



CITY OF  
**Salisbury**



# *Annual Report*

2010/11

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CITY OF  
Salisbury

# From the City of Salisbury's Mayor



THE past year has seen the City of Salisbury embark on one of its most exciting projects to date and one which will reshape the town centre into a modern and vibrant location for future generations to work, live and enjoy.

As one of the most diverse and dynamic cities in South Australia, the City of Salisbury is committed to working with its community to ensure the plan to revitalise Salisbury's town centre, will reflect the community's values and aspirations. We have already begun to consult our community, to identify opportunities and to ensure we consult with them across the board and during every aspect of this project. It's been an exciting year and I am looking forward to working with my Council colleagues to shape the next year.

The revitalisation of the town centre is paramount to ensure the City of Salisbury's future growth through business investment and attraction, as well as breathing new life into the centre to encourage residents of all ages to live in the heart of Salisbury.

This Annual Report celebrates many achievements throughout the City. We have been working tirelessly, on behalf of our residents, to ensure that the local community benefits from job opportunities in the future. We are represented on a number of boards and agencies which has helped us to develop a local employment pledge designed to support and encourage local businesses to employ local people.

It is no secret that the City of Salisbury already leads the way in many areas of water conservation, waste management and preservation of open space. During the past year, and for future years, we continue to be sustainable, working with others such as Adelaide Solar Cities on energy saving initiatives that benefit our community and businesses.

We work in partnership with other Councils to manage waste promotions and collection programs with a high degree of emphasis on recycling. We have one of the highest recycling rates of any other metropolitan Council - approximately 8.6kg per household per service.

We continue to provide a diverse range of open spaces to residents, totalling some 1,685 hectares and in 2010/11 Council allocated a \$14 million budget for the maintenance and renewal of parks and landscape. Open space continues to play a vital role in our community and is one of the City's most significant assets.

The City of Salisbury celebrates its diverse community, which is made up of more than 56 cultures. In 2010/11 a number of successful cultural events including Salisbury Writers' Festival, Matsuri on Mobara Japanese Festival and Square Fest 2010 in celebration of Youth Week were held.

I would like to acknowledge the tremendous commitment and dedication of former City Manager Stephen Hains, who retired in May 2011, in establishing Salisbury as a leading place for businesses and the community to call home. I look forward to working alongside our new CEO John Harry to deliver this City's vision for a community of opportunity and spirit.

Whilst the past year has seen many achievements and successes, I look forward to many more in the future, as Council continues to build opportunities for the community. I, and my Council colleagues, will be working hard on behalf of residents, to ensure that Salisbury is stimulated economically, that it is sustainable, continues to be culturally diverse and is best placed to serve future generations by working together.

Mayor Gillian Aldridge, JP

# From the City of Salisbury's CEO



The past 12 months have seen many achievements and some significant changes for the City of Salisbury but it is the future that brings with it exciting opportunities and potential developments that will propel the city forward.

The City of Salisbury continues to be a leading Local Government area at a national and State level. It is strategically positioned to remain the focal point for northern Adelaide to drive economic growth and environmentally sustainable development. Council places continued emphasis on the delivery of projects and facilitating outcomes for the benefit of its community, to enhance the city as the best place to reside and do business.

This Annual Report celebrates many achievements throughout the city. One of Council's priorities is driving economic development through the provision of high-level support to assist in establishing businesses in the northern region. The establishment of the Polaris Centre at Technology Park in Mawson Lakes has been a big initiative over the last year. The Centre brings together the combined economic development and workforce division of the City of Salisbury, Salisbury Business and Export Centre (SBEC), the northern office of Innovate SA, UniSA Strategic Research Partnerships, Northern Advanced Manufacturing Industry Group (NAMIG) and Northern Futures.

Council, with financial support from the Federal Government RCLIP program, delivered a number of significant community infrastructure projects such as upgrades to sporting facilities and clubrooms. In particular, the upgrade to Adams Oval and clubrooms and the construction of the new soccer facility at Burton are seen as the most notable and large scale.

Council continues to focus on providing facilities and programs which enhance city living and wellbeing. Of particular importance has been our focus on the provision of land suitable for residential development. This has been achieved through changes to the City's Development Plan or through developing parcels of residential development in its own right, such as Diment Road.

2010/11 also saw the conclusion of the Mawson Lakes joint venture development in which Council was partner. This has been one of the city's most significant developments, not only because of the increase of the city's population of some 10,000, but equally because of its outcomes in terms of building a sustainable community with effective relationships with the education sector, business sector and its integration into the broader Salisbury community.

We continue to be committed to the environment and recognise that sustainability is becoming a greater priority for communities due to the impact of climate change, but also due to the cost implications if not addressed. Our 'Sustaining Our Environment' strategy acknowledges energy efficiency principles which we are already putting into practice throughout the City's buildings. We are delivering key initiatives through the Biodiversity Corridors Project which will also assist in reducing overall carbon emissions whilst also enhancing our open environments for the benefit and wellbeing of our community.

As we go forward into the new financial year, the successful redevelopment of Salisbury town centre is of the upmost importance with the intent of enhancing the attraction of the centre for investment in new facilities by the private sector, including residential, retail and commercial activity. In essence, our organisation remains focused on 'building a community of opportunity and spirit in a sustainable environment'.

On a final note, it is important to recognise and acknowledge the critical and very successful role played by Mr Stephen Hains who recently retired from the position of City Manager. During his period in this position of some 20 years, he has played a pivotal role in making the City of Salisbury what it is today.

As CEO, I look forward to supporting Salisbury Council in progressing the many initiatives and developments programmed for 2011/12 on behalf of our community.

A handwritten signature in black ink, appearing to read 'John Harry'.

John Harry, CEO

# Salisbury City Plan - Sustainable Futures

## Salisbury's City Plan

The Salisbury City Plan 2020 - *Sustainable Futures* establishes what and who we are, and what we as a community would like to become. It presents a myriad of opportunities for the Council and its stakeholders, along with the obstacles and challenges to be overcome to be successful.

The City Plan is supported by four Key Directions:

- *Shaping the Future* (Economic Development Strategy)
- *Sustaining our Environment* (Environmental and Climate Change Strategy)
- *The Living City* (Community Development Strategy)
- *Salisbury Success* (Organisational Excellence Strategy)

*Sustainable Futures* reflects the importance of long-term sustainability for the city in all of its aspects.

## Salisbury's Planning Framework

The City of Salisbury has structured its planning process around the four Key Directions presented within the City Plan.

This chart illustrates the relationship of the high level strategic directions with the State Strategic Plan and Planning Strategy and the action plans for supporting Council's annual budget.

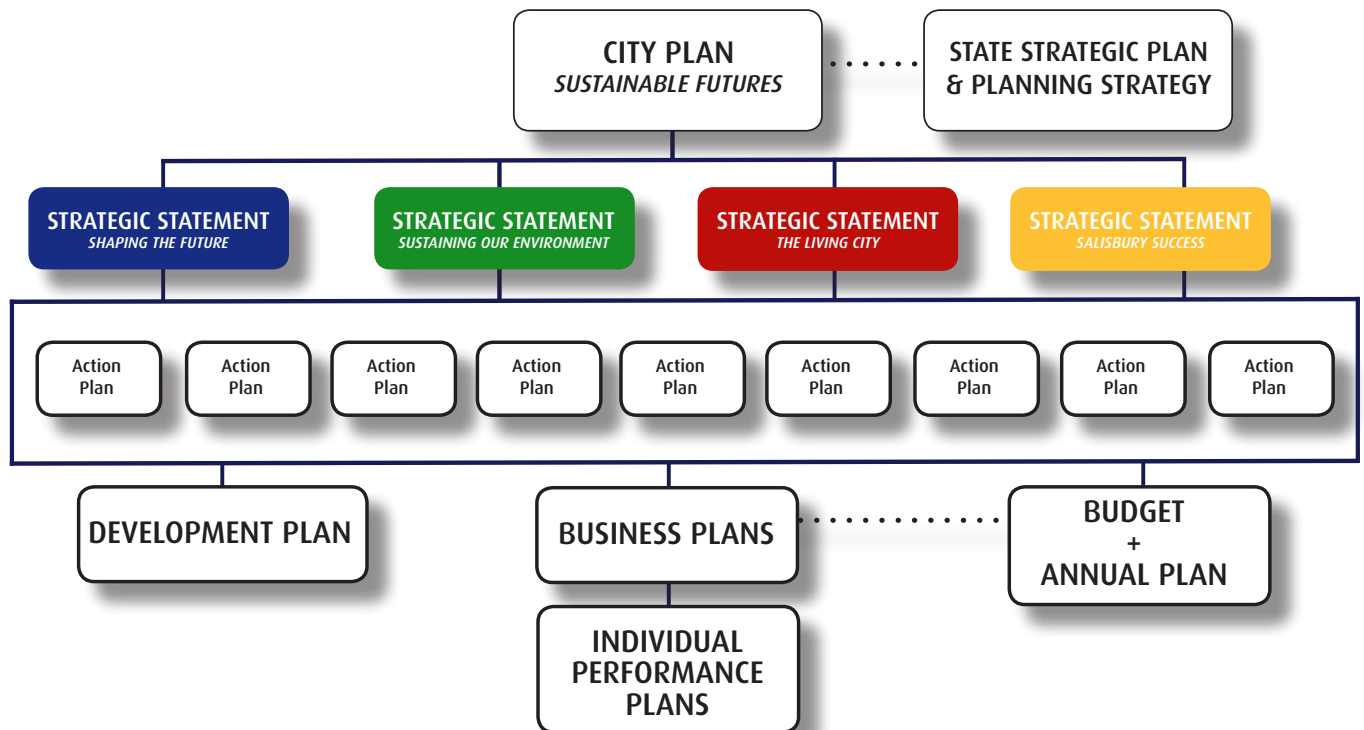
## Our Community and Economy

Salisbury is the second largest Local Government community in South Australia with almost 130,000 residents.

Our community is diverse and growing rapidly. Between the 2001 and 2006 Census, Salisbury's population grew by almost three per cent. Our community is also changing. In the next 15 years Salisbury's percentage of seniors is set to treble.

Our population is also very diverse with some 30 per cent of residents born overseas and about 56 different cultural groups represented. Salisbury also has a higher percentage of Indigenous residents than most metropolitan Councils in Australia.

Salisbury is also the State's most productive manufacturing region, the source of considerable innovation and has undergone unprecedented residential and commercial growth.



# The City's Vision, Values and Key Directions



## Our Vision

Our Vision is for 'Excellence in building a community of opportunity and spirit in a quality environment'.

## Our Values

*Community Leadership:* We are committed to strategic planning and will manage the City to meet community goals.

*Community and Customer Service:* We know who our community and our customers are. We will listen to their needs and respond to their changing requirements.

*Competitive Performance:* We will continue to be a leader in Local Government, at all times striving for best practice and innovation. We take pride in a well trained and competent workforce delivering high levels of professionalism in both planning and service delivery.

*Probity and Ethics:* We will act in the best interest of our community with honesty, integrity and transparency.

*Access and Equity:* We are committed to a diverse community in which people, regardless of their race, culture, religion, age, gender or level of ability can participate in, and have access to, the services and processes of the Council.

## Our Key Directions

*Key Direction 1: Shaping The Future  
(Economic Development Strategy)*

Our direction is to further develop our City as prosperous and progressive by attracting and sustaining increased business investment and by providing accessible learning opportunities to grow and support a skilled workforce.

*Key Direction 2: Sustaining Our Environment  
(Environmental and Climate Change Strategy)*

Our direction is to continue striving towards becoming a sustainable City in which its residents and businesses embrace sustainability best practices as part of their day-to-day lives and activities.

*Key Direction 3: The Living City  
(Community Development Strategy)*

Our direction is to continue to maintain a strong and vibrant community by providing safe and supportive environments that promote opportunity, healthy and creative lifestyles.

*Key Direction 4: Salisbury Success  
(Organisational Excellence Strategy)*

Our direction is to remain a high performing and innovative organisation that strives to achieve excellence in every area.

# Elected Members November 2010 - June 2011

## MAYOR



Gillian Aldridge JP

## CENTRAL WARD



Cr Betty Gill JP



Cr David Balaza



Cr Joe Caruso



Cr Damien Pilkington



Cr Jana Isemonger  
(formerly Levels Ward)



Cr Shiralee Reardon JP

## EAST WARD

## HILLS WARD

## SOUTH WARD

## PARA WARD

## LEVELS WARD

## NORTH WARD



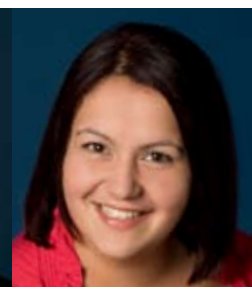
Cr Sean Bedford  
(newly elected)



Cr Julie Woodman JP



Cr Riccardo Zahra



Cr Mirella Honner  
(newly elected)



Cr Brian Goodall



Cr Brad Vermeer  
(newly elected)



Cr Alex Coates JP



Cr Linda Caruso

## WEST WARD



Cr Donna Proleta  
(Deputy Mayor)



Cr Chad Buchanan JP

## Elected Members July 2010 - November 2010

Due to Council elections taking place in November 2010, some new Councillors were welcomed on board. Councillors from the previous electoral term were:

- Cr Ann Irving – Hills Ward
- Cr Tom Javor – South Ward
- Cr Brendan Duffy – Para Ward

## HILLS WARD

## SOUTH WARD

## PARA WARD



Cr Ann Irving



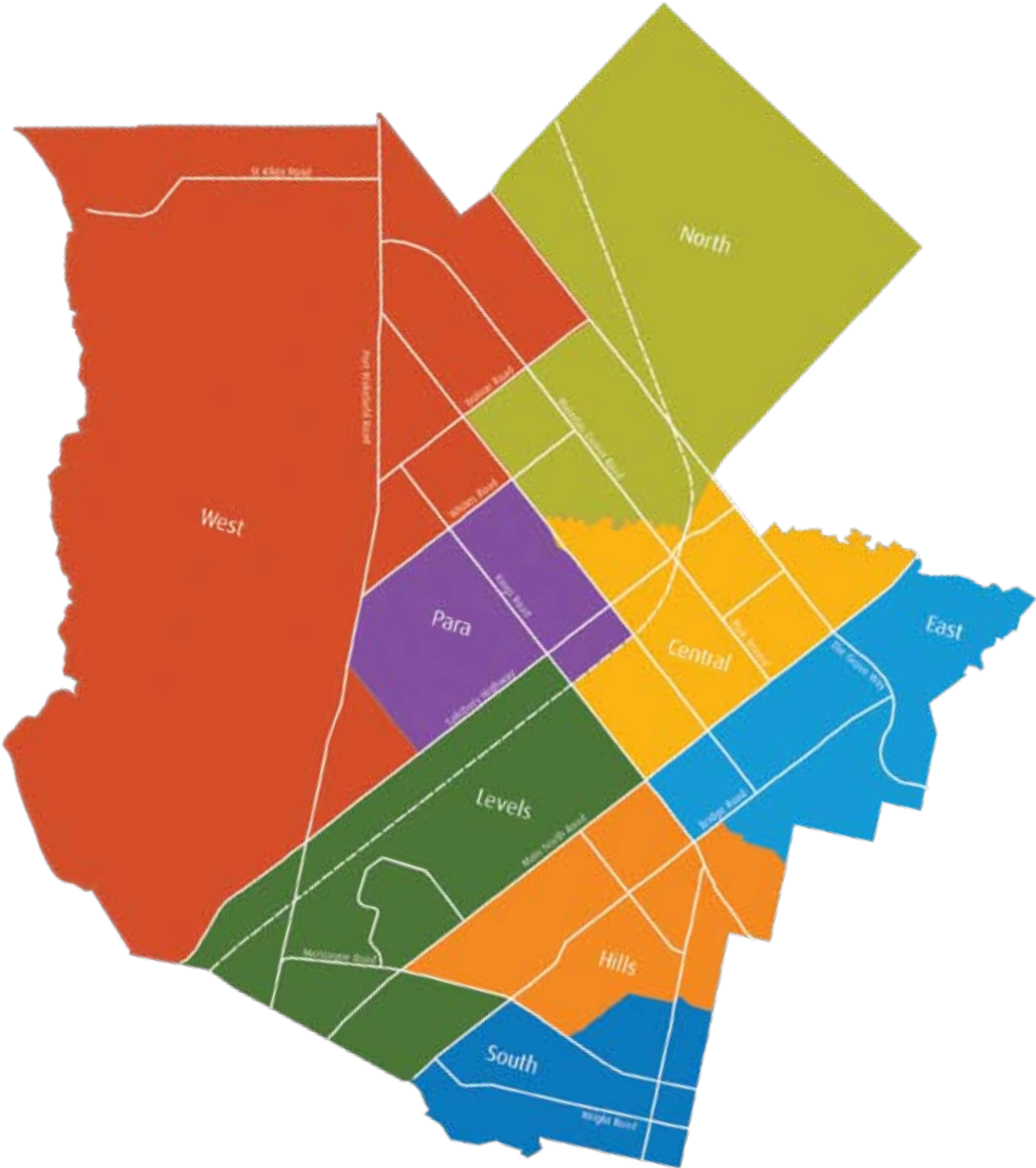
Cr Tom Javor



Cr Brendan Duffy

# Ward Boundaries

- North Ward
- West Ward
- Central Ward
- Para Ward
- East Ward
- Levels Ward
- Hills Ward
- South Ward



# Council

## Electoral Representation

The community of Salisbury is represented on Council by a Mayor who is elected from the whole community, and 16 Elected Members. Elected Members represent one of eight wards, and are elected by the residents of their ward.

In accordance with Section 12 of the Local Government Act 1999, a Council is required to conduct an Elector Representation Review at least once in every eight years. The City of Salisbury last conducted a Representation Review in 2009/10, in readiness for the November 2010 Local Government Elections. The Representation Review did not result in any change to the number of wards or Elected Members in the City of Salisbury; however, ward boundaries were adjusted to ensure a balanced and appropriate representation quota within each ward.

The representation quota for the City of Salisbury, that is the number of electors represented by each Councillor, is shown in the table. Comparative data for other major metropolitan Councils in Adelaide has also been included.<sup>1</sup>

Council	Elected Members <sup>2</sup>	Electors	Representation Quota <sup>3</sup>
Salisbury	17	84,766	4,986
Playford	16	48,193	3,012
West Torrens	15	38,510	2,567
Charles Sturt	17	75,272	4,427
Port Adelaide/Enfield	18	73,492	4,082
Marion	13	59,296	4,561
Onkaparinga	21	111,212	5,295
Tea Tree Gully	13	70,711	5,439
Metropolitan Average <sup>4</sup>	13.8	44,019	3,819

<sup>1</sup> Data supplied by the Local Government Association.

<sup>2</sup> Including the Mayor.

<sup>3</sup> Representation quota for a Council is an amount ascertained by dividing the number of electors for the area of the Council (as at the last closing date under the Local Government (Elections) Act 1999) by the number of members who constitute the Council (ignoring any fractions resulting from the division and expressed as a quota). Local Government Act 1999, Schedule 4.

<sup>4</sup> Based on 19 metropolitan Councils, including the City of Adelaide.

## Local Government Elections - November 2010

The Local Government (Elections) Act 1999 requires elections be held at intervals of four years to determine the membership of each Council. Local Government elections are conducted on the basis of postal voting. Ballot papers are sent to electors and designated persons of a group or body corporate whose names appear on the roll of certified voters.

Candidates were able to nominate from 7 September 2010. At the close of nominations on 21 September 2010 a total of 29 candidate nominations had been received for 16 Elected Member elections across eight wards and one Mayoral election.

Elections were conducted in six wards. Mayor Gillian Aldridge was returned to office unopposed, as were Councillors Joe Caruso and Damien Pilkington from the East Ward and Councillors Chad Buchanan and Donna Proleta from the West Ward.

63,318 ballot papers were distributed to electors of the City of Salisbury from 25 October 2010, with postal voting closing on 12 November 2010. A return rate of 23.01% was achieved (in comparison with 27.5% at the 2006 elections). The state-wide return rate was 31.38%.

The next periodic elections will be conducted in 2014.

## Elected Representatives

Following the conclusion of the November 2010 election the elected body of the City of Salisbury comprised the following representatives:

Mayor:	Gillian Aldridge
Central Ward	Cr David Balaza Cr Betty Gill
East Ward	Cr Joe Caruso Cr Damien Pilkington
South Ward	Cr Sean Bedford Cr Julie Woodman
Hills Ward	Cr Jana Isemonger Cr Shiralee Reardon
Para Ward	Cr Mirella Honner Cr Riccardo Zahra
West Ward	Cr Donna Proleta (Deputy Mayor Nov 2010 - current) Cr Chad Buchanan
North Ward	Cr Alex Coates Cr Linda Caruso
Levels Ward	Cr Brian Goodall (Deputy Mayor Nov 2009 - Nov 2010) Cr Brad Vermeer

Councillors in office prior to the election were:

Hills Ward	Cr Ann Irving
Para Ward	Cr Brendan Duffy
South Ward	Cr Tom Javor

The City of Salisbury thanks these members for their contribution to the work of Council during their time as Elected Members.

# Council

## Elected Member Allowances

Changes to the Local Government Act in 2010 resulted in the Remuneration Tribunal being responsible for the determination of Elected Member allowances to be applied from the first Council meeting following the November 2010 elections.

Elected Member allowances as determined by the Remuneration Tribunal in Determination No. 6 of 2010: Members of Local Government Councils are as follows:

Councillor	\$16,800 per annum
Mayor	\$67,200 per annum
Deputy Mayor	\$21,000 per annum
Chairman of Standing Committees	\$21,000 per annum

In accordance with section 76(9) of the Local Government Act, allowances set out in Determination No. 6 of 2010: Members of Local Government Councils will be adjusted annually on the first, second and third anniversary of the 2010 Local Government election to reflect changes in the Consumer Price Index, where the Consumer Price Index is defined as the Consumer Price Index (all groups index for Adelaide) published by the Australian Bureau of Statistics (section 76(15) Local Government Act).

Prior to the commencement of operation of the Remuneration Tribunal Determination, Elected Members of the City of Salisbury received the following allowances:

Councillor	\$15,000 per annum
Mayor	\$60,000 per annum
Deputy Mayor	\$18,750 per annum
Chairman of Standing Committees	\$15,000 per annum

In addition to an allowance, Elected Members are provided with resources to assist in the representation of their community and conducting Council business. This includes a laptop computer and printer, broadband internet access, stationery and business cards.

The Mayor has access to a personal assistant and is provided with a mobile phone and car. The Elected Members Allowances, Facilities and Support Policy provides full details of resources (including reimbursement of expenses) provided to Elected Members.



Salisbury Council Elected Members (November 2010-June 2011).

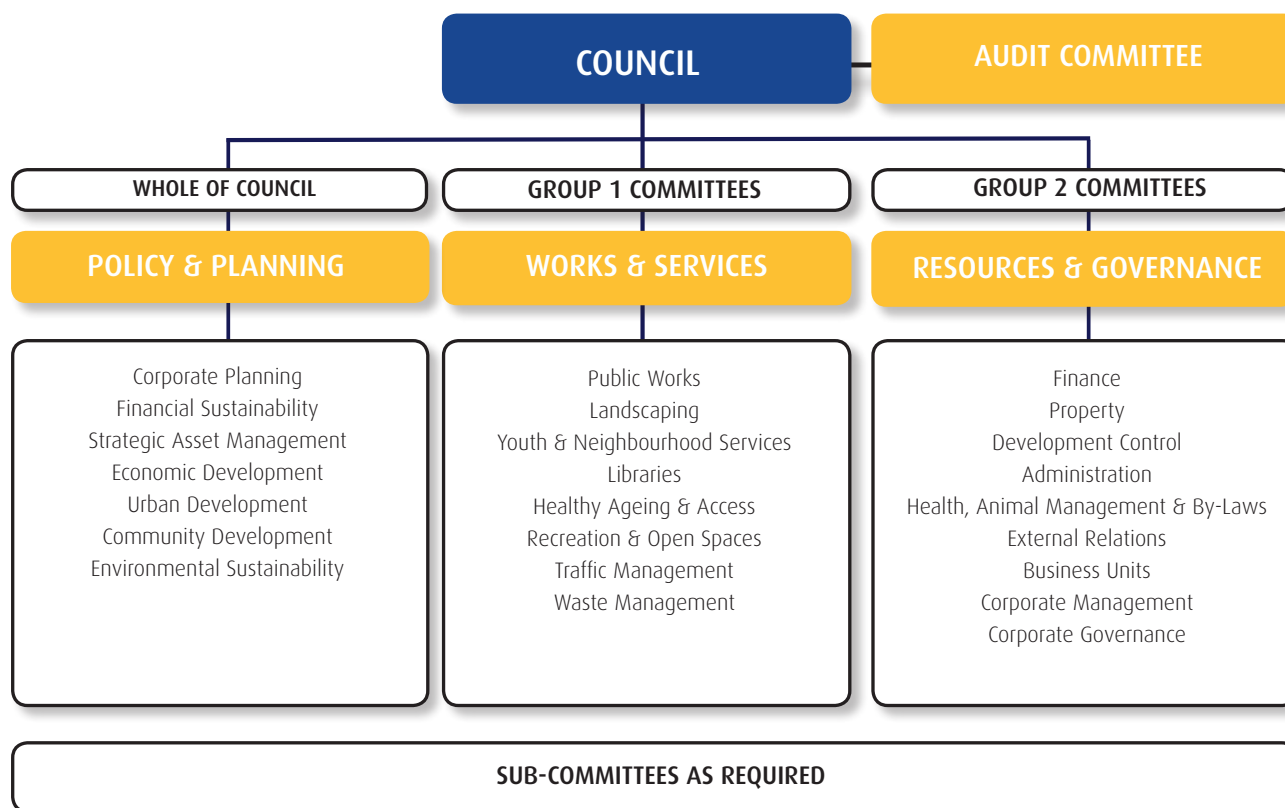
# Council

## Council and Committee Structure July 2010 to November 2010

Prior to November 2010 Council was supported in its decision making process by four Standing Committees: Policy and Planning, Works and Services, Resources and Governance and Audit Committee. The first three committees met on the third Monday of each month, with the Audit Committee meeting on a quarterly basis. Council had also established a Development Assessment Panel (DAP) as an independent Committee comprising experts external to Council as well as Elected Members which met as required.

The Mayor was, ex officio, a member of Works and Services Committee and Resources and Governance Committee.

