

ANNUAL REPORT

2018-2019

LIBRARY



CITY OF
Port Adelaide Enfield

City of PAE Annual Report 2018-2019

CONTENTS

MESSAGE FROM THE MAYOR.....	4
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER.....	5
SECTION ONE - OUR CITY	6
Our City 2018-2019- a year of building community assets.....	8
City Plan 2030.....	9
Strategic Management Framework.....	9
Annual Business Plan and Budget.....	9
Strategic Plans.....	9
Building Parks Library and Community Centre.....	10
Building Hanson Reserve and Velodrome	12
Building Roy Marten Park	14
Building Taperoo Reserve.....	16
Building the Lights Community and Sports Centre.....	18
Our Economy.....	20
Our Community	22
Our Environment.....	24
Our Place	26
Our Leadership.....	28
Community Survey.....	30
SECTION TWO - COUNCIL AND ORGANISATIONAL LEADERSHIP.....	32
Our Elected Members.....	34
Our Council.....	36
Elected Members representing our Community	36
Council Decision-Making Structure.....	37
Council and Committee Meetings	38
Elected Member Allowances	40
Elected Member Training and Development.....	40
Informal Gatherings.....	40
Attendance at Council and Committee Meetings	41
Confidential Items.....	42
Confidential Provisions.....	44
Review of Council Decisions Under Section 270 of the Local Government Act 1999	45
Opportunities To Be Heard By Council	45
OUR ORGANISATION	46
Chief Executive Office.....	46
City Assets Directorate.....	46
Community Development Directorate.....	47
Corporate Services Directorate	48
Senior Executive Officers	49
Enterprise Bargaining.....	49
Auditor.....	49
Work Health and Safety.....	49
Equal Opportunity Employment.....	50
Staff Training and Development.....	50
Constructive Culture.....	50
Working Parties and Groups.....	50
Building Fire Safety Panel.....	50
Delegations and Policy Manual	51
Your Views Are Important.....	51

Community Engagement.....	52
National Competition Policy.....	52
Use of Local Goods and Services	52
Competitive Tendering.....	52
Reporting Required Under the Local Nuisance & Litter Control Act 2016	52
Management Plans for Community Land.....	53
Registers	53
Council Policies.....	54
Access to Council Documents.....	54
Freedom of Information.....	54
SECTION THREE - FINANCIAL PERFORMANCE.....	56

‘A city that values its diverse community and embraces change through innovation, resilience and community leadership.’

Kaurna Acknowledgement

“We acknowledge and pay respect to the Traditional Owners of the land on which we stand, the Kaurna People of the Adelaide Plains. It is upon their ancestral lands that the Port Adelaide Enfield Council meets. It is also The Place of the Kardi, the Emu, whose story travels from the coast inland. We pay respect to Elders past and present. We respect their spiritual beliefs and connections to land which are of continuing importance to the living Kaurna people of today. We further acknowledge the contributions and important role that Aboriginal people continue to play within our shared community.”



MESSAGE FROM THE MAYOR

Welcome to the City of Port Adelaide Enfield 2018- 2019 Annual Report.

This is my first Annual Report since being elected Mayor in November last year, and I am delighted to be working with a group of dedicated and committed Elected Members and Council administration staff.

PAE is a unique Council in South Australia, with a rich history, our busy maritime trading gateway, a great variety of different cultures and our many natural environmental attractions.

As a key region for the State's economic growth, we provide affordable housing, major tourism and arts destinations and we are a hub for logistics, defence, manufacturing and new start-up businesses. This presents many opportunities and challenges for us as a Council, and we continue to work with State and Federal Governments and local businesses to revitalise the area while protecting our precious environment and heritage.

The health and wellbeing of our community is paramount, so we continue to provide services, grants and programs for people of all ages from children and youths to the aged and disabled, and from different cultural backgrounds, socio-economic situations and access needs.

The 2018-2019 financial year has also been one of building, with new businesses and residents moving in and construction taking place around us. In line with this growth, we have had a significant investment in major projects and capital works, with a focus on delivering major new assets for our community for the longer term.

It was a year in which we built, opened and invested in new assets to replace the old, which included:

- Building the new Parks Library and Community Centre, a smart technology building that has attracted over 73,000 people through its doors since it opened in October. It has become a popular hub for locals to explore, meet, enjoy and learn.
- Transforming a vacant land space into the Taperoo Reserve with three major soccer pitches, clubrooms, playground, fitness paths and stations, picnic facilities, toilets and landscaping.
- Upgrading the Hanson Reserve and Velodrome with irrigation and drainage, rugby floodlighting, playground, picnic facilities, fitness stations and loop path, removal of perimeter fencing, new entrances, landscaping, and carpark.
- Completing Roy Marten Park with a large playground containing different zones based on age and activity type, basketball and netball courts, a slide, trampolines, fitness stations, sandpit and water play area, free BBQ and sheltered picnic area, landscaping, and two dog parks.

Major investment also went towards the Lights Community and Sports Centre, which will open later this year. It is a state-of-the-art facility with five international standard basketball courts, community and function rooms, and facilities that make it inclusive and accessible to all.

Another major project continued in 2018-2019 is the urban renewal of Kilburn and Blair Athol, one of the most significant revitalisation projects undertaken in South Australia, which is aimed at creating inviting public places and revitalising the local community, with upgraded streets and parks, public transport links, improved stormwater management and local business attraction initiatives.

We also continue to work to ensure that existing assets are maintained across PAE to meet the expectations of users...all while keeping rates at one of the lowest in the state.

Our Council will continue to advocate on your behalf, and I want to thank our residents, stakeholders and volunteers who make up our community for your input into making PAE a vibrant and inclusive place.

It's very exciting times ahead and I hope that together we continue to bring our region and our community to reach our full potential as a place to live, work, invest and enjoy.

Mayor Claire Boan



MESSAGE FROM THE CEO



2018-2019 has been another very busy and significant year for PAE, and this annual report provides our stakeholders, customers and community with an overview of the projects and programs that we have invested in and implemented throughout the year.

We continue to undertake effective planning and accountable budgeting to pursue our goal of creating the best possible future for over 124,000 people who live in PAE. We align our strategies, plans and projects with our City Plan 2030, which is our blueprint for achieving our vision of embracing change through innovation, resilience and community leadership.

In 2018-2019 financial year, we completed the \$7.6 million Parks Library and Community Centre which is already a hub and lifelong learning centre for the local community, and later this year the \$24.9 million Lights Community and Sports Centre will open to become a focus for the Northfield and Enfield area.

Using the results of our 2017 comprehensive community survey to help inform our strategic thinking, we undertook a number of key community initiatives during 2018-2019. These included significant flood proofing across PAE, establishing four major Traffic Management Plans for Enfield South, Rosewater, Northfield and Greenacres, completing a number of Smart Cities projects, activating the Enfield Community Centre, establishing our community safety plan and delivering and promoting a significant and popular events program along with a number of library based projects.

Following the development and implementation of our Budget Assurance Program, we started the financial year with a sound baseline for our operating budget of \$118 million and our capital expenditure budget of \$55 million. This meant we could not only undertake the huge number of activities without having to increase our rates above CPI, but also provided the capacity to respond to any unexpected or emerging issues without reducing our service delivery.

We are committed to becoming a more prosperous, connected and growing region through driving our economic development plan and providing continued support for over 9,000 business located throughout PAE.

Through the strengthening of our relationships with the Defence Sector, we maintain a focus on linking local businesses into their supply chain, to contribute to the \$90 billion submarine and frigate project at Osborne. We believe that the construction of the new Osborne Naval Shipyards, and future shipbuilding projects are the catalyst for economic growth in PAE during the next 50 years. The region is already one of the fastest growing areas in South Australia.

With its revitalisation and reputation as South Australia's main port and transport and logistics facilities, Port Adelaide is becoming a great place to invest and do business, and more people are wanting to live, work and invest here. To drive positive economic and social changes across the region, we continue to strengthen our partnerships with various State and Federal Government departments and business stakeholders.

Along with consistent benchmarking, budget assurance and service reviews, we continue to be transparent and accountable for our financial management, decision-making and service delivery. In 2018-2019 we also reviewed our asset management processes across departments to ensure that we deliver sustainable, accurate and timely outcomes.

We are developing a liveable city that is appealing to residents, businesses and visitors alike, and I look forward to another exciting and challenging year.

Mark Withers
Chief Executive Officer

SECTION ONE OUR CITY





OUR CITY

A city rich in history, culture and opportunity, the City of Port Adelaide Enfield is located in the north-western region of Adelaide, South Australia, extending from the River Torrens in the east of the region to Outer Harbor in the west. It is a dynamic City, with a strong industrial and business base, unique visitor attractions and a connected and diverse community.

9,412 ha
total land area



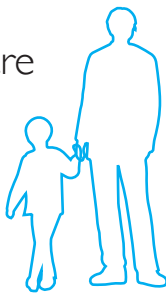
14kms
from Adelaide CBD



126,120
Estimated Resident
Population*



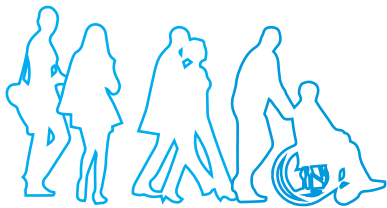
13
persons
per hectare



40,372
Residents born
overseas



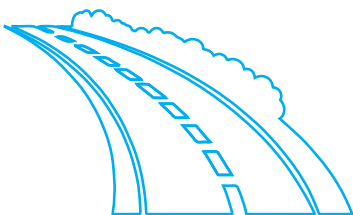
83,240
number of electors



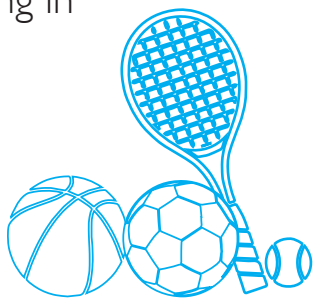
\$1.6b
assets managed



692 km
of roads



140+
Sporting Clubs
operating in
council
area



City Plan 2030

Our City Plan 2030 was developed in 2016 to capture and present the aspirations of the people of PAE, Elected Members and staff for the future of the City. It outlines our objectives across five themes: with goals developed in consultation with the community

- Economy,
- Community
- Environment,
- Placemaking
- Leadership,

Sitting beneath these themes is a suite of strategies, plans and programs across each area of the organization to deliver on our long-term vision.

How we deliver our City Plan

Strategic Management Framework

Our corporate planning processes define how we will respond to, and implement, the goals and objectives of the City Plan. Our work is guided by a series of Section Plans which provide each team in PAE with detailed information about operational duties and key priorities. Together, these plans and procedures form our Strategic Management Framework and enable each of us to contribute to the delivery of the objectives of the City Plan.

Annual Business Plan and Budget

Each year, we undertake a comprehensive business planning process to ensure we continue to enhance PAE and meet the needs of the community while ensuring proper stewardship of our resources. The Annual Business Plan and Budget describes the spending on services and projects that will be undertaken in the forthcoming financial year in order to deliver on the City Plan. You can read more about the status of the projects outlined in our 2018-2019 Annual Business Plan later in this document.

Strategic Plans

We have developed Strategic Plans as identified under legislation requirements, and these plans are continually reviewed and updated as needed, and include:

- Long Term Financial Plan
- Infrastructure and Asset Management Plans
- Development Plan
- Disability Discrimination Action Plan
- Emergency Response Plan
- Public Health and Wellbeing Plan

In addition, we have developed and implemented specific Strategic Plans to help us to identify priority areas and targets in line with our aspirations for PAE. These include strategies for Community, Waste Management, Living Environment, Economic Development and our Open Space Planning.

A full list of our Plans can be found at www.cityofpae.sa.gov.au/plans



BUILDING PARKS LIBRARY A



The State Government gifted a piece of land to Council in 2014, and construction work began on the new Parks Library and Community Centre in 2017, and was completed in 2018 at a total cost of \$7.6 million which was \$0.6 million under budget.

The Parks is a smart technology building with automated control for lighting, ventilation, heating and cooling, security, and access to interactive wayfinding screens.

As well as free wifi, public computers, resources and books, the Parks offers a media room, hi-tech makerspace creative area, toy collection, interactive projector screens, 3D wall, community rooms, a communal kitchen space, parent room and an adult change facility.

Since its opening last year, The Parks has attracted over 73,000 people through its doors and it is a popular hub for locals to explore, meet, enjoy and learn.

AND COMMUNITY CENTRE



BUILDING HANSON RES

Hanson Reserve has been used for cycling since the 1930s and a formal velodrome facility was constructed in 1965. During the 70's and 80's famous cycling athletes including Mike Turtur, Helen and Lyle Baird, Gordon 'Pud' Brooks and Stuart O'Grady competed here.

Grant funding of \$0.78 million from SA DPTI Planning and Development Fund, \$0.25 million from South Australian Office of Recreation, Sport and Racing and \$0.25 million from Sport Australia for a fitness loop path was received for the \$3.29 million project.

Work was completed in 2019 and included irrigation and drainage, rugby floodlighting, playground and picnic facilities, fitness stations and a loop path, removal of perimeter fencing, new entrances, landscaping and carpark.



ERVE AND VELODROME



BUILDING ROY MARTEN



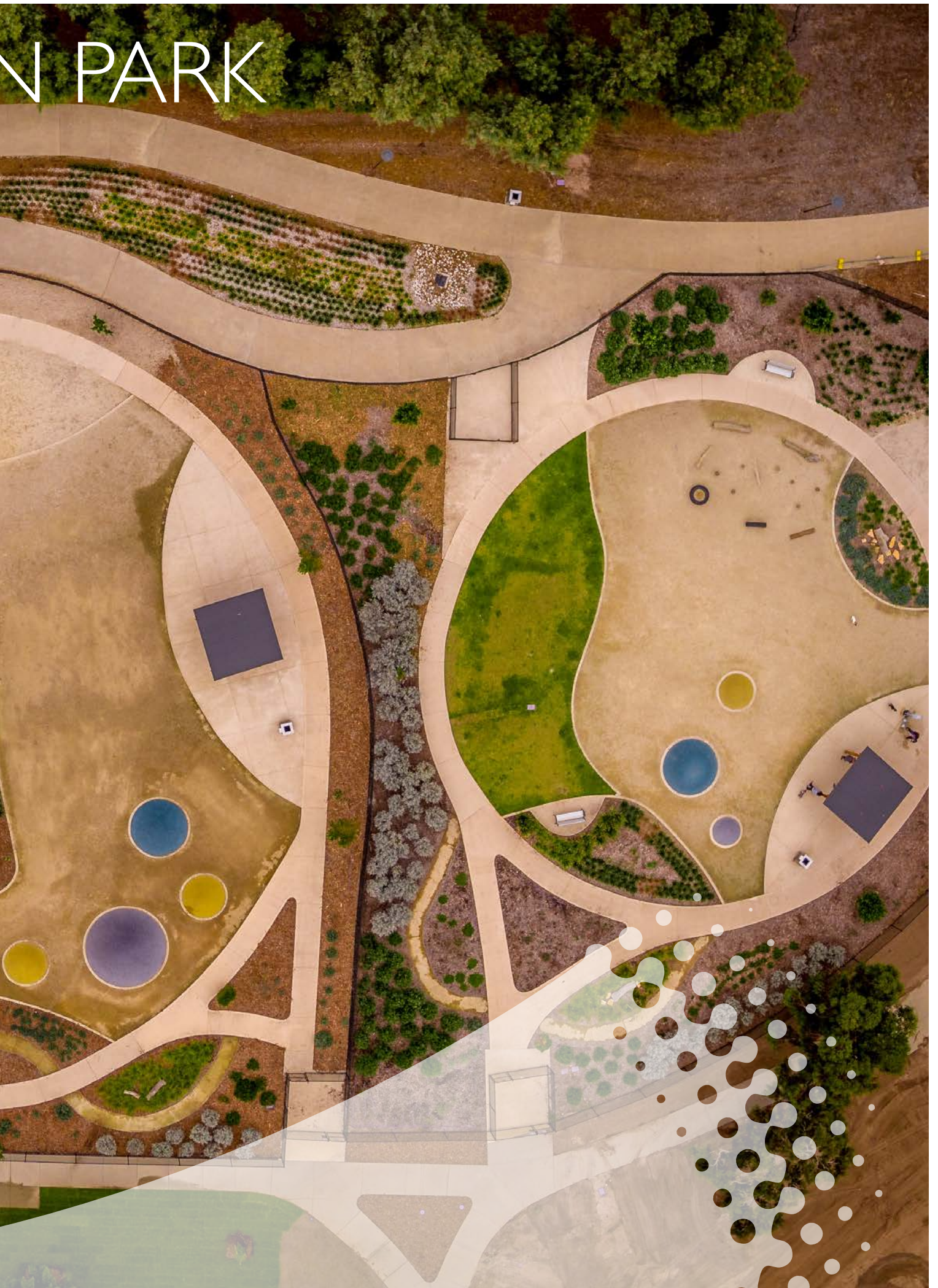
Prior to 1936, Roy Marten Park was a part of the Lefevre Peninsula dune systems. In the late 1930s, the site was acquired by the Zinc Corporation of Broken Hill to create the Largs Bay Holiday Camp, or 'Tent City' as it was also known. Workers enjoyed affordable, subsidised holidays for the next 30 years, with many organised activities.

