NOTICE OF ORDINARY COUNCIL MEETING

Notice is hereby given that the next ORDINARY COUNCIL MEETING will be held in the Council Office Boardroom, 6-8 Richardson Place, Roxby Downs on WEDNESDAY 28 NOVEMBER 2018 commencing at 4.00pm.

A copy of the Agenda for the above meeting is attached to this notice.

The meeting is open to the public and members of the community are welcome to attend.

Roy Blight
Chief Executive
23 November 2018
AGENDA

Meeting
MUNICIPAL COUNCIL OF ROXBY DOWNS

Ordinary Council Meeting

Meeting Date & Time
28 November 2018 at 4.00pm

Location
Council Office Boardroom, 6-8 Richardson Place, Roxby Downs

1. Opening Statement

I wish to acknowledge the Kokatha peoples, the traditional owners of the land on which we meet today and pay my respect to their Elders past and present and extend that respect to other Aboriginal and Torres Strait Islander people who may be present today.

2. Confirmation of Minutes of the Previous Meeting

That the Minutes of the Council Meeting held on 31 October 2018 be confirmed as a true and accurate record of proceedings. Page 3

3. Adoption of Council Resolutions

3.1 General Purpose Financial Statements 2017/2018 Page 8
3.2 Draft Annual Report 2017/2018 Page 10
3.3 Review of Treasury Activity Page 114
3.4 Audit Committee Meeting Minutes 9 November 2018 (Subject to Confirmation) Page 116
3.5 Budget Management Policy Page 121
3.6 Payroll Internal Controls Procedure Page 129
3.7 Financial Internal Control Policy Page 135
3.8 Disposal of Land & Assets Policy Page 140
3.9 Roxby Downs Riding Club Lease Agreement Page 150
3.10 105.5 RoxFM Community Radio Grant Page 152

4. Reports for Information

4.1 Development Application Decisions Page 154
4.2 Grants Register Page 156

5. Community Presentations, Petitions and Deputations

Nil

6. Next Meeting

The next Ordinary Council Meeting is scheduled for 19 December 2018 at 4:00pm - Council Office Boardroom, 6-8 Richardson Place, Roxby Downs (unless advised otherwise, by notice on the Council’s website).

7. Closure
MINUTES

MUNICIPAL COUNCIL OF ROXBYS DOWNS

Meeting
Ordinary Council Meeting

Meeting Date & Time
Wednesday 31 October 2018 at 4:00pm

Location
Council Office Boardroom, 6-8 Richardson Place, Roxby Downs

Present
Geoff Whitbread (Administrator)

Staff Present
Roy Blight (Chief Executive), Michelle Hales (Group Manager Governance & Community), Stuart Edwards (Group Manager Essential Services & Assets), Drew Ellis (Group Manager Corporate Services), Tony Weir (Group Manager Lifestyle & Sport), Kerrie Thomas (Executive Support)

Apologies
Nil

1. Council Opening

The meeting commenced at 4:00pm.

Mr Whitbread acknowledged the Kokatha peoples, the traditional owners of the land on which we meet today and paid respect to their Elders past and present and extended that respect to other Aboriginal and Torres Strait Islander people who may be present today.

2. Confirmation of Minutes of the Previous Meeting

RESOLVED: The Minutes of the Council Meeting held on 26 September 2018 are confirmed as a true and accurate record of proceedings.

3. Council Business

3.1 Draft Annual Report 2017/2018

PURPOSE: To review Council’s Draft Annual Report for the financial year ending 30 June 2018

RESOLVED: That:

1 Council receive and note the Draft Annual Report for the financial year ending 30 June 2018

2 refers the Draft Annual Report for perusal and comment by Council’s Audit Committee at its next meeting,

and

3 the Annual Report be considered for adopted at the November Council meeting.
3.2 **Draft General Purpose Financial Statements for the year ended 30 June 2018**

**PURPOSE:** To consider the Draft General Purpose Financial Statements for the year ended 30 June 2018.

**RESOLVED:** That Council receives and notes the Draft General Purpose Statements for the year ended 30 June 2018 and refers this item to the Audit Committee for review and comment at its next meeting.

3.3 **First Quarter Budget Review**

**PURPOSE:** To consider a review of Council's 2018/19 budget performance to 30 September 2018 and associated matters.

**RESOLVED:** That Council adopts the First Quarter Budget Review 2018/19 as delineated in the report.

3.4 **Payroll Internal Controls Policy**

**PURPOSE:** To review the Payroll System Policy and Procedure and remove from the Council website.

That Administrator withdrew the report for the purpose of review and comment from Council’s Audit Committee at its next meeting.

3.5 **Roxby Downs Golf Club Incorporated**

**PURPOSE:** To consider the administrative arrangements between the Council and the Roxby Downs Golf Club Inc to come into effect from 31 October 2018.

To approve the donation (in part) of the Bobcat Loader and Hino Truck to the Roxby Downs Golf Club Inc.

**RESOLVED:** That Council:

1. In accordance with the Council policy “Disposal of Land and Assets” clause 5.2 the Council determines that the Council owned

   - Bobcat Loader registration number JVP716
   - Tipper Truck registration number XJY516

   are capable of addressing a specific need or purpose for the Roxby Downs Golf Club Inc (being a not for profit community organisation) and approves the ownership, transfer and partial donation of these items to the Golf Club upon the receipt of an ex gratia payment of A$22,000.00 including GST (twenty two thousand dollars).

2. Council approve the administrative arrangements between the Municipal Council of Roxby Downs and the Roxby Downs Golf Club Inc as outlined in the report to come into effect from 31 October 2018

   and

   that the Chief Executive be authorised to finalise the preparation of the documentation to effect the arrangements

   and

   that the Administrator and Chief Executive be authorised to sign, seal and execute such agreement(s) on behalf of the Council.
3.6 Licence Agreement for Roxby Desert Motocross Club Incorporated

PURPOSE: To provide consent to grant the following Recreational and Sporting club licence agreement:

Roxby Desert Motocross Club Incorporated.
Portion Lot 673 T833802 OPAL ROAD, ROXBYS DOWNSA.
5 year term.

RESOLVED: That

1. Council approve the granting of a Recreational and Sporting licence agreement for a period of five (5) years to the Roxby Desert Motocross Club Incorporated to access to a portion of allotment 673 Opal Road, Roxby Downs as contained in Crown Reserve 5758/158, for the purpose of developing a Super Cross Track, associated activities and car parking.

2. That the Administrator and Chief Executive be authorised to affix the Council seal and execute the respective licence agreement.

3.7 Road Closure for Roxby Downs Community Christmas Pageant

PURPOSE: Closure of Richardson Place between Burgoyne Street and Arcoona Street, for the Roxby Downs Christmas Pageant. Full closure of road between the hours of 2.00pm Saturday 1 December 2018 and 12.30am Sunday 2 December 2018.

RESOLVED:

That:

1. Pursuant to the provision of the Roxby Downs (Indenture Ratification) Act 1982, and in accordance with Section 33 of the Road Traffic Act 1961 and Clause F of the instrument of General Approval of the Minister 12 March 2001, make the following orders.

Pursuant to Section 33 (1) of the Road Traffic Act 1961 declare that the event described below is to take place on the road described below, and is an event to which Section 33 of the Road Traffic Act 1961 applies; and

Pursuant to Section 33 (1) (a) of the Road Traffic Act 1961, make an order directing that the road on which the event is to be held and any adjacent or adjoining roads specified below can be closed to all traffic except police and emergency vehicles and vehicles involved in the event for the period commencing 2.00pm Saturday 1 December 2018 until 12.30am Sunday 2 December 2018.

ROAD: Richardson Place

EVENT: Roxby Downs Christmas Pageant

ADJACENT / ADJOINING ROADS: Burgoyne Street, Arcoona Street, Norman Place, Roxby Club Car Park Entrance into Richardson Place, and Tavern Road, Roxby Downs.

Pursuant to Section 33 (1) (b) of the Road Traffic Act 1961 make an order directing that persons taking part in the event be exempted in relation to the road from duty, to observe the Australian Road Rules specified below subject to any conditions described below and attached to the exemption.

Rule: 230 Crossing the road
Rule: 234 Crossing the road on or near a crossing for pedestrians
Rule: 237 Getting on or into a moving vehicle (providing the speed of the vehicle does not exceed 5km/hr)

Rule: 238 Pedestrians travelling along the road

Rule: 264 Wearing of seatbelts by drivers (providing the speed of the vehicle does not exceed 25km/hr)

Rule: 265 Wearing of seatbelts by passengers 16 years or older (providing the speed of the vehicle does not exceed 25km/hr)

Rule: 266 Wearing of seatbelts by passengers under 16 years old (providing the speed of the vehicle does not exceed 25km/hr)

Rule: 268 How persons must travel in or on a motor vehicle (providing the speed of the vehicle does not exceed 25km/hr)

Rule: 269 Opening doors and getting out of a vehicle etc (providing the speed of the vehicle does not exceed 5km/hr)

Rule: 298 Driving with a person in a trailer (providing the speed of the vehicle does not exceed 25km/hr)

3.8 Municipal Council of Roxby Downs Christmas Closure

PURPOSE: To seek approval to advise the public of the Council Office closure and Roxbylink trading hours for the Christmas break.

RESOLVED: That

1. The Council Office at 6 Richardson Place close from 5.00pm 21 December 2018 and re-open 9.00am 2 January 2019.

2. Roxbylink hours to be as follows:

- Library will be closed from Saturday 22 December and will resume normal hours Wednesday 2 January
- Crèche will be closed from Saturday 15 December and will resume normal hours Monday 21 January
- The Indoor Pool will be open on 23 and 24 December from 9am to 1pm and closed from Tuesday 25 December and will resume normal hours Wednesday 2 January to allow for maintenance works
- Community Youth Centre closed from Monday 17 December and re-open Monday 14 January
- Kiosk and the Cinema will be open in conjunction with the Pool and Gym Hours as listed below
- Café, Gym VIC and Outdoor pool hours are as per listed below

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<tr>
<th>Date</th>
<th>Cafe</th>
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<th>VIC</th>
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<td>2nd</td>
<td>Resume Normal Trading Hours</td>
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4. Reports for Information

RESOLVED: The Council receive and notes the following reports:

- Development Application Decisions
- Grant Register
- Chief Executive

5. Community Presentations, Petitions and Deputations

Nil

6. Next Meeting

The next Ordinary Council Meeting for the Municipal Council of Roxby Downs is scheduled for Wednesday 28 November 2018 at 4:00 pm - Council Office Boardroom, 6-8 Richardson Place, Roxby Downs, unless advised otherwise, by notice on the Council’s website.

7. Closure

The meeting closed at 4.17pm.

…………………………………….
Geoff Whitbread
Administrator
28 November 2018
1. **Purpose**

To consider the Council’s General Purpose Financial Statements for 2017/2018.

2. **Recommendation**

That Council adopts the General Purpose Financial Statements as attached in the Annual Report 2017/2018, and as recommended by Council’s Audit Committee on 9 November 2018.

3. **Background**

Pursuant to Section 127 of the Local Government Act 1999, Council must prepare annual financial statements which must be audited by Council’s auditor.

Section 14 of the Local Government (Financial Management) Regulations 2011 requires that the financial statements of a council must include a statement certifying:

- the financial statements comply with relevant legislation and Australian Accounting Standards;
- the financial statements present a true and fair view of the financial position, results of the operations and cashflows of the council;
- the internal controls implemented by the council provide a reasonable assurance that its financial records are complete, accurate and reliable and were effective throughout the financial year; and
- the Chief Executive and the Administrator are authorised by the council to certify the annual financial statements in their final form.

Council has received the 2017/2018 Audit Completion Letter from Council’s Auditors - Bentleys SA which has confirmed that the audit was free of any qualification with no material concerns being raised.

4. **Discussion**

The General Purpose Financial Statements were tabled as a ‘draft’ document by Council at its meeting on 31 October 2018. Since then, the Audit process has been completed and the Auditors have provided an unqualified opinion. All of the necessary ‘certifications’ required to enable formal adoption by Council of its General Purpose Financial Statements and its Annual Report (which contains the General Purpose Financial Statements along with relevant audit certificates and reports) have now been actioned.

Council’s Audit Committee, at its meeting on 9 November 2018, considered the General Purpose Financial Statements and discussed them with both Council’s management and Council’s auditors, Bentleys SA. The Audit Committee recommended to Council that it adopts the General Purpose Financial Statements with the following inclusions:

1. Commentary relating to Asset Sustainability Ratio
2. Commentary relating to Contingent Liabilities
3. Interest on borrowings
These recommendations have been actioned.

In order to avoid unnecessary duplication, the General Purpose Financial Statements are not attached to this report but are instead tabled as part of the Annual Report 2017/2018.

The following key results are extracted from the General Purpose Financial Statements:

**Council consolidated (all entities)**
(Includes Municipal, Roxbylink, Roxby Power & Roxby Water)

(all amounts x $1,000)

 Operating Budget:
- Total Income: Actual: $18,248  Budget: $17,435
- Total Expenses: Actual: ($16,021)  Budget: $17,581
- Operating Surplus: Actual: $2,227  Budget: ($146)

 Capital Budget:
- Capital Income: Actual: $45  Budget: $48
- Capital Expenditure: Actual: ($1,005)  Budget: ($1,875)
- Net Capital Expenditure: Actual: ($960)  Budget: ($1,827)

5. **Policy Implications**

5.1 **Financial/Budget**

As detailed above

5.2 **Resources**

Core function of the Corporate Services Group

5.3 **Legal and Risk Management**

Required by legislation.

6. **Report Consultation**

Roy Blight - Chief Executive
Say Ying Toh - Financial Accountant
Audit Committee

7. **Report Authorisers**

Drew Ellis
Group Manager Corporate Services
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date: 28 November 2018
Title of Report: Annual Report 2017/2018

1. Purpose


2. Recommendation

That:


2. The Chief Executive circulate the Annual Report as required and appropriate and publish on the Council Website.

3. Background

Section 131 of the Local Government Act 1999 requires Council to prepare and adopt an Annual Report each year on or before 30 November. Most of the content within the Annual Report is prescribed, with Schedule 4 of the Act setting out information that must be included.

4. Discussion

The draft Annual Report 2017/2018 has been prepared in accordance with legislative requirements. The Report includes all of the matters prescribed by Schedule 4 as well as the General Purpose Financial Reports which include the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Audit Reports.

Council’s Audit Committee reviewed the draft Annual Report 2017/2018 on 9 November 2018 and advises Council that in its opinion the draft offers a fair representation of the period activities and recommend it be considered for adoption.

Following adoption by Council copies will be sent to the presiding members of both Houses of Parliament, the Minister State/Local Government Relations, the South Australian Grants Commission and Legal Deposit registries. A coloured publication version will be available through Council’s website with a small number printed for display at Council’s office and the Library.

5. Policy Implications

5.1 Financial/Budget

The Draft Annual Report was produced in-house with no external design or printing costs required.

5.2 Resources

The Draft Annual Report has been produced using existing staff resources.

The final adopted report Annual Report will be available to the public as an electronic document. Only a few hard copies will be produced using Council’s internal resources.
5.3 **Legal and Risk Management**

By adopting the Annual Report prior to 30 November 2018 Council will meet its legislative requirements in accordance with Section 131 of the Local Government Act 1999. If Council fails to adopt its Annual Report by this time it is in breach of the legislation.

6. **Report Consultation**

- The draft Annual Report 2017/2018 has been developed in conjunction with staff from across Council’s various business units.
- Municipal Council of Roxby Downs Audit Committee.
- Legislation requires Council to include prescribed information; however this draft Annual Report also provides additional information as outlined in the *Annual Report Guidelines* produced by the Local Government Association (May 2018).

7. **Attachments**

Draft Annual Report 2017/2018 including the Audited General Purpose Financial Statements

8. **Report Authorisers**

Michelle Hales
Group Manager Governance and Community
ANNUAL REPORT
2017-2018
Acknowledgement of Country

We acknowledge the Kokatha peoples, the traditional owners of the land on which we live today and pay our respect to the Elders past and present and extend that respect to other Aboriginal and Torres Strait Islander people who are present today.
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MESSAGE FROM THE ADMINISTRATOR

I am pleased to present the Annual Report for the Municipal Council of Roxby Downs for the financial year ending 30 June 2018. The Annual Report is a review of our services, project outcomes and financial performance.

The year has been one of considerable change. A Governance Review Panel commissioned by the Council in early 2016 recommended divesting some of the functions of the Administrator to a newly created position of Chief Executive. The State Government agreed to this recommendation. As a result the Administrator now focuses on setting policy, strategic direction and decision making. The Chief Executive, with the support of the Senior Management Team, is now responsible for the day to day operations and affairs of the Council. In July 2017, Council appointed Roy Blight, an experienced local government leader, as the inaugural Chief Executive.

Council continues to focus on continuous improvement creating more efficiencies in all aspects of operations. Activities during the year included realigning staff roles, reviewing costs and renegotiating external contracts. As a result we were able to maintain our commitment to not increase council rates and only increase power and water rates by 1% p.a. (nominally). Council reported an Operating Surplus of $2.2m for 2017/18. This outcome places Council in a strong financial position providing a solid basis for the planning and achievement of long term objectives including the renewal of ageing assets.

Investigations have commenced into a new asset management system. This system once implemented will provide a stronger knowledge base of Council assets, including their condition, modifications, improvements and scheduled maintenance. Council expects to install this system during the 2018/2019 Financial Year. The results from this investigation will also include an asset management plan that will be available to the community and provide up to date information about the condition of community assets, lifespan and the timing of future works. With good asset management Council can develop and implement cost-forecasting improvements to provide financial efficiencies. This will enable Council to focus on keeping current assets in good shape and maximise the life and quality of vital infrastructure and property.

Council has continued to increase its communication to the public with the introduction of a weekly radio segment “Council Catchup” and a new publication the “Six Month Report Card”. These new initiatives along with the Facebook page, website and the My Local Services app continue to keep the community informed about Council initiated activities, programs and events, as well as progress on projects.

In August 2017 BHP invested over $350 million to upgrade the smelter and other infrastructure at the Olympic Dam mine. This project was unprecedented, requiring an extra 3,100 workers and contractors with works taking place between August and November. The impact on the town was significant and required the construction of a temporary camp and additional temporary accommodation units at the caravan park for the extra workers. Other challenges included extra demands on power and water supplies and impacts on sewerage and waste management services. Council staff worked with BHP to support the additional needs and I am pleased to record that the town based elements of the project ran smoothly.

In April 2018 Council appointed a Youth Development Officer. This new role is enabling our youth to benefit from organised activities, is helping them develop their leadership and communication skills and allowing them to contribute to policies, plans and programs that directly impact them. The Community Youth Centre has enjoyed an increase in youth participation since the appointment.

I would like to acknowledge the efforts of Council staff particularly during this period of significant change. Their commitment and enthusiasm, along with that of our volunteers and contractors, has helped drive and develop programs, services and capital works. I also wish to thank local residents who have contributed feedback during our various public consultation sessions. Your voices help shape our future planning and enhance and strengthen our decision making processes. This year marks the 30th anniversary of both the town and the mine. It is a time to both reflect on past achievements and to look ahead. With State Government, BHP and the Community Board as key partners, we will continue to contribute to the economic and social wellbeing of Roxby Downs while creating a sustainable and liveable community for current and future generations.

Geoffrey Whitbread
Administrator
Aerial view Roxby Downs June 2018
ROXBURY DOWNS PROFILE

Location
570 kms north-west of Adelaide in the Far North of South Australia.

History
The Municipal Council of Roxby Downs was proclaimed on 26 May 1986 and the town was officially opened on 5 November 1988.

Size of Municipality
110 km²

Properties
1,727 residential properties
1,879 rateable properties

Population
4,010 (30 June 2017)
Estimated Resident Population - Australian Bureau of Statistics

Population Change
Roxby Downs has maintained a consistent base population of 4,000 over the last 10 years.

Population Change between 2007 and 2017

Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented in profile.id by .id, the population experts
Demographics – snapshot of our community

Median Age of our Population
- Roxby Downs: 30
- Regional SA: 45

Indigenous Population
- Roxby Downs: 3%
- Regional SA: 4%

Population who Volunteer
- Roxby Downs: 26%
- Regional SA: 28%

Speak a language other than English at home
- Roxby Downs: 8%
- Regional SA: 5%

Households Renting
- Roxby Downs: 26%
- Regional SA: 66%

Born Overseas
- Roxby Downs: 12%
- Regional SA: 11%

Households with a Mortgage
- Roxby Downs: 21%
- Regional SA: 29%

Households with Children
- Roxby Downs: 45%
- Regional SA: 32%

Internet Connection
- Roxby Downs: 85%
- Regional SA: 71%

Unemployed
- Roxby Downs: 3.5%
- South Australia: 7.5%
HISTORY

The Municipality was officially constituted by the Governor of the State on 26 May 1986. The town was constituted by the State Government (the Minister of Lands) on 10 November 1986. The aim was to build a town that serviced the nearby Olympic Dam mine, and provide a residential base for mine workers and their families.

The main construction phase, which included the Area School, recreation centre, Community Club and Council office, occurred between 1987 and 1988. Both the Olympic Dam mine and township were officially opened on 5 November 1988.

Over the years increases in the mine’s workforce have driven population growth and the town has grown rapidly both in size and population. Between 2013 and 2016, however, restructuring at the mine reduced the workforce and the town’s population fell to 4,000. The population has since stabilised and there are signs of growth again.

The residential population is supplemented by the mine employees who work on a fly in/fly out (FIFO) or drive in/ drive out (DIDO) basis. They are accommodated in two residential villages – one located at Olympic Dam and the other in Roxby Downs. The FIFO and DIDO population also swells during mine maintenance shutdowns.

The variable employment of FIFO/DIDO workers engaged at Olympic Dam places additional demand on the infrastructure and resources of Roxby Downs that is not otherwise captured by reported standard data.

With both population growth and decline, the businesses and services offered have changed over time. They continue to serve a large residential base, which includes the pastoral stations and small towns in the surrounding region. The town’s facilities and infrastructure are of high quality and are a key selling point in attracting new residents.

Remote living creates many challenges for the community, particularly in accessing health services and transport. The local economy is also tied closely to the fortunes of the mining sector, and like other mining towns, Roxby Downs experiences both boom and bust cycles.
GOVERNANCE OVERVIEW

The Roxby Downs Indenture Ratification Act (1982) ("Indenture") and the Local Government Act (1999) are the two key pieces of legislation that govern the operations of the Council.

The Indenture provides the framework for a governance structure that is unique and different from traditional local government.

The legislative requirement to have elected members (councillors) has been suspended. In their place an Administrator has been appointed by the State Government (by Instrument of the Minister for Mineral Resources and Energy) with approval by BHP. The Administrator has the powers of a council under the Local Government Act 1999.

The Administrator is an Officer of the Crown and the conditions of appointment are outlined in the Indenture.

In February 2017 Mr Geoff Whitbread was appointed as Administrator after acting in the role since May 2016.

This three year appointment was the first step in improving the governance structure of the Council as recommended by a Governance Review Panel commissioned by the Council. The State Government agreed to the recommendations.

In July 2017, the Administrator appointed Mr Roy Blight as the inaugural Chief Executive. The Chief Executive is responsible to the Council (Administrator) for the day-to-day management of Council’s affairs. The appointment of an Administrator and a Chief Executive effectively separates governance and decision making from the day to day operations and will lead to increased accountability and transparency.

Roxby Downs Governance Framework 2018

Roxby Downs (Indenture Ratification) Act 1982
State Government appointed Administrator holds powers under the Indenture Act and powers of a council under the Local Government Act
Municipal Council of Roxby Downs (incorporating Roxby Power, Roxby Water and Roxbylink)
Roxby Downs Community Board Inc. established by Council in 2005. Comprises 6-12 community members plus a BHP and Council representative as non-voting members. Rules of Association can be changed upon recommendation of Board and approval of BHP and Council
Forums and shared interest groups established and operate under the guidance, auspices and legal framework of the Community Board

Local Government Act 1999
Chief Executive appointed by and responsible to the Administrator for the implementation of Council’s program and leadership of operations
GOVERNANCE TIMELINE

ROXBURY

1979
Western Mining Corporation (WMC) and BP establish joint venture to develop the Olympic Dam mine

1982
Roxby Downs (Indenture Ratification) Act proclaimed

1986
Municipal Council of Roxby Downs officially constituted by the Governor of the State on 26 May

1986
First Administrator John Harris appointed

1988
John Brazel appointed as Administrator

1988
Roxby Downs Township official opening on 5 November

1993
WMC acquire BP's interest in Olympic Dam

1998
Town Board established with community, Council, State Government and WMC representatives

1999
William Boehm appointed as Administrator

2003
Town Board replaced by Interim Community Board

2003
Work on a Community Plan begins

2005
Roxby Downs Community Plan launched

2005
BHP acquires WMC Resources and takes over the operations of the Olympic Dam mine

2006
New Roxby Downs Community Board incorporated as a not for profit association

2016
Review recommends changes to governance structure

2016
Geoff Whitbread appointed as acting Administrator

2017
Geoff Whitbread appointed as Administrator for a 3 year term

2017
Roy Blight appointed as the inaugural Chief Executive

2018
Partnership between BHP, Council and Community Board to reform the Community Board and develop the Roxby Downs Community Development Agenda 2021
OPERATIONAL OVERVIEW

In addition to managing municipal operations, Council is also responsible for operating electricity and water utilities. The State Government and BHP must also approve the Council budget and fund any annual operating deficit.

Council engages external contractors to perform most of Council’s civil construction, maintenance, horticulture and waste management functions. This has proved to be the most cost effective method of managing these parts of the operation in a remote location.

Council delivers a wide range of traditional municipal services as well as various sporting, recreation and cultural facilities. These include the Roxbylink complex, community ovals and associated buildings as well as providing significant community cultural development activities.

Council works in a proactive manner to build the social capacity and quality of life of the community. This includes a range of community development strategies as well as traditional asset management and service delivery roles.

These roles are diverse and include: improving the quality of life of the community; planning at the local and regional level; local area environmental management; developing community resources; representing the interests of the wider community, and acting as a responsible decision maker.
OUR VISION

A World Class Community to support a World Class Mine

Our Mission

To create a strong community focused, participative and financially independent council that assists all sectors to work cooperatively and to develop and set its own direction.

