



ANNUAL REPORT

2012-2013

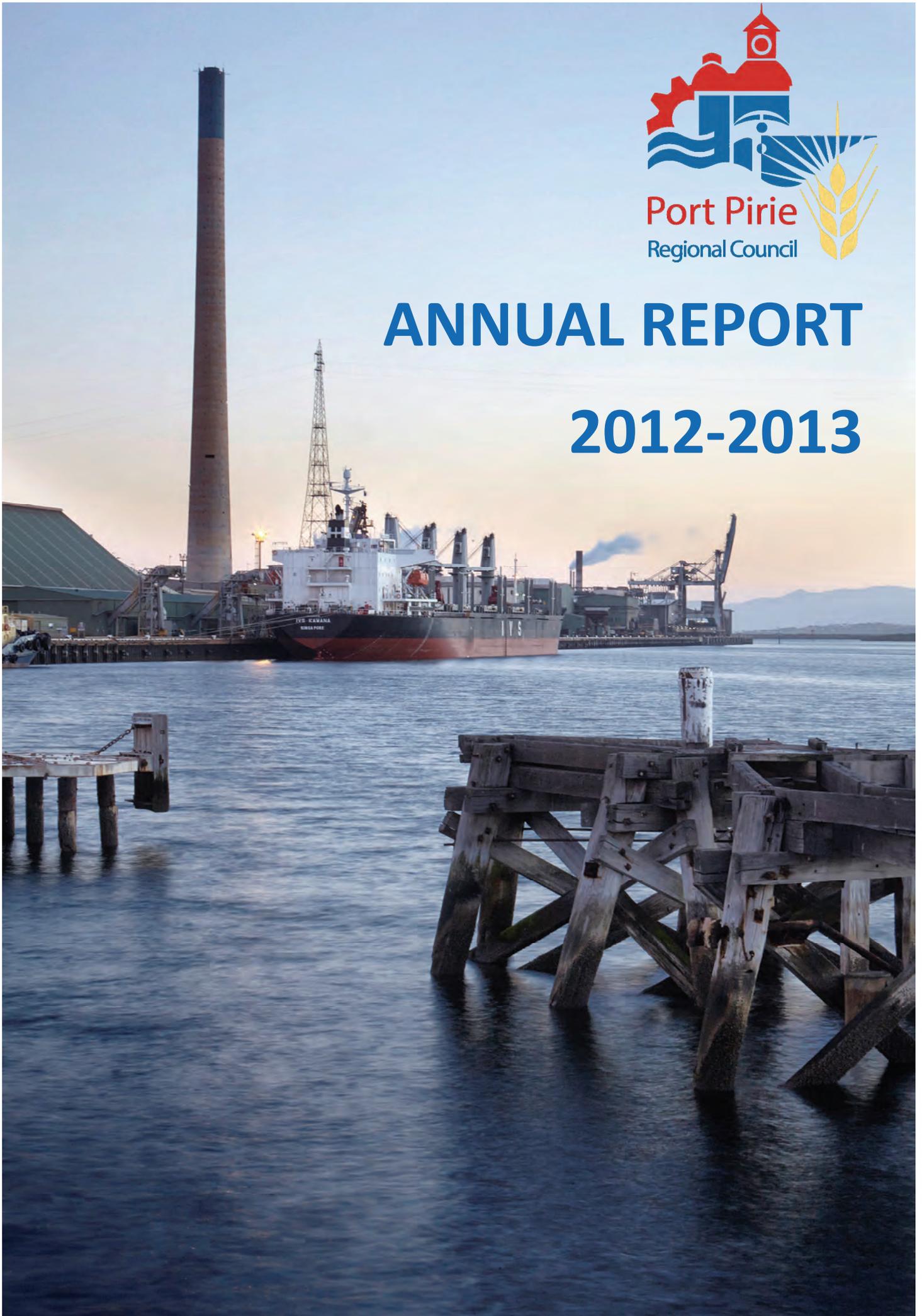


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Council Vision & Profile

Vision

“To promote a quality lifestyle in a dynamic and prosperous region.”

Profile

Total Population	17,333
Total Area	1,761 sq kms
Number of Rateable Properties	10,188
Total Road Network	1,309 kms
Sealed Roads	315 kms
Unsealed Roads	994 kms
Number of Electors	12,258
Total number of Elected Members, including the Mayor	11

Staff Service Awards

The following staff achieved service milestones during 2012/13, and were presented with their certificates from both Council and the Local Government Association of SA :

Jodie Christensen : **20 years service**
Alan Hubert **10 years service**



Jodie Christensen (pictured left) receiving her 20 year service award from Mayor Brenton Vanstone and Chief Executive Officer Dr Andrew Johnson.

Message from the Mayor



It gives me great pleasure to present Port Pirie Regional Council's 2012/13 Annual Report, highlighting the many achievements made by Council during the year.

I was delighted to attend the announcement in December 2012 informing the community that Nyrstar had reached an in-principle funding and support agreement with the South Australian and Commonwealth Governments to redevelop the Port Pirie smelter (the "Transformation"). The Transformation, subject to feasibility studies, will include investment in new technology to upgrade the facility to an advanced poly-metallic processing and recovery facility capable of processing a wide range of high value, high margin raw materials and resulting in an improved environmental footprint and a step change reduction in airborne metal and dust emissions.

While the progression of the first phase of the Transformation into execution is dependent on the successful completion of pre-feasibility and bankable feasibility studies, which is expected to be completed by the end of 2013, I am quietly confident that the transformation will proceed and be completed by 2016.

The Transformation will provide many benefits to the Port Pirie community for many years to come. This project will provide certainty over the longevity of Nyrstar in Port Pirie, will provide jobs and economic activity during construction, and will assist in attracting new business investment to the City.

The past year has seen a number of major projects being completed, as well as planning commencing for a number of other large projects. Some of Council's major achievements during the year included:

- Port Pirie & Southern Flinders Tourist Guide completed and launched
- Secured \$200,000 in State Budget funding towards Council's Growth Plan for Port Pirie
- Nyrstar/Council/Australian Government - Water reuse Scheme completed
- Retail & Industrial Land Study completed
- Fly-in-fly-out study completed
- Solomontown Beach Plaza concept endorsed by Council
- Anti-litter Campaign launched
- Visit by the Governor of SA, His Excellency Rear Admiral Kevin Scarce AC CSC RANR

- Launch of the One Library System
- Filming of part of the "Dream Australia" Series in Port Pirie
- Grant applications submitted for Solomontown Beach Plaza; City Entrances; CBD Rejuvenation, CBD Bike track, Abattoirs Road x2
- The roll out of the new three Bin system, and
- Opening of the new Waste Transfer Station

Council also delivered major infrastructure projects to the region, during the past 12 months, and completed the following capital works:

- Library Landscaping and Carpark
- Crystal Brook Community Bus
- Lawrie Park RV Improvements
- Aerodrome Runway Improvements
- Senior Citizen Building Air-conditioning
- Senior Citizen Building Roof
- Council Office Air-conditioning
- Napperby CWMS Improvements
- Swimming Pools Improvements
- Cunningham Street Drainage, Crystal Brook
- Levee Works, Ellen Street
- Mary Elie Street - Ellen to Florence (north side) footpath
- Cattle Track Road - final seal
- Pelham Road - The Terrace to Senate Road
- Waste Transfer Station construction
- Crystal Brook Skatepark and surrounds
- Port Pirie Cemetery -Resealing of internal roads
- Port Pirie Cemetery-Rose garden Memorial extension
- Warnertown Cemetery Niche Wall
- Osborne Park Playground Replacement
- Landfill Remediation Works

Council continued its efforts during the year to promote the region to visitors, investors and people seeking to relocate to the area. In addition to our regular efforts such as the monthly Cultural Precinct column in The Recorder; producing a monthly Events Calendar which is sent to various individuals and organisations around the region; attending the Adelaide Caravan & Camping Show; print media advertisements in newspapers and magazines (eg Caravanning Australia) and operating the Visitor Information Centre, Council also coordinated the Regional Tourist Guide to showcase the highlights of Port Pirie and the Southern Flinders Ranges.



Southern Flinders Regional Tourism Authority, Tourism Development Officer Stephen Schwer, Council's Tourism Coordinator Belinda Jackson and Mayor Vanstone at the Visitor Guide launch.

Message from the Mayor

Port Pirie Regional Council also maintains membership with various tourism bodies and organisations throughout South Australia, including the South Australian Visitor Information Centre Advisory Group, the Southern Flinders Regional Tourism Authority, Flinders Ranges & Outback SA Tourism Board and the Southern Flinders Tourism and Tastes Association.

The success of Council's marketing and promotional strategy was acknowledged when the Port Pirie Regional Tourism & Arts Centre won two State bronze awards and a number of regional tourism awards. This was a great achievement that recognises the hard work of the Tourism & Arts team.

Council continues to seek out opportunities to attract more business and employment opportunities to the region. I will continue to work hard for this region to attract business and investment and improve the employment opportunities and lifestyle of residents.

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

Mayor Brenton Vanstone

Gift to Council

At the November 2012 Ordinary Meeting of Council, Mervyn and Jill Lewis presented to Council a copy of an illustrated address, the original of which was presented to Mervyn's great great grandfather Thomas Magor (Mayor of the City of Port Pirie in 1887) on his departure from Port Pirie in 1894.

The original address was handed down to Thomas Magor's daughter Hanna who married John Ayres Lines. The address was passed on to one of their grandsons Clarence George Lines who passed it on to granddaughter Margaret Violet Coles. She then passed it on to Mervyn John Lewis.

Mervyn gifted the original address to the State Library of South Australia who have restored it for their historical collection. The gift is a copy generated by the State Library and framed by Mervyn for presentation to the Port Pirie Regional Council.

Mayor Vanstone thanked Merv and Jill Lewis for their generous gift, advising that the Illustrated Address would be displayed in the Council Foyer.



Mayor Vanstone (top left) was presented with a copy of an Illustrated Address of Port Pirie by Mervyn Lewis.



Chief Executive Officer's Report



CEO Dr Andrew Johnson at the official opening of the new Port Pirie Waste Transfer Station.

The past year has been an extremely busy one which saw the completion of a number of long term major projects. Council also commenced preparing a number of plans for its future.

Council managed to complete its Works Program for the year on time and on budget. Amongst the capital works for 2012/13 was the completion of the \$5 million Water Reuse Scheme and the construction of the new Waste Transfer Station for \$4 million. These projects have taken a number of years to plan, obtain funding and to construct.

Council and Nyrstar, together with funding provided by the Australian Government via its National Urban Water Security Plan for Cities and Towns, collaborated to complete this major strategic water reuse project for the City. This Award Winning Project involved reusing 350ML of water per year (with the potential over time to reach 500ML/yr) from Nyrstar's waste water system (PET plant), treat the water by way of a reverse osmosis plant, and make the water available for community municipal greening (100ML), with the balance being reused by industry (Nyrstar). Previously Nyrstar's waste water was released into the ocean after treatment via its PET plant.



Mayor Vanstone (left), Senator Don Farrell, Parliamentary Secretary for Sustainability and Urban Water; Glenn Poynter, General Manager, Nyrstar and Council CEO Dr Andrew Johnson at the official opening of the Port Pirie Water Reuse Project on the 15 November 2012.

This recycled water directly replaced mains water supplied via the River Murray; assists with improving children's health under the community's Ten for Them project; will help facilitate economic and industry growth; as well as assist Council to provide higher quality playing surfaces on its major ovals. The total cost of this project was \$5 million and was funded via the Australian Government (\$2.5 million); Port Pirie Regional Council (\$1 million) and Nyrstar (\$1.5 million).

While this project was being constructed, Council also commenced work on a possible stage two of this water reuse project, by investigating whether it was technically and financially feasible to reuse the City's stormwater. This concept is still being investigated with results not expected until mid 2014.

During the year, Council also completely overhauled how it and the community manage their waste, which included :

- Closing its existing landfill.
- Constructing a new fully enclosed transfer station for domestic and commercial waste and recyclables. This included office facilities, weighbridge, cashiers booth, shed for deposited materials, and internal storage areas for items collected.
- Implemented a three bin kerbside collection service.
- Undertook an anti-litter campaign aimed at youth at the skate park, boat ramp and beach areas.
- Implemented an illegal dumping campaign involving advertisements, signage, surveillance and prosecutions.
- Undertook extensive community consultation and education

Council has spent a considerable amount of time in the last half of the year preparing for its future. This has involved the preparation of a Long Term Financial Plan, an Asset Management Plan, a 10 year Capital Works Plan, together with a major review of Council's Rating Strategy. These Plans will set the community up for the future and show that a proposed \$90 million Capital Works Plan is not only ambitious but also very achievable. These documents will also help Council achieve its vision for the future of the region as well as ensure that it is financially sustainable in the long term.

Council also commenced planning and scoping a number of major community projects for the future and hopes to secure external funding to make them a reality. These include: plans for the improvement to the Warnertown Road City Entrances; the rejuvenation of the Port Pirie CBD; construction of Solomontown Beach Plaza; replacement, duplication and dredging of the Solomontown Boat Ramp; proposed major upgrade to the Memorial Oval Precinct, as well as support Country Arts SA in its endeavours to obtain funding for the upgrade of the Northern Festival Centre. It is pleasing to see that a number of these projects are expected to be completed in 2013/14, while Council will continue to seek funding for the remainder.

Chief Executive Officer's Report

During the year, Council and its staff also won a number of industry awards. These included a Local Government Manager's Award for "Excellence in Water Security" for its water reuse project, together with a number of Regional and State tourism awards for our Visitor Information Centre and our marketing and promotional efforts.



Julie Grant, Department of Environment, Water & Natural Resources, presenting CEO Dr Andrew Johnson with the LGMA Award for Excellence in Water Security.

Council's Audited 2012/13 Financial Statements show that Council has recorded an operating deficit of \$1.7 million before capital revenues. This represents a deterioration to the surplus recorded in 2012 of \$0.7 million. However the 2012 result was arterially inflated due to an additional quarterly payment of the financial assistance grant of \$1.17 million being received from the Federal Government. This not only arterially inflated the 2012 result, but also has the reverse effect on the 2013 result.

Council's Net Assets have increased by \$27.9 million to \$203.4 million. The increase is largely due to revaluations of roads, footpaths and kerbing (\$29.7 million); which was offset by a reduction in cash (\$3.5 million) and increase in borrowings (\$1.5 million). The reduction in cash and increase in borrowings resulted from the Financial Assistance Grant received in advance in 2012 being spent in 2013 and borrowing for major projects respectively.

The Operating Surplus Ratio indicates a surplus ratio of (14%), compared to 7% in 2012 and (36%) in 2011. The statements also provide the same ratio, but ignoring advance payments of financial assistance grants. The deficit ratio of (13%) still reflects an encouraging result compared to previous years, and reduces to just (7%) if the one-off landfill remediation expense is excluded from the calculation. This represents a positive trend for Council to build on into the future and is consistent with the Long Term Financial Plan's trend towards a sustainable operating surplus by 2016.

The Net Financial Liabilities Ratio of 20% represents an increase to the previous ratio of 3% in 2012, but is consistent with the 21% of 2011. The result reflects the reduction in cash holdings as at 30 June 2013 and the new loan of \$2 million. This represents a manageable trend for Council, and is in compliance with the Long Term Financial Plan which provides for a long term target range of 30%-70%.

The Asset Sustainability Ratio compares the capital expended on existing assets to the cost of asset consumption (ie depreciation) for the year. The ratio of 67% is a significant increase to previous ratios of 26% (2012) and 53% (2011), representing a higher commitment to existing assets. The ratio reflects Council's changing priority towards servicing and replacing existing assets as indicated in the Long Term Financial Plan and Capital Works Program. Council's immediate and long term aim is to raise this ratio to 100% or more to ensure that its existing assets are being replaced at the same rate as they are consumed.

Council's expended \$3.9 million on renewing existing assets while spending \$4.8 million on new and upgraded assets. In future years, Council should expect to fully fund new assets by grants, sale of surplus assets, loans or by operating surpluses, to maximise amounts to be spent on existing assets.

By and large, the 2013 Financial Statements represent a positive trend which will only improve as Council implements the strategies within its Long Term Financial Plan.

The year ahead looks exciting with a number of projects currently under development expected to be completed, such as the Solomontown Beach Plaza, City Entrances, and improvements to our marine facilities, as well as the release of concept plans for the rejuvenation of the CBD, Memorial Oval Sporting Precinct and a number of other smaller projects. In addition, with the increasing number of businesses seeking to invest in the area, it is hoped that the region will see increased development activities which will hopefully see employment opportunities for existing and new residents improve significantly.

Dr Andrew Johnson
CHIEF EXECUTIVE OFFICER

Elected Member Information



Mayor Brenton Vanstone



Cr John Rohde
Deputy Mayor

Cr Mike Basley

Cr Gerry Chivell

Cr Debbie Devlin

Cr Dino Gadaleta



Cr Shirley Hortin

Cr Garry Nayda

Cr Joe Paparella

Cr Leon Stephens

Cr Neville Wilson



Seated (l to r): Cr Shirley Hortin, Cr Neville Wilson, Mayor Brenton Vanstone, Cr Garry Nayda, Cr Debbie Devlin.
Standing (l to r) Crs Leon Stephens, Cr Gerry Chivell, Deputy Mayor Cr John Rohde, Cr Mike Basley,
Cr Dino Gadaleta. Cr Joe Paparella.

Elected Member Information

Meeting Attendance

ELECTED MEMBERS	ORDINARY MEETINGS	SPECIAL MEETINGS	Audit Cmte	Sport & Rec Cmte	Dry Areas Cmte	Entrances Cmtee	Asset Management Cmte	CEO Perform. Review Cmte	Section 101A (Dev Act)
Mayor Brenton Vanstone	12	3						7	
Deputy Mayor John Rohde	8	1					2	5	1
Cr Mike Basley	12	3	3				5		2
Cr Gerry Chivell	12	3		3	2	1			
Cr Debbie Devlin	11	3		3		1		7	2
Cr Dino Gadaleta	10	2			1		4		
Cr Shirley Hortin	9	3							
Cr Garry Nayda	11	2		2		1			
Cr Joe Paparella	9	3							
Cr Leon Stephens	7	2	2	2					2
Cr Neville Wilson	10	3	3				5	5	
Totals	12	3	3	3	2	1	5	7	2

Elected Member Information

Training/Conferences

Elected Member	Description	Date
Mayor Brenton Vanstone	GMUSG & SACOME Mining & Resources Conference LGA Canberra Delegation 2012 LGA Conference & AGM SA Resources & Infrastructure Conference Social Media & Your Business (Michelle Prak) Local Government Showcase & General Meeting LGA Presidents Forum National General Assembly of Local Government	29 & 30 August 2012 11 & 12 September 2012 25 & 26 October 2012 19 & 20 March 2013 8 April 2013 18 & 19 April 2013 13 June 2013 16-19 June 2013
Cr Mike Basley	Local Government Showcase & General Meeting	18 & 19 April 2013
Cr Gerry Chivell	Roads & Works Conference ALGWA Take Two Mini Conference Local Government Conference & AGM Social Media & Your Business (Michelle Prak) Local Government Showcase & General Meeting	23 & 24 August 2012 19 October 2012 25 & 26 October 2012 8 April 2013 18 & 19 April 2013
Cr Debbie Devlin	ALGWA Take Two Mini Conference Social Media & Your Business (Michelle Prak)	19 October 2012 8 April 2013
Cr Dino Gadaleta	Social Media & Your Business (Michelle Prak) Mainstreet SA State Conference LGA General Meeting & Showcase	8 April 2013 17 April 2013 18 & 19 April 2013
Cr Shirley Hortin	Roads & Works Conference Wallmans ICAC, ERD Court, Native Title Seminar ALGWA Take Two Mini Conference LGA Conference & AGM	23 & 24 August 2012 13 September 2012 19 October 2012 25 & 26 October 2012

Community Awards

2013 Port Pirie Australia Day Awards

Citizen of the Year

Awarded to

Des Conder



Des is the current President of the Port Pirie Senior Citizens Club and has been an active member of the club for many years. A tireless volunteer for the Club, Des drives the Club's bus and is also involved in garden maintenance, minor repairs around the building, the setting up and packing away of tables and chairs and equipment used in the daily activities at the club.

