
Future reinstatement / restoration, etc	993	-	826	957
	2,547	111	2,246	1,056

Amounts included in provisions that are not expected to be settled within 12 months of reporting date.

Landfill Re-instatement

Movements in Provisions - (current & non-current)	2017	2016
Opening Balance	1,783	2,817
(Less) Reduction of amount recognised	(138)	(547)
(Less) Payments	(652)	(487)
Closing Balance	993	1,783

PORT PIRIE REGIONAL COUNCIL

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2016	Net Increments (Decrements)	Transfers, Impairments	30/6/2017
Notes	\$'000	\$'000	\$'000	\$'000
Land	18,386	-	-	18,386
Buildings	8,630	(376)	-	8,254
Structures/Site Improvements	9,658	(592)	-	9,066
Roads	76,217	(443)	-	75,774
Kerbing	30,269	(1,291)	-	28,978
Footpaths	8,005	1,327	-	9,332
Bridges	1,934	-	-	1,934
Signs/Traffic/Spoon Drains	459	(459)	-	-
Road Ancillary		5,119	-	5,119
Stormwater Drainage	15,385	-	-	15,385
CWMS	2,209	-	-	2,209
TOTAL	171,152	3,285	-	174,437
<i>Comparatives</i>	<i>171,833</i>	<i>652</i>	<i>(1,333)</i>	<i>171,152</i>

OTHER RESERVES	1/7/2016	Transfers to Reserve	Transfers from Reserve	30/6/2017
Crystal Brook CWMS	645	103	(38)	710
Napperby CWMS	161	11	(73)	99
Fishermans Wharf	20	1	-	21
TOTAL OTHER RESERVES	826	115	(111)	830
<i>Comparatives</i>	<i>3,177</i>	<i>88</i>	<i>(2,439)</i>	<i>826</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

Increments/Decrements from changes in fair value of non-current assets (less impairment where applicable)

Community Wastewater Management Scheme (CWMS) Reserves

Balance from operations of CWMS to provide for major maintenance program, repairs and capital replacement.

Fishermans Wharf Reserve

Mooring fees used to provide future capital works to this area.

PORT PIRIE REGIONAL COUNCIL

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

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	Notes	2017 \$'000	2016 \$'000
CASH & FINANCIAL ASSETS			
Unexpended amounts received from Federal Government			
Port Pirie CBD rejuvenation project		-	1,243
Port Pirie Sports Precinct		-	5,000
		-	6,243
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		-	6,243

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

Total cash & equivalent assets	5	2,961	6,857
Balances per Cash Flow Statement		2,961	6,857

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

Net Surplus (Deficit)		8,753	185
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		6,741	6,236
Net increase (decrease) in unpaid employee benefits		(208)	47
Premiums & discounts recognised & unwound		17	-
Change in allowances for under-recovery		(1)	51
Grants for capital acquisitions treated as Investing Activity		-	(6,952)
Net (Gain) Loss on Disposals		909	912
		16,211	479
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(1,588)	846
Net (increase) decrease in inventories		5	4
Net increase (decrease) in trade & other payables		(6,613)	3,573
Net increase (decrease) in other provisions		(652)	-
Net Cash provided by (or used in) operations		7,363	4,902