Our Strategic Pillars

To achieve this vision/mission Council has identified five pillars, each supported by key objectives. These pillars create a quintuple bottom line which shapes Council’s actions and decision making.

<table>
<thead>
<tr>
<th>Leadership</th>
<th>Cultural Vitality</th>
<th>Social Equity</th>
<th>Economic Prosperity</th>
<th>Environmental Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>In addition to performing and discharging the powers, functions and responsibilities under the Local Government Act and other Acts the Council is responsive to the needs and aspirations of individuals and groups and encourages community leadership.</td>
<td>Cultural Vitality is the key ingredient to the town’s liveability. It is the ingredient that makes global citizens choose our town over another and is key to winning in a competitive labour market.</td>
<td>The provision and coordination of various public services and facilities where diversity and inclusion are the foundation and where no one is left behind. The community and resources are developed with the overall aim of improving the quality of life of all residents.</td>
<td>The promotion of our town and provision of an attractive climate and location for the development of business, commerce, industry and tourism. Assisting businesses to help themselves and facilitate networks locally and within regional and state service bodies.</td>
<td>Managing, protecting, restoring, enhancing and conserving the environment in an ecologically sustainable manner, to improve the amenity of the area, to protect from natural and other hazards and to mitigate the effects of such hazards.</td>
</tr>
</tbody>
</table>
YEAR IN REVIEW
Report on performance against
Annual Business Plan 2017/2018

<table>
<thead>
<tr>
<th>LEADERSHIP</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Civic Leadership</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Aim:</strong> A responsible consultative and inclusive body dedicated to good governance and proactive leadership</td>
<td></td>
</tr>
<tr>
<td><strong>Measures</strong></td>
<td><strong>Outcomes/actions completed</strong></td>
</tr>
<tr>
<td>Good governance</td>
<td>Appointment of Chief Executive in July 2017 and separation of governance and decision making from day to day operations</td>
</tr>
<tr>
<td>Effective communication</td>
<td>Establishment of a strategic communication plan which focuses on targeted and multi-faceted communication streams. Introduction of the six Monthly Report Card and a new Council radio segment</td>
</tr>
<tr>
<td>Effective consultation</td>
<td>Seven public consultations completed with growing levels of community involvement in various feedback mechanisms provided</td>
</tr>
<tr>
<td>Financially sustainability</td>
<td>Improved efficiencies. Renegotiated external contracts. Strong financial results</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community Leadership</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aim:</strong> A cohesive and committed community</td>
<td></td>
</tr>
<tr>
<td><strong>Measures</strong></td>
<td><strong>Outcomes/actions complete</strong></td>
</tr>
<tr>
<td>A robust and inclusive Community Board</td>
<td>In partnership with BHP supporting the Community Board with a review of organisational structure and operations</td>
</tr>
<tr>
<td>Community involvement of the Community Plan</td>
<td>In partnership with BHP supporting the Community Board with the development of a new Community Plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CULTURAL VITALITY</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aim:</strong> A strong sense of place and identity, a vibrant main street, a community which celebrates cultural diversity and a vibrant and diverse arts culture</td>
<td></td>
</tr>
<tr>
<td><strong>Measures</strong></td>
<td><strong>Outcomes/actions completed</strong></td>
</tr>
<tr>
<td>A unique and vibrant Richardson Place</td>
<td>Upgrade of Richardson Place including: shade sails, more seating, more functional car parks and improved street lighting</td>
</tr>
<tr>
<td>Dynamic cultural and arts activity</td>
<td>An annual program of art exhibitions and entertainment</td>
</tr>
</tbody>
</table>
### SOCIAL EQUITY

**Aim:** Social and cohesive community, healthy and active community, access to services and facilities

<table>
<thead>
<tr>
<th>Measures</th>
<th>Outcomes/actions completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well-resourced gym</td>
<td>Gym flooring resurface and painting</td>
</tr>
<tr>
<td>Well managed reactive and adaptable swimming facilities</td>
<td>Resurfacing of indoor and outdoor pools Splashpad officially opened providing a safe aquatic play space</td>
</tr>
<tr>
<td>Well-presented multi-use recreation facilities</td>
<td>Resurface of Roxbylink Stadium Resurface of the netball court</td>
</tr>
<tr>
<td>A community that shares its skills and knowledge</td>
<td>Further development of the Foodies program</td>
</tr>
<tr>
<td>Creativity and learning for all ages</td>
<td>Ongoing school holiday programs. Support for National Science Week.</td>
</tr>
<tr>
<td>Youth development participation and wellbeing</td>
<td>Recruitment of a Youth Development Officer Launch of the Roxby Junior Sports Academy National Youth Week events</td>
</tr>
<tr>
<td>Safe transport network</td>
<td>Resealing of Richardson Place and a number of residential roads and roundabouts</td>
</tr>
<tr>
<td>Reliable water, sewerage and power services</td>
<td>Installation of standby power generator for the Town Water Supply New five year contracts awarded for electricity operations support services (Enerven) and water operations support services (Cowell Electric)</td>
</tr>
</tbody>
</table>

### ECONOMIC PROSPERITY

**Aim:** Economically sustainable growth

<table>
<thead>
<tr>
<th>Measures</th>
<th>Outcomes/actions completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism and visitation that contributes to economic prosperity</td>
<td>Ongoing support in provision of Accredited Visitor Information Services</td>
</tr>
<tr>
<td>An active business community</td>
<td>Ongoing participation in the Roxby Downs Business Forum and as a resource partner with Regional Development Australia Far North</td>
</tr>
</tbody>
</table>

### ENVIRONMENT SUSTAINABILITY

**Aim:** A liveable urban environment with an environmentally involved community

<table>
<thead>
<tr>
<th>Measures</th>
<th>Outcomes/actions completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well educated and participative community</td>
<td>Sustainability in the Suburbs program launched (12 month pilot) Funding support to Arid Recovery for the Wildlife Hotline In kind support for the Community Garden Ongoing community education regarding energy and water conservation</td>
</tr>
<tr>
<td>Waste management services which minimise waste and optimise recycling</td>
<td>11.9% increase in recycling tonnes collected from household bins</td>
</tr>
<tr>
<td>Built environment designed to address climate</td>
<td>Additional shade sails installed in Richardson Place</td>
</tr>
</tbody>
</table>
Our challenges

- New projects and assets will only be invested in if they are supported by a well-argued business case which addresses whole of life costs, community benefit, financial viability and external funding opportunities.

- Implementing the requirements of the Planning, Development and Infrastructure Act 2016.

- Exploring alternative grant funding sources for the Female Friendly Change Rooms’ project after the proposed funding program ceased.

Our plans for 2018/2019

For 2018/2019 key projects are characterised by their reliance on partnership efforts and include:

- Development of the Emu Walk
- Development of the Hermit Street nature based play space
- Perimeter seating at the main oval
- Richardson Place public amenities
- New seating and shelving in the library
- Sewerage system upgrade
- Multipurpose pump track
- Youth Development programs

- Implementation of an online interactive community engagement platform
- Feasibility Study on conversion of waste plastics to fuel oils
- Town entrance signage
- Lions Park upgrade including skate bowl

Strategic Planning

BHP and the Community Board are working in conjunction with Council to develop a new Roxby Downs Community Plan. The Community Plan will act as a foundation for the development of a new Strategic Management Plan and other long term plans for Council.
This year both Olympic Dam and Roxby Downs celebrate their 30 year anniversary. This represents three decades of generating tens of billions of dollars in export revenues, royalties and taxes, and providing jobs in South Australia. Olympic Dam is a multi-generational resource.

The destiny of Roxby Downs is intrinsically entwined with the prospects and operation of the Olympic Dam mine. Olympic Dam is one of the world’s most significant deposits of copper, gold, silver and uranium.

The geological resource at Olympic Dam is large, long life, expandable and located in arguably the world’s best mining jurisdiction.

The BHP Brownfield Expansion Plan (BFX) would expand Olympic Dam’s smelter, mill and refinery on the surface and expand the underground mining operations into an area of higher copper grades located in the Southern Mine Area. The results of the BFX decision will have a bearing on the future direction of Roxby Downs. The BHP Board is scheduled to make a decision on BFX in CY2020.

In this light, we are currently reviewing the Strategic Management Plans for the Municipal Council of Roxby Downs which will then inform Council’s long term financial sustainability plan.

During FY2018 asset reviews were completed for the public road network, sewage treatment operations and waste water disposal network, and the Roxbylink Splashpad that was completed in 2017.

Council is conducting a review of the electricity network following the successful uptake of home based solar (PV) power generation. The volume of solar power entering the network has required a reduction of the electricity infeed from BHP. The review will examine options to sustain solar power generation and the utilisation of the extra energy.

The modernisation of Council’s asset management system will be completed in FY2019 with the appointment of an Asset Management Officer and the acquisition of a new asset management technology and reporting capability.

Business plans are also being completed for Council’s principal operating units Roxby Power, Roxby Water and Roxbylink.

In addition to the requirements of the Local Government Act, the operations of the Municipal Council of Roxby Downs are instructed by the Roxby Downs (Indenture Ratification) Act 1982.

Under the direction of Administrator Geoff Whitbread, stringent cost control has been applied across Council’s operations and new proposals justified by comprehensive business cases. These cost controls and review of budget proposals have resulted in a favourable outcome for FY2018.

For FY2019 Council has been able to maintain Council rate income at an aggregate parity with FY2018. Nominal increases of 1% have been applied to electricity and water charges.

The Council expects that under the Council’s long term financial plan, future rates and charges will be adjusted at a rate no greater than the Adelaide CPI published by the Australian Bureau of Statistics (ABS).
LEADERSHIP

A responsible consultative and inclusive body

COUNCIL’S ROLE

Roxby Council, like other local government authorities, has many roles when serving the community. Council’s financial commitment, therefore, varies according to the nature of the role and statutory responsibilities. In addition to being a direct provider of services and owner/custodian of facilities, Council is also an advocate and facilitator/initiator on behalf of the community.

Advocacy involves lobbying various tiers of government and BHP on issues that affect the community. As a facilitator/initiator, Council brings together and/or engages with individuals, community groups and government agencies to address issues affecting the community and to initiate new programs.

Council staff are members of a range of stakeholder groups. This involvement ensures that they are part of important community discussions.

Chief Executive Roy Blight and Eddie Hughes MP Member for Giles
COMMUNITY BOARD

Council established the Roxby Downs Community Board in 2005. In 2006, the Board transitioned into a separately incorporated association. Since this time Council has continued to support the Board’s operations. Support includes providing a staff member to: act as Executive Officer of the association; to advise on governance and community development matters; and to manage finances.

Council provides a small annual operating grant to the Board which assists with payment of public liability insurance, and administration expenses. In-kind support includes access to meeting spaces at no cost, assistance with publicity of events and activities and sharing of expertise from experienced staff.

Community Project Officers also provide support and act as a resource for some of the forums including: Health Forum, Environment Forum; Community Garden; Multicultural Forum; and Sport and Recreation Forum.

AGENT FOR GOVERNMENT SERVICES

Service SA

Council acts as a rural agent for Service SA to provide the community with access to government services locally. This contractual arrangement with the Department of Planning, Transport and Infrastructure generates an additional income stream. Council’s Customer Service Officers have delegated authority from the Minister for Transport, Infrastructure and Local Government to undertake a selected range of Service SA transactions that can be undertaken at the Council office include vehicle registration, licensing of drivers, boat registrations and boat licences. Interstate licensing and registration transactions occur regularly along with international drivers’ licence transfers. Customer Service Officers are supported by staff at the Service SA branches located in Port Augusta and Port Pirie who are available to answer any queries by telephone.

Government Housing

Council’s role as a key agent for State Government Employee Housing ceased in February 2018. At Council’s request the State Government put the contract out to tender and it was awarded to a local real estate agent.

Aerial view of Richardson Place
EFFECTIVE DEVELOPMENT & PLANNING

Council is required to assess all forms of development against the Roxby Downs (Municipality) Development Plan, as well as the Building Code of Australia under the Development Act 1993 and associated regulations.

This is carried out under longstanding arrangements with both City of Salisbury (building assessment) and Stewart Payne Planning Consultant (planning assessment), who attend Roxby Downs as required with additional support provided remotely.

Regulations establish procedures which Council must follow in the assessment of applications including what level of public notification is required and when applications must be referred to external authorities such as the Environment Protection Authority (EPA) and the Development Assessment Commission. Fees are set out via the Development Regulations 2008. These fees are standard across the State.

The Planning Development and Infrastructure Act 2016 came into effect on 1 April 2017 and will be progressively implemented over the next three years. At this stage there has been little impact to the way applications are lodged and assessed. Roxby Downs has been exempted from establishing a Council Assessment Panel due to the current governance arrangements.

Development Activity

<table>
<thead>
<tr>
<th>Development Activity</th>
<th>2017/18</th>
<th>2016/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dwellings</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Additions/alterations to dwellings</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Carports, Outbuildings Verandas</td>
<td>16</td>
<td>6</td>
</tr>
<tr>
<td>Signs</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Swimming Pools</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Flats/Units</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Business/ Commercial</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Industrial</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Other - Community</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Land Division</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Demolition</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total Applications</strong></td>
<td><strong>34</strong></td>
<td><strong>25</strong></td>
</tr>
<tr>
<td><strong>Estimated Expenditure</strong></td>
<td><strong>$4.01m</strong></td>
<td><strong>$0.98m</strong></td>
</tr>
</tbody>
</table>

The influx of workers necessitated the development of a temporary camp at the local race course. This required an increased supply of power and water and created additional challenges in terms of sewerage management. Due to the short lead time Council staff worked quickly to ensure that development approvals were achieved on time. These approvals included the relocation and installation of 40 additional cabins at the Caravan Park, and the establishment of the temporary camp.

Development Activity

Development undertaken in Roxby Downs over the 2017/18 period is shown in the table opposite. After a slow period over the past two years, commercial and residential activity has shown signs of improvement. Larger projects related to the mine shutdown accommodation and caravan park upgrades, while some level of new business activity was evident in statistics.

Major Mine Shutdown

In 2017, BHP invested over $350 million to upgrade the smelter and other infrastructure at the Olympic Dam mine. The project commenced in August 2017 and was the largest planned shutdown at Olympic Dam in its 30 year history. The project required an extra 3,100 contractors and workers on site on top of the regular workforce of 3,500.
EFFECTIVE COMMUNICATION

Council aims to effectively communicate and engage with community, business and other stakeholders. The Communication Strategy is guided by 4 key objectives:

- To provide targeted, consistent and relevant communication in a timely and professional manner
- To provide mechanisms and opportunities for community engagement, comment, input and involvement in Council decision making
- To communicate Council’s brand, functions and identity with the community
- To promote the Roxby Downs Community to new residents, businesses and visitors

Community Meetings

Council staff regularly attend community forum meetings where they can listen to community concerns and discuss ideas.

Draft Annual Business Plan

Each year Roxby Council releases an Annual Business Plan which highlights the strategic direction for the coming year across a range of key areas. Before the document is finalised the Draft Annual Business Plan is released to the public for consultation.

Council held two sessions this year, an information session and a public meeting. This model has worked well. The Information Session provided the community with a chance to find out about the key elements of the draft plan and to meet and talk to Council staff. This session was followed three weeks later by a formal public meeting which is required under statute.

For the first time Council introduced a Facebook live session to engage community members who were unable to attend public meetings. This proved highly successful with over 2,000 people reached. The number of live viewers peaked at 47 and there were 100 posts.

The Facebook live platform exceeded all attendances and comments received for Draft Annual Business Plan public consultations held in previous years. It is a platform that Council will continue to investigate as an effective strategy for engaging the community.

Community Consultations

A number of community consultations occurred throughout the year. They included:

- Community land leases for the following clubs:
  - Roxby Desert Motocross Club
  - Roxby Downs Sporting Car Club
  - Roxby Downs Bowling Club
  - Roxby Downs and Districts Racing Club
  - Desert Dirt Karts
  - Scouts

- Draft Annual Business Plan 2018/2019
- Curdimirka St Playground Naming Proposal
EFFECTIVE COMMUNICATION

Website
Council’s website is an important link between Council and community. The website contains a range of information, including Council related employment opportunities, to assist residents, people thinking of moving to Roxby Downs or visiting. Council’s Facebook posts link people to the website where they can access more detailed information. The website address is www.roxbydowns.sa.gov.au.

Access to Information
Council’s communication strategy involves the use of a wide variety of platforms utilised to both engage with the community and enable effective feedback from the community.

These include:
- Direct mail with information included in quarterly rates and utility notices
- Website
- Facebook page
- Specific displays either in the Council office, Roxbylink or at events
- Council staff attending local community meetings
- Six Month Report Card
- The Vibe radio show
- Council Catchup radio show
- Council reports and updates provided to the Roxby Downs Community Board and associated forums.
- Increased usage of the My Local Services App with targeted notifications
- Enhanced strategic placement of Facebook posts
- SurveyMonkey as an easy to use and “at hand” tool for residents to provide online feedback.

Website Statistics
EFFECTIVE COMMUNICATION

Social Media

Council’s main Facebook site was launched in October 2016. Since that time Facebook pages for both Council and Roxbylink continue to be well used. The aim is to promote and engage with the community throughout the year. Council’s Facebook page has grown to nearly 900 followers. Similarly, Roxbylink’s Facebook page has 700 followers. This instant form of communication means information can be disseminated to a large audience quickly.

Local Services App

Many councils across South Australia have implemented the My Local Services App. Council was keen to adopt this initiative given the highly connected nature of our community. The app alerts users to key dates including bin collection days, meeting times, and events. Reminders are sent direct to mobile phones. The app also has a feature to report issues that require Council attention.

Welcome Bag

New residents are provided with a Welcome Bag when they visit the Council office for the first time. The Roxby branded calico bag contains information about a range of Council services as well as community information. The purpose of these bags is to connect new residents to the community by promoting important community related information and contact numbers. The Welcome Bag is a joint initiative of the Council, BHP and Strengthening Our Families.

<table>
<thead>
<tr>
<th></th>
<th>Facebook Page Likes</th>
<th>Facebook Page Followers</th>
<th>Daily Page Engaged Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2017 - June 2018</td>
<td>832</td>
<td>864</td>
<td>20,119</td>
</tr>
<tr>
<td>Oct 2016 - June 2017</td>
<td>532</td>
<td>538</td>
<td>5,911</td>
</tr>
</tbody>
</table>

*Roxby Council Facebook page launched 13 October 2016

Facebook Statistics
**CULTURAL VITALITY**

A strong sense of place and identity

### SUPPORTING COMMUNITY OWNED MEDIA

Locally based community media play an important role in connecting communities. Council is pleased to support RoxFM with an annual grant of $10,000 and in-kind assistance with the use of space within the Roxbylink complex.

Until it ceased publication in February 2018, The Monitor Newspaper was supported with rent free space within the Council building.

**Council Catchup Radio Show**

In February 2018, ‘Council Catchup’ was launched – a one hour radio program airing each Thursday morning at 8.30am on RoxFM. Council Catchup aims to keep the community informed on all Council news, as well as other local events and happenings. This includes Council organised and/or supported events and initiatives, Council job vacancies, community consultations, school holiday programs, art gallery exhibitions, changes to trading hours, waste, power and water issues and more. Council’s Chief Executive frequently comes on the program to discuss the highlights from Council meeting.

**The Vibe Radio Show**

A key element of Council’s communication strategy is the weekly one hour radio show on RoxFM called “The Vibe”. Council staff have been trained to work on the air and in how to produce a radio show.

The Vibe show, which is sponsored by Council, airs every Friday at 1pm and highlights upcoming events and news. Guests from the local community groups are often invited to speak on air about their event or group in an effort to increase involvement and community participation. The Vibe presenters also occasionally undertake outside broadcasts during events.

**FlowFM**

In 2018, Council also began participating in FlowFM’s Council Catch Up segment. This is an interview ranging between 5-10 minutes in duration where a Council representative discusses 3-4 local news items or events. Council features on this segment approximately once every two months, and is another example of it boosting its communication with the community and the broader region.
EVENTS

Each year, Council provides in-kind support to a number of community events. Community Development Staff assist various Forums with the planning and running of their events. This support includes event management coordination and advice, marketing and promotion, financial management, volunteer management and infrastructure management.

Roxby Power staff assist with electrical needs in Richardson Place while members of the Municipal Works team and external contractors ensure that the main street and other Council controlled venues are well maintained before and after events in areas such as: waste management; road closures; rotating banners; and gardening.

At Christmas time Roxby Power staff install Christmas lights in the main street in time for the annual Christmas Pageant.

Staff at Roxbylink support events taking place in the various venues located within the Roxbylink cultural and recreation precinct. This includes A/V support and set up.

Australia Day Event and Awards

Australia Day was celebrated at the Roxbylink pool on 26 January. Free entry to the pool, a free barbecue and an outdoor live broadcast by RoxFM created a lively family atmosphere. Just over 600 people attended the event despite the weather being over 40 degrees.

The Australia Day Citizen of the Year Awards were presented at the event by the Administrator Geoff Whitbread. Sister Pat Hogan and Tom Hannigan received Citizen of the Year awards. Sister Pat has been part of the Roxby Downs community for nearly 20 years. She was recognised for her involvement in a multitude of community programs that support families in Roxby Downs and Andamooka. Tom Hannigan was recognised for his volunteering efforts with the Roxby Downs Race Club, Hornridge Sporting Club and the Headland Roxby Rockets.

Young Citizen of the Year was awarded to Jennah Laister for her work with the Youth Advisory Committee and the Scouts. Community Event of the Year was awarded to the Rotary Club of Roxby District for the Roxby Downs Christmas Pageant. Rotary has coordinated the Pageant, a major annual event attracting over 2,000 people, since 2009.

The Sport and Recreation Awards, an initiative of the Roxby Downs Sport and Recreation Forum, were also presented by the Chair of the Community Board – Sandy Sumasion. The winners were: Charlee McDonald and Michael Gobbie for Young Sportsperson; Bev Zeptner and Robbie Sutton for Senior Sportsperson; Roxby Downs Scouts for Sporting Organisation of the Year; and Headland Roxby Rockets for Team of the Year.
OUTBACK CINEMA

Attendances at the 60 seat cinema increased by 2.14% during 2017/2018. This has been attributed to the increase in favourable children’s films released during this period. With the increase of screenings the life expectancy of projector lamps has dropped and as a result there has been an increase in maintenance costs. Annual events such as Shop Distributive and Allied Employees Union seminars, National Simultaneous Story Time and OSHC screening have been well received by the community.

ART GALLERY

The Art Gallery held seven exhibitions with a mix of community and professional touring exhibitions this financial year. The Gallery hosted displays by some of our local forums. These included; the Minyma Talk group who displayed an exhibition for NAIDOC week, the Arts and Culture Forum who held a community exhibition for the public to enter called ‘Shades of Red,’ and the Women’s Network who held a community exhibition asking entrants to address the theme of ‘How are you really?’

This opportunity creates an outlet for local residents to connect with people of similar interests and for community groups to attract more members.

Our two touring exhibitions from Country Arts were ‘Our Mob 2015’, and ‘Craft Anonymous’. Both of these exhibition were of high calibre and worked well in the newly refreshed space. Along with the opportunity to display these professional works, the Gallery had access to the knowledge of one of Country Arts’ Visual Arts Officers who assisted with the bump in of these exhibitions and shared his expertise with Council staff.
VISITOR INFORMATION CENTRE

A total of 4,023 visitors sought tourist and local information from staff at the Visitor Information Centre (VIC) in 2017/2018 which was a slight decrease from the 4,644 visitors of the previous financial year. The peak visitation period for the Roxby Downs region is April to September when the weather is much milder.

The seasonally run Olympic Dam Discovery Tours finished earlier than normal due to a maintenance shut down at the mine. This tour continues to grow in popularity, with 569 people attending. It was regularly booked out during the season.

Arid Recovery’s Sunset Tours were well attended with 169 people heading out on a tag-a-long tour. With the Council website showing relevant information that is easy to access, an active social media presence and with a Google My Business Listing the VIC has been able to reach more people.

A new tour experience ‘Dinner by Starlight’ was introduced which includes a three course camp oven dinner held at the Arid Recovery Reserve. This was enjoyed by a number of groups and it is hoped that this becomes a regular event in the coming years. The VIC assists the local community by being a ticket outlet for a number of local events including: Business Forum Business Breakfast, John Schumann Community Concert, and the Women’s Network Art Therapy Classes.

The VIC added two new consignment stock artists to the range of locally made products available for sale. Other items include: opal jewellery, beaded jewellery, hand painted souvenir rocks, homemade candles and Australian themed pouches.

The Visitor Information Centre has maintained its Accredited VIC status and continues to be part of the SA Visitor Information Centre Network along with 43 others in the state.

AUDITORIUM

The 350 seat Auditorium has capacity to host both large and small functions. As part of its commitment to bring cultural experiences to Roxby Downs, Council/Roxbylink supported a number of performances to suit the many interests of the community.

The Grug and the Rainbow show was held in October 2017, with two performances targeting 1-5 year olds and their families. Co-Opera returned with a performance of ‘The Barber of Seville’ in May 2018. The State Theatre Company performance of ‘Terrestrial’ was held in June 2018. They also hosted workshops with students from both RDAS and Saint Barbara’s Parish School and were able to open their eyes to the world of theatre and where it can take them.

Roxbylink staff handled both event setup and catering for the annual BHP Service Awards.

Through a number of post-show surveys staff have gained valuable feedback that help shape planning of next year’s events.
DUNES CAFE

The Dunes Café is a welcoming space where local residents and visitors meet and eat in an informal setting.

The Café provides a cool respite during hot weather. It includes a separate play café area for families with younger children where they can dine-in and watch their children play and be entertained.

The ‘Grab and Go’ fridges continue to be popular, with various daily specials including sushi, salads, wraps, cakes and muesli.

The kitchen and café staff have been working hard catering for many functions held during the year and there are plans to develop a new menu.

KIOSK

As the main customer service hub for the recreation complex, gym and cinema the Kiosk provides information, products and services to community members.