Council acquired the land in the 1980's for a recreational open space, and over the next 20 years, the site featured a playground and picnic facilities, BMX track and was also used as a greyhound racing training area.

Grant funding of \$0.7 million was received from Department of Planning, Transport & Infrastructure's Planning and Development Fund, and \$0.34 million from State and Local Government Infrastructure Partnership, for the two stages of the \$5.4 million project.

Work was completed in 2018 and included a large playground containing different zones based on age and activity type, basketball and netball courts, a slide, trampolines, fitness stations, sandpit and water play area, free BBQ and sheltered picnic area, landscaping, and two dog parks, with an additional two exeloo toilets installed in 2019.

N PARK



BUILDING TAPEROO RES

An aerial photograph of the Taperoo Reserve sports facility. The image shows a large green soccer field with white markings and a goal. To the left of the field is a parking lot with several cars. In the background, there is a modern building with a blue roof and large windows, which is the clubroom. The facility is surrounded by a fence and has some trees and landscaping. The title 'BUILDING TAPEROO RES' is overlaid at the top in large white letters.

In 2010, Council took over the land on the former Taperoo Primary School site, and in 2013, with a \$.5 million grant from the South Australian Office of Recreation, Sport and Racing and \$.0.3 million from the Local Government Association of South Australia, work commenced on transforming this vacant land space.

In late 2018, Taperoo Reserve, with three major soccer pitches, clubrooms, playground, fitness paths and stations, picnic facilities, toilets and landscaping was completed.

At a total cost of \$.9.2 million, the facility is now home to the Port Adelaide Pirates Soccer Club.



BUILDING THE LIGHTS COMM

Council acquired the land on a site that was formerly Northfield High School from the Minister for Sustainability, Environment & Conservation with grant funding of \$4.7 million from the Minister for Recreation and Sport.

Further funding of \$3.6 million from the State Local Government Infrastructure Partnership grant for the building construction and \$0.4 million for the Community Facilities Improvement Program was received for the \$29.6 million project.

The Lights Community and Sports Centre will open later this year, and is a state-of-the-art facility with five international standard basketball courts, community and function rooms, and facilities that make it inclusive and accessible to all.

the
LIGHTS
COMMUNITY AND
SPORTS CENTRE



MUNITY AND SPORTS CENTRE



OUR ECONOMY *A city of opportunity*



PROSPEROUS • CONNECTED • GROWING

PAE contributes significantly to the South Australian economy, representing approximately 10% of the state's gross domestic product.

With more than 9,000 businesses providing 77,000 local jobs, the region is evolving from its renowned history in trade and industry, to becoming an economically modern and culturally vibrant community. This means we are growing and thriving in unique and interesting ways, which signify that PAE is an attractive and sustainable place to do business.

While the region is still home to the state's main port and freight hub, there has been a major shift in activity over the past 12 months. The Defence Industry's presence has increased significantly since the announcement of the \$90 billion submarine and frigate construction project at the Osborne Naval Shipyard.

Construction of the shipyard for future ship building is well underway, with a landmark building that is the size of Adelaide Oval that will support shipbuilding at Osborne and its associated maritime businesses for the next 50 years and beyond.

Over 2018-2019, we focused on linking local businesses into the Defence construction supply chain, to not only contribute to the construction of the new Osborne shipyards, but also future shipbuilding projects.

Our Economic Development Strategy sets the framework for the way we facilitate the business community to grow and prosper.

We have identified our economic strengths, challenges and opportunities and defined our actions to achieve our goals.

We know that PAE is an attractive and affordable place to live and work, and we are a business-friendly Council that encourages both existing businesses and new investment into the area. We provide support through our bold thinking and a more personalised approach to encourage entrepreneurship to thrive here.

We have also worked across the organisation to streamline processes and created an environment that fosters and attracts business to the region.

As well as helping businesses access PAE's services, our economic development team assist businesses owners to connect and access relevant business and industry information, grants, workshops and business development opportunities.

Through our facilitation, advocacy, and education efforts we continue to provide direct benefits to the local business community, delivering 18% growth in employment and an annual revenue increase of 20%.

The diversity of the local business environment and population within PAE means we continue to attract not only a good mix of large, medium and small businesses, but also many unique and specialist businesses with strong appeal to particular markets.

Key Achievements

- Collaborated with the Industry Capability Network (ICN) to deliver supplier targeted workshops for business
- Supported residential opportunities in the Port with investments in Dock I, Port Approach, North West and Fletcher's Slip
- Reinforced PAE's business-friendly strategy through engaging, supporting and collaborating with our business community
- Collaborated with Adelaide Business Hub to deliver a range of business support programs including 'Supply to Defence'
- Increased tourism opportunities in PAE through collaboration with tourism providers and South Australian Tourism Commission (SATC)
- Supported North West Business Alliance and the Port Adelaide Guide to engage and help grow local businesses
- Delivered the Building Western Adelaide Economic Strategy in conjunction with western metropolitan councils
- Launched the Adelaide Beaches website promoting our vibrant seaside destination
- Actively sought business input into development of the Smart Cities Visit Port Adelaide app
- Worked with partners to implement the Smart Cities Project for Smart Wayfinding in Port Adelaide and the Connected Places project
- Continued to collaborate and partner with State and Local Government to support jobs growth and increase the delivery of goods and services in the area.

Statistics

9,054
Businesses



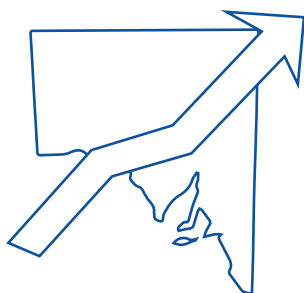
77,415
Local jobs



58,434
Employed



10%
of States GDP



18%
Employment
growth



9.34b
Gross regional
product



OUR COMMUNITY

A city that supports community wellbeing



HEALTHY • INCLUSIVE • COHESIVE

Our people make PAE special and unique.

We aim to develop resilient and engaged communities within our region, and ensure that we provide services, programs and facilities that are inclusive of everyone and support community wellbeing and safety. We continue to help people connect, to look out for each other, to volunteer, to lead change, and to include others.

Over the past year we have worked closely with our community to understand perceptions of safety and make improvements where this is of concern. We also have specific services to support vulnerable members of our community, those who need support to live independently and those that need an advocate.

We have also delivered services and programs for many different groups in our community, that range from workshops that help young men struggling to address anger and other emotions, through to physical activity sessions for older women.

We encourage people to make connections in our community, and we acknowledge local residents who have delivered outstanding outcomes for and in our community. We are fortunate to have strong links to the Kauria people and seek opportunities to acknowledge our local heritage. We also promote and celebrate our historic past and diverse cultures through a range of different services and events.

PAE has five libraries that cater for everyone, with a focus on literacy and lifelong learning.

Over the past year we ran many programs ranging from Baby Bounce, School Holiday programs, STEM Squad, regular author visits and much more. Our libraries continue to offer excellent opportunities to meet and connect with others, to access technology, to find a quiet corner, to take up a new hobby or learn a new skill.

With a focus on being a safe and welcoming city, we have a number of specialist teams that undertake a range of community services. Our Environmental Health Team support safe communities by preventing the spread of disease, our Community Safety Officers manage stray pets, noise, dust and parking issues and our Development Services team ensure that new and existing infrastructure is safe and built fit for purpose. These teams also liaise with State Government departments and agencies, such as the Environmental Protection Authority, to limit negative impacts of industry on our health and environment. We also support our sporting and community clubs to promote inclusion and connection, and provide opportunities to increase physical activity through our sports and recreation programs.

With our continued focus on keeping our large and diverse population safe, healthy, and connected we underpin our activities by investing in infrastructure such as our sporting facilities, parks, reserves and community centres, and we encourage our community to participate in the wide variety of programs.

Key Achievements

- Opened the Parks Library to provide state-of-the-art learning, community and social interaction spaces and experiences
- Commenced building of The Lights Community and Sports Centre project to support community health and wellbeing
- Undertook a range of Aged Care activities and events including information sessions, a senior Christmas movie event and a 'singalong' for all community members to build social connections
- Reviewed and improved the Semaphore Library Collection, with new modern flexible shelving, and more high turnover items to encourage usage
- Expanded our Science, Engineering, Technology, Arts and Maths (STEAM) program to enable our community to develop key skills for the future
- Delivered a broad range of events ranging from large-scale street parties (Peloton at the Port TDU race finish, Port Fringe and Twilight Christmas Parade), through to events supporting our culturally diverse communities (Food@5085, Multicultural Respect Cup), Indigenous community (Nunga Week, Aboriginal Remembrance Day Service and Walk of Awareness) through to smaller neighbourhood-run activities
- Upgraded Greenacres tennis courts and installed floodlighting at Eastern Parade Reserve Greenacres to increase access and use of these facilities
- Delivered education, compliance and enforcement information plus improved response times to customer requests to minimise environmental and local nuisance impacts to the community
- Upgraded Taperoo Reserve with a new full-size soccer pitch and landscaping to provide high quality recreational facilities for community health and wellbeing
- Microchipped 347 dogs and cats at our Connect & Protect Microchipping Day at Enfield Community Centre
- Established the Enfield Community Centre as a wellbeing hub offering a range of activities and programs based on research, evidence and community partnership
- Increased effective and efficient lighting to make our streets safer
- Provided 14 mobile food vendors with a permit to trade at approved locations within the City
- Built stronger connections between local people through our Good Neighbours initiative
- Commenced the development of a new volunteering policy aimed at providing opportunities for people of all ages and life stages to give back to the community
- Increased awareness and celebration of our Aboriginal heritage and the diverse cultures that form an important part of our community
- Developed a framework for Council's community lease arrangements which contribute to sport and recreation outcomes
- Implemented the People, Pets & Places Animal Management Plan to encourage responsible pet ownership and animal care

Statistics

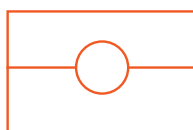
37 years

Median Age



2.3%

Aboriginal and Torres Strait Islander Population



500,850

visited PAE libraries



285

volunteers



41,581

volunteer hours served



121 youths

supported who were at risk of homelessness



OUR ENVIRONMENT

A city that cares for its natural environment and heritage



DISTINCTIVE • ADAPTABLE • SUSTAINABLE

PAE is home to a number of historically and environmentally significant areas, such as the Adelaide Dolphin Sanctuary, Biodiversity Park, Barker Inlet, the Port Adelaide River, the Gillman Wetlands, Dry Creek, and River Torrens Linear Park. We seek to enhance the natural attributes of our City, and work towards built improvements that help our community to live well.

As a Council, we are very aware of our responsibility to protect our natural environment, and we are always looking for ways to improve our region in terms of tourism experiences, economic performance and quality of life. Managing our responsibilities towards both our environment and our people is an ongoing focus and one that, with careful management, will allow us to make the most of the natural resources in our area for the benefit of our community and visitors alike. We support appropriate development and make and influence decisions about land uses, business operations and built forms that are in harmony with our environment.

Many people in our community play an active role in supporting and caring for our environment, and we collaborate with local groups and individuals that share their passion for our environment.

We work to actively with environmental and heritage groups to share knowledge and thoughts on State and Local Government plans that impact our environment.

We recognize and value the importance of being a green city, for environmental, social and psychological purposes and plant over 2,000 new trees each year. We are working collaboratively to develop essential tree canopies to help

cool our city and provide new spaces for flora and fauna to flourish.

We are also committed to the care and activation of our heritage buildings and precincts and the role they play in the continuation of our distinctive region. We spend time planning the development of new additions to our neighbourhoods to balance sustainability and growth.

Water is a precious resource, so we strive to harvest, cleanse and reuse as much as possible for irrigating our parks and sportsgrounds and also ensure we improve flood mitigation along our coast and waterways

Managing waste is also an essential part of a Council's role, and at PAE we endeavor to deliver responsible and sustainable waste collection, recycling and composting programs and hard waste disposal services in a cost effective and sustainable manner.

We also understand the importance of protecting our people, wildlife and places and we take our responsibilities in emergency management seriously.

From community health and wellbeing, to assets to financial to developments, we align our Strategic Plans and our Long-Term Financial Plan to ensure our people and our infrastructure can handle any emergencies should they arise.

Our Community Emergency Management Plan has been developed to enable people to support each other and prepare, react appropriately and quickly recover in emergency events. We continue to work with our local community and government agencies and businesses to ensure our infrastructure and natural assets can be cared for and restored after an emergency event.

Key Achievements

- Created exciting neighbourhoods through collaborating on major urban developments such as Port Renewal and Kilburn Blair Athol redevelopment.
- Advocated and promoted opportunities for the preservation and conservation of building and waterfront precincts with a balance of development versus heritage protection.
- Implemented the Waste Management Plan to provide an efficient waste management service and minimise the environmental impact
- Collaborated with neighbouring Councils to undertake joint procurement for waste services
- Completed major stormwater projects in Blair Athol and flood mitigation on the Lefevre Peninsula
- Implemented flood mitigation projects including culverts, pipe networks and detention basins throughout PAE to protect properties from flooding
- Explored opportunities to expand the reclaimed water network with the City of Charles Sturt to enable future use of the water in PAE
- Completed tree canopy mapping for the city to inform the setting of tree canopy targets and action planning as part of the Greening Our City initiative
- Collaborated with neighbouring councils to develop the AdaptWest Regional Climate Change Adaptation Program to mitigate the impacts of climate change across the region
- Funded the Landscape Stories Art Project and nature writing masterclass as part of the Living Landscapes Initiative
- Funded and organised a National Arbor Day event at Pittman Park, Windsor Gardens when 2,500 plants were planted by 170 local volunteers
- Supported the establishment of the community led and Natural Resource Management Board funded Port Environment Centre
- Developed the Mudflat to Coast Citizen Science project with local schools to educate students about coastal and estuary environments
- Installed tree tags in Port Adelaide and Beefacres Reserve, Windsor Gardens to provide awareness about the value of trees in urban areas
- Provided opportunities for local children to interact and learn from nature in Folland Park Conservation Reserve, Enfield
- Supported the Natural Resource Management Board with a Living Smart Program at Kilburn Community Centre to encourage the local community to learn about sustainable living principles
- Supported the Bring Back the Butterfly Group to establish a butterfly garden at Kilburn Community Centre
- Worked with the Natural Resource Management Board to establish the Friends Group at North Haven Dunes and provided support to the Friends of Taperoo Dunes and Friends of Semaphore Dunes Groups
- Strengthened involvement in caring for the environment by working with the community in the Environment Community Program

Statistics

25,051t

General Waste
Collected



10,212t

Recyclables Collected



14,137t

Green Waste Collected



4.36m

Bins Collected



859,093kl

SA Water Usage



813 ha

Reserves Maintained



OUR PLACE

A city where people love to be



BELONGING • ACCESSIBLE • CREATIVE

PAE is a unique place.

With our long and important history, a diverse population and highly significant environmental attributes, we are a city experiencing significant growth and development, with new and emerging communities, and a heightened focus on our longstanding heritage and people.

2018-2019 was a year of building, and we delivered a number of major community and capital projects.

Our focus on placemaking means we are committed to working with local communities and businesses to bring out what is best about our places to retain their uniqueness and strong local identity, and to ensure they are safe and accessible to all.

We are also committed to ensuring residents and visitors alike see our City as a place they love to be in

because of its strong culture, community and creative vibrancy. We do this by hosting and delivering a wide range of exciting events and developing and maintaining spaces and hubs where people want to gather. We collaborate with community and art groups to create places that are interesting, helpful, thought-provoking, useful, beautiful and fun.

To enable our community to access places, facilities and services across PAE, we manage and maintain a vast network of roadways, bike trails and footpaths and provide transport services for aged and disabled groups.

We also build and maintain spaces to play and relax to keep our community active, healthy and connected at our playgrounds, parks, picnic spaces, golf courses and specific sporting grounds and facilities.

