

CITY OF MOUNT GAMBIER

Meeting to be held at the Council Chamber, Civic Centre, 10 Watson Terrace, Mount Gambier  
on Tuesday 20<sup>th</sup> August, 2013 at 6.00 p.m.

AGENDA

**CONSIDERATION FOR EXCLUSION OF PUBLIC**

Cr Von Stanke moved that the following items be received, discussed and considered 'In Confidence' by excluding the public pursuant to Section 90(2) of the Local Government Act 1999, and an order be made that the public (with the exception of other Council Members and Council Officers now present) be excluded from the meeting in order for the items to be considered 'In Confidence' as the Committee is satisfied that the item is a matter that can be considered 'In Confidence' pursuant to the grounds referenced in Section 90(3) of the said Act:

ITEM NO.	SUBJECT MATTER	S90(3) GROUNDS
<b>Operational Services Committee</b>		
18.	<b><u>PROPERTY MANAGEMENT</u></b> - Mount Gambier Aquatic Centre Business Plan 2013/2014 - Ref. AF11/1451	(a) (b) (d)
19.	<b><u>PROPERTY MANAGEMENT</u></b> - Project Management - Former Mount Gambier Hospital Site - Expression of Interests for demolition of Former Mount Gambier Hospital buildings - Ref. AF13/224	(b) (d) (k)
20.	<b>CONSIDERATION FOR KEEPING MATTERS CONFIDENTIAL</b>	

Cr Mutton seconded

**Carried**

**IN CONFIDENCE****18. PROPERTY MANAGEMENT - Mount Gambier Aquatic Centre Business Plan 2013/2014 - Ref. AF11/1451**

*Goal: Building Communities*

*Strategic Objective: (i) Strive for an increase in services and facilities to ensure the community has equitable access and that the identified needs of the community are met*

*(ii) Encourage the development of community facilities and infrastructure, community events, and active and safe community spaces through direct support, seeking funding, facilitation etc*

*Goal: Community Well-Being*

*Strategic Objective: (i) Advocate for the health needs of the community by encouraging partnerships in the provision of affordable and viable facilities and infrastructure*

The Presiding Member reported:

- (a) Attached to the agenda is the draft Annual Business Plan for the Mount Gambier Aquatic Centre for 2013/2014, prepared by the Centre Manager. This plan is “commercial in confidence” and is therefore provided to Council as an “in confidence” item. The draft Budget for the Aquatic Centre was also attached;
- (b) the Aquatic Centre operates at a very high level and consistently obtains very high scores in two (2) independent facility audits. Attendances have reached very high levels and many of the swimming program time slots are fully subscribed;
- (c) the draft plan (page 15) includes the proposed administration fee schedule for 2013/2014 with rise being marginally above CPI to offset steep increase in utility costs (i.e. water, electricity);
- (d) fuel costs for the new boiler are an “unknown” but the plan assumes similar fuel consumption as previous years;
- (e) the capital improvement section (refer page 14) is ‘blank’ but does indicate two (2) relatively low valued “aspiration” items. The new heating system is a significant capital investment for the current year.

**Cr Harfield moved it be recommended:**

- (a) The report be received;**
- (b) Council endorse the ‘Annual Business Plan - Mount Gambier Aquatic Centre 2013/2014’ prepared by Peter Collins, including the proposed admission fee schedule for the 2013/2014 swimming season.**

**Cr Von Stanke seconded**

**Carried**

20. **CONSIDERATION FOR KEEPING MATTERS CONFIDENTIAL**

Cr Harfield moved that an order be made pursuant to Section 91(7) of the Local Government Act 1999 that the documents in relation to the following items which have been considered by the Operational Services Committee on a confidential basis pursuant to Section 90 (3) be kept confidential as follows:

ITEM NO.	SUBJECT MATTER	ELEMENT TO BE KEPT CONFIDENTIAL	DURATION, CIRCUMSTANCES OR REVIEW
18.	<u>PROPERTY MANAGEMENT</u> - Mount Gambier Aquatic Centre Business Plan 2013/2014 - Ref. AF11/1451	All details	12 months
19.	<u>PROPERTY MANAGEMENT</u> - Project Management - Former Mount Gambier	All details	Council Meeting of 20 <sup>th</sup> August

	<b>Hospital Site - Expression of Interests for demolition of Former Mount Gambier Hospital buildings - Ref. AF13/224</b>		<b>2013</b>
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**Cr Von Stanke seconded**

**Carried**

Meeting closed at .....  
FM

**DRAFT**



## **ANNUAL BUSINESS PLAN**

# **MOUNT GAMBIER AQUATIC CENTRE 2013/2014**

Prepared for: **City of Mount Gambier**

By: **Peter Collins**

Financial Period: **1 July 2013 to 30 June 2014**

Preparation Date: **June 2013**

## THE ROLE OF THE BUSINESS PLAN

Each year, as part of its responsibilities as manager of the Mount Gambier Aquatic Centre, Innovative Leisure Management will prepare a **BUSINESS PLAN** for the consideration of the City of Mount Gambier. The Business Plan is developed in consultation with the City of Mount Gambier and summarises Innovative Leisure Management's objectives, goals, strategies and actions for the ensuing twelve months.

The following Business Plan is part of a total management service that will enable Innovative Leisure Management to realise the full potential of the Mount Gambier Aquatic Centre for the City of Mount Gambier.

### ACKNOWLEDGMENT

It is hereby acknowledged that the City of Mount Gambier adopted this business plan on .....

\_\_\_\_\_  
Mark McShane  
Chief Executive Officer.

\_\_\_\_\_  
Date

The 2013/2014 Business Plan was developed knowing the market conditions and the available financial and human resources to realise the goals contained within.

Subject to variations caused by changes in demand, weather and variable operating conditions, a commitment is undertaken to achieve and exceed the requirements of the plan.

\_\_\_\_\_  
Peter Collins  
Innovative Leisure Management.

\_\_\_\_\_  
Date

### COMMERCIAL AND IN CONFIDENCE

This document and any of its contents are not to be copied, distributed or divulged to any person or organisation without the express permission of Innovative Leisure Management. All information is considered commercially sensitive and is provided in confidence.

