

A nighttime photograph of a park or public space. In the foreground, a tall, illuminated sculpture made of thin, golden-brown rods stands on a dark base. To its right is a large, dark tree. In the background, there are streetlights, a building with warm interior lighting, and a clear night sky.

ANNUAL REPORT 2017-18

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CEO

message



The City of Salisbury continues to strive to support the health and economic wellbeing of our diverse community, while also planning and preparing to meet its future requirements.

Council's fundamental vision, to sustain a flourishing city with opportunities for residents, workers, students and business, is supported through the provision of relevant and well-utilised facilities and services.

In 2017/18 we maintained a focus of enhancing our urban environment and social spaces, including improving streetscapes, planting more trees, maintaining verges and upgrading recreation, sporting and community hubs.

The Salisbury Community Hub Project is taking shape and will culminate in a dynamic, modern civic and community centrepiece in the heart of the city.

Council's ambitious program, to revitalise this and other key precincts across the city, will ensure Salisbury is equipped with state-of-the-art facilities to meet the future needs of the community.

At the same time, the City of Salisbury continued to consolidate its position in our region as a location of choice for businesses. Leveraging its strengths in defence, advanced manufacturing, food and food production, logistics, transport and distribution, the City of Salisbury is committed to encouraging further investment and job creation opportunities to support our community.

Responsible financial management underpins the city's capacity to undertake major projects and introduce new programs in the current financial framework. This ensures debt remains at low risk levels so long-term costs are not borne by future generations.

Looking ahead, Salisbury residents will continue to enjoy access to many sporting and recreational facilities while benefiting from a significant capital works program, which ensures that our city assets are being maintained and renewed to provide for many future years of use and service.

Highlights of investments approved for 2018/19 include:

- Development of a \$2.6 million regional-level synthetic athletic facility at Bridgestone Reserve
- Implementation of next stages of Salisbury Oval Master Plan, to realise our vision for an integrated and vibrant place for sport, recreation and residential development
- The Sports Club Solar Panels Installation Fund will be available to assist all clubs within the City of Salisbury to reduce operating costs

We thank our volunteers and those who work in the community for contributing to the improvement and success of the City of Salisbury in the past year. The achievements of 2017/18 would not have been possible without these individuals, aided by the valuable contribution of Elected Members and our dedicated and professional Council workforce.

John Harry, Chief Executive Officer

A handwritten signature in black ink, appearing to read 'John Harry', with a stylized flourish at the end.

CITY plan

The development of City Plan 2030 was a collective effort comprising a diverse range of partnerships with stakeholders, the community, organisations and all tiers of government. Early engagement has meant the strategic document is meaningful and reflects the needs and wants of the community.

Through this early engagement, a series of key directions were formulated which underpin the community's vision for the future.

City Plan 2030 is our blueprint for achieving the vision you helped us develop:

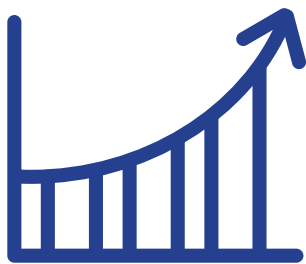
“Salisbury - a flourishing City with opportunity for all”

The Plan is visionary and broad-ranging and provides practical strategies and actions that will build on our existing assets. This is so we can make the most of opportunities that have the potential to be transformative for not only for the City of Salisbury, but the northern Adelaide region more broadly.



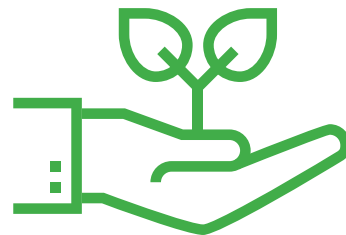
KEY directions

The City of Salisbury's City Plan 2030 contains four key directions. Each direction includes a statement of what we want to aspire to achieve, how we will achieve it and the indicators to monitor our progress.



The Prosperous City

Driving economic growth in South Australia, creating more jobs, providing people with the skills and knowledge to connect to those jobs and sustainably increasing our population.



The Sustainable City

A place where people actively experience and care for their natural environment, where green industries thrive and our urban and natural spaces are adaptive to future changes in climate.



The Liveable City

A welcoming community that celebrates its diversity, embraces change and where people are able to participate in community life. It is a City with interesting places and experiences.



Enabling Excellence

A Council where people work because they can make a difference, an organisation that anticipates, understands and meets community needs, a Council with a positive attitude.

OUR vision

Our vision for Salisbury is simply:

‘Salisbury - A flourishing City with opportunity for all’

If we are able to capture these opportunities, the community will see:

- Increased investment and a wider range of job opportunities
- Well designed and maintained neighbourhoods and places that are inclusive and accessible
- A strong economy consisting of well established businesses and innovative entrepreneurs
- A broader range of education options and more people engaged in learning
- More opportunities to use technology in the way they work, study, relax and interact with Council
- A healthy natural environment enjoyed by more people
- New communities and a regeneration of existing urban areas

- A City that celebrates its diversity and provides opportunities for all to engage in community life regardless of ability; and
- A transport network that enables people to move easily around the City and supports freight movement.

Salisbury has unique features that make it appealing for residents, visitors and businesses.

A Living City is a city that is flourishing and provides opportunity for our residents, businesses and visitors through investment in its future, by valuing our stunning natural environments, by providing a great lifestyle, encouraging and supporting a vibrant innovative culture, is a destination for business and is a diverse and proud community.

Salisbury is a Living City. A place we are proud to be part of.



ANNUAL PLAN 2018-19



Looking ahead to 2018/19

The City of Salisbury's 2018/19 Annual Plan will strive to deliver the key projects the community has identified as priorities as well as maintain all existing service levels and being able to further invest in streetscapes, verge maintenance, flood management and recreation and sporting facilities.

The Annual Plan consists of almost \$42 million in Gross Infrastructure Investment ensuring Salisbury continues to be an inviting and inspiring place to live, do business, work and visit. This has been factored into our Long Term Financial Plan to ensure we not only maintain but improve our assets and facilities within the area in a sustainable manner.

Council continues to invest in the Salisbury Community Hub, expected to be completed in the second half of 2019, while also ensuring our services are maintained and enhanced. Examples include the increased free hard waste collection and maintaining the fees to access our recreation centres at 2017/18 levels.

We are continuing our storm response capability with increased spending on flood mitigation management as well as introducing a new footpath program to construct footpaths in older suburbs where they do not already exist as well as enhance those we have in existing streets and reserves.

The 2018/19 Annual Plan includes an average rate increase of 2 per cent which equates to a \$28 increase on the average residential rate. The minimum rate will not increase and remain at \$987 for 2018/19. The City of Salisbury is forecasting a surplus of \$3.6 million which places Council in a sustainable financial position to be able to deliver key strategic projects and meeting ongoing community needs.

Features of the 2018/19 Budget

Priorities for the 2018/19 year will continue to include building upon our services and ensuring we are meeting the needs of the community. A major component of increased services to the community will be the Salisbury Community Hub. The construction of this exciting community development began in mid-2018. This will further re-energise the area and encourage investment, as well as allow for the proposed sale of council owned properties made available due to the Hub.

A new regional athletics facility at Bridgestone Reserve will cater to the sport's booming participation rates both locally and across Adelaide. More than 3200 Little Athletics members live within a 25km radius of Bridgestone Reserve which further highlights the need for such a facility.

The City of Salisbury also has an emphasis on sustainability so funding for the provision to increase the solar panels programs for Sports Clubs within the City of Salisbury will also be a focus moving forward.

Even though there are a lot of large developments Council has been working on, our key services such as outdoor furniture will also be improved. This includes park benches, picnic shelters, bike racks, barbecues and better waste services as well as maintaining the 2017/18 fee schedule for recreation centres.

Traffic management is also something Council will improve with enhancements such as pedestrian refuges, roundabout alternations and parking bays.

Budget highlights:

- Salisbury Community Hub \$12 million (additional to funds transferred from 2017/18)
- Road Reseal Program \$7.9 million
- Major Flood Mitigation \$1 million
- Building Renewal Program \$1.1 million
- Local Flooding Program \$0.5 million
- Traffic Improvements \$0.75 million
- Bridgestone Reserve \$1.5 million
- Paddocks Masterplan \$0.5 million
- Streetscape Renewal Program \$1.5 million
- Outdoor Furniture \$0.23 million

How Do We Set Rates?

Setting rates is a balance between needing to fund Council operations, maintain our financial sustainability and the need to contain increases to minimise the impact on ratepayers. Council is mindful of the impact and affordability of rates and regularly compares our rates with those of other metropolitan councils; in terms of average residential rates Salisbury ranks third lowest based on 2017/18 data.

The first step we take in setting rates is to remove the impact of the average market increase/decrease in property values for the year. What this means is that if on average, property values go up 15 per cent in a year, we adjust our calculations down to remove this impact. Then we apply the increase we need to fund our activities for the coming year.

For 2018/19 Council has determined an average increase of 2 per cent, with no increase in minimum rates.

Significant factors placing pressure on the budget include:

- Increase in State Government EPA Levy
- Increase in energy costs

Rate Categories

Minimum Rates – apply to all properties where the value falls below a certain level so that all ratepayers make a fair contribution. For 2018/19 this is set at \$987 and will not increase.

Differential Rating – different rates may be applied to different categories of property called 'land uses' as determined by the Valuer General. A loading is applied to commercial and industrial properties and to vacant land. Residential and other properties pay the base rate.

The differential for vacant land is 30 per cent higher which reflects Council's desire to encourage the development of vacant land holdings in the city.

Separate Rates – Council collects rates for three distinct purposes:

- Salisbury City Centre Business Association to enable it to market and promote the Salisbury City Centre
- Globe Derby Community Club to maintain an area of common land
- Natural Resources Management (NRM) Levy is a State Government imposed tax, which councils are required to collect on behalf of the State Government, with all funds going to the State Government. All enquiries or concerns about the NRM Levy should be directed to the Adelaide and Mount Lofty Ranges NRM Board on 08 8273 9100 or www.nrm.sa.gov.au.

These separate rates are paid to the respective entities.

Key Services

OPERATING BUDGET BY KEY DIRECTION	2018/19		
	EXP \$000's	INC \$000's	NET \$000's
THE PROSPEROUS CITY			
Economic Development	1,447	64	1,383
Development Management	3,042	1,257	1,785
Urban Planning	1,363	-	1,363
Roads	4,014	2,682	1,332
Footpaths	1,450	-	1,450
TOTAL THE PROSPEROUS CITY	11,316	4,003	7,313
THE SUSTAINABLE CITY			
Water Management	4,154	2,760	1,394
Waste Management	15,206	232	14,974
Parks and Landscape	20,021	60	19,961
City Infrastructure	-	1,129	(1,129)
TOTAL THE SUSTAINABLE CITY	39,381	4,181	35,200
THE LIVEABLE CITY			
Community Development	2,579	9	2,570
Library Services	5,605	709	4,896
Community Centres	2,267	310	1,957
Recreation Centres	1,829	-	1,829
Community Sport and Club Facilities	2,163	-	2,163
Community Health and Wellbeing	4,787	3,041	1,746
Cemetery	591	522	69
Food and Health Regulation	1,189	169	1,020
Parking & Bylaws Control	765	380	385
Dog Control	1,725	1,145	580
Crime Prevention and Repair	739	-	739
Street Lighting	3,109	-	3,109
TOTAL THE LIVEABLE CITY	27,348	6,285	21,063
ENABLING EXCELLENCE			
Corporate Services	54	458	(404)
Governance	-	2	(2)
Sundry	2,745	6,501	(3,756)
Infrastructure Depreciation	22,839	-	22,839
TOTAL ENABLING EXCELLENCE	25,638	6,961	18,677
Capital Works and Project Preparation	1,811	-	1,811
Corporate Unallocated	5,251	-	5,251
Corporate Governance Overhead	4,041	-	4,041
Rate Revenue	-	96,942	(96,942)
TOTAL OPERATING SURPLUS/(DEFICIT)	114,786	118,372	3,586

ELECTED members

MAYOR



Gillian Aldridge, OAM

CENTRAL WARD



Cr David Balaza



Cr Betty Gill

EAST WARD



Cr Joe Caruso



Cr Damien Pilkington

HILLS WARD



Cr David Bryant



Cr Shiralee Reardon JP

LEVELS WARD



Cr Steve White



Cr Beau Brug

NORTH WARD



Cr Linda Caruso
Deputy Mayor
(Nov 17 - Nov 18)



Cr Graham Reynolds

PARA WARD



Cr Robyn Cook



Cr Riccardo Zahra

SOUTH WARD



Cr Sean Bedford



Cr Julie Woodman JP

WEST WARD

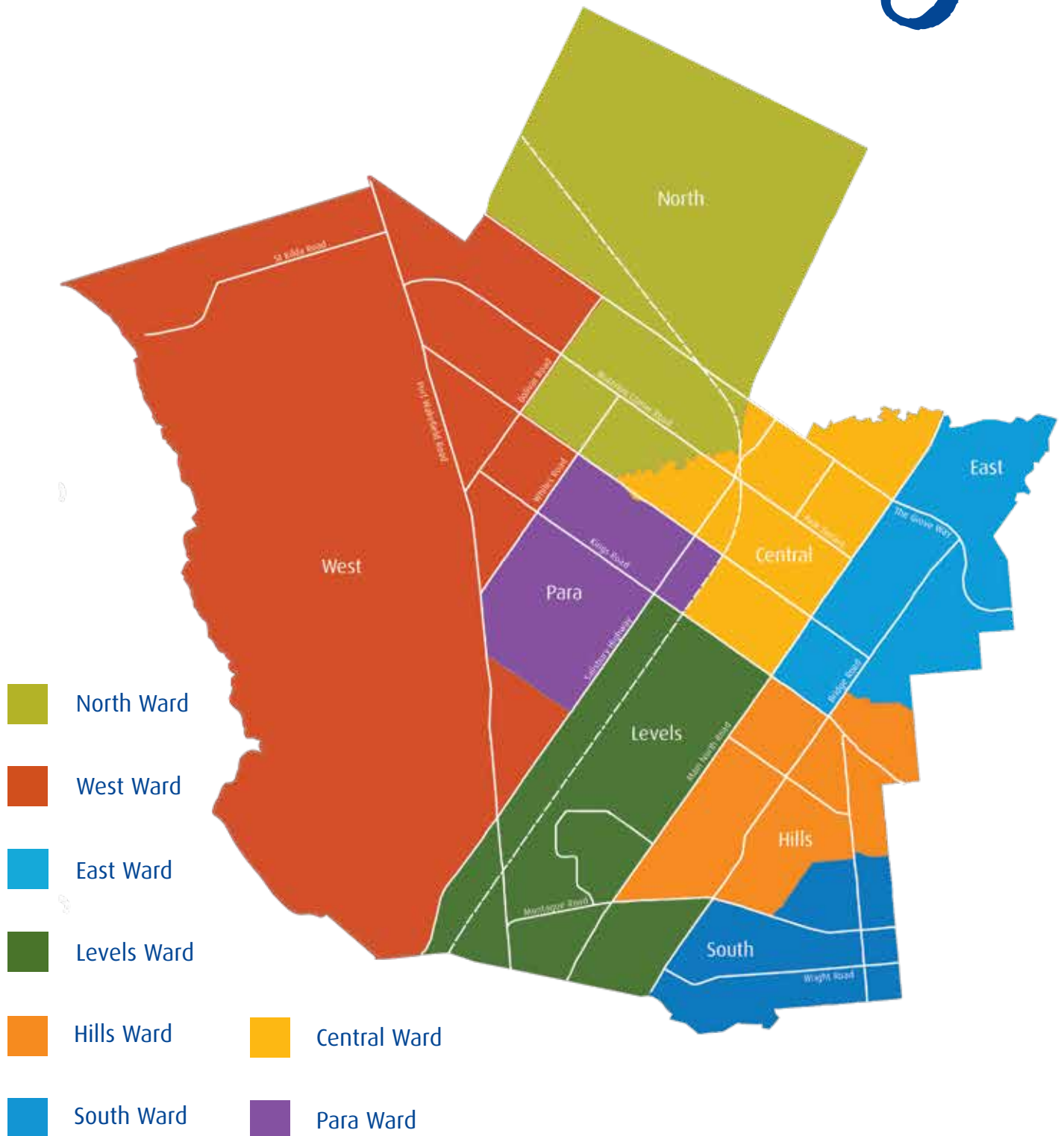


Cr Chad Buchanan JP



Cr Donna Proleta
Deputy Mayor
(Nov 16 - Nov 17)

WARD boundaries



Council

Elector Representation

The community of Salisbury is currently 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, Council is required to conduct an Elector Representation Review at least once in every eight years.

In accordance with the existing provisions in Section 12 of the Local Government Act 1999, the Representation Review process requires Council to review all aspects of the composition of Council including ward boundaries. The process involves the public notification and opportunity for community submissions at key stages of the review.

Council must:

1. Prepare a Representation Options Paper
 - By public notice, published in a newspaper circulating within its area, inform the public of the preparation of the Representation Options Paper and invite written submissions on the subject of the review within a period specified by the Council (being a period of at least six weeks)
 - Ensure copies of the Representation Options Paper are available for inspection (without charge) and purchase (on payment of a fee fixed by the Council) at the principal office of the Council during the period of consultation.
2. Prepare a Report
 - Make copies of the Report available for public inspection at the principal office of the council; and

- By public notice, published in a newspaper circulating within its area, inform the public of the preparation of the report and its availability and invite written submissions on the report within a period specified by Council (being a period of at least three weeks).
- Give any person who makes a written submission an opportunity to appear personally or by representative before the Council or a Council Committee and to be heard on those submissions.

3. Finalise the Report

- Submit the report, accompanied by copies of written submissions received, to the Electoral Commissioner for certification.

The Act also provides for a group of at least 20 eligible electors to submit to Council a submissions for a representation review and the Act prescribes how and in what circumstances this might proceed.

Council Initiated Submissions

The City of Salisbury conducted a Representation Review in 2016-2017, in readiness for the November 2018 Local Government Elections. The Representation Review resulted in changes to the number of wards and Elected Members in the City of Salisbury and Ward Boundaries were adjusted to ensure a balanced and appropriate representation quota within each ward. Following formal certification, Council published an appropriate notice in the Government Gazette on 13 December 2017 which provides for the implementation of the future composition and structure of Council at the November 2018 Local Government elections.

Public Initiated Submissions

Under Section 28(2) of the Local Government Act 1999, a group of at least 20 electors may submit to Council a submission that it alter the boundaries of the Council or its wards or alter the composition of the Council or its representative structure. The process for such submission will be as found on page 13.

council

No public initiated submissions under section 28 of the Local Government Act 1999 have been received in 2017/18.

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 included¹.

Council	Elected Members ²	Electors	Representation Quota ³
Salisbury	17	93,955	5,526
Playford	16	60,010	3,750
West Torrens	15	40,971	2,731
Charles Sturt	17	83,852	4,932
Port Adelaide/Enfield	18	82,987	4,610
Marion	13	64,481	4,960
Onkaparinga	21	123,631	5,887
Tea Tree Gully	13	73,139	5,626
Metropolitan Average ⁴	14	48,036	3,483

¹ Data supplied by the Local Government Association.

² Including the Mayor

³ 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.

⁴ Based on 19 metropolitan councils, including the City of Adelaide

Elector 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 were reviewed by the Remuneration Tribunal in Determination No. 7 of 2014, which resulted in an increase to allowances for City of Salisbury Elected Members plus the introduction of a new allowance for a sub-committee chairman.

In accordance with section 76(9) and 76(15) of the Local Government Act, allowances set out in Determination No. 7 of 2014: Members of Local Government Councils will be adjusted annually on the first, second and third anniversary of the 2014 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. The allowances are as follows:

Councillor:	\$22,414 per annum
Mayor:	\$89,656 per annum
Deputy Mayor:	\$27,180 per annum
Chairman of Standing Committees:	\$28,018 per annum
Sitting fee payable to a Councillor (other than the principal member or deputy principle member, chairperson or deputy chairperson or a presiding member of a prescribed committee) who is the presiding member of a committee, that is not a prescribed committee, such as a sub-committee.	\$209 per meeting limited to an aggregate amount of \$1,251 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 an Apple iPad, 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.

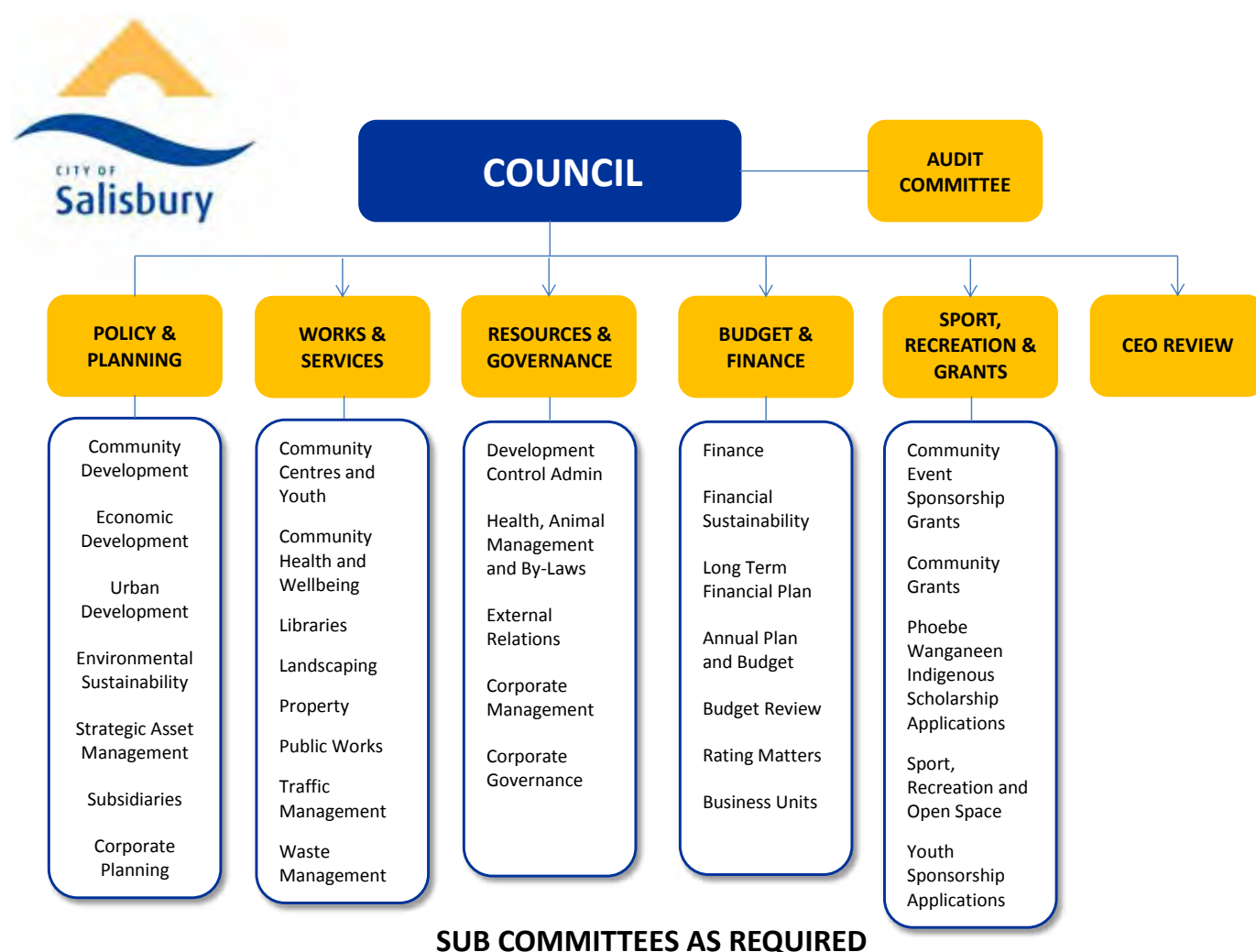
Council and Committee Structure from July 2017 to June 2018

Council is supported in its decision making process by six Standing Committees: Policy & Planning; Budget & Finance; Works & Services; Resources & Governance; Sport, Recreation & Grants; and Audit Committee. The Sport, Recreation & Grants Committee meets on the second Monday of the month and the remaining standing committees meet on the third Monday of each month. The Audit Committee meets on a quarterly basis or as needed.

The CEO Review Committee has also been established by Council and meets at a minimum twice per year or as required.

Council has also established a Council Assessment Panel (CAP) as an independent Committee comprising of experts external to Council as well as an Elected Member which meets as required.

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



council

Membership of each of the Committees in 2017/18:

Policy and Planning Committee

- Cr Damien Pilkington (Chairman)
- Cr Julie Woodman (Deputy Chairman)
- All members of Council

Works and Services Committee

- Cr Graham Reynolds (Chairman) – North Ward
- Cr Shiralee Reardon (Deputy Chairman) – Hills Ward
- Cr Chad Buchanan – West Ward
- Cr Joe Caruso – East Ward
- Cr Elizabeth Gill – Central Ward
- Cr Steve White – Levels Ward
- Cr Julie Woodman – South Ward
- Cr Riccardo Zahra – Para Ward
- The Mayor is, ex-officio, a member of this Committee

Resources and Governance Committee

- Cr Sean Bedford (Chairman) – South Ward
- Cr Robyn Cook (Deputy Chairman) – Para Ward
- Cr David Balaza – Central Ward
- Cr David Bryant – Hills Ward
- Cr Beau Brug – Levels Ward
- Cr Linda Caruso – North Ward
- Cr Damien Pilkington – East Ward
- Cr Donna Proleta – West Ward
- The Mayor is, ex-officio, a member of this Committee

Budget and Finance Committee

- Cr Riccardo Zahra (Chairman)
- Cr Elizabeth Gill (Deputy Chairman)
- All members of Council

Sport's Recreation and Grants Committee

- Cr Linda Caruso (Chairman until November 2017) – North Ward
- Cr Julie Woodman (Chairman from December 2017 and Deputy Chairman until November 2017) – South Ward
- Cr Donna Proleta (Deputy Chairman from December 2017) – West Ward
- Cr David Balaza – Central Ward
- Cr David Bryant – Hills Ward
- Cr Beau Brug – Levels Ward
- Cr Damien Pilkington – East Ward

- Cr Riccardo Zahra – Para Ward
- The Mayor is, ex-officio, a member of this Committee

Audit Committee

- Mr Peter Brass (Chairman until August 2017)
- Cr Graham Reynolds (Chairman from September 2017)
- Mr Craig Johnson (Deputy Chairman)
- Cr Joe Caruso
- Ms Kristyn Verrall (Independent Member)
- Mr Neil Ediriweera (Independent Member – from August 2017)

Development Assessment Panel

From July 2017 to June 2018

- Mr Doug Wallace (Presiding Member)
- Mr Ross Bateup
- Ms Stephanie Johnston
- Mr John Watson
- Cr Graham Reynolds (Until September 2017)
- Cr Linda Caruso
- Cr Steve White (Until September 2017 and then Deputy Elected Member Representative from October 2017)

CEO Review Committee

- Mayor G Aldridge (Chair)
- Deputy Mayor (Deputy Chair)
- Chair, Policy and Planning Committee (currently Cr D Pilkington)
- Chair, Budget and Finance Committee (currently Cr R Zahra)
- Chair, Works and Services Committee (currently Cr G Reynolds)
- Chair, Resources and Governance Committee (currently Cr S Bedford)
- Chair, Sport, Recreation and Grants Committee (currently Cr J Woodman, previously Cr L Caruso until November 2017)

(Elected Members holding the position of Deputy Chairman of the Committees listed above are appointed as proxy members to the CEO Review Committee and in the absence of the appointed member act as a full member of the Committee).

