



# City of Mount Gambier

Reference: AF11/861

2<sup>nd</sup> September, 2015

## MEMBERS

**NOTICE** is hereby given that the Corporate and Community Services Committee will meet in the following Meeting Room on the day, date and time as follows:

**Corporate and Community Services Committee**  
(Reception Area - Level 4):

Monday, 7<sup>th</sup> September, 2015 at 5.30 p.m.

An agenda for the meeting is enclosed herewith.

**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

## CORPORATE AND COMMUNITY SERVICES COMMITTEE

Meeting to be held on Monday, 7<sup>th</sup> September, 2015 at 5.30 p.m.

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### MOTIONS WITH NOTICE

### MOTIONS WITHOUT NOTICE

## CORPORATE AND COMMUNITY SERVICES COMMITTEE

Meeting to be held at the Reception Area, Level 4, Civic Centre, 10 Watson Terrace,  
Mount Gambier on Monday 7<sup>th</sup> September, 2015 at 5.30 p.m.

### AGENDA

PRESENT: Cr S Perryman (Presiding Member)  
Cr M Lovett, Cr Lynagh, Cr S Meziniec and Cr H Persello

APOLOGY: moved that the apology from  
be received.

seconded

COUNCIL OFFICERS: Chief Executive Officer, Mark McShane  
Director - Corporate Services, Grant Humphries  
Finance Manager, Gary Button  
Manager Community Services and Development, Barbara Cernovskis  
Manager Governance and Property, Michael McCarthy  
Administration Officer – Executive Support, Melissa Telford

COUNCIL MEMBERS  
AS OBSERVERS:

COUNCIL MEMBERS  
AS OBSERVERS  
APOLOGY:

**WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF  
THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP  
WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR  
INDIGENOUS PEOPLES HAVE WITH THIS LAND.**

MINUTES: moved that the minutes of the previous meeting  
held 10<sup>th</sup> August, 2015 be taken as read and confirmed.

seconded

### QUESTIONS:

(a) With Notice - Nil received

(b) Without Notice -

#### **1. FINANCIAL STATEMENT – as at 31<sup>st</sup> August, 2015**

*Goal: Governance*  
*Strategic Objective: Demonstrate innovative and responsive organisational  
governance.*

moved it be recommended the financial statement as at 31<sup>st</sup>  
August, 2015 be received.

seconded

**2. FINANCIAL MANAGEMENT - Committees - City of Mount Gambier Junior Sports Assistance Fund - Minutes of Thirtieth Annual General Meeting held 26<sup>th</sup> August, 2015 - Ref. AF11/725**

*Goal: Governance*

*Operational Activity: Demonstrate innovative and responsible organisational governance.*

moved it be recommended:

(a) the minutes of the City of Mount Gambier Junior Sports Assistance Fund Thirtieth Annual General Meeting held on 26<sup>th</sup> August, 2015 be received;

(b) the recommendations contained in those minutes being items 1 to 9 be adopted.

1. STATEMENT OF INCOME AND EXPENDITURE - for period ended 30th June 2015

The Statement of Income and Expenditure for the period ended 30th June 2015 detailing payments to or payments from the Fund with a 30th June 2015 audited cash balance of \$60,447 be received and adopted.

2. GENERAL DEVELOPMENTS SINCE TWENTY NINTH ANNUAL MEETING

The reports be received.

3. GENERAL MATTERS

The reports be received.

4. SUB COMMITTEE APPOINTMENTS – authority to make decisions on applications

The report be received.

5. APPLICATIONS FOR FINANCIAL ASSISTANCE - Discretionary Assistance

The report be received.

6. APPLICATIONS FOR ASSISTANCE - Denied

The report be received.

7. MEMBER ORGANISATION CONTRIBUTIONS 2015/16

(a) that the report be received;

(b) the Member Organisation contributions for the 2015/16 financial year continue to be based on the funding formula as adopted at the Annual Meeting of Members held on 2<sup>nd</sup> August 2005 and as attached to this agenda (in respect of the required 2015/16 contributions);

(c) the “previous five (5) year annual average” be interpreted and calculated on a rolling basis i.e. the previous five (5) year annual average include the then financial year just ended so that the Member Organisation contributions reflect the most current figures and the new minimum payment be \$400 and the maximum payment be retained at \$800 apply for the 2015/16 financial year

8. COMMERCIAL CLUB EXCEPTIONAL JUNIOR AWARD - Annual Grant Initiative

The report be received.

9. FINANCIAL SUPPORT TO JUNIORS - NOT ABLE TO ATTEND THE NATIONAL EVENT DUE TO INJURY OR ILLNESS

The report be received.

seconded

3. **GOVERNANCE – Committees – City of Mount Gambier Junior Sports Assistance Fund (Section 41) – Minutes of Meeting held 26<sup>th</sup> August, 2015 – Ref. AF11/725**

*Goal:* Governance

*Strategic Objective:* Demonstrate innovative and responsive organisational governance

moved it be recommended:

- (a) the minutes of the City of Mount Gambier Junior Sports Assistance Fund Meeting held on 26<sup>th</sup> August, 2015 be received;
- (b) the following recommendation (numbered 1 to 8) of the City of Mount Gambier Sports Assistance Fund be adopted by Council;

1. FINANCIAL STATEMENT AS AT 31<sup>ST</sup> JULY, 2015

The financial statement as at 31<sup>st</sup> July, 2015 be received noting a cash balance of \$59,047.

2. APPLICATIONS FOR FINANCIAL ASSISTANCE FOR JUNIORS

The actions in making the above payments from the Fund be confirmed and ratified.

4. APPRECIATION'S - letters received/forwarded

The report be received.

5. GENERAL INFORMATION - Since 1<sup>st</sup> July 2015

The reports be received.

6. OTHER APPLICATIONS

The reports be received.

7. MEMBER CONTRIBUTIONS - Unpaid Membership 2014/2015

The report be received.

8. COACHING CLINICS APPLICATIONS - 2015/2016

- (a) the report be received;

- (b) the following application(s)/funding be made available in second call for 2014/15 to the Member Organisation named below to assist in the conduct of specialised coaching clinics in accordance with the guidelines for such Clinics and funded by the Mount Gambier and District Bendigo Community Bank:

(i)	Shingokan Karate Mount Gambier	\$700
(ii)	Mount Gambier and Districts Pony Club Inc.	\$1,000
(iii)	Mount Gambier and District Baseball League	\$1,000
(iv)	Basketball Mount Gambier Inc.	\$700
(v)	Mount Gambier and District Little Athletics	\$1,600

- (c) the successful Member Organisations to be reminded of their obligations to the Bank as detailed at (d) above.

seconded

**4. GOVERNANCE – Committees – Lifelong Learning Sub-Committee – Minutes of Meeting held 14<sup>th</sup> August, 2015 – Ref. AF15/77**

*Goal:* Governance

*Strategic Objective:* Demonstrate innovative and responsive organisational governance

moved it be recommended:

- (a) the Minutes of the Lifelong Learning Sub-Committee Meeting held on 14<sup>th</sup> August, 2015 be received;
- (b) the following recommendation of the Lifelong Learning Sub-Committee be adopted by Council;

1. **KEY FOCUS AREA – Progress Wellbeing and Resilience Workshop – Ref. AF15/422**

- (a) The Manager Community Services and Development report be received and noted;
- (b) Manager Community Services and Development continue to undertake preparations for the Wellbeing and Resilience Workshop to be held on Friday, 4<sup>th</sup> September, 2015.

seconded

**5. GOVERNANCE – Committees – Strategic Planning Sub-Committee – Minutes of Meeting held 28<sup>th</sup> August, 2015 – Ref. AF15/366**

*Goal:* Governance

*Strategic Objective:* Demonstrate innovative and responsive organisational governance

moved it be recommended:

Corporate and Community Services Committee Agenda, Monday 7<sup>th</sup> September, 2015 cont'd...

- (a) the minutes of the Strategic Planning Sub-Committee Meeting held on 28<sup>th</sup> August, 2015 be received;
- (b) the following recommendation of the Strategic Planning Sub-Committee be adopted by Council:

1. REVIEW OF THE STRATEGIC PLAN – Ref. AF13/486

- (a) The report be received.
- (b) The Strategic Plan in table format as refined during the meeting be finalised and provided to all Council Members and key Council Officers.
- (c) The draft Strategic Plan be referred to a Members Workshop to enable all Members to have input into the development of the Strategic Plan. All Members are able to identify those key strategies that they wish to pursue and those which they wish to reconsider and/or delete.

seconded

6. **GOVERNANCE - Flag Enquiry - Request to Fly the Eureka Flag - Letter from the Spirit of Eureka Committee (SA) - Ref. AF11/2285**

*Goal: Governance*

*Operational Activity: Demonstrate innovative and responsible organisational governance.*

The Director - Corporate Services reported:

- (a) Council notes the correspondence from The Spirit of Eureka Committee (South Australia);
- (b) Council welcomes the opportunity to recognise the Eureka Rebellion as “a key event in the development of Australian democracy and Australian identity”;
- (c) Council commits to:
  - Flying the Eureka flag for the week 29<sup>th</sup> November, 2015 to 3<sup>rd</sup> December, 2015 inclusive and the Eureka flag be flown on the ceremonial flagpole

moved it be recommended:

- (a) Council notes the correspondence from The Spirit of Eureka Committee (South Australia);
- (b) Council welcomes the opportunity to recognise the Eureka Rebellion as “a key event in the development of Australian democracy and Australian identity”;
- (c) Council commits to:
  - Flying the Eureka Flag for the week 29<sup>th</sup> November, 2015 to 3<sup>rd</sup> December, 2015 inclusive and the Eureka Flag be flown on the ceremonial flagpole.

seconded

**7. CORPORATE AND COMMUNITY SERVICES REPORT NO. 48/2015 - Annual Report to Council by the Audit Committee 2014/2015 - Ref. AF11/863**

*Goal: Governance*

*Strategic Objectives: Establish measures for Council's performance and continually compare against community expectations.*

moved it be recommended:

- (a) Corporate and Community Services Report No. 48/2015 be received;
- (b) Council adopt the 2014/2015 City of Mount Gambier Audit Committee Annual Report, as presented in Corporate and Community Services Report No. 48/2015;
- (c) Council thank Members of the Audit Committee in attendance.

seconded

**8. CORPORATE AND COMMUNITY SERVICES REPORT NO. 61/2015 – Budget Update as at 30<sup>th</sup> June, 2015 - Ref: AF13/457**

*Goal: Governance*

*Strategic Objective: Demonstrate innovative and responsive organisational governance.*

moved it be recommended:

- (a) Corporate and Community Services Report No. 61/2015 be received;
- (b) the Budget Update as at 30<sup>th</sup> June, 2015 as presented with this Report be adopted by Council with all amendments to be made to the 2014/2015 Council Budget.

seconded

**9. CORPORATE AND COMMUNITY SERVICES REPORT NO 62/2015 - Interim Budget Update September, 2015 (Introduction of Work in Progress Allocations - Ref. AF14/427**

*Goal: Governance*

*Strategic Objective: Demonstrate innovative and responsive organisational governance.*

moved it be recommended:

- (a) Corporate and Community Services Report No. 62/2015 be received;
- (b) the Interim Budget Update - September 2015 (introduction of Work in Progress allocations) as presented with this Report be adopted by Council with all amendments to be made to the 2015/2016 Council Budget.

seconded



**10. CORPORATE AND COMMUNITY SERVICES REPORT NO. 63/2015 - Leasing - 18  
Ferrers Street - Ref. AF11/1466**

*Goal: Governance*

*Strategic Objective: Demonstrate innovative and responsive organisational governance.*

moved it be recommended:

- (a) Corporate and Community Services Report No. 63/2015 be received;
- (b) To facilitate Red Cross transitioning to new facilities the following lease arrangements be made:
  - (i) One Year Lease commencing 4<sup>th</sup> September 2015'
  - (ii) Monthly tenancy from 4<sup>th</sup> September 2016;
  - (iii) No further renewal/tenancy beyond 3<sup>rd</sup> September 2017
- (c) The Mayor and Chief Executive Officer be authorised to affix the Council Seal to any documentation necessary to give effect to lease arrangements in resolution (b).
- (d) A further report providing an update on Red Cross relocation activities be presented as further information becomes available.

seconded

**11. CORPORATE AND COMMUNITY SERVICES REPORT NO. 64/2015 - Sport and Recreation Major Capital Works Program 2015/2016 - Ref. AF15/251**

*Goal: Building Communities*

*Strategic Objective:*

- (i) *Encourage the development of community facilities and infrastructure, community events and active and safe community spaces through direct support, seeking funding, facilitation etc.*
- (ii) *Recognise and support our volunteers, community organisations and their sustainability as they continue to be the foundation of the community.*

moved it be recommended:

- (a) Corporate and Community Services Report No. 64/2015 be received;
- (b) the \$70,000 allocated for distribution to the 2015/2016 Sport and Recreation Major Capital Works Program, be distributed as follows:
  - 1. Apollo Soccer Club - Water Reduction Program \$15,000
  - 2. Mount Gambier Golf Club - Technical Design for install of Auto Irrigation \$5,000
  - 3. Mount Gambier Harness Racing Club - Lighting Upgrade \$20,000 on the condition that the remainder of the total anticipated cost of the project is funded from bank loans and/or grants from other sources by 30<sup>th</sup> June, 2016 \$20,000

Corporate and Community Services Committee Agenda, Monday 7<sup>th</sup> September, 2015 cont'd...

- |    |   |          |
|----|---|----------|
| 4. | Mount Gambier and District Cricket Association - Sight Screens and Covers Upgrade | \$30,000 |
|----|---|----------|

Total		<u>\$70,000</u>
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- (c) All applicants be advised accordingly.

seconded

12. **CORPORATE AND COMMUNITY SERVICES REPORT NO. 65/2015 - Appointment of Members on other Bodies and Organisations - Limestone Coast Zone Emergency Committee - AF11/854**

moved it be recommended:

- (a) Corporate and Community Services Report No. 65/2015 be received.
- (b) For Council consideration.

seconded

**MOTIONS WITH NOTICE**

**MOTIONS WITHOUT NOTICE**

Meeting closed at      p.m.  
MJT

## FINANCIAL STATEMENT - Monthly Bank Reconciliation

as at 31/07/2015 \$		as at 31/08/2015 \$
	<u>GENERAL ACCOUNT (Westpac)</u>	
49,947.62 CR	OPENING BALANCE	65,259.22 CR
336,775.66	<u>PLUS</u> Receipts -	
1,248,131.39	Rates & Arrears	2,196,882.10
-	General	869,905.83
900,000.00	<u>Receipt of Cash Advance Funds</u>	
1,000,000.00	Transfer from CAD Loan 103	-
-	Transfer from CAD Loan 104	550,000.00
-	Transfer from Investment Funds	-
-	Transfer from Reserve Funds	-
<u>\$ 3,484,907.05</u>		<u>\$ 3,616,787.93</u>
3,534,854.67 CR		3,682,047.15 CR
654,993.85	<u>LESS</u> Direct Debits to Bank Account -	
-	Payroll - 2 Pays processed in August (7/8 & 21/8)	652,013.63
-	Sundry	-
-	Transfer to Investment Funds	-
-	Transfer to CAD Loan 104	1,050,000.00
<u>654,993.85</u>		<u>1,702,013.63</u>
2,879,860.82 CR		1,980,033.52 CR
2,814,601.60	<u>LESS</u> Expenditure Statement - \$	1,495,988.98
<u>\$ 65,259.22</u> CR	<u>CASH BALANCE</u>	<u>\$ 484,044.54</u> CR
	<u>BANK RECONCILIATION</u>	
68,569.99 CR	Balance as per Bank Statement	574,560.39 CR
9,688.15	<u>PLUS</u> Deposits not yet credited	41,382.70
8,812.90	<u>LESS</u> Deposits not yet reconciled	102,936.78
-	<u>LESS</u> Deposits not yet updated	-
-	<u>PLUS</u> Payments not yet reconciled	
<u>69,445.24</u> CR		<u>513,006.31</u> CR
4,186.02	<u>LESS</u> Unpresented Cheques & EFT's	606.00
	Unpresented Direct Debits	28,355.77
<u>\$ 65,259.22</u> CR	<u>CASH BALANCE</u>	<u>\$ 484,044.54</u> CR