Key Achievements

- Completed 21 km of road upgrades
- Replaced and upgraded footpaths across PAE in line with a detailed audit and results and risk analysis to deliver a safe and accessible footpath network
- Allocated \$200,000 for sponsorship of events across PAE, creating opportunities for social interaction, cohesion and improved community wellbeing
- Showcased Port Adelaide to the world through participation in the internationally significant 2019 Santos Tour Down Under
- Commissioned and launched a number of significant public art installations, including at the Parks Library and Roy Marten Park
- Delivered exciting and interesting events, including the Twilight Parade, New Year's Eve, Australia Day, Fringe events and the Klemzig Reserve Summer Cinema Series to bring people together in a variety of PAE spaces
- Commenced our Smart Cities project by providing Wi-Fi and the developed the Visit Port Adelaide app to increase and retain visitors to our heritage port city
- Allocated \$50,000 through placemaking grants to local communities and businesses to change and improve their local places
- Developed new heritage plaque signage throughout the historical parts of Port Adelaide
- Reviewed and implemented the Open Space Strategy to create distinctive and accessible places throughout PAE
- Partnered with arts, heritage and environment groups to deliver the Living Landscapes Initiative to promote the protection, celebration and respect for PAE'S built and cultural heritage
- Trialed initiatives to take the library outside the library walls to connect in different ways with new, and existing users
- Undertook a program of building improvements across PAE's community buildings network
- Developed a strategic approach for provision of play and youth facilities across PAE which is responsive to community demand and demographic profile

Statistics

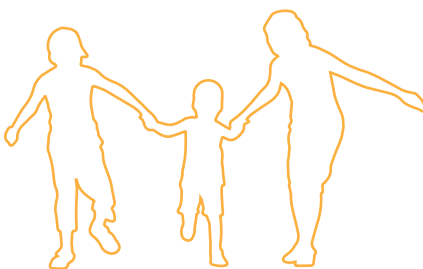
50,000+

Attended
Council Events



20,351

Residents aged
under 15



300+

Community
Events promoted



8km

of coastline



53,568

Total private
dwellings



128

Playgrounds



OUR LEADERSHIP

A city confident in its leaders



STRATEGIC • ACCOUNTABLE • ENGAGED

The City of Port Adelaide Enfield Council comprises Elected Members and administrative staff responsible for decision-making, service provision and undertaking work on behalf of the community.

The Mayor and 17 Ward Councillors elected by our community represent the interests of the community and form the decision-making body for all policy and strategic matters. They vote on actions to be taken regarding matters brought before the Council and are ultimately responsible for the workings of the Council.

Council has responsibility for a significant number and variety of infrastructure, facilities, services and programs, which aim to enhance the lives of those in PAE.

The City Plan 2030 guides our activities as we strive to achieve the goals agreed in consultation with the community.

We have established strategies and action plans to ensure that we deliver on our promises, and we continually measure our progress to ensure that we are accountable for our decisions and actions.

We also understand that the views and opinions of our community are essential when forming and developing new strategies and policies, and we engage regularly with community stakeholders to help with our decision making, and ensure we meet community expectations.

Continually updating our community on the delivery and status of projects is a critical part of driving outcomes.

To enable us to reach different communities within PAE, we share information via our website, video updates, interactive rates tools, social media, meetings, workshops and other community engagement activities.

We also manage our staff and day-to-day operations to ensure that we provide a positive experience for our community, and we continue to assess and improve our customer service levels and operations.

Our ultimate aim is to ensure our community is satisfied with the work that we do, that everyone has the chance to have a say in the decision-making process, that we are operating in the most cost-effective manner and that we are delivering real value for every ratepayer.

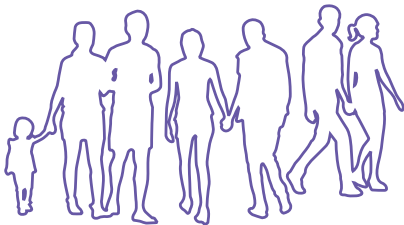
Achievements

- Facilitated PAE Council elections and inducted the new Council
- Maintained one of the lowest rates across the state and continued to deliver exceptional services, facilities and programs
- Developed and implemented a budget and performance program that was responsible, reasonable and represented good value by concentrating on budget efficiencies without reducing services to the community
- Improved customer experience by implementing an organisation-wide improvement plan focused on our customer experience commitments
- Developed information on our website about budget and performance to be more accessible
- Established and met customer service standards of 85% or more customer satisfaction with council services such as maintenance of footpaths, kerbs, roads, stormwater, bus shelters, traffic and parking signage
- Continued to develop a workplace culture that enables staff to achieve great outcomes for the community
- Established, monitored and reported on essential data about our community assets
- Conducted service reviews to find new ways to use our existing resources in order to meet community priorities and delivery value for money for our community
- Collaborated with other councils to get better outcomes for our community
- Implemented a new project management process to provide greater accountability and transparency to the community
- Reviewed our procurement process to improve our transparency, accountability and value for money

Statistics

33,407

Customer requests received



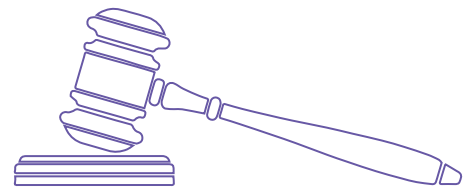
1,713

Minutes spent at ordinary council meetings



432

Resolutions passed



2,558

Community survey participants



2,321

Public consultations



466

FTE employees



Getting your feedback - Community Survey

We believe our service delivery, facilities and programs for the community should be led by our community.

It's important that what we provide is what individual in our community need and want.

So each year we ask our residents, ratepayers, businesses and visitors to have a say about our services through our Community Survey. The results gathered are fed into our City Scorecard, which informs us about how changes in PAE are tracking in relation to our aspirations as embodied in the City Plan 2030.

During 2018-2019, we encouraged greater participation in the consultation process by engaging with people through our email networks, website updates and social media. The increased response has given us a greater level of confidence that the survey results are a good representation of the views of our community.

We combine this information with the feedback we receive on our day to day interactions with the community, our organisational experience and knowledge, and statistics to help inform our work plans each year.



City Scorecard - How our Community rates PAE

		2017	2018
ECONOMY - A city of opportunity			
Prosperous	Gross regional product	\$8.08 billion	\$9.06 billion
Growing	Proportion who feel that they can easily access information and organisations	3.8	3.8
Connecting	Number of local jobs	75,580	75,932
COMMUNITY - A city that supports community wellbeing			
Healthy	Proportion who say they are healthy	3.9	3.9
Inclusive	Proportion who feel they are part of their local economy	3.5	3.5
Cohesive	Proportion who say they feel safe in their neighbourhood or community	3.6	3.7
ENVIRONMENT - A city of which cares for its natural environment and heritage			
Distinctive	Proportion who say the city's heritage is effectively managed	3.1	3
Sustainable	Proportion who say the city's natural environment is effectively protected	3.3	3.2
PLACEMAKING - A city of where people love to be			
Belonging*	City net promoter score	25	19
Accessible	Proportion who say they can easily access places and services across the city	3.8	3.8
Creative+	Proportion who feel they had the opportunity to participate/experience local arts and cultural activities	62%	62%
LEADERSHIP - A city confident in its leaders			
Strategic	Proportion who say council delivers value for the rate dollar	3.2	3.2
Accountable	Proportion who are satisfied with council services	3.5	3.5
Engaged	Proportion who say council is engaging with residents and ratepayers	3	3
	Proportion who say council is engaging with organisations	3.3	3
	Proportion who say council is engaging with businesses	3	2.7

Note – City scorecard indicators are perception based and provide a rating from 1 to 5 with 5 being Strongly Agree with each statement

*This indicator represents the willingness of people to promote PAE to others and is taken from -100 to 100 range.

+ This indicator represents the actual percentage of respondents who had the opportunity to engage in arts and cultural activities across PAE.

An aerial photograph of a coastal town and beach at sunset. The town is visible in the upper half, with houses and buildings. The beach and ocean are in the lower half. A long pier extends from the town into the water. The sky is a mix of orange and blue.

SECTION TWO

COUNCIL AND ORGANISATIONAL LEADERSHIP



OUR ELECTED MEMBERS



Mayor Claire Boan

Semaphore



Cr Helen Wright



Cr David Wilkins

Port Adelaide



Cr Steve Vines



Cr Joost den Hartog

Outer Harbor



Cr Peter Jamieson



Cr Vanessa Tulloch

Outer
Harbor
Ward

Semaphore
Ward

Port Adelaide
Ward

Parks
Ward

Parks



Cr John Croci JP



Cr Kim Dinh



Cr Kat Mitchell

Enfield



Cr Michael Iammarrone JP



Cr Carol Martin JP OAM



Cr Barbara Clayton

Northfield



Cr Mark Basham JP



Cr Matt Osborn



Cr Hannah Evans

Northfield Ward

Enfield Ward

Klemzig Ward



Cr Tony Barca



Cr Paul Russell

Klemzig

OUR COUNCIL

The City of Port Adelaide is one of the 68 local government authorities in South Australia. Local government is integral to the democratic system of government in Australia, providing vital economic, social and environmental support for communities.

The Constitution Act 1934 (SA), the Local Government Act 1999 (SA), and the Local Government (Elections) Act 1999 (SA) create the legal framework within which local government operates and the four-yearly election process underpinning the representative nature of local councils. More than one in three people voluntarily choose to exercise their democratic right by voting in Council elections.

The Council, consisting of the Mayor and 17 Ward Councillors elected by our community, is the decision-making body on all policy matters. The Mayor and Councillors represent the interests of the community and ultimately are responsible for the workings of the Council.

While Elected Members receive an allowance for expenses, they are acting in a voluntary capacity. Elected Members share the significant role of representing our community and promote direction in making the City a better place in which to live, work and play.

Various complex and important matters are brought before the Council, and our Elected Members, must often make difficult decisions on the action to be taken. They are assisted by the Chief Executive Officer and administrative staff who carry out Council decisions in line with relevant legislation.

The Council may delegate many of its powers, functions or duties to a Council committee or employee. These delegations are recorded in the Delegations Manual. The Delegations Manual is required to be reviewed at least once in each financial year, and is available on our website.

Together, the Mayor and Elected Members are responsible for civic leadership, for the management of the natural and built environment of our wonderful City, for fostering economic development in partnership with other local government authorities and with state and federal governments, and for creating and developing necessary social and cultural services and programs to enhance the wellbeing of residents and visitors.

Elected Members representing our community

The City currently has 83,240 electors across seven wards, equating to one elected member per 4,624 electors. In comparison, councils of a similar size and type have average representation quotas ranging from 4,939 to 6,267 per elected member.

Council conducted an Elector Representation Review during 2016 and 2017, as required under Chapter 3, Part 1, Division 2 of the Local Government Act 1999. In line with the eight year cycle of review, the next statutorily required Elector Representation Review is scheduled to occur in 2025.

At this time the Council will examine:

- Whether the principal member of Council should be a mayor elected by the community or a chairperson selected by (and from amongst) the elected members
- The division of the Council area into wards, or the abolition of wards
- The number of elected members required to provide fair and adequate representation
- The need for area councillors in addition to ward councillors (under a ward structure)
- The identification of an appropriate ward structure (if required) and the level of ward representation
- The naming/identification of any proposed future wards

Local government elections were held in November 2018. At this time we welcomed several new Councillors, all of whom have committed to working with the community for the next four years.

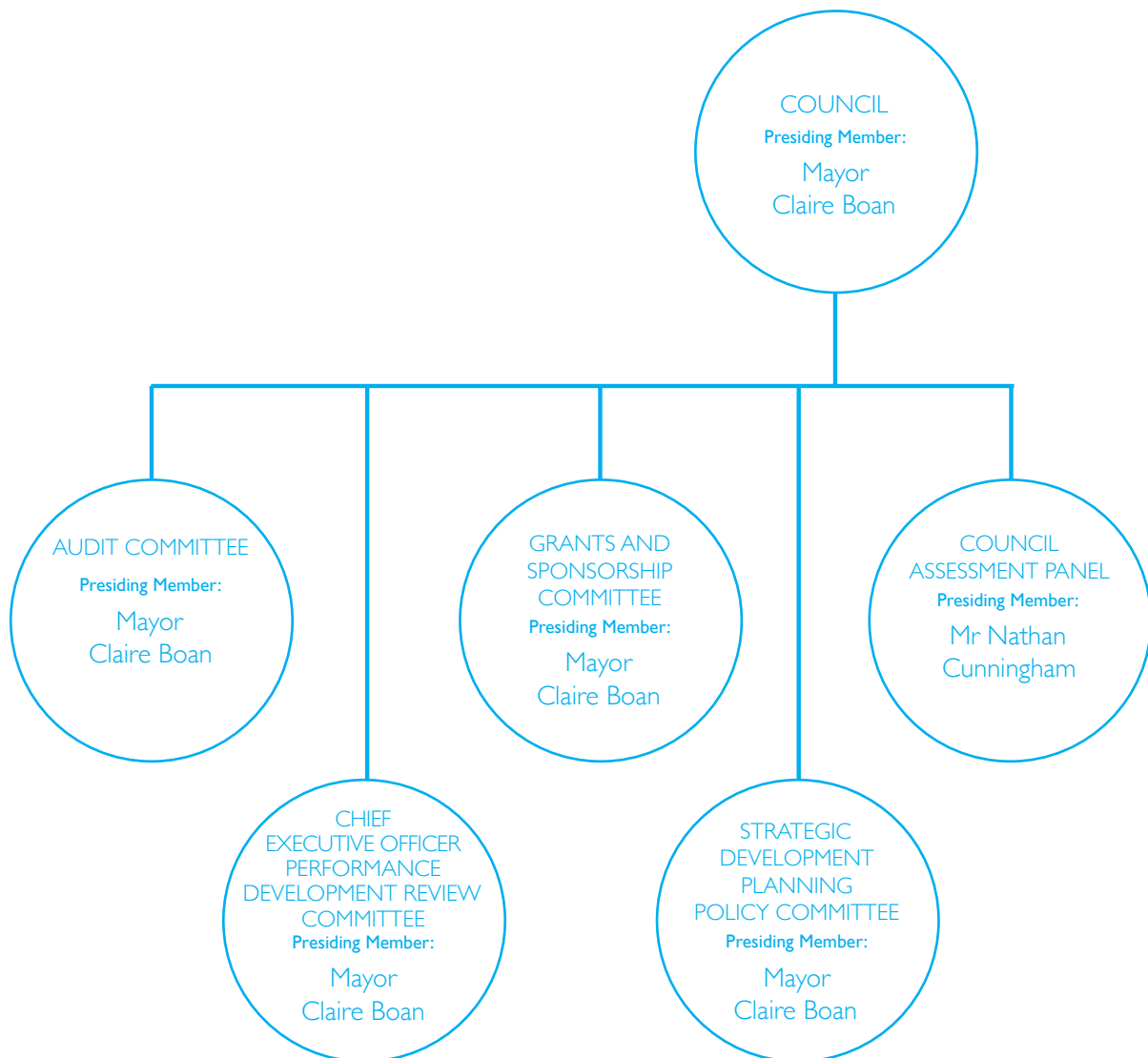
We also said farewell to Mayor Gary Johanson and the following Councillors who had served the community in these roles for a considerable number of years:

- Peter McKay from Enfield Ward
- Michelle Hogan from Semaphore Ward
- Ray Guscott from Port Adelaide Ward
- Guy Wilcock from Parks Ward
- Anne-Marie Hubycz from Northfield Ward

Important acknowledgement to Mr Adrian Wotton who was declared as an Elected Member at the conclusion of the election. Mr Wotton participated in the swearing in ceremony, a number of induction and workshop activities and 2 council meetings before the Electoral Commission of South Australia identified an error in their election process. The Council has appreciated Mr Wotton's time, commitment and passion for our community.

Council Decision-Making Structure

Council's principal power to make decisions is delegated through the Local Government Act 1999. A number of other Commonwealth and State Acts also provide Council with the power to make decisions.



Council and Committee Meetings

Our Elected Council meets monthly to carry out the ordinary business of Council. Special meetings are held when required, in accordance with the Local Government Act 1999.

To fulfil its various functions efficiently, Council has established four committees pursuant to Section 41 of the Local Government Act, with one of these committees jointly established under both the Development Act 1993 and the Local Government Act, and a fifth committee established under the Planning, Development and Infrastructure Act 2016.

All Council and committee meetings are open to the public and we encourage community members to attend. Meeting dates and times are available on our website.

The agenda, reports and minutes for each meeting are public documents and are available at the Council Office, at our libraries, and on Council's website at www.cityofpae.sa.gov.au

Details of Council and its committees are as follows:

COMMITTEE PANEL	ROLES & FUNCTIONS	REGULATORY/ DECISION MAKING / ADVISORY	MEETINGS	DELEGATION
Council	<p>Established under the Local Government Act 1999 the principal role of a Council is:</p> <ul style="list-style-type: none"> to act as a representative, informed and responsible decision-maker in the interests of its community to provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner to encourage and develop initiatives within its community for improving the quality of life of the community to represent the interests of its community to the wider community; and to exercise, perform and discharge the powers, functions and duties of local government under this and other Acts in relation to the area for which it is constituted. <p>Membership: the Mayor and all 17 Elected Members.</p>	Regulatory / Decision-making	Held on second Tuesday of every month at 7pm in the Council Chamber at 62 Commercial Road, Port Adelaide, and other locations through the City, as advertised from time to time.	
Audit Committee	<p>Established under Sections 41 and 126 of the Local Government Act 1999. It monitors and makes recommendations to Council about a range of matters related to financial reporting, internal controls, risk management systems and other relevant functions, as set out in the Audit Committee's Terms of Reference.</p> <p>Membership: the Mayor; two Elected Members and two Independent Members.</p>	Advisory	Held quarterly in February, May, August and October at 7pm in the Town Hall, 34 Nile Street, Port Adelaide.	Established under Section 41 and 126 Local Government Act 1999. Recommendations referred to Council.

