



City of Mount Gambier

09 | 10 ANNUAL REPORT



Introduction

Welcome to the Annual Report of the City of Mount Gambier for the 2009/2010 year.

The Annual Report fulfils Council's legislative requirements, but more importantly allows the opportunity for Council to inform the community of its operations, activities and achievements for the year under review.

This Annual Report is a detailed overview of our performance and achievements for the past financial year.

Communicating Council's activities in an open and transparent way is one of our highest priorities. We ensure that the information access and distribution is timely, relevant, respectful and acknowledges the diversity of the community.

This Annual Report details the performance and achievements for the 2009/10 year and is intended as a point of reference to inform the reader as to Council's desire to be accountable for its outcomes.

In addition, this Annual Report is a historical record for future reference.

The Annual Report offers the reader the opportunity to step back and see the 'big picture' view of how Council is responding to the challenges of a growing and evolving Provincial City.

It also reflects our strong commitment to maintain the highest standards of good governance and to participate in all available reviews and benchmark projects for the purposes of the continual monitoring of Council's own financial and structural performance.

The format of this Annual Report is presented, with each key reporting statement for the year being placed under one of the following broad functional headings:

- Governance
- Corporate
- Compliance
- Community
- Infrastructure
- Economic and Regional
- Environment

Each year, Council undertakes many initiatives to help improve the quality of life for its 25,000 residents. Much of our effort is focused on the immediate needs of our community.

This Annual Report is made available to keep you better informed and we hope you find it useful, informative and reflective of the dynamic structure of our beautiful City.

MOUNT GAMBIER
LIVE . LEARN . IMAGINE

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City of Mount Gambier
Civic Centre
10 Watson Terrace,
Mount Gambier South Australia 5290
(PO Box 56, Mount Gambier 5290)

Telephone: 08 8721 2555
Facsimile: 08 8724 9791
Email: city@mountgambier.sa.gov.au
Website: www.mountgambier.sa.gov.au

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Spring Studio and Council

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Member Information



2006 - 2010 Elected Members

The Council comprises a Mayor elected at large and five Councillors for each of two Wards.

The next four year term Local Government elections will be held in November 2010.

For the November 2010 Elections (and beyond), Council has abolished the two Wards and the required ten (10) Councillors will be elected at large.

Council 2006 - 2010 (left to right)

Cr Daniel McDonough (East Ward)

Cr John Kyrimis (East Ward)

Cr Tony Pasin (East Ward)

Cr Eugene Coscarelli (West Ward)

Cr Allen Smith (East Ward)

Cr Jim Maher (East Ward)

Mayor Steve Perryman

Cr Byron Harfield (West Ward) (Deputy Mayor)

Cr Penny Richardson (West Ward)

Cr Merv White (West Ward)

Cr Des Mutton (West Ward)

Mayor's Message



Mayor Steve Perryman

Council continues to pursue its Mount Gambier 2015 Vision for the Future with vigour. These major infrastructure projects are vital to strengthening our community by building Mount Gambier's social, community, economic and cultural infrastructure. A major investment in our future, these facilities will provide broader scope for the delivery of programs, projects and services to residents of our City for decades to follow.

The new Library and Community Centre has been a spectacular success. Most pleasing is the way that it encourages interaction and social connectedness either through the successful placement of spaces targeted at particular cohorts of people, the informal gathering place around the café, or through programming of activities by the library and other community groups. Facilities like these are so important to our City's vibrancy and people's sense of place in our community. It has been an absolute delight to witness the enthusiasm with which it has been embraced and I have complete confidence that the Main Corner Development project will see a similarly successful outcome.

It is important to acknowledge the contribution of Councillors, and the leadership of those who preside over the Standing Committees and Working Parties of Council. In addition I would like to thank those citizens with particular knowledge, experience or professional qualifications, who serve on the various committees and working parties of Council for the contribution that you make to the management of Council affairs. Thanks must also go to the Chief Executive Officer, Greg Muller and all employees of Council. Mount Gambier has a huge reputation for its high level of presentation, amenity, services and facilities, a reputation for which our employees are largely responsible for, and in which they can be truly proud.

This document details all of Council's activities over the past twelve months. Mount Gambier has a wonderful future. We hope that it will be well served by the actions that we are taking today.

Kindest regards,

Steve PERRYMAN - MAYOR

Council and Committees 2006 - 2010 (from November 2006)



HIS WORSHIP THE MAYOR MR STEVE PERRYMAN

Phone: 0428 212 507
Email: mayor@mountgambier.sa.gov.au

- Ex-officio member of every Committee of Council
- District Council of Grant's Consultation and Communication Committee
- District Council of Grant's Future Urban Areas Working Party
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Provincial Cities Association
- Railway Lands Working Party
- Senior Officers Review & Appointments Committee
- Australia Day Awards Selection Panel

Ex Officio

- Mount Gambier Christmas Parade Committee
- Audit Committee

SELGA Appointments

- Regional Development Australia - Limestone Coast
- Board Member
- South East Country Arts Trust - Riddoch Art Gallery - Proxy

Member Portfolio

Civic Services and Strategic Relationships: governance, civic, ceremonial, public relations, South East Local Government Association, Local Government Association of South Australia, Provincial Cities Association, across border relationships, regional relationships



CR BYRON HARFIELD (WEST WARD) DEPUTY MAYOR

39 Pinehall Avenue
Phone: 0419 833 673; 8725 0948
Email: crharfield@mountgambier.sa.gov.au

- Corporate & Community Services Committee
- Combined Councils Christmas Dinner
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Main Corner Development Working Party
- Mount Gambier and Districts Airport Committee
- Mount Gambier Cemetery Trust
- Mount Gambier Transport Advisory Committee
- Provincial Cities Association
- Public Relations & Communications Working Party

SELGA Appointments

Deputy Member - Executive Committee

Member Portfolio

Media & Public Relations: media management, community engagement and communications, public relations, funding programs

Public Services: taxis, community/public transport, junior sports assistance fund, airport, regional initiatives/programs involving council, community events, volunteerism



CR DES MUTTON (WEST WARD)

11 Fairlie Street
Phone: 0407 206 429; 8725 2470
Email: crmutton@mountgambier.sa.gov.au

- Operational Services Committee
- Environmental Sustainability Working Party
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Queen Elizabeth Park Trust
- South East Local Government Association Waste Management Sub Committee
- Strategic Planning and Development Policy Committee

Member Portfolio

Waste Management: waste collections, recycling, landfill (local and regional), transfer centre, greenwaste and waste minimization

Council and Committees 2006 - 2010 (from November 2006)



CR PENNY RICHARDSON (WEST WARD)

Unit 1, 1 Nicholas Street
Phone: 0401 000 089; 8723 4283
Email: crrichardson@mountgambier.sa.gov.au

- Corporate & Community Services Committee
- District Council of Grant – 150th Anniversary Sinking of Admella (Year 2009)
- Greater Mount Gambier Tourism Inc
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Main Corner Development Working Party
- Mayoress' Family Fun Day Committee
- Mount Gambier Heritage Committee
- Railway Lands Working Party

Proxy

- Riddoch Art Gallery Board of Management

Ex Officio

- Mount Gambier Christmas Parade Committee

Member Portfolio

- Tourism and Heritage: tourism, major tourism events, community events/celebrations of a regional nature and heritage



CR ALLEN SMITH (EAST WARD)

Phone: 0419 869 854; 8725 1863
Email: crsmith@mountgambier.sa.gov.au

- Corporate & Community Services Committee
- Indoor Employees Consultative Committee Single Bargaining Unit
- AWU Consultative Group
- City of Mount Gambier OHS&W and EEO Committee
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Main Corner Development Working Party
- Queen Elizabeth Park Trust
- Senior Officers Review & Appointments Committee
- South East Local Government Association - Section 30 Planning Review

Member Portfolio

Human Resources: human resources, performance targets, OHS&W/EEO, enterprise bargaining, industrial relations, risk management, technologies, business continuity



CR JOHN KYRIMIS (EAST WARD)

Phone: 0417 802 894; 8723 9805
Email: crkyrimis@mountgambier.sa.gov.au

- Corporate & Community Services Committee (Presiding Member)
- Audit Committee (as Presiding Member C & CS Committee)
- District Council of Grant's Consultation and Communication Committee
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Library Committee (with District Council of Grant)
- Main Corner Development Working Party
- Mayoral Gala Performance
- Mount Gambier Aquatic Centre - Leisure Australia Committee
- Riddoch Art Gallery Board of Management
- Railway Lands Working Party
- Senior Officers Review & Appointments Committee

Proxy

- District Council of Grant's Commercial Development Strategies Working Party

Member Portfolio

Recreation and Culture: sport, recreation, galleries, arts, aquatics, public libraries, theatres and community centres

Finance/Revenue: revenue raising, financial sustainability, shared services, resource sharing

Council and Committees 2006 - 2010 (from November 2006)



CR EUGENE COSCARELLI (WEST WARD)

Phone: 0408 084 586
Email: crcoscarelli@mountgambier.sa.gov.au

- Operational Services Committee
- Building Fire Safety Committee
- Dry Areas Working Party/Licensed Premises Accord Group
- Environmental Sustainability Working Party
- Joint Boundaries Roads Committee with District Council of Grant
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Public Relations & Communications Working Party
- Strategic Planning and Development Policy Committee
- Proxy
- Blue Lake Management Committee
- Mount Gambier and Districts Airport Committee

Member Portfolio

Compliance and Regulatory: planning, building assessment, environmental health, food premises, liquor licensing, inspectorial and animal control



CR TONY PASIN (EAST WARD)

PO Box 1375
Phone: 0404 192 370; 8725 6727
Email: crpasin@mountgambier.sa.gov.au

- Operational Services Committee
- District Council of Grant's Consultation and Communication Committee
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Mount Gambier & District Population Policy Committee
- Mount Gambier Cemetery Trust
- Railway Lands Working Party
- Senior Officers Review & Appointments Committee
- Strategic Planning and Development Policy Committee

Member Portfolio

Economic: economic, commerce and industry, engagement with business leaders, new arrivals initiatives



CR DANIEL MCDONOUGH (EAST WARD)

PO Box 613
Phone: 0407 341 996

- Corporate & Community Services Committee
- Community Safety & Order
- Council Development Assessment Panel (CDAP)
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Main Corner Development Working Party
- Mount Gambier Youth Advisory Committee
- Youth at Risk Working Party
- City Centre Marketing Team

Member Portfolio

Community Services: community safety and order, youth services, aged care services, emergency services and multi culturalism and indigenous persons

Council and Committees 2006 - 2010 (from November 2006)



CR JIM MAHER (EAST WARD)

PO Box 3614
Phone: 0408 250 864; 8725 0864
Email: crmaher@mountgambier.sa.gov.au

- Operational Services Committee
- Blue Lake Management Committee
- Council Development Assessment Panel (CDAP)
- Crater Lakes Conservation Management Plan - Working Party
- Crater Lakes Beautification Committee (in temporary recess)
- Environmental Sustainability Working Party
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- NAIDOC Celebrations Community Planning Committee
- Strategic Planning and Development Policy Committee

Proxy

- Indoor Employees Consultative Committee Single Bargaining Unit
- AWU Consultative Group
- Library Committee (with District Council of Grant)

SELGA

- Group Training Employment
- South East Education and Training Association

Member Portfolio

Environment, Health and Water Quality: health, welfare, immunizations and community health, stormwater, drainage, water quality, Blue Lake/ Crater Lakes environs, environmental management

Lifelong Learning: regional education initiatives, higher education, training needs of the region and lifelong learning



CR MERV WHITE (WEST WARD)

2 MacKenzie Street
Phone: 8725 3799
Email: crwhite@mountgambier.sa.gov.au

- Operational Services Committee (Presiding Member)
- Council Development Assessment Panel (CDAP)
- District Council of Grant's Consultation and Communication Committee
- District Council of Grant's Commercial Development Strategies Working Party
- Identification of Future Industrial Land Sites within the District Council of Grant Working Party
- Joint Boundary Roads Committee with District Council of Grant
- Joint Councils Dinner Meetings with Glenelg Shire Council and District Council of Grant
- Mount Gambier & Districts Health Service Board
- Mount Gambier & District Road Safety Committee
- Queen Elizabeth Park Trust
- Railway Lands Working Party
- Senior Officers Review & Appointments Committee
- South East Local Government Association
- South East Local Government Association Road & Transport Working Group
- Strategic Planning and Development Policy Committee

Proxy

- South East Local Government Association Waste Management Sub Committee

SELGA

- Member - Executive Committee

Member Portfolio

Infrastructure and Public Spaces: roads, parking, footways, traffic management, street trees, Council built assets, parks gardens, ovals, reserves, cemeteries, playgrounds, natural resource management, road safety, cycling

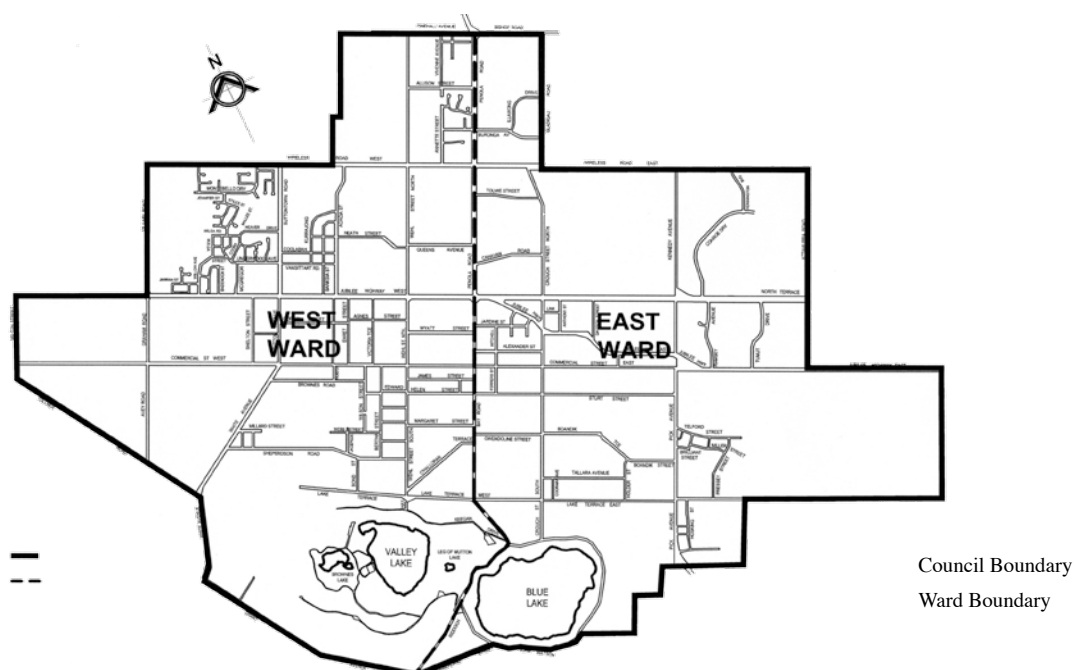
Attendance at Meetings

The following is the recorded attendance (or apologies) of Elected Members at the twelve (12) Ordinary Council Meetings and the eight (8) Special Council Meetings held during the 2009/10 year:

| ELECTED MEMBER | COUNCIL MEETINGS HELD | MEETINGS ATTENDED | APOLOGIES / LEAVE OF ABSENCE | NOT IN ATTENDANCE |
|------------------|-----------------------|-------------------|------------------------------|-------------------|
| Mayor Perryman * | 20 | 16 | 4 | 0 |
| Cr Harfield | 20 | 17 | 3 | 0 |
| Cr Coscarelli | 20 | 13 | 7 | 0 |
| Cr Kyrimis | 20 | 20 | 0 | 0 |
| Cr McDonough | 20 | 20 | 0 | 0 |
| Cr Maher | 20 | 19 | 1 | 0 |
| Cr Mutton | 20 | 17 | 3 | 0 |
| Cr Pasin | 20 | 16 | 1 | 3 |
| Cr Richardson * | 20 | 16 | 4 | 0 |
| Cr Smith | 20 | 20 | 0 | 0 |
| Cr White | 20 | 20 | 0 | 0 |

* It is to be noted that on occasions the Mayor and/or Cr Richardson were apologies as they were attending other functions or meetings on behalf of Council and/or Local Government, on the same evening.

Council Wards and Boundaries



Mission and Vision Statement

- Our Plan for our Community

"Mount Gambier is the most liveable City in Australia"

This vision for our unique City is an opportunity to be fulfilled and/or enhanced by Council.