The pre-November 2010 Committee structure and membership is set out below:



Membership of each of the Committees was as follows:

### *Policy and Planning Committee*

Cr Chad Buchanan (Chairman)  
Cr Betty Gill (Deputy Chairman)  
All members of Council

### *Works and Services Committee*

Cr Alex Coates (Chairman) - North Ward  
Cr Riccardo Zahra (Deputy Chairman) - Para Ward  
Cr Betty Gill - Central Ward  
Cr Joe Caruso - East Ward  
Cr Julie Woodman - South Ward  
Cr Shiralee Reardon - Hills Ward  
Cr Brian Goodall - Levels Ward  
Cr Chad Buchanan - West Ward

### *Resources and Governance Committee*

Cr Donna Proleta (Chairman) - West Ward  
Cr David Balaza (Deputy Chairman) - Central Ward  
Cr Damien Pilkington - East Ward  
Cr Tom Javor - South Ward  
Cr Ann Irving - Hills Ward  
Cr Brendan Duffy - Para Ward  
Cr Linda Caruso - North Ward  
Cr Jana Isemonger - Levels Ward

### *Audit Committee of Council*

Mr Peter Brass (Chairman)  
Mr Allen Bolaffi  
Mr Mark McAllister  
Cr Brendan Duffy  
Cr Joe Caruso

### *Development Assessment Panel*

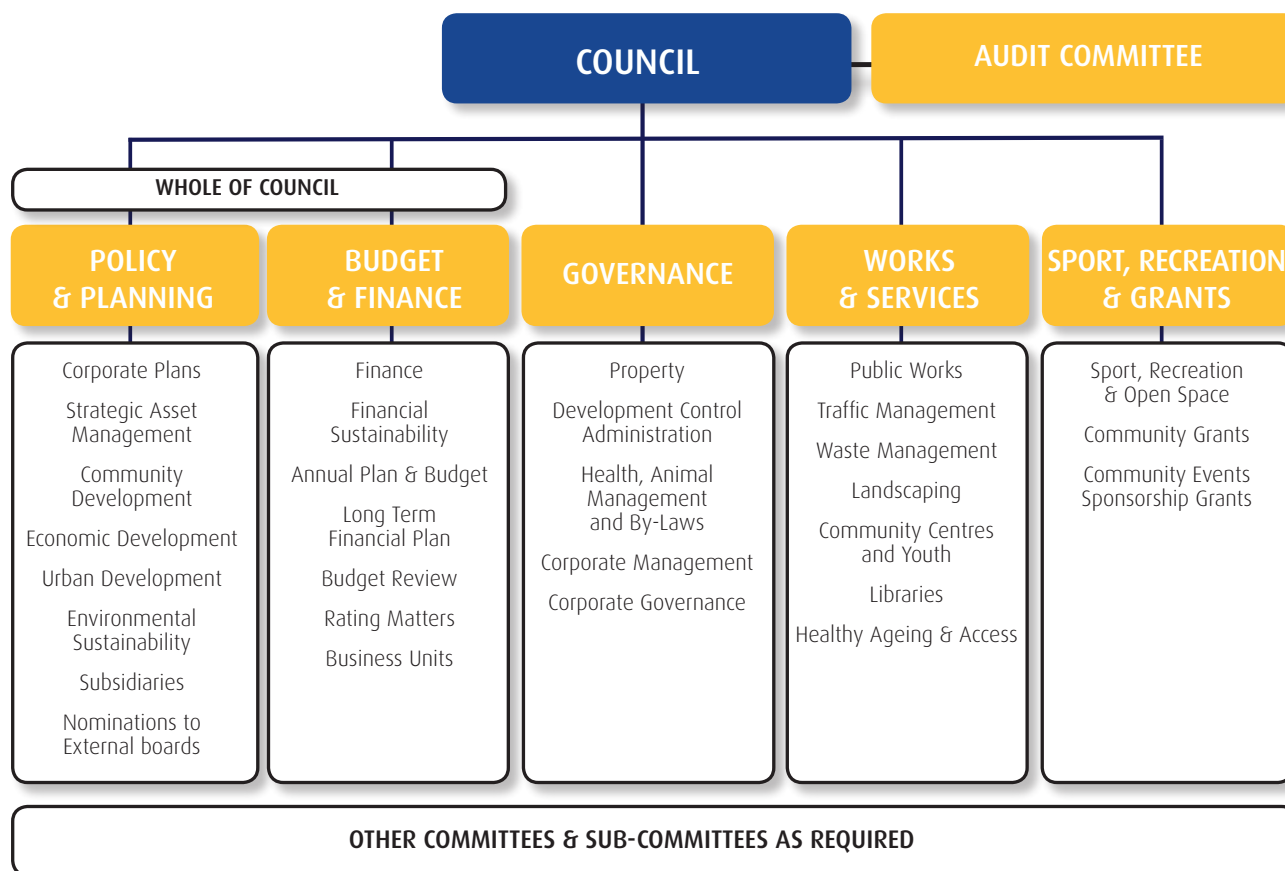
Mr Gavin Lloyd-Jones (Presiding Member)  
Ms Vanessa McDougall  
Mr Michael Wohlstadt  
Ms Emma Barnes  
Cr Brian Goodall  
Cr Chad Buchanan  
Cr Linda Caruso

# Council

## Council and Committee Structure from November 2010

Following the elections Council made some changes to the committee structure in order to better support the conduct of Council business. Six Standing Committees were established and the Development Assessment Panel was continued.

The Mayor is, ex officio, a member of Works and Services Committee, Governance Committee and Sports, Recreation and Grants Committee. The Committee structure and membership is set out below:



### *Policy and Planning Committee*

Cr Chad Buchanan (Chairman)  
Cr Julie Woodman (Deputy Chairman)  
All members of Council

### *Budget and Finance Committee*

Cr Linda Caruso (Chairman)  
Cr Damien Pilkington (Deputy Chairman)  
All members of Council

### *Governance Committee*

Cr David Balaza (Chairman) - Central Ward  
Cr Brad Vermeer (Deputy Chairman) - Levels Ward  
Cr Damien Pilkington - East Ward

Cr Julie Woodman - South Ward  
Cr Jana Isemonger - Hills Ward  
Cr Mirella Honner - Para Ward  
Cr Linda Caruso - North Ward  
Cr Chad Buchanan - West Ward

### *Works and Services Committee*

Cr Alex Coates (Chairman) - North Ward  
Cr Joe Caruso (Deputy Chairman) - East Ward  
Cr Betty Gill - Central Ward  
Cr Sean Bedford - South Ward  
Cr Shiralee Reardon - Hills Ward  
Cr Riccardo Zahra - Para Ward  
Cr Brian Goodall - Levels Ward  
Cr Donna Proleta - West Ward

### *Sports Recreation and Grants Committee*

Cr Riccardo Zahra (Chairman)  
Cr Shiralee Reardon (Deputy Chairman)  
Cr David Balaza  
Cr Mirella Honner  
Cr Linda Caruso  
Cr Alex Coates  
Cr Chad Buchanan  
Cr Donna Proleta

### *Audit Committee of Council*

Mr Peter Brass - Chairman  
Mr Allen Bolaffi  
Mr Mark McAllister  
Cr Linda Caruso  
Cr Shiralee Reardon

### *Development Assessment Panel*

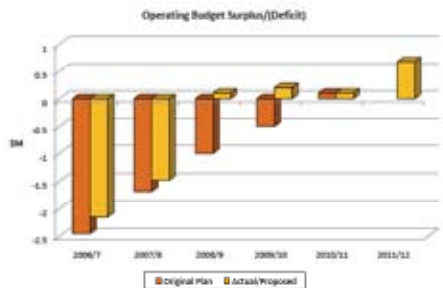
Mr Gavin Lloyd-Jones (Presiding Member)  
Ms Vanessa McDougall  
Mr Roger Freeman  
Ms Emma Barnes  
Cr Brian Goodall  
Cr Chad Buchanan  
Cr Shiralee Reardon

# Annual Plan 2011/12

## Long-term Financial Plan

Council was successful in achieving its key financial target of a balanced or surplus budget in the 2008/09 financial year.

The budget for 2011/12 will maintain a surplus operating result to ensure our financial position is sustainable and equitable between generations of ratepayers. The graph below illustrates our past and future budget performance compared to the original plan set some years ago.



The 2011/12 budget is driven by the key directions within Council's overarching long-term City Plan, *Sustainable Futures*, which was developed in close consultation with stakeholders and the community.

## Features of the 2011/12 Budget

### Base Operating Budget

Council decided to bring the operating budget into a balanced position in 2008/09, two years ahead of schedule.

The 2011/12 budget delivers:

- An operating surplus of \$676,443
- Gross infrastructure investment of \$29 million (including \$11.5 million of asset renewal) and a net cost of \$17.5 million after grants and other receipts
- Moderate and sustainable levels of debt, with net financial liabilities of \$36 million or 38.4% of total operating revenue.



### Rate Increase

Rates will increase by an average of 5.5%, which represents an increase of \$57 on the current average residential rate of \$977.

The increase is driven by cost pressures associated with the provision of Local Government services, higher levels of depreciation with construction of additional assets, and a sizeable reduction in our financial assistance grant from the Commonwealth.

The average rate increase for commercial and industrial properties is 5.5%. The rate in the dollar for vacant land is 20% higher than for residential properties compared with 12.5% last year.

### Projects

The 2011/12 budget includes a significant capital works program, with total expenditure of \$29 million. Significant projects include:

#### Key Direction 1: Shaping the Future

- Road Reseal - \$5.9 million
- Kesters Road/Paddocks Drainage Diversion Scheme - \$900,000

#### Key Direction 2: Sustaining Our Environment

- Salisbury Stormwater Harvesting - \$8 million
- City Wide Trails - \$500,000

#### Key Direction 3: The Living City

- Building Renewal Program - \$1.9 million

#### Key Direction 4: Organisational Excellence

- Minor Works - \$500,000

# Annual Plan 2011/12

New operating initiatives with a net cost of \$742,000 have been incorporated in 2011/12, and include:

## Key Direction 1: Shaping the Future

- No significant operating bids

## Key Direction 2: Sustaining Our Environment

- Bushfire Prevention Works - \$30,000

## Key Direction 3: The Living City

- Paddocks Master Plan - \$35,000

## Key Direction 4: Organisational Excellence

- Community Engagement Officer - \$65,000
- City Plan Review/Update - \$80,000
- IT Business Analyst - \$80,000
- Various IT Consultancies - \$100,000



## Features of the 2011/12 Budget

2011/12 Operating Budget by Key Direction	Exp \$000's	Inc \$000's	Net \$000's
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### Shaping the Future

Economic Development	1,228	420	808
Development Management	2,753	1,242	1,512
Urban Planning	968	50	918
Roads	3,880	3,047	833
Footpaths	1,450	-	1,450
City Projects	-	36	(36)
<b>Total Shaping the Future</b>	<b>10,280</b>	<b>4,795</b>	<b>5,485</b>

### Sustaining Our Environment

Water Management	3,355	1,410	1,945
Waste Management	12,885	1,346	11,539
Parks & Landscape	14,987	157	14,830
Asset Services	-	186	(186)
<b>Total Sustaining Our Environment</b>	<b>31,226</b>	<b>3,099</b>	<b>28,128</b>

2011/12 Operating Budget by Key Direction	Exp \$000's	Inc \$000's	Net \$000's
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### The Living City

Community Development	2,134	63	2,071
Library Services	5,180	638	4,542
Recreation Centres	4,168	2,032	2,136
Community Sport & Club Facilities	1,277	-	1,277
Youth & Neighbourhood Services	1,505	247	1,259
Healthy Ageing & Access	3,060	1,965	1,096
Cemetery	672	467	205
Food & Health Regulation	947	168	779
Parking & Bylaws Control	726	346	381
Dog Control	1,480	1,207	273
Crime Prevention & Repair	608	2	606
Street Lighting	2,009	-	2,009
<b>Total The Living City</b>	<b>23,766</b>	<b>7,134</b>	<b>16,632</b>

2011/12 Operating Budget by Key Direction	Exp \$000's	Inc \$000's	Net \$000's
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### Salisbury Success

Corporate Development	-	409	(409)
Financial Services	24	673	(649)
Governance	1,038	1	1,037
Sundry	21,377	8,720	12,657
<b>Total Salisbury Success</b>	<b>22,439</b>	<b>9,803</b>	<b>12,637</b>
Capital Works & Project Preparation	2,297	-	2,297
Corporate Unallocated	2,781	-	2,781
Corporate Governance	2,045	-	2,045
Rate Revenue	-	70,681	(70,681)
<b>Total Operating Surplus/(Deficit)</b>	<b>94,835</b>	<b>95,511</b>	<b>676</b>



CITY OF  
**Salisbury**



KEY DIRECTION 1:

# Shaping the **Future**

## Objectives

- Enhance skills & workforce development opportunities
- Facilitate partnerships between education, research & industry
- Promote investment in research & development
- Attract & enhance business development
- Encourage quality & appropriate development
- Facilitate the long-term supply of industrial & commercial land
- Ensure infrastructure supports development
- Facilitate the delivery of an integrated transport network

# Key Direction 1: Shaping the Future

City of Salisbury's economic development strategy, *Shaping the Future*, makes critical contribution to the high-level objectives of Salisbury's long-term development plan for the city and the Government's strategic objectives for the State.

Economic growth and prosperity are the keys to shaping a better quality of life for the entire Salisbury community.

The City of Salisbury has outstanding assets – world-class research centres, a dynamic manufacturing base, large exporting business including multinationals that are engaging in the global economy and many examples of entrepreneurial local companies.

Industry in Salisbury is well-positioned to participate in some of the fastest-growing market sectors – electronics, information and communications technology, advanced manufacturing, defence and environmental management. The innovation economy is thriving in Salisbury.

## Regional Culture and Framework of Innovation, Entrepreneurship and Collaboration

### *The Polaris Centre*

The City's goals to facilitate partnerships between education, research and industry, and promote investment in research and development have seen it take the lead role in establishing the Polaris Centre.

Opened in June 2011 and based at Innovation House in Technology Park, Mawson Lakes, the Polaris Centre provides a gateway for businesses in northern Adelaide to interface with a range of business innovation, development and support services. It creates economies of scale by clustering similar agencies in one location, allowing them to strengthen their synergies and cross-reference activities.

The facility brings together the combined economic development and workforce division of City of Salisbury, Salisbury Business and Export Centre, the northern office of Innovate SA, UniSA Strategic Research Partnerships, Northern Advanced Manufacturing Industry Group (NAMIG) and Northern Futures.

The centre is also in close proximity to Enterprise Connect and it provides other strategic partners like ITEK and Austrade the flexibility to service their clients in the north through hot-desk facilities.

The centre is set to play a key role in driving economic development and provide high-level support to help grow businesses in the northern region.



# Key Direction 1: Shaping the Future

## Sustainable Business Growth

### *Attracting investment into Salisbury*

A new marketing campaign aimed at attracting business and investment to the City of Salisbury was launched. Titled 'Salisbury Makes Good Business Sense' the ongoing campaign includes a dedicated website and investment prospectus, online and print media advertising, and targeted communication with businesses.

Underpinning the campaign is the dedicated support provided to businesses wanting to relocate or invest in the region by the Senior Economic Development Officer. Further tools are being developed to attract investment such as an interactive online map designed to promote the benefits of the region to national and international investors.

Salisbury's Economic Development Division also facilitates the Northern Economic Leaders Initiative to help promote and encourage business activity with major employers in the region. This initiative has contributed to a number of supported investments in the region which, in turn, have created jobs.

### *Creating sustainable business growth*

The City of Salisbury's Economic Development Division has been highly active in supporting the growth of small businesses through the Salisbury Business and Export Centre (SBEC) at Mawson Lakes. SBEC is a joint initiative between the City of Salisbury, the South Australian Department of Trade and Economic Development, Federal Government and Business Enterprise Centres Australia.

SBEC continues to provide direct support to business through programs and activities such as business networking, advisory services, mentoring, coaching and educational workshops covering key business topics. A shift over the past two years has seen SBEC delivering a range of new workshops to help new and existing businesses benefit from the growth of the digital economy, with a dedicated program related to internet marketing and e-business topics.



The launch of the new SBEC website is enhancing communication and engagement with the local small business community, including a large number of home-based businesses.

In 2010/11 SBEC had regular contact with over 3,500 businesses and provided training to over 2,500 individuals via its workshops. Attendance at its networking events, including the Business Women's Network, continued to grow strongly.

### *Supporting the food retailing sector*

City of Salisbury implemented a Food Safety Rating Program in 2010/11 to reward businesses providing food for excellence in food safety compliance.

This program has resulted in accelerated improvements and higher standards of compliance from Salisbury food businesses, with 82% of business increasing their star rating since the program's inception.

As at end of June 2011 there were 13 five-star businesses and 17 four-star businesses. A further 26 businesses have implemented food safety programs from the 40 eligible cafés, hotels and restaurants in Salisbury.

The South Australian Health Minister, John Hill, launched a parliamentary enquiry to investigate and report on the potential for food safety schemes similar to 'scores on doors' being implemented in South Australia. The City of Salisbury provided a presentation and submission to the parliamentary committee regarding the development and outcomes of our Food Safety Rating Program.

Going forward, City of Salisbury will identify additional businesses to include in the program and continue to encourage existing businesses in the program to improve their current star rating and compliance with food hygiene standards.

# Key Direction 1: Shaping the Future

## Workforce Development

### *Creating jobs for the Salisbury community*

Structural economic changes in the Salisbury area such as a decline in traditional manufacturing sectors, a shift towards high-value technology-based employment and an increasingly diverse community mean that intervention is necessary to ensure that the local community benefits from the job opportunities of tomorrow.

In order to achieve this the City of Salisbury is working with a range of organisations including Northern Futures on a project to develop a Skills, Employment and Workforce Blueprint for the northern Adelaide region. The City is represented on the board of the Northern Advanced Manufacturing Industry Group (NAMIG) through which it supports the Concept to Creation Schools/Industry program. It provided a staff secondment to Northern Futures in the form of a Regional Partnership Broker to support young people and engage with industry to grow a future workforce.

This has resulted in the development of a local employment pledge designed to support and encourage local businesses to employ local people.

## Build Enabling Infrastructure

### *Revitalising Salisbury's town centre*

In 2011 the City of Salisbury embarked on an exciting project to renew the Salisbury town centre.

Both the State Government's 30 Year Plan for Greater Adelaide and City of Salisbury's City Plan 2020 - *Sustainable Futures* have identified Salisbury town centre as a transit-oriented development or TOD - a place where housing, jobs, shopping, services and transport can all come together in one compact and vibrant location.

The outcome of the Salisbury Town Centre Renewal project will be a road map to fulfil this vision, identifying key actions to trigger redevelopment and stimulate investment.

City of Salisbury is committed to ensuring the plan for the Salisbury town centre also reflects community values and aspirations.

It is undertaking extensive consultation with landholders, tenants, shoppers and the wider community to capture their thoughts and ideas.

The first stage of the consultation process, which centred on identifying opportunities, was undertaken in the first half of 2011. Over 500 people came to a Street Talk event in June, which was held outside the Len Beadell Library on the corner of John and Church Streets.

In addition, nearly 150 residents responded to a questionnaire, and traders, residents, property owners, local community groups and Government department representatives attended two workshops held in June. Further consultation will be undertaken as the renewal plan takes shape in the following stages:

- Developing the options (August/September 2011)
- Exploring the options (October/December 2011)
- Finalising the plan (February/March 2012).

### *Major works supporting Salisbury's economic infrastructure*

A number of critical works were carried out to enable industrial sites around Salisbury to function more efficiently, including road reconstruction and stormwater channelling.

A major road reconstruction at Thompson Road, Burton and Penner Ave, Burton has provided new drainage, kerbs and gutters and street lighting to industrial businesses in the precinct.

At Burton West, works to channel stormwater away from a new industrial base saw new culverts and a section of drain installed at Waterloo Corner Road. This project will continue into 2011/12.





CITY OF  
**Salisbury**



KEY DIRECTION 2:

# Sustaining Our Environment

## Objectives

- Conserve & promote biodiversity, natural habitats & open spaces
- Minimise waste generation & effectively manage the collection, recycling & disposal of public waste
- Develop opportunities for the sustainable use of resources
- Reduce greenhouse gas emissions
- Facilitate & encourage development that incorporates sustainability principles
- Enhance the amenity of the city through street & open space urban design & landscaping

# Key Direction 2: Sustaining our Environment

Sustainability is our responsibility. There is universal agreement that urgent action needs to be taken if we are to save the planet. The importance of practising and embracing the philosophies of sustainability is becoming a greater priority for communities due to the impacts of climate change.

City of Salisbury's Sustaining Our Environment strategy is a local response to the very real challenges that we face. It acknowledges the threats to our community if we do nothing and sets out the strategies and actions that need to be taken if we are to preserve our current lifestyle and maintain ongoing prosperity.

The City already leads in many ways in the areas of water conservation, waste management and preservation of open space. It continues to apply the principles of sustainability - economic, environmental and social - in all that it does.

## Sustainable Energy

The City of Salisbury is committed to reducing overall greenhouse gas emissions by 40% by 2015 (compared with 2008/09). Its energy goals include reducing operating costs associated with electricity, gas, diesel, petrol and other fuel consumption and setting energy efficiency standards for new Council buildings and public lighting installations. The proposed scope of works that are directly associated with the Carbon Management Plan endorsed in 2010/11 are estimated to cost \$4,050,000 over the five-year implementation period and will result in a yearly operating saving of \$500,000.

The two major project areas that make up the core of the plan include energy efficiency works and solar power systems. In addition, the Biodiversity Corridors Project will reduce overall carbon emissions through bio-sequestration.

Stage one of the Carbon Management Plan has commenced. This has included the installation of:

- A 30kw solar panel system at Burton Park
- High efficiency boilers at the Salisbury Recreation Precinct
- High efficiency air conditioning systems at the City of Salisbury Municipal Offices, Operations Centre and a number of recreation centres.

The 2010/11 Energy Audit Report identified a number of energy savings opportunities that will be incorporated into the capital works program over the coming years, including the installation of voltage optimisation equipment at key sites.

### *Adelaide Solar Cities program*

Adelaide Solar Cities is a Federally-funded program that aims to test and monitor a range of energy saving initiatives available to Salisbury businesses and residents over a seven-year period.

In the past year, initiatives included a range of solar PV offers, home energy audits, business energy audits and pricing tariffs that enabled energy customers to manage their usage, cut energy costs and helped reduce demand on the network.

In addition, a range of new packages has recently been released, including new solar PV offers and solar and heat pump hot water offers to residents. Businesses also have the opportunity to combine their energy audits with a discounted solar PV offer.

Over the next six months a Home Assist service will be introduced to deliver energy conservation and advice to people on low incomes, with the aim of lowering future energy bills.



# Key Direction 2: Sustaining our Environment

## Waste Reduction

In partnership with the Cities of Playford and Gawler, the City of Salisbury manages a waste promotions and collections program, which has a high degree of emphasis on recycling.

The management of waste and recyclables is undertaken by the Northern Adelaide Waste Management Authority. The City of Salisbury has one of the highest recycling rates of any the metropolitan Councils - approximately 8.6kg per household per service.

The Pooraka Waste Transfer Station operates a sort-n-save hard waste disposal service where patrons receive a discount for recyclable loads.

Approximately 13,700 tonnes of hard waste was delivered to the Transfer Station last year and 46% of this material was recycled on-site. The remainder was subjected to further treatment off-site where the hard waste was broken down to recyclable material and fuel for energy use leaving a residual of about 10% that was disposed to landfill. Of the total tonnage delivered to the Transfer Station, 94% was either recycled or utilised as an energy source. Over 42,000 litres of waste oil was also collected for re-use.

Fifty three per cent of Salisbury households participate in collecting and separating organic garden material. This has helped to maintain diversion of waste to landfill, through the separation of organics and recyclables, at a consistent rate of around 47%.

The City of Salisbury is currently investigating the possibility of developing a 'resource recovery' facility at the Transfer Station.



## Urban Development and Transport

Facilitation of more efficient transport modes and services are key initiatives of Salisbury's City Plan. This will be achieved through improved integration of transport, land use development and employment growth hubs.

Work has commenced on implementing the initiatives in our City Plan and the 30 Year Plan for Greater Adelaide, in particular the redevelopment of Salisbury town centre as a transit-oriented development. Linking transport by rail and bus with the retail and employment sector of the town centre is a priority.

Other initiatives being pursued include the ongoing development of the Mawson Lakes town centre and urban regeneration throughout the city, such as Brahma Green. From a commercial perspective the re-zoning of land for industrial use in close proximity to road and rail transport, such as at Direk, remains a priority.

### *Streetscape renewal*

As part of our Streetscape Renewal Program, trees in 50 streets were renewed over the past year to decrease the street temperature and make the environment more sustainable by:

- Improving the environmental aesthetics of the street
- Making the street more liveable and comfortable for the community
- Planting more appropriate tree species to minimise the effect on infrastructure and maximise aesthetic appeal.

# Key Direction 2: Sustaining our Environment

## Biodiversity and Open Space

### *Biodiversity*

The City of Salisbury, working with the Department of Planning and Local Government produced a Biodiversity Corridors Management Plan in 2010/11 which is acknowledged as being the most advanced and comprehensive urban biodiversity plan of its type in SA. Under the plan the first 10ha site between Burton Road and Kings Road is being prepared for planting later in 2011/12 with the aim of reducing fire risk, improving and protecting habitat and the movement of fauna through the corridors and sequestering carbon.

The Cobbler Creek reserve remediation was largely completed with additional aquatics planting to occur in the spring. Council continued to work closely with volunteer groups to carry out planting and maintenance in Cobbler Creek, as well as the Dry Creek and Upper Little Para River reserves.

The planting of over 15,000 trees and plants continued in the City's biodiversity corridors, with the first harvest of seed from Council's cutting edge natural seed production facilities scheduled for planting in spring 2011/12. High profile verges around the Salisbury town centre, such as Cross Keys Road were landscaped improving the overall aesthetics of key entry points into the city. Landscaping work also occurred on Bennett Road drain from Main North Road to Main Street at Mawson Lakes, improving the biodiversity of the area.

There were no net species lost in Salisbury and Council maintained the following species that were identified in 2010:

- 269 native plant species & sub species
- 242 native bird species and nine introduced bird species
- 53 bird species breeding within the City of Salisbury
- 39 migratory bird species visiting our coastline
- 20 native reptile species and one introduced tortoise species
- 11 native mammal species and eight introduced mammal species
- Five native fish and three introduced fish species
- Four native frog species.

### *Open space*

Salisbury provides a diverse range of open spaces to residents, totalling some 1,685 hectares. In the 2010/11 Budget, \$14 million was allocated by Council for the maintenance and renewal of parks and landscape.

Significant irrigation upgrades occurred to some open spaces, including Wildwood Park in the suburb of Salisbury Park. A further large-scale irrigation upgrade was designed for Brahma Lodge Oval and will be installed in late 2011.

Open space plays a vital role in any community and it is one of the City of Salisbury's most significant assets.

During 2010 a survey of our open space users was undertaken, enabling residents to provide critical feedback in relation to our open spaces, including parks, playgrounds and reserves. The findings of this survey will be incorporated into future planning for reserves.

As at end of June 2011, the City's open space assets included:

- 236 hectares of wetlands
- 338 hectares of neighbourhood reserves
- 226 hectares of district reserves including sport
- 135 play spaces
- Nine dog parks
- 35 kilometres of trail network along Dry Creek and Little Para River.

These open spaces perform a range of functions including water catchment, drainage, conservation habitats for biodiversity, recreation, landscape buffers and corridor linkages. Many incorporate areas of environmental, cultural and heritage significance.

With population growth expected to continue in Salisbury, Council is working to maintain an optimum level of open space at a standard that encourages community use. It is also actively considering ways to better utilise the City's open space and create multifunctional areas.

### *Salisbury's Green Trails strategy*

Salisbury's Green Trails project is creating a network of paths to connect community assets, including Salisbury town centre, schools, district and regional reserves, golf courses, Salisbury Recreation Precinct (SRP) and playgrounds. This project has been under construction during the past year and is running ahead of schedule.

Little Para Stage One, between the SRP and Burton Road, has been completed with signage to be installed in the spring.

Dry Creek Stage One, between The Sanctuary at Mawson Lakes and the railway line, has been completed, with a rail underpass to be constructed this year to complete the trail between Greenfields to Mawson Lakes and then to Main North Road.

As part of the project Council also purchased four bicycles for use by Council staff in place of cars for short trips between sites. A study is underway to determine their effectiveness as a way of reducing energy consumption and number of cars on the road.



# Key Direction 2: Sustaining our Environment

## Natural Resource Management

### *Salisbury water*

City of Salisbury expanded its stormwater recycling program to include a network of pipes around the entire city. The objective is to make recycled water available for all community sporting facilities, schools and public landscaped areas, and to encourage uptake by as many local businesses as possible.

Salisbury Water has delivered over 1,450 million litres of recycled water to community and business customers in the city over the past year. City of Salisbury continues to supply recycled stormwater to all new subdivisions with approximately 450 homes currently connected to the City's recycled water network.

The scheme is expanding further to meet demand, with a range of new projects planned for the future.

The Salisbury Stormwater Harvesting Project 2009/12 will ensure that up to 6.3 GL of stormwater per annum that is currently discharged into Gulf St Vincent will be harvested and cleansed in wetlands prior to injection into the aquifer. Water recovered from the aquifer will be distributed to the community and commercial locations for non-potable uses via a network of pipes.

The Water for the Future 2010/13 project involves a biofiltration and reuse scheme at Unity Park. It will harvest and distribute up to 1.3 GL of stormwater each year in addition to the existing wetland harvesting scheme at Unity Park.

This project features the application of small footprint biofiltration technology that could pave the way for widespread application in urban areas across Australia, particularly in confined locations where open space wetlands are not possible.

### *Bushfire management*

In 2010/11 the City of Salisbury undertook a complete review of bushfire management within its jurisdiction, resulting in the development of a new Bushfire Management Plan.

The plan identifies a number of new actions that build upon existing strategies to further improve the mitigation of bushfire risks in the city. This includes further proactive vegetation management in reserves of the Para Escarpment, with a three-year tree/shrub pruning program adjacent to property boundaries, which will commence in July 2012.

### *Mosquito management*

During the past year a Mosquito Management Plan was developed as an initiative of the Globe Derby Mosquito Sub-Committee. The plan was recognised with an award from Environmental Health Australia (South Australian Division) for Excellence in Community Focused Environmental Health Practice.

The plan identified eight key objectives that were implemented during the 2010/11 mosquito season in Globe Derby and St Kilda:

1. Identify and monitor mosquito breeding habitats
2. Treat and eliminate mosquito breeding habitats
3. Monitor mosquito numbers and identify species
4. Monitor and evaluate environmental conditions
5. Educate and inform the community
6. Liaise with other agencies
7. Evaluate mosquito control measures
8. Investigate concerns related to mosquito breeding.

Ongoing evaluation of mosquito control measures and continued community education are of high importance.