Current Interest Rate on Bank Account Balance is 0.05%

# **FINANCIAL STATEMENT - Monthly Bank Reconciliation continued.....**

as at 31/07/2015 \$		LGFA CAD LOAN 103	as at 31/08/2015 \$	
1,333,926.93	DR	OPENING BALANCE	-	DR
2,233,926.93		PLUS Deposits	-	
900,000.00		LESS Withdrawals (Transfer to General Account)	-	
-		Sundry	-	
<u>-\$ 0.00</u>	DR	<u>CASH BALANCE</u>	<u>\$ -</u>	DR
		LGFA CAD LOAN 104		
-	DR	OPENING BALANCE	3,233,926.93	DR
-		PLUS Deposits	1,408,925.45	
1,000,000.00		LESS Withdrawals (Transfer to General Account)	550,000.00	
2,233,926.93		Sundry	-	
<u>\$ 3,233,926.93</u>	DR	<u>CASH BALANCE</u>	<u>\$ 2,375,001.48</u>	DR

Current Interest Rate on CAD Loan Balances is 4.25%

## LOAN FUNDS OWING (Local Government Finance Authority)

Opening Bal	Loan Purpose	Interest Rate	Maturity Date	Closing Bal
129,872.11	101 RSL Bowls - Artificial Rink	5.05%	16/03/2019	129,872.11
3,245,199.58	102 Library	5.97%	15/06/2024	3,245,199.58
-	103 CAD - Variable Int Only	4.25%	10/08/2015	-
3,233,926.93	104 CAD - Variable Int Only	4.25%	17/06/2028	2,375,001.48
	105 CAD - Variable Int Only	4.25%	17/08/2030	-
<u>\$ 6,608,998.62</u>				<u>\$ 5,750,073.17</u>
				DR

# **FINANCIAL STATEMENT - Monthly Bank Reconciliation continued.....**

as at 31/07/2015 \$		INVESTMENT FUNDS (Local Government Finance Authority)	as at 31/08/2015 \$
- CR		Opening Balance	36.45 CR
36.45		<u>PLUS</u> Deposits	358,889.00
		<u>PLUS</u> Accrued interest	
-		<u>LESS</u> Withdrawals (Transfer to Westpac)	-
-		Withdrawals (Transfer to CAD Loan 103)	- 358,925.45
<u>\$ 36.45</u> CR		CLOSING BALANCE	<u>\$ -</u> CR

## DOWNSTREAM DRAINAGE FUNDS (Local Government Finance Authority)

173,145.64 CR		OPENING BALANCE	173,145.64 CR
-		<u>PLUS</u> Deposits	1,049.17
-		<u>LESS</u> Withdrawals	-
<u>\$ 173,145.64</u> CR		CLOSING BALANCE	<u>\$ 174,194.81</u> CR

## INVESTMENT OF FUNDS

Investment Funds - all invested - 'At Call' at	2.00%
Reserve Funds - all invested - '90 Days' at	2.35%

Prepared by:



Finance Manager

Reviewed by:



Chief Executive Officer

**24<sup>th</sup> August 2015**

**Spirit of Eureka (SA)**

**soeurekasa@gmail.com**

**PO Box 612, Port Adelaide DC. 5015**

To the Chief Executive,

This year marks the occasion of the 161<sup>st</sup> anniversary of the Eureka Rebellion, a seminal event in the history of Australian democracy<sup>1</sup>.

Since 2008, a growing number of City Councils have commemorated the Eureka Rebellion by flying the Eureka flag during Eureka Week, which this year falls between Sunday November 29 and Thursday December 3. Last year, ten councils flew the Eureka flag.

The Spirit of Eureka once again invites and requests your City Council to join in the commemoration of this great democratic and multicultural milestone<sup>2</sup> in our nation's history by flying the Eureka flag from November 29 to December 3 this year.

Yours sincerely



*for* Derek Burke

Convener, Spirit of Eureka (SA)

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<sup>1</sup> The Australian Government's "culture portal", or website on culture and recreation, notes that the Eureka Stockade Rebellion is "a key event in the development of Australian democracy and Australian identity" (see <http://www.cultureandrecreation.gov.au/articles/eurekastockade/> ).

The government portal also notes that "The Eureka rebellion is considered by some historians to be the birthplace of Australian democracy. It is the only Australian example of armed rebellion leading to reform of unfair laws."

<sup>2</sup> The Spirit of Eureka Committee, and the Eureka Charter developed by it, stands for a multicultural Australia. We are not associated with and do not support groups such as National Action and the Australia First Party which have tried to use the Eureka flag for white supremacist or anti-immigrant purposes.

This is entirely in keeping with the spirit of the Eureka Rebellion and the call issued by Raffaello Carboni, an Italian and the major eye-witness historian of the Eureka events, to his fellow-diggers in November 1854: *"I call on my fellow diggers, irrespective of nationality, religion or colour, to salute the 'Southern Cross' as the refuge of all oppressed from all countries on earth."*

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 48/2015**

**SUBJECT: ANNUAL REPORT TO COUNCIL BY THE AUDIT COMMITTEE - 2014/2015**

**REF: AF11/863**

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*Goal: Governance*

*Strategic Objectives: Establish measures for Council's performance and continually compare against community expectations.*

### **BACKGROUND**

#### **Annual Reporting to Council**

The Audit Committee is required to provide an Annual Report to Council and should include, where appropriate, its comments on:

- any areas of accounting treatment that are open to discretion and in particular have material impact on reported financial performance and position;
- the veracity of financial information included in publications for external audiences;
- the adequacy of asset values and depreciation methodology;
- the adequacy of strategies to minimise the likelihood of occurrence and adverse consequence for obvious and major internal and other risks;
- the adequacy of arrangements for employees to confidentially raise concerns of alleged malpractice in accord with legislative provisions;
- the effectiveness of the internal audit function, where this exists (in particular, the adequacy of the internal audit function for managing the risks to which the Council's operations are exposed);
- the arrangements in place for initiating and undertaking efficiency and economy audits;
- the conformity of the appointment arrangements of the external auditor with legislative provisions; and,
- its monitoring of progress in response to its previous recommendations regarding areas requiring improvement.

The Annual Report to Council will include a review of the Audit Committee's Performance and Terms of Reference. It will also identify training needs for its members, include any recommended changes to its operation that it considers necessary to improve its efficiency and effectiveness and set out its work program for the forthcoming twelve months.

In the process of preparing its Annual Report to Council the Audit Committee has completed a self-assessment of its performance over the previous twelve months. The self-assessment has been prepared following consultation with all Audit Committee members and include:

- its understanding of its role and responsibilities;
- its membership e.g. the balance of independent and Council Members;
- the conduct of its meetings including frequency, length and attendance;
- the objectivity and independence of its operations over the relevant period;
- the adequacy of the resources available to it;
- the relevance and clarity of its work program for the relevant period;
- the outcomes achieved in its work program;
- its effectiveness in providing advice and recommendations to Council and/or management about actions to be taken to enhance financial governance;
- the activities undertaken and their relevance to its terms of reference.
- the relevance and clarity of its work program for the relevant period;
- the outcomes achieved in its work program;

Corporate and Community Services Report No. 48/2015 cont'd...

- its effectiveness in providing advice and recommendations to Council and/or management about actions to be taken to enhance financial governance;
- the activities undertaken and their relevance to its terms of reference.

**Reporting responsibilities**

The Audit Committee is like any other Council Committee and is subject to the requirements of the Local Government Act at Section 41 (for example, reporting and accountability). The duties at Section 62 and the obligations of Sections 73 and 74 apply to its members.

The Audit Committee Terms of Reference require the committee to:

- make whatever recommendations to the Council it deems appropriate on any area within its terms of reference where in its view action or improvement is needed; and
- at least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend changes it considers necessary to Council for approval.

**Annual Report - 2014/2015**

Councils Audit Committee has resolved to provide Council with a formal report on its activities, achievements, recommendations and issues on an annual basis.

The report to Council (as attached) is in the form of the LGA based best practise model that has been adapted by the Audit Committee to suit the needs of the City of Mount Gambier Audit Committee having regard to the internal processes and procedures of both Council and the Audit Committee.

Also attached is an updated "Work Program for the Audit Committee 2014 - 2018" which is a constant agenda item the committee's program of works is based upon.

**RECOMMENDATION**

- (a) Corporate and Community Services Report No. 48/2015 be received;
- (b) Council adopt the 2014/2015 City of Mount Gambier Audit Committee Annual Report, as presented in Corporate and Community Services Report No. 48/2015.



**Grant HUMPHRIES**  
DIRECTOR - CORPORATE SERVICES

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER



## City of Mount Gambier Audit Committee Annual Report for 2014/15

This 2014/15 Annual Report presents a summary of the *City of Mount Gambier* Audit Committee's activities undertaken and recommendations made during the 2014/15 *financial year*. It includes a review of the Committee's Work Program 2007-2014.

### Conduct of Meetings

The Committee met on four occasions during the period 1<sup>st</sup> July, 2014 to 30th June, 2015 with the following attendance:

Date	No of Members Attending
26/08/2014	3 of 3
30/09/2014	3 of 3
24/03/2015	2 of 3
26/05/2014	2 of 3

Committee Member	No of Meetings Attended
Donald Currie	3 of 4
Cr Andrew Lee (to 2014)	2 of 2
Jeroen Zwijnenburg	4 of 4
Cr Sonya Meziniec (from 2015)	1 of 2

### Committee Activities

The principal issues addressed by the Audit Committee during the 2014/15 financial year are detailed in Attachment I to this report.

### Members Training

During 2014/15 year, Audit Committee Members attended the following training courses/sessions:

Training Course/Session	Date(s)	Provider	Members Attending
Audit Committee Member Training	3 <sup>rd</sup> June 2015	LGA Education and Training	Donald Currie Cr Sonya Meziniec

### Audit Committee Evaluation

The Audit Committee undertook a review of its Terms of Reference and also the Self Assessment of its own performance on 28<sup>th</sup> July, 2015. The Self Assessment was undertaken by all Committee Members and took into account factors such as:

- the Committee's work program;
- the Committee's operating environment;
- the stage of maturity of the Committee;
- Council's strategic directions;
- Council's risk and control environment;
- current and emerging trends and factors;
- the outcomes of previous self-assessments.

The Audit Committee's comments and recommendations resulting from its examination (on 28<sup>th</sup> July, 2015) of its Terms of Reference and its Self Assessment are to be documented to Council using the following table:

Issue	Comment(s)	Recommendation(s)
<i>Role &amp; Terms of Reference</i>	<i>The Audit Committee is of the view that functions and extent of authority as defined under S126(4) LGA are adequately defined in the Terms of Reference established by Council</i>	<i>The Audit Committee is of the view that its role and function is not to compete with the role of the Corporate and Community Services Committee, nor to make decisions in lieu of Council, but rather to examine and comment on financial statements/internal control framework and activities of Council</i>
<i>Independence</i>	<i>The Audit Committee is of the view that it is able to form opinions and express views without coercion or undue influence of external persons or bodies</i>	<i>The Audit Committee believes the invited attendance of the CEO, Director - Corporate Services and Finance Manager provides direction without influence. Continued attendance is desirable</i>
<i>Committee Skills/Training</i>	<i>The Audit Committee is of the view that its members have been selected due to their qualifications and expertise</i>	<i>Members consist of accounting representation and are subject to ongoing professional training</i>
<i>Council Structure and Decision Making</i>	<i>The Audit Committee have been made aware of the processes of Council and are provided with copies of public financial statements, policies and reports of Council</i>	<i>Audit Committee Members have been made aware of the Council structure and decision making process following the recent review of Council's decision making structure and the completion of an organisational and functional review</i>
<i>Meeting Operation and Frequency</i>	<i>The Audit Committee has been meeting on a regular basis since inception</i>	<i>The Audit Committee holds the view that current frequency and duration is adequate to address issues</i>
<i>Resources available to the Audit Committee</i>	<i>The Audit Committee utilises the resources of Council through the attendance of the CEO, Director – Corporate Services and Finance Manager and other employees as requested</i>	<i>The Audit Committee has liaised with external auditors and Council employees as required in order to meet its role and terms of reference</i>
<i>Audit Committee's working relationship with Council and the senior management team</i>	<i>Council appears to be aware of role and function of Audit Committee. Presence of CEO, Director – Corporate Services and Finance Manager assist Audit Committee in decision achievement</i>	<i>No issues of conflict have arisen. The Audit Committee recognises the significant role played by Council employees to address and advise the Committee</i>

<i>The Audit Committee members' understanding of financial indicators (and targets for these) being used to assess the Council's performance work program</i>	<i>The Audit Committee regularly monitors and assesses financial performance indicators as published. Comparison with other Councils and advice from LGA is also noted</i>	<i>The Audit Committee holds the view that expenditure allocation, particularly depreciation, greatly affects financial indicators and status</i>
<i>The Audit Committee's access to appropriate Council information</i>	<i>The Audit Committee notes the inclusion of its role and function in decisions of major financial expenditure</i>	<i>The Audit Committee is able to be involved with complementary committees, receive financial expenditure projections and reviews of major expenditure and contract negotiation and is able to actively participate in Council.</i>
<i>The extent to which the Audit Committee's advice is contributing to the effective operation of the Council</i>	<i>The Audit Committee recognises that its role and terms of reference are a requirement of the LGA. Members are cognisant of their requirement to monitor and review financial practices and, public financial statements of Council</i>	<i>The Audit Committee holds the view that its function and role will be increasingly viewed as complimentary to Council in its activities for ratepayers</i>

The Audit Committee is currently satisfied that its Terms of Reference remain appropriate. The Self Assessment and the Terms of Reference Review will be reviewed again in respect of the 2015/2016 year.

As part of the self assessment process the Audit Committee may recommend training/ professional development for its Members:

<b>Training/Professional Development Need</b>	<b>Committee Member</b>
<i>Nothing specified at this time</i>	

### **Audit Committee Work Program 2007-2014**

As a result of its review of activities on 28<sup>th</sup> July, 2015 the Audit Committee updated the Work Program 2007 - 2014 (to 2014 - 2018) which is attached hereto and which is recommended for endorsement by Council.

### **Presiding Member**

The Annual Report was considered by the Audit Committee on 28<sup>th</sup> July, 2015 and recommended for adoption.

Audit Committee Members are prepared to make themselves available at the Corporate and Community Services Committee to discuss or clarify any aspects of the 2014/2015 Audit Committee Annual Report.

