

# **STORMWATER MANAGEMENT AUTHORITY**

## **ANNUAL REPORT**

**1 July 2014 to 30 June 2015**



**Government  
of South Australia**

Stormwater Management Authority  
Annual Report 2014-15

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## LETTER OF TRANSMITTAL

Hon Ian Hunter MLC  
Minister for Water and the River Murray  
Parliament House  
North Terrace  
ADELAIDE SA 5000

Mayor Dave Burgess  
President  
Local Government Association  
148 Frome Street  
Adelaide SA 5000

Dear Minister and President

On behalf of the Stormwater Management Authority I have pleasure in presenting its seventh Annual Report for the year ended 30 June 2015.

This report is submitted for information and presentation to each House of Parliament in accordance with the requirements of Schedule 1A of the *Local Government Act 1999* and the *Public Sector Act 2009*.

Yours sincerely

A handwritten signature in black ink, appearing to read "C. Porcaro".

Mr Carmine Porcaro  
**GENERAL MANAGER**  
**STORMWATER MANAGEMENT AUTHORITY**  
30 September 2015

## PLANS AND OBJECTIVES

The Stormwater Management Authority (the Authority) promotes a multi-objective stormwater management approach for addressing flood risk, improving environmental amenity and water security outcomes.

It also supports State policy directions for stormwater established in *Water for Good*, the *Stormwater Strategy* and the 2013 State and Local Government Stormwater Management agreement.

The Authority aligns its activities with relevant State priorities, including:

Safe Communities, Healthy Neighbourhoods – by supporting stormwater management planning to address flood risk; and

Creating a Vibrant City – recognition of stormwater management opportunities through water sensitive urban design approaches to support the creation of a more vibrant city.

In 2014-15 the Authority finalised and had approved its long term Strategic Plan, 2015-2025, which is a requirement of the most recent Stormwater Management Agreement between the State Government and the Local Government Association of South Australia.

The Strategic Plan positions the Authority as a lead entity for supporting, facilitating, coordinating and advocating for a more strategic approach to stormwater across the State. In doing so it establishes a vision, key goals and specific deliverables for the Authority over the short, medium and long term that will be the basis for its engagement with local government, industry, State agencies and the broader community on stormwater issues.

The Plan also proposes activity to ensure that the management of stormwater takes place in the context of its linkages with other urban water resources across the state, including in Adelaide, where six major sources of water interact with each other (water resources of the Mount Lofty Ranges, River Murray, desalinated seawater, groundwater, wastewater and stormwater).

Implementation of the Strategic Plan has commenced and will be a priority area of focus for the Authority in 2015-16.

## HIGHLIGHTS, OPERATIONS AND INITIATIVES

### STORMWATER MANAGEMENT FUND

The Authority is required to report on the operation and adequacy of the Stormwater Management Fund under Schedule 1A of the *Local Government Act 1999* and the Stormwater Management Agreement.

The Fund has been adequate to meet progress claims on commitments to date.

The cash balance of \$7.9 million at 30 June 2015, together with the State Government contribution of \$4.995 million in 2015-16, is adequate to fund anticipated progress payments next financial year.

The Authority is undertaking an assessment of future stormwater priorities, likely funding requirements and different funding models to maximise outcomes from the Stormwater Management Fund over coming years.

### PROJECT FUNDING

A total of \$34.5 million has been approved towards 105 projects costing a total of \$81 million since September 2006.

<u>Floodplain Mapping /</u>	31	Metropolitan Projects	\$2 969 048
<u>Stormwater Management Planning</u>	24	Regional Projects	\$1 132 100

<u>Infrastructure Works</u>	36	Metropolitan Projects	\$25 960 761
	14	Regional Projects	\$4 417 490

In 2014-15, the Authority approved \$1.7 million towards 10 projects costing a total of \$5.8 million. Table 1 contains the list of projects.

**Table 1 Approved Projects for 2014-15**

<b>Application No.</b>	<b>Applicant</b>	<b>Project</b>	<b>Total Cost</b>	<b>SMA Subsidy</b>
138/14	Clare and Gilbert Valley	Auburn SMP*	\$79 210	\$35 000
139/14	Dist. C. of Copper Coast	Kadina SMP*	\$110 000	\$50 000
140/14	Dist. C. of Copper Coast	Rossiters Road Stormwater Project	\$800 000	\$400 000
143/14	Naracoorte Lucindale Council	Naracoorte CBD Drainage upgrade	\$3 470 000	\$714 000
145/14	University of SA	Impact of infill development on minor systems	\$133 000	\$50 000
146/14	Reg. C. of Goyder	Burra SMP*	\$200 000	\$66 000
147/14	Barossa Council	Nuriootpa Flood Mapping	\$90 310	\$30 100
148/14	Port Adelaide Enfield	Lefevre Peninsula SMP*	\$300 000	\$100 000
149/14	City of Playford	St Kilda Stormwater Strategy	\$180 000	\$60 000
151/15	City of Mitcham	Lower Sturt Catchment SMP	\$450 000	\$150 000

(\* SMP – Stormwater Management Plan)

## **REGIONAL FLOOD MITIGATION STRATEGY**

An agreement between the Commonwealth Government and the Government of South Australia exists on the funding of the former Regional Flood Mitigation Program (RFMP).