CITY OF  
**Salisbury**



KEY DIRECTION 3:

## the **Living** city

### Objectives

- Support the health & safety of the community
- Ensure services & infrastructure meet community needs
- Facilitate information & communication opportunities
- Ensure community resources are accessible
- Enhance housing availability in Salisbury
- Promote increased civic participation in community & Council activities
- Identify & actively support & promote the recreation & leisure needs of the community
- Facilitate the participation in & enjoyment of cultural & community achievements
- Enhance learning opportunities across our community
- Strengthen community life

# Key Direction 3: The Living City

Salisbury's Living City strategy is about maintaining a strong and vibrant community by providing safe and supportive environments that promote opportunity, and healthy and creative lifestyles for all.

This strategy reflects the need to integrate the economic, environment and social dimensions of policy.

The social dimension has an important primary role to play in City of Salisbury's integrated overall development of the area. Evidence shows that residents and businesses benefit from a strong social fabric with a healthy, well-educated and skilled population, strong community resilience and self-reliance, low crime rates, high perceptions of safety, high degrees of social interaction and opportunities for all to attain their potential.

## Population

### *Youth development*

Young people aged 12 to 25 years form a significant proportion of Salisbury's population. The 2006 census data highlighted that nearly 20.4% of Salisbury's population fall into this category, which is higher than both the national average of 19% and the Adelaide metropolitan regional average of 19.1%.

A large number of young people in Salisbury enjoy a high quality of life and can look forward to a positive future. However, a worrying proportion of our city's youth are not actively engaged in education or employment, and/or experience issues in relation to housing and accommodation.

In August 2010 the City of Salisbury endorsed a Youth Action Plan which outlines the following critical works that need to occur within 18 months:

- A youth learning and development framework
- Improvements to youth accommodation
- Exposure and enterprise opportunities for young artists
- Improvements to spaces in the Salisbury CBD to make them more youth-specific/youth-friendly
- A communication and marketing plan for promoting youth activities and events.

### *Youth Council*

The Salisbury Youth Council is an innovative framework that enables a wide range of young people to be actively involved in the planning, development and delivery of relevant services, policies and projects for the City.

It enables Council to consult with, and benefit from the expertise of young people on matters relating to policy development, service provision and issues relevant to young people.

The Salisbury Youth Council forms project teams each year comprising Youth Council members, key stakeholders and other interested young people. These teams plan, develop and implement activities and events around selected topics.

In 2010 the Salisbury Youth Council undertook projects in relation to youth homelessness, youth mental health and road safety.

A key component of the project teams is forming partnerships and working with other groups in the community. Their success is based around strong links and partnerships formed with numerous youth agencies, organisations, community groups, schools and clubs in Salisbury.

These groups have provided significant in-kind and financial support to enable real outcomes for Salisbury's young people, allowing Youth Council projects to be completed successfully.

The Youth Homelessness Backpack Project, undertaken by the Youth Council in 2010 demonstrated the value of these partnerships. Project team members made up 200 backpacks for homeless young people containing essential items.

The starting budget was \$1,000 however the total value of the project exceeded \$20,000.

More than 20 agencies and businesses became involved in order to assist young people in the community facing homelessness, and support the Youth Council in its work to help others in the local community.



# Key Direction 3: The Living City



## *Maintaining social connections for seniors from cultural communities*

Over 600 people from a variety of communities met regularly last year in Salisbury to keep connections with others from their culture. There were social groups for older residents who speak Arabic, Spanish, Italian, Vietnamese, Bosnian, Bhutanese, Filipino and Polish.

The program included social activities, events, outings, information, physical activities and sharing food from the different cultures.

The groups are supported by cultural staff who, between them, have the capacity to speak eight different languages, and over 50 volunteers from the various communities.

These programs are expected to expand as people from different communities arrive in Salisbury and as the profile community ages.

## Health and Wellbeing

### *Sporting events and achievements*

The City of Salisbury first hosted the Tour Down Under in 2005 providing an opportunity for the local community to be involved with a major international sporting event.

In 2011 this event again showcased Salisbury to State, national and international audiences, presenting Salisbury as a supportive environment for physical activity and as a destination for sports events and recreation tourism.

Salisbury's other sporting achievements in 2010/11 included:

- The launch of the Salisbury Midnight Basketball Tournament
- Establishing the Salisbury Recreation Precinct Tennis Academy
- Partnership activities with Adelaide United Football Club including the Indigenous Schools Soccer Tournament and the Paralowie Junior World Cup/mentoring of Year 10 students to deliver the event
- Adelaide 36ers training sessions at the Parafield Gardens Recreation Centre
- A partnership with Basketball SA and placement of a Basketball Development Officer for the Salisbury area at the Parafield Gardens Recreation Centre
- Provision of opportunities for young people studying sport and recreation to participate as volunteers or paid staff in programs including Growing for Gold, Midnight Basketball, Sports Ability and through casual employment at the City's recreation centres.

### *A framework for sports development*

A Sports Development Framework was endorsed by Council in February 2011, which comprised six key focus areas to be addressed over the next three years.

These focus areas are:

- **Leadership:** The City of Salisbury will be pro-active in the facilitation of opportunities to support and enable people of all ages, abilities, and interests to be actively involved in sport. Work includes the development of localised sports development action plans and staging quarterly forums of the Salisbury Sport and Recreation Network.
- **Participation:** To facilitate opportunities for the Salisbury community to increase their active participation in sport and recreation. Work includes the development of programs that address barriers for inactive and disadvantaged community members.
- **Pathways:** To strengthen local sport to provide and establish development pathways for talented athletes. Work includes facilitation of training environments for the development of talented junior players, facilitate opportunities for access to high-level competition and training environments, promotion of non mainstream pathways to encourage high-level sporting opportunities and ensuring that sporting pathways are available for local sport.
- **Events:** To position Salisbury as a venue for sporting events, at regional, State, national and international levels. Work will include hosting elite sporting club community training sessions and organised competitions.
- **Training and Development:** To build the capacity and enhance the delivery of local sport through supporting ongoing learning, training and development. Development programs will also be run for local coaches, officials and volunteers. Partnerships with TAFE, University of SA and local high schools will enable students undertaking sport and recreation studies to complete field or work placements.
- **Facility Development:** To guide the development of our community recreation facilities to ensure that they have the capacity to support the key directions of the sports development framework and improve the quality of experience and sustainability delivered by local sporting providers.

# Key Direction 3: The Living City



The implementation of the Sports Development Framework will continue to facilitate opportunities for people of all ages, abilities and interests to be actively involved in sport and recreation as a player, coach, official, volunteer and/or administrator. It will also support the general growth and development of sport and recreation in the City of Salisbury.

## *Health and wellbeing for seniors in Salisbury*

Over the past year there was an increase in participation at the range of health and wellbeing programs offered at the Jack Young and Para Hills Centres, including:

- Dance for Health
- Heart Foundation walking groups
- Broadband for Seniors
- Health promotion, including presentations/workshops by peak bodies such as Alzheimers SA, Arthritis SA, Diabetes SA, Heart Foundation & Cancer Council.

The Healthy Ageing and Access Division also worked with other organisations for the benefit of residents on events such as Blokes Night Out and have partnered with COTA (Council of the Ageing) to provide information, ideas and networking to over-50's groups and clubs within the city.

It is anticipated that these programs will continue to be offered at Jack Young and Para Hills Centres, as well as several of the community centres and other venues across the city.

## *OPAL*

Salisbury was one of six Local Government areas in South Australia selected in 2009 to become involved in a State and Federally funded program called OPAL which aims to improve the eating and activity pattern of children through working with families and the whole community.

In January 2011, funding was made available through OPAL to conduct a research study and to produce a business case on the introduction of healthy food alternatives in the recreation centre kiosks across Salisbury.

The project's methodology involved desktop research, interviews (with key personnel, industry experts, recreation centre staff and customers), customer surveys, observation visits and benchmarking with similar projects and case studies.

It included extensive consultation involving interviews with a number of individuals and agencies both locally and interstate.

The key findings identified the critical factors to successfully introducing healthy food into these recreation centre settings, including:

- Education of kiosk managers and customers on the benefits of healthy food options
- Commitment from management
- Positive marketing and creative displaying of healthy food options
- A focus on increasing the proportion of healthy food choices available to customers (and not just eliminating all the unhealthy options).

The study also found that:

- 87% of the food and drinks currently sold at the kiosk could be classified as 'unhealthy'
- Increasing healthy options would not adversely affect the financial viability of the recreation centre's kiosks.

Staff from OPAL and the Gardens Recreation Centre have since developed a trial program to introduce healthy food and drink options at the centre's kiosk.

# Key Direction 3: The Living City

## *Cultural development*

The Salisbury community is made up of many cultures and City of Salisbury strives to foster the cultural development of the city to reflect this vibrancy and diversity through its many arts programs and activities.

In 2010/11 City of Salisbury staged a calendar of highly successful cultural events including the Salisbury Writers' Festival, the Matsuri on Mobara Japanese Festival which attracted over 2,000 people, Square Fest 2010 in celebration of Youth Week, and ceremonies commemorating the Battle of Long Tan and Asbestos Victims.

Other significant cultural achievements that occurred during the year were:

- The implementation of the Writers in Residence program at Burton School, in partnership with the SA Writers' Centre
- The development of a public art project called Mapping Salisbury Main North Road Historical Marker
- The commissioning of public art installations at Stowe Green and Burton Park
- Staging of the successful Watershed Art Prize, which attracted over 200 entries from across South Australia.

## Learning

### *Youth and Neighbourhood Services*

City of Salisbury's Youth and Neighbourhood Services Division is the principal provider of community adult education in Salisbury.

In the past year it delivered learning activities across six local community centres, The Mawson Centre and the centrally located Twelve25 Salisbury Youth Enterprise Centre, as well as through various outreach services.



During the year, the division recorded 20,698 attendances for structured learning programs and activities.

Twelve25 Salisbury Youth Enterprise Centre is City of Salisbury's principal youth facility, and youth centred programs have continued to strengthen, focusing on employment, education and enterprise outcomes for young people aged 12 to 25.

The Mawson Centre is a learning, cultural and community hub, delivering a plethora of learning opportunities complemented by various community educational and information events. Science Week in August 2010 provided the community and school students with a variety of science-related activities.

The event, which was a collaboration with local schools, UniSA, Mawson Lakes Rotary Club and industry, was followed by a community science day as part of the UniSA's Festival of Innovation.

Throughout the 2010/11 year, across all sites, the centres have significantly raised the standard of educational and employment pathway focussed programs, while still maintaining a strong commitment and response to community needs. In total, 250,000 visits and enquiries were made to the centres, for a variety of purposes. These included activities that foster individual wellbeing, promote health and fitness, enhance social connections, develop language and literacy skills, entertain and teach via school holiday programs, and provide pathways to further education and employment.

Partnerships, funding from grants and volunteer contributions were key to the success of services, leveraging Council's contribution to the program over the year. Strategic partnerships and working collaboratively continued to be a strong driver for successful, responsive and cost effective service delivery. The division was collectively successful in obtaining grant funding in excess of \$573,000 to support programs, mostly with a learning focus.

# Key Direction 3: The Living City

More than 230 volunteers (40% of City of Salisbury's total volunteer workforce) contributed in excess of 40,000 hours of their time and expertise in a range of roles including administration and reception duties, facility support, program planning and facilitation, fundraising and centre management.

The Learning Development Coordinator position was expanded to include a city-wide role, promoting and fostering further collaboration and cooperation both within the division and the wider Community Services Department. This provided opportunity for the development of a Multi-Literacy Framework.

Through a Learning Champion model the framework has identified the scope and breadth of learning opportunities, facilitating new services and sharing of resources and information.

## *Volunteers*

Volunteers were integral in the delivery of services to the community in 2010/11. Over the past year 588 volunteers contributed 83,316 hours primarily through their involvement with senior, youth and community centres and libraries.

Over the past year, volunteers:

- Assisted with the delivery of 8,500 transport trips and the preparation of 32,700 meals for seniors
- Saw 20,031 people for witnessing of documents via the Justice of the Peace service
- Tidied over two million library items
- Guided 1,139 people through the wetlands
- Assisted with the delivery of services at the Twelve25 Salisbury Youth Centre
- Pruned a total of 720 rose bushes at Salisbury Memorial Park
- Removed graffiti from 155 sites.



## *Library services*

With over 620,000 visits across the five Salisbury libraries and well over one million loans, people who work, live and visit Salisbury continued to make good use of the buildings, resources, services and programs over the last year.

Children's and early literacy programs saw extremely strong growth across all programs including Giggle Time for families with babies and ABC 30&3, a family literacy program that in 2010/11 won the Jim Crawford Award for Innovation in Public Libraries.

With the acquisition of 15 Plectalk Daisy Players (a digital playback device for readers with sight disability) through a National Government initiative, the Salisbury libraries will assist new users to connect with the libraries and access a range of audio material for learning and recreation.

Salisbury is also closely involved in the State-wide acquisition of a new library management system that, once adopted, will connect all libraries across the State and allow customers to access any library in SA with one library card.

## Neighbourhood Planning/Place Management

### *Improvements to sport and recreation facilities*

Consistent with the Sports Development Framework endorsed by Council in February 2011, Council invested significantly in the development and improvement of sport and recreation facilities for residents.

\$1.5 million was spent renewing Council-owned buildings such as community centres, football clubs and facilities. This included the completion of the Brahma Lodge Football Clubrooms and hall refurbishment, a sports field lighting project at Walkley's Park and replacement of aged steel and plastic construction in play spaces around the city.

# Key Direction 3: The Living City

Both Ingle Farm Recreation Centre and Burton Park Community Centre were upgraded using combined funding of over \$300,000 and a further \$115,000 was allocated to help with the upkeep of Salisbury's sporting clubs, which enabled around 10 clubs to improve their facilities.

Council secured external funding to enable capital upgrades of sporting facilities (RCLIP - Regional & Local Community Infrastructure Program) in excess of \$5 million. This included the construction of a major new regional play space at Burton Park, construction of a new district play space at Adams Oval and the lighting upgrades of the Paddocks; Salisbury Oval; Cockburn Green, Brahma Lodge and Andrew Smith Drive Reserve, Parafield Gardens.

Monies from the Open Space Fund were applied to the development of Adams Oval and Happy Home Reserve, where a fitness loop will be installed in late 2011.

A boardwalk at Springbank Waters was completed with the purpose of enhancing recreation and accessibility to the area. The boardwalk joins the western end of Springbank Waters with the other side of the creek, opening up the site to more recreation activities.

## *Donated land to be used for sporting purposes*

In April 2011, Bridgestone Australia Ltd donated a portion of land at the company's former manufacturing site to the City of Salisbury for common use. This land was gifted in recognition of local support provided during the 46 years that the facility operated.

A multi-sport facility is planned for the land which will offer high quality playing fields and training facilities to be shared by a number of sports and clubs.

## *Enhancing Housing availability in Salisbury*

Progress has been made towards bringing identified surplus Council land on to the market for residential housing. Parcels of land at Ryans Road, Parafield Gardens; Walpole Road, Paralowie and Diment Road, Salisbury North are being considered for development with the potential for 300 homes to be created. The land at Ryans Road and half of Walpole Road is unencumbered and in the process of receiving planning approvals. Diment Road has been subject to a detailed process of engagement with the neighbouring community over the nature of the development and the closure of the unused road reserve.

To assist these developments Council was successful in attracting \$3 million from the Commonwealth Government's Housing Affordability Fund program, the proceeds of which must ultimately be passed through to home buyers.

## *Access for all in Salisbury*

Access in Salisbury continues to be a priority for Council. In the past year a continuous accessible path of travel between shops, entertainment venues, Bagster Road Community Centre and bus stops was completed. The footpath is 1,800mm (six feet) wide with suitable kerb ramps for wheelchairs. This has improved accessibility for residents of Salisbury North with scooters, wheelchairs or walking frames.

In total around 40 streets had footpaths installed in 2010/11, including pram ramps to help make the city more accessible for people with children and/or disabilities.

## *Improvements to roads and public safety*

\$6.5 million was spent on resealing roads to improve road safety on over 100 roads. With the aim of calming traffic and increasing safety in Parafield Gardens, mini roundabouts were constructed at Rosalie Terrace and Kate Street and a street blister (traffic calming device) was installed at Richardson Street.

Funding from Federal Government was used to purchase and install cameras to improve safety in the Salisbury town centre and at St Kilda. Portable cameras were also purchased for other areas of concern, for temporary use.

## *Improved cemetery services*

During the past year, stage one of the Salisbury Memorial Park Master Plan was approved for the 2011/12 period, which will see the installation of shade structures and additional landscaping for rose and shrub gardens. These enhancements will provide a greater range of affordable opportunities for cremation inurnments.

Salisbury Memorial Park operations are being reviewed to maximise the continued provision of services to Salisbury residents over the long-term. Options for new premises are currently being explored.





CITY OF  
**Salisbury**



KEY DIRECTION 4:

## Salisbury **Success**

### Objectives

- Achieve a financially sustainable organisation
- Develop & maintain an adaptable, skilled & satisfied workforce
- Provide a safe working environment
- Provide excellent customer service
- Ensure effective governance
- Apply appropriate technology & information systems that enhance service delivery
- Develop better planning, business & resource management processes to support excellent service delivery

# Key Direction 4: Salisbury Success

The City of Salisbury continues to be a leader in Local Government by delivering services at a high level that meet our community's needs.

Our vision, 'Excellence in building a community of opportunity and spirit in a quality environment' challenges us to always strive for excellence in what we do across the complex mix of services we provide.

As an organisation the City of Salisbury acknowledges the significance of organisational culture and has put in place processes to enhance the behaviours of the organisation to facilitate a stronger constructive model and better outcomes for the Salisbury community.

Organisational excellence is about the creation and ongoing enhancement of our organisational culture and our processes and systems. Many pressures are placed on organisations as they strive to achieve their goals. A successful organisation will only achieve its vision if it adopts a way of addressing these pressures in a coordinated manner.

## People

### *Leadership*

Leadership remains a major priority area for the organisation. The emphasis is on developing organisational leadership capabilities rather than focusing on an individual's leadership skills. It is based on the notion that leaders in all parts of the business are required to achieve and to drive strategy.

The City of Salisbury has defined a leadership brand as the key focal point for development of leadership and management capabilities throughout the organisation.

Supporting the leadership brand is a framework to guide organisational behaviours, skills, knowledge, attributes and competencies.

In the reporting period, all members of Council's Divisional Management Group and Executive Management Group participated in the Leadership Skills Inventory (LSI) re-test and leadership and management coaching.

A Council team of six participants completed the LGMA Management Challenge - an internationally acclaimed professional and team development program that brings the best out of present and potential Local Government leaders.

The team received extensive development and support and came second in the State. Their pre-challenge task was selected as one of the top four nationally, with the topic being Workforce Planning. There were 17 participants who commenced a Diploma of Management and Leadership and, additionally, the City of Salisbury had one participant in the LGMA Emerging Leaders Program.



# Key Direction 4: Salisbury Success

## *Wellbeing*

In 2010/11 the following organisational wellbeing initiatives were implemented:

- The launch of the Corporate Health Group
- Nutrition on the Run information sessions
- Fitness classes
- Free fruit distributed each week to staff
- The provision of free flu vaccines
- Annual individual health assessments
- Weight Watchers at work
- Skin screenings
- Local Super superannuation and investment sessions
- The Be Active Corporate Cup
- City of Salisbury Master Chef.

Staff participation rates were consistently high for these programs.

## Processes and Systems

### *Business planning*

The City of Salisbury has a comprehensive strategic planning framework incorporating the City Plan, Key Direction Statements and Action Plans. Action Plans are developed to provide detailed information on the steps that need to be taken to achieve the key directions and objectives of the City of Salisbury. Business Plans are developed at a divisional level to map out the delivery of strategies agreed in the Action Plans and provide a framework for the ongoing, day-to-day operations of Council. Forming these linkages increases the alignment across the organisation in contributing to and delivering on the strategic objectives of the organisation.

Business Plans are developed in conjunction with the budget process with a two-year time horizon. The process for developing Business Plans is supported by the use of Covalent Performance Management software, allowing a consistency in structure and reporting on achievements against the Plan.

A key feature of the Business Plan structure is the application of a risk assessment process for Business Plan strategies, together with the identification and measurement of performance indicators.

### *Improving the use of Information and Communication Technology (ICT)*

City of Salisbury began work on its ICT Strategic Plan in 2010/11. This plan encompasses all aspects of the organisation's ICT resources, providing a clear direction for information, communication and technology supporting delivery of the City Plan.

Over the past year, the City of Salisbury's key ICT achievements included the implementation of a phone payment system linked to ePathway; enabling residents to pay their rates and other fees via the telephone; implementation of new online dog registration process; enhancements to the Volunteer Management System; upgrades to City of Salisbury's Microsoft Office Suite; installation and rollout of an Outlook e-mail system.

The organisation also launched a new website and presences on the social networking sites, Facebook and Twitter, designed to provide more opportunities for two-way communication with residents.

### *Project management*

During 2010/11 City of Salisbury worked with a software supplier to provide an integrated front-end project management system that will assist staff in the governance and control of the many projects we implement.

A key component of the project – implementing the Works and Assets module as part of the finance system – was completed, providing 'whole of life' costing information for projects for the first time. This is particularly valuable for the many projects that span more than one financial year.

## *Procurement*

In 2010/11, City of Salisbury implemented a range of initiatives designed to improve contract and procurement practices across the organisation and help to achieve the objectives of an open and transparent system, with a focus on value for money outcomes.

Significant work began on reviewing policies, processes, practises and documentation. This is supported by regular internal auditing of compliance given the devolved nature of much purchasing activity. In addition the organisation has engaged assistance with contract administration in the Capital Works Division.

City of Salisbury continued its active involvement in collaborative contracts with the G6 Purchasing Group which combines the resources of Adelaide, Charles Sturt, Marion, Onkaparinga, Tea Tree Gully and Salisbury Councils. These contracts have demonstrated the benefits of aggregated buying power, together with the knowledge sharing that occurs amongst the user groups established for each buying activity.



# Key Direction 4: Salisbury Success



## *Occupational health, safety and welfare*

The City of Salisbury demonstrates a high commitment to Occupational Health Safety and Welfare (OHSW) with a focus on injury prevention and improving both individual and organisational wellbeing. In March 2010 OHSW became part of the People and Culture Division (P&C) and in November a new function area within P&C now known as Organisational Wellbeing was created as OHSW began to move in a new direction.

The key focuses in 2010/11 were the development of a competency framework, streamlining OHSW administrative processes and interlinking systems and process, improved and more extensive reporting of the OHSW management system to senior executives, and achieving a 100% rebate as part of the annual KPI Audit.

Both Organisational Wellbeing and Asset Services worked tirelessly to improve the OHSW Planning Framework to make it more straightforward, transparent and consultative. This work resulted in the adoption of the Corporate One Page Plan early in 2010, which provides the strategic direction of OHSW across the entire organisation. At a departmental level, Asset Services adopted a similar plan that feeds off the Corporate One Page Plan to assist in providing safe systems of work and mitigating risk in this high risk area. Council ensured OHSW responsibilities for staff were communicated and provided training for all supervisors, managers and senior executives.

The continued development of the City of Salisbury's hazard register has been a key element in improving hazard management across the organisation. Significant time was invested in 2010 and early 2011 providing workshops, support and consultation to all divisions to assist in identifying activities and hazards within each work area. The Workplace Safety Inspection process was also significantly improved with the development of a schedule, reporting system, centralised administration and training to staff.

Continued improvement of the organisation's safety management system has been essential and this continued during 2010/11. Work is underway to improve the safety culture with a Change Management Plan being developed by the Salisbury Safe Project.

This will help create an environment, attitudes and behaviours that are conducive to reducing incident rates and improving health and safety across the Council.

## Governance

### *Open and transparent decision-making*

The City of Salisbury demonstrates open and transparent decision-making by minimising the number of decisions it takes in confidence.

In 2010/11, a total of 557 items were considered by Council and other Committees. Of these, 12 were confidential.

Three reports concerned personal affairs (Section 90(3)(a) of the Local Government Act) and nine concerned commercial information (Section 90(3)(b) of the Local Government Act). Of the 12 items where members of the public were excluded, nine remained confidential after discussion in confidence had taken place.

None of the orders made during 2010/11 have been revoked or have expired. They will be reviewed internally twice a year and should it be deemed appropriate, the Chief Executive Officer has the delegation to revoke the orders.

Nineteen orders remain operative at the end of 2010/11.

	No. of items considered in confidence	Confidential items as a % of total no. of items considered
2003/04	34	6.3%
2004/05	20	4.0%
2005/06	1	0.2%
2006/07	1	0.2%
2007/08	6	1.0%
2008/09	4	0.8%
2009/10	5	1.19%
2010/11	12	2.15%

# Key Direction 4: Salisbury Success

## *Management and governance*

The City of Salisbury places particular emphasis on its commitment to democratic principles such as fair representation, openness and transparency in all operations. The Local Government Act 1999 provides the legislative foundation for Council and contains a range of reporting and operating requirements that contribute toward good governance. As part of its compliance with the Local Government Act 1999, the City of Salisbury maintains the following registers, codes of conduct and policies:

### *Registers*

Register of Interests of Elected Members  
Register of Allowances and Benefits for Elected Members  
Register of Salaries (Remuneration) for Staff  
Register of Interests (Staff)  
Register of Public Roads\*  
Register of By-laws\*

### *Codes*

Code of Conduct – Elected Members\*  
Code of Conduct – Employees\*  
Code of Practice for Access to Meetings and Documents\*

### *Policies*

Procurement Policy\*  
Rating Policy\*  
By-Laws and Order Making Policy\*  
Public Consultation Policy\*  
Internal Review of Council Decision Making Procedures\*

### *Other*

Internal Audit Charter  
Governance Framework and Statement\*  
Risk Management Charter  
Whistleblower Policy\*

A comprehensive list of codes, documents, policies, registers and guidelines are available for public inspection either at the Council offices, 12 James Street, Salisbury or at [www.salisbury.sa.gov.au](http://www.salisbury.sa.gov.au)

Copies of most documents are available for purchase for a small fee. All of these documents are updated on a regular basis as required by the Act. Documents marked with \* are also available at [www.salisbury.sa.gov.au](http://www.salisbury.sa.gov.au)

### *Number of requests for a review of Council decisions*

During the 2010/11 financial year, The City of Salisbury received four requests for a review of a Council decision. Three have been finalised and one review of the decision remains outstanding.

### *Internal control framework*

The City of Salisbury has an extensive internal control framework in place, designed to ensure systems and policies are effectively applied. Monitored by the Risk and Audit Steering Committee and reported to the Audit Committee of Council, 100% of the items in the control framework checklist were rated four or five (out of five) in 2010/11.

### *Audit Committee of Council*

As a critical component of the Council's governance framework, and in compliance with Section 126 of the Local Government Act 1999, the Audit Committee of Council provides an oversight function for the City's risk management and internal control frameworks.

The Committee reports to Council on a quarterly basis. It provides assurance to Council that these frameworks are in place and operating effectively. As part of its operational program the Audit Committee also provides assurance to Council regarding the efficiency and effectiveness of overall Council operations.

A number of explicit aspects were given close scrutiny during 2010/11 through specific internal audit and program review activity. These included:

- Compliance with procurement processes
- Payroll
- Implementation of the Food Act
- Processing of Section 7 Statements
- Management of taxi vouchers
- Compliance with planning regulations
- Recovery of fees and charges.

The Committee maintains a close working relationship with the City's external auditor, with a particular focus on the end of year financial statements and the external audit opinion on the statements. The Committee also provides oversight for the internal audit work program and receives regular reports from the City's internal auditor. On a quarterly basis, recommendations and agreed actions resulting from internal audit activity are monitored by the Committee.

### *Committee membership*

July 2010 – June 2011

- Mr Peter Brass (Chairman & Independent Member) – General Manager Risk Management & Audit, Dept. Primary Industries & Resources SA, attended four of four meetings
- Mr Allen Bolaffi (Independent Member) – Partner UHY Haines Norton Chartered Accountants, attended two of four meetings
- Mr Mark McAllister (Independent Member) - Principle Southcott Advisory, attended three of four meetings.

July 2010 – November 2010

- Cr Brendan Duffy (Elected Member of Council) – attended one of one meetings
- Cr Joe Caruso (Elected Member of Council) – attended one of one meetings.

# Key Direction 4: Salisbury Success



As a result of elections in November 2010, Elected Member representation on the Audit Committee of Council changed in December 2010.

December 2010 – June 2011

- Cr Linda Caruso (Elected Member of Council) – attended two of three meetings
- Cr Shiralee Reardon (Elected Member of Council) – attended one of three meetings.

## *Freedom of Information – 2010/11*

Over the past financial year, 19 Freedom of Information applications were received. Of these, 16 were granted full release, two were denied due to the ambit of requests containing personal information and, consequently, contrary to the Public Interest Test. One application was withdrawn by the applicant.