**CITY OF MOUNT GAMBIER  
AUDIT COMMITTEE  
28<sup>TH</sup> JULY, 2015**

10<sup>th</sup> July, 2015  
FM

### Attachment I

Principal Issues Examined		Comment / Status	Recommendations to Council
External Auditor	2014 Interim Audit	Review Audit Management Letter Recommendations	Implement and monitor recommendations
External Auditor	2014 Statutory Audit	Review Audit Management Letter Recommendations	Implement and monitor recommendations
External Auditor	Meeting Attendance	Represented at 1 of the 4 Meetings	
Audit Committee	2014 Annual Report to Council	Incorporating - Review of Terms of Reference - Self Assessment process - Review Audit Works Program	Recommendations adopted by Council
Policy Reviews	Fraud and Corruption framework Whistleblowers Policy Internal Control Policy Monitoring Budget Performance	Ensure Review Completed Ensure Review Completed Deferred Review	Adopted by Council Adopted by Council Recommendations adopted by Council Recommendations adopted by Council
Long Term Financial Plan	Review of Long Term Financial Plan	Monitor annual review process	Recommendations adopted by Council
Risk Management	Policy review Business continuity	Consider regular reports / updates / presentations Ongoing "Governance" Reports	Information Report to Council Information Report to Council
Financial Internal Controls	New legislation	Update on Program Progress Adoption of Risk Assessments	Information Report to Council Recommendations adopted by Council
Treasury Management	Annual Report Periodic Review	Review Review	Recommendations adopted by Council Recommendations adopted by Council
Council Annual Report		To Audit Committee for information	Information report to Council
Draft Business Plan and Budget		To Audit Committee for information	Information report to Council
Budget Reviews (6 of)		Review in context of Council policy	Information report to Council
Information Reports	Various	Strategic Plan – KPI Review Investment Review Community consultation – Draft Business Plan and Budget SA Grants Commission database comparative reports Council delegations and appointments review Council fees and charges review Internal Review of Council Decisions Valuation and rating review	Information report to Council Information report to Council  Information report to Council Information report to Council Information report to Council Information report to Council Information report to Council
Annual Financial Statements	2014/2015	Adoption Certify Independence of Council Auditor	Recommendations Adopted by Council Recommendations Adopted by Council
Financial Sustainability Asset Management	Key Financial Indicators Update of Plan	Report on 2013/14 Results Review Plan	Recommendations Adopted by Council Recommendations Adopted by Council

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 61/2015**

**SUBJECT:** BUDGET UPDATE AS AT 30<sup>TH</sup> JUNE, 2015

**REF:** AF13/457

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*Goal:* Governance

*Strategic Objective:* Demonstrate innovative and responsive organisational governance.

Following the introduction of the Local Government (Financial Management) Regulations 2011, Council completed a review of its Budget reporting processes (Corporate and Community Services Report No. 30/2012 - Monitoring Council's Budget Performance) resulting in the adoption of the new Policy B300 - Budget Reporting and Amendment.

The objective of the Budget Reporting and Amendment Policy is to provide management with a framework to operate in regard to the following:

- The content, timing and process to be followed for reporting to Council on its performance against budget;
- The scope and conditions associated with the Chief Executive Officer approving variations in activity (that are within the scope of the approved budget allocations);
- The process required to be followed as well as general guidelines in relation to the carrying forward of expenditure authority associated with projects included in the budget for the previous year.

The Policy provides for a Budget Update report to be prepared and included in the agenda of the Ordinary Meeting of Council's Corporate and Community Services Committee in the months of November and March (as a minimum). The report will highlight at summary level budget activity for the year to date, original and revised budget information, and include the latest revised forecast of expected budget results for the year.

In addition to the Budget reporting regime required above, a further Budget Update as at 30<sup>th</sup> June, 2015 has been prepared on the financial year activities and is now recommended for adoption.

### **RECOMMENDATION**

- (a) Corporate and Community Services Report No. 61/2015 be received;
- (b) the Budget Update as at 30<sup>th</sup> June, 2015 as presented with this Report be adopted by Council with all amendments to be made to the 2014/2015 Council Budget.



**Grant HUMPHRIES**

DIRECTOR - CORPORATE SERVICES

Sighted:



**Mark McSHANE**

CHIEF EXECUTIVE OFFICER



## **BUDGET UPDATE: BR5 SEPTEMBER 2015 AS AT 30TH JUNE, 2015**

- 1. HIGH LEVEL SUMMARY BY FUNCTION (PAGES 1 - 13)**
- 2. DETAILED SUMMARY OF REQUESTED BUDGET VARIATIONS (PAGES 14 - 20)**
- 3. SUMMARY OF REQUESTED BUDGET VARIATIONS (PAGE 21)**
- 4. BR5 COMMENTARY (PAGE 22 - 23)**
- 5. UNIFORM PRESENTATION OF FINANCES (PAGES 24-31)**

## HIGH LEVEL SUMMARY BY FUNCTION

### 1. ADMINISTRATION

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6000 - 6002)</b>	1,728	1,723	1,717	1,705	(6)	1,717
<b>OPERATING REVENUE (4100 - 4120)</b>	19,480	19,660	20,992	20,998	1,332	20,992
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	17,752	17,937	17,275	19,293	1,338	19,275
<b>CAPITAL EXPENDITURE (7500)</b>	120	240	240	0	0	240
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(120)	(240)	(240)	0	0	(240)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 2. SUPPORT SERVICES

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6010)</b>	3,223	3,228	3,199	3,115	(29)	3,199
<b>OPERATING REVENUE</b>						
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(3,223)	(3,228)	(3,199)	(3,115)	29	(3,199)
<b>CAPITAL EXPENDITURE (7460)</b>	110	138	138	140	0	138
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(110)	(138)	(138)	(140)	0	(138)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary



## HIGH LEVEL SUMMARY BY FUNCTION

### 3. COMMUNITY

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6100)</b>	1,612	1,664	1,718	1,710	54	1,718
<b>OPERATING REVENUE (4130)</b>	114	143	151	148	8	151
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(1,498)	(1,521)	(1,567)	(1,562)	(46)	(1,567)
<b>CAPITAL EXPENDITURE (7560, 7570, 7620)</b>	126	126	126	90	0	126
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(126)	(126)	(126)	(90)	0	(126)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 4. CULTURAL

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6200)</b>	2,982	2,982	2,915	2,903	(67)	2,915
<b>OPERATING REVENUE (4140 - 4142)</b>	388	405	420	425	15	420
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(2,594)	(2,577)	(2,495)	(2,478)	82	(2,495)
<b>CAPITAL EXPENDITURE (7470, 7630, 7640, 7650)</b>	213	321	321	297	0	321
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(213)	(321)	(321)	(297)	0	(321)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 5. ECONOMIC

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6300)</b>	1,487	1,685	1,643	1,592	(42)	1,643
<b>OPERATING REVENUE (4153)</b>	384	407	407	407	0	407
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(1,103)	(1,278)	(1,236)	(185)	42	(1,236)
<b>CAPITAL EXPENDITURE (7660)</b>	8	3	3	3	0	3
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(8)	(3)	(3)	(3)	0	(3)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 6. ENVIRONMENT

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6400)</b>	3,717	4,045	4,069	4,070	24	4,069
<b>OPERATING REVENUE (4162)</b>	1,736	2,013	2,050	2,056	37	2,050
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(1,981)	(2,032)	(2,019)	(2,014)	13	(2,019)
<b>CAPITAL EXPENDITURE (7670, 7665, 7800)</b>	251	1,336	1,333	717	(3)	1,333
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(251)	(1,336)	(1,333)	(717)	3	(1,333)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 7. RECREATIONAL

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6500)	2,573	2,561	2,542	2,544	(19)	2,542
OPERATING REVENUE (4170)	68	82	90	91	8	90
NET OPERATING - SURPLUS / (DEFICIT)	(2,505)	(2,479)	(2,452)	(2,453)	27	(2,452)
CAPITAL EXPENDITURE (7680, 7690, 7700, 7730)	3,360	4,338	4,372	3,420	34	4,372
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)	(3,360)	(4,338)	(4,372)	(3,420)	(34)	(4,372)
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 8. REGULATORY

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6600)	1,117	1,128	1,175	1,162	47	1,175
OPERATING REVENUE (4180)	418	438	449	452	11	449
NET OPERATING - SURPLUS / (DEFICIT)	(699)	(690)	(726)	(710)	(36)	(726)
CAPITAL EXPENDITURE						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 9. TRANSPORT

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6700)</b>	2,697	2,650	2,710	2,704	60	2,710
<b>OPERATING REVENUE (4192, 4193)</b>	316	304	316	315	12	316
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(2,381)	(2,346)	(2,394)	(2,389)	(48)	(2,394)
<b>CAPITAL EXPENDITURE (7300, 7400, 7450, 7830, 7900))</b>	4,233	5,655	5,618	4,546	(37)	5,618
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(4,233)	(5,655)	(5,618)	(4,546)	37	(5,618)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 10. ENGINEERING/INDIRECT

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6800)</b>	1,065	1,229	1,485	1,367	256	1,485
<b>OPERATING REVENUE</b>						
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(1,065)	(1,229)	(1,485)	(1,367)	(256)	(1,485)
<b>CAPITAL EXPENDITURE (7740)</b>	12	12	12	14	0	12
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(12)	(12)	(12)	(14)	0	(12)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary



## HIGH LEVEL SUMMARY BY FUNCTION

### 11. UNCLASSIFIED

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6900)	960	994	740	800	(254)	740
OPERATING REVENUE (4210, 4230, 4240)	213	444	452	760	8	452
NET OPERATING - SURPLUS / (DEFICIT)	(747)	(550)	(288)	(40)	262	(288)
CAPITAL EXPENDITURE						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 12. NON - OPERATING

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE						
OPERATING REVENUE						
NET OPERATING - SURPLUS / (DEFICIT)						
CAPITAL EXPENDITURE						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE (7000)	726	716	1,001	243	285	1,001
NON OPERATING REVENUE (4250, 4260, 4270, 4280, 4300, 4500)	9,118	13,101	13,357	11,356	256	13,357
NET NON OPERATING - SURPLUS / (DEFICIT)	8,392	12,385	12,356	11,113	(29)	12,356

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 13. SUMMARY

	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE	23,161	23,889	23,913	23,672	24	23,913
OPERATING REVENUE	23,117	23,896	25,327	25,652	1,431	25,327
NET OPERATING BUDGET SURPLUS/(DEFICIT)	(44)	7	1,414	1,980	1,407	1,414
CAPITAL EXPENDITURE	8,433	12,169	12,163	9,227	(6)	12,163
CAPITAL REVENUE	0	0	0	0	0	0
NET CAPITAL - SURPLUS / (DEFICIT)	(8,433)	(12,169)	(12,163)	(9,227)	6	(12,163)
NON OPERATING EXPENDITURE	726	716	1,001	243	285	1,001
NON OPERATING REVENUE	9,118	13,101	13,357	11,356	256	13,357
NET CASH BUDGET SURPLUS/(DEFICIT)	8,392	12,385	12,356	11,113	(29)	12,356
TOTALS SURPLUS/(DEFICIT)	(85)	223	1,607	3,866	1,384	1,607

## 2. DETAILED SUMMARY OF REQUESTED BUDGET VARIATIONS

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>2.1</b>	<b><u>OPERATING REVENUE</u></b>						
	<b>ADMINISTRATION</b>						
4112.0022	RATES REMITTED - RATE REBATES	(180)	(180)	(166)	(166)	14	(166)
4120.0201	GENERAL PURPOSE - GRANTS COMMISSION - FAG'S	2,038	2,028	3,299	3,299	1,091	3,299
4120.0202	GENERAL PURPOSE - GRANTS COMMISSION - LOCAL ROADS	376	386	613	613	227	613
						<b>1,332</b>	
	<b>COMMUNITY SERVICES</b>						
4133.0337	LIFELONG LEARNING - TERTIARY EDUCATION GRANTS	18	18	26	26	8	26
						<b>8</b>	
	<b>CULTURAL</b>						
4142.0421	CITY HALL / INSTITUTE HIRE	45	45	64	64	19	64
4142.0425	HERITAGE PROPERTIES - RENTALS/LEASES/HIRES	20	20	25	25	5	25
4142.0426	TOWN HALL RENTAL	65	65	56	56	(9)	56
						<b>15</b>	
	<b>ENVIRONMENTAL</b>						
4162.0621	WASTE MANAGEMENT - SALE OF BINS	30	30	18	18	(12)	18
4162.0626	WASTE MANAGEMENT - LANDFILL FEES	1,400	1,415	1,464	1,464	49	1,464
						<b>37</b>	
	<b>RECREATION</b>						
4170.0708	SPORTS FACILITIES - OUTDOOR - LEASE/HIRE FEES	60	71	79	79	8	79
						<b>8</b>	
	<b>REGULATORY</b>						
4180.0810	PLANNING FEES	105	105	110	110	5	110
4180.0837	OTHER - SUNDRY LICENCE FEES	8	8	14	14	6	14
						<b>11</b>	
	<b>TRANSPORT</b>						
4193.0931	REINSTATEMENTS	30	10	22	22	12	22
						<b>12</b>	

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
	<b><u>OPERATING REVENUE CONT'D</u></b>						
	<b>UNCLASSIFIED</b>						
4210.1101	PRIVATE WORKS - INVERTS/CROSSOVERS	7	7	0	0	(7)	0
4210.1102	PRIVATE WORKS - GENERAL	50	109	99	99	(10)	99
4230.1301	SUNDRY - SEARCH FEES	30	30	35	35	5	35
4230.1303	SUNDRY - LEASES/HIRES	86	101	108	108	7	108
4230.1304	SUNDRY - SALES/COMMISSIONS	10	10	5	5	(5)	5
4230.1305	SUNDRY	5	132	150	150	18	150
						<b>8</b>	
	<b>TOTAL OPERATING REVENUE - INCREASE/(DECREASE)</b>					<b>1,431</b>	
<b>2.2</b>	<b>NON-OPERATING REVENUE</b>						
4280.1782	DEPRECIATION - WRITTEN BACK	6,096	6,366	6,596	6,650	230	6,596
4260.0000	LOAN REPAYMENTS - REIMBURSEMENTS	108	71	60	60	(11)	60
4500.2001	GRANT FUNDING	359	164	201	201	37	201
						<b>256</b>	
	<b>TOTAL NON OPERATING REVENUE - INCREASE/(DECREASE)</b>					<b>256</b>	
<b>2.3</b>	<b><u>OPERATING EXPENDITURE</u></b>						
	<b>ADMINISTRATION</b>						
6002.0010	ORGANISATIONAL - SALARIES	797	813	819	819	6	819
6002.0031	FRINGE BENEFITS TAX	70	62	44	44	(18)	44
6002.0038	OPERATING EXP.	80	80	95	95	15	95
6002.0204	INSURANCES	30	30	21	21	(9)	21
						<b>(6)</b>	

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
	<b>OPERATING EXPENDITURE CONT'D</b>						
	<b>SUPPORT SERVICES</b>						
6011.0010	ACCOUNTING FINANCE - SALARIES	241	241	249	249	8	249
6011.0038	ACCOUNTING/FINANCE - OPERATING	27	27	21	21	(6)	21
6014.0005	DEPRECIATION - OFFICE EQUIPMENT	86	86	46	46	(40)	46
6014.0331	INFORMATION TECHNOLOGY - EQUIPMENT MAINTENANCE	305	305	300	300	(5)	300
6015.0340	COMMUNICATIONS - TELEPHONE/INTERNET	15	15	22	22	7	22
6016.0010	RATES ADMINISTRATION - SALARIES	104	104	97	97	(7)	97
6018.0001	DEPRECIATION - BUILDINGS	576	576	596	593	20	596
6018.0370	OCCUPANCY - CIVIC CENTRE MAINTENANCE	140	140	151	151	11	151
6018.0372	OCCUPANCY - COMMON AREAS MAINTENANCE	50	50	26	26	(24)	26
6018.0373	OCCUPANCY - COMMON AREAS MAINTENANCE REIMBURSEMENT	(25)	(25)	(10)	(10)	15	(10)
6022.0038	COMMUNITY ENGAGEMENT - OPERATING	70	60	70	70	10	70
6022.0039	COMMUNITY ENGAGEMENT - PR AND COMMUNICATIONS	0	20	2	2	(18)	2
						<b>(29)</b>	
	<b>COMMUNITY SERVICES</b>						
6100.0403	CRIME PREVENTION - SECURITY CAMERAS MAINTENANCE	12	12	4	4	(8)	4
6114.0472	HEALTH PROMOTION	3	3	0	(9)	(3)	0
6114.0473	OPAL PROJECT EXP.	34	34	51	51	17	51
6114.0474	OPAL IN-KIND EXP.	0	0	8	8	8	8
6126.0541	GENERAL DONATIONS	150	155	165	165	10	165
6134.0590	PUBLIC CONVENIENCES	200	220	230	230	10	230
6132.0001	DEPRECIATION - BUILDINGS	71	71	91	96	20	91
						<b>54</b>	
	<b>CULTURAL</b>						
6200.0010	LIBRARY - SALARIES	780	770	763	763	(7)	763
6200.0630	LIBRARY - POWER, WATER ETC.	80	80	90	90	10	90
6200.0631	LIBRARY - CLEANING	76	81	87	87	6	87
6200.0633	LIBRARY - EQUIPMENT MAINTENANCE	80	70	52	52	(18)	52
6200.0634	LIBRARY - GENERAL MAINTENANCE	45	35	25	25	(10)	25
6210.0680	CULTURAL VENUES - CITY HALL	83	90	99	99	9	99
6210.0681	CULTURAL VENUES - WEHL STREET THEATRE	25	25	20	20	(5)	20
6220.0691	HERITAGE - OLD TOWN HALL / CLOCK	23	23	48	48	25	48
6240.0734	OTHER - PURCHASE OF DECORATIONS	24	24	17	17	(7)	17