The program is now closed to new applicants. However, the Authority will remain the lead agency for the agreement until all remaining approved projects are completed.

In October 2010, the Authority received \$1.9 million for the RFMP from the Commonwealth as the final payment for the program. The Authority continues to report to the Commonwealth through the National Partnership Agreement on Natural Disaster Resilience.

The remaining two projects are:-

- Northern Areas Council - Spalding Flood Mitigation
- Barossa Council - Nuriootpa Township Flood Mitigation

## **CATCHMENT MANAGEMENT SUBSIDY SCHEME**

Upon cessation of the former Catchment Management Subsidy Scheme on 30 June 2006, there was a remaining commitment of \$5.5 million payable in respect of approved project contributions.

In 2014-15, \$442 359 was the only outstanding commitment, which was paid with the completion of the Mile End – Cowandilla outfall drain in the City of West Torrens.

## **2012 BROWN HILL AND KESWICK CREEKS STORMWATER MANAGEMENT PLAN**

The Authority approved the 2012 Brown Hill and Keswick Creeks Stormwater Management Plan in February 2013.

The catchment covers land within the councils of Adelaide, Burnside, Mitcham, Unley and West Torrens. These councils have primary responsibility for managing stormwater and drainage risk within their local council areas.

The 2012 Stormwater Management Plan is made up of two parts. Part A contains the agreed works that the councils will proceed to investigate in detail and then design in readiness for construction and Part B contains the ongoing investigation to determine the most effective solution for the upper reaches of Brown Hill Creek.

Part A works include:-

- Ridge Park detention basin
- South Park Lands detention basin
- Lower Brown Hill Creek upgrade, west of Anzac Highway
- Diversion from Keswick Creek to lower Brown Hill Creek
- Anzac Highway to Leah Street upgrade on Brown Hill Creek
- Fisher Street Bypass culverts

Part B works could include one or a combination of any of the following:-

- Brown Hill Creek Flood Control dam
- High flow bypass culvert system
- Hampton Street to Cross Road upgrade
- Creek upgrade works in sections of upper Brown Hill Creek

In July 2013, the Bureau of Meteorology released updated design rainfall data, referred to as intensity, frequency and duration data. The councils have applied this new data and have made other changes to the hydrologic and hydraulic modelling of the catchment. This work resulted in reduced peak flood flows and estimated property damage. This has allowed for further optimisation of flood mitigation options and proposed works as part of the Part B investigations.

In September 2014, the Brown Hill Keswick Creek Stormwater Project Team released its report on Part B investigations and options for flood mitigation works for upper Brown Hill Creek.



Of the eight options investigated the Brown Hill Keswick Creek Stormwater Project Team identified option 'D' as the preferred option, which involves:

- upgrading the capacity of the creek at critical points over the full length of upper Brown Hill Creek, as well as upgrading specific choke points such as bridges,
- creek rehabilitation works to assist flow capacity along the full length of upper Brown Hill Creek, from Anzac Highway to Brownhill Creek Caravan and Holiday Park.

With council elections in late 2014, the formal community consultation process on Part B of the stormwater management plan was delayed until after the elections were completed and the new councils fully briefed.

At its 25 November 2014 meeting, the Authority resolved to defer any further funding support until the councils agreed to a final Stormwater Management Plan and formed a Regional Subsidiary for the delivery of the project.

At its 2 April 2015 meeting, the Authority resolved to issue a 'Notice' to the five councils pursuant to clause 14 of Schedule 1A of the *Local Government Act 1999* for the preparation of a revised Stormwater Management Plan for Brown Hill and Keswick Creeks Catchment by 30 September 2015. The 'Notice' gazettal was published on 21 May 2015.

A formal consultation process was initiated by the councils on Part B of the stormwater management plan in mid May 2015 for a period of six weeks concluding in late June 2015.