Open and transparent decision-making

The City continues to ensure its commitment to open and transparent decision making through minimising the number of decisions it takes in confidence.

In 2017/18 a total of 546 items were considered by Council and Committees. Of these, 33 were confidential.

	No. of items considered in confidence	Confidential items as a % of total no. of items considered
2003/04	34	6.30%
2004/05	20	4.00%
2005/06	1	0.20%
2006/07	1	0.20%
2007/08	6	1.00%
2008/09	4	0.80%
2009/10	5	1.19%
2010/11	12	2.15%
2011/12	14	2.33%
2012/13	14	2.54%
2013/14	34	5.61%
2014/15	38	6.59%
2015/16	55	9.56%
2016/17	44	8.05%
2017/18	33	6.21%

Of the 33 items where members of the public were excluded, all or part of the documents presented (except for one item) remained confidential after discussion in confidence had taken place.

council

The following table is a summary of the number of occasions that the provisions listed in Section 90 (excluding the public during debate) OR Section 91 (documents to be kept confidential for a period of time) were used during the 2017/2018 financial year.

Date	Item	Subject matter	Section 90(3) subsection reference	Number of occasions moved into confidence Section 90	Number of occasions with retention order on reports, minutes and/or appendices.
July 2017	8.2.1	CEO Personal Evaluation System 2016/17	(a)	1	1
July 2017	1.10.1	Salisbury Community Hub – Section 48 Prudential Report	(b)(i) and (ii) and (d)(i) and (ii)	1	1
July 2017	1.10.2(a)	Salisbury Community Hub – Concept Design Report	(b)(i) and (ii) and (d)(i) and (ii)	1	1
July 2017	1.10.2(b)	Salisbury Community Hub – Concept Design Report Design Option	(b)(i) and (ii) and (d)(i) and (ii)	1	1
August 2017	PRSC3	Program Review Findings for the Property & Buildings Division	(a)	2	2
August 2017	PRSC4	Waste Transfer Station Update	(a)	2	2
August 2017	3.8.1	Appointment of Independent Member – Audit Committee Appointment of Chairman – Audit Committee	(a)	2	2
August 2017	C1	Code of Conduct Complaint – 02/2017	(a)	1	1
September 2017	SPDSC3	Tranche 2 – Boardwalk at Greentree Project Update	(b)(i) and (ii) and (d)(i) and (ii)	2	2
September 2017	SPDSC4	Shoalhaven Strategic Development Project Update	(b)(i) and (ii) and (d)(i) and (ii)	2	2
September 2017	SPDSC5	Hoyle Green Tranche 2 – Status Update Report	(b)(i) and (ii) and (d)(i) and (ii)	2	2
November 2017	2.9.1	Request for Extension of Confidentiality Orders in Relation to Emerald Green (Ryans Road)	(b)(i) and (ii) and (d)(i) and (ii)	1	1

Date	Item	Subject matter	Section 90(3) subsection reference	Number of occasions moved into confidence Section 90	Number of occasions with retention order on reports, minutes and/or appendices.
September 2017	SPDSC6	Lake Windemere Residential Update Report	(b)(i) and (ii) and (d)(i) and (ii)	2	2
October 2017	2.9.1	Revocation of Community Land Classification for the whole of Neales Green, a portion of Salisbury Oval and the whole of St Jays Recreation Centre	(b)(i) and (ii)	1	1
October 2017	6.9.1	Action of Rate Accounts Outstanding under Section 184 of the Local Government Act 1999	(a)	1	1
October 2017	C1	Minter Ellison Lawyers – Report on the Investigation of Code of Conduct Complaint 02/2017	(a)	1	-
November 2017	2.9.2	Future use of Leased Area – Ingle Farm Recreation Centre	(b)(i) and (ii) and (d)(i) and (ii)	1	1
December 2017	1.10.1 1.10.1F1	Salisbury Community Hub – Contractor Procurement and Pre-Tender Estimate	(b)(i) and (ii)	1	1
December 2017	NOM5	Salisbury Community Hub - Procurement Process	(b)(i) & (ii)	1	1
January 2018	SPDSC3	Strategic Land Review Implementation Plan Bi-annual Update	(b)(i) and (ii)	2	2
February 2018	PRSC3	Program Review Findings for the Fleet and Workshop Section (Business Support Division)	(a)	2	2
February 2018	1.10.1	Compensation for Council Property Acquired to Facilitate Construction of the Northern Connector	(b)(i) and (ii)	1	1

Date	Item	Subject matter	Section 90(3) subsection reference	Number of occasions moved into confidence Section 90	Number of occasions with retention order on reports, minutes and/or appendices.
March 2018	SPDSC2	Tranche Close Out Reports and Program Status Update	(b)(i) and (ii) and (d)(i) and (ii)	2	2
March 2018	6.9.1	Request for Extension of Confidentiality Order: SA Water Expression of Interest	(b)(i) and (ii), (d)(i) and (ii) and (h)	2	2
March 2018	C1	Code of Conduct Referral – 01/2018	(a)	1	1
March 2018	C2	Code of Conduct Matter – 02/2018	(a)	1	1
April 2018	6.9.1	NAWMA Presentation	(d)(i) and (ii)	1	1
April 2018	2.9.1	Former Council Road Reserve, Ryans Road, Greenfields	(b)(i) and (ii) and (d)(i) and (ii)	2	2
April 2018	6.9.1	Outstanding Sundry Debt – Write Off Request	(a)	2	2
May 2018	2.9.1	The Watershed, Greenfields Wetlands – New Lease Agreement	(b)(i) and (ii) and (d)(i) and (ii)	2	2
May 2018	2.9.2	Former Council Road reserve, Ryans Road, Greenfields	(b)(i) and (ii) and (d)(i) and (ii)	2	2
May 2018	13.2	Salisbury Community Hub Principal Contractor Outcome and Budget Position Update	(b)(i) and (ii) and (d)(i) and (ii)	1	2
June 2018	C1	Request for Extension of Confidentiality Orders in Relation to Emerald Green (Ryans Road)	(b)(i) and (ii) and (d)(i) and (ii)	1	1

20 confidentiality orders were revoked or expired during 2017/18. Remaining orders will be reviewed internally twice per year and should it be deemed appropriate, the Chief Executive Officer has the delegation to revoke the orders.

110 orders remained operative at the end of 2017/18.

Management and Governance

The City of Salisbury places particular emphasis on its commitment to democratic principles. These principles include fair representation, openness and transparency in all its 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 for Elected Members
- Register of Allowances and Benefits for Elected Members
- Register of Salaries (Remuneration) for Staff
- Register of Interests (Officers)
- Register of Public Roads*
- Register of By-laws*
- Register of Gifts and Benefits

Codes

- Code of Conduct for Council Members*
- Code of Conduct for Council 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

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

Number of Requests for a Review of Council Decisions

During the 2017/18 financial year, the City of Salisbury received five requests for review of a Council decision. Four applications for review were received “pertaining to all council resolutions that were related to the community hub”. As these applications were identical or similar, they were considered together and the review was undertaken by an independent reviewer who upheld the original decision. The fifth application for review concerned a decision of Council to refuse the removal of a tree on the footpath in front of a property and is continuing.

Ombudsman SA Investigations

During 2017/18, 32 complaints were received by the SA Ombudsman; 24 where the complainant was referred back to Council for action, one was declined, six had alternative remedy availability and one was withdrawn by the Complainant.

Financial Internal Controls Framework

The City of Salisbury follows the Better Practice Model – Financial Internal Control for South Australian Councils. In order to demonstrate compliance with this model the City operates an extensive financial internal controls framework. The framework is designed to ensure financial processes, procedures, policies and systems are applied efficiently and effectively in order to mitigate the financial risks identified in the Model. Oversight of the financial internal controls framework is provided by the Audit Committee of Council, through the Governance Division. An external audit of the framework is conducted annually.

Freedom of Information

During the 2017/2018 financial year, the City of Salisbury received 10 applications under the provision of the Freedom of Information Act 1991.

Of these 10, seven applications were granted full release:

- One was in relation to CCTV Footage
- One was in relation to Dog Attacks
- One was in relation to Policy Planning Committee
- Two were in relation to Development Applications
- Two were in relation to Dog Registration History

Of these 10, two applications were granted partial release:

- Two applications contained personal details

Of these 10, one application was denied:

- The documents requested did not exist

Audit Committee of Council

The Audit Committee is a critical component of the Council's governance framework, and in compliance with Section 126 of the Local Government Act 1999, its responsibilities include reviewing the City's financial statements, and regularly reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the City.

The Committee reports to Council and is committed to ensuring that the governance and risk management frameworks are in place and operating effectively.

Assurance to Council is also provided through the Audit Committee's oversight of the completion of an Internal Audit Plan, which is linked to the Strategic Risk Register. Linking the Internal Audit Plan to the Strategic Risk Register ensures that internal audits are

focussed on those areas that pose the greatest risk to the achievement of the City's objectives.

The Committee also maintains a close working relationship with the City's external auditor, with a particular focus on the end of year financial statements. External audit provides opinions on the financial statements and the financial internal controls framework.

Each year the Committee undertakes a self-assessment, the results of which are reported to Council and used to identify areas for development or improvement in the operations of the Committee.

The Audit Committee consists of five members, three of whom are independent of the Council. Independent members are appointed by Council based on their individual skills, knowledge and experience to ensure the effective discharge of the Committee's responsibilities.

Audit Committee Membership July 2017 – June 2018

- Cr Graham Reynolds
- Cr Joe Caruso
- Mr Craig Johnson – Independent Consultant
- Ms Kristyn Verrall – General Counsel & Company Secretary, Statewide Super
- Mr Neil Ediriweera – Director, KPMG
- Mr Peter Brass – Chief Operating Officer & Company Secretary, Water Research Australia Ltd

See table below.

Name	Elected Member or Independent Member	Dates	Attendance
Mr Peter Brass (till August 2017)	Independent Member (Chairman)	July 2017 - August 2017	1 of 1 meetings
Cr Graham Reynolds	Elected Member (Chairman)	July 2017 – June 2018 (Chairman from September 2017)	4 of 6 meetings
Mr Craig Johnson	Deputy Chairman and Independent Member	July 2017 - June 2018	6 of 6 meetings
Cr Joe Caruso	Elected Member	July 2017 – June 2018	3 of 6 meetings
Ms Kristyn Verrall	Independent Member	July 2017 June 2018	5 of 6 meetings
Mr Neil Ediriweera (from August 2017)	Independent Member	August 2017 – June 2018	5 of 5 meetings

Elected Member Training and Development

Below is a table showing training and development activities attended by Elected Members during the past financial year

Gillian Aldridge OAM	Elected Member Weekend Workshop Local Government Association Annual General Meeting Local Government Association Ordinary General Meeting
David Balaza	Elected Member Weekend Workshop (afternoon only)
Sean Bedford	Elected Member Weekend Workshop
Beau Brug JP	Mandatory Training as a new Elected Member Elected Member Weekend Workshop Social Media 2.0 - Advanced
David Bryant	
Chad Buchanan JP	
Giuseppe (Joe) Caruso	Elected Member Weekend Workshop (afternoon only)
Linda Caruso	Elected Member Weekend Workshop
Robyn Cook	
Elizabeth (Betty) Gill JP	Elected Member Weekend Workshop
Damien Pilkington	Elected Member Weekend Workshop
Donna Proleta	Elected Member Weekend Workshop
Shiralee Reardon JP	Elected Member Weekend Workshop
Graham Reynolds	Elected Member Weekend Workshop Council Members' Forum
Steve White	Elected Member Weekend Workshop National Local Roads and Transport Congress, Western Australia
Julie Woodman JP	Elected Member Weekend Workshop
Riccardo Zahra	Elected Member Weekend Workshop

Elected Member Representation on External Bodies

Gillian Aldridge OAM	Voting Representative, Local Government Association Board Member, Metropolitan Local Government Group Member, Metropolitan Local Government Group - Executive Committee Reconciliation Action Plan Working Group (Co-Chair)
David Balaza	Northern Adelaide Waste Management Authority Board (Member) Salisbury City Centre Business Association Salisbury Park Primary School Governing Council
Sean Bedford	
David Bryant	
Chad Buchanan JP	Metropolitan Seaside Councils' Committee
Beau Brug JP	
Giuseppe (Joe) Caruso	Salisbury East High School Governing Council
Linda Caruso	Local Government Finance Authority of SA (Voting Delegate)
Robyn Cook	
Elizabeth (Betty) Gill JP	Australian Local Government Women's Association - President (SA Branch) Australian Local Government Women's Association - Vice President (National) Northern Adelaide Waste Management Authority Board (Deputy Member) Social Participation and Diversity Advisory Committee – Chair Parafield Airport Consultative Committee Twelve25 Youth Advisory Group
Damien Pilkington	Salisbury East Neighbourhood Centre
Donna Proleta	Burton Community Centre St Kilda and Surrounds Development and Tourism Association
Shiralee Reardon JP	Salisbury and Districts Historical Society Para Hills High School Governing Council-State Bushfire Coordination Committee
Graham Reynolds	Northern Adelaide Waste Management Authority Board (Deputy Member) Paralowie R-12 School Governing Council Salisbury High School Governing Council Bagster Road Community Centre Committee
Steve White	Parafield Airport Consultative Committee Dennison Centre Management Committee
Julie Woodman JP	Northern Adelaide Waste Management Authority Board (Member) Valley View Secondary High School Governing Council Burton Centre Committee Salisbury Suicide Prevention Network (Every Life Matters) Ingle Farm Primary School Governing Council Ingle Farm East Primary School Governing Council
Riccardo Zahra	

Elected Member Meeting Attendance July 2016 to June 2017

Gillian Aldridge, OAM	<ul style="list-style-type: none"> • CEO Review Committee 4/5 • Tourism and Visitor Sub Committee (ex officio) 4/4 • Program Review Sub Committee (Until March 2018) 3/5 • Innovation and Business Development Sub Committee (from May 2018) 0/1 • Strategic Property Development Sub Committee (ex officio) 2/2 • Strategic and International Partnerships Sub Committee (ex officio) 2/4 • Youth Council (ex officio) 2/7 	<ul style="list-style-type: none"> • Sport, Recreation and Grants Committee (ex officio) 9/12 • Policy and Planning Committee 7/12 • Budget and Finance Committee 8/12 • Special Budget and Finance Committee 1/2 • Works and Services Committee (ex officio) 7/7 • Resources and Governance Committee (ex officio) 7/7 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 0/1
David Balaza	<ul style="list-style-type: none"> • Strategic and International Partnerships Sub Committee 4/4 • Youth Council 7/7 • Sport, Recreation and Grants Committee 10/12 • Policy and Planning Committee 12/12 • Budget and Finance Committee 12/12 	<ul style="list-style-type: none"> • Special Budget and Finance Committee 2/2 • Resources and Governance Committee 12/12 • Council 12/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Sean Bedford	<ul style="list-style-type: none"> • CEO Review Committee 2/5 • Program Review Sub Committee (Until March 2018) 3/5 • Innovation and Business Development Sub Committee (from May 2018) 0/1 • Policy and Planning Committee 9/12 	<ul style="list-style-type: none"> • Budget and Finance Committee 9/12 • Special Budget and Finance Committee 1/2 • Resources and Governance Committee 9/12 • Council 6/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 0/1
Beau Brug JP	<ul style="list-style-type: none"> • Program Review Sub Committee (Until March 2018) 2/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Sport, Recreation and Grants Committee 4/12 • Policy and Planning Committee 8/12 	<ul style="list-style-type: none"> • Budget and Finance Committee 8/12 • Special Budget and Finance Committee 0/2 • Resources and Governance Committee 8/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 0/1
David Bryant	<ul style="list-style-type: none"> • CEO Review Committee (as proxy) • Program Review Sub Committee (Until March 2018) 3/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Sport, Recreation and Grants Committee 4/12 • Policy and Planning Committee 7/12 	<ul style="list-style-type: none"> • Budget and Finance Committee 7/12 • Special Budget and Finance Committee 0/2 • Resources and Governance Committee 6/12 • Council 10/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 0/1
Chad Buchanan JP	<ul style="list-style-type: none"> • Policy and Planning Committee 9/12 • Budget and Finance Committee 9/12 • Special Budget and Finance Committee 2/2 • Works and Services Committee 9/12 	<ul style="list-style-type: none"> • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Giuseppe (Joe) Caruso	<ul style="list-style-type: none"> • CEO Review Committee (as proxy) • Program Review Sub Committee (Until March 2018) 4/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Strategic Property Development Sub Committee 2/2 • Audit Committee of Council 2/4 	<ul style="list-style-type: none"> • Policy and Planning Committee 10/12 • Budget and Finance Committee 10/12 • Special Budget and Finance Committee 2/2 • Works and Services Committee 10/12 • Council 10/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Linda Caruso	<ul style="list-style-type: none"> • CEO Review Committee 5/5 • Program Review Sub Committee (Until March 2018) 5/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Council Assessment Panel 6/6 • Sport, Recreation and Grants Committee 12/12 	<ul style="list-style-type: none"> • Policy and Planning Committee 12/12 • Budget and Finance Committee 12/12 • Special Budget and Finance Committee 2/2 • Resources and Governance Committee 12/12 • Council 12/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1

Robyn Cook (leave of absence from 28/08/2017 to 30/11/2017)	<ul style="list-style-type: none"> • Tourism and Visitor Sub Committee 1/4 • Policy and Planning Committee 3/12 • Budget and Finance Committee 3/12 • Special Budget and Finance Committee 0/2 	<ul style="list-style-type: none"> • Resources and Governance Committee 3/12 • Council 3/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 0/1
Elizabeth (Betty) Gill JP	<ul style="list-style-type: none"> • Program Review Sub Committee (Until March 2018) 5/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Strategic Property Development Sub Committee 2/2 • Strategic and International Partnerships Sub Committee 4/4 • CEO Review Committee (1 - as proxy) 	<ul style="list-style-type: none"> • Policy and Planning Committee 10/12 • Budget and Finance Committee 9/12 • Special Budget and Finance Committee 1/2 • Works and Services Committee 10/12 • Council 12/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Damien Pilkington	<ul style="list-style-type: none"> • CEO Review Committee 4/5 • Sport, Recreation and Grants Committee 9/12 • Policy and Planning Committee 11/12 • Budget and Finance Committee 11/12 • Special Budget and Finance Committee 2/2 • Program Review Sub Committee (Until March 2018) (1 – as proxy) 	<ul style="list-style-type: none"> • Innovation and Business Development Sub Committee (from May 2018) • Resources and Governance Committee 11/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Donna Proleta	<ul style="list-style-type: none"> • CEO Review Committee (1 - as proxy) • Program Review Sub Committee (Until March 2018) 4/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Strategic Property Development Sub Committee 2/2 • Sport, Recreation and Grants Committee 9/12 	<ul style="list-style-type: none"> • Policy and Planning Committee 10/12 • Budget and Finance Committee 9/12 • Special Budget and Finance Committee 2/2 • Resources and Governance Committee 10/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Shiralee Reardon JP	<ul style="list-style-type: none"> • Tourism and Visitor Sub Committee 3/4 • Strategic Property Development Sub Committee 2/2 • Policy and Planning Committee 10/12 • Budget and Finance Committee 9/12 	<ul style="list-style-type: none"> • Special Budget and Finance Committee 0/2 • Works and Services Committee 10/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Graham Reynolds	<ul style="list-style-type: none"> • CEO Review Committee 4/5 • Strategic Property Development Sub Committee 2/2 • Strategic and International Partnerships Sub Committee 4/4 • Audit Committee ¾ • Policy and Planning Committee 11/12 	<ul style="list-style-type: none"> • Budget and Finance Committee 12/12 • Special Budget and Finance Committee 0/2 • Works and Services Committee 12/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Steve White (leave of absence 17/03/2018 to 20/04/2018)	<ul style="list-style-type: none"> • Strategic Property Development Sub Committee 2/2 • Youth Council 6/7 • Policy and Planning Committee 10/12 • Budget and Finance Committee 10/12 	<ul style="list-style-type: none"> • Special Budget and Finance Committee 0/2 • Works and Services Committee 9/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
Julie Woodman JP	<ul style="list-style-type: none"> • Tourism and Visitor Sub Committee 1/4 • CEO Review Committee 2/5 • Program Review Sub Committee (Until March 2018) (1 - as proxy) • Innovation and Business Development Sub Committee (from May 2018) (proxy) • Strategic Property Development Sub Committee 2/2 • Strategic and International Partnerships Sub Committee 4/4 	<ul style="list-style-type: none"> • Sport, Recreation and Grants Committee 11/12 • Policy and Planning Committee 11/12 • Budget and Finance Committee 11/12 • Special Budget and Finance Committee 1/2 • Works and Services Committee 11/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 0/1

Riccardo Zahra	<ul style="list-style-type: none"> • CEO Review Committee 4/5 • Tourism and Visitor Sub Committee 4/4 • Program Review Sub Committee (Until March 2018) 5/5 • Innovation and Business Development Sub Committee (from May 2018) 1/1 • Strategic Property Development Sub Committee 2/2 • Youth Council 6/7 	<ul style="list-style-type: none"> • Sport, Recreation and Grants Committee 11/12 • Policy and Planning Committee 11/12 • Budget and Finance Committee 10/12 • Special Budget and Finance Committee 2/2 • Works and Services Committee 11/12 • Council 11/12 • Public Hearing – Rural Aircraft Noise, Direk Industry and Residential Interface DPA 1/1
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This table reflects committee meeting attendances for 2017/18. The meeting information listed reflects the membership details on page 16 of this document.





Executive Allowances

The Executive Management Structure is comprised of the Chief Executive Officer and four General Managers. Salary packages for these five executives are comprised of:

- A negotiated annual salary;
- Statutory superannuation;
- Provision of a fully maintained Council vehicle or equivalent (within the negotiated annual salary).

General Managers membership on External Boards and Committees:

Membership on external bodies by City of Salisbury General Managers during the past financial year

Chief Executive Officer, John Harry

- Food Park Steering Committee
- Council Solutions

General Manager City Development, Terry Sutcliffe

- Nil

General Manager Business Excellence, Charles Mansueto

- Local Government Association Workers Compensation Scheme
- Council Solutions (Member)

General Manager Community Development, Pippa Webb

- Industry Leaders Group for Department of State Development/Industry Leaders Group for Industry and Skills
- Discovery Circle Advisory Committee

General Manager City Infrastructure, Mark van der Pennen

- Northern Adelaide Waste Management Authority (NAWMA)

Overseas Travel by Elected Members and Staff for 2017/2018

In relation to the resolution of Council from January 2018, as follows:

- *All overseas travel and associated expenditure undertaken during the financial year be reported in the Council's Annual Report for that year, commencing with 2017/18 onwards.*

There has been no overseas travel undertaken by Elected Members or Staff in the financial year 2017/18.

Participation in decision-making forums (AR.03.02.03)

In 2017/18, there were five Committees with 45 non-elected members in their membership. The Committees are Youth Council (24) Audit Committee of Council (3), Development Assessment Panel (4), Strategic and International Partnerships (8) and the Tourism and Visitor Sub Committee (6).

Youth Council	24
Audit Committee of Council	3
Development Assessment Panel	4
Strategic & International Partnerships Sub-Committee	8
Tourism and Visitor Sub Committee	6

Number of internal controls rating 4 or higher (CAMS) (AR.04.02.01)

The Control Assessment Management System (CAMS) is a support tool for performing self-assessments on the effectiveness of internal financial controls. City of Salisbury currently utilises 372 controls within the CAMS across 6 classes: Assets, Expenses, External Services, Liabilities, Revenue and Strategic Financial Planning.

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 controls utilised. The total number of controls assessed in 2017/18 was 372, of these controls 369 were assessed as a 4 or a 5, which represents 99.19 per cent of controls assessed against a target of 80 per cent. Both Core and Additional controls were assessed and this will be the case in subsequent years.



High risk outcomes/findings from internal audits/program reviews

Six high risk outcomes / findings from internal audits were identified and reported to the Audit Committee in the 2017/18 financial year.

The City of Salisbury operates a risk-based Internal Audit Plan, where audits are conducted in order to provide assurance on the risks identified in the Strategic Risk Register.

The following audits were completed and reported to the Audit Committee in the 2017/2018 period:

- Management of public and environmental health
- Strategic Development Projects
- Business Systems and Solutions

An audit on the management of public and environmental health was performed to provide assurance on the strategic risk "Lack of management of public and environmental health risks". Seven risk findings were identified in the audit, and of those, three findings were rated as high. One concerned the inconsistency of the application of the Enforcement Policy, another related to the induction training for new graduate level/inexperienced Environmental Health Officers and a final one was a lack of updated and maintained procedures. The actions identified to address the first two findings have been completed. Actions to address the final finding are in progress and scheduled for completion by 31 December 2018.

An audit on strategic development projects was conducted to provide assurance that Council's strategic and operational outcomes are delivered. No high risk findings were identified in the audit.

An audit on Business Systems and Solutions was conducted to provide assurance on the strategic risk "Lack of alignment and integrity of IT systems for support of business needs". There were 10 risk findings identified in the audit, and of those, three findings were rated as high. One related to IT governance, another related to Disaster Recovery Plans and a final one related to the use of a generic administration account. Actions to address these findings are scheduled for completion by mid-2019.

COMMUNITY champions

2017/18 CITIZEN OF THE YEAR AWARD WINNERS

Citizen: Elaine Figallo

Young Citizen: Qasem Bahmanzadah

Senior Citizen: Alun Hughes

Community Event of the Year: Aussie Era Car Show (Salisbury Business Assoc. Inc.)