(c) Financing Arrangements

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

Corporate Credit Cards		23	23
LGFA Cash Advance Debenture facility		5,000	5,000

PORT PIRIE REGIONAL COUNCIL

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

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES													
FUNCTIONS & ACTIVITIES	INCOME			EXPENSES				OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	2016	2017	ACTUAL	2016	2017	ACTUAL	2016	2017	2016	2017	2016	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Business Undertakings	112	123	290	328	(178)	(205)	-	-	-	3,439	3,430	-	-
Community Services	311	356	1,473	1,757	(1,162)	(1,401)	8	114	-	8,004	8,316	-	-
Culture	116	87	1,271	1,236	(1,155)	(1,149)	75	-	-	5,236	5,403	-	-
Economic Development	109	123	1,127	1,078	(1,018)	(955)	-	-	-	2,490	2,535	-	-
Environment	1,124	1,256	6,218	5,127	(5,094)	(3,871)	-	-	-	31,575	30,840	-	-
Recreation	60	54	2,562	2,465	(2,502)	(2,411)	55	-	-	30,181	28,831	-	-
Regulatory Services	285	349	1,337	1,477	(1,052)	(1,128)	-	-	-	-	-	-	-
Transport & Communication	676	826	6,313	5,708	(5,637)	(4,882)	623	789	-	146,994	147,485	-	-
Plant Hire & Depot/Indirect	248	239	817	859	(569)	(620)	-	-	-	5,578	5,500	-	-
Unclassified Activities	200	191	462	507	(262)	(316)	-	-	-	7,989	6,996	-	-
Governance	24	14	1,114	1,026	(1,090)	(1,012)	-	-	-	-	-	-	-
Council Administration	255	231	1,660	1,565	(1,405)	(1,334)	10	-	-	4,977	4,365	-	-
Special Revenues	23,434	18,429	-	-	23,434	18,429	6,623	2,206	-	-	-	-	-
TOTALS	26,954	22,278	24,644	23,133	2,310	(855)	7,394	3,109	246,466	243,705	243,705	243,705	243,705

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.

PORT PIRIE REGIONAL COUNCIL

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

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 1.50% and 1.75% (2016: 1.75% and 2.00%). Short term deposits have an average maturity of 30 days and an average interest rates of 1.75% (2016: 30 days, 2.00%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legals & penalties for late payment) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 2% (2016: 2%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 4.20% and 6.70% (2016: 4.20% and 6.70%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

PORT PIRIE REGIONAL COUNCIL

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

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	2,961	-	-	2,961	2,961
Receivables	2,221	203	81	2,505	2,443
Total	5,182	203	81	5,466	5,404
Financial Liabilities					
Payables	715	-	-	715	1,160
Current Borrowings	536	-	-	536	393
Non-Current Borrowings	-	2,116	1,002	3,118	2,691
Total	1,251	2,116	1,002	4,369	4,244
2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	6,857	-	-	6,857	6,857
Receivables	1,251	233	96	1,580	677
Total	8,108	233	96	8,437	7,534
Financial Liabilities					
Payables	9,331	-	-	9,331	9,107
Current Borrowings	540	-	-	540	378
Non-Current Borrowings	-	2,144	1,510	3,654	3,085
Total	9,871	2,144	1,510	13,525	12,570

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

	30 June 2017		30 June 2016	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	4.79	3,084	4.81	3,463
		<u>3,084</u>		<u>3,463</u>

Net Fair Value

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

Risk Exposures

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

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

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

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates.

PORT PIRIE REGIONAL COUNCIL

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

Note 14 - COMMITMENTS FOR EXPENDITURE

	2017	2016
	<u>Notes</u> \$'000	\$'000
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities.		
Audit Services	53	67
Cleaning Services	102	102
Employee Remuneration	1,241	1,548
Airport Management	72	70
Cemetery Management	148	296
Kerbside Waste Collection	2,083	2,777
Waste Transport and Disposal	558	1,117
	<u>4,257</u>	<u>5,977</u>
These expenditures are payable:		
Not later than one year	2,162	-
Later than one year and not later than 5 years	2,095	2,108
Later than 5 years	-	3,869
	<u>4,257</u>	<u>5,977</u>

PORT PIRIE REGIONAL COUNCIL

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

Note 15 - FINANCIAL INDICATORS

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

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

Operating Surplus Ratio

<u>Operating Surplus</u>	9.0%	(4.0%)	5.0%
Total Operating Revenue			

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

Adjusted Operating Surplus Ratio

	0.0%	6.0%	(4.0%)
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*In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The **Adjusted Operating Surplus Ratio** adjusts for the resulting distortion in the disclosed operating result for each year.*

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	2%	32%	20%
Total Operating Revenue			

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

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	65%	106%	60%
Infrastructure & Asset Management Plan required expenditure			

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

PORT PIRIE REGIONAL COUNCIL

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

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2017 \$'000	2016 \$'000
Income	26,954	22,278
less Expenses	<u>24,644</u>	<u>23,133</u>
Operating Surplus / (Deficit)	2,310	(855)
<i>less Net Outlays on Existing Assets</i>		
Capital Expenditure on renewal and replacement of Existing Assets	4,663	7,518
Depreciation, Amortisation and Impairment	(6,741)	(6,236)
Proceeds from Sale of Replaced Assets	<u>(119)</u>	<u>(181)</u>
	(2,197)	1,101
<i>less Net Outlays on New and Upgraded Assets</i>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	6,505	1,394
Amounts received specifically for New and Upgraded Assets	-	(6,952)
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>(120)</u>	<u>(91)</u>
	6,385	(5,649)
Net Lending / (Borrowing) for Financial Year	<u>(1,878)</u>	<u>3,693</u>