COMMITTEE PANEL	ROLES & FUNCTIONS	REGULATORY/ DECISION MAKING / ADVISORY	MEETINGS	DELEGATION
Chief Executive Officer Performance Development Review Committee (CEO PDR Committee)	The Chief Executive Officer Performance Development Review Committee is established for the purpose of determining, in conjunction with the Chief Executive Officer (CEO), relevant Key Performance Indicators (KPIs) for the CEO and for undertaking the formal review process of the performance of the CEO against agreed KPIs. Membership: the Mayor and 17 Elected Members.	Decision- making	Review occurs annually, with meetings scheduled as required at 7pm in the Town Hall, 34 Nile Street, Port Adelaide.	Established under Section 41 Local Government Act 1999. Delegated authority from Council.
Grants & Sponsorship Committee	The Grants & Sponsorship Committee has been established for the purposes of assessing the appropriate structure and allocation of grants, sponsorship and partnership arrangements for Council-approved programs. The Committee has delegation to make decisions within its Council approved Terms of Reference. Membership: the Mayor and 17 Elected Members.	Decision- making	Held in May and November of each year or as required at 7pm in the Council Chamber at 62 Commercial Road, Port Adelaide.	Established under Section 41 Local Government Act 1999. Delegated authority from Council.
Strategic Planning Development Policy Committee	The Strategic Planning and Development Policy Committee has been established to make decisions within its Council approved Terms of Reference thereby assisting Council to undertake strategic planning and monitoring to achieve orderly and efficient development within the area. This Committee also provides advice to Council in relation to the extent to which the Council's strategic planning and development policies accord with the State Government's Planning Strategy. Membership: the Mayor and 17 Elected Members.	Regulatory/ Decision- making	As required on the second Tuesday of the month at 7.15pm in the Council Chamber at 62 Commercial Road, Port Adelaide.	Established under Section 41 Local Government Act 1999 and under Section 101A of the Development Act 1993. Delegated authority from Council under Section 20 Development Act 1993.
Council Assessment Panel (CAP)	Established for the purpose of acting as the relevant authority in respect of development control matters, the CAP is separate from Council and has its own procedures, terms of reference and protocols. The role of the CAP is to: <ul style="list-style-type: none"> Consider all development applications referred by Council Officers for decision. Provide advice and reports to the Council on trends, issues and other matters relating to planning or development that have become apparent or arisen through its assessment of applications under this Act. Membership: one Elected member and four Independent Members.	Regulatory/ Decision- making	Held on fourth Wednesday of every month at 7pm in the Town Hall, 34 Nile Street, Port Adelaide.	Established under Section 83 Planning, Development and Infrastructure Act 2016.

Elected Member Allowances

Elected Member allowances are set by the Remuneration Tribunal and are reviewed every four years, prior to each Local Government General Election. The following allowances were paid to members of the Council or Committee members:

Mayor: \$93,400 per annum

Deputy Mayor: \$29,187 per annum

Councillors: \$23,350 per annum

Allowances are adjusted annually by CPI. Members of the Council Assessment Panel receive a sitting fee of \$580 per meeting attended and the Presiding Member receives \$690 per meeting attended. Independent Members of the Audit Committee receive a sitting fee of \$740 per meeting attended.

Elected Member Training and Development

The Elected Members' Conferences, Seminars, Training and Development Policy was endorsed on 27 November 2018. The following training programs have been completed in 2018-2019 (number of attendees for each program is shown in brackets).

Date	Training and Development Program
16 - 19 June 2019	National General Assembly of Local Government 2019 - Canberra, ACT (2)
11 - 12 April 2018	Local Government Association Ordinary General Meeting - Adelaide (1)
30 November 2018	Mayors' and Chairpersons Leadership Program (1)
25 - 26 October 2018	Local Government Association Conference and Annual General Meeting - Adelaide (1)

Agendas and Minutes

Council, Committee and Council Assessment Panel Agendas are placed on public display no less than three days prior to meetings. Minutes of the meetings are on display at the principal office and at all Council libraries within five days of that meeting having been held.

Meeting agendas and minutes are also available on Council's website at www.cityofpae.sa.gov.au/meetings

Informal Gatherings

From time to time, informal gatherings have been held for Elected Members in the form of a workshop or information briefing. Details of the upcoming informal gatherings are published on our website weekly. These informal gatherings provide a forum to share additional information with members and will typically be followed by a report to a subsequent meeting of Council. Informal gatherings are usually open to the public but, from time to time, may also be closed if the information being presented is of a confidential nature. Informal gatherings are not held for decision-making purposes, rather they provide an opportunity for Elected Members to learn more about a topic before being asked to make decisions about it at a Council Meeting.

Attendance at Council and Committee Meetings

	Council	Strategic Planning Development	Audit	Chief Executive Officer Performance	Grants	Council Assessment
Total Meetings	16	2	4	2	3	9
Mayor Claire Boan	16	2	2	2	3	3^
Cr Michael Iammarrone	15	2	X	2	0	X
Cr Carol Martin	15	2	X	0	1	X
Cr Barbara Clayton	11*	2*	X	0*	2*	X
Cr Tony Barca	15	2	X	2	3	X
Cr Paul Russell	16	2	X	2	3	X
Cr Mark Basham	16	2	X	2	3	6*
Cr Matt Osborn	16	2	X	2	3	X
Cr Joost den Hartog	11*	2*	X	0*	2*	X
Cr Peter Jamieson	14	2	4	2	2	X
Cr Vanessa Tulloch	14	2	X	2	2	X
Cr John Croci	16	2	X	2	3	X
Cr Kim Dinh	15	2	X	1	1	X
Cr Kat Mitchell	11*	2*	X	0*	2*	X
Cr Steve Vines	11*	2*	X	0*	2*	X
Cr David Wilkins	11*	2*	2*	0*	2*	X
Cr Helen Wright	14	2	X	2	2	X
Cr Hannah Evans	11*	2*	X	0*	2*	X
Mayor Gary Johanson	5^	X	2^	2^	1^	X
Cr Michelle Hogan	3^	X	X	2^	1^	X
Cr Peter McKay	4^	X	X	2^	1^	X
Cr Ann-Marie Hubycz	1^	X	X	2^	1^	X
Cr Ray Guscott	4^	X	X	1^	1^	X
Cr Guy Wilcock	2^	X	X	0	X	X
Cr Adrian Wotton	2	X	X	X	X	X

x – indicates not appointed to the committee/panel and not required to attend

^ - member until November 2018

* - member from November 2018

Confidential Items and Review of Council Decisions

Confidential Items

The Local Government Act 1999 specifies that Council meetings be held in a public place but, on occasion, this principle is outweighed by the need to keep the information or discussion confidential for reasons predetermined under the Local Government Act 1999.

Through the period of 2018-2019, there were 11 such instances in which Council or a Committee was satisfied of the necessity to consider an agenda item in confidence. These items, which were considered in accordance with Section 90(2) and Section 90(3) of the Local Government Act 1999, are listed in the table below. Confidentiality Orders pursuant to Section 91(7) of the Local Government Act 1999 require documents to remain confidential for either a specified period of time or until an event occurs.

During 2018-2019 there were 11 instances where documents were considered and determined to be kept in confidence in accordance with Section 91(7).

These are also shown in the following table:

2018				
MEETING AND DATE	ITEM	TITLE	LOCAL GOVERNMENT	CONFIDENTIALITY Order Applied?
Ordinary Council Meeting 11 December 2018	17.2	Port Adelaide – Development Opportunity - Confidential	90 (2) and 90 (3)(b)(i) and 90 (3)(b)(ii)	Yes
Ordinary Council Meeting 14 August 2018	17.2	Deck Car Park – Port Adelaide	90 (2) and 90 (3)(b)(i) and 90 (3)(b)(ii) and 90 (3)(d)(i) and 90 (3)(d)(ii)	Yes
Chief Executive Officer's Performance Development Review 31 July 2018	4.2	Chief Executive Officer's Performance Development Review – Feedback on Performance	90 (2) and 90 (3)(a)	Yes
Chief Executive Officer's Performance Development Review 31 July 2018	4.7	Recommendation for Consultant to Support the Committee	90 (2) and 90 (3)(d)	Yes
Chief Executive Officer's Performance Development Review 3 July 2018	4.4	Chief Executive Officer Performance Update, Presentation and Discussion with the Committee	90 (2) and 90 (3)(a)	Yes

2019

MEETING AND DATE	ITEM	TITLE	LOCAL GOVERNMENT	CONFIDENTIALITY Order Applied?
Ordinary Council Meeting 11 June 2019	17.2	Newhaven Village Waste Water	90(2) and 90(3)(b)	Yes
Ordinary Council Meeting 14 May 2019	17.2	Confidential – Winterfest 2019	90(2) and 90(3)(d)	Yes
Ordinary Council Meeting 9 April 2019	17.2	Confidential – Response to Changes in the Recycling Market	90 (2) and 90 (3)(b)(i) and 90 (3)(b)(ii)	Yes
Ordinary Council Meeting 12 February 2019	17.2	Port Adelaide – Development Opportunity - Confidential	90 (2) and 90 (3)(b)	Yes
Ordinary Council Meeting 22 January 2019	17.2	State Government Proposal, Port Adelaide – Confidential Item	90(2) and 90(3)(d)(i)	Yes
Ordinary Council Meeting 22 January 2019	17.5	Independent Membership Selection for the City of Port Adelaide Enfield Audit Committee	90 (2) and 90 (3)(a)	Yes



Confidential Provisions

The table below details the number of times each section was used as the basis to consider confidential matters in private.

LGA 1999 RELEVANT DESCRIPTION	DESCRIPTION	NO:TIMES
90(2)	A council or council committee may order that the public be excluded from attendance at a meeting to the extent (and only to the extent) that the council or council committee considers it to be necessary and appropriate to act in a meeting closed to the public in order to receive, discuss or consider in confidence any information or matter listed in subsection (3)	11
90(3)(a)	information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)	3
90(3)(b)	Information the disclosure of which – (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest	5
90(3)(d)	Commercial information of a confidential nature (not being a trade secret) the disclosure of which- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest	4

During 2018-2019, ten orders lapsed or were released and 22 orders remained in confidence. This means that Council determined to remove the confidential order over the information, and made it available to the public.

Review of Council Decisions under Section 270 of the Local Government Act 1999

During 2018-2019, five applications were received for a review of a Council decision under Section 270.

The applications related to:

MATTER	OUTCOME
Verge Planting	Decision Remains
Rate Rebate	Withdrawn by Applicant
Noise	Decision Remains
Animal Infringement	Decision Remains
Pavement Bars	Withdrawn by Applicant

Applicants were notified of their option to apply to the Ombudsman for assistance should they be dissatisfied with findings of the Section 270 review.

Opportunities to be heard by Council

A petition is a formal written request or submission to Council with multiple signatories. The Local Government (Procedures at Meetings) Regulations 2000 require that a petition:

- be legibly written or typed
- be an original document
- clearly set out the request/submission of the petitioners; and
- be delivered to the principal office of the Council.

During 2018-2019, Council received six petitions. A standard petition form is available on Council's website at www.cityofpae.sa.gov.au/forms

During 2018-2019, Council considered four deputations. A deputation is an address made to the Council or to a Council Committee by a person or group on a particular matter. Following a written request to Council, and with the permission of the Mayor and/or Committee Presiding Member, a member of the public can address the Council/Committee personally or on behalf of a group of residents, in line with Council's Code of Practice - Meeting Procedures.

OUR ORGANISATION

The function of Council Administration is to support and carry out the lawful decisions of the Council. Each of our staff members contribute to our constructive workplace culture by being supportive, taking on challenges, seizing opportunities and building great relationships. Our workplace culture supports staff to achieve great outcomes for our customers, and we are proud of what we deliver with, and for, our community.

Structure

The City of Port Adelaide Enfield's Administration is structured in three departments, each reporting through their Directors to the Chief Executive Officer.

Chief Executive Office

- Ensures the community can be confident in Council's financial management and overall accountability
- Provides leadership, strategic planning and delivery of services and facilities for the community
- Supports Elected Members in their effective governance and representation of their local community
- Builds strategic partnerships and relationships to deliver the best outcomes
- Ensures a focus on customer service and community engagement across the organisation

City Assets Directorate

- Constructs a safe road network for the community and to improve economic outcomes
- Constructs a safe, well-planned and accessible footpath network across the City
- Constructs a stormwater management system to mitigate the risk to the community and the environment associated with stormwater runoff
- Implements traffic management schemes and traffic controls to improve safety for all road users
- Constructs facilities for bicycle riders to promote cycling as an alternative form of transport and for recreation
- Provides effective and efficient street lighting to improve community safety
- Oversees new land developments to ensure the design and construction of infrastructure meets the community's needs
- Builds and maintains Council facilities to meet community needs
- Undertakes a range of commercial activities at Council-owned properties to support community and economic outcomes
- Maintains bus shelters to encourage the use of public transport
- Maintains the local road network to provide safe and accessible neighbourhoods
- Maintains Council's network of footpaths to promote walking as a safe alternative form of transport and recreation
- Owns, operates and maintains Council's fleet of vehicles and equipment used to deliver Council's services
- Provides high quality signage and linemarking, enabling easy navigation around the Council area
- Maintains a place that is easy and safe to navigate with good signage and linemarking
- Provides a procurement and stores system to support staff involved in delivering services to the community
- Plants new and maintains established trees to make our streets beautiful and to improve environmental outcomes
- Maintains Council verges to enhance the appearance of our City
- Sweeps the streets to reduce the amount of pollutants washed into our waterways and the sea, and to enhance the appearance of the City
- Constructs new and improved facilities on our reserves and foreshore for the recreational enjoyment of the community
- Maintains our reserves and foreshore in a condition that allows the community to maximise their use

Community Development Directorate

- Works in partnership with others to identify and develop programs and activities to meet the social, cultural, creative and recreation needs of the community
- Collaborates with our Aboriginal and Torres Strait Islander and culturally and linguistically diverse (CALD) communities to learn about them and their culture, and actively works to create opportunities for these communities
- Provides safe and enjoyable places to meet, create, learn and be active
- Provides community transport services to improve access to services and activities and improve the quality of life for our community
- Offers programs and services to support young people, tackle disadvantage, increase participation, and reduce youth homelessness
- Provides opportunities for people to volunteer; to give back to their community, share their knowledge, learn, connect, prepare for employment and support others
- Provides an exceptional customer experience through every interaction
- Supports a strong, sustainable network of sports clubs to foster participation in a broad range of sports
- Welcomes tourists to our City and provides them with information on local attractions, businesses and activities
- Links people to services and connects groups and individuals, supporting collaboration to improve community wellbeing and respond to social and community issues
- Ensures good design outcomes in built forms to help create a City where people love to be
- Provides planning advice and assessment services for residents, property owners and businesses who want to construct a new building or extend an existing one
- Assesses applications for subdivisions or for changing land use, ensuring consistency with the Development Plan and planning legislation to achieve the best possible community outcomes
- Provides building assessment services, including checking designs, specifications and undertaking site inspections for new buildings and extensions to ensure they meet contemporary standards and maintain community safety standards
- Undertakes inspections, responds to complaints, checks compliance and, where necessary, undertakes enforcement to ensure high neighbourhood amenity, community safety and wellbeing
- Supports the promotion and maintenance of the City's built heritage by providing advice, guidance and a heritage grant program
- Provides a quality waste collection service to reduce environmental impact and keep our City clean
- Improves community wellbeing and safety by supporting responsible dog and cat ownership and providing education and enforcement
- Provides information, education, and complaint resolution services to help protect the environment and improve local amenities
- Undertakes food inspections and provides education to ensure food for sale in the City is safe
- Ensures standards of care and accommodation for residents in supported residential facilities and lodging houses are met and our vulnerable residents are supported
- Delivers home maintenance, cleaning, transport and other programs to eligible people to support their social and recreational needs and to help them remain in their homes
- Checks roads, public space and car parking, enabling people to safely access services, businesses and local places
- Provides a place where people can connect with their local community, participate in activities, learn, create, and access services and information supporting community wellbeing
- Offers books, magazines, CDs and DVDs across a range of topics, in different languages and print sizes, for loan from the library or through our home library delivery service
- Provides digital resources and technology, both in the library and online, to allow everyone access to information, job seeking and educational opportunities
- Plans and delivers activities and opportunities to build wellbeing and resilience amongst individuals and groups in our community
- Works in partnerships with the community to identify opportunities for improved wellbeing and support community-led initiatives
- Applies an evidence-based approach to define, measure and build community wellbeing
- Provides creative and exciting events, arts and cultural activities in partnership with our community to support a rich community life