CITIZEN OF THE YEAR: ELAINE FIGALLO

The Paralowie resident has been a respected stalwart in northern suburbs cricket for more than 30 years. Prior to stepping down from the Para Districts Cricket Association last year, Ms Figallo served 26 years on the Executive Committee including the past eight seasons as President. Throughout this time she was instrumental in the development of cricket, particularly for juniors and women.

YOUNG CITIZEN OF THE YEAR : QASEM BAHMANZADAH

By the time Mr Bahmanzadah was 19, he had already completed his final year of a Bachelor of Aviation. This would be remarkable under any circumstances, but after losing both his parents at age seven, he came to Australia from Afghanistan as a refugee with no possessions and no grasp of English. Since then, he has shown he's a dedicated student, and given back to help others who have experienced similar hardship. He continues to be an Ambassador for the Australian Refugees Association and has spoken in a large range of forums to raise awareness of the challenges faced by refugees and raised money to support them.



SENIOR CITIZEN OF THE YEAR : ALUN HUGHES

For 26 years Mr Hughes was a member of the Salisbury High School Governing Council, along with 21 years as leader, Branch Governor and District Commissioner in the Anglican Boys Society. He has been a member of the local Rotary Clubs since 1989 and is currently regional chair of the SA two district's ROMAC (Rotary Oceanic Medical Aid for Children) program which brings disadvantaged children from near Pacific Island regions for surgery in Adelaide hospitals to reconstruct horrific genetic deformities.



COMMUNITY EVENT OF THE YEAR : AUSSIE ERA CAR SHOW (SALISBURY BUSINESS ASSOCIATION)

L - R: CR DAVID BALAZA, KAMAL DAHAL, DAVID WAYLEN (EO), SUSAN KNOLL, STEPHAN KNOLL (ACTING CHAIR), DAVE STOCKBRIDGE (IMMED. PAST CHAIR) AND REV. STEPHEN BLOOR

The Salisbury Aussie Era Car Show was intended to be a one-off event to both celebrate and acknowledge almost 70 years of car manufacturing in Australia. The event exceeded all expectations attracting about 4,500 people and hundreds of vehicles into Salisbury City Centre. It was a true family day featuring a community barbecue, kids playing on the bouncy castle and getting their faces painted alongside northern Adelaide's largest outdoor vehicle showroom. Thanks to its overwhelming success, the Association has announced the Aussie Era Car Show will be returning for another year.

COMMUNITY champions

2017/18 LEGENDS AWARD WINNERS

Living Legend: Salisbury Stitcher's Inc.

Working Legend: Michael Mangos

Working Legend – Mayor's Commendation: Cameron Benham

Active Legend: Elaine Figallo

Mrs Baynes and Mrs Roberts Outstanding Contribution Award: Mary Ceravolo





LIVING LEGEND: SALISBURY STITCHER'S INC.

Salisbury Stitcher's began in 1991 as a local craft group before growing to more than 130 people that dedicate their time designing, cutting and sewing beautiful patchwork quilts, baking for morning teas, candle wicking and even creating teddy bears to help raise money for charity or to donate to a baby, child or adult in need of care and comfort. Salisbury Stitches has also helped people in as far afield as Africa, Kosovo, Vietnam and Borneo.

WORKING LEGEND: MICHAEL MANGOS

Michael Mangos, of Salisbury North, has been the Director of SA Structural for more than 15 years. The company and its projects speak for themselves including the new SA Medical Research Institute. Mr Mangos has shown leadership in supporting the City of Salisbury community through the creation of opportunities, whether that is by providing apprenticeships, involving local university students in research projects or employing ex-automotive workers who have been displaced by the close of GM Holden.



WORKING LEGEND – MAYOR'S COMMENDATION: CAMERON BENHAM

As a young entrepreneur from Mawson Lakes, Mr Benham started a monthly board game based event called 'The Big Game Theory' at the age of 14. It has now grown into an online store at www.thebiggametheory.com.au which offers a large selection of board games and associated products while also promoting his monthly events. Cameron has organised events as large as 600 attendees, working with volunteers and community groups. For the past three years he has run the tabletop gaming section for Avcon at the Adelaide Convention Centre.

ACTIVE LEGEND: ELAINE FIGALLO

Ms Figallo played a key role in the development of the Para Districts Cricket Association's junior program some 30 years ago. Initially offering Under 14s and Under 16s, the Under 12 competition was later added to allow children of all ages to play cricket. She was instrumental in the foundation of the Association's women's competition, which will celebrate its 20th year this season and has been widely recognised as one of the first community cricket competitions for women in Australia.



MRS BAYNES AND MRS ROBERTS OUTSTANDING CONTRIBUTION AWARD : MARY CERAVOLO

Mary Ceravolo is the CaLD (Culturally and Linguistically Diverse) Program Coordinator within the Community Health and Wellbeing Division at the City of Salisbury. She has a strong commitment to the Salisbury community, not just as an employee of the City of Salisbury, but also by spending a great deal of time voluntarily working with the Bhutanese community as well as promoting women's wellbeing, personal growth and development in a range of community settings.



THE PROSPEROUS *city*

By 2030 Salisbury remains at the forefront of attracting investment into the City due to its excellent infrastructure, skilled workforce, diverse and thriving economic base and overall affordability of doing business.

Our businesses are innovative and outwardly focused. Our industry base is transforming, creating new job opportunities. Creativity thrives and we are recognised as one of the best places to start a business in the nation.

Our infrastructure and our neighbourhoods support the exchange of goods, services and ideas. Technology is used to develop new products and capture new markets, and businesses in Salisbury are global innovators.

City Plan 2030

Have a community with the skills, knowledge and agility to participate in a rapidly changing economy

The City of Salisbury is working to improve pathways to employment by providing programs for people whether they are unemployed, seeking to enter the workforce or looking to change careers.

The information technology area of the Business Systems and Solutions division hosted a 12-month traineeship position which was open to City of Salisbury residents who were not currently employed and did not already have information technology-related qualifications. The trainee completed a 12-month program working within the Service Desk team and successfully completed a Cert IV in Information Technology with an accredited training provider.

Through our Community Capacity and Learning Division, we embarked on a first Australian pilot of Microsoft bootcamp with further funding secured to continue City of Salisbury programs and roll out to three additional metropolitan councils.

To continue to support workers and families affected by the closure of the automotive sector, a separate Adult Literacy class was implemented along with the pilot programs in partnership with DSD, Microsoft and Prodigy Learning regarding literacy and vocational training. A formal launch with the Premier and Minister Maher in attendance was held on 7 February 2018. The team continue to work with PLS and Prodigy Learning to roll out this successful model across the SA's library sector.

We were also successful in securing funding for employment based programs for the next four years.

The Foundation Skills programs focused on building core skills and increasing confidence and capacity, enhancing opportunities for participants to go on to further training, volunteering or employment. This included the continual development of Twelve25's Youth Social Enterprises.

In Libraries: ACE Accredited – six x 10 week programs held with 71 participants and 2844.50 contact hours.

In Libraries: ACE Non-Accredited – eight x 10 week programs held with 312 participants and 4704 contact hours.

The Community Health and Wellbeing Division continued to support an Age-Friendly Salisbury to enable older people to participate in employment, volunteering and actively contribute to decision-making processes. The team continued to ensure volunteers have the opportunity to apply for internally advertised positions as well as working to expand the Salisbury Home and Community Services Contractor list.

There are currently 168 active volunteers engaged with the City of Salisbury as well as the Age-Friendly Salisbury Alliance who meets regularly and have a membership of 15 senior Salisbury residents.



Be the place of choice for businesses to invest and grow in South Australia, nationally and internationally

To build on regional strengths in food processing, defence, logistics and education to attract new investment and support existing firms to grow, Council has continued to promote the City of Salisbury through the Makes Good Business Sense program.

The Economic Development Team worked with 26 firms on investment attraction and expansion initiatives and actively participated in the progression of the Northern Adelaide Food Park.

The Community Capacity and Learning Division has also been engaged in discussions with Defence Teaming Centre to identify employment pathways to Defence Industries. Working with external stakeholders including Northern Adelaide State Secondary Schools Alliance to host a STEM based careers forum for secondary school students.

Several firms made significant announcements regarding relocation or expansion over the year including Supashock, Saab, La Casa del Formaggio & Veroguard. Discussions have also occurred with Maple Leaf regarding the establishment of an educational institution.

In order to further build on new industries around our region's research strengths, significant work has been undertaken in order to position the space sector as a future industry opportunity in Salisbury. This included working with the University of South Australia, convening a roundtable of industry stakeholders, the sponsorship of Brand SA's space and defence month as well as significant political advocacy. Food Industry regional innovation system research has also commenced with the University of South Australia.

To further develop Salisbury Water, research and development with groundwater trials were carried out at the Bridgestone Park MAR scheme. The desalinated water and native groundwater were successfully blended for supply to irrigation customers over the 2017/18 summer peak demand period.

An EPA licence to operate a 500ML/annum desalination plant and an associated licence for brine management have been received. Further research to optimise the treatment train will be carried out over the 2018/19 summer period with the objective of producing affordable high quality water fit for industry use.

As we look to build new industries around our region's research strengths, initiatives to reduce waste disposal costs and provide affordable power and heat to local industry have progressed. Salisbury Water continues

to work with the State Government and an Anaerobic Digestion (AD) project proponent to deliver a large scale waste to energy plant in Adelaide's North. Opportunities to develop the AD plant digestate as fertiliser and to reuse the filtered waste water for irrigation are being assessed.

UniSA researchers, under their Urban AgLab project, are also evaluating the potential beneficial re-use of various industrial rinse water streams for growing horticultural or intensive agricultural crops.

To capitalise on the rollout of the NBN, the City of Salisbury partnered with the University of South Australia to provide a project for undergraduate students.

The City of Salisbury hosted two final year information technology students who worked on a project relating to customer requests and asset information. One of the students is currently engaged as a contractor on a large project to improve the way the City of Salisbury manages its asset data.

Council also provided a project for 80 undergraduate students on a Digital Innovation and Design Thinking course, which will be completed later in 2018, which is linked to the City of Salisbury's digital strategy.

Have a thriving business sector that supports community wellbeing, is globally oriented & creates job opportunities

The City of Salisbury helped to develop a creative entrepreneurial community by continuing to play an active role in providing targeted services to business owners through the Polaris Business and Innovation Centre, located at Mawson Lakes. This includes business advice, workshops, mentoring and networking events. Northern Business Breakfasts have been delivered in partnership with Salisbury and Elizabeth Rotary Clubs as well as the first Polaris Annual Business Luncheon.

Encouraging new business start-ups and improving the growth aspirations, management capability and leadership of existing business owners has been a priority for Council with new advanced mentoring and workshop programs introduced.

Business information and assistance was provided to 906 individual firms with Start Up support provided to 148 intenders and early stage firms this financial year.



New marketing, growth and profit workshops were also held to identify firms with growth aspiration and potential (which includes new markets as a growth strategy) as a way to support firms' access to new markets. Several Polaris mentoring clients have penetrated or are considering new markets. One trade deal has already been signed between a local firm and buyers in China.

As Council works to adopt new technologies to improve productivity a dedicated Business Advisor was employed to provide advice and information to firms on digital technologies. The Polaris Centre also introduced a new social media workshop series. Information and advice was provided to 147 firms.

The City of Salisbury is working to ensure our regulations and procurement activities support local economic growth where possible.

This was facilitated by signing the Small Business Commissioner's Small Business Friendly Council charter. A range of reviews have been undertaken or commenced including charges for use of Council land and footpath trading.

We continued to provide a range of statutory services to the community in relation to development approvals and advice. An increased focus on case managing development applications assisted to facilitate increased certainty for proponents. Key statistics include:

- Development applications lodged for the period remained steady at 2,285
- The total value of approved development was \$175 million

Have well planned urban growth that stimulates investment and facilitates greater housing and employment choice

Design, development and construction has commenced on the Salisbury Community Hub – a key pillar of the overall revitalisation of the Salisbury City Centre. Work will continue on the Salisbury Community Hub with the building expected to be open to the community by the end of 2019.

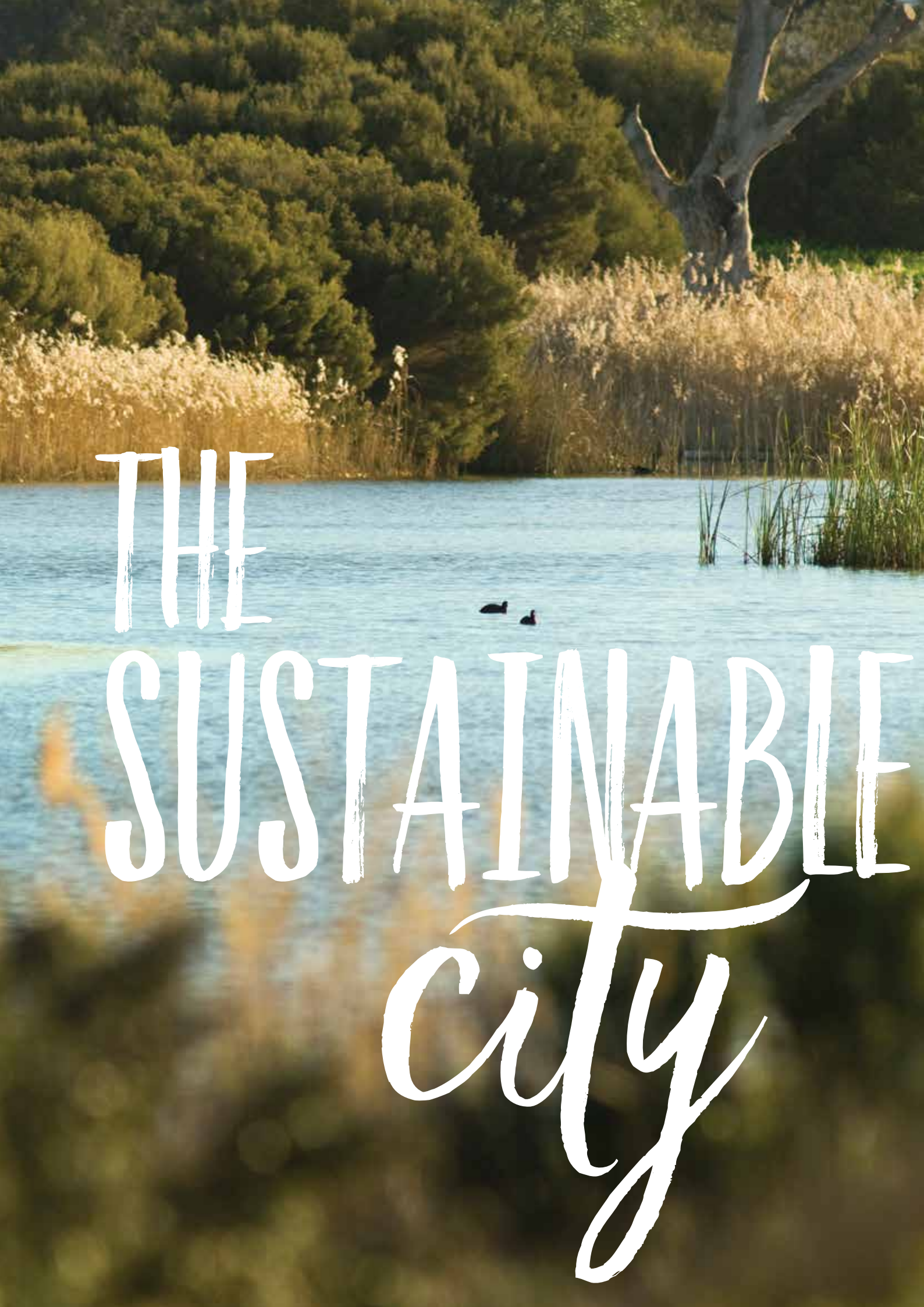
This catalyst for rejuvenation will help foster new investment in housing, mixed use and commercial opportunities that will continue to be explored.

The Salisbury Oval master plan has been activated with the demolition of St Jays and works on the site beginning to incorporate active and passive recreation as well as identifying new housing opportunities within the City Centre.

The Salisbury Secret Garden – the Fringe Hub for the North of Adelaide – is a key initiative in activating the City Centre with Jebadiah headlining the 2017/18 event. The overall event and associated activities attracted thousands into the City Centre.

To encourage well designed infill development and unlock new urban development opportunities, Council monitors the effectiveness of policy to achieve housing choice and feeds this information into forward planning initiatives.

The Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment significantly progressed with consultation concluded. The Council provided its position on matters relating to the Parafield Airport master plan and airport public safety zones as well as significant liaison with the State Government regarding the implementation of the Planning, Development & Infrastructure Act (2016).

A scenic landscape featuring a calm blue lake in the foreground. In the middle ground, there are tall, golden-brown reeds and grasses along the shoreline. Behind the reeds, a dense forest of green trees covers a hill. A large, gnarled tree trunk is visible on the right side of the hill. Two small dark shapes, possibly ducks, are swimming in the lake. The text 'THE SUSTAINABLE city' is overlaid in white, with 'THE' and 'SUSTAINABLE' in a sans-serif font and 'city' in a script font.

THE SUSTAINABLE *city*

By 2030 Salisbury remains internationally recognised for its innovative environmental management in water, energy, waste and biodiversity.

People and businesses have ready access to a range of renewable energy and waste management options. Recycled and waste water management are major contributors to the economic and environmental sustainability of our City.

People choose to live here because Salisbury offers a sustainable lifestyle choice which is adaptive to future changes in climate. They have a sense of ownership and pride in their natural spaces, places and streetscapes.

Jobs are being created in our globally renowned green industries sector.

City Plan 2030

Capture economic opportunities arising from sustainable management of natural environmental resources, changing climate, emerging policy direction and consumer demands

To improve our attractiveness as a visitor destination and a place to live, the City of Salisbury manages current open space assets through maintenance activities and capital renewals to ensure that street trees, wetlands and parks are fit for use. Council also support businesses to minimise resource usage and waste production, Salisbury was among the first Councils in South Australia to participate in the Building Upgrade Finance program and signed the first agreement under the new legislation (with Your DC) for a project to install solar PV.



Have a community that is knowledgeable about our natural environment and embraces a sustainable lifestyle

In order to assist the community to reduce the cost of living pressures through adoption of energy efficient technologies, Salisbury Water has supplied 2,364 million litres of recycled water to 1,151 customers delivering customer and community savings of \$2.8 million when compared to mains water pricing.

Salisbury Water is now supplied to a total of 1060 newly-built residential homes in the City of Salisbury with another 111 new customers connected.

Numerous businesses, along with 32 schools and 139 community and sporting facilities are also supplied with irrigation water.

The City of Salisbury provides information and events that enable people to better understand and care for their environment.

Salisbury Water maintains a suite of fact sheets on the Council website and facilitates technical tours for schools, universities, government agencies, international visitors and community groups. In 2017/18 this included facilitating eight tours.

Salisbury Water also sponsors the young artist award in the Watershed Art competition and sponsored and hosted a conference tour for the Water Industry Alliance: Smart Water Summit 2018.

In order to proactively manage stormwater to reduce its impact on communities and the natural environment Salisbury Water reduced stormwater runoff and pollutant loads to the Barker Inlet by harvesting, cleansing and storing 2,450 million litres of stormwater in the Tertiary 1 and Tertiary 2 aquifers. 300 Tonnes of sediment, litter and pollutants removed before discharge to the marine environment.

Have natural resources and landscapes that support biodiversity and community wellbeing

The City of Salisbury recognises the importance of open space on community wellbeing and its importance to community members.

Council continues to provide activities at the Community Garden, located at Paralowie, ensuring a focus on community education around sustainable living. This has included 12 information sessions organised at the Community Garden as well as other on-going activities.



Have urban and natural spaces that are adaptive to future changes in climate

The City of Salisbury is ensuring long term flexibility in the management of our urban spaces (assets and infrastructure) to adapt to a changing learning environment. This has included a range of significant projects such as the Salisbury Community Hub and the Para Hills Community Hub.

The new Para Hills Community Hub opened in August 2018 and was the result of an extensive community consultation designed to serve the growing needs of the whole community including local residents, schools and businesses. It will host the existing library and seniors centre as well as The Paddocks Centre which will relocate to the new hub and continue to provide community programs and events for people of all ages.

The project stayed on schedule during the entire construction. The extension has seamlessly integrated into the existing facility and includes multifunction

meeting rooms, community activity rooms, commercial kitchen facilities and outdoor spaces with seating.

Large scale Local and Major Flooding programs are being undertaken with \$1.2 million spent of flooding projects. The planned watercourses, stormwater and wetlands projects were delivered through the capital works program. It is estimated that 300 tonnes of material per year is prevented from entering the Barker Inlet, based on the volumes of material removed in desilting works in our waterways and wetlands.

Our Streetscape Renewal Program has continued with the maintenance of the existing number of trees in the City as we look to moderate the impact of extreme heat events through street tree plantings and management. However, with 10% of trees having been removed and replaced over the last seven years, these trees are yet to mature resulting in an initial reduction in canopy cover. It is expected that the net loss in canopy cover will be minimal as the trees reach mature status over the next five years, maintaining the long term reduction in heat effect whilst managing the street trees in a sustainable way.





THE LIVEABLE *city*

By 2030 Salisbury is known for being a vibrant, welcoming City that embraces diversity. All people have an opportunity to shape community life whether they are young or old, newly arrived or long term residents. There is a strong sense of optimism and pride, people embrace change and pursue healthy lifestyles.

Salisbury is a destination of choice to live, work, study and play. People can move easily around the City to enjoy our many interesting places, spaces and experiences. Our people embrace lifelong learning, are able to access employment and participate in community life.

Our city is recognised for having a technologically advanced, innovative and connected community, with diverse housing, cultural and recreational choices. We are a place where people aspire to live.

City Plan 2030

Be an adaptive community that embraces change and opportunities

The City of Salisbury's extensive library facilities and services are focal points for community engagement and participation. Our collections, systems, resources, programs and partnerships are regularly reviewed and adapted to meet changing community needs, interests and technologies. In 2017/18, the Salisbury Library Service saw:

- 581,085 people visit the libraries
- The Home Library service visits 196 people over a four week cycle
- 25,759 people utilised the Justice of the Peace Service
- 293 people used the Job Pod
- There were 170,507 library website visits
- 73,778 people used the public computers
- 11,806 people used the wireless internet connection

In order to connect people to information, people and programs that support them to achieve their life goals, the Library Team has been exploring new learning opportunities through digital technologies including virtual reality and Minecraft Education. This also involves working with different cultural groups and our seniors (Braingym).

The expansion of Para Hills to the new Para Hills Community Hub will activate an increased amount of learning and engagement opportunities for the local community.

Further opportunities for the community to engage in learning have seen additional databases added to the library collections including MyCareer Match, Carters Antiques, and Chinese Online newspapers and magazines. Other free databases linked to social and learning needs have also been added.

Online Databases Usage:

- Ancestry: 21,486
- Find My Past: 2,355
- Carter's Antiques: 1,408
- LyndaLibrary: 3,394
- OverDrive: 18,589
- Zinio: 6,056
- ComicsPlus(01/11/2017-30/06/2018): 76
- eBmv Chinese newspapers & magazines (01/09/2017 -30/06/2018): 209
- MyCareerMatch (grant funded): 56

To help provide youth with the skills and knowledge to effectively participate in the digital age, the City of Salisbury has successfully implemented digital aspects to many 'essential living' programs including MyGov, financial literacy, Read/Play/Learn and adult English as a second language (ESL) literacy.

The partnership with the Department of State Development and Microsoft provided a digital literacy pilot which has been very successful with approximately 300 registrations.

Through Generation Connect (an inter-generational project run by the City of Salisbury and supported by Office for the Ageing and SA Health) Council partnered youth and seniors together to help improve digital literacy capacity in seniors and to improve youth understanding of the barriers faced by seniors in learning about technology.

The City of Salisbury is also in further discussions with external stakeholders including RoboCup, Code Like a Girl and Robogals to host local and regional events to promote STEM based robotics and coding.

The Mawson Centre is currently piloting a First Lego League (FLL) team for entry in 2019. FLL is a global robotics competition that will link in with local industry and provide critical skills for primary and secondary school students.

Upgrades have been made to the Para Hills Community Hub public access Wi-Fi to 100mbps to enable faster access to resources through public computers and/or own devices as well as within learning programs.

The Infrastructure Management Team has played a key role in the development of Engineering University Students, with Council hosting six students this year in their compulsory work experience, all living in either the Salisbury Community or from the Northern Suburbs. To our knowledge all of our past students have gone on to successful careers in the Engineering Industry.

Council has also, through our Landscape Assets Team, been assisting various Friends community groups and schools in the development of areas within the linear corridors, from Dry Creek through to Cobblers Creek.

Another important milestone in connecting our community to information was the development of the Intercultural Strategic Plan. The development of this plan is a natural progression from many of our efforts to create and foster a cohesive and inclusive community in Salisbury. This plan takes our commitment and sets the foundations for Council to support and increasingly intercultural community.

Staff continued to plan, promote and facilitate initiatives that enable community participation and cultural vibrancy which include the following:

- Home Assist, Housing and Social Participation and Diversity and Northern Collaborative Project programs
- Council provides a range of culturally appropriate supports and services through the Jack Young Centre and Pine Lakes intercultural groups
- The Harmony Day celebration was attended by more than 200 people
- The Refugee week event attracted 150 people including His Excellency the Honourable Hieu Van Le AC, Governor of South Australia
- Age to Perfection in October with more than 50 different activities organised across senior centres attended by more than 800 people
- Youth Strategic Action Plan

Other ways in which the community has been able to engage in learning has been through the continued delivery of information and technology initiatives to increase the access and use of technology among older people. These include regular computer classes of which more than 80 people regularly attend as well as a COTA conversations forum on digital literacy which was attended by more than 100 older people.

Staff continued to provide information and resources to older people and people with disability to enable them to exercise choice and control. This was done through engaging more than 1500 people in regular workshops and information sessions as well as facilitating six forums in partnership with The Council of Ageing which was attended by more than 500 people.

Have interesting places where people want to be

Well maintained, clean and attractive places and facilities play a fundamental role in building community pride and ensuring residents feel connected to locations and key sites within their City. As well as enhancing our neighbourhoods, streets and public spaces, it is important that this work is supported through place activation initiatives and encouraging active citizenship.

The City of Salisbury continues to maintain a range of programs that renew and upgrade local streetscapes, tree screens, play spaces and reserves. These projects have a focus on Universal Design, catering for a wide range of abilities and ages throughout our parks. Our 2017/18 capital works program invested more in enhancing community buildings, services and facilities including:

- Road Reseal Program: \$8.8 million
- Building Renewal Program: \$1.6 million
- Parks and playground upgrades \$1.4 million

In order to enhance our neighbourhoods, streets and public spaces so they are welcoming and connected, the Paddocks Master Plan was substantially completed with two rounds of community engagement undertaken. The Master plan was subsequently endorsed by Council in July 2018.