A review of products and pricing has reduced the amount of general wastage and increased sales by 13.82%. The trial of new healthier options as per the Healthy Eating Policy will continue throughout the new financial year.
COMMUNITY LIBRARY

The library offers a variety of resources and programs to meet the literary, informational and social needs of the local community. As at 30 June 2018 there were 1,893 members. For 2017/2018, there were 27,366 visits to the library which represented a decline of 17% compared to the previous financial year. The public internet computers were well utilised with 2,837 bookings. At total of 19,950 items were borrowed or renewed. The library’s collection totals 10,803 items, with resources evenly spread between adult and children’s areas.

Participation in children’s programs totalled just over 5,700. Children attended a number of different programs during the week and these included: holiday craft activities, Toddler Story Time and kindergarten sessions.

Toddler Story Time continues to be a popular program with sessions run as a joint initiative with Strengthening Our Families. Sessions are held on Tuesdays and Fridays at 9.30am with only session held during school holidays. Visits from Kindergarten children take place on Mondays and Thursdays at 9.30am.

The Library celebrated National Children’s Book Week with the theme of “Escape to Everywhere”.

In August, the library hosted well known Australian illustrator Marc McBride. The illustrator of the Deltora Quest series of books held workshops with students from Roxby Downs Area School and Saint Barbara’s Parish School. He spoke about the techniques of airbrushing and the artworks he created at each workshop were displayed in the library.

Other library events during the year included Easter celebrations in the bilby cave and Library Lover’s Day.

The meeting room space continues to be well utilised by sporting and community groups for after-hours committee meetings and training, bible study classes and as a green room for dance. There were 126 bookings for the year.

Other activities include a library book club which is a popular program for book lovers to meet and discuss a monthly themed book.
SOCIAL EQUITY

Community and resources are developed in an equitable and socially just manner to create a healthy, active community.

COMMUNITY DEVELOPMENT

Council works in collaboration with the Roxby Downs Community Board and Forums as well as BHP to provide a range of activities that support community life.

Council’s role varies from being the lead agent (e.g. initiator, event or project manager) to that of facilitator or supporter.

Events include: Neighbourhood Days, NAIDOC Week (July), Nature Play Festival (October), White Ribbon Day (November), Festival of the Trees (December).

In June 2018, Council appointed a Youth Development Officer to develop more youth related programs that offer personal development, skill development and leadership opportunities.

COMMUNITY FACILITIES

Community Youth Centre (Roxbylink)

The Community Youth Centre (CYC) is a multipurpose venue and home to after-school youth drop in, school holiday programs, Community Foodies Program, Multicultural Forum and Youth Advisory Committee.

The CYC is a friendly, positive and safe environment for young people aged 10 years and over. The space contains a pool table, air hockey table, Wii and Xbox consoles, comfortable couches and beanbags and giant outdoor chess pieces.

School holiday activities include art and craft, cooking classes and taco/pizza days. Participation in youth related activities continues to grow each year at the CYC. The number of attendances for 2017/2018 totalled 3,397 which was a 32% increase from the previous financial year.

The CYC also has a commercial kitchen and can be booked by community groups, businesses and the general public for functions, birthday parties, meetings and training sessions.
YOUTH DEVELOPMENT, PARTICIPATION & WELLBEING

The Youth Advisory Committee (YAC) (a sub-committee of the Roxby Downs Community Board) runs a number of events and fundraising activities during the year. Council’s Community Project Officers provide YAC members with support, advice and guidance and through these collaborations members develop new skills and confidence. Events held by YAC included gaming nights, themed nights, and pool parties.

Council also runs school holiday drop-in sessions and regular activities at the Community Youth Centre (CYC). Council provides in-kind support for the National Science Week event held in August each year and South Australian Youth Week events held in April each year.

PLAYGROUNDS

In May 2018 Council approved a proposal to officially name the park located in Curdimurka Street as Rotary Park. The community, through a process of public consultation, had an opportunity to provide feedback on the proposal as part of the approval process.

The Rotary Club of Roxby Districts will donate a barbecue to commemorate the club’s 10th birthday. Council will connect power, install the barbecue, a shade shelter and signage. The official naming ceremony is scheduled to take place in November 2018.
OVALS

The town ovals are maintained using a management plan that includes: aerating, scarifying, trimming the grass, regular sprinkler checks and irrigation maintenance and repairs.

Water storage tanks and irrigation control facilities ensure there is a steady supply of irrigation water.

Council has engaged a horticultural trainee. Maintenance of the ovals forms part of the trainee's learning experience.

Over the last 12 months permapine seating was replaced with recycled plastic seating. Replacement of old pine fence posting commenced at the northern end of the oval and will be completed by June 2019.

With support from a grant from the SA Cricket Association, Council has co-funded a new artificial turf pitch which has been installed to kick start the 2018 cricket season. The ovals are now in pristine condition, attracting a range of activities including soccer, rugby league, AFL, cricket, and touch football. All of these sports now have considerable female participation and building for the future.

Ongoing maintenance and renovation projects are being undertaken to ensure the continuing development of the ovals. Future plans include upgrading change room facilities and landscaping surrounds. Grants have been applied for to seek funding to support these projects.

These projects are aimed at stimulating interest not only from the greater community but the state as well. This was demonstrated with the successful hosting of West Adelaide Football Club (SANFL). The club conducted local training sessions for all ages which generated positive feedback and has paved the way for a possible regional round in the future.
SPORT AND RECREATION

STARCLUB Field Officer Program

The STARCLUB Field Officer Program is a partnership between the South Australian Office for Recreation, Sport and Racing and the Council. The three year funding agreement expired on 30 June 2018. A new three year agreement has been negotiated which extends the program to 2021. The STARCLUB Field Officer role is performed by Council’s Sport and Recreation Officer.

The STARCLUB Field Officer works closely with local sporting organisations to build capacity through training programs, assisting with strengthening management processes and governance of their operations to ensure sustainability. Part of this work includes promoting the Good Sports Program.

There are 24 sporting clubs currently registered with the program, with club members working hard towards receiving full STARCLUB recognition.

During 2017/2018 there were eight development workshops held for sporting clubs covering the following topics:

- Social media training
- Liquor licensing update
- Child Safe Officer training
- Mental health and alcohol awareness
- Basic and intermediate taping
- Complaints handing
- Governance

These workshops have been well received, with strong attendance by committee members, coaches and athletes.

The STARCLUB Field Officer has also assisted local organisations to apply for grants with a total of $71,355 received from the Office for Recreation and Sport.

Girls Football training at the main oval
Roxby Junior Sports Academy

In early 2018, a collaboration between the Sport and Recreation Forum, BHP and Council has led to the development of the Roxby Junior Sports Academy ("RJSA").

The RJSA provides select athletes across all sports in Roxby Downs with increased sporting opportunities, and assists in identifying clear talent pathways at either a local, state or national level.

The 2018 RJSA squad is composed of twelve athletes aged between 13 and 17 years of age. Terms 1 and 2 focused on strength and conditioning with athletes training twice per week.

Specialised coaching has also been delivered in the following key areas: sports psychology, goal setting, speed and acceleration, sports nutrition and injury prevention.

Pathway opportunities include the RJSA female athletes attending an Inner Sanctum experience with the AFLW Crows side. This visit was made possible due to the generous support of BHP.

During Term 3, the RJSA squad attended the University SA High Performance Centre where they participated in elite level testing and a tour of the Cycling SA headquarters at the Adelaide Super-Drome.

In addition to strength and conditioning, Term 3 has also seen a focus on agility and plyometric. The athletes have also received media training.

The ongoing operations of the RJSA have been made possible through the support of Council, BHP, Alliance Airlines, Monadelphous, West Adelaide Football Club and the Office for Recreation, Sport and Racing.
PULSE FITNESS

Gym (Pulse Fitness)

Pulse Fitness offers specialised programs developed by in-house expert trainers to assist community members in achieving their fitness goals and developing a healthier lifestyle. The fully equipped gym provides opportunities for all fitness and skill levels. With a dedicated cardio, weights and stretching area there is plenty of space for all members.

Pulse Fitness started the financial year with a total of 234 members, which dropped slightly by year end to 227 current members.

There were 20,664 member visits during the year (excluding group fitness). These numbers were heavily influenced by the mine shutdown that took place at the end of 2017 and beginning of 2018. The increase in mine workers to town had flow on effects for the gym attendances and resulted in an increase in income of 20.2% for the year.

Preparations to replace the floor began with work scheduled to take place in July 2018.

Group Fitness

The range of fitness classes, times and availability provide a range of options for community members. Classes include Pump, Balance, Aqua, Boxing, RD Move It, and Circuit. Ocean Motion was introduced in May 2018 as a Low Impact water resistant circuit program. Throughout the year there were 1,155 attendances at group fitness classes.
KIDS CLUB

Crèche

The Roxbylink Crèche provides onsite support for parents attending group fitness classes, ladies netball and other recreation programs at the Roxbylink complex. This service caters for children aged six months to five years, with an hour of care per child on Monday, Tuesday, Wednesday and Friday.

The Crèche continued to have steady numbers, with a small number of new families joining. Staff continue to promote healthy eating in the Crèche which encourages parents to have appropriate snacks for their children.

Nippy Gym

Nippy Gym creates a play environment where children aged six months to five years can develop socially, emotionally, cognitively and physically in a safe structured/unstructured and multi-sensory environment. Parents/guardians are actively involved and responsible for the supervision and safety of their own children at all times.

Throughout the year attendances fluctuated with numbers unpredictable on a weekly basis. This in part was influenced by the 7/7 roster for employees at Olympic Dam.

SWIM SCHOOL

The Swim School program caters for children aged six months up to adults. With most of the participants in the 3 – 7 year age bracket. This financial year has seen an increase in the demand for private swim lessons, with an average of 20% of all classes being private lessons.

As identified last financial year the pattern of parents preferring to start their children in swim lessons between the age of three and five has increased demand for private classes.

Work is ongoing to target these families at the six month – three year age group to ensure that all children have basic skills in the water from a young age.
AQUATICS

There was increase in single and family pool membership compared to 2016/2017. This was expected due to the splashpad being open for the full season. The splashpad has proven to be popular throughout the year, often being utilised after the main pool had closed.

As part of the maintenance program, the main pool and indoor pools were both resurfaced. This bought a fresh new look for the pool yard.

The indoor pool has seen a rise in hydrotherapy memberships over the last financial year.

The outdoor pool and splashpad continue to be a perfect place for birthday parties, special events and Christmas shows between October and March.

PUBLIC HEALTH

Public Health Plan

The South Australian Public Health Act 2011 requires councils to prepare and implement a regional health plan. The Act recognises that councils provide leadership and public health in their regions and also influence the health of their communities by what they do and do not do.

Many local government activities have links to public health. These community activities include: waste management; building inspections; planning and development approvals; animal management; environmental health; infrastructure (footpaths, parks, shade); sport and recreation; community services; emergency management; and environment.

The Roxby Healthy Community Plan was adopted in 2014, with goals aligned with the State Public Health Plan. Council staff are active members of the Roxby Downs Health Forum, the Alcohol and Substance Abuse Forum and other health related community committees which facilitates a whole of community response to health.

ENVIRONMENTAL HEALTH

Council’s environmental health service is contracted to the City of Salisbury. Environmental Health Officers make bi-monthly visits to conduct inspections and investigations.

Activities include:
• Health and food safety promotion. Free literature on various subjects is available from the Council Office, and the free online I’m Alert Food Safety Training Program is made available for food handlers.
• Public and limited access swimming pools are monitored daily by the relevant pool operators. They are also inspected by Environmental Health Officers on a regular basis when the pools are open for use. Pools inspected include those in the Roxby township and at Olympic Dam
• Legislation pursuant to the Public Health (Legionella) Regulations 2013 requires all councils to register High Risk Manufactured Water Systems (Cooling Water and Warm Water Systems). One Warm Water System has been registered with Council and is inspected for compliance on an annual basis (via third party audits).
FOOD SAFETY

The Council has 35 food businesses which are assessed for compliance with the Food Act 2001 and the Food Safety Standards. A total of 38 food inspections were undertaken in the last financial year which included three follow up inspections.

COMMUNITY HEALTH PROGRAMS

Community Foodies

The Community Foodies program launched in early 2016 and is a partnership between Roxby Council and SA Community Foodies. The Foodies are volunteers and, through their promotional activities, raise awareness about healthy food choices. Foodies are trained in basic nutrition, food safety, group training, knife skills and cooking skills. During 2017/2018 they attended a Kids Nutrition session with a visiting dietician which focused on making healthy foods for morning tea.

There are currently 14 active Foodies plus six junior Foodies aged 10-14 years. Through various community programs the Foodies share their knowledge with the aim of promoting healthy lifestyles through healthy eating to community groups, local schools and local residents. Recent Foodies activities include Kids in the Kitchen, school holiday activities, market day stalls, Wellbeing Week in local schools, Toddler story time sessions, cooking demonstrations and supermarket tours with label reading. They are also took part in the Great Pumpkin Party using all pumpkin recipes to produce goods for a Foodbank Fundraiser. Foodies contributed their own recipes and produced a cook book which was printed for sale to the local community.

Healthy Eating Policies

A Healthy Eating Policy has been adopted which aims to offer healthy food options across all of council’s facilities. Council, though the Dunes Café, has also joined the South Australian Government’s Healthy Kids menu initiative. The aim of this pilot program is to offer children’s menus which include at least 50% healthy choices.

ROXBYS DOWNS HEALTH FORUM

The Health Forum is a subcommittee of the Roxby Downs Community Board and works in partnership with Country SA PHN (Primary Health Network) to offer a whole of community approach to health and wellbeing. All stakeholders, including the Council, recognise the challenges faced by remote communities and the important role that health plays on community stability and sustainability.

The Forum actively lobbies, on behalf of the community for additional health services and manages events that promote mental and physical wellbeing. Council staff provide executive support to the Forum.
ECONOMIC PROSPERITY

Commonality of purpose between Council, BHP and local business to support continued economic growth and development

AN ACTIVE BUSINESS COMMUNITY

Council is an active member of the Roxby Downs Business Forum, which focuses on the needs of local businesses.

Council is also a resource partner with Regional Development Australia Far North in order to explore opportunities for business services to be delivered from within Roxby Downs.

TOURISM PROMOTION

The Visitor Information Centre (VIC) is one of 43 accredited VICS across the state. Only accredited VICS can display the trademarked yellow italic “i” sign which is a symbol of guaranteed quality service and reliable information. Accredited VICS contribute to the local economy by providing information to visitors that encourages them to stay longer and spend more locally.

During the year, the VIC increased the range of retail items which included locally made jewellery and gift ware.

Annual advertising and promotion in Flinders Ranges and Outback Visitor Guide (a South Australian Tourism Commission publication) encourages visitors to include Roxby Downs on travelling itineraries.
ENVIRONMENTAL SUSTAINABILITY

Responsible and cost effective management of our environment

EFFECTIVE AND RESPONSIVE DOG & CAT MANAGEMENT

Council has management responsibilities under the *Dog and Cat Management Act 1995*. Activities include registration, collection and return of stray dogs and cats and investigating complaints of barking or dog attacks in the community.

From 1 July 2018, all dog and cat registers maintained by councils will be combined in a statewide register known as Dogs and Cats Online (DACO). Dog and cat owners will become responsible for registering and renewing their animals through this system. During 2017/2018, Council staff were involved in preparing Council’s database for transition to the new system.

![Image of a dog and cat]

There are 602 dogs and cats registered in Roxby Downs (source: Dog and Cat Management Board (SA))

<table>
<thead>
<tr>
<th>Item</th>
<th>2016/17</th>
<th>2017/18</th>
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<tbody>
<tr>
<td>Dog Registrations</td>
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<td>532</td>
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<tr>
<td>Dog Expiations</td>
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<tr>
<td>Dog Attack reports</td>
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<td>Cat Expiations</td>
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<tr>
<td>Cat Registration Fees</td>
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<tr>
<td>Cat Nuisance Reports</td>
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*A transition period between Cat by-laws resulted in no activity in 2016/2017*
WASTE MINIMISATION AND RECYCLING

Council outsources waste management services to a local contractor (BSH). With the closure and capping of the landfill (dump) site in June 2015, the town’s waste is now transported to a landfill site at Inkerman (near Dublin) north of Adelaide. A resource recovery centre operated by BSH is located in Gosse Street and is open to the public to domestic waste, green waste and recyclables at no charge.

Household Bin Services

There was a 14.9% increase in total general waste generated. The increase was partly offset by an improvement in the quantity of waste diverted from landfill, with an increase in recycling tonnes collected from household bins.

The additional recycling tonnes were largely offset by a reduction in tonnes of green waste collected from green waste only bins. The net effect was a 2% increase in total recycling and green waste.

Crows

Overfilled household bins continue to be an issue. Bin lids need to be fully closed to prevent crows rummaging through waste in search of food and leaving litter in the streets. Council continues to run a community awareness campaign on this topic.

GREEN ORGANICS

Council collects green waste from households on a single collection day each month. Usage and compliance continues to be monitored and the future service may be reviewed again if contamination and under-utilisation continues.
A SAFE COMMUNITY

Road Safety

Roxby Roadsafe (a sub-committee of the Roxby Downs Community Board) is currently in recess. Council is still committed to raising awareness of road safety matters and periodically promotes road safety messages on its Facebook page.

Footpaths and Road Crossings

Throughout the year, the annual reseal program continued. Road patching and reseals were completed at the roundabouts on Wattle Drive/Melia Street, Melia Street/Tiliqua Crescent and Tiliqua Crescent/Senna Terrace. Selective line marking at schools and high traffic areas was also completed.

Fire Prevention

The Fire and Emergency Services Act 2005 stipulates that each rural council must appoint a Fire Prevention Officer for its area. The Fire Prevention Officer’s role includes the monitoring of residential and rural areas to ensure landowners take responsible steps to protect their property from fire, as required under the Act.

Inspections are carried out leading up to, and during, the Fire Danger Season to assess compliance. Notices are issued where compliance has not been met. Section 105F Notices are issued pursuant to the Act, requiring landowners to maintain their properties to reduce the risk of fire. During 2017/2018 no Section 105F notices were issued.

Council also has the responsibility to ensure that reserves under its care and control are maintained to fire prevention standards.

Council’s Fire Prevention Officer issued 28 Schedule 10 permits and 28 Schedule 9 permits during the year which authorise the lighting of fires in open air on total fire ban days and during the bushfire season. The permits issued were mainly over the Christmas and New Year period.

Building Fire Safety Committee

The Building Fire Safety Committee (BFSC) operates pursuant to the provisions of the Development Act 1993 and its primary function is to ensure fire safety in buildings. This is achieved through developing building fire safety inspection policies and examining the adequacy of fire safety provisions in buildings.

The Committee is made up of Brett Fennell, (BuildSurv- Building Surveyors & Certifiers), Jeff Shillabeer (City of Salisbury) and Colin Paton (South Australian Country Fire Service – Fire Safety Officer – Commercial).

The BFSC generally meets at least once a year on site unless required otherwise with any follow up meetings as required (these are not necessarily held in Roxby Downs) per the Terms and Reference of the Building Fire Safety Committee.
A CLEAN AND ATTRACTIVE ENVIRONMENT

Council continues to include streetscape improvements in public spaces and ensures that streets and public areas are regularly clean and swept.

10 cent refundable beverage container recycling bins in Richardson Place form part of Council’s litter control strategy. The main street is regularly maintained and monitored by Council’s horticultural contractor to ensure a clean and attractive environment.

Corellas continue to be a seasonal problem impacting on local trees and vegetation as well as causing noise issues and white stains on pavements and buildings. This problem is not easily solved and research is being undertaken to determine effective management strategies.

ENVIRONMENTALLY INVOLVED COMMUNITY

Environment Forum

Council’s Community Projects Officer (Environment) facilitates the Environment Forum on behalf of the Roxby Downs Community Board. This Forum is involved in a number of environmental projects including: off road driving, Wildlife Hotline and recycling programs.

Environmental Awareness

Council staff joined with the Roxby Downs Joey Scouts to coordinate an engaging and fun learning exercise about recycling. They learnt about the different items that can be recycled and what happens to waste after the bin collection process.

Wildlife Hotline

Council entered into a three year resource agreement for Arid Recovery to manage the Wildlife Hotline. The Wildlife Hotline is a volunteer emergency response program for residents to receive assistance with snakes or injured or distressed wildlife. The service operates 24 hours a day, seven days per week.

Self Sufficiency in the Suburbs

Council partnered with the Self Sufficiency in the Suburbs program for a 12 month period commencing in February 2018. This online program, which is offered free of charge to local households, involves the purchase of a licence to receive up to 500 memberships. The program will be reviewed after 12 months.

COMMUNITY GARDEN

The Community Garden is located on the Council reserve linking Pioneer Drive, Mulgaria Crescent and Alberrie Street. Community Garden volunteers, supported by Council’s Community Projects Officer (Environment), have been very active over the last 12 months. Significant progress has been achieved with the construction of pathways, landscaping and new plantings.

The garden contains specially constructed wicking beds which are designed to draw water up from a reservoir below the soil “wicking” water directly to the plant roots. This style of garden bed is ideally suited to the arid climate of Roxby Downs.

Labour, materials and plants have all been donated. These efforts are continuing to beautify this major pedestrian thoroughfare which forms part of the Emu Walk. The Community Garden continues to be used as a site for education with regular visits from local school students to participate in hands-on learning about the environment.
During 2017/2018 a range of planned capital and maintenance works were completed. Road resurfacing occurred at three major roundabouts.

Council completed works associated with upgrade of the Richardson Place precinct with assistance from the Department of Planning Transport and Infrastructure, through its Places for People Program. The program gave Council access to nearly $90,000 out of a total project budget of $190,000 to enable streetscape improvements to the Richardson Place precinct.

Design and project assistance was undertaken in-house which maximised value from the project.

The upgrade included more shade over grassed areas, new seating and tables, installation of energy efficient lighting, new street planting and improvements in functionality of on-street parking including more disability access parking spaces.

The upgrade has enhanced the amenity and park like atmosphere of the median strip.
A range of programmed capital and maintenance works were completed at Roxbylink. These included the resurfacing of the main stadium. This project was supported by a grant of $45,000 from the State Government’s Sporting Surfaces Program.

CAPITAL WORKS (continued)

Other works included the resurfacing of the netball courts, resurfacing of both the indoor and outdoor pools, re-flooring and painting of the gym and maintenance of the Dunes Café air-conditioning system.
FINANCIAL PERFORMANCE
A financially sustainable and independent Council

FINANCIAL SUMMARY
The independent audit was conducted to form an opinion according to the Australian Accounting Standards and other statutory requirements as to whether the statements form a fair view of the operation and the financial position of Council for the year ended 30 June 2018. The full version of the 2017/18 Annual Financial Statements is attached to this Annual Report.

BALANCE SHEET
Council continues to have a strong Balance Sheet with high quality assets and borrowings. The cash position of $7.184m is the result of the combined effect of higher than expected income, cost management, debtor control and active investment of surplus cash. This places Council in a good position with respect to its ability to meet the longer term costs of fixed assets and the demands they will have on repairs and maintenance budgets and cash resources.
STATEMENT OF COMPREHENSIVE INCOME

Income
This year’s total revenue of $18.248m is $194k higher than the previous financial year. User charges, which comprise 63% of Council’s total revenue base, increased by 4.6% due to an increase in revenue from commercial activities including Functions, Cafe, Cinema, Gym and Pools. Revenue from water and electricity charges grew as a result of increased volume demands from local economic activity. A major mine shutdown in late 2017 triggered an influx of workers and the construction of temporary accommodation villages. Some of the extra volume can be attributed to this event.

Operating Expenses
Employee costs represented 29.1% of total operating expenses which is on par with the previous financial year and is at a rate that is consistent with local government generally. Employee costs fell by $210K as a result of restructuring and natural attrition, and some positions were not replaced.

The decrease in materials, contracts and other expenses resulted from the reduced use of external consultants and the renegotiation of various major contracts. Savings were also achieved in insurance following a review of insurance cover across the entire portfolio of policies.
PERFORMANCE AGAINST BUDGET

The 2017/18 budget was adopted by Council on 27 June 2018. The budget is reviewed monthly and formally reviewed each quarter. These quarterly reviews, which reflect any budget variations, were adopted on 31 January, 28 March and 30 May 2018. These reviews ensure that targets are being met, cash flow is maintained and changes to the adopted budget are endorsed by Council.

The above table reflects that as at 30 June 2018 Council achieved a 5% increase in projected income and 6% decrease in projected expenses. This positive outcome resulted in an operating surplus for the year of $2.227m compared to the Adopted Budget’s projected surplus of $412K.
KEY FINANCIAL INDICATORS

The long term financial sustainability is measured by four key financial indicators.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2018</th>
<th>2017</th>
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</thead>
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<tr>
<td>Operating Surplus Ratio</td>
<td>12%</td>
<td>8%</td>
<td>(3%)</td>
<td>(1%)</td>
</tr>
</tbody>
</table>

This indicator identifies the extent to which operating revenue is sufficient to meet all operating expenses. A positive ratio indicates the percentage of total revenue available to fund capital expenditure. A negative (-) ratio indicates the percentage increase in operating income or the approximate decrease in operating expenses required to achieve a break-even operating result.

| Adjusted Operating Surplus        | 12%  | 7%   | (3%) | (2%) |

This indicator is to determine the percentage that operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure.

| Net Financial Liabilities Ratio   | (41%)| (17%)| 1%   | (9%) |

This indicator is a measure of total indebtedness and includes all Council’s obligations including provisions for employee long service leave and other amounts payable in the future as well as taking into account Council’s cash holdings and invested monies. This ratio indicates the extent to which the net financial liabilities can be met by total operating revenue. If the ratio is falling, it indicates that Council’s capacity to meet financial obligations from operating revenues is strengthening.

| Asset Renewal Funding Ratio       | 127% | 4%   | 13%  | 1%   |

This indicator aims to determine if assets are being renewed and replaced in an optimal way.

RATING

All land within the Council area, except for land specifically exempted (e.g. unalienated Crown Land and Council occupied land) is rateable. Council continues to use capital value as the basis for valuing land within the Council area as this method is considered to provide the fairest method of distributing the rate burden across all ratepayers.

There are 1,879 rateable properties within the municipality. Council raised $5.463m in rates revenue for 2017/2018 which included general rates, waste collection, and the Natural Resource Management levy (collected on behalf of the SA Arid Lands NRM Board as required by legislation).