Of the 19 applications:

- Two were in relation to dog attacks
- Nine were in relation to developments
- Two were from staff members (one personal and the other non-personal)
- One was in relation to cooling towers in the area
- One was in relation to copies of rates notices
- One was in relation to facility hire payments
- One was in relation to an insurance claim
- One was in relation to personal complaints
- One was in relation to providing a safe working environment.

## *Ombudsman SA investigations*

During 2010/11, there were 24 complaints received by the SA Ombudsman requiring an investigation, in relation to City of Salisbury.

## *Elected Members training and development*

Below is a table showing the training undertaken by Elected Members during the past financial year.

Elected Member	Conference/Training
Mayor Gillian Aldridge JP	<ul style="list-style-type: none"> <li>• 28 &amp; 29/10/10 - LGA Annual General Meeting</li> <li>• 28 &amp; 29/4/11 - LGA General Meeting</li> <li>• 11/5/11 - Media Training</li> </ul>
Cr David Balaza	Nil
Cr Sean Bedford	Nil
Cr Chad Buchanan JP	28 & 29/4/11 - 2011 LGA Conference and General Meeting
Cr Linda Caruso	Nil
Cr Joe Caruso	Nil
Cr Alex Coates JP	2/5/11 - 2011 National Mainstreet Conference
Cr Brendan Duffy (to Nov 2010)	Nil

Elected Member	Conference/Training
Cr Betty Gill JP	<ul style="list-style-type: none"> <li>• 28 &amp; 29/10/10 - LGA Annual General Meeting and Associated Sessions</li> <li>• 3/5/11 - 2011 National Mainstreet Conference</li> <li>• 19/6/11 - ALGWA 60th Anniversary Dinner, Canberra</li> <li>• 20/6/11 - Day 1 National General Assembly, Canberra</li> </ul>
Cr Brian Goodall	Nil
Cr Mirella Honner	<ul style="list-style-type: none"> <li>• 4/12/10 - LGA Post Election Training for New Elected Members</li> <li>• 25 &amp; 26/2/11 - Council Members' Seminar</li> </ul>
Cr Ann Irving (to Nov 2010)	Nil
Cr Jana Isemonger	Nil
Cr Tom Javor (to Nov 2010)	Nil
Cr Damien Pilkington	Advanced Reading Skills Course (5 sessions)
Cr Donna Proleta	Nil
Cr Shiralee Reardon JP	<ul style="list-style-type: none"> <li>• 27/8/10 - ALGWA 'The Top Rung' Step Up Session</li> <li>• 2/2/11 - Audit Committee Member Training</li> </ul>
Cr Brad Vermeer	4/12/10 - LGA Post Election Training for New Elected Members 02/04/11 - Media and Presentation Skills for Council Members
Cr Julie Woodman JP	<ul style="list-style-type: none"> <li>• 25 &amp; 26/2/11 - Council Members' Seminar</li> <li>• 19/6/11 - ALGWA 60th Anniversary Dinner, Canberra</li> <li>• 19-22/6/11 - National General Assembly, Canberra</li> </ul>
Cr Riccardo Zahra	<ul style="list-style-type: none"> <li>• 19 &amp; 20/4/11 - SA Youth Workers' Conference</li> <li>• 28 &amp; 29/4/11 - LGA Conference and General Meeting, including Conference Dinner</li> </ul>

# Key Direction 4: Salisbury Success

## *Elected Members - representation on external bodies*

Below is a table showing the external bodies with Elected Member representation during the past financial year.

Elected Member	Representation
Mayor Gillian Aldridge JP	<ul style="list-style-type: none"> <li>Local Government Association (Voting Delegate) from May 2011</li> <li>LGA State Executive Committee (Member)</li> <li>Boundary Adjustment Facilitation Panel</li> </ul>
Cr David Balaza	<ul style="list-style-type: none"> <li>Northern Adelaide Waste Management Authority Board (Deputy to Cr Goodall)</li> <li>Salisbury Town Centre Association</li> <li>Salisbury Park Primary School Governing Council</li> <li>SA Fruit Fly Standing Committee</li> </ul>
Cr Sean Bedford	<ul style="list-style-type: none"> <li>Valley View Secondary High School Governing Council</li> </ul>
Cr Chad Buchanan JP	<ul style="list-style-type: none"> <li>Metropolitan Seaside Councils' Committee</li> <li>Local Government Association (Voting Delegate) from Nov 2010 - May 2011</li> <li>Burton Community Centre Chair</li> </ul>
Cr Joe Caruso	<ul style="list-style-type: none"> <li>Salisbury East High School Governing Council</li> </ul>
Cr Linda Caruso	<ul style="list-style-type: none"> <li>Northern Adelaide Waste Management Authority Board</li> <li>Local Government Association Finance Authority of SA (Voting Delegate)</li> </ul>
Cr Alex Coates JP	<ul style="list-style-type: none"> <li>Bagster Road Community Centre Management Committee</li> <li>Burton Community Centre Board</li> <li>Neighbourhood Watch</li> <li>Paralowie R-12 School Governing Council</li> <li>Salisbury High School Governing Council</li> </ul>
Cr Brendan Duffy (to Nov 2010)	<ul style="list-style-type: none"> <li>Nil</li> </ul>

Elected Member	Representation
Cr Betty Gill JP	<ul style="list-style-type: none"> <li>Australian Local Government Women's Association – President SA Branch</li> <li>Northern Adelaide Waste Management Authority Board (Deputy to Cr L Caruso)</li> <li>Positive Ageing Service Advisory Committee (including the Jack Young Centre and Para Hills Centre) - Chair</li> <li>Salisbury Urban Horticultural Centre Steering Committee</li> </ul>
Cr Brian Goodall	<ul style="list-style-type: none"> <li>Northern Adelaide Waste Management Authority (NAWMA) – Chairman</li> <li>Northern Adelaide Waste Management Authority (NAWMA) Audit Committee</li> <li>Mawson Centre Board</li> <li>Parafield Airport Consultative Committee</li> </ul>
Cr Mirella Honner	<ul style="list-style-type: none"> <li>Nil</li> </ul>
Cr Ann Irving (to Nov 2010)	<ul style="list-style-type: none"> <li>Boundary Adjustment Facilitation Panel</li> <li>Supported Residential Facilities Advisory Committee (Proxy Member)</li> <li>Para Hills Football Club (Patron)</li> <li>Para Hills Cricket Club (Patron)</li> <li>Para Hills Bowling Club (Patron)</li> <li>Para Hills Knights Soccer Club (First Honorary Member)</li> </ul>
Cr Jana Isemonger	<ul style="list-style-type: none"> <li>Transport Accessibility Advisory Group</li> <li>Counsellor Advisory Council – Lyell McEwin Hospital</li> <li>Paddocks Community Centre – Management Committee Member</li> </ul>
Cr Tom Javor (to Nov 2010)	<ul style="list-style-type: none"> <li>Valley View Secondary High School Governing Council</li> </ul>
Cr Damien Pilkington	<ul style="list-style-type: none"> <li>Salisbury East Neighbourhood Centre</li> </ul>

Elected Member	Representation
Cr Donna Proleta	<ul style="list-style-type: none"> <li>Local Government Association (Proxy Voting Delegate to Mayor Aldridge) from May 2011</li> <li>Metropolitan Seaside Councils' Committee</li> <li>Burton Community Centre</li> </ul>
Cr Shiralee Reardon JP	<ul style="list-style-type: none"> <li>Salisbury and Districts Historical Society</li> <li>Para Hills High School Governing Council</li> <li>Australia Day Council of SA</li> <li>Pooraka Farm Community Centre</li> </ul>
Cr Brad Vermeer	<ul style="list-style-type: none"> <li>Twelve25 Program Reference Group</li> <li>Parafield Airport Consultative Committee</li> </ul>
Cr Julie Woodman JP	<ul style="list-style-type: none"> <li>Valley View Secondary High School Governing Council</li> <li>Local Government National General Assembly (Voting Delegate)</li> </ul>
Cr Riccardo Zahra	<ul style="list-style-type: none"> <li>Local Government Association Authority of SA (Deputy Voting Delegate to Cr C Buchanan) from Nov 2010 to May 2011</li> <li>Local Government Association Finance Authority of SA (Deputy Voting Delegate to Cr L Caruso)</li> <li>Twelve25 Program Reference Group</li> <li>OPAL Salisbury Local Advisory Committee</li> <li>Morella Community Centre</li> </ul>

## *Executive Allowances*

The Executive Management Structure is comprised of the Chief Executive Officer and seven departmental Directors.

Salary packages for these eight executives are comprised of:

- A negotiated annual salary
- Statutory superannuation
- Provision of a fully-maintained Council vehicle or equivalent.

# Key Direction 4: Salisbury Success

## Directors' membership on external boards and committees

Below is a list of membership on external bodies by City of Salisbury Directors, during the past financial year.

Director	Membership
City Manager Stephen Hains (retired May 2011)	<ul style="list-style-type: none"> <li>Bedford Industries Board (Director)</li> <li>Barbara Hardy Centre for Sustainable Urban Environments (Uni SA) Advisory Board</li> <li>Clare and Gilbert Valleys Development Assessment Panel (Chair)</li> <li>Environment Protection Authority Board (Deputy Chair)</li> <li>Environment Protection Authority Local Government Sub-Committee (Chair)</li> <li>Flinders Institute for Housing Urban and Regional Research Advisory Board (Chair)</li> <li>Flinders University Alumni Association (President)</li> <li>Flinders University Resources Committee</li> <li>Innovation and Economic Opportunities Group</li> <li>Mawson Lakes Community Trust Fund</li> <li>Northern Futures Board</li> </ul>
Director Strategic Planning, John Harry (assumed the position of Chief Executive Officer from May 2011)	<ul style="list-style-type: none"> <li>Army Presence in SA Working Group</li> <li>Edinburgh Parks Strategic Management Committee</li> <li>Greater Edinburgh Parks Steering Group</li> <li>Mawson Lakes Project Executive Group</li> <li>Mawson Lakes Project Liaison Group</li> <li>Northern Early Childhood Steering Group</li> <li>Northern Economic Leaders Group</li> <li>Salisbury North Steering Committee</li> <li>UniSA/City of Salisbury Joint Management Group</li> <li>Wakefield Group</li> <li>Northern Futures Group</li> </ul>

Director Development & Environmental Services, Greg Waller	<ul style="list-style-type: none"> <li>Greater Edinburgh Parks Working Group</li> <li>Water Sensitive Urban Design Implementation Group (Local Government Association)</li> <li>Mawson Lakes Project Liaison Group</li> </ul>
Director Community Services, Pru Blackwell (retired March 2011)	<ul style="list-style-type: none"> <li>Mawson Centre Board of Management</li> <li>Public Library Service Standing Committees</li> <li>Local Government Managers Association, Community Managers Group</li> <li>Australian Local Government Women's Association SA Branch</li> <li>Gawler Health Advisory Council</li> </ul>
Director Finance, Peter Fairlie-Jones	<ul style="list-style-type: none"> <li>G6 Purchasing Group</li> <li>Local Government Corporate Services</li> <li>SA Local Government Financial Management Group</li> <li>Waterproofing Northern Adelaide Regional Subsidiary</li> <li>Audit Committee of the District Council of Mallala</li> <li>Audit Committee of the Light Regional Council</li> </ul>
Director City Projects, Colin Pitman	<ul style="list-style-type: none"> <li>Aquifer Storage and Recovery Coordinating Committee Panel Member</li> <li>Developer Responsibilities/Contributions Working Group (Local Government Association)</li> <li>Edinburgh Parks Working Group</li> <li>Local Government Association Public Lighting Standards Committee</li> <li>Local Government Association Stormwater Management Committee</li> <li>Mawson Lakes Project Liaison Committee</li> <li>Northern Adelaide Waste Management Authority Board Member</li> <li>Public Lighting Steering Committee</li> <li>Stormwater Industry Association</li> <li>Stormwater Management Authority</li> <li>UDIA (SA) – Infrastructure Committee</li> <li>Managed Aquifer Recharge &amp; Urban Stormwater Use Options Research Project (MARUSO) – CSIRO</li> <li>Urban Water Stakeholder Reference Panel (Federal Government )</li> </ul>

Director Corporate Development, Jane Trotter	<ul style="list-style-type: none"> <li>Local Government Managers Australia SA Divisional Board Member and President Elect</li> <li>Local Government Managers Australia National Director</li> <li>SA Year of Women in Local Government Task Force</li> <li>LGMA National Representative on ALGWA National Steering Committee for the implementation of the Way Forward Project</li> <li>LGMA SA Women's Network</li> </ul>
Director Asset Services, Mark van der Pennen	<ul style="list-style-type: none"> <li>Northern Area Zone Emergency Management Committee</li> <li>Adelaide Mt Lofty Ranges Bushfire Management Committee</li> <li>Illegal Dumping Task Force</li> <li>Bushfire Management Steering Committee</li> </ul>

## Community land management plans

Council adopted Community Land Management Plans One and Two relating to community land held in its ownership and under its care, control and management at its meeting held in January 2009.

The plans are constructed as:

- Community Land Management Plan One – community land affected by leases, licences and permits
- Community Land Management Plan Two – community land specifically modified or adopted for the benefit of enjoyment of the community.

Copies of both plans are available at [www.salisbury.sa.gov.au](http://www.salisbury.sa.gov.au)

# Key Direction 4: Salisbury Success

## Competition principles

The core principles of Council's Procurement Policy and Procedures are ethics, value for money and probity. In the awarding of approximately 100 contracts per year for goods, works and services, adherence to these principles is demonstrated via an open public tender process. If a selected tender is undertaken, an internal approval process is completed to ensure that there is valid justification for a selected process and that no elements of the market are prejudiced.

Council's Contract and Procurement Services Division is responsible for managing and auditing tendering practices and the acquisition process generally. A priority is to identify methods of reducing the cost of tendering while ensuring probity is maintained. Pre-qualification and panel contracts, as well as long-term supply arrangements have been identified and investigated.

It is a mandatory component of the procedures that the supply of any goods, works or services are subject to either a quotation process or if high value/high risk, a full tender process.

The City of Salisbury has an ongoing process to review its Procurement Policy and Procedures, and the existing framework sets out the following key principles in regard to contracting and tendering:

- Value for money
- Open and effective competition
- Ethical behaviour and fair dealing
- Accountability and transparency
- Environmental preference
- Local sourcing.

## Workforce information

The workforce salaries for City of Salisbury during 2010/11 were:

Workforce Salaries 2010/11		
From \$	To \$	No. of Staff
40,000	47,000	68
47,001	52,000	130
52,001	57,000	98
57,001	63,000	49
63,001	80,000	99
80,001	100,000	18
100,001	120,000	13
120,001	140,000	8
140,001	150,000	1
150,001+		3
		487

A total of 52 (10.67%) employees resigned their employment with the City of Salisbury during the period 1 July 2010 to 30 June 2011.

## Absenteeism

City of Salisbury's absenteeism for the past four financial years is:

	2007/08	2008/09	2009/10	2010/11
Staff Turnover Rate	12.9%	11.97%	9.7%	10.67%
Absenteeism - Field				
Days per annum per FTE	8.4	9.07	8.22	9.01
Hours per FTE	63.41	98.97	62.44	74.43
Absenteeism - Inside				
Days per annum per FTE	6.48	6.02	6.32	5.97
Hours per FTE	49.24	45.79	48	45.35
Workers Compensation Claims				
Number of claims	49	30	36	44

## National Competition Policy

Competitive neutrality is one of the key principles of the National Competition Policy. The principle is based on the concept of a level playing field for people competing for business and relates to situations where there is, or is the potential for, competition between the private and public sectors.

Councils are required to identify its business activities and disclose those in Category One (annual gross operating income greater than \$2 million per year) and Category Two (annual gross operating income less than \$2 million per year).

In 2010/11 there were no Category One business activities operated by the City of Salisbury (after eliminating internal revenues).

In 2010/11 the City of Salisbury had the following significant Category Two business activities:

- The Ingle Farm Recreation Centre
- The Parafield Gardens Recreation Centre
- Pooraka Waste Transfer Station
- Water Business Unit.

No complaints were made to the State Competition Commissioner in regard to the City of Salisbury.

## Payments to the auditor

In 2010/11 a total of \$23,500 was paid to Council's auditor for work performed during the year.

# Key Direction 4: Salisbury Success

## *Review of water business*

In 2010/11, an independent review was conducted of Salisbury's water recycling operations. The review found that Salisbury has led the development of stormwater harvesting in Australia and that the operations have been well run and has developed good governance, finance and pricing structures. The business has developed significant community benefits by enabling open spaces, schools and gardens to be green throughout the drought.

Key recommendations from the review included adding expert independent members to the management board; target growth to bulk water users; work with the State Government in the development of the new regulatory regimes; prepare for economic regulation by building regulatory pricing models and decoupling from SA Water's prices; and accounting separately for collection, distribution, and retail functions. The review clarified the business unit's goal and for the purpose of better branding proposed the business be renamed 'Salisbury Water'.

## Customer and Community

### *Marketing and communications*

The organisation continued to roll out the Living City Marketing Plan endorsed by Council in late 2009. Key to this was a continued involvement in the Out of the Ordinary television series, a television advertising campaign, and the installation of integrated signage at gateway points around the city, designed to elevate perceptions of Salisbury as a great place to live, work and play.

The News Review Messenger continued to play an important part in the promotion of Council decisions, programs and events, as did Council's own publication Salisbury Aware.

The Living Legends Awards were announced in March at a new Mayoral cocktail function, and their portraits were unveiled in the town's civic square.

## Financial Management

### *Achieve a financially sustainable organisation*

While seeking to achieve its corporate goals Council is mindful of its responsibilities to be financially sustainable. Being financially sustainable means having a financial position capable of meeting long-term service and infrastructure levels and standards, acceptable to the community, without substantial increases in rates or disruptive cuts to services.

It implies equity between generations. That is, each generation of ratepayers should pay for the services they consume. Future generations should not have to pay for the neglect of earlier generations to maintain and renew their assets appropriately.

A key aspect of being sustainable is to ensure operating income at least matches or exceeds operating expenditure as shown in the Council's Income Statement.

A Long-term Financial Plan, reviewed each year, assists in guiding Council to achieve its targets to achieve financial sustainability.

## Financial Results for 2010/11

### *Statement of Comprehensive Income*

The income statement shows an operating surplus before capital amounts of \$2.6 million. Impacting on this result is timing of payments of the Commonwealth's Federal Assistance Grant, with one quarter of the 2010/11 grant being received in 2009/10 - \$2.5 million; and one quarter of the 2011/12 grant being received in 2010/11 - \$2 million. When adjusting for both of these early payments the Operating Surplus for 2010/11 is \$3 million.

To maintain a financially sustainable position Council aims to achieve an Operating Surplus ratio > 0%. In 2010/11 the ratio reached 4%.

### *Balance Sheet*

The Balance Sheet shows that Net Assets (total assets less total liabilities) or 'Equity' has increased by 6.15% or \$70 million from \$1.13 billion in 2009/10 to \$1.20 billion in 2010/11. The increase in Infrastructure, Property, Plant and Equipment assets from \$1.15 billion to \$1.21 billion is the single most significant factor and is attributable largely to net asset revaluations of \$54.8 million; (land \$40.6 million, footpaths \$28.8 million and decrease of \$12.9 million for buildings). Additions of \$16.7 million (being both constructed and donated) also contributed to the increase.

Net Financial Liabilities have increased slightly from \$28.83 million to \$31.15 million and has increased as a proportion of total operating revenue (33% to 34%). Loan principal outstanding has increased from \$29.86 million to \$32.73 million in 2010/11.

The Asset Sustainability Ratio (refer to Note 15 within the Financial Statements) has increased significantly to 125% as compared to 48% in the preceding year, which reflects a combination of higher expenditure on renewal of assets together with depreciation expense being relatively stable year on year. The Asset Consumption Ratio has decreased slightly from 67% to 65% which reflects the lower levels of addition of new assets to the portfolio.





CITY OF  
**Salisbury**



# Performance **Indicators**

# Key Direction 1: Shaping the Future

Overall Directional Statement: 'To further develop our City as prosperous and progressive by attracting and sustaining increased business investment and by providing accessible learning opportunities to grow and support a skilled workforce'.

Objectives	City Indicators	Explanation of Indicator	Result
<b>BUSINESS DEVELOPMENT AND EMPLOYMENT</b>			
<ul style="list-style-type: none"> <li>Enhance skills and workforce development opportunities</li> <li>Facilitate partnerships between education, research and industry</li> <li>Promote investment in research and development</li> <li>Attract and enhance business development</li> </ul>	Number of introductions between research and business	The newly established Polaris Centre helps to facilitate partnerships between education, research and industry, and promotes investment in research and development.	Centre has opened
	Opportunities to support the growth of small enterprises through Salisbury Business & Export Centre (SBEC)	A range of these activities include business networking, advisory services, mentoring, coaching and educational workshops covering key business topics.	Regular contact with 3,500 businesses 1,204 individual businesses serviced during 2010/11 884 in-depth client sessions (target was 300) 976 brief client sessions 650 telephone calls
	Number of learning opportunities provided to 'at risk' students	Identifies the number of learning opportunities (courses and programs) created via partnership between Council (Twelve25 Salisbury Youth Enterprise Centre) and DECS (Flexible Working Opportunities Program – FLO). FLO programs are designed to encourage young people at risk of disengaging from education in the traditional model in schools. The FLO program operates through the Twelve25 Salisbury Youth Enterprise Centre.	8 learning opportunities
	Number of initiatives to support employment and education strategies	Support provided to organisations such as Northern Futures to create local community benefits in relation to the types of jobs available locally.	5 initiatives
<b>LAND AND INFRASTRUCTURE SERVICES</b>			
<ul style="list-style-type: none"> <li>Encourage quality and appropriate development</li> <li>Facilitate the long-term supply of industrial and commercial land</li> <li>Ensure infrastructure supports development</li> <li>Facilitate the delivery of an integrated transport network</li> </ul>	Percentage of development applications refused	To ensure that development undertaken in Salisbury complies with the quantitative and qualitative provisions of the City's Development Plan ensuring that development that does not meet these provisions is refused.	2.33%
	Increase rateable values compared to State – metropolitan rates	This indicator reports the City of Salisbury rateable value in percentage terms compared to the State – metropolitan rates.	7.18%
	Percentage of appeals lodged and lost	To ensure that the determination of development applications, when tested in appeal, withstands the rigor of external scrutiny by minimising the number of decisions reversed.	1.56%
	Community Assets/Population	Community assets in the City of Salisbury total \$1,644 billion which serve a population of 130,000 residents.	\$12,646 investment per head

# Key Direction 2: Sustaining Our Environment

Overall Directional Statement: 'To become a sustainable city in which its residents and businesses embrace sustainability best practices as part of their day-to-day lives and activities'.

Objectives	City Indicators	Explanation of Indicator	Result
<b>ENVIRONMENT</b>			
<ul style="list-style-type: none"> <li>• Conserve and promote biodiversity, natural habitats and open spaces</li> <li>• Reduce greenhouse gas emissions</li> <li>• Facilitate and encourage development that incorporates sustainability principles</li> <li>• Enhance the amenity of the city through street and open space urban design and landscaping</li> </ul>	Increase biodiversity land in area - habitat	This is being undertaken to reduce operating costs by using self managing plants and to produce a calculated greenhouse carbon offset.	5 hectares
	Increase biodiversity land in area – open space	The land available for biodiversity enhancement increases with designed variation in habitat.	9 hectares
	Increase number of species per hectare	Differing designs in biodiversity enhancement increase bird and animal species.	5 species per hectare
	Water quality through wetlands to Barker Inlet (average 12 months)	<p>The purpose of this measure is to determine effectiveness of wetland systems on reducing pollutant load being discharged to the Barker Inlet. Water quality is measured predominately using turbidity (ntu). Turbidity is a standard industry measurement of water clarity and provides a strong indication of water health. Turbidity can also be used to give a broad indication of the level of pollution in the water (ie. Suspended solids and heavy metals).</p> <p>The annual results for 2010/11 are an acceptable level for a wetland system. The wetlands significantly improves water quality being discharged to the Barker Inlet.</p>	36.9 ntu
	Water quality through wetlands to Barker Inlet (peak loads)	<p>The purpose of this measure is to determine the peak turbidity load during a significant storm event. The wetlands reduce the amount of turbidity being discharged into Barker Inlet during a peak event. Water quality is measured predominately using turbidity (ntu). Turbidity is a standard industry measurement of water clarity and provides a strong indication of water health. Turbidity can also be used to give a broad indication of the level of pollution in the water (ie. Suspended solids and heavy metals).</p> <p>The result for the 2010/11 period is within the norm for such events. These peak results normally occur during the first flush of the drainage system in summer or after a particularly long dry period. The wetlands significantly improves water quality being discharged to the Barker Inlet.</p>	110 ntu
	Water quality through wetlands to Barker Inlet (number of storm events)	The number of storm events that the wetland systems capture has a significant impact on water quality that would have been discharged to the Barker Inlet. Significant storm events greater than 25mm/hour were used as a measure. These two events occurred in January and March 2011.	2 events

# Key Direction 2: Sustaining Our Environment

Overall Directional Statement: 'To become a sustainable city in which its residents and businesses embrace sustainability best practices as part of their day-to-day lives and activities'.

Objectives	City Indicators	Explanation of Indicator	Result
<b>ENVIRONMENT</b>			
<ul style="list-style-type: none"> <li>Conserve and promote biodiversity, natural habitats and open spaces</li> <li>Reduce greenhouse gas emissions</li> <li>Facilitate and encourage development that incorporates sustainability principles</li> <li>Enhance the amenity of the city through street and open space urban design and landscaping</li> </ul>	Quality of water we are harvesting	The quality of water harvested is measured by the number of instances where Environment Protection Authority (EPA) licenced parameters are exceeded. The results for 2010/11 is tolerable given the exceedences were associated with the turbidity parameter. High turbidity is experienced after rain events and results in several days delay of harvesting until the water has time to settle.	4 instances
	Carbon management reduction in CO2 emissions	To voluntarily report the City of Salisbury's annual corporate greenhouse gas emissions in accordance with the National Greenhouse and Energy Reporting Act 2007. In accordance with the Act, only emissions for direct sources (Scope 1) and electricity consumption (Scope 2) are reported. Emissions that are created due to Council activity, but occur off-site (Scope 3) are not reported here, but are detailed in the data source.	5,114 tonnes
<b>SERVICE DELIVERY</b>			
<ul style="list-style-type: none"> <li>Minimise waste generation and effectively manage the collection, recycling and disposal of public waste</li> <li>Develop opportunities for the sustainable use of resources</li> </ul>	Waste diversion from landfill	Long-term trend for this data is 100% but that target is currently unachievable based on outside factors. Salisbury remains well ahead of the majority of Councils, including the other members of NAWMA	47%
	Waste – green waste participation	Whilst setting the target at 100% would be ideal, there are cost implications of that target that cannot currently be met. The take-up of the green waste participation continues to grow at a steady rate.	53.25%
	Waste recycling per household per service	Residents continue to increase the amount of waste they recycle. Council's efforts to increase awareness over what can be recycled should ensure this figure continues to grow.	8.6kg
	Percentage of development applications with water sensitive urban design principles (WSUD)	Current environmental legislation requires that stormwater pollution loads discharged from new development to downstream drainage systems be reduced to acceptable levels. All commercial and industrial building development applications have conditions requiring the application of WSUD principles to capture stormwater pollutants and treat storm run-off to improve water quality prior to discharge from the site. For residential development, conditions requiring WSUD principles are applied at the land division stage. Future legislation is proposed to specify targets to be achieved to reduce total suspended solids (TSS) and nutrient loads such as nitrogen and phosphorus.	100%
	Metre of street renewed under Streetscape Renewal	Council continues to work in a pro-active manner to ensure its network of streets are renewed sustainably.	14,800 linear metres

# Key Direction 3: The Living City

Overall Directional Statement: 'Maintain a strong and vibrant community by providing safe and supportive environments that promote opportunity, healthy and creative lifestyles'.