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## EXECUTIVE SUMMARY

The Mount Gambier Aquatic Centre was built on its present site in 1986, is owned by the City of Mount Gambier and is currently managed by Innovative Leisure Management, for the 5 year period dated 1<sup>st</sup> July 2010 through 30<sup>th</sup> June 2015.

The centre is a major Aquatic and Leisure facility for the residents of both the South-Eastern corner of South Australia and the Western District of Victoria during the summer months and is financially dependent upon both good weather and its core business of Swimming Lessons.

The Mount Gambier Aquatic Centre has managed to achieve its forecasted budget during the 2012/13 financial year, with an expected (estimated) annual return of some \$10,000 ahead of budget. The major contributing factors were consistently good figures in several of the income lines, with the three most significant areas being casual swimming, season passes & swimming lessons.

On the expense side of the ledger, most account lines were pretty well kept to budget. The only lines that seem to be consistently costing significantly more than C.P.I. increases on an annual basis are electricity, water & some wage lines.

On a positive note, after school lessons continued to grow during the 2012/13 season, with pool space still at capacity for most timeslots on most days for the main lesson pool. This did require a lot of extra "phone work", as the impact the decline in the economic state of the district has had was very evident in communications with our clientele base. The fact that we offer a "very good product" was repeated & I have reiterated to all involved in the swim school that they should be proud of their achievements for last season. The increased growth in the program resulted in an all-time high of 801 enrolments per week for term one 2013 – a figure that we would have only dreamt about some five years ago.

This business plan continues to focus primarily on improving our monitoring systems, growing each program area and providing a greater range of high quality and realistically priced lessons and leisure based programs and activities for the residents of and visitors to the City of Mount Gambier.

To ensure Innovative Leisure Management maximises the financial potential of the centre, the management team will endeavour to increase its prudent weekly monitoring, reporting and controlling of income and expenses and continue to focus on an improved labour to turnover ratio.

The management team and staff within the centre will continue to work closely with both council and community groups, further aiming to promote and increase usage from within the local community. This was once again evident last season, with the continual support/use of the centre by many different groups, stretching across the breadth of our community. It is a high priority for Innovative Leisure Management to continue meeting council's objectives and community obligations in regards to both the service levels and financial returns for the facility.

Innovative Leisure Management can once again assure Council it will be striving to further refine the management of the facility to ensure both the expenses incurred and the subsidy provided by Council are kept to a minimum.

All of us at Innovative Leisure Management hold a genuine belief that our professional management of the centre will be mutually beneficial to both parties.

## **AIMS/MISSION STATEMENT**

**The mission of the Mount Gambier Aquatic Centre is to contribute to the advancement of a healthy, social and cultural lifestyle for the residents of the City of Mount Gambier, the greater surrounding area and its visitors. In doing so, its aims are to cater for as many user groups as possible and to operate as an economically and environmentally efficient facility which:**

- minimises the cost of operations,
- maximises the benefits flowing to residents,
- achieves expense recovery as much as is possible within the industry &
- endeavours to reduce its carbon footprint.

### **OBJECTIVES**

1. To provide a diverse range of high quality and realistically priced leisure based programs and activity opportunities that are consistent with the needs that have been identified within the community.
2. To ensure that the Centre operates as economically as possible in the achievement of its agreed financial targets attempting to at least break even.
3. To continually develop, refine and maintain appropriate financial systems and monitoring procedures.
4. To provide equal opportunity for all persons to participate in the programs and activity opportunities offered regardless of their age, sex, ability, or specific interest.
5. To maintain a high quality presentation of facilities and services and to be recognised as a benchmark by which the standard of other facility providers are measured. Thus ensuring continually increasing levels of customer satisfaction.
6. To continually seek to identify and cater for the changing needs within the community and improve the range and quality of services offered.
7. To ensure that the centre seeks to operate in an environmentally sustainable manner. This will be achieved by investigating available energy sources, refining recycling procedures and analysing waste water options.

## CLIENT LIAISON

It is the aim of Centre Management to build open communication channels between the City of Mount Gambier and Innovative Leisure Management.

Focus will continue to be given to prompt and accurate reporting, which will not only focus on the operation of the facilities but the strategic direction in which we, the management team, wish to take the centre.

Innovative Leisure Management will keep all stakeholders informed as the business progresses and will always seek input on the future direction of the centre. Performance in relation to budget will be continually monitored and actions listed that need to be taken in order to move the business forward and/or to address any issues or concerns.

### Client Liaison Timetable:

No.	Tactics	By When	Who organises
1	Monthly Finance Reports sent to Council.	Monthly	Centre Manager
2	Monthly Attendance Reports sent to Council.	Monthly	Centre Manager
3	Audit Reports sent to Council	Three annually	Centre Manager
4	A minimum of six meetings to be held annually by the Management group.	As needed	Centre Manager
5	Annual General Meeting to be held within six months of the end of the financial year.	December each year	Centre Manager
6	Annual Budget development	April through June each year	Centre Manager in conjunction with Council
7	Annual Business Plan development	April through June each year	Centre Manager in conjunction with Council

## FACILITY STEWARDSHIP

As it continues its management tenure, Innovative Leisure Management will endeavour to continually improve both the physical appearance and effective running of the centre in accordance with the contract, with an eye on detail to provide excellent facility stewardship.

Innovative Leisure Management aims to continue to address the goals listed below:

### Facility Goals:

- Monitor management systems and building compliance via annual external audits, conducted by both 'Worksite Services' and the 'Royal Lifesaving Society of South Australia'.
- Continue to set the bar high in the areas of Risk Management and Occupational Health Safety and Welfare. This is aimed at not only ensuring a safe, happy and productive workplace, but also to ensure the risk of workplace 'accidents' are minimised.
- To be at the forefront in dealing with the new WHS legislation being introduced by the South Australian Government,
- Have all physical aspects of the building & facility routinely checked, maintenance needs actioned, completed and followed up with a review of all issues.
- Cleanliness, housekeeping and hygiene to be maintained at a level set out by Innovative Leisure Management in conjunction with the City of Mount Gambier.
- Pool water quality to be professionally managed and recorded by staff in accordance with Health Department regulations.
- Plant Room chemical and chemical handling systems to be optimised, all safe working procedures displayed.
- Fall/trip hazards to be identified and immediately isolated until they are rectified by the appropriate channels.
- Safety signs to be positioned throughout the facility, customer adherence to be policed by staff.
- Pool concourse, shade covers, fences, playground, shelters and barbeque areas to be maintained in tip-top condition at all times.
- All staff are encouraged to have regular contact with Council Officers and Council Parks and Gardens staff.
- Continue with many minor improvements to further enhance the overall reliability and operation of the vast array of plant and equipment at the facility, which ultimately reduces our overall risk in several areas.
- Customer feedback forms to be available and the customers encouraged to use them.
- Continue to work towards the facility becoming as "Green" as possible, minimising the impact we have on the environment.