The Strategic Plan - Towards 2015 commits the Council to address and achieve key goals and key strategies.

Council also wishes to be judged by the quality of its outcomes and achievements not just by the quality of its words.

To this end, Council has become very focused towards achievable targets and realistic outcomes that are important to the City.

Council will continue as a matter of course to undertake its core services and objectives, but it also wishes to attempt to achieve key supplementary goals that ensure the City is forever evolving and improving.

The Strategic Plan - Towards 2015 addresses the implementation of goals and strategies to ensure Council and the community are forever conscious of current challenges and the continuing respect for our environment, our sustainability and the health and well being of our citizens.

Each key goal is defined by a range of strategies and the strategies are actioned through a comprehensive suite of operational activities.

Funding for the key goals and strategies will need to recognise the capacity of the community, competing demands and the reality of economic constraints.

The development of strategic partnerships with others is expected to result in quality and productive outcomes for Council, its customers, its employees and its citizens.

Council's new Strategic Plan - Towards 2015 was adopted on 17th March 2009.

This Strategic Plan focuses on those areas that will be crucial to the achievement of this Vision through maintaining high quality services and facilities.

OUR VALUES

Our Values underpin and define how Council operates within the community. By staying true to these Values we will meet and exceed community expectations.

The Values of Council are:

Respect: We respect our community, our people, ourselves and other levels of Government.

Customer Service: We serve people and welcome personal relationships with the community. We are honest and genuine in wanting to meet and exceed the expectations of the community.

Decision Making: Our decision making exhibits courage, sound judgement, initiative and innovation as well as an appreciation of the interaction of the social, economic, cultural and environmental aspects of our work.

Proactive: We are forward looking and positive. Our problem solving and planning seek community input.

Leadership: We are the best in what we do and a role model to Local Government.

Teamwork: We are committed to the shared goals and strategies of The Strategic Plan - Towards 2015. We take collective responsibility for the outcomes of our decisions and actions including the health and safety of our community and our employees.

Equity: We recognise the cultural, economic and social differences in our community and ensure we are inclusive, fair and socially just.

Collaboration: We will collaborate with other bodies to achieve the aspirations of our community and of our people.

Continuous Improvement: We will strive always for continuous improvement in all that we do.

OUR GOALS

Building Communities: To maintain and improve the quality of life of our people by fostering a range of services and activities.

State Strategic Plan Reference: Building Communities

Commerce and Industry: To support the reasonable needs of our economic generators to ensure the City has a viable and diverse economic base and continues to be a thriving provincial centre.

State Strategic Plan Reference: Growing Profitability

Diversity: To provide opportunities for the diverse needs of our people to fully participate and ensure a continuing sense of their engagement, belonging and recognition.

State Strategic Plan Reference: Improving Wellbeing

Environment: To guide development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

State Strategic Plan Reference: Attaining Sustainability

Financial Sustainability: To maintain a balance between meeting increasing demand and that of affordability.

State Strategic Plan Reference: Attaining Sustainability

Health: To encourage and support our people to lead an active and healthy lifestyle, to have local access to high quality health services and to have an environment which supports their health and well being.

State Strategic Plan Reference: Improving Wellbeing

Learning: To be recognised as a lifelong learning community which encourages, respects and celebrates learning.

State Strategic Plan Reference: Expanding Opportunity

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Chief Executive Officer's Report

In my time with Council I have had the pleasure to experience so many wonderful achievements that add substantially to the community and enhance our social, cultural and economic well being - 2009/10 represents another milestone in our continuing evolution as a City that is genuine, honest and is moving forward in a meaningful way.

In 2009/10 Council can take considerable pride in its realisation of three long term aspirations with the completion of the new Library and Community Centre, the commencement of the equally outstanding Main Corner Development and the Boundary Adjustment Agreement with the District Council of Grant (referred elsewhere in this Annual Report).

No words can do justice to the magnificence of the new Library and Community Centre - it is simply unbelievable and is providing new experiences and positive feelings for our citizens.

As a built form, it is modern and uniquely iconic. As a place for all people, it has no equal in Australia.

Its contribution to how we feel about ourselves and how others feel about us cannot be truly or adequately measured. It is now the most significant and influential place in Mount Gambier and really extends our society.

Whilst the Architects designed it and the contractors built it, clearly the Library Manager Cathryn Harris inspired it. Cathryn's energy, research, passion, creativity and boldness reflects in every element of the new Library and she (and her family) can be very proud of her commitment to the project.

The Main Corner Development will be just as incredible in terms of its built form and also the activities, programs and displays that will feature within the various spaces.

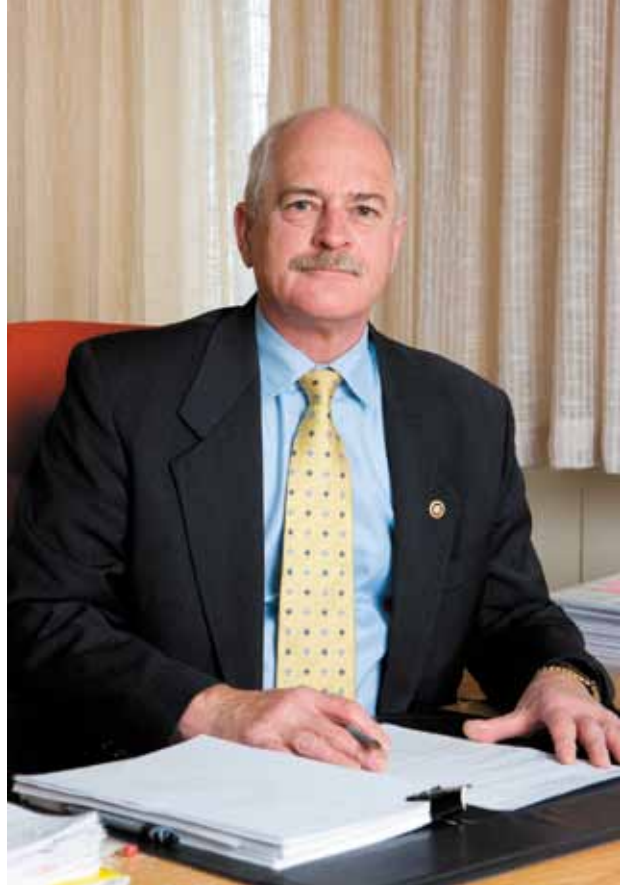
The Main Corner Development will excite the senses and be as powerful and relevant to the community as the new Library and Community Centre is.

Council has been generous in allocating the resources necessary to create these magnificent spaces for our community and our visitors. The achievements add so much strength to our citizens and truly delight all who visit.

The culmination of the Council's Towards 2015 Vision will occur when it is able to devote the required energy to the Railway Lands vision and its redevelopment.

I have no doubt that the Railway Lands will also contribute so much to Mount Gambier's community capital and provide the ongoing momentum necessary to ensure everlasting respect and acknowledgement that Mount Gambier is a place of substance.

It is the role of the entire community to contribute to our evolving success and it is only through our collective devotion and shared partnership that we will create the very best provincial city in Australia.



There are no real barriers to our success. We can achieve whatever we want to achieve if we believe in ourselves.

Our journey of discovery and self belief underpins our need to be positive always and recognise that our future is in our hands and that collectively we can do amazing things.

As we move towards the November 2010 General Elections, we may see existing Elected Members conclude their time on Council and new faces take their place.

On behalf of all employees I thank Council Members for everything that they have contributed to the success of Council and acknowledge that the Council and the community are the better due to their untiring commitment to Mount Gambier.

Thank you to the Mayor and Mayoress, the Elected Members and the Employees for your dedication, dependability and reliability.

2009/10 was a year of achievement, a year of consolidation, a year of pledges and promises, a year when we forged our future, a year that defined our destiny and our beliefs in our community spirit.

There is absolutely no doubt that we are much stronger today than we were twelve months ago and certainly much the richer from our experiences and our achievements.

Greg MULLER
CHIEF EXECUTIVE OFFICER

MOUNT GAMBIER
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Governance Statement



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Comparative Performance Measurement (2002 to 2009)

The CPM Project has been undertaken for eight (8) calendar years i.e. 2002 to 2009 and Council has participated in all eight annual reviews.

From the Community Survey component of the overall Project, the following provides the Council results for each year and our average. The figures in brackets are the Statewide results for the same calendar year.

| | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | AVERAGE |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------------------|
| Community Satisfaction with Provision and Management of Assets | 116.7 (105.8) | 114.7 (104.5) | 117.7 (106.6) | 114.9 (107.2) | 117.9 (108.1) | 119.8 (108.1) | 117.4 (107.1) | 115.0 (107.1) | 116.8 (106.8) |
| Community Satisfaction with Provision and Management of Assets | 91.9 (86.0) | 91.2 (83.3) | 92.4 (84.9) | 90.7 (82.7) | 88.4 (82.1) | 89.5 (83.4) | 84.6 (82.9) | 83.4 (84.4) | 89.0 (83.7) |
| General Satisfaction with Council's Services and Facilities | 109.4 (102.7) | 108.6 (102.8) | 112.2 (104.0) | 110.6 (104.5) | 104.7 (104.0) | 105.9 (103.1) | 102.0 (101.3) | 98.9 (101.6) | 106.5 (103.0) |
| Community Perception of Quality of Life | 107.2 (95.5) | 103.8 (90.2) | 108.2 (94.8) | 109.7 (95.3) | 110.2 (94.4) | 109.8 (97.4) | 108.4 (98.0) | 101.6 (96.0) | 107.4 (95.2) |
| Community Perception of Safety and Security | 113.2 (95.6) | 108.8 (91.1) | 122.6 (91.2) | 113.9 (94.5) | 109.3 (92.1) | 110.0 (94.1) | 110.8 (96.3) | 97.6 (94.4) | 110.8 (93.6) |
| Awareness of Strategic Direction | 92.2 (84.2) | 89.8 (82.2) | 94.9 (84.5) | 91.1 (82.4) | 82.9 (81.9) | 86.1 (83.5) | 84.1 (83.1) | 78.7 (81.1) | 87.4 (82.8) |
| Public Access to Information | 93.8 (90.1) | 93.6 (88.4) | 96.6 (89.7) | 92.6 (87.8) | 90.9 (86.2) | 91.4 (87.8) | 86.8 (87.6) | 87.9 (88.5) | 91.7 (88.2) |

The Council average for all seven indicators combined = 101.37.
The Statewide average for all seven indicators combined = 93.32.
Difference = 8.05 (or 8.6% difference)

COMPARATIVE PERFORMANCE MEASUREMENT PROJECT 2009

Council participated in the eighth Comparative Performance Measurement Project, to gather information annually on the performance of participating Councils across the State in Calendar Year 2009.

The results of the community survey have been processed, along with a range of other measures developed for the project, and paint a picture of a Council's overall performance. Each participating Council received their unique results compared against the regional average and State average for each performance measure. The ability to compare performance results across Councils is a key feature of this project.

The Local Government Act 1999 requires Council to identify 'the measures (financial and non-financial) that are to be used to monitor and assess the performance of the Council over the relevant period' in relation to the objectives and goals set by Council.

Council is also required to report on its performance in the Annual Report

The following is a summary of the high level outcomes for Council from the project for 2009.

Please note the following terms that are used to compare this Council's results against other State benchmarks noting that not all Councils may have participated in the project:

| | |
|---------|---|
| Council | City of Mount Gambier. |
| ACLG | Urban Regional e.g. Mount Barker, Port Augusta, Port Lincoln, Whyalla, Coober Pedy, Roxby Downs, Mount Gambier (as defined by the Grants Commission). |
| SELGA | Seven South East Councils. |
| SWA | Statewide average. |

Comparative Performance Measurement 2009 cont.

| MEASURE | 2009 RESULTS | | | |
|--|--------------|------------|----------|----------|
| | COUNCIL | ACLG | SELGA | SWA |
| GOVERNANCE | | | | |
| FOI requests | 00.00 | 00.11 | 00.03 | 00.21 |
| Awareness of Strategic Direction of Council | 92.2 | N/A | N/A | 84.2 |
| Community Consultation | 91.9 | N/A | N/A | 86.0 |
| Public Access to Information, Documents etc | 93.8 | N/A | N/A | 90.1 |
| Achievement of Annual Objectives | 88.8% | 70.2% | 86.1% | 74.5% |
| COMMUNITY SATISFACTION | | | | |
| General Satisfaction with services and facilities | 109.4 | N/A | N/A | 102.8 |
| Review of Council Decisions | 00.00 | 00.03 | 00.02 | 00.01 |
| Complaints to Ombudsman | 00.00 | 3.00 | 9.70 | 6.5 |
| FINANCIAL SUSTAINABILITY INDICATORS | | | | |
| Operating Surplus (\$000) | +858 | -584 | -165 | +3 |
| Operating Surplus Ratio (%) | +8.0 | -6.0 | -2.0 | 0.0 |
| Net Financial Liabilities (\$000) (+=surplus / - = deficit) | +5,101 | +328 | -918 | -6,111 |
| Net Financial Liabilities Ratio (%) (+=surplus / - = deficit) | +31.0 | +2.0 | -9.0 | -29.0 |
| Interest Cover Ratio (%) | +2.3 | +0.80 | +0.1 | -0.5 |
| Asset Sustainability Ratio (%) | 40.0 | 48.0 | 55.0 | 65.0 |
| Asset Consumption Ratio (%) | 92.0 | 75.0 | 65.0 | 64.0 |
| Community Satisfaction with Provision and Management of Assets | 116.7 | N/A | N/A | 105.8 |
| QUALITY OF LIFE | | | | |
| Community Perception of Quality of Life | 107.2 | N/A | N/A | 95.5 |
| Community Services (measure is operating expenditure per 1000 persons on libraries, recreation, leisure, sport and cultural, public order, health, economic etc) | \$442.88 | \$616.64 | \$491.81 | \$582.66 |
| Growth in Capital Valuations | 2.02% | 2.9% | 1.3% | 1.7% |
| Community Perception of Safety and Security | 113.2 | N/A | N/A | 95.6 |
| ENVIRONMENT AND HEALTH (PER 1000 PERSONS)* | | | | |
| Environmental Management* | \$36.83 | \$54.78 | \$43.62 | \$78.82 |
| Health Services* | \$2.85 | \$57.28 | \$2.00 | \$18.45 |
| Waste Management* | \$68.00 | \$63.37 | \$73.27 | \$72.77 |
| Waste to Landfill (tonnes per 1,000 rateable properties) | \$549.04 | \$1,601.01 | \$769.42 | \$704.75 |
| QUALITY SERVICE DELIVERY | | | | |
| Library Expenditure (per 1000 persons) | \$35.22 | \$36.61 | \$32.92 | \$41.36 |

Comparative Performance Measurement 2009 cont.

Performance Score (where applicable) = A performance score of 100 is the standard set for satisfactory performance. A result of 100 indicates that the community perception of Council's performance is satisfactory. A score of less than 100 is considered to be unsatisfactory whereas a score greater than 100 is above satisfactory.

All financial dollar comparisons are based on 2006/07 financial year.

Analysis of Outcomes for this Council for 2009

A review of this Council's performance as compared to Statewide averages and against our results from previous years, can be made for some of the above measures.

Not all of the performance measures can be reasonably compared.

Of the above performance measures, nineteen (19) are able to be analysed and compared and provide a meaningful comparison of the Council's results against the overall 2009 CPMP outcomes:

- (i) improved on 2008 result and also achieved better than Statewide averages in sixteen (16) measures vis:
 - awareness of strategic direction
 - achievement of annual objectives
 - community perception of quality of life
 - general satisfaction with facilities and services
 - community satisfaction with assets
 - community consultation and awareness
 - community perception of safety and security
 - public access to information
 - freedom of information
 - operating surplus (\$,000) FSI
 - operating surplus ratio (%) FSI
 - net financial liabilities (\$,000) FSI
 - net financial liabilities (%) FSI
 - interest cover ratio (%) FSI
 - complaints to Ombudsman
 - review of Council decisions

- (ii) did not improve on 2008 results (or equal 2008 results) but was still better than Statewide averages in one (1) measure vis:
 - growth in capital values
- (iii) improved on 2008 results but less than Statewide averages in two (2) measure vis:
 - asset sustainability ratio (%) FSI
 - asset consumption ratio (%) FSI
- (iv) did not improve on its 2008 results and was less than Statewide averages in nil (0) measures.

For the first time the CPMP has some added features which are also worthy of specific noting i.e.

- Waste to Landfill (tonnes per 1,000 rateable properties) our 2009 result was the same as 2008 and better than the Statewide average.
- Waste Management costs (\$) our 2009 result was higher than 2008 but better than the Statewide average costs.
- Our Community Services costs are below Statewide average costs.