AUDITOR REMUNERATION

Bentleys Chartered Accountants were appointed as Council’s Auditors for a five year term commencing on 1 July 2016. The total remuneration paid for undertaking the annual audit of Council’s financial statements for 2017/2018 was $34,000.
OUR PEOPLE

Skilled and committed staff who work in a supportive environment

WORKFORCE PROFILE
(As at 30 June 2018)

<table>
<thead>
<tr>
<th>Type</th>
<th>Total</th>
<th>%</th>
<th>Male No.</th>
<th>%</th>
<th>Female No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Time permanent</td>
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<td>39%</td>
<td>10</td>
<td>30%</td>
<td>23</td>
<td>70%</td>
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<tr>
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<td>8%</td>
<td>0</td>
<td>-</td>
<td>7</td>
<td>100%</td>
</tr>
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<tr>
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<tr>
<td>Trainees*</td>
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<td>1%</td>
<td>0</td>
<td>-</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Total**</td>
<td>85</td>
<td>100%</td>
<td>24</td>
<td>28%</td>
<td>61</td>
<td>72%</td>
</tr>
</tbody>
</table>

*Trainees are employed via Career Employment Group (CEG)
** Full Time Equivalent excluding trainees = 55 employees

SENIOR MANAGEMENT TEAM

The Senior Management Team represents the Executive Leadership group and as at 30 June 2018 comprised:

Chief Executive (appointed 31 July 2017):

- Group Manager Corporate Services
- Group Manager Governance and Community
- Group Manager Essential Services and Assets
- Group Manager Lifestyle and Sport

The Chief Executive and Group Managers are employed directly by the Council via performance based contracts. Salary packages for these positions are comprised of: a negotiated annual salary, mobile phone, housing and utilities, and statutory superannuation. Depending on the role the officer may have full or partial access to a fully maintained Council vehicle or equivalent.
Major Employer
As a major employer in town the Council provides a range of employment opportunities for the partners and family members of mine workers. Casual staff are employed to meet the seasonal demands of recreation and cultural services.

Council is committed to providing career opportunities for young people. A successful program of youth traineeships operated between 2016 and 2017. Council directly employed three trainees at the conclusion of their traineeships and has provided them with further opportunities for ongoing study. These staff were employed in community services, IT and finance roles.

External Expertise
Council has a longstanding agreement with the City of Salisbury to provide Environmental Health Services and Building Surveying Services. Similarly, Council uses the expertise of an External Planning Consultant – Stewart Payne. This has proven to be a cost effective method of accessing expertise without having to employ locally based officers due to relatively low volume of work in these areas. These personnel regularly visit Roxby Downs and also provide advice when required via telephone.

Organisational Restructure
In December 2017 an organisational restructure realigned operational functions which were divided between four Group Managers. Some positions were re-configured with extra responsibilities and new reporting lines. These changes have improved efficiencies and created opportunities for staff development.

Staff Turnover
Staff movements during the year created an abnormally high turnover rate of 26% for permanent staff. Some positions were not replaced with duties absorbed by existing staff. The higher turnover of casual staff at Roxbylink continues to be a major challenge.

Equal Employment Opportunity
Council is an equal opportunity employer and is committed to providing a working environment free from discrimination, bullying and harassment.

In early 2018, two Equal Opportunity Contact Officers were appointed so that both worksites (Council Office and Roxbylink) had representation. These Officers received specialised Contact Officer training. Managers and Team Leaders also attended a three hour workshop on Equal Opportunity.

Training & Development
Council continues to support training and development programs for staff despite the challenges of a remote location, lack of programs available locally and costs of travel.

Enterprise Agreement
Conditions of employment are reflected in the Municipal Council of Roxby Downs Enterprise Agreement 2017 (“Agreement”).

The Agreement is a standalone industrial instrument to the extent permitted by Section 81(3) of the Fair Work Act 1994 (SA). This Agreement maintains and refines various employment and welfare initiatives such as a Time off in Lieu (TOIL) system that provides staff with flexibility to combine work, personal and family commitments. The current Agreement remains in force until 6 March 2020. In January 2018, a 1.5% increase in salaries was applied under the terms of the Agreement.

Code of Conduct
The Code of Conduct for Local Government Employees published by the Minister for Planning for the purpose of Section 110 (1) of the Local Government Act 1999 outlines the principles that govern the conduct of council employees in relation to gifts and benefits.
Work Health and Safety
Council is committed to providing and maintaining a safe and healthy work environment for all staff, volunteers, contractors and visitors that minimises the risk of injury or illness. In June 2018 WHS resourcing was increased with Council recruiting a full time WHS Officer and Risk Specialist.

Health and Wellbeing
A variety of voluntary programs reinforcing the importance of maintaining personal health were provided during the year. These included: skin cancer screens; fitness assessment; back care; blood pressure; heart risk profile; nutritional profile; blood glucose and cholesterol checks.

Employees were provided with access to free influenza vaccinations. This is a voluntary program with the aim of increasing uptake each year.

The Workplace Bargaining Committee participated in a workshop delivered by Healthy Environ which focused on the topic of resilience. This workshop – “Building Healthy and Resilient Teams” will be delivered to all staff in August 2018.

Employee Assistance Program
Council engaged the services of a new Employee Assistance Program (EAP) Provider. The new provider ACCESS Programs was selected due their regional presence. The EAP provides access to free confidential counselling to assist staff in resolving personal and/or work related issues.

Keeping Staff Informed
Staff are kept regularly up to date with a weekly internal communications briefing on Council activities and a weekly staff newsletter from the desk of the Chief Executive. The intranet provides access to policies and procedures. The aims of internal communications are to ensure that employees are engaged and feel connected to the strategic goals of Council.

Donations to Charity
Each year, staff are involved Australia’s Biggest Morning Tea event and raise funds for the Cancer Council as well as other fundraising activities.
OUR GOVERNANCE

A responsible consultative and inclusive body dedicated to good governance

DECISION MAKING STRUCTURE

Under the provisions of the Roxby Downs (Indenture Ratification) Act 1982 the position of ‘Administrator’ is an Officer of The Crown subject to the direction of the Minister for Energy and Mining.

BHP is also formally recognised and along with the State Government contributes equally to fund Council’s Municipal deficit. Whilst both partners must approve Council’s budget, they have no formal control of the day to day operations of Council which is an independent legal entity.

The Administrator is the decision making authority and has all the powers of a Council. The Chief Executive manages the day to day operations of the Council.

Development Assessment Panel

In relation to some decisions under the Development Act 1993, this Council, like a number of smaller councils, has obtained an exemption from the Minister for Planning and Local Government to have a Development Assessment Panel. All of Council’s decisions, under the Development Act 1993 as a relevant authority, are made by the Chief Executive under delegated authority from the Council. All decisions are made following advice from Council’s Planning Officer.

COUNCIL MEETINGS

The Administrator holds monthly public Council meetings which are scheduled for the last Wednesday of each month (except in December when the meeting was held a week earlier on 20 December).

Council meetings are held at 4:00pm in the Council Boardroom. Members of the community are welcome to attend. Agendas and minutes can be accessed on the Council’s website.

During this period there were no deputations or petitions made to Council.

Confidentiality

Under the Local Government Act 1999, matters of a confidential nature may be discussed at closed Council meetings. During 2017/18 no meetings were held which excluded the public.

SECTION 270 REVIEWS

Council’s Review of Council Decisions Procedure under section 270 of the Local Government Act 1999 provides a grievance process for any person wishing to have a council decision reviewed.

PRESCRIBED COMMITTEES

Audit Committee

Subject to the overriding provisions of the Indenture, Council has established an Audit Committee pursuant to Section 126 of the Local Government Act 1999. This Committee is responsible for reviewing financial reporting, maintaining a reliable system of internal controls and management of risk.

A new Audit Committee was appointed in February 2018 and comprises independent members. They are David Powell (Presiding Member), Trevor Starr and Rosina Hislop. The Presiding Member is appointed for a three year term while committee members are appointed for a two year term. Sitting fees are $1,000 per meeting when the meeting is held in Adelaide. The sitting fee for an Audit Committee meeting held in Roxby Downs is $1,500.

The Chief Executive and Finance staff attend meetings but do not have a role in decision making. All decisions of the Audit Committee become recommendations to Council.

The Audit Committee met on four occasions during the year.

SUBSIDIARIES

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

FREEDOM OF INFORMATION

Various Council documents and other information are available on Council’s website without the need for a formal application under the Freedom of Information Act 1991. Some information may be available for viewing at no charge, whilst some items may be copied at a small charge, provided that copying does not infringe copyright. In some cases, where an extraordinary amount of staff time is required to comply with a request for information, charges may be imposed to recover costs.

Requests for other information will be considered in accordance with the Freedom of Information Act 1991. Under this legislation, unless the applicant is granted an exemption, an application fee must be forwarded with the request to Council’s Freedom of Information Officer.

Information Statement

Council is required under section 9(1) and (1a) of the Freedom of Information Act 1991. A copy of this statement is available to view on the Council’s website.

Amendment of Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Freedom of Information Act 1991. A member of the public may then request a correction to any information about themselves which is incomplete, incorrect, misleading or out-of-date. To gain access to these Council records, a member of the public must complete a Freedom of Information application as detailed above, outlining the records that he/she wishes to inspect, and this application must be forwarded to Council.

Freedom of Information Applications

During the 2017/18 Council did not receive any Freedom of Information applications for access to documents.

LOCAL NUISANCE AND LITTER COMPLAINTS

The Local Nuisance and Litter Control Act 2016 partially commenced on 1 February 2017, with litter control being passed across to Local Government for monitoring and enforcement at this time. Local nuisance provisions commence in 2017/2018.

No complaints of littering were received by the Council.
NATIONAL COMPETITION POLICY

Council has an obligation under Clause 7 of the National Competition Policy to report on the application of competition principles. During 2017/2018, Council advises that it:

- Has determined that it has no significant business activities as defined in the Clause 7 statement
- Has no by-laws which place barriers on market entry, conduct or discriminates between competitors
- Has not received any complaints alleging breaches of competitive neutrality principles
- Is involved in public monopolies associated with the provision of electricity, water and sewerage services. These operate in accordance with the provisions of the Roxby Downs (Indenture Ratification) Act 1982.

COMPETITIVE TENDERING

Council’s Procurement Policy guides the practices and procedures for procuring goods services and works. The Policy ensures that procurement activities are conducted in accordance with five key principles which are:

- Value for money
- Probity, ethical behaviour and fair dealing
- Accountability, transparency and reporting
- Risk management

Assessment criteria includes consideration of the impact of service delivery approaches on local businesses.

For significant tenders Council will engage a Probity Auditor to overview the process and selection evaluation through a panel who will provide a report and recommendation to the Administrator and Chief Executive.

COMMUNITY LAND

In accordance with Section 193 of the Local Government Act 1999, all local government land owned by Council or under our care and control (excluding roads) is classified as community land. Council has completed a classification process and prepared community land management plans for each identified parcel of community land. The Community Land Register and copies of relevant management plans are available from Council.

During 2017/2018 a review was completed on the community land management plans and the leases for Roxby Riding Club, Roxby Districts Racing Club, Roxby Downs Golf Club, Roxby Downs Bowling Club, Roxby Downs Motocross Club, Dirt Circuit and the Roxby Downs Dirt Kart Club. This resulted in new leases being negotiated.
LOCAL LAWS

All by-laws will expire on 1 January 2024 unless revoked or amended prior to that date. Copies of the by-laws are accessible from Council’s website.

1. By-law No. 1 - Penalties and Permits
This by-law refers to the granting of permits and penalties associated with breaches of any bylaws.

2. By-law No. 2 - Dogs.
This by-law relates to the management of dogs in the council area and limits the number of dogs kept on premises.

3. By-law No. 3 - Cats
This by-law relates to the management of cats in the council area, establishes a registration scheme for cats and limits the number cats kept on premises.

4. By-law No. 4 - Local Government Land
This by-law regulates the access to and use of Local Government land (other than roads) and certain public places.

5. By-law No. 5 - Moveable Signs
This by-law sets standards for moveable signs on roads and provides conditions for the placement of such signs.

6. By-law No. 6 - Roads
This by-law regulates certain activities on roads in the Council area.

7. By-law No. 7 - Waste Management
This by-law regulates the removal of domestic waste, recyclable and green organic waste from premises in the Council area.

REGISTERS

Local councils are required to maintain mandatory registers and Codes of Conduct and Codes of Practice. The following registers are maintained:

- Officers Register of Salaries
- Fees and Charges
- Community Land
- Public Roads
- By-laws.

The following items do not apply to this Council:

- Members Register of Interests
- Members Register of Allowances and Benefits
- Members Code of Conduct
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures.
COUNCIL POLICIES

Council has adopted a wide range of policies to assist in decision making and administrative processes. Council policies are available for viewing on the Council website and/or at the Council office.

The following policies are held as required by legislation:

- Internal Review of Council Decisions
- Contract and Tenders Policy
- Order Making Policy
- Public Consultation
- Prudential Management

Additional policies comprise:

- Asset Accounting Policy
- Bad Debt Policy
- Budget Management Policy
- Business Units Financial Accounting Policy
- Child & Vulnerable Persons Safe Environment Policy
- Code of Conduct for Local Government Employees
- Complaints Policy
- Credit Card Policy
- Customer Service Policy
- Disposal of Land and Assets Policy
- Dog and Cat Registrations Policy
- Equal Opportunity, Discrimination, Harassment and Workplace Bullying Policy
- Electricity Bond Policy
- Electricity, Water and Rates Payments Policy
- Expiation Fines Policy
- Financial Internal Control Policy
- Fitness For Work Drugs and Alcohol Policy
- Flag Flying Policy
- Food Hygiene Policy
- Fraud and Corruption Policy
- Funding Policy
- Gifts and Benefits Policy
- Grievance Policy
- Healthy Eating Roxbylink Café & Kiosk
- Induction of New Employee Policy
- Issue of Parking Expiation Notices Policy
- IT Electronic Communication Tools Policy
- Leases and Licences to Sporting and Community Organisations Policy
- Library Conditions of Use Policy
- Maintenance of Road Verges Policy
- Media Policy
- Microchip Scanner Use Policy
- Mobile Phone Policy
- Mobile Vendors Policy
- Municipal Rating Policy
- Payroll System Policy
- Portable Computer and Storage Devices Policy
- Privacy Policy
- Procurement Policy
- Rate Debt Recovery Policy
- Records Management Policy
- Recycled Water Policy
- Review of Council Decision Policy
- Risk Management Policy
- Roxby Council Dispute Resolution Procedure
- Roxby Council Municipal Rates Hardship Policy
- Roxby Power Hardship Policy
- Roxby Water Hardship Policy
- Social Media Policy
- Street Tree Policy
- Town Oval Policy
- Treasury Policy
- Utility Charges Internal Policy
- Vehicle Policy
- Volunteer Management Policy
- Waste Collection Policy
- Water Billing Policy
- Water Leakage Allowance Policy
- Whistleblower Protection Policy
Council’s appointment as a Water Distribution and Sewerage Authority for the Roxby Downs township arises as a result of Clause 13 (20) of the Schedule to the Roxby Downs (Indenture Ratification) Act 1982.

Clause 13 requires Council to comply with standards normally applicable to SA Water, and specifies that Council should take practical efforts in sewerage effluent wastewater re-use, how much Council can pay for water and that profits can be transferred back to the Municipality. Council operates water and sewerage services under the Roxby Water banner as a separate business unit.

In January 2013, amendments to the Water Industry Act 2012 came into effect with Council requiring and obtaining a Water Industry Retail Licence issued by the Essential Services Commission of South Australia (ESCOSA).

Water meters are read concurrently, with electricity meters on a quarterly basis at the end of June, September, December and March each year.

**WATER SUPPLY**

Water for Roxby Downs, Olympic Dam and the mine site is sourced from the Great Artesian Basin near the southern and eastern areas of Lake Eyre. Water is pumped 200km south to a desalination plant on the BHP mining lease and is then cooled, desalinated and stored for later distribution. Water for the township is then pumped 10km to a covered water supply dam on the outskirts of town.

Roxby Water purchases water from BHP, checks the quality against water quality standards and, if needed, chlorinates the water before pumping to properties with the township via approximately 38km of pipe work.

Roxby’s water is best described as being very soft, of high quality, having a small amount of natural fluoride and low in dissolved solids. Water has been tested and compared against a range of other urban water supplies and bottled water with favourable results.

In 2013, the Safe Drinking Water Act was introduced requiring all licensed water providers to develop and follow a Risk Management Plan. This is to ensure that the quality of water delivered to the customer meets Australian Quality Standards, that regular monitoring is carried out and to check that both operational and regulatory parameters are met. Council has developed a Risk Management Plan that has been approved by SA Health.
Water Rates
Council operates a three tiered incentive-based pricing structure for water. Charges are based on allocated access units according to the size of the water meter serving the property.

In November 2017 Council adopted fees and charges for the period January to June 2018. Fees and charges for water and sewerage rates will then be reviewed on 1 July each year to align with the annual review of all of Council’s other fees and charges. The current schedule of rates and charges is published on the Council website.

A formal Water Pricing Policy has been developed and is reviewed annually in accordance with ESCOSA Water Retailer Licence requirements.

Water Consumption
Roxby Downs has very low rainfall and high and ever increasing number of domestic swimming pools. Water consumption, however, continues to be moderate and compares favourably with other regional communities.

Under the Indenture a minimum allowance of 650 litres of water per head per day plus a reasonably sufficient quantity for parks and gardens needs to be provided to the town. Current and historical consumption remains well within this allowance.

Water Related Works
Various maintenance activities were carried out during the year including the following:

- Street fire hydrants were cleaned out and checked. No maintenance was required.
- Three water main bursts, two were due branch leaks and one was due to a contractor hitting water mains.
- Isolation valve in Richardson Place was replaced.
- Bi-annual maintenance of the town water supply pumps and chlorine injection system.
- 47 water meter repairs.
- Six water meters were relocated from backyards to the front of properties for easy access for meter reading.
- The rolling five year water replacement program continued with 213 meters changed out.
SEWERAGE OPERATIONS

Roxby Water provides a full sewerage system to all properties within the township. Sewage and sullage are transported through 35km of sewerage mains, manholes and nine pump stations and pumped to a series of lagoons to the west of the township.

The effluent treatment system is continuously monitored for compliance with environmental and health regulations, allowing the processed water to be used for watering the Roxby Downs Golf Course. This provides a flexible method for recycled water disposal that is able to respond to seasonal fluctuations caused by a high level of evaporation and major rain events. Our high evaporation rate (approximately 3m per year), and reduced storage capacity means that sometimes re-used water needs to be restricted. Management issues can also arise when large inflows of storm water enter the primary dams.

Water intended for re-use (i.e. irrigation purposes of the golf course) is pre-treated to meet guidelines for re-use of water. Regular testing is carried out in accordance with the EPA licence and Department of Health requirements.

Over the past ten years with the growth of the town and increase in grassed areas, the use of re-use water on Council’s ovals has had to be rationalized.

Since 2012 all of Council’s re-use water has been directed to the golf course. This allows for optimum and appropriate use with less possibility of public contact due to the nature of the use of the space.

Sewerage Works

Sewerage works carried out during the year included the following:

- All Pump Station Chambers were cleaned four times during the year.
- Six blocked sewer mains were attended to during the year caused by tree root intrusion with a section of drain repaired on Burgoyne Street.
- Several sewer pumps were unblocked due to foreign objects such as hygiene products, underpants, tennis balls, parts of mop heads, tee shirts and fat intrusion.
- Bi-yearly maintenance checks of all pump stations, sewer lagoon recycling area and irrigation shed were conducted. Chlorine injector and regulators were overhauled at the treatment shed.
- Samples and data were taken and recorded for Sewer Lagoon Licence and independent verification checks.
- Two new pumps were installed at Pump Stations G and H.
- Transfer pipes between the Sewer Lagoon Dams were cleaned out six times.
Sewerage Charging

Since June 2000 Council has used the South Australian Local Government Association (LGA) property unit system for the charging for sewerage.

Sewerage charges for the period 1 January 2018 to 30 June 2018 were $241 per property unit per quarter for all freehold properties abutting a sewerage main. This fee will then be reviewed each year on the 1 July in line with reviews of water tariffs.

Community Education

Throughout the year a community awareness campaign focused attention on the causes and impact of blocked sewer pipes. Residents were encouraged to focus on the 3 Ps when flushing. Council continues to promote water saving tips.

EFFICIENT AND EFFECTIVE STORMWATER SYSTEM

Council’s storm water system comprises 240 storm water side entry pits connected to 12.5 km of various sized storm water pipes, 8.5km open drains, 10 storm catchments, detention and retention dams. The majority of the town is naturally drained, but in some locations areas are drained with the aid of two small storm water pumping stations. The town has been well designed to ensure that for moderate storm events, storm water is contained within the storm water system. For larger rarer events some sections of road double as a minor floodway for short periods.

Clearing of silt and rubbish from pits and drains and storm water earth drains occurs every year. The challenge, however, is to manage debris associated with woodchip areas which from time to time are picked up into the storm water system and can cause minor blockages. Three side entry pits were replaced.
ROXBY POWER
Efficient power distribution and utility services

Council is the designated ‘power distribution authority’ for the Roxby Downs Township under clause 18 (16) of the Indenture. Roxby Power is a division of Council that is responsible for two primary functions –

- Maintaining the town’s electricity distribution infrastructure in collaboration with contract services providers to ensure a reliable, safe supply of electricity
- Undertaking electricity retailing functions, including billing and customer service, assisted by the Corporate Service department

BHP owns 275kV and 132kV power lines that transmit electricity from the national grid at Port Augusta to Olympic Dam. A 33kV line then serves the Roxby township where Roxby Power takes control.

Regulatory Environment
The National Electricity Market (NEM), which has been progressively implemented and evolved since 1998, has created a vastly different electricity supply environment to that existing at the time of the Indenture Act.

In addition to the authority provided by the Indenture Act, Council supplies and sells electricity under a number of authorisations relating to the National Electricity Market (NEM). A Notice of Exemption from the National Energy Retail Law issued by the Minister for Mineral Resources and Energy imposes conditions similar to a Retail Licence under the NEM legislation. A Distribution Licence is issued by the Emergency Services Commission of South Australia (ESCOSA).

Audits and Annual Reports
Annual Safety and Operational Audit reports were completed for the Office of the Technical Regulator (OTR) and Essential Services Commission of SA (ESCOSA). Both the reports were accepted and approved.

Power Consumption
Total power consumption for 2017/2018 was 17,661 MWh. This was 7.8% less than the previous year (16,376 MWh).

Solar PV Capacity
From 1 July 2017 to 30 June 2018, Roxby Power connected 28 new domestic solar photo-voltaic (PV) systems and two commercial systems, ranging in size from 4 kW to 10 kW. The town’s installed solar PV capacity is now rated at 1,530 kW.

Electricity Tariffs
In November 2017 Council adopted fees and charges for the period January to June 2018. Fees and charges for electricity will then be reviewed on 1 July each year to align with the annual review of all of Council’s other fees and charges. The current schedule of rates and charges is published on the Council website.
Community Education

Roxby Power residents have access to a Home Energy Audit Toolkit which is available for loan from the Roxbylink Community Library. The kit includes a range of practical tools to help residents complete an energy audit of their homes including an energy meter and light (lux) meter. The kit also contains useful tips on ways to reduce energy use.

ELECTRICITY OPERATIONS

The Roxby Downs electrical distribution system is highly reliable in its operation. It includes 6.5km of 11kV overhead mains, 19km of 11kV underground mains, 30.6km underground Low Voltage Mains, 35 x 11kV Pad mount Transformers and a range of township street lights.

Electrical Works Undertaken

In addition to the normal maintenance program additional works completed included:

- replacement of a number of service pillars damaged by vehicles
- Switchboard heat surveys completed at the Council Office, Dunes Café and Gym.

Street Lighting

Roxby Power completed the annual street lights maintenance program. A combination of light fitting changes and globe replacements constituted the majority of the maintenance works completed. The ongoing upgrade of walkway ball lights to LED also continued.
Other Electrical Works

Other community projects included the provision and installation of Christmas lights in Richardson Place and other main street events.

A revised schedule for maintenance of HV equipment was developed, with one third of the town network to be serviced each year commencing in July 2018.

Outages

There were no significant power outages during the year. There were a total of 34 network interruptions due to required resolution of a network issue. 31 of the interruptions were planned works.

There were three minor unplanned outages and this includes one cable fault repair. Rising voltage on the network due to solar installations is due to be investigated during 2018-19.