Innovative Leisure Management would like to once again acknowledge and thank the City of Mount Gambier for its endless support in terms of maintaining and further improving the facility.

## STRATEGIC BUSINESS OBJECTIVES GOING FORWARD

As it continues its management tenure, Innovative Leisure Management will continually endeavour to strive towards improving the financial and overall stability of the centre by following the objectives listed below:

- Adopting a commercial approach to further increase market share,
- To reassess the needs of our members via a comprehensive, formal tool, that may assist with the future direction for the facility,
- Strive for a level of service and professionalism that continually sees retention rates rise in the after school swimming program, with the aim of reaching maximum capacity,
- Work closely with the Education Department with the aim of filling up term 4 of the school year with Education Department lessons,
- Continue with the standard of Risk Management compliance to ensure the current levels are maintained across all associated industry audits,
- To refine the continual maintenance program, that incorporates all areas of the plant and equipment,
- To investigate the setting up of a website for the facility, accessible to both the wider public and the continually growing number of season pass holders,
- To investigate setting the Mount Gambier Aquatic Centre up on facebook,
- Continue to explore and implement practices that will lessen the carbon footprint left by those using the centre,
- Continue to present a neat and clean facility, encompassing a safe and healthy environment with professional and courteous staff.

Whilst the list is by no means exhaustive, in terms of important areas for the business, it encompasses the "Key" objectives to ensure the business moves forward both financially and environmentally.

## OPERATIONS

### GOALS, TARGETS AND TACTICS ~ SWIM SCHOOL

**Goal – To achieve as a minimum an income of \$69,000 for the season.**

Target SS1-Maintain swim school term enrolments achieved in 2012/13.

No	Tactics	By When	Who
1	Ensure all early bookings from last season are called during late September and early October.	7 <sup>th</sup> October	Reception staff
2	Consult the database to continue with bookings to fill vacancies after all early bookings are finalised.	October	Reception staff
3	Implement new enrolment fees.	14 <sup>th</sup> October 2012	Centre Manager
4	Monitor and reconcile advanced receipts monthly.	Ongoing	Centre Manager

Target SS2

Continue to obtain a term to term retention rate of 80%.

No	Tactics	By When	Who
1	Ensure constant pool temperatures through planned maintenance and monitoring.	Ongoing	Centre Manager
2	Increase the consistency of students having the same instructor during each term if possible.	Ongoing	Swim School Manager
3	Conduct 2 workshops/staff meetings per year that ensure consistent teaching methods.	As required	Swim School Manager
4	To covert most enrolments from 'cash' to EFTPOS payments.	Ongoing	Centre Manager

Target SS3

Obtain an occupancy rate of 95 % ( lesson pool) by week 3 of each term.

No	Tactics	By When	Who
1	Offer re-enrolment incentives via early pre-booking opportunities.	2 weeks prior to the end of each term	Centre Manager & Swim School Manager
2	Establish an annual promotion plan to maximise lesson exposure	October and January	Centre Manager
3	Maintain a consolidation rate of 5.5 children per class (excluding infant Aquatics if applicable).	Ongoing	Centre Manager & Swim School Manager

## GOALS, TARGETS AND TACTICS ~ KIOSK/MERCHANDISE

**Goal – To achieve as a minimum an income of \$66,300.**

Target KM1-Maintain a Kiosk COGS of 55%.

*(Note COGS percentage derived by Opening Stock + Purchases - Closing stock divided by Sales x 100).*

No	Tactics	By When	Who
1	Perform reviews of cost price against selling price, especially when increases in product prices come through from suppliers.	Monthly	Centre Manager and Administration Manager
2	Constantly review products sales mix.	Ongoing	Centre Manager and Administration Manager
3	Conduct a monthly stock-take and monitor stock rotation	Ongoing & Monthly	Administration Manager and Receptionists
4	Establish and monitor a wastage register which minimises waste reduction	Ongoing	Administration Manager and Receptionists

## GOALS, TARGETS AND TACTICS ~ KIOSK/MERCHANDISE (continued)

Target KM2– Maintain a Merchandise COGS of 65%.

*(Note COGS percentage derived by Opening Stock + Purchases - Closing stock divided by Sales x 100).*

No	Tactics	By When	Who
1	Perform reviews of cost price against selling price	Monthly	Administration Manager and Centre Manager
2	Constantly review products sales mix.	Ongoing	Administration Manager
3	Conduct a monthly stock-take and monitor stock rotation	Ongoing & Monthly	Administration Manager and Receptionists

Target KM3 – Maintain labour to turnover for kiosk sales below 50.0%.

No	Tactics	By When	Who
1	Analyse labour usage against budget.	Fortnightly	Centre Manager
2	Conduct constant reviews of all rosters.	Ongoing	Administration Manager and Centre Manager
3	Audit all salary levels to ensure compliance with the provisions of the relevant Award or AWA.	May each year	Centre Manager

### GOALS, TARGETS AND TACTICS ~ SUSTAINABILITY

**Goal – To achieve whole staff awareness of sustainability at the centre.**

Target S1 – Have 100% of staff show 'some' understanding of sustainability within the centre. Analysed and measured via a staff meeting agenda item.