To date, the Authority has approved funding towards the following projects:

- A contribution of up to \$1.4 million towards the Ridge Park Detention Basin construction.
- A contribution of \$2.5 million towards the diversion of Brown Hill Creek as part of the Goodwood Junction rail grade separation project. This diversion was required to facilitate the construction of the project by the Department of Planning, Transport and Infrastructure, and increased flow capacity in the diversion was provided as part of the project.
- A contribution of up to \$380 000 towards the ongoing Part B investigations.

The Authority will continue to work with the councils to ensure that Part B of the Plan is resolved.

## **APPROVED STORMWATER MANAGEMENT PLANS**

In accordance with Clause 15 of Schedule 1A of the *Local Government Act 1999*, the Authority has approved the following SMP's:

- Port Road (Rejuvenation) SMP  
City of Charles Sturt and City of Port Adelaide Enfield  
Approved September 2007
- Brown Hill and Keswick Creeks SMP  
Adelaide City Council, Cities of Burnside, Mitcham, Unley and West Torrens  
Approved February 2008 – Plan part superseded by the 2012 Plan
- Truro SMP  
Mid Murray Council City  
Approved August 2010

- Streaky Bay SMP  
District Council of Streaky Bay  
Approved April 2011
- Wasleys SMP  
Light Regional Council  
Approved April 2011
- Laura SMP  
Northern Area Council  
Approved April 2011
- 2012 Brown Hill and Keswick Creeks SMP  
Adelaide City Council, Cities of Burnside, Mitcham, Unley and West Torrens  
Approved February 2013
- Port Lincoln SMP  
City of Port Lincoln  
Approved March 2014
- Moonta, Moonta Bay, Port Hughes SMP  
District Council of the Copper Coast  
Approved June 2014
- Hallett Cove Creeks SMP  
City of Marion  
Approved July 2014
- Coastal Catchments between Glenelg to Marion SMP  
City of Marion/ Holdfast Bay  
Approved July 2014
- Tumby Bay SMP  
District Council of Tumby Bay  
Approved March 2015

## **STORMWATER MANAGEMENT PLANS BEING PREPARED**

The following SMP's are currently being prepared:

- Port Pirie Regional Council - Port Pirie SMP
- City of Port Adelaide Enfield - North Arm East Catchment
- City of Charles Sturt - Torrens Road Catchment
- City of Onkaparinga - Pedlar Creek and Beach Road SMP
- Alexandrina Council - Port Elliot SMP
- District Council of Yankalilla - Yankalilla, Normanville and Carrickalinga SMP
- Campbelltown City Council - Eastern Suburbs Urban SMP
- City of Salisbury - Cobbler Creek & Salisbury Escarpment SMPs

- City of Onkaparinga - Silver Sand Creek SMP
- City of Playford - Smith Creek SMP
- Clare & Gilbert Valleys Council - Seven Townships SMP
- Town of Gawler - Gawler SMP
- District Council of Mt Barker - Mt Barker SMP
- Light Regional Council - Freeling, Greenock and Kapunda SMP
- Port Adelaide Enfield Council - Lefevre Peninsula SMP
- Clare and Gilbert Valley Council - Auburn SMP
- District Council of Copper Coast - Kadina SMP
- Region Council of Goyder - Burra SMP

## **ROLE, LEGISLATION AND STRUCTURE**

The Authority was established on 1 July 2007 as a body corporate under Schedule 1A of the *Local Government Act 1999*.

The legislation approves the Stormwater Management Agreement (the Agreement) between the State Government of South Australia and the Local Government Association dated 14 March 2006.

The Authority is responsible for the proper operation of the Agreement which sets out the roles and responsibilities of the State Government and Local Government Association and provides governance arrangements for stormwater management on a catchment basis throughout South Australia.

The Agreement also incorporates a commitment by the State Government to contribute \$4 million per annum, adjusted in accordance with the Consumer Price Index, for a period of 30 years. The funds are used for the preparation of stormwater management plans; carrying out of works and the acquisition of land in accordance with an approved stormwater management plan or otherwise for the purpose of stormwater management; community education and awareness programs; projects or measures relating to water quality or pollution abatement; investigation, research, pilot programs or other projects relating to stormwater management and payment of the operational costs or expenses of the Authority.

The Agreement, enabling legislation and inherent administrative arrangements for management of the Authority, are based on a spirit of cooperation between the State and Local Government Association to minimise administrative costs so that maximum available funding can be directed towards stormwater management initiatives.

## **THE AUTHORITY BOARD**

The Board of the Authority consists of seven members historically appointed by the Governor but now appointed directly by the Minister:

- A Presiding Member appointed from a panel of three persons nominated by the Local Government Association.
- One representative of a northern metropolitan council, one representative of a southern metropolitan council and one representative of a non-metropolitan council appointed on the nomination of the Local Government Association.