Disruptions

The total disruption time (incident duration x number of affected properties) was 422 hours for the year.
FINANCIAL STATEMENTS
Municipal Council of Roxby Downs
GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018
Municipal Council of Roxby Downs

General Purpose Financial Statements
for the year ended 30 June 2018

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<td>2. Primary Financial Statements:</td>
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<tr>
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<td>- Council Certificate of Audit Independence</td>
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<td>- Audit Certificate of Audit Independence</td>
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Municipal Council of Roxby Downs

General Purpose Financial Statements
for the year ended 30 June 2018

Certification of Financial Statements

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

In our opinion:

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

Roy Blight
CHIEF EXECUTIVE

Geoffrey Whitbread
ADMINISTRATOR

Date: 16-11-2018
## Municipal Council of Roxby Downs

## Statement of Comprehensive Income
for the year ended 30 June 2018

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<tr>
<td>User Charges</td>
<td>2c 11,504</td>
<td>11,002</td>
</tr>
<tr>
<td>Grants, Subsidies and Contributions</td>
<td>2g 1,041</td>
<td>1,289</td>
</tr>
<tr>
<td>Investment Income</td>
<td>2d 52</td>
<td>7</td>
</tr>
<tr>
<td>Reimbursements</td>
<td>2e 39</td>
<td>163</td>
</tr>
<tr>
<td>Other Income</td>
<td>2f 83</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>18,248</td>
<td>18,054</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>3a 4,665</td>
<td>4,875</td>
</tr>
<tr>
<td>Materials, Contracts &amp; Other Expenses</td>
<td>3b 8,253</td>
<td>9,149</td>
</tr>
<tr>
<td>Depreciation, Amortisation &amp; Impairment</td>
<td>3c 3,074</td>
<td>2,601</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>3d 29</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>16,021</td>
<td>16,643</td>
</tr>
<tr>
<td><strong>Operating Surplus / (Deficit)</strong></td>
<td>2,227</td>
<td>1,411</td>
</tr>
<tr>
<td>Asset Disposal &amp; Fair Value Adjustments</td>
<td>4 (3)</td>
<td>(6,325)</td>
</tr>
<tr>
<td>Amounts Received Specifically for New or Upgraded Assets</td>
<td>2g 45</td>
<td>401</td>
</tr>
<tr>
<td><strong>Net Surplus / (Deficit) (^1)</strong></td>
<td>2,269</td>
<td>(4,513)</td>
</tr>
<tr>
<td><strong>Other Comprehensive Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts which will not be reclassified subsequently to operating result</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in Revaluation Surplus - I,PP&amp;E (fixed assets)</td>
<td>9a 1,862</td>
<td>(1,430)</td>
</tr>
<tr>
<td>Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve</td>
<td>9a (26)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Other Comprehensive Income</strong></td>
<td>1,836</td>
<td>(1,430)</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income</strong></td>
<td>4,105</td>
<td>(5,943)</td>
</tr>
</tbody>
</table>

\(^1\) Transferred to Statement of Changes in Equity
# Municipal Council of Roxby Downs

## Statement of Financial Position
as at 30 June 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>7,184</td>
<td>2,696</td>
</tr>
<tr>
<td>Trade &amp; Other Receivables</td>
<td>3,115</td>
<td>3,336</td>
</tr>
<tr>
<td>Inventories</td>
<td>30</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>10,329</td>
<td>6,053</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure, Property, Plant &amp; Equipment</td>
<td>120,014</td>
<td>120,250</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td>120,014</td>
<td>120,250</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>130,343</td>
<td>126,303</td>
</tr>
</tbody>
</table>

| **LIABILITIES**        |       |       |
| **Current Liabilities**|       |       |
| Trade & Other Payables | 1,182 | 1,121 |
| Borrowings             | -     | 74    |
| Provisions             | 458   | 464   |
| **Total Current Liabilities** | 1,640 | 1,659 |

| **Non-Current Liabilities** |       |       |
| Provisions                 | 1,184 | 1,230 |
| **Total Non-Current Liabilities** | 1,184 | 1,230 |
| **TOTAL LIABILITIES**      | 2,824 | 2,889 |

| **EQUITY**               |       |       |
| Accumulated Surplus      | 26,234 | 23,965 |
| Asset Revaluation Reserves | 101,285 | 99,449 |
| **Total Council Equity** | 127,519 | 123,414 |

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.
# Municipal Council of Roxby Downs

## Statement of Changes in Equity

for the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>Accumulated Surplus $'000</th>
<th>Asset Revaluation Reserve $'000</th>
<th>Total Equity $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the end of previous reporting period</td>
<td>23,965</td>
<td>99,449</td>
<td>123,414</td>
</tr>
<tr>
<td>a. Net Surplus / (Deficit) for Year</td>
<td>2,269</td>
<td>-</td>
<td>2,269</td>
</tr>
<tr>
<td>b. Other Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Gain (Loss) on Revaluation of I,PP&amp;E 7a</td>
<td>-</td>
<td>1,862</td>
<td>1,862</td>
</tr>
<tr>
<td>- IPP&amp;E Impairment (Expense) / Recoupments Offset to ARR 7a</td>
<td>-</td>
<td>(26)</td>
<td>(26)</td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>-</td>
<td>1,836</td>
<td>1,836</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>2,269</td>
<td>1,836</td>
<td>4,105</td>
</tr>
<tr>
<td>Balance at the end of period</td>
<td>26,234</td>
<td>101,285</td>
<td>127,519</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Notes</th>
<th>Accumulated Surplus $'000</th>
<th>Asset Revaluation Reserve $'000</th>
<th>Total Equity $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the end of previous reporting period</td>
<td>28,478</td>
<td>100,879</td>
<td>129,357</td>
</tr>
<tr>
<td>a. Net Surplus / (Deficit) for Year</td>
<td>(4,513)</td>
<td>-</td>
<td>(4,513)</td>
</tr>
<tr>
<td>b. Other Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Gain (Loss) on Revaluation of I,PP&amp;E 7a</td>
<td>-</td>
<td>(1,430)</td>
<td>(1,430)</td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>-</td>
<td>(1,430)</td>
<td>(1,430)</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>(4,513)</td>
<td>(1,430)</td>
<td>(5,943)</td>
</tr>
<tr>
<td>Balance at the end of period</td>
<td>23,965</td>
<td>99,449</td>
<td>123,414</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.
Municipal Council of Roxby Downs

Statement of Cash Flows
for the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Cash Flows from Operating Activities</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Rate Receipts</td>
<td>5,533</td>
<td>5,492</td>
</tr>
<tr>
<td>Statutory Charges</td>
<td>66</td>
<td>44</td>
</tr>
<tr>
<td>User Charges</td>
<td>11,418</td>
<td>11,440</td>
</tr>
<tr>
<td>Grants, Subsidies and Contributions (operating purpose)</td>
<td>1,097</td>
<td>1,417</td>
</tr>
<tr>
<td>Investment Receipts</td>
<td>52</td>
<td>7</td>
</tr>
<tr>
<td>Reimbursements</td>
<td>39</td>
<td>179</td>
</tr>
<tr>
<td>Other Receipts</td>
<td>341</td>
<td>876</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to Employees</td>
<td>(4,704)</td>
<td>(4,988)</td>
</tr>
<tr>
<td>Payments for Materials, Contracts &amp; Other Expenses</td>
<td>(8,290)</td>
<td>(11,407)</td>
</tr>
<tr>
<td>Finance Payments</td>
<td>(29)</td>
<td>(75)</td>
</tr>
<tr>
<td>Net Cash provided by (or used in) Operating Activities</td>
<td><strong>5,523</strong></td>
<td><strong>2,985</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows from Investing Activities</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts Received Specifically for New/Upgraded Assets</td>
<td>45</td>
<td>401</td>
</tr>
<tr>
<td>Sale of Replaced Assets</td>
<td>-</td>
<td>66</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure on Renewal/Replacement of Assets</td>
<td>(722)</td>
<td>(84)</td>
</tr>
<tr>
<td>Expenditure on New/Upgraded Assets</td>
<td>(283)</td>
<td>(1,090)</td>
</tr>
<tr>
<td>Net Cash provided by (or used in) Investing Activities</td>
<td><strong>(960)</strong></td>
<td><strong>(707)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows from Financing Activities</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Net Increase (Decrease) in Cash Held

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,562</td>
<td>2,278</td>
</tr>
</tbody>
</table>

plus: Cash & Cash Equivalents at beginning of period

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,622</td>
<td>344</td>
</tr>
</tbody>
</table>

Cash & Cash Equivalents at end of period

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,184</td>
<td>2,622</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.
## Municipal Council of Roxby Downs

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

### Contents of the Notes accompanying the Financial Statements

<table>
<thead>
<tr>
<th>Note</th>
<th>Details</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Significant Accounting Policies</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>Income</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>Expenses</td>
<td>15</td>
</tr>
<tr>
<td>4</td>
<td>Asset Disposal &amp; Fair Value Adjustments</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td><strong>Current Assets</strong></td>
<td></td>
</tr>
<tr>
<td>5a</td>
<td>Cash &amp; Cash Equivalents</td>
<td>17</td>
</tr>
<tr>
<td>5b</td>
<td>Trade &amp; Other Receivables</td>
<td>17</td>
</tr>
<tr>
<td>5c</td>
<td>Inventories</td>
<td>17</td>
</tr>
<tr>
<td>6</td>
<td><strong>Non-Current Assets</strong></td>
<td>17</td>
</tr>
<tr>
<td></td>
<td><strong>Fixed Assets</strong></td>
<td></td>
</tr>
<tr>
<td>7a</td>
<td>Infrastructure, Property, Plant &amp; Equipment</td>
<td>18</td>
</tr>
<tr>
<td>7b</td>
<td>Valuation of Infrastructure, Property, Plant &amp; Equipment</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>8a</td>
<td>Trade &amp; Other Payables</td>
<td>21</td>
</tr>
<tr>
<td>8b</td>
<td>Borrowings</td>
<td>21</td>
</tr>
<tr>
<td>8c</td>
<td>Provisions</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td><strong>Reserves</strong></td>
<td></td>
</tr>
<tr>
<td>9a</td>
<td>Asset Revaluation Reserve</td>
<td>22</td>
</tr>
<tr>
<td>10</td>
<td>Assets Subject to Restrictions</td>
<td>22 n/a</td>
</tr>
<tr>
<td>11</td>
<td>Reconciliation to Statement of Cashflows</td>
<td>23</td>
</tr>
<tr>
<td>12a</td>
<td>Functions</td>
<td>24</td>
</tr>
<tr>
<td>12b</td>
<td>Components of Functions</td>
<td>25</td>
</tr>
<tr>
<td>13</td>
<td>Financial Instruments</td>
<td>25</td>
</tr>
<tr>
<td>14</td>
<td>Commitments for Expenditure</td>
<td>28</td>
</tr>
<tr>
<td>15</td>
<td>Financial Indicators</td>
<td>29</td>
</tr>
<tr>
<td>16</td>
<td>Uniform Presentation of Finances</td>
<td>30</td>
</tr>
<tr>
<td>17</td>
<td>Operating Leases</td>
<td>31</td>
</tr>
<tr>
<td>18</td>
<td>Superannuation</td>
<td>32</td>
</tr>
<tr>
<td>19</td>
<td>Interests in Other Entities</td>
<td>32 n/a</td>
</tr>
<tr>
<td>20</td>
<td>Non Current Assets Held for Sale &amp; Discontinued Operations</td>
<td>33 n/a</td>
</tr>
<tr>
<td>21</td>
<td>Contingencies &amp; Assets/Liabilities Not Recognised in the Balance Sheet</td>
<td>33</td>
</tr>
<tr>
<td>22</td>
<td>Events After the Balance Sheet Date</td>
<td>34</td>
</tr>
<tr>
<td>23</td>
<td>Related Party Transactions</td>
<td>34</td>
</tr>
</tbody>
</table>

**n/a - not applicable**
Municipal Council of Roxby Downs

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

Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 dated 16 November 2018.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

2 The Local Government Reporting Entity

Municipal Council of Roxby Downs was established under Roxby Downs (Indenture Ratification) Act 1982 and has its principal place of business at Richardson Place, Roxby Downs. 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.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are: Roxby Power and Roxby Water.

The Act prescribes requirements regarding the management of power and water assets, including for cost recovery from consumers (Refer Note 2 User Charges).

Power and Water assets owned by the Council are disclosed in Note 6 Infrastructure, Property, Plant and Equipment. Revaluation increments are separately disclosed in Note 8 Reserves.

3 Income Recognition

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

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

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:
Municipal Council of Roxby Downs

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

Note 1. Summary of Significant Accounting Policies (continued)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Payment Received ('000)</th>
<th>Annual Allocation ('000)</th>
<th>Difference ('000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td>$82</td>
<td>$179</td>
<td>+ $97</td>
</tr>
<tr>
<td>2016/17</td>
<td>$271</td>
<td>$179</td>
<td>- $92</td>
</tr>
<tr>
<td>2017/18</td>
<td>$258</td>
<td>$150</td>
<td>- $108</td>
</tr>
</tbody>
</table>

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

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

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.

<table>
<thead>
<tr>
<th>Asset Description</th>
<th>Threshold ('000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings - new construction/extensions</td>
<td>$10</td>
</tr>
<tr>
<td>Road construction &amp; reconstruction</td>
<td>$10</td>
</tr>
<tr>
<td>All Other Assets</td>
<td>$5</td>
</tr>
</tbody>
</table>

6.3 Subsequent Recognition

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

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

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

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

**Plant, Furniture & Equipment**
- Office Equipment: 5 to 10 years
- Office Furniture: 10 to 20 years
- Vehicles and Road-making Equip: 3 to 8 years
- Other Plant & Equipment: 3 to 20 years

**Building & Other Structures**
- Buildings – masonry: 20 to 60 years
- Buildings – other construction: 20 to 60 years
- Park Structures – masonry: 50 to 100 years
- Park Structures – other construction: 20 to 40 years
- Playground equipment: 5 to 15 years
- Benches, seats, etc: 5 to 15 years

**Infrastructure**
- Sealed Roads – Surface: 18 to 38 years
- Sealed Roads – Structure: 20 to 99 years
- Unsealed Roads: 10 to 34 years
- Paving & Footpaths, Kerb & Gutter: 25 to 72 years
- Drains: 40 to 70 years
- Flood Control Structures: 6 to 60 years
- Reticulation Pipes – PVC: 70 to 80 years
- Reticulation Pipes – other: 25 to 75 years
- Pumps & Telemetry: 15 to 25 years

6.5 Impairment

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, are not subject to impairment testing.

Other 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).

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

7 Payables

7.1 Goods & 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 Employee Benefits

8.1 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.

Weighted avg. discount rate: 2.06% (2017, 1.67%)
Weighted avg. settlement period: 2 years (2017, 1 year)
No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

8.2 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 Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. The landfill (dump) site was closed in June 2015 and is in the capping process. Council’s waste is now transported out of town to a landfill site at Inkerman (near Dublin) north of Adelaide.

10 Leases

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

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 New accounting standards and UIG interpretations

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

The Municipal Council of Roxby Downs has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

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

The standards are not expected to have a material impact upon Council’s future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2018

- AASB 9 Financial Instruments
- AASB 15 Revenue from Contracts with Customers
• AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)

• AASB 2014-1 Amendments to Australian Accounting Standards (Part E)

• AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

• AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15

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

• AASB 16 Leases

• AASB 16 Leases (Appendix D)

• AASB 1058 Income of Not-for-Profit Entities

• AASB 1058 Income of Not-for-Profit Entities (Appendix D)

• AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

13 Comparative Figures

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

14 Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.
## Municipal Council of Roxby Downs

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

for the year ended 30 June 2018

### Note 2. Income

<table>
<thead>
<tr>
<th></th>
<th>2018 ($'000)</th>
<th>2017 ($'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(a). Rate Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General Rates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Rates</td>
<td>4,681</td>
<td>4,672</td>
</tr>
<tr>
<td>Less: Discretionary Rebates, Remissions &amp; Write Offs</td>
<td>(153)</td>
<td>(156)</td>
</tr>
<tr>
<td><strong>Total General Rates</strong></td>
<td>4,528</td>
<td>4,516</td>
</tr>
<tr>
<td><strong>Other Rates (Including Service Charges)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Resource Management Levy</td>
<td>114</td>
<td>112</td>
</tr>
<tr>
<td>Waste Collection</td>
<td>791</td>
<td>807</td>
</tr>
<tr>
<td><strong>Total Other Rates</strong></td>
<td>905</td>
<td>919</td>
</tr>
<tr>
<td><strong>Other Charges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penalties for Late Payment</td>
<td>19</td>
<td>17</td>
</tr>
<tr>
<td>Legal &amp; Other Costs Recovered</td>
<td>11</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total Other Charges</strong></td>
<td>30</td>
<td>47</td>
</tr>
<tr>
<td><strong>Total Rate Revenue</strong></td>
<td>5,463</td>
<td>5,482</td>
</tr>
</tbody>
</table>

### (b). Statutory Charges

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Act Fees</td>
<td>32</td>
<td>9</td>
</tr>
<tr>
<td>Animal Registration Fees &amp; Fines</td>
<td>30</td>
<td>27</td>
</tr>
<tr>
<td>Parking Fines / Expiation Fees</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total Statutory Charges</strong></td>
<td>66</td>
<td>41</td>
</tr>
</tbody>
</table>

### (c). User Charges

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Activity Revenue</td>
<td>1,763</td>
<td>1,696</td>
</tr>
<tr>
<td>Electricity</td>
<td>4,726</td>
<td>4,549</td>
</tr>
<tr>
<td>Water</td>
<td>2,937</td>
<td>2,690</td>
</tr>
<tr>
<td>Sewer</td>
<td>2,078</td>
<td>2,067</td>
</tr>
<tr>
<td><strong>Total User Charges</strong></td>
<td>11,504</td>
<td>11,002</td>
</tr>
</tbody>
</table>

### (d). Investment Income

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Finance Authority</td>
<td>52</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total Investment Income</strong></td>
<td>52</td>
<td>7</td>
</tr>
</tbody>
</table>

### (e). Reimbursements

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance Workcover</td>
<td>39</td>
<td>70</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>93</td>
</tr>
<tr>
<td><strong>Total Reimbursements</strong></td>
<td>39</td>
<td>163</td>
</tr>
</tbody>
</table>
(f). Other Income

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sundry</td>
<td>83</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total Other Income</strong></td>
<td><strong>83</strong></td>
<td><strong>70</strong></td>
</tr>
</tbody>
</table>

(g). Grants, Subsidies, Contributions

<table>
<thead>
<tr>
<th>Amounts Received Specifically for New or Upgraded Assets</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>45</td>
<td>401</td>
</tr>
<tr>
<td><strong>Total Amounts Received Specifically for New or Upgraded Assets</strong></td>
<td><strong>45</strong></td>
<td><strong>401</strong></td>
</tr>
<tr>
<td>Other Grants, Subsidies and Contributions</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td>Untied - Financial Assistance Grant</td>
<td>258</td>
<td>271</td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>104</td>
<td>119</td>
</tr>
<tr>
<td>Library and Communications</td>
<td>27</td>
<td>28</td>
</tr>
<tr>
<td>Municipal Deficit Funding</td>
<td>600</td>
<td>871</td>
</tr>
<tr>
<td>Youth</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Other Grants, Subsidies and Contributions</strong></td>
<td><strong>1,041</strong></td>
<td><strong>1,289</strong></td>
</tr>
<tr>
<td><strong>Total Grants, Subsidies, Contributions</strong></td>
<td><strong>1,086</strong></td>
<td><strong>1,690</strong></td>
</tr>
</tbody>
</table>

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

(i) Sources of grants

<table>
<thead>
<tr>
<th>Sources of grants</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of the Commonwealth of Australia</td>
<td>362</td>
<td>391</td>
</tr>
<tr>
<td>Government of South Australia</td>
<td>424</td>
<td>865</td>
</tr>
<tr>
<td>Other</td>
<td>300</td>
<td>434</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,086</strong></td>
<td><strong>1,690</strong></td>
</tr>
</tbody>
</table>

(h). Conditions over Grants & Contributions

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

Unexpended at the close of the previous reporting period | 201 | - |

Plus:

Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions

| Heritage & Cultural Services - "Emu Walk" | - | 201 |

Subtotal | - | 201 |

Unexpended at the close of this reporting period | 201 | 201 |

Net increase (decrease) in assets subject to conditions in the current reporting period | - | 201 |
# Municipal Council of Roxby Downs

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

### Note 3. Expenses

#### (a). Employee Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>3,688</td>
<td>3,700</td>
</tr>
<tr>
<td>Employee Leave Expense</td>
<td>379</td>
<td>480</td>
</tr>
<tr>
<td>Superannuation - Defined Contribution Plan Contributions</td>
<td>330</td>
<td>337</td>
</tr>
<tr>
<td>Workers’ Compensation Insurance</td>
<td>126</td>
<td>207</td>
</tr>
<tr>
<td>Other</td>
<td>142</td>
<td>151</td>
</tr>
<tr>
<td><strong>Total Operating Employee Costs</strong></td>
<td><strong>4,665</strong></td>
<td><strong>4,875</strong></td>
</tr>
</tbody>
</table>

**Total Number of Employees (full time equivalent at end of reporting period)**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>54</td>
<td>52</td>
</tr>
</tbody>
</table>

#### (b). Materials, Contracts and Other Expenses

##### (i) Prescribed Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor’s Remuneration</td>
<td>34</td>
<td>59</td>
</tr>
<tr>
<td>- Auditing the Financial Reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bad and Doubtful Debts</td>
<td>42</td>
<td>47</td>
</tr>
<tr>
<td><strong>Subtotal - Prescribed Expenses</strong></td>
<td><strong>76</strong></td>
<td><strong>106</strong></td>
</tr>
</tbody>
</table>

##### (ii) Other Materials, Contracts and Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractors</td>
<td>5,528</td>
<td>6,274</td>
</tr>
<tr>
<td>External Houses</td>
<td>194</td>
<td>239</td>
</tr>
<tr>
<td>Insurance</td>
<td>193</td>
<td>351</td>
</tr>
<tr>
<td>Legal Expenses</td>
<td>37</td>
<td>2</td>
</tr>
<tr>
<td>Levies Paid to Government - NRM levy</td>
<td>114</td>
<td>112</td>
</tr>
<tr>
<td>Purchase of Power</td>
<td>1,240</td>
<td>1,288</td>
</tr>
<tr>
<td>Purchase of Water</td>
<td>778</td>
<td>582</td>
</tr>
<tr>
<td>Sundry</td>
<td>93</td>
<td>195</td>
</tr>
<tr>
<td><strong>Subtotal - Other Material, Contracts &amp; Expenses</strong></td>
<td><strong>8,177</strong></td>
<td><strong>9,043</strong></td>
</tr>
</tbody>
</table>

**Total Materials, Contracts and Other Expenses**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>8,253</strong></td>
<td><strong>9,149</strong></td>
</tr>
</tbody>
</table>
Municipal Council of Roxby Downs

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

Note 3. Expenses (continued)

<table>
<thead>
<tr>
<th>Notes</th>
<th>2018 $'000</th>
<th>2017 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c). Depreciation, Amortisation and Impairment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Depreciation and Amortisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings &amp; Other Structures</td>
<td>397</td>
<td>567</td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Stormwater Drainage</td>
<td>95</td>
<td>78</td>
</tr>
<tr>
<td>- Roads</td>
<td>506</td>
<td>400</td>
</tr>
<tr>
<td>- Footpaths</td>
<td>319</td>
<td>103</td>
</tr>
<tr>
<td>- Kerbing and Guttering</td>
<td>168</td>
<td>113</td>
</tr>
<tr>
<td>- Car Parks</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>- Parks and Gardens</td>
<td>96</td>
<td>86</td>
</tr>
<tr>
<td>- Power</td>
<td>769</td>
<td>621</td>
</tr>
<tr>
<td>- Water</td>
<td>251</td>
<td>186</td>
</tr>
<tr>
<td>- Sewerage</td>
<td>335</td>
<td>254</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>109</td>
<td>160</td>
</tr>
<tr>
<td>Furniture &amp; Fittings</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>Total Depreciation, Amortisation and Impairment</td>
<td>3,074</td>
<td>2,601</td>
</tr>
<tr>
<td>(d). Finance Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Fees</td>
<td>29</td>
<td>18</td>
</tr>
<tr>
<td>Total Finance Costs</td>
<td>29</td>
<td>18</td>
</tr>
</tbody>
</table>

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment

(i) Assets Renewed or Directly Replaced

Proceeds from Disposal | - | 66 |
Less: Carrying Amount of Assets Sold | - | (30) |
Gain (Loss) on Disposal | - | 36 |

(ii) Assets Surplus to Requirements

Proceeds from Disposal | - | - |
Less: Carrying Amount of Assets Sold | - | (129) |
Gain (Loss) on Disposal | - | (129) |

Fair Value Adjustments

Revaluation Decrements Expensed | (3) | (6,232) |
Total Fair Value Adjustments | (3) | (6,232) |

Net Gain (Loss) on Disposal or Revaluation of Assets | (3) | (6,325) |
Municipal Council of Roxby Downs

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

Note 5. Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a). Cash &amp; Cash Equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on Hand at Bank</td>
<td>677</td>
<td>36</td>
</tr>
<tr>
<td>Deposits at Call</td>
<td>6,507</td>
<td>2,660</td>
</tr>
<tr>
<td><strong>Total Cash &amp; Cash Equivalents</strong></td>
<td><strong>7,184</strong></td>
<td><strong>2,696</strong></td>
</tr>
<tr>
<td>(b). Trade &amp; Other Receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates - General &amp; Other</td>
<td>300</td>
<td>370</td>
</tr>
<tr>
<td>Electricity Charges</td>
<td>1,207</td>
<td>1,125</td>
</tr>
<tr>
<td>Water &amp; Sewer Charges</td>
<td>1,181</td>
<td>1,178</td>
</tr>
<tr>
<td>Accrued Revenues</td>
<td>19</td>
<td>2</td>
</tr>
<tr>
<td>Debtors - General</td>
<td>321</td>
<td>710</td>
</tr>
<tr>
<td>GST Recoupment</td>
<td>91</td>
<td>(2)</td>
</tr>
<tr>
<td>Prepayments</td>
<td>79</td>
<td>2</td>
</tr>
<tr>
<td>Refundable Expenses (Insurance Claims &amp; Bonds)</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>3,198</strong></td>
<td><strong>3,386</strong></td>
</tr>
<tr>
<td>Less: Allowance for Doubtful Debts</td>
<td>(83)</td>
<td>(50)</td>
</tr>
<tr>
<td><strong>Total Trade &amp; Other Receivables</strong></td>
<td><strong>3,115</strong></td>
<td><strong>3,336</strong></td>
</tr>
<tr>
<td>(c). Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roxbylink</td>
<td>30</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total Inventories</strong></td>
<td><strong>30</strong></td>
<td><strong>21</strong></td>
</tr>
</tbody>
</table>

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year.