No	Tactics	By When	Who
1	Ensure recycling bins go out 100% of the time. Continue with the weekly checks, monitoring the use of all bins. Ensure no 'recyclables' end up in the Cleanaway bin.	Ongoing	Pool Supervisors and Centre Manager
2	Conduct weekly audits on tap leaks and overall water use. Continue to refine 'washing down' procedures (e.g. introduce more sweeping for concourse clean ups).	Ongoing	All staff
3	Conduct random audits on all forms of electricity use, including minimising light use.	Ongoing	All staff



## RISK MANAGEMENT

The following items will be completed on an annual (at a minimum) basis:

- Emergency evacuation for all staff completed and filed,
- Key register updated and filed,
- Alarm register (all users – internal and external) updated,
- Annual risk audit conducted by The Royal Lifesaving Society of South Australia – which mainly looks at all manner of pool operations, from water quality through to ratio numbers, availability and quality of equipment and signage,
- Annual risk audit conducted by another third party that focuses on plant and equipment and associated risks.

## PROMOTIONAL PLAN

The attached promotion plan provides details of local promotion activities in each functional area for the 2013/14 year.

	<b>OPENING HOURS, ETC</b>	<b>SWIM SCHOOL</b>	<b>VACSWIM</b>	<b>SPECIAL EVENTS</b>
<b>RADIO</b>	OCTOBER ANY OTHER	OCTOBER JANUARY		DECEMBER JANUARY ANY OTHER
<b>TELEVISION</b>				
<b>NEWSPAPER</b>	OCTOBER NOVEMBER	OCTOBER NOVEMBER JANUARY	DECEMBER JANUARY	OCTOBER DECEMBER JANUARY
<b>INTERNAL ADVERTISING</b>	ALL MONTHS	ALL MONTHS	DECEMBER	WHEN APPLICABLE

## PEOPLE

### STAFF DEVELOPMENT PLAN

The attached plan provides details of training and development activities in each functional area for the 2013/14 year.

	<b>LIFEGUARDS</b>	<b>POOL SUPERVISORS</b>	<b>SWIMMING INSTRUCTORS</b>	<b>RECEPTION STAFF</b>
<b>FIRST AID C.P.R. &amp; Defibrillator</b>	NOVEMBER 2013	NOVEMBER 2013	THROUGHOUT 2013	NOVEMBER 2013
<b>POOL PLANT OPERATORS CERTIFICATE</b>	NOT APPLICABLE	AS NEEDED	NOT APPLICABLE	NOT APPLICABLE
<b>POOL LIFEGUARD CERTIFICATE</b>	NOVEMBER 2013	NOVEMBER 2013	NOT APPLICABLE	NOT APPLICABLE
<b>AUSTSWIM &amp; RLSSA PROF. DEV</b>	AS NEEDED	AS NEEDED	AS NEEDED	NOT APPLICABLE
<b>CHILD SAFE ENVIRONMENT CERTIFICATE</b>	AS NEEDED	AS NEEDED	AS NEEDED	AS NEEDED
<b>ASTHMA TRAINING</b>	NOT APPLICABLE	NOT APPLICABLE	AS NEEDED	NOT APPLICABLE

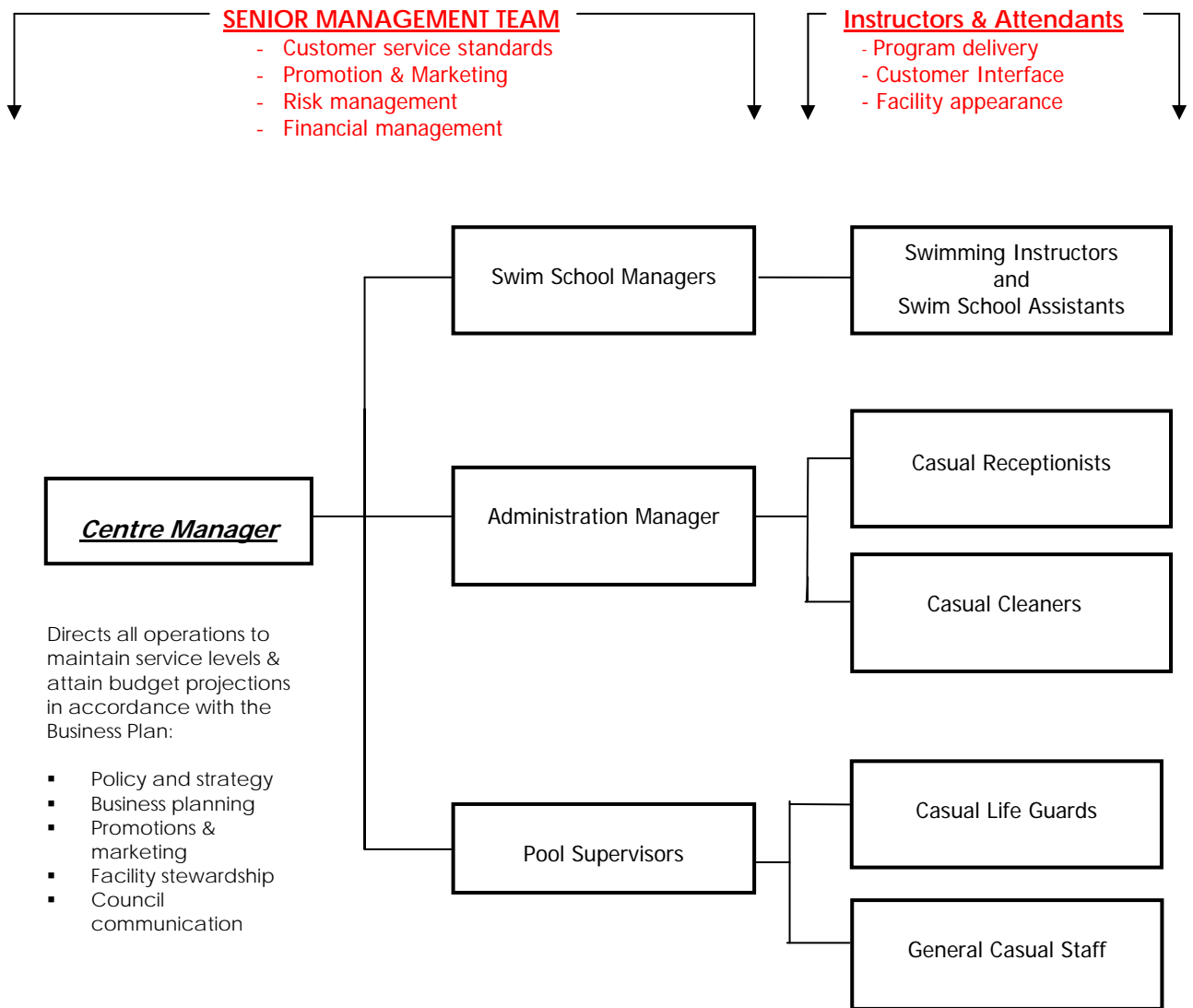
The above chart outlines the courses in which all the staff undertake in groups.