Des also volunteers at the Joyce Gray Centre at the Port Pirie Hospital where he delivers meals in a most entertaining fashion, also drives community members to and from the hospital for their appointments.

A keen member of the Port Football & Community Club, Des has for many years assisted in the kitchen and waiting on tables for the various functions held at the club.

Des was also for many years a regular at the Heartbeat stall at the football at Memorial Oval, and played an active role with the Northern Country Music Association for many years.

Young Citizen of the Year (Joint Winners)

Awarded to

Benjamin Ervin

Benjamin has dedicated 14 years of service to the VacSwim Program in Port Pirie, starting out as a volunteer and progressing through sheer hard work and determination, to become the Instructor-in-Charge for the Port Pirie Program in 2012 and 2013. Ben is also a volunteer with the Port Pirie Amateur Swimming Club and assists young swimmers reach and maximize their full potential. Working full time for Ben as he requests holidays and swaps shifts to be available for VacSwim.

Emily Wilson

17 year old Emily received the Mid North Christian College 2012 Outstanding Community Contribution Award, acknowledging her strong involvement in the college's Student Leadership Team as Vice Captain, assisting the college community and coaching the Under 12 netball team. Emily was also the recipient of the 2012 Rotary Outstanding Contribution Award and

in 2011, the Australian Defence Force Leadership Award, and has participated in fundraising events for Camp Quality.



Community Awards

Event of the Year

Awarded to the
**Mundoora Progress Association –
Mundoora Centenary of Proclamation
Celebrations : 13 & 14 October 2012**

The Centenary inspired the Mundoora community to work together to achieve a common goal, culminating in a wonderful weekend of celebrations and reminiscing, including the launch of a book on the past history of Mundoora, placement of a time capsule, photography and machinery displays, an old style dance, church service, vintage cars, and an old fashioned sports day.



Leonie Schmidt and John Gill accepting the Community Event of the Year Award for the Mundoora Progress Associations' Centenary of Proclamation.

2012 Crystal Brook Australia Day Awards

Citizen of the Year

Awarded to
Val Brinkley

Val has served her community as a volunteer for many years, including Red Cross for almost 20 years, Crystal Brook Primary School, sporting clubs, Willochra Home Auxiliary and a driver of the community bus.

Community Event of the Year

Awarded to
**Bowman Park Management Committee –
Bowman Park Fun Day**

A fundraising event for Bowman Park, providing loads of fun and entertainment for the whole family
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Deputy Mayor Cr John Rohde (left), Crystal Brook Citizen of the Year Val Brinkley, Michael Richards representing the Bowman Park Fun Day, winner of the Community Event of the Year and the Chair of the Crystal Brook Community Association Geoff Saunders.

2012 Redhill Community Awards

Citizen of the Year

Awarded to
Murray Heinjus

The Redhill community 2013 Citizen of the Year Award was awarded to Murray Heinjus for his contribution to the community and



Office of the CEO

AWARDS

Council projects and our staff continue to be recognised across the state winning multiple awards during the year. I congratulate our staff on these achievements and the many positive contributions that they make to our community.

LGMA Excellence in Water Security Award

Local Government Managers Australia SA Division (LGMA (SA)) is the leading professional association representing Managers and aspiring Managers in local government in South Australia, with the purpose to promote excellence through the advancement of local government management.



The Leadership Excellence Awards program is an annual program which recognises outstanding achievement and innovation in local government, with awards presented at the LGMA (SA) Gala Dinner.

The overall aim of the LGMA (SA) Leadership Excellence Awards is to:

- Raise the standard and quality of local government leadership and management across local government in South Australia.
- Create public awareness of the level of expertise and excellence in local government.
- Recognise excellence demonstrated by LGMA (SA) members and individuals employed by local government thereby rewarding their efforts.

In April 2012 Council's Chief Executive Officer received the LGMA Award for "Excellence in Water Security" for the Port Pirie Community Water Reuse Scheme. This project was a joint initiative of Port Pirie Regional Council, Nyrstar, and the Australian Government. The award was presented in recognition of the leadership shown in initially applying for the grant, coordinating the project, and bringing all parties together to successfully complete the project.

Regional Tourism

In June 2013, the Port Pirie Visitor Information Centre won Gold at the Flinders Ranges & Outback Tourism Awards in the categories of Visitor Information & Service and for Excellence in Tourism. An outstanding achievement.

State Tourism

In November 2012, Council was recognised for its contributions to tourism in the SA Tourism Awards. Council received a bronze medal in the Excellence in Tourism by Local Government category in recognition of being a leader of tourism in the region.

This includes a range of projects and initiatives to benefit not just the City but the whole Southern Flinders Ranges, including a Visitor Guide, DVD. Visitor survey and regional photo shoot.

The Port Pirie Visitor Information Centre was also recognised with a bronze medal in the Visitor Information & Services category. This commendation acknowledged the centre upholding Port Pirie's motto as the 'City of Friendly People' while providing a range of services and attractions for locals and visitors alike.



ECONOMIC DEVELOPMENT

Collectively the Port Pirie Regional Council, the Member for Frome and Regional Development Australia Yorke and Mid North have identified opportunities for addressing long term growth and structural change, which we believe are fundamental to the future prosperity of the region. We believe that this will require a combination of skills, infrastructure, community facilities and industry development.

The Planning Group developed a Growth Strategy which was designed to outline what they intend to jointly achieve to attract investment to the region and our priorities for the next three years. This Growth Strategy is designed to complement Regional Development Australia Yorke and Mid North's Regional Road Map, together with Council's various plans and strategies for the region. This Growth Strategy is intended to be concise and is supported by various other documents containing further details on each project.



Member for Frome Geoff Brock, Mayor Vanstone, Regional Development Australia Yorke & Mid North CEO Kellie-Anne Saffin and Council CEO Dr Andrew Johnson at a Growth public consultation forum.

Council has focused over the last few years, on improving the liveability of the region and enhancing the lifestyle and opportunities for the community. Port Pirie Regional Council's vision, as described in its Strategic Plan, is to enhance its quality lifestyle in a dynamic and prosperous region.'

More specifically, the following key priorities for the coming years have been identified :

- Need to work with Nyrstar to ensure its long-term sustainable future;
- Ensure the growth and prosperity of existing businesses;
- Business, investment, and population growth;
- Infrastructure improvements (airport, wharf access, gas pipeline duplication);
- Completion of foreshore development;
- Develop the region's sporting and other community facilities;
- Increasing availability of industrial, commercial and residential land;
- Integrated Water Management;
- Social and community facilities.

This Plan was developed through a series of workshops within the Planning Group and through community input provided at two community forums.

The 'Key Strategic Priorities for the Growth of Port Pirie Plan' identified four major infrastructure items which it believed would stimulate growth and investment. Council was subsequently allocated \$200,000 in the 2012/13 State budget to assist in preparing business cases in pursuit of its Growth Strategy. The money will be used to fund the Fly-In-Fly-Out Demand Study, investigate options to expand use of the Port, prepare a business case to duplicate gas supplies into the Upper Spencer Gulf, and to determine the feasibility of setting up a skills training centre in the region.

Following the June public consultation meeting on the Growth Plan, the Port Pirie Planning group have updated and finalised the Growth Plan to reflect the feedback it received at that meeting.

Port Pirie Fly-In-Fly-Out Demand Study

Council commissioned Aurecon to undertake a demand study to determine the feasibility and interest of providing Fly-In-Fly-Out services from Port Pirie. The study involved obtaining the views of mining companies, air charter companies and potential mining employees living in the region on Fly-In-Fly-Out from Port Pirie. The Aurecon report was tabled at the October 2012 meeting of Council. Unfortunately the report indicated that due to the current economic climate, there was insufficient demand for Fly-In-Fly-Out services from Port Pirie. Council resolved to defer any decision relating to the upgrade of the airport for 12 months, pending an improvement in economic conditions. Copies are available on Council's website.

Retail Study & Industrial Land Demand

Council has commissioned Connor Holmes to prepare a retail study to gain an insight into the retail leakage from Port Pirie, where people in the Southern Flinders shop and

for what, details of the floor space occupied and vacant within Port Pirie, as well as identifying potential unmet demand.

Council has also commissioned Connor Holmes to prepare a study on the availability and future requirement for employment land in Port Pirie. This study looks at the current availability of industrial and commercial land, the size and location of vacant land appropriately zoned for these activities, recent demand, expected demand from the mining sector, and where additional industrial land should be located.

Port Development

Council and its Planning Group partners have placed a large emphasis on promoting the strategic opportunities that the Port Pirie Port can offer the emerging mining sector in South Australia. Port Pirie has been identified as a strategic port solution to the expanding mining sector in South Australia. The City is ideally located in the upper Spencer Gulf region of South Australia. It is only 2 ½ hours north of Adelaide, is central to the increasing mining activities being experienced in the east (Braemar region) and to the North (Olympic Dam & the Woomera protected region) of South Australia, and is the gateway to the spectacular Southern Flinders Ranges.

Council and its Planning Group partners have worked extensively with government, the mining sector, port operators and potential investors to explore these opportunities. Council has also commissioned a study, complete with video fly through and promotional material, to highlight the benefits of expanding the port. This body of works is expected to be completed in 2013/14.

Businesses Attraction

Council is very active in meeting with potential business investors. Council is also involved in a number of other groups such as the Upper Spencer Gulf Common Purpose Group, Global Maintenance Upper Spencer Gulf, Port Pirie Chamber of Commerce and Regional Development Australia Yorke Mid North.

USG Place Base Initiative Strategy

The Upper Spencer Gulf (USG) region of South Australia is undergoing a significant economic transition as it moves towards a more diversified and stronger economic base. It is anticipated that over the next decade, investments of approximately \$36 billion will occur in the mining, minerals processing, renewable energy and associated services sectors.

In order to secure these investments, the region needs to be on the front foot in establishing an investor-friendly environment and supporting sustainable communities that will be the key to long term growth.

Important work has already been done by local government, Regional Development Australia (RDA) Boards and groups such as the Upper Spencer Gulf Common Purpose Group on articulating the region's current and future needs. This strategy acknowledges this work, and intends to build on, rather than duplicate the efforts of parties to date.

Office of the CEO

The Commonwealth and State Governments also play a vital role in supporting the private sector investment process that will underpin the economic development and diversification of the Upper Spencer Gulf economy.

In July 2012, the Council of Australian Governments Standing Council on Regional Australia progressed an ambitious cooperative agenda to deliver real and lasting growth across regional Australia. The Council committed to a way forward on a framework for regional economic development and, as a first step, agreed to the key determinants of long-term regional economic growth:

- human capital, particularly education and skills;
- sustainable (economically, environmentally and socially) communities and population growth;
- access to international, national and regional markets;
- comparative advantage and business competitiveness; and
- effective cross-sectoral and intergovernmental partnerships (including through place-based approaches) and integrated regional planning

These determinants provide a common lens through which jurisdictions can consider regional development and design assistance for regional economies in assistance, and provide the framework for this strategy.

A Memorandum of Understanding for regional development in the Upper Spencer Gulf (the MOU) was signed by the three tiers of government on 25 September 2012. The purpose of this MOU is to facilitate the development of coordinated, strategic, cooperative arrangements for the USG and includes governance framework structures to support its implementation.



Mayor Brenton Vanstone, Federal Regional Development Minister Simon Crean, LGA SA President Kym McHugh, Whyalla Mayor Jim Pollock and Port Augusta Mayor Joy Baluch at the signing of the MOU for regional development in the Upper Spencer Gulf.

This governance framework includes the establishment of an Upper Spencer Gulf Alliance to provide high-level oversight to the implementation of the MOU. Alliance members are the Minister for Regional Australia, Regional Development and Local Government, the Minister for Regional Development and the President of the Local Government Association of South Australia (LGASA) and/or the three Mayors of the Upper Spencer Gulf (Port Pirie Regional Council, Port Augusta City Council and the Corporation of the City of Whyalla).

The governance framework also establishes an Upper Spencer Gulf Working Group as the key body guiding work in the region under the MOU. The Working Group will include high-level officers from the Department of Regional Australia, Local Government, Arts and Sport; the Department of Primary Industries; the LGASA; the Upper Spencer Gulf Common Purpose Group; RDA Whyalla and Eyre Peninsula; RDA Far North; RDA Yorke and Mid-North; the Chief Executive Officers of Port Augusta City Council, Port Pirie Regional Council and the Corporation of the City of Whyalla; the Outback Community Authority; the Eyre Peninsula Local Government Association and the Central Local Government Region of South Australia.

The Working Group supported the development of this Plan through the provision of regional intelligence on the issues, challenges and opportunities facing the region and practical and innovative strategies for addressing them.

Part of the intention of the MOU is to transition to the region from where it currently is, to where it wants and needs to be. The MOU will act as the catalyst for the Commonwealth, State and Local Governments, industry and unions, RDA Boards and other key groups and individuals with a focus on the well-being of the Upper Spencer Gulf to come together to act in a collaborative and coordinated way. This strategy is intended to be the first stepping stone in this long-term process of regional

MAJOR PROJECTS

Council has completed a number of capital works projects during the year totalling \$8.7 million. This included the completion of two major multi-year multi-million dollar projects, being the Port Pirie Water Reuse Project and the construction of a new Waste Transfer Station.

In addition to the projects completed during the year, Council also considered a detailed report at its November 2012 Ordinary Meeting on its community infrastructure priorities for the coming years and recommended the following projects be scoped, costed and developed for inclusion in its five year Capital Works Plan and Long Term Financial Plan:

- Solomontown Beach Plaza
- Roads, footpaths, bridges et al
- City Entrances
- CBD Drainage & Rejuvenation
- Memorial Oval Precinct
- Improve marine facilities
- South West drainage
- Water Reuse Stage 2

Office of the CEO

Details on these projects and their status as at June 30, 2013 are included below.

Port Pirie Water Reuse Project

Port Pirie Regional Council and Nyrstar (Port Pirie), together with funding provided by the Australian Government via its *National Urban Water Security Plan for Cities and Towns*, have collaborated to complete a major strategic water reuse project for the City of Port Pirie.

The project involved reusing 350ML of water per year (with the potential over time to reach 500ML/yr) from Nyrstar's waste water system (PET plant), treat the water by way of a reverse osmosis plant, and make the water available for community municipal greening (100ML), with the balance being reused by industry (Nyrstar). Previously Nyrstar's waste water was released into the ocean after treatment via its PET plant.

This recycled water directly replaced mains water supplied via the River Murray; assists with improving children's health under the community's *Ten for Them* project; will help facilitate economic and industry growth; as well as assist Council to provide higher quality playing surfaces on its major ovals.

The total cost of this project was \$5 million and was funded via the Australian Government (\$2.5 million); Port Pirie Regional Council (\$1 million) and Nyrstar (\$1.5 million).

Waste Management Facilities



Council has completely overhauled its waste services including :

- Closing its existing landfill.
- Constructing a new fully enclosed transfer station for domestic and commercial waste and recyclables. This included office facilities, weighbridge, cashier's booth, shed for deposited materials, and internal storage areas for items collected.
- Implemented a three bin kerbside collection service.
- Undertook an anti-litter campaign aimed at youth at the skate park, boat ramp and beach areas.
- Implemented an illegal dumping campaign involving advertisements, signage, surveillance and prosecutions.
- Undertook extensive community consultation and education.



City Entrances

Hywel Jones Landscape Architects was commissioned by Port Pirie Regional Council to develop a Master Plan for an entrance statement into Port Pirie at the corner of Warnertown Road and Augusta Highway. The main purpose for this proposal was to attract visitors to turn off the highway and drive into Port Pirie, and to create an inviting entrance that provided the sense that "you have arrived".

The Master Report concludes with the preferred entrance statement designs based on the feedback received in a survey of Elected Members. The proposed concept for the intersection of Warnertown Road and Augusta Highway, is based on a ship's hull with three billowing sails and feature planting and lettering. This option has the potential to



become an iconic feature for Port Pirie and attract motorists to turn off the highway.

The proposed entrance statement concept for the centre of the Three Chain Road roundabout is based on a ship's wheel with feature planting and lettering.

Warnertown Road itself will feature an avenue of distinctive trees that will stand out from its surrounds, guiding visitors from Augusta Highway to the built up area of Port Pirie. This proposal was put out for public consultation in early 2013/14.

Funding applications under RDAF Round 3 & 5 were unsuccessful and internal funding options are now being considered by Council.

Stormwater Reuse Investigations

Council is undertaking three preliminary investigations into additional water reuse options in the City. All are at very early stages and seek to determine if it is economically and technically feasible to harvest stormwater and underground water for reuse in both the north and south of Port Pirie. All are at their infancy and are likely to provide numerous technical challenges, thus Council does not want to build up community expectations as to what may be achieved.

To date, Council has received a preliminary report into the feasibility of harvesting stormwater to the north of the City and using ground water to the east. This report indicates that these may be feasible and should be investigated further, which is currently being undertaken. A project team has been assembled to determine the economic and technical feasibility of these options, with a start up meeting and onsite inspection occurring on March 27. The team have been asked to prepare a scoping document for the project and key issues and data gaps that are required to be resolved. A draft report has been received indicating that the project is technically feasible. Staff are currently reviewing this report in detail and in particular the higher than expected costs of the project.

Solomontown Beach Plaza

Council intends to open up Beach Road, from Main Road Solomontown to through traffic and provide an attractive entrance to Solomontown Beach, which it is hoped will increase utilisation of the area and encourage private investment. A major design principle adopted in the design of the Plaza was to create a public space that will not only function efficiently, but will also be viewed as an inviting and attractive space for people to use and interact with. By creating a space with a high level of visual presentation, the Plaza will not only function as required, but will also become a key destination space along Main Road, as well as becoming a key entry point to the Solomontown Beach Precinct.

This project has received funding under the State Government's People for Places Program in June 2013 and is expected to be completed by February 2014.



Marine Facility Improvements

This project involves finalising the Port Pirie foreshore projects. More specifically, in the short term, it involves replacing the current boat ramp pontoon, dredging around

the existing boat ramp towards Fishermen's Jetty, and duplicating the existing boat ramp (stage 1). In the longer term, it involves considering the options and feasibility of replacing the "Yacht Club" pontoon, landscape around Berth 1 and replace Fishermen's Jetty.

Council has submitted an application to the SA Recreation Boating & Fishing Committee for funding to replace the current boat ramp. A further application will be submitted in the next two years for the balance of the project. Council has allocated \$650,000 to this project out of its own funds. Subject to securing funding it is expected that the first stage of this project will be completed by June 2015.

CBD Rejuvenation



This project is designed to revitalise the Port Pirie City Centre and its environs, including the improvement of the streetscape, the alteration of associated signage, improved branding and essential infrastructure.