- Three members appointed on the nomination of the Minister.

## MEMBERSHIP

The following board members were appointed until 30 June 2015 by the Governor:-

Mr Stephen Hains	Presiding Member
Mayor Lorraine Rosenberg	City of Onkaparinga, representative of a southern metropolitan council
Mr Wally Iasiello	City of Port Adelaide Enfield, representative of a northern metropolitan council
Dr Helen Macdonald	Naracoorte Lucindale Council, representative of a non-metropolitan council
Mr Kym Good	Department of Environment, Water and Natural Resources
Ms Julia Grant	Department of Environment, Water and Natural Resources
Dr Donna Ferretti	Department of Planning, Transport and Infrastructure

Ms Donna Ferretti subsequently resigned from the Stormwater Management Authority on 1 August 2014.

Mr Stephen Hains requested leave of absence as Presiding Member of the Stormwater Management Authority as of 13 April 2014 due to his appointment as Acting Chief Executive of the Adelaide City Council. The Minister for Water and the River Murray granted his leave and appointed Mr Wally Iasiello to act as Presiding Member for the remainder of the term.

A quorum of the board consists of five members and a decision of the board must be carried by at least four members.

## MEETINGS: GENERAL AND SPECIAL

The board of the Authority usually meets bi-monthly and as required and met on four occasions during the reporting year, with attendance at meetings shown in Table 2.

<b>Table 2 Attendance at Meetings</b>		
<b>Member</b>	<b>Meetings attended</b>	<b>Reason for non-attendance</b>
Stephen Hains	4	
Kym Good	4	
Julia Grant	4	
Donna Ferretti	1	Resign 1 August 2014
Lorrain Rosenberg	4	
Helen Macdonald	4	
Wally Iasiello	4	

## **MINISTERIAL ADVICE**

During the reporting year, the Presiding Member of the Authority met four times to brief the Minister for Water and the River Murray.

At its November 2014 meeting, the Authority tabled a letter from the Minister for Water and the River Murray seeking advice on the preferred options for use of the Stormwater Management Authority funds as financial leverage for future stormwater projects. At its March 2015 meeting, the Authority considered several options, with these now to be finalised and communicated with the Minister in the new financial year.

## **GOVERNANCE ARRANGEMENTS**

The Authority has a General Manager, Mr Carmine Porcaro, who is in attendance at Board meetings but has no voting rights.

The Department of Environment, Water and Natural Resources (DEWNR), through a service level agreement, provides agreed services to the Authority including:-

- Secondment of an employee to be the General Manager of the Authority who reports to the Authority,
- Payment of Board member fees and on costs through the DEWNR payroll system,
- Payment through DEWNR's accounts system of payments to non-local council payees in a timely manner on receipt of vendor tax invoices approved by the Authority.

Over the past seven years, the Stormwater Group of the Department of Planning, Transport and Infrastructure (DPTI) provided ongoing technical and stormwater engineering advice to the Authority at no cost. The services provided by DPTI's Stormwater Group are quite broad and aimed at ensuring that the Authority maximises the value of financial assistance that it provides. Services include providing direct advice to the Authority on applications, advice to councils and consultants on engineering matters in relation to both works projects and stormwater management plans and certifying expenditure claims from councils.

A reduction in major project capital funding has had an impact on the ability of DPTI to continue to provide this service at no cost. Consequently an agreement was reached between the Authority and DPTI for the next two years commencing in 2014- 15, for the payment of a fixed sum of \$100 000 per year for the services provided. Payments beyond 2015-16 will be negotiated in the first six months of 2016.

## **MANAGEMENT OF HUMAN RESOURCES**

A member of the board (other than an officer or employee of a Minister, or an agency or instrumentality of the Crown, or a council or council subsidiary) is entitled to remuneration, allowances and expenses determined by the Minister.

Mr Stephen Hains, Presiding Member, is the only member entitled to remuneration and received a total of \$13 999 in 2014-15.

## **THE AUTHORITY BOARD MEMBERS' INTERESTS**

The Authority board members operate through a Code of Conduct. Members declare any conflicts of interest prior to any meetings once the 'notice of the meeting' is released. The minutes record the information and in these circumstances members absent themselves from discussion of the relevant matter.

## **GENDER REPORTING**

Section 6 (3) of Schedule 1A of the *Local Government Act 1999* requires that at least one member of the board must be a woman and at least one member must be a man. There are currently three women and three men on the board of the Authority.