Various other modules / courses / updates are taken from time to time, depending on the various needs of the individual staff members. (For example we have several Instructors doing extra Austswim modules during winter, to either qualify them, or further enhance their qualifications)

With the new legislation on "Child Safe Environments" (CSE), all new staff have to do the full day course & receive their certificate.

Current staff must update their CSE qualification every 3 years as a minimum.

## STAFF ORGANISATION CHART



## ATTENDANCE PROJECTION

	<b>Last Year 11/12 Actual</b>	<b>This Year 12/13 Actual</b>	<b>Next Year 13/14 Forecast</b>
<b>Overall centre attendance figure</b>	<b>66,078</b>	<b>69,364</b>	<b>71,000</b>

**Note:** In the Aquatic industry, which at times is completely weather dependant, projections of accurate attendance figures come with no guarantee.

## FINANCIAL DIMENSIONS

### BUDGET FORECAST

	<b>Last Year 11/12 Actual</b>	<b>This Year 12/13 Projected</b>	<b>Next Year 13/14 Budget</b>
<b>Income</b>			
Aquatics	248,535	266,110	260,040
Trading Income	69,218	73,155	66,300
Other (Council subsidy)	119,850	130,000	133,250
<b>Total Income</b>	<b>437,603</b>	<b>469,265</b>	<b>459,590</b>

<b>Expense</b>			
Salaries, Wages & On costs	244,809	245,600	246,200
Maintenance	4,700	2,043	4,000
Energy	48,250	61,526	63,250
Insurance	7,000	7,236	7,330
Other	102,628	105,860	101,010
Management Fee	36,000	36,000	37,800
<b>Total Expenses</b>	<b>443,387</b>	<b>458,265</b>	<b>459,590</b>

<b>Surplus/(Deficit)</b>	<b>-5,784</b>	<b>11,000</b>	<b>0</b>
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## ACCOMPANYING NOTES

### *Income*

- 1      Aquatics  
Includes all income derived from casual swimming, laps, swim school, education department lessons, carnivals and pool/lane hire.
- 2      Trading Income  
Includes all income from the kiosk and the sale of merchandise.
- 3      Other  
Includes Council subsidies and interest (if any).

### *Expenses*

- 1      Salaries, Wages & on costs  
Includes all full-time, part time and casual staff, superannuation, annual leave provisions (where applicable), occupational superannuation, payroll tax, work cover and on costs.
- 2      Maintenance  
Includes building and equipment maintenance costs.
- 3      Energy  
Includes the costs of electricity, gas and woodchips.
- 4      Insurance  
The cost of all insurances as required by the contract, including public liability.
- 5      Other  
All other expenses - activity costs, consumables, printing and stationery, office costs, promotion, cleaning, security, and all other miscellaneous day to day costs of running the business.
- 6      Innovative Leisure Management Fee  
The fee received by Innovative Leisure Management to provide the management services.

## CAPITAL EXPENDITURE

It is proposed that the following items be attended to during the 2013/2014 financial year. All purchases are subject to the availability of funds and must be approved by the Management Group, Council and Innovative Leisure Management on each occasion.

Item	Cost	Purchase Date
Sound system - overhaul/maintenance	<b>\$3,000 ???</b>	September 2013
Additional outdoors changeroom	<b>???? (still awaiting quote)</b>	September 2013
<b>TOTAL</b>		

# 2013/2014 FINANCIAL YEAR PLANNING

## PROPOSED ADMISSION FEES AND CHARGES

		CURRENT FEES 2012/2013	PROPOSED FEES 2013/2014
<b><u>Aquatic</u></b>			
Adult		\$5.50	\$5.80
Child		\$4.50	\$4.70
Spectator		\$3.00	\$3.00
Family (2+2/3 or 1+3/4)		\$19.00	\$20.00
Baby		N/A	N/A
Pensioner		\$4.50	\$4.70
Fitness/laps		\$5.00	\$5.00
Vouchers	Adult	\$47.00	\$49.00
(10 swims)	Pensioner	\$40.00	\$42.00
	Child	\$40.00	\$42.00
Season Pass	Adult	\$205.00	\$215.00
	Pensioner	\$155.00	\$170.00
	Child	\$210.00	\$230.00
Family (1/2 adults + 2 children)		\$460.00	\$490.00
	(1 + 3)	\$490.00	\$520.00
	(2 + 3)	\$520.00	\$550.00
	(1 + 4)	\$555.00	\$580.00
	(2 + 4)	\$590.00	\$610.00
	(2 + 5)	\$660.00	\$670.00

### Notes:

- Once again this year we have decided to increase prices slightly more than the current C.P.I., on average, in an effort to combat some of the steep rises across utilities and water that we are experiencing.
- Note the continuation with the 2 additions to the "Family" pass, in a move to better accommodate for single parent families.

# APPENDICES



## SWOT ANALYSIS

### STRENGTHS

Continual maintenance program that prevents "down time"  
 Multi-skilled and motivated staff  
 Various depths of large water spaces, able to accommodate all levels of lessons  
 Family orientated programs  
 Continual improvement in Risk Management  
 Quality Programs  
 Council's commitment to and involvement with the centre  
 Customer feedback systems  
 Clean Facilities  
 Well maintained facilities  
 Central location of the centre  
 Financial systems  
 Positive relationship with local businesses  
 Involvement with local schools  
 Involvement with local clubs  
 New heating system

### WEAKNESSES

Seasonal - only open for 6 months of the year  
 General seating within the pool area  
 Lack of a dedicated staff/meeting room  
 Reception layout  
 Customer control at reception  
 Noise levels at reception  
 Cross Selling  
 Uncertain nature of the Australian / World economies & the flow on effects  
 High reliance on stable water & energy pricing

### OPPORTUNITIES

Increase leisure activities through new programs and offerings  
 Extension of Rehabilitation Programs  
 Corporate fitness (Continuing to strengthen the partnership with Active8 Health & Fitness centre)  
 Explore a new range of special events / days  
 Further growth in the school swimming lessons via the Education Department program  
 Introduction of "Infant Aquatics"  
 New heating system

### THREATS

Weather  
 Energy costs  
 Insurance uncertainties  
 Plant / Equipment Breakdowns  
 Lack of available capital expenditure funding  
 Competitors broadening / improving their Business.