The aim of the project is to improve the CBD to enhance its image as a major retail and recreation destination for the mid north region of the State. The total cost of the upgrade works is in the order of \$20m, which would be undertaken over time. Stage one of the overall project, being the upgrade of Florence Street, Norman Street and Alexander Street, is estimated at \$7.1m.

Connor Holmes was commissioned to prepare a Business Case; concept plans, risk analysis, project costings, implementation plan and undertake public consultation on this project. Council has received positive response to this Plan through its public consultation process and is now reviewing these comments, finalising the Master Plan, determining funding options, and preparing an implementation plan. Funding applications under RDAF Round 4 & 5B were unsuccessful. Council has allocated \$2m to this project.

Extensive community consultation on this project will be undertaken in early 2013/14 before the concept designs are finalised.

Memorial Oval Sporting Precinct

Council is proposing to build a multi-purpose outdoor playing facility at Memorial Oval Port Pirie. This project will facilitate the rationalisation of playing surfaces in Port Pirie, provide significantly upgraded facilities to replace the current ageing infrastructure, accommodate multiple sports, and will help to rejuvenate the CBD by bringing more sports to the centre of town.

Sports180 has been commissioned to prepare a Master Plan, business case; concept plans, risk analysis, project costings and undertake public consultation on the project. This is well under way and is expected to be completed in December 2013. Once completed, this will form the basis of our implementation plan. Council is currently also seeking funding opportunities for this project.

Council has allocated \$2m to this project.



Memorial Oval Sporting Precinct concept plan

Grant Applications

Council is always looking at a way to leverage its funding to secure projects which will enhance the lifestyle of residents and make the region attractive to visitors, new residents and investors. As a result, the latter half of the year has seen the Council being active in applying for external grants for a number of projects. The table below indicates the grants which Council has applied for and their current status:

Project	Grant Source	Status
City Entrances	RDAF Round 3 & 5	Unsuccessful
CBD Renewal	RDAF Round 4 & 5B	Unsuccessful
Solomontown Beach Plaza	People for Places	Successful
Abattoirs Road Upgrade (widening)	Black Spot	Outcome Pending
Abattoirs Road Upgrade (straighten curves)	Black Spot	Outcome Pending
City Bike Track	State Bicycle Fund	Outcome Pending
Replace Boat Launching Pontoon	SABFAC	Outcome Pending
Regional 'Sustainability Centre' Feasibility Study (CLG/RDAYMN/NRM/PPRC)	Dept of Environment, Water & Natural Resources	Successful

COMMUNITY ENGAGEMENT & PROMOTION

Social Media

Council has been using social media to keep the community informed of its activities and receive feedback and suggestions from residents for over 12 months, with a Facebook page and Twitter (@PPRCSA). In fact our Council is considered a leader in the field in regional SA.

Council has received many suggestions on its Facebook page for projects that members of the community believe Council should be involved in. While Council is not in a position to fund all of these suggestions, many have been included in Council's budget. These include allocating \$70,000 for kerbing and footpath on the Pelham Road side of the golf course, setting up a committee and allocating funds to improve the City's entrances, as well as investigating the feasibility of providing fly-in-fly-out services from Port Pirie to the emerging mining sector in this north of the State.

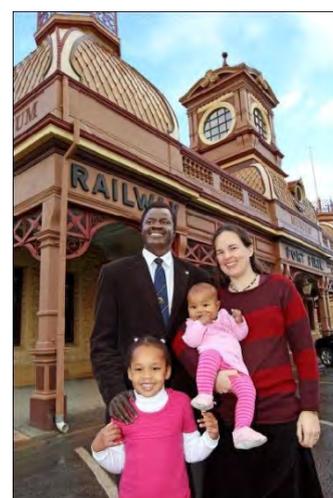
Council encourages members of the community to follow on Twitter and like us on Facebook to keep informed as to what is going on in our community and to provide us with comments and suggestions.

Promoting Port Pirie to the World

Council participated in a Local Government Association Statewide initiative to lift the profile of Council careers and services. The campaign, co-ordinated by the Local Government Association (LGA), is using YouTube, social media and digital advertising for the first time to illustrate what Councils and their staff members do. YouTube presents a fresh, economical way to do this with a wide audience appeal and the LGA have filmed real people talking about real projects.

Council used the opportunity to promote our successful community engagement with the recent Anti-Litter Campaign at the skate park, boat ramp and Solomontown beach. The YouTube clip can be viewed at <http://youtu.be/8Tp-T3H-CE>

Council also participated in the "Dream Australia" series, promoting careers in local government and Port Pirie to overseas markets. This was a joint initiative of Council, Regional Development Australia Yorke and Mid North, and the LGA. The series featured interviews with Council staff and residents who were born overseas and decided to immigrate to Australia and live and work in Port



Council's Development Officer Kuol Baak with wife Mel, and children Akon (front) and Achol.

Pirie. The series, including the Port Pirie participants also featured in an article in the Advertiser newspaper. These initiatives are just two examples of how Council is endeavouring to promote Port Pirie and the region as an ideal place to visit, live and invest.

Administration & Community Services

RESPONSIBILITIES

- Governance
- Administrative Support
- Human Resource Management
- Work Health & Safety (WHS)
- Elections
- Property Management
- Tourism & Arts
- Library
- Community Services
- Internet Centre

2012/2013 ACHIEVEMENTS

WORK HEALTH AND SAFETY (WHS)

Council's commitment to providing a safe workplace for employees is ongoing and is being enhanced to ensure compliance is greater than the required legislation.

Council has had the added challenge of new Work Health and Safety (WHS) legislation that was introduced in January 2013.

With the introduction of the new WHS legislation, Council is currently reviewing all WHS Policies and Procedures in conjunction with Local Government Workers Compensation Scheme. The policies and procedures, referred to as 'One System' are being reviewed and adopted / adapted to meet our requirements.

This year Council has been part of a state wide project via the Local Government Workers Compensation Scheme addressing non-conformance issues relating to the Work Cover Self Insurance licence.

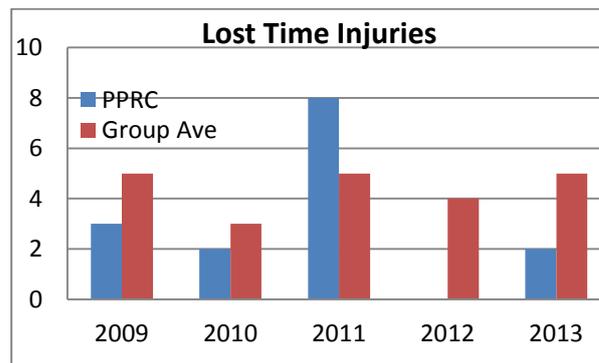
A review of the WHS Plan 2011/2012 was undertaken in November 2012 with the view of planning and programming the future direction of WHS for the 2013/2014 year. The new plan was endorsed by Senior Management team in April 2013 with the focus on: Training, Contractor Management, Emergency Management, Injury Management, Policy and Procedures and Hazard Management.

Balancing resourcing and areas identified for improvement is always challenging when programming and planning however this process is continuously improving. The Management team are constantly striving to increase their commitment to ensuring actions, objectives and targets dates are realistic and achievable.

Consultation and Communication was a major focus for Council in the 2012/2013 WHS Plan. Improvements have been made to our Work Health and Safety committees, communication streams ie regular newsletter and intranet site 'Click on to Safety' and the involvement our Health & Safety representatives have with their respective workgroups.

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

WHS is a key component of Council operations and the appropriate resources were and still are being made available to complete this project.



PROPERTY

The property section of Council is continually reviewing Council assets to determine the best usage of the asset. Leases are being continually updated to ensure Council's public liability is protected and new leases/licences are implemented when Council property is being utilised.

Council assets are also reviewed to see if they need to be retained by Council. If these assets are not required by Council then they are disposed of by auction or tender.

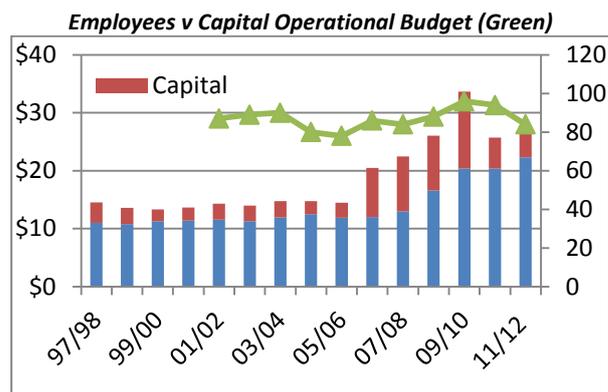
HUMAN RESOURCE MANAGEMENT

The Human Resource Department of Council provides a council wide human resource function that meets all legislative standards.

The Department ensures all awards and enterprise agreements are current, and that these awards and enterprise agreements are communicated throughout the organisation.

As part of the WHS Compliance project, considerable work has been undertaken on Core Competencies of Job Descriptions and Training Needs Analysis of all employees. A project to update all Job Descriptions of Council employees has commenced and will be completed in October 2013. Training plans that encompass the whole organisation have been developed for most departments.

Recruitment policies and processes are continually updated to provide the most efficient manner in recruitment. Training plans are currently being developed to ensure Council has well trained staff to provide efficient service provision.



Administration & Community Services

Performance appraisals are conducted on an annual basis and are a key component for ensuring a two-way communication process is in place to look at job performance.

Management of Workers Compensation claims and rehabilitation issues are a major part of the Human Resources Department. Legislative compliance has been excellent in these areas.

As part of Council's desire to achieve best practice in Human Resource Management and also meet legislative requirements there has been a commitment to develop and implement Human Resource Management Policies including policies in relation to Parental Leave, Recruitment, taking of Leave, and Work from Home.

The Human Resource Department of Council also provide a link to Superannuation providers that hold employees superannuation funds. Changes to Government legislation and the global financial situation have forced changes to Council's contributions and methods of operation:

- Salary Link now 9.3% for existing employees before 1/7/2011
- New employees and non-Salary Link Members 9%.

ELECTIONS

No elections were held during the year. The next Periodical Election is scheduled for 2014.

LIBRARY SERVICES

The Port Pirie Regional Library Service aims to provide high quality library and information services to all sectors of the local community. The Library service provides gateways to information, learning and leisure. The service consists of 2 branches: the Port Pirie Public Library and the Crystal Brook Public Library. The Council also contributes to the funding of the Flinders Mobile Library which visits Napperby, Koolunga and Redhill on a regular basis.



The change in Library opening hours at the Port Pirie Branch during 2012/13 (closure on a Saturday morning) has been reflected in a small drop in loans. With the completion of the car park and lighting installed, the Library is now open to 7pm on a Tuesday. The Port Pirie Branch is now open 46 hours per week and the Crystal Brook branch 30 hours per week.

The Library collection includes books, magazines, music CD's, DVD's, CD-ROM's, jigsaws, Hear a books, language kits, graphic novels and sports equipment for people of all ages.

Volunteers

Over the past 12 months a small group of enthusiastic volunteers have been assisting Library staff with our Home Library Service selections and deliveries and keeping our books in order on the shelves. Their help is much valued and greatly appreciated.

The Library also values the Justice of the Peace and District Family History Group who regularly volunteer their time to provide services through the library. The Justice of the Peace Service continues on Wednesday and Friday afternoons between 1pm and 3pm. The Port Pirie District Family History Group is providing a volunteer on Friday afternoons between 1pm and 3pm to assist people with their family research.

2012/13 Library Highlights

Joining the 1LMS

22nd October 2012 was the official start to planning and preparing to join the 1LMS. The 1LMS is a state-wide Library Management System (LMS). Existing services were maintained while staff undertook training, data clean up, planning and testing. The Port Pirie Library Service went live on 7th March 2013.

Under the new system, library card holders will be able to use their card at each of the 130 public libraries across South Australia, and be able to search catalogues and request items from other libraries. This means access to over 4 million items, including books, DVDs, music CDs, and large print books. For customers who use Facebook, the product also has a Facebook App, allowing customers to link their library account and check what items they have on loan and reserve others.

The 1LMS Launch was a successful event with Management, Councillors, a member of the State Library Board, members of the public and staff from other Council libraries attending. Thanks must go to the staff for being able to cope with the launch and using the new system at the same time.

Our customers have embraced the new system and are ordering material from other libraries when our material is on loan or we do not hold the particular item that they require. Holds (previously Inter Library Loans) have gone from 4 black boxes a week to 14-19 boxes a week.



Administration & Community Services

Landscaping

Council allocated \$200,000 in the 2012/13 Budget to construct a car park, install lighting, park furniture and landscaping. The new car park features 29 parking bays, including disabled parking. Trees and shrubs were removed to allow traffic movements to occur and parking bays to be constructed. Solar lighting was installed to reduce electricity cost to zero. Landscaping and park furniture have been installed, making a marked improvement to the Library entrance from Wandearah Road. With lighting now in the car park, the Library opens until 7pm on Tuesday nights.



Activities & Events

- **2012 National Year of Reading**
To celebrate the National Year of Reading the Library and Port Pirie Internet Centre created a recipe book. Library customers contributed recipes, while staff and volunteers typed up the recipes.
- **Children's Book Week**
Due to the interest from schools, the Library conducted book week over two weeks. 29 groups (6 schools and 2 kindergartens, - 681 students) participated. The theme for the year was "Champions Read".
- **Holiday Fun @ your library**
Each school break the Library offers free art and craft activities for 4-10 year olds. This successful program saw 8 holiday activity sessions delivered with a total attendance of 172. A special session was run for the Autism group with 6 children attending. A school holiday activity was conducted at the Crystal Brook branch with 10 children attending.
- **Performances for Children**
Staff member Laryn became an Aussie Father Christmas for a morning with bush hat, red t-shirt and flashing Christmas lights. Aussie Christmas stories were told and Aussie Christmas songs were enjoyed. The event at Port Pirie was enjoyed by 27 children and 16 adults.

On 17th January children's entertainer and author Andy Jones presented a hilarious musical show about jokes and humour. Even though the performance was designed for primary school children, the adults got just as much enjoyment as the children. 31 children and 22 adults attended the performance.

Giggly Kids Performance on 18th April saw 39 children and 21 adults enjoy the high energy and fun music experience. The musical event was interactive with child participation.

- **Summer Reading Programme**
The Summer Reading programme was themed "Tangled Tales". One of the activities was to colour in Rapunzel's hair. The Library was overwhelmed with children who coloured in part of Rapunzel's hair. The hair stretched from the Children's DVD collection down to the Microfilm reader, round the corner to the Conference Room, past the emergency exit door and onto the western glass wall where the Prince could be found beginning his climb. Library staff often overheard children showing "their bit" off to others. 104 Children contributed to Rapunzel's hair.
- **Kids Own Cubby**
Port Pirie was one of the selected libraries to host "Kids Own Cubby" as part of Come Out. The writing / publishing workshop was attended by two school groups.
- **Youth Activity @your library**
In co-junction with Community Officer, Sandra Waite the Library hosted an aerosol art workshop for 16 youth aged between 13 and 16. Their artistic efforts were then displayed in the Library.

Since August 2012 the Library has been running a monthly Wii Competition in the youth area. The average attendance is 8 young people.

The youth area is regularly used after school by high school students

- **Events for Adults**
In August Warren Fahey, author, poet and historian entertained 35 people at the Library. Warren told Australian yarns, provided some history about the yarns and performed songs.

Port Pirie Library hosted Nature's Chemical Diversity exhibition from 4th to 27th February, a travelling exhibition created by The Royal Australian Chemical Institute and sponsored by the Inspiring Australia program of the Department of Innovation, Industry, Science, Research and Tertiary Education- Questacon. Port Pirie Library was one of five sites in South Australia that the exhibition could be viewed.

May is known as History Month and to celebrate this, the Port Pirie District Family History Group created a display of wedding memorabilia and photos in the Library. The display was about weddings in Port Pirie through the decades and was enjoyed by many library visitors.

- **Official Visits**
The executive of the Public Libraries of South Australia visited the Library in June 2013. Members of the executive were impressed with the new facility.

Administration & Community Services

Performance

The following statistics indicates the performance of the Library service (Port Pirie and Crystal Brook) over the 2012/13 financial year.

	2010/11	2011/12	2012/13
Items Loaned	166,694	161,671	148,416
Incoming material*	-	-	4,195
Material sent to other libraries*	-	-	4,484
New items	10,274	11,617	9,092
Patrons visiting the library	103,902	169,645	166,509
Active Library Membership (use within last 3 years)	6,697	6,506	9,013
Library Holdings	39,367	39,452	39,758
Wireless Internet Use	791	1,186	1,085

* Since 7th March when joined the 1LMS

Summary

The Port Pirie Regional Library Service is well utilised by the community. The door count reflects that the Port Pirie Library space is used for more than borrowing books.

The loans and door count at the Port Pirie Branch have dropped from last year, which shows the impact of Saturday morning closure, the closure of the car park for a number of days in December and January, and the increase in eBook readers in the community.

The Crystal Brook Branch has increased its door count since becoming a one-stop shop for Council with the loans remaining the same as when it was a library-only facility.

There was a cull of borrower records undertaken in November 2012 in preparation for the 1LMS. The 9,013 patrons reflect active registrations as at 30 June 2013.

There is still a high demand for internet use from the community, even though home ownership of internet devices has increased over this period.

TOURISM



Visitor Guide Launch

An exciting new Visitor Guide covering the entire Southern Flinders Ranges region was launched in July 2012. This expanded version of the former Port Pirie & Region guide has been extremely popular with tourists and locals alike.

There were 40,000 copies of the guide produced and celebrated with a launch event at the Port Pirie Cultural Precinct. These guides were distributed throughout the State and to interested parties interstate.



Tourism Coordinator Belinda Jackson and Mayor Brenton Vanstone at the official launch of the Tourism Guide.

Tourism Attractions

The Port Pirie Regional Tourism & Arts Centre continued to operate its popular tourism attractions, including Pirie Rail Express Miniature Railway, Pirie Model Railway, Shakka the Great White Shark Exhibition and Nyrstar Smelter tours.

An extensive recruitment campaign saw 15 new volunteers inducted and trained for Pirie Rail Express. This will help the ageing volunteer base and ensure the attraction remains sustainable into the future.

Tourism Awards

Port Pirie was extremely successful in both the state and regional tourism awards programs this year. The city first received two accolades at the South Australian Tourism Awards in November 2012, with bronze medals in the Visitor Information & Services and Excellence in Tourism by Local Government categories. Port Pirie then won these categories at the Flinders Ranges & Outback Tourism Awards in June 2013.



Volunteer Program

The Port Pirie Regional Tourism & Arts Centre carried out an extensive review of the volunteer program. This included surveying the volunteers to gauge their level of satisfaction with various aspects of the program and conducting training to ensure all volunteers shared the same knowledge. The program also included familiarisations to increase the volunteers' knowledge of products and services around the region.

Administration & Community Services

Advertising and Promotions

Port Pirie Regional Council has engaged in various advertising and promotional opportunities in the past financial year including:

- Raising local awareness through a monthly Cultural Precinct column in The Recorder.
- Producing a monthly Events Calendar which is sent to various individuals and organisations around the region.
- Attending the Adelaide and Sydney Caravan & Camping Show.
- Raising local awareness by hosting events at the Cultural Precinct (eg the Port Pirie Chamber of Commerce Business Networking Evening in March 2013).
- Promotional posters displayed on the stall doors of public toilets around Port Pirie featuring iconic images and the Tourism & Arts Centre's contact details.