Objectives	City Indicators	Explanation of Indicator	Result
<b>LIVEABILITY</b>			
<ul style="list-style-type: none"> <li>Support the health and safety of the community</li> <li>Enhance housing availability in Salisbury</li> <li>Strengthen community life</li> </ul>	Perceptions of community safety	Consistent with 2009 results. No significant difference between Wards.	6.7: Rating out of 10 with 10 being highest rating
	Perceptions of quality of life	Higher than in 2009 and 2008. Para Ward rated highest at 8.2.	7.7: Rating out of 10 with 10 being highest rating
	Housing affordability	Levels Ward reported lowest at 6.7 and West Ward reported highest at 7.8.	7.2: Rating out of 10 with 10 being highest rating
	Perception of quality of open space	Satisfaction with parks and reserves has increased from previous years.	7.5: Rating out of 10 with 10 being highest rating
<b>ENGAGEMENT AND PARTICIPATION</b>			
<ul style="list-style-type: none"> <li>Facilitate information and communication opportunities</li> <li>Promote increased civic participation in community and Council activities</li> <li>Facilitate the participation in and enjoyment of cultural and community achievements</li> </ul>	Number of volunteer hours	Council engaged 588 volunteers who gave a total of 83,316 hours equating to an economic value of \$1,839,617.	83,316 hours
	Voting in elections	This indicator is intended to measure the level of participation by electors in Local Government elections. The raw data result represents the total number of ballots returned for elections conducted within the City of Salisbury. Participation rates are generally reported as a percentage, based on the responses received from total ballots issued. Comparisons with other Councils and State-wide rates is also generally based on % results.	14,570 electors Participation rate of 23.01%
	Participation in decision-making forums	This indicator is intended to measure the extent to which community members participate in the decision-making process of Council, via membership on Council Sub-Committees and Committees established in accordance with the requirements of Section 41 of the Local Government Act 1999.	63 members

# Key Direction 3: The Living City

Overall Directional Statement: 'Maintain a strong and vibrant community by providing safe and supportive environments that promote opportunity, healthy and creative lifestyles'.

Objectives	City Indicators	Explanation of Indicator	Result
<b>SERVICE DELIVERY</b>			
<ul style="list-style-type: none"> <li>• Ensure services and infrastructure meet community needs</li> <li>• Ensure community resources are accessible</li> <li>• Identify and actively support and promote the recreation and leisure needs of the community</li> <li>• Enhance learning opportunities across our community</li> </ul>	The level of satisfaction with services offered within the community	Satisfaction levels from 2009 community survey have all increased in satisfaction in 2011.	Library 8.3 rating Leisure and sport 7.6 rating Community centres 7.5 rating Senior services 7.0 rating (All ratings are out of 10)
	Number of attendances for structured learning activities in Youth & Neighbourhood Services' community centres	Records the number of individual participation visits in courses and programs delivered across the community centres in the YNS Division.	20,698 attendances in structured learning programs and activities

# Key Direction 4: Salisbury Success

Overall Directional Statement: 'To remain a high performing and innovative organisation that strives to achieve excellence in every area'.

Objectives	City Indicators	Explanation of Indicator	Result
<b>PEOPLE</b>			
<ul style="list-style-type: none"> <li>Develop and maintain an adaptable, skilled and satisfied workforce</li> <li>Provide a safe and healthy working environment</li> </ul>	Staff turnover	Number of staff leaving the organisation annually compared to growth. National turnover rates are 15.5% (2010 ABS figures).	10.67%
	Body Composition	The number of sample staff that produced a BMI score that classes them as overweight or obese has reduced by 17.6%.	51.6% in 2010/11 V 69.5% in 2009/10
	Stress Profile	The number of sample staff who are in the high or very high stress profile risk has reduced by 0.7%.	11.7% in 2010/11 V 12.5% in 2009/10
	Nutritional Profile	The number of sample staff who identified as needing to make adjustments to their diet has reduced by 5.7%.	46.7% in 2010/11 V 52.4% in 2009/10
	Smoking	The number of sample staff identified as being smokers has reduced by 1%.	7.5% in 2010/11 V 8.5% in 2009/10
<b>PROCESSES AND SYSTEMS</b>			
<ul style="list-style-type: none"> <li>Apply appropriate technology and information systems that enhance service delivery</li> </ul>	Number of internal controls (CAMS) rating of 4 or higher	<p>The Control Assessment Management System (CAMS) is a support tool for internal audit functions that provides a system based approach to monitoring compliance with the requirements of policies, procedures, systems, internal controls, risk management, financial land management reporting. The City of Salisbury currently utilises 346 controls within the CAMS across six classes: Assets, expenses, external services, liabilities, revenue and strategic financial planning.</p> <p>The CAMS uses a five point rating scale (1 = ineffective, 2 = requires significant improvement, 3 = partially effective, 4 = majority effective and 5 = effective). This indicator reports the number of controls assessed as 4 or higher of the total 346 controls utilised.</p>	84.68%
	High risk outcomes/findings from internal audit/program review	This indicator reports the number of internal audits/program reviews conducted and the nature of findings, within risk categories, from those internal audits/program reviews. Favourable results are reflected in findings that fall within the 'low' risk category as these generally indicate minor opportunities for improvement, rather than a failure of internal controls, processes or systems.	13.95%

# Key Direction 4: Salisbury Success

Overall Directional Statement: 'To remain a high performing and innovative organisation that strives to achieve excellence in every area'.

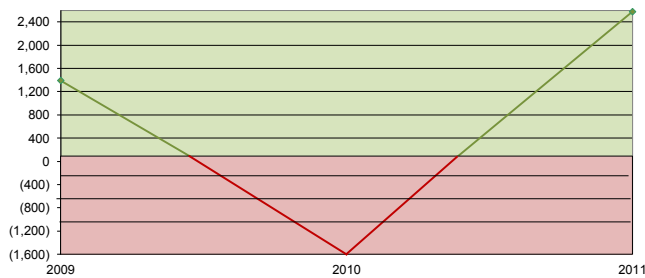
Objectives	City Indicators	Explanation of Indicator	Result
<b>GOVERNANCE AND PLANNING</b>			
<ul style="list-style-type: none"> <li>• Ensure effective governance</li> <li>• Develop better planning, business and resource management processes to support excellent service delivery</li> </ul>	Approaches and complaints to Ombudsman	This indicator reports the number of approaches and complaints made to the Ombudsman in relation to the City of Salisbury. The figure is provided by the Ombudsmans Office and is reported in the Ombudsman SA Annual Report. In some instances a matter referred to the Ombudsman will be addressed through simple telephone contact with relevant City of Salisbury staff, or where the Ombudsman deems appropriate, a full investigation/review of the matter may be undertaken.	24 approaches/complaints equates to 3% of approaches/complaints to the Ombudsman State-wide out of 68 Councils in SA
	% business plans set (2010/11)	This indicator reports the number of business plans developed and recorded in the corporate system.	100%
	Unqualified audit report	This indicator reports whether Council achieves an unqualified audit report each financial year. The result is reported as either yes or no.	Yes
<b>CUSTOMERS AND COMMUNITY</b>			
<ul style="list-style-type: none"> <li>• Provide excellent customer service</li> </ul>	Overall level of satisfaction with Council's service delivery	Rating represents a slight increase from the 2009 research.	7.4: Rating out of 10 with 10 being highest rating
	Number of requests for internal review of decisions	This indicator reports the number of requests received for a review of Council decisions in accordance with the requirements of Section 270 of the Local Government Act 1999.	4 requests

# Key Direction 4: Salisbury Success

Overall Directional Statement: 'To remain a high performing and innovative organisation that strives to achieve excellence in every area'.

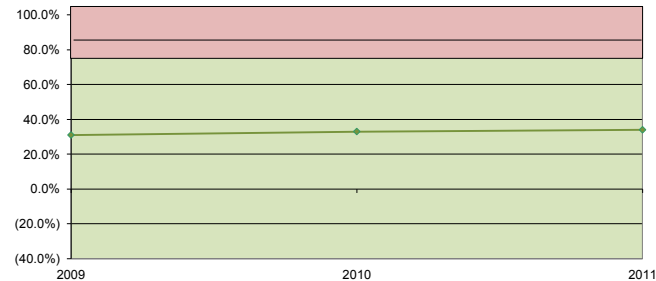
Objective: Achieve a financially sustainable organisation.

## Operating surplus ratio



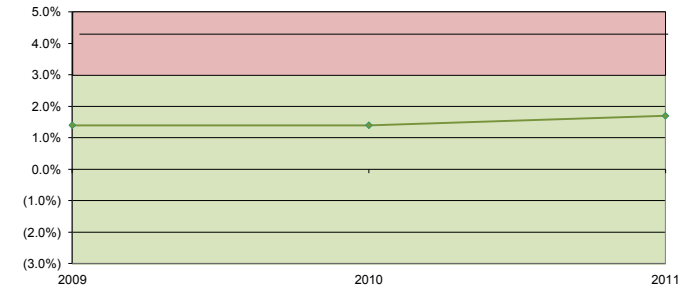
Operating Surplus (deficit) - the difference between income and expenditure. Council operating with a surplus means that current rate payers are meeting the costs of the services that they are consuming.

## Net financial liabilities ratio



Net Financial Liabilities Ratio - indicates the extent that Council can meet its net financial liabilities out of operating revenue. Councils with a falling ratio over time are becoming stronger in their capacity to meet their financial obligations.

## Interest cover ratio



Interest Cover Ratio - indicates the amount of income committed to interest expense. Councils with a low ratio have low levels of interest expense relative to income.

## Asset sustainability ratio



Asset Sustainability Ratio - indicates whether capital assets are being renewed or replaced at the same rate as these assets are wearing out. Councils with a high ratio are replacing and renewing capital assets at a rate comparable to depreciation/wear.

## Asset consumption ratio



Asset Consumption Ratio - shows the written down current value of Council's physical assets, relative to their 'as new' value. Councils with a high ratio are maintaining and renewing assets responsibly, and are less likely to have significant asset replacement needs in the medium terms, than Councils with much lower ratios.



CITY OF  
**Salisbury**



# General Purpose **Financial Reports**

to 30 June 2011

# General Purpose Financial Reports to 30 June 2011

## Council Certificate

## Principal Financial Statements

Statement of Comprehensive Income  
Balance Sheet  
Statement of Changes in Equity  
Cash Flow Statement

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

Note 1: Significant Accounting Policies  
Note 2: Income  
Note 3: Expenses  
Note 4: Gain or Loss on Disposal of Assets  
Note 5: Current Assets  
Note 6: Non-Current Assets  
Note 7: Infrastructure, Property, Plant & Equipment  
Note 8: Liabilities  
Note 9: Reserves  
Note 10: Assets Subject to Restrictions  
Note 11: Reconciliation of Cash Flow Statement  
Note 12: Functions  
Note 13: Financial Instruments  
Note 14: Expenditure Commitments  
Note 15: Financial Indicators  
Note 16: Uniform Presentation of Finances  
Note 17: Operating Leases  
Note 18: Superannuation  
Note 19: Joint Ventures & Associated Entities  
Note 20: Contingencies & Assets & Liabilities not recognised in the Balance Sheet

## Audit Report

Council Certificate of Audit Independence

Audit Certificate of Audit Independence

# Council Certificate

**CITY OF SALISBURY**

**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2011**

**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 2011 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.

  
John Harry  
CHIEF EXECUTIVE OFFICER

  
Gillian Aldridge  
MAYOR

Date: 19/10/2011

# Statement of Comprehensive Income for the year ended 30 June 2011

		2011	2010
	Notes	\$,000	\$,000
<b>INCOME</b>			
Rates	2	66,945	62,608
Statutory charges	2	2,554	2,589
User charges	2	6,092	5,771
Grants, subsidies and contributions	2	15,102	14,461
Investment income	2	393	393
Reimbursements	2	369	476
Other income	2	1,277	1,152
Net gain - joint ventures and associates	19	218	-
<b>Total Income</b>		<b>92,950</b>	<b>87,450</b>
<b>EXPENSES</b>			
Employee costs	3	30,470	29,347
Materials, contracts & other expenses	3	39,719	39,897
Depreciation, amortisation & impairment	3	18,205	17,945
Finance costs	3	1,978	1,558
Net loss - joint ventures & associates	19	-	200
<b>Total Expenses</b>		<b>90,372</b>	<b>88,947</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>2,578</b>	<b>(1,497)</b>

		2011	2010
	Notes	\$,000	\$,000
Asset disposal & fair value adjustments	4	(64)	(134)
Amounts received specifically for new or upgraded assets	2	9,809	13,098
Physical resources received free of charge	2	2,637	12,392
<b>NET SURPLUS/(DEFICIT) transferred to Equity Statement</b>		<b>14,960</b>	<b>23,859</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	54,846	133,988
Share of other comprehensive income - joint ventures & associates	19	-	1,181
<b>Total Other Comprehensive Income</b>		<b>54,846</b>	<b>135,169</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>69,806</b>	<b>159,028</b>

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

# Balance Sheet as at 30 June 2011

		2011	2010
	Notes	\$,000	\$,000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	11,347	9,210
Trade and other receivables	5	3,827	8,169
Inventories	5	625	526
<b>Total Current Assets</b>		<b>15,799</b>	<b>17,905</b>
<b>Non-current Assets</b>			
Financial Assets	6	901	904
Equity accounted investments in Council businesses	6	108	-
Infrastructure, Property, Plant & Equipment	7	1,211,747	1,154,237
Other Non-current Assets	6	23,617	9,209
<b>Total Non-current Assets</b>		<b>1,236,373</b>	<b>1,164,350</b>
<b>Total Assets</b>		<b>1,252,172</b>	<b>1,182,255</b>

		2011	2010
	Notes	\$,000	\$,000
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8	10,900	13,696
Borrowings	8	3,468	3,026
Provisions	8	3,094	464
<b>Total Current Liabilities</b>		<b>17,462</b>	<b>17,186</b>
<b>Non-current Liabilities</b>			
Borrowings	8	29,259	26,837
Provisions	8	502	2,979
Liability - Equity accounted Council businesses	8	-	110
<b>Total Non-current Liabilities</b>		<b>29,761</b>	<b>29,926</b>
<b>Total Liabilities</b>		<b>47,223</b>	<b>47,112</b>
<b>NET ASSETS</b>		<b>1,204,949</b>	<b>1,135,143</b>

<b>EQUITY</b>			
Accumulated Surplus		227,333	212,910
Asset Revaluation Reserve	9	959,466	904,620
Other Reserves	9	18,150	17,613
<b>TOTAL EQUITY</b>		<b>1,204,949</b>	<b>1,135,143</b>

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

# Statement of Changes in Equity for the year ended 30 June 2011

		Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
2011	Notes	\$,000	\$,000	\$,000	\$,000
Balance at end of previous reporting period		212,910	904,620	17,613	1,135,143
Net Surplus / (Deficit) for Year		14,960			14,960
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment	9		54,846		54,846
Transfers between reserves		(537)		537	-
Balance at end of period		227,333	959,466	18,150	1,204,949

		Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
2010	Notes	\$,000	\$,000	\$,000	\$,000
Balance at end of previous reporting period		189,285	769,451	17,379	976,115
Net Surplus / (Deficit) for Year		23,859			23,859
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment	9		133,988		133,988
Share of other comprehensive income - joint ventures & associates	19	-	1,181		1,181
Transfers between reserves		(234)		234	-
Balance at end of period		212,910	904,620	17,613	1,135,143

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

# Cash Flow Statement for the year ended 30 June 2011

		2011	2010
	Notes	\$,000	\$,000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Receipts</i>			
Operating receipts		103,673	91,593
Investment receipts		400	391
<i>Payments</i>			
Operating payments to suppliers & employees		(77,571)	(76,082)
Finance payments		(1,893)	(1,517)
<b>Net Cash provided by (or used in) Operating Activities</b>	11	24,609	14,385

		2011	2010
	Notes	\$,000	\$,000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Receipts</i>			
Amounts specifically for new or upgraded assets		9,809	13,098
Sale of replaced assets		289	292
Sale of surplus assets		1,605	161
Repayments of loans by community groups		2	2
<i>Payments</i>			
Expenditure on renewal/ replacement of assets		(22,975)	(8,964)
Expenditure on new/ upgraded assets		(14,066)	(24,789)
Development of real estate for sale		-	(6)
<b>Net Cash provided by (or used in) Investing Activities</b>		(25,336)	(20,206)

		2011	2010
	Notes	\$,000	\$,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Receipts</i>			
Proceeds from Borrowings		5,889	9,000
<i>Payments</i>			
Repayments of Borrowings		(3,025)	(2,835)
<b>Net Cash provided by (or used in) Financing Activities</b>		2,864	6,165
<b>Net Increase (Decrease) in cash held</b>		2,137	344
Cash & cash equivalents at beginning of period	11	9,210	8,866
<b>Cash &amp; cash equivalents at end of period</b>	11	11,347	9,210

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

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### **Note 1: Significant Accounting Policies**

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

#### **1. Basis of Preparation**

##### **1.1 Compliance with Australian Accounting Standards**

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 19/10/2011.

##### **1.2 Historical Cost Convention**

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

##### **1.3 Critical Accounting Estimates**

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

##### **1.4 Rounding**

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

#### **2. The Local Government Reporting Entity**

The City of Salisbury is incorporated under the SA Local Government Act 1999 and has its principal place of business at 12 James Street, Salisbury. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

#### **3. Income recognition**

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

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

In June 2011 the City of Salisbury received \$2,399,148 (2010: \$2,454,013) being an advance payment towards the 2011/12 Financial Assistance Grant. This amount has been classified as income for the 2010/11 financial year in accordance with the Local Government Association's recommendation.

#### **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.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 1: Significant Accounting Policies (continued)

#### 5. Inventories

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

#### 5.1 Real Estate Assets Developments

Real Estate Assets Developments have been classified as Inventory in accordance with AASB 102 Inventories and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

#### 5.2 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act 1999 but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

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

##### 6.1 Initial Recognition

All assets are initially recognised at cost.

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

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

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

#### 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 as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Plant, Equipment, Furniture & Fittings	\$5,000
Buildings - new construction/extensions	\$10,000
Land Improvements	\$10,000
Road Infrastructure	\$10,000
Stormwater Drainage Infrastructure	\$10,000

#### 6.3 Subsequent Recognition

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

Further detail of existing valuations, methods and valuers are provided at Note 7.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 1: Significant Accounting Policies (continued)

#### 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 in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each category of asset are shown below. These categories are for reporting purposes and are a consolidation of Council's detailed asset classes. 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.

Buildings	Components ranging from 15 to 150 years
Infrastructure	12 to 100 years
Land Improvements	5 to 50 years
Plant, Equipment, Furniture & Fittings	3 to 12 years
Library Materials	3 to 7 years

#### 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 Revision of Asset Accounting Estimates Under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

During the 2010/11 financial year, the City undertook a review of Accounting Policies in relation to its assets. From this review, no significant accounting estimates have been amended.

In the 2009/10 financial year, the City undertook a review of Accounting Policies in relation to its assets and as a result the following significant accounting estimates were amended.

Drainage Pipes – The useful life has been extended from 80 years to 100 years.

Buildings - Residual values have been applied to building components as follows:

Building Envelope	35% to 65% depending on construction type
Building Fire Services	70%
Building Fitout	0% to 60% depending on the item
Building Floor	50%
Building Mechanical Services	0% to 40% depending on construction type
Building Roof	50%
Building Other	0% to 70% depending on the item

Buildings - Useful lives have been applied to building components as follows:

Building Envelope	15 to 150 years depending on construction type
Building Fire Services	40 years
Building Fitout	15 to 80 years depending on the item
Building Floor	60 to 150 years depending on the construction type
Building Mechanical Services	25 to 30 years depending on construction type
Building Roof	15 to 65 years depending on the construction type
Building Other	15 to 25 years depending on the item

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### *Note 1: Significant Accounting Policies (continued)*

#### **6.7 Borrowing Costs**

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

#### **7. Payables**

##### **7.1 Goods & Services**

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

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

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

#### **8. Borrowings**

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

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

Council has for the first time this year resolved to recognise a current liability for Long Service Leave benefits for all employees who have completed seven or more years service as at reporting date with all other employees calculated Long Service Leave benefits classified as a non-current liability. All employee Annual Leave benefits have been disclosed as a current liability as they are all due and payable as at reporting date. All benefits have been measured as the present value of the estimated future cash outflows (including payroll based oncosts). Present values are calculated using Government guaranteed securities rates with similar maturity terms.

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

##### **9.2 Superannuation**

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

#### **10. Construction Contracts**

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

#### **11. Joint Ventures and Associated Entities**

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

#### **12. Leases**

Lease arrangements have been accounted for in accordance with AASB 117 Leases. In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

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

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 1: Significant Accounting Policies (continued)

#### 13. GST Implications

In accordance with UIG Abstract 1031 'Accounting for the Goods and 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.

#### 14. Impending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period and have not been used in preparing these reports.

AASB 1	First-time Adoption of Australian Accounting Standards
AASB 3	Business Combinations
AASB 5	Non-current Assets Held for Sale and Discontinued Operations
AASB 7	Financial Instruments: Disclosures
AASB 8	Operating Segments
AASB 9	Financial Instruments
AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows

AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the Reporting Period
AASB 118	Revenue
AASB 119	Employee Benefits
AASB 132	Financial Instruments: Presentation
AASB 137	Provisions, Contingent Liabilities and Contingent Assets
AASB 139	Financial Instruments: Recognition and Measurement
AASB 140	Investment Property
AASB 1031	Materiality
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]
AASB 2009-12	Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 1023 & 1032 and Interpretations 2, 4, 16, 1039 & 1052]
AASB 2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]
AASB 2010-5	Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]

AASB 2010-6	Amendments to Australian Accounting Standards [AASBs 1 & 7]
AASB 2010-7	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]
Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

(Standards not affecting Local Government have been excluded from the above list).

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

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.

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 2: Income

	2011	2010
	\$,000	\$,000
<b>RATES REVENUES</b>		
<i>General Rates</i>	66,068	61,927
Less: Mandatory rebates	(477)	(373)
Less: Discretionary rebates, remissions & write offs	(323)	(383)
	65,268	61,171

<i>Other Rates (including service charges)</i>		
Natural Resource Management Levy	1,349	1,172
Town Centre Separate Rate	147	143
Globe Derby Separate Rate	5	5
Mawson Centre Car Parking Separate Rate	13	13
	1,514	1,333

<i>Other Charges</i>		
Penalties for late payment	163	104
	66,945	62,608

	2011	2010
	\$,000	\$,000
<b>STATUTORY CHARGES</b>		
Development Act fees	625	634
Town planning fees	451	528
Animal registration fees & fines	1,075	1,008
Parking fines / expiation fees	237	221
Other registration fees	1	2
Other fines, penalties & expiations	19	36
Sundry	146	160
	2,554	2,589

<b>USER CHARGES</b>		
Cemetery fees	474	310
Waste Disposal Fees	1,288	1,213
Property Rentals	601	662
Recreation Centres & Swimming Pool	1,948	1,817
Water Supply	895	688
External Sales - Nursery	35	289
Aged and Disability Services	313	308
Sundry	538	484
	6,092	5,771

	2011	2010
	\$,000	\$,000
<b>INVESTMENT INCOME</b>		
<i>Interest on Investments</i>		
Local Government Finance Authority	373	378
Banks & other	17	12
Loans to community groups	3	3
	393	393

<b>REIMBURSEMENTS</b>		
G6 Purchasing Group	-	101
Other	369	375
	369	476

<b>OTHER INCOME</b>		
Insurance & other recoupments - infrastructure, property, plant & equipment	26	3
Rebates received	566	379
Sundry	685	770
	1,277	1,152

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 2: Income (continued)

	2011	2010
	\$,000	\$,000
<b>GRANTS, SUBSIDIES AND CONTRIBUTIONS</b>		
Amounts received specifically for new or upgraded assets	9,809	13,098
Other grants, subsidies and contributions	12,703	12,007
Individually significant item*: Additional Grants Commission payment	2,399	2,454
	24,911	27,559

The functions to which these grants relate are shown in Note 2.

<i>Sources of grants</i>		
Commonwealth Government	15,333	18,989
State Government	7,934	8,063
Other	1,644	507
	24,911	27,559
<i>Individually significant item</i>		
* On 27 June 2011, Council received payment of the first quarter instalment of the 2011/12 Financial Assistance Grant (FAG), and has treated this advance payment as income in 2010/11. The treatment of the advance payment of the Grant is consistent with the treatment applied to the advance payment received in the previous financial year.	2,399	2,454

	2011	2010
	\$,000	\$,000
<b>Conditions over grants &amp; contributions</b>		
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:		
Unexpended at the close of the previous reporting period	5,476	5,111
<i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>		
Salisbury North Redevelopment	(244)	-
Salisbury Stormwater Harvesting	(603)	-
City Wide Trails Program	(120)	-
Adams Oval and Burton Reserve	(2,915)	-
Sporting Fields Lighting Upgrades	(472)	-
Financial Assistance Grant	-	(2,427)
Salisbury Stormwater Harvesting	-	(211)
Regional/Local Community Infrastructure Program	-	(1,262)
St Kilda Seawall	-	(180)
Diagonal Road Upgrade	-	(184)
Salisbury Recreation Precinct	-	(67)
Swimming Centre Upgrade	-	(84)
Cultural & Linguistic Diversity Project	-	(65)
Other	(572)	(233)
Subtotal	(4,926)	(4,713)

	2011	2010
	\$,000	\$,000
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions:</i>		
Walpole Road Redevelopment	534	-
Rowe Park Sports Facility Upgrade	204	-
Mawson Lakes Maintenance	488	-
Aged Care Policy Principles	118	-
Salisbury Town Centre Revitalisation	41	90
Salisbury North Redevelopment	-	244
Salisbury Stormwater Harvesting	-	603
City Wide Trails Program	317	120
Adams Oval & Burton Reserve	-	2,915
Sporting Fields Lighting Upgrades	-	481
Other	436	625
Subtotal	2,138	5,078
Unexpended at the close of this reporting period	2,688	5,476
Net increase (decrease) in assets subject to conditions in the current reporting period	(2,788)	365

<b>PHYSICAL RESOURCES RECEIVED FREE OF CHARGE</b>		
Land and Improvements	835	6,980
Roads, Bridges and Footpaths	1,802	5,412
TOTAL PHYSICAL RESOURCES RECEIVED	2,637	12,392

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 3: Expenses

		2011	2010
	Notes	\$,000	\$,000
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		24,189	23,078
Employee leave expense		3,997	3,937
Superannuation - defined contribution plan contributions	18	1,293	1,495
Superannuation - defined benefit plan contributions	18	1,205	823
Workers' Compensation Insurance		1,280	1,278
Less: Capitalised and distributed costs		(1,494)	(1,264)
<b>Total Operating Employee Costs</b>		<b>30,470</b>	<b>29,347</b>
<b>Total Number of Employees</b> (Full time equivalent at end of reporting period)		<b>440</b>	<b>409</b>

		2011	2010
	Notes	\$,000	\$,000
<b>MATERIALS, CONTRACTS AND OTHER EXPENSES</b>			
<i>Prescribed Expenses</i>			
Auditor's Remuneration Auditing the financial reports		23	23
Bad and Doubtful Debts		8	60
Elected Members' expenses		338	304
Election expenses		258	67
Operating Lease Rentals - non-cancellable leases	17	1,513	1,567
<b>Subtotal - Prescribed Expenses</b>		<b>2,140</b>	<b>2,021</b>

		2011	2010
	Notes	\$,000	\$,000
<i>Other Materials, Contracts and Expenses</i>			
Contractors		25,230	25,622
Energy		3,112	2,982
Legal Expenses		271	226
Levies paid to Government - NRM levy		1,337	1,173
- Other Levies		197	283
Parts, accessories & consumables		4,175	3,955
Professional services		591	804
Water Rates		625	385
Insurance		889	877
Contributions		422	582
Sundry		730	987
<b>Subtotal - Other Materials, Contracts &amp; Expenses</b>		<b>37,579</b>	<b>37,876</b>
		<b>39,719</b>	<b>39,897</b>

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 3: Expenses (continued)

		2011	2010
	Notes	\$,000	\$,000
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT</b>			
<i>Depreciation</i>			
Land Improvements		2,979	2,882
Buildings		952	1,280
Infrastructure		13,084	12,885
Plant/Equipment/Furniture and Fittings		1,064	787
Library Books		126	111
		<b>18,205</b>	<b>17,945</b>
<b>FINANCE COSTS</b>			
Interest on overdraft and short-term drawdown		30	2
Interest on Loans		1,948	1,556
		<b>1,978</b>	<b>1,558</b>

## Note 4: Asset Disposal and Fair Value Adjustments

	2011	2010
	\$,000	\$,000
<b>INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	289	292
Less: Carrying amount of assets sold	120	260
<b>Gain: (Loss) on disposal</b>	<b>169</b>	<b>32</b>
<i>Assets surplus to requirements</i>		
Proceeds from disposal	1,415	976
Less: Carrying amount of assets sold	1,648	1,142
<b>Gain: (Loss) on disposal</b>	<b>(233)</b>	<b>(166)</b>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	<b>(64)</b>	<b>(134)</b>

## Note 5: Current Assets

	2011	2010
	\$,000	\$,000
<b>CASH &amp; EQUIVALENT ASSETS</b>		
Cash on Hand and at Bank	6,347	3,210
Short Term Deposits & Bills, etc	5,000	6,000
	<b>11,347</b>	<b>9,210</b>
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Rates - General & Other	1,520	1,170
Accrued Revenues	39	46
Debtors - general	1,447	6,157
GST Recoupment	553	665
Prepayments	265	129
Loans to community organisations	3	2
<b>Total</b>	<b>3,827</b>	<b>8,169</b>
<b>INVENTORIES</b>		
Stores & Materials	613	514
Trading Stock	12	12
	<b>625</b>	<b>526</b>

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 6: Non-Current Assets

	2011	2010
	\$,000	\$,000
<b>FINANCIAL ASSETS</b>		
<i>Receivables</i>		
Loans to community organisations	34	37
	34	37
<i>Other Financial Assets</i>		
Mortgage over property	52	52
Mortgage over property - Affordable Housing	815	815
<b>TOTAL FINANCIAL ASSETS</b>	<b>901</b>	<b>904</b>
<b>EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES</b>		
Equity in Equity Accounted Investments in Council Businesses (note 19)	108	-
	108	-
<b>OTHER NON-CURRENT ASSETS</b>		
Real Estate Developments	4,901	1,481
Capital Works-in-Progress	18,716	7,728
	23,617	9,209
<i>Real Estate Developments - Current and Non-Current (Valued at the lower of cost and net realisable value)</i>		
Residential	4,901	1,481
<b>Total Real Estate for Resale</b>	<b>4,901</b>	<b>1,481</b>
<b>Represented by:</b>		
Acquisition Costs	4,895	1,475
Development Costs	6	6
<b>Total Real Estate for Resale</b>	<b>4,901</b>	<b>1,481</b>

## Note 7: Infrastructure, Property, Plant and Equipment

	2010 \$,000				2011 \$,000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	355,787	-	-	355,787	395,231	-	-	395,231
Land Improvements	91,563	4,588	(35,124)	61,027	104,132	3,126	(39,730)	67,528
Buildings	101,496	-	(21,728)	79,768	93,519	-	(21,690)	71,829
Infrastructure	981,627	4,518	(334,811)	651,334	1,024,703	4,580	(359,545)	669,738
Plant/Equip/Furn and Fittings	-	13,502	(8,720)	4,782	-	15,003	(9,123)	5,880
Library Books	-	1,539	-	1,539	-	1,541	-	1,541
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>1,530,473</b>	<b>24,147</b>	<b>(400,383)</b>	<b>1,154,237</b>	<b>1,617,585</b>	<b>24,250</b>	<b>(430,088)</b>	<b>1,211,747</b>
<b>Comparatives</b>	<b>1,363,555</b>	<b>26,114</b>	<b>(399,170)</b>	<b>990,499</b>	<b>1,530,473</b>	<b>24,147</b>	<b>(400,383)</b>	<b>1,154,237</b>

	2010 \$,000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$,000						2011 \$,000
		Additions		Disposals	Depreciation	Transfers	Net Revaluation	
		New/Upgrade	Renewals					
Land	355,787	2,779	-	(475)	-	(3,420)	40,560	395,231
Land Improvements	61,027	3,576	1,091	(335)	(2,979)	-	5,148	67,528
Buildings	79,768	3,470	2,614	(199)	(952)	-	(12,872)	71,829
Infrastructure	651,334	4,467	5,649	(638)	(13,084)	-	22,010	669,738
Plant/Equip/Furn and Fittings	4,782	2,282	-	(120)	(1,064)	-	-	5,880
Library Books	1,539	128	-	-	(126)	-	-	1,541
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	1,154,237	16,702	9,354	(1,767)	(18,205)	(3,420)	54,846	1,211,747
Comparatives	990,499	37,181	12,921	(1,402)	(17,945)	(1,005)	133,988	1,154,237

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 7: Infrastructure, Property, Plant & Equipment (Continued)

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 for the purposes of AIFRS.