## COMPETITOR ANALYSIS

### Services profile

OPPOSITION	Have Swim Lessons	Competitive Rating (see below)	Distance from MTGAC	Indoor Pools Heated	Outdoor Pools	Leisure Water	Education Department Program
SQUASHBROOK Swim School	YES	Limited to Moderate 1 to 2	3 km	YES	NO	Minimal	NO
SWIMSKOOL (old YMCA building)	YES	Moderate to active 2 to 3	2 km	YES	NO	Rarely open to public	YES
Smaller Private Enterprises (5 or 6 in total)	YES	Limited 1	various km	YES	NO	Rarely open to public	NO

Competitive Rating:

- 0 Doesn't compete for generic share
- 1. Low level of competition
- 2. Moderate level of competition
- 3. Competes actively for market share
- 4. Market share is high; degree of competition intensifying

### Swim School Pricing Profile

OPPOSITION	Student Nos per week	Aquababes Lesson Fee	Pre-School Lesson Fee	School Age Lesson Fee	1 on 1 lessons
SQUASHBROOK Swim School	100-200	\$12.00	\$12.00	\$13.50	\$260.00 Per 10
SWIMSKOOL (old YMCA building)	600 plus	\$11.95	\$12.95	\$12.95	\$25.00
Smaller Private Enterprises (5 or 6 in total)	various	various	various	various	various
<b>Mount Gambier Aquatic Centre</b>	<b>600-700</b>	<b>\$8.00</b>	<b>\$12.00</b>	<b>\$12.00</b>	<b>\$25.00</b>

### Market Comments

The Mount Gambier Aquatic Centre is continuing to enjoy market leadership in the area of swimming lessons when open during the summer. The Swim School at the Mount Gambier Aquatic Centre offers an affordable and very competitive *learn to swim* program, excellent amenities with the added benefits of unlimited general swimming. Our continued success is also in part due to the major advantage of size, the large volume of heated water and the variety of depths and equipment available to the customers. Continual attention to smaller details and program refinement within the Swim School has also seen retention numbers continue to improve substantially over the last 7 or 8 years.

## AUDIT PLAN

Innovative Leisure Management has in place a comprehensive audit program to ensure that risks are effectively managed and opportunities for improvement are maximised. The attached audit plan provides details of audit activity for the 2013/14 year.

AUDIT BODY	COMPONENT	DATE
<b>ROYAL LIFESAVING SOCIETY OF SOUTH AUST.</b>	FIRST AID STAFF QUALIFICATIONS EMERGENCY PROCEDURES ADMINISTRATION	JANUARY 2014
<b>WORKSITE SERVICES</b>	RISK MANAGEMENT POOL INFRASTRUCTURE TECHNICAL OPERATIONS	DECEMBER 2013
<b>ALLEN LISTON</b>	FINANCIALS	JULY / AUGUST 2014
<b>VARIOUS</b>	ENVIRONMENTAL IMPACT	DURING THE SEASON

The aim is that the Mount Gambier Aquatic Centre continually strives to be an industry leader in the area of risk control procedures. These procedures will be used to continuously provide an environment which is both safe to our customers and risk free to both Innovative Leisure Management and the City of Mount Gambier.

## HOURS OF OPERATION

IN SEASON: Monday 14th October 2013 to Monday 31st March 2014.

	<b>2012/2013</b>	<b>2013/2014</b>
Monday	6am – 7.00pm	6am – 7.00pm
Tuesday	6am – 6.00pm	6am – 7.00pm
Wednesday	6am – 7.00pm	6am – 7.00pm
Thursday	6am – 6.00pm	6am – 7.00pm
Friday	6am – 6.00pm	6am – 6.00pm
Saturday	7am – 6.00pm	7am – 6.00pm
Sunday	11am – 6.00pm	11am – 6.00pm
Public Holidays	12 – 6.00pm	12 – 6.00pm

### NOTES:

1. The centre will stay open longer than the advertised time on any given evening when there is sufficient patronage (approximately 15 or more people in the water). This will be assessed every 15 minutes, with 8.00pm being the closing time regardless of patronage numbers.
2. An "early opening" policy now exists for Public Holiday and Sunday mornings. This is governed by the forecasted temperature on the evening news the day before any given Sunday / Public Holiday. If 36 degrees or more is forecast, the centre is to open early – preferably at 9am.
3. Due to an increase in demand, the centre will "trial" opening through until 7.00pm on both Tuesday and Thursday nights.