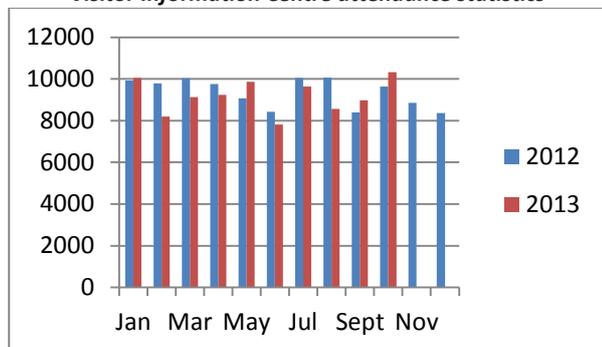
Accommodation Booking System

The Port Pirie Regional Tourism & Arts Centre made the first steps to implementing a manual accommodation booking system, allowing tourists to book their accommodation through the Centre for operators who signed an agreement.

Tourism Networks

Port Pirie Regional Council has membership with various tourism bodies and organisations throughout South Australia. This includes the Southern Flinders Regional Tourism Authority, the South Australian Visitor Information Centre Advisory Group, the Southern Flinders Tourism and Tastes Association and the Flinders Ranges & Outback SA Tourism Working Party.

Visitor Information Centre attendance statistics



	2012	2013
January	9928	10,049
February	9788	8193
March	10,030	9126
April	9750	9244
May	9074	9868
June	8420	7818
July	10,050	9642
August	10,060	8556
September	8395	8974
October	9640	10326
November	8857	
December	8369	
TOTAL	112,361	91,796 (to date)

PROMOTIONS/SPECIAL EVENTS

Event Strategy

An Event Strategy for the Port Pirie Regional Council was created in early 2013 by the Special Events Coordinator and adopted at the March Council meeting. The Strategy outlines the events currently held within the region, future events and concepts for the region, identifies objectives and action plans to enhance the efficiency and professionalism of events and their management within the Port Pirie Regional Council.

A number of major objectives have been identified for Council's Event Strategy:

- Maintain and add to current portfolio of events where possible, establishing Port Pirie as an events region
- Increase tourism and tourism promotion
- Provide event organisers with clear understanding of event compliance requirements
- Provide community event organisers with support where both possible and required
- Streamline the event planning process within Council
- Create and increase marketing strategies for events within Council
- Continue to provide support for community events held within the Council region.

The Strategy has provided structured direction to event management within Council, with processes and frameworks now continually improving.

Christmas Markets

The 2012 Christmas Markets were held at Flinders View Park in December, and coincided with the annual Port Pirie Christmas Pageant. Around 18 stallholders from the Southern Flinders Ranges displayed and sold their products and services to the Port Pirie community. Pleasant weather resulted in the busiest markets for some time, as pageant and event-goers enjoyed the range of products, gifts, foods, drinks and children's entertainment which were available.

Port Pirie CBD Festive Fashion Affair

The inaugural Port Pirie CBD Festive Fashion Affair was held in Alexander Street on Thursday 20th December 2012 from 5pm – 9pm. An initiative of the Port Pirie Regional Council, Regional Development Australia Yorke and Mid North, and the Port Pirie Chamber of Commerce, the event aimed to showcase current fashion from local participating businesses via a fashion parade with music by a local DJ, as well as children's entertainment.

The primary objective of the event was to provide fashion businesses within the CBD with the framework to holistically come together to instigate economic activity and promote their business and products.

An estimated 150-200 people visited the event throughout the night, predominantly for the parade, with many visiting and shopping in stores. A total of five fashion businesses participated in the parade, which was conducted in a professional and effective manner, with the positive feedback received suggesting a future event is probable.

Administration & Community Services

New Years Eve Party in the Park

The 2012 Port Pirie New Years Eve Party in the Park was held in Memorial Park on Monday 31st December 2012. Organised by the Port Pirie Regional Council, the event is also largely supported by Nyrstar and is a way of giving back to the community.

The weather was beautiful in Port Pirie for the event and played a vital role in the event enjoying record numbers. The lawns of Memorial Park were packed with families enjoying the entertainment on deck chairs and picnic rugs, and extended all the way to the rotunda area. Event organisers estimated the crowd to be up to 5000 and was a significant increase in comparison to recent years. This was confirmed through feedback from stakeholders including the band, stallholders and the general public.

Activities of the event such as the fireworks were also enjoyed by the wider community, with large numbers watching the fireworks from their cars parked near the CBD or from their homes. The event has been declared a success overall and has received an encouraging amount of positive feedback.

Moonlight Movies

Council coordinated the first Moonlight Movies event in Memorial Park on Friday 19th April 2013. A 5 metre inflatable Outdoor Cinema system was hired from Adelaide Outdoor Cinema, screening two family friendly movies. Children's entertainment was provided for families, while food and drinks stalls were also available to the community.

The Moonlight Movies were considered very successful given that it was the first of its kind, planning time, time of year and crowd expectations. An estimated 500 people, predominantly young families, enjoyed the event with an overwhelming level of positive feedback received from a range of stakeholders.

State Masters Games Bids 2014/15

The Port Pirie Regional Council submitted bids to Sport SA for both the 2014 and 2015 State Masters Games. Council is expected to be notified of the 2015 bid winner in late August 2013.

Complete Sports Marketing

Complete Sports Marketing consultants continue to promote Port Pirie as a host to a number of major event organisers. Port Pirie was considered as a tour stop for the 2013 Nitro Circus Tour, however missed out due to a reduction in size of the national tour circuit.

Community Events

The Port Pirie community again enjoyed the extensive positive benefits to the region through major community events.

The impact of these events were fantastic for the region, and all organisers, stakeholders, and volunteers must be congratulated.

PORT PIRIE INTERNET CENTRE

The Port Pirie IT Centre, located at the Cultural Precinct, provides training and printing services as well as access to broadband internet for the general public on a fee basis. The Centre specialises in training the public in a wide array of training courses from beginners to advanced skills.

Years in service: 11

Staff members: 1



Computer Training

Software training is a major part of the services provided by the Internet Centre. Port Pirie IT Centre Courses are divided into three categories:

- *Group based classes for beginners* (bookings required)
- *Self paced learning*
- *One on One Training*

Group classes are designed for all members of the general public.

As a result, those participating in the course do so freely with the objective of learning and being the best they can be without peer group pressure. Furthermore, all personal information is confidential, which means that courses can be a fun and learning environment for everybody without any stigmas attached.

Self paced learning is designed to be undertaken at any time that suits the student and there is plenty of privacy so there isn't the dilemma of confronting group situations. An experienced trainer is on hand to assist and provide further information when necessary, however the student is provided with the materials to work on their own.

One on One Training is personal tuition by the instructor charged on an hourly basis.

2012/13 Statistics for Computer Training

The last financial year has been steady with a slight decrease in the number of courses run by the Port Pirie IT Centre with 15 courses run as opposed to 17 the previous year.

One on One Training

The Centre offers One on One Training, either for personal interest, as up skilling for professional purposes or as retraining for people injured at work and needing a more sedentary position.

Administration & Community Services

One on One Training has seen a drop over the previous financial year; however the growing interest in self paced training can be seen as a major contributor to this.

Future Services for 2012/13



iPad Training

The tablet training plan will assist in developing positive action and personnel development to individuals in our community. Due to the limited financial resources available, this training plan will centre on one particular model of tablet that will bring the most benefit to the community - the iPad.

What Action or Changes Will Occur?

A far more varied series of short courses will be created for the public so they can specialise their interests. Courses will cover basics of how to set up iPads for personal use, sharing pictures and personalising the iPad to specific email accounts. Further workshops will be introduced highlighting trends in the app community. Training courses will commence in September 2013.

Other Services

Apart from computer related training, the Port Pirie IT Centre offers a range of services for the public ranging from general office services (typed letters, resumes, photocopying and printing) to computer related design work (pamphlets, business cards and photograph restoration).

Training Room Hire

The training room was rented out to businesses, community and government organisations for the purpose of their own training and networking.



COMMUNITY DEVELOPMENT & COMMUNITY SERVICES

Council provides a number of services and facilities to the community which includes:

- Community Bus
- Community Housing for the Aged
- Youth Development and participation by supporting and connecting with service organisations and networks
- Promotional campaigning of National Events to encourage wider community involvement and participation ie Clean Up Australia Day and National Tree Day
- Facilitating and promoting activities within and around the Cultural Precinct
- Developing Volunteer Management systems and processes, underpinned by Best Practice standards within Local Government and followed by all Councils statewide.

Community Bus

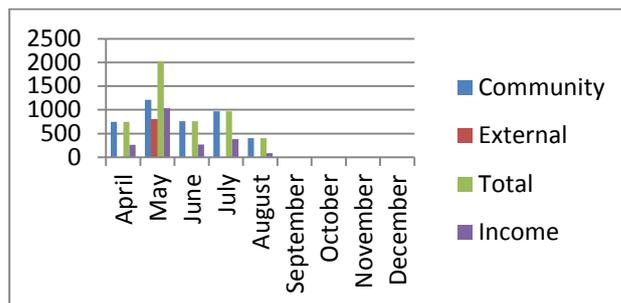
The new air conditioned Community Bus Service is made available for use by community clubs, health services and other community organisations supporting social activities and programs of benefit to older people residing in Port Pirie and regional areas.



The Council owned vehicle is now a 'user pays' service delivery where each group hiring the 12 seater bus nominates a driver who takes responsibility for the vehicle. Hiring is conducted through a booking system managed by staff at the Crystal Brook office.

Currently the vehicle is housed at the Crystal Brook Hospital which works well for groups who wish to utilise the vehicle out of office hours or over a weekend. Hirers can access keys on presentation of their documentation to hospital staff.

The bus has been in operation since April 2013, travelled over 4904 kilometres and hired by multiple community users. Council is receiving a small amount of return costs on the vehicle charged for kilometre usage which assists to cover maintenance, cost of fuel and inspection fees, making it a more sustainable asset.



Kilometres Travelled by Groups

Administration & Community Services

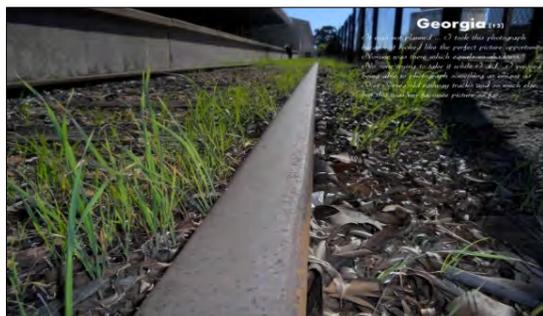
Community Housing

Council has 6 units in Revell and 4 in Eleventh Street for older people. Within the last 12 months we have had 2 vacancies and 2 new tenancies. Service delivery includes the maintenance of units and supporting the tenants in their requests. The waiting list is at a minimal level of registered interest.

Youth Development and Participation

During the school holiday periods a Photography Workshop was organised for young people aged between 10 – 15 years of age. This free workshop titled “How your Camera Works, What it Does and Creating Great Photos” enabled students to understand digital technology, learn tips and techniques on composition and editing their work. A field trip was conducted around the Cultural Precinct within the Rose Garden, Tourism and Arts Centre and the Library. Students worked with the theme of depicting images within and outside the building, producing some amazing work which will be exhibited in the Library Youth area.

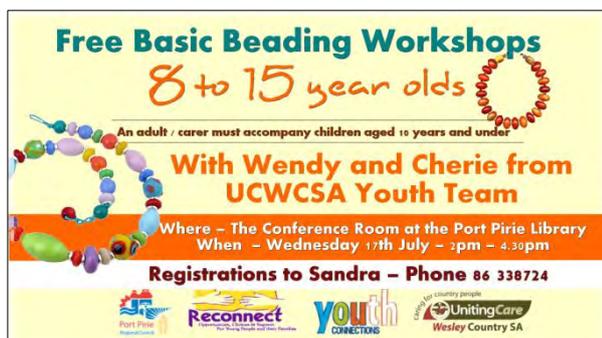
Within the budget allowance morning tea and lunch was provided for the participants which created a great day out.



An image of the train tracks taken by one of the students

Beading Workshop

To continue with engaging young people into the Cultural Precinct, staff collaborated with Uniting Care Wesley to host a beading workshop in the Library Conference Room (specifically the Reconnect & Youth Connections Program). Over 14 young people with a good mix of girls and boys aged from 8 – 12 years created jewellery, key rings and sun catchers. Parents were encouraged to join the younger participants to make it an interactive time for sharing this activity.



Since staff have been hosting and facilitating these activities, positive feedback has been received from young people, their parents and community members for creating these

initiatives within the Cultural Precinct, creating interactive community spaces.

The Art Workshops (digital, physical and aerosol), story telling, children’s activities hosting entertainers, general usage of function areas and many other creative pursuits, has encouraged wider participation of community to connect with others and to pursue interesting learning and recreational interests.

YAC (Youth Advisory Group)

Office for Youth Funding has been auspiced to the Port Pirie Youth Sector Network (PPYSN) to facilitate the YAC group. This partnership complements current projects of the youth network that identify strategies to engage with young people from all demographics.

Members are skilled Youth Workers aligned to service organisations and experienced in connecting and working with young people, predominately those who are disengaged or at risk in society, at the ‘grass roots level’ to be more involved in community in a positive way.

The recent YAC activities have included involvement in the Muso Magic Workshop, Youth Expo, mentoring at the Skate Park and ‘Jam Sessions.’ Future involvement is planned in setting up a Webpage that will link into the PPYSN strategic directions and Wetlands project.

Volunteering Development

Volunteer 2 Database

The database has been configured to support volunteer involvement in Council. This web based system will be utilised to recruit volunteers in the future via email, to assist with events or post emergency recovery.

The database is ready to recruit volunteers through the website, streamline application processes, track volunteer skills / qualifications & availability, schedule, record and track hours and communicate with volunteers as required.

Volunteer Management Systems were audited earlier in the year to ensure Council was meeting requirements for Work Health and Safety along with supplying documentation evidence supporting Risk Management processes.

Over 15 volunteers within the past 12 months have been recruited for Tourism, Library activities and two for Special Projects to assist in ‘value adding’ to service delivery. All volunteers were interviewed, appointed and inducted using the new systems implemented and in line with other Council’s policies and processes for Best Practice.

Training Workshops

Successful funding received from the Office for Volunteers enabled Council to host two training workshops in October for members of Volunteer organisations working with community groups to build skills and knowledge. The workshops; “Developing Grant Applications” and “Effective Communication” were well attended. Evaluation reports were very positive, indicating future workshops would be well received.

Environmental Services

RESPONSIBILITIES

- *Planning Control*
- *Local Heritage*
- *Building Control*
- *Building Fire Safety Inspections*
- *European Wasp & Bee Control*
- *Mosquito Control*
- *Feral Bird Management*
- *Wastewater Assessment & Control*
- *Community Wastewater Management Scheme*
- *Community Swimming Pools*
- *Food Safety & Food Premises Inspections*
- *Health Education & Promotion*
- *Public and Environmental Health*
- *Warm Water & Cooling Tower Control*
- *DrumMuster Program*
- *Sharps Disposal Service*
- *Unightly Land & Building Control*
- *Parking & Council By-law Control*
- *Dog and Cat Management*
- *Fire Prevention*

2012/2013 Achievements

DEVELOPMENT APPLICATIONS

Council received 350 development applications during 2012/13. These applications represent in excess of \$28,993,500 million in development and 18 additional allotments in the region.

During the reporting period, 325 applications were processed as Category 1 (no public notification), 47 were Category 2 (adjoining owner notification) and 8 were 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 9 applications.

10 Land Division applications and 87 dwelling applications were received during the 2012/13 reporting period, this compares with 16 land divisions and 48 dwellings for the previous financial year.



COUNCIL DEVELOPMENT ASSESSMENT PANEL

The Development Assessment Panel has the delegated authority of Council to function under the Development Act. The Panel, re-appointed in April 2013, consists of 3 Elected Members: Crs Debbie Devlin, Joe Paparella and John Rohde

and 4 members of the public: Chad King, Fiona Barr, Ian Miller and Presiding Member, Trevor White.

The Panel meet monthly, or as required to consider applications for Development approval.

STRATEGIES & POLICY DEVELOPMENT

Section 30 Strategic Directions Report (Development Plan Review)

The *Development Act 1993* requires Council to review its Development Plan on a regular basis to ensure the Plan is relevant to the Planning Strategy for the region and any emerging planning issues. Council reviewed its Development Plan and endorsed a Strategic Directions Report in 2010. The Report was referred to the Minister for Urban Development, Planning and the City of Adelaide and approved in June 2011. Council officers are currently working on a Better Development Plan Amendment in accordance with the Strategic Directions report.

DOG AND CAT MANAGEMENT

Authority for the management of dogs and cats within the district 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 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 the enforcement of the Act. During the report year, Council received 420 complaints in relation to dogs barking, wandering at large, and attacking or harassing persons or other animals.

A total of 283 dogs were impounded for wandering at large. 164 were reunited with their owners, 119 were desexed, immunised, micro-chipped and rehomed, and 53 dogs were euthanised.

Dog Registrations

In 2012/13 there were 3,339 dogs registered within the Port Pirie Regional Council area. This compares to 3,420 dogs registered in the previous year.

Dog Control Statistics

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.

Environmental Services

Cat Control

A total of 168 stray cats were euthanised during this reporting period, representing a significant reduction from the 189 reported in the previous financial year.

Council continues to assist the community with the control of feral cats by offering a cat trap service. There were 188 cat trap requests during the 2012/13 period, indicative of a continuing problem. Use of this service can be arranged through the Council Administration Office.

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 recommend de-sexing of animals that are not required for specific breeding purposes.

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 reward 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 2012/13 period, 1 expiation was issued.



Anti-Litter Campaign

Council has successfully launched its anti-litter campaign in mid December. The campaign was aimed at youths who use the Solomontown Beach, Boat Ramp car park and stake park. Adverts and posters have been prepared for TV, YouTube, other social media and for display around the City. The TV advert and the video on the making off is extremely high quality. The campaign has been very well received by the community.



ENVIRONMENTAL HEALTH

During the 2012/13 year there was continued development of Environmental Health compliance strategy and policy, in parallel to routine compliance inspections of food premises, waste control systems, temporary accommodation facilities,

hairdressing and body piercing businesses, high risk manufactured water systems, swimming pools and infectious disease vector control/investigation.

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 2012/13 341 sharps containers were distributed.

Waste Control Systems

17 Waste Control System applications were approved during the year. As part of their approval each system is subject to three mandatory inspections by the Environmental Health Officer.



Community Wastewater Management Systems

Council continues to operate Community Wastewater Management Systems (CWMS) in Napperby and Crystal Brook.

The EHO regularly monitors the quality of effluent processed by the systems in line with the Public and Environmental Health (Waste Control) Regulations. The CWMS Management Team meets regularly to oversee the operations and maintenance of the Schemes.

DrumMuster Program

The DrumMuster program is designed to recover and recycle farm chemical drums. A DrumMuster collection was conducted in September 2012 and June 2013, recovering a total of 14,098 drums. In South Australia the DrumMuster program has now collected more than 20,000,000 drums since it began in 1998.

High Risk Manufactured Water Systems (HRMWS) Cooling Towers & Warm Water Systems

Since October 2008, when the State Government introduced the Public and Environmental Health Act (Legionella) Regulations, 41 HRMWS have been identified. Each system must be registered with Council and inspected annually.