The Community Capacity and Learning Team actively work to ensure all community centres and library spaces promote an environment that is supportive of cultural and religious diversity.

A range of activities and events were held in public spaces throughout 2017/18 including the Australia Day event, Salisbury Secret Garden, the Salisbury Writers' Festival and the Vietnam Veterans' Ceremony.

The City of Salisbury worked across all its divisions to incorporate and utilise universal design, age friendly cities, intercultural cities, and other frameworks into planning and development as well as engaging with external partners on Access and Inclusion to ensure Council develops a sustainable model of universal design and access training across the business.



Be a connected city where all people have opportunities to participate

The City of Salisbury continues to work with key partners to ensure transport options efficiently link people to jobs, services, recreation and social activities. This year, Council completed the Integrated Transport plan, with implementation strategies to be rolled out as part of the next New Initiative Bid processes.

With significant assistance from the State Government, Council's linear trails project is close to completion with minor works still required at the Dry Creek/Port Wakefield Road underpass to be finalised in the next couple of months, and the Overpass/Footbridge project being completed in the New Year. This will see a continuous off-road pedestrian bike path from Salisbury City Centre to Mawson Lakes.

In order to provide volunteering programs that harness the strength of our community's diversity and enable learning opportunities, Council continues to promote and develop opportunities for volunteering to build skills, employability and business sustainability.

The City of Salisbury engaged 627 volunteers to support its programs, services, activities and events. For the 2017/18 financial year, volunteers contributed 76,044.30 hours with an economic value of \$2,753,564 to the City.

In order to encourage wellbeing through healthy lifestyles, sport, social and recreational opportunities, Council continued to support social and recreational programs for older people, youth, CaLD people and people with disabilities and support people to live independently through service delivery and to stay connected through our transport program. Some key figures include:

- Number of individual residents receiving support - 2,803
- Number of transport trips - 14,550
- Domestic assistance - 9,211 hours
- Home maintenance - 3,384 hours
- Home modifications - \$73,634
- Social Support Individual - 1,391 hours
- Social Support Group - 86,949 hours
- Number of meals - 22,344
- Housing clients - 83

Be a proud, accessible and welcoming community

Building and nurturing pride and a strong sense of community spirit is vital to having a happy, welcoming and healthy City. This is done via:

- The Mayoral International Women's Day breakfast to encourage and empower women – particularly local students – to achieve personal development and growth
- The annual Legends Awards to publicly recognise individuals, groups and/or organisations helping to make Salisbury a great place to live, work, play and study
- The annual Citizen of the Year awards, which are presented in front of thousands of attendees at the local Australia Day presentation
- The Distribution of Salisbury Aware magazine to the community and local businesses three times a year - it contains articles and photos showcasing local success stories
- The annual City of Salisbury Community Calendar is a free publication featuring a theme that positively showcases a key aspect of our community
- Opportunities are made available for City of Salisbury based events to be promoted via roadside banner bookings, free community calendar listings and via the City of Salisbury's social media channels and website

Council is moving to mature/enhanced Asset Management Plans over the next 12 months with Community consultation set for mid-2019. With the implementation of the Asset Management Improvement Project, planned to be completed late 2018, Council is looking to further improve its capacity to monitor and deliver services to the Community.

In order to develop a community where people's culture, ideas and their capacity to achieve is supported and valued, the Community Capacity and Learning division through the youth team and via Youth Council and Youth Parliament, is actively encouraging the voice and engagement of young people in the civic decision making around them.

Council continue to provide opportunities for community members to be involved in decision making and to have a voice in regards to creation of strategies, programs and services by holding Salisbury Senior Alliance meetings four times a year, hosting Disability Access and Inclusion network meets four times a year as well as an Inclusion forum and surveys and feedback incorporated into strategies, programs and services.

Community consultation and engagement on major projects is key to determining the future success of our developments. This in-depth consultation across a number of projects, including the Paddocks Masterplan and the Salisbury Community Hub, provides feedback and engagement to ensure the projects are servicing the needs of our community.

An indigenous grant project highlighting indigenous art through digital technologies is also in the planning stages.

Building on our community's strong sense of spirit and purpose, the City of Salisbury continues to promote active citizenship and to foster opportunities for the diverse communities to connect and participate. Key information on this includes:

- The implementation of the Intercultural Strategic Plan
- Continuing to provide social support opportunities for intercultural communities
- Regular Senior Alliance group meetings scheduled
- Age friendly Salisbury promoted at the COTA Forums, and Senior Centres
- Age Friendly Salisbury initiatives promoted
- Utilised marketing communication strategies and events to build pride and celebrate diversity
- Work on Inclusive Communications Project completed

In order to ensure the City of Salisbury is providing a range of housing options appropriate for our diverse community, Council has maintained a commitment to the Assistance to Care and Housing program (ACHA) to ensure knowledge of seniors housing needs are shared across the Council and beyond. This was done by the ACHA program providing assistance to over 80 older people who are homeless or in risk of homelessness.

Every resident deserves to feel safe both at home and throughout the broader community. In 2017/18 the City of Salisbury continued to support the SA safeguarding strategy for older adults, through information dissemination and participation in WEAAD and promotion of Planning Ahead events. Three safeguarding strategy information sessions were organised at the Jack Young Centre and for the six CaLD communities. We continue to work closely with Aged Right Advocacy Services and SAPOL.

ENABLING *excellence*



By 2030 the City of Salisbury will excel in our provision of services to our community. The community and the people who work for and with the City of Salisbury value highly the Council and the role it plays.

We work closely with our community to anticipate and understand future needs and respond to immediate issues earning their respect and acknowledgment. Our customer service offers choice to people and businesses, and we deliver in ways that people prefer. We are proactive in developing strong relationships that make our City a better place.

We are a partner of choice because we can be relied upon to deliver outstanding results thanks to the knowledge of our people and supportive processes. People want to work for us because we make a difference in our community. Our processes enable us to work seamlessly across Council, embrace the use of technology and share information. We have a positive attitude.

City Plan 2030

Strengthen partnerships that enable us to better address our community's priorities

Opportunities are consistently being explored and developed for working with neighbouring councils to address issues of regional importance. One such example is how Council continued to work with neighbouring Councils to support the delivery of the Northern Economic Plan. The Polaris Centre also commenced provision of small business advisory services for the City of Tea Tree Gully.

Another significant achievement in 2017/18 was the Community Priorities document that was prepared with advocacy undertaken in the lead up to the 2018 State election. Continued engagement in the progression of the Northern Adelaide Food Park and Northern Adelaide Irrigation Scheme projects was also undertaken, along with significant work in the renewed positioning of Technology Park as a space and defence precinct.

Another element of regional importance was a review of the immunisation services which included consulting with neighbouring councils. The review did not identify any opportunity or cost benefits for a regional approach and subsequently the Salisbury Immunisation service was tendered and a provider selected. The service levels were reviewed and amended clinic times introduced including one monthly evening clinic and a schools immunisation program.

A review of the mosquito controls was also undertaken with a view of providing a regional service, however the City of Salisbury has a high demand area and increasing number of areas to be treated, and the level of service is higher than any other neighbouring council. Therefore it was found that there was no such financial or service benefit in a regional approach. SA Health has also ceased ground-based services and utilising aerial application for mosquito control in key non-built up areas.

76 treatments were undertaken during the season (September to April)

- Fortnightly across Globe Derby Park and St Kilda
- Fortnightly Port Wakefield Road/Sanctuary Drive, Globe Derby Park/Mawson Lakes
- Fortnightly along Field Street, Parafield Gardens
- Monthly along Salisbury Highway, Dry Creek
- Any ad-hoc services required

Work was also undertaken with other regional councils to address the Holden closure flow on effects in the following areas:

- Preliminary discussion with Port Adelaide Enfield on collaboration relating to digital technologies.

Twelve25 continued to work with neighbouring Councils for Jibba Jabba Radio (City of Playford) and Jibba Jabba TV as projects which are forums for youth voice and are youth lead. It also continued Wheels in Motion – getting P’s program as a joint initiative with City of Playford (overcoming young people’s barrier to getting their licence and youth unemployment barriers).

Significant work in partnership with Playford Council has also been undertaken in the development of future options for Council’s Community Age Care and Disability Services.

In order to develop stronger partnerships with business and industry to address the challenges facing our region, a regular program of engagement is undertaken with the business community. Chief Executive round tables were instituted with focus on space and defence, advanced manufacturing and technology intensive firms. Support was also provided to Northern Economic Leaders.

Council has also had representation on the Inner Northern homelessness and Violence Against Women Collaboration Group that has secured over \$200,000 in funding to address domestic violence under the projects entitled ‘No More Excuses’ and ‘A Better Future’.

In order to maintain partnerships, address regional and state-wide issues, influence policy and investment decisions, the City of Salisbury actively engages with the State and Federal governments. Communicating and engaging with our community is an absolute priority for the City of Salisbury to ensure we are always in constant conversation with our residents.

The community was kept up-to-date with vital information distributed via the Salisbury Aware Magazine. The magazine was distributed in July 2017, November 2017 and March 2018 to more than 55,000 residential addresses per edition.

Our digital communication channels continue to expand their reach and relevance to community members seeking Council-related information and updates. As of June 2018, the City of Salisbury Facebook page had 7,887 followers (an increase of 19.5 per cent compared to 2017), Discover Salisbury had 7106 followers (an increase of 6.5 per cent) on 2017, St Kilda Adventure Playground had 18,003 followers (an increase of 4 per cent), the Salisbury Library Service had 1,601 followers (an increase of 4.2 per cent), Youth in Salisbury had 2,978 followers (a 32 per cent increase) and the Polaris Centre had 922 followers (an increase of 9 per cent). The City of Salisbury website achieved 798,735 unique page views.

Other ways Council communicates to ensure our community are part of the decision making process and are engaged in our services include:

- Age Friendly Alliance committee meets regularly and provide advice on implementation of Age Friendly Salisbury strategy
- Community Ambassadors group meet regularly bi-monthly
- Jack Young Centre (JYC) advisory group meets monthly consisting of consumers’ representatives across three seniors centres
- JYC group leaders meet bi-monthly to provide impute on JYC services
- Intercultural group meets weekly at the JYC and provide impute into service delivery
- Six COTA SA Conversations with Northern Seniors organised annually



Develop strong capability and commitment to continually improve Council's performance

It is vital the City of Salisbury builds strong leadership capabilities within Council and the community to support our desire for a skilled, innovative and well-serviced community.

This work starts with ensuring we have a consistent learning and mentoring program that supports people across the business. This has resulted in:

- A Field Operations Leadership Program that was delivered to 24 staff in Stage 1 and 12 staff in Stage 2 working towards a Certificate IV in Leadership & Management – this includes each participant working on a project which will result in an improvement in their work area
- A Mentoring Program piloted with five staff
- Five staff participated in the Local Government Professionals Australasian Management Challenge
- Two staff participated in the Local Government Professional Emerging Leaders and Professional Leaders Programs
- The Change Management Program continued with a Change Agent Network established to support major change projects across the organisation; these include the Asset Management Improvement Project and other change projects to transition to the Community Hub including the Workspace Pilot Space, storage and carparking projects
- Study support was provided to 17 staff.
- The Traineeship Program continued through 2018 to include five administration trainees, as well as five trainees in field based roles. Three City of Salisbury trainees were listed as finalists for Maxima Traineeship Award Ceremony in March 2018.

Learning, development and innovation all play a role in transforming the way Council operates. The strategic vision encompasses transforming procurement to a more commercially focussed, value function. The Competency Framework allowed the objective measuring of the current procurement team's procurement capabilities, benchmarked against international standards and tailored to the City of Salisbury. This process has resulted in a gap analysis being completed and clear development plans established.

In 2017/18 training programs included Psychological Wellbeing, Coaching Skills, Conflict Management, Presentation Skills, Time Management, Animal

Management, Incident Investigation, Universal Design, Investigation and Disciplinary Management, Child Safe Environment, Customer Experience, Workzone Traffic Management, First Aid and CPR, Emergency Warden, Return to Work Training for Supervisors, and other compliance topics.

The QuickConnect upgrade to RFID machines at Len Beadell Library has also been installed this year. The upgrade will enable greater functionality including marketing, Eventbrite and eventually Paypal for improved service to the community.

To ensure we continue to provide a safe working environment, a full close out of action plan items arising from the 2017 LGRS Risk Evaluation audit was completed.

Skytrust (cloud based safety management system) was implemented for 130 staff across Field Operations providing online incident and hazard management processes and real time monitoring of safety performance.

There was also the revision of 13 Work Health and Safety procedures and the Peak Work Health and Safety Policy to meet the requirements of the Performance Standards for Self-Insurers and relevant legislation.

An external review of the City of Salisbury's emergency management capability was undertaken with the implementation of key actions to enable effective response to internal emergency situations.

The Salisbury Vitality Program included free staff health checks, skin screening for outdoor workers, audiometric testing, Mind your Wellbeing, Corporate Cup, One Million Steps Walking Challenge, Healthy Ageing Seminars and annual Flu Vaccinations.

In order to develop a shared focus on accountability and performance, Financial Services developed the 2017/18 Divisional Plan that incorporated a range of improvements linked to the Financial Services Division program review survey feedback. These Divisional Plan actions were then reflected into individual performance development plans to ensure alignment of resources and a shared vision.

The Procurement team has also undergone transformation to better align with accountability and performance objectives by introducing a vertically integrated business partner structure. This has resulted in a single point of contact for the key stakeholders with better knowledge and understanding of the stakeholder needs which will result in superior service delivery outcomes.

Centralising the procurement process will enable value adding strategies to be developed with clear sight to accountability & performance.

Have robust processes that support consistent service delivery and informed decision making

A number of new initiatives have been introduced as we work to continually improve business practices to remove barriers and ensure appropriate levels of service that respond to emerging needs and opportunities.

One of those is Salisbury Water which has continually improved operational practices to minimise customer supply interruptions and colour complaints.

The City of Salisbury continually improves business practices to remove barriers and ensure appropriate levels of service that respond to emerging needs and opportunities. This has been done by embedding continuous improvement practices across a number of operational areas within the organisation as well as establishing a network of continuous improvement champions representing all areas of the organisation.

The Financial Services Team introduced Ezybill as an additional method of receiving rate notices electronically. Council has endorsed a hardship policy which provides a framework for providing additional support to Rating and Sundry Debtor customers.

Technology is used to support transformation within Council and proactively address community needs. With this in mind, a digital strategy is being developed which will include extensive stakeholder engagement. This has included implementing increased mobility through the use of Mobile Inspections and Mobile Customer requests to improve customer service and staff efficiencies. Key information includes:

- 850 Inspections conducted annually on mobile devices
- 6000 Customer requests conducted annually
- Continued work on transferring paper inspection forms to mobile friendly forms.

In 2017/18 Salisbury Water staff focused on improving the flexibility and resilience of the recycled water reticulation system with strategic pipe links and commissioning of 2.4ML in elevated storage tank capacity. This has enabled the business to keep a cap on electricity charges by utilising off-peak tariff periods for pumping up to the elevated tanks and using the tanks to maintain flow and pressure during peak tariff periods.

Over the past year, The City of Salisbury has moved a number of internal processes to be more electronic, reducing paper and increasing efficiency. Council has also improved its external service delivery with the implementation of an additional electronic bill presentment solution used at this stage on Rates Notices.

During the year, a budget bid system was developed and implemented which provided for electronic approvals and tracking as well as developing a Strategic Planning Framework Reporting System to enable better reporting of delivery of divisional business plans, and also our progress against higher level strategic plans.

There were also a number of key development processes revamped on the Council's website in response to community need. This was done to help facilitate the more than 650 enquiries or transactions that are made online per week in relation to development matters, as part of the transition to full electronic lodgement and assessment of development applications.

The City of Salisbury's budget and annual plan process includes engagement across the organisation and with Council to ensure that Council decisions are well informed. Comprehensive information is provided on all element of the budget to Council and the community to achieve transparency and inclusiveness. The process is best practice in that it incorporates the Long Term Financial Plan so that the longer term impacts of Council's decisions regarding the annual budget are understood.



Embed long term thinking, planning and innovation across the organisation

Long term sustainability through good financial practices, sound business planning and asset management ensures the City of Salisbury can continue servicing the needs of our community.

The end of financial year statements for 2017/18 have been audited with an unqualified opinion provided by the External Auditors. The 2018/19 Budget and Annual Plan process led to the adoption of the budget and the declaration of rate in June 2018, which was within the legislative timeframes.

The Long Term Financial Plan was completed during the budget process and reflects our strategic Asset Management Plans and the long term objectives of Council.

The City of Salisbury continued to provide a building certification service for private clients and for other councils, including Roxby Downs. This service supports Council's capacity and capability to provide building control services to the community. The building certification service generated income levels that positively sustain building control services to the Salisbury Community.

Council also undertakes development projects on council-owned land identified as surplus to community needs, acting as the developer for a number of residential land division projects as part of the Strategic Property

Development program. These projects involve extensive community engagement and this innovative program delivers social, financial, environmental and economic returns for the Salisbury community.

The collection of data to analyse information helps Council to anticipate and respond to the emerging needs and opportunities in our community. The City of Salisbury regularly scan and analyse new data, including the release of most recent 2016 Census data. Quarterly economic snapshots introduced highlighting announcements and changes in Salisbury's economy. These provide a reference source for potential investors and decision makers.

The Library Team has also rolled out a new collection procedure to all sites and will be working on reporting needs. This will improve data reporting to reflect accurate information which is consistent across the division.

The City of Salisbury also launched its Youth Strategic Action Plan and Intercultural Strategic Plan which will further embed our long term thinking in creating inclusive communities.

Since 2001, the City of Salisbury has conducted periodic surveys with its residents to track the perceptions of the residents and compare with previous surveys to assess trends and identify opportunities for change or improvement in services. Satisfaction with the overall service delivered by Council remains high (with a mean score of 7.4, as in 2016, 2014 and 2012).



KEY performance indicators

KEY DIRECTION 1:

THE PROSPEROUS CITY

OBJECTIVES			
Have a community with the skills, knowledge and agility to participate in a rapidly changing economy	Be the place of choice for businesses to invest and grow in South Australia, nationally and internationally	Have a thriving business sector that supports community wellbeing, is globally oriented & creates job opportunities	Have well planned urban growth that stimulates investment and facilitates greater housing and employment choice
INDICATORS			
Size of workforce and participation rate	Gross Regional Product	Number of actively trading businesses	Value of residential and commercial construction
EXPLANATION OF INDICATORS			
Workforce as outlined in the Department of Employment, Small Area Labour Markets, March Quarter Participation rate as recorded by the Torrens University Public Health Information Development Unit	Source: The National Institute of Economic and Industry Research	Source: Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, 2015 to 2017	Approved by the City of Salisbury in the 2017/18 Financial Year
RESULT			
Workforce: 70,166 Participation rate: 62.5%	\$6.38 billion	6,815 firms	\$175.4 million

KEY DIRECTION 2:

THE SUSTAINABLE CITY

OBJECTIVES			
Capture economic opportunities arising from sustainable management of natural environmental resources, changing climate, emerging policy direction and consumer demands	Have a community that is knowledgeable about our natural environment and embraces a sustainable lifestyle	Have natural resources and landscapes that support biodiversity and community wellbeing	Have urban and natural spaces that are adaptive to future changes in climate
INDICATORS			
Volume of stormwater captured	Percentage of waste diverted from landfill	Community Perceptions of Open Space.	Percentage of Council area with tree canopy cover
EXPLANATION OF INDICATORS			
As recorded by Salisbury Water (a business unit of the City of Salisbury) in the 2017/18 Financial Year	Source: NAWMA	Response out of 10 to statement "I feel that I live in a pleasant environment in terms of planning, open space and lack of pollution" Source: 2016 Community Survey	This Objective addresses the State Government's 30 year Plan for Greater Adelaide – A Green Liveable City where the target is an increase in the urban green cover of 20 per cent by 2045.
RESULT			
2.45 billion litres	45.2%	7.3	Council's Streetscape renewal program has continued with the maintenance of the existing number of trees in the City. However with 10 per cent of the trees having been removed and replaced over the past seven years, these trees are yet to mature so there has been an initial reduction in Canopy cover. It is expected that the net loss in canopy cover will be minimal as the trees reach mature status.

KEY DIRECTION 3:

THE LIVEABLE CITY

OBJECTIVES

Be an adaptive community that embraces change and opportunities

Have interesting places where people want to be

Be a connected city where all people have opportunities to participate

Be a proud, accessible and welcoming community

INDICATORS

Socio-economic Indexes for Areas (SEIFA)

Percentage of residents who have participated in local community activities

Wellbeing

Perceptions of quality of life and perceptions of Salisbury

EXPLANATION OF INDICATORS

The SEIFA Index of Disadvantage measures the relative level of socio-economic disadvantage based on a range of Census characteristics. It is a good place to start to get a general view of the relative level of disadvantage in one area compared to others and is used to advocate for an area based on its level of disadvantage.

A higher score on the index means a lower level of disadvantage. A lower score on the index means a higher level of disadvantage.

Source: SEIFA data was last released in the 2016 Census.

Responses to the question "How often are you involved in community activities"

Source: 2016 Community Survey

SATAC data for 2016 on school leavers participation in higher education

NCVER data for 2015 Response out of 10 to questions:

"How affordable is it to rent or buy housing in the Salisbury Council area"

"How safe or unsafe felt"

"I can get help from family, friends & neighbours when I need it"

"Access to information, services & activities that support health and wellbeing"

Source: 2016 Community Survey

Response out of 10 to questions "I like living in my local community" and "Overall satisfaction with quality of life in Salisbury area"

Source: 2016 Community Survey

RESULT

In the 2016 Census, the City of Salisbury received a SEIFA score of 917.

Community events 61%
Council libraries 58%
Organised sport, church or community groups 48%
Local recreation centres 47%
Community or youth centres 24%
Council events 21%
Senior centres 14%

32.7%
23,552 persons
7, 7.1, 7.9 and 7.5 respectively

7.9 and 7.5 respectively

KEY DIRECTION 4:

ENABLING EXCELLENCE

OBJECTIVES			
Strengthen partnerships that enable us to better address our community's priorities	Develop strong capability and commitment to continually improve council's performance	Have robust processes that support consistent service delivery and informed decision making	Embed long term thinking, planning and innovation across the organisation
INDICATORS			
Targeted surveys of our partners	Benchmarking our performance through people, systems and processes	Customer satisfaction survey	Financial sustainability
EXPLANATION OF INDICATORS			
In delivering its various services, Council engages with a number of stakeholders to ensure the services are delivered to meet community expectations while also capitalising on opportunities to bring in external funding or expertise to enhance economic and social outcomes. This indicator is intended to reflect the number and outcomes of these partnerships	Since 2012, Council has been undertaking a program of reviews of all its functions to ensure the service levels are meeting community needs and being delivered in the most efficient and effective manner as possible.	Since 2001, the City of Salisbury has conducted periodic surveys with its residents to track the perceptions of the residents and compare with previous surveys to assess trends and identify opportunities for change or improvement in Council's services.	<p>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.</p> <p>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.</p> <p>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</p>

See over page for results

KEY DIRECTION 4:

ENABLING EXCELLENCE CONT'D

RESULT

Council was involved in a number of stakeholder partnerships in delivering on this Objective, but at this stage work is in progress as to how this indicator is to be compiled given the number of engagements that occur across the financial year.

Council continues to improve its customer service both internally and externally through its Customer Service Improvement Program. The program has seven core project interventions in identified areas for aimed at improving our service delivery and experience.

Further Council has adopted a Continuous Improvement Framework to support ongoing improvement in performance and service delivery.

This program has delivered ongoing savings of \$2.6 million per annum.

Council has also embarked on the Local Government Professionals Performance Program to benchmark at State and National levels.

Satisfaction with the overall service delivered by Council remains high with a mean score of 7.4. This score has been maintained over 2016, 2014 and 2012.

Operating Surplus Ratio
3%

Net Financial Liabilities
Ratio 100%

Asset Sustainability Ratio
29%

City of Salisbury

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Salisbury - a flourishing City with opportunity for all



General Purpose Financial Statements
for the year ended 30 June 2018

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General Purpose Financial Statements
for the year ended 30 June 2018

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2018 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.


John Harry

CHIEF EXECUTIVE OFFICER


Gillian Aldridge

MAYOR

Date:

10/10/2018

General Purpose Financial Statements for the year ended 30 June 2018

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true and fair view" of the Council's financial results for the year and ensuring both responsibility for and ownership of the Financial Statements across Council.

What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2018.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate four "primary" financial statements:

1. A Statement of Comprehensive Income

A summary of Council's financial performance for the year, listing all income and expenses.

2. A Balance Sheet

A snapshot as at 30 June 2018 of Council's financial position including its assets and liabilities.