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

**Plant, Equipment, Furniture and Fittings** - These assets are recognised on the cost basis.

**Land** - Land valuations, with the exception of land under roads, are based on site valuations provided by the Valuer-General as at 30 June 2011. No capitalisation threshold is applied to the acquisition of land or interests in land.

**Land Improvements** - Footpaths, car park seal, car park pavement and car park kerbing located on Council's reserves were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2011 using unit rates provided by Tonkin Consulting. Playground equipment, sports courts/facilities, fencing on reserves, reserve furniture and other structures were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2011 using the Local Government Cost Index for June 2011. Water recycling assets (pumps, bores, reticulation network etc) were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2011 using unit rates provided by Tonkin Consulting.

Irrigation equipment was revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2009 using the Local Government Cost Index for March 2009. All additions made after this date are recorded at cost.

Other land improvements and minor assets were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2007. All additions made after this date are recorded at cost.

**Buildings** - Buildings were revalued by APV Valuers and Asset Management as at 30 June 2011 using written down replacement cost. In 2009/10 the valuation as provided to Council for its Operations Centre building as at 30 June 2010 was incorrect. This valuation, while immaterial, has been rectified in the revaluation of Building Assets as at 30 June 2011.

**Infrastructure** - Roads, Footpaths and Kerbing were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2011 using unit rates provided by Tonkin Consulting. Road bridges were inspected and revalued as at 30 June 2008 by Maloney Asset Management Systems, the Local Government Cost Index for June 2011 has been applied to these valuations to compensate for increases in replacement values for the period up to 30 June 2011. Other minor road related assets (signs, street furniture etc.) were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2007.

Storm water pipes and pits were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2011 using unit rates provided by Tonkin Consulting.

Major dams were revalued at written down replacement cost by HydroTas as at 30 June 2009. The Local Government Cost Index for June 2011 has been applied to these valuations to compensate for increases in replacement values for the period up to 30 June 2011. Other dams were revalued by Council's Asset Management Unit at written down replacement cost as at 30 June 2011 using the Local Government Cost Index for June 2010.

**Library Books** - Library books are accounted for under the replacement method. Library stock at 30 June is valued using nominal values recommended by PLAIN (Public Libraries Automated Information Network). All new purchases are treated as replacement items and the expense is classified as depreciation. This expense is then adjusted by the movement in the calculated value of the library stock.

### Note 8: Liabilities

In 2011 both of Council's Equity Accounted Investments, Waterproofing Northern Adelaide and the Northern Adelaide Waste Management Authority returned a positive result to the City of Salisbury. Accordingly Council's equity is now positive and has been disclosed in both Note 6 and Note 19.

### Note 8: Liabilities

	2011 \$,000		2010 \$,000	
	Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>				
Goods & Services	6,632	-	8,973	-
Payments received in advance	833	-	1,471	-
Accrued expenses - employee entitlements	2,951	-	2,831	-
Accrued expenses - other	261	-	176	-
Deposits, Retentions & Bonds	223	-	245	-
	10,900	-	13,696	-

<b>BORROWINGS</b>				
Loans	3,468	29,259	3,026	26,837
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>				

<b>PROVISIONS</b>				
Employee entitlements (including on-costs)	3,094	467	464	2,946
Mortgage Loss Provision	-	35	-	33
	3,094	502	464	2,979
<b>Movements in Provisions - 2011 year only (current &amp; non-current)</b>			<b>Mortgage Loss Provision</b>	
Opening Balance			33	
Additional amounts recognised			2	
Closing Balance			35	

<b>LIABILITY - EQUITY ACCOUNTED COUNCIL BUSINESSES</b>				
Negative Equity in Equity Accounted Investments in Council Businesses (note 19)	-	-	-	110

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 9: Reserves

ASSET REVALUATION RESERVE	1/07/2010 \$,000	Net Increments (Decrements) \$,000	Transfers, Impairments \$,000	30/06/2011 \$,000
Land	268,863	40,560	-	309,423
Land Improvements	14,365	5,148	-	19,513
Buildings	47,910	(12,872)	-	35,038
Infrastructure	569,963	22,010	-	591,973
Library Books	2,338	-	-	2,338
Joint Ventures - Other Comprehensive Income	1,181	-	-	1,181
<b>TOTAL</b>	<b>904,620</b>	<b>54,846</b>	<b>-</b>	<b>959,466</b>
Comparatives	769,451	135,169	-	904,620

OTHER RESERVES	1/07/2010 \$,000	Transfers to Reserve	Transfers from Reserve	30/06/2011 \$,000
Plant Replacement Reserve	872	875	(1,541)	206
Sub-division Works Reserve	2,219	495	(1,059)	1,655
Open Space Reserve	132	739	(865)	6
Car Parking Reserve	494	235	-	729
Property Disposal Reserve	158	700	(210)	648
Election Fund Reserve	200	-	(200)	-
Mausoleum Perpetual Care Reserve	411	85	-	496
Salisbury Memorial Park Reserve	491	120	-	611
Carried Forward Funds Reserve	12,570	13,730	(12,570)	13,730
Business Unit Reserve	66	3	-	69
<b>TOTAL OTHER RESERVES</b>	<b>17,613</b>	<b>16,982</b>	<b>(16,445)</b>	<b>18,150</b>
Comparatives	17,379	14,531	(14,297)	17,613

### Purposes of Reserves

**Asset Revaluation Reserve** - Is used to record increments and decrements arising from changes in fair value of non-current assets and available-for-sale financial assets.

**Plant Replacement Reserve** - Is used to fund the purchase of items of major plant.

**Sub-division Works Reserve** - For developer contributions towards future drainage, footpaths, street signs and street trees.

**Open Space Reserve** - For developer contributions towards the future acquisition of open space areas.

**Car Parking Reserve** - For the provision of car parking areas within the Salisbury town centre, Ingle Farm town centre and the Mawson Lakes town centre.

**Property Disposal Reserve** - To retain the proceeds of all property sales, and to be utilised as resolved by the Council.

**Election Fund Reserve** - To provide funds for the costs of conducting Council elections.

**Mausoleum Perpetual Care Reserve** - To provide maintenance for the Mausoleum at Salisbury Memorial Park.

**Salisbury Memorial Park Reserve** - To fund future development work at the Salisbury Memorial Park.

**Carried Forward Funds Reserve** - Is used for unspent budget funds at the end of financial year that are to be carried forward for use in the following year.

**Business Unit Reserve** - Funded from surpluses generated by the Water Business Unit and the Nursery. Allocations are only to be made following a special resolution of Council and can only be utilised to fund either business development or asset renewal and replacement or to offset losses.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### 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.

	2011	2010
	\$,000	\$,000
<b>CASH &amp; FINANCIAL ASSETS</b>		
Developer Contributions	2,390	2,845
Unexpended Grant & Subsidy Funds	2,688	5,476
<b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b>	<b>5,078</b>	<b>8,321</b>

Developer contributions are received primarily to fund Infrastructure Works in new sub-divisions. These funds are held in Reserves until required and as such are regarded as restricted.

Grant and subsidy funding received but not yet expended are regarded as restricted.

### 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:

		2011	2010
	Notes	\$,000	\$,000
Total cash & equivalent assets	5	11,347	9,210
Balances per Cash Flow Statement		11,347	9,210

#### b. Reconciliation of Change in Net Assets to Cash from Operating Activities

	2011	2010
	\$,000	\$,000
Net Surplus (Deficit)	14,960	23,859
<i>Non-cash items in Income Statement</i>		
Depreciation, amortisation & impairment	18,205	17,945
Equity movements in equity accounted investments (increase) decrease	(218)	200
Net increase (decrease) in unpaid employee benefits	271	713
Non-cash asset acquisitions	(2,637)	(12,392)
Grants for capital acquisitions treated as Investing Activity	(9,809)	(13,098)
Net (Gain) Loss on Disposals	64	134
	20,836	17,361
<i>Add (Less): Changes in Net Current Assets</i>		
Net (increase) decrease in receivables	4,343	(529)
Net (increase) decrease in inventories	(99)	54
Net increase (decrease) in trade & other payables	(473)	(2,534)
Net increase (decrease) in other provisions	2	33
<b>Net Cash provided by (or used in) operations</b>	<b>24,609</b>	<b>14,385</b>

#### c. Non-Cash Financing and Investing Activities

		2011	2010
	Notes	\$,000	\$,000
<i>Acquisition of assets by means of:</i>			
Physical resources received free of charge	2	2,637	12,392
		2,637	12,392

#### d. Financing Arrangements

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

	2011	2010
	\$,000	\$,000
Bank Overdrafts (undrawn)	500	500
Cash Advance facilities (undrawn)	29,451	29,451
Corporate Credit Cards	200	200

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

Council also has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### 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)	
	2011 \$,000	2010 \$,000	2011 \$,000	2010 \$,000	2011 \$,000	2010 \$,000	2011 \$,000	2010 \$,000	2011 \$,000	2010 \$,000
Public Order & Safety	2,699	2,816	3,845	7,002	(1,146)	(4,186)	41	90	336	252
Health	182	191	1,999	1,731	(1,817)	(1,540)	13	16	170	84
Social Security & Welfare	2,665	2,403	4,824	4,592	(2,159)	(2,189)	2,137	1,932	22,308	19,722
Housing & Community Services	3,103	2,665	29,594	25,629	(26,491)	(22,964)	285	275	383,369	374,361
Recreation & Culture	3,342	2,627	16,828	16,039	(13,486)	(13,412)	1,142	604	783,844	724,234
Transport & Communication	2,955	2,638	15,729	14,798	(12,774)	(12,160)	2,953	2,632	6,751	5,887
Economic Affairs	544	993	4,864	4,699	(4,320)	(3,706)	397	551	6	621
Other, Not Attributed & Admin	77,460	73,117	12,689	14,457	64,771	58,660	8,134	8,360	55,388	57,094
<b>TOTALS</b>	<b>92,950</b>	<b>87,450</b>	<b>90,372</b>	<b>88,947</b>	<b>2,578</b>	<b>(1,497)</b>	<b>15,102</b>	<b>14,460</b>	<b>1,252,172</b>	<b>1,182,255</b>

### Note 12: (continued) Components of Functions

The activities relating to Council functions are as follows:

**Public Order & Safety** - Supervision of various laws, fire prevention, crime prevention and repair, road safety and dog control.

**Health** - Health Act administration, immunisation services and pest and pest plant control.

**Social Security and Welfare** - Operation of senior citizens centre, aged care services, youth services and community information.

**Housing & Community Services** - Town planning, community development planning, road sweeping, roadside rubbish collection, domestic refuse collection, operation of waste transfer station and rubbish tips, stormwater drainage, operation of the St Kilda Mangrove Trail, street signs, landscape design, tree management and operation of cemetery.

**Recreation & Culture** - Maintenance and operation of libraries, recreation centres, swimming pool, community centres, parks, gardens and reserves, clubrooms, playgrounds, sports grounds, halls and plant nursery.

**Transport & Communication** - Construction and maintenance of roads, footpaths, bridges, parking facilities and bus shelters.

**Economic Affairs** - Building Act administration, economic initiatives and tourism.

**Other, Not Attributed & Administration** - Rates, public debt transactions, administration costs, capital works in progress and costs which relate to multiple functions but cannot accurately be split between these functions.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 13: Financial Instruments

#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

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

*Terms & Conditions:* Deposits are returning fixed interest rates between 3.4% and 4.75% (2010: 3.15% and 4.5%). Short term deposits have an average maturity of 57 days and an average interest rates of 5.1% (2010: 50 days, 3.55%).

*Carrying Amount:* Approximates fair value due to the short term to maturity.

#### Receivables - Rates & Associated Charges (including legals & penalties for late payment) Note: These receivables do not meet the definition of 'financial instruments' and have been excluded from the following disclosures.

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

*Terms & Conditions:* Secured over the subject land, arrears attract interest of 2% (2010: 2%). Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

*Carrying Amount:* Approximates fair value (after deduction of any allowance).

#### Receivables - Fees & other charges

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

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

*Carrying Amount:* Approximates fair value (after deduction of any allowance).

#### Receivables - Other levels of Government

*Accounting Policy:* Carried at nominal value.

*Terms & Conditions:* Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and agencies of the Governments of the Commonwealth and State.

*Carrying Amount:* Approximates fair value.

#### Liabilities - Creditors and Accruals

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

*Terms & Conditions:* Liabilities are normally settled on 30 day terms.

*Carrying Amount:* Approximates fair value.

#### Liabilities - Interest Bearing Borrowings

*Accounting Policy:* Carried at the principal amounts. Interest is charged as an expense as it accrues.

*Terms & Conditions:* secured over future revenues, borrowings are repayable by six monthly installments of principal and interest; interest is charged at fixed rates between 5.6% and 7.52% (2010: 5.6% and 7.52%)

*Carrying Amount:* Approximates fair value.

Liquidity Analysis 2011						
	Due <1 year \$,000	Due >1 year <5 years \$,000	Due >5 years \$,000	Total Contractual Cash Flows \$,000	Non-Interest Bearing \$,000	Carrying Values \$,000
<b>Financial Assets</b>						
Cash & Equivalents	11,262	-	-	11,262	85	11,347
Receivables	3	34	-	37	2,000	2,037
Other Financial Assets	-	-	-	-	867	867
<b>Total</b>	<b>11,265</b>	<b>34</b>	<b>-</b>	<b>11,299</b>	<b>2,952</b>	<b>14,251</b>
<b>Financial Liabilities</b>						
Payables	7,688	-	-	7,688	7,688	7,688
Current Borrowings	5,560	-	-	5,560	-	3,468
Non-Current Borrowings	-	18,374	22,186	40,560	-	29,259
<b>Total</b>	<b>13,248</b>	<b>18,374</b>	<b>22,186</b>	<b>53,808</b>	<b>7,688</b>	<b>40,415</b>

# Notes

Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

## Note 13: Financial Instruments (continued)

Liquidity Analysis 2010						
	Due <1 year \$,000	Due >1 year <5 years \$,000	Due >5 years \$,000	Total Contractual Cash Flows \$,000	Non-Interest Bearing \$,000	Carrying Values \$,000
<b>Financial Assets</b>						
Cash & Equivalents	9,182	-	-	9,182	28	9,210
Receivables	2	37	-	39	6,822	6,861
Other Financial Assets	-	-	-	-	867	867
<b>Total</b>	<b>9,184</b>	<b>37</b>	<b>-</b>	<b>9,221</b>	<b>7,717</b>	<b>16,938</b>
<b>Financial Liabilities</b>						
Payables	10,689	-	-	10,689	10,689	10,689
Current Borrowings	4,968	-	-	4,968	-	3,026
Non-Current Borrowings	-	17,783	18,891	36,674	-	26,837
<b>Total</b>	<b>15,657</b>	<b>17,783</b>	<b>18,891</b>	<b>52,331</b>	<b>10,689</b>	<b>40,552</b>

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

	30 June 2011		30 June 2010	
	Weighted Average Interest Rate %	Carrying Value \$,000	Weighted Average Interest Rate %	Carrying Value \$,000
Overdraft	10.74	-	10.49	-
Other Variable Rates	0	7,688	0	10,689
Fixed Interest Rates	7.34	32,727	6.4	29,863
		<b>40,415</b>		<b>40,552</b>

### Net Fair Value

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

### Risk Exposures

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

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

**Liquidity Risk** is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury 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.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 14: Commitments for Expenditure

#### Capital Commitments

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

	2011	2010
	\$,000	\$,000
Infrastructure	4,614	4,505
	4,614	4,505
These expenditures are payable:		
Not later than one year	4,614	4,505
	4,614	4,505

#### Other Expenditure Commitments

Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

	2011	2010
	\$,000	\$,000
Audit Services	-	24
	-	24
These expenditures are payable:		
Not later than one year	-	24
	-	24

### Note 15: Financial Indicators

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.

	2011	2010	2009
Operating Surplus	2,578	(1,497)	1,392

Being the operating surplus (deficit) before capital amounts.

Adjusted Operating Surplus	2,633	(1,524)	(1,035)
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In June 2011 the Commonwealth Government again made an advance payment of \$2,399K which represents one quarter of the 2011/12 Financial Assistance Grant (See Note 2). The *Adjusted Operating Surplus* and *Adjusted Operating Surplus Ratio* adjust for the effect of the advance payment in 2009, 2010 and 2011.

Operating Surplus Ratio			
Operating Surplus	4%	(2%)	2%
Rates - general & other less NRM levy			
Adjusted Operating Surplus Ratio	4%	(2%)	(2%)

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

Net Financial Liabilities	31,148	28,829	25,970
---------------------------	--------	--------	--------

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).

	2011	2010	2009
Net Financial Liabilities Ratio			
Net Financial Liabilities	34%	33%	31%
Total operating Revenue less NRM levy			

Interest Cover Ratio			
Net Interest Expense	1.7%	1.4%	1.4%
Total operating Revenue less NRM levy less investment income			

Asset Sustainability Ratio			
Net Asset Renewals	125%	48%	70%
Depreciation Expense			

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.

Asset Consumption Ratio			
Carrying value of depreciable assets	65%	67%	69%
Gross value of depreciable assets			

Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### 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.

	2011	2010
	\$,000	\$,000
Income	92,950	87,450
less Expenses	90,372	88,947
<b>Operating Surplus/(Deficit)</b>	<b>2,578</b>	<b>(1,497)</b>
<i>less Net Outlays on Existing Assets</i>		
Capital Expenditure on renewal and replacement of Existing Assets	22,975	8,964
less Depreciation, Amortisation and Impairment	18,205	17,945
less Proceeds from Sale of Replaced Assets	289	292
	4,481	(9,273)

	2011	2010
	\$,000	\$,000
<i>less Net Outlays on New and Upgraded Assets</i>		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	14,066	24,795
less Amounts received specifically for New and Upgraded Assets	9,809	13,098
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	1,605	976
	2,652	10,721
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(4,555)</b>	<b>(2,945)</b>

### Note 17: Operating Leases

#### Leases providing revenue to the Council

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

#### Investment Property

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

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

	2011	2010
	\$,000	\$,000
Not later than one year	471	470
Later than one year and not later than 5 years	1,774	1,482
Later than 5 years	1,602	1,707
	3,847	3,659

#### Lease payment commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment. No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

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

No lease contains any escalation clause.

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

	2011	2010
	\$,000	\$,000
Not later than one year	1,173	895
Later than one year and not later than 5 years	699	675
Later than 5 years	-	-
	1,872	1,570

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### Note 18: 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. Permanent and contract employees of the South Australian Local Government sector 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 2010/11 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2009/10). No further liability accrues to the employer 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 of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6% (6% in 2009/10) of 'superannuation' salary. Given that employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated 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 Plan is a multi-employer sponsored plan. As the fund's assets and liabilities are pooled and are not allocated by 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 full actuarial investigation conducted by the Scheme's Actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2008, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

### Note 19: Joint Ventures and Associated Entities

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

#### **Waterproofing Northern Adelaide Regional Subsidiary**

Established by the Cities of Salisbury, Playford and Tea Tree Gully in October 2006, this regional subsidiary is responsible for receiving and disbursing the Commonwealth funding granted towards Waterproofing Northern Adelaide, an initiative to provide infrastructure to integrate stormwater, wastewater and drinking water systems in the northern Adelaide region.

	2011	2010
	\$,000	\$,000
<b>Waterproofing Northern Adelaide Regional Subsidiary</b>		
Council's respective interests are:		
- interest in outputs of the joint operation	33%	33%
- ownership interest in the joint operation	33%	33%
- the proportion of voting power in the joint operation	33%	33%
<b>Movements in Investment in Joint Operation</b>		
Opening Balance	2	142
Share in Operating Result	4	(140)
<b>Share in Equity of Joint Operation</b>	<b>6</b>	<b>2</b>

#### **Expenditure Commitments**

There is no expenditure committed at the reporting date that is not recognised in the financial statements as liabilities.

#### **Contingent Liabilities**

There are no contingent liabilities.

#### **Events Occurring After Reporting Date in the Balance Sheet**

The Waterproofing Northern Adelaide Regional Subsidiary has applied to the Minister for this entity to be wound up early in the new financial year. It is expected that any remaining funds after the entity has paid all of its outstanding accounts will be distributed evenly between the three Council's (Cities of Tea Tree Gully, Playford and Salisbury).

# Notes

## Notes to, and Forming Part of, the Financial Statements for the Year ended 30 June 2011

### *Note 19: Joint Ventures and Associated Entities (continued)*

#### **Northern Adelaide Waste Management Authority**

Manages the waste collection, recycling and waste disposal for the Cities of Salisbury and Playford and the Town of Gawler.

	2011	2010
	\$,000	\$,000
<b>Northern Adelaide Waste Management Authority</b>		
Council's respective interests are:		
- interest in outputs of the joint operation	60%	60%
- ownership interest in the joint operation	60%	60%
- the proportion of voting power in the joint operation	33%	33%
<b>Movements in Investment in Joint Operation</b>		
Opening Balance	(112)	(1,233)
Share in Operating Result	214	(60)
Share in other comprehensive income	-	1,181
<b>Share in Equity of Joint Operation</b>	<b>102</b>	<b>(112)</b>

#### **Expenditure Commitments**

Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

<b>Operating Expenditures payable</b>		
Not later than one year	9,985	9,823
Later than one year and not later than 5 years	39,978	49,073
Later than 5 years	4,999	4,908
	<b>54,962</b>	<b>63,804</b>

#### **Contingent Liabilities**

##### *Potential Insurance Losses*

The Authority 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.

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

##### *Legal Expenses*

All known costs have been recognised.

### *Note 20: Contingencies and Assets & Liabilities Not Recognised in the Statement of Financial Position*

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.

#### **Bank Guarantees**

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$83,000 (2010: \$97,000) at reporting date. Council does not expect to incur any loss arising from these guarantees.

#### **Cemetery**

Council operates a Cemetery Facility - Salisbury Memorial Park. A Contingent Liability exists for the ongoing maintenance of this Cemetery. This liability remains until all existing site leases have expired.

In addition, Council will assume responsibility for the maintenance of the Mausoleum in 2012. A Perpetual Care Fund has been established into which the private owners of the Mausoleum contribute a specified percentage of vault sale income. Independent evaluation by GHD in 2003 has determined that this fund will be sufficient to provide for the ongoing maintenance of the Mausoleum from 2012.

# Certificates, Statements & Reports

 **Dean Newbery & Partners**  
CHARTERED ACCOUNTANTS ABN 30 164 612 690

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF SALISBURY**

We have audited the accompanying financial report of the City of Salisbury, which comprises the balance sheet as at 30 June 2011 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 City of Salisbury 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 the City of Salisbury as of 30 June 2011, 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

  
**SAMANTHA ALLARD**  
PARTNER

Signed on the 19<sup>th</sup> day of October 2011,  
at 214 Melbourne Street, North Adelaide, South Australia 5006.

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North Adelaide SA 5006

All Correspondence:  
PO Box 755  
North Adelaide SA 5006

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E: admin@deannewbery.com.au

**CITY OF SALISBURY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2011**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Salisbury for the year ended 30 June 2011, 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.

  
John Harry  
CHIEF EXECUTIVE OFFICER

  
Peter Brass  
PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 19/10/11


# Certificates, Statements & Reports

 **Dean Newbery & Partners**  
CHARTERED ACCOUNTANTS ABN 30 164 612 890

**Auditor's Independence Declaration under Section 22 of the Local Government  
(Financial Management) Regulations 1999 to the City of Salisbury.**

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

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

  
**SAMANTHA ALLARD**  
Partner

**DEAN NEWBERY & PARTNERS**  
CHARTERED ACCOUNTANTS  
214 MELBOURNE STREET  
NORTH ADELAIDE SA 5006

Dated this 4<sup>th</sup> day of July 2011

---

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CITY OF  
**Salisbury**



# Regional Subsidiary Report Summmaries

- Waterproofing Northern Adelaide (WNA)
- Northern Adelaide Waste Management Authority (NAWMA)

# WATERPROOFING NORTHERN ADELAIDE REGIONAL SUBSIDIARY

## ANNUAL REPORT 2010 - 2011



Water Smart Australia



Government of South Australia  
Adelaide and Murray Valley  
Natural Resources Management Board

# STATEMENTS

## CHAIRMAN'S REPORT

2010/11 has been a year in which the Regional Subsidiary has predominately carried out its residual obligations in line with the Commonwealth funding arrangement, by securing the Commonwealth's approval of the final project report, distributing the final payments to the constituent Councils and other minor administrative activities.

The Waterproofing Northern Adelaide project was successfully completed in June 2010 creating an integrated system of wetlands, pumping stations, bores, reticulation networks and other infrastructure to provide a sustainable water supply for the region. These schemes have benefited from the break in the drought period with good rainfall events throughout the year assisting with wetland establishment and provided good stormwater harvesting opportunities for the schemes.

With the project completed, the continued operation of the Regional Subsidiary is no longer required. The constituent Councils have endorsed the closure and proceedings have commenced to obtain approval from the Minister. It is anticipated that the subsidiary will be closed early in 2011/12.

P. Fairlie-Jones  
Chairman

## EXECUTIVE OFFICERS REPORT

2010/11 has been a year of finalisation, in which the Subsidiary staff and Groups have supported the Board in compiling, reviewing and finalising the Waterproofing Northern Adelaide Final Project report, securing Commonwealth approval of the final report and distribution to the constituent Councils of the final funding payment.