Community Swimming Pools

There are 8 public access pools throughout the Region, each pool is inspected at least annually, to ensure safe water quality is maintained.

Food Safety

Council received 1 food safety related complaint during the year. This was satisfactorily resolved using a cooperative, educational approach without need for legislative action.

Environmental Services

Food Premises Inspections

163 routine food premises inspections were conducted throughout the Region using Australian Food Safety Assessment System, under the SA Food Act 2001. There were no issues of note.

Mosquito Control

Development & Regulation, along with Infrastructure, conduct an on-going eradication program to identify and bait breeding sites. At present more than 23 known breeding sites are treated.

European Wasp & Bee Control

During the 2012/13 season 6 European Wasp nests and Bee hives were destroyed. European Wasps and Bees both are potential threats to public health and safety. When located, hives and nests are destroyed by Council.

Feral Bird Management

In keeping with the Feral Bird Management Strategy, trials are being conducted in the Port Pirie area of 'stupefying' agents to control local feral bird populations. The major benefit of this approach is that any off target species that may ingest the treated grain is able to fully recover and fly away.



FIRE PREVENTION

The Port Pirie Regional Council is entering a new phase of bushfire planning and management and welcomes Mark Austin as the region's new Fire Prevention Officer. Mark has a number of years experience in the field of Fire Prevention and Fire Management, including seven years at the Adelaide Hills Council, one of the highest risk, fire prone areas in the state.

Mark's experience brings a good understanding of the key concepts of bushfire management and mitigating bushfire risks for Council and their communities and we aim to deliver a new fire prevention program that;

- Protects life;
- Reduces the impact that fires have on the community;
- Educates and informs the community; and
- Provides cost effective levels of community fire protection.

The term Bushfire Prevention can be misleading, as the total prevention of fire is not possible, bushfires are inevitable. There will always be bushfire even if all human action could

be controlled, because of naturally occurring events such as lightning. Therefore the better term for Council's role is the management, or mitigation, of fire. This means minimising the impact of bushfires on the community, and building a more resilient community.

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; and
- The provision of cost-effective levels of community fire protection whilst maintaining a balance of proper land management

"It is essential for everybody to accept that Bushfire Prevention is a Community Responsibility, Whoever owns the fuel, owns the fire"

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**
Council's Fire Prevention Officer works closely with the SA Country Fire Service to deliver key programs and messages about fire safety.
- **Provide Information and Advice**
Councils Fire Prevention Officer continues to provide advice and information to residents and members of the community leading up to and throughout the Fire Danger Season, this may be proactive by staff identifying properties of concern, and undertaking property inspections or reactive through responding to residents requests for advice on how to best prepare their property for fire. This advice can range from responding to phone requests to undertaking advice on-site.

This advice also includes information about what people can and can't do during the Fire Danger Season in relation to burning, i.e. use of grinders, fires for cooking etc.

- **Property Inspection and Enforcement**
In the lead up period to the fire danger season the Fire Prevention Officer will inspect over 2000 properties to ensure they are prepared for the fire danger season, and those that are not prepared at the time of inspection, receive a 'Section 105' hazard reduction notice to undertake certain works by a specified date.

Financial Services

RESPONSIBILITIES

“To provide financial, information and customer services of a high quality in support of the general operations of Council”.

- *Financial Management and Reporting*
- *Property Information, Rate and Service Charges*
- *Annual Budget and Reviews*
- *Long Term Financial Planning and Strategy*
- *Investments and Loans*
- *Accounts Payable and Receivable*
- *Information Technology and Communication Systems*
- *Records Management*

Achievements

- Unqualified Audit Report;
- Adoption of Annual Business Plan, Budget and Rates;
- Budget Reviews completed each quarter;
- Review of financial reporting and documentation;
- Review and improvement of Internal Financial Controls;
- Adoption of Long Term Financial Plan 2013-2023;
- Adoption of Asset Management Plan and Capital Works Program 2013-2023;
- Processing, archiving and records management of current and historical documents and data;
- Comprehensive review of rating system and strategy;
- Review of Community Assistance Policy and funding framework;
- Purchase of Conquest asset management system and review of road, footpath and kerb asset data;
- Review of road, footpath and kerb asset valuations;
- Installation of Waste Transfer Station technology, communications and financial systems;
- Review and development of financial policies and procedures;
- Review of Audit Committee performance and work planning;
- Extension of office hours for improved service;
- Review and adoption of Council’s fees and charges.

Financial Plan and Budget

The Strategic Plan adopted by Council is supported by a Long Term Financial Plan, as part of an integrated suite of plans to guide the future of the Council. The plans incorporate the many changes both within Council and Local Government and address the long-term sustainability 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 meet required service levels and to manage and maintain its wide range of community assets.

The Long Term Financial Plan was reviewed and updated along with the Asset Management Plan and associated Capital Works Program for the period 2013-2023. The plans were adopted by Council in July 2013 following public consultation. The Long Term Financial Plan provides for a sustained operating surplus from 2015, modest levels of borrowing and a capital works budget of \$93 million.

Council also conducted a comprehensive review of its rating structure, which introduced land use rating to all properties outside of Port Pirie city. A waste management service charge was introduced on all residential properties to recover the actual cost of waste collection and disposal.

Annual Budget

The Annual Budget is developed within the guidelines of the Budget Objectives Plan and Treasury Policies. Aims include:

- Operating result to be positive;
- Expenditure on the renewal and replacement of existing assets to be equal to or greater than annual depreciation expenses;
- Emphasis on seeking grant funds for projects;
- Emphasis on User Pays Policy.

Review of the Budget

Council conducts a formal Budget Review as at the end of September, December and March. The purpose of these reviews is to provide the opportunity for a major examination of budget amounts allocated for operating activities, to re-assess allocations for capital projects and to generally monitor the progress and cost of all programs and activities against those adopted in the Annual Budget.

Investments

Council’s Investment Policy was developed to meet the requirements of Sections 139 and 140 of the Local Government Act 1999, to ensure the integrity of investments and to monitor the performance of the investment portfolio within policy guidelines.

The main objectives of the policy are to protect funds and to maximise returns within an acceptable and prudent level of risk. The Budget objective to maximise investment revenue is supported by the strategy to monitor the level of funds, and to transfer temporarily surplus funds to higher interest return investments.

Surplus funds are invested with the Local Government Finance Authority for high levels of return with low risk exposure, minimal transaction costs and easy access.

Loans

Council maintains low borrowing liabilities compared to most other Councils and industry averages. Its five outstanding loans were all borrowed from the Local Government Finance Authority.

Loans are used to finance shortfalls in cash required to fund the Annual Budget, consistent with the Council’s long term financial strategies. 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. Council has a policy to recover market interest rates on such loans, which may be financed through the Local Government Finance Authority or internally.

Financial Services

Community Assistance Fund

The following allocations were made from Council's Community Assistance Fund to community organisations throughout 2012/2013 :

Organisation	Purpose	Amount
Breast Cancer Awareness Committee	Turning on the Lights Ceremony	\$2,000
Port Pirie Ministers Association	Candlelight Carols 2012	\$1,000
Mid North Positive Mental Health Association	Mental Health Week Event	\$350
Crystal Brook Community Carols	Private Works for street closure	Up to \$2,000
	Lighting/sound expenses	\$1,500
Wheelchair SA Sports	Andy Hensel Charity Day	\$1,500
Port Pirie Music Club Choir Inc	Purchase of portable keyboard/associated equipment	\$870
Port Pirie Senior Citizens Club	Establishment of Active Plus Exercise Program	\$1,000
Mid North Emergency Services Team	Donation – World's Greatest Shave Event	\$1,000
	Private works for traffic management	\$850
Port Pirie Cricket Association	Purchase of new wicket mower	\$4,600
Make-a-Wish, Port Pirie	2013 Fun Run/Walk Event – Private works – traffic management	Up to \$1,000
Port Pirie Motorcycle Club	2013 Easter Motorcycle event – Private Works – water truck for track	\$1,100
Port Pirie Youth Sector Network	2013 Muso Magic Event	\$3,000
Northern Country Music Association	2013 Music Festival	\$3,000
Port Pirie Harness Racing Club Inc	2013 Port Pirie Cup	\$1,000
Crystal Brook Heritage Centre Inc	Meeting Room restoration	\$1,680
Mundoora Community Progress Assoc.	Ceiling Fans & Window Tinting for the Soldiers Memorial Hall	\$1,000
Flinders Touring Motorcycle Association Inc	Installation of pavers at front of Clubhouse at Warnertown Oval	\$1,500
Rotary Club of Port Pirie	2013 Driver Awareness Program	\$400

Technical Services

RESPONSIBILITIES

- Maintenance of parks, gardens, reserves and playgrounds.
- Construction and maintenance of roads, kerbs, gutters and footpaths.
- Streetscaping including verges, median strips, street trees and roadside vegetation management.
- Street sweeping, kerbside collection and waste management.
- Stormwater drainage construction and maintenance.
- Maintenance of levee and tidal protection.
- Marine facilities including boat ramps and associated car parking, jetties, wharf and revetment wall.
- Environment protection incorporating the management of recycled water to irrigate selected parks and reserves.
- Public safety including street lighting, the road safety centre and rapid response service.
- Traffic Management including signs, line marking and other road side furniture.
- Private works are undertaken from time to time for individuals or organisations.
- Operation of works depots in Port Pirie and Crystal Brook.
- Plant and machinery purchase and maintenance.
- Asset Management.

2012/2013 Achievements

WASTE MANAGEMENT

A major overhaul of Council's waste management strategy took place during the reporting period. The strategy included the following elements :

- Closure of existing landfill in accordance with EPA requirements.
- Constructing a new fully enclosed Transfer Station for domestic and commercial waste and recyclables. This included office facilities, weighbridge, cashiers booth, shed for deposited materials, and internal storage areas for items collected.
- Implemented a three bin kerbside collection service.
- Undertook extensive community consultation and education



Council's new Waste Transfer Station



Community Education Display at Centro, Port Pirie

PARKS AND RECREATION

Tree Planting

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.

Bottlebrushes have been planted under power lines along The Terrace from Leahy Road to David Street and Plane trees have been planted on George Street. This has been done to provide a future screen for the water reuse tank.

National Tree Day

National Tree Day is an important event which helps green the environment. The event would not be as successful without the regular participants, including the Southern Flinders 4WD Club and Member for Frome Geoff Brock MP who take part each year.

Crystal Brook

Volunteers and the Crystal Brook Primary School planted approximately 300 native trees and shrubs in Mercowie Park as part of the Crystal Brook Trees for Town program. Some of these trees had been grown by the students under this program. The Crystal Brook Trees for Towns project (a project organized by volunteers independently of Council) also plant approximately 300 trees at the northern entrance of Crystal Brook with the aid of school children earlier in 2012).

Port Pirie

In Port Pirie, a group of residents planted 250-300 trees at the Waste Transfer Station on Three Chain Road, and the reserve on the corner of Maude Street and Una Avenue. The planting at both sites has created a visual barrier to the Waste Transfer Station.

Park Garden Beds

A number of garden beds have been replanted across the region. The key focus of this program has been to revitalise and provide more colour, to achieve a greater visual appeal.

New garden beds were planted on Warnertown Road in front of One Stop Water Shop as well as on Boundary Road.

Technical Services

Clean Up Australia Day

Clean Up Australia Day was held in March 2013, with approximately 30 people attending. The target areas for the clean up included Solomontown Beach, the Skate Park, Solomontown Boat Ramp, Grey Terrace behind the Basketball Stadium, Memorial Oval and Memorial Park.

Council offered free dumping at the Port Pirie Waste Transfer Station for Clean Up Australia Day on 3 March, which proved very popular with the general public.

Due to a large number of residents taking advantage of free dumping, vehicles had a waiting time of approximately 50 minutes throughout various times of the day.

The Port Pirie Transfer Station received approximately 590 loads of various sizes over a six hour period between 8.00am and 2.30pm.

The Crystal Brook Transfer Station was also very well patronized, resulting in considerable general waste and green waste collected.

Osborne Street Playground

A new playground has been installed at Osborne Park.



Crystal Brook Skate Park

Construction of the new skate park at Crystal Brook was undertaken by contractor, Precision Skate Parks in 2012.

The Skate Park is the result of collaboration between Council, the Crystal Brook Apex Club and the Office of Recreation and Sport, who have jointly funding the project.

The Skate Park consists of approximately 230 square metres of concrete and includes a variety of element to suit all ages and abilities.

Subsurface irrigation has been installed and lawn planted at the Crystal Brook Skate Park to complete the surrounds.



Crystal Brook Skate Park

Adelaide Square Playground

Improvements were undertaken at the Adelaide Square Playground in preparation for the proposed shade sails. Works included general maintenance, the installation of new borders and replenished softfall sand.

Kingston Village Urban Estates (Petersen Circuit)

To complete the development of the Urban Estates Reserve, a new playground has been installed. The reserve also includes a picnic setting and single seat on concrete pads, a litter bin and 800m² of lawn.

Anzac Park (Magor Road Land Division)

The landscaping of the reserve has been completed at Anzac Park. Earthworks were undertaken with the tops of the banks being flattened and leveled off and the drain inlets also modified to make them safer and easier to mow. The laying of lawn, irrigation and tree planting completed the works on site.

Technical Services

CEMETERIES

Port Pirie Cemetery – Lawn Graves

An extension to the lawn graves section has been undertaken with new beams constructed with irrigation and lawn being laid.

Cemetery Rose Garden

A new section of rose garden at the Port Pirie Cemetery was constructed. A border was constructed to create an area for the interment of new ashes.

Warnertown Cemetery

A niche wall has been constructed at Warnertown Cemetery.



PROPERTY IMPROVEMENTS

Senior Citizens Building

Improvements to the Senior Citizens Building during 2012/13 include the Installation of new air-conditioning (\$69500.00 Ex GST), and the replacement of roofing (\$57000.00 ex GST).



Replacement of roofing at the Senior Citizen building

Council Administration Building

The Port Pirie Administration Office also replaced their air-conditioning unit at a cost of \$171,300 (ex GST).



ROAD CONSTRUCTION AND MAINTENANCE

Road Resealing

In 2012/13 \$890,000 was allocated to resealing roads throughout the Council area. The following roads were included in the program:

A section of Florence Street, between Mary Elie Street and Norman Street, was resealed using a primary spray seal followed by an asphalt overlay to improve the road surface.



Sections of failed road pavement throughout Ellen Street have been removed and rehabilitated with newly laid asphalt.



Asphalt being laid in Ellen Street

Final Product



Technical Services

Other road sections resurfaced with a sprayed bituminous and aggregate seal in the urban area include:

- Kingston Road – Senate Road to the Terrace
- Esmond Road – Senate Road to the Terrace
- Senate Road – Goode Road to Moppett Road
- Drage Street – Glasson Street to Wandearah Road
- Magor Road - Wheat stacks to Wauchopes Road
- a section of Boundary Road, and
- the internal road at the Port Pirie Cemetery

The final sealing of the last construction section of 6.0km of the Cattle Track including a short section of Narridy Road on the realigned approach to the Cattle Track and a short section of Graemoor Road to the junction with the Cattle Track, has been completed.

Resealing of a short section of Brandis Street between Bowman Street and Ferguson Street which was recently widened, has been completed.



Sealing of Brandis Street, Crystal Brook

A short section of sealing over Sims Hill Bridge and the bridge approaches on Sims Hill Road has been completed.



Sims Hill Road, Koolunga

Other roads resurfaced with a sprayed bituminous and aggregate seal in the rural area include:

- 300m on Graemoor Road from Cattle Track
- 100m on Glenburn Road from Cattle Track
- 300m on Lines Road from Cattle Track
- Wauchopes Road from Magor Road for 400m south
- Wauchopes Road rail crossing

- Hilview Road from Warnertown Road for 700m north
- Haldane Road from Warnertown Road for 700m north
- Aerodrome Road from Lower Broughton Road for 1800m east

Road Resheeting

In 2012/13 \$600,000 was allocated to resheeting rural roads. The following roads were included in the program:

- Frith Road from River Glenn Road to Clothier Road
- Railway Terrace from Pirie Blocks Road to 0.800m west
- Dunsford Road from Kelly Road to Lithgow Road 0.500m
- Inglis Road from Schullers to 1.0km north
- Senna Road to Frith Road 2km
- Milcowie Road from 3.4km east of Woodlands Road to Senna Road
- Collinsfield Road from 1.7km east of Collinsfield Road to 2.3km east
- Collinsfield Road from 7.3km east of Collinsfield Road to Snowtown Road
- Collinsfield Road from Snowtown Road to Brinkworth Road
- River Road from Snowtown Road to 2.1km east

Nelshaby Road/Oaks Road Junction

Improvements were undertaken at the Oaks Road and Nelshaby Road junction, including a change of control from stop to give way, shoulder widening, reseal and new linemarking.

Senate Road Reconstruction and Sealing

The intersection of Senate and Goode Road has been reconstructed. The existing pavement material was excavated and removed. New imported material was placed to a design depth and the intersection resurfaced with asphalt. Several sections of the kerb and water table were also replaced.

FOOTPATH WORKS

Urban

As part of Council's urban footpath program, footpaths in the CBD were improved.

Footpath paving has been completed along Mary Elie Street between Florence Street and Ellen Street. The railway crossing has also been improved with removal of unused rail lines and reshaping of the footpath area up to the railway lines. This will assist gophers, wheelchairs etc in crossing the railway line. The kerb and water table has been reinstated along Mary Elie Street between Ellen Street and Florence Street to enhance the new footpath paving in the area.

Footpath paving along Norman Street from Florence Street to Gertrude Street has been completed.

Technical Services

Footpath paving works was also completed at the Spencer Estate Land Division (Eagle Court off Keane Street). This work completes the works required as part of the land division.



General maintenance was undertaken across the region to repair damaged sections of footpath to remove trip hazards and to replenish crusher sand where required.

Rural

In the rural area the footpath work focussed in Crystal Brook with a new sealed footpath constructed in Mitchell Street from Cunningham Street to Huddleston Road and Cunningham Street from Mitchell Street to Eyre Road, to extend the footpath network.

KERB WORKS

Pelham Road Kerb and Footpath

The footpath along Pelham Road between Senate Road and The Terrace has been upgraded. The road edge was excavated prior to new kerbing being laid and the footpath was levelled and covered with crusher sand. Road reinstatement also took place to match existing pavement levels to the new kerb.

This area is well used by pedestrians as a walking trail around the perimeter of the golf course and many positive comments were received from pedestrians in the area.

Third Street, Napperby

A new kerb and water table has been laid in Third Street, Napperby. The footpath was also constructed with crusher sand. The sealing of the road shoulder was not included in the scope of works but may be considered in future years.

STORMWATER MANAGEMENT

Drainage Maintenance

Various minor maintenance projects were undertaken across the urban area of Port Pirie Regional Council.

The drain from Mary Elie Street to Phoenix Park Wetlands has had sections removed and replaced due to tree roots completely blocking parts of the system.

An open drain has been constructed in the laneway behind Cheesman Avenue to alleviate flooding on Senate Road.

Tide valves have been inspected and one repaired at the Beach Caravan Park. Pipeline and Plumbing Solutions were also engaged to clean tide valve pits.

Council staff worked with pipe cleaning contractors to clear side entry pits and pipes in various locations. In some locations these drains also had CCTV cameras put through them to view any subsidences or blockages.