3. A Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

4. A Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the four Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In South Australia, the Auditor provides an audit report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

Statement of Comprehensive Income

for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Income			
Rates Revenues	2a	94,899	91,438
Statutory Charges	2b	3,189	3,026
User Charges	2c	6,127	5,749
Grants, Subsidies and Contributions	2g	15,283	17,401
Investment Income	2d	737	562
Reimbursements	2e	557	547
Other Income	2f	1,328	1,343
Total Income		122,120	120,066
Expenses			
Employee Costs	3a	34,306	34,883
Materials, Contracts and Other Expenses	3b	49,039	48,418
Depreciation, Amortisation and Impairment	3c	22,719	24,781
Finance Costs	3d	949	1,106
Net loss - Equity Accounted Council Businesses	19	69	83
Total Expenses		107,082	109,271
Operating Surplus / (Deficit)		15,038	10,795
Asset Disposal and Fair Value Adjustments	4	(3,353)	4,073
Amounts Received Specifically for New or Upgraded Assets	2g	1,690	1,935
Physical Resources Received Free of Charge	2i	682	3,741
Net Surplus / (Deficit) ¹		14,057	20,544
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	41,716	13,431
Total Other Comprehensive Income		41,716	13,431
Total Comprehensive Income		55,773	33,975

¹ Transferred to Statement of Changes in Equity

Statement of Financial Position

as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	33,780	28,576
Trade and Other Receivables	5b	6,026	5,848
Inventories	5c	2,039	5,144
Total Current Assets		41,845	39,568
Non-Current Assets			
Financial Assets	6a	1,212	1,327
Equity Accounted Investments in Council Businesses	6b	3,877	3,946
Infrastructure, Property, Plant and Equipment	7a	1,400,955	1,354,629
Other Non-Current Assets	6c	22,150	17,401
Total Non-Current Assets		1,428,194	1,377,303
TOTAL ASSETS		1,470,039	1,416,871
LIABILITIES			
Current Liabilities			
Trade and Other Payables	8a	13,754	13,674
Borrowings	8b	2,142	2,350
Provisions	8c	7,193	7,241
Total Current Liabilities		23,089	23,265
Non-Current Liabilities			
Borrowings	8b	10,575	12,717
Provisions	8c	1,527	1,814
Total Non-Current Liabilities		12,102	14,531
TOTAL LIABILITIES		35,191	37,796
Net Assets		1,434,848	1,379,075
EQUITY			
Accumulated Surplus		351,915	333,969
Asset Revaluation Reserves	9a	1,058,641	1,016,925
Other Reserves	9b	24,292	28,181
Total Council Equity		1,434,848	1,379,075

Statement of Changes in Equity

for the year ended 30 June 2018

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2018					
Balance at the end of previous reporting period		333,969	1,016,925	28,181	1,379,075
Net Surplus / (Deficit) for Year		14,057	-	-	14,057
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	41,716	-	41,716
Other Comprehensive Income		-	41,716	-	41,716
Total Comprehensive Income		14,057	41,716	-	55,773
Transfers between Reserves		3,889	-	(3,889)	-
Balance at the end of period		351,915	1,058,641	24,292	1,434,848

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2017					
Balance at the end of previous reporting period		309,864	1,003,494	31,742	1,345,100
Net Surplus / (Deficit) for Year		20,544	-	-	20,544
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	13,431	-	13,431
Other Comprehensive Income		-	13,431	-	13,431
Total Comprehensive Income		20,544	13,431	-	33,975
Transfers between Reserves		3,561	-	(3,561)	-
Balance at the end of period		333,969	1,016,925	28,181	1,379,075

Statement of Cash Flows

for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Cash Flows from Operating Activities			
Receipts			
Rates Receipts		94,953	91,245
Statutory Charges		3,288	3,124
User Charges		7,313	4,881
Grants, Subsidies and Contributions (operating purpose)		15,394	17,811
Investment Receipts		772	557
Reimbursements		613	602
Other Receipts		7,647	9,018
Payments			
Payments to Employees		(34,806)	(35,233)
Payments for Materials, Contracts and Other Expenses		(55,703)	(54,142)
Finance Payments		(949)	(1,106)
Net Cash provided by (or used in) Operating Activities	11b	38,522	36,757
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		1,690	1,935
Sale of Replaced Assets		427	479
Sale of Surplus Assets		125	-
Net Disposal of Investment Securities		70	177
Sale of Real Estate Developments		2,349	11,359
Repayments of Loans by Community Groups		29	19
Payments			
Expenditure on Renewal/Replacement of Assets		(19,718)	(25,092)
Expenditure on New/Upgraded Assets		(15,697)	(10,610)
Development of Real Estate for Sale		(243)	(691)
Loans Made to Community Groups		-	(500)
Net Cash provided by (or used in) Investing Activities		(30,968)	(22,924)
Cash Flows from Financing Activities			
Receipts			
Proceeds from Borrowings		-	500
Payments			
Repayments of Borrowings		(2,350)	(2,573)
Net Cash provided by (or used in) Financing Activities		(2,350)	(2,073)
Net Increase (Decrease) in Cash Held		5,204	11,760
plus: Cash and Cash Equivalents at beginning of period	11	28,576	16,816
Cash and Cash Equivalents at end of period	11	33,780	28,576
Additional Information:			
plus: Investments on hand - end of year	6a	761	831
Total Cash, Cash Equivalents and Investments		34,541	29,407

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

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

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

Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 10 October 2018.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

2 The Local Government Reporting Entity

The City of Salisbury is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 12 James Street, Salisbury. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions.

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 income 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 income in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In recent years the payment of untied financial assistance grants has varied from the annual allocation. During the 2015/16 year, there was no untied financial assistance grants paid in advance. However, on 09 June 2017, Council received two quarters of the 2017/18 grant amounting to \$3,995,448. Subsequently, on 25 June 2018, Council received two quarters of the 2018/19 grant amounting to \$4,208,096. The advanced payments received are summarised in the below table:

Financial Year	Payment Received In Advance \$'000	Comments
2015/16	Nil	
2016/17	3,995	Relates to 2017/18
2017/18	4,208	Relates to 2018/19

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 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.

6 Infrastructure, Property, Plant and Equipment

6.1 Initial Recognition

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

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

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.

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.

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

Note 1. Summary of Significant Accounting Policies (continued)

Examples of capitalisation thresholds applied during the year are disclosed in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

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

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually; these reviews are conducted either internally or externally through the completion of asset audits and valuations.

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

6.5 Intangible Assets

Intangible Assets have been accounted for in accordance with the requirements of AASB 138 *Intangible Assets*. An item is recognised as an intangible if it meets the definition of an intangible asset, it is probable that future economic benefits will flow to Council and the cost of the asset can be reliably measured.

Intangible Assets are tested for impairment yearly or when there is objective evidence or an indication that

these assets may be impaired. Further determinations on useful lives are reviewed annually.

6.6 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 inflows 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.

7 Payables

7.1 Goods and Services

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

7.2 Payments Received in Advance and Deposits

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

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

Note 1. Summary of Significant Accounting Policies (continued)

8 Borrowings

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

9 Employee Benefits

9.1 Salaries, Wages and Compensated Absences

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

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

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

9.2 Superannuation

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

10 Leases

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

11 Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements are accounted for in accordance with AASB 128 and set out in detail in Note 19.

12 GST Implications

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

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

13 New accounting standards and UIG interpretations

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

City of Salisbury has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

- AASB 15 *Revenue from Contracts with Customers*
- AASB 16 *Leases*
- AASB 1058 *Income of Not-for-Profit Entities*

14 Comparative Figures

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

15 Disclaimer

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

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

Note 2. Income

\$ '000	Notes	2018	2017
(a). Rates Revenues			
General Rates			
General Rates		93,994	90,582
Less: Mandatory Rebates		(1,138)	(1,102)
Less: Discretionary Rebates, Remissions and Write Offs		(330)	(319)
Total General Rates		92,526	89,161
Other Rates			
Natural Resource Management Levy		1,949	1,875
Salisbury Business Association Separate Rate		161	160
Globe Derby Community Club Separate Rate		6	6
Total Other Rates		2,116	2,041
Other Charges			
Penalties for Late Payment		257	236
Total Other Charges		257	236
Total Rates Revenues		94,899	91,438
(b). Statutory Charges			
Development Act Fees		893	873
Town Planning Fees		613	491
Animal Registration Fees and Fines		1,099	1,088
Parking Fines / Expiation Fees		277	296
Other Licences, Fees and Fines		307	278
Total Statutory Charges		3,189	3,026
(c). User Charges			
Cemetery Fees		581	579
Property Leases		723	790
Waste Disposal Fees		1,573	1,549
Water Supply		2,194	1,674
Aged and Disability Services		493	528
Sundry		563	629
Total User Charges		6,127	5,749

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

Note 2. Income (continued)

\$ '000	Notes	2018	2017
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		230	195
- Banks and Other		487	354
- Loans to Community Groups		20	13
Total Investment Income		737	562
(e). Reimbursements			
Contract Maintenance		237	154
Other		320	393
Total Reimbursements		557	547
(f). Other Income			
Insurance and Other Recoupments - Infrastructure, IPP&E		5	10
Rebates Received		776	767
Sundry		547	566
Total Other Income		1,328	1,343

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

Note 2. Income (continued)

\$ '000	Notes	2018	2017
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		1,690	1,935
Total Amounts Received Specifically for New or Upgraded Assets		1,690	1,935
Other Grants, Subsidies and Contributions		6,369	5,644
Untied Financial Assistance Grant		4,706	7,762
Individually Significant Item - Additional Financial Assistance Grant (refer below)		4,208	3,995
Total Other Grants, Subsidies and Contributions		15,283	17,401
Total Grants, Subsidies, Contributions		16,973	19,336

The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	2,633	2,398
State Government	13,836	15,718
Other	504	1,220
Total	16,973	19,336

(ii) Individually Significant Items

Advanced Financial Assistance Grant Recognised as Income	4,208	3,995
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On 25 June 2018, Council received payment of the first two instalments of the 2018/19 Financial Assistance Grant, totalling \$4,208k comprising of \$3,384k in general purpose funding and \$824k in untied local road funding. This has materially increased Council's operating results in the current year, as these amounts are recognised as income upon receipt. Potential material effects will be experienced when the timing of these grant payments are once again restored to a normal schedule.

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

Note 2. Income (continued)

\$ '000	Notes	2018	2017
(h). Conditions over Grants and Contributions			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
Unexpended at the close of the previous reporting period		325	981
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Economic Regional Collaboration - Business Taskforce		(98)	(28)
Digital Growth Program		(64)	(33)
Aged Friendly SA Grant		(17)	-
Aboriginal Sports Development Program		(10)	-
Resilient Salisbury		(9)	(11)
Duke of Edinburgh School Program		(6)	-
Fairbanks / Byron Bay Traffic Management		(6)	-
Youth Network Grant		(5)	(5)
Roads Infrastructure		-	(280)
Green Trails		-	(279)
St Kilda / Robinson Road - Traffic Management Device		-	(134)
Crime Prevention Grant		-	(100)
St Kilda CCTV Renewal		-	(41)
Building Safe Communities		-	(26)
Mawson Lakes Signs		-	(24)
Aged Friendly Retail Project		-	(8)
Playford Business Services		-	(5)
Waterwatch General Program		-	(5)
Other		(5)	(2)
Subtotal		(220)	(981)

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

Note 2. Income (continued)

\$ '000	Notes	2018	2017
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Bridgestone Athletic Track Grant		993	-
Salisbury Oval Female Change Rooms		397	-
Development Infrastructure 2018 - Footpath Program		63	-
Digital Growth Program		-	128
Tea Tree Gully Business Advisory		60	-
Pooraka Farm CCTV		39	-
Business Services Advisory		30	-
Salisbury Oval CCTV		19	-
Development Infrastructure 2018 - Street Tree Program		17	-
Playford Business Services		12	-
Drug and Alcohol Foundation Grant		11	-
Economic Regional Collaboration - Business Taskforce		-	137
Aged Friendly SA Grant		-	17
Aboriginal Sports Development		-	10
Resilient Salisbury		-	9
Duke of Edinburgh		5	8
Fairbanks Drive / Byron Bay Drive Traffic Management		-	6
Youth Network Grant		-	5
Be Connected - Digital Awareness Program		1	-
Other		-	5
Subtotal		1,647	325
Unexpended at the close of this reporting period		1,752	325
Net increase (decrease) in assets subject to conditions in the current reporting period		1,427	(656)

(i). Physical Resources Received Free of Charge

Land and Improvements	331	602
Roads, Bridges and Footpaths	118	2,237
Stormwater Drainage	233	902
Total Physical Resources Received Free of Charge	682	3,741

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

Note 3. Expenses

\$ '000	Notes	2018	2017
(a). Employee Costs			
Salaries and Wages		28,134	28,225
Employee Leave Expense		4,441	5,276
Superannuation - Defined Contribution Plan Contributions	18	1,171	1,242
Superannuation - Defined Benefit Plan Contributions	18	1,880	1,766
Workers' Compensation Insurance		1,552	1,545
Less: Capitalised and Distributed Costs		(2,872)	(3,171)
Total Operating Employee Costs		34,306	34,883
Total Number of Employees (full time equivalent at end of reporting period)		382	407
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		35	59
Bad and Doubtful Debts		11	12
Elected Members' Expenses		479	467
Election Expenses		59	121
Operating Lease Rentals - Cancellable Leases		926	748
Subtotal - Prescribed Expenses		1,510	1,407
(ii) Other Materials, Contracts and Expenses			
Contractors		32,923	33,221
Energy		4,468	3,785
Legal Expenses		301	247
Levies Paid to Government - NRM levy		1,945	1,874
Levies - Other		500	330
Parts, Accessories and Consumables		2,794	3,027
Sundry		2,879	3,009
Insurance		943	926
Water Rates		776	592
Subtotal - Other Material, Contracts and Expenses		47,529	47,011
Total Materials, Contracts and Other Expenses		49,039	48,418

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

Note 3. Expenses (continued)

\$ '000	Notes	2018	2017
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Land Improvements		4,928	4,565
Buildings and Other Structures		2,297	1,293
Infrastructure		13,471	16,954
Plant and Equipment		1,813	1,760
Library Books		210	209
Subtotal - Total Depreciation, Amortisation and Impairment		22,719	24,781
(ii) Impairment			
No assets have been impaired during the current financial period.			
Total Depreciation, Amortisation and Impairment		22,719	24,781
(d). Finance Costs			
Interest on Loans		949	1,106
Total Finance Costs		949	1,106

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

Note 4. Asset Disposal and Fair Value Adjustments

\$ '000	Notes	2018	2017
Infrastructure, Property, Plant and Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		427	479
Less: Carrying Amount of Assets Sold		(3,702)	(3,231)
Gain (Loss) on Disposal		(3,275)	(2,752)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		125	-
Less: Carrying Amount of Assets Sold		(471)	(53)
Less: Other Amounts Relating to the Sale of Surplus Assets		(252)	-
Gain (Loss) on Disposal		(598)	(53)
Real Estate Development Assets			
Proceeds from Disposal		2,349	11,359
Less: Carrying Amount of Assets Sold		(1,829)	(4,501)
Gain (Loss) on Disposal		520	6,858
Other Financial Assets			
Proceeds from Disposal		69	177
Less: Carrying Amount of Assets Sold		(69)	(157)
Gain (Loss) on Disposal		-	20
Net Gain (Loss) on Disposal or Revaluation of Assets		(3,353)	4,073

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

Note 5. Current Assets

\$ '000	Notes	2018	2017
(a). Cash and Cash Equivalents			
Cash on Hand at Bank		832	688
Short Term Deposits and Bills, etc.		32,948	27,888
Total Cash and Cash Equivalents		33,780	28,576
(b). Trade and Other Receivables			
Rates - General and Other		2,822	2,751
Accrued Revenues		11	46
Debtors - General		1,566	2,331
GST Recoupment		935	274
Prepayments		661	417
Loans to Community Organisations		31	29
Total Trade and Other Receivables		6,026	5,848
(c). Inventories			
Stores and Materials		253	250
Real Estate Developments	6c	1,751	4,855
Cemetery Plinths and Vaults		35	39
Total Inventories		2,039	5,144

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

Note 6. Non-Current Assets

\$ '000	Notes	2018	2017
(a). Financial Assets			
Receivables			
Council Rates Postponement Scheme		8	22
Loans to Community Organisations		443	474
Total Receivables		451	496
Other Financial Assets (Investments)			
Mortgages over Property - Affordable Housing Scheme		761	831
Total Other Financial Assets (Investments)		761	831
Total Financial Assets		1,212	1,327
(b). Equity Accounted Investments in Council Businesses			
Northern Adelaide Waste Management Authority	19	3,801	3,858
Council Solutions	19	76	88
Total Equity Accounted Investments in Council Businesses		3,877	3,946
(c). Other Non-Current Assets			
(i) Inventories			
Real Estate Developments		1,859	1,846
Total Inventories		1,859	1,846
(ii) Other			
Capital Works-in-Progress		20,125	15,389
Intangible Assets		166	166
Total Other		20,291	15,555
Total Other Non-Current Assets		22,150	17,401

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

Note 6. Non-Current Assets (continued)

\$ '000	Notes	2018	2017
Real Estate Developments - Current & Non-Current			
(Valued at the lower of cost and net realisable value)			
Residential		3,610	6,701
Total Real Estate for Resale		3,610	6,701
Represented by:			
Acquisition Costs		1,865	3,886
Development Costs		1,745	2,815
Total Real Estate of Resale		3,610	6,701
(ii) Apportionment of Real Estate Developments			
Current Assets		1,751	4,855
Non-Current Assets		1,859	1,846
		3,610	6,701

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

Note 7a. Infrastructure, Property, Plant and Equipment

	Fair Value Level	as at 30/6/2017				Asset Movements during the Reporting Period							as at 30/6/2018			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Tfrs from/(to) Real Estate Assets	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
						New / Upgrade	Renewals									
\$ '000																
Land - Other	2	409,641	-	-	409,641	3,358	-	(305)	-	1,505	-	14,920	429,119	-	-	429,119
Land Improvements	3	170,588	-	62,210	108,378	3,332	1,516	(95)	(4,928)	-	-	7,271	182,700	-	67,226	115,474
Buildings and Other Structures	3	81,408	-	20,232	61,176	179	2,009	(133)	(2,297)	-	(13)	-	84,009	-	23,088	60,921
Infrastructure	3	1,154,166	-	388,204	765,962	4,614	11,984	(3,274)	(13,471)	-	-	19,538	1,187,939	-	402,586	785,353
Plant and Equipment		-	23,022	14,899	8,123	2,878	-	(366)	(1,813)	-	-	-	-	24,961	16,139	8,822
Library Books		-	1,349	-	1,349	127	-	-	(210)	-	-	-	-	1,266	-	1,266
Total Infrastructure, Property, Plant and Equipment		1,815,803	24,371	495,545	1,354,629	14,488	15,509	(4,173)	(22,719)	1,505	(13)	41,729	1,883,767	26,227	509,039	1,400,955
Comparatives		1,841,356	23,419	536,268	1,328,507	18,249	21,190	(3,284)	(24,781)	1,317	(24,538)	37,969	1,815,803	24,371	485,545	1,354,629

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

**Note 7b. Valuation of Infrastructure, Property, Plant and Equipment and
Investment Property**

\$ '000

Valuation of Assets

Council measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land
- Land Improvements
- Infrastructure
- Buildings and Other Structures

Council does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a) Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be characterised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly.	Measurements based on unobservable inputs for the asset.

The fair value of assets that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

b) Valuation Techniques

Council selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends upon the specific characteristics of the asset being measured. The valuation techniques selected by Council are consistent with one or more of the following valuation approaches:

- *Market Approach* uses prices and other relevant information generated by market transactions involving identical or similar assets.
- *Income Approach* converts estimated future cash flows or income and expenses into a single current (ie. discounted) value.
- *Cost Approach* reflects the current replacement cost of an asset at its current service capacity.

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

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

\$ '000

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset, including assumptions about risks. When selecting a valuation technique, Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

During 2017/18 Council undertook a review of the internal overhead costs, such as project management, supervision and design, that are directly related to the renewal of Council's Transport and Stormwater assets. The purpose of the review was to ensure that the appropriate level of direct internal overhead costs were being reflected in the unit rates that are utilised to revalue these asset classes. Council reviewed the internal resources that are allocated to capital renewal projects for these asset classes over the preceding five financial years and utilised this information to develop an average annual overhead cost to be applied, expressed as a percentage of the total capital costs. These percentages, and the associated allocation to each asset class are as follows:

Transport Design Overhead - 1.25% (Allocated to Traffic Control Devices and the Road Pavement asset classes)
Stormwater Design Overhead - 7.10% (Allocated to all Stormwater assets, excluding PVC pipe assets)
Transport Supervision Overhead - 2.60% (Allocated to all Transport asset classes)
Stormwater Supervision Overhead - 4.60% (Allocated to all Stormwater assets classes)

These overhead percentages were reviewed independently by Tonkin Consulting and subsequently incorporated into their review of Council's asset valuations, with further detail in the methodology utilised disclosed below under the respective asset categories.

This change in accounting estimate has caused an increase in the carrying value of Council's Transport and Stormwater Assets for the 2017/18 Reporting period which will flow into future reporting periods. Given the complex nature of infrastructure asset revaluations, Council has considered it impractical to estimate the future year impacts of this change.

c) Capitalisation Thresholds

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

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

\$ '000

d) Estimated Useful Lives

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

Plant, Furniture and Equipment:

Office Equipment	3 to 10 years
Office Furniture	3 to 10 years
Vehicles and Road-making Equipment	2 to 20 years
Other Plant and Equipment	3 to 20 years

Building and Other Structures:

Building Components	10 to 80 years
Playground Equipment	15 to 25 years
Benches, Seats, etc	10 to 15 years

Infrastructure:

Roads - Seal	20 to 40 years
Roads - Base	60 to 150 years
Roads - Sub-Base	180 to 300 years
Unsealed Roads	5 to 10 years
Bridges	100 years
Footpaths	8 to 80 years
Kerb, Gutter and Medians	50 to 300 years
Drainage Pipes	80 to 100 years
Culverts, Headwalls and Junction Boxes	40 to 100 years
Dams and Reservoirs	400 years
Bores	75 years
Reticulation Pipes - PVC	60 to 80 years
Pumps and Telemetry	10 to 50 years

Other Assets:

Library Books	3 to 7 years
Artworks/Local History	Indefinite
Street Trees	50 years

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

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

\$ '000

e) Table of Fair Values 2017/18

	Level 1 \$'000s	Level 2 \$'000s	Level 3 \$'000s	Total \$'000s
Land	-	429,119	-	429,119
Land Improvements	-	-	115,474	115,474
Buildings and Other Structures	-	-	60,921	60,921
Infrastructure	-	-	785,353	785,353
Total	-	429,119	961,748	1,390,867

f) Disclosed Fair Value Measurements

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Land	2	Market Value	\$429,119

Valuations of assets in this category are undertaken using the State Valuer Generals Site Values.

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Land Improvements	3	Cost Approach	\$115,474

Valuations of assets in this category are undertaken via one of three methods:

a. Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates to derive a unit rate used to calculate a depreciated replacement cost for each asset. Assets valued via this method include Footpaths and Carpark Pavement/Seals all situated on Council Reserves.

b. Revalued using the Local Government Pricing Index (LGPI). Assets valued via this method include Fencing, Irrigation Equipment, Playgrounds, Kerbing, Sports Courts/Facilities, Reserve Furniture, Landscaping and Other Structures all situated on Council Reserves.

c. Independent valuations were provided by Inside Infrastructure and Aquentia Consulting in 2014/15 (as sub-consultant to Inside Infrastructure) using a methodology that utilises observable rates and cost information from their extensive knowledge across the water industry. Assets valued via this method include all those associated with Councils Recycled Stormwater Business Unit, which includes assets such as Pipework, Pumps, Bores, Valves, Electrical and Computer Equipment. In 2015/16, 2016/17 and 2017/18 an independent valuation of the current depreciated replacement cost for these assets was undertaken using an ASR Asset Price Index provided by Tonkin Consulting, derived from references to various construction guides (such as Rawlinsons Australian Construction Handbook).

d. Independent valuations were provided by JLL in 2017/18 using a methodology that utilises observable rates and cost information from their research across the Playground and Fitness Equipment industries. Assets valued via this method included Playgrounds and Fitness Equipment.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

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

\$ '000

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Buildings and Other Structures	3	Cost Approach	\$60,921

Valuation of assets in this category are undertaken via the following method:

a. Independent valuation of the current depreciated replacement value and depreciated replacement cost for buildings at a component level was undertaken by GHD for the year ending 30 June 2017 using a methodology that utilises observable rates and cost information from their extensive knowledge across Building Infrastructure. In 2017/18 an independent valuation of the current depreciated replacement cost for these assets was undertaken using Building Component Indexes provided by Tonkin Consulting, derived from references to the Rawlinsons Australian Construction Handbook.

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Infrastructure	3	Cost Approach	\$785,353

Valuation of assets in this category are undertaken via one of three methods:

a. Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates to derive a unit rate used to calculate a depreciated replacement cost for each asset. Assets valued via this method include Footpaths, Kerbing, Carpark Pavements/Seals, Road Pavement/Seals and Drainage Pipes/Pits all situated on or under Council Roads.

b. Independent valuations were provided by SMEC in 2016/17 using a methodology that utilises observable rates and cost information from their extensive knowledge of water retention related infrastructure. Assets valued via this method include Major Drainage Dams. In 2017/18 these assets were revalued using the Local Government Pricing Index (LGPI).

c. Revalued using the Local Government Pricing Index (LGPI). Assets valued via this method include Bridges, Irrigation Equipment on Roads, Road Furniture, Landscaping on Roads, Open Drainage Systems and Minor Drainage Dams.

The requirements of AASB 13 *Fair Value Measurement* have been applied to all valuations undertaken since 1 July 2013. There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements from previous years.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

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

\$ '000

Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use, unless market or other factors suggest a different use by market participants would maximise the value of the asset.

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.

Land

Much of the land under Councils care and control is Crown land or has been declared as community land under the provision of the *Local Government Act 1999*. Other types of restrictions on the land may also apply. Valuations of this land are based on the State Valuer Generals Site Values, which are based on observable sales in an active market of similar properties with a similar land use on both vacant land and land with improvements. Adjustments to these values are then made by the State Valuer General taking into consideration the highest and best use of the property e.g. if there is a single house on the land but zoning would allow it to be divided for home units.

Infrastructure, Buildings and Land Improvements

As there is no known active market for the majority of infrastructure, building and land improvement assets owned by Council, these assets have been valued at depreciated replacement cost using the *Cost Approach*. Upon revaluation, the current replacement cost and accumulated depreciation are restated such that the difference (the current depreciated replacement cost) represents the fair value of the asset determined in accordance with AASB 13 *Fair Value Measurement*.

This method involves the determination of the current cost to construct the asset (or its modern engineering equivalent) and then calculating the value of its remaining service capacity (depreciated replacement cost). Council utilise a number of observable and unobservable inputs in the calculation of these values which may include:

Observable Inputs:

- Council specific contract rates
- Recent construction costs for similar assets
- Independent valuations

Unobservable Inputs/Estimates:

- Quantities of materials used
- Economic (Useful) Lives of assets
- Residual Value of assets
- Preserved Value of assets
- Pattern of consumption of an assets economic benefits
- Condition
- Obsolescence
- Impairment
- Industry construction pricing indexes e.g. Rawlinson's Construction Handbook and Cost Guide
- Other construction pricing indexes e.g. Local Government Pricing Index which is an index developed by the Australian Bureau of Statistics and is prepared quarterly by the South Australia Centre for Economic Studies and is based on price movements in the goods and services purchased by Local Governments.

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

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

\$'000

Intangible Assets

Intangible Assets have been accounted for in accordance with the requirements of AASB 138 *Intangible Assets*. Council has purchased, from the market in arm's length transactions, Water Licences that enable the harvesting and sale of stormwater, and is of the opinion that these Water Licences meet the definition and recognition requirements of Intangible Assets, specifically intangible assets with an indefinite useful life. Initial recognition of these Water Licences is at cost, and after initial recognition they are carried at cost less any accumulated impairment losses.

Testing for impairment, in accordance with AASB 136 *Impairment of Assets*, is undertaken annually, or whenever there may be an indication that the intangible assets may be impaired. The determination that these Water Licences have an indefinite useful life is reviewed annually to determine whether events and circumstances continue to support an indefinite useful life assessment.