## **REFERENCE TO THE DEPARTMENT OF ENVIRONMENT, WATER AND NATURAL RESOURCES' ANNUAL REPORT**

The following matters are also contained in the DEWNR annual report 2014-15:

- Superannuation contribution by the Stormwater Management Authority
- Executives
- Leave Management
- Workforce Diversity
- Voluntary Flexible Working Arrangements
- Performance Development
- Leadership and Management Development
- Accredited Training Packages
- Employment Opportunity Programs
- Financial Performance
- Account Payment Performance
- Public Complaints
- Disability Action Plan
- Energy Efficiency Action Plan Report
- Greening of Government Operations Framework

## **WORK HEALTH, SAFETY AND INJURY MANAGEMENT**

Since the Authority is hosted within the offices of DEWNR the Authority is aware of and abides by the DEWNR Work Health and Safety and Injury Management policies.

## **CONTRACTUAL ARRANGEMENTS**

The Stormwater Management Authority did not enter into any contractual arrangements exceeding \$4 million in value during this reporting period.

## **FRAUD**

It is declared that there were no instances of fraud detected in the activities undertaken by the Stormwater Management Authority in this reporting period.

## **CONSULTANTS**

The Stormwater Management Authority did not engage any consultants in this reporting period.

## **OVERSEAS TRAVEL**

It is declared that no member of the Stormwater Management Authority has travelled overseas on Stormwater Management Authority business during this reporting period.

## **ASBESTOS MANAGEMENT IN GOVERNMENT BUILDINGS**

The Stormwater Management Authority does not own any non-residential property and is not, therefore, required to develop an asbestos risk reduction program.

## **URBAN DESIGN CHARTER**

No events occurred in 2014-15 that required the Stormwater Management Authority to consider the principles of urban design contained in the South Australian Urban Design Charter.

## **FREEDOM OF INFORMATION – INFORMATION STATEMENTS**

The Authority is committed to openness and transparency. Resolutions of the minutes of meetings that record all decisions of the Board are published on the Authority's webpage hosted by the Local Government Association ([www.lga.sa.gov.au/goto/sma](http://www.lga.sa.gov.au/goto/sma)).

There were no freedom of information requests in the reporting year.

## **WHISTLEBLOWERS PROTECTION ACT 1993**

Reporting requirements against *the Whistleblowers Protection Act 1993* require the Stormwater Management Authority to report on the number of occasions on which public interest information has been disclosed to a Responsible Officer of the agency. There were no disclosures made during the 2014-15 financial year.

## **REGIONAL IMPACT ASSESSMENT STATEMENTS**

No Regional Impact Assessment Statements were undertaken by the Authority in 2014-15.

**FINANCIAL STATEMENTS OF STORMWATER MANAGMENT  
AUTHORITY 1 JULY 2014 TO 30 JUNE 2015**





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## To the General Manager Stormwater Management Authority

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19(2) of Schedule 1A to the *Local Government Act 1999*, I have audited the accompanying financial report of the Stormwater Management Authority for the financial year ended 30 June 2015. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2015
- a Statement of Financial Position as at 30 June 2015
- a Statement of Changes in Equity for the year ended 30 June 2015
- a Statement of Cash Flows for the year ended 30 June 2015
- notes, comprising a summary of significant accounting policies and other explanatory information for administered items
- a Certificate from the General Manager.

## The General Manager's Responsibility for the Financial Report

The General Manager is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the General Manager determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

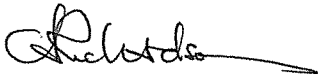
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as the overall presentation of the financial report.



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of the Stormwater Management Authority as at 30 June 2015, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

A handwritten signature in black ink, appearing to read 'A. Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson  
**Auditor-General**  
30 September 2015



## Stormwater Management Authority

### Certification of the Financial Statements

I certify that the attached general purpose financial statements for the Stormwater Management Authority:

- complies with relevant Treasurer's instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Authority; and
- present a true and fair view of the financial position of the Stormwater Management Authority as at 30 June 2015 and the results of its operation and cash flows for the financial year.

I certify that the internal controls employed by the Stormwater Management Authority for the financial year over its financial reporting and its preparation of the general purpose financial report have been effective throughout the reporting period.