## Mount Gambier Aquatic Centre **DRAFT BUDGET**

Budget PROFIT & LOSS  
July 2013 TO June 2014

	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Total</u>
<b>Operating Income</b>													
Adult Swimmer	0	0	0	450	1,800	3,700	5,900	4,900	1,850	0	0	0	18,600
Child Swimmer	0	0	0	450	4,000	6,400	8,600	6,200	3,450	0	0	0	29,100
Spectators	0	0	0	0	200	600	800	500	300	0	0	0	2,400
Pensioner	0	0	0	30	200	350	370	350	100	0	0	0	1,400
Aquavoucher -Adult	0	0	0	100	400	300	400	300	100	0	0	0	1,600
Aquavoucher -Child	0	0	0	100	200	500	200	100	100	0	0	0	1,200
Family	0	0	0	0	200	700	700	400	200	0	0	0	2,200
Swim School	0	0	0	8,100	16,600	10,100	0	17,000	17,200	0	0	0	69,000
Education Department	0	0	0	0	8,400	7,500	0	11,900	16,000	1,400	0	0	45,200
Early / Lap Swim	0	0	0	600	1,500	1,500	1,500	1,500	1,200	0	0	0	7,800
Special Events	0	0	0	0	100	300	300	200	100	0	0	0	1,000
Vacation Events - Vacswim	0	0	0	0	0	4,500	3,000	0	0	0	0	0	7,500
Carnivals	0	0	0	0	1,200	1,300	500	5,000	0	0	0	0	8,000
Fitness Group Concession	0	0	0	50	390	390	390	390	390	0	0	0	2,000
Swimming Group Concession	0	0	0	0	350	5,200	450	450	350	0	0	0	6,800
Swimming Season Pass Adult	0	0	0	7,550	7,750	1,400	200	0	0	0	0	0	16,900
Swimming Season Pass Child	0	0	0	14,500	13,500	1,000	1,000	0	0	0	0	0	30,000
Swimming Season Pass Pensioner	0	0	0	1,300	840	0	0	0	0	0	0	0	2,140
Swimming Season Pass Family	0	0	0	1,500	2,100	500	0	0	0	0	0	0	4,100
Comp. Beach Volleyball	0	0	0	0	0	0	0	0	0	0	0	0	0
Comp. Water Polo	0	0	0	0	0	0	0	0	0	0	0	0	0
Triathlons / Aquathons	0	0	0	0	200	300	0	0	0	0	0	0	500
Kiosk Income	0	0	0	1,000	6,200	12,300	14,500	17,000	6,300	200	0	0	57,500
Cash Sales Income	0	0	0	500	1,500	1,500	2,500	2,000	800	0	0	0	8,800
Public Telephone	0	0	0	0	10	20	30	30	10	0	0	0	100
Lane Hire	0	0	0	0	700	900	300	200	400	0	0	0	2,500
Equipment Hire	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Income</b>	0	0	0	36,230	68,340	61,260	41,640	68,420	48,850	1,600	0	0	326,340
													\$326,340

### Increases from 2012/13 budget

Casual	\$	3,700
Swim School	\$	4,600
Group Concession	\$	5,000
Memberships	\$	10,040
Kiosk sales	\$	5,500

**ADDITIONAL \$ 28,840**

	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Total</u>	
<b>Operating Expenses</b>														
														<b>Increases from 2012/13 budget</b>
Advertising / Core Promotion	0	0	0	1,000	600	800	840	0	0	0	0	0	3,240	
Bank & Card Fees	80	80	80	170	170	170	170	170	170	80	80	80	1,500	Bank & Card fees \$ 540
Cleaning Materials & Equipment	100	100	200	850	100	100	100	100	100	50	50	50	1,900	
Contract Cleaning	50	50	150	250	150	150	150	150	150	150	50	50	1,500	
Computer & all I.T. Fees	100	450	100	50	200	50	50	200	50	50	50	50	1,400	
Core Activity Costs	100	100	200	200	100	100	50	50	50	50	50	50	1,100	
Electricity	300	400	600	4250	7000	7000	7000	7000	7000	1000	600	400	42,550	Electricity (15%) (10% additional this yr plus 5%(?) next) \$ 5,550
Gas	0	280	0	0	520	0	0	700	0	0	300	0	1,800	
General Consumables / office cost:	20	80	20	20	20	20	20	20	20	20	20	20	300	
Insurance Premiums	611	611	611	611	611	610	611	611	611	611	611	610	7,330	
Kiosk Goods	0	0	0	4506	3800	6000	6800	8700	5564	0	0	0	35,370	Kiosk goods \$ 4,906
Kiosk Miscellaneous & non GST.	0	0	0	50	50	50	50	50	50	0	0	0	300	
Licences, Subscriptions & Registra	0	100	0	100	0	100	0	100	0	0	0	0	400	
Management Fee	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	37,800	Management ( 1st rise for contract) \$ 1,800
Merchandise Goods	0	0	0	4200	400	400	600	400	200	0	0	0	6,200	
Motor Vehicle & Travel Expenses	0	0	400	0	0	0	0	400	0	0	800	0	1,600	
Pool Chemicals	0	0	200	5900	700	2700	700	2700	700	200	200	0	14,000	Pool Chemicals \$ 4,000
Postage & Freight	20	20	20	20	50	20	20	20	20	20	20	20	270	
Printing & Stationary	50	100	90	100	100	100	100	100	100	50	20	20	930	
Rental of telephone equipment	100	100	100	100	100	100	100	100	100	100	100	100	1,200	
Repairs / Building Maintenance	50	50	100	100	100	100	100	100	100	100	50	50	1,000	
Repairs / Equipment Maintenance	50	50	100	200	200	300	300	200	200	100	50	50	1,800	
Repairs / General Maintenance	100	100	100	100	100	100	100	100	100	100	100	100	1,200	
Risk audits (2 external bodies)	0	0	0	0	0	1100	0	0	800	0	0	0	1,900	
Salaries - Casual Instructors	0	0	0	2850	10850	10850	1700	10850	10850	3600	0	0	51,550	
Salaries - Casual kiosk/reception	0	0	0	1700	5225	5225	4850	5900	5900	1400	0	0	30,200	
Salaries - Casual Cleaners	0	0	0	400	1500	1500	1550	1550	1550	950	0	0	9,000	Wages \$ 6,700
Salaries - Casuals general	0	0	0	1300	3300	3300	2950	3150	3000	0	0	0	17,000	
Salaries - Centre Manager	4166	4167	4167	4166	4167	4167	4166	4167	4167	4166	4167	4167	50,000	
Salaries - Casual Pool attendants	0	0	0	2500	6300	6400	6400	5700	5500	2200	0	0	35,000	
Salaries - Staff Training	0	0	0	600	1200	1000	200	500	500	0	0	0	4,000	
Salaries -PAYG tax	950	950	950	1,600	4,000	4,000	4,000	4,000	4,000	950	950	950	27,300	
Security	110	110	110	110	110	110	110	110	110	110	100	100	1,300	
Staff Expenses	0	0	0	50	50	50	50	50	50	0	0	0	300	
Staff Training Programmes	0	0	0	1,000	1,000	0	0	0	0	0	0	0	2,000	
Staff Uniforms	0	0	0	1,500	0	0	0	0	0	0	0	0	1,500	
Sundry expenses	50	50	50	50	50	100	100	50	50	50	50	50	700	
Superannuation	0	0	0	1450	0	0	8550	0	0	8550	0	1600	20,150	Superannuation \$ 2,000
Telephone & Fax	350	350	350	500	500	500	500	500	500	350	350	350	5,100	
Water	0	3600	0	0	300	0	0	3600	0	0	6500	0	14,000	Water \$ 2,000
Wood Chips	0	0	0	2450	3250	3650	3250	3250	3050	0	0	0	18,900	Woodchips \$ 4,500
Workers compensation	0	0	500	500	500	500	500	500	500	500	500	500	5,000	
<b>Total Operating Expenditure</b>	<b>10,507</b>	<b>15,048</b>	<b>12,348</b>	<b>48,653</b>	<b>60,523</b>	<b>64,572</b>	<b>59,887</b>	<b>68,998</b>	<b>58,962</b>	<b>28,657</b>	<b>18,918</b>	<b>12,517</b>	<b>459,590</b>	<b>ADDITIONAL \$ 31,996</b>
													<b>-133,250</b>	
<b>Operating Surplus/(Deficit)</b>	<b>-10,507</b>	<b>-15,048</b>	<b>-12,348</b>	<b>-12,423</b>	<b>7,817</b>	<b>-3,312</b>	<b>-18,247</b>	<b>-578</b>	<b>-10,112</b>	<b>-27,057</b>	<b>-18,918</b>	<b>-12,517</b>	<b>-133,250</b>	