Nil
## Note 7a. Infrastructure, Property, Plant & Equipment

The table below provides details of asset movements during the reporting period:

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Fair Value Level</th>
<th>as at 30/6/2017</th>
<th>Asset Additions</th>
<th>Asset Movements during the Reporting Period</th>
<th>as at 30/6/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair Value</td>
<td>At Value</td>
<td>Acc. Dep’n</td>
<td>Carrying Value</td>
<td>Fair Value</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>At Value</td>
<td>Acc. Dep’n</td>
<td>Carrying Value</td>
<td>At Value</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Asset Additions</td>
<td></td>
<td></td>
<td></td>
<td>Asset Additions</td>
<td></td>
</tr>
<tr>
<td>WDV of Asset Disposals</td>
<td></td>
<td></td>
<td></td>
<td>WDV of Asset Disposals</td>
<td></td>
</tr>
<tr>
<td>Depreciation Expense (Note 3c)</td>
<td></td>
<td></td>
<td></td>
<td>Impairment Loss (recognised in P/L) (Note 3c)</td>
<td></td>
</tr>
<tr>
<td>Impairment Expense (Note 3c)</td>
<td></td>
<td></td>
<td></td>
<td>Impairment Loss (recognised in Equity) (Note 9)</td>
<td></td>
</tr>
<tr>
<td>WIP Transfers</td>
<td></td>
<td></td>
<td></td>
<td>WIP Transfers</td>
<td></td>
</tr>
<tr>
<td>Revaluation Adjustments &amp; Transfers</td>
<td></td>
<td></td>
<td></td>
<td>Revaluation Adjustments &amp; Transfers</td>
<td></td>
</tr>
<tr>
<td>Revaluation Decrements to Equity (ARR)</td>
<td></td>
<td></td>
<td></td>
<td>Revaluation Decrements to Equity (ARR)</td>
<td></td>
</tr>
<tr>
<td>Revaluation Increases to Equity (ARR)</td>
<td></td>
<td></td>
<td></td>
<td>Revaluation Increases to Equity (ARR)</td>
<td></td>
</tr>
<tr>
<td>Total Infrastructure, Property, Plant &amp; Equipment</td>
<td></td>
<td></td>
<td></td>
<td>Total Infrastructure, Property, Plant &amp; Equipment</td>
<td></td>
</tr>
<tr>
<td>Comparatives</td>
<td></td>
<td></td>
<td></td>
<td>Comparatives</td>
<td></td>
</tr>
</tbody>
</table>

### Capital Work in Progress
- 2017: 10,911, 2018: 10,911

### Land - Community
- 2017: 1,387, 2018: 1,387

### Buildings & Other Structures

### Infrastructure
- Stormwater Drainage: 6,726
- Roads: 25,173
- Footpaths: 13,418
- Kerbing and Guttering: 11,756
- Car Parks: 738
- Parks and Gardens: 3,074
- Power: 39,833
- Water: 18,924
- Sewerage: 21,261

### Plant & Equipment
- Furniture & Fittings: 389

### Total Infrastructure, Property, Plant & Equipment
- 2017: 175,098, 2018: 175,098

### Comparatives
Municipal Council of Roxby Downs

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

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

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**

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

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

*Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets* - There is no known market for buildings, infrastructure and other assets. These assets are valued using the following method:

- 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 2018

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

Valuation of Assets (continued)

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.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the
difference represents the fair value of the asset deter-
mined 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
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.

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

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.

Fair value level 2 land assets were valued by JLL as at 30 June 2018. All other Land Assets were valued as at 30 June
2018 using the South Australian Valuer-General Valuation.

Buildings & Other Structures
Fair value level 2 Building assets were valued by JLL as at 30 June 2018.
Fair value level 3 Building assets were valued by Council staff using independently verifiable unit rates for 30 June 2017.
Municipal Council of Roxby Downs

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

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

Valuation of Assets (continued)

Infrastructure
Roads, Footpaths, Kerbing and Guttering, Car Parks, Parks and Gardens, Power Infrastructure, Water Infrastructure, Stormwater Drainage
These Infrastructure assets were valued by Council staff using independently verifiable unit rates for 30 June 2017.

Sewer
Sewer assets were valued by Gayler Professional Services for 30 June 2018.

Plant & Equipment
These assets are recognised on cost basis.

Furniture & Fittings
These assets are recognised on cost basis.

Work in Progress
These assets are recognised on cost basis.

Note 8. Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2018</th>
<th>2017</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current</td>
<td>Non Current</td>
<td>Current</td>
<td>Non Current</td>
</tr>
<tr>
<td></td>
<td>'000</td>
<td>'000</td>
<td>'000</td>
<td>'000</td>
</tr>
<tr>
<td>(a). Trade and Other Payables</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods &amp; Services</td>
<td>810</td>
<td>-</td>
<td>878</td>
<td>-</td>
</tr>
<tr>
<td>Accrued Expenses - Employee Entitlements</td>
<td>99</td>
<td>-</td>
<td>84</td>
<td>-</td>
</tr>
<tr>
<td>Accrued Expenses - Other</td>
<td>248</td>
<td>-</td>
<td>133</td>
<td>-</td>
</tr>
<tr>
<td>Deposits, Retentions &amp; Bonds</td>
<td>25</td>
<td>-</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td>Total Trade and Other Payables</td>
<td>1,182</td>
<td>-</td>
<td>1,121</td>
<td>-</td>
</tr>
</tbody>
</table>

(b). Borrowings

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Overdraft</td>
<td></td>
<td></td>
<td>74</td>
<td>-</td>
</tr>
<tr>
<td>Total Borrowings</td>
<td></td>
<td></td>
<td>74</td>
<td>-</td>
</tr>
</tbody>
</table>
Note 8. Liabilities (contributed)

<table>
<thead>
<tr>
<th>Notes</th>
<th>$'000</th>
<th>$'000</th>
<th>$'000</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c). Provisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Entitlements (including oncosts)</td>
<td>251</td>
<td>62</td>
<td>259</td>
<td>108</td>
</tr>
<tr>
<td>Future Reinstatement / Restoration, etc</td>
<td>207</td>
<td>1,122</td>
<td>205</td>
<td>1,122</td>
</tr>
<tr>
<td>Total Provisions</td>
<td>458</td>
<td>1,184</td>
<td>464</td>
<td>1,230</td>
</tr>
</tbody>
</table>

Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date

Long service leave entitlement and provision for landfill restoration 1,184 1,230

Note 9. Reserves

<table>
<thead>
<tr>
<th>1/7/2017</th>
<th>Increments (Decrements)</th>
<th>Transfers</th>
<th>Impairments</th>
<th>30/6/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>(a). Asset Revaluation Reserve</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land - Community</td>
<td>10,150</td>
<td>-</td>
<td>-</td>
<td>(26)</td>
</tr>
<tr>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Stormwater Drainage</td>
<td>5,448</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Roads</td>
<td>15,146</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Footpaths</td>
<td>9,721</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Kerbing and Guttering</td>
<td>10,033</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Car Parks</td>
<td>636</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Parks and Gardens</td>
<td>1,549</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Power</td>
<td>23,653</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Water</td>
<td>13,188</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Sewerage</td>
<td>9,925</td>
<td>1,862</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Asset Revaluation Reserve</td>
<td>99,449</td>
<td>1,862</td>
<td>-</td>
<td>(26)</td>
</tr>
</tbody>
</table>

Comparatives 100,879 (1,430) - - 99,449

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).

Note 10. Assets Subject to Restrictions
Council does not hold any assets subject to restrictions
Municipal Council of Roxby Downs

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

Note 11. Reconciliation to Statement of Cash Flows

<table>
<thead>
<tr>
<th></th>
<th>2018 '000</th>
<th>2017 '000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a). Reconciliation of Cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>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:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cash &amp; Equivalent Assets</td>
<td>7,184</td>
<td>2,696</td>
</tr>
<tr>
<td>Less: Short-Term Borrowings</td>
<td>-</td>
<td>(74)</td>
</tr>
<tr>
<td>Balances per Statement of Cash Flows</td>
<td>7,184</td>
<td>2,622</td>
</tr>
<tr>
<td>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Surplus/(Deficit)</td>
<td>2,269</td>
<td>(4,513)</td>
</tr>
<tr>
<td>Non-Cash Items in Income Statements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation, Amortisation &amp; Impairment</td>
<td>3,074</td>
<td>2,601</td>
</tr>
<tr>
<td>Fair Value Adjustments</td>
<td>3</td>
<td>6,232</td>
</tr>
<tr>
<td>Grants for Capital Acquisitions (Treated as Investing Activity Receipts)</td>
<td>(45)</td>
<td>(401)</td>
</tr>
<tr>
<td>Net (Gain) Loss on Disposals</td>
<td>-</td>
<td>93</td>
</tr>
<tr>
<td>Add (Less): Changes in Net Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net (Increase)/Decrease in Receivables</td>
<td>188</td>
<td>(518)</td>
</tr>
<tr>
<td>Change in Allowances for Under-Recovery of Receivables</td>
<td>33</td>
<td>50</td>
</tr>
<tr>
<td>Net (Increase)/Decrease in Inventories</td>
<td>(9)</td>
<td>6</td>
</tr>
<tr>
<td>Net Increase/(Decrease) in Trade &amp; Other Payables</td>
<td>62</td>
<td>(388)</td>
</tr>
<tr>
<td>Net Increase/(Decrease) in Unpaid Employee Benefits</td>
<td>(54)</td>
<td>(139)</td>
</tr>
<tr>
<td>Net Increase/(Decrease) in Other Provisions</td>
<td>2</td>
<td>(38)</td>
</tr>
<tr>
<td>Net Cash provided by (or used in) operations</td>
<td>5,523</td>
<td>2,985</td>
</tr>
<tr>
<td>(c). Financing Arrangements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted access was available at balance date to the following lines of credit:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Overdrafts</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Corporate Credit Cards</td>
<td>17</td>
<td>26</td>
</tr>
<tr>
<td>LGFA Cash Advance Debenture Facility</td>
<td>2,500</td>
<td>2,500</td>
</tr>
</tbody>
</table>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.
Municipal Council of Roxby Downs

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

**Note 12a. Functions**

<table>
<thead>
<tr>
<th>Functions/Activities</th>
<th>Income INCOME</th>
<th>EXPENSES</th>
<th>OPERATING SURPLUS (DEFICIT)</th>
<th>GRANTS INCLUDED IN INCOME</th>
<th>TOTAL ASSETS HELD (CURRENT &amp; NON-CURRENT)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>Actual</td>
<td>Actual</td>
<td>Actual</td>
</tr>
<tr>
<td>Municipal</td>
<td>8,507</td>
<td>8,748</td>
<td>9,904</td>
<td>11,041</td>
<td>2,397</td>
</tr>
<tr>
<td>2018 $'000</td>
<td>2017 $'000</td>
<td>2018 $'000</td>
<td>2017 $'000</td>
<td>2018 $'000</td>
<td>2017 $'000</td>
</tr>
<tr>
<td>Power</td>
<td>4,726</td>
<td>4,549</td>
<td>3,278</td>
<td>3,118</td>
<td>2,276</td>
</tr>
<tr>
<td>Water</td>
<td>5,015</td>
<td>4,757</td>
<td>2,839</td>
<td>2,484</td>
<td>2,176</td>
</tr>
<tr>
<td>Total Functions/Activities</td>
<td>18,248</td>
<td>18,054</td>
<td>16,021</td>
<td>16,643</td>
<td>1,086</td>
</tr>
</tbody>
</table>

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

During the year, changes were made to the Strategic Management Plan functions to reflect the broad functions used for the management of Council's delivery of services.
The activities relating to Council functions are as follows:

**Municipal**
General operations, Council offices, rates, governance, participating in Local Government Associations, general grants.

Dog and cat control, Development Act, planning and building fees and charges, environmental health expenses, emergency services support.

Community Youth Centre operation and services, community development support, volunteer support, family support, festivals, community board activities, health, media, business support and tourism promotion.

Roads and transport, Parks and Gardens, off road tracks, stormwater, footpaths, streetscaping, skate park and public street lighting, landfill & recycling, maintenance and disposal fees, garbage collection and charges, environmental protection, litter control, vandalism.

Operations and maintenance of Recreation Centre, swimming pool, tennis and netball courts, community ovals plus other support to sport and recreation groups.

Art Gallery, Visitor Information Centre, cinema, auditorium, Public Library, Cultural Centre administration.

**Power**
Retail and distribution of electricity, power purchases and electricity infrastructure maintenance.

**Water**
Retail and distribution of water, water purchases and water infrastructure maintenance.

Sewerage infrastructure and lagoons maintenance, treated waste water and sewerage service charges.

**Note 12b. Components of Functions**

**Note 13. Financial Instruments**

**Recognised Financial Instruments**

**Bank, Deposits at Call, Short Term Deposits**

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

**Terms & Conditions:**
 Deposits are returning fixed interest rates between 0.4% and 1.5% (2017: 1.5% and 1.75%). Short term deposits have an average maturity of 180 days and an average interest rate of 2.5% (2017: nil).

**Carrying Amount:**
Approximates fair value due to the short term to maturity.
# Municipal Council of Roxby Downs

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

### Note 13. Financial Instruments (continued)

---

### Recognised Financial Instruments

<table>
<thead>
<tr>
<th>Receivables</th>
<th>Accounting Policy</th>
<th>Terms &amp; Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rates &amp; Associated Charges</strong></td>
<td>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.</td>
<td>Secured over the subject land, arrears attract interest of $8%$ (2017: $8%$). Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</td>
</tr>
<tr>
<td>Note: These receivables do not meet the definition of &quot;financial instruments&quot; and have been excluded from the following disclosures.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Receivables</th>
<th>Accounting Policy</th>
<th>Terms &amp; Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fees &amp; Other Charges</strong></td>
<td>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.</td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Receivables</th>
<th>Accounting Policy</th>
<th>Terms &amp; Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other Levels of Government</strong></td>
<td>Carried at nominal value.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Accounting Policy</th>
<th>Terms &amp; Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Creditors and Accruals</strong></td>
<td>Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</td>
<td>Liabilities are normally settled on 30 day terms.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>Carrying Amount:</th>
<th>Approximates fair value (after deduction of any allowance).</th>
<th>Approximates fair value.</th>
</tr>
</thead>
</table>

---
Municipal Council of Roxby Downs

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

Note 13. Financial Instruments (continued)

<table>
<thead>
<tr>
<th></th>
<th>Due &lt; 1 year $'000</th>
<th>Due &gt; 1 year $'000</th>
<th>Due &gt; 5 years $'000</th>
<th>Total Contractual Cash Flows $'000</th>
<th>Carrying $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Equivalents</td>
<td>7,184</td>
<td></td>
<td></td>
<td>7,184</td>
<td>7,184</td>
</tr>
<tr>
<td>Receivables</td>
<td>2,645</td>
<td></td>
<td></td>
<td>2,645</td>
<td>2,645</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>9,829</td>
<td></td>
<td></td>
<td>9,829</td>
<td>9,829</td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>1,074</td>
<td></td>
<td></td>
<td>1,074</td>
<td>1,074</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>1,074</td>
<td></td>
<td></td>
<td></td>
<td>1,074</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Due &lt; 1 year $'000</th>
<th>Due &gt; 1 year $'000</th>
<th>Due &gt; 5 years $'000</th>
<th>Total Contractual Cash Flows $'000</th>
<th>Carrying $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Equivalents</td>
<td>2,696</td>
<td></td>
<td></td>
<td>2,696</td>
<td>2,696</td>
</tr>
<tr>
<td>Receivables</td>
<td>3,336</td>
<td></td>
<td></td>
<td>3,336</td>
<td>2,966</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>6,032</td>
<td></td>
<td></td>
<td>6,032</td>
<td>5,662</td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>1,121</td>
<td></td>
<td></td>
<td>1,121</td>
<td>1,121</td>
</tr>
<tr>
<td>Current Borrowings</td>
<td>74</td>
<td></td>
<td></td>
<td>74</td>
<td>74</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>1,195</td>
<td></td>
<td></td>
<td></td>
<td>1,195</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Interest Rate</th>
<th>30 June 2018 Carrying Value $'000</th>
<th>30 June 2017 Carrying Value $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overdraft</td>
<td>0.00%</td>
<td>74</td>
</tr>
</tbody>
</table>

**Net Fair Value**

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

**Risk Exposures**

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 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 investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

### Note 14. Commitments for Expenditure

#### (a). Capital Commitments

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Splash Pad - shade sail</td>
<td>-</td>
<td>30</td>
</tr>
<tr>
<td>Richardson Place Redevelopment</td>
<td>-</td>
<td>55</td>
</tr>
<tr>
<td>Stadium floor resurfacing</td>
<td>43</td>
<td>-</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>48</td>
<td>85</td>
</tr>
</tbody>
</table>

These expenditures are payable:

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>48</td>
<td>85</td>
</tr>
<tr>
<td>Later than one year and not later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>48</td>
<td>85</td>
</tr>
</tbody>
</table>

#### (b). Other Expenditure Commitments

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Services</td>
<td>34</td>
<td>35</td>
</tr>
<tr>
<td>Waste Management Services</td>
<td>3,508</td>
<td>1,080</td>
</tr>
<tr>
<td>Other</td>
<td>56</td>
<td>600</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,598</td>
<td>1,715</td>
</tr>
</tbody>
</table>

These expenditures are payable:

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>842</td>
<td>1,715</td>
</tr>
<tr>
<td>Later than one year and not later than 5 years</td>
<td>2,756</td>
<td>-</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,598</td>
<td>1,715</td>
</tr>
</tbody>
</table>
Municipal Council of Roxby Downs

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

Note 15. Financial Indicators

<table>
<thead>
<tr>
<th>Amounts</th>
<th>Indicator</th>
<th>Prior Periods</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 $’000</td>
<td>2018 %</td>
<td>2017 %</td>
</tr>
<tr>
<td>Operating Surplus</td>
<td>2,227</td>
<td>12%</td>
</tr>
<tr>
<td>Total Operating Income</td>
<td>18,248</td>
<td></td>
</tr>
</tbody>
</table>

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

2. Net Financial Liabilities Ratio

<table>
<thead>
<tr>
<th>Amounts</th>
<th>Indicator</th>
<th>Prior Periods</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 $’000</td>
<td>2018 %</td>
<td>2017 %</td>
</tr>
<tr>
<td>Net Financial Liabilities</td>
<td>(7,475)</td>
<td>(41%)</td>
</tr>
<tr>
<td>Total Operating Income</td>
<td>18,248</td>
<td></td>
</tr>
</tbody>
</table>

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

12% 7% (3%)

3. Asset Sustainability Ratio

<table>
<thead>
<tr>
<th>Amounts</th>
<th>Indicator</th>
<th>Prior Periods</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 $’000</td>
<td>2018 %</td>
<td>2017 %</td>
</tr>
<tr>
<td>Net Asset Renewals</td>
<td>722</td>
<td>127%</td>
</tr>
<tr>
<td>Infrastructure &amp; Asset Management Plan required expenditure</td>
<td>568</td>
<td></td>
</tr>
</tbody>
</table>

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.

Denominator used in the Asset Sustainability Ratio for 2017 and 2018 was the budgeted capital expenditure on asset renewal. The denominator used for 2016 was the depreciation expense for the year as the Infrastructure and Asset Management Plan had not been adopted.

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.
Note 16. Uniform Presentation of Finances

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

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

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

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>18,248</td>
<td>18,054</td>
</tr>
<tr>
<td>less Expenses</td>
<td>(16,021)</td>
<td>(16,643)</td>
</tr>
<tr>
<td><strong>Operating Surplus / (Deficit)</strong></td>
<td><strong>2,227</strong></td>
<td><strong>1,411</strong></td>
</tr>
</tbody>
</table>

**Net Outlays on Existing Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditure on Renewal and Replacement of Existing Assets</td>
<td>(722)</td>
<td>(84)</td>
</tr>
<tr>
<td>add back Depreciation, Amortisation and Impairment</td>
<td>3,074</td>
<td>2,601</td>
</tr>
<tr>
<td>add back Proceeds from Sale of Replaced Assets</td>
<td>-</td>
<td>66</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>2,352</strong></td>
<td><strong>2,583</strong></td>
</tr>
</tbody>
</table>

**Net Outlays on New and Upgraded Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditure on New and Upgraded Assets</td>
<td>(283)</td>
<td>(1,090)</td>
</tr>
<tr>
<td>(including Investment Property &amp; Real Estate Developments)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>add back Amounts Received Specifically for New and Upgraded Assets</td>
<td>45</td>
<td>401</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>(238)</strong></td>
<td><strong>(689)</strong></td>
</tr>
</tbody>
</table>

**Net Lending / (Borrowing) for Financial Year**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Lending / (Borrowing) for Financial Year</strong></td>
<td><strong>4,341</strong></td>
<td><strong>3,305</strong></td>
</tr>
</tbody>
</table>
Municipal Council of Roxby Downs

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

Note 17. Operating Leases

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ '000</td>
<td>$ '000</td>
</tr>
</tbody>
</table>

**Lease Payment Commitments of Council**

Council has entered into non-cancellable operating leases for various items of photocopier/printer units and building.

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

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

No lease contains any escalation clause.

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

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>57</td>
<td>23</td>
</tr>
<tr>
<td>Later than one year and not later than 5 years</td>
<td>18</td>
<td>35</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>75</strong></td>
<td><strong>58</strong></td>
</tr>
</tbody>
</table>
Municipal Council of Roxby Downs

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

Note 18. Superannuation

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

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

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

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

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

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

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

Note 19. Interests in Other Entities

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

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

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

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.

At reporting date, Council controlled 39 km of road reserves of average width 15 metres.

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 nil 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.

Council is disputing a contractual issue relating to waste management contract. Any potential outcome from this dispute is expected not to be material to the Council.
Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2018, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements. Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements. Accordingly, the "authorised for issue" date is 16/11/18.

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

Note 23. Related Party Transactions

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ '000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>867</td>
<td>2</td>
</tr>
<tr>
<td>Short-Term Employee Benefits</td>
<td>790</td>
<td>-</td>
</tr>
<tr>
<td>Post-Employment Benefits</td>
<td>77</td>
<td>2</td>
</tr>
</tbody>
</table>

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

**Related Parties and Key Management Services**

The Department of State Development, pursuant to the authority given to it in the Roxby Downs (Indenture Ratification) Act 1982 has significant influence over Municipal Council of Roxby Downs.

During 2017/18 the State Government of South Australia paid $300,000 ($435,388 in 2016/17) to Council to assist in funding the provision of municipal services.

During 2017/18 the State Government of South Australia provided Key Management Services to Council. Council paid $217,750 ($667,377 in 2016/17) for these services during the year.

Two close family members of key management personnel are employed by Council in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the Local Government Act 1999.

**Other Disclosures**

During the year BHP paid $300,000 ($435,388 in 2016/17) to Council to assist in funding the provision of municipal services.

Pursuant to the Roxby Downs (Indenture Ratification) Act 1982 BHP supplies electricity and water to Council as the distribution authority for which Council pays BHP. For properties within the township of Roxby Downs BHP pays Council for water, sewerage, electricity and rates.
Municipal Council of Roxby Downs

General Purpose Financial Statements
for the year ended 30 June 2018

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Municipal Council of Roxby Downs for the year ended 30 June 2018, the Council's Auditor, Bentley's SA Audit Partnership 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.

Date: 18 October 2018

Roy Bright
CHIEF EXECUTIVE

David Powell
PRESIDING MEMBER, AUDIT COMMITTEE
Certification of Auditor Independence

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

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

Bentleys SA Audit Partnership

[Signature]

David Papa
Partner

Dated at Adelaide this 18 October 2018
Meeting Date 28 November 2018
Title of Report Review of Treasury Activity 2018

1. **Purpose**
To consider a report on Council’s investment activities and the resulting income from those activities.

2. **Recommendation**
That the Council adopts this Review of Treasury Activity for the 2017-2018 financial year as recommended by the Audit Committee on 9 November 2018.

3. **Background**
The Local Government Act and Council’s own Treasury Policy requires a report be prepared each year on the performance of Council’s investments. This report covers the 12 months to 30 June 2018.

4. **Discussion**
The budget for investment income was set at $24,000.00 following 2016-2017 actuals of $7,041.60 and an expectation of increasing interest being earned from higher cash balances. The interest earned for the year was $51,543.50, significantly higher than expected.

This significantly higher interest income came from increasing cash balances generally, as well as from active investment of surplus cash in a combination of NAB and LGFA term deposits. Interest earned from the term deposits alone amounted to $23,147.27.

This table summarises the interest earned from the different sources:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Product</th>
<th>Interest earned</th>
<th>Interest rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGFA</td>
<td>At call</td>
<td>$3,019.05</td>
<td>1.5%</td>
</tr>
<tr>
<td>LGFA</td>
<td>Bonus</td>
<td>$1,750.00</td>
<td>0.35%</td>
</tr>
<tr>
<td>NAB</td>
<td>Maximiser</td>
<td>$16,594.53</td>
<td>0.4%</td>
</tr>
<tr>
<td>NAB</td>
<td>Transaction accounts</td>
<td>$7,032.65</td>
<td>1.5%</td>
</tr>
<tr>
<td>LGFA</td>
<td>Term Deposit</td>
<td>$10,750.00</td>
<td>2.3%</td>
</tr>
<tr>
<td>NAB</td>
<td>Term Deposit</td>
<td>$12,397.27</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$51,543.50</strong></td>
<td></td>
</tr>
</tbody>
</table>

5. **Policy Implications**

5.1 **Financial/Budget**
As detailed above

5.2 **Resources**
Nil
5.3 Legal and Risk Management

Nil

6. Report Consultation

Roy Blight - Chief Executive

7. Report Authorisers

Drew Ellis
Group Manager Corporate Services
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date 28 November 2018

Title of Report Audit Committee Meeting Minutes 9 November 2018 (Subject to Confirmation)

1. Purpose
To receive the minutes (subject to confirmation) from the Audit Committee held 9 November 2018.

2. Recommendation
That the minutes (subject to confirmation) of the Audit Committee held 9 November 2018 be received and noted and the resolutions contained therein be agreed to.

3. Background
By operation of the Roxby Downs (Indenture Ratification) Act 1982, the provisions of the Local Government Act 1999 ("the Act") which relate to the establishment and meetings of a Council Committee do not apply to the Council. However, pursuant to Sections 36(1)(c) and 126 of the Act, the Council has established a committee known as the Roxby Council Audit Committee to ensure compliance with section 126 of the Act and accountability in decision-making.

The Audit Committee meets a minimum of four times per year.

4. Discussion
Nil

5. Policy Implications
5.1 Financial/Budget
Nil

5.2 Resources
Nil

5.3 Legal and Risk Management
Nil

6. Attachments
Minutes of the Audit Committee Meeting held 9 November 2018 (Subject to Confirmation)

7. Report Authorisers

Roy Blight
Chief Executive
1. **Opening Statement**

   The meeting commenced at 2:00pm.

   Mr Powell acknowledged the Kaurna peoples, the traditional owners of the land on which we meet today and paid respect to their Elders past and present and extended that respect to other Aboriginal and Torres Strait Islander people who may be present today.