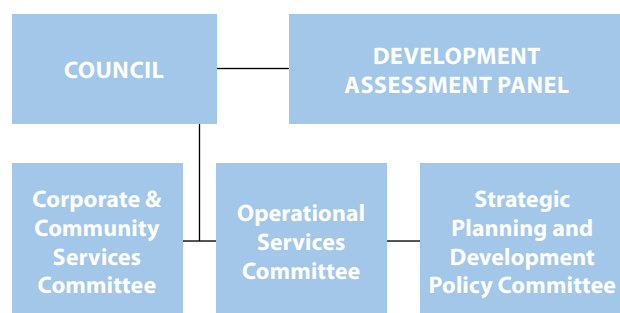
Decision Making Structure of Council

The Council has adopted the following decision making structure to facilitate good governance and expedite decision making processes having regard to due process:

- (a) Council
- (b) Development Assessment Panel
- (c) Committee Structure
- (d) Community Committees
- (e) Delegations to Employees
- (f) Grievance Procedures

COMMITTEE STRUCTURE

Council's Standing Committee structure is set out below (to 30th June 2010).



Council meetings are held at the Council Chamber, Civic Centre, 10 Watson Terrace, Mount Gambier, on the third Tuesday of each month at 6.30 p.m.

Standing Committee Meetings are held on the Tuesday of the week preceding Council Meetings as follows:-

- Operational Services Committee - 7.30 a.m.
- Strategic Planning and Development Policy Committee - 7.30a.m.
- Corporate and Community Services Committee 6.00p.m.

unless otherwise amended or altered by Council or the relevant Standing Committee.

Whilst members of the public are not normally permitted to speak at Council meetings, individuals or representatives of applicants to Council may be invited to address the relevant Committee meetings.

Council meetings and Committee meetings are open to the public and Council encourages attendance at these meetings.

Any person wishing a matter to be considered by Council should communicate in writing to the Chief Executive Officer. These matters are firstly considered by the relevant Council Committee.

Closing dates for agendas for matters to be considered by a Council Committee apply. Please check with Council for these 'deadlines' and the date/times of Committee meetings.

Agendas of all meetings are placed on public display no less than three clear days prior to meetings. Minutes of Council meetings are placed on display within five days after a meeting.

In addition to the above two Standing Committees, Council has also resolved to appoint a range of other Committees and Working Parties which meet as and when required.

These additional Committees and Working Parties include:

- Senior Officer's Review and Appointments Committee
- Audit Committee
- Main Corner Development Working Party
- Lifelong Learning Working Party
- Railway Lands Redevelopment Working Party
- Environmental Sustainability Working Party

COUNCIL DEVELOPMENT ASSESSMENT PANEL

The Development Act 1993 requires all Councils in South Australia to establish a Council Development Assessment Panel to operate as the relevant authority under the Development Act to assess development applications.

The creation of the Panel is to ensure that Council makes development decisions as a relevant planning authority pursuant to the Development Act, 1993 having sole regard to the Council's authorised Development Plan and any referral advice to determine the merit of the proposal. The Local Government Act 1999, does not apply to the Development Assessment Panel.

Membership of the Council Development Assessment Panel is made up of four independent Members with an independent member being the Presiding Member (appointed by Council) and three Elected Members of Council, making a total of seven Members on the Panel.

The Council Development Assessment Panel determines its own meeting practices and procedures and acts independently of Council.

The Council Development Assessment Panel holds its meetings on every third Thursday of the month, in the Council Chamber at the City of Mount Gambier, 10 Watson Terrace, Mount Gambier commencing at 5.45 p.m. (unless otherwise determined).

Council cannot influence or overturn any decision made by the Council Development Assessment Panel.

It should be noted that actual decisions/determinations made by the Panel are undertaken 'In Confidence'.

Agendas of all meetings are placed on public display no less than three clear days prior to meetings with minutes on display within five days after a meeting.

Decision Making Structure of Council cont.

COMMUNITY COMMITTEES

In addition to Council's Standing Committees, Council has formed certain community committees that undertake specific roles for Council and the community.

These community committees include:

- Mayoress' Family Fun Day Committee;
- Mount Gambier Junior Sports Assistance Fund Committee;
- Mount Gambier Christmas Parade Committee;
- Mount Gambier Youth Advisory Committee
- Mount Gambier Cemetery Committee;
- Mayoral Gala Performance Committee;
- Mount Gambier Heritage Committee;
- Seniors Month Committee;
- Mayors Christmas Appeal Committee
- Mount Gambier Aquatic Centre Management Committee;
- Mount Gambier Public Library Committee;
- Australia Day Awards & Breakfast Committee
- Building Fire Safety Committee;
- Licensed Premises Accord/Dry Areas Group

DELEGATIONS

In order to expedite decision making, Council has delegated responsibilities and powers to appropriate Committees and/or employees.

These delegations are reviewed annually by Council.

The current schedule of delegations were reviewed and adopted by Council on 10th November 2009 and are available for public inspection free of charge and for purchase for a fee.

The annual review and delegation adoption process and report, references which power under legislation is being delegated, summary details of the specific delegation, limitations and/or conditions that are applicable to the specific delegation.

GRIEVANCE PROCEDURES

Council has adopted a formal Internal Review of Council Decisions Procedure.

The procedure is reviewed during the term of each Council with the last review being conducted on 28th November 2006.

The Procedure is one aspect of Council's customer focused approach to service delivery. It provides a further opportunity to review the way Council makes decisions and provides services to the community and to identify areas for improvement.

It provides the opportunity for any person who is aggrieved by any Council decision to seek a review of that decision.

Issues arise about a range of matters during the course of Council's day to day activities. Most grievances are initially made verbally by telephone, face-to-face to a Council employee, or some may be made in writing in the first instance. Sometimes Elected Members also receive grievances. Grievances will be referred to the relevant Council employee in the first instance and prompt action generally results in the matter being resolved satisfactorily.

The Internal Review of Council Decisions Procedure will apply to requests for review of decisions of Council, its employees or other persons acting on behalf of Council. A formal application or request for review of a decision will therefore initiate the procedure process.

The Internal Review of Council Decisions Procedures will apply to all formal requests for review of Council decisions, except in instances where specific procedures are prescribed in the Local Government Act 1999 or other relevant legislation. It is therefore suggested that the Internal Review of Council Decisions Procedure will not be used when alternative review processes are available.



Members Allowances and Reimbursements

ALLOWANCES

Elected Members are entitled to receive annual allowances pursuant to Section 76 of the Act to help cover the cost of performing and discharging their official functions and duties.

Council at its meeting held on 19th May 2009 resolved to adopt the following Members Allowances for the 2009/10 financial year.

| | |
|---|--|
| Mayor | \$3,862 per month payable quarterly in advance |
| Deputy Mayor (not being a Committee Presiding Member): | \$1,202 per month payable half yearly in arrears |
| Committee Presiding Members (not being the Mayor or Deputy Mayor) | \$1,202 per month payable half yearly in arrears |
| All other Members (not including above appointments): | \$965 per month payable half yearly in arrears |

ADDITIONAL REIMBURSEMENTS & SUPPORT

Council has also approved various other reimbursements of expenses and support to Members in accordance with Section 77 of the Act which include:-

- Travelling Expense reimbursement (outside of Council area only);
- Child/Dependent Care Expense reimbursement;
- Mobile Telephone Expense reimbursement (Mayor only);
- Computing Facilities Expense reimbursement;
- Seminar/Training Expense reimbursement.

Full details (including limitations and conditions associated with the Council approved expense reimbursements) are included in Council Policy M165 - Members - Allowances and Support Policy.

Members Training and Development

Council is required to have a formal Policy and Training Program for its Elected Members.

Council has a formal Members Training Policy M250 and has developed and adopted a Members Training Program for the period 2007-2010.

Council has allocated resources for structured Members Training and Development and unstructured continuous learning for Elected Members.

The purpose of the Policy and Program is to maintain competency standards, build on Members' skills base and address Members' training needs identified in any annual analysis. In addition Council seeks to maintain a competent, skilled and safe group of elected decision makers which will enable it to be one of the more progressive Councils in our region and beyond.

During 2009/10 Elected Members participated in a varied program of Workshops and Briefings.

Considerable time has been devoted to assisting the Council to become fully aware of all of the emerging issues and backgrounds before Council, many of which required a level of resolution and advancement to enable their individual implementation and/or conclusion.

Members have also attended a range of activities that build their respective skills and knowledge and which have as their foundation the desire to enhance Members' capabilities to respond to the varied challenges as Elected Members.

The direct cost of Members Training and Development was \$2,632.

Performance Measures

Council actively participates in all available external Statewide programs, surveys and reviews in an attempt to establish a range of benchmarks and measures on Council's own performance (qualitative and quantitative).

Reference is made elsewhere in this Annual Report on specific examples of formal external performance measurement initiatives and the outcomes e.g.:

- Comparative Performance Measurement for Local Government 2009
- Comparative Performance Measurement Project 2002-2009
- Rates Comparison Report utilising Grants Commission data 2006/07 to 2008/09
- Annual Report on Key Performance Indicators 2009/10
- Financial comparison of Councils utilising Grants Commission data 2008/09
- Workplace Lost Time Injury
- Council's Seven Financial Sustainability Indicator Outcomes 2003/04 to 2009/10
- Grant's Commission allocations for 2009/10
- Good Governance Program

In addition, Council gathers other external data that enables it to reasonably compare its performance against other Councils of like size and regional locality etc or against Statewide data for either general or specific areas of Council's operations.

Council will continue to use the following additional measures to assess its performance against its objectives, e.g.:

- Budget review process - all Councils are required to reconsider or review their Budgets at least three (3) times between 30th September and 31st May each financial year. Council chooses to review its Budget more often than the required three (3) times per year, e.g. six (6) times in 2009/10, to regularly measure its financial performance in terms of Budget estimates compared to actual income/expenditure. This approach assists the Council to fulfil its role of keeping the Council's resource allocation, expenditure and activities under constant review.
- Strategic Plan review process - a detailed review of performance in respect to the implementation of Council's Strategic Plan is undertaken. A written report providing the details of each review is considered and adopted by Council. All reports are available for public inspection (or purchase) at the Council Offices. In addition to the above, the adopted Strategic Plan - Towards 2015 includes both financial and non financial measures that will be used to monitor and assess the performance of the Council over the relevant period.

Policies

Council has over many years adopted a wide range of Policies to assist in its decision making and administrative processes.

Whilst some Policies are required by Legislation to be reviewed on a more frequent basis, Council's normal procedure is to complete a comprehensive review of all Policies at least once during the term of a Council.

The most recent comprehensive review of Council Policies was completed in 2009.

It is intended that all Council Policies continue to be reviewed during the forthcoming term of Council, 2010 - 2014 on a progressive basis.



Policy and Strategic Matters

During the review year Council considered a number of policy, strategic and matters of importance, that determine the directions of Council and which assist in the management and governance of Council.

Some of the more strategic decisions that Council considered at its meetings during the 2009/10 year included:

JULY 2009

- acceptance of SELGA Budget 2009/10 incorporating Council contributions to SELGA and to a range of regional organisations
- Council endorsement of SELGA Strategic Plan 2007 - 2012 with minor suggestions
- consideration for seeking to transfer Adelaide Cup/ Volunteers Day public holiday to a local public holiday date - no action to be taken
- Council endorsement of new By Law F: prohibition of smoking on Council Land for public consultation
- 2008/09 Annual Report to Council from Audit Committee
- adoption of Policy and Procedure to enable Council to vote en bloc on matters at a meeting
- 2007/08 Fiscal Star - Rating of Councils Financial Sustainability outcomes
- 2008/09 annual report/statistics on payment of rates by electronic process
- ongoing review of various Council Policies and adoption with (or no) changes
- report on visit to New Zealand by Library Manager
- 2008/09 Investment Review Annual Report
- acceptance of a range of recommendations from Councils Environmental Sustainability Working Party
- removal of toilet block from Dimjalla Park due to vandalism
- Council workshop on Urban Design and Traffic Management - City Centre area
- negotiations for a new contract management arrangement for the operation of Aquatic Centre
- date options for the official opening of new Library and Community Centre vis 16th December, 2009, 17th December, 2009, 18th December, 2009
- acceptance of concept plans suitable for public consultation and arrangements for consultation in respect of Main Corner Development

JULY 2009 (SPECIAL)

Council continues consideration of 2009/10 Budget and 2009/10 Business Plan (third of five special meetings)

JULY 2009 (SPECIAL)

- Council continues consideration of 2009/10 Budget and 2009/10 Business Plan (fourth of five special meetings)

JULY 2009 (SPECIAL)

- adoption of 2009/10 Business Plan, 2009/10 Budget, adoption of Capital Values and Declaration of Rates for 2009/10, adoption of Fixed Charge

AUGUST 2009

- adoption of 2009/10 Declared Lease Fee to apply to those leases that incorporate an annually adjusted lease fee
- Rates Comparison Report of Councils utilising 2005/06 to 2007/08 data
- Grievance Procedures - annual report to Council for 2008/09
- Comparison of Councils financial details for 2007/08 utilising Grants Commission data
- Mayoral Gala Performance annual report 2008/09
- adoption of changes to Councils 2009/10 Annual Business Plan
- adoption of annual report 2008/09 under the Public and Environmental Health Act
- reallocation of funding in the 2009/10 Budget from carry over projects to City Centre improvements
- draft City of Mount Gambier Strategic Bushfire Prevention Plan - proceed to finalise and resubmit to Council
- adoption of 2009 Street Tree Planting Program - net increase in street trees of 300
- placement on public exhibition of draft Community Land Management Plans for new reserves transferred to Council from new land divisions
- commencement of negotiations for new contracts for the supply of electricity to Council as part of Statewide Supply Contract for Local Government to apply from 2010
- provision of legal services to Council - acceptance of a tender for the engagement of Mellor Olsson Lawyers
- Council to seek a community partner to undertake volunteer assistance to repair RSL Resthouse at Potters Point
- draft program for the official opening of New Library and Community Centre received. Audit Committee informs Council that it is satisfied with Councils Internal Control procedures

Policy and Strategic Matters cont.

AUGUST 2009 CONT.

- completion of community consultation on Main Corner Development concept plans - final concepts to be received by 4th September, 2009 from the Design Team
- commence discussions regarding the future management of the spaces to be created as part of Main Corner Development as a fully integrated multi use function centre

SEPTEMBER 2009

- receipt of statutory reports from the South East Local Government Association for 2008/09 - Regional Subsidiary - Clause 28 of Schedule 2 for inclusion in Councils 2008/09 Annual Report
- report on Councils Loan Liability and Debt Servicing ability and a review of Councils major capital projects schedule and future loan borrowings requested
- Annual Report 2008/09 - On Site Employee Counselling Service
- 2009 LGAMLS Risk Management Audit Review results
- adoption of the "City of Mount Gambier Strategic Fire Prevention Plan" and proceed to implement works
- appointment of management operator for Mount Gambier Aquatic Centre for 2009/10 season
- details of 2009/10 allocation of Grants Commissions/ Financial Assistance Grants and comparisons with other Councils

SEPTEMBER 2009 (SPECIAL)

- Council does not support Ministers proposed amendments to Council's Penola Road District Centre DPA. Council reinforces to Minister its belief in the Councils own DPA as the most suitable and sustainable option.