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
	<b>OPERATING EXPENDITURE CONT'D...</b>						
	<b>CULTURAL CONT'D...</b>						
6200.0001	DEPRECIATION - BUILDINGS	260	260	250	245	(10)	250
6200.0005	DEPRECIATION - OFFICE EQUIPMENT	209	209	149	145	(60)	149
6200.0006	DEPRECIATION - BOOKS/MATERIALS	249	249	234	233	(15)	234
6220.0001	DEPRECIATION - BUILDINGS	299	299	314	316	15	314
						<b>(67)</b>	
	<b>ECONOMIC</b>						
6320.0762	REGIONAL DEVELOPMENT - PROJECTS	120	320	302	276	(18)	302
6350.0010	TOURISM - MAJOR EVENTS - SALARIES	127	127	132	132	5	132
6350.0808	TOURISM - PROMOTION	62	73	61	61	(12)	61
6360.0010	TOURISM - LADY NELSON- SALARIES	259	249	237	237	(12)	237
6360.0831	TOURISM - LADY NELSON - CLEANING	33	33	28	28	(5)	28
						<b>(42)</b>	
	<b>ENVIRONMENT</b>						
6410.0880	WASTE MANAGEMENT - GARBAGE COLLECTION	527	577	569	569	(8)	569
6410.0884	WASTE MANAGEMENT - GREENWASTE COLLECTION	150	150	145	145	(5)	145
6410.0886	WASTE MANAGEMENT - RECYCLING	214	214	222	222	8	222
6410.0888	WASTE MANAGEMENT - TRANSFER CENTRE	175	175	183	183	8	183
6410.0890	WASTE MANAGEMENT - LANDFILL	415	415	384	384	(31)	384
6410.0892	WASTE MANAGEMENT - EPA LICENCE FEES	502	502	542	542	40	542
6410.0893	WASTE MANAGEMENT - REHAB. PLAN	20	20	15	15	(5)	15
6420.0900	STORMWATER DRAINAGE - GENERAL MAINTENANCE	150	130	110	110	(20)	110
6440.0930	STREETLIGHTING	467	467	474	474	7	474
6420.0002	DEPRECIATION - INFRASTRUCTURE	119	269	299	296	30	299
						<b>24</b>	

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
	<b>OPERATING EXPENDITURE CONT'D</b>						
	<b>RECREATION</b>						
6500.0960	PARKS, GARDENS, RESERVES - CAVE GARDEN	135	130	114	114	(16)	114
6500.0964	PARKS, GARDENS, RESERVES - CRATER LAKES	294	274	262	262	(12)	262
6500.0969	PARKS, GARDENS, RESERVES - OLD HOSPITAL SITE	25	15	10	10	(5)	10
6500.0975	PARKS, GARDENS, RESERVES - RAILWAY LANDS	30	30	19	19	(11)	19
6500.0976	PARKS, GARDENS, RESERVES - GENERAL	565	565	553	553	(12)	553
6500.0978	PARKS, GARDENS, RESERVES - UMPHERSTON	75	75	80	80	5	80
6500.0980	PARKS, GARDENS, RESERVES - VANSITTART PARK GARDEN	128	118	112	112	(6)	112
6530.1001	SPORTS FACILITIES - OUTDOOR - DIMJALLA PARK	25	25	20	20	(5)	20
6530.1002	SPORTS FACILITIES - OUTDOOR - FREW PARK	26	26	21	21	(5)	21
6530.1006	SPORTS FACILITIES - OUTDOOR - OLYMPIC PARK	20	15	10	10	(5)	10
6530.1010	SPORTS FACILITIES - OUTDOOR - GENERAL	30	30	21	21	(9)	21
6530.1012	SPORTS FACILITIES - OUTDOOR - VANSITTART PARK OVAL	30	25	20	20	(5)	20
6560.1040	OTHER - SPECIAL SPORTS ASSISTANCE	15	15	2	2	(13)	2
6500.0001	DEPRECIATION - BUILDINGS	260	260	270	270	10	270
6530.0001	DEPRECIATION - BUILDINGS	156	156	226	234	70	226
						<b>(19)</b>	
	<b>REGULATORY</b>						
6600.0010	DOG CONTROL - SALARIES	170	185	190	190	5	190
6630.1220	PLANNING - LEGAL AND PROFESSIONAL	35	90	132	132	42	132
						<b>47</b>	
	<b>TRANSPORT</b>						
6730.1230	FOOTPATHS AND KERBING - GENERAL MAINTENANCE	320	300	282	282	(18)	282
6740.1240	ROADS - GENERAL MAINTENANCE	175	175	168	168	(7)	168
6740.1244	ROADS - DPTI - MEDIANS/SWEEPING	73	68	63	63	(5)	63
6780.1280	TRAFFIC CONTROL - GENERAL MAINTENANCE	170	150	130	130	(20)	130
6730.0002	DEPRECIATION - INFRASTRUCTURE	172	172	147	145	(25)	147
6740.0002	DEPRECIATION - INFRASTRUCUTRE	1,736	1,736	1,871	1,871	135	1,871
						<b>60</b>	



Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
	<b><u>OPERATING EXPENDITURE CONT'D</u></b>						
	<b>ENGINEERING</b>						
6800.0034	ENGINEERING DEPARTMENT - EMPLOYEE EXP.	6	6	1	1	(5)	1
6800.0038	ENGINEERING DEPARTMENT - OPERATING EXP.	135	135	141	141	6	141
6820.0018	FIELD STAFF - PUBLIC HOLIDAYS	128	128	117	117	(11)	117
6820.0021	FIELD STAFF - SUPERANNUATION	316	301	283	283	(18)	283
6830.0010	DEPOT SALARIES	142	142	147	147	5	147
6850.1600	PLANT AND MACHINERY - MAINTENANCE AND REPAIRS	450	470	488	488	18	488
6850.1601	PLANT AND MACHINERY - FUELS AND OILS	360	300	318	318	18	318
6840.1500	LABOUR ON-COST - UNDER COSTED	(1,194)	(1,194)	(1,063)	(1,063)	131	(1,063)
6860.1700	PLANT HIRE - UNDER COSTED	(1,654)	(1,654)	(1,622)	(1,622)	32	(1,622)
6850.0003	DEPRECIATION - PLANT AND MACHINERY	779	899	979	987	80	979
						<b>256</b>	
	<b>UNCLASSIFIED</b>						
6900.1802	PRIVATE WORKS - GENERAL	30	40	71	71	31	71
6960.2000	FINANCE CHARGES - LOAN INTEREST	581	581	296	296	(285)	296
						<b>(254)</b>	
	<b>TOTAL OPERATING EXPENDITURE - INCREASE/(DECREASE)</b>					<b>24</b>	
<b>2.4</b>	<b><u>NON - OPERATING EXPENDITURE</u></b>						
7020.3021	LOAN REPAYMENTS - OFFSET INTEREST SAVINGS TO DEBT REDUCTION	716	716	1,001	243	285	1,001
	<b>TOTAL NON OPERAITNG EXPENDITURE - INCREASE/(DECREASE)</b>					<b>285</b>	

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/15 '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>2.5</b>	<b><u>CAPITAL EXPENDITURE</u></b>						
	<b>ENVIRONMENTAL</b>						
7665.5651	STREET TREES AND GUARDS	38	38	52	52	14	52
7670.5702	GARBAGE BIN PURCHASES	30	30	25	25	(5)	25
7800.0999	STORMWATER DRAINAGE	80	80	68	68	(12)	68
						<b>(3)</b>	
	<b>PARKS, GARDENS, RESERVES</b>						
7680.5809	ENGELBRECHT CAVE RESERVE UPGRADE	10	10	4	4	(6)	4
7680.5810	BUILDING ASSETS - CAPITAL RENEWAL	145	205	245	245	40	245
						<b>34</b>	
	<b>ENGINEERING/INFRASTRUCTURE</b>						
7830.1999	FOOTPATHS	289	276	291	291	15	291
7900.3999	SEALED ROADS:	2,865	4,167	4,115	4,115	(52)	4,115
	- TRAFFIC CONTROL (8)					<b>(37)</b>	
	- ROAD RESEALS 43						
	- ROADS TO RECOVERY 45						
	- SEALED ROAD PROGRAM (132)						
	<b>TOTAL (52)</b>						
	<b>TOTAL CAPITAL EXP - INCREASE/(DECREASE)</b>					<b>(6)</b>	

### 3. SUMMARY OF REQUESTED BUDGET VARIATIONS

	Original Budget \$000	Revised Budget \$000	Variation Requested \$000	Proposed BR5 \$000
<b>OPERATING</b>				
Operating Expenditure Increase (Decrease)	23,161	23,889	24	23,913
Operating Revenue Increase (Decrease)	23,117	23,896	1,431	25,327
<b>Operating Surplus/(Deficit)</b>	<b>(44)</b>	<b>7</b>	<b>(1,407)</b>	<b>1,414</b>
<b>CAPITAL EXPENDITURE</b>				
Capital Expenditure Increase (Decrease)	8,433	12,169	(6)	12,163
<b>CAPITAL REVENUE</b>				
Capital Revenue Increase (Decrease)	0	0	0	0
<b>NON OPERATING EXPENDITURE</b>				
Non Operating Expenditure Increase (Decrease)	726	716	285	1,001
<b>NON OPERATING REVENUE</b>				
Non Operating Revenue Increase (Decrease)	9,118	13,101	256	13,357
<b>Revised Cash Budget Surplus/(Deficit)</b>	<b>(85)</b>	<b>223</b>	<b>1,384</b>	<b>1,607</b>
<b>SUMMARY OF ALTERATIONS : SURPLUS/(DEFICIT)</b>	<b>Operating Budget</b>		<b>Cash Budget</b>	
Original (Adopted) Budget		(44)		(85)
Revised Budget - (Work in Progress)		(59)		(85)
Budget Update No. 1 (as at 30th September, 2014)		47		0
Budget Update No. 2 (as at 31st December, 2014)		183		155
Budget Update No. 3 (as at 31st March, 2015)		236		118
Budget Update No. 4 (as at 31st May, 2015)		7		223
Budget Update No. 5 (as at 30th June, 2015)		1,414		1,607

#### 4. **BR5 Commentary**

- This is the fifth Budget Review for the 2014/2015 financial year other than the interim review which introduced work in progress amounts from 2014/2015 into the 2015/2016 Budget.
- BR5 takes into account known Budget operating costs attributable to the 2014/2015 Financial Year (Balance Sheet adjustments still to be completed)
- In completing the final BR5 review any variances to the value of \$5,000 or more have been identified and recommended as a variation/budget adjustment.
- In overall terms BR5 provides for;
  - An increase in Operating Expenditure of \$24,000
  - An increase in Operating Revenue of \$1,431,000
  - A net gain to the budgeted operating result of \$1,414,000
- Council's Budgeted Operating commentary;
  - The adopted Budget provided for a \$44,000 Deficit
  - Interim (WIP) Review resulted in a \$59,000 Operating Deficit
  - BR1 results in a \$47,000 surplus as at 30<sup>th</sup> September, 2014
  - BR2 results in a \$183,000 surplus as at 31<sup>st</sup> December, 2014
  - BR3 results in a \$236,000 surplus as at 31<sup>st</sup> March, 2015
  - BR4 results in a \$7,000 surplus as at 31<sup>st</sup> May, 2015
  - BR5 results in \$1,414,000 as at 30<sup>th</sup> June, 2015
- Council's Cash Budget commentary:
  - adopted Budget provided for a \$85,000 Deficit
  - the Interim (WIP) Review resulted in a \$85,000 Cash Budget Deficit
  - BR1 results in a balanced budget as at 30<sup>th</sup> September, 2014
  - BR2 results in a \$155,000 surplus as at 31<sup>st</sup> December, 2015
  - BR3 results in a \$118,000 surplus as at 31<sup>st</sup> March, 2015
  - BR4 results in at \$223,000 surplus as at 31<sup>st</sup> May, 2015
  - BR5 results in \$1,607,000 as at 31<sup>st</sup> June, 2015
- Operating Expenditure increased by \$24,000 through a range of end of year adjustments, the most significant being adjustments to depreciation charged (offset in non-operating) and adjustments to estimates for labour on-cost and machinery/plant hire reimbursements.
- Operating Revenue has increased by \$1,431,000 due to a range of minor end of year adjustments other than a \$1,318,000 increase in Grants Commission revenue (advance payment on 2015/2016 allocation).
- Non-Operating Expenditure increases by \$285,000 solely attributable to an increased allocation to finance costs (loan principal repayments) as a result of loan interest savings due to Treasury Management practices (expenditure reduction offset in Operating)

### BR5 Commentary (cont)

- Non-Operating Revenue increases by \$256,000 principally due to increased depreciation allocations referred to in Operating Expenditure.

### SUMMARY

Council's estimated Budget Operating result (\$1,414,000) needs to be balanced with the revenue received in advance as a result of the Grants Commission advance payment (\$1,385,000).

This in effect still provides Council with an estimated balanced Budget Operating result notwithstanding the completion of Balance Sheet adjustments in conjunction with the forthcoming Statutory Audit.