PORT PIRIE REGIONAL COUNCIL

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

Note 17 - OPERATING LEASES

Leases providing income to the Council

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

Investment Property

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

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

	2017 \$'000	2016 \$'000
Not later than one year	55	57
Later than one year and not later than 5 years	<u>105</u>	<u>155</u>
	<u>160</u>	<u>212</u>

Lease payment commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

Contingent rental payments exist in relation to the lease of one grader if utilisation exceeds 250 hours during any month. No contingent rentals were paid during the current or previous reporting periods.

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

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

No lease contains any escalation clause.

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

	2017 \$'000	2016 \$'000
Not later than one year	49	56
Later than one year and not later than 5 years	<u>24</u>	<u>36</u>
	<u>73</u>	<u>92</u>

PORT PIRIE REGIONAL COUNCIL

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

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.50% in 2016/17; 9.50% in 2015/16). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2015/16) of "superannuation" salary.

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

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

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

Contributions to Other Superannuation Schemes

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

PORT PIRIE REGIONAL COUNCIL

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

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

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

LAND UNDER ROADS

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

POTENTIAL INSURANCE LOSSES

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

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

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

LEGAL EXPENSES

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

PORT PIRIE REGIONAL COUNCIL

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

Note 20 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 15 persons were paid the following total compensation:

	2017
	\$
Salaries, allowances & other short term benefits	720,299
TOTAL	720,299

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

	2017
	\$
Planning and building applications fees	2,235
TOTAL	2,235

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

KMP or relatives of KMPs own businesses from which council made purchases during the year. The total value of the purchases was \$44,251.

KMP or relatives of KMPs own businesses which purchased services from council during the year. The total value of the purchases was \$17,005 with a balance outstanding of \$3,350 as at 30 June 2017.

Key management personnel or close family members (including related parties) lodged a total of one planning and building application during the year. In accordance with the Local Government Act 1999, these persons declared conflicts of interest and took no part in the assessment or approval processes for these applications.

One planning and building approval, with and without conditions, was granted during the year. Total fees for this application amounted to \$2,235.

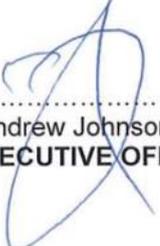
PORT PIRIE REGIONAL COUNCIL

General Purpose Financial Reports for the year ended 30 June 2017

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Port Pirie Regional Council for the year ended 30 June 2017, the Council's Auditor, Ian McDonald, has maintained the 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*.


.....
Dr Andrew Johnson
CHIEF EXECUTIVE OFFICER


.....
Mr John Comrie
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 23/10/17

Ian G McDonald FCA



PORT PIRIE REGIONAL COUNCIL

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Corporation of the Port Pirie Regional Council for the year ended 30 June 2017, 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*.

A handwritten signature in black ink that reads 'Ian G McDonald'.

Ian G McDonald FCA

Dated this 27th day of September 2017

Ian G McDonald FCA



Independent Assurance Report on the Internal Controls of Port Pirie Regional Council

We have audited the compliance of Port Pirie Regional Council (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 2016 to 30 June 2017 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 2016 to 30 June 2017.

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 2013 to 30 June 2014. *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.

A handwritten signature in black ink that reads 'Ian G McDonald'.

Ian G McDonald FCA

Chartered Accountant
Registered Company Auditor 16458

Signed at Grange this 10 day of November 2017

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Ian G McDonald FCA



Port Pirie Regional Council Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of the Port Pirie Regional Council (Council) for the year ended 30 June 2017.

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 2017 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.

A handwritten signature in blue ink that reads 'Ian G McDonald'.

Ian G McDonald FCA
Registered Company Auditor 16458

Signed at Grange this 10 day of November 2017

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Port Pirie Regional Library
08 8632 1649
Port Pirie Tourism & Arts
08 8633 8700

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