Mr Carmine Porcaro  
**General Manager**  
29 September 2015

# Stormwater Management Authority

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Expenses</b>			
Supplies & Services	5	291	249
Grants and subsidies	6	7,925	5,369
<b>Total expenses</b>		<b>8,216</b>	<b>5,618</b>
<b>Income</b>			
Interest revenues	8	438	419
<b>Total income</b>		<b>438</b>	<b>419</b>
<b>Net cost of providing services</b>		<b>7,778</b>	<b>5,199</b>
<b>Revenues from SA Government</b>			
Revenues from SA Government	9	4,873	4,754
<b>Net result</b>		<b>(2,905)</b>	<b>(445)</b>
<b>Total comprehensive result</b>		<b>(2,905)</b>	<b>(445)</b>

The net result and comprehensive result are attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes

**Stormwater Management Authority**  
**STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	7,961	10,903
Receivables	11	114	81
<b>Total current assets</b>		<b>8,075</b>	<b>10,984</b>
<b>Total assets</b>		<b>8,075</b>	<b>10,984</b>
<b>Current liabilities</b>			
Payables	12	6	10
<b>Total current liabilities</b>		<b>6</b>	<b>10</b>
<b>Total liabilities</b>		<b>6</b>	<b>10</b>
<b>Net assets</b>		<b>8,069</b>	<b>10,974</b>
<b>Equity</b>			
Retained earnings	13	8,069	10,974
<b>Total equity</b>		<b>8,069</b>	<b>10,974</b>

Unrecognised contractual commitments 14

Contingent assets and contingent liabilities 15

The total equity is attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes

## Stormwater Management Authority

### STATEMENT OF CHANGES IN EQUITY

As at 30 June 2015

	Note No.	Retained earnings \$'000	Total Equity \$'000
<b>Balance at 30 June 2013</b>	13	11,419	11,419
Net result for 2013-14		(445)	(445)
<b>Total comprehensive result for 2013-14</b>		(445)	(445)
<b>Balance at 30 June 2014</b>	13	10,974	10,974
Net result for 2014-15		(2,905)	(2,905)
<b>Total comprehensive result for 2014-15</b>		(2,905)	(2,905)
<b>Balance at 30 June 2015</b>	13	8,069	8,069

All changes in equity are attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes



# Stormwater Management Authority

## STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Supplies & Services		(334)	(244)
Payments of grants and subsidies		(7,925)	(5,369)
<b>Cash used in operations</b>		<b>(8,259)</b>	<b>(5,613)</b>
<b>Cash inflows</b>			
Grant refunds		-	-
Interest received		444	441
<b>Cash generated from operations</b>		<b>444</b>	<b>441</b>
<b>Net cash (used in) / generated from operations</b>		<b>(7,815)</b>	<b>(5,172)</b>
<b>Cash inflows from SA Government</b>			
Receipts from SA Government	9	4,873	4,754
<b>Cash generated from SA Government</b>		<b>4,873</b>	<b>4,754</b>
<b>Net cash provided by operating activities</b>	<b>17</b>	<b>(2,942)</b>	<b>(418)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(2,942)</b>	<b>(418)</b>
Cash and cash equivalents at the beginning of the period		10,903	11,321
<b>Cash and cash equivalents at the end of the period</b>	<b>10</b>	<b>7,961</b>	<b>10,903</b>

The above statement should be read in conjunction with the accompanying notes



## Stormwater Management Authority

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# Stormwater Management Authority

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Note 1 Objectives of the Stormwater Management Authority

The Authority is responsible for implementation of the Stormwater Management Agreement between the State of South Australia and the Local Government Association.

The Authority provides funding towards the preparation of stormwater management plans; carrying out of works or the acquisition of land in accordance with an approved stormwater management plan or otherwise for the purpose of stormwater management; community education and awareness programs; projects or measures relating to water quality or pollution abatement; investigation, research, pilot programs or other projects relating to stormwater management and payment of the operational costs or expenses of the Authority.

### Note 2 Organisation

The Authority is managed by a seven member board.

The position of General Manager has been provided through the Department of Environment, Water and Natural Resources and reports to the board of the Authority.

### Note 3 Summary of significant accounting policies

#### a) Statement of compliance

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian accounting standards and Treasurer's instructions and accounting policy statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

#### b) Basis of preparation

The preparation of the financial statement requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, these are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in this financial report:
  - a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature;

## **Stormwater Management Authority**

- b) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Authority's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with the historical cost convention.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month operating cycle and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015 and the comparative information presented.

### **c) Reporting entity**

The Authority was established as a body corporate under the *Local Government Act 1999* on 1st July 2007.

The financial statements and accompanying notes include all the controlled activities of the Authority.

### **d) Comparative information**

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/ or accounting policy statements has required a change.

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

The restated comparative amounts do not replace the original financial statements for the preceding period.

### **e) Rounding**

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

### **f) Taxation**

The Authority is not subject to income tax. The Authority is liable for payroll tax, fringe benefits tax and goods and services tax (GST). Grant payments are not subject to GST.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

## **Stormwater Management Authority**

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

### **g) Events after the end of the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provides information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

### **h) Income**

Income is recognised to the extent that it is probable that the flow of economic benefits to the Authority will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

SA Government revenue received by the Authority are generally monies given to fund capital or recurrent activities.