With the residual obligations of the Commonwealth funding agreement complete, the Subsidiary has operated predominately in a care and maintenance mode and will continue to operate in this mode until such time that the Subsidiary is closed.

C Kaufmann  
Executive Officer

# OVERVIEW AND OPERATION

The Waterproofing Northern Adelaide Regional Subsidiary (WNARS) was formed by the Cities of Playford, Salisbury and Tea Tree Gully to secure and manage funding for the implementation of the Waterproofing Northern Adelaide Project.

The project has provided a sustainable non-potable urban water resource for the region while enhancing flood protection, the condition of water dependant ecosystems, reducing ocean outfall and improving urban amenity.

WNARS is managed in accordance with the following documents:

- Charter, unchanged this year.
- Governance Manual, unchanged this year
- Business Plan, unchanged this year
- Risk Management Plan, unchanged this year
- Communication Program, unchanged this year
- Demonstration Program, unchanged this year

These documents and Board minutes are available upon request.

WNARS has operated predominately in a care and maintenance mode for the 2010/11 year and will continue to do so until such time that the Regional Subsidiary is closed.

The WNARS Structure at 30th June 2011 was as follows:

## BOARD

P Fairlie-Jones

Chair

B Curtis

S. Kennedy

(Observers from the Commonwealth (Department of Environment, Water, Heritage and the Arts) and Adelaide Mount Lofty Ranges Natural Resource Management Board attend Board meetings).

## TECHNICAL GROUP

Nil

## COMMUNICATIONS GROUP

Nil

## WNARS ADMINISTRATION

C Kaufmann      Executive Officer

R Irvine            Project Administrator

## FINANCE & REPORTING GROUP

P Fairlie-Jones

Chair

M Coldwell

T Horskins

C Senanayake

J Crook

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2011

### ADOPTION STATEMENTS

I have been authorised by Waterproofing Northern Adelaide Regional Subsidiary 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 Subsidiary's financial position at 30 June 2011 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Subsidiary provide a reasonable assurance that the Subsidiary's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Subsidiary's accounting and other records.



Chris Kadimann  
CHIEF EXECUTIVE OFFICER



Peter Fairlie Jones  
CHAIR PERSON

Date:

17/10/10

# FINANCIAL CONTENT

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## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

	2011 Notes \$'000	2010 \$'000
<b>INCOME</b>		
Grants, subsidies and contributions	2	907
Investment income	2	52
<b>Total Income</b>		959
<b>EXPENSES</b>		
Materials, contracts & other expenses	3	946
<b>Total Expenses</b>		946
<b>OPERATING SURPLUS / (DEFICIT)</b>	13	(420)
<b>NET SURPLUS / (DEFICIT)</b>		
transferred to Equity Statement	13	(420)
Other Comprehensive Income		-
<b>TOTAL COMPREHENSIVE INCOME</b>	13	(420)

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

## BALANCE SHEET FOR THE YEAR ENDED 30 JUNE 2011

	2011 Notes \$'000	2010 \$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	4	14
Trade & other receivables	4	10
<b>Total Current Assets</b>		24
<b>Non-current Assets</b>		
<b>Total Assets</b>	-	-
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	5	5
<b>Total Current Liabilities</b>		2,733
<b>Non-current Liabilities</b>		
<b>Total Non-current Liabilities</b>	-	-
<b>NET ASSETS</b>	5	2,733
<b>EQUITY</b>		
Accumulated Surplus	19	6
<b>TOTAL EQUITY</b>	19	6

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

# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Accumulated Surplus	Asset Revaluation Reserve	Available for sale Financial Assets	Other Reserves	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2011						
Balance at end of previous reporting period		6	-	-	-	6
Restated opening balance		6	-	-	-	6
Net Surplus / (Deficit) for Year		13				13
Other Comprehensive Income						
Balance at end of period		19	-	-	-	19

	2010					
Balance at end of previous reporting period		426	-	-	-	426
Restated opening balance		426	-	-	-	426
Net Surplus / (Deficit) for Year		(420)				(420)
Balance at end of period		6	-	-	-	6

# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 30 JUNE 2011

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2011 \$'000	2010 \$'000
<u>Receipts</u>			
Operating receipts		2,994	14,947
Investment receipts		44	79
<u>Payments</u>			
Operating payments to suppliers & employees		(3,673)	(23,717)
Net Cash provided by (or used in) Operating Activities		(635)	(8,691)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Cash provided by (or used in) Investing Activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash provided by (or used in) Financing Activities		-	-
Net Increase (Decrease) in cash held		(635)	(8,691)
Cash & cash equivalents at beginning of period	11	649	9,340
Cash & cash equivalents at end of period	11	14	649

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

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

## NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

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

### **1 Basis of Preparation**

#### **1.1 Compliance with Australian Accounting Standards**

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

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

#### **1.2 Historical Cost Convention**

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

#### **1.3 Critical Accounting Estimates**

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

#### **1.4 Rounding**

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

### **2 The Local Government Reporting Entity**

Waterproofing Northern Adelaide Regional Playground, Salisbury and Tea Tree Gully. These financial statements include the consolidated fund and all entities through which the Subsidiary controls resources to carry on its functions. In the process of reporting on the Subsidiary as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

### **3 Income recognition**

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

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

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

Cash Assets include all amounts readily convertible to cash on hand at Subsidiary'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 Payables**

##### **5.1 Goods & Services**

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

##### **5.2 Payments Received in Advance & Deposits**

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

#### **6 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.

#### **7 Pending Accounting Standards**

*Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period and have not been used in preparing these reports.*

- |            |  |
|------------|--|
| ➤ AASB 1   | <i>First-time Adoption of Australian Accounting Standards</i>          |
| ➤ AASB 3   | <i>Business Combinations</i>   |
| ➤ AASB 5   | <i>Non-current Assets Held for Sale and Discontinued Operations</i>    |
| ➤ AASB 7   | <i>Financial Instruments: Disclosures</i>                              |
| ➤ AASB 8   | <i>Operating Segments</i>  |
| ➤ AASB 9   | <i>Financial Instruments</i>   |
| ➤ AASB 101 | <i>Presentation of Financial Statements</i>                            |
| ➤ AASB 107 | <i>Statement of Cash Flows</i>   |
| ➤ AASB 108 | <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> |
| ➤ AASB 110 | <i>Events after the Reporting Period</i>                               |
| ➤ AASB 118 | <i>Revenue</i>   |
| ➤ AASB 119 | <i>Employee Benefits</i>   |

➤	AASB 132	Financial Instruments: Presentation
➤	AASB 137	Provisions, Contingent Liabilities and Contingent Assets
➤	AASB 139	Financial Instruments: Recognition and Measurement
➤	AASB 140	Investment Property
➤	AASB 1031	Materiality
➤	AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]
➤	AASB 2009-12	Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 1023 & 1032 and Interpretations 2, 4, 16, 1039 & 1052]
➤	AASB 2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]
➤	AASB 2010-5	Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]
➤	AASB 2010-6	Amendments to Australian Accounting Standards [AASBs 1 & 7]
➤	AASB 2010-7	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]
➤	Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
	(Standards not affecting local government have been excluded from the above list.)	

Subsidiary is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

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.

## NOTE 2 – INCOME

	Notes	2011 \$'000	2010 \$'000
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		48	53
Banks & other		4	5
		<u>52</u>	<u>58</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Other grants, subsidies and contributions		<u>907</u>	<u>18,318</u>
		<u>907</u>	<u>18,318</u>
<i>The functions to which these grants relate are shown in Note 7.</i>			
<b>Sources of grants</b>			
Commonwealth government		-	4,215
State government		-	530
Other		<u>907</u>	<u>13,573</u>
		<u>907</u>	<u>18,318</u>

## NOTE 3 – EXPENSES

	Notes	2011 \$'000	2010 \$'000
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports			
Subtotal - Prescribed Expenses		<u>5</u>	<u>8</u>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		-	22
City of Playford		-	7,705
City of Salisbury		810	7,877
City of Tea Tree Gully		-	3,003
Hydrological Modeling		70	-
Sundry		<u>61</u>	<u>181</u>
Subtotal - Other Materials, Contracts & Expenses		<u>941</u>	<u>18,788</u>
		<u>946</u>	<u>18,796</u>

#### NOTE 4 – CURRENT ASSETS

	Notes	2011 \$'000	2010 \$'000
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank	14	14	13
Deposits at Call	-	-	636
		<u>14</u>	<u>649</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>			
Accrued Revenues	8	8	-
Other levels of Government	-	-	2,090
GST Recoupment	2	2	-
		<u>10</u>	<u>2,090</u>

#### NOTE 5 - LIABILITIES

	Notes	2011 \$'000	2010 \$'000
<b>TRADE &amp; OTHER PAYABLES</b>			
Goods & Services	5	-	2,512
Payments received in advance	-	-	96
GST Payable	-	-	125
		<u>5</u>	<u>2,733</u>
			-

#### NOTE 6 – 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	2011 \$'000	2010 \$'000
Total cash & equivalent assets	4	14	649
Balances per Cash Flow Statement		<u>14</u>	<u>649</u>

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

Net Surplus (Deficit)	13	(420)
	13	(420)
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	2,080	(2,512)
Net increase (decrease) in trade & other payables	(2,728)	(5,759)
<b>Net Cash provided by (or used in) operations</b>	<b>(635)</b>	<b>(8,691)</b>

##### (c) Non-Cash Financing and Investing Activities

	-	-
	<u>-</u>	<u>-</u>

## NOTE 7 – 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	ACTUAL	ACTUAL	ACTUAL	ACTUAL
2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Sub-Projects</b>									
Torrens	-	112	-	112	-	-	112	-	77
Upper Dry Creek	-	983	-	983	-	-	983	-	281
Integrated Distribution	-	1,545	-	1,545	-	-	1,545	-	199
Lower Dry Creek	161	5,448	161	5,448	-	-	5,448	-	859
ASTR	88	(139)	88	(139)	-	-	(139)	-	274
Controlable Detentions	16	234	16	234	-	-	234	-	153
Upper Little Para	-	363	-	363	-	-	363	-	3
Lower Little Para	-	(44)	-	(44)	-	-	(44)	-	(381)
Helps Road	545	2,379	545	2,379	-	-	2,379	-	487
Playford Community Bore	-	3,489	-	3,489	-	-	3,489	-	500
Smith Creek	-	4,215	-	4,215	-	-	4,215	-	52
Executive	97	211	66	211	31	-	97	204	235
Hydrological Modelling	52	-	70	-	(18)	-	-	-	-
Corporate (Interest Income)	-	(420)	-	-	-	(420)	(471)	-	-
<b>TOTALS</b>	959	18,376	946	18,796	13	(420)	907	18,318	2,739

## NOTE 8 – FINANCIAL INSTRUMENTS

### Recognised Financial Instruments

<b>Bank, Deposits at Call, Short Term Deposits</b>	<b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned. <b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 2.75% and 4.75% (2010: 2.75% and 4.5%). <b>Carrying amount:</b> approximates fair value due to the short term to maturity.
<b>Receivables - Fees &amp; other charges</b>	<b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. <b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. <b>Carrying amount:</b> approximates fair value (after deduction of any allowance).
<b>Receivables - other levels of government</b>	<b>Accounting Policy:</b> Carried at nominal value. <b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State. <b>Carrying amount:</b> approximates fair value.
<b>Liabilities - Creditors and Accruals</b>	<b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. <b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms. <b>Carrying amount:</b> approximates fair value.
<b>Liabilities - Interest Bearing Borrowings</b>	<b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues. <b>Terms &amp; conditions:</b> no interest bearing loans <b>Carrying amount:</b> approximates fair value.
<b>Liabilities - Finance Leases</b>	<b>Accounting Policy:</b> accounted for in accordance with AASB 117.

**Note 8 (cont) - FINANCIAL INSTRUMENTS**  
Liquidity Analysis

2011	Due < 1 year		Due > 1 year, ≤ 5 years		Due > 5 years		Total Contractual Cash Flows		Carrying Values	
		\$'000		\$'000		\$'000		\$'000		\$'000
<b>Financial Assets</b>										
Cash & Equivalents	13		-		-		13		14	
Receivables	9		-		-		9		10	
<b>Total</b>	<b>22</b>		-		-		<b>22</b>		<b>24</b>	
<b>Financial Liabilities</b>										
Payables	5		-		-		5		5	
<b>Total</b>	<b>5</b>		-		-		<b>5</b>		<b>5</b>	
<b>2010</b>										
	Due < 1 year		Due > 1 year, ≤ 5 years		Due > 5 years		Total Contractual Cash Flows		Carrying Values	
		\$'000		\$'000		\$'000		\$'000		\$'000
<b>Financial Assets</b>										
Cash & Equivalents	649		-		-		649		649	
Receivables	2,090		-		-		2,090		2,090	
<b>Total</b>	<b>2,739</b>		-		-		<b>2,739</b>		<b>2,739</b>	
<b>Financial Liabilities</b>										
Payables	2,733		-		-		2,733		2,733	
<b>Total</b>	<b>2,733</b>		-		-		<b>2,733</b>		<b>2,733</b>	

**Net Fair Value**

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

**Risk Exposures**

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

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

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

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

## NOTE 9 – COMMITMENTS FOR EXPENDITURE

**Capital Commitments**

There is no capital expenditure committed at the reporting date that is not recognised in the financial statements as liabilities.

**Other Expenditure Commitments**

There is no other expenditure committed at the reporting date that is not recognised in the financial statements as liabilities.

**Finance Lease Commitments**

There are no finance lease commitments at the reporting date.

## NOTE 10 – FINANCIAL INDICATORS

2011                      2010                      2009

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.

<b>Operating Surplus</b>	\$'000	13	(420)	118
<i>Being the operating surplus (deficit) before capital amounts .</i>				
<b>Adjusted Operating Surplus</b>		13	(420)	118
<b>Net Financial Liabilities</b>	\$'000	(19)	(6)	(308)
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses.</i>				
<b>Net Financial Liabilities Ratio</b>				
<u>Net Financial Liabilities</u>		(2.0%)	0%	(1.8%)
Total Operating Revenue less NRM levy				
<b>Interest Cover Ratio</b>				
<u>Net Interest Expense</u>		(5.7%)	(0.3%)	(0.5%)
Total Operating Revenue less NRM levy less Investment Income				

## NOTE 11 – UNIFORM PRESENTATION OF FINANCES

	2011	2010
	\$'000	\$'000
Income	959	18,376
less Expenses	946	18,796
<b>Operating Surplus / (Deficit)</b>	13	(420)
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	-	-
less Depreciation, Amortisation and Impairment	-	-
less Proceeds from Sale of Replaced Assets	-	-
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	-	-
less Amounts received specifically for New and Upgraded Assets	-	-
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	-	-
<b>Net Lending / (Borrowing) for Financial Year</b>	13	(420)

## **NOTE 12 – CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

There are no contingent assets or liabilities to be recorded.  
There is no outstanding or pending legal issue which needs to be disclosed.

## **NOTE 13 – EVENTS OCCURRING AFTER BALANCE DATE IN THE STATEMENT OF FINANCIAL POSITION**

The Waterproofing Northern Adelaide Regional subsidiary has applied to the Minister for this entity to be wound up early in the new financial year. It's expected that any remaining funds after the entity has paid all of its outstanding accounts, will be distributed evenly between three councils (TTG, Playford and Salisbury).



Students viewing the Uleybury Landfill from the observation deck

**Responsible Waste Management**  
**NAWMA** (a local Government Regional Subsidiary)  
**Member Councils:** Gawler, Playford and Salisbury  
**Client Councils:** Adelaide Hills, Barossa, Clare/Gilbert  
Valley, Copper Coast, Goyder Regional, Light Regional,  
Mallala, Yorke Peninsula and Wakefield Regional

**Annual Report 2010 - 11**

# Introduction

The sound financial management of major contracts has had a positive impact on NAWMA's operations, particularly over the past three years. This, in turn, is enabling the Authority to produce budget forecasts for member Councils that, apart from an allowance for growth in new services and increases to State charges, can be maintained in line with domestic CPI increases.

Taking into account the issues and variables associated with forecasting a budget well in advance of its implementation date, the Authority's budget for member Councils in the reporting period has achieved a better than anticipated result.

Repayment of the approved overdraft facility (\$258,000 as at 30 June 2010) has been achieved (well in advance) and it is now at a zero balance. In addition, the Authority is banking the necessary funds to meet long-term liabilities associated with the landfill, including capping of stages and post closure responsibilities as outlined in the Long Term Financial Plan.

An Audit Committee has been established and it meets quarterly. The first meeting was held on 28 March 2011.

The financial accounts prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) indicate an operating surplus of \$356,000 (2010: Deficit of \$100,000) was achieved which is a turnaround of \$456,000 compared to the 2010 financial year. This is partly the result of efficiency gains in the baling plant operation, and a favourable market for the sale of paper and cardboard product (a shared revenue contractual arrangement with Visy Recycling).

A core function of the Authority involves its administrative processes coupled with customer service. In this regard, specific training programs in business operations and interface with customers have been developed and implemented for all office staff.

The performance statistics shown throughout this Annual Report are well within the KPI's established via service agreements with member Councils and also as stated in contract specifications with the kerbside collection contractor, SITA Environmental.

The Authority continues to improve in all aspects of its designated functions, and the indications are that this will be maintained to the benefit of member Councils.



**Cr Brian Goodall**  
Chairman



**Mr Brian King**  
Executive Officer

# Waste Processing Facility

## Waste Baling Operation

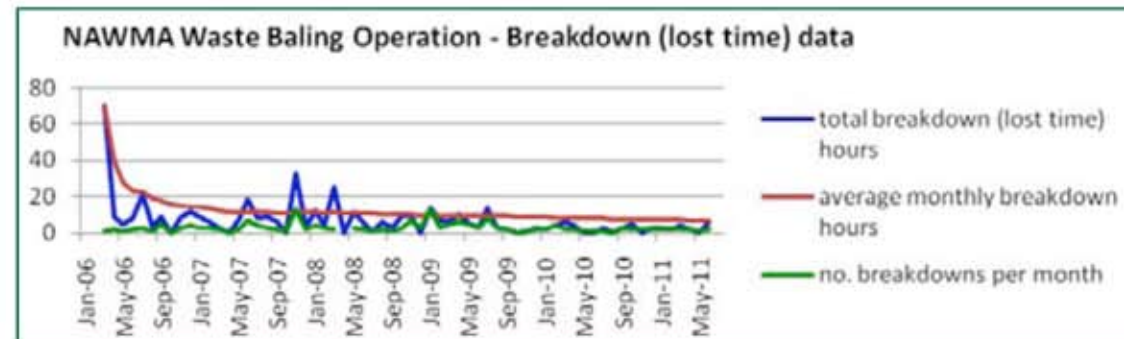
A large number of operational changes have been made to the baling system over its six years of operation. These changes are in line with the Authority's continuous improvement processes particularly relating to reliability, increased life (wear) of parts, reduced costs, better licence compliance, improved efficiency and safety and reduced risk of breakdown/lost time.

The graph below has been produced from a detailed table that logs breakdowns experienced and any corresponding lost baling time each month. Note that there are a number of breakdowns that do not result in lost baling time, for example the forklift may have broken down and taken two hours to be repaired, but the baling of waste continued. The key part of the graph relates to the average monthly baling time lost due to breakdowns. Since baling commenced, this lost time has steadily reduced from a starting point of 70 hours in March 2006 to 7.2 hours in June 2011. The average lost time per month for 2011 (Jan to June period) is 3.0 hours per month.

Having only one waste baler in operation is recognised as potentially 'high risk,' although this risk has been mitigated by a large number of efficiency gains as clearly evident in the graph. Furthermore, an innovative risk strategy has been to establish a spare parts support inventory with Ballina Shire Council in NSW, which operates a waste baler the same as NAWMA.

The agreement struck between both parties requires the cost of spare parts being shared on the basis of waste tonnes baled. Access to spares is available with the inventory stock held by NAWMA and any parts used are to be returned to stock within two months.

Tonnage throughput achieved in the reporting period was 72,318 tonnes (up 3,325 tonnes compared with 2009-2010). This averages around 280 tonne of waste being baled daily.



Front loader using its bale grab to handle waste bales

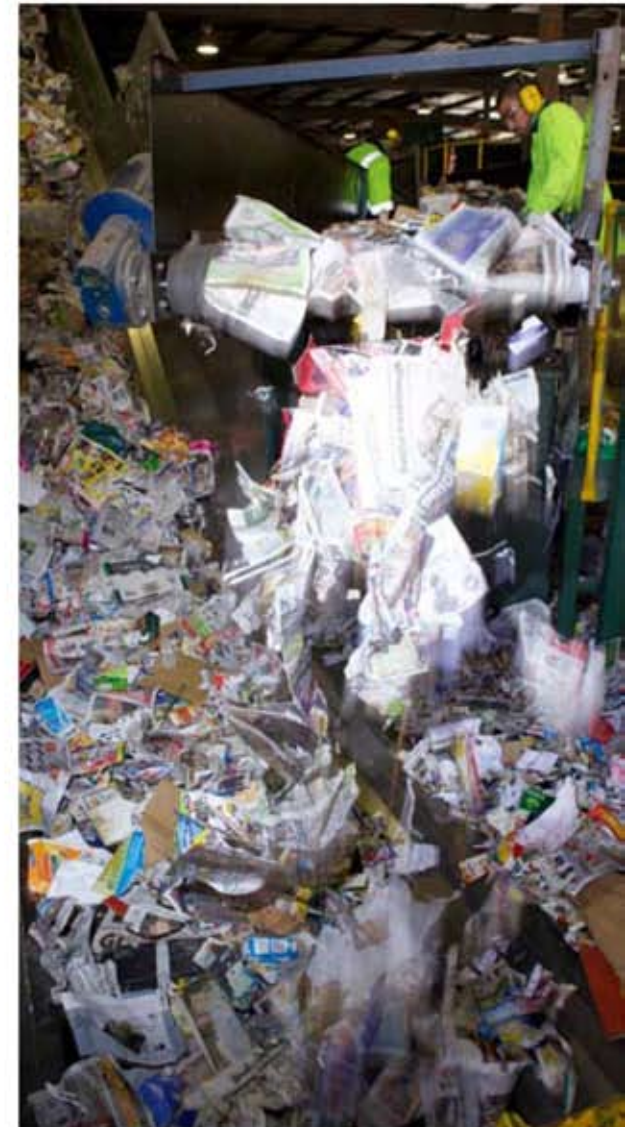
# Material Recovery Facility (MRF)

Visy Recycling continues to make improvements to the plant to improve the sorting efficiency and quality of recyclables for marketing. This is evident in the quantity and quality of paper and cardboard product marketed for sale. A total of 18,750 tonnes of this material was either exported or forwarded to Visy's mills for processing. NAWMA's shared revenue from this source has assisted in the maintenance of operational costs within budget forecasts.

The quantity of household recyclables collected from the kerbside service and delivered to the MRF has increased by around 1,500 tonnes from 2009-2010.

A total of 21,520 tonnes of recyclables were received from the Authority's Member Councils, with an additional 8,194 tonnes sourced from client/rural Councils during the reporting period.

Eleven rural Councils now utilise the Elizabeth West facility to deliver recyclables.



Material Recovery Facility ... final sorting on the conveyor for paper and cardboard products

# Administration/Customer Service

Due to an increase in the number of residents coming to the Authority's Elizabeth West offices to register for a specific service or to make a payment/purchase of garden organic MGBs, an entrance foyer with a suitable reception facility was required.

This is now in place and it has been well received by customers. The redesign also allows staff a privacy screen to work uninterrupted.

A new telephone system has also been installed allowing for an increased capacity in telephone lines if required in the future.

The use of the 1800 free-call number by residents is slightly less than the previous reporting period, however 36,134 free-calls were received equating to 100 calls per day over the whole year. The cost to maintain this service is around \$6,500 per annum. This is regarded as a very good customer service tool and the service has been extended to mobile telephone users for the new financial year.

The majority of telephone contacts related to:

- hardwaste service and bookings (approximately 45 per cent);
- purchase of MGBs for the garden organics collection service (8 per cent);
- information/bookings for educational activities (5 per cent);

- garden organics service payments for Playford residents (10 per cent);
- general enquiries (21.5 per cent); and
- service complaints (3.5 per cent).

## Servicing Complaints

Year	Waste	Recycling	Garden Organics
06-07	1,030	325	546
07-08	1,084	248	418
08-09	1,083	376	395
09-10	761	450	406
10-11	737	322	262

Complaints relating to the weekly kerbside waste collection averaged 2.8 per day. Complaints relating to recycling collection averaged 1.2 per day, while fortnightly garden organics concerns averaged one per day.

In excess of 31,000 bins are emptied daily (Monday to Friday).



Customer Services staff at NAWMA's Elizabeth West office

# Education and Promotion

Education and promotions on resource recovery activities (recycling of food packaging, paper, cardboard and garden and food organics) is an on-going program. A consistent message about this activity is continuously conveyed to help communities understand the importance of responsible waste management.

The Authority spends around \$120,000 per annum on education and promotions with the majority of these funds received from our collection and processing contractors. Apart from having a dedicated staff member and Regional Environmental Education Centre (EEC), some of the promotional tools include:

- advertising using local newspapers and cinemas;
- distribution of annual collection calendars; and
- new resident information packs.

Over the reporting period, Nawma – our promotional identity – has been kept busy with activity levels remaining high. For example:

- visitors from within the region to the Authority's EEC at Elizabeth West included 1,086 children (52 groups) and 364 adults;
- visits to school and community groups within the region involved 22 sessions for 724 children and 184 adults;
- thirty eight sessions were presented in the EEC for interested groups from outside the region, comprising 603 children and 356 adults.

In addition, environmental workshops were held at designated sites, including Mawson Lakes and the Gawler Show, involving five groups comprising 1,050 children and 557 adults.

In total, 117 sessions were held for 3,463 children and 1,461 adults. This is slightly higher than the previous reporting period. A total of 1,192 visitors also took the opportunity to combine their visit to the EEC with an escorted tour of the Uleybury Landfill, utilising the informative viewing platform at that location.



Nawma with a class of students in the Environmental Education Centre

# Garden and Food Organics Collection and Processing

The number of residents participating in this service continues to grow. At 30 June 2011, this number had reached 35,993 households, or 38 per cent of the region. In addition to the 17,692 tonnes of organics collected from the kerbside, 8,156 tonnes of organics, comprising street sweepings, stormwater silt and bulk garden organics, were collected at the Salisbury and Gawler Waste Transfer Stations. This was delivered to Jeffries for processing. As a result of an increase in garden organics tonnages, the Authority gained a discounted rate for processing in accordance with the contract provisions.

During the year, the Authority sold (at cost) 240 litre bins to 2,739 residents equating to \$98,357. This allowed those residents to participate in the kerbside collection service.

To complement the garden organics collection, Jeffries provided the Authority with food organics baskets for distribution to residents. These were initially delivered to residents on request in August and September 2009, and are also available for collection by residents from the offices of NAWMA or member Councils. In excess of 5,000 baskets have

been received by residents. The use of the baskets is optional as is the collection service. On this basis, the uptake is more than acceptable and it is steadily increasing.

As the majority of participating residents have had the food organics basket for longer than twelve months, it was decided to conduct a random survey to determine responses to the basket system and its effectiveness in removing food organics from the general waste stream. A survey form was sent out to 300 households that had received a basket (100 per Council) with a prize incentive to encourage completion and return to the Authority.

The number of forms returned together with the responses was very good and extremely positive. The survey results can be summarised as follows: "The food organics baskets have been well received, are used frequently, and are of sturdy, practical and easily cleaned design." Of particular note was the fact that the majority of residents noticed a reduction in the amount of waste going into the red lid waste bin.



Residents are embracing the recycling of food organics

# Regional Hazardous Waste Collection

A regional hazardous waste collection was carried out on the 14 May 2011 at the Elizabeth West facility.

The Authority and its member Councils were approached by Zero Waste SA (ZWSA) with a view to conducting a regional hazardous waste collection early in 2011. ZWSA wants to conduct the collection annually for the region, preferably at the same location each year.

ZWSA funded professional contractors, including chemists, to undertake the sorting, segregation, transport and subsequent recycling and treatment of the hazardous waste received on the day.

A total of 265 vehicles utilised the service on the day depositing a total of 15,898 kg of hazardous waste material of various descriptions.

With almost 16 tonnes of hazardous waste from residents' properties safely removed and disposed of, the collection was reasonably successful.

ZWSA is proposing that this event be held at around the same time and place on an annual basis to enable residents to put it into their calendar.



Staff removing hazardous waste from resident's vehicle

# Household Hardwaste Collections

This service is well received by residents as evident by the volume of hardwaste material collected. Salisbury Council had 3,569 (6.56 per cent) of its residents take up the option of a household collection, which incurs a cost of \$10 per household to be contributed by the resident whilst 7,323 (13.3 per cent) elected to use the voucher system. Playford had 7,501 participants (22.9 per cent) in the service.