Street Trees

Council is of the opinion that street trees and tree screens are tangible assets that the City uses to support the provision of environmental and recreational services to the community, and have an initial cost that can be reliably measured, that is the cost of planting and establishment. It is therefore considered that costs relating to tree plantings for street trees and tree screens only meet the recognition criteria of property, plant and equipment and should be recognised as an asset.

Plant, Furniture and Fittings

Assets are carried at cost, less any accumulated depreciation and impairment losses.

Library Books

Library books are accounted for under the replacement method. Library stock at 30 June 2018 is valued using nominal values recommended by PLS (Public Library Service). 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

Note 8. Liabilities

\$ '000	Notes	2018	2018	2017	2017
		Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Goods and Services		12,057	-	12,203	-
Payments Received in Advance		1,346	-	1,207	-
Accrued Expenses - Other		49	-	56	-
Deposits, Retentions and Bonds		302	-	208	-
Total Trade and Other Payables		13,754	-	13,674	-

(b). Borrowings

Loans	2,142	10,575	2,350	12,717
Total Borrowings	2,142	10,575	2,350	12,717

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

(c). Provisions

Employee Entitlements (including oncosts)	7,193	1,429	7,241	1,726
Salisbury Memorial Park Maintenance Provision	-	70	-	60
Mortgage Loss Provision	-	28	-	28
Total Provisions	7,193	1,527	7,241	1,814

	Salisbury Memorial Park Maintenance Provision	Mortgage Loss Provision
Opening Balance	60	28
Additional Amounts Recognised	10	-
Closing Balance	70	28

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

Note 9. Reserves

\$ '000	1/7/2017	Increments (Decrements)	Transfers	Impairments	30/6/2018
(a). Asset Revaluation Reserve					
Land - Other	315,946	14,920	-	-	330,866
Land Improvements	18,895	7,271	-	-	26,166
Buildings and Other Structures	10,034	(13)	-	-	10,021
Infrastructure	669,360	19,538	-	-	688,898
Library Books	2,338	-	-	-	2,338
JV's / Associates - Other Comprehensive Income	352	-	-	-	352
Total Asset Revaluation Reserve	1,016,925	41,716	-	-	1,058,641
Comparatives	1,003,494	13,431	-	-	1,016,925

\$ '000	1/7/2017	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2018
(b). Other Reserves					
Plant Replacement Reserve	350	-	-	-	350
Development and Public Infrastructure Reserve	1,604	89	(98)	-	1,595
Open Space Reserve	1,045	189	-	-	1,234
Car Parking Reserve	958	15	(45)	-	928
Property Disposal Reserve	3,901	849	-	-	4,750
Mausoleum Perpetual Care Reserve	772	41	-	-	813
Salisbury Memorial Park Reserve	879	14	-	-	893
Carried Forward Funds Reserve	16,791	12,335	(16,791)	-	12,335
Salisbury Water Business Unit Reserve	1,881	409	(896)	-	1,394
Total Other Reserves	28,181	13,941	(17,830)	-	24,292
Comparatives	31,742	23,236	(26,271)	(526)	28,181

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

Note 9. Reserves

\$ '000

PURPOSES OF RESERVES

Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

Plant Replacement Reserve

Used to fund the purchase of items of major plant.

Development and Public Infrastructure Reserve

The Development and Public Infrastructure Reserve contains developer contributions towards future footpaths, street signs and street trees specific to the development site. It also contains developer contributions towards future works associated with drainage systems, water pipes and pumps, Council road network, trails and bridges necessary to facilitate the development and external to the development site.

Open Space Reserve

For developer contributions towards the future acquisition of open space areas.

Carpark Reserve

For the provision of car parking areas within the Salisbury Town Centre, Ingle Farm Town Centre and Mawson Lakes Town Centre.

Property Disposal Reserve

To retain the proceeds of any property sales under the provision of Section 194 of the *Local Government Act 1999* and subject to compliance with all legal requirements thereof, and to be utilised to repay debt or reduce future borrowings.

Mausoleum Perpetual Care Fund Reserve

To provide maintenance for the mausoleum at Salisbury Memorial Park.

Salisbury Memorial Park Reserve

To fund future development work and maintenance at the Salisbury Memorial Park.

Carried Forward Funds Reserve

Used for unspent budget funds at the end of financial year that are to be carried forward for use in the following year.

Salisbury Water Business Unit Reserve

Generated by the allocation of surpluses, and offset by deficits resulting from the operations of the Salisbury Water Business Unit. Allocations from the Reserve can only be made following a resolution of Council and can only be utilised to fund either business development, asset renewal, offset losses or to distribute dividends to Council.

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

Note 10. Assets Subject to Restrictions

\$ '000	Notes	2018	2017
<p>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.</p>			
Cash and Financial Assets			
Unexpended amounts received from Federal Government			
Open Space Contributions	9b	1,234	1,045
Developer Contributions	9b	2,523	2,562
Unexpended Grants and Subsidy Funds	2h	1,752	325
Total Cash & Financial Assets		5,509	3,932

Developer Contributions are received primarily to fund infrastructure works in new subdivisions. These funds are held in Reserves (as disclosed in Note 9) until required and as such are regarded as restricted. Grant and Subsidy Funds received but not yet expended are regarded as restricted, and are disclosed in Note 2h.

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

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2018	2017
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(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 Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Total Cash and Equivalent Assets	5	33,780	28,576
Balances per Statement of Cash Flows		33,780	28,576

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

Net Surplus/(Deficit)		14,057	20,544
Non-Cash Items in Income Statements			
Depreciation, Amortisation and Impairment		22,719	24,781
Equity Movements in Equity Accounted Investments (Increase)/Decrease		69	83
Non-Cash Asset Acquisitions		(682)	(3,741)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(1,690)	(1,935)
Net (Gain) Loss on Disposals		3,353	(4,073)
		37,826	35,659
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(162)	(784)
Net (Increase)/Decrease in Inventories		1	(19)
Net Increase/(Decrease) in Trade and Other Payables		1,192	1,364
Net Increase/(Decrease) in Unpaid Employee Benefits		(345)	527
Net Increase/(Decrease) in Other Provisions		10	10
Net Cash provided by (or used in) operations		38,522	36,757

(c). Non-Cash Financing and Investing Activities

Nil

Acquisition of assets by means of:

- Physical Resources Received Free of Charge	2i	682	3,741
Total Non-Cash Financing and Investing Activities		682	3,741

(d). Financing Arrangements

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

Bank Overdrafts	500	500
Corporate Credit Cards	500	500
LGFA Cash Advance Debenture Facility	23,317	28,747

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 drawdown facility and variable interest rate borrowings under a cash advance facility from the Local Government Finance Authority of South Australia.

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

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017
\$ '000	3,103	3,068	3,450	3,668	(347)	(600)	-	60	918	862
Public Order and Safety	216	177	1,539	1,570	(1,323)	(1,393)	22	13	543	286
Health	3,388	3,349	6,817	6,385	(3,429)	(3,036)	2,711	2,670	20,175	19,644
Social Security and Welfare	4,842	4,232	29,226	25,906	(24,384)	(21,674)	264	214	469,960	439,242
Housing and Community Services	1,265	1,140	27,031	20,960	(25,766)	(19,820)	698	596	881,652	868,738
Recreation and Culture	4,658	3,862	18,163	9,136	(13,505)	(5,274)	4,652	3,855	6,460	6,138
Transport and Communication	279	476	5,490	5,707	(5,211)	(5,231)	169	385	244	159
Economic Affairs	104,369	103,762	15,297	35,856	89,072	67,906	6,767	9,608	90,087	81,802
Other, Not Attributed and Administration	122,120	120,066	107,013	109,188	15,107	10,878	15,283	17,401	1,470,039	1,416,871
Total Functions/Activities										

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

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

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

Public Order and 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 and Community Services

Town planning, community development planning, road sweeping, roadside rubbish collection, domestic refuse collection, operating 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 and Culture

Maintenance and operation of libraries, recreation centres, swimming pool, community centre, parks, gardens and reserves, neighbourhood houses, clubrooms, playgrounds, sports grounds, halls and plant nursery.

Transport and Communication

Construction and maintenance of roads, footpaths, bridges, parking facilities and bus shelters.

Economic Affairs

Building Act administration, economic initiatives, tourism.

Other, Not Attributed and 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 to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 13. Financial Instruments

\$ '000

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 and Conditions:

Deposits are returning fixed interest rates between 1.65% and 1.8% (2017: 1.65% and 2.0%). Short term deposits have an average maturity of 35 days and an average interest rate of 1.66% (2017: 37 days and 1.73%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates and Associated Charges

(including legals and 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 and Conditions:

Secured over the subject land, arrears attract interest of 2.0% (2017: 2.0%). 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 and 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 and Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

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

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables
Other Levels of Government

Accounting Policy:
Carried at nominal value.

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

Carrying Amount:
Approximates fair value.

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 and 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 and Conditions:
Secured over future revenues, borrowings are repayable biannually; interest is charged at fixed rates between 4.0% and 7.01% (2017: 4.0% and 7.01%).

Carrying Amount:
Approximates fair value.

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

Note 13. Financial Instruments (continued)

	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
\$ '000					
2018					
Financial Assets					
Cash and Equivalents	33,780	-	-	33,780	33,780
Receivables	1,608	443	-	2,051	2,051
Other Financial Assets	-	-	761	761	761
Total Financial Assets	35,388	443	761	36,592	36,592

Financial Liabilities					
Payables	12,408	-	-	12,408	12,408
Current Borrowings	2,947	-	-	2,947	2,142
Non-Current Borrowings	-	10,367	2,553	12,920	10,575
Total Financial Liabilities	15,355	10,367	2,553	28,275	25,125

	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
\$ '000					
2017					
Financial Assets					
Cash and Equivalents	28,576	-	-	28,576	28,576
Receivables	2,406	474	-	2,880	2,880
Other Financial Assets	-	-	831	831	831
Total Financial Assets	30,982	474	831	32,287	32,287

Financial Liabilities					
Payables	12,467	-	-	12,467	12,467
Current Borrowings	3,306	-	-	3,306	2,350
Non-Current Borrowings	-	11,684	4,183	15,867	12,717
Total Financial Liabilities	15,773	11,684	4,183	31,640	27,534

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

	30 June 2018		30 June 2017	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	7.12%	-	7.12%	-
Other Variable Rates	0.00%	-	0.00%	-
Fixed Interest Rates	6.23%	12,717	6.25%	15,067
		12,717		15,067

Net Fair Value

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

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

Note 13. Financial Instruments (continued)

\$ '000

Risk Exposures

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

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

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

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

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

Note 14. Commitments for Expenditure

\$ '000	Notes	2018	2017
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		33,664	924
Infrastructure		4,041	7,721
Plant and Equipment		1,817	12
		39,522	8,657
These expenditures are payable:			
Not later than one year		39,522	8,657
		39,522	8,657
(b). Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		35	37
		35	37
These expenditures are payable:			
Not later than one year		35	37
		35	37
(c). Finance Lease Commitments			
Council has no Finance Leases.			

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

Note 15. Financial Indicators

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

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

1. Operating Surplus Ratio

Operating Surplus	15,038	12.3%	9%	5%
Total Operating Income	122,120			

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

1a. Adjusted Operating Surplus Ratio

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

14,825	12.1%	6%	9%
122,120			

2. Net Financial Liabilities Ratio

Net Financial Liabilities	(5,827)	(4.8%)	2%	14%
Total Operating Income	122,120			

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

When the Net Financial Liabilities Ratio falls below zero, it represents a net financial assets position, which is when the financial assets (cash, receivables and financial assets) are greater than total liabilities. A negative ratio equates to a favourable position for Council, reflecting higher levels of cash holdings and trade receivables than levels of trade payables and debt.

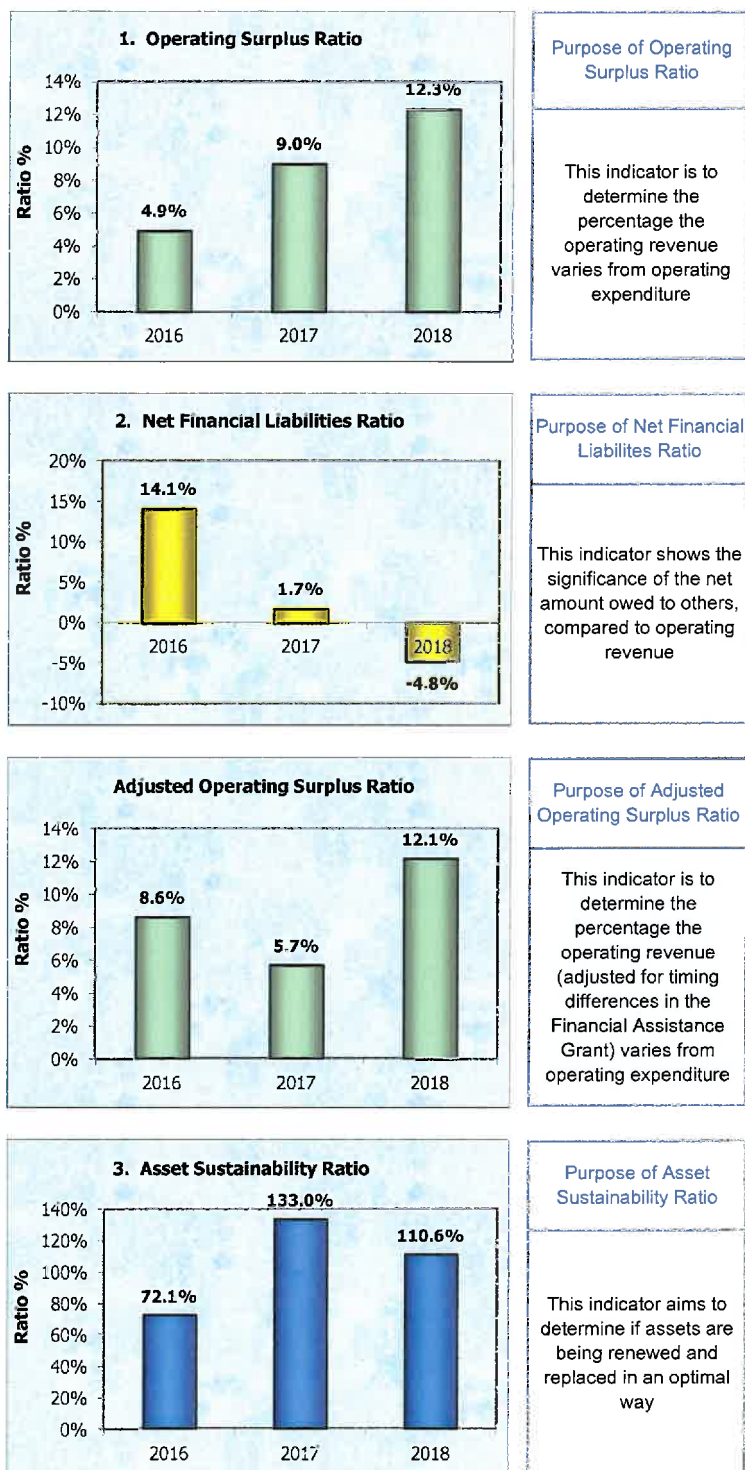
3. Asset Sustainability Ratio

Net Asset Renewals	19,291	110.6%	133%	72%
Infrastructure & Asset Management Plan required expenditure	17,439			

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

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

Note 15. Financial Indicators - Graphs (continued)



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

Note 16. Uniform Presentation of Finances

\$ '000	2018	2017
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	122,120	120,066
less Expenses	(107,082)	(109,271)
Operating Surplus / (Deficit)	15,038	10,795
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(19,718)	(25,092)
add back Depreciation, Amortisation and Impairment	22,719	24,781
add back Proceeds from Sale of Replaced Assets	427	479
Subtotal	3,428	168
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property and Real Estate Developments)	(15,940)	(11,301)
add back Amounts Received Specifically for New and Upgraded Assets	1,690	1,935
add back Proceeds from Sale of Surplus Assets (including Investment Property and Real Estate Developments)	2,474	11,359
Subtotal	(11,776)	1,993
Net Lending / (Borrowing) for Financial Year	6,690	12,956

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

Note 17. Operating Leases

\$ '000

2018

2017

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.

(i) 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.

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

Not later than one year	548	647
Later than one year and not later than 5 years	1,214	1,032
Later than 5 years	2,455	2,302
	4,217	3,981

(ii) Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment. 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 imposes any additional restrictions on Council in relation to additional debt or further leasing.

No lease contains any escalation clause.

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

Not later than one year	479	575
Later than one year and not later than 5 years	280	354
	759	929

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

Note 18. Superannuation

\$ '000

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2017/18; 9.50% in 2016/17). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2016/17) of "superannuation" salary.

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

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

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

Contributions to Other Superannuation Schemes

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

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

Note 19. Interests in Other Entities

\$ '000

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

	Council's Share of Net Income		Council's Share of Net Assets	
	2018	2017	2018	2017
Joint Ventures	(69)	(83)	3,877	3,946
Total	(69)	(83)	3,877	3,946

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2018	2017
Northern Adelaide Waste Management Authority	Waste Management	3,801	3,858
Council Solutions	Procurement	76	88
Total Carrying Amounts - Joint Ventures & Associates		3,877	3,946

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.

Council Solutions

Established by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully in December 2012, this regional subsidiary has been established for the purposes of providing a centre of excellence in procurement and to provide services to the Constituent.

(b) Relevant Interests

Name of Entity	Interest in		Ownership		Proportion of	
	Operating		Share of		Voting Power	
	2018	2017	2018	2017	2018	2017
Northern Adelaide Waste Management Authority	56%	57%	56%	57%	33%	57%
Council Solutions	17%	17%	17%	17%	17%	17%

(c) Movement in Investment in Joint Venture or Associate

	Northern Adelaide Waste Management Authority		Council Solutions	
	2018	2017	2018	2017
Opening Balance	3,858	3,928	88	101
Share in Operating Result	(57)	(70)	(12)	(13)
Council's Equity Share in the Joint Venture or Associate	3,801	3,858	76	88

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

Note 19. Interests in Other Entities (continued)

\$ '000

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position	Northern Adelaide Waste Management Authority		Council Solutions	
	2018	2017	2018	2017
Cash and Cash Equivalents	1,061	4,282	174	334
Other Current Assets	2,738	2,466	563	469
Non-Current Assets	16,585	10,723	-	-
Total Assets	20,384	17,471	737	803
Current Trade and Other Payables	2,271	2,768	124	222
Current Financial Liabilities	1,079	791	158	55
Current Provisions	263	366	-	-
Non-Current Financial Liabilities	7,415	4,331	-	-
Non-Current Provisions	2,605	2,428	-	-
Total Liabilities	13,633	10,684	282	277
Net Assets	6,751	6,787	455	526

Statement of Comprehensive Income	Northern Adelaide Waste Management Authority		Council Solutions	
	2018	2017	2018	2017
Other Income	29,234	27,148	641	61
Contributions from Constituent Councils	-	-	1,054	1,167
Interest Income	108	171	4	6
Total Income	29,342	27,319	1,699	1,234
Employee Costs	2,191	1,773	-	-
Materials, Contracts and Other Expenses	25,524	24,205	1,770	1,310
Depreciation, Amortisation and Impairment	1,449	1,360	-	-
Finance Costs	373	281	-	-
Total Expenses	29,537	27,619	1,770	1,310
Other Revenue / Expense Items	-	(30)	-	-
Operating Result	(195)	(330)	(71)	(76)

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

Note 19. Interests in Other Entities (continued)

\$ '000

(e). Share of Joint Operations Expenditure Commitments

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

(i) Capital Expenditures Payable

No capital expenditure is committed at the reporting date that has not been recognised as a liability.

	Northern Adelaide Waste Management Authority		Council Solutions	
	2018	2017	2018	2017
(ii) Operating Expenditures Payable				
Not later than one year	14,766	9,620	-	-
Later than one year and not later than 5 years	56,300	9,881	-	-
Later than 5 years	11,232	57,422	-	-
	82,298	76,923	-	-

The Northern Adelaide Waste Management Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf of its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

	Northern Adelaide Waste Management Authority		Council Solutions	
	2018	2017	2018	2017
(iii) Lease Payments Commitments Payable				
Not later than one year	1,075	994	-	-
Later than one year and not later than 5 years	3,326	3,476	-	-
Later than 5 years	482	73	-	-
	4,883	4,543	-	-

(iv) INDIVIDUALLY IMMATERIAL COUNCIL BUSINESSES

Council did not have any individually immaterial businesses.

(v) UNCONSOLIDATED STRUCTURED ENTITIES

Council has no Unconsolidated Structured Entities.

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

Note 20. Contingencies and Assets/Liabilities Not Recognised in the Balance Sheet

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

1. LAND UNDER ROADS

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

2. POTENTIAL INSURANCE LOSSES

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

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

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

3. LEGAL MATTERS

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

4. CEMETERY

Council operates a Cemetery Facility - Salisbury Memorial Park. A Contingent Liability exists for the ongoing maintenance of this Cemetery. This liability remains for a period of 100 years after the expiry of the lease on the last burial of the site. In addition, Council has negotiated a new lease of the Mausoleum, requiring the facility to be maintained by the lessee. The lessee will continue to contribute to the Perpetual Care Fund to ensure that maintenance of the facility for the next 100 years is funded. The contribution value will be assessed twice during the proposed lease period for adjustment purposes to ensure the Fund will be sufficient to provide for the ongoing maintenance of the Mausoleum.

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

Note 21. Events after the Balance Sheet Date

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

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

Accordingly, the "authorised for issue" date is 11/10/18.

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

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

Note 22. Related Party Transactions

\$ '000	2018	2017
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Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO, General Managers and certain prescribed officers under section 112 of the *Local Government Act 1999*, as well as other personnel that satisfy the criteria of KMP as contained within AASB 124 *Related Party Transactions*. In some circumstances members of the KMP have left Council during the financial year, however their compensation has still been included. In all, 46 persons were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	4,836	5,336
Post-Employment Benefits	417	427
Long-Term Benefits	788	754
Total	6,041	6,517

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

Receipts from Key Management Personnel:

A Councillor operates a retail business and has a formal commercial agreement in place with Council under which they sell tickets to use a Council facility on Council's behalf. The details of this arrangement are the Councillor purchases books of tickets from Council, and pays Council 70% of the face value, therefore retaining 30% of the sales revenue. In the 2018 Financial Year, the total income generated from tickets sold on Council's behalf was \$62k and the amount retained by the Councillor equated to \$19k.

There have been no other material amounts received from Key Management Personnel during the financial year, other than amounts paid in their capacity as ratepayers or residents (e.g. rates, swimming pool entry fees, etc).

Transactions with Regional Subsidiaries:

In regards to Council's Regional Subsidiaries, further information relating to their specific activities and carrying amounts are disclosed in Note 19. Council is an equity owner, along with other member Councils, of both these subsidiaries. Member Councils have equal representation on the Board of both Regional Subsidiaries and accordingly have influence over both the financial and operational decisions of the subsidiaries. However, no one Member Council individually has control over these decisions. The following material transactions occurred with Council's Regional Subsidiaries, during the financial year:

	Payments	Outstanding
Northern Adelaide Waste Management Authority	11,846	1,104
Council Solutions	-	-
Total	11,846	1,104

Amounts payable that are outstanding at 30 June 2018 are recorded in Trade and Other Payables in Note 8.

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

Opinion

We have audited the accompanying financial report of the City of Salisbury, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the City of Salisbury as of 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the committee and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>). This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 10th day of October 2018

INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF SALISBURY

Opinion

We have audited the compliance of the City of Salisbury (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2017 to 30 June 2018 are in accordance with legislative provisions.

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2017 to 30 June 2018.

Limitation on Use

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

Limitations of Controls

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

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

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities are in accordance with legislative provisions.

Our Responsibility

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

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

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

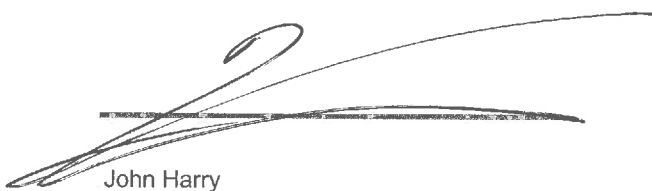
Dated at Adelaide this 10th day of October 2018

General Purpose Financial Statements
for the year ended 30 June 2018

Certification of Auditor Independence


To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Salisbury for the year ended 30 June 2018, the Council's Auditor, Bentleys 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*.

A stylized, handwritten signature in black ink, consisting of a large, sweeping 'J' followed by a horizontal line.

John Harry

CHIEF EXECUTIVE OFFICER

A handwritten signature in black ink, featuring a series of loops and a horizontal line at the end.

Councillor Graham Reynolds

PRESIDING MEMBER, AUDIT COMMITTEE

Date:

9/10/2018

Bentleys SA Audit Partnership

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of City of Salisbury for the year ended 30 June 2018, 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.

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 9th day of October 2018

SUBSIDIARY reports

Council Solutions Annual Report 2017/18

Council Solutions is a joint initiative of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully (Constituent Councils). Established as a Regional Authority in December 2012 in accordance with the Local Government Act 1999 (SA), its purpose is to optimise the financial sustainability of its constituent councils through the benefits of collaborative strategic procurement and contract negotiation and management. Council Solutions is governed by a Board of Management comprising an independent Chairperson and the Chief Executive Officer of each Constituent Council.

Northern Adelaide Waste Management Authority Annual Report 2017/18

The Northern Adelaide Waste Management Authority (NAWMA) is a Local Government Regional Subsidiary of the Cities of Salisbury and Playford and the Town of Gawler. It also provides waste management services to client councils including Barossa, Barunga West, Clare/Gilbert Valley, Copper Coast, Goyder Regional, Light Regional, Mallala, Mount Remarkable, Peterborough, Yorke Peninsula and Wakefield Regional

NAWMA coordinates the City of Salisbury's kerbside waste management and hard waste collection. The three-bin collection service incorporates household waste, recyclables and garden/food organics.

Council Solutions Regional Authority
General Purpose Financial Reports
for the year ending 30 June 2018

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Council Solutions Regional Authority
Certification Of Financial Statements
for the year ending 30 June 2018

I have been authorised by the Council Solutions Regional Authority Board to certify the financial statements of the Council Solutions Regional Authority in their final form. In my 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 Solutions Regional Authority's financial position at 30 June 2018 and the results of its operations and cash flows for the financial year.
- Internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- The financial statements accurately reflect the Council Solutions Regional Authority's accounting and other records.