Drainage maintenance was also carried out in Redhill on behalf of the rural work crew, with culverts and side entry pits being installed.

Several junction boxes on the corner of Three Chain Road and Kingston Road, also in Wandearah Road, have been raised to surface level to assist in the cleaning of pipes in this area.

Open swales have been created behind Donaldson Stadium to allow stormwater to drain away from the building. This will alleviate water pooling on the south western corner of the building.

Cunningham Street Stormwater



T&J Constructions were engaged for the construction of the new stormwater drainage in Cunningham Street and Eyre Road, Crystal Brook. The new underground drainage system will provide increased carrying capacity underground to alleviate localised flooding previously experienced in Eyre Road.



New side entry pits in Eyre Road, Crystal Brook

Technical Services

Sixth Street culvert across Third Street

New culverts were installed in Sixth Street across Third Street to alleviate local flooding in Third Street.



ASSET MANAGEMENT

The second generation of Council's Asset Management Plan incorporating the ten year capital works program was completed. This coincided with the development of the Long Term Financial Plan of Council.

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

Council purchased a specialist asset management software to better house and analyse the asset data. This will drive significant advancement with regard to Council's current asset management activities.

The focus of this financial year was road assets, with significant improvement made to the accuracy of the asset data particularly relating to public roads, footpath and kerb and water table. This culminated in the road assets being re-valued using the new system.

TIDAL PROTECTION

Concrete Levee

The final section of the concrete levee wall was constructed from George Street through to the railway loading yard within the Nyrstar site.

Development of an emergency management plan for closing the breaches in the levee wall in a tidal event will now be developed.



PLANT AND EQUIPMENT

As part of Council's plant replacement program, the following items of plant were purchased:

- Front deck mower \$80,000
- Skidsteer \$65,000
- Waste truck \$100,000
- Rural accommodation van \$45,000
- Motor grader \$320,000

Governance Statement

Summary

- *Decision Making Structure of Council*
- *By-laws*
- *Elected Member Allowances*
- *Elections*
- *Strategic Plan*
- *Financial Plan and Budget*
- *Performance Measurement*
- *Rate Rebates & Remissions*
- *Regional Groups*
- *Retirement Villages*

DECISION MAKING STRUCTURE OF COUNCIL

Committee Structure



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 & Grievance Handling Policy 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 & Grievance Handling Policy 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.

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.

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 :

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

Governance Statement

A review of all the By-laws was completed in the 2008/2009 year.

ELECTED MEMBER ALLOWANCES

Members' allowances to June 2013 were as follows:

Mayor	\$48,754
Deputy Mayor	\$15,236
Councillors	\$12,188

A \$100 allowance per meeting attended was paid to Council Members, Crs D Devlin, J Rohde and J Paparella appointed to the Council Development Assessment Panel.

ELECTIONS

Council elections are held every 4 years with all positions being declared vacant. The next election will be held in November 2014.

STRATEGIC PLAN

The Strategic Plan provides the structure for the creation of the Council's future over the next 10 years. This is Council's second Strategic Plan. The plan outlines priorities and directions for 2005-2015 and has been developed through an extensive process which has involved:

- A comprehensive process of 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, and
- Input and analysis by an external consultant.

The Plan's strategic direction focuses on five key areas:

- Quality lifestyle
- Economic prosperity
- Infrastructure & asset management
- Environment sustainability
- Organisational excellence.
-

Objectives and strategies have been developed for each of these key areas.

The Strategic Plan was adopted on 26 August 2009.

The Plan is supported by a 10 year Long Term Financial Plan and a Capital Works Plan. Annual Business Plans are being developed for each department of Council. Annual budgets are now developed to align with this suite of plans.

BUSINESS PLAN AND BUDGET

The Annual Business Plan for 2013/14 was adopted on 10 July 2013 and outlines Council's proposed activities, programs and budget for the year.

The budget guidelines are :-

- Annual Budget
Adoption of a budget where the cost of providing services and activities is met within the revenue level of

the current year. Where a shortfall exists, funds are sourced from reserves, grants and/or debt.

- Maintenance of Existing Assets
The development of programs to renew and maintain existing assets. The creation of new assets only where community demand exists.
- Emphasis on Seeking Grant Funds
Seek to match new grant and subsidy schemes available with existing programs that meet the fund criteria and allow Council to access wider revenue sources.
- Maximisation of Investment Income
Closely monitor the level of funds on hand to ensure that there is sufficient to meet immediate needs and transfer any excess to a higher interest investment account, combined with minimal use of short term credit facilities.
- Examination of User Pays Policy
The development of a framework to examine the partial or full cost recovery for the delivery of Council services.

PERFORMANCE MEASUREMENT

The Council seeks to monitor its performance against a group of quality performance measures. Council uses information available from supplementary organisations, Local Government Association Comparative Performance Measure – Community Survey, Risk Management Review, Work Health & Safety statistics.

Financial performance is monitored using the Annual Budget and Budget Review processes.

The 2012/13 Budget was formally reviewed on three (3) occasions during the year. Several projects were added and removed during the year and adjustments made accordingly. Waste Management initiatives to introduce a 3 bin kerbside collection and the construction of a new waste transfer station, placed increased pressure on the 2012/13 budget.

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

Also, the General Purpose Financial Statements contain a number of Financial Performance Indicators (see Note 15 of the Financial Statements).

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 2012/13 was \$293,500, 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 (see Note 15 of the Financial Statements).

Governance Statement

REGIONAL GROUPS

The Council supports and makes contributions to the following regional groups:

- Upper Spencer Gulf Common Purpose Group
- Provincial Cities Association
- Regional Development Australia Yorke & Mid North,
- Central Local Government Region.
- Southern Flinders Regional Tourism Authority.

AGED CARE FACILITIES

Applications for a rate rebate were received from two Aged Care facilities, totaling \$38,520.

Compliance Statement

Summary

- *Community Land*
- *Competitive Service Delivery*
- *Confidentiality Provisions*
- *Elector Representation*
- *Freedom of Information*
- *Staffing*
- *Occupational Health and Safety*
- *National Competition Policy*
- *Purchasing Policy for Goods and Services*
- *Registers, Codes and Policies*
- *Salary Packaging for Senior Officers*
- *Subsidiaries*
- *Section 41 Committees*
- *Tenders*

COMMUNITY LAND

Legislation introduced within the Local Government Act 1999 required land to be classified as Community Land or be exempted from the Community Land classification.

Land classified as Community Land must have a management plan developed which outlines to the community how this land will be managed and maintained by Council.

Land owned by Council and acquired during the year has Land Management Plans reviewed or new plans created to meet the legislative requirements.

COMPETITIVE SERVICE DELIVERY

Council has purchased a percentage of services from external contractors. The reasons generally are that Council is not able to provide these services at a reasonably comparable rate, within a specified time or due to a lack of specialist expertise.

The majority of services are delivered utilising Council assets and staff resources (refer to table this page).

EXPENDITURE BY CATEGORY FOR YEAR 2012/13		
2012/13 Expenditure	Employee Costs	Contractual Services, Materials & Other
Operating Expenditure	\$5,651,168	\$10,050,310
Total Expenditure (excluding capital, including depreciation)	\$21,396,039 26%	\$21,396,039 47%

CONFIDENTIALITY PROVISIONS

Council held 12 Ordinary Meetings and 3 Special Meetings between 1 July 2012 and 30 June 2013. A total of 376 resolutions were made at these meetings, of which 38 were

considered "in confidence".

The broad reasons for the consideration of matters "in confidence" were as follows:

- Tenders and Quotations
- Land and Buildings
- Requested by a person/organisation
- Legal Advice
- Employee Matters
- Commercial Advantage.

All confidential orders remain in place until all parties agree that the decision be released from confidentiality.

ELECTOR REPRESENTATION

As a result of a periodic review conducted in 2005 (in accordance with Chapter 3 of the Local Government Act) from November 2006, Council consists of 10 Elected Members and a Mayor.

An Elector Representation Review is currently in progress, due to be completed in November 2013 and implemented for the 2014 Council elections. Public notice was given of the review and interested persons asked to make written submissions.

The elector ratio for Port Pirie Regional Council is 1:1109. For comparison purposes, the table below shows the Elected Member representation of councils similar in size to Port Pirie Regional Council as at 28/2/13.

Council	Members	Electors	Elector Ratio
Copper Coast	11	10,013	1:910
Murray Bridge	10	13,018	1:1301
Port Pirie	11	12,199	1:1109
Victor Harbor	10	11,323	1:1132
Wattle Range	12	8,646	1:720
Yorke Peninsula	12	9,404	1:783

Compliance Statement

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 25 cents per page.

- Council Agenda & Minutes
- Regulatory Committee Agendas & Minutes
- Section 41 Committee Agendas & Minutes
- Council Policies
- Strategic Plan
- Budget Statements
- Annual Report
- Council By-laws
- Annual Financial Statements
- Planning Application Register
- Building Application Register
- Register of Elected Members - Allowances & Benefits
- Register of Employees' Salaries
- Wages & Benefits
- Assessment Book
- Register of Public Streets & Roads
- Register of Fees & Charges Levied
- Planning Applications by Consent
- Development Plan
- Any document seeking public comment

Other Information Requests

Requests for other information not included in the above, will be considered in accordance with the Freedom of Information Act.

Under this legislation, an application fee and a search fee must be forwarded with the completed request form as provided for in Section 13, Freedom of Information Act 1991, unless the applicant is granted an exemption.

Should the applicant require copies of any document inspected pursuant to a Freedom of Information request, the charges set out in Freedom of Information (Fees & Charges) Regulations 2003, Schedule 1, will apply.

Freedom of Information Request Forms should be addressed to:

Chief Executive Officer
Port Pirie Regional Council
PO Box 45
PORT PIRIE SA 5540

Applications will be responded to as soon as possible within the statutory 30 days of Council receiving the properly completed Freedom of Information Form, together with the application and search fees.

Amendment of Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to

any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a member of the public must complete a Freedom of Information Request Form as indicated above, outlining the records that he/she wishes to inspect.

Freedom of Information Applications

In the period 1 July 2012 to 30 June 2013, three (3) requests for access under Section 13 of the Freedom of Information Act 1991 were processed. Information was given for all three cases.

STAFFING

As at 30 June 2013, Council employed 86.75 full-time equivalent employees including cadets, trainees and apprentices in all areas of Council operations.

WORK HEALTH AND SAFETY

The Port Pirie Regional Council continues to maintain a high standard of Work Health and Safety Management.

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

Council's Work Health and Safety Committee which comprises management and employee representatives continues to update its plan, policies and procedures for the use of employees.

The Committee has been assisted in its work by the Regional Risk Coordinator, who also assists other Councils in the Mid North region. This assistance has been invaluable to Council.

Safe Work Procedures and Policies are being continually reviewed and new procedures are introduced if considered necessary.

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.

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.

Compliance Statement

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

- transparency and accountability in procedures and practices to ensure the best price and all potential suppliers are given equal opportunity to supply;
- development and growth of local economy;
- compliance with statutory and other obligations;
- environmental conservation and protection;
- commercial confidentiality.

Generally, Council will adopt the following approaches:

- Direct Purchase – where there is only one supplier;
- Quotation – seeking quotations from three (3) or more suppliers;
- Tender (Open) - invitation, eg advertisement;
- Tender (Selected) – the result of Expressions of Interest or other basis, e.g. location, performance;
- Panel – prequalified suppliers;
- Strategic Alliances – contracted through membership of established purchasing groups.

Council has adopted principles to encourage the development of competitive local business and industry in making procurement decisions, to assist economic growth within the local community.

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

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

Codes

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

Policies

Policies are reference guidelines determined by Council and used by Elected Members and Staff when making decisions. Council has developed a Policy Document that is continually updated. A full list of policies is contained within this report.

SALARY PACKAGING FOR SENIOR OFFICERS

Council's Senior Officers are as follows :

- Chief Executive Officer
- Manager Administrative Services
- Manager Financial Services
- Manager Environmental Services
- Manager Technical Services

Salaries for these Officers are in accordance with the applicable Award and Council's Enterprise Agreement. Other benefits/conditions of employment include: performance bonus, superannuation, telephone expenses and provision of a major vehicle with all Fringe Benefits Tax expenses paid by Council.

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 is \$27,184.30 (GST incl).

Council makes an annual contribution to the subsidiary. 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.

SECTION 41 COMMITTEES

New Committees

- Mid North STARCLUB Field Officer Management Committee (adopted in August 2012)

Existing Committees

- Asset Management Committee
- Audit Committee
- CEO Performance Review Committee
- Dry Areas Committee
- Entrances Committee
- Port Pirie Masters Games Committee
- Southern Flinders Regional Tourism Authority
- Sport & Recreation Committee

STATUTORY COMMITTEES

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

TENDERS

For the year ended 30 June 2013, a total of fourteen (14) tenders were sought for the supply of goods and services.

Policies

ADMINISTRATION - GOVERNANCE

Council Logo
Freedom of Information - Procedures
Risk Management Policy
Vandalism – Rewards for Information
Volunteers
Official Anniversary Messages
Community Bus Policy & Guidelines
Inspection Day Policy
Congratulatory Letters (Births) & Letters of Condolence
Elected Members Allowances and Support Policy
Mayoral Appeals
Supplementary Election Policy
Elected Member Training & Development Policy and Plan
Policy for Mayor Seeking Legal Advice
Caretaker Policy
Code of Practice for Access to Council and Committee
Meetings and Documents
Complaints and Grievance Handling Policy
Council Induction Policy
Enforcement Policy
Fraud and Corruption Prevention Policy
Good Governance and Administrative Practice Policy
Internal Control Policy
Order Making Policy
Public Consultation Policy
Selection of Road Names Policy
Voting En- Bloc Policy
Whistleblowers Protection Policy
Elected Member Code of Conduct
Elected Member Conduct Complaint Handling
Community Engagement Policy

FINANCE

Bank Signatories
Budget - New and Additional Expenditure
Budget - Objectives
Budget - Over Budget Approvals
Community Assistance – Donations, Grants & Assistance to
Community, Cultural & Other Organisations
Credit and Purchase Card Policy
Debt Collection
Donations to Charities
Expenditure – Motion without Notice
Facility Hire Charges
Investment of Surplus Funds
Revenue & Financing Policy
Treasury Policy
Reserve Policy
Asset Impairment Policy
Asset Revaluation Policy
Asset Management Policy
Petty Cash
Property Searches - Signing of Certificate
Procurement Policy
Disposal of Land & Assets Policy

HEALTH AND ENVIRONMENTAL

Condemned Premises
Glass Beverage Containers
Rat Poison
Rewards - Rubbish Dumping/Vandalism
Sharps Collections in Public Places
Supply of Sharps Containers

INSPECTORIAL

Artistic Painting of Stobie Poles
Development Applications
Building Construction Sites - Damage to Council Property
Building Inspection Policy
Building Maintenance (Urgent) - Delegated Authority
Caravans in Residential Areas
Dog Control - Expiation of Offences
Dog Control – Re-Homing
Expiation of Offences
Footpaths - Items on
Footpaths - Planter Boxes
Footpaths - Tables and Chairs
Heritage Painting of Premises – Residential Properties
Horse Stables/Shelters
Impounded Dogs - Procedure for
Outdoor Trading
Parking Restrictions
Permits - Construction of Crossing Place
Soil Reports
Stray Cats - Trapping, Removal & Disposal
Toilets/Access - Provision for Disabled Persons
Washing of Vehicles on Streets
Food Act – Inspection Fees for Food Premises

PLANNING

Advertising Signs - Phoenix Park
Advertising Signs - on Sporting Grounds
Footpaths - New Land Divisions
Halls - Hiring of by Itinerant Traders
Land Divisions – Financial Incentives
Land Divisions – Statement of Requirements
Signs
Temporary Accommodation in Sheds
Transportable Houses - Re-siting

RECREATION

Memorial Oval - Hire
Ovals - Promotional Signs
Parks and Garden and Street Furniture
Recreational Jetties - Control of
Reserves – Council Owned – Use for Special Events
Reserves - Not Owned by Council
Sporting Reserves - Hire
Sporting Grounds - Linemarking
Woodward Park Kitchen and Shelter

Policies

WORKS

Consultant Engineer
Contracts - Services in Streets
Electrical Services in Streets
Entranceways - Location
Fires - Use of Council Plant
Fire Hazards – Council Owned Laneways
Footways - Construction for Commercial Premises
Footways - Crossing Places
Footways – Landscaping, Construction or Work by
Adjoining Property Owners/Residents
Footways - Levels
Footways - Paving
Footways - Ramps
Footways - Removal of Deposited Material
Footways - Unauthorised Construction of
Heavy Vehicles
Implementation of Approved Work
Laneways - Closures
Laneways - Council Owned
Lighting - Streets
Native Vegetation
Roadside Vegetation Management Plan
Naturestrips
Notification of Proposed Works
Permits - Native Seeds
Pest Plant Control - Safety Measures
Private Works
Road Resheeting
Road Treatment
Roadworks - Construction
Roadworks - Public Utilities
Roadworks - Signage
Schools - Provision of Parking Bays
Service Authority Installations - Delegated Authority
Site for Visiting Circus
Streets - Naming of
Tidal Embankment - Inspection
Trees
Underground Electrical Services
Vehicles - Fuel Supply
Waste Removal - Domestic
Wood - Sale of from Council Tree Pruning and Removal
Activities (that is not mulched)
World War 1 Memorial
Waste Reduction Policy (Strategy) 2010 – 2015
Household Kerbside Collection Policy

Financial Performance

Introduction

The Council adopted its 2012/13 Annual Business Plan in conjunction with the Annual Budget process in July 2012. The Annual Business Plan is a framework of services, programs and projects for the year and provides important links and references to the Council's Strategic Plan and other long term plans and policies.

The annual independent audit was conducted by Dean Newbery and Partners, Chartered Accountants, to form an opinion according to Australian Accounting Standards and other statutory requirements, as to whether the Council's Annual Financial Statements form a fair view of the operations and the financial position of Council for the year ended 30 June 2013.

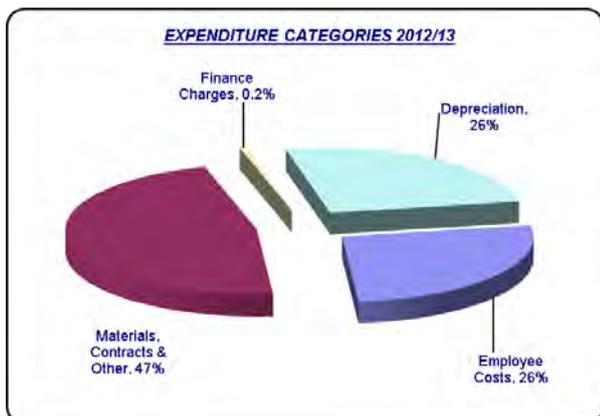
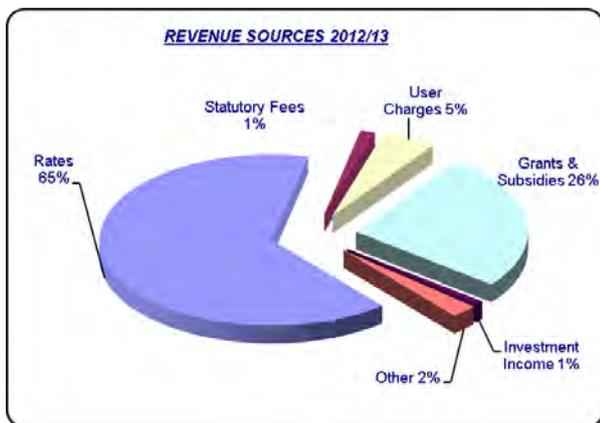
The audited Statements for the year were reviewed and endorsed by Council's Audit Committee at its meeting held on 15 October 2013, and subsequently presented to Council.