### **i) Expenses**

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Authority will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The notes accompanying the financial statements disclose expenses where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

## **Stormwater Management Authority**

Grants provided by the Authority to other entities for a particular purpose are recognised as expenses in the period in which they are paid.

The Department of Environment Water and Natural Resources (DEWNR), through a service level agreement, provides agreed services to the Authority.

The agreement includes:

- Secondment of an employee of DEWNR to be the General Manager of the Authority who reports to the Authority Board of management.
- Payment of member fees and on costs through the DEWNR Payroll system.
- Payment through DEWNR's accounts system of payments to non local council payees in a timely manner on receipt of vendor tax invoices approved by the Authority.

### **j) Current and non-current classification**

All assets and liabilities of the Authority have been classified as current because they are expected to be consumed or realised as part of the normal operating cycle within twelve months.

### **k) Assets**

#### *Cash and cash equivalents*

Cash and cash equivalents in the Statement of Financial Position includes only cash at bank.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Cash is measured at nominal value.

### **l) Liabilities**

All liabilities are expected to settle within twelve months. No liabilities are greater than the threshold for disclosure as transactions with SA Government and therefore not separately disclosed.

#### *Payables*

Payables include creditors and accrued expenses.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Authority.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

## **Stormwater Management Authority**

All payables are measured at their nominal amount are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

### **m) Unrecognised contractual commitments and contingent assets and liabilities**

Commitments include those operating commitments arising from contractual or statutory sources and are disclosed at their nominal value.

#### **Note 4 New and revised accounting standards and policies**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Authority for the period ending 30 June 2015. The Authority has assessed the impact of the new and amended standards and Interpretations and considers there will be no impact on the accounting policies or the financial statements of the Authority.



## Stormwater Management Authority

### Note 5 Supplies & Services

	2015 \$'000	2014 \$'000
<b>Supplies and services provided by entities within the SA Government</b>		
Reimbursement of employee benefits - General Manager DEWNR*	131	124
Corporate overhead charge	31	30
Professional services - Department of Planning, Transport and Infrastructure	100	50
Other expenses**	12	15
<b>Total supplies and services - SA Government entities</b>	<b>274</b>	<b>219</b>
<b>Supplies and services provided by entities external to the SA Government</b>		
Contractor expenses	3	8
Board and Committee Fees	14	22
<b>Total supplies and services - Non SA Government entities</b>	<b>17</b>	<b>30</b>
<b>Total Supplies &amp; Services expenses</b>	<b>291</b>	<b>249</b>

\* refer to Note 3(i)

\*\* includes Auditor's remuneration refer to Note 7

### Note 6 Grants and Subsidies

#### Grants & Subsidies paid to SA Government Entities

Adelaide Mount Lofty NRM Board	-	28
<b>Total grants - SA Government entities</b>	<b>-</b>	<b>28</b>

#### Grants & Subsidies paid to entities external to SA Government

City of Port Adelaide Enfield	3,027	1,051
Brown Hill / Keswick Creeks Stormwater Project	2,861	4
City of Unley	933	-
City of West Torrens	744	-
Mt Barker Council	-	450
City of Marion	161	-
Bureau of Meteorology	79	68
District Council of Moonta	50	-
City of Salisbury	37	326
District Council of Tumby Bay	33	-
City of Charles Sturt	-	2,961
Clare & Gilbert Valley	-	165
The Barossa Council	-	94
Gawler River Flood Mitigation Scheme	-	91
Light Regional Council	-	71
Port Lincoln	-	30
Onkaparinga	-	20
Northern Areas Council	-	10
<b>Total grants - Non SA Government entities</b>	<b>7,925</b>	<b>5,341</b>
<b>Total Grants &amp; Subsidies expenses</b>	<b>7,925</b>	<b>5,369</b>

## Stormwater Management Authority

### Note 7 Auditor's remuneration

	2015 \$'000	2014 \$'000
Audit fees paid/payable to the Auditor-General's Department relating to the audit of financial statements.	6	6
<b>Total audit fees</b>	<b>6</b>	<b>6</b>

### Other services

No other services were provided to the Authority by the Auditor-General's Department.