.....
Catherine Cooper
Chair Of The Board

Date: 5/9/18

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
INCOME			
Investment Income	2	4	6
Management Fees	2	1,054	1,167
Other Income	2	641	61
Total Income		1,699	1,234
EXPENSES			
Materials, contracts & other expenses	3	1,770	1,310
Total Expenses		1,770	1,310
OPERATING SURPLUS / (DEFICIT)		(71)	(76)
NET SURPLUS / (DEFICIT)		(71)	(76)
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(71)	(76)

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

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		174	334
Receivables		563	469
Total Current Assets	4,7	737	803
Total Assets		737	803
LIABILITIES			
Current Liabilities			
Trade & Other Payables		124	222
Other Current Liabilities		158	55
Total Current Liabilities	5,7	282	277
Total Liabilities	5,7	282	277
NET ASSETS		455	526
EQUITY			
Accumulated Surplus		312	383
Share Capital		143	143
TOTAL EQUITY		455	526

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

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2018

	Initial Contribution by Owners	Accumulated Surplus	Total
2018	\$'000	\$'000	\$'000
Opening Balance	143	383	526
Net Surplus for Year	-	(71)	(71)
Balance at end of period	143	312	455

	Initial Contribution by Owners	Accumulated Surplus	Total
2017	\$'000	\$'000	\$'000
Opening Balance	143	459	602
Net Surplus for Year	-	(76)	(76)
Balance at end of period	143	383	526

STATEMENT OF CASH FLOW
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		1,600	1,150
Investment Income		4	6
<u>Payments</u>			
Operating payments to suppliers & employees		(1,764)	(1,089)
Net Cash provided by (or used in) Operating Activities		(160)	67
Net Increase (Decrease) in cash held		(160)	67
Cash & cash equivalents at beginning of period		334	267
Cash & cash equivalents at end of period	6	174	334

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

Council Solutions Regional Authority

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

Note 1 - Significant Accounting Policies

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.

Council Solutions Regional Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

Constituent Council	Equity Share
Adelaide City Council	16.67%
City of Charles Sturt	16.67%
City of Marion	16.67%
City of Onkaparinga	16.67%
City of Salisbury	16.67%
City of Tea Tree Gully	16.67%

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

1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 Income recognition

Management Fee Income is recognised when the Constituent Councils enter into the purchase of a good or service from a Supplier contracted to provide the Authority (or in the case of some prior contracts that were created jointly between the six constituent Council) with a Management Fee.

3 Cash, Cash Equivalents and other Financial Instruments

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

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.

4 Infrastructure, Property, Plant & Equipment

The Authority did not procure any non-current assets during the reporting period and does not hold any non-current assets as at the reporting date.

5 Employee Benefits

All employees are employed through Adelaide City Council, one of the Constituent Councils. Those employees are then contracted to the Authority.

Council Solutions Regional Authority
Notes to and forming part of the Financial Statements
for the year ending 30 June 2018

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.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

7 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.

9 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been used in preparing these reports.

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

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

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

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 2 - INCOME

	2018	2017
	\$'000	\$'000
INVESTMENTS		
Interest Income	4	6
	<u>4</u>	<u>6</u>
REBATES		
Management Fees	1,054	1,167
	<u>1,054</u>	<u>1,167</u>
OTHER INCOME		
Reimbursements	641	61
	<u>641</u>	<u>61</u>

Note 3 - EXPENSES

	2018	2017
	\$'000	\$'000
MATERIALS, CONTRACTS & OTHER EXPENSES		
Advertising	1	2
Audit Fees	4	4
Catering	1	2
Contractors	45	73
Consultant Fees	532	253
Insurance	27	32
IT Expenses	34	20
Legal Fees	63	48
Membership Fees & Subscriptions	4	12
Motor Vehicle	2	1
Reimbursements - Salary & Wages	982	775
Rent	26	30
Sitting Fees	32	39
Sundry	13	14
Telephone	2	1
Training and Development	2	4
	<u>1,770</u>	<u>1,310</u>

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 4 - CURRENT ASSETS

	2018 \$'000	2017 \$'000
CASH & CASH EQUIVALENTS		
Cash at Bank	174	334
	<u>174</u>	<u>334</u>
RECEIVABLES		
Accounts Receivables	418	271
Accrued Income	143	196
Prepaid Expenses	2	2
	<u>563</u>	<u>469</u>
TOTAL CURRENT ASSETS	<u>737</u>	<u>803</u>

Note 5 - LIABILITIES

	2018 \$'000	2017 \$'000
TRADE & OTHER PAYABLES		
Creditors	120	218
Expenses Accrued	4	4
	<u>124</u>	<u>222</u>
OTHER CURRENT LIABILITIES		
Payable to Adelaide City Council	158	55
	<u>158</u>	<u>55</u>
TOTAL LIABILITIES	<u>282</u>	<u>277</u>

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

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.

	2018	2017
	\$'000	\$'000
Cash at Bank	174	334
Balances per Cash Flow Statement	174	334

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

Net Surplus	(71)	(76)
Net (increase)/decrease in Receivables	(95)	(79)
Net increase/(decrease) in Current Liabilities	6	222
Net Cash provided by (or used in) operations	(160)	67

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 7 - FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Authority's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those applicable financial assets and liabilities is as follows;

2017-18

	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:						
Cash	1.9%	174	-	-	-	173
Receivables	0.0%	-	-	-	-	564
Total Financial Assets		174	-	-	-	737
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	282
Total Financial Liabilities		-	-	-	-	282

2016-17

	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:						
Cash	1.8%	334	-	-	-	334
Receivables	0.0%	-	-	-	-	469
Total Financial Assets		334	-	-	-	469
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	277
Total Financial Liabilities		-	-	-	-	277

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

(b) Credit Risk

Credit Risk represents the loss that would be recognised if other entities failed to perform as contracted.

The Authority's exposure to credit risk is summarised as follows;

Receivables - the Authority's maximum exposure is disclosed in the financial statements net of any provision for doubtful debts

(c) Net Fair Value

The net fair value of a financial instrument is defined as its value net of all costs to settle the asset and liability. The financial assets and liabilities as stated or referred to in notes (a) and (b) above, are stated at their face value (less provision for doubtful debts if applicable).

Due to the nature of financial instruments held in the Authority, the cost associated with their settlement would not be material, and hence, have not been considered.

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 8 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Chair of the Board, the Board and the CEO.

Salaries, allowances & other short term benefits paid by Council Solutions to KMP were \$259k (2017-18) and \$261k (2016-17)

The following qualifying related party disclosures have been identified in relation to the 2017-18 financial year

Related Party Entity	Amounts received from related parties during 2017-18 FY	Amounts outstanding from related parties as at 30 June 2018	Amounts outstanding to related parties as at 30 June 2018
	\$ '000	\$ '000	\$ '000
City of Adelaide	109	53	100
City of Charles Sturt	128	57	-
City of Marion	203	48	-
City of Salisbury	35	3	-
City of Tea Tree Gully	23	3	-
City of Onkaparinga	45	3	-

The above amounts received represent reimbursements of designated project costs paid by the above listed Constituent Councils to Council Solutions at various times throughout the year. These amounts have been approved by the Board and reported on as part of the ongoing annual budget setting and budget review process.

Council Solutions provides procurement services to the above listed entities.

Council Solutions Regional Authority

Certification Of Auditor Independence for the year ending 30 June 2018

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Council Solutions Regional Authority for the year ended 30 June 2018, the Council's Auditor, Ian G McDonald FCA, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



Catherine Cooper
CHAIR

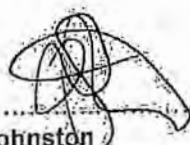
Date:

5/9/18



Mark Dowd
CHIEF EXECUTIVE OFFICER
City of Onkaparinga

Date: 5 September 2018



Tanya Johnston
PRESIDING MEMBER OF AUDIT COMMITTEE

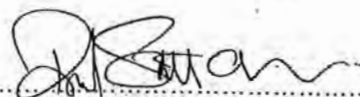
Date:

05/09/18



Mark Goldstone
CHIEF EXECUTIVE OFFICER
City of Adelaide

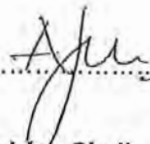
Date: 10/9/18



Paul Sutton
CHIEF EXECUTIVE OFFICER
City of Charles Sturt

Date:

6.9.18.



Adrian Skull
CHIEF EXECUTIVE OFFICER
City of Marion

Date:

6.9.18



John Harry
CHIEF EXECUTIVE OFFICER
City of Salisbury

Date:

7/9/2018.



John Moyle
CHIEF EXECUTIVE OFFICER
Tea Tree Gully

Date:

7/9/18

Ian G McDonald FCA



Council Solutions Regional Authority

ANNUAL FINANCIAL STATEMENTS For the year ended 30 June 2018

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Council Solutions Regional Authority for the year ended 30 June 2018, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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

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

Ian G McDonald FCA

Dated this 17th day of August 2018

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Nancy 0408
nancytran@creativeaudi

Council Solutions Regional Authority Independent Auditor's Report

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

Opinion

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

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

Basis for Opinion

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

Other Information – Basis of Accounting and Restriction on Distribution

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

Responsibilities of Management for the Financial Report

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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



Ian G McDonald FCA
Registered Company Auditor

Dated at Grange this 12th day of September 2018



2017-2018

Annual Report



Strategy Development and Implementation

CONTENTS

Strategy Development and Implementation	2-3
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About NAWMA

The Northern Adelaide Waste Management Authority (NAWMA) is a local government regional subsidiary of the Cities of Salisbury and Playford, and the Town of Gawler. These Councils represent nearly 20 per cent of residents from across metropolitan Adelaide.

NAWMA also services a large number of rural and regional Councils. In providing quality waste management and resource recovery services, NAWMA is delivering direct benefits to our Constituent and client Councils and to the broader South Australian community.

Mission

To deliver world-class recycling and waste management services to our Constituent and client Councils.

Guiding Principles

Circular Economy

- Promote waste prevention, reduction and recycling
- Extract the maximum value out of discarded products and materials
- Ensure there are end markets for recovered materials

Support Local Jobs

NAWMA processes recyclables and waste locally to support and partner with our community, local businesses, and industry.

Cost Effectiveness

NAWMA achieves economies-of-scale.

Conserve Natural Resources

NAWMA minimises use of energy and water and maximises use of renewable energy.

Innovation

NAWMA runs state-of-the-art facilities and continually improves processes and services.



nd Implementation

Objectives

1. Achieve best practice in diversion of waste from landfill
2. Advocate and facilitate a circular economy
3. Maintain cost-effectiveness in service delivery

Strategies

NAWMA pursues the following strategies to achieve our objectives:

Strategy	Objective 1	Objective 2	Objective 3
1. Design services to maximise recycling opportunities for residents	✓		✓
2. Deliver best-practice waste education	✓	✓	✓
3. Pursue opportunities to recycle recovered materials in Australia		✓	
4. Work with Constituent Councils to develop markets for recycled-content materials		✓	
5. Investigate opportunities to recover recyclables from the residual stream	✓		
6. Investigate opportunity to consolidate operations to a single-site			✓
7. Pursue opportunities to increase throughput via existing recycling infrastructure		✓	✓
8. Investigate opportunities to invest in new infrastructure that services local government		✓	✓
9. Investigate ways to reduce cost of kerbside collections			✓
10. Pursue partnerships in innovation, research and development		✓	✓
11. Demonstrate thought leadership in resource recovery, waste management locally, nationally, and globally		✓	✓

Report from the Chair

While facing some extraordinary external challenges in 2017-18, I am pleased to say NAWMA can report a year of significant achievement on behalf of our Constituent Councils and the community.

A major highlight was the official opening of the state-of-the-art Material Recovery Facility at Edinburgh in October 2017 showcasing a major investment in recyclable processing capacity for the region and State.

NAWMA's emphasis on resource recovery and regeneration will deliver long-term benefits including helping our Constituent Councils to minimise costs and improving environmental outcomes with flow-on benefits for residents.

We continue to deliver leading waste management outcomes of local and global importance with significant environmental, economic and social benefits for current and future generations in the northern region of Adelaide and beyond.

There have been many good strategic decisions made in the past few years. Our CEO Adam Faulkner, together with the Board of NAWMA, are focused on delivering significant benefits to the community and the environment by ensuring the Authority is at the leading edge of latest technologies and innovation.

NAWMA's visionary and progressive development of the new Material Recovery Facility was recognised in April this year with the Local Government Professionals Australia (SA) award for Environmental Leadership and Sustainability. Local Government Professionals Australia is the peak body for about 3,500 Councils across Australia. It promotes innovation and works to improve quality of life across communities through advocacy and sharing.

During the year, six international delegations visited NAWMA's operations and we were a key participant in the inaugural Global Leadership Forum on the Circular Economy.

The Global Leadership Program on the Circular Economy is a collaboration between the United Nations Centre for Regional Development, the South Australian Government's Green Industries SA, Local Government and industry.

Over recent years, the South Australian Government has developed a circular economy strategy that has delivered outstanding outcomes in terms of waste minimisation. More than 80 per cent of the waste generated in the State is diverted from landfill, over 50 per cent of SA's energy comes from renewable sources, and around 25 per cent of wastewater is recycled with pioneering achievements in this area in the northern region of Adelaide.

One of the major challenges faced by NAWMA and the waste management sector in Australia as a whole has been China's SWORD policy. Until recently, China was the world's biggest importer of recyclable materials, including 1.25 million tonnes from Australia in 2016-17. However, from the start of 2018, China enforced the SWORD policy significantly restricting the importation of recyclables.

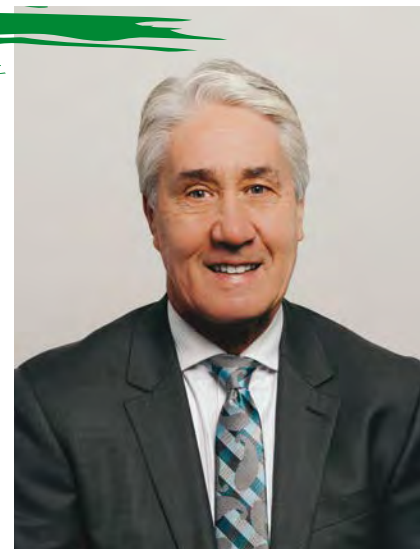
The NAWMA Board and management team successfully navigated through the impact of the SWORD policy by developing new markets domestically and overseas, including India, Malaysia and Thailand. Importantly, the new domestic market opportunity secured by Adam and his team is a leading example in Australia for the circular economy model.

Meanwhile, NAWMA commissioned Australia's first integrated solar farm and landfill gas renewable energy facility at its Uleybury landfill. The combined electricity generated from the systems will deliver a projected 11,000 megawatt hours per annum – enough to power 1,900 homes – while preventing about 57,500 tonnes of carbon being emitted into the atmosphere each year.

We have taken on a 10 year operation of the new Pooraka Resource Recovery Centre and, looking ahead, we have a refreshed and highly skilled senior management team to deliver on NAWMA's strategic objectives to design out waste going to landfill, to maximise value from recyclable products and to implement a real transition to renewable energy sources.

Many thanks to Adam Faulkner and his senior leadership team for their most significant contribution to the performance of NAWMA. It has been a year of great challenge and enormous change. To all our staff, we say thanks and well done on providing excellent service, improving our efficiencies and complementing the reputations of our Member Councils in each of their communities.

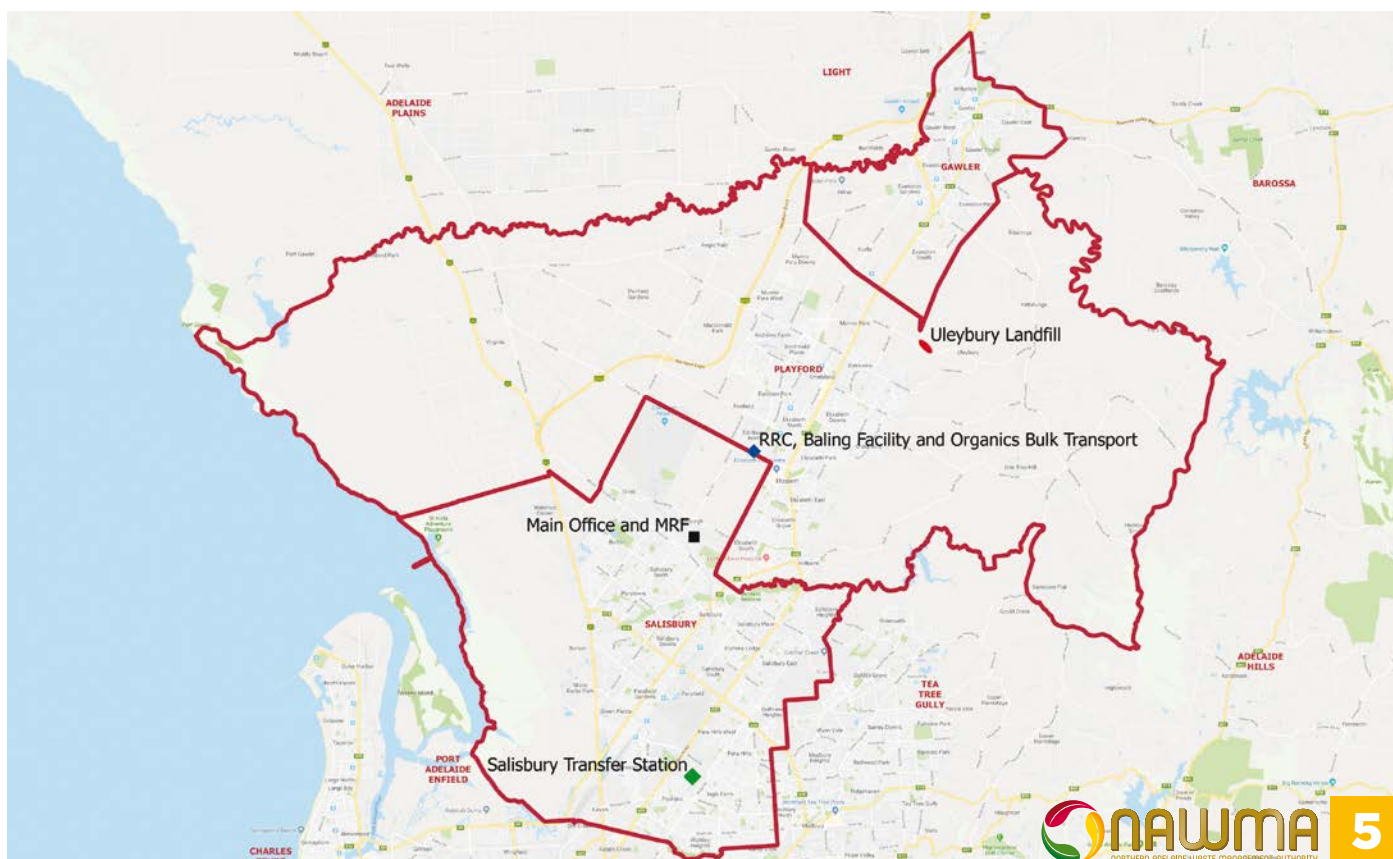
The achievement of all of the above would not have been possible without the commitment and the astute advice of the Board of NAWMA. The members of the Board provide valuable professional support to Adam and his senior team. To all the Directors of NAWMA, I thank you for your guidance and support, and we all look confidently forward to an even more successful year in 2018-19.



Brian Cunningham

Brian Cunningham
NAWMA Chair

Services Area Map



Adam Faulkner hosting the Green Industries SA Indian delegation



Report from the Chief Executive Officer

In March this year, China implemented the SWORD policy to apply strict thresholds on recyclable materials imported from around the world, including Australia.

Previously, China had been a significant buyer of recyclables from NAWMA, which sorted this product for export at our Material Recovery Facility at Edinburgh.

NAWMA had to develop a response to the Chinese decision to limit shipments of recyclable materials into the country, and we acted swiftly and effectively to find new local and overseas markets for the products.

With NAWMA's kerbside collection system and the advanced technologies and mechanisms at our world class Material Recovery Facility, we can process recyclable material to a very high standard. Therefore, we were able to find alternative markets for recyclable materials, with some of the paper products being purchased for processing into newspapers by *The Advertiser*. Other markets for recycled paper, cardboard and plastics have been secured overseas including in India and South East Asia.

NAWMA continues to promote and encourage participation in positive environmental outcomes from responsible waste management. For example, in June this year NAWMA, in conjunction with Green Industries SA, conducted a Hazardous Waste Drop-Off Day at our Resource Recovery Centre at Bellchambers Road.

The free opportunity to drop off hazardous waste was extended to communities within and beyond our Constituent Councils, and the response was very encouraging with in excess of 29 tonnes of household chemicals and paint being delivered by more than 800 residents.

This initiative will lead to a permanent free-of-charge household chemical and paint drop off service at the Resource Recovery Centre at Edinburgh North.

There have also been major upgrades to facilities at the Edinburgh North Resource Recovery Centre including a new weighbridge, traffic management systems, organics receivals and new office amenities.

Meanwhile, our hard waste collection service has transitioned to an on-call booking system, or vouchers that benefit residents in the City of Salisbury and the City of Playford.

Initial work has been carried out to refresh the NAWMA website allowing easier navigation and access to information about the waste management services offered by the Authority.

In conclusion, I thank our Chairman for his leadership, NAWMA's Technical Working Group for their support along with Board members for their outstanding governance. I also thank the management team and staff who throughout the past year have contributed so professionally and enthusiastically to our agenda of innovation. We look forward to the future as a visionary and progressive organisation delivering the highest quality waste management services that aim to increase diversion from landfill while reducing costs for our Constituent Councils.

Adam Faulkner
Chief Executive Officer



Adam Faulkner

Governance

Board

NAWMA is administered by a Board in accordance with the requirements of the Local Government Act (1999), the NAWMA Charter and various other policies.

The Board is responsible for the overall governance, management and strategic direction of the Authority. The Board meets bi-monthly and drives organisational performance to deliver efficient, best practice service and facilities to our Constituent Councils.

As defined by the NAWMA Charter, membership of the Board comprises ten (10) Directors – three Directors appointed by each of the Constituent Councils, and one independent person appointed by the Board who serves as Chair.

The Board appoints a Chief Executive Officer who is responsible for implementing the decisions made by the Board and the day-to-day operations of the Authority.

The Board held seven formal meetings over the 2017-2018 financial year. The table below details Board Member attendance at these meetings.

Board Member

Mr Brian Cunningham	Independent Chair
Mr Mark van der Pennen	City of Salisbury
Cr Julie Woodman	City of Salisbury
Cr David Balaza	City of Salisbury
Mr Sam Green	City of Playford
¹ Mr Paul Sansome	City of Playford
Cr Carol Muzyk	City of Playford
² Mr Henry Inat	Town of Gawler
³ Mr Jack Darzanos	Town of Gawler
Cr Marilyn Nicolson	Town of Gawler
Cr Paul Koch	Town of Gawler
#Cr Betty Gill (Deputy)	City of Salisbury
#Mr Mark Purdie (Deputy)	City of Salisbury
#Cr Graham Reynolds (Deputy)	City of Salisbury
#Cr Shirley Halls (Deputy)	City of Playford
#Cr Ian Tooley (Deputy)	Town of Gawler

Meetings

7 of 7
4 of 7
5 of 7
5 of 7
6 of 7
5 of 6
4 of 7
3 of 4
4 of 4
4 of 7
7 of 7
1 of 1
2 of 2
1 of 1

¹Resigned from Council May 2018

²Appointed to Board December 2017

³Board term completed December 2017

#Deputy Board Directors only attend meetings as required

Audit

In accordance with the requirements of the Local Government Act (1999), NAWMA has an established Audit Committee.

The functions of the Committee include to:

- monitor the integrity of the financial statements of NAWMA, including its Annual Report, reviewing significant financial reporting issues and judgements they contain;
- review the adequacy of the accounting, internal auditing, reporting and other financial management systems and practices of NAWMA on a regular basis; and
- review and provide recommendations to NAWMA on the sustainability of the Authority's financial performance and proposals with respect to debt levels, included the strategic management plans and, in particular, the long term financial plan.

The membership of the Audit Committee consists of five (5) members, two (2) members who are Board Members of NAWMA and three (3) members who are independent members.

The Audit Committee held four formal meetings over the 2017-2018 financial year.

The Audited Financial Statements for the year ended 30 June 2018 are provided from page 18.

Technical Working Group

NAWMA's Technical Working Group (TWG) comprises an executive from each Constituent Council. It meets on an ad-hoc basis to discuss any operational or strategic matter that has arisen for the Authority. The TWG provide guidance and advice to NAWMA's management. Throughout 2017-2018, it was instrumental in implementing a number of the Authority's major achievements, particularly the installation and integration of the Materials Recovery Facility (MRF) at the Woomera Avenue site. The current members of NAWMA's Technical Working Group are:

- Mr Brian Cunningham (Chairperson)
- Mr Sam Green (City of Playford)
- Mr Mark van der Pennen (City of Salisbury)
- Mr Jack Darzanos (Town of Gawler)

Resource Recovery

Resource Recovery Centres

NAWMA's Edinburgh North Resource Recovery Centre (RRC) continues to provide a number of important resource recovery services to Adelaide's northern community. The facility houses:

- a drive-through undercover Waste Transfer Station for materials recovery;
- a Salvage and Save retail outlet operated by Mobo Group (previously known as Hands on SA/Finding Workable Solutions) in association with NAWMA; and
- a recycling service for bottles and cans operated by Scouts SA.

Following are details of operations of the RRC for the year ended 30 June 2018:

- 22,868 customers accessed the facility delivering green waste and general waste. This is an increase of 11.27 per cent from 2016-17;
- 918 tonnes of steel, cardboard, e-waste and car batteries were recovered and marketed;
- 23,600 litres of waste oil were collected and recycled;
- 3,655 tonnes of garden organics were processed into mulch products; and
- 3,310 tonnes of residual waste was transported to SUEZ-ResourceCo for processing into Refuse Derived Fuel (RDF)

As part of NAWMA's commitment to positive environmental outcomes, and in conjunction with Green Industries SA, our Edinburgh North site held a Hazardous Waste drop-off day on Saturday 30 June. The service was made available to all South Australian householders regardless of their suburb or council area. With in excess of 800 vehicles passing through the gates dropping off more than 29 tonnes of household chemicals and paint, the event was an overwhelming success.

Importantly, a permanent free-of-charge household chemical and paint drop-off facility will be established at the Edinburgh North RRC in the near future.

On 2 July, 2018 NAWMA took over management of the Research Road (Pooraka) RRC that was historically owned and managed by the City of Salisbury. The change of management provided an opportunity for consistent messaging and harmonised pricing structures for both of NAWMA's Resource Recovery Centres.