The full version of the 2012/13 Annual Financial Statements is included as an attachment to the 2012/13 Annual Report.

Operations

Council achieved an operating deficit \$1.69 million in 2012/13, following a \$0.74 million surplus in 2011/12. The previous surplus was largely due to an additional quarterly payment of the financial assistance grant (\$1.18 million) and the deficit was increased due to the inclusion of previously capitalised landfill remediation costs (\$0.78 million).

The following charts show the operating revenue sources and expenditure categories for 2012/13.



The primary reasons for the change in operating result from the previous year are provided as follows:

- Reduced financial assistance grants \$1.54 million;
- Increased rate revenue \$1.69 million;
- Landfill remediation costs \$0.78 million;
- Increased waste collection disposal costs \$1.44 million.

Significant reductions to operating expenses and income were due to the 2011/12 inclusions relating to the Port Pirie water re-use project.

Full details of operating income and expenditure are presented in Notes 2 and 3 of the 2012/13 Annual Financial Statements.

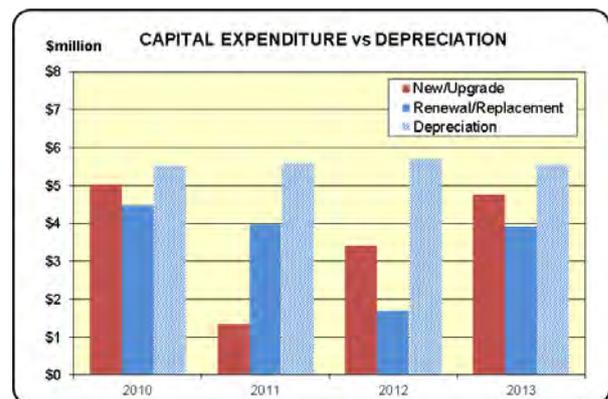
Capital Expenditure

Capital works undertaken in 2012/13 amounted to \$4.76 million for the construction of new assets and upgrade of existing assets, while \$3.91 million was spent on renewal and replacement of existing assets. Major projects undertaken during the year included:

- Port Pirie Waste Transfer Station \$3.80 million;
- Stormwater drainage projects \$0.73 million;
- Rural road resheeting \$0.69 million;
- Road reconstruction and resealing \$0.98 million;
- New and replacement plant and vehicles \$1.05 million;
- Library carpark \$0.21 million;
- Flood levee bank \$0.21 million; and
- Crystal Brook skate park \$0.14 million.

The capital program was supported by grant funds of \$0.26 million from the Federal and State Governments.

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



Financial Position - Equity

Council's equity (net current assets) has increased from \$175 million to \$203 million as at 30 June 2013 million. The primary reasons for this increase are provided below:

- Reduced cash held for planned projects \$3.55 million;
- Increased infrastructure valuation \$29.7 million;
- New loan of \$2 million, repayments of \$0.44 million.

Significant reserve funds were held for community wastewater management schemes (\$1.13 million) and for grant funds received in advance (\$2.41 million).

Financial Performance

Net Current Assets

The total amount of cash and equivalents held at 30 June 2013 was \$3.20 million and outstanding receivables were \$1.80 million. Most of these funds were committed to reserves (\$4.05 million).

Non-current Assets

The value of non-current assets increased from \$176 million to \$208 million due to a revaluation of Council's roads, footpaths and kerbing assets.

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

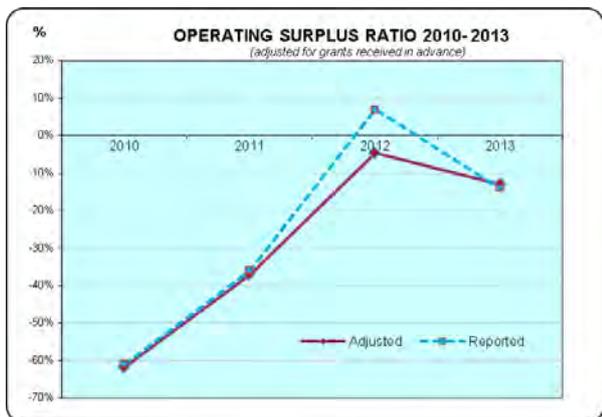
Council's liabilities consist of accounts payable, borrowings and a provision to remediate its landfill depot and to allow for post-closure costs. Following payments of \$0.54 million during the year, the landfill provision has reduced to \$2.12 million as at 30 June 2013.

Financial Sustainability

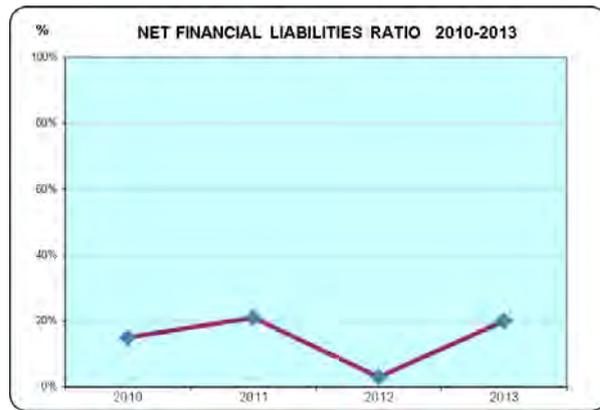
Council's financial sustainability is measured by three key financial indicators.

The Operating Surplus Ratio expresses the operating surplus (or deficit) as a percentage of rate revenue. Council had an operational deficit in 2012/13 following a surplus in the previous year, largely due to advance payment of financial assistance grants in 2012 (as shown in the graph below).

Council has set a target to breakeven (0%) in 2016 and increase its surplus thereafter, thereby creating the capacity to directly fund rather than borrow for essential works.

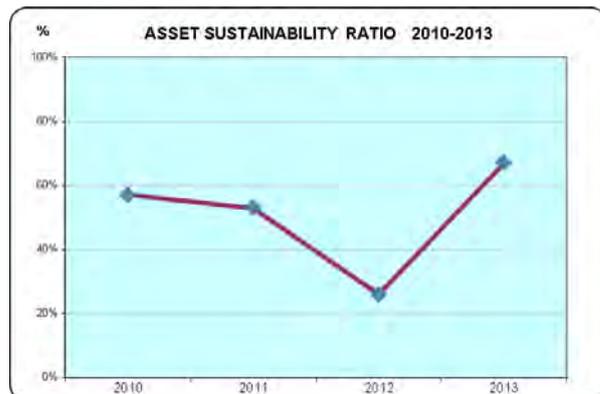


The Net Financial Liabilities Ratio expresses Council's total liabilities less financial assets as a percentage of its operating revenue. The graph below reflects low debt overall, and low cash holdings in 2010, 2011 and 2013. Council has nominated a target range of 30% to 70% for this indicator.



The Asset Sustainability Ratio expresses net capital expenditure on renewal and replacement of existing assets against consumption (depreciation) costs. The graph below shows that on average, Council is replacing its assets at about half (51%) of the depreciation rate.

Council's improved ratio of 67% in 2013 is indicative of its future commitment to renew existing assets. Council's Asset Sustainability Ratio target range for the next five years is 100% to 120%, to ensure that assets are replaced at the rate at which they are deteriorating.



Overall, Council's performance is encouraging, in that its operating result is improving over time, its financial liabilities are still very manageable and its future commitment to renew and replace existing assets is high. This commitment is underlined in the Long Term Financial Plan 2013-2023 (adopted in July 2013) which provides the framework for Council to reach and maintain financial sustainability.

The Long Term Financial Plan, Asset Management Plan and Capital Works Program provide the following strategies to ensure the Council's ability to provide the infrastructure, facilities and services required by its 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.

Further detail on financial indicators can be found in Note 15 of the 2012/13 Annual Financial Statements.



FINANCIAL STATEMENTS

**for the financial year ended
30 June 2013**

PORT PIRIE REGIONAL COUNCIL

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2013

CERTIFICATION OF FINANCIAL STATEMENTS

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

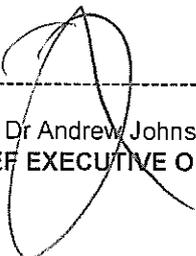
In our opinion:

- The accompanying financial statements comply with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.

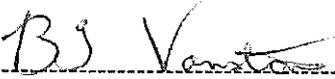
- The financial statements present a true and fair view of the Council's financial position at 30 June 2013 and the results of its operations and cash flows for the financial year.

- 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



Brenton Vanstone
MAYOR

15 October 2013

PORT PIRIE REGIONAL COUNCIL

General Purpose Financial Reports for the year ended 30 June 2013

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PORT PIRIE REGIONAL COUNCIL
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2013

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 2013 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

Brenton Vanstone
MAYOR

Date:

PORT PIRIE REGIONAL COUNCIL

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
INCOME			
Rates	2	12,712	11,022
Statutory charges	2	270	293
User charges	2	1,009	1,070
Grants, subsidies and contributions	2	5,060	9,767
Investment income	2	163	181
Reimbursements	2	465	520
Other income	2	26	198
Total Income		<u>19,705</u>	<u>23,051</u>
EXPENSES			
Employee costs	3	5,651	5,570
Materials, contracts & other expenses	3	10,050	10,912
Depreciation, amortisation & impairment	3	5,555	5,685
Finance costs	3	141	144
Total Expenses		<u>21,397</u>	<u>22,311</u>
OPERATING SURPLUS / (DEFICIT)		(1,692)	740
Asset disposal & fair value adjustments	4	(388)	(40)
Amounts received specifically for new or upgraded assets	2	263	1,241
NET SURPLUS / (DEFICIT)		<u>(1,817)</u>	<u>1,941</u>
transferred to Equity Statement			1,941
Other Comprehensive Income			
Changes in revaluation surplus			
- infrastructure, property, plant & equipment	9	29,724	12,370
Total Other Comprehensive Income		<u>29,724</u>	<u>12,370</u>
TOTAL COMPREHENSIVE INCOME		<u>27,907</u>	<u>14,311</u>

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

PORT PIRIE REGIONAL COUNCIL

**BALANCE SHEET
as at 30 June 2013**

	Notes	2013 \$'000	2012 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,199	6,747
Trade & other receivables	5	1,797	1,051
Inventories	5	24	17
Total Current Assets		<u>5,020</u>	<u>7,815</u>
Non-current Assets			
Financial assets	6	345	402
Infrastructure, property, plant & equipment	7	207,137	174,523
Other non-current assets	6	37	1,490
Total Non-current Assets		<u>207,519</u>	<u>176,415</u>
Total Assets		<u>212,539</u>	<u>184,230</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	2,659	3,364
Borrowings	8	621	437
Provisions	8	1,054	1,273
Total Current Liabilities		<u>4,334</u>	<u>5,074</u>
Non-current Liabilities			
Borrowings	8	2,987	1,607
Provisions	8	1,856	2,094
Total Non-current Liabilities		<u>4,843</u>	<u>3,701</u>
Total Liabilities		<u>9,177</u>	<u>8,775</u>
NET ASSETS		<u>203,362</u>	<u>175,455</u>
EQUITY			
Accumulated Surplus		52,906	54,495
Asset Revaluation Reserves	9	146,407	116,683
Other Reserves	9	4,049	4,277
TOTAL EQUITY		<u>203,362</u>	<u>175,455</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 2013

2013	Notes	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period		54,495	116,683	4,277	175,455
Restated opening balance		54,495	116,683	4,277	175,455
Net Surplus / (Deficit) for Year		(1,817)	-	-	(1,817)
Other Comprehensive Income		-	-	-	-
Gain on revaluation of infrastructure, property, plant & equipment		-	29,724	-	29,724
Transfers between reserves		228	-	(228)	-
Balance at end of period		52,906	146,407	4,049	203,362
2012					
Balance at end of previous reporting period		52,233	104,313	4,598	161,144
Restated opening balance		52,233	104,313	4,598	161,144
Net Surplus / (Deficit) for Year		1,941	-	-	1,941
Other Comprehensive Income		-	-	-	-
Gain on revaluation of infrastructure, property, plant & equipment		-	12,370	-	12,370
Transfers between reserves		321	-	(321)	-
Balance at end of period		54,495	116,683	4,277	175,455

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

PORT PIRIE REGIONAL COUNCIL

CASH FLOW STATEMENT for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		12,513	11,021
Investment receipts		72	181
Other operating income		6,381	12,900
<u>Payments</u>			
Other operating expenses		(15,715)	(16,482)
Finance payments		(464)	(144)
Net Cash provided by (or used in) Operating Activities		2,787	7,476
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		263	1,141
Sale of replaced assets		198	231
Sale of surplus assets		266	10
Repayments of loans by community groups		57	6
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(3,913)	(1,689)
Expenditure on new/upgraded assets		(4,763)	(3,408)
Loans made to community groups		(7)	(32)
Net Cash provided by (or used in) Investing Activities		(7,899)	(3,741)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from borrowings		2,000	32
<u>Payments</u>			
Repayments of borrowings		(436)	(408)
Net Cash provided by (or used in) Financing Activities		1,564	(376)
Net Increase (Decrease) in cash held		(3,548)	3,359
Cash & cash equivalents at beginning of period	11	6,747	3,388
Cash & cash equivalents at end of period	11	3,199	6,747

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 2013

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 (AASB) 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 ('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 the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2011, one quarter of the 2011/12 allocation amounting to \$1,113,588 was paid in advance; in June 2012, two quarters of the 2012/13 allocation: \$2,351,977 and in June 2013, again two quarters of the 2013/14 allocation: \$2,280,692.

It is anticipated that these amounts in advance will be adjusted at some future time, but details of the timing of this are not currently available. The total amounts to be adjusted at 30 June 2013 is \$2,280,692 (\$2012, \$2,351,977).

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

PORT PIRIE REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

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 and Equipment

6.1 Initial Recognition

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

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

6.2 Materiality

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

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. 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.

6.4 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are 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.

PORT PIRIE REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

6.5 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.

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in AASB 1023 Borrowing Costs. The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables

7.1 Goods 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 on costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted average discount rate	2.75%	(2012: 2.87%)
Weighted average settlement period	5 years	(2012: 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 1985.

PORT PIRIE REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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

13 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2013 reporting period and have not been used in preparing these reports.

- AASB 7 *Financial Instruments - Disclosures*
- AASB 9 *Financial Instruments*
- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Arrangements*
- AASB 12 *Disclosure of Interests in Other Entities*
- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*
- AASB 127 *Separate Financial Statements*
- AASB 128 *Investments in Associates and Joint Ventures*
- AASB 132 *Financial Instruments: Presentation*
- AASB 2010-6 *Amendments to Australian Accounting Standards [AASBs 1 & 7]*
Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]
- AASB 2010-7

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

- AASB 2010-7, AASB 2011-7, AASB 2011-8, AASB 2011-10, AASB 2012-2, AASB 2012-3, AASB 2012-5, AASB 2012-6 and AASB 2012-10.

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

Council has not yet determined whether any 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.

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 2 - INCOME

	Notes	2013 \$'000	2012 \$'000
RATES REVENUES			
<u>General Rates</u>		12,354	10,702
Less: Mandatory rebates		(239)	(259)
Less: Discretionary rebates, remissions & write offs		(32)	(45)
		12,083	10,398
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		296	284
Community wastewater management systems		244	240
		540	524
<u>Other Charges</u>			
Penalties for late payment		75	48
Legal & other costs recovered		64	52
		139	100
Less: Discretionary rebates, remissions & write offs		(50)	-
		12,712	11,022
STATUTORY CHARGES			
Development Act fees		54	57
Town planning fees		74	88
Health & Septic Tank Inspection fees		7	14
Animal registration fees & fines		104	113
Parking fines / expiation fees		10	7
Search fees		20	13
Sundry		1	1
		270	293
USER CHARGES			
Cemetery Fees		161	132
Community Housing		43	43
Waste Disposal		519	575
Internet & Technology Centre		7	12
Lease/Rental fees		87	93
Sport/Recreation and Hall Hire fees		32	19
Tourism (Including Special Events)		122	149
Aerodrome user fees		22	28
Library user fees		13	16
Sundry		3	3
		1,009	1,070
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		133	144
Banks & other		7	7
Loans to community groups		23	30
		163	181

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

NOTE 2 - INCOME (continued)

	Notes	2013 \$'000	2012 \$'000
REIMBURSEMENTS			
Insurance Claims & Related Recoupments		12	287
Outside Parties - Government Departments		72	73
Private Works		10	33
Workers Compensation		127	60
Other Reimbursements		244	67
		465	520
OTHER INCOME			
Contributions from Outside Parties		8	25
Tourism and Special Events		5	12
Masters Games		-	124
Sundry		13	37
		26	198
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		263	1,241
Other grants, subsidies and contributions		2,778	7,416
Individually significant item - additional Grants Commission payment		2,282	2,351
		5,323	11,008
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		-	632
State government		5,266	10,325
Other		57	51
		5,323	11,008

Conditions over grants & contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

<i>Unexpended at the close of the previous reporting period</i>		427	-
Crystal Brook Skate Park		-	50
Water Feasibility Study Grant		(300)	
<i>Subtotal</i>		(300)	50
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Water Feasibility Study Grant		-	427
<i>Subtotal</i>		-	427
<i>Unexpended at the close of this reporting period</i>		127	477
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		(300)	427

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES

	Notes	2013 \$'000	2012 \$'000
EMPLOYEE COSTS			
Salaries and Wages		4,869	4,613
Employee leave expense		599	653
Superannuation - defined contribution plan contributions	18	311	317
Superannuation - defined benefit plan contributions	18	160	150
Workers' Compensation Insurance		297	202
Less: Capitalised and distributed costs		<u>(585)</u>	<u>(365)</u>
Total Operating Employee Costs		5,651	5,570
Total Number of Employees		87	84
<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		17	16
Bad and Doubtful Debts		13	11
Elected members' expenses		229	234
Election expenses		10	4
Operating Lease Rentals - non-cancellable leases	17		
- minimum lease payments		90	14
Subtotal - Prescribed Expenses		<u>359</u>	<u>279</u>
<u>Other Materials, Contracts & Expenses</u>			
Advertising & Promotions		83	137
Consultants		424	407
Community Development		320	381
Facility Maintenance		302	396
Bank Charges & FBT		113	106
Freight, Postage & Printing		56	68
Fuels and Oils		324	252
General Contractors		707	541
Infrastructure Maintenance		1,239	1,454
Insurances and Registrations		485	384
IT Support & Maintenance		349	214
Legal Fees		59	56
Levies Paid to Government		653	626
Repairs and Maintenance		314	333
Stationery & Office Consumables		45	37
Telephone		75	67
Tour/Events Purchases		192	258
Training/Seminar Costs		80	50
Utilities		1,445	739
Waste Management Services		1,434	297
Works Minor Plant/Tools		50	62
Water Reuse Project - Port Pirie		-	3,000
Landfill Liability Expense - Post Closure		783	614
Sundry Expenses		<u>159</u>	<u>154</u>
Subtotal - Other Materials, Contracts & Expenses		<u>9,691</u>	<u>10,633</u>
		10,050	10,912

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES (cont)