OCTOBER 2009

- payment of sitting fees to the independent Members of Council's Audit Committee approved i.e. \$150 per meeting to Presiding Member and \$100 per meeting to others
- receipt of statutory reports from Regional Subsidiary - Provincial Cities Association
- adoption of new By Law F - Smoking on Council Land prohibited
- future use options to be considered for Council's Old Mount Gambier Gaol building, houses and grounds to be investigated
- 2009 Health Assessment of Employees - Changing Shape Program results
- receipt of a number of 2008/09 financial data reports from 2008/09 audited Financial Statements

- review of the operation of Councils current grant programs - adopted with some changes
- identification of future uses and occupations of the former SES building at Frew Park
- utilisation of Developer Cash Payments to Open Space Contributions System - Main Corner open space aspects
- allocation of Supplementary Local Road Funding to City Centre road renewal works
- request for investigation and report on the costs to remove the Vansittart Park Oval bitumen cycling track around oval
- review of a range of community land management plans, public consultation initiated, plans now adopted
- Councils views on Draft State Public Health Bill 2009, concerns regarding implications on Council resources, lack of definition of powers, role of Chief Public Health Officer
- adoption (following consultation) of Councils 2010 Street Tree planting Program (net gain 300 trees)
- adoption of Main Corner amended concept plans and proceed with the project at an estimated cost of \$6.35m
- adoption of Audited Financial Statements 2008/09
- payment of final \$40,000 to the City Centre Marketing Team

NOVEMBER 2009

- Council comments (following representation considerations) to the Draft Centres, Commercial and Local Shopping Zone DPA
- Council agrees to projects to be submitted to the RLCIP for Round Two (both aspects of this Program)
- Council to seek support from the LGA for all developer/ applicant contributions pursuant to Section 50 of the Development Act be paid to the local Council
- agreement on sale of Premier Stateliner bus passenger tickets at "The Lady Nelson" at 7.5% commission (subject to future review)
- annual review and adoption of the Delegations of Powers of Council with changes
- review of Council Policy M250 Members Training and Development and Training Plan (to 2010) and adoption
- Council outcomes from 2009 Comparative Performance Measurement Project (with Statewide comparisons)
- final selection of organisations to co-occupy the former SES building at Frew Park
- annual review and adoption of the Statutory Resolutions and Appointments of Council
- acceptance of tenders for new play equipment at Don McDonnell Reserve and also at William A Crouch Reserve

Policy and Strategic Matters cont.

- report on the options for the removal of the bitumen cycle track around Vansittart Park Oval (receive report only)
- Council resolution to support transition arrangements for the new RDA structure by utilising the former rules and name of the LCRDB to become the new RDA subject to certain reservations, conditions and concerns as to the process to this point
- Council objections to removal of pay phones by TELSTRA
- Council requests amendments to its draft Centres, Commercial and Local Shopping DPA
- Council consents to allocation of grants from 2009 Local Heritage Restoration Fund - total allocated \$16,000
- Council confirms "Main Corner Development" aspects i.e. nominated consultants schedule and fees proposals and a selective tender/construction management arrangement
- Electoral Commissioner confirms compliance of the Councils completed Section 12 Periodic Review. Proceed to publish the finalisation of this matter in the Gazette.

DECEMBER 2009

- adoption of new Terms of Reference and Financial Agreement for consultation with the District council in respect of Mount Gambier Library
- review and adoption of new Council Policy M240 Members - Access to Information
- initial draft of a proposed new process and format in respect of Annual Business Plan and Annual Budget - presentation and timing
- annual review and adoption of Council Members Allowances and Benefits Policy (with minor changes)
- exclusion of significant trees within proposed Local Heritage DPA and proceed with public consultation on proposed Heritage DPA
- Council's 2008/09 Annual Report adopted

JANUARY 2010

- adoption of Forward Drainage Construction Program 2010/11 to 2012/13
- review and adoption of 2010/11 Plant Replacement Program
- adoption of Forward Playground Construction Program 2010/11 to 2012/13
- adoption of the Public Road Register and Road Situation Plan pursuant to Section 231 of the Local Government Act
- adoption of Forward Roads Infrastructure Program for 2010/11

- commencement of public consultation regarding use of part of Hastings Cunningham Reserve as a dedicated dog park. Refer \$30,000 to the 2010/11 Budget for development
- External Auditors report and recommendations following completion of 2008/09 Audit
- Council nominates Members to SELGA for consideration for appointment by SELGA to SELGA outside organisations
- adoption of 2010/11 rentals to be charged to occupiers of Council land and which Council maintains (wholly or partially)
- receipt of the half yearly report to Council (2009/10) from its Audit Committee
- receipt of update report on Human Resources Capability Review
- receipt of the 2009/10 half yearly - Investment Review report

JANUARY 2010 (SPECIAL)

- Council reiterates its support for Regional Development Australia as proposed by the Australian Government and described in the RDA Charter, and as promoted/envisaged by SELGA
- Council is not satisfied that any of the previously advised concerns have been included and/or addressed in the Funding Agreement, as was expected
- SELGA should not sign the Funding Agreement in its present form without significant change and renegotiation with the funding partners



Policy and Strategic Matters cont.

FEBRUARY 2010

- Council prepared to be represented on further investigations in the hydrotherapy pool matter as a means of resolving the impasse
- further increases in new Library opening hours on weekends as part of new trial hours to 30th June 2010
- adoption of new Policy C200 - Complaints/Compliments and feedback form
- adoption of schedule of fees and charges to apply for the 2010/11 financial year
- revision and adoption of Council Policy E110 - Control of Election Signs
- receipt of rating assumptions and directions to be used in preparing draft 2010/11 Annual Business Plan and draft 2010/11 Budget
- adoption of Five Year Forward Footpath Construction Program 2010/11 to 2014/15
- adoption of Four Year Forward Pram Crossing Installation Program 2010/11 to 2013/14
- identification and adoption of three dedicated motorcycle parking areas in City Centre
- report requested on options on possible introduction of some form of annual hard waste disposal service
- report on new passenger bus facilities at The Lady Nelson Visitor Centre - acceptance of concepts - proceed to detailed design and costings
- Council to commence a tender process/Expression of Interest for the possible preparation of an Aboriginal Cultural Heritage Survey
- Council adopts a schedule of projects/activities/initiatives for Mount Gambier in the lead up to the 2010 State Election
- Council appoints Dycer Constructions Pty Ltd as the Construction Manager for the Main Corner Development

MARCH 2010

- annual review of Council's Freedom of Information Statement and publication thereof
- receipt of "The Lady Nelson" brig condition report - adopt option 3 - reconstruct hull in-situ at cost of \$250,000
- receipt and adoption of Lake Terrace Cemetery Conservation Management Plan
- proceed with public consultation on proposed Children's Memorial area and to develop final design
- Council to further research conditional household hard waste collection service from 1st September 2010 - 31st December 2010 based on "dial a collection" model
- Further details required on the proposed tendering process and research on options to reduce impact on Budget
- Outcomes from recent free e-waste collection event for local residents. 5,000 items were delivered to Waste Transfer Centre
- Council's achievements in water conservation and opportunities for ongoing improvement
- adoption of new performance targets for irrigating of public green spaces. Special seminars to be convened on irrigation techniques for urban public spaces

MARCH 2010 (SPECIAL)

- Council adopts Joint Council Proposal to facilitate a boundary adjustment with the District Council of Grant. Proposal now formally submitted to Boundary Adjustment Facilitation Panel for acceptance

APRIL 2010

- endorsement of a range of capital infrastructure works within City Centre - urban design
- formation of Strategic Planning and Development Policy Committee to undertake functions of Section 101A of Development Act. Adoption of terms of Reference. Committee to be a formal Section 41 Committee of Council.
- Council submission to the Limestone Coast Regional Plan - needs to reference sustainability principles and linked to other Regional Plans of Regional Organisations.
- Council submission to regional Section 30 Review including:
 - Prepare some DPA's on a regional basis
 - Need to promote environmental sustainability principles
- Council not to proceed to provide a direct household hard waste collection service. Local receipt agencies be encouraged to actively market their current recycling/receipt services.



Policy and Strategic Matters cont.

- possible amendments to Lake Terrace Cemetery Policies to record:
 - All allotments and memorials remain in perpetuity beyond the expiry of any lease
 - All allotments not to be reused
 referred to Cemetery Trust for its views.
- annual review and adoption of Council Policy C275 - Code of Practice for Access to Council Meetings, Committee Meetings and Council Documents.
- adoption of new Policy - Caretaker Policy that determines Council's decision making limitations once nominations for election are called.
- report on expressions of interest received to occupy/use Old Mount Gambier Gaol. Commence initial discussions with representatives of some EOI and further report to Council.
- report on Mount Gambier Library - Patronage and Statistics since December 2009 opening.
- Council to proceed with introduction of electronic agendas/minutes initiative.

MAY 2010

- call for nominations for possible appointment to Council's Heritage Committee
- appointment of contract managers of Mount Gambier Aquatic Centre for five years from 1st July 2010.
- intended preparation of a Residential Zone (Policy Review) DPA relating specifically to residential development and a separate Local Heritage and Lakes zone DPA
- Council views on intended Residential Development Code being prepared by the Minister and Council's support
- Draft Residential Zone (Policy Review) DPA received - referral to CDAP for comment
- Draft Local Heritage and Lakes Zone DPA received - referral to Heritage Committee and Heritage Adviser for comment
- setting of dates for Council consideration of draft 2010/11 Annual Business Plan and draft 2010/11 Budget. Setting dates for notification of public consultation processes, publication dates and related matters to receive submissions on draft 2010/11 Annual Business Plan and draft 2010/11 Budget
- setting of Members Allowances for 2010/11 (until the Independent Remuneration Tribunal makes its determination of all Allowances to apply as from November 2010 Elections)
- adoption of Policy amendments for Lake Terrace Cemetery the effect of which are:

- All allotments and memorials on any allotments remain in perpetuity beyond the expiry of any lease term
- All allotments not be reused.
- investigations as to the legal rights of Council in respect of the former Hospital - unsightly condition and detracts significantly from the amenity and locality
- possible preparation of an Aboriginal Cultural Heritage survey - negotiations with a preferred consultant
- review of public access/opening hours to new Library. Setting of new hours to apply from 5th July 2010, opening on certain public holidays, new staffing structure
- setting of new scale of fees for Carinya Gardens Cemetery and Lake Terrace Cemetery from 1st July, 2010
- adoption of the name The Main Corner for the complex and site for now and after completion

JUNE 2010

- tenders to be called to undertake proposed Urban Boundary Adjustment DPA as a consequence of change in Council boundary
- report on final anticipated capital development costs for New Library, Civic Plaza, carparking, landscape and funds available to finance the capital development costs
- adoption of new Policy relating to a process on how Elected Members should formally communicate with a committee they are not appointed to - new Policy C265
- adoption of new Policy S135 Streets - Naming of, that meets the requirements of Section 219 of LG Act
- adoption of new Policy - Council Induction Policy
- acceptance of LGA prepared Inducting and Training New Members 2010 Guide and for implementation by Council
- receipt of Rate Rebate Policy and Rate Rebate Application process for 2010/11 - defer to 2010/11 Budget discussions
- adoption of Rate Rebates/Remissions - annual review for 2010/11 financial year
- tender accepted for the provision of debt collection services to Council for two (2) years
- report requested on possible installation of outdoor gym equipment (for adults) at playgrounds or similar reserve locations
- Men's Shed proposal on Council land - lie on the table
- initial capital expenditure budget for Main Corner Development and financing thereof

JUNE 2010 (SPECIAL)

- Council commences consideration of 2010/11 Annual Business Plan and 2010/11 Budget (first of two special meetings).

2009/10 Budget Analysis

The Budget proposes to spend \$22.71 million in 2009/2010 on the delivery of services and programs, maintenance of assets and development of new or upgraded assets (operating/capital expenditure and appropriations to reserve funds). This is funded from a variety of revenue sources, predominantly rates, but also grants from other parties including State and Federal Governments and also from a variety of statutory and user charges.

Operating Result

Council is budgeting for a balanced cash operating result in 2009/2010, which is consistent with previous years.

Council will fund its services in 2009/2010 through a mix of revenue sources including rates, user and statutory charges, and grants. Revenue from rates is the major source of revenue and, excluding separate rates and the State Government's NRM Levy, is projected to increase from \$11,764,000 in 2008/2009 to an estimated \$12,239,000 in 2009/2010.

Operating Expenditure in 2009/2010 is budgeted to increase by 3.8% on the projections for 2008/2009. Council faces significant pressures on its Operating Expenditure arising from cost increases as well as demand for additional and increased services. Council is typically exposed to cost increases at a higher rate than the change in the Consumer Price Index (CPI).

'TOWARDS 2015' - A VISION FOR THE FUTURE

The 2009/2010 Business Plan and 2009/2010 Budget continues progress on major new projects to contribute to the achievement of the City of Mount Gambier's "Towards 2015" strategy.

The development and delivery of 'Towards 2015' is continued through the:

- new Library and Community Centre
- "Main Corner" Development
- Railway Land Community Project (planning phase)

Council had previously resolved to proceed with Stage I of its "Towards 2015" strategy with the new Library project (incorporating carparking, Civic Plaza, landscaping and water sensitive urban design elements) at an estimated cost of approximately \$10.6m. This was funded by a combination of loan funds, grant funds and the use of internal reserve funds in the 2008/2009 financial year.

Since that time a Federal Government funding application for \$5m for both the new Library and Main Corner projects (estimated total cost of \$15.6m) has been secured which will allow Stage II of the Towards 2015 strategy i.e. the Main Corner development, to proceed.

The first annual principal and interest repayment (approximately \$345,000 per annum) on the \$4m external loan borrowing to part fund the construction of the new Library and Community Centre is provided for in the 2009/2010 Budget.

2009/2010 Capital Projects include:

| | \$ | \$ |
|--|-----------|-----------|
| Parks, Gardens, Reserves - carparking, fencing etc | | 213,000 |
| Playground renewal - expansion of Don McDonnell Reserve Playground | | 35,000 |
| Sports Facilities upgrades | | 188,000 |
| Major Projects: | | |
| Malseed Park sewer upgrade | | \$23,000 |
| Basketball Stadium | | 25,000 |
| Blue Lake Sports Park Carpark | | 60,000 |
| Olympic Park Tennis Courts | | 20,000 |
| Aquatic Centre Upgrades | | 50,000 |
| Records Management software | | 95,000 |
| | | |
| Plant and Machinery purchases (net of trade) | | 1,025,500 |
| Major Purchases: | | |
| garbage compactor | \$235,000 | |
| elevated work platform | \$180,000 | |
| road maintenance unit | \$158,000 | |

2009/10 Budget Analysis cont.

| | \$ | \$ |
|--------------------------------------|-----------|-----------|
| Stormwater Drainage Program | | 67,000 |
| Major Project: | | |
| McArthur/Barrett/Holloway | \$30,000 | |
| Bike Path Program (\$35,000 subsidy) | | 60,000 |
| Footway Program | | 320,000 |
| Major Projects: | | |
| Buronga Avenue | \$39,000 | |
| Blue Lake | \$50,000 | |
| Commercial Street | \$125,000 | |
| Road Reseal Program | | 260,000 |
| Sealed Road Program | | 1,449,500 |
| Major Projects: | | |
| Alexander Street | \$80,000 | |
| Wehl Street South | \$85,000 | |
| Civic Centre Precinct | \$400,000 | |
| Wimmera Street | \$130,000 | |
| Wehl Street North | \$110,000 | |
| Tollner Road | \$475,000 | |
| Elizabeth Street | \$48,000 | |

SIGNIFICANT INFLUENCES

A number of significant factors have influenced the preparation of the Council's 2009/2010 Business Plan. These include:

Economic Environment

The global financial crisis and the flow-on effects in terms of local economic impact, rising employment and reduction in property sales have also heavily influenced the 2009/2010 Budget.

The Local Government Price Index (LGPI) is similar in nature to the Consumer Price Index but is considered to be a more reliable and independent measure of this inflationary effect on price changes in the SA local government sector.

The LGPI represents the movement of prices associated with goods and services consumed by local government in SA as opposed to the basket of goods and services consumed by the "average metropolitan household". This largely reflects the capital intensive nature of local government.

The LGPI is developed by the ABS on a quarterly basis - the most recent release being March 2009 where the Index rate was +4.2% (down from +5.1% in December '08).

In comparison the Consumer Price Index (CPI) for the year ending 31 March 2009 was +2.3% and for the year ending 30th June, 2009 had decreased to +1.6%.

New Projects/Cost Increases

Reflective of the City's continued focus on renewal and maintenance of its assets, infrastructure and environmental obligations, Council has increased its Capital Expenditure Program by \$370,000 or 9.76%.

New projects in support of Council's adopted strategic directions include:-

- OPAL childhood obesity prevention program in partnership with State Government - \$25,000
- Environmental sustainability - employment of Officer/retain consultant - \$114,000
- Marketing and communications - engagement of support - \$39,000
- Lifelong Learning Community - continued focus on local initiatives - \$15,000
- eWaste initiative costs - \$15,000
- Street lighting upgrade (O'Leary Road) - \$80,000
- Heritage Development Plan Amendment - \$47,000
- Way2Go Bicycle facilities program - \$20,000
- Asset and Compliance Officer - full allocation to maximise benefits - \$54,000

2009/10 Budget Analysis cont.

- City Centre infrastructure improvements to compliment Council's 'Towards 2015' strategy - \$649,000
- Provided for in the 2009/2010 Budget is the first annual principal and interest repayment (approximately \$345,000 per annum) or the \$4m external loan borrowing to part fund construction of the new Library and Community Centre - \$345,000.