14<sup>th</sup> August, 2015  
FM

**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

**Statement of Comprehensive Income**

<b>ACTUAL 2013/14 \$ '000</b>		<b>BR5 2014/15 \$ '000</b>
	<b>INCOME</b>	
16,826	Rates	17,080
378	Statutory Charges	449
3,530	User Charges	3,157
1,278	Grants Subsidies and Contributions	4,451
32	Investment Income	11
229	Reimbursements	179
467	Other	0
<hr/>		<hr/>
22,740	<b>TOTAL REVENUES</b>	25,327
	<b>EXPENSES</b>	
8,772	Wages and Salaries	9,328
8,467	Materials, contracts & other expenses	7,707
262	Finance Costs	283
5,907	Depreciation, amortisation & impairment	6,595
<hr/>		<hr/>
23,408	<b>Total Expenses</b>	23,913
<hr/>		<hr/>
<b>-668</b>	<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>	1,414
<b>-3,227</b>	Net gain (loss) on disposal or revaluation of assets	0
3,064	Amounts specifically for new or upgraded assets	0
0	Physical resources received free of charge	0
 <b>-831</b>	 <b>NET SURPLUS/(DEFICIT)</b>	 <b>1,414</b>
<hr/> <hr/>		<hr/> <hr/>

**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

**Cash Flow Statement**

<b>ACTUAL 2013/14 \$ '000</b>		<b>BR5 2014/15 \$ '000 Inflows (Outflows)</b>
	<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>	
	<b>RECEIPTS</b>	
25,583	Operating Receipts	25,316
69	Investment Receipts	11
	<b>PAYMENTS</b>	
-18,654	Operating payments to suppliers & employees	-17,035
-230	Finance Payments	-283
<hr/>		<hr/>
6,768	<b>Net Cash provided by (or used in) Operating Activities</b>	8,009
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
	<b>RECEIPTS</b>	
3,064	Grants specifically for new or upgraded assets	0
276	Sale of Assets	201
126	Repayments of loans by community groups	60
	<b>PAYMENTS</b>	
0	Loans made to community groups	0
-6,574	Expenditure on renewal / replacement of assets	-5,420
-3,969	Expenditure on new / upgraded assets	-6,743
<hr/>		<hr/>
-7,077	<b>Net Cash provided by (or used in) Investing Activities</b>	-11,902
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
	<b>RECEIPTS</b>	
1,163	Proceeds from Borrowings	1,073
	<b>PAYMENTS</b>	
-356	Repayment of Borrowings	3,459
<hr/>		<hr/>
807	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	4,532
	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	639
498	<b>CASH AT BEGINNING OF YEAR</b>	1,173
675	<b>CASH AT END OF YEAR</b>	1,812
<hr/>		<hr/>
1,173		1,812

**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

**Balance Sheet**

<b>ACTUAL 2013/14 \$ '000</b>		<b>BR5 2014/15 \$ '000</b>
	<b>ASSETS</b>	
	<b>CURRENT ASSETS</b>	
1,173	Cash and cash equivalents	1,812
1,132	Trade & other receivables	1,132
37	Inventories	37
0	Other Financial Assets	0
2,342		2,981
0	Non-Current Assets held for Sale	0
2,342	<b>TOTAL CURRENT ASSETS</b>	2,981
	<b>NON-CURRENT ASSETS</b>	
154	Financial Assets	94
195,144	Infrastructure, Property, Plant & Equipment	200,511
0	Other Non-current Assets	0
195,298	<b>TOTAL NON-CURRENT ASSETS</b>	200,605
197,640	<b>TOTAL ASSETS</b>	203,586
	<b>LIABILITIES</b>	
	<b>CURRENT LIABILITIES</b>	
2,643	Trade & Other Payables	2,643
243	Borrowings	243
1,742	Short-term Provisions	1,742
0	Other Current Liabilities	0
4,628		4,628
0	Liabilities relating to Non-current Assets held for Sale	0
4,628	<b>TOTAL CURRENT LIABILITIES</b>	4,628
	<b>NON-CURRENT LIABILITIES</b>	
0	Trade & Other Payables	0
4,538	Long-term Borrowings	9,070
252	Long-term Provisions	252
0	Other Non-current Liabilities	0
4,790	<b>TOTAL NON-CURRENT LIABILITIES</b>	9,322
9,418	<b>TOTAL LIABILITIES</b>	13,950
<b>188,222</b>	<b>NET ASSETS</b>	<b>189,636</b>
	<b>EQUITY</b>	
46,307	Accumulated Surplus	52,181
131,574	Asset Revaluation	131,574
10,341	Other Reserves	5,881
<b>188,222</b>	<b>TOTAL EQUITY</b>	<b>189,636</b>



**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

**Statement of Changes in Equity**

<b>ACTUAL 2013/14 \$ '000</b>		<b>BR5 2014/15 \$ '000</b>
	<b>ACCUMULATED SURPLUS</b>	
48,060	Balance at end of previous reporting period	46,307
-831	Net Result for Year	1,414
3,537	Transfer From Reserves	4,460
-4,459	Transfer To Reserves	0
46,307	<b>BALANCE AT END OF PERIOD</b>	52,181
	<b>ASSET REVALUATION RESERVE</b>	
131,574	Balance at end of previous reporting period	131,574
0	Gain on revaluation of infrastructure, property, plant & equipment	0
0	Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	0
131,574	<b>BALANCE AT END OF PERIOD</b>	131,574
	<b>LONG SERVICE LEAVE</b>	
724	Balance at end of previous reporting period	724
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	-75
724	<b>BALANCE AT END OF PERIOD</b>	649
	<b>OFF STREET CAR PARK</b>	
267	Balance at end of previous reporting period	267
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
267	<b>BALANCE AT END OF PERIOD</b>	267
	<b>PLANT REPLACEMENT</b>	
1,561	Balance at end of previous reporting period	1,561
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
1,561	<b>BALANCE AT END OF PERIOD</b>	1,561
	<b>LADY NELSON PARK REDEVELOPMENT</b>	
6	Balance at end of previous reporting period	6
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
6	<b>BALANCE AT END OF PERIOD</b>	6
	<b>ASSET REPLACEMENT</b>	
1,296	Balance at end of previous reporting period	1,296
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
1,296	<b>BALANCE AT END OF PERIOD</b>	1,296

**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

**Statement of Changes in Equity**

<b>ACTUAL 2013/14 \$ '000</b>		<b>BR5 2014/15 \$ '000</b>
	<b>LAND DIVISION - OUTSTANDING WORK</b>	
232	Balance at end of previous reporting period	232
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>232</u>	<b>BALANCE AT END OF PERIOD</b>	<u>232</u>
	<b>DOWNSTREAM DRAINAGE</b>	
116	Balance at end of previous reporting period	171
55	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>171</u>	<b>BALANCE AT END OF PERIOD</b>	<u>171</u>
	<b>WORK IN PROGRESS</b>	
3,537	Balance at end of previous reporting period	4,385
4,385	Transfer to reserve from accumulated surplus	0
<u>-3,537</u>	Transfer from reserve to accumulated surplus	<u>-4,385</u>
4,385	<b>BALANCE AT END OF PERIOD</b>	0
	<b>CITY CENTRE IMPROVEMENT</b>	
688	Balance at end of previous reporting period	688
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>688</u>	<b>BALANCE AT END OF PERIOD</b>	<u>688</u>
	<b>MAJOR CAPITAL WORKS</b>	
482	Balance at end of previous reporting period	482
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>482</u>	<b>BALANCE AT END OF PERIOD</b>	<u>482</u>
	<b>RESERVE FUNDS TOTAL</b>	
0	Balance at end of previous reporting period	0
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>0</u>	<b>BALANCE AT END OF PERIOD</b>	<u>0</u>
	<b>MOUNT GAMBIER CEMETERY TRUST</b>	
466	Balance at end of previous reporting period	478
12	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>478</u>	<b>BALANCE AT END OF PERIOD</b>	<u>478</u>
	<b>JUNIOR SPORTING FUND</b>	
44	Balance at end of previous reporting period	51
7	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>51</u>	<b>BALANCE AT END OF PERIOD</b>	<u>51</u>
<u><u>188,222</u></u>	<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<u><u>189,636</u></u>

**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

**Uniform Presentation of Finances**

<b>ACTUAL 2013/14 \$ '000</b>		<b>BR5 2014/15 \$ '000</b>
22,740	Operating Revenues	25,327
-23,408	<i>less Operating Expenses</i>	-23,913
-668	<b>Operating Surplus / (Deficit) before Capital Amounts</b>	1,414
	<b><i>Less Net Outlays in Existing Assets</i></b>	
6,574	Capital Expenditure on renewal and replacement of Existing Assets	3,828
-5,907	<i>less Depreciation, Amortisation and Impairment</i>	-6,595
-276	<i>less Proceeds from Sale of Replaced Assets</i>	-201
391		-2,968
	<b><i>Less Net Outlays on New and Upgraded Assets</i></b>	
3,969	Capital Expenditure on New and Upgraded Assets	8,335
-3,064	<i>less Amounts received specifically for New and Upgraded Assets</i>	0
0	<i>less Proceeds from Sale of Surplus Assets</i>	
905		8,335
-1,964	<b>Net Lending / (Borrowing) for Financial Year</b>	-3,953

**CITY OF MOUNT GAMBIER  
BUDGET 2014/15**

<b>ACTUAL</b>	<b>FINANCIAL INDICATORS</b>	<b>BR5</b>
<b>2013/14</b>		<b>2014/15</b>

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

-668	<b>Operating Surplus (\$'000)</b>	1,414
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*Being the operating surplus (deficit) before capital amounts .*

(4%)	<b>Operating Surplus Ratio</b>	9%
	<u>Operating Surplus</u>	
	Rates - general & other less NRM levy	

*This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.*

6,959	<b>Net Financial Liabilities (\$'000)</b>	10,912
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*Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).*

31%	<b>Net Financial Liabilities Ratio</b>	44%
	<u>Net Financial Liabilities</u>	
	Total Operating Revenue less NRM levy	

1%	<b>Interest Cover Ratio</b>	1%
	<u>Net Interest Expense</u>	
	Total Operating Revenue less NRM levy less Investment Income	

**Asset Sustainability Ratio**

107%	<u>Net Asset Renewals</u>	55%
	Depreciation Expense	

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

65%	<b>Asset Consumption Ratio</b>	86%
	<u>Carrying value of depreciable assets</u>	
	Gross value of depreciable assets	

*Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.*

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 62/2015**

**SUBJECT: INTERIM BUDGET UPDATE SEPTEMBER, 2015 (INTRODUCTION OF WORK IN PROGRESS ALLOCATIONS)**

**REF: AF14/427**

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*Goal: Governance*

*Strategic Objective: Demonstrate innovative and responsive organisational governance.*

Following the introduction of the Local Government (Financial Management) Regulations 2011, Council completed a review of its Budget reporting processes (Corporate and Community Services Report No. 30/3012 - Monitoring Council's Budget Performance) resulting in the adoption of the new Policy B300 - Budget Reporting and Amendment.

The objective of the Budget Reporting and Amendment Policy is to provide management with a framework to operate in regard to the following:

- The content, timing and process to be followed for reporting to Council on its performance against budget;
- The scope and conditions associated with the Chief Executive Officer approving variations in activity (that are within the scope of the approved budget allocations) without obtaining Council approval; and
- The process required to be followed as well as general guidelines in relation to the carrying forward of expenditure authority associated with projects included in the budget for the previous year.

The Policy provides for a Budget Update report to be prepared and included in the agenda of the Ordinary Meeting of Council's Corporate and Community Services Committee in the months of November and March (as a minimum). The report will highlight at summary level budget activity for the year to date, original and revised budget information, and include the latest revised forecast of expected budget results for the year.

As part of Council's Budget reporting regime, the introduction of Work in Progress allocations or funds "carried over" from projects/activities budgeted for in the previous financial year and not completed/in progress are now introduced.

This Interim Budget Update refers solely to Work in Progress allocations and does not seek to review 2015/2016 Budget/Actual comparative figures at this time.

### **RECOMMENDATION**

- (a) Corporate and Community Services Report No. 62/2015 be received;
- (b) the Interim Budget Update - September 2015 (introduction of Work in Progress allocations) as presented with this Report be adopted by Council with all amendments to be made to the 2015/2016 Council Budget.



**Grant HUMPHRIES**

DIRECTOR - CORPORATE SERVICES

Sighted:



**Mark McSHANE**

CHIEF EXECUTIVE OFFICER



## **INTERIM BUDGET UPDATE: SEPTEMBER 2015 (INTRODUCTION OF WORK IN PROGRESS ALLOCATIONS FROM 2014/2015 BUDGET)**

- 1. HIGH LEVEL SUMMARY BY FUNCTION (PAGES 1 - 13)**
- 2. DETAILED SUMMARY OF WORK IN PROGRESS ALLOCATIONS (PAGES 14 - 15)**
- 3. NEW BUDGET SUMMARY (PAGE 16)**
- 4. INTERIM BUDGET UPDATE COMMENTARY (PAGE 17)**
- 5. UNIFORM PRESENTATION OF FINANCES (PAGES 18 - 25)**

## HIGH LEVEL SUMMARY BY FUNCTION

### 1. ADMINISTRATION

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6000 - 6002)	1,703					
OPERATING REVENUE (4100 - 4120)	20,440					
NET OPERATING - SURPLUS / (DEFICIT)	18,737					
CAPITAL EXPENDITURE (7500)	124		480		356	480
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)	(124)		(480)		(356)	(480)
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 2. SUPPORT SERVICES

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6010)	3,212					
OPERATING REVENUE						
NET OPERATING - SURPLUS / (DEFICIT)	(3,212)					
CAPITAL EXPENDITURE (7460)	55		126		71	126
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)	(55)		(126)		(71)	(126)
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary



**HIGH LEVEL SUMMARY BY FUNCTION**

**3. COMMUNITY**

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6100)</b>	1,655					
<b>OPERATING REVENUE (4130)</b>	121					
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(1,534)					
<b>CAPITAL EXPENDITURE (7560, 7570, 7620)</b>	147					
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(147)					
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 4. CULTURAL

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6200)	2,901		2,906		5	2,906
OPERATING REVENUE (4140 - 4142)	392		392		0	392
NET OPERATING - SURPLUS / (DEFICIT)	(2,509)		(2,514)		(5)	(2,514)
CAPITAL EXPENDITURE (7470, 7630, 7640, 7650)	155		176		21	176
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)	(155)		(176)		(21)	(176)
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 5. ECONOMIC

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6300)	1,608		1,634		26	1,634
OPERATING REVENUE (4153)	413		413		0	413
NET OPERATING - SURPLUS / (DEFICIT)	(1,195)		(1,221)		(26)	(1,221)
CAPITAL EXPENDITURE (7660)						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 6. ENVIRONMENT

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6400)</b>	4,072		4,081		9	4,084
<b>OPERATING REVENUE (4162)</b>	1,665		1,665		0	1,665
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(2,407)		(2,416)		(9)	(2,416)
<b>CAPITAL EXPENDITURE (7670, 7665, 7800)</b>	259		874		615	874
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(259)		(874)		(615)	(874)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 7. RECREATIONAL

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6500)	2,507		2,507		0	2,507
OPERATING REVENUE (4170)	57		57		0	57
NET OPERATING - SURPLUS / (DEFICIT)	(2,450)		(2,450)		(930)	(2,450)
CAPITAL EXPENDITURE (7680, 7690, 7700, 7730)	539		1,469		930	1,469
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)	(539)		(1,469)		(930)	(1,469)
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

**HIGH LEVEL SUMMARY BY FUNCTION**

**8. REGULATORY**

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6600)	1,191					
OPERATING REVENUE (4180)	425					
NET OPERATING - SURPLUS / (DEFICIT)	(766)					
CAPITAL EXPENDITURE						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 9. TRANSPORT

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6700)	3,281					
OPERATING REVENUE (4192, 4193)	591					
NET OPERATING - SURPLUS / (DEFICIT)	(2,690)					
CAPITAL EXPENDITURE (7300, 7400, 7450, 7830, 7900)	4,804		5,059		255	5,059
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)	(4,804)		(5,059)		(255)	(5,059)
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

## HIGH LEVEL SUMMARY BY FUNCTION

### 10. ENGINEERING/INDIRECT

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
<b>OPERATING EXPENDITURE (6800)</b>	1,361					
<b>OPERATING REVENUE</b>						
<b>NET OPERATING - SURPLUS / (DEFICIT)</b>	(1,361)					
<b>CAPITAL EXPENDITURE (7740)</b>	5		704		699	704
<b>CAPITAL REVENUE</b>						
<b>NET CAPITAL - SURPLUS / (DEFICIT)</b>	(5)		(704)		(699)	(704)
<b>NON OPERATING EXPENDITURE</b>						
<b>NON OPERATING REVENUE</b>						
<b>NET NON OPERATING - SURPLUS / (DEFICIT)</b>						

Financial Report: refer detailed Summary



**HIGH LEVEL SUMMARY BY FUNCTION**

**11. UNCLASSIFIED**

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE (6900)	767					
OPERATING REVENUE (4210, 4230, 4240)	220					
NET OPERATING - SURPLUS / (DEFICIT)	(547)					
CAPITAL EXPENDITURE						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE						
NON OPERATING REVENUE						
NET NON OPERATING - SURPLUS / (DEFICIT)						