Corporate Services Directorate

- Focuses on the wellbeing of our staff by ensuring all Council work is done properly and with a focus on safety
- Supports organisational development and performance with a focus on systems and actions that have our people at the forefront
- Focuses on great internal customer service in human resources, learning and development, and payroll
- Provides information to support Council to make informed decisions that will deliver great outcomes for the community
- Provides support to the Mayor and Elected Members to enable them to effectively represent the community
- Provides procurement and contract management guidance and tools to support purchase and supply arrangements, delivering effective outcomes for the organisation and our community
- Supports risk and emergency management in order to minimise negative impacts and build resilience for the community and the organisation
- Listens to community complaints and objectively responds to complaints and requests for internal reviews, enabling the community to have confidence in Council
- Welcomes new citizens to the City by conferring citizenship to further enhance community diversity
- Facilitates Council policies, planning and reporting to support Council's achievement of outcomes identified through the City Plan 2030
- Supports the organisation and its leaders through improvement of relevant corporate governance processes and systems
- Provides an internal audit function to examine the management of Council operations, enabling Council and the community to have confidence in the effective and efficient use of public funds
- Provides administrative support to the Mayor, CEO and Executive, enabling them to effectively lead the organisation
- Provides the community with information and promotes Council's services and functions to support improved access by our community
- Plans with our community for our City's future
- Works to create great communities through land developments and major projects
- Works with businesses and other partners to support a strong economy
- Talks with our community, enabling residents to have a say in matters that affect their lives
- Undertakes projects across the City to turn spaces into welcoming places where people love to be
- Provides climate change and environmental advice, and works with the community and partners to care for the natural environment
- Designs and plans for healthy communities by developing quality sporting grounds and facilities
- Manages Council's rating income to fund the services and assets used by our community
- Manages Council's budgets, depreciation and funds to ensure Council's long-term financial sustainability
- Manages Council's loan portfolio and provides Council with relevant information to ensure loan funds are managed for the good of the community, in an appropriate manner, and consistent with applicable legislation and standards
- Provides land and property information to Council and the community
- Provides financial services and information to Council to ensure that financial decisions are made for the good of the community and in line with our legal obligations
- Provides online tools to help our customers easily access our services and information
- Maintains Council records to ensure information is preserved for the future and to meet our legislative obligations
- Provides secure and effective internal information systems to enable Council to be efficient and effective in the delivery of services
- Works with the community to improve the way we work and provide better services

Employment

	FEMALE	MALE	TOTAL	FULLTIME EQUIVALENT
Contract Full Time	20	27	47	46.8
Contract Part Time	7	1	8	5.5
Full Time	96	277	373	372.22
Part Time	58	5	63	40.44
Total	181	310	491	464.96

Senior Executive Officers

There are four Senior Executive Officers at the City of Port Adelaide Enfield, comprising the Chief Executive Officer and three Directors. Their salary packages include allowances and benefits such as a fully maintained vehicle, the ability to salary sacrifice, and statutory superannuation. No bonuses are payable.

Enterprise Bargaining

Two industrial instruments are applicable to Council in the provision of definitions of employment conditions for staff working under the Local Government Workers Award and the Salaried Municipal Officers Award. These agreements provide security for staff and industrial stability for Council.

Both agreements are based on building our capacity to effectively support our community. We continue to develop a productive workforce delivering a high standard of customer service, and to provide our staff with a safe workplace and a constructive workplace culture.

The City of Port Adelaide Enfield Municipal Officers Workplace Agreement Number 4 was certified on 10 August 2017 and is current until January 2020.

The City of Port Adelaide Enfield Field Staff Enterprise Agreement Number 10-2018 was certified and came into effect on 31 August 2018 and will expire on 30 June 2022.

Auditor

In accordance with Section 128(9) of the Local Government Act, during the 2018-2019 financial year, Council's external auditor was remunerated \$37,323 for the audit of Council's financial statements and \$2,000 for other services.

Work Health and Safety

Work Health and Safety (WHS) is a major priority for the City of Port Adelaide Enfield, and we aim to always promote best practice WHS. This function falls under the Corporate Services Department and is supported by a WHS Management Framework, Strategic Plan and a suite of policies, procedures, task specific risk assessments, guides and forms.

All new employees are required to complete a WHS induction and are made aware of legislative responsibilities.

Council participates in the Local Government Risk Services sponsored Healthy Lifestyle program that includes employee skin screening, fitness assessments and seminars on health and nutrition.

Equal Opportunity Employment

The City of Port Adelaide Enfield has an Equal Opportunity Policy and facilitates an Equal Opportunity program as required by the Local Government Act 1999, Section 107(2) (g). Council currently has 11 trained Equal Opportunity Officers based in a range of workgroups and departments across Council, all of whom have undergone training in Equal Opportunity Law.

Equal Opportunity Officers support their colleagues in many ways, including giving advice about policies and code of conduct, and being present in a neutral capacity at meetings. Council's Recruitment and Selection Policy and recruitment training for staff provide guidance on equal opportunity employment.

Staff Training and Development

The ability of our staff to perform at their very best is supported through processes keeping them informed about current industry requirements and trends. Staff also have opportunities to expand their knowledge on matters impacting our community.

The City of Port Adelaide Enfield continues to provide training opportunities in a wide range of education, learning, and career development programs.

Over the past 12 months we have provided support for continuous education opportunities, with 25 staff undertaking further education courses. During this period, Council also provided a range of in-house training programs for staff aimed at improving and consolidating capacity to deliver our key priorities.

In addition, six staff members successfully participated in the Local Government Professionals (LG Professionals) Management Program. Support was also provided for a further two staff members to be part of the LG Professionals Emerging Leaders Program. We also continue to provide an opportunity each year for a staff member to participate in the Local Government Professional Leaders Program.

Our work experience program for young people residing within, or attending school within, the Council area continues to provide opportunities for enhanced learning and on-the-job training through experiencing a variety of roles and functions across Council.

Constructive Culture

Building a constructive workplace culture supports our people to deliver services for our community and deliver on the objectives of our City Plan.

We know that organisations can perform at their best when the culture in the workplace is healthy. We believe that a healthy culture is one which focuses on being productive by supporting, encouraging and empowering staff to make decisions and fulfil their obligations in efficient and innovative ways.

We enjoy what we do, we are productive and constructive, we strive for excellence, we celebrate our successes and we address issues in an open, honest and fair way. Staff are encouraged to build excellent relationships with customers, and to act in their best interests. We are committed to making decisions focused on the public good.

Council has completed its second internal workplace culture survey, with results indicating improvements in our workplace culture.

Working parties and groups

Working parties and groups have been established to examine and investigate specific issues or to facilitate or oversee a range of activities. These include:

- Aboriginal Advisory Panel (comprising community members and Elected Members)
- City Assets Workplace Health & Safety Committee (staff)
- Major Projects Group
- IT Strategy and Policy Group
- Executive Leadership Team
- Section Managers Group

Building Fire Safety Panel

The role of the Building Fire Safety Panel is to investigate and ensure that owners are maintaining proper levels of fire safety in their buildings and, where deficiencies are identified, require that owners improve fire safety standards to a minimum acceptable level. The Building Fire Safety Panel aims to achieve this by undertaking proactive inspections, responding to public concerns, and taking action on South Australian Metropolitan Fire Service reports relating to identified deficiencies.

Delegations and Policy Manual

Delegations are the powers delegated by Council to Committees (e.g. Council Assessment Panel) and to the Chief Executive Officer, enabling the delegate to conduct activities within their authorisation without referring back to Council. Section 44 of the Local Government Act 1999 provides that Council may delegate a power or function vested or conferred under this or another Act. Some other Acts also contain a specific power of delegation.

Delegations made by the Council under Section 44 of the Local Government Act 1999 can be made to a Council committee, a subsidiary of the Council, an employee of the Council, the employee of the Council occupying a particular office or position, or an authorised person. Other Acts may specify different delegates than the Local Government Act 1999.

A delegation made pursuant to Section 44 of the Local Government Act 1999 is revocable at will and does not prevent the Council from acting in a matter.

The Port Adelaide Enfield Delegations Manual contains all delegations to the Chief Executive Officer and committees by Council. The Manual is available on the Council website at www.cityofpae.sa.gov.au/delegations

The delegations are reviewed throughout the year, ensuring consistency with legislative and organisational requirements.

Your Views are Important

We are always working on improving the ways rate payers, customers and community members can communicate with us.

To contact us you can:

- visit us at the Civic Centre or one of our Library-Council Offices
- have a conversation with one of our helpful staff on the phone
- lodge a request or comment via our website
- contact us via social media

Regardless of the method of contact you choose, you can always expect to:

- be treated with courtesy and respect
- have assistance provided to facilitate communication, which may include arranging an interpreter or involving an advocate
- be advised that your contact has been received and be kept informed about the timeframes expected for a response
- have your contact considered quickly and fairly
- have your contact handled confidentially where appropriate
- be provided with information about other options that are available
- receive feedback on an outcome from your contact

Community Engagement

Under the Local Government Act 1999, we are bound to consult with the community on various proposals and developments. We are actively seeking the involvement of our local communities, and through this engagement we gain important insights to inform our decision-making. We also conduct an annual Community Survey to better understand the needs and preferences of our community.

A Community Engagement Policy (formerly Public Consultation Policy) was endorsed on 9 July 2019 to assist this process. Please visit our Website to keep up to date with our services, facilities and programs and provide your feedback, comments or complaints at any time.

We encourage you to keep in touch with our formal community engagement activities, available online at www.cityofpae.sa.gov.au/PublicConsultation

National Competition Policy

Council does not operate any significant business activities within either Category 1 or Category 2 under the National Competition Policy. Council has received no complaints about the application of competitive neutrality during the 2018-2019 financial year.

Council By-Laws are subject to the requirements of Section 247 of the Local Government Act 1999 regarding avoiding restricting competition to any significant degree. The By-Laws were adopted in July 2015.

Use of Local Goods and Services

Council has adopted the Council Policy - Procurement in accordance with Section 49(1) of the Local Government Act 1999. Subject to the Competition Principles Agreement, as defined in the Competition and Consumer Act 2010 and as applicable to Local Government, Council will, wherever possible, adopt a policy of purchasing locally.

Where appropriate, the location of manufacturers of goods and suppliers of goods and services will be considered, along with a range of other factors, in deciding on the purchase of goods and services. Local suppliers are to be given the opportunity to tender and quote for the supply of goods and services.

Competitive Tendering

The Council's Procurement Policy meets the requirements of Section 49 of the Local Government Act 1999 in addressing competitive tendering and other measures to ensure cost-effective delivery of goods and services.

In accordance with the policy, Council will call for open or public tenders for the supply of goods, the provision of services, or the carrying out of works in circumstances where there is a competitive supply market and the level of estimated gross value of expenditure exceeds \$100,000 (excluding GST).

Reporting Required under the Local Nuisance & Litter Control Act 2016

One of Council's key responsibilities is to sustain and improve public and environmental health. We aim to achieve this by improving local amenities and the environment by providing a responsive local nuisance and litter service, in keeping with the Local Nuisance and Litter Control Act.

Through 2018-2019, a total of 2,144 littering and 821 local nuisance reports were received.

The following table indicates the number and subject of abatement notices issued by Council throughout the 2018-2019 reporting period:

REASON	ABATEMENT NOTICES ISSUED
Dust	0
Odours/Fumes	0
Unightly	7
Animal Nuisance	2
TOTAL	9

The following table illustrates the reason for, and number of expiations issued by Council, in relation to local nuisance and litter matters throughout the 2018-2019 reporting period:

MATTER	NUMBER OF EXPIATIONS
Person who carries out activity that results in local nuisance	0
Body Corporate person who carries out activity that results in local nuisance	7
Body Corporate littering - 50 litres or more of class B hazardous or general litter	1
Person littering - 50 litres or more of class B hazardous or general litter	6
Littering - Disposing up to 50 litres of class B hazardous litter	51
Littering - Disposing up to 50 litres of general litter	7
Failure to remove litter as directed	1
TOTAL	72

Management Plans for Community Land

Council maintains its Community Land Register in accordance with the Local Government Act 1999 and the relevant Regulations.

Council has adopted Community Land Management Plans as follows:

- Passive Recreation Reserves
- Active Recreation Reserves
- Leased, Licensed or Short-Term Hired Community Facilities
- Off Street Car Parks
- Commercial Property
- Stormwater/Drainage Reserves
- Operational Assets

Each Community Land Management Plan prescribes performance targets and strategies, actions and performance measures responding to each Management Plan's objectives.

In 2018-2019 we have drafted and engaged on a number of new Community Land Management Plans, aiming to better outline the types of activities that we want to see in specific areas of our City. These include The Lights Community and Sports Centre and Pieces 9 & 10 North Haven Foreshore.

Codes, Registers and Other Documents

Codes

Council maintains codes of conduct or practice to provide guidelines and to support accountability in addition to meeting various requirements under the Local Government Act 1999 or Local Government (Elections) Act 1999.

The list of Codes is provided as follows:

- City of Port Adelaide Enfield Elected Members' Code of Conduct - Section 63
- City of Port Adelaide Enfield Employees' Code of Conduct - Section 110

Code of Practice for use of Confidentiality provision under the Local Government Act - Section 92

- Code of Practice - Meeting Procedures
- Ministers Code of Conduct - Council Assessment Panel

Registers

Council maintains several registers to enable accountability and transparency. The list of registers required to be kept under the Local Government Act 1999 or Local Government (Elections) Act 1999 is as follows:

- Register of Allowance and Benefits (Section 79)
- Register of By-Laws (Section 251)
- Register of Community Land (Section 207)
- Register of Community Management Plans (Section 196)
- Register of Confidential Items (Section 92)
- Register of Declaration of Conflict of Interests - Elected Members (Section 74(5), 75A(4))
- Register of Fees and Charges (Section 118)
- Register of Interest (Members) (Section 68 and 70)
- Register of Interest (Members) - Excerpt (Section 68) - available on Council's website
- Register of Interests (Officers) (Section 116)
- Register of Public Roads (Section 231)
- Register of Remuneration, Salaries and Benefits (Section 105)
- Gifts & Benefits Register - Employee (Section 110(1))
- Gifts & Benefits Register - Elected Member (Section 63)
- Delegations Manual (Section 44(6))

Council also maintains a Campaign Donations Returns Register, as required in compliance with the Local Government (Elections) Act 1999.

Council Policies

Council Policies are publicly accessible decision-making guides. They are designed to guide our activities and to inform our customers and the community regarding the scope of decisions or actions relating to Council's programs, responsibilities and services. Each policy is regularly reviewed.

The Executive Leadership Team endorsed a Policy Framework for Council in late 2014. This Framework provides guidance for writing and reviewing policy documents. Council also has a number of administrative policies. These policies are internal documents that, unlike Council Policies, do not require endorsement by Council.

Policies are reviewed in accordance with the framework and against the following criteria:

- The need for, and role of, each policy in terms of the City Plan and Council's Strategic Management Framework
- The policy content and its ongoing relevance
- The need to update the policy to correspond with resolutions of Council or decisions of the Executive Leadership Team
- Legislation changes that result in policy amendment and legislative criteria which must be considered during a policy review
- Whether there have been customer complaints in relation to policy content and whether these concerns should be considered when reviewing the policy

Departments review relevant Council Policies and amendments are confirmed by the Executive Leadership Team prior to being forwarded to Council for endorsement. Council endorsed policies are available to the general public via:

Council's **website** www.cityofpae.sa.gov.au/policies

Council's Customer Relations Team by phoning
(08) 8405 6600

By visiting one of the Council offices:

Civic Centre

163 St Vincent Street, Port Adelaide. Tel. **(08) 8405 6600**

Greenacres Library - Council Office

2 Fosters Road, Greenacres. Tel. **(08) 8405 6540**

Enfield Library - Council Office

1 Kensington Crescent, Enfield. Tel. **(08) 8405 6530**

Enquiries regarding accessing and inspecting procedures related to Council's policy documents or Council's administrative policies should be made with our Customer Relations team.

Access to Council Documents

In accordance with our Freedom of Information Statement, a range of documents are available for public inspection from Customer Relations Officers at the principal Council Office, 163 St Vincent Street, Port Adelaide, between 8.30am and 5pm.

Documents may also be available on Council's website at www.cityofpae.sa.gov.au

Many of these documents can be provided free of charge to the public. A fee may be payable for copies of some of the documents. Fees are set out in the Schedule of Fees and Charges (subject to review by Council in July each year).

A list of documents available for inspection is provided in Council's Freedom of Information Statement, also available on our website.

Freedom of Information

The City of PAE is pleased to provide information to residents/ratepayers wherever possible. Some information is available for viewing at no charge or for a nominal reproduction charge if no copyright exists. Charges may apply in cases where extraordinary staff time is required to comply with the information request. Requests for other information are considered in accordance with the Freedom of Information Act 1991.