The hardwaste collected is summarised as follows:

Hard Waste	Salisbury	Playford
Residual Waste (tonnes)	361.10	512.65
Steel (tonnes)	124.02	108.92
Mattresses	1194	1506
E Waste TVs	1176	2143
Monitors	373	740
Towers	187	212
Other	501	758

The figures are similar to the previous financial year, except for E-Waste, which has increased by 24 per cent for both Playford and Salisbury.

In terms of residents making complaints, the NAWMA operator will ascertain the nature of each concern, which can be as simple as the wrong material put out for collection, excess material put to the kerb, or completion time of collections.

The statistics are as follows:

- Playford Council – the average number of complaints received is 16.7 per month, or less than one per day.
- Salisbury Council – the average registered complaints is 6 per month averaging 0.3 per day.

With Playford collections averaging 625 per month and Salisbury at 297 per month, the complaint level is considered relatively low.

The Authority is responsible for the management of the contract for the collection service and has direct responsibility to provide total administration and promotion on behalf of the member Councils. In regards to the budget performance for the reporting period for the collection and disposal of hardwaste, the following result was achieved.

- Salisbury – 90 per cent of budget forecast expended. However, this does not include the cost impact of the voucher system on the waste transfer station.
- Playford – 98.5 per cent of budget forecast expended.

With more than 11,000 households serviced in the reporting period, including 1,107 tonnes of residual material, 2,700 mattresses and 6,090 E-Waste items collected, service issues have been minimal.



Items of household hard waste stacked within the front boundary of a house ready for collection

# Uleybury Landfill

## Use of alternate daily cover (ADC) system on site

A new truck mounted ADC unit started operation on site in mid-August 2010 and it has been working well. The new unit (when compared to the previous trailer mounted unit) provides more flexibility as it is able to be driven into narrower corner areas more easily allowing the vertical faces to be sprayed, or covered more effectively.

The use of the ADC material on the vertical face of the waste bales is a bonus for the Authority as it reduces time and costs. It is also an effective means of controlling potential nuisance conditions such as litter, odour and flies.

## Balefill Management Consultative Committee (BMCC)

The BMCC, which comprises representatives from the Authority, EPA, Playford Council and residents from surrounding properties, continues to meet bi-monthly. The committee provides comments and support to the Authority on all aspects of proposed operations, thereby identifying areas and issues requiring attention and/or improvements.

## New Balefill Stage 2 / Landfill Gas Extraction

The placement of waste into the new stage 2 cell commenced on 10 December 2010. It is expected this stage will service the region's waste disposal needs for the next five years.

With stage 1 complete, the specialist contractors for the installation of the landfill gas collection system have initially placed a landfill gas flare on site. This is now operational and will remain in place until gas levels are adequate to enable co-generation, or conversion to a power source.

In addition, three new landfill gas monitoring bores have been installed around the west-southwest side of the stage 1 cell. The purpose is to ensure that any gas potentially escaping through the lined cell walls/ floor can be detected.

## 2010-2011 Airspace Consumption

The annual volumetric survey to measure airspace consumed at the balefill (required as part of an annual return to the EPA) was completed at the end of the financial year. This year, unlike previous years, we finished placing waste in stage 1 (on 9 December 2010), and commenced placing waste in the new stage 2 (on 10 December 2010) within one financial year period. The survey results consequently included the waste placed in the "old" stage 1 and in the "new" stage 2.



The landfill gas flare at the Uleybury site

# Uleybury Landfill

The survey results show that waste tonnage received in the 2010/2011 year of 76,946 tonnes consumed 95,520m<sup>3</sup> of airspace in both stage 1 and 2. The airspace consumed since the commencement of operations is as follows:

Airspace Consumption			
Period	Airspace Consumed (m <sup>3</sup> )	Tonnage during same period (t)	Compaction Ratio (tonnes WASTE Per m <sup>3</sup> )
05-06 (including material from 1 May 2005 to 30 June 2005)	103,395	74,873	0.72
2006-2007	108,630	94,612	0.87
2007-2008	96,600	98,895	1.02
2008-2009	97,740	87,974	0.9
2009-2010	74,560	76,949	1.03
2010-2011	94,520	76,946	0.81
<b>TOTAL</b>	<b>575,445</b>	<b>510,249</b>	<b>0.89</b> (=overall average)

The compaction ratio (tonnes waste per m<sup>3</sup> of airspace consumed) for the 2010/2011 year of 0.81 tonnes/m<sup>3</sup> is slightly down on previous years. This occurred because stage 1 was finished and stage 2 commenced within the period. Completion of stage 1 involved the placement of baled waste in ever decreasing lifts as the curved upper profile of the balefill was reached with a corresponding increase in the proportion of fill material used with the waste. The commencement of stage 2 required the building of a working platform of bales/cover material across the floor. This also requires an increase in the proportion of fill material used with the waste.

## Waste Fill

During the reporting period, large amounts of excess soil from Delfins' Blakes Crossing development at Blakeview, and other sub-divisions and civil projects nearby, have been carted into the site. The soil is classified as waste-fill incurring no charge. It also does not attract the State Government's solid waste levy. The material is being stockpiled, and will be used predominantly for future capping works and, if necessary, in the new stage 2 cell for the daily covering of waste. A nominal charge of \$3.50 per

tonne on this material is planned to commence in 2011/2012. It is anticipated that large volumes will continue to be received as Blakeview and other nearby areas continue to grow.



Waste bales being placed at the Uleybury landfill

# Proposed Regional Waste Transfer Station and Resource Recovery Facility

This exciting project has been on the drawing board for almost two years, and the draft business plan is showing very positive results. Currently, construction costs are being finalised and approval is being sought from the Development Assessment Commission.

A hectare parcel of land has been identified as suitable for the establishment of the facility. It will be accessed by the general public to enhance the recovery and re-use of resources that may previously have been disposed to landfill.

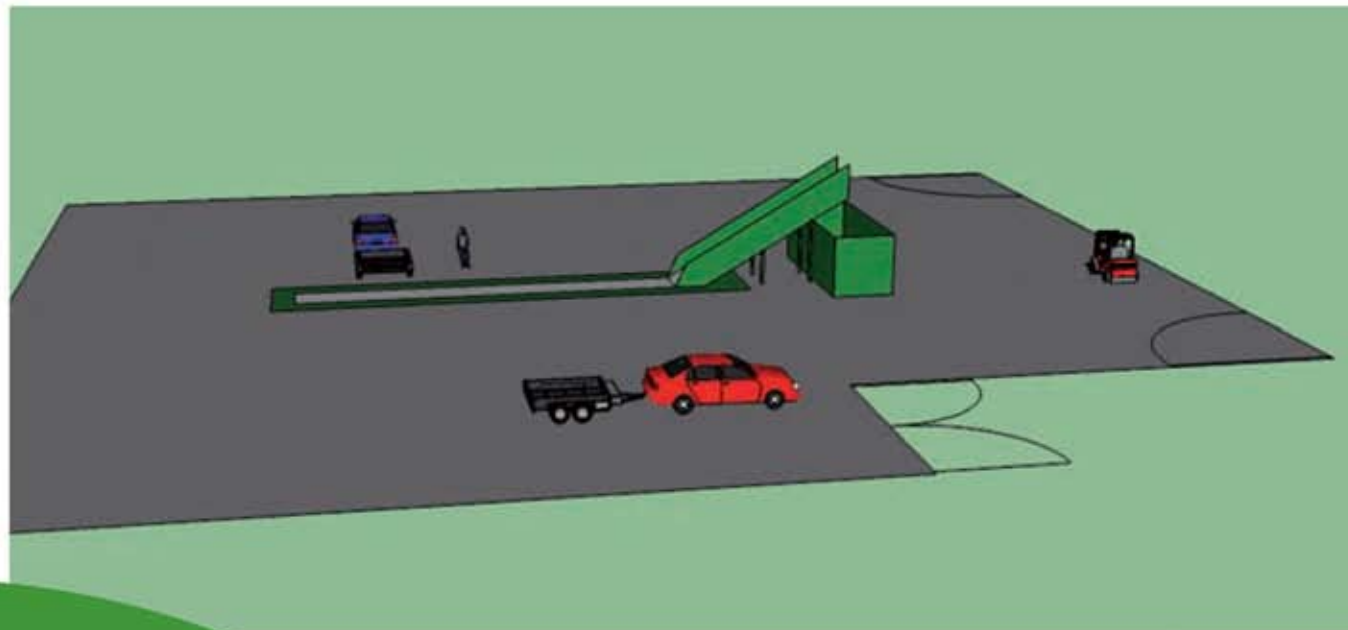
The land abuts the Authority's existing operation at Elizabeth West and it is identified as the stage three development site.

The Authority envisages substantial benefit to the community by engaging in a partnership arrangement with an appropriately experienced social enterprise organisation for the day-to-day operation of the waste transfer station and resource recovery activities.

The Victorian-based model has been examined in detail and is defined as follows:

"A community operated venture where goods and materials are collected for environmental benefits and sold on to create jobs for people finding it difficult to enter the paid workforce".

Subject to the approvals being granted in a timely manner, it is planned for the facility to commence operation on 1 July 2012.



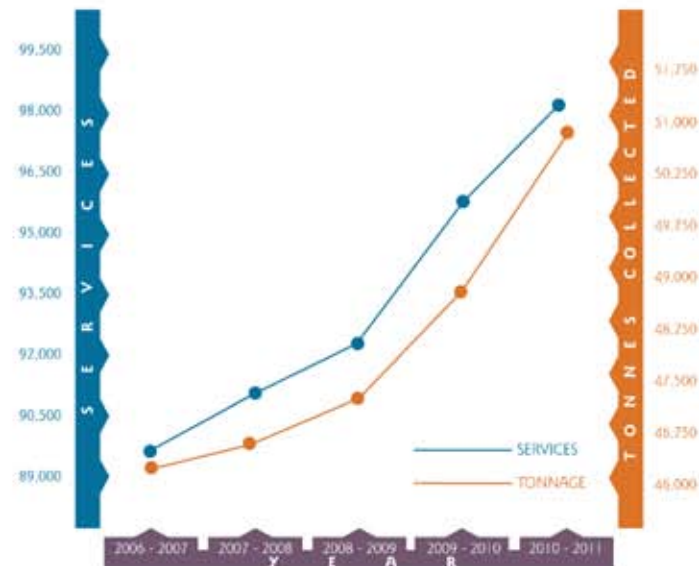
Conceptual sketch of the 'in-floor' conveyor system for receipt of waste from residents at the proposed Waste Transfer Station

# Performance Summary 2010 - 2011

## Waste Tonnage comparisons 2010 - 2011

Year	Services	Tonnes Collected
06-07	89,312	46,062
07-08	90,879	46,279
08-09	92,104	47,143
09-10	95,959	48,589
10-11	98,459	50,906

The number of households has increased by 2,500 during the reporting period. Waste collected per household per week is 9.9kg, which is similar to the previous year. The maintenance of waste collected at less than 10kg per household per week is a good result.



# Performance Summary 2010 - 2011

## Recycling Tonnage comparisons

Year	Services	Tonnes Collected
06-07	87,223	18,935
07-08	89,559	20,269
08-09	91,732	20,101
09-10	93,772	20,744
10-11	96,555	21,517

The collection yield from the kerbside system is 4.28kg per household per week, which is similar to the previous year. This indicates that the kerbside collection service is being well utilised. Contamination (excessive unwanted material) is an issue with this service and it is constantly under review.

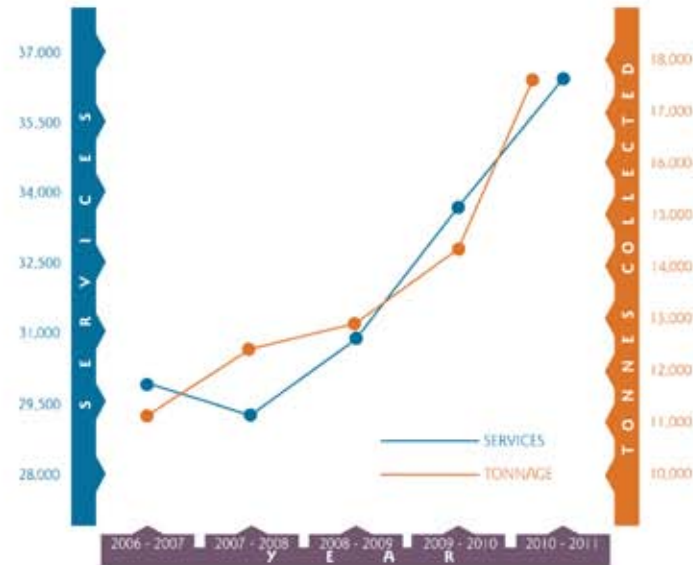


# Performance Summary 2010 - 2011

## Garden Organics Tonnage comparisons

Year	Services	Tonnes Collected
06-07	29,658	11,039
07-08	28,834	12,244
08-09	30,866	12,892
09-10	33,265	14,385
10-11	35,993	17,692

The average yield of 9.5kg per household per week is a good result that assists in the percentage of material recovered from landfill, particularly organics. A total of 38.20 per cent of the region's households participate in this voluntary collection where residents elect/register for the service and provide their own MGB. There is a substantial increase in tonnes collected and is due in part to seasonal factors and the inclusion of food organics.



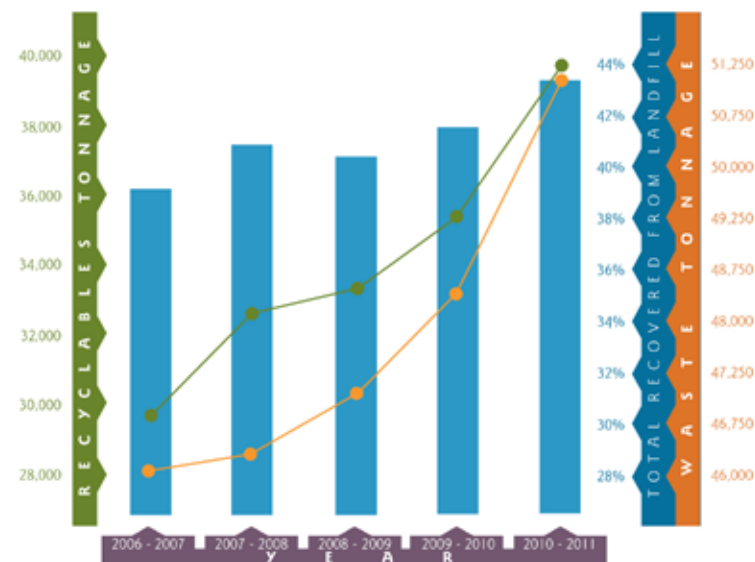
# Performance Summary 2010 - 2011

## Regional performance comparison with previous years

Year	Recyclables (tonnages)	Waste (tonnages)	Percentage Recovered from landfill
06-07	29,974	46,062	39.40%
07-08	32,513	46,279	41.30%
08-09	32,993	47,143	40.57%
09-10	35,129	48,589	41.96%
10-11	39,210	50,903	43.51%

The regional percentage recovered from landfill is more than acceptable considering garden organics collections are only available to residents who elect/register for the service. Member Council participation levels in the garden organics collection service are:

Gawler	3,874 households	(34.80 per cent)
Playford	4,591 households	(14.26 per cent)
Salisbury	28,328 households	(53.25 per cent)



# Performance Summary 2010 - 2011

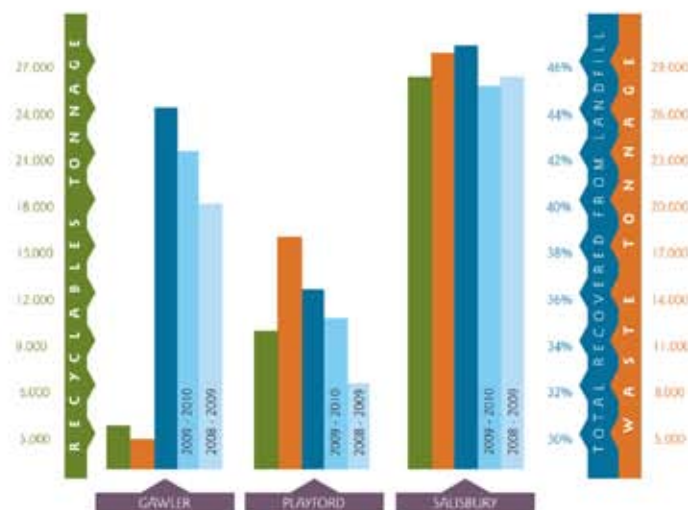
## Member Councils performance 2010 - 2011

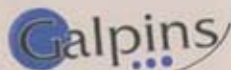
	Recyclables (tonnages)	Waste (tonnages)	Percentage Recovered from landfill	Compared to 2009-10 and 2008-09	
Gawler	3,633	4,487	44.7%	42.4%	39.9%
Playford	9,807	17,384	36.1%	34.9%	32.2%
Salisbury	25,770	29,035	47%	45.4%	45.6%

### Note:

1. The City of Playford's garden organics collection service is user-pays, and it has been in place for the whole of the reporting period.

2. The percentages recovered shown above are based on the kerbside collection service only. They do not include recycling/resource recovery initiatives in place at member Council's Waste Transfer Stations, through the hard waste collection program or via the Container Deposit Legislation (CDL) depots where steel, aluminium or plastic drink containers are returned for cash payment.





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INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE  
NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Scope

The financial report and Board's responsibility

The financial report comprises the Statement of Comprehensive Income, Balance Sheet, Cash Flow Statement, Statement of Changes in Equity, accompanying notes to the Financial Statements and the Executive Officer's Statement of Northern Adelaide Waste Management Authority (the Authority) for the year ended 30 June 2011.

The Board of the Authority is responsible for the preparation and true and fair presentation of the financial report in accordance with the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Authority. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free from material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia, a view which is consistent with our understanding of the Authority's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and context of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Northern Adelaide Waste Management Authority presents a true and fair view in accordance with the Local Government Act 1999, the Local Government (Financial Management) Regulations 2011, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, of the financial position of Northern Adelaide Waste Management Authority as at 30 June 2011 and the results of its operations and its cash flows for the year then ended.

Galpins Accountants, Auditors & Business Consultants

S C Smith ICPA  
Partner

31 / 8 / 2011

# NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

## STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
<b>INCOME</b>			
User charges			
Investment income	2	17,973	16,775
Reimbursements	2	151	67
Other	2	9	33
<b>Total Income</b>	2	<u>116</u>	<u>154</u>
		<u>18,249</u>	<u>17,029</u>
<b>EXPENSES</b>			
Employee costs			
Materials, contracts & other expenses	3	705	600
Finance costs	3	14,682	14,190
Depreciation, amortisation & impairment	3	644	701
<b>Total Expenses</b>	3	<u>1,862</u>	<u>1,638</u>
		<u>17,893</u>	<u>17,129</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>			
transfer to Equity Statement		356	(100)
Asset disposal & fair value adjustments	4	-	-
Physical resources received free of charge	2	-	-
<b>NET SURPLUS / (DEFICIT)</b>		<u>356</u>	<u>(100)</u>
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	1,940
<b>Total Other Comprehensive Income</b>		<u>-</u>	<u>1,940</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>356</u>	<u>1,840</u>

This Statement is to be read in conjunction with the full Financial Report.

# NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

## BALANCE SHEET as at 30 June 2011

	Notes	2011 \$'000	2010 \$'000
<b>ASSETS</b>			
Current Assets	4	1,556	1,073
Cash and cash equivalents	4	1,787	1,650
Trade & other receivables	4	-	82
Inventories		<u>3,343</u>	<u>2,805</u>
<b>Total Current Assets</b>			
		<u>12,390</u>	<u>12,884</u>
Non-current Assets	5		
Infrastructure, Property, Plant & Equipment		<u>15,733</u>	<u>15,689</u>
<b>Total Assets</b>			
<b>LIABILITIES</b>			
Current Liabilities	6	1,860	1,753
Trade & Other Payables	6	109	78
Provisions	6	<u>1,547</u>	<u>3,240</u>
Borrowings		<u>3,516</u>	<u>5,071</u>
<b>Total Current Liabilities</b>			
		<u>8,158</u>	<u>8,177</u>
Non-current Liabilities	6		
Borrowings	6	<u>3,890</u>	<u>2,628</u>
Provisions		<u>12,048</u>	<u>10,805</u>
<b>Total Non-current Liabilities</b>		<u>15,564</u>	<u>15,876</u>
		<u>169</u>	<u>(187)</u>
<b>Total Liabilities</b>			
<b>NET ASSETS</b>			
<b>EQUITY</b>			
Accumulated Surplus		(1,771)	(2,127)
Asset Revaluation Reserve		1,940	1,940
Other Reserves		-	-
<b>TOTAL EQUITY</b>		<u>169</u>	<u>(187)</u>

This Statement is to be read in conjunction with the full Financial Report.

# NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

## CASH FLOW STATEMENT for the year ended 30 June 2011

### CASH FLOWS FROM OPERATING ACTIVITIES

	Notes	2011 \$'000	2010 \$'000
<u>Receipts</u>			
Operating receipts		17,975	17,120
Investment receipts		73	56
<u>Payments</u>			
Operating payments to suppliers & employees		(15,169)	(14,837)
Finance payments		(671)	(681)
Net Cash provided by (or used in) Operating Activities	7	2,208	1,658

### CASH FLOWS FROM INVESTING ACTIVITIES

<u>Receipts</u>			
Sale of surplus assets		-	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(13)	-
Expenditure on new/upgraded assets		-	(2,036)
Purchase of Investments		-	-
Net Cash provided by (or used in) Investing Activities		(13)	(2,036)

### CASH FLOWS FROM FINANCING ACTIVITIES

<u>Receipts</u>			
Proceeds from Borrowings		-	1,620
<u>Payments</u>			
Repayments of Borrowings		(1,712)	(1,336)
Net Cash provided by (or used in) Financing Activities		(1,712)	284
Net Increase (Decrease) in cash held		483	(94)
Cash & cash equivalents at beginning of period		1,073	1,167
Cash & cash equivalents at end of period		1,556	1,073

This Statement is to be read in conjunction with the full Financial Report.

# NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

## STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2011

2011	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		(2,127)	1,940	-	(187)
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		(2,127)	1,940	-	(187)
Restated Opening Balance		356			356
Net Surplus/ (Deficit) for Year					-
Other Comprehensive Income					-
Gain on revaluation of infrastructure, property, plant & equipment		-			-
Transfers between reserves					-
Distributions to Member Councils		(1,771)	1,940	-	169
Balance at end of period					
2010	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		(2,027)	-	-	(2,027)
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		(2,027)	-	-	(2,027)
Restated Opening Balance		(100)			(100)
Net Surplus/ (Deficit) for Year					-
Other Comprehensive Income					-
Gain on revaluation of infrastructure, property, plant & equipment		-	1,940	-	1,940
Transfers between reserves		-		-	-
Distributions to Member Councils		-	-		-
Balance at end of period		(2,127)	1,940	-	(187)

This Statement is to be read in conjunction with the full Financial Report.

**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2011

**Note 10 - FINANCIAL INDICATORS**

	2011	2010
These Financial Indicators have been calculated in accordance with <i>Information Paper 9 - Local Government Financial Indicators</i> 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.		
<b>Operating Surplus</b> <i>Being the operating surplus (deficit) before capital amounts.</i>	\$ 356	\$ (100)
<b>Operating Surplus Ratio</b> <u>Operating Surplus</u> User Charges - general & other <i>This ratio expresses the operating surplus as a percentage of Total Operating Revenue.</i>	2%	(1%)
<b>Net Financial Liabilities</b> <i>Net Financial Liabilities are defined as total liabilities less financial assets.</i>	\$ 12,221	\$ 13,153
<b>Net Financial Liabilities Ratio</b> <u>Net Financial Liabilities</u>	67%	77%
<b>Interest Cover Ratio</b> <u>Net Interest Expense</u> Total Operating Revenue less Investment Income	4%	4%
<b>Asset Sustainability Ratio</b> <u>Net Asset Renewals</u> Depreciation Expense <i>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.</i>	45%	0%
	\$ 1,862	\$ 1,638
<b>Asset Consumption Ratio</b> <u>Carrying value of depreciable assets</u> Gross value of depreciable assets <i>Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.</i>	65%	77%

**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2011

**Note 11 - UNIFORM PRESENTATION OF FINANCES**

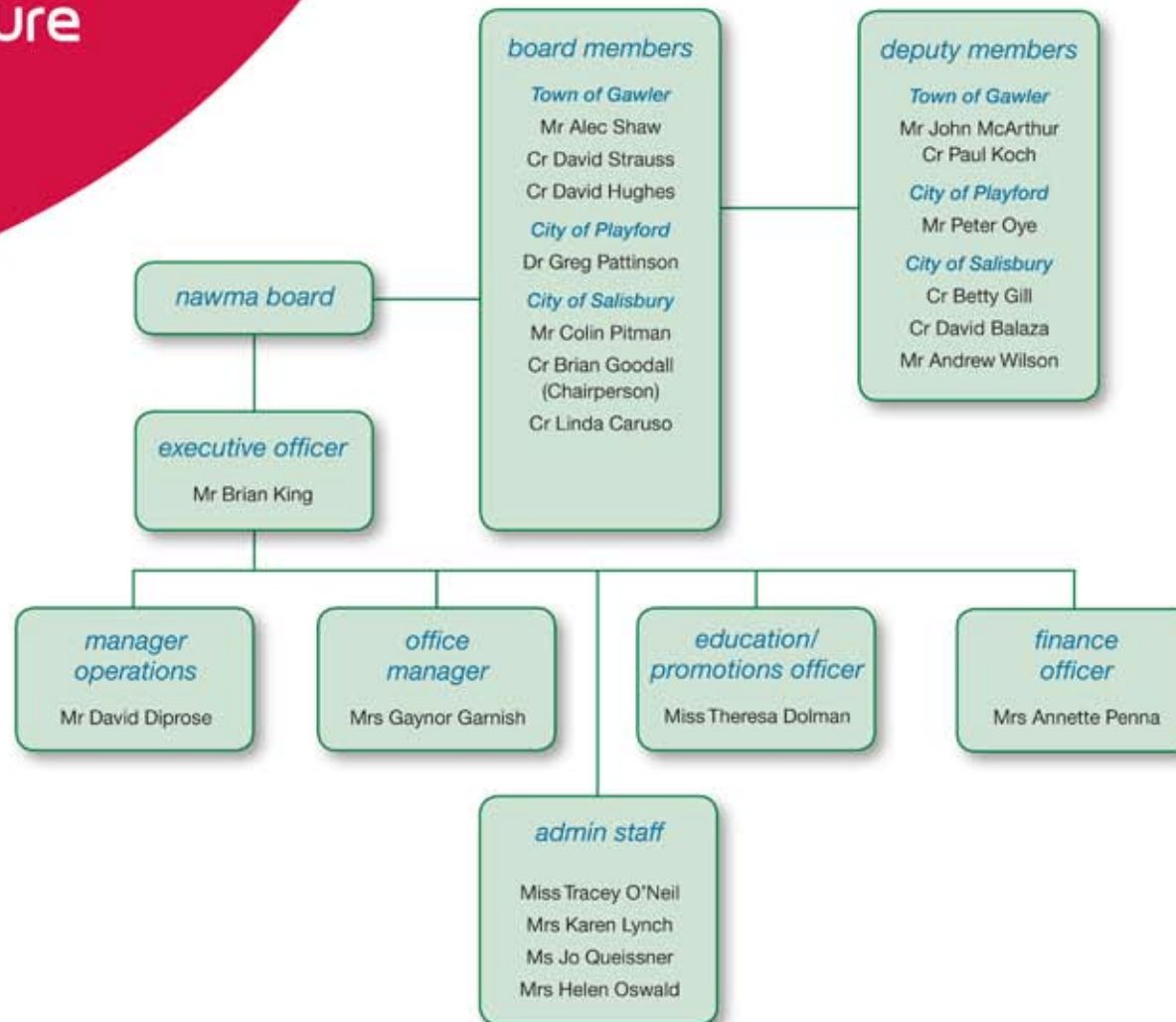
The following is a high level summary of both operating and capital investment activities of the Authority prepared on a uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

All Councils in South Australia voluntarily 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

	2011 \$'000	2010 \$'000
Operating Revenues	18,249	17,029
less Operating Expenses	(17,893)	(17,129)
Operating Surplus / (Deficit)	356	(100)
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	-	-
less Depreciation, Amortisation and Impairment	1,862	1,638
less Proceeds from Sale of Replaced Assets	-	-
	1,862	1,638
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	-	(2,036)
less Amounts received specifically for New and Upgraded Assets	-	-
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-
	-	(2,036)
<b>Net Lending / (Borrowing) for Financial Year</b>	2,218	(498)

# Organisational Structure



## Contact

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