NOTE -The increase to the annual subsidy (budget "shortfall" opposite) of \$3250 equates to the latest CPI increase for Australia of 2.5% ( released April 24th).



MINUTES OF THE MEETING OF THE CITY OF MOUNT GAMBIER HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT GAMBIER ON TUESDAY 20<sup>TH</sup> AUGUST, 2013 AT 6.00 P.M.

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## **CONSIDERATION FOR EXCLUSION OF PUBLIC**

Cr Smith moved that the following items be received, discussed and considered 'In Confidence' by excluding the public pursuant to Section 90(2) of the Local Government Act 1999, and an order be made that the public (with the exception of other Council Members and Council Officers now present) be excluded from the meeting in order for the items to be considered 'In Confidence' as the Committee is satisfied that the item is a matter that can be considered 'In Confidence' pursuant to the grounds referenced in Section 90(3) of the said Act:

<b>ITEM NO.</b>	<b>SUBJECT MATTER</b>	<b>S90(3) GROUNDS</b>
	<b>Operational Services Committee</b>	
17.	<b><u>PROPERTY MANAGEMENT</u> - Mount Gambier Aquatic Centre Business Plan 2013/2014 - Ref. AF11/1451</b>	(a) (b) (d)
18.	<b><u>PROPERTY MANAGEMENT</u> - Project Management - Former Mount Gambier Hospital Site - Expression of Interests for demolition of Former Mount Gambier Hospital buildings - Ref. AF13/224</b>	(b) (d) (k)
	<b>CONSIDERATION FOR KEEPING MATTERS CONFIDENTIAL</b>	

Cr Lee seconded

**Carried**

**IN CONFIDENCE**

**17. PROPERTY MANAGEMENT - Mount Gambier Aquatic Centre Business Plan 2013/2014 - Ref. AF11/1451**

*Goal: Building Communities*

*Strategic Objective: (i) Strive for an increase in services and facilities to ensure the community has equitable access and that the identified needs of the community are met*  
*(ii) Encourage the development of community facilities and infrastructure, community events, and active and safe community spaces through direct support, seeking funding, facilitation etc*

*Goal: Community Well-Being*

*Strategic Objective: (i) Advocate for the health needs of the community by encouraging partnerships in the provision of affordable and viable facilities and infrastructure*

The Presiding Member reported:

- (a) Attached to the agenda is the draft Annual Business Plan for the Mount Gambier Aquatic Centre for 2013/2014, prepared by the Centre Manager. This plan is “commercial in confidence” and is therefore provided to Council as an “in confidence” item. The draft Budget for the Aquatic Centre was also attached;
- (b) the Aquatic Centre operates at a very high level and consistently obtains very high scores in two (2) independent facility audits. Attendances have reached very high levels and many of the swimming program time slots are fully subscribed;
- (c) the draft plan (page 15) includes the proposed administration fee schedule for 2013/2014 with rise being marginally above CPI to offset steep increase in utility costs (i.e. water, electricity);
- (d) fuel costs for the new boiler are an “unknown” but the plan assumes similar fuel consumption as previous years;
- (e) the capital improvement section (refer page 14) is ‘blank’ but does indicate two (2) relatively low valued “aspiration” items. The new heating system is a significant capital investment for the current year.

Cr Harfield moved it be recommended:

- (a) The report be received;
- (b) Council endorse the 'Annual Business Plan - Mount Gambier Aquatic Centre 2013/2014' prepared by Peter Collins, including the proposed admission fee schedule for the 2013/2014 swimming season.

Cr Von Stanke seconded

Carried

**Cr White moved that the recommendation of the Operational Services Committee as contained in item 17 be adopted.**

**Cr Harfield seconded**

**Carried**

Cr Shearing left the meeting at 7.44 p.m. and did not return.

Mayor Perryman and Cr White resumed the meeting at 7.48 p.m.

**CONSIDERATION FOR KEEPING MATTERS CONFIDENTIAL**

Cr Von Stanke moved that an order be made pursuant to Section 91(7) of the Local Government Act 1999 that the documents in relation to the following items which have been considered by the Operational Services Committee on a confidential basis pursuant to Section 90 (3) be kept confidential as follows:

ITEM NO.	SUBJECT MATTER	ELEMENT TO BE KEPT CONFIDENTIAL	DURATION, CIRCUMSTANCES OR REVIEW
18.	<b><u>PROPERTY MANAGEMENT</u></b> - Mount Gambier Aquatic Centre Business Plan 2013/2014 - Ref. AF11/1451	All details	12 months
19.	<b><u>PROPERTY MANAGEMENT</u></b> - Project Management - Former Mount Gambier Hospital Site - Expression of Interests for demolition of Former Mount Gambier Hospital buildings - Ref. AF13/224	All details	6 months or until tenders have been finalised

**Cr Mutton seconded**

**Carried**

Meeting closed at 7.56 p.m.

FM