Financial Report: refer detailed Summary

**HIGH LEVEL SUMMARY BY FUNCTION**

**12. NON - OPERATING**

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE						
OPERATING REVENUE						
NET OPERATING - SURPLUS / (DEFICIT)						
CAPITAL EXPENDITURE						
CAPITAL REVENUE						
NET CAPITAL - SURPLUS / (DEFICIT)						
NON OPERATING EXPENDITURE (7000)	874		874		0	874
NON OPERATING REVENUE (4250, 4260, 4270, 4280, 4300, 4500)	6,890		9,837		2,947	9,837
NET NON OPERATING - SURPLUS / (DEFICIT)	6,016		8,963		2,947	8,963

Financial Report: refer detailed Summary

**HIGH LEVEL SUMMARY BY FUNCTION**

**13. SUMMARY**

	Original Budget '000	Revised '000	Proposed Budget '000	Actual '000	Variance now Requested '000	Proposed E of Y Budget Forecast '000
OPERATING EXPENDITURE	24,258		24,298		40	24,298
OPERATING REVENUE	24,324		24,324		0	24,324
NET OPERATING BUDGET SURPLUS/(DEFICIT)	66		26		(40)	26
CAPITAL EXPENDITURE	6,088		9,035		2,947	9,035
CAPITAL REVENUE						
NON OPERATING EXPENDITURE	874		874		0	874
NON OPERATING REVENUE	6,890		9,837		2,947	9,837
NET CASH BUDGET SURPLUS/(DEFICIT)	(6)		(46)		(40)	(46)

## 2. DETAILED SUMMARY OF WORK IN PROGRESS ALLOCATIONS

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Revised E of Y Budget Forecast '000
<b>2.1</b>	<b><u>OPERATING EXPENDITURE</u></b>						
	<b>CUTLURAL</b>						
6240.0744	Family Fun Days - 2 Fun Days	15	15	20	-	5	-
	<b>ECONOMIC</b>						
6320.0762	Economic Projects - China Engagement	20	20	46	-	26	46
	<b>ENVIRONMENT</b>						
6460.0955	Sustainability - Projects	100	100	109	-	9	109
	<b>OPERATING EXPENDITURE INCREASE/(DECREASE)</b>					<b>40</b>	
<b>2.2</b>	<b><u>CAPITAL EXPENDITURE</u></b>						
	<b>TRANSPORT</b>						
7360.4066	Plant and Machinery Purchases - Roller	1,103	1,103	1,163	-	60	1,163
7400.4118	Plant and Machinery Purchases - Mower	1,103	1,163	1,258	-	95	1,258
7450.4307	Plant and Machinery Purchases - Capital Provision	0	0	100	-	100	100
						<b>255</b>	
	<b>SUPPORT</b>						
7460.4401	Office Upgrade/Renovations	20	20	91	-	71	91
						<b>71</b>	
	<b>CULTURAL</b>						
7470.4602	Library - Sponsorship of Program	20	20	30	-	10	30
7650.5503	Heritage - Building Renewal	10	10	21	-	11	21
						<b>21</b>	

Account No.	Description	Original Budget '000	Revised Budget '000	Proposed Budget '000	Actual 30/06/2015 '000	Variance now Requested '000	Revised E of Y Budget Forecast '000
	<b>ADMINISTRTION</b>						
7500.5002	Civic Centre - GRC Panels	124	124	480	-	356	480
						<b>356</b>	
	<b>RECREATION</b>						
7680.5803	Crater Lakes - Blue Lake Lighting	0	0	92	-	92	92
7680.5803	Crater Lakes - Conservation Park	0	0	13	-	13	13
7680.5810	Council Building Assets Renewal - Air Conditioning	230	230	258	-	28	258
7680.5799	Hastings Cunningham - Dog Park	0	0	11	-	11	11
7680.5811	Railway Lands	75	75	519	-	444	519
7680.5812	Former Hospital	0	0	287	-	287	287
7690.5903	Basketball Stadium - Fire Hydrant	0	0	55	-	55	55
						<b>930</b>	
	<b>ENVIRONMENT</b>						
7670.5701	Caroline Landfill	15	15	521	-	506	521
7670.5704	Eucalypt Drive Materials Recovery	0	0	100	-	100	100
7800.0999	Stormwater Drainage - Wandaree Court	135	135	144	-	9	144
						<b>615</b>	
	<b>ENGINEERING/INFRASTRUCTURE</b>						
7900.3999	CBD Upgrade	900	900	1,028	-	128	1,028
7900.3999	Lake Terrace East	1,130	1,130	1,316	-	186	1,316
7900.3999	Boundary Roads	164	164	549		385	549
						<b>699</b>	
	<b>CAPITAL EXPENDITURE INCREASE/(DECREASE)</b>					<b>2,947</b>	
<b>2.3</b>	<b>NON - OPERATING REVENUE</b>						
4270.1708	WORK IN PROGRESS	-	-	2,947	-	2,947	2,947
	<b>NON OPERATING REVENUE INCREASE/(DECREASE)</b>					<b>2,947</b>	

### 3. NEW BUDGET SUMMARY

	Original Budget \$	Variation Requested \$	Revised Budget \$
<b>OPERATING REVENUE</b>			
Operating Expenditure Increase (Decrease)	24,258	40	24,298
Operating Revenue Increase (Decrease)	24,324	0	24,324
<b>Operating Surplus/(Deficit)</b>	66	40	26
<b>CAPITAL EXPENDITURE</b>			
Capital Expenditure Increase (Decrease)	6,088	2,947	9,035
<b>CAPITAL REVENUE</b>			
Capital Revenue Increase (Decrease)	142	0	142
<b>NON OPERATING EXPENDITURE</b>			
Non Operating Expenditure Increase (Decrease )	874	0	874
<b>NON OPERATING REVENUE</b>			
Non Operating Revenue Increase (Decrease)	6,748	2,947	9,695
<b>Revised Cash Budget Surplus/(Deficit)</b>	(6)	40	(46)
<b>SUMMARY OF ALTERATIONS - SURPLUS/(DEFICIT)</b>		<b>OPERATING BUDGET</b>	<b>CASH BUDGET</b>
Adopted Budget		66	(6)
Interim Budget Update (introduction of work in progress)		26	(46)

#### 4. Interim Budget Update Commentary

- As referenced in the Report covering this matter this Budget Update solely focuses on the introduction of work in progress allocations (uncompleted/in progress projects and activities from the 2014/2015 financial year) now introduced into the 2015/2016 financial year Budget.
- In overall terms the Interim Budget Update provides for:
  - an increase in Non-Operating Revenue of \$2,947,000
  - an increase in Operating Expenditure of \$40,000
  - an increase in Capital Expenditures of \$2,947,000
- Council's Operating Budget Commentary:
  - the adopted Budget provided for an Operating surplus of \$66,000
  - the allocation of work in progress funds will result in an Operating surplus of \$26,000
- Council's Cash Budget commentary:
  - The adopted Budget provided for an overall cash budget deficit of \$6,000
  - The allocation of work in progress funds will result in an increased cash budget deficit of \$46,000.
- Of the \$2,987,000 being allocated as 'Work in Progress' the following amounts are from Council's Major Capital Works Program (principally loan funded):
 

○ Landfill Construction	\$506,000	
○ Rail Lands Redevelopment	\$444,000	
○ CBD Renewal	\$128,000	
○ Old Hospital Site	<u>\$287,000</u>	<u>\$1,365,000</u>
- Other more significant "Work in Progress" amounts include:
 

○ Civic Centre GRC Panel Upgrade	\$356,000	
○ Eucalypt Drive (Material Recovery)	\$100,000	
○ Crater Lakes - Blue Lake Lighting	\$92,000	
○ Road Construction - Lake Tce East	\$186,000	
○ Boundary Roads Program	<u>\$385,000</u>	<u>\$1,119,000</u>

**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

**Statement of Comprehensive Income**

<b>ACTUAL 2013/14 \$ '000</b>	<b>INCOME</b>	<b>WIP 2015/16 \$ '000</b>
16,826	Rates	17,845
378	Statutory Charges	425
3,530	User Charges	2,578
1,278	Grants Subsidies and Contributions	3,377
32	Investment Income	10
229	Reimbursements	89
467	Other	0
0	Share of profit - joint ventures and associates	0
<hr/>		
22,740	<b>TOTAL REVENUES</b>	24,324
	<b>EXPENSES</b>	
8,772	Wages and Salaries	9,071
8,467	Materials, contracts & other expenses	8,757
262	Finance Costs	374
5,907	Depreciation, amortisation & impairment	6,096
0	Share of loss - joint ventures & associates	0
<hr/>		
23,408	<b>Total Expenses</b>	24,298
	<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>	26
-668		
-3,227	Net gain (loss) on disposal or revaluation of assets	0
3,064	Amounts specifically for new or upgraded assets	0
0	Physical resources received free of charge	0
-831	<b>NET SURPLUS/(DEFICIT)</b>	26
<hr/>		



**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

**Cash Flow Statement**

<b>ACTUAL 2013/14 \$ '000</b>		<b>WIP 2015/16 \$ '000 Inflows (Outflows)</b>
	<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>	
	<b>RECEIPTS</b>	
25,583	Operating Receipts	24,314
69	Investment Receipts	10
	<b>PAYMENTS</b>	
-18,654	Operating payments to suppliers & employees	-17,828
-230	Finance Payments	-374
<u>6,768</u>	<b>Net Cash provided by (or used in) Operating Activities</b>	<u>6,122</u>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
	<b>RECEIPTS</b>	
3,064	Grants specifically for new or upgraded assets	0
276	Sale of Assets	142
126	Repayments of loans by community groups	43
	<b>PAYMENTS</b>	
0	Loans made to community groups	-10
-6,574	Expenditure on renewal / replacement of assets	-7,908
-3,969	Expenditure on new / upgraded assets	-1,127
<u>-7,077</u>	<b>Net Cash provided by (or used in) Investing Activities</b>	<u>-8,860</u>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
	<b>RECEIPTS</b>	
1,163	Proceeds from Borrowings	0
	<b>PAYMENTS</b>	
-356	Repayment of Borrowings	2,309
<u>807</u>	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>2,309</u>
	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>-429</b>
498	<b>CASH AT BEGINNING OF YEAR</b>	<u>1,173</u>
675	<b>CASH AT END OF YEAR</b>	<u>744</u>
<u>1,173</u>		

**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

**Balance Sheet**

<b>ACTUAL 2013/14 \$ '000</b>		<b>WIP 2015/16 \$ '000</b>
	<b>ASSETS</b>	
	<b>CURRENT ASSETS</b>	
1,173	Cash and cash equivalents	744
1,132	Trade & other receivables	1,132
37	Inventories	37
0	Other Financial Assets	0
2,342		1,913
0	Non-Current Assets held for Sale	0
2,342	<b>TOTAL CURRENT ASSETS</b>	1,913
	<b>NON-CURRENT ASSETS</b>	
154	Financial Assets	121
0	Equity accounted investments in Council businesses	0
0	Investment Property	0
195,144	Infrastructure, Property, Plant & Equipment	197,941
0	Other Non-current Assets	0
195,298	<b>TOTAL NON-CURRENT ASSETS</b>	198,062
197,640	<b>TOTAL ASSETS</b>	199,975
	<b>LIABILITIES</b>	
	<b>CURRENT LIABILITIES</b>	
2,643	Trade & Other Payables	2,643
243	Borrowings	243
1,742	Short-term Provisions	1,742
0	Other Current Liabilities	0
4,628		4,628
0	Liabilities relating to Non-current Assets held for Sale	0
4,628	<b>TOTAL CURRENT LIABILITIES</b>	4,628
	<b>NON-CURRENT LIABILITIES</b>	
0	Trade & Other Payables	0
4,538	Long-term Borrowings	6,847
252	Long-term Provisions	252
0	Other Non-current Liabilities	0
4,790	<b>TOTAL NON-CURRENT LIABILITIES</b>	7,099
9,418	<b>TOTAL LIABILITIES</b>	11,727
<b>188,222</b>	<b>NET ASSETS</b>	<b>188,248</b>
	<b>EQUITY</b>	
46,307	Accumulated Surplus	49,506
131,574	Asset Revaluation	131,574
10,341	Other Reserves	7,168
<b>188,222</b>	<b>TOTAL EQUITY</b>	<b>188,248</b>

**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

**Statement of Changes in Equity**

<b>ACTUAL 2013/14 \$ '000</b>		<b>WIP 2015/16 \$ '000</b>
	<b>ACCUMULATED SURPLUS</b>	
48,060	Balance at end of previous reporting period	46,307
-831	Net Result for Year	26
3,537	Transfer From Reserves	3,173
-4,459	Transfer To Reserves	0
46,307	<b>BALANCE AT END OF PERIOD</b>	49,506
	<b>ASSET REVALUATION RESERVE</b>	
131,574	Balance at end of previous reporting period	131,574
0	Gain on revaluation of infrastructure, property, plant & equipment	0
0	Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	0
131,574	<b>BALANCE AT END OF PERIOD</b>	131,574
	<b>LONG SERVICE LEAVE</b>	
724	Balance at end of previous reporting period	724
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	-121
724	<b>BALANCE AT END OF PERIOD</b>	603
	<b>OFF STREET CAR PARK</b>	
267	Balance at end of previous reporting period	267
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
267	<b>BALANCE AT END OF PERIOD</b>	267
	<b>PLANT REPLACEMENT</b>	
1,561	Balance at end of previous reporting period	1,561
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
1,561	<b>BALANCE AT END OF PERIOD</b>	1,561
	<b>LADY NELSON PARK REDEVELOPMENT</b>	
6	Balance at end of previous reporting period	6
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
6	<b>BALANCE AT END OF PERIOD</b>	6
	<b>ASSET REPLACEMENT</b>	
1,296	Balance at end of previous reporting period	1,296
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
1,296	<b>BALANCE AT END OF PERIOD</b>	1,296

**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

**Statement of Changes in Equity**

<b>ACTUAL 2013/14 \$ '000</b>		<b>WIP 2015/16 \$ '000</b>
	<b>LAND DIVISION - OUTSTANDING WORK</b>	
232	Balance at end of previous reporting period	232
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>232</u>	<b>BALANCE AT END OF PERIOD</b>	<u>232</u>
	<b>DOWNSTREAM DRAINAGE</b>	
116	Balance at end of previous reporting period	171
55	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	-105
<u>171</u>	<b>BALANCE AT END OF PERIOD</b>	<u>66</u>
	<b>WORK IN PROGRESS</b>	
3,537	Balance at end of previous reporting period	4,385
4,385	Transfer to reserve from accumulated surplus	0
-3,537	Transfer from reserve to accumulated surplus	-2,947
<u>4,385</u>	<b>BALANCE AT END OF PERIOD</b>	<u>1,438</u>
	<b>CITY CENTRE IMPROVEMENT</b>	
688	Balance at end of previous reporting period	688
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>688</u>	<b>BALANCE AT END OF PERIOD</b>	<u>688</u>
	<b>MAJOR CAPITAL WORKS</b>	
482	Balance at end of previous reporting period	482
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>482</u>	<b>BALANCE AT END OF PERIOD</b>	<u>482</u>
	<b>RESERVE FUNDS TOTAL</b>	
0	Balance at end of previous reporting period	0
0	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>0</u>	<b>BALANCE AT END OF PERIOD</b>	<u>0</u>
	<b>MOUNT GAMBIER CEMETERY TRUST</b>	
466	Balance at end of previous reporting period	478
12	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>478</u>	<b>BALANCE AT END OF PERIOD</b>	<u>478</u>
	<b>JUNIOR SPORTING FUND</b>	
44	Balance at end of previous reporting period	51
7	Transfer to reserve from accumulated surplus	0
0	Transfer from reserve to accumulated surplus	0
<u>51</u>	<b>BALANCE AT END OF PERIOD</b>	<u>51</u>
<u><u>188,222</u></u>	<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<u><u>188,248</u></u>