Under this legislation, an application fee must be forwarded with the request, unless the applicant is granted an exemption.

Should the applicant require copies of any documents requested pursuant to a Freedom of Information (FOI) request, fees may apply, as set out in the Request for Access to Information form. Freedom of Information Request forms are available via a link on Council's website at www.cityofpae.sa.gov.au and at the Civic Centre and Greenacres and Enfield libraries.

Forms and enquiries should be directed to the:

Freedom of Information Officer

City of Port Adelaide Enfield

PO Box 110, Port Adelaide SA 5015

Forms and enquiries can also be emailed to:

service@cityofpae.sa.gov.au

FOI applications will receive a response as soon as possible and within the statutory 30 days of Council receiving the request together with either the application fee or proof of exemption.

Members of the public may also seek amendments to documents concerning their personal affairs by making a request under the Freedom of Information Act 1991. They may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date. To gain access to these Council records, a Freedom of Information Request for Access form must be completed (as described above), outlining the records that the applicant wishes to inspect. The completed form should be forwarded to the Freedom of Information Officer.

The Council received 28 applications under the Freedom of Information Act 1991 for the 12 months to 30 June 2019.

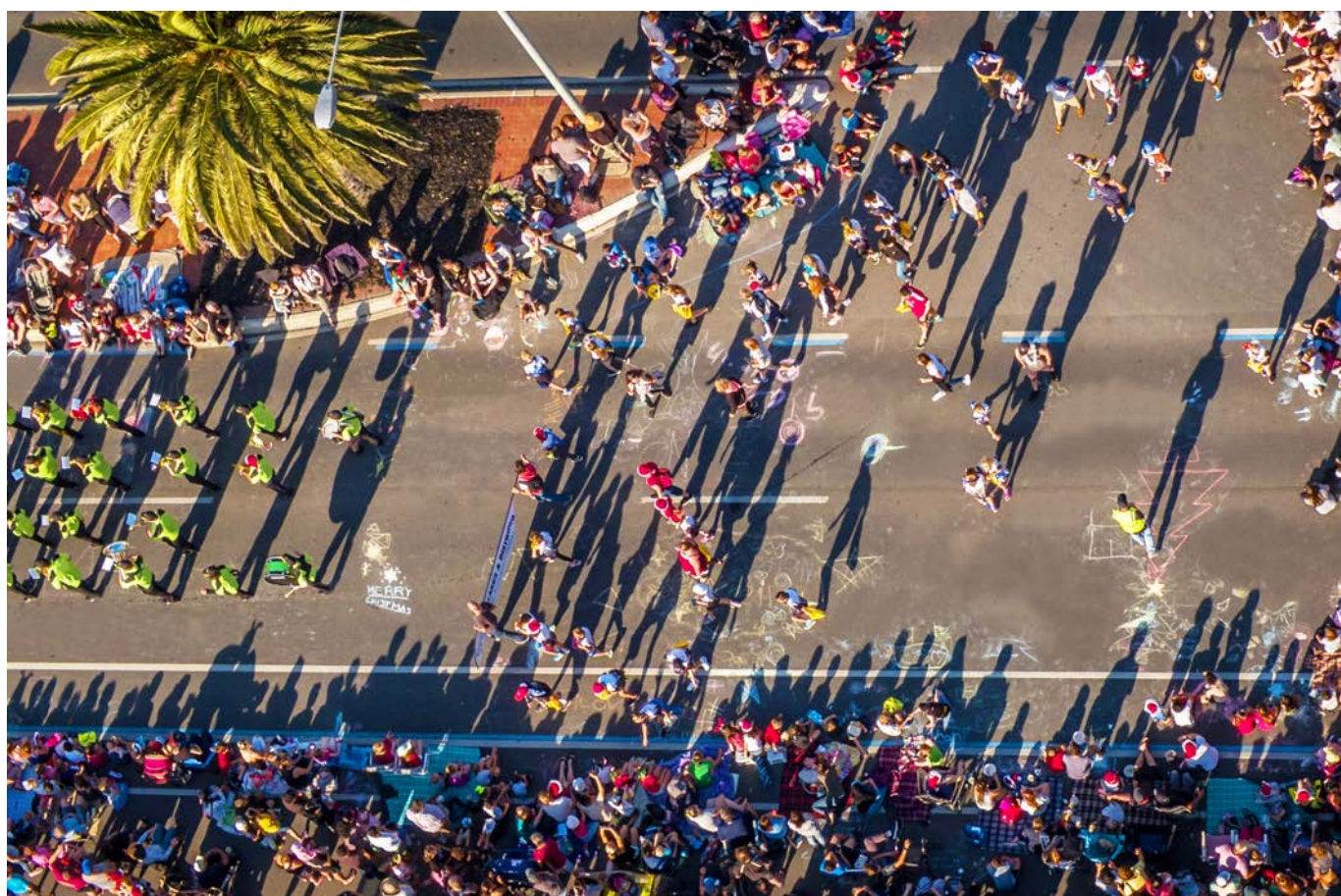
Three applications were refused, as the information sought was publicly available, while one application was refused as the information being sought formed part of an active legal matter.

Eleven applications had partial release under Schedule 1 of the Act:

- Clause 6 (Documents affecting personal affairs) – eight applications
- Three other applications were actioned under a combination of Clause 6 (Documents affecting personal affairs) and Clause 7 (Documents affecting business affairs).

One application is still ongoing as of 1 July 2019.

The City of PAE publishes an annual information statement, in accordance with the requirements of Section 9 of the Freedom of Information Act 1991. The statement includes an overview of the types of information held by Council. The statement can be accessed on Council's website at www.cityofpae.sa.gov.au



SECTION THREE FINANCIAL PERFORMANCE





FINANCIAL PERFORMANCE

Performance against Annual Business Plan 2018-2019

The following is a high level summary of operating and capital investment activities of the Council. The presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australia Bureau of Statistics and is used uniformly across Local Government in South Australia.

UNIFORM PRESENTATION OF FINANCES	Original Budget (\$'000)	Actual 2018- 2019 (\$'000)	Variance (\$'000)
OPERATING ACTIVITIES			
Operating Income	118,344	122,044	3,700
Less Operating Expenses	(118,327)	(117,603)	724
Operating Surplus/(Deficit) (a)	18	4,441	4,423
CAPITAL ACTIVITIES			
Net Outlays on Existing Assets	28,371	27,674	(697)
Capital Expenditure on Renewal and Replacement of Existing Assets	(30,551)	(30,135)	416
Less Depreciation	(546)	(680)	(134)
Less Proceeds from Sale of Replaced Assets			
Net Outlays on Existing Assets (b)	(2,726)	(3,141)	(415)
Net Outlays on New and Upgraded Assets	35,634	33,895	(1,739)
Capital Expenditure on New & Upgraded Assets	(2,431)	(1,873)	558
Less Amounts Received Specifically for New & Upgraded Assets	0	0	0
Less Proceeds from Sale of Surplus Assets			
Net Outlays on New And Upgraded Assets (c)	33,203	32,022	(1,181)
Net Lending/(Borrowing) for Financial Year (a) - (b)- (c)	(30,459)	(24,440)	6,019

Financial Indicators

1. **Operating Surplus Ratio – 4%** - (The ratio expresses the operating surplus as a percentage of operating revenue)
2. **New Financial Liabilities Ratio – 19%** - (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)
3. **Asset Renewal Funding Ratio – 101%** - (New 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)

City of Port Adelaide Enfield

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2019

*A City that values its diverse community and embraces
change through innovation, resilience and community
leadership*



CITY OF
Port Adelaide Enfield

City of Port Adelaide Enfield

General Purpose Financial Statements for the year ended 30 June 2019

Contents	Page
1. Council Certificate	2
2. Understanding Council's Financial Statements	3
3. Primary Financial Statements:	
- Statement of Comprehensive Income	4
- Statement of Financial Position	5
- Statement of Changes in Equity	6
- Statement of Cash Flows	7
4. Notes to the Financial Statements	8
5. Independent Auditor's Report - Financial Statements	45
6. Independent Auditor's Report - Internal Controls	47
7. Certificates of Audit Independence	
- Council Certificate of Audit Independence	49
- Audit Certificate of Audit Independence	50

City of Port Adelaide Enfield


General Purpose Financial Statements for the year ended 30 June 2019

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 2019 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.



Mark Withers
CHIEF EXECUTIVE OFFICER



Claire Boan
MAYOR

Date: 12 November 2019

City of Port Adelaide Enfield

General Purpose Financial Statements for the year ended 30 June 2019

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 & 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 2019.

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 4 "primary" financial statements:

1. A Statement of Comprehensive Income

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

2. A Balance Sheet

A 30 June snapshot of Council's financial position including its assets & 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 4 Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialize 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.

City of Port Adelaide Enfield

Statement of Comprehensive Income

for the year ended 30 June 2019

\$ '000	Notes	2019	2018
Income			
Rates Revenues	2a	102,740	97,958
Statutory Charges	2b	3,588	3,890
User Charges	2c	2,141	2,027
Grants, Subsidies and Contributions	2f	9,972	10,127
Investment Income	2d	263	605
Reimbursements	2e	3,340	3,347
Total Income		122,044	117,954
Expenses			
Employee Costs	3a	43,918	42,794
Materials, Contracts & Other Expenses	3b	43,304	41,245
Depreciation, Amortisation & Impairment	3c	30,135	30,923
Finance Costs	3d	246	333
Total Expenses		117,603	115,295
Operating Surplus / (Deficit)		4,441	2,659
Asset Disposal & Fair Value Adjustments	4	(7,005)	(172)
Amounts Received Specifically for New or Upgraded Assets	2f	1,873	9,047
Physical Resources Received Free of Charge	2g	10,663	5,865
Net Surplus / (Deficit) ¹		9,972	17,399
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	27,984	42,939
Total Other Comprehensive Income		27,984	42,939
Total Comprehensive Income		37,956	60,338

¹ Transferred to Statement of Changes in Equity

City of Port Adelaide Enfield

Statement of Financial Position

as at 30 June 2019

\$ '000	Notes	2019	2018
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	11,106	21,487
Trade & Other Receivables	5b	4,985	5,568
Inventories	5c	4,937	289
Total Current Assets		21,028	27,344
Non-Current Assets			
Financial Assets	6a	7	6
Infrastructure, Property, Plant & Equipment	7a	1,570,664	1,525,294
Other Non-Current Assets	6b	23,382	11,058
Total Non-Current Assets		1,594,053	1,536,358
TOTAL ASSETS		1,615,081	1,563,702
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	13,969	9,682
Borrowings	8b	1,052	1,327
Provisions	8c	11,165	11,427
Total Current Liabilities		26,186	22,436
Non-Current Liabilities			
Borrowings	8b	11,995	2,447
Provisions	8c	811	686
Total Non-Current Liabilities		12,806	3,133
TOTAL LIABILITIES		38,992	25,569
Net Assets		1,576,089	1,538,133
EQUITY			
Accumulated Surplus		823,476	794,421
Asset Revaluation Reserves	9a	745,618	722,573
Other Reserves	9b	6,995	21,139
Total Council Equity		1,576,089	1,538,133

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

page 5

Statement of Changes in Equity

for the year ended 30 June 2019

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
2019					
Balance at the end of previous reporting period		794,421	722,573	21,139	1,538,133
a. Net Surplus / (Deficit) for Year		9,972	-	-	9,972
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	27,984	-	27,984
- Land & Buildings Asset Revaluation Reserve		4,939	(4,939)	-	-
Other Comprehensive Income		4,939	23,045	-	27,984
Total Comprehensive Income		14,911	23,045	-	37,956
c. Transfers between Reserves		14,144	-	(14,144)	-
Balance at the end of period		823,476	745,618	6,995	1,576,089
2018					
Balance at the end of previous reporting period		778,872	682,054	16,869	1,477,795
a. Net Surplus / (Deficit) for Year		17,399	-	-	17,399
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	42,939	-	42,939
- Library Asset Revaluation Reserve		2,420	(2,420)	-	-
Other Comprehensive Income		2,420	40,519	-	42,939
Total Comprehensive Income		19,819	40,519	-	60,338
c. Transfers between Reserves		(4,270)	-	4,270	-
Balance at the end of period		794,421	722,573	21,139	1,538,133

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

page 6

City of Port Adelaide Enfield

Statement of Cash Flows

for the year ended 30 June 2019

\$ '000	Notes	2019	2018
Cash Flows from Operating Activities			
<u>Receipts</u>			
Operating Receipts		131,221	126,983
Investment Receipts		263	605
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(92,205)	(88,972)
Finance Payments		(215)	(333)
Net Cash provided by (or used in) Operating Activities	11b	39,064	38,283
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		1,873	9,047
Sale of Replaced Assets		680	932
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(27,674)	(17,545)
Expenditure on New/Upgraded Assets		(33,895)	(28,556)
Net Cash provided by (or used in) Investing Activities		(59,016)	(36,122)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Borrowings		10,600	-
Proceeds from Bonds & Deposits		298	-
<u>Payments</u>			
Repayments of Borrowings		(1,327)	(1,667)
Net Cash provided by (or used in) Financing Activities		9,571	(1,667)
Net Increase (Decrease) in Cash Held		(10,381)	494
plus: Cash & Cash Equivalents at beginning of period	11	21,487	20,993
Cash & Cash Equivalents at end of period	11	11,106	21,487

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

page 7

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Significant Accounting Policies	9
2	Income	15
3	Expenses	17
4	Asset Disposal & Fair Value Adjustments	17
	Current Assets	
5a	Cash & Cash Equivalents	20
5b	Trade & Other Receivables	20
5c	Inventories	21
	Non-Current Assets	
6a	Financial Assets	21
6b	Other Non-Current Assets	21
	Fixed Assets	
7a (i)	Infrastructure, Property, Plant & Equipment	22
7a (ii)	Investment Property	22 n/a
7b	Valuation of Infrastructure, Property, Plant & Equipment	23
	Liabilities	
8a	Trade & Other Payables	26
8b	Borrowings	26
8c	Provisions	27
	Reserves	
9a	Asset Revaluation Reserve	27
9b	Other Reserves	27
10	Assets Subject to Restrictions	29
11	Reconciliation to Statement of Cashflows	31
12a	Functions	32
12b	Components of Functions	33
13	Financial Instruments	34
14	Commitments for Expenditure	38
15	Financial Indicators	39
16	Uniform Presentation of Finances	40
17	Operating Leases	41
18	Superannuation	42
19	Interests in Other Entities	42 n/a
20	Non Current Assets Held for Sale & Discontinued Operations	43 n/a
21	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	43
22	Events After the Balance Sheet Date	43
23	Related Party Transactions	44

n/a - not applicable

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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 13 November 2019.

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).

1.5 Financial Assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss', 'held-to-maturity investments', 'available-for-sale financial assets', and 'loans and receivables'.

Effective interest method

The effective interest method is where the amortised cost of a financial asset and allocating of interest income, is calculated over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset.

Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that Council has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest rate less impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest rate method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each reporting period. Financial assets are impaired where there is objective evidence that as a result of one or more events since recognition, the estimated future cash flows of the investment have decreased. In the case of financial assets held at amortised cost, the amount of impairment is the

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

difference between the carrying value and the present value of estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables through the use of doubtful debt provision account. When a trade receivable is considered uncollectable, it is written off against the doubtful debt provision. Subsequent recoveries of written off amounts are credited to the doubtful debt provision. Any changes in the carrying amount of the doubtful debt provision are recognised through the statement of comprehensive income.

1.6 Financial Liabilities

Financial liabilities are classified either 'at fair value through profit and loss', or as 'other financial liabilities'.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value are stated at fair value with any resultant gain or loss recognised through profit and loss. The net gain or loss incorporates any interest paid on the financial liability. Fair value is determined in the manner described in AASB 7 paragraph 10.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with the interest expense recognised in the statement of comprehensive income on an effective yield basis.

The effective interest rate method calculates the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability.

2 The Local Government Reporting Entity

City of Port Adelaide Enfield is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 163 St Vincent Street, Port Adelaide. These financial

statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income Recognition

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

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

On 19 June 2019 the Federal Government paid an amount of \$2,159,038 being untied financial assistance grants, and on 27 June 2019 an amount of \$1,352,176 being untied supplementary local road funding, which are both recognised on receipt, in advance of the year allocation. Accordingly, Council's operating result as at 30 June 2019 was favourably distorted compared to the result that would have been reported had the grants been paid in the 2019-2020 financial year.

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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

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.

5.1 Real Estate Held for Resale

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

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and

engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

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

Office Furniture & Equipment	\$5,000
Other Plant & Equipment	\$1,500
Buildings - new construction/extensions	\$10,000
Road construction & reconstruction	\$5,000
Paving & footpaths, Kerb & Gutter	\$5,000
Drains & Culverts	\$5,000
Bridges	\$20,000
Bus Shelters	\$10,000

6.3 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different in 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 assets. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, which is not depreciated all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which best reflects the consumption of the service potential embodied in those assets.

Plant and equipment are depreciated using the diminishing balance method. All other classes of assets are depreciated using the straight line

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

method. Depreciation is not charged on noncurrent assets constructed by Council during the reporting period in which they are acquired.

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

Major asset classifications are componentised to accurately reflect the useful life of each significant component. These assets typically have a major element that have a 'long life', as opposed to other elements that have a 'shorter life' which are renewed multiple times over the existence of the 'long life' component. Where this is applicable it is reflected in the following information.

Buildings and Building Improvements	15 to 180 years
Infrastructure - Roadways	20 to 300 years
Infrastructure - Footways	20 to 85 years
Infrastructure - Drainage	60 to 120 years
Equipment	2 to 24 years
Furniture and Fittings	3 to 20 years
Other – Library Book Stock	3 to 7 years
Other – Waste Bins	9 to 15 years

6.5 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).

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 costs exceeds the original cost of acquisition.

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

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

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 & 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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

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.

9.3 Productivity Incentive Allowance

This is a payment on termination of an employee based upon 50% of available sick leave and their rate of pay applicable as at an agreed date in the Workplace Agreements. This applied to both Field staff and Administration staff and is recognised by Council as a liability in the manner described in 9.1 above.

10 Leases

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

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease. Council had no finance leases during the 2018-2019 reporting period.

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.

11 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.

12 Comparative Information

In accordance with Local Government (Financial Management) Regulations 2011, this financial report has been prepared using the Model Financial Statements. Comparative information has been reclassified to be consistent with the current year disclosure of information.

13 New accounting standards and UIG interpretations

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

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

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. Note 13 has been retrospectively adjusted to meet the new standard requirements.

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.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

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 July 2019

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

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15, and AASB 2016-8. These Standards supersede the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Some grants received by the Council will be recognised as a liability, and subsequently recognised progressively as revenue as the Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants from the Federal Government and State Government for which there are no sufficiently specific performance obligations these are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

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

- AASB 16 Leases – The Council is reviewing the impacts of the new standard that initial application of AASB 16 will have on its consolidated financial statements.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease

liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

14 Disclaimer

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 2. Income

\$ '000	Notes	2019	2018
(a). Rates Revenues			
General Rates			
General Rates		103,120	98,291
Differential General Fines / Interest		383	362
Less: Discretionary Rebates, Remissions & Write Offs		(3,495)	(3,141)
Total General Rates		100,008	95,512
Other Rates (Including Service Charges)			
Natural Resource Management Levy		2,785	2,484
Less: Discretionary Rebates, Remissions & Write Offs (NRM)		(86)	(71)
		2,699	2,413
New Haven Village Water Management		36	36
Less: Discretionary Rebates, Remissions & Write Offs (New Haven)		(3)	(3)
		33	33
Total Other Rates		2,732	2,446
Total Rates Revenues		102,740	97,958
(b). Statutory Charges			
Parking Fines / Expiation Fees		803	892
Other Licences, Fees & Fines		43	40
Credit Control Fees and Charges		63	111
Development Act Fees (Building)		423	391
Development Act Fees (Planning)		1,205	1,409
Dog Control Registration		736	744
Fire Protection Fees		9	3
Health		78	70
Licences - Supported Facilities		6	11
Property Search Fees		215	213
Road Café Licences		7	6
Total Statutory Charges		3,588	3,890
(c). User Charges			
Community Centre Program Fees		27	17
Golf Course Fees		346	419
Health Food & Safety Fees		10	10
Immunisation Fees		73	39
Photocopying / Printing Fees		95	64
Sanitary and Garbage Fees		24	37
Sundry Sales		70	63
Sundry User Charges		19	21
Hall , Equipment & Facilities Hire Fees		1,476	1,357
Library Fines		1	-
Total User Charges		2,141	2,027

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 2. Income (continued)

\$ '000	Notes	2019	2018
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		152	361
- Banks & Other		111	244
Total Investment Income		263	605

(e). Reimbursements

Private Works	29	40
Commercial Activities	38	34
Drainage & Footway Maintenance	224	266
Environmental Management	158	104
General Administration	557	384
Fuel Tax Rebate	106	111
Halls & Community Centres	1	5
Home & Community Care Program	157	134
Human Resources	94	215
Insurance Recoveries	1,211	1,129
Kerb & Water Table Maintenance	2	9
Lease Recoveries	24	18
LGFA Bonus	77	58
Library Activities	92	107
Recreation Services	133	264
Tourism Activities	27	27
Traffic Control	231	383
Other	179	59
Total Reimbursements	3,340	3,347

(f). Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	1,873	9,047
Total Amounts Received Specifically for New or Upgraded Assets	1,873	9,047
Operating Grants, Subsidies and Contributions		
- Community Development	315	316
- Corporate Development	1,289	1,249
- Engineering Services	1,855	3,481
- Health & Community Services	3,002	2,946
Individually Significant Item - Additional Grants Commission Payment (refer below)	3,511	2,135
Total Other Grants, Subsidies and Contributions	9,972	10,127
Total Grants, Subsidies, Contributions	11,845	19,174

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 2. Income (continued)

\$ '000	Notes	2019	2018
(f). Grants, Subsidies, Contributions (continued)			
(i) Sources of grants			
Commonwealth Government		2,662	3,522
State Government		9,183	15,652
Total		11,845	19,174

(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	2,159	2,135
Supplementary Local Road Grant Recognised as Income	1,352	-

On 19th June 2019 the Federal Government advanced approximately half the instalment of the 2019-2020 annual Financial Assistance Grant (FAG).

Additionally, on 27th June 2019 the Federal Government advanced 2 years worth of the Supplementary Local Road Funding. As grant revenue is recognised as income on receipt or when control is gained over the funds, the revenue has been recognised in 2018-2019 and favourably impacted on Councils operating result for the year.

(g). Physical Resources Received Free of Charge

Stormwater Drainage	1,790	1,257
Buildings	5,541	2,085
Traffic Control	33	24
Roadways	1,404	726
Footways	1,261	1,224
Kerb & Water Table	634	549
Total Physical Resources Received Free of Charge	10,663	5,865

Note 3. Expenses

(a). Employee Costs

Salaries and Wages	35,633	34,671
Superannuation - Defined Contribution Plan Contributions	3,693	3,600
Workers' Compensation Insurance	1,721	1,804
Annual Leave Expense	3,701	3,585
Long Service Leave Expense	1,304	1,203
Less: Capitalised and Distributed Costs	(2,134)	(2,069)
Total Operating Employee Costs	43,918	42,794
Total Number of Employees (full time equivalent at end of reporting period)	463	468

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 3. Expenses (continued)

\$ '000	Notes	2019	2018
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		37	30
- Other Services		2	3
- Other Auditors		20	-
Bad and Doubtful Debts		120	1
Elected Members' Expenses		509	501
Election Expenses		460	45
Operating Lease Rentals		476	434
Subtotal - Prescribed Expenses		1,624	1,014
(ii) Other Materials, Contracts and Expenses			
Contractors		23,299	23,362
Legal Expenses		517	469
Parts, Accessories & Consumables		4,138	3,178
Professional Services		474	578
Levies Paid to Government - Central Dog Committee		80	190
Levies Paid to Government - Adel Mt Lofty NRM Board		2,655	2,375
Levies Paid to Government - Emergency Services		113	153
Levies Paid to Government - Other		41	50
Contributions and Donations - Economic Affairs & Tourism		279	341
Contributions and Donations - Recreation & Culture		242	305
Contributions and Donations - Other		836	410
Contract Labour		1,631	1,418
Fringe Benefits Tax		229	206
Electricity		3,127	2,840
Water & Sewerage Rates		3,551	3,506
Fuel, Gas & Lubricants		864	803
Advertising		180	128
Bank Charges		194	203
Insurance (excl. Workers Comp'n)		1,516	1,513
Local Govt. Assoc. Subscription		100	100
Licence Fees - Data Processing		941	782
Postage		247	255
Telephone Expenses		386	392
Training Expenses		273	370
Vehicle Registration & Insurance		238	213
Other		1,783	2,020
Less: Capitalised and Distributed Costs		(6,254)	(5,929)
Subtotal - Other Material, Contracts & Expenses		41,680	40,231
Total Materials, Contracts and Other Expenses		43,304	41,245

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 3. Expenses (continued)

\$ '000	Notes	2019	2018
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings		7,708	7,215
Infrastructure		19,993	19,962
Plant & Equipment		1,631	1,598
Furniture & Fittings		341	397
Library Books		-	111
Waste Bins		199	192
Software		263	240
Subtotal		30,135	29,715
(ii) Impairment			
BookStock		-	1,208
Subtotal		-	1,208
Total Depreciation, Amortisation and Impairment		30,135	30,923
(d). Finance Costs			
Local Govt. Finance Authority		246	333
Total Finance Costs		246	333

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment

(i) Assets Renewed or Directly Replaced

Proceeds from Disposal	680	932
Less: Carrying Amount of Assets Sold	(7,685)	(1,104)
Gain (Loss) on Disposal	(7,005)	(172)
Net Gain (Loss) on Disposal or Revaluation of Assets	(7,005)	(172)

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 5. Current Assets

\$ '000	Notes	2019	2018
(a). Cash & Cash Equivalents			
Deposits with Local Govt. Finance Authority		9,725	14,135
Cash on Hand		7	7
Cash at Bank		1,374	7,345
Total Cash & Cash Equivalents		11,106	21,487
(b). Trade & Other Receivables			
Rates - General & Other		2,705	2,429
Debtors - General		1,588	2,148
GST Recoupment		640	701
Prepayments		385	504
Fuel Tax Claimable		9	7
Subtotal		5,327	5,789
Less: Allowance for Doubtful Debts		(342)	(221)
Total Trade & Other Receivables		4,985	5,568

Trade and other receivables are considered impaired where there is significant doubt that the carrying amount is recoverable. The debts are considered doubtful as the present value of expected future proceeds are zero.

Provision for Doubtful Debts

Opening Provision	221	225
Add: Increase/(Decrease) in Provision	121	(4)
Closing Provision for Doubtful Debts	342	221

Nature of Impaired Trade Receivables 90 Days and Over

Rates Receivable	174	141
Sundry Debtors	168	80
Closing Provision for Doubtful Debts	342	221

Rates are secured over the subject land and the balance outstanding represents 2.63% of gross rate income for the period. Rates were able to be paid in full on or before the due date, 4th September 2018, or over four instalments payable on or before the 4th day of September 2018, 4th December 2018, 4th March 2019 and 4th June 2019. Amounts unpaid after these dates were considered overdue. Fines and interest have been charged monthly at a rate of 2% and 0.55% respectively on any overdue amount excluding legal fees.

Sundry debtors have been charged in accordance with Council's Schedule of Fees & Charges. Majority are unsecured and do not bear interest. The balance outstanding represents 23% of fee income for the period (2017-2018: 25%). Collection is achieved on average in 86 days (2017-2018: 91 days). Of the outstanding balance, 73% of the invoices were raised in June 2019. 24% of the outstanding balance is greater than 90 days.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 5. Current Assets (continued)

\$ '000	Notes	2019	2018
(c). Inventories			
Stores & Materials		235	289
Other Real Estate Held for Resale		4,702	-
Total Inventories		4,937	289

Note 6. Non-Current Assets

(a). Financial Assets

Receivables

Rates & General	7	6
Total Receivables	7	6
Total Financial Assets	7	6

(b). Other Non-Current Assets

Capital Works-in-Progress	23,382	11,058
Total Other Non-Current Assets	23,382	11,058

WIP - includes \$20,862 for Lightsview indoor Recreation Hub

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

	Fair Value Level	as at 30/6/2018				Asset Movements during the Reporting Period								as at 30/6/2019			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in P/L) (Note 3c)	Adjustments & Transfers	Trans from/to "Held for Sale" category	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
						New / Upgrade	Renewals										
\$ \$ 000																	
Land	2	29,921	1,347	-	31,268	5,541	-	(1,685)	-	-	(5,658)	-	7,550	37,016	-	-	37,016
Land	3	365,050	-	-	365,050	-	-	-	-	-	5,658	(4,702)	-	366,006	-	-	366,006
Buildings	2	42,734	14,564	33,544	23,754	12,720	4,838	(5,474)	(7,708)	-	(9,951)	-	9,357	39,418	18,265	30,147	27,536
Buildings	3	268,329	-	113,949	154,380	-	-	-	-	-	9,951	-	-	276,151	-	111,820	164,331
Infrastructure		1,423,618	21,245	508,020	936,843	14,872	18,343	-	(19,993)	-	-	-	11,077	1,464,620	33,215	536,693	961,142
Plant & Equipment		-	20,277	8,913	11,364	253	2,709	(526)	(1,631)	-	-	-	-	21,404	9,235	9,235	12,169
Furniture & Fittings		-	4,606	3,575	1,031	126	122	-	(341)	-	-	-	-	-	4,795	3,857	938
Waste Bins		-	4,578	3,711	867	132	-	-	(199)	-	-	-	-	-	4,709	3,909	800
Software		-	1,931	1,194	737	201	51	-	(263)	-	-	-	-	-	2,183	1,457	726
Total Infrastructure, Property, Plant & Equipment		2,129,652	68,548	672,906	1,525,294	33,845	26,063	(7,685)	(30,135)	-	-	(4,702)	27,984	2,183,211	84,571	697,118	1,570,664
Comparatives		2,059,167	75,909	661,602	1,473,474	23,363	17,545	(1,104)	(29,715)	(1,208)	-	-	42,939	2,129,652	68,548	672,906	1,525,294

Note 7a (ii). Investment Property

Nil

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000

Valuation of Assets

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

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

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

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

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

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

Information on Valuations

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

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

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

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

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

Other Information

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000

Valuation of Assets (continued)

Other Information (continued)

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

Highest and best use

The following non financial assets of Council are being utilised at other than their highest and best use:

For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land. Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

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

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

Transition to AASB 13 - Fair Value Measurement

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

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

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

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

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

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000

Valuation of Assets (continued)

Land & Land Improvements

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

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset. Currently there are no assets that require this treatment.

Revaluation of Land was undertaken by Kate Tynan, BBus Property (Val), AAPI, Certified Practicing Valuer. Valuations were made on the basis of market value as at 30 June 2019.

Land assets free of charge totalling \$5,540,662.50 were brought to account as at 30 June 2019 at Fair Value as as determined by Kate Tynan, BBus Property (Valuation), FAPI, Certified Practicing Valuer.

Buildings & Other Structures

A desktop revaluation was carried out by independent valuation for this reporting period, 30 June 2019.

Revaluations were undertaken by Kate Tynan, BBus Property (Valuation), FAPI, Certified Practicing Valuer. Valuations were made on the basis of written down replacement cost as at 30 June 2019.

Infrastructure

Infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) were valued by Council Staff as at 30 June 2019.

A comprehensive independent revaluation was carried out for Pump Stations for the reporting period, ended 30 June 2017. Revaluations were undertaken by APV Valuers & Asset Management. Valuations were made on the basis of written down replacement costs as at 30 June 2017.

All acquisitions made after the respective dates of valuation are recorded at cost.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000

Valuation of Assets (continued)

Infrastructure (continued)

An Independent review and certification of units rates and total useful lives was undertaken by, Andrea Carolan, FAPI, Certified Practising Valuer API No 6398.

Valuations were made on the basis of written down replacement cost as at 30 June 2019.

Infrastructure assets received free of charge totalling \$5,121,901 (2017/18: \$3,780,566) were brought to account as at 30 June 2019 at a valuation consistent with other infrastructure valuations as determined by the Director City Assets.

Plant & Equipment

These assets are recognised on the cost basis.

Note 8. Liabilities

		2019	2019	2018	2018
\$ '000	Notes	Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Deposits, Retentions & Bonds		298	-	-	-
Trade Creditors		11,529	-	7,776	-
Payroll		1,688	-	1,540	-
Accrued Expenses - Interest on Loans		31	-	21	-
Sundry Creditors		423	-	345	-
Total Trade and Other Payables		13,969	-	9,682	-

Liabilities are recognised for amounts to be paid in the future for goods and services received. These liabilities are settled in 44 days on average (2017-18: 39 days).

Council has risk management policies in place to ensure that all payables are paid within credit timeframes.