Other cost increases Council will need to absorb in the 2009/2010 Budget is the approved enterprise bargaining increases which affect salary, wage, superannuation etc commitments.

Legislative changes and financial sustainability

Following the 2005 Independent Inquiry by the Financial Sustainability Review Board into the financial sustainability of local government in South Australia, the Local Government Act and Regulations were subject to a number of significant amendments aimed at improving accountability and transparency of Councils.

Compliance with these amendments, along with the broader objective of implementing the Inquiry's recommendations, has required an intensive focus, resulting in a re-allocation of resources and additional costs in the short-term as Council ensures compliance and further develops its long term financial and asset management plans. This will be more than offset in the medium to longer term as we, and the local government sector at large, reap the benefits of the improvements in business planning and financial governance.

Renewal and replacement of assets

Consistent with the principles of financial sustainability, Council is committed to continuing its development of comprehensive asset management plans. The operations of Council are highly asset intensive – the City has assets and infrastructure valued in excess of \$120 million – and the further development of long term asset management plans will deliver significant improvements to our strategic decisions.

Strategic decisions and budget allocations on capital can be significantly improved through the use of long term infrastructure and asset management plans. Recent amendments to the Local Government Act now require all Councils to have long term infrastructure and asset management plans for all of its assets.

IMPLICATIONS FOR RATES

For 2009/2010 Councils financial modelling indicates we require a total overall rates increase of 4.2% on 2008/2009, to fund all the projects, capital expenditure and services included in the Budget.

In arriving at the overall general rate increase of 4.2% Council took into account current CPI figures (2.3% in March and 1.6% in June), the Local Government CPI of 5.1% and the additional rate revenue resulting from growth in new developments (2.4% of total rate revenue). That 2.4% or \$293,000 in rate revenue attributable to new growth/new development in the City will benefit all rateable assessments as it is spread over the entire rate assessment base.

For the average residential ratepayer this will equate to an approximate increase of \$21 or 2.7% (or forty (40) cents per week increase) in Council rates this year bringing the average annual residential rates to \$794 to help fund the 2009/10 Budget.

For around \$2.17 per day Mount Gambier residential ratepayers (on average) will have access to the substantial benefits of the services and facilities funded by the City of Mount Gambier in its 2009/10 Budget.



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| | | | Updated to 4th June 2010 |

Rebates on Council Rates

Council is required by Sections 159 to 166 of the Local Government Act 1999 to grant certain statutory or discretionary rebates on rates.

Excluding those properties that are clearly 100% exempt from Council rates in the first instance (i.e. Government land) the value of other statutory and discretionary rate rebates granted by Council for 2009/10 was \$50,851.

A complete schedule of all rateable properties receiving either the statutory or discretionary rebate on rates is contained in Councils Budget papers.

The value of \$50,851 is for rate rebates for those properties receiving a statutory or discretionary rebate of 100% or a lesser percentage or by agreement.

Those properties receiving total exemption at the point of generation of rate accounts, e.g. State and Federal Government property etc, the rates value foregone is estimated at over \$180,000.





Corporate Statement



Greg MULLER
Chief Executive Officer

Lynne DOWLING
Executive Assistant

Grant HUMPHRIES
Director - Corporate &
Community Services

Daryl SEXTON
Director - Operational Services

Barbara LINDEN
Media & Communications

| | |
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2009/10 Rating and Valuation Summary

| RATING COMPONENT | | | 2008/09 | 2009/10 | | |
|-------------------|------------------------------|------------|---------------------|-----------------------|---------------------|------------|
| 1) | FIXED CHARGE | | \$421.50 | \$428.90 | | |
| | Amount Total Collection | | \$5,285,610 | \$5,507,695 | | |
| | % of Total Rates | | 45% | 45% | | |
| 2) | DIFFERENTIAL RATES | | | | | |
| | 1. Residential | | 0.188 | .1782 | | |
| | 2. Commercial - Shop | | .5076 (+170%) | .4811 (+170%) | | |
| | 3. Commercial - Office | | .5076 (+170%) | .4811 (+170%) | | |
| | 4. Commercial - Other | | .5076 (+170%) | .4811 (+170%) | | |
| | 5. Industry - Light | | .4794 (+155%) | .4811 (+170%) | | |
| | 6. Industry - Other | | .4794 (+155%) | .4811 (+170%) | | |
| | 7. Primary Production | | 0.188 | .1782 | | |
| | 8. Vacant Land | | .7520 (+300%) | .7128 (+300%) | | |
| | 9. Other | | 0.188 | .1782 | | |
| 3) | VALUATION | | | | | |
| | Rateable Land | | \$2,560,572,782 | \$2,974,452,100 | | |
| | Non Rateable Land | | \$138,949,618 | \$144,457,608 | | |
| | All Land | | \$2,699,522,400 | \$2,829,994,492 | | |
| 4) | SEPARATE RATE | | | | | |
| | Catchment Board Contribution | | \$441,755 | \$467,121 | | |
| | Catchment/NRM Levy | | \$35.40 | \$36.40 | | |
| 5) | VALUATION COMPARISON | | | | | |
| LAND USE CATEGORY | | 2008/2009 | | 2009/2010 (ESTIMATES) | | |
| | | PROPERTIES | ASSESSED VALUE (\$) | PROPERTIES | ASSESSED VALUE (\$) | % INCREASE |
| 1 | Residential | 10,859 | 2,036,149,522 | 11,105 | 2,274,555,013 | 11.7% |
| 2 | Commercial - Shop | 465 | 170,836,384 | 456 | 179,718,058 | 5.1% |
| 3 | Commercial - Office | 107 | 25,093,128 | 113 | 24,561,088 | -2.1% |
| 4 | Commercial - Other | 377 | 151,661,116 | 379 | 155,366,738 | 2.4% |
| 5 | Industry - Light | 110 | 20,146,740 | 115 | 21,976,740 | 9.0% |
| 6 | Industry - Other | 96 | 79,125,992 | 92 | 80,316,992 | 1.50% |
| 7 | Primary Production | 23 | 6,939,500 | 20 | 5,769,500 | -16.8% |
| 8 | Vacant Land | 474 | 43,122,395 | 527 | 55,876,866 | 29.5% |
| 9 | Other | 50 | 27,497,975 | 50 | 31,853,497 | 15.8% |
| | TOTALS | 12,561 | 2,560,572,782 | 12,857 | 2,829,994,492 | 10.5% |

2009/10 Rating and Valuation Summary cont.

| 6) RATING COMPARISON | | | | | | | | |
|-----------------------|--|--------------|-------------|-------------|---------------------|-------------|-------------|------------|
| | | 2008/09 | | | 2009/10 (ESTIMATES) | | | |
| LAND USE CATEGORY | | FIXED CHARGE | RATE REBATE | TOTAL RATES | FIXED CHARGE | RATE REBATE | TOTAL RATES | % INCREASE |
| 1 Residential | | 4,567,376 | 543 | 8,395,198 | 4,762,935 | 4,401 | 8,811,819 | 4.96% |
| 2 Commercial - Shop | | 195,997 | | 1,063,187 | 190,860 | | 1,055,484 | -0.73% |
| 3 Commercial - Office | | 44,679 | | 169,107 | 48,465 | | 166,629 | -1.49% |
| 4 Commercial - Other | | 159,748 | | 932,861 | 162,553 | | 910,023 | -2.49% |
| 5 Industry - Light | | 46,786 | | 144,663 | 49,324 | | 155,054 | 7.18% |
| 6 Industry - Other | | 40,464 | | 419,794 | 39,459 | | 425,864 | 1.45% |
| 7 Primary Production | | 8,851 | | 20,148 | 8,578 | | 18,859 | -6.83% |
| 8 Vacant Land | | 200,634 | | 528,127 | 219,597 | | 617,887 | 17.00% |
| 9 Other | | 21,075 | | 73,095 | 21,445 | | 78,208 | 7.00% |
| TOTALS | | 5,285,610 | 543 | 11,746,000 | 5,503,216 | 4,401 | 12,239,827 | 4.20% |



Key Performance Indicators 2009/10

Corporate Level Performance Indicators and Outcomes 2009/10

FINANCIAL

| PERFORMANCE INDICATOR | REASON FOR PERFORMANCE INDICATOR | PERFORMANCE MEASUREMENT TOOL | TARGET | ACTUAL JUNE 2010 (UNLESS OTHERWISE SHOWN) |
|---|--|--|--|---|
| Debt Servicing Ratio (Total debt costs over rates) | Measure the capacity of Council to service annual debt | Annual loan interest and principal as a percentage of general rates | Ratio less than 15% | 9.9% |
| Debt Servicing Ratio (Total Servicing costs over operating revenue) | Measure the extent to which long-term debt is impacting on the total income of Council | Annual loan interest and principal as a percentage of Council's operating revenue | Ratio less than 8% | 6.5% |
| Rate Revenue | Measure Council's dependence on rates | Rate revenue as a percentage of total operating revenue | Ratio less than 60% | 65.3% |
| Grants & Subsidies | Measure Council's access to Government funding sources | Operating grants and subsidies as a percentage of total operating revenue | 20% or better of total operating revenue | 12.36% |
| Operating Result | Reduce operating deficit each year | End of year operating deficit/surplus before Capital Revenue | Reduce operating deficit - work towards operating surplus | Surplus of \$274,000 ¹ |
| Existing Asset Renewal (Capital Expenditure on existing assets over annual depreciation) | Seek to achieve a ratio of 1:1 | Existing Assets Capital expenditure as a ratio of annual depreciation | Ratio of 1:1 ie replace 100% of asset depreciation | 0.55:1 ² |
| Average rates per rateable property | Benchmark against other like Councils | Rates raised as a \$ value per property | \$950 | \$948 |
| Average residential rates | Benchmark against other like Councils | Average \$ value for residential rates | \$800 | \$794 |
| Loan Liabilities as a percentage of rate income | Contain Loan Liability to 60% of rate income | Loans outstanding as a percentage of general rates | 60% (max) | 48.0% |
| Working Capital ratio | Measures Councils financial position | Value of current assets against current liabilities | 3:1 i.e. \$3.00 of current assets for every \$1.00 of current liabilities | 3.11:1 |
| Outstanding Council rates | Minimizing outstanding debtors and greater debt recovery | Outstanding rates as a percentage of general rates | Less than 1% of rates raised | 2.06% |
| Capital Renewal on existing infrastructure (roads drainage, footpaths) over annual depreciation | Seek to achieve a ratio of at least 1:1 | Capital spend on existing infrastructure assets as a ratio of annual depreciation of same assets | 1:1 i.e. replace 100% of asset depreciation on renewal of same infrastructure assets | 1.46:1 |
| Operating Surplus/ (Deficit) as a percentage of depreciation | Measures Councils financial position on operating | Surplus/(Deficit) on operations before Capital Revenues against annual depreciation | Not more than -10% to + 5% of depreciation value | +5.9% |

Key Performance Indicators 2009/10 cont.

Corporate Level Performance Indicators and Outcomes 2009/10

FINANCIAL CONT.

| PERFORMANCE INDICATOR | REASON FOR PERFORMANCE INDICATOR | PERFORMANCE MEASUREMENT TOOL | TARGET | ACTUAL JUNE 2010 (UNLESS OTHERWISE SHOWN) |
|---|---|---|--|---|
| Loan Debt as a percentage of Community Wealth (Equity) | Measures Councils financial position | Loans Outstanding as a percentage of Community Wealth (Equity) | Not more than 12% | 4.4% |
| Capital Expenditure as a percentage of all expenditure | Measures Councils investment in asset renewal/replacement | Capital expenditure as a % of Capital and Operating expenditure | At least 20% | 31.6% |
| Operating Surplus/ (Deficit) as a percentage of operating revenue | Measures Councils - financial position on operating | Operating Surplus/ (Deficit) as a percentage of operating revenue | Deficit: not more than 5% Surplus: not more than 5% | N/A 1.46% |

¹ includes \$504,699 Grants Commission payment as an advance payment for 2010/11

² \$2,559,000 ÷ \$4,622,000

COMMUNITY SATISFACTION

| PERFORMANCE INDICATOR | REASON FOR PERFORMANCE INDICATOR | PERFORMANCE MEASUREMENT TOOL | TARGET | ACTUAL JUNE 2010 (UNLESS OTHERWISE SHOWN) |
|--|---|------------------------------------|-------------------------------------|---|
| Community Satisfaction with Provision and Management of Assets | Measure resident satisfaction with type and condition of assets | Annual LGA community Survey - 2009 | 100.00 (100 indicates satisfactory) | 116.7 (2009) |
| Community Consultation Satisfaction | Measure resident satisfaction with consultation processes | Annual LGA Community Survey - 2009 | 100.00 (100 indicates satisfactory) | 91.9 (2009) |
| General Satisfaction with Council's Services and Facilities | Measure resident satisfaction with Council's services and facilities provisions | Annual LGA Community Survey - 2009 | 100.00 (100 indicates satisfactory) | 109.4 (2009) |
| Awareness of Strategic Direction | Measure resident awareness of Councils direction and its effectiveness | Annual LGA Community Survey - 2009 | 100.00 (100 indicates satisfactory) | 92.2 (2009) |
| Public Access to information | Measure resident awareness of access to Council information and its effectiveness | Annual LGA Community Survey - 2009 | 100.00 (100 indicates satisfactory) | 93.8 (2009) |
| Community Perception of Quality of Life | Measure resident views on community quality of life | Annual LGA Community Survey - 2009 | 100.00 (100 indicates satisfactory) | 107.2 (2009) |
| Community Perception of Safety and Security | Measure resident views on safety and security | Annual LGA Community Survey - 2009 | 100.00 (100 indicates satisfactory) | 113.2 (2009) |

Key Performance Indicators 2009/10 cont.

INTERNAL EFFICIENCY

| PERFORMANCE INDICATOR | REASON FOR PERFORMANCE INDICATOR | PERFORMANCE MEASUREMENT TOOL | TARGET | ACTUAL JUNE 2010 (UNLESS OTHERWISE SHOWN) |
|---|---|--|--|---|
| Operating Expenditure | Measure the proportion of expenditure as a growth factor | Operating expenditure by number of rateable properties | \$1,200 (min) | \$1,436 |
| Total employee costs by number of rateable properties | Measure employee costs by number of properties serviced | Employee costs by number of rateable properties | Not more than \$500 | \$514 |
| All liabilities per rateable property | Measure and monitor all of Council's liabilities | Total Liabilities per rateable property | Not more than \$800 | \$705 |
| Occupational, Health and Safety | Measure Council's performance regarding OHS of its employees | Number of Lost Time Injury days | 0 | 8 days |
| Occupational, Health and Safety | Measure Council's Performance regarding OHS of its employees | Lost Time Injuries per 100 FTE's (incident rate) | 0 | 1.0 |
| Occupational, Health and Safety | Council's Self Audit Score - percentage benefit | WCS Self Audit OHS Score (max available 100%) | 100% | 83.7% |
| Risk Management | Measure the improvement in addressing Council wide risk management issues | MLS Annual Risk Management Review Audit | At least 90% | 100% (2010) |
| Public Liability claims against Council | Measure the cost of public liability claims against Council | Loss ratio - claims costs against premiums | Not more than 20% | 31% |
| Public Liability Claims Performance Distribution | Measure Council's Public Liability Bonus Distribution | MLS Claims Performance Bonus as a % of gross contribution | At least 20% | 21.2% |
| Cost of Workers Compensation Premium | Measure the cost of Workers Compensation Insurance | Net annual cost to Council noting loss ratio and rebate indication | Less than 10% for claim loss ratio and rebate entitlement greater than 50% | 8.0% 50.6% |
| Employee costs as a percentage of operating expenses | Measure costs of employees against operating costs | Employee costs as a percentage of operating expenditure | Not more than 35% | 35.8% |
| Funds to meet Employee Provisions | Measure the level of funds available for current accrued LSL and AL | Cash available to fund accrued employee entitlements (current) | At least 60% of current employee entitlements funded | 46.5% |

Capital Expenditure

Council monitors very closely its spending on Capital and in particular, capital spend on existing assets, as well as new assets.

This spend is then matched against the annual depreciation charge for those same existing assets.