2. **In Attendance**

   David Powell (Chair), Trevor Starr, Rosina Hislop
   Geoff Whitbread (Administrator), Roy Blight (Chief Executive), Drew Ellis (Group Manager Corporate Services)
   David Papa, Matthew Brunato (Bentley’s SA Auditors) 2:00pm – 2:45pm

3. **Conflict of Interest**

   No member declared a conflict of interest.

4. **Confirmation of Minutes of the Previous Meeting**

   **Moved:** R. Hislop

   *That the Minutes of the Audit Committee Meeting held on 4 June 2018 be confirmed as a true and accurate record of proceedings.*

   **Seconded:** T. Starr  
   **Carried**

5. **Chief Executive Report**

   **Moved:** R. Hislop

   *That the report by the Chief Executive be received and noted.*

   **Seconded:** T. Starr  
   **Carried**
David Papa and Matthew Brunato of Bentleys SA were invited to address the Committee on the conduct of the 2017/18 Financial Audit of the Council.

6. Written Reports

6.1 Draft Annual Report 2017/2018

Moved: T. Starr

That the Audit Committee receive the report, and advises the Council that in its opinion the draft offers a fair representation of the period activities and recommend it be considered for adoption.

Seconded: R. Hislop Carried

6.2 General Purpose Financial Statements

Moved: T. Starr

That the Audit Committee recommend to Council that it adopts the General Purpose Financial Statements with the following inclusions at its next meeting on 28 November 2018.

1. Commentary relating to Asset Sustainability Ratio
2. Commentary relating to Contingent Liabilities
3. Interest on Borrowings.

Seconded: R. Hislop Carried

6.3 Auditor’s Management Report

Moved: T. Starr

That the Audit Committee note the Auditor’s Management Report as presented.

Seconded: R. Hislop Carried

At 2:25pm Roy Blight and Drew Ellis left the meeting to enable the Audit Committee to conduct a private briefing with the Bentley’s SA and Administrator. Roy Blight and Drew Ellis returned at 2:45pm at which time David Papa and Matthew Brunato also departed the meeting.

6.4 First Quarter Budget Review

Moved: R. Hislop

That the Audit Committee receives and notes the report.

Seconded: T. Starr Carried

6.5 Review of Treasury Activity

Moved: R. Hislop

That the Audit Committee recommend to Council that it adopts the Review of Treasury Activity for the 2017-2018 financial year.

Seconded: T. Starr Carried
6.6 Work Health and Safety and Risk Management Report

Moved: T. Starr

That the Work, Health and Safety and Risk Management Report be noted.

Seconded: R. Hislop

Carried

6.7 Review of Budget Management Policy

Moved: T. Starr

That the Audit Committee notes the minor changes made to the policy and recommend to Council that it be adopted.

Seconded: R. Hislop

Carried

6.8 Review of Financial Internal Control Policy

Moved: T. Starr

That the Audit Committee notes the minor changes made to the policy and recommend to Council that it be adopted.

Seconded: R. Hislop

Carried

6.9 Review of Payroll Internal Control Policy

Moved: T. Starr

That the Audit Committee recommend to Council that it adopts the Payroll Internal Controls Procedure as presented, and recommend to Council that it removes this policy from public display on the Council website on the grounds that it is an internal document only.

Seconded: R. Hislop

Carried

6.10 Review of Disposal of Land & Assets Policy

Moved: R. Hislop

That the Audit Committee recommend to Council that it adopt and implement the revised Disposal of Land & Assets Policy with the inclusion of a clause relating to the avoidance of conflict of interest if the Chief Executive and/or Administrator is a bidder.

Seconded: T. Starr

Carried

6.11 Audit Committee Dates and Times

Moved: T. Starr

That the Audit Committee endorse the 2019 schedule of ordinary meetings on:

- 22 February 2019  LGFA
- 17 May 2019  Roxby Downs
- 20 September 2019  LGFA
- 15 November 2019  LGFA

At 11.30am unless advised otherwise.

Seconded: R. Hislop

Carried
7. **Next Meeting**

   The next Audit Committee Meeting is scheduled for 7 December 2018 at 2:00pm - Boardroom, Local Government Finance Authority, Suite 1205, 147 Pirie Street Adelaide SA 5000, (unless advised otherwise, by notice on the Council’s website).

8. **Closure**

   The meeting closed at 3.58 pm.
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date  28 November 2018
Title of Report  Review of Budget Management Policy

1. Purpose

To review the Budget Management Policy

2. Recommendation

That Council adopt the Budget Management Policy as presented and as recommended by the Audit Committee on 9 November 2018 and publish on Council’s website.

3. Background

The Budget Management Policy was reviewed as part of Council’s commitment to ensuring that its policies are kept relevant and appropriate.

This particular policy is an important one as it provides the framework and principles underpinning Council’s annual budget cycle.

4. Discussion

There were no substantial changes made to the pre-existing policy. Most changes were simply 'cosmetic' or re-wording in nature.

Specific changes made were:

References to LTFP or Long Term Financial Plan were changed to include AMP or Asset Management Plan. This was done to recognise known issues around Council’s LTFP, especially in relation to the implications of a 10 year forecast in the context of Roxby Downs and its total dependence (economically) on Olympic Dam operations. By making reference to Asset Management Plan it softens the requirement for the LTFP whilst still ensuring that the long term asset considerations feature in the budget setting process.

The policy review period has been amended from two years to three years. This is thought to be a reasonable and pragmatic change in the context of process efficiencies.

The specific wording change were:

Under 1. Introduction:
Change from:  This policy provides clear direction to management and staff in relation to peamending, and reporting performance against, Council’s adopted budget.
Change to:  This policy aims to provide direction to management in relation to the annual budget cycle, both in terms of planning preparation and adoption, and also the review and reporting processes.

Under 4. Budget Processes:
Change heading from:  Budget Processes
Change heading to:  Budget processes and indicative timelines
Change from:  Review LTFP
Change to:  Review LTFP / AMP
Under 5. Policy

Change from: Roxby Council will…

Change to: Council will…

Under 5.4.3 Long Term Financial Planning
Change from: A long Term Financial Plan will reinforce the delivery and achievement of Council’s long term strategic objectives in a sustainable manner. All programmes will be regularly reviewed to ensure they fit within the Council’s financial framework.

Change to: An appropriate view of long term asset planning as well as Council’s strategic objectives will be central to Council’s financial planning.

Add clause: 5.4.11 Budget creation consultation. The budget development process will involve consultation with any relevant Council employee who may, due to their role or responsibilities, be considered to be a stakeholder.

Under 5.6 and 5.8
Change from: A Budget Update…

Change to: A Budget Review…

Under 6. Reporting, Review & Evaluation
Change from: The effectiveness of this policy will be reviewed … every two years

Change to: This policy will be reviewed every three years.

5. Policy Implications

5.1 Financial/Budget
Will help ensure robustness of budget numbers and budget management processes.

5.2 Resources
As required by specific activities. Finance and management personnel chiefly, and other employees as required.

5.3 Legal and Risk Management
Risk is mitigated by Council complying with this policy.

6. Report Consultation
Roy Blight - Chief Executive
Say Ying Toh - Financial Accountant

7. Attachments
Budget Management Policy

8. Report Authorisers
Drew Ellis
Group Manager Corporate Services
POLICY

Responsible Department
Corporate

Original Adoption Date
12.06.12

Current Adoption Date
28.11.18

Audit Committee Review Date
09.11.18

Date of Review
21.11.21

TITLE
POLICY – BUDGET MANAGEMENT

Latest Review Changes
29.11.18

Previous Council Reviews
30.11.16

Previous Audit Committee Reviews
21.10.16

Applicable Legislation:

Related Policies (alphabetical list):

Related Procedures:

Reference Documents:
1. INTRODUCTION

This policy aims to provide direction to management in relation to the annual budget cycle, it covers the planning, preparation and adoption, and also the review and reporting processes.

In addition to the statutory requirements governing the development and management of budgets contained within the Local Government Act and Regulations the Roxby Downs (Indenture Ratification) Act 1982 requires that:

- BHP and Council shall agree upon any rates levied in respect of township services, facilities or infrastructure (clause 29 (3)(a)); and
- the State Government and BHP to pay 50% each of any deficit in municipal funding where the budget has been approved by the State Government and BHP prior to the start of the financial year (clause 29 (3)(b)).

For a number of years an administrative arrangement has been made whereby the State Government, after consultation with BHP, has provided guidance on the level of deficit funding prior to the development of the budget.

2. PURPOSE

This policy provides a framework and guidelines for the development and ongoing management of Council’s budget, which are consistent with Council’s legislative requirements.

3. BUDGET DEVELOPMENT PRINCIPLES

In the development of Council’s budget the following principles will be adhered to:

3.1. The budget will address objectives identified in the Council’s Strategic Plan;

3.2. Consultation will be held with ratepayers and relevant parties;

3.3. Due consideration will be given to the financial sustainability of Council and the achievement of an operating surplus;

3.4. Budgets will be well researched, realistic and prudent;

3.5. Performance measures will be identified to monitor budgets; and

3.6. External loan borrowings and asset sales will not be used to fund recurrent services.

4. BUDGET PROCESSES / INDICATIVE TIMELINES

The following table outlines the key activities associated with the development and management of the budget.
Key steps for establishment of Budget

<table>
<thead>
<tr>
<th>Month</th>
<th>Key steps for monitoring of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review LTFP/AMP</td>
<td>First review of budget (between 30 Sept and 30 Nov)</td>
</tr>
<tr>
<td>Confirm budget timetable</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td></td>
</tr>
<tr>
<td>Confirm budget parameters with State Government and BHP Billiton</td>
<td>Second review of budget (between 1 Dec and 15 March)</td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td></td>
</tr>
<tr>
<td>February</td>
<td></td>
</tr>
<tr>
<td>ABP development commences</td>
<td>Third review of budget (between 16 March and 31 May)</td>
</tr>
<tr>
<td>March</td>
<td></td>
</tr>
<tr>
<td>ABP consultation begins</td>
<td></td>
</tr>
<tr>
<td>April</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td></td>
</tr>
<tr>
<td>Draft ABP and Budget submitted to State Government and BHP Billiton</td>
<td>Final Review of Budget</td>
</tr>
<tr>
<td>June</td>
<td></td>
</tr>
<tr>
<td>Rates modelling undertaken</td>
<td></td>
</tr>
<tr>
<td>July</td>
<td></td>
</tr>
<tr>
<td>ABP and Budget adopted</td>
<td></td>
</tr>
<tr>
<td>August</td>
<td></td>
</tr>
<tr>
<td>September</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td></td>
</tr>
</tbody>
</table>

5. POLICY

5.1. The budget will comply with requirements of the Local Government Act 1999 and related regulations.

5.2. As part of the budget process Council will prepare an annual business plan, which will:

- Address objectives, activities and performance measures of the Council;
- Assess financial requirements;
- Address rating structures and policies; and
- Take into account the long term financial management plan and asset management plan.
5.3. Council will aim for the following in the development of its annual budget and business plan:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target Short Term</th>
<th>Target Medium Term Years To 2021</th>
<th>Target Long Term to 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Surplus/(Deficit) Ratio - %</td>
<td>(2%) to 0%</td>
<td>(1%) to 1%</td>
<td>(1%) to 3%</td>
</tr>
<tr>
<td>Operating surplus / general and other rates less NRM levy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Financial Liabilities Ratio - %</td>
<td>0% to 50%</td>
<td>0% to 50%</td>
<td>0% to 50%</td>
</tr>
<tr>
<td>Total liabilities less financial assets/ total operating</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset Sustainability Ratio - %</td>
<td>50 to 100%</td>
<td>70 to 100%</td>
<td>80 to 120%</td>
</tr>
<tr>
<td>Net capital expenditure on the renewal or replacement of assets / Depreciation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5.4. The following principles will underpin the budget development:

5.4.1. Honest and Accountable
Council will be honest and accountable in all aspects of the budget process, meeting the community’s expectations of transparency and openness with a reporting framework that supports and enhances this. The Annual Business Plan will be available each year in hard copy form in the Council office and on Council’s web-site.

5.4.2. Strategic Approach
Council will maintain a strategic approach to the delivery of all council services and capital works programs. The budget will respond to the Council’s Strategic Plan.

5.4.3. Long Term Financial Planning
An appropriate view of long-term asset planning will reinforce the delivery and achievement of Council’s long term strategic objectives in a sustainable manner. All programmes will be regularly reviewed to ensure they fit within the Council’s financial framework.

5.4.4. Realistic Budgeting
All budget figures will be realistic, based on the best available information and utilise a zero based budgeting approach.

5.4.5. Affordable Rates
Rates will be set at an affordable level having regard to the Council’s strategic directions and its social and economic objectives balanced against the community’s ability to pay. Rate increases will be set within the 10-year framework of the long term financial management plan, but this will be re-assessed on an annual basis.

5.4.6. Avoid Cost Shifting
Council will have regard to the appropriate roles of Federal, State and Local Government when funding services.
5.4.7. New Initiatives
All new initiatives will be evaluated in terms of meeting Council’s strategic directions and incorporate a business case and cost benefit analysis which includes whole of life costing.

5.4.8. Asset Sales and Debt
The operational budget will be structured such that there is no reliance on asset sales to fund core services.

Debt will be regarded as a tool to be used in a strategic perspective to achieve the provision of services to the community. Debt will be considered
- in the context of the strategic objectives of Council;
- in the context of long term financial forecasts and objectives;
- as funding for long term infrastructure asset creation; and
- In the context of Council’s Treasury Management Policy.

5.4.9. Financial Control
Council commits to ensuring that financial and other resources under its control will be used only for approved purposes and within Council’s strategic framework and that all risks to Council’s finances are properly managed.

5.4.10. Financial Sustainability
Financial sustainability ratios will be reported upon in the budget of the Council, pursuant to requirements of the Local Government (Financial Management) Regulations 2011.

5.4.11 Budget Employee Consultation
The budget development process will involve consultation with any relevant Council employee who may, due to their role or responsibilities, be considered to be a stakeholder.

5.5. Community consultation will occur annually on Council’s Annual Business Plan and Budget in accordance with Section 123 of the Local Government Act and in accordance with Council’s Public Consultation Policy.

5.6. A Budget Review report will be prepared three times a year with the timing and content to be consistent with the requirements of the regulations (Local Government (Financial Management) Regulation 2011 Part 2 Paragraph 9(1)) and presented to the Audit Committee for review and the Administrator / Council for adoption.

5.7. Council approval must be sought and obtained before commitments are made that would result in activity outside of the budget limits.

5.8. Where circumstances so warrant (e.g. for reasons of urgent necessity) the Administrator may authorise variations in activity that are within the scope of approved limits for budget items providing that variations made do not:
- in aggregate exceed threshold value limits for that function/activity outlined in the Budget;
• materially impact on the quality, quantity, frequency, range or level of service previously provided for or implicitly intended in the original allocation; and

• impact on any explicit proposals Council has included in its Annual Business Plan or has otherwise publicly committed to and accommodated in its budget.

Whenever such changes are made, the following Budget Review must include information from explaining the rationale for the decision.

5.9. Funding approval for budgeted activity not completed at the end of any budget year is forfeited unless approval to carry-over the activity and associated budget allocation is granted by Council.

Any request for carrying forward activity needs to clearly highlight whether the scope of each activity item and its associated funding quantum is proposed to be varied from that previously approved and if so the reasons for same. Any impact on the achievement of the targets for a financial indicator established in Council’s original budget for the current year also should be identified.

6. REPORTING, REVIEW & EVALUATION

The effectiveness of this Policy will be reviewed and evaluated every three years.

7. AVAILABILITY OF THE POLICY

The Policy is available for inspection (without charge) at Council’s Principal Office at Richardson Place Roxby Downs.

8. RELEVANT LEGISLATION

Section 123 of the Local Government Act 1999
Part 2 of the Local Government (Financial Management) Regulations 2011
Roxby Downs (Indenture Ratification) Act 1982
1. **Purpose**

   To review the document currently titled ‘Payroll System Policy & Procedure’.

2. **Recommendation**

   That

   1. Council adopt the Payroll Internal Controls Policy as presented and as recommended by Council’s Audit Committee on 9 November 2018
   
   2. The Policy be removed from the Council’s website on the grounds it is an internal document only.

3. **Background**

   The Payroll System Policy & Procedure was reviewed as part of Council’s commitment to ensuring that its policies are kept relevant and appropriate.

   This particular policy is an important one as it provides the framework and principles underpinning Council’s measures to prevent fraud in relation to its payroll processes.

   At the Council Meeting held 31 October 2018 the item was withdrawn for the purpose of consultation with the Audit Committee. This policy has now been reviewed by the Audit Committee.

4. **Discussion**

   There were no substantial changes made to the pre-existing policy aside from reference as a procedure. Most changes were simply amendment of terms and job titles to better reflect Council’s current structure and positions.

   Details of changes made:
   - Title was changed from ‘Payroll System Policy & Procedure’ to ‘Payroll Internal Controls Procedure’
   - Any reference to ‘Administrator’ was changed to ‘Chief Executive’
   - Any reference to ‘HR Manager’ was changed to ‘employee’s group manager’
   - Any reference to ‘Accountant’ or ‘Financial Accountant’ was changed to ‘Group Manager Corporate Services’
   - ‘All staff must complete daily timesheets…’ was changed to ‘All staff except for senior managers must complete daily timesheets… If an alternate system is developed that replaces the need for timesheets, a suitable method of time capture must record start and finish times.

   The pre-existing policy has been displayed on Council’s website since its formal adoption. As this policy only relates to internal operations of Council, there is no need for it to be made public in this manner.
5. Policy Implications

5.1 Financial/Budget
Nil

5.2 Resources
As required by specific activities. Finance and management personnel chiefly, and other employees as required.

5.3 Legal and Risk Management
Risk is mitigated by Council complying with this policy.

6. Report Consultation
Mellissa Nilsen – Payroll & Administration Officer
Roy Blight - Chief Executive
Say Ying Toh - Financial Accountant

7. Attachments
Payroll Internal Controls Procedure

8. Report Authorisers
Drew Ellis
Group Manager Corporate Services
<table>
<thead>
<tr>
<th>TITLE</th>
<th>PROCEDURE – PAYROLL INTERNAL CONTROLS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latest Review Changes</td>
<td>31.10.18</td>
</tr>
<tr>
<td>Previous Council Reviews</td>
<td>23.06.16, 24.02.12</td>
</tr>
<tr>
<td>Previous Audit Committee Reviews</td>
<td>NA</td>
</tr>
</tbody>
</table>

Applicable Legislation:

Related Policies (alphabetical list):

Related Procedures:

Reference Documents:
PAYROLL SYSTEM

1. CHANGES IN EMPLOYEE DETAILS

Access to computer payroll maintenance is strictly limited to authorised personnel only.

No employee should be added to payroll records or paid without receipt of the appropriate forms, including: notification in writing of contract from the employee’s Group Manager, employment declaration and Employee Personal Information Form.

Employee history files are to be maintained for all employees. Files should contain employment details and contracts, job specifications, authorisations for payroll or deduction changes, annual leave, long service leave and sick leave entitlements together with hours worked and rate of pay, gross salary or wages, tax and details of all other payments and deductions.

No adjustments are to be made to employee records ie names, address, and bank account details without receipt of written authorisation from the employee.

No adjustments are to be made to salary or wage rates without written authorisation from the employee’s Group Manager.

Adjustments to the employee master-file can only be undertaken by the authorised Payroll Officer.

On the termination of an employee, their payroll records are to be coded on payroll records as terminated employees immediately.

2. TIME RECORDING

All staff except for Group Managers and Chief Executive must complete daily timesheets, which are to be signed by the employee and their Group Manager at the end of the pay period.

If an alternate system is developed that replaces the need for timesheets, a suitable method of time capture must record start and finish times.

All timesheets are to be marked as evidence of processing.

Prior to finalising the pay run, payroll reports are to be checked and authorised by the Group Manager Corporate Services (not involved in the pay processing) to ensure all entries are correct.

3. LEAVE ENTITLEMENTS

All employees applying for leave must complete a Leave Application Form in advance. This form is to be authorised by the appropriate Group Manager and/or the Chief Executive and passed onto the payroll department for noting and advising applicant of approval.

Annual and Long Service Leave Application Forms are filed with personnel file and departmental leave records updated.

Annual leave and long service leave is not to be paid without receipt of the appropriate authorised form.
TOIL and Overtime provisions that apply are in accordance with the relevant applicable Enterprise Agreement / Industrial Award. Any payment of TOIL and / or Overtime will require written authorisation from the employee’s Group Manager before being passed onto the payroll officer. This authorisation is then filed in the appropriate personnel file.

Leave entitlements are to be immediately updated and checked to reflect annual, sick, TOIL and long service leave taken during the pay period.

Annual leave, sick leave and long service leave entitlements are to be reviewed half yearly and arrangements made with employees with excessive entitlements to reduce these.

All applications for payment of Long Service Leave in lieu of leave shall be authorised by the Chief Executive.

4. PAYMENT

Payslips will be distributed to employees the day after payday.

Pays are only to be paid by bank transfer unless written authorisation advising otherwise has been received and approved by Chief Executive.

Where wages have not been claimed and returned by the bank, efforts should immediately be made to contact the employee to arrange payment by alternative methods. Replacement transfers/cheques can only be authorised by the Group Manager Corporate Services/Chief Executive.

If pays are via direct bank deposit, listings should be reconciled to:-

- Net pay total
- Total number of employees paid; and
- Listings received from relevant bank/institution.

All payroll control accounts are to be reconciled at least on a monthly basis.

5. RECORDS

Records shall be maintained in a secure area in respect of each and employee showing:-

- Hours worked and rate of pay
- Gross salary or wages
- Tax and details of all other payments and deductions such as annual and long service leave available and taken and
- All pay records shall be retained for periods stated in legislation / regulations.

6. PAYG CERTIFICATES
Year End Preparation: - The totals appearing on the PAYG certificates for the year shall be reconciled with general and payroll ledgers by a responsible pay officer and presented to the Financial Accountant for verification prior to printing.

PAYG certificates returned or unclaimed are received by the payroll officer and investigated by the Group Manager Corporate Services.
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date 28 November 2018  
Title of Report Financial Internal Control Policy

1. Purpose

To review the Financial Internal Control Policy

2. Recommendation

That Council adopt the Financial Internal Control Policy as presented as recommended by Council’s Audit Committee on 9 November 2018 and publish on Council’s website.

3. Background

The Financial Internal Control Policy was reviewed as part of Council’s commitment to ensuring that its policies are kept relevant and appropriate.

This particular policy is an important one as it provides the framework and principles underpinning Council’s management of its financial risks, its responsibilities around data integrity and reporting, and its compliance with various regulations.

4. Discussion

The policy was found to be generally relevant and appropriate. There were only a few minor changes made. The specific changes were:

- ‘Financial Accountant was changed to ‘Group Manager Corporate Services’
- ‘Administrator’ was changed to ‘Chief Executive’
- In terms of policy review period, ‘two years’ was changed to ‘three years’

5. Policy Implications

5.1 Financial/Budget

Nil

5.2 Resources

As required by specific activities. Finance and management personnel chiefly, and other employees as required.

5.3 Legal and Risk Management

Risk is mitigated by Council complying with this policy.

6. Report Consultation

Roy Blight - Chief Executive
Say Ying Toh - Financial Accountant

7. Attachments

Financial Internal Control Policy
8. Report Authorisers

Drew Ellis
Group Manager Corporate Services
### POLICY

**TITLE**  
POLICY – FINANCIAL INTERNAL CONTROL

<table>
<thead>
<tr>
<th>Latest Review Changes</th>
<th>29.11.18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Council Reviews</td>
<td>31.01.12, 30.05.13, 30.11.16</td>
</tr>
<tr>
<td>Previous Audit Committee Reviews</td>
<td>08.07.10, 30.05.13, 21.10.16</td>
</tr>
</tbody>
</table>

#### Applicable Legislation:

- 

#### Related Policies (alphabetical list):

- Fraud and Corruption Policy

#### Related Procedures:

- 

#### Reference Documents:

- 

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Electronic version on the Intranet is the controlled version.  
Printed copies are considered uncontrolled.  
Before using a printed copy, verify that it is the current version.
1. INTRODUCTION

Financial internal control is part of Council’s corporate governance framework and covers areas such as strategic management, business development, project management, procurement, finance, etc. It comprises procedures to mitigate risks and provide reasonable assurance that operations are efficient and effective, assets are safeguarded, legislation and council policies/rulings are complied with and financial reporting is accurate and reliable.

The importance of Financial Internal Controls is emphasised by the requirement of Council’s external auditors to express an opinion each year as to “whether the controls audited under subsection (1)(b) are sufficient to provide reasonable assurance that the financial transactions of the council have been conducted properly and in accordance with law.” (Section 129(3)(b) LGA).

A complete risk management and corporate governance framework for the financial component of internal controls are addressed and are required to ensure Council resources are used prudently and in an efficient, effective, accountable and economical manner. Examples of the types of activities addressed are accounts payable, payroll, budgeting, management reporting, banking, purchasing and contracting. Financial internal controls are critical to effective risk management of a Council’s operations and promote the achievement of its goals and objectives. Council is committed to maintaining an effective financial internal control environment.

2. POLICY OBJECTIVES

Council’s objectives of this Policy are:

- Risks relating to the stewardship of public resources are adequately managed through effective internal controls
- A framework for an effective financial internal control system which conveys to managers that they are responsible for ensuring that internal controls are established, documented, maintained, utilised and adhered to across the council, and to all employees that they are responsible for utilising and adhering to those internal controls
- To ensure the propriety of transactions, information integrity, compliance with regulations and achievement of Council objectives through operational efficiency.

3. ROLES AND RESPONSIBILITIES

The Council is responsible for approval of the Financial Internal Control Policy, and the Group Manager Corporate Services is responsible for maintaining a financial internal control framework, which ensures Council objectives are achieved efficiently, accountably and effectively. Updates on changes to the framework will be presented to the Audit Committee.

The Senior Management Team must adopt a risk management approach to identifying and assessing risks and apply cost/benefit analysis in the development of internal controls. Council employees must conduct their duties in accordance with all financial internal control policies procedures and practices of Council.