(b). Borrowings

Local Government Finance Authority Debenture	1,052	1,395	1,327	2,447
Local Government Finance Authority Cash Advance	-	10,600	-	-
Total Borrowings	1,052	11,995	1,327	2,447

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 8. Liabilities (continued)

		2019	2019	2018	2018
\$ '000	Notes	Current	Non Current	Current	Non Current
(c). Provisions					
Long Service Leave		5,976	811	6,008	686
Productivity Incentive and Parenting Leave Entitlement		1,312	-	1,645	-
Annual Leave		3,877	-	3,774	-
Total Provisions		11,165	811	11,427	686

Note 9. Reserves

\$ '000	1/7/2018	Increments (Decrements)	Transfers	Impairments	30/6/2019
(a). Asset Revaluation Reserve					
Land	51,139	7,550	289	-	58,978
Buildings	91,067	9,357	(5,228)	-	95,196
Infrastructure	580,367	11,077	-	-	591,444
Total Asset Revaluation Reserve	722,573	27,984	(4,939)	-	745,618
Comparatives	682,054	42,939	(2,420)	-	722,573

\$ '000	1/7/2018	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2019
(b). Other Reserves					
Committed Projects	17,054	2,371	(17,054)	-	2,371
John Hart Reserve	91	18	-	-	109
Employee Services Reserve	500	-	-	-	500
Long Term Financial Plan Reserve	2,076	-	-	-	2,076
Open Space Development Special Fund	1,418	521	-	-	1,939
Total Other Reserves	21,139	2,910	(17,054)	-	6,995
Comparatives	16,869	17,084	(12,814)	-	21,139

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).

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 9. Reserves (continued)

\$ '000

(b). Other Reserves (continued)

Committed Projects Reserve

The Committed Projects Reserve has been established to provide funds for the completion of capital and other material projects carried over from one financial year to the next.

John Hart Reserve

The John Hart Reserve receives under an agreement, contributions from the Port Adelaide District Hockey Club Inc. to fund the future replacement of the synthetic hockey pitch located on the John Hart Reserve, Swan Terrace, Ethelton. Interest accrues throughout the year on the balance of the reserve. The pitch was last replaced during the 2012-13 financial year.

Employee Services Reserve

The Employee Services Reserve has been established to fund employee entitlements including long service leave, productivity and parenting leave not provided for in working capital.

Long Term Financial Plan Reserve

The Long Term Financial Plan Reserve has been established to assist with funding of initiatives not identified in Council's Annual Budget and Long Term Financial Plan at the time of establishment.

Open Space Development Special Fund

The Open Space Development Special Fund as required under section 50 of the Development Act 1993, receives contributions from Developers in lieu of the provision of open space as part of land sub-divisions. As required under the Act, the funds will be applied by the Council for the purpose of acquiring or developing land as open space as appropriate opportunities arise. Interest accrues throughout the year on the balance of the reserve.

Land Revaluation Reserve

Reserve movement is a result of - Asset disposals - portion of increment/decrement written off from Revaluation reserve.

Buildings Revaluation Reserve

Reserve movement is a result of - Asset disposals - portion of increment/decrement written off from Revaluation reserve.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 10. Assets Subject to Restrictions

\$ '000	Notes	2019	2018
<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 & Financial Assets			
Unexpended amounts received			
Local Government Grants Commission Grant (Advance Payment)		3,512	2,135
Kilburn Blair Athol Public Realm Project		1,500	3,000
Kilburn Blair Athol Renewal Projects		1,000	1,000
Men's Shed Project		148	-
Whicker Road/Magazine Creek GPT Upgrade		64	64
Home and Community Care - Commonwealth		56	-
Port River Public Realm Design Strategy		20	-
Port River East Maintenance		13	6
Safety Improvements Hardy St Rosewater		6	14
Roads to Recovery		-	1,915
Lightstview Indoor Recreation Hub		-	2,180
St Albans Reserve		-	151
Barton Reserve Ramp & Stairs Project		-	150
Duncan Fraser Reserve Playground & Playspace Project		-	150
Northfield Dog Park Upgrade Project		-	150
Big Slouch Hat Project		-	140
Duncan Fraser Reserve		-	128
Gearing Up For Girls Football Project		-	120
Accessible Beach Mat Project		-	100
Barton Reserve Fencing Project		-	80
Safety Improvements Newman St Semaphore		-	54
Shared Use Path Funding Causeway Rd Bower Rd to Railway Station		-	50
Greenacres Community Garden		-	48
Shared Use Path Funding Causeway Rd Semaphore Rd to Sutherland St		-	47
FJ Garrard Reserve		-	40
Shared Use Path Funding Warren St to Days Rd		-	30
Shared Use Path Funding Heath St, Fletcher Rd, Port Loop		-	24
ACE Training Program		-	24
Children & Schooling Strategic Investment		-	20
Solar Photovoltaic Panels		-	10
Youth Network Grant		-	5
Resident WIN Grant - Newman St Semaphore Park		-	3
Total Cash & Financial Assets		6,319	11,838

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 10. Assets Subject to Restrictions (continued)

\$ '000	Notes	2019	2018
Grants which were recognised as revenues during the previous reporting period and which were expended in the current period in the manner specified by the grantor were:			
Kilburn Blair Athol Public Realm Project		3,000	3,000
Lightstview Indoor Recreation Hub		2,180	-
Local Government Grants Commission Grant (Advance Payment)		2,135	1,946
Roads to Recovery		1,915	-
Kilburn Blair Athol Renewal Projects		1,000	-
St Albans Reserve		151	-
Barton Reserve Ramp & Stairs Project		150	-
Duncan Fraser Reserve Playground & Playspace Project		150	-
Northfield Dog Park Upgrade Project		150	-
Big Slouch Hat Project		140	-
Duncan Fraser Reserve		128	-
Gearing Up For Girls Football Project		120	-
Accessible Beach Mat Project		100	-
Barton Reserve Fencing Project		80	-
Whicker Road/Magazine Creek GPT Upgrade		64	64
Safety Improvements Newman St Semaphore		54	-
Shared Use Path Funding Causeway Rd Bower Rd to Railway Station		50	-
Greenacres Community Garden		48	-
Shared Use Path Funding Causeway Rd Semaphore Rd to Sutherland St		47	-
FJ Garrard Reserve		40	-
Shared Use Path Funding Warren St to Days Rd		30	-
Shared Use Path Funding Heath St, Fletcher Rd, Port Loop		24	-
ACE Training Program		24	-
Children & Schooling Strategic Investment		20	20
Safety Improvements Hardy St Rosewater		14	-
Solar Photovoltaic Panels		10	10
Port River East Maintenance		6	20
Youth Network Grant		5	5
Resident WIN Grant - Newman St Semaphore Park		3	3
Hanson Reserve Master Plan		-	798
Blair Athol Reserve Futsal Project		-	197
Healthy Living Project		-	15
Home & Community Care Program		-	6
Total Receivables		11,838	6,084
Total Assets Subject to Externally Imposed Restrictions		18,157	17,922

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2019	2018
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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 & Equivalent Assets	5	11,106	21,487
Balances per Statement of Cash Flows		11,106	21,487

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

Net Surplus/(Deficit)		9,972	17,399
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		30,135	30,923
Non-Cash Asset Acquisitions		(10,663)	(5,865)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(1,873)	(9,047)
Net (Gain) Loss on Disposals		7,005	172
		34,576	33,582
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		461	2,310
Change in Allowances for Under-Recovery of Receivables		(121)	4
Net (Increase)/Decrease in Inventories		54	(64)
Net (Increase)/Decrease in Other Current Assets		242	(8)
Net Increase/(Decrease) in Trade & Other Payables		3,989	2,114
Net Increase/(Decrease) in Other Provisions		(137)	345
Net Cash provided by (or used in) operations		39,064	38,283

(c). Non-Cash Financing and Investing Activities

Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	10,663	5,865
Amounts recognised in Income Statement		10,663	5,865
Total Non-Cash Financing & Investing Activities		10,663	5,865

(d). Financing Arrangements

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

Bank Overdrafts	250	250
Corporate Credit Cards	190	190
Cash Advance Facilities	27,900	27,900

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 2019

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2019	Actual 2018	Actual 2019	Actual 2018	Actual 2019	Actual 2018	Actual 2019	Actual 2018	Actual 2019	Actual 2018
\$ '000	160	164	53	56	107	108	-	-	-	-
Business Undertakings										
Community Services	3,991	3,981	11,466	11,502	(7,475)	(7,521)	2,311	2,260	1	2
Culture	1,145	1,170	8,768	8,394	(7,623)	(7,224)	846	844	1	-
Economic Development	151	166	3,035	3,089	(2,884)	(2,923)	46	77	-	-
Environment	3,103	2,796	35,385	34,196	(32,282)	(31,400)	143	216	231,254	220,770
Recreation	1,021	1,066	18,315	18,279	(17,294)	(17,213)	57	36	601,453	576,908
Regulatory Services	2,799	2,945	6,946	6,793	(4,147)	(3,848)	-	-	273	196
Transport & Communication	4,311	4,637	21,476	21,630	(17,165)	(16,993)	3,968	4,089	754,258	727,053
Plant Hire & Depot/Indirect	718	760	2,502	2,192	(1,784)	(1,432)	-	-	12,413	11,659
Council Administration	104,645	100,269	9,657	9,164	94,988	91,105	2,601	2,605	15,428	27,114
Total Functions/Activities	122,044	117,954	117,603	115,295	4,441	2,659	9,972	10,127	1,615,081	1,563,702

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, 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 2019

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Private Works, Investment Property.

COMMUNITY SERVICES

Public Order and Safety, Crime Prevention, Emergency Services, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Preventive Health Services, Other Health Services, Community Support, Home Assistance Scheme, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Public Conveniences, Car Parking – non-fee-paying, and Other Community Amenities.

CULTURE

Library Services, Static Libraries, Other Library Services, Cultural Services, Cultural Venues, Heritage, and Other Cultural Services.

ECONOMIC DEVELOPMENT

Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

ENVIRONMENT

Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

RECREATION

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

REGULATORY SERVICES

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

TRANSPORT

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

COUNCIL ADMINISTRATION

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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 & Conditions:

Deposits are returning fixed interest rates between 1.25% and 1.75% (2018: 1.25% and 2.0%). Short term deposits have an average maturity of 1 day and an average interest rate of 1.5% (2018: 15 days and 1.58%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

(including legals & penalties for late payment)

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

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.55% (2018: 0.5625%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables

Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.

Liabilities

Creditors and Accruals

Accounting Policy:

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 3.35% and 7.65% (2018: 6.3% and 7.65%).

Carrying Amount:

Approximates fair value.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2019					
Financial Assets					
Cash & Equivalents	11,105	-	-	11,105	11,106
Receivables	3,960	-	-	3,960	3,960
Total Financial Assets	15,065	-	-	15,065	15,066
Financial Liabilities					
Payables	13,969	-	-	13,969	13,969
Current Borrowings	1,559	-	-	1,559	1,052
Non-Current Borrowings	-	2,952	14,136	17,088	11,995
Total Financial Liabilities	15,528	2,952	14,136	32,616	27,016
2018					
Financial Assets					
Cash & Equivalents	21,487	-	-	21,487	21,487
Receivables	4,363	-	-	4,363	4,363
Total Financial Assets	25,850	-	-	25,850	25,850
Financial Liabilities					
Payables	9,682	-	-	9,682	9,682
Current Borrowings	1,563	-	-	1,563	1,327
Non-Current Borrowings	-	2,736	-	2,736	2,447
Total Financial Liabilities	11,245	2,736	-	13,981	13,456

For the year ending 30 June 2018, an adjustment has been made to the Financial Assets – Receivables. An increase of \$2,288,000 has been recognised to meet the new standard requirements.

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

	30 June 2019		30 June 2018	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	3.35%	10,600	-	-
Fixed Interest Rates	6.90%	2,447	6.85%	3,774
		13,047		3,774

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 2019

Note 13. Financial Instruments (continued)

\$ '000

Risk Exposures

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

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

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

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 14. Commitments for Expenditure

\$ '000	Notes	2019	2018
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		-	213
Infrastructure		785	3,735
Plant & Equipment		169	316
		954	4,264
These expenditures are payable:			
Not later than one year		900	3,606
Later than one year and not later than 5 years		54	658
Later than 5 years		-	-
		954	4,264
(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		36	74
Waste Management Services		33,192	44,107
Other Maintenance Contracts		4,614	1,174
		37,842	45,355
These expenditures are payable:			
Not later than one year		12,057	12,201
Later than one year and not later than 5 years		25,785	27,787
Later than 5 years		-	5,367
		37,842	45,355
(c). Finance Lease Commitments			

Council has no Finance Leases.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 15. Financial Indicators

\$ '000	Amounts 2019	Indicator 2019	Prior Periods 2018	2017
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These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus	4,441	4%	2%	3%
Total Operating Income	122,044			

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

2. Net Financial Liabilities Ratio

Net Financial Liabilities	22,894	19%	(1%)	(4%)
Total Operating Income	122,044			

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

Adjustments to Ratios

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

Adjusted Operating Surplus Ratio	3%	2%	1%
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Adjusted Net Financial Liabilities Ratio	19%	(1%)	(4%)
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3. Asset Renewal Funding Ratio

Net Asset Renewals	26,994	101%	59%	47%
Infrastructure & Asset Management Plan required expenditure	26,605			

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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 16. Uniform Presentation of Finances

\$ '000	2019	2018
<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	122,044	117,954
less Expenses	(117,603)	(115,295)
Operating Surplus / (Deficit)	4,441	2,659
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(27,674)	(17,545)
<i>add back</i> Depreciation, Amortisation and Impairment	30,135	30,923
<i>add back</i> Proceeds from Sale of Replaced Assets	680	932
Subtotal	3,141	14,310
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(33,895)	(28,556)
<i>add back</i> Amounts Received Specifically for New and Upgraded Assets	1,873	9,047
Subtotal	(32,022)	(19,509)
Net Lending / (Borrowing) for Financial Year	(24,440)	(2,540)

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 17. Operating Leases

\$ '000	2019	2018
Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:		
Not later than one year	226	219
Later than one year and not later than 5 years	733	709
Later than 5 years	304	435
	1,263	1,363

Lease Payment Commitments of Council

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

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

Not later than one year	196	435
Later than one year and not later than 5 years	156	309
Later than 5 years	-	-
	352	744

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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 2018/19; 9.50% in 2017/18). 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 2017/18) 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.

Note 19. Interests in Other Entities

Council has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

\$ '000

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

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

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge 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 notice of 4 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.

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2019, 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 Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 13/11/19.

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

page 43

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 23. Related Party Transactions

\$ '000	2019	2018
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Key Management Personnel

Transactions with Key Management Personnel

All Key Management Personnel have disclosed their related parties to Council Administration. These disclosures have been reviewed and items over \$10,000 or where it is considered to be politically sensitive have been deemed to be material and therefore disclosed.

The Key Management Personnel of the Council include the Mayor, Councillors, CEO, Directors and staff in the Senior Managers Group. In all, 45 persons were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:

Salaries, Allowances & Other Short-Term Employee Benefits	3,606	3,789
Total	3,606	3,789

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

Receipts from Key Management Personnel comprise:

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

Contributions for Fringe Benefits Tax purposes	47	44
Total	47	44

An employee is Council's representative on the Board of Adelaide Business Hub which provides an advisory service to small businesses. A grant is provided to the Adelaide Business Hub where the amount is decided by Elected Members via the budget process. The grant provided during the year amounted to \$110,000.00. The Adelaide Business Hub also leases one of Council Buildings at an amount of \$110.00 per annum. The employee has no involvement in the lease negotiations, and manages any potential conflict of interest via declarations to the CEO, Council or to the Board.

Two employees are board members on the LG Professionals Board which is a not-for-profit based association representing professionals in Local Government in South Australia. Council pays the association for training programs, conference attendance and memberships for a variety of staff. The amount paid to LG Professionals by Council during the year amounted to \$50,281.20.

An employee is an Environment Protection Authority board member, which sets and enforces standards and requirements that industries, companies and individuals must meet. Council receives legislative updates, training and refers some development applications to the EPA. The employee declares a conflict of interest to the board and does not take part in any decisions relating to Council.

An Elected Member is a director of a company that received a place making grant during the year. The Elected Member applied for the grant through the normal grant application process and had no involvement in the decision making process. The grant amount was \$3,300.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF PORT ADELAIDE ENFIELD

Opinion

We have audited the accompanying financial report of the City of Port Adelaide Enfield, which comprises the statement of financial position as at 30 June 2019, 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 Port Adelaide Enfield as of 30 June 2019, 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.



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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 at <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 13th day of November 2019



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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF PORT ADELAIDE ENFIELD

Opinion

We have audited the compliance of the City of Port Adelaide Enfield (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 2018 to 30 June 2019 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 2018 to 30 June 2019.

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.



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page 47

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 2018 to 30 June 2019. 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 13th day of November 2019

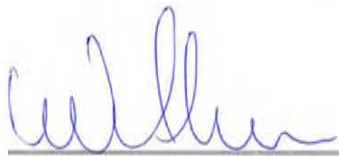
City of Port Adelaide Enfield

General Purpose Financial Statements for the year ended 30 June 2019


Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Port Adelaide Enfield for the year ended 30 June 2019, the Council's Auditor, Bentleys SA Pty Ltd 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*.



Mark Withers
CHIEF EXECUTIVE OFFICER



Claire Boan
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 12 November 2019



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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of City of Port Adelaide Enfield for the year ended 30 June 2019, 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 10th day of October 2019



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page 50



CITY OF
Port Adelaide Enfield