	Notes	2013 \$'000	2012 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings		882	778
Structures/Site Improvements		706	815
Roads		2,641	2,660
Kerbing		287	288
Footpaths		197	189
Bridges		149	149
Signs/Traffic/Spoon Drains		41	40
Stormwater Drainage		237	240
CWMS		77	77
Equipment		384	524
Furniture & Fittings		40	34
		5,641	5,794
Less: Capitalised and distributed costs		(86)	(109)
		5,555	5,685
 FINANCE COSTS			
Interest on Loans		141	144
		141	144

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2013	2012
Notes	\$'000	\$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	198	242
Less: Carrying amount of assets sold	168	282
Gain (Loss) on disposal	30	(40)
<i>Assets surplus to requirements</i>		
Proceeds from disposal	266	-
Less: Carrying amount of assets sold	684	-
Gain (Loss) on disposal	(418)	-
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	(388)	(40)

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 5 - CURRENT ASSETS

	Notes	2013 \$'000	2012 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		47	123
Deposits at Call		<u>3,152</u>	<u>6,624</u>
		<u>3,199</u>	<u>6,747</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		867	668
Accrued Revenues		238	147
Debtors - general		723	169
GST Recoupment		32	117
Prepayments		1	1
Loans to community organisations		<u>53</u>	<u>53</u>
Total		1,914	1,155
 Less: Allowance for Doubtful Debts		<u>117</u>	<u>104</u>
		<u>1,797</u>	<u>1,051</u>
 INVENTORIES			
Stores & Materials		2	1
Trading Stock		<u>22</u>	<u>16</u>
		<u>24</u>	<u>17</u>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 6 - NON-CURRENT ASSETS

		2013	2012
FINANCIAL ASSETS	Notes	\$'000	\$'000
Receivables			
Loans to community organisations		<u>345</u>	<u>402</u>
TOTAL FINANCIAL ASSETS		<u>345</u>	<u>402</u>
 OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		<u>37</u>	<u>1,490</u>
		<u>37</u>	<u>1,490</u>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

	2012 \$'000				2013 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Land	24,288	-	-	24,288	23,839	-	-	23,839
Buildings	42,931	199	(19,594)	23,536	42,570	3,087	(20,179)	25,478
Structures/Site Improvements	31,322	1,919	(14,913)	18,328	31,319	4,669	(15,815)	20,173
Roads	99,909	1,123	(39,133)	61,899	117,025	-	(31,882)	85,143
Kerbing	27,085	-	(9,472)	17,613	32,708	-	(10,808)	21,900
Footpaths	8,398	295	(2,921)	5,772	10,297	-	(3,624)	6,673
Bridges	9,921	5	(6,279)	3,647	9,921	5	(6,428)	3,498
Signs/Traffic/Spoon Drains	1,033	-	(431)	602	1,033	-	(472)	561
Stormwater Drainage	18,855	416	(6,429)	12,842	18,855	470	(6,466)	12,859
CWMS	4,331	-	(1,788)	2,543	4,331	-	(1,865)	2,466
Equipment	-	7,011	(3,997)	3,014	-	6,978	(2,839)	4,139
Furniture & Fittings	-	591	(152)	439	-	600	(192)	408
TOTAL PROPERTY, PLANT & EQUIPMENT	268,073	11,559	(105,109)	174,523	291,898	15,809	(100,570)	207,137
<i>Comparatives</i>	247,064	15,260	(97,703)	164,621	268,073	11,559	(105,109)	174,523

	2012 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000						2013 \$'000
	CARRYING AMOUNT	Additions		Disposals	Depreciation/ Impairment	Transfers/ Adjustments	Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals					
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Land	24,288	-	-	(449)	-	-	-	23,839
Buildings	23,536	2,128	760	(64)	(882)	-	-	25,478
Structures/Site Improvements	18,328	1,653	267	(2)	(706)	633	-	20,173
Roads	61,899	60	1,606	-	(2,641)	-	24,220	85,143
Kerbing	17,613	48	49	-	(287)	-	4,477	21,900
Footpaths	5,772	33	38	-	(197)	-	1,027	6,673
Bridges	3,647	-	-	-	(149)	-	-	3,498
Signs/Traffic/Spoon Drains	602	-	-	-	(41)	-	-	561
Stormwater Drainage	12,842	550	337	-	(237)	(633)	-	12,859
CWMS	2,543	-	-	-	(77)	-	-	2,466
Equipment	3,014	990	856	(337)	(384)	-	-	4,139
Furniture & Fittings	439	9	-	-	(40)	-	-	408
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	174,523	5,471	3,913	(852)	(5,641)	-	29,724	207,137
<i>Comparatives</i>	164,621	2,815	1,689	(282)	(5,793)	(897)	12,534	174,523

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 2013

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

Valuation of Assets

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent additions at cost, this remains as the basis of recognition of non-material asset classes.

Land & 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.

Undeveloped land at the Flinders Industrial Estate has been reclassified from Land Held for Resale to Land.

Buildings, Structures and Site Improvements

Buildings, structures and site improvements are recognised on the cost basis. The last valuation of buildings and other structures was undertaken by Maloney Field Services as at 30 June 2012 on the basis of Depreciated Replacement Cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Infrastructure

Road, kerbing and footpath assets were valued by Tonkin Consulting at written down current replacement cost during the reporting period ended 30 June 2013.

Bridge, signage, traffic and sponddrain assets were valued by Maloney Field Services at written down current replacement cost during the reporting period ended 30 June 2010.

Stormwater drainage infrastructure was valued by Maloney Field Services as at 30 June 2010 at written down current replacement cost during the reporting period ended 30 June 2010.

Community wastewater management system infrastructure was valued by Maloney Field Services at written down current replacement cost during the reporting period ended 30 June 2010.

Road asset classifications were reviewed as at 1 July 2012 resulting in the creation of a new reclassification of Sign, Traffic and Sponddrain assets.

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.

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.

Land, Buildings, Structures	\$5,000	Plant, Machinery, Fleet	\$2,000
Road Infrastructure	\$10,000	Minor Plant, Loose Tools	\$2,000
Stormwater Drainage, CWMS	\$5,000	Office Furniture, Equipment	\$1,000
Site Improvements	\$5,000		

Estimated Useful Lives

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

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

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 8 - LIABILITIES

TRADE & OTHER PAYABLES	Notes	2013		2012	
		\$'000		\$'000	
		Current	Non-current	Current	Non-current
Goods & Services		1,190		1,892	
Payments received in advance		265		8	
Accrued expenses - employee entitlements		1,059		984	
Accrued expenses - other		140		463	
Deposits, Retentions & Bonds		5		17	
		2,659	-	3,364	-

BORROWINGS

Loans		621	2,987	437	1,607
		621	2,987	437	1,607

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

PROVISIONS

Employee entitlements (including oncosts)		664	128	631	70
Landfill future reinstatement/restoration		390	1,728	642	2,024
		1,054	1,856	1,273	2,094

*Movements in Provisions - 2013 year only
(current & non-current)*

	<i>Landfill Reinstatement</i>
Opening Balance	2,666
(Less) Payments	(548)
Closing Balance	2,118

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2012	Net Increments (Decrements)	Transfers, Impairments	30/6/2013
Notes	\$'000	\$'000	\$'000	\$'000
Land	18,457	-	-	18,457
Buildings	10,665	-	-	10,665
Structures/Site Improvements	10,593	-	-	10,593
Roads	48,667	24,220	-	72,887
Kerbing	11,468	4,477	-	15,945
Footpaths	3,663	1,027	-	4,690
Bridges	2,863	-	-	2,863
Signs/Traffic/Spoon Drains	492	-	-	492
Stormwater Drainage	7,565	-	-	7,565
CWMS	2,250	-	-	2,250
TOTAL	116,683	29,724	-	146,407
<i>Comparatives</i>	<i>104,313</i>	<i>12,370</i>	<i>-</i>	<i>116,683</i>

OTHER RESERVES	1/7/2012	Transfers to Reserve	Transfers from Reserve	30/6/2013
Developers Contributions	200	-	(49)	151
Crystal Brook CWMS	868	114	-	982
Napperby CWMS	65	36	-	101
Grant Funds	2,780	-	(372)	2,408
Fishermans Wharf	17	9	-	26
Community Housing	347	34	-	381
TOTAL OTHER RESERVES	4,277	193	(421)	4,049
<i>Comparatives</i>	<i>4,598</i>	<i>1,841</i>	<i>(2,162)</i>	<i>4,277</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

Developers Contributions Reserve

Developers Contributions Reserve.

Community Wastewater Management Scheme (CWMS) Reserves

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

Grant Funds Reserve

Major grants received in 2012/13 for expenditure in 2013/14.

Fishermans Wharf Reserve

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

Community Housing Reserve

Balance from operations from housing property owned by the Council.

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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.

		2013	2012
CASH & FINANCIAL ASSETS	Notes	\$'000	\$'000
Unexpended amounts received from Federal Government			
Community Recreation and Sports Program - Crystal Brook Skate Park		-	50
Department for Water - Water Supply Augmentation Study		127	427
CWMS Scheme Reserves		<u>1,083</u>	<u>934</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		<u>1,210</u>	<u>1,411</u>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2013 \$'000	2012 \$'000
Total cash & equivalent assets	5	<u>3,199</u>	<u>6,747</u>
Balances per Cash Flow Statement		<u>3,199</u>	<u>6,747</u>

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

Net Surplus (Deficit)	(1,817)	1,941
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	5,555	5,793
Net increase (decrease) in unpaid employee benefits	139	143
Change in allowances for under-recovery	13	-
Grants for capital acquisitions treated as Investing Activity	(263)	(1,141)
Net (Gain) Loss on Disposals	<u>388</u>	<u>40</u>
	4,015	6,776
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(759)	(221)
Net (increase) decrease in inventories	(7)	(15)
Net (increase) decrease in other current assets	-	4
Net increase (decrease) in trade & other payables	86	949
Net increase (decrease) in other provisions	<u>(548)</u>	<u>(17)</u>
Net Cash provided by (or used in) operations	<u>2,787</u>	<u>7,476</u>

(c) Financing Arrangements

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

Corporate Credit Cards	30	30
LGFA Cash Advance Debenture facility	3,000	1,000

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

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2013	2012	2013	2012
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Business Undertakings	50	271	226	224	(176)	47	-	-	3,079	4,480
Community Services	326	220	1,480	1,100	(1,154)	(880)	110	54	10,039	25,070
Culture	89	86	1,143	1,048	(1,054)	(962)	-	61	5,823	6,536
Economic Development	290	727	1,059	814	(769)	(87)	150	427	2,691	-
Environment	554	4,999	5,917	6,435	(5,363)	(1,436)	36	3,000	22,725	1,490
Recreation	127	172	2,374	3,142	(2,247)	(2,970)	29	-	27,794	20,328
Regulatory Services	278	299	1,162	1,064	(884)	(765)	-	-	-	2,771
Transport & Communication	385	357	5,020	5,498	(4,635)	(5,141)	356	306	121,116	111,884
Plant Hire & Depot/Indirect	150	149	462	152	(312)	(3)	-	-	5,390	3,015
Unclassified Activities	299	40	282	145	17	(105)	-	-	6,266	-
Governance	6	-	847	-	(841)	-	-	-	20	-
Council Administration	124	131	1,425	2,689	(1,301)	(2,558)	4,379	5,919	7,596	8,656
Special Revenues	17,027	15,600	-	-	17,027	15,600	-	-	-	-
TOTALS	19,705	23,051	21,397	22,311	(1,692)	740	5,060	9,767	212,539	184,230

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.

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Park, Private Works, Community Waste Management Systems (CWMS).

COMMUNITY SERVICES

Crime Prevention, Fire Prevention, Health Services, Senior Citizens, Community Development, Aged Services, Community Transport, Cemeteries, Public Conveniences, Car Parking.

CULTURE

Library, Other Cultural Services.

ECONOMIC DEVELOPMENT

Tourism and Arts Centre, Tourism and Community Events, Other Economic Development.

ENVIRONMENT

Waste Collection, Waste Disposal, Marine, Environment Protection, Stormwater Drainage, Street Cleaning, Street Lighting.

RECREATION

Parks and Gardens, Outdoor Sports Facilities, Indoor Sports Facilities.

REGULATORY SERVICES

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

TRANSPORT

Sealed Roads, Unsealed Roads, Kerbing and Footpaths, Bridges, Traffic Management.

PLANT, DEPOT AND INDIRECT

Plant and Machinery, Depot, Indirect Works.

UNCLASSIFIED ACTIVITIES

Other Property, Loans, Interest.

COUNCIL ADMINISTRATION

Administration NEC, Elected Members, Organisational, Risk/OHSW, Finance, Payroll, Human Services, Information Technology, Communication, Rates Administration, Records, Occupancy, Customer Service.

REVENUE

General Rates, Separate Rates, LG Grants Commission

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

<p>Bank, Deposits at Call, Short Term Deposits</p>	<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 2.75% and 3.25% (2012: 3.5% and 5.00%). Short term deposits have an average maturity of 30 days and an average interest rate of 3.25% (2012: 30 days, 5%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legals & penalties for late payment)</p> <p><i>Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.</i></p>	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 2% (2012: 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>
<p>Receivables - Fees & other charges</p>	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: 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>
<p>Receivables - other levels of government</p>	<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>
<p>Liabilities - Creditors and Accruals</p>	<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>
<p>Liabilities - Interest Bearing Borrowings</p>	<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 5.4% and 6.7% (2012: 6.2% and 6.7%)</p> <p>Carrying amount: approximates fair value.</p>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	3,199	-	-	3,199	3,199
Receivables	975	209	232	1,416	1,392
Other Financial Assets	-	-	-	-	-
Total	4,174	209	232	4,615	4,591
<u>Financial Liabilities</u>					
Payables	1,455	-	-	1,455	1,460
Current Borrowings	822	-	-	822	621
Non-Current Borrowings	-	2,225	1,101	3,326	2,987
Total	2,277	2,225	1,101	5,603	5,068
2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	6,747	-	-	6,747	6,747
Receivables	363	278	219	860	836
Other Financial Assets	-	-	-	-	-
Total	7,110	278	219	7,607	7,583
<u>Financial Liabilities</u>					
Payables	1,900	-	-	1,900	1,917
Current Borrowings	560	-	-	560	437
Non-Current Borrowings	-	1,712	111	1,823	1,607
Total	2,460	1,712	111	4,283	3,961

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

	30 June 2013		30 June 2012	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	5.83	3,608	6.36	2,044
		<u>3,608</u>		<u>2,044</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. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 14 - COMMITMENTS FOR EXPENDITURE

	2013	2012
<u>Notes</u>	\$'000	\$'000
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Waste Transfer Station	-	2,901
Plant & Equipment	-	303
	<u>-</u>	<u>3,204</u>
These expenditures are payable:		
Not later than one year	-	3,204
	<u>-</u>	<u>3,204</u>
 Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities		
Audit Services	54	66
Cleaning Services	86	155
Employee Remuneration Contracts	1,735	1,537
Airport Management Contracts	66	125
Cemetery Management Contracts	-	139
	<u>1,941</u>	<u>2,022</u>
These expenditures are payable:		
Not later than one year	703	887
Later than one year and not later than 5 years	1,238	1,135
	<u>1,941</u>	<u>2,022</u>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 15 - FINANCIAL INDICATORS

	2013	2012	2011
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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.

Operating Surplus Ratio

<u>Operating Surplus</u>	(14%)	7%	(36%)
Rates - general & other less NRM levy			

This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

Adjusted Operating Surplus Ratio	(13%)	(5%)	(37%)
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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>	20%	3%	21%
Total Operating Revenue less NRM levy			

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

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	67%	26%	53%
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.

Amounts shown above an asterisk () indicate that depreciation expense has been used as a proxy, pending finalisation of the Infrastructure & Asset Management Plan.*

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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

	2013	2012
	\$'000	\$'000
Income	19,705	23,051
<i>less</i> Expenses	21,397	22,311
Operating Surplus / (Deficit)	<u>(1,692)</u>	<u>740</u>
 <i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	3,913	1,689
<i>less</i> Depreciation, Amortisation and Impairment	5,555	5,685
<i>less</i> Proceeds from Sale of Replaced Assets	198	231
	<u>(1,840)</u>	<u>(4,227)</u>
 <i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	4,763	3,408
<i>less</i> Amounts received specifically for New and Upgraded Assets	263	1,141
<i>less</i> Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	266	10
	<u>4,234</u>	<u>2,257</u>
 Net Lending / (Borrowing) for Financial Year	 <u><u>(4,086)</u></u>	 <u><u>2,710</u></u>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

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

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

	2013	2012
	\$'000	\$'000
Not later than one year	46	41
Later than one year and not later than 5 years	65	90
Later than 5 years	15	20
	<u>126</u>	<u>151</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:

	\$'000	\$'000
Not later than one year	94	14
Later than one year and not later than 5 years	92	41
Later than 5 years	-	1
	<u>186</u>	<u>56</u>

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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% in 2012/13; 9% in 2011/12). 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 2011/12) 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, 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 2011. 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.

PORT PIRIE REGIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

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.

At reporting date, Council controlled 1,228 km of road reserves of average width 20 metres.

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.

"CARBON" TAX

From 1 July 2012 a new tax on emissions of certain "greenhouse" gases commences operation. Council has a number of garbage landfill facilities which emit, and will continue for many years to emit, gases of this type. Information currently available provides assurances that "legacy emissions" from garbage placed in landfills prior to commencement of the tax will not subsequently become liable to the tax. However, details of the mechanisms for measuring such emissions, or of providing the exemption are not currently available.

Note 20 - EVENTS AFTER THE BALANCE SHEET DATE

There were no events after the Balance Sheet Date to be disclosed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PORT PIRIE REGIONAL COUNCIL

We have audited the accompanying financial report of the Port Pirie Regional Council, which comprises the balance sheet as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Certification of Financial Statements Statement.

The Responsibility of the Chief Executive Officer for the Financial Report

The Chief Executive Officer of the Port Pirie Regional Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

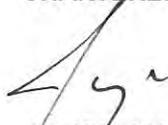
Independence

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011 and the Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Port Pirie Regional Council as of 30 June 2013, and its financial performance and cash flows for the year then ended in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and the Australian Accounting Standards (including Australian Accounting Interpretations).

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



JIM KEOGH
PARTNER

Signed on the 16th day of October 2013,
at 214 Melbourne Street, North Adelaide, South Australia 5006.

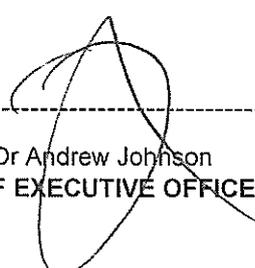
PORT PIRIE REGIONAL COUNCIL

ANNUAL FINANCIAL STATEMENTS for the year ended 30 June 2013

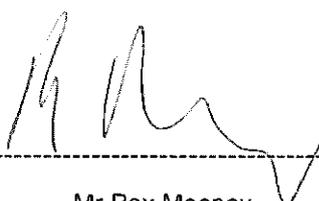
CERTIFICATION OF AUDITOR INDEPENDENCE

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 2013, the Council's Auditor, Dean Newbery and Partners, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



Dr Andrew Johnson
CHIEF EXECUTIVE OFFICER



Mr Rex Mooney
**PRESIDING MEMBER
AUDIT COMMITTEE**

15 October 2013

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of Port Pirie Regional Council for the year ended 30 June 2013, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



JIM KEOGH

Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

Dated this 16th day of October 2013