A new weighbridge was designed and commissioned in February 2018 with all commercial traffic into and out of the site now captured. This installation has improved the accuracy of the weighbridge data and reduced the possibility of weighbridge bypass and material leakage. The new traffic flow system utilises traffic signals and generally directs one-way to simplify traffic movements and improve safety.

Hard Waste

NAWMA continued to operate the annual hard waste collection service in the City of Salisbury and City of Playford during 2017-18. The booking system utilised a suburb-by-suburb basis approach that was accessed by 14,843 residents across the two Councils, a participation rate of 24.3 per cent.

A voucher for the Edinburgh North RRC was made available to residents who missed the annual hard waste collection. This was utilised by 8,873 residents across the two Councils.

In 2017-18 a total of 2,354 tonnes of hard waste was collected, including:

- 214.19 tonnes of e-waste recycled;
- 295.04 tonnes of steel recycled; and
- 1,845 tonnes of residual waste sent to an alternative fuel facility.

All tonnages collected by NAWMA during the financial year were diverted from landfill either through recycling or through the production of an alternative fuel for the Adelaide Brighton Cement kiln.

The 2018-19 financial year will bring a change to the hard waste system for residents in the City of Salisbury and City of Playford. An adjustment in service level from an annual zoned collection to a revitalised on-call service will give residents:

- flexibility with collections;
- reduced waiting time to a maximum of four weeks;
- two collections per financial year; and
- increased access to vouchers.

In order to continue its efficiency in service, NAWMA will also move to a real time SMS text message voucher system (from August 2018) allowing for an improved customer experience. Residents will no longer need to have a physical voucher mailed or collected. Instead an SMS text message containing a unique voucher number will be sent while the resident is on the telephone. This SMS message can then be presented at either of the two Resource Recovery Centres to redeem the service.

Resource Recovery

Material Recovery Facility (MRF)

Ian Hunter MLC, the Minister for Sustainability, Environment and Conservation, officially opened NAWMA's state-of-the-art Material Recovery Facility (MRF) in October 2017. The MRF is a credit to NAWMA's Technical Working Group, the Board and our Constituent Councils as it is one of only two large scale MRFs operating in South Australia, and the only one owned and operated by Local Government. It has been designed to future proof NAWMA and, more broadly, South Australia by doubling the State's recyclable processing capacity.

Economically, the MRF provides a significant revenue stream for NAWMA's Constituent Councils while reducing exposure to the commercial recycling industry. A single shift, five workday operation dutifully processes the current 30,000 tonnes per annum delivered by Constituent Councils and rural and regional Council's. The operation has the capacity to run continuously and could process up to 75,000 tonnes per annum if required. Importantly, the MRF

provided 20 full-time jobs in northern Adelaide at the same time as Holden was closing its doors.

The MRF sorted approximately 25,000 tonnes in its first ten months of operation producing high quality finished goods such as paper, plastics, glass, aluminium and steel. These products were marketed in Australia and overseas. Housed inside a large purpose-modified industrial building of some 3,800 square metres, the MRF is a combination of trommels, magnets, eddy-currents, ballistic separators and manual picking stations fed by almost half a kilometre of conveyor belts.

NAWMA's MRF was crowned winner of the 'Excellence in Environmental Leadership and Sustainability' category at the 2018 South Australian Local Government Professionals Annual Leadership Excellence Awards. From the pool of State-by-State winners, the MRF project was shortlisted for the National Local Government Professionals Awards.



Food and Garden Organics

NAWMA's Food and Garden Organics (FOGO) collection is an opt-in service for the residents of our three Constituent Councils. In the 2017-18 financial year, 60,465 residents participated in the service with an overall engagement rate of 54.9 per cent.

The FOGO receival hall at the Edinburgh North site underwent a makeover during the year with the implementation of a new weighbridge. All kerbside and commercial FOGO is now received at a different drop-off point undercover at the site. The residential trailer traffic remains in the same area at the adjacent RRC.

The decision to separate the commercial and residential traffic greatly improves safety on site and allows more comprehensive tracking of the material quantities received from our Constituent Councils.

During the financial year, over 34,000 tonnes of FOGO were received from the NAWMA region for processing by local composter Peats Garden & Soils. Whilst this is a decrease of almost 9 per cent from the previous year, it reflects a reduction in rainfall over the reporting period. FOGO tonnages are closely related to seasonal rainfall with higher falls producing significantly larger yields of green organics.

FY18 Constituent Council Tonnages			
Council	Waste	Recycling	FOGO
City of Salisbury	30,484	10,613	13,815
City of Playford	19,634	6,586	4,779
Town of Gawler	4,585	1,948	2,040
	54,702	19,148	20,635



Uleybury Landfill (Renewa

The Uleybury Landfill is an example of NAWMA's commitment to generating positive environmental outcomes. NAWMA, in partnership with South Australian company, Joule Energy, developed Australia's first solar farm based at a landfill site. This pioneering project is co-located with a landfill gas power station making NAWMA's Uleybury landfill a fully-fledged renewable energy park.

Combined power production from the landfill gas-fuelled generator and solar panels commenced in October 2017. The facility generated a combined

6,600 megawatt hours of renewable energy during its first year with base load power being produced 24 hours a day, seven days a week. The system also prevented 57,500 tonnes of CO₂e from being emitted. NAWMA receives royalty payments from Joule Energy from the sale of power and Large-scale Generation Certificates (LGC's) generated by the power production.

Following the removal of valuable resources from the waste stream, 83,000 tonnes were deposited to the Uleybury Landfill in 2017-18, with 80,000 tonnes



ble Energy Park)

being baled waste from NAWMA's Edinburgh North Waste Processing Facility.

Vegetation on the landfill's phytocap is slowly establishing itself after the initial planting was completed in September 2017 with phase two maintenance and in-fill planting of 1,000 more tube-stock completed in May 2018. The advanced phytocap, or lid, on the completed landfill cells, uses a combination of 1.2m deep capping soil with native grasses, plants and trees to minimise the percolation of the water (from rain) into the waste. This minimises

leachate, or wastewater, that is pumped to the on-site evaporation ponds.

In partnership with the landfill operations, NAWMA's Balefill Management Consultative Committee (BMCC) continues to meet bi-monthly. The Committee provides an opportunity for NAWMA, Council representatives and local residents to meet and discuss current topics or issues that affect these parties. Meeting minutes and supporting documents are distributed to nearby residents and Councils.



Education, Community

NAWMA recognises the importance of working in partnership with our community. Through various education programs, resources and activities, community members gain a better understanding of waste management and resource recovery practices. They are also able to learn about opportunities for preserving the world's natural resources and creating a more circular economy.

In 2017 there was a strong focus on school education about responsible waste management. This was expanded in 2018 to encompass a broader cross section of the community. Initial tasks included upgrading our website and a suite of communication materials as well as working closely with our Constituent Councils to promote new services through social media channels.

This has provided a strong foundation to further develop an assortment of programs to assist in our goal of engaging with all sectors of the community. An example of this is the tours of NAWMA's award-winning MRF. The MRF has attracted significant interest from Council and industry representatives, and it has also been visited by interstate delegates and an international group as part of Green Industries SA's 'Global Leadership Program in the Circular Economy'.

NAWMA's Customer Service Team spans three sites – our Administration building at Edinburgh, and our two Resource Recovery Centres at Edinburgh North and Pooraka. The team of 5.2 full-time equivalent employees respond to all resident and Council enquiries ranging from missed bins, bins requiring repair or replacement, recycling tips, hard waste collection and vouchers. A freshly implemented telephone monitoring system has shown that over 55,000 calls were taken by the Customer Service

Team in 2017-18 with an average wait time of less than 12 seconds and an abandonment rate of less than 3 per cent. Of these calls, almost 20,000 were related to hard waste enquiries, bookings and vouchers.



Partnerships and Customer Service





2017-2018 Annual Report Financials

ANNUAL FINANCIAL STATEMENTS

For the Year Ended 30 June 2018

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2018, the Authority's Auditor, HLB Mann Judd, 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 prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.


Chief Executive Officer


Presiding Member

Audit Committee

Date

7/9/18

General Purpose Financial Report for the year ended 30 June 2018

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**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2018**

CERTIFICATION OF FINANCIAL STATEMENTS

I have been authorised by Northern Adelaide Waste Management Authority 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 Authority's financial position at 30 June 2018 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.


Adam Faulkner
CHIEF EXECUTIVE OFFICER


Brian Cunningham
CHAIRPERSON

Date: 20 / 09 / 2018

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
INCOME			
User charges	2	29,026	26,843
Investment income	2	108	171
Reimbursements	2	77	55
Other	2	131	250
Total Income		29,342	27,319
EXPENSES			
Employee costs	3	2,191	1,773
Materials, contracts & other expenses	3	25,524	24,205
Finance costs	3	373	281
Depreciation, amortisation & impairment	3	1,449	1,360
Other Expenses	3	-	30
Total Expenses		29,537	27,649
OPERATING SURPLUS / (DEFICIT)		(195)	(330)
transfer to Equity Statement			
Asset disposal & fair value adjustments	3	(1)	-
Amounts received specifically for new/upgraded assets		115	180
NET SURPLUS / (DEFICIT)		(81)	(150)
Changes in revaluation surplus - infrastructure, property, plant & equipment		45	-
Total Other Comprehensive Income		45	-
TOTAL COMPREHENSIVE INCOME		(36)	(150)

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

STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,061	4,282
Trade & other receivables	4	2,689	2,466
Stock on Hand		49	-
Total Current Assets		3,799	6,748
Non-current Assets			
Infrastructure, Property, Plant & Equipment	6	15,567	10,723
Financial Assets	5	1,018	-
Total Non-current Assets		16,585	10,723
Total Assets		20,384	17,471
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	2,271	2,768
Provisions	7	263	366
Borrowings	7	1,079	791
Total Current Liabilities		3,613	3,925
Non-Current Liabilities			
Borrowings	7	7,415	4,331
Provisions	7	2,605	2,428
Total Non-current Liabilities		10,020	6,759
Total Liabilities		13,633	10,684
NET ASSETS		6,751	6,787
EQUITY			
Accumulated Surplus		6,091	6,172
Asset Revaluation Reserve		660	615
TOTAL EQUITY		6,751	6,787

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

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2018

2018	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
\$'000			
Balance at end of previous reporting period	6,172	615	6,787
Net Surplus/ (Deficit) for Year	(81)	-	(81)
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment	-	45	45
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period	6,091	660	6,751

2017	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
\$'000			
Balance at end of previous reporting period	6,322	615	6,937
Net Surplus/ (Deficit) for Year	(150)	-	(150)
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period	6,172	615	6,787

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

STATEMENT OF CASH FLOWS
for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		28,933	27,534
Investment receipts		108	171
<u>Payments</u>			
Operating payments to suppliers & employees		(28,338)	(25,806)
Finance payments		(323)	(271)
Net Cash provided by (or used in) Operating Activities	8	<u>380</u>	<u>1,628</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		115	180
Sale of surplus assets		5	-
<u>Payments</u>			
Expenditure on new/upgraded assets		(6,075)	(2,151)
Purchase of Investments		(1,018)	-
Net Cash provided by (or used in) Investing Activities		<u>(6,973)</u>	<u>(1,971)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		4,454	2,500
<u>Payments</u>			
Repayments of Borrowings		(1,082)	(1,475)
Net Cash provided by (or used in) Financing Activities		<u>3,372</u>	<u>1,025</u>
Net Increase (Decrease) in cash held		<u>(3,221)</u>	<u>682</u>
Cash & cash equivalents at beginning of period	8	<u>4,282</u>	<u>3,600</u>
Cash & cash equivalents at end of period	8	<u>1,061</u>	<u>4,282</u>

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 2018

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 equivalents to International Financial Reporting 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*.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Salisbury, City of Playford and the Town of Gawler.

1.2 Historical Cost Convention

Except where 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 which requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority'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

Northern Adelaide Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act, and has its principal place of business at Woomera Avenue, Edinburgh Park SA 5111.

These financial statements have been prepared for use by the Constituent Councils of the Authority.

3 Income Recognition

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

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

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 9.

5 Infrastructure, Property, Plant & Equipment

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".

5.1 Initial Recognition

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

The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority 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. No capitalisation threshold is applied to the acquisition of land or interests in land.

5.3 Subsequent Recognition

Certain 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.

5.4 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 class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

Plant, Furniture & Equipment	5 to 10 years
Buildings	50 years
Infrastructure:	
Waste Facility	10 to 15 years
Landfill Construction	Amortised proportionately to rate of filling

5.5 Land Assets

As at 30 June 2018, an independent valuation was undertaken on all Land and Building assets held by the Authority. The independent valuation was undertaken by AssetVal Pty Ltd and valued land and building assets to the current market value.

Given the material value of Land and Building assets subsequent to the valuation performed, Land and Building assets are shown as a separate class of asset and disclosed accordingly in Note 6.

5.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority 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.

6 Payables

6.1 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 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

No accrual is made for sick leave as the Authority's 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. The Authority does not make payment for untaken sick leave.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

7.2 Superannuation

The Authority 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.

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2017/18; 9.5% in 2016/17). 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.

Defined Benefit Members

Defined benefit scheme is 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. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

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

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet.

An independent assessment of the Authority's landfill capping and post closure rehabilitation obligations was undertaken by Golder Associates Pty Ltd as at 30 June 2018. As a result of the independent assessment, liabilities (disclosed as Provisions) recorded in Note 7 have been adjusted accordingly.

The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

9 Leases

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

In respect of finance leases, where the Authority substantially carries all 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 as assets under lease, and are amortised to expense over the period during which the Authority 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

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.

10 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.

11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

12 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

13 New Accounting Standards

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

Certain new accounting standards have been published that are not mandatory for the 30 June 2018 reporting period and have not been used in preparing these reports.

The Authority believes that the introduction of AASB 16 *Leases* may have a material impact on the future reported financial performance and position of the Authority however as at the time of preparing these financial statements, an assessment has not been completed to quantify this potential impact.

14 Stock on Hand

The Authority records stock on hand as at reporting date to reflect the value of stockpiled recycled finished goods held. The value attributed to stock items is based on the expected sale price of goods held based on existing contract rates held with customers and/or public market rates, whichever is applicable.

Northern Adelaide Waste Management Authority Financial Statements 2017-2018

for the year ended 30 June 2018

Note 2 - INCOME

	Notes	2018 \$'000	2017 \$'000
USER CHARGES			
Waste Management Operations		29,026	26,843
		<u>29,026</u>	<u>26,843</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		44	82
Rental income		64	89
		<u>108</u>	<u>171</u>
REIMBURSEMENTS			
Reimbursement		11	34
Fuel Tax Credit Reimbursements		66	21
		<u>77</u>	<u>55</u>
OTHER INCOME			
Promotional Income		131	250
		<u>131</u>	<u>250</u>

Note 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		1,663	1,431
Employee leave expense		70	52
Superannuation		166	135
Workers' Compensation Insurance		72	28
Allowances		20	3
Other		200	124
Total Operating Employee Costs		<u>2,191</u>	<u>1,773</u>
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		16	13
- Other Services		5	-
Bad and Doubtful Debts		32	-
Lease costs		1,083	1,260
Subtotal - Prescribed Expenses		<u>1,136</u>	<u>1,273</u>
<u>Other Materials, Contracts & Expenses</u>			
Promotions		123	154
Bank Fees		19	1
Boral Royalty		226	210
Contractors		15,618	15,313
Electricity		225	182
Environmental Protection Agency Levy		6,847	5,825
Fuels & Oils		179	84
Professional services		466	413
Waste Recycle Bins		242	311
Administration & Other Expenses		441	439
Subtotal - Other Materials, Contracts & Expenses		<u>24,388</u>	<u>22,932</u>
		<u>25,524</u>	<u>24,205</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 3 - EXPENSES (cont)

	Notes	2018 \$'000	2017 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Waste Processing Facility		167	147
Uleybury Landfill Plant & Equipment		28	31
Education Program Plant & Equipment		1	1
Office Furniture & Equipment		18	8
Property & Improvements		15	19
Landfill Cell Stage Three		409	412
Landfill Capping Stage Three		71	71
Post Closure Rehabilitation		147	148
Buildings		120	20
Mobile Garbage Bins		-	503
Material Recovery Facility		341	-
Impairment - Buildings		132	-
		<u>1,449</u>	<u>1,360</u>
FINANCE COSTS			
Interest on Loans and Overdraft		<u>373</u>	<u>281</u>
		<u>373</u>	<u>281</u>
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		5	-
Less: Carrying amount of assets sold		<u>6</u>	<u>-</u>
Gain (Loss) on disposal		<u>(1)</u>	<u>-</u>
OTHER EXPENSES			
Landfill Cell Expenses		<u>-</u>	<u>30</u>
		<u>-</u>	<u>30</u>

Note 4 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		725	192
Deposits at Call		<u>336</u>	<u>4,090</u>
		<u>1,061</u>	<u>4,282</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		2,701	2,451
Less: Provision for Doubtful Debts		<u>(32)</u>	<u>-</u>
Accrued Revenues		6	15
Prepaid Expenses		<u>14</u>	<u>-</u>
		<u>2,689</u>	<u>2,466</u>

Note 5 - OTHER FINANCIAL ASSETS

FINANCIAL ASSETS			
Term Deposit		<u>1,018</u>	<u>-</u>
		<u>1,018</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2017 \$'000				2018 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	875	-	-	875	1,776	-	-	1,776
Waste Processing Facility	-	2,344	(1,213)	1,131	-	3,124	(1,380)	1,744
Uleybury Landfill Plant & Equipment	-	2,100	(1,941)	159	-	2,100	(1,969)	131
Education Program Plant & Equipment	-	59	(47)	12	-	50	(44)	6
Office Furniture & Equipment	-	134	(78)	56	-	126	(67)	59
Property & Improvements	-	1,594	(1,459)	135	-	1,594	(1,474)	120
Landfill Cell Stage One	-	348	(348)	-	-	-	-	-
Landfill Cell Stage Two	-	1,397	(1,397)	-	-	-	-	-
Landfill Capping Stage One	-	1,927	(1,927)	-	-	-	-	-
Landfill Capping Stage Two	-	172	(172)	-	-	-	-	-
Landfill Cell Stage Three	-	3,084	(431)	2,653	-	3,084	(840)	2,244
Landfill Capping Stage Three	-	538	(74)	464	-	1,024	(146)	878
Post Closure Rehabilitation	-	1,861	(907)	954	-	1,553	(1,054)	499
Buildings	-	247	(88)	159	3,285	247	(108)	3,424
Mobile Garbage Bins	-	6,020	(6,020)	-	-	-	-	-
Material Recovery Facility	-	-	-	-	-	4,679	(341)	4,338
WIP	-	4,125	-	4,125	-	348	-	348
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	875	25,950	(16,102)	10,723	5,061	17,929	(7,423)	15,567
<i>This Note continues on the following pages.</i>	875	23,566	(14,742)	9,699	875	25,950	(16,102)	10,723

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 6 cont. - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2017	CARRYING AMOUNT MOVEMENTS DURING YEAR						2018
	\$'000	\$'000						\$'000
	CARRYING AMOUNT	Additions		Disposals	Transfer	Revaluation	Depreciation	CARRYING AMOUNT
		Capital	New/Upgrade					
Land	875	-	856	-	-	45	-	1,776
Waste Processing Facility	1,131	-	780	-	-	-	(167)	1,744
Uleybury Landfill Plant & Equipment	159	-	-	-	-	-	(28)	131
Education Program Plant & Equipment	12	-	-	(5)	-	-	(1)	6
Office Furniture & Equipment	56	-	22	(1)	-	-	(18)	59
Property & Improvements	135	-	-	-	-	-	(15)	120
Landfill Cell Stage Three	2,653	-	-	-	-	-	(409)	2,244
Landfill Capping Stage Three	464	-	-	-	-	485	(71)	878
Post Closure Rehabilitation	954	-	-	-	-	(308)	(147)	499
Buildings	159	-	3,517	-	-	(132)	(120)	3,424
Material Recovery Facility	-	-	4,679	-	-	-	(341)	4,338
WIP	4,125	-	6,265	-	(10,042)	-	-	348
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	10,723	-	16,119	(6)	(10,042)	90	(1,317)	15,567
2017 Totals	9,699	233	2,151	-	-	-	(1,360)	10,723

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 7 - LIABILITIES

		2018 \$'000		2017 \$'000
	Notes	Current	Non-current	Current Non-current
TRADE & OTHER PAYABLES				
Goods & Services		1,917	-	2,409 -
Payments received in advance		-	-	- -
Accrued expenses - other		354	-	359 -
		2,271	-	2,768 -

BORROWINGS

Loans		1,079	7,415	791	4,331
		1,079	7,415	791	4,331

PROVISIONS

Annual Leave		147	-	137	-
Long Service Leave		116	46	229	29
Provision for Capping Stage 3A	1.8	-	1,024	-	538
Provision for Post Closure Site Rehabilitation	1.8	-	1,535	-	1,861
		263	2,605	366	2,428

*Movements in Provisions - 2018 year only
(current & non-current)*

	Opening Balance	Additional Amounts Recognised/ (Derecognised)	Payments	Closing Balance
Provision for Capping Stage 3A	538	486	-	1,024
Post Closure Site Rehabilitation	1,861	(308)	(18)	1,535
Total	2,399	178	(18)	2,559

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 8 - 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 Statement of Financial Position as follows:

	Notes	2018 \$'000	2017 \$'000
Total cash & equivalent assets	4	1,061	4,282
Less: Short-term borrowings		-	-
Balances per Cash Flow Statement		<u>1,061</u>	<u>4,282</u>

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

Net Surplus (Deficit)	(81)	(150)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,449	1,360
Gain / (Loss) on Disposal	(1)	-
Grants for capital acquisitions treated as Investing Activities	(115)	(180)
Bad Debts Expense	29	-
	<u>1,281</u>	<u>1,030</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(252)	386
Net (increase) decrease in inventory	(49)	-
Net increase (decrease) in trade & other payables	(497)	515
Net increase (decrease) in other provisions	(103)	(303)
Net Cash provided by (or used in) operations	<u>380</u>	<u>1,628</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	-	-
- Non-cash grants & contributions	-	-
<i>Amounts recognised in Income Statement</i>	<u>-</u>	<u>-</u>

- Finance Leases	-	-
Total Non-Cash Financing and Investing Activities	<u>-</u>	<u>-</u>

(d) Financing Arrangements

Corporate Credit Cards	15	15
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The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.	
Short Term Deposits	<p>Terms & conditions: Deposits on Call do not have a maturity period and have an average interest rates of 1.5% (2017: 1.25%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Gate Fees & Associated Charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

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 Authority.

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 Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. 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 the Authority'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 the Authority 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 based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 9 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2018	Floating Interest Rate \$'000	≤ 1 year \$'000	Fixed interest maturing in > 1 year ≤ 5 years \$'000	> 5 years \$'000	Non- interest bearing \$'000	Total \$'000
Financial Assets						
Fair Value through P&L						
Cash Assets	725	336	1,018	-	-	2,079
Loans & Receivables						
Receivables	-	-	-	-	2,689	2,689
Total	725	336	1,018	-	2,689	4,768
Financial Liabilities						
Payables	-	-	-	-	2,271	2,271
Current Borrowings	-	1,079	-	-	-	1,079
Non Current Borrowings	-	-	7,415	-	-	7,415
Total	-	1,079	7,415	-	2,271	10,765
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	725	(743)	(6,397)	-	418	(5,997)

2017	Floating Interest Rate \$'000	≤ 1 year \$'000	Fixed interest maturing in > 1 year ≤ 5 years \$'000	> 5 years \$'000	Non- interest bearing \$'000	Total \$'000
Financial Assets						
Fair Value through P&L						
Cash Assets	192	4,090	-	-	-	4,282
Loans & Receivables						
Receivables	-	-	-	-	2,466	2,466
Total	192	4,090	-	-	2,466	6,748
Financial Liabilities						
Payables	-	-	-	-	2,768	2,768
Current Borrowings	-	791	-	-	-	791
Non-Current Borrowings	-	-	4,331	-	-	4,331
Total	-	791	4,331	-	2,768	7,890
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	192	3,299	(4,331)	-	(302)	(1,142)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 10 - COMMITMENTS FOR EXPENDITURE

	2018	2017
<u>Notes</u>	\$'000	\$'000
Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	30	45
Waste Collection, Processing and Mobile Garbage Bin Supply Contracts	82,268	96,427
	82,298	96,472
These expenditures are payable:		
Not later than one year	14,766	14,988
Later than one year and not later than 5 years	56,300	59,877
Later than 5 years	11,232	21,607
	82,298	96,472

The Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf of its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

Note 11 - EVENTS OCCURRING AFTER REPORTING DATE

As from 2 July 2018, the Authority commenced ownership of operations of the City of Salisbury's Pooraka Waste Transfer Station (Research Road Transfer Station) for a period of 10 years minimum. The Authority will be responsible for meeting all future operating costs associated with management and operation of the transfer station.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018**

Note 12 - OPERATING LEASES

Lease payment commitments of Authority

No contingent rentals were paid during the current or previous reporting periods. No lease imposes any additional restrictions on the Authority in relation to additional debt or further leasing.

No lease contains any escalation clause. Commitments under non-cancellable operating leases that have not been

	2018 \$'000	2017 \$'000
Not later than one year	1,075	994
Later than one year and not later than 5 years	3,326	3,476
Later than 5 years	482	73
	<u>4,883</u>	<u>4,543</u>

Note 13 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 6 persons were paid the following total compensation:

	2018 \$'000	2017 \$'000
Salaries, allowances & other short term benefits	764	675
Long term benefits	105	58
TOTAL	869	733

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Salisbury	13,001	1,104	Provision of waste collection, processing and disposal services
City of Playford	7,993	618	Provision of waste collection, processing and disposal services
Town of Gawler	1,983	131	Provision of waste collection, processing and disposal services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 5.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 14 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED

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.

1. 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 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.

2. LEGAL EXPENSES

All known costs have been recognised.

3. PERFORMANCE BONDS/GURANTEES

The Authority has a performance bond/guarantee held with the Local Government Finance Authority to the Environment Protection Authority for an amount of \$1,350,000 in accordance with the requirements under its Post Closure remediation obligations for the Uleybury Landfill site.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 15 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets
- Building assets
- Stock on Hand

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 unobservable inputs for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 15 - FAIR VALUE MEASUREMENTS (Cont.)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2018					
\$'000					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,776	-	1,776
- Buildings	6	-	3,285	-	3,285
- Stock on Hand		49	-	-	49
Total financial assets recognised at fair value		49	5,061	-	5,110

2017					
\$'000					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	875	-	875
Total financial assets recognised at fair value		-	875	-	875

(b) Disclosed fair value measurements

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements



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