**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

**Uniform Presentation of Finances**

<b>ACTUAL 2013/14 \$ '000</b>		<b>WIP 2015/16 \$ '000</b>
22,740	Operating Revenues	24,324
-23,408	<i>less Operating Expenses</i>	-24,298
<u>-668</u>	<b>Operating Surplus / (Deficit) before Capital Amounts</b>	<u>26</u>
	<b><i>Less Net Outlays in Existing Assets</i></b>	
6,574	Capital Expenditure on renewal and replacement of Existing Assets	7,808
-5,907	<i>less Depreciation, Amortisation and Impairment</i>	-6,096
-276	<i>less Proceeds from Sale of Replaced Assets</i>	-142
<u>391</u>		<u>1,570</u>
	<b><i>Less Net Outlays on New and Upgraded Assets</i></b>	
3,969	Capital Expenditure on New and Upgraded Assets	1,227
-3,064	<i>less Amounts received specifically for New and Upgraded Assets</i>	0
<u>0</u>	<i>less Proceeds from Sale of Surplus Assets</i>	
<u>905</u>		<u>1,227</u>
-1,964	<b>Net Lending / (Borrowing) for Financial Year</b>	-2,771

**CITY OF MOUNT GAMBIER  
BUDGET 2015/16**

<b>ACTUAL</b>	<b>FINANCIAL INDICATORS</b>	<b>WIP</b>
<b>2013/14</b>		<b>2015/16</b>

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

-668	<b>Operating Surplus (\$'000)</b>	26
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*Being the operating surplus (deficit) before capital amounts .*

(4%)	<b>Operating Surplus Ratio</b>	0%
	<u>Operating Surplus</u>	
	Rates - general & other less NRM levy	

*This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.*

6,959	<b>Net Financial Liabilities (\$'000)</b>	9,730
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*Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).*

31%	<b>Net Financial Liabilities Ratio</b>	41%
	<u>Net Financial Liabilities</u>	
	Total Operating Revenue less NRM levy	

1%	<b>Interest Cover Ratio</b>	2%
	<u>Net Interest Expense</u>	
	Total Operating Revenue less NRM levy less Investment Income	

**Asset Sustainability Ratio**

107%	<u>Net Asset Renewals</u>	126%
	Depreciation Expense	

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

65%	<b>Asset Consumption Ratio</b>	86%
	<u>Carrying value of depreciable assets</u>	
	Gross value of depreciable assets	

*Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.*

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 63/2015**

**SUBJECT: LEASING – 18 FERRERS STREET**

**REF: AF11/1466**

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*Goal: Governance*

*Strategic Objective: Demonstrate innovative and responsive organisational governance.*

At its meeting on 19<sup>th</sup> August 2014 Council considered Corporate and Community Services Report No. 51/2014 in relation to the expiry on 3<sup>rd</sup> September 2014 of the Red Cross Lease of Council's building at 18 Ferrers Street. The report proposed a further 3 year lease to provide Red Cross with the opportunity to defer any relocation plans whilst it considered its future property requirements in Mount Gambier.

Following deliberations Council adopted the following amended resolutions:

- (a) Corporate and Community Services Report No 51/2014 be received;*
- (b) A 1 year lease be granted at an annual fee of \$1 to be paid if called upon by Council with a right of renewal for a further two years upon the presentation of a satisfactory future plan from Red Cross for their operations post this lease;*
- (c) All minor repairs and maintenance as per the current lease be the responsibility of Red Cross;*
- (d) Council's lease preparation costs be recovered from Red Cross in accordance with the provisions of the Retail and Commercial Leases Act;*
- (e) The Chief Executive Officer and Mayor be authorised to affix the Council Seal to any documentation necessary to give effect to the lease authorised by this Resolution.*

With the initial 1 year lease term due to expire on 3<sup>rd</sup> September 2015 Executive Director SA Helen Connolly presented Australian Red Cross's 'future plan for operations post this lease' by letter dated 29<sup>th</sup> July 2015 (Attached) indicating amongst other things its preference for Red Cross in Mount Gambier:

*"to relocate to more suitable premises within 12-24 months, co-locating with a like organisation, to share costs and reduce the impact of having to pay commercial rent."*

As per the Council resolution of 19<sup>th</sup> August 2014 the condition for lease renewal for the further two year term was the presentation of a 'satisfactory' future plan.

Given Red Cross intends to remain in the 18 Ferrers St facility for (up to) the full 2 year renewal period to 3<sup>rd</sup> September 2017, Council needs to determine whether it considers the "future plan" presented by Red Cross to be 'satisfactory' and whether the right of renewal condition has been met.

Should Council be satisfied that Red Cross have adequately presented their 'future plan for operations post this lease' then the right of renewal period will be confirmed and further updates on Red Cross's relocation plans will be provided to Council in the period to 3<sup>rd</sup> September 2017.

However, should Council consider Red Cross's 'future plan' as presented to be unsatisfactory and the renewal conditions therefore unmet, then Council may wish to adopt an alternative strategy to assist Red Cross in transitioning to new premises. In recognition of the community/volunteer based services Red Cross operate from the Ferrers Street premises this might comprise of a new 1 year lease (in lieu of the 2 year renewal period) with a conversion to a monthly tenancy (determinable at any time by either party giving one calendar months notice) from 4<sup>th</sup> September 2016.

The following recommendation is presented for Member's consideration.

Corporate and Community Services Report No. 63/2015 cont'd...

**RECOMMENDATION**

- (a) Corporate and Community Services Report No. 63/2015 be received;
- (b) To facilitate Red Cross transitioning to new facilities the following lease arrangements be made:
  - i. One Year Lease commencing 4<sup>th</sup> September 2015,
  - ii. Monthly tenancy from 4<sup>th</sup> September 2016,
  - iii. No further renewal/tenancy beyond 3<sup>rd</sup> September 2017.
- (c) The Mayor and Chief Executive Officer be authorised to affix the Council Seal to any documentation necessary to give effect to lease arrangements in resolution (b).
- (d) A further report providing an update on Red Cross relocation activities be presented as further information becomes available.



**Michael McCARTHY**  
MANAGER - GOVERNANCE & PROPERTY

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

2<sup>nd</sup> September, 2015  
MMcC



Date: 29<sup>th</sup> July 2015

Chief Executive Officer  
City Of Mt Gambier  
P.O. Box 56  
Mount Gambier SA 5290

**RE: Lease Renewal at 18 Ferrers Street Mt Gambier**

I write to further the discussions and determinations of the lease arrangements for 18 Ferrers Street, Mt Gambier and correspondence to the CEO in June 2014 about our ongoing needs post the September 2014 date.

As you are aware Red Cross has a long history of community support and engagement, as both a humanitarian organisation and a service deliverer which actively engages people through local employment and volunteering opportunities. Red Cross support and adds value to the region and each of its local communities through work on emergency services for bushfire and heatwave support, supporting those who are impacted by migration, conducting mental health and youth support programs, social inclusion services and programs for the aged and those with disabilities, supporting the isolated and disadvantaged and transport options to medical appointments and important social contacts and first aid training. Currently there are four paid staff and over three hundred volunteers and members working across the region. Both staff and volunteers contribute to many other community functions, support groups and efforts that build community cohesion and well-being.

The building at 18 Ferrers Street was bequeathed to Red Cross in 1950 and Red Cross members raised funds to extend the building and to maintain it for more than 65 years. In 2009 Council made an offer to Red Cross for the sale of the building and this was accepted on the grounds that Red Cross could have a five year lease to ascertain its position in the regional work and plan for future development.

In late April 2015 Red Cross was offered a new lease with 1year +2 year option with the presentation of a future plan to council. This arrangement commenced in September 2014 though no formal paper work was relayed due to a new council being formed. The draft lease was received in May 2015 and is now with the Red Cross legal team and they will respond to the Council in the near future.

Correspondence with Michael McGarthy, Manager, Governance and Property on the 24<sup>th</sup> July 2015 raised the issues with the property and building of 18 Ferrers Street with Red Cross Property. The most pertinent of the issues is that the building is aged and obsolete; council has no immediate plans to demolish the building even though it was purchased to provide a car park in 2009; and the expectation of Red Cross, if they are to remain in the building, to repair and maintain it at the cost of Red Cross.

The preference for Red Cross for Mt Gambier is to relocate to more suitable premises within 12 – 24 months, co-locating with a like organisation, to share costs and reduce the impact of having to pay commercial rent. This ensures that Red Cross is still in a position to deliver vital programs across the region. Discussion and negotiations have commenced and will continue over the next months. Red Cross is seeking a property that will reflect the valued work that the organisation and our volunteers perform, allowing for Red Cross to grow in the future, something which is not possible in the current location, due to the restrictions on the current ageing

infrastructure. We are gathering quotes for the repair of the driveway and roof but what work is done will be interim. These repairs are needed immediately as the premises will not pass inspections and therefore the building will not be able to be used, the quotes for both come in at \$5,379.00 for the driveway and the roof will need to be replaced.

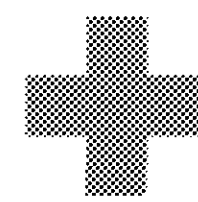
The cost of relocating needs to be scoped and planned and we have commenced this work with our National Property Officer and will be finalised by the end of September.

Red Cross acknowledges the current support from the Mt Gambier Council & the ongoing assistance with the current premises and seeks an arrangement that will both benefit the community and the organisation. We submit the attached summary for the 2015-2016 year and look forward to working closely with the Council going forward.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Helen Connolly', with a long horizontal line extending to the right.

Helen Connolly  
Executive Director SA  
Australian Red Cross



**Limestone Coast Services operating from Red Cross Regional Office Mt Gambier.**

The Regional Office is open 8.30am to 5pm Monday to Friday. Current staffing includes: Regional Coordinator, Community Development Officer, Volunteer Engagement Officer and Administration Support. All are based in the office. Each day there is up to five to ten volunteers working in the space and using it as a base. We park two cars and the van in and around the property.

Volunteers are trained, support and developed through out the year. A Volunteer Services representative is nominated for the region for the State group. Volunteer meetings are conducted every six weeks. Professional development training is offered to staff. Key stakeholder Forums are held annually.

A growth of program and service participants target is set for 10% over the 15/16 year. We are currently sourcing funds for a Youth Work and Training Officer.

Volunteering roles include: Telephone support, social support, drivers, companions, emergency services work, shopping support, disability support, administration and data entry work.

Program	Volunteers engaged/ details	Funding Source
<u><b>Community Passenger Network</b></u> Provides a social and medical transport service to 900+ clients	120 Volunteer Drivers and Companions <ul style="list-style-type: none"> <li>• 205,000 km/ 3200 trips 2014/15</li> <li>• 13,000 Volunteer hours pa</li> <li>• Short and longer trips</li> <li>• One car based in Naracoorte</li> <li>• Local Council and Health service provide use of their cars via MOU</li> </ul>	Department Communities Social Inclusion. Funded until October 2015 with extension expected to 2018
<u><b>Social Support Program</b></u> Assists isolated clients maintain social connectedness through regular trips and outings	10 Volunteers drivers and companions <ul style="list-style-type: none"> <li>• 4,500 trips /45,000km 2014/15</li> <li>• 8,100 Volunteer contact hours</li> </ul>	Commonwealth Home Support Programs, Department Social Services funding until 2018, Bendigo Bank, Lions Clubs as sort.
<u><b>Telecross</b></u> A daily welfare phone call program to 60 – 80 regional clients	45 Volunteer Callers- calls made every day of the year <ul style="list-style-type: none"> <li>• Over 1,000 volunteer hours pa</li> </ul>	Commonwealth Home Support Programs, Department Social Services funded until 2018
<u><b>Telechat</b></u> A regular weekly conversation with isolated clients	12 Volunteer callers- matched with client's interests regularly every fortnight.	Volunteer lead and provided through Red Cross funding.
<u><b>Tele REDI</b></u> Is a reassurance call program, activated during extreme heat	60 Volunteers are registered <ul style="list-style-type: none"> <li>• in 2014 approx 6,000 support calls were made during 3 activations to isolated and vulnerable clients )</li> </ul>	Department Communities Social Inclusion and Red Cross funding on an annual basis.

<u>Emergency Services</u> Regular Training provided to enable event preparedness at the local level.	Regional Volunteers are active, with Training support from State Office. Staff involved in prepared planning and working with volunteers to ensure training is completed.	Red Cross funding and State Funding provide annual training and support.
<u>Youth &amp; Well Being Programs</u> Save a Mate- Drug & Alcohol Talk Out Loud- Mental Health	Regular presentations are made across the region to schools and learning centres- supported by State Office up to three presentations as year.	Supported by schools and community groups
<u>First Aid Training</u> Regular training sessions held	All 120 Transport drivers and companions hold current certificates- regional public courses held on demand. Refresher course held annually.	Fee for service free to Red Cross volunteers
<u>Community Access</u> Training room is made available to charitable groups	Used regularly for meetings, networking and training.	No charge to the community
<u>Blood Service Support</u> Quarterly collections	Local Red Cross volunteers Support the operations of the week.	Blood Service
Key Stakeholders and Partnerships	Lions Club, Rotary Clubs, Bendigo Bank, Community Health, Local Hospital, Local councils i.e. Millicent and Kingston, Together SA, MISFA, Carers SA, AC Care, Regional Development Officer, SAPOL, CFS, SES and Government department reps. Aboriginal Organisations and groups. CALD community and Volunteering SA &NT, DPTI, Salvation Army, Baptist Care	
Food Security	Delivery of programs in partnership with Community Foodies that focus on health eating and good budgeting.	Internal Red Cross Funding
Compass Program	Trained volunteers to support people to remain in their homes and hold their tenancy arrangements	Training provided by Red Cross with support form donations and philanthropic funds.

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 64/2015**

**SUBJECT:       SPORT AND RECREATION MAJOR CAPITAL WORKS PROGRAM 2015/16**

**REF:            AF15/251**

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*Goal:               Building Communities*

*Strategic Objective: (i) Encourage the development of community facilities and infrastructure, community events and active and safe community spaces through direct support, seeking funding, facilitation etc.*  
*(ii) Recognise and support our volunteers, community organisations and their sustainability as they continue to be the foundation of the community.*

### **BACKGROUND**

Council had previously resolved to provide an allocation in the annual budget to establish a Sport and Recreation Major Capital Works Program and once established, publicly call for applications.

The 2015/2016 Budget provides an amount of \$70,000 for this Program.

The Sport and Recreation Major Capital Works Program was publicly advertised during July/August, 2015 and at close of applications on 28<sup>th</sup> August, 2015, the following applications were received;

#### **Applications Received - Overview**

1.    Apollo Soccer Club  
      Project Title:               Water Reduction Program  
      Total Project Cost:       \$25,495  
      Contribution Requested:   \$19,120
  
2.    Mount Gambier Golf Club  
      Project Title:               Technical Design for Instal of Auto Irrigation  
      Total Project Cost:       \$15,000  
      Contribution Requested:   \$10,000
  
3.    Mount Gambier Harness Racing Club  
      Project Title:               Lighting Upgrade  
      Total Project Cost:       \$208,000  
      Contribution Requested:   \$30,000
  
4.    Mount Gambier & District Cricket Association  
      Project Title:               Sight Screen and Covers Upgrade  
      Total Project Cost:       \$47,906  
      Contribution Requested:   \$35,666
  
5.    Mount Gambier Tennis Club  
      Project Title:               Replace Court Fencing  
      Total Project Cost:       \$20,810  
      Contribution Requested:   \$16,810

**Note:**   Mount Gambier Tennis Club Project excluded as it did not meet the minimum 'Self Help' contribution of at least 25% of the total project costs.

Corporate and Community Services Report No. 64/2015 cont'd...

Application Guidelines

The criteria developed for the Program Guidelines includes the following (in brief);

- as a general rule, a minimum total project cost of \$10,000
- preference to high incidence of self help
- preference to matching funds or significant in-kind contribution by the applicant (minimum 25% of total project costs)
- priority for capital renewal or upgrade of existing assets rather than enhancement/additions or new assets
- for projects aimed at increasing community usage of sport and recreation facilities
- not for operating costs, the purchase of land or repayment of loans
- not for projects already commenced or completed
- not for projects submitted by individuals
- projects completed and claims for payment to be submitted by end of financial year.

A copy of the guidelines and application form developed for the 2015/2016 Program are provided as attachments for further information.

Section 1: Membership Details

		Junior		Senior		Total		Grand Total
		M	F	M	F	M	F	
1	Soccer	66	4	60	33	126	37	163
2	Golf	50	10	455	65	505	75	580
3	Cricket	286	10	495	0	781	10	791
4	Harness Racing	-	-	300	75	300	75	375

Section 2: The Project

	Community Benefit	High	Average	Low
1	Soccer		✓	
2	Golf		✓	
3	Cricket	✓		
4	Harness Racing		✓	

Location

1	Soccer	Hastings Cunningham Reserve (Council Owned)
2	Golf	Attamurra Golf Course (Privately Owned)
3	Cricket	Various Cricket Grounds (all Council Owned)
4	Harness Racing	Showgrounds (Privately Owned)

Corporate and Community Services Report No. 64/2015 cont'd...

Section 3: Project Funding

	Funding Breakdown	Cash \$	In Kind \$	Voluntary \$	Grant Funding \$	Grant Requested \$	Total
1	Soccer	2,000	-	4,375	-	19,120	25,495
2	Golf	5,000	-	-	-	10,000	15,000
3	Cricket	5,000	-	2,240	5,000	35,666	47,906
4	Harness Racing	50,000	-	2,000	125,000	30,000	207,000
	Totals					94,786	295,401

Project Funding - % Contribution by Applicants						
		Cash %	In Kind %	Voluntary	Grant Funding	Total %
1	Soccer	8	-	17	-	25
2	Golf	33	-	-	-	33
3	Cricket	10	-	5	10%	25
4	Harness Racing	24	-	1	60%	85

Other Funding Requirements - Provision of Further Information

		Financial Statements	Current Bank Statements	Quotations Received	Ability for project to proceed if funding shortfall
1	Soccer	X	✓	✓	No
2	Golf	✓	✓	X	Yes
3	Cricket	✓	✓	✓	Yes
4	Harness Racing	✓	✓	X	Yes

Notes:

- Harness Racing - \$125,000 of grant funding not confirmed (no supporting evidence) i.e.
  - Harness Racing SA \$30,000
  - Federal Regional Funding \$65,000 (Grant Program not available until late 2015)
  - State Funding \$30,000 (Program yet to be identified)
  - Only 'Committed' Funding at this time is \$50,000, committed by Mount Gambier Harness Racing Club (25% of total project costs)
- Cricket - Grant funding committed as part of SACA support for the Mount Gambier and District Cricket Association hosting the Australian National Country Cricket Championships in January, 2016 (6 men's and 4 women's teams).

Corporate and Community Services Report No. 64/2015 cont'd...

Section 4: Selection Rationale

Previous Years Allocations

Year	Organisation	Amount \$	Total Program Annual Allocated \$
2010	Mount Gambier Little Athletics	10,000	
	Basketball Mount Gambier	20,000	
	Suttontown Tennis	15,000	45,000
2011	Apollo Soccer	12,242	
	Mount Gambier Softball	25,000	
	Basketball Mount Gambier	31,046	
	West Gambier Cricket	22,312	
	Mount Gambier Tennis	9,400	100,000
2012	Lower South East Hockey	40,000	
	Mount Gambier Croquet	10,000	
	Mount Gambier Netball Association	20,000	
	Basketball Mount Gambier	30,000	100,000
2013	West Gambier Football Club	11,000	
	MG Greyhound	11,000	
	MG Softball League	18,000	
	MG Tennis Club	10,000	
	North Gambier Football/Netball	50,000	100,000
2014	West Gambier Football Club	10,000	
	East Gambier Sportsmen's Club	20,000	
	North Gambier Football Club	8,000	
	Mount Gambier Little Athletics	24,000	
	Blue Lake BMX Club	8,000	70,000

Selection Rationale

The following application assessment rationale has been developed (based on the program guidelines) which in turn has influenced the recommended grant allocations.

Application	Community Benefit	Infrastructure Assessment	Contribution of Club/ Other Contributions		Guidelines Compliance			Score
		Infrastructure Priority	% Club Contribution	Other Contributions	Financial/Bank Statements	Quotations Provided	Previous / Level of Grants	
Soccer	1	1	2	0	1	1	2	8
Golf	1	1	2	0	1	0	3	8
Cricket	3	2	2	1	1	1	3	13
Harness Racing	1	2	3	0	1	0	3	10

Assessment Rationale Legend							
Rating Legend	High 3	Renew of Existing 3	50% + 3	Yes 1	Provided 1	Provided 1	None Previously 3
	Average 2	Enhance/Add to Existing 2	25-50% 2	No 0	Not Provided 0	Not Provided 0	Moderate previously 2
	Low 1	New 1	0-25% 1				Significant previously 1
			0 0				



Corporate and Community Services Report No. 64/2015 cont'd...

RECOMMENDATION

- (a) Corporate and Community Services Report No. 64/2015 be received;
- (b) the \$70,000 allocated for distribution to the 2015/2016 Sport and Recreation Major Capital Works Program, be distributed as follows:
- |    |  |                 |
|----|--|-----------------|
| 1. | Apollo Soccer Club - Waste Reduction Program   | \$15,000        |
| 2. | Mount Gambier Golf Club - Technical Design for install of Auto Irrigation  | \$5,000         |
| 3. | Mount Gambier Harness Racing Club - Lighting Upgrade \$20,000 on the condition that the remainder of the total anticipated cost of the project is funded from bank loans and/or grants from other sources by 30 <sup>th</sup> June, 2016 | \$20,000        |
| 4. | Mount Gambier and District Cricket Association - Sight Screens and Covers Upgrade  | \$30,000        |
|    | Total  | <u>\$70,000</u> |
- (c) All applicants be advised accordingly.



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER

2<sup>nd</sup> September, 2015  
MJT

## **City of Mount Gambier**

### **Sport and Recreation Major Capital Works Program**

#### **2015/2016 Guidelines**

The aim of the City of Mount Gambier Sport and Recreation Major Capital Works Program is to foster and assist in the development and/or capital renewal of Sport and Recreation infrastructure, within the City.

For the 2015/2016 year, Council will again make available significant funds for allocation to eligible Sport and Recreation groups and organisations.

Applications for funding under the Sport and Recreation Major Capital Works Program, as a general rule, should be for projects with a minimum total project cost of \$10,000. An allocation of \$70,000 has been made in Councils 2015/2016 budget for distribution in this annual program.

As a general rule, preference will be given to applications which can demonstrate a high incidence of self help as evidenced by matching funds or significant in kind contributions by the organisation, towards the project.

The applicant's contributions for this purpose may include cash from the organisation's own resources, grants or funds from sponsors or other sources or in kind support in the form of labour or services. If the applicant's contribution includes a grant from another source, the applicant must provide evidence that the grant has been awarded or confirmed with an application under this program.

The Applicants 'Self Help' contribution, as defined, must equate to a minimum contribution of at least 25% of the total project costs.

The following guidelines are provided to assist in the preparation of applications.

#### **What Types of Projects are eligible for Program Funding ?**

The types of projects which would be considered appropriate for Sport and Recreation Major Capital Works Program funding include :

- Capital renewal of existing asset infrastructure e.g. replace lighting, pitches, upgrade courts, capital repair of buildings, grounds etc.
- Capital upgrades to enhance existing asset infrastructure e.g. building extensions, rebuild structures, upgrade lighting, additional new facilities etc.
- New capital assets - to build/develop assets not previously provided e.g. new clubrooms, toilets, lighting, change rooms etc.
- Projects which are aimed at increasing the community usage of specific sport or recreation facilities.

In respect of projects involving buildings or infrastructure, preference will be given to applications which aim to renovate, overhaul or repair existing buildings or facilities, rather than the construction of new or additional facilities.

#### **What is not eligible for Program Funding ?**

Grants will not be awarded to fund :

- Routine or ongoing operating costs (staff wages, rent, electricity, water, insurance etc), the purchase of land or the repayment of financial loans.

- Projects which have already been commenced or completed prior to grants being awarded.
- Projects submitted by individuals.

### **Who can apply for Grant Funding ?**

- Any Sport or Recreation organisation, which is based in the City of Mount Gambier area and who's activities are predominantly conducted within the City of Mount Gambier.
- Applicants **must** have a current Australian Business Number (**ABN**) issued by the Australian Taxation Office (ATO). Applications will not be considered unless the applicant has an ABN at the time of submitting the grant application.

Any individual or organisation can apply for an ABN very easily on-line via the Australian Business Register at <http://www.abr.gov.au/>

An organisation may only submit one application per annum.

Primary and Secondary schools are generally excluded from applying, unless they can demonstrate that their project is predominantly for the benefit of the wider community.

### **Payment Conditions of Grants :**

- Grant funds will be paid to successful applicants following receipt by Council of evidence clearly demonstrating that the project has been completed (which may include payment receipts, a brief report, photographs of completed project) and that funds have been expended on the approved project.
- Council will consider, on written application in the manner outlined above, a claim for payment of Grant Funds for projects which are not fully completed. However the applicant must demonstrate that the project is substantively complete at the time of submitting the Claim.
- Payment will not be made for a completed project which is not the project detailed in the grant application.
- If the grant recipient is registered for GST, a tax invoice must accompany the Claim for payment.
- Claims for payment of Grant Funds must be submitted to Council by the end of the current financial year, or the grant may be forfeited. Claims for payment of a Grant which are received by Council after 30<sup>th</sup> June 2016 will not be considered under any circumstances.

Applications must be received by the Chief Executive Officer, City of Mount Gambier by 5.00 p.m. on the advertised closing date for the program.

**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER  
City of Mount Gambier  
Civic Centre  
10 Watson Terrace  
(P O Box 56)  
MOUNT GAMBIER SA 5290  
Email: [city@mountgambier.sa.gov.au](mailto:city@mountgambier.sa.gov.au)

**CITY OF MOUNT GAMBIER**  
**SPORT AND RECREATION MAJOR CAPITAL WORKS PROGRAM**  
**APPLICATION**

**SECTION 1 - INFORMATION ABOUT YOUR ORGANISATION**

<b>1. Name of Organisation</b>			
<b>2. ABN (Mandatory)</b>			
<b>3. Registered for GST ?</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>		
<b>4. Address of Organisation</b>	Street Address :		
	Suburb/Town :		Postcode :
<b>5. Postal Address</b> <small>(If different to Street Address)</small>	Address :		
	Suburb/Town :		Postcode :
<b>6. Contact Person</b>	Title :      Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/>		
	First Name :		
	Surname :		
	Position :		
	Phone :		
	Mobile :		
	Email :		
<b>7. Is your Club/Association registered for the StarClub Development Program</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>		
<b>8. Is your Club/Association registered as a Good Sports Club?</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>		
	If yes, which Level:    Level 1 <input type="checkbox"/> Level 2 <input type="checkbox"/> Level 3 <input type="checkbox"/> Level 0 <input type="checkbox"/> (accreditation Level for clubs without a Liquor Licence)		
<b>9. About Your Membership</b> <small>(Indicate numbers under each heading)</small>			
	<b>Junior</b>	<b>Senior</b>	<b>Total</b>
<b>Male</b>			
<b>Female</b>			
<b>Total</b>			

## SECTION 2 - INFORMATION ABOUT YOUR PROJECT

*(Please attach extra pages if insufficient space is provided)*

### 1. Title of your Project

--

### 2. Describe what you are planning to do


### 3. Describe why you are doing it


### 4. Will the wider community benefit from your project, and how will they benefit?


### 5. Where will the project be conducted? (If the project involves construction)

If the construction is to occur on land owned by City of Mount Gambier, you MUST obtain approval from Council PRIOR to submitting this application, or your application will not be considered.

Address:

## SECTION 3 - PROJECT COSTS, FUNDING SOURCES AND GRANT SOUGHT

### PROJECT COSTS

#### A. Project Cash Expenses

Item (List all items and expenses you will have to pay for with cash)	Amount (Inc GST)
	\$
	\$
	\$
	\$
	\$
	\$
	\$

**Sub Total (A)**

\$

#### B. Project In Kind Contributions

Item (List all items which are to be provided IN KIND toward your Project)	Estimated Value
	\$
	\$
	\$
	\$
	\$
	\$
	\$

**Sub Total (B)**

\$

#### C. Project Voluntary Labour Contributions

Item (Provide an estimate of any voluntary labour directly involved in your Project)			Estimated Value
Skilled (Trade) Voluntary Labour	(hours)	X \$45/hour =	\$
Unskilled Voluntary Labour	(hours)	X \$20/hour =	\$

**Sub Total (C)**

\$

#### D. Total Project Cost (A + B + C)

\$

## PROJECT FUNDING

	Amount
<b>E. Your Organisation's Cash Contribution</b>	\$
<b>F. Grant/s from other sources</b> (Attach evidence that other grants have been awarded)	\$
<b>G. Value of In Kind Contributions</b> (Sub Total B from previous page)	\$
<b>H. Value of Voluntary Labour</b> (Sub Total C from previous page)	\$

<b>I. Value of Grant Requested from Council</b>	\$
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<b>J. Total Project Funding (E + F + G + H + I)</b>	\$
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[ The Total Costs at (D) must equal the Total Funding at (J) ]

[ Please ensure that the total of (e), (f), (g) and (h) equate to at least 25% of (j) ].

**Applications which are not accompanied by the following documents will not be considered.**

The following documents for your organisation must be attached to this application :

1. Most recent annual financial statements (do not have to have been audited).
2. All bank statements for the last 3 months up to the current date.

### REDUCED GRANT VALUE

1. Will your Organisation be able to proceed with the Project if Council awards a Grant of a lower value than that requested in (I) above ?

Yes ☐ No ☐

2. If your Project can still proceed with a lower value Grant, how will you meet the funding shortfall for the Project ?


Signature :

Name :

Position :

Date :


Applications may be lodged at the Council Office, Civic Centre, 10 Watson Terrace, posted to P O Box 56, Mount Gambier SA 5290 or emailed to [city@mountgambier.sa.gov.au](mailto:city@mountgambier.sa.gov.au) but must be received by Council by **5.00 p.m. on Friday, 28<sup>th</sup> August, 2015.**

## **CORPORATE AND COMMUNITY SERVICES REPORT NO. 65/2015**

**SUBJECT: APPOINTMENT OF MEMBERS ON OTHER BODIES & ORGANISATIONS – LIMESTONE COAST ZONE EMERGENCY COMMITTEE**

**REF: AF11/854**

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*Goal: Governance*  
*Strategy: Demonstrate innovative and responsive organisational governance.*  
*Strategic Objective: Engage with national, state, regional and local forums and partnerships to provide solutions and options to continually improve Councils service delivery and performance.*

*Goal: Diversity*  
*Strategic Objective: Develop the capacity of Council to effectively communicate and engage with our communities, other agencies and service providers.*

On Monday 31<sup>st</sup> August 2015 Cr Meziniec gave notice of her resignation from the SELGA appointed position on the Limestone Coast Zone Emergency Committee.

SELGA is now calling for nominations from it's Constituent Councils to fill this vacancy. Nominations will be further considered by SELGA at it's meeting to be held on Friday 9th October, 2015.

Council may now consider whether to endorse a nominee for the vacant SELGA position on the Limestone Coast Zone Emergency Committee.

Should 2 or more nominations be made Council may determine to endorse more than one nominee or to conduct a secret ballot for the selection of a single nominee.

### **RECOMMENDATION**

- (a) Corporate and Community Services Report No. 65/2015 be received.
- (b) For Council consideration.



**Michael McCARTHY**  
MANAGER GOVERNANCE & PROPERTY

Sighted:



**Mark McSHANE**  
CHIEF EXECUTIVE OFFICER