For the 2009/10 financial year the following was the outcome:

| ITEM | NEW ASSETS \$,000 | EXISTING ASSETS \$,000 | DEPRECIATION \$,000 |
|------------------------|----------------------|---------------------------|------------------------|
| Land | 161 | NIL | NIL |
| Buildings / Structures | 4,196 | 310 | 2,222 |
| Infrastructure | 220 | 1,885 | 1,289 |
| Plant and Machinery | 16 | 566 | 776 |
| Minor Plant | NIL | 9 | 30 |
| Office Equipment | 1252 | 7 | 92 |
| Library Books | 122 | NIL | 213 |
| | \$5,967 | \$2,777 | \$4,622 |

Funding from other Government Sources

During 2009/10 Council was successful in obtaining from the State Government and the Federal Government grants and subsidies for either specific purpose initiatives or for general purposes.

The following are the forms of grants and subsidies etc received for the last five financial years.

| | YEAR END (\$,000) | | | | |
|---|-------------------|-------|-------|-------|-------|
| | 2006 | 2007 | 2008 | 2009 | 2010 |
| Type of Grant | | | | | |
| Amounts received specifically for new and upgraded assets | 445 | 501 | 736 | 3,539 | 2,083 |
| Other grants, subsidies and contributions | 1,680 | 1,914 | 1,813 | 2,789 | 2,315 |
| Sources of Grants | | | | | |
| Commonwealth Government | 266 | 347 | 147 | 843 | 708 |
| State Government | 1,859 | 2,068 | 2,402 | 5,485 | 3,690 |

Financial Comparison - Grants Commission Data 2008/09

As a by-product of the work of the State Grants Commission, it has been the practice each year to assemble and publish general and financial information on each Council, commonly referred to as the Commission's "Database Reports".

The Commission is aware of a number of Councils (including this Council) which have adopted a range of financial performance measures and are using information in the Commission's Database reports to "benchmark" themselves against a group of similar Councils.

A review has been undertaken of the 2008/2009 financial data from the State Grants Commission of this Council's data and that of other Councils and the State averages.

The following is a significant range of comparison data for the 2008/2009 year for Council and the State averages.

Having regard to the following data and where comparisons are reasonably able to be made, the following conclusions and comparisons may be of interest.

1. Slightly above the State Averages

- population
- number of rateable residential properties
- number of rateable properties
- rates as a percentage of operating revenue
- net outlays on existing assets over depreciation

2. Significantly Better than the State Averages

- cash and cash equivalents
- percentage of rates from Fixed Charge
- value of our Fixed Charge
- residential rates per residential property
- total financial assets
- net financial liabilities (\$) *
- operating Surplus/(Deficit)*
- operating Surplus ratio*
- net financial liabilities ratio (%)*
- interest cover ratio (%)*
- total operating expenses
- total liabilities
- employee costs
- materials, contractors plus other costs
- finance costs
- investment income
- net outlays on new/upgraded assets
- net outlays on non financial assets

3. Less than State Averages

- total assets
- total equity
- total value of residential rates
- asset sustainability ratio (%)*
- asset consumption ratio (%)*
- number of employees (FTE)
- capital value of rateable property
- general rates raised
- grants and subsidies received
- total operating revenue
- depreciation costs

* Denotes formally adopted Financial Sustainability Indicator for Council.



Council's Financial Performance

FINANCIAL COMPARISON - GRANTS COMMISSION DATA 2008/09

| COUNCIL | POPULATION 30/6/2009 | EMPLOYEES FTE | NUMBER OF RATEABLE PROPERTIES JAN 09 | CV OF PROPERTIES (\$MILL) JAN 09 | GENERAL RATES (\$000) | GRANTS & SUBSIDIES (\$000) | INVESTMENT INCOME (\$000) | TOTAL OPERATING REVENUE (\$000) | EMPLOYEE COSTS (\$000) | MATERIALS, CONTRACTS & OTHER (\$000) | FINANCE COSTS (\$000) | DEPRECIATION (\$000) |
|-------------------------|-------------------------|---------------|--|--|--------------------------|-------------------------------|------------------------------|---------------------------------------|---------------------------|--|--------------------------|-------------------------|
| MOUNT GAMBIER | 25,216 | 103 | 13,186 | 2,731 | 11,746 | 2,789 | 411 | 18,501 | 6,644 | 6,443 | 195 | 4,243 |
| MURRAY BRIDGE | 19,402 | 161 | 10,998 | 2,326 | 12,396 | 7,689 | 26 | 26,354 | 9,393 | 9,559 | 827 | 5,171 |
| PORT AUGUSTA | 14,669 | 204 | 7,315 | 1,610 | 9,513 | 6,360 | 125 | 25,766 | 11,573 | 12,288 | 561 | 2,964 |
| PORT LINCOLN | 14,593 | 42 | 8,091 | 2,127 | 7,039 | 1,549 | 302 | 12,031 | 2,800 | 6,430 | 42 | 2,414 |
| PORT PIRIE | 18,076 | 88 | 9,915 | 1,769 | 7,752 | 5,513 | 384 | 15,717 | 4,484 | 8,812 | 0 | 3,262 |
| WHYALLA | 23,028 | 141 | 11,891 | 2,452 | 9,356 | 6,440 | 275 | 22,827 | 8,014 | 9,935 | 315 | 3,861 |
| VICTOR HARBOR | 13,608 | 93 | 10,134 | 3,240 | 11,356 | 1,418 | 141 | 16,059 | 5,837 | 6,010 | 986 | 4,695 |
| GRANT | 8,652 | 64 | 5,397 | 2,047 | 5,240 | 1,739 | 349 | 11,715 | 3,755 | 3,495 | 163 | 3,763 |
| WATTLE RANGE | 12,554 | 91 | 8,921 | 3,038 | 14,625 | 3,224 | 361 | 19,134 | 5,163 | 6,877 | 541 | 4,983 |
| NARACORTE -LUCINDALE | 8,489 | 77 | 6,097 | 2,099 | 7,929 | 3,386 | 134 | 13,955 | 4,361 | 4,200 | 218 | 4,346 |
| STATE AVERAGE | 23,781 | 121 | 12,518 | 4,172 | 14,314 | 3,934 | 256 | 23,161 | 7,787 | 9,429 | 457 | 5,074 |
| MOUNT GAMBIER | 25,216 | 103 | 13,186 | 2,731 | 11,746 | 2,789 | 411 | 18,501 | 6,644 | 6,443 | 195 | 4,243 |

| COUNCIL | TOTAL OPERATING EXPENSES (\$000) | NET OUTLAYS ON EXISTING ASSETS OVER DEPRECIATION (\$000) | NET OUTLAYS ON NEW/ UPGRADED ASSETS (\$000) | NET OUTLAYS ON NON- FINANCIAL ASSETS (\$000) | CASH & CASH EQUIVALENTS (\$000) | TOTAL ASSETS (\$000) | TOTAL LIABILITIES (\$000) | TOTAL EQUITY (\$000) | NUMBER OF RATEABLE RESIDENTIAL PROPERTIES JAN 08 | FIXED CHARGE (\$) | % OF GENERAL RATES FROM FIXED CHARGE (%) | RATES AND % OF TOTAL OPERATING REVENUE (%) | TOTAL RESIDENTIAL RATES (\$000) |
|-------------------------|-------------------------------------|--|---|---|------------------------------------|----------------------|---------------------------|----------------------|--|-------------------|---|--|------------------------------------|
| MOUNT GAMBIER | 17,525 | (1,362) | 3,838 | 2,476 | 12,042 | 141,144 | 10,501 | 130,643 | 10,523 | 421 | 38 | 66 | 8,757 |
| MURRAY BRIDGE | 24,950 | (3,038) | 6,909 | 3,871 | 149 | 114,927 | 17,713 | 97,214 | 6,942 | | | 46 | 7,474 |
| PORT AUGUSTA | 27,386 | (3,023) | 3,219 | 196 | 2,662 | 73,355 | 16,355 | 57,000 | 5,972 | | | 39 | 6,753 |
| PORT LINCOLN | 11,686 | (1,285) | 1,894 | 609 | 4,106 | 131,519 | 3,555 | 127,964 | 6,092 | 300 | 26 | 63 | 5,613 |
| PORT PIRIE | 16,558 | 3,810 | (2,033) | 1,777 | 8,114 | 105,245 | 6,462 | 98,783 | 7,362 | 255 | 24 | 51 | 5,027 |
| WHYALLA | 22,125 | (2,643) | 13,224 | 10,581 | 5,811 | 179,211 | 19,031 | 160,180 | 10,157 | 280 | 30 | 49 | 9,088 |
| VICTOR HARBOR | 17,528 | (1,937) | (228) | (2,165) | 1,757 | 213,463 | 19,968 | 193,495 | 6,817 | 220 | 13 | 71 | 8,702 |
| GRANT | 11,176 | (2,129) | 3,557 | 1,428 | 6,241 | 90,515 | 4,090 | 86,425 | 2,109 | | | 51 | 962 |
| WATTLE RANGE | 17,564 | (3,206) | 2,304 | (902) | 6,133 | 98,964 | 10,207 | 88,757 | 4,217 | | | 67 | 4,432 |
| NARACORTE -LUCINDALE | 13,125 | (1,961) | 673 | (1,288) | 4,114 | 93,972 | 5,412 | 88,559 | 2,561 | | | 61 | 2,933 |
| STATE AVERAGE | 22,809 | (1,352) | 1,977 | 625 | 4,681 | 248,150 | 12,874 | 235,275 | 9,354 | 288 | 19 | 65 | 9,728 |
| MOUNT GAMBIER | 17,525 | (1,362) | 3,838 | 2,476 | 12,042 | 141,144 | 10,501 | 130,643 | 10,523 | 421 | 38 | 66 | 8,757 |

Council's Financial Performance cont.

FINANCIAL COMPARISON - GRANTS COMMISSION DATA 2008/09

| COUNCIL | TOTAL RESIDENTIAL RATES PER RATEABLE RESIDENTIAL PROPERTY (\$) | TOTAL FINANCIAL ASSETS (\$'000) | NET FINANCIAL LIABILITIES (\$'000) | OPERATING SURPLUS/ (DEFICIT) (\$'000) | OPERATING SURPLUS RATIO (%) | INTEREST COVER RATIO (%) | ASSET SUSTAINABILITY RATIO (%) | NET FINANCIAL LIABILITIES RATIO (%) |
|--------------------------|---|---------------------------------------|--|---|-----------------------------------|-----------------------------|--------------------------------------|---|
| MOUNT GAMBIER | 832 | 14,100 | (3,599) | 976 | 8 | (1.2) | 68 | (20) |
| MURRAY BRIDGE | 1,077 | 3,198 | 14,515 | 1,404 | 12 | 3.1 | 41 | 55 |
| PORT AUGUSTA | 1,131 | 3,637 | 12,718 | (1,620) | (16) | 1.7 | (2) | 49 |
| PORT LINCOLN | 921 | 4,766 | (1,211) | 345 | 5 | (2.3) | 47 | (10) |
| PORT PIRIE | 683 | 9,343 | (2,881) | (841) | (11) | (2.5) | 217 | (19) |
| WHYALLA | 895 | 8,751 | 10,280 | 702 | 6 | 0.2 | 32 | 45 |
| VICTOR HARBOR | 1,277 | 2,733 | 17,235 | (1,469) | (13) | 5.3 | 59 | 108 |
| GRANT | 456 | 7,878 | (3,788) | 539 | 9 | (1.7) | 43 | (33) |
| WATTLE RANGE | 1,051 | 7,826 | 2,381 | 1,570 | 12 | 1.0 | 36 | 13 |
| NARACORTE -LUCINDALE | 1,145 | 4,781 | 631 | 830 | 10 | 0.6 | 55 | 5 |
| STATE AVERAGE | 1,040 | 6,508 | 6,366 | 352 | 2 | 0.9 | 73 | 28 |
| MOUNT GAMBIER | 832 | 14,100 | (3,599) | 976 | 8 | (1.2) | 68 | (20) |

FINANCIAL SUSTAINABILITY TARGETS

Council has adopted the following seven (7) formal Financial Sustainability Targets i.e.

1. Operating Surplus of breakeven position or better over any five year rolling period
2. Operating Surplus Ratio requiring an operating surplus of between 0% to 15% of General Rates over any five year rolling period
3. Net Financial Liabilities (Deficit) value of no greater than the total annual operating revenue and not less than 0
4. Net Financial Liabilities (Deficit) Ratio of greater than 0% but less than 100% of annual operating revenue
5. Interest Cover Ratio being net interest paid (Deficit) is greater than 0% and less than 10% of annual operating revenue
6. Asset Sustainability Ratio of greater than 90% but less than 110% of capital outlays on renewal of existing assets as a percentage of annual depreciation over any five year rolling period
7. Asset Consumption Ratio (being the written down current value of assets relative to their "as new" value) of greater than 40% but less than 80%



Electronic Rate Payments

Legislative amendments to the Local Government Act in 2001 resulted in the introduction of quarterly rate billing as a mandatory requirement for all Councils.

Since that time Council has been tracking statistics in terms of changes in cash flow but also in terms of the use of electronic payment facilities that are established to assist with the quarterly billing process and to provide ratepayers with more flexible payment methods.

CASH FLOW

Council continues to receive the largest proportion of rate revenue at the time of the first instalment (September) - for 2009/10 this was 34% of rate revenue compared to 35% the previous year and 51% prior to the introduction of the quarterly billing regime.

Although this figure is decreasing marginally on previous years, initial predictions were that this figure would decrease more than it currently has, meaning that a large number of ratepayers still prefer to pay their annual rate account up front, rather than by instalments.

PAYMENT STATISTICS

In addition to being able to pay in person or by post, the following revenue collection facilities are available for the convenience of ratepayers;

- interactive voice response (IVR) over telephone
- internet via Council secure site
- BPay (IVR and Internet) via your selected banking institution
- Direct Debit
- Australia Post

Over the past five (5) financial years the number of payments made via these facilities has doubled with BPay being the most utilised or popular payment facility.

Fifty two (52) percent of Council's total rate revenue collection is now collected via these facilities compared to thirty two (32) percent three years ago in the 2006/07 financial year.

STATISTICS - 2009/10

| SERVICE | NO. OF PAYMENTS | \$ VALUE |
|---------------------------------|-----------------|------------------|
| IVR | 2,001 | 564,245 |
| Internet | 787 | 235,456 |
| BPay | 18,477 | 3,918,526 |
| Direct Bank Debits | 1,173 | 99,320 |
| Australia Post (from June 2009) | 5,089 | 1,549,440 |
| TOTAL | 27,497 | 6,366,987 |

Enterprise Agreements

Following extensive negotiations with its two separate employee representative groups, new Enterprise Agreements were accepted in October 2008.

Agreement was reached on ten main proposals, all of which are detailed in the minutes of the October 2008 Council Meeting. A précis of the agreed proposals are:

1. 5% increase in salary and wages from 1st December 2008;
2. 6% increase in salary and wages from 1st December 2009, with a minimum of 1% of the 6% being an increase in each employee's superannuation account, i.e. 9% becomes 10%;
3. 5% increase (or CPI), whichever is the higher from 1st December 2010;
4. Maternity Leave provisions;
5. Paternity Leave provisions;
6. research of the options to payout Sick Leave as a future possibility;
7. term of agreement of three years as from 1st January 2009.

Employee Entitlements - Provisions

Council's liability for employee entitlements is as follows:-

| YEAR END | LIABILITY (CURRENT AND NON CURRENT) | CASH IN LSL RESERVE FUND | % OF LIABILITY FUNDED |
|----------|--|--------------------------|-----------------------|
| 2006 | \$646,000 | \$273,282 | 42.3% |

* New Model Financial Statements introduced as from 2006/07.

| YEAR END | CURRENT \$,000 | | | NON CURRENT \$,000 | | |
|----------|----------------|-------|---------|--------------------|-------|-------|
| | ANNUAL LEAVE | LSL | TOTAL | ANNUAL LEAVE | LSL | TOTAL |
| 2007* | \$522 | \$65 | \$587 | \$65 | \$552 | \$617 |
| 2008* | \$528 | \$538 | \$1,066 | \$152 | \$71 | \$223 |
| 2009* | \$588 | \$639 | \$1,227 | \$220 | \$116 | \$336 |
| 2010* | \$634 | \$687 | \$1,321 | \$325 | \$162 | \$487 |

"Current" is defined as:

- LSL - assumes that all LSL falling due after 10 years service will be taken in the following 12 months.
- AL - assumes that each employee will take one full year's entitlement within the next 12 months.

Cash Value in Council's Long Service Leave Reserve

| YEAR END | CASH VALUE | % OF CURRENT LSL PROVISION FUNDED |
|----------|------------|-----------------------------------|
| 2007 | \$369,000 | 62.9 % |
| 2008 | \$445,000 | 82.7 % |
| 2009 | \$545,000 | 85.2 % |
| 2010 | \$615,000 | 89.5 % |

The average age of all employees is 43.8 years (male 46.5 and female 39.6).

The average years of service for all employees is 8.6 years (male 10.6 and female 5.2).



Human Resource Capabilities Review

Council has commenced to undertake an internal review of its human resources capabilities to ensure that Council is able to meet all future demands.

REVIEW BACKGROUND

There exists current and emerging challenges regarding our existing human resource capability and stability coupled with the significant range of new demands and levels of expertise now required by Council (of itself), the community's needs and aspirations from Council and other external influencing forces e.g. State and Federal Governments.

The human resource capability of Council is "fragile" vis:

1. In most respects we rely on one individual to provide the entire function of that position;
2. The rule of supply and demand is a major factor in our current (in)ability to attract and retain key personnel.
3. Council's own demands, aspirations and objectives in themselves also add additional pressures on the entire organisation as we all try and do all that is expected of us.
4. We have not had serious regard to the need of matching our goals against our capacity. To manage the critical balance between resource input against the true value of and worth of the output we must be aware that every demand of ourselves must be at least equal to the beneficial gain.
5. Council is an excellent employer and trainer. It follows that our employees will be targeted by others and/or our employees will grow beyond the current position objectives and may seek new horizons.
6. We operate in an era of specialisation. Every task or requirement is designed around specialisation and as a consequence:
 - we face increasing expectations and best practice aspirations
 - specialisation inherently creates more/ higher levels of specialisation (i.e. continuous improvement) and workloads that impact on the resource capability of Council
 - we place more and more demands on ourselves because of specialisation and specialists themselves keep "raising the bar"
 - statutory and legislative demands more and more of Council in specialised areas
7. We note the increasing national trend towards flexible hours of work arrangements, working from home and the potential for absences from the actual workplace.

CURRENT CHALLENGES

Council is a good employer, operating with a caring and interested community, with Council providing solid resources and ample opportunity to build the capabilities of its employees, however Council will struggle to achieve stability in its human resources (all employees) which is demonstrated as follows:

1. Employees/prospective employees can seek a salary premium and other benefits to be attracted to country locations.
2. "Other like employers" are going to pay premiums and additional benefits to attract employees to their organisations.
3. The salary/wage/benefit relativities between common employer groups (as a consequence) vary significantly, causing employees in one employer group to be aware of the benefits of like employees in another like employer group.
4. Council has traditionally been a very lean organisation. It just copes with absences by employees on any form of leave. The ability of the organisation is severely restricted when position vacancies exist in key positions, and depending on the position that is vacant, it may be difficult to fill and generally takes quite some time and is expensive.
5. Our systems of governance, corporate accountability, decision making and compliance/regulatory responsibilities are usually developed and implemented by "others" without any regard to the resource implications of how the task is to be undertaken, by whom and what will be the true material benefit and advancement from the "investment".
6. Often our decision making is more focussed on the status of the decision itself not the resource implications that will be caused by that decision and the real benefits and/or enhancements because of the development of the decision.
7. Our governance and corporate decision makers (either local, regional, State or National) are about the highest levels of best practice legislation and compliance responsibility, output etc. but little regard is given by decision makers as to who has to implement the decisions, the cost of implementation and more importantly what will be the true material benefit i.e. is our organisation or community any better off because of the decision and its development.

Human Resource Capabilities Review cont.

The review will be undertaken to address five (5) main issues vis:

1. The retention of existing employees and what needs to occur or what needs to be provided to achieve this and our ability to attract the best people for our organisation and at what considerations might need to be provided.
2. What are the emerging new needs and responsibilities that we have to contend with i.e.
 - a. specialisation
 - b. succession planning
 - c. enhancement/implementation of the Council's goals that are above the "norm"
3. Our decision making processes that need to be focussed on efficient material benefit outcomes that exceed the "investment" inputs of our limited resources.
4. What are our true objectives that make this Council (and our community) different and leaders.

Council has to decide what it wants and as a consequence, resource it.

Conversely, if we add things on, then it should follow that we should also take things off, to ensure the fine balance of our capability and capacity are preserved.

5. Are our current classifications sufficient/relative to retain existing employees and to ensure their continued employment with Council and motivation to perform to exceptional levels of output and professional commitment.

This review was commenced in 2008/09 by the completion of the "Employee Classifications Review and Other Organisational Matters" Report (part 5 above) and this Report made twenty eight (28) recommendations.

Council continued the review in 2009/10 with the completion of the "Phase 1: Assessment of Short to Medium Term Needs Based on Current Circumstances, Interviews and Observations" and this Phase made fourteen (14) recommendations.

Phase 1 addresses aspects of issues 1 and 2 above.

Information Technology

LOCAL GOVERNMENT SOFTWARE

Council operates the 'Authority' enterprise software solution developed and maintained by Local Government Software vendor Civica Pty Ltd on a Managed Service Platform.

During 2009/10 a number of significant developments occurred within the "Authority" suite, including:

- Implementation of web portal - web based interface to "Authority".
- Version updated, V5.12 to V6.1 to V6.2.
- "Health Check" and refresher training for the development application module and development staff.
- Continued development of the Asset and Infrastructure Management module (AIM).

- Implementation of the "Authority" mobile solution which provides the ability to collect/review/record data in the field and seamlessly download that information into the "Authority" modules for processing. During 2009/10 the focus has been on "mobile" infringements (parking, dogs etc.) and on "mobile" assets (data collection/review etc.)

In time further applications such as "mobile" health will be introduced in terms of food premise inspections, swimming pools etc. etc.

Council also retains membership of the SA Civica 'Authority' User Group and actively contributes to a range of special interest groups established to drive the ongoing development of the various applications within the "Authority" suite.

Information Technology cont.

LIBRARY SOFTWARE

Council also utilises Civica Pty Ltd for its "Spydus" library software solution which also operates on a managed service platform.

As is the case for the Local Government software all services such as licensing, hardware, version upgrades, patch management, disaster recovery etc. etc. are included in the managed services arrangement.

With the opening of the new Mount Gambier Library in December, 2009, included in the new facility is a radio frequency identification (RFID) system, or self check system, for the benefit of patrons borrowing Library resources.

This facility, provided by F E Technologies Pty Ltd, seamlessly integrates with the "Spydus" software suite and has been widely embraced by library patrons.

Version upgrades of the Spydus software continue on a regular basis which enable the following services/facilities to be made available.

- The entire Les Hill Photographic collection which has been fully digitized, is available in a searchable format, on-line, via the Council web site.
- The "Syndetic Enriched Content" feature provides borrowers with book cover images, profiles, summaries and annotations of each book etc. selected.
- The online Library Catalogue continues to be a most popular and increasingly used innovation, particularly for borrowers who have limited time to attend the Library.

Council also retains membership of the Civica Library User Group which has an Australia wide membership base.

MANAGED SERVICES

Council has operated its core Local Government and Library software solutions on a managed services platform for some years.

Council's library software solution has been delivered from a Melbourne based data centre since 1998 whereas Council's Local Government software solution has been delivered via internet/citrix from a Sydney based data centre, since 2007.

The Local Government managed services environment also incorporates Council ancillary software including Exponaire (GIS/Mapping), BIS (Business Reporting).

In 2011 it is intended to migrate other Councils software services into the managed service environment including TRIM (Records Management) and the entire network file server operation.

Both data centres are operated by Council software provider, Civica Pty Ltd and replicate each other to ensure a total disaster recovery/business continuity solution.

Council has long recognised information technology is critical to Council's operations and therefore managed services presents the best opportunity to ensure business continuity.

Benefits in terms of risk management and disaster recovery cannot be matched by any in-house solution.

LOCAL AREA NETWORK

Council's local area network is maintained by local service provider, Green Triangle Electronics, which incorporates full disaster recovery facilities established at an off-site location.

Council's local area network environment is reviewed on a three (3) year finance/rental cycle, the next review being due in the 2010/2011 financial year.

This will occur in conjunction with the migration of the local area network into a 'managed service' environment which also provides Council's local government and library software solutions.

This will allow the retirement of Council's remaining file and disaster recovery servers.

Website: www.mountgambier.as.gov.au

The various components to the Council website continue to be developed as a work in progress.

The entire Library component of the website was reviewed and updated in 2009/2010 in conjunction with the opening of the new Mount Gambier Library and Community Centre.

The Tourism component of the website followed the Library review and is close to being finalised and will go live by the end of 2011.

A complete review of the Council component of the website will be the focus in 2010/2011 along with the finalisation of a photographic site where images of all Council functions and activities will be stored and also made available for public viewing.



Financial Sustainability Indicators 2009/10

FINANCIAL SUSTAINABILITY INDICATORS & OUTCOMES FOR PERIOD 2005/06 TO 2009/10

| SUSTAINABILITY TARGET | 2009/10 COUNCIL OUTCOME (\$=,000) | 2008/09 COUNCIL OUTCOME (\$=,000) | 2007/08 COUNCIL OUTCOME (\$=,000) | 2006/07 COUNCIL OUTCOME (\$=,000) | 2005/06 COUNCIL OUTCOME (\$=,000) | AVERAGE PER YEAR OVER 5 YEARS * |
|---|--|--|--|--|--|---|
| 1. Operating Surplus of breakeven position or better over any five year rolling period (\$,000) | Operating Surplus of \$274 ² | Operating Surplus of \$976 ¹ | Operating Surplus of \$858 | Operating Surplus of \$315 | Operating Deficit of \$727 | Operating Surplus of \$339 (\$,000) (\$105 surplus) |
| 2. Operating Surplus Ratio requiring an operating surplus of between 0% to 15% of General Rates over any five year rolling period | Operating Surplus of +2% ² of General Rates | Operating Surplus of +8% of General Rates | Operating Surplus of +8% of General Rates | Operating Surplus of +3% of General Rates | Operating Surplus of -7.45% of General Rates | Operating Surplus of +2.71% of General Rates (+0.37%) |
| 3. Net Financial Liabilities (Deficit) value no greater than the total annual operating revenue and not less than 0 (\$,000) | \$2,275 Surplus | \$3,598 Surplus | \$5,101 Surplus | \$3,048 Surplus | \$1,070 Surplus | \$3,018 Surplus (\$,000) (\$2,600 Surplus) |
| 4. Net Financial Liabilities (Deficit) Ratio of greater than 0% but less than 100% of annual operating revenue | 12.5% Surplus | 20% Surplus | 31% Surplus | 20% Surplus | 7.53% Surplus | 18.20% Surplus (15.9% Surplus) |
| 5. Interest Cover Ratio being net interest paid (Deficit) is greater than 0% and less than 10% of annual operating revenue | 0.2% Deficit | 1.2% Surplus | 2.3% Surplus | 1.3% Surplus | 0.31% Surplus | 0.98% Surplus (1.08% Surplus) |
| 6. Asset Sustainability Ratio of greater than 90% but less 110% of capital outlays on renewal of existing assets as a percentage of annual depreciation over any five year rolling period | 50% | 68% | 40% | 35% | 21% | 43% (43%) |
| 7. Asset Consumption Ratio (being the written down current value of assets relative to their "as new" value) of greater than 40% but less than 80% | 86% | 89% | 92% | 96% | 66% | 86% (82%) |

* Please note that the figures in brackets are the previous rolling five year averages (to 30/6/2009).

¹ Includes \$457,299 Grants Commission payment as an advance for 2009/10.

² Includes \$504,699 Grants Commission payment as an advance for 2010/11.

Investment Review

Section 140 of the Local Government Act 1999 states "A Council must, at least once in every year, review the performance (individually and as a whole) of its investments". The required Section 140 review report for the 2009/10 year which complies with Council's Investment Policy and Investment Policy Review process for reporting on such matters was accepted by Council at its meeting held 20th July 2010.

The Local Government Act requires a Council when investing money to exercise the care, skill and diligence a prudent person of business would when managing the affairs of other persons.

The following are the highlights from the 2008/09 report.

- Official Reserve Bank Rates were:
 - November 2006 - 6.25%
 - August 2007 - 6.50%
 - March 2008 - 7.25%
 - February 2009 - 3.25%
 - April 2009 - 3.00%
 - May 2010 - 4.5%

- Investment House:
 - Local Government Finance Authority (LGFA) rating AA+
- LGFA bonus:
 - \$25,729 paid to Council in October 2009 based on deposits and borrowings
- LGFA Interest Rates were on average:
 - Average 3.25%
 - Yield from bonus .31%
 - Gross average interest rate 3.56%
- Average interest rate of general account: 3.28% (on monthly average balance - plus bonus yield) and Average interest rate on Reserve Funds: 3.23% (plus bonus yield).
- The final actual incomes from investments were as follows:
 - General account - \$158,927 (to general revenue)
 - LGFA bonus - \$25,729 (to general revenue)
 - Reserve funds - \$122,156 (to reserve funds)

INVESTMENTS AS AT 30TH JUNE 2010 WERE:

| AMOUNT | FUNDS | INVESTED WITH | TERM | INTEREST RATE |
|-------------|-----------------|---------------|---------|---------------|
| \$3,246,362 | General Working | LGFA | At call | 4.5% |
| \$4,954,284 | Reserves | LGFA | At call | 4.5% |
| \$1,116,662 | Working Account | Westpac | At call | 0.25% |

Land Acquisitions

During 2009/10 Council purchased (or executed contracts to purchase) a number of strategic properties.

These acquisitions included the following:

1. 18 Ferrers Street (Red Cross - \$200,000): settlement on 2nd September 2009 and this purchase further consolidates Council's ownership of land that comprises the Civic Centre - Civic Plaza hub.

Council did not sell or agree to dispose of any land during the 2009/10 period.

Council did acquire or obtain small parcels of land to facilitate traffic control improvements, roadworks and/or for stormwater and drainage purposes.

Local Laws

In accordance with the Local Government Act 1999, all Council By-Laws expire after seven (7) years.

Council's existing By-Laws, adopted by Council in 2003, incorporate;

By-Laws in Part A deal with interpretation and application of the by-laws.

By-Laws in Part B deal with moveable signs, set standards for moveable signs as permitted under Section 225 of the Local Government Act and provides exemptions for Political moveable signs.

By-Laws in Part C deal with activities on Council land.

By-Laws in Part D regulate the keeping of dogs on private property.

By-Laws in Part E deal with regulation of taxi's within the City of Mount Gambier.

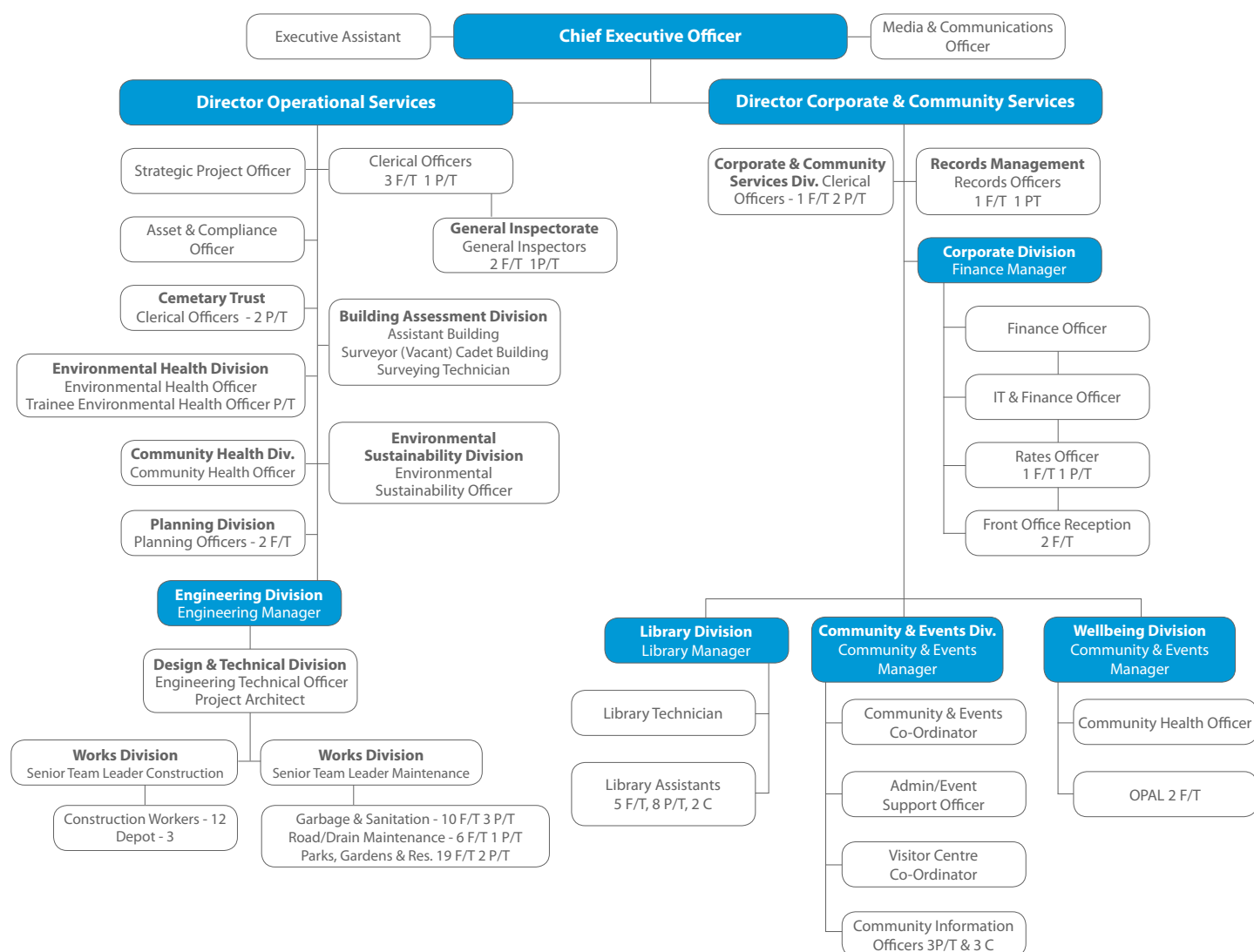
In accordance with provisions of Section 251 of the Local Government Act, the Council by-laws will expire on 1st January, 2011 unless revoked or amended prior to that date.

During 2009/2010, in addition to the existing By-Laws, Council commenced the process to implement a new By-Law titled "Smoking on Council Land".

The intent of this By-Law will be to prohibit any person on Council land, smoking or having control over an ignited tobacco product within fifteen (15) metres of any children's play equipment that is located on Council land.

Council has recently commenced the legislative process in regards to updating the entire suite of By-Laws.

Organisational chart (as at 30/6/2010)



Rates Comparison Report

2006/07 to 2008/09

Council's average rates per capita and per residential property are still amongst the lowest of Councils in the region and of Councils in the Provincial Cities Association following the release of a rates comparison report for the financial years 2006/07 to 2008/09.

Councils across the State are required to submit to the State Grants Commission a number of annual returns detailing both financial and non financial outputs on the operations of each Council.

The State Grants Commission is able to consolidate the data and produce a range of financial comparison data reports on each Council and whilst the release of the comparison data

can be delayed for some considerable time the consolidated information is a valuable source when a Council seeks to compare its outcomes against other Councils for specific aspects of its operations.

Council has had an opportunity to examine Grant Commission reports on Sources of Revenues by Council for the 2006/07 financial year to and including the 2008/09 financial year and in particular comparisons on general rates raised by each Council and the following are extracts for South East Councils and the Councils that comprise the Provincial Cities Association for the stated periods:

| COUNCIL | GENERAL RATES PER CAPITA \$ | | | RESIDENTIAL RATES PER RESIDENTIAL PROPERTY \$ | | |
|------------------------------|-----------------------------|------------|------------|---|------------|-------------|
| | 2006/07 | 2007/08 | 2008/09 | 2006/07 | 2007/08 | 2008/09 |
| BERRI BARMERA | 474 | 647 | 534 | 844 | 603 | 1004 |
| GRANT | 549 | 661 | 606 | 421 | 442 | 456 |
| KINGSTON | 957 | 1158 | 995 | 913 | 967 | 1052 |
| LOXTON WAIKERIE | 550 | 640 | 589 | 703 | 797 | 906 |
| MOUNT GAMBIER | 416 | 458 | 465 | 788 | 795 | 832 |
| MURRAY BRIDGE | 567 | 616 | 639 | 933 | 993 | 1077 |
| NARACOORTE LUCINDALE | 839 | 927 | 934 | 964 | 1022 | 1145 |
| PORT AUGUSTA | 520 | 612 | 648 | 924 | 1128 | 1131 |
| PORT LINCOLN | 455 | 486 | 482 | 857 | 854 | 921 |
| PORT PIRIE | 370 | 425 | 429 | 584 | 639 | 683 |
| REMARK PARINGA | 357 | 447 | 366 | 392 | 410 | 440 |
| ROBE | 1398 | 2057 | 1749 | 1841 | 1444 | 1598 |
| TATIARA | 850 | 1002 | 963 | 961 | 911 | 1120 |
| VICTOR HARBOR | 745 | 792 | 835 | 1518 | 1195 | 1277 |
| WATTLE RANGE | 1054 | 958 | 1165 | 796 | 905 | 1051 |
| WHYALLA | 347 | 444 | 406 | 711 | 811 | 895 |
| STATE AVERAGE | 536 | 597 | 602 | 920 | 957 | 1040 |
| CITY OF MOUNT GAMBIER | 416 | 458 | 465 | 788 | 795 | 832 |

Please note that the above figures are for General Rates only.

Some Councils charge ratepayers (in addition to the above General Rates) a range of extra Special Rates for special services e.g. garbage collection, waste management etc. These are NOT shown in above.

The City of Mount Gambier General Rates shown are however INCLUSIVE of such special extra special services.

Whilst each Council is unique and it may be unfair and unreasonable to rely totally on the above data as a measure of a Councils effectiveness and/or efficiency, it is however a

high level benchmark that Council needs to be aware of and in its broadest sense can indicate how a Council is "tracking" against other Councils in respect of general rates per capita and residential rates per residential rateable property for general rates.

Council and our community can be satisfied that our average rates per capita and per residential property are better than reasonable when compared to other Council benchmarks however fundamental to all that Council does is to continue to ensure that Council provides absolute value for money to its community.

Risk Management Review

During 2010 Council was again reviewed by the Local Government Association Mutual Liability Scheme in respect of Council's risk management policies, practices and procedures.

The 2010 review involved the following specific categories:

- Risk/Emergency Management/Professional Indemnity
- Committee & Non Employment Management
- Contract Management
- Legislative Requirements – Land
- Asset Management Programs & Systems – Land
- Land Use (Lease/Licence/Permit Activities)
- Legislative Requirements – Roads
- Road Management Programs & Systems

The comprehensive review touches upon the above specific focus categories, makes comments on the findings and makes high level and low level findings and recommendations on each specific focus category for Council's formal consideration and action.

Council can be very pleased with the exceptional outcomes from the 2010 Risk Management Review.

The 2010 review averages for Council, Local Government (Statewide) and Rural Councils (Statewide) are as follows:

| SECTION | LOCAL GOVERNMENT AVERAGE % | RURAL AVERAGE % | CITY OF MOUNT GAMBIER AVERAGE % |
|--|----------------------------------|--------------------|---------------------------------------|
| Risk/Emergency Management & P I | 73.5 | 68.7 | 100 |
| Committee & Non Employment | 81.9 | 77.2 | 100 |
| Contract Management | 92.0 | 90.9 | 100 |
| Legislative - Land | 93.2 | 91.6 | 100 |
| Asset Management Programs & Systems - Land | 86.0 | 83.3 | 100 |
| Land Use (Lease/Licence/Permit) | 94.2 | 93.1 | 100 |
| Legislative - Roads | 92.2 | 91.3 | 100 |
| Road Management Programs & Systems | 88.4 | 86.0 | 100 |
| Average Overall Result | 86.2 | 83.5 | 100 |

The review process has provided to Council the opportunity to gain a thorough understanding of the level of civil liability, risk management etc. currently being practiced. The data also provides a comparative overview across the whole of the local government industry.

Council results from a very similar risk management review in 2009 were:

- Council achievement average 94.2%
- Regional Statewide average 81.1%
- Local Government average 84.1%

Council conveys its appreciation to Executive Assistant Lynne Dowling and Regional Risk Co-Ordinator Mark Bannister for their work in achieving this outstanding result.



Superannuation

INVESTMENT CHALLENGES CONTINUE

The 2009/10 financial year can be summarised as one where extremes were the 'new normal'. The financial year saw significant share market movement with the first quarter experiencing strong returns as momentum and positive sentiment in the market increased. As the financial year drew to a close, volatility and jitters returned to world markets as the uncertainty of sovereign debt in Europe took hold.

Despite the volatility of recent times, Local Super has rounded out the financial year on a positive note. All investment options have posted positive, competitive returns.

COMPETITIVE RETURNS FOR MEMBERS

Local Super maintains a long-term investment strategy and continues to closely monitor investment managers and their relative performance against benchmarks. The Adelaide Airport investment has continued to be a good contributor to overall performance and opportunities exploiting the banks need for capital were also taken. Local Super's fixed interest managers have also experienced strong positive returns which has impacted positively on the performance results for the Growth and Conservative options this financial year.

Listed below are Local Super's 1, 5 and 10 year returns allocated to members' accounts to 30 June 2010:

| INVESTMENT OPTION | 1 YEAR NET RETURN % | 5 YEAR NET RETURN % P.A. | 10 YEAR NET RETURN % P.A. | SINCE INCEPTION NET RETURN % P.A. |
|----------------------|------------------------|--------------------------------|---------------------------------|--|
| Growth | 10.38 | 4.58 | 6.62 | 8.49 |
| Australian shares | 10.64 | N/A | N/A | -0.33 |
| International shares | 9.90 | N/A | N/A | -2.69 |
| Sustainable shares | 10.93 | 1.97 | N/A | 4.56 |
| Conservative | 10.76 | 4.32 | N/A | 5.52 |
| Cash | 4.51 | 4.39 | N/A | 4.27 |

The returns under the 'Since inception' column are for periods less than 10 years, except for the Growth option.

LOCAL SUPER VOTED A 'BEST VALUE FOR MONEY SUPERANNUATION FUND'

For the third year running Local Super was awarded the highest possible rating, Platinum, by SuperRatings.

SALARYLINK CLOSED TO NEW ENTRANTS

The 2009/10 financial year saw the end of an era with the closure of Salarylink (the defined benefit section) to new entrants with effect from 25 November 2009. This decision by the Local Government Association of South Australia, in consultation with Councils, has no impact on existing Salarylink members' benefits or options.

The employer contribution in respect of Salarylink members will increase from 9% to 9.3% from 1 July 2010.



Treasury Management

Council and its Audit Committee had previously researched a range of initiatives that will improve the way Council manages its money i.e. the way it uses/invests any surplus funds and the way it borrows funds for major capital works and the relationship of both to the treasury function of Council.

This new approach to its overall treasury management establishes a decision making framework to ensure that:

POLICY OBJECTIVE:

- funds are available as required to support approved outlays; and
- interest rates and other risks (e.g. liquidity risks and investment credit risks) are acknowledged and responsibly managed; and
- net interest costs associated with borrowing and investing are reasonably likely to be minimised on average over the longer term.

STRATEGY:

Council's operating and capital expenditure decisions are made on the basis of:

- identified community need and benefit relative to other expenditure options;
- cost effectiveness of the proposed means of service delivery; and,
- affordability of proposals having regard to Council's long-term financial sustainability (including consideration of the cost of capital and the impact of the proposal on Council's Net Financial Liabilities and Interest Cover ratios).

OPERATIONAL IMPLEMENTATION:

Council manages its finances holistically in accordance with its overall financial sustainability strategies and targets. This means Council will:

- maintain target ranges for both its Net Financial Liabilities and Interest Cover ratios;
- generally only borrow funds when it needs cash and not specifically for particular projects;
- not retain and quarantine money for particular future purposes unless required by legislation or agreement with other parties;
- apply any funds that are not immediately required to meet approved expenditure (including funds that are required to be expended for specific purposes but are not required to be kept in separate bank accounts) to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.

Council at its meeting held on 15th April 2008 adopted a formal Treasury Management Policy and Supporting Guidelines.

Since that time the world's financial markets have experienced unprecedented volatility with one of the outcomes being generational low interest rates.

Council therefore has been reluctant to implement significant changes to its borrowing/investment regimes during those times.

During the recent 2010/11 Budget deliberations Council has now however placed a considerable focus on the implementation of treasury management principles, into the 2010/11 Budget.

Council's 2010/11 Budget provides for a number of major strategic capital projects which will be funded firstly by the use of any accumulated reserve funds and secondly when those funds have been exhausted, will establish a convertible cash advance debenture (or line of credit) which will fund the remaining projects budgeted for.

Council will pay the ruling variable interest rate on funds used from the cash advance debenture (CAD) but will have the ability to deposit funds during peak income periods (rate payments) to offset the interest charges. The proposal is to establish the CAD with the Local Government Finance Authority who align the CAD variable rate with the Reserve Bank of Australia movements.



Workplace Lost Time Injury

Council has developed and encouraged a complete Occupational Health and Safety awareness for the benefit of employees and the organisation.

Council and employees have fully embraced the desire to provide a safe work environment and to meet legislative requirements.

Council achieved an excellent result with Health and Safety in respect of a reduction in time lost from work due to workplace injury.

As the following figures highlight that Council has maintained a consistently low incidence of workplace lost time injury (LTI) and lost time injury days (LTI days).

As a result of the hard work undertaken by Council and employees, Council is receiving significant bonus payments from the LGA Workers Compensation Scheme.

In 2009/10 Council received a bonus of \$131,648 (\$131,600 was the budgeted figure).

CITY OF MOUNT GAMBIER - COMPARISON WITH GROUP B COUNCILS

| YEAR END JUNE | FOR | NUMBER OF LTI'S | NUMBER OF LTI DAYS | NUMBER OF CLAIMS | DURATION RATE | FREQUENCY RATE | INCIDENT RATE | CLAIMS GREATER 5 DAYS |
|---------------|----------------|-----------------|--------------------|------------------|---------------|----------------|---------------|-----------------------|
| 2006 | Council Groups | 1 5 | 2 78 | 7 15 | 2.0 15.7 | 5.2 23.5 | 1.0 4.7 | 0 2 |
| 2007 | Council Groups | 4 6 | 24 88 | 6 14 | 6.0 15.1 | 20.2 23.7 | 4.0 4.7 | 2 3 |
| 2008 | Council Groups | 3 4 | 15 44 | 12 12 | 5.0 10.6 | 15.3 18.2 | 3.1 3.6 | 1 2 |
| 2009 | Council Groups | 0 5 | 0 69 | 8 14 | 0.0 14.1 | 0.0 16.5 | 0.0 3.3 | 0 2 |
| 2010 | Council Groups | 2 5 | 20 39 | 12 13 | 10.0 8.1 | 9.9 17.1 | 2.0 3.4 | 2 2 |

Group B Comparison Councils are those Councils with the number of employees (FTE) in the range of 100-199.

Council's workers compensation premium rate for 2009/10 was 4.25% less 48.4% performance rebate equals 2.19% (net) (the Statewide average net rate was 2.69%) and for 2010/11 the rate is estimated to be a net 2.21% (as compared to the Statewide Local Government average of 2.69%).

Boundary Adjustment with the District Council

The proposal involved the transfer of land from the District Council of Grant to the City of Mount Gambier. The affected area covers about 274 properties including a mix of residential, commercial, industrial and primary production land uses.

The affected area covers approximately 695 hectares and includes the Mount Gambier TAFE/Uni SA Campus, Bunnings, associated commercial and bulky goods developments, Calula Residential Estate, a golf course and large areas of land set aside for urban residential development.

The boundary adjustment proposal will ensure that the City of Mount Gambier will be developed in a manner consistent with the Greater Mount Gambier Master Plan which will ultimately benefit the greater city and its environs.

The new boundary recognizes the strong communities of interest which currently exist between the affected areas and the City of Mount Gambier urban area.

Importantly, it also ensures that the District Council of Grant continues its focus on rural areas, small townships, farming and coastal areas as its desired core business.

Boundary Adjustment with the District Council cont.

The proposed boundary adjustment involved an ex-gratia one-off payment from the City of Mount Gambier to the District Council of Grant of \$900,000 (excluding GST) as financial compensation for the value of the assets to be transferred to the City. The proposal also involved a rate adjustment program so that rates payable by the new transferring ratepayers to the City Council would be phased in to allow for any significant differences in rates on transfer.

| | |
|--|--|
| Population change (2006 Census) | 322 persons (1.8% increase in City population) |
| Area transferred | 695 HA (25% increase in City Area) |
| Number of Assessments transferred (2009/10 data) | 274 rateable properties |
| Rate Revenue (2009/10 values) | \$277,874 (paid to DCG) \$419,568 (City equivalent) \$141,694 (difference) |

This is one of the most strategic and important decisions by both Councils to ensure the future development and expansion of the City of Mount Gambier urban area.