### Note 8 Interest revenues

	2015 \$'000	2014 \$'000
Interest	438	419
<b>Total interest revenues</b>	<b>438</b>	<b>419</b>

### Note 9 Revenues from SA Government

	2015 \$'000	2014 \$'000
Revenues from SA Government	4,873	4,754
<b>Total revenues from SA Government</b>	<b>4,873</b>	<b>4,754</b>

### Note 10 Cash and cash equivalents

	2015 \$'000	2014 \$'000
Deposits at call - Local Government Finance Authority Deposit Account	7,961	10,903
<b>Total cash and cash equivalents</b>	<b>7,961</b>	<b>10,903</b>

The Authority's bank account is an interest bearing account held with the Local Government Finance Authority.

## Stormwater Management Authority

### Note 11 Receivables

	2015	2014
	\$'000	\$'000
Accrued interest	75	81
Administration Costs Paid to DEWNR in Advance	39	-
<b>Total receivables</b>	<b>114</b>	<b>81</b>

### Note 12 Payables

	2015	2014
	\$'000	\$'000
Creditors & accruals	6	10
<b>Total creditors</b>	<b>6</b>	<b>10</b>

### Note 13 Equity

	2015	2014
	\$'000	\$'000
Retained earnings	8,069	10,974
<b>Total equity</b>	<b>8,069</b>	<b>10,974</b>

### Note 14 Unrecognised contractual commitments

<b>Expenditure commitments</b>	<b>2015</b>	<b>2014</b>
	\$'000	\$'000
Within one year	5,549	11,870
Later than one year but not longer than five years	94	185
<b>Total other commitments</b>	<b>5,643</b>	<b>12,055</b>

The Authority's expenditure commitments comprise approved grants towards stormwater management projects based on the approval by the Board of detailed plans and applications (which include costings) submitted by councils in accordance with the Stormwater Management Agreement and Commonwealth Government Regional Flood Mitigation Program

### Note 15 Contingent assets and liabilities

The Authority is not aware of any contingent assets or liabilities.

## Stormwater Management Authority

### Note 16 Remuneration of board members

Members that were entitled to receive remuneration for membership were:

Mr Stephen Hains appointed to 30 June 2015 ( on leave from 13 April 2015)

Mr Kym Good\* appointed to 30 June 2015

Ms Julia Grant\* appointed to 30 June 2015

Dr Donna Ferretti\* appointed to 1 August 2014

Mayor Lorraine Rosenberg\* appointed to 30 June 2015

Dr Helen Macdonald\* appointed to 30 June 2015

Mr Wally Iasiello\* appointed to 30 June 2015

The number of members whose remuneration received or receivable falls within the following bands:	2015	2014
\$10 000 - \$19 999	1	0
\$20 000 - \$29 999	0	1
<b>Total number of members</b>	<b>1</b>	<b>1</b>

Remuneration of members reflects costs of performing board member duties including sitting fees and superannuation contributions and retention allowance. The total remuneration received or receivable by member was \$13,999 (\$22,000).

\* In accordance with Schedule 1A of the *Local Government Act 1999*, any officer or employee of a public authority (meaning a Minister, an agency or instrumentality of the Crown or a council or council subsidiary) did not receive any remuneration for board/committee duties during the financial year.

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

## Stormwater Management Authority

### Note 17 Cash flow reconciliation

	2015	2014
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	7,961	10,903
<b>Balance as per the Statement of Cash Flows</b>	<b>7,961</b>	<b>10,903</b>
 <b>Reconciliation of net cash provided by operating activities to net cost of providing services:</b>		
Net cash provided by operating activities	(2,942)	(418)
Less revenues from SA Government	(4,873)	(4,754)
 <b>Movements in assets and liabilities</b>		
(Decrease) Increase in receivables	33	(22)
Decrease (Increase) in liabilities	4	(5)
<b>Net cost of providing services</b>	<b>(7,778)</b>	<b>(5,199)</b>



## Stormwater Management Authority

### Note 18 Financial instruments/financial risk management

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 3 Summary of Significant Accounting Policies.

Category of financial asset and financial liability	Balance Sheet line item	Note	Carrying amount 2015 \$'000	Fair value 2015 \$'000	Carrying amount 2014 \$'000	Fair value 2014 \$'000
<b>Financial assets</b>						
Cash and cash Receivables	Cash and cash equivalents Accrued interest	10 11	7,961 75	7,961 75	10,903 81	10,903 81
<b>Financial Liabilities</b>						
Financial liabilities at cost	Creditors & accruals	12	0	0	4	4

Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (eg Commonwealth, State and Local Govt taxes, fees and charges; Auditor-General's Department audit fees ). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies , tax and equivalents etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

#### Interest rate risk

Deposits at call with the Local Government Finance Authority earns a floating interest rate, based on daily bank deposit rates. The weighted average interest rate was 2.64% (2.74%). The carrying amount of cash and cash equivalents represents fair value.

### Note 19 Events after balance date

There are no events after balance date.