- **Council** - The Chief Executive is responsible for the Financial Internal Control Policy.
- **Audit Committee** - The Audit Committee provide independent review and advice to Council in relation to the administration’s approach to corporate governance matters including internal controls.
- **Management** - Management are responsible for the development of adequate financial internal controls and their implementation, evaluation and revision on an ongoing basis in respect to all of the functions of Council under their control to ensure as far as practicable that:
  - All financial records and other relevant databases completely capture and accurately reflect the actual operational activities and the timely preparation of reports
  - Assets are safeguarded from unauthorised use or disposal
Irregularities are prevented, or detected and corrected if they occur
Management is expected to promote a best practice approach in support of effective business practices, accountability and properly functioning controls.

Employees - Council employees are responsible for conducting their duties in accordance with all financial internal control policies, procedures and practices of Council. They are also responsible for reporting to Management instances where they consider that internal control procedures are inadequate or are not being met. Employees will participate in the internal implementation, checking and investigating processes.

3.1 Elements of an Internal Control Framework

The essential elements of an effective internal control framework are:
- Structure and culture of Council
- Delegations of Authority
- Policies and procedures
- Trained and properly qualified staff
- Information Technology controls
- Review process
- Liaison with auditors and legal advisors
- Senior Management compliance assurance
- Risk identification and assessment.

3.2 Risk Management Approach

Council will maintain an internal control framework, which will be based upon a proactive risk management culture. The types of risks identified in the framework will be those which may prevent Council from meeting its objectives or not maximising its opportunities.

It is recognised that all risks cannot be eliminated, however the internal controls applied should reduce the likelihood of the risk occurring to within acceptable limits of risk. Council will develop a culture that emphasises integrity, ethical values and competence.

To assist in the ongoing improvement of a risk management system Council will review all the risks in the Local Government Association’s Better Practice Model – Internal Financial Controls at least annually to ensure all controls are current and appropriate. The Senior Management Team and the Audit Committee will be informed of the outcome of each review.

4. REPORTING, REVIEW & EVALUATION

Every twelve months a report shall be prepared for Council’s Audit Committee which outlines the activities undertaken in the previous 12 months in relation to the maintenance of financial internal controls and how the obligations under this policy have been met.

The effectiveness of this Policy will be reviewed and evaluated every three years.

5. AVAILABILITY OF THE POLICY

The Policy is available for inspection (without charge) at Council’s Principal Office at Richardson Place Roxby Downs.
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date 28 November 2018
Title of Report Disposal of Land & Assets Policy

1. Purpose

To review the Disposal of Land & Assets Policy.

2. Recommendation

That Council adopt the Disposal of Land & Assets Policy as presented and as recommended by Council’s Audit Committee at their meeting on 9 November 2018.

3. Background

The Disposal of Land & Assets Policy is due for periodic review.

This policy sets-out the principles and procedures to be followed by Council when disposing of Land and Assets in compliance with Section 49 of the Local Government Act 1999 (the Act).

This review was previously presented to Audit Committee at their meeting on 4 June 2018, where the Audit Committee requested that a further review of the policy be carried out to provide more clarity in relation to land disposal and asset disposal to Council employees.

It was then amended per the Audit Committee’s comments, and the re-presented to the Audit Committee at their meeting on 9 November 2018, where the Audit Committee recommended that Council adopt the policy subject to one more minor amendment (relating to the need for the Chief Executive and/or Administrator to avoid any conflict of interest that may arise if he/she were to be a bidder for any land or asset upon its disposal by Council).

4. Discussion

The Disposal of Land & Assets Policy has been updated with references to the Administrator being replaced with Chief Executive.

As requested by the Audit Committee on 4 June 2018, a further review was completed with following change to be made:

“The Council will not dispose of Land to any employee of the Council who has been involved in any process related to a decision to dispose of the Land and/or the establishment of a reserve price” was changed to:

“Any employee of Council is eligible to bid through one of the above prescribed methods, so long as any such bid is assessed on a competitive basis against any other bid, and if successful, Council discloses any involvement the employee may have had in any process related to a decision to dispose of the land and/or the establishment of a reserve price and/or any matter that should be disclosed in the public interest”.

As requested by the Audit Committee on 9 November 2018, a further amendment, in the form of the following inclusion, was made:

“A potential conflict of interest could be seen to arise from the Chief Executive and/or Administrator being involved as a bidder in the disposal process. Any such conflict will be avoided by the Chief Executive and/or Administrator, by removing him/herself from any part of the disposal process in order that the disposal process is seen to be free from any conflict of interest”
5. Policy Implications

5.1 Financial/Budget

Adherence to this policy should ensure maximum possible return for any disposal of land or assets.

5.2 Resources

Nil

5.3 Legal and Risk Management

Adherence to this policy should mitigate any risk of perceived conflict of interest.

6. Report Consultation

Roy Blight – Chief Executive

7. Attachments

Disposal of Land & Assets Policy

8. Report Authoriser

Drew Ellis
Group Manager Corporate Services
### POLICY – DISPOSAL OF LAND & ASSETS

<table>
<thead>
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<th>TITLE</th>
<th>POLICY – DISPOSAL OF LAND &amp; ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latest Review Changes</td>
<td>1.11.18</td>
</tr>
<tr>
<td>Previous Council Reviews</td>
<td>07.06.17</td>
</tr>
<tr>
<td>Previous Audit Committee Reviews</td>
<td>09.06.17</td>
</tr>
</tbody>
</table>

**Applicable Legislation:**

**Related Policies (alphabetical list):**
- Code of Conduct for Council Employees
- Financial Internal Control Policy
- Procurement Policy
- Prudential Management Policy
- Risk Management Policy

**Related Procedures:**

- Plant Procedure

**Reference Documents:**

- Procurement Glossary
- Financial Delegations
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1. INTRODUCTION

This Disposal of Land and Assets Policy (the Policy) sets-out the principles and procedures to be followed by Roxby Council (the Council) when disposing of Land and Assets in compliance with Section 49 of the Local Government Act 1999 (the Act).

This Policy seeks to:

▪ define the methods by which Land and Assets are disposed of;
▪ demonstrate accountability and responsibility of Council to ratepayers;
▪ be fair and equitable to all parties involved;
▪ enable all processes to be monitored and recorded; and
▪ ensure that the best possible outcome is achieved for the Council.

Furthermore, Section 49 (a1) of the Act requires Council to develop and maintain policies, practices and procedures directed towards:

▪ obtaining value in the expenditure of public money; and
▪ providing for ethical and fair treatment of participants; and
▪ ensuring probity, accountability and transparency in all disposal processes.

However, this Policy does not cover:

▪ Land sold by Council for the non-payment of rates; or
▪ disposal of goods which are not owned by the Council, such as abandoned vehicles, as these are dealt with in the Act.

2. DEFINITIONS

The following definitions are in addition to those contained in the Procurement Glossary document.

In this Policy, unless the contrary intention appears, these words have the following meanings:

**Asset** includes Major Plant and Equipment and Minor Plant and Equipment.

**Land** includes community land, vacant land, operational land, road reserves, any legal interest in land, and any other land-related assets, including all buildings (community and operational) on Land.

**Major Plant and Equipment** includes all major machinery and equipment owned by the Council. It includes all trucks, graders, other operating machinery and major plant items. It does not include Minor Plant and Equipment.

**Minor Plant and Equipment** includes all minor plant and equipment owned by Council. It includes all loose tools, store items, furniture, second hand items removed from Major Plant and Equipment (such as air conditioners, bricks and pavers), information technology and communication items and surplus bulk items (such as sand and gravel).
3. POLICY PRINCIPLES

Council must have regard to the following principles in its disposal of Land and Assets:

3.1 Encouragement of open and effective competition

3.2 Obtaining Value for Money

This is not restricted to price alone.

An assessment of value for money must include consideration of (where applicable):

- the contribution to Council’s long term financial plan and strategic management plans;
- any relevant direct and indirect benefits to Council, both tangible and intangible;
- efficiency and effectiveness;
- the costs of various disposal methods;
- internal administration costs;
- risk exposure; and
- the value of any associated environmental benefits.

3.3 Probity, Ethical Behaviour and Fair Dealing

Council is to behave with impartiality, fairness, independence, openness and integrity in all discussions and negotiations, and use its best endeavours to deal with all Respondents on the basis of mutual trust and respect.

Council will maintain the confidentiality of commercial information provided by Suppliers. Clauses dealing with the treatment of Confidential Information will be included in all Purchase Agreements.

3.4 Accountability, Transparency and Reporting

Records detailing all aspects of a Procurement process are to be maintained and appropriate documentation completed commensurate with the nature and complexity of the transaction.

3.5 Compliance With Legislation

Including the following:

- Local Government Act 1999 (SA)
- Real Property Act 1886 (SA)
- Land and Business (Sale and Conveyancing) Act 1994 (SA)
- Development Act 1993 (SA)
- Retail and Commercial Leases Act 1995 (SA)
- Residential Tenancies Act 1995 (SA)
- Strata Titles Act 1988 (SA)
- Crown Land Management Act 2009 (SA)
- Community Titles Act 1996 (SA)
- Roads (Opening and Closing) Act 1991 (SA)
- Land Acquisition Act 1969 (SA).
4. CONSIDERATIONS

Any decision to dispose of Land and Assets will be made after considering (where applicable):

- the usefulness of the Land or Asset;
- the current market value of the Land or Asset;
- the annual cost of maintenance;
- any alternative future use of the Land or Asset;
- any duplication of the Land or Asset or the service provided by the Land or Asset;
- any impact the disposal of the Land or Asset may have on the community;
- any cultural or historical significance of the Land or Asset;
- the positive and negative impacts the disposal of the Land or Asset may have on the operations of the Council;
- the long term plans and strategic direction of the Council;
- the remaining useful life, particularly of an Asset;
- a benefit and risk analysis of the proposed disposal;
- the results of any community consultation process;
- any restrictions on the proposed disposal;
- the content of any community land management plan; and
- any other relevant policies of the Council, including:
  - its Service Range Policy and associated Service Level Policies;
  - its Internal Financial Controls Policy and Prudential Management Policy; and
  - its policy with respect to managing conflicts of interest.

5. DISPOSAL METHODS

5.1 Land disposal

- The Council may resolve to dispose of Land.

- Where the Land forms or formed a road or part of a road, the Council must ensure that the Land is closed under the *Roads Opening and Closing Act 1991* (SA) prior to its disposal.

- Where Land is classified as community land, the Council must:
  - undertake public consultation in accordance with the Act and the Council’s public consultation policy; and
  - ensure that the process for the revocation of the classification of Land as community land has been concluded prior to its disposal; and
  - comply with all other requirements under the Act in respect of the disposal of community land.

- Where the Council proposes to dispose of Land through the grant of a leasehold interest, the Council must have complied with its obligations under the Act, including its public consultation obligations under Section 202 of the Act.

- The Council will, where appropriate, dispose of Land through one of the following methods:
- *open market sale* - advertisement for disposal of the Land through the local paper and where appropriate, a paper circulating in the State, or by procuring the services of a licensed real estate agent and/or auctioneer (following compliance with the Council’s Procurement Policy);

- *expressions of interest* - seeking expressions of interest for the Land;

- *select tender* - seeking tenders from a selected group of persons or companies;

- *open tender* - openly seeking bids through tenders, including public auction;

- *by negotiation* – with owners of land adjoining the Land or others with a pre-existing interest in the Land, or where the Land is to be used by a purchaser whose purpose for the Land is consistent with the Council’s strategic objectives for the Land.

Selection of a suitable disposal method will include consideration of (where appropriate):

- the number of known potential purchasers of the Land;

- the original intention for the use of the Land;

- the current and possible preferred future use of the Land;

- the opportunity to promote local economic growth and development;

- delegation limits, taking into consideration accountability, responsibility, operation efficiency and urgency of the disposal;

- the total estimated value of the disposal; and

- compliance with statutory and other obligations.

Any employee of Council is eligible to bid through one of the above prescribed methods, so long as any such bid is assessed on a competitive basis against any other bid, and if successful, Council discloses any involvement the employee may have had in any process related to a decision to dispose of the land and/or the establishment of a reserve price and/or any matter that should be disclosed in the public interest.

A potential conflict of interest could be seen to arise from the Chief Executive and/or Administrator being involved as a bidder in the disposal process. Any such conflict will be avoided by the Chief Executive and/or Administrator, by removing him/herself from any part of the disposal process in order to ensure that the disposal process is seen to be free from any conflict of interest.

If Land is to be auctioned or placed on the open market or disposed of by an expression of interest, then (unless the Council resolves otherwise) one independent valuation must be obtained to establish the reserve price for the Land. The independent valuation must be made no more than 6 months prior to the proposed disposal.

If Land is to be disposed of via a select tender or direct sale, then (unless the Council resolves otherwise) a minimum of two independent valuations must be obtained to ensure that an appropriate market value is obtained. The independent valuation must be made no more than 6 months prior to the proposed disposal.
The Council will seek to dispose of Land at or above current market valuation by whichever method is likely to provide the Council with a maximum return, unless there are reasons for the Council to accept a lesser return which is consistent with the Council’s overall strategic direction. These reasons must be documented in writing.

If the disposal is not to be on the open market, the disposal should be at or above the current market valuation (with due regard to all associated costs to achieve the transaction or such other amount as the Council resolves).

5.2 Asset Disposal

The sale of Assets (both Major Plant and Equipment and Minor Plant and Equipment) is the responsibility of the relevant Council Officer who is responsible for those Assets.

The Council will, where appropriate, dispose of Assets through one of the following methods:

- **trade-in** – trading in equipment to suppliers;
- **expressions of interest** – seeking expressions of interest from buyers;
- **select tender** – seeking tenders from a selected group of persons or companies;
- **open tender** – openly seeking bids through tenders;
- **public auction** – advertisement for auction through the local paper and, where appropriate, a paper circulating in the State, or procuring the services of an auctioneer (following compliance with the Council’s Procurement Policy);
- **donation** - items that are capable of addressing a specific need or purpose for a non-for-profit Community organisation may be donated to such an organisation at the sole discretion of the Chief Executive in such cases, the receiving organisation will be deemed to be the Purchaser for the purpose of this Policy.
- **scrap or dump** - assets that have come to the end of their useful life and hence of little commercial value may be disposed of by way of recycling or dumping.

Selection of a suitable method will include consideration of (where appropriate):

- the public demand and interest in the Asset;
- the method most likely to return the highest revenue;
- the value of the Asset and whether it is Major Plant and Equipment or Minor Plant and Equipment;
- the costs of the disposal method compared to the expected returns; and
- compliance with statutory and other obligations.

If Council Employees wish to purchase Assets offered for sale, they can only do so via an open tender process or a public auction. In the case of a tender -

- the Employee bids are to be submitted to the Chief Executive in a sealed envelope;
- the Employee bids will be opened by the Chief Executive after the external bidding process has closed;
- an Employee bid may be accepted at the sole discretion of Chief Executive who in consultation with the Administrator will make the decision based on evidence of proper probity throughout the process and the relative value of all bids received.
A Contractor who has undertaken work for the Council, either independently or on behalf of a contracting company, and such work has involved working with an Asset that is offered for sale or has provided access to confidential information about an Asset that is offered for sale, will be treated as an Employee for the purpose of this Policy.

Purchasers are required to agree in writing that no warranty is given by the Council in respect of the suitability and condition of the Asset and that the Council will not be responsible for the Asset in any respect following the sale.

6. CONSULTATION

The Council must undertake public consultation in respect of its proposed disposals in accordance with the Act and its public consultation policies at all times.

7. RECORDS

The Council must record reasons for utilising a specific disposal method and where it uses a disposal method other than a tendering process.

8. EXEMPTIONS

This Policy contains general guidelines to be followed by the Council in its disposal activities. There may be emergencies, or disposals in which a tender process will not necessarily deliver best outcome for the Council, and other market approaches may be more appropriate. In certain circumstances, the Council may, after approval from its elected members, waive application of this Policy and pursue a method which will bring the best outcome for the Council. The Council must record its reasons in writing for waiving application of this Policy.

9. PUBLIC ACCESS TO POLICY

Sections 49(4) and 132(1)(a) of the Local Government Act entitle a person to inspect (without charge) this Policy at the principal business office of the Council during ordinary business hours. Under s. 49(5) and s. 132(1)(b), a person is entitled, on payment of a fee fixed by the Council, to a copy of this Policy.

Section 132(3)(d) requires that the Council should, so far as is reasonably practicable, make this Policy available for inspection on the Internet within a reasonable time after the Policy is available at the principal office of the Council.

10. POLICY REVIEW

The effectiveness of this Policy will be reviewed annually within Council’s Strategic Management Planning framework.

Amendments to the Policy will not affect Disposal initiatives that have already involved formal approaches to the Market - ie issuing of a Tender, notice of Auction, invitation for Expressions of Interest or equivalent documentation to potential buyers.
# REPORT FOR ORDINARY COUNCIL MEETING

**Meeting Date**  
Wednesday 28 November 2018  

**Title of Report**  
Roxby Downs Riding Club Lease Agreement

## 1. Purpose

To provide consent to grant the following Recreational and Sporting club Lease agreement:

Roxby Downs Riding Club Lease Agreement  
Lot 772 Olympic Way  
Roxby Downs SA 5725

## 2. Recommendation

That Council approve the granting of a lease to Roxby Downs Riding Club for a period of 10 years through a peppercorn arrangement ($1 per annum) with the right for renewal of 5 years for continued access to part allotment 772 Olympic Way Roxby Downs and also grant additional access to the front portion of allotment 722 Olympic Way Roxby Downs for agistment purposes.

## 3. Background

The Municipal Council of Roxby Downs recognises the importance and value of our local sporting community groups and the contribution that they provide to the overall health and well-being for our community.

The Roxby Downs Riding Club has previously held a Lease agreement for a term of 21 years for part allotment 772, Olympic Way Roxby Downs SA and is due for review. For the past 3 years the club has had a waiting list for new members. To meet this growing demand the Roxby Downs Riding Club requested additional land from the Municipal Council of Roxby Downs.

In response to this request the Municipal Council of Roxby Downs submitted an application to the Department of Planning, Transport and Infrastructure for the Roxby Downs Riding Club to access the front portion of allotment 772 for agistment purposes with development plan consent being granted on 30 January 2018. This consent is subject to Building rules consent and development approval.

## 4. Discussion

The committee of the Roxby Downs Riding Club has reviewed the attached Lease agreement and has confirmed that they would like to proceed with the terms outlined in this agreement.

Public Consultation commenced on 24 October 2018 for a 21 day period until 13 November 2018. This is a requirement of the Local Government Act 1999 of which Council is required to formally undertake public consultation of all Leases over 5 years. There was not any feedback nor submissions received from the community as part of this consultation period.

## 5. Policy Implications

### 5.1 Financial/Budget

This Lease agreement is set as a peppercorn arrangement. Council staff designated to monitor and review Lease requirements as required.
5.2 **Resources**

Council staff to monitor, review and ensure the Roxby Downs Riding Club is meeting the requirements of this Lease Agreement and provide assistance as needed.

Council to engage services of building inspector to ensure the Roxby Downs Riding Club is meeting all building/safety standards.

5.3 **Legal and Risk Management**

Compliance with the Local Government Act 1999
Compliance with the Development Act 1993
Compliance with the Retail and Commercial Leases Act 1995
Compliance with the EPA
Compliance with the Liquor Licensing Act 1997

6. **Report Consultation**

Senior Management Team

7. **Report Authorisers**

Tony Weir
Group Manager Lifestyle and Sport
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date 28 November 2018
Title of Report 105.5 RoxFM Community Radio Grant

1. Purpose
To consider an application by 105.5 RoxFM Incorporated for an operating grant of $10,000.00 (ten thousand dollars) for 2018/2019 towards the running costs of the community radio station.

2. Recommendation
That:
1. Based on business objectives and performance Council approve a grant of $10,000.00 (ten thousand dollars) to 105.5 RoxFM Community Radio
2. 105.5 RoxFM Incorporated be requested to provide the Council with an acquittal report by 30 June 2019 on the outcomes and results achieved for 2018/2019.

3. Background
105.5 RoxFM ("RoxFM") Incorporated has applied to Council for an operating grant of $10,000.00 (ten thousand dollars) for 2018/2019 towards the running costs of the radio station.

RoxFM is a not for profit incorporated association which has been operating since 2004. It is governed by a Board of Management and operations are supported by 22 volunteers. The Station Manager is the only employee.

RoxFM sources income from memberships, sponsorships and advertising.

The aims of RoxFM are:
- To provide a high quality community based independent radio service
- To provide support, to encourage, to assist and to co-operate with other community groups and organisations to achieve their communication goals
- To be a community operated radio station
- To help and encourage RoxFM members who may wish to pursue an interest in the fields of journalism, radio and television

4. Discussion
RoxFM is the only locally based broadcaster in Roxby Downs. It operates 24 hours a day, seven days a week. With the closure of the Monitor Newspaper in February 2018 it is a vital avenue of communication between local community groups and businesses and local residents and visitors of the town and surrounding areas.

Achievements during 2017/2018 are:
- Local content increased from 15 hours per week to 25 hours per week (66% increase)
- 15 outside broadcasts occurred including Neighbourhood Day, Market Days, World Food Music Festival, 30th Anniversary Orange Brick Road, Pink Stumps Day, Paws and Prams, Autopro Show and Shine and 2017 Netball and Football Finals
- 22 volunteers involved in presenting programs on air and assisting at community events
- Volunteering labour has an annual value of $65,000 (based on Australian Bureau of Statistics value of $41.72 per hour)
• Upgraded website launched with 50 unique visitors each day. Interest increases when local news is shared. New website features include online streaming, submission portal for community events and downloadable membership forms
• Facebook page now has 888 likes and 862 followers – an increase of 200 likes since January 2018
• Support for local community groups in the form of free promos valued at $130,000 per year (based on 35-40 promos per day @ $10 per promo) plus live on air mentions of community events across RoxFM’s programming
• Programming changes have achieved 40% Australian music content. This exceeds the original goal of 30%
• SA Community Broadcaster Association Inc - Bilby Award 2018 for “Can't Get Out of the Car” category. RoxFM won this award for the “Brain Chamber” which is produced and presented by Adrian Friedel, Sarah Curtis and Jordan Curtis
• Listener Survey completed. Results from survey responses revealed 71% female listenership, most popular timeslot is 3pm to 7pm, average age of listener is 36 years and average time spent listening per week is 10.8 hours

Work in progress includes:

• Fitting out the outside broadcast van with a permanent broadcast panel and microphones
• Broadcast Licence renewal application has been submitted. This is required 12 months prior to licence expiry date. Awaiting approval
• Seeking a commission based sales representative to assist with boosting sponsorship revenue
• Undertaking a membership drive to increase memberships
• At the AGM held on 8 September five (5) board members elected not to renominate. They have been replaced with a new Chairperson and new members who will provide a fresh outlook. The new Board is currently developing a business plan, budget, and marketing plan.

Challenges

• Continuing turnover of volunteers due to the transient nature of the community

5. Policy Implications

5.1 Financial/Budget
The amount applied for is covered in the 2018/2019 budget which has an allocation of $10,000 for Community Radio

5.2 Resources
Council staff support for the generation of content and the presentation of Council segments

5.3 Legal and Risk Management
RoxFM is an important community based organisation and provides a vital means of communication for the community

6. Report Consultation

Jordan Curtis - Station Manager RoxFM

7. Report Authorisers

Michelle Hales
Group Manager Governance and Community
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date 28 November 2018
Title of Report Development Application Decisions

1. Purpose
To inform the community of the Development Application Decisions.

2. For Information
The following is listed as the Development Application processed from 9 October 2018 to 27 November 2018.

- 692/027/18

3. Attachments
Development Register

4. Report Authorisers
Danielle Moore
Governance Support
### DEVELOPMENT APPLICATION SYSTEM

#### MONTHLY COUNCIL REPORT OF BUILDING APPROVALS

<table>
<thead>
<tr>
<th>Month</th>
<th>Current Period End Date</th>
<th>Permit No.</th>
<th>Applicants Details</th>
<th>Builder Details</th>
<th>Site of Building</th>
<th>Description of Work</th>
<th>Valuation</th>
<th>Floor Area</th>
</tr>
</thead>
</table>

Ward:   
VG No.: 6906949009

Owners Name & Address: S W JAMES & F PILLAR 53 Burgoyne St Roxby Downs SA 5725
REPORT FOR ORDINARY COUNCIL MEETING

Meeting Date 28 November 2018
Title of Report Grant Register

1. Purpose
To report on the status of Grant Applications seeking external funding for noting only.

2. For Information

2.1 Community Sport Infrastructure 2018

Sports Australia have advised that due to the very high volume of applications notifications regarding the grant awards will now occur from mid-December 2018 onwards. Notifications were originally forecast from 1 November 2018.

3. Attachments
Grant Register

4. Report Authorisers
Roy Blight
Chief Executive
<table>
<thead>
<tr>
<th>Date Applied</th>
<th>Manager</th>
<th>Funding Body</th>
<th>Project</th>
<th>Total Cost</th>
<th>Outcome</th>
<th>Grant funding sought</th>
<th>Council component proposed</th>
<th>Other funding</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/5/2018</td>
<td>Tony Weir</td>
<td>BHP</td>
<td>Sport and Recreation Forum - Pump Track - Design and Consulting Fees to Develop a Multipurpose Pump Track</td>
<td>$ 23,810</td>
<td>$ 23,810</td>
<td>$23,810 to support the design and consulting fees to develop a multipurpose pump track</td>
<td>$ 23,810</td>
<td>$50,000 for implementation</td>
<td>The development phase of this project will include the recruitment of external funding.</td>
</tr>
<tr>
<td>14/9/2018</td>
<td>Tony Weir</td>
<td>Community Sport Infrastructure 2018</td>
<td>Family Friendly Changeroom Facility Central Sporting Precinct Roxby Downs</td>
<td>$ 568,000</td>
<td>Pending</td>
<td>$ 500,000</td>
<td>$ 53,000</td>
<td>SANFL $5,000 Far North Football League $5,000 Roxby Downs Junior Football Assoc $5,000</td>
<td>This grant application replaces the application for the Female Friendly Change Rooms which was terminated by the State Government in early September 2018.</td>
</tr>
<tr>
<td>5/10/2018</td>
<td>Michelle Hales</td>
<td>SA Youth Week 2019</td>
<td>Pump It Up</td>
<td>$ 2,900</td>
<td>Pending</td>
<td>$ 1,200</td>
<td>$ 1,700</td>
<td>Youth based expo</td>
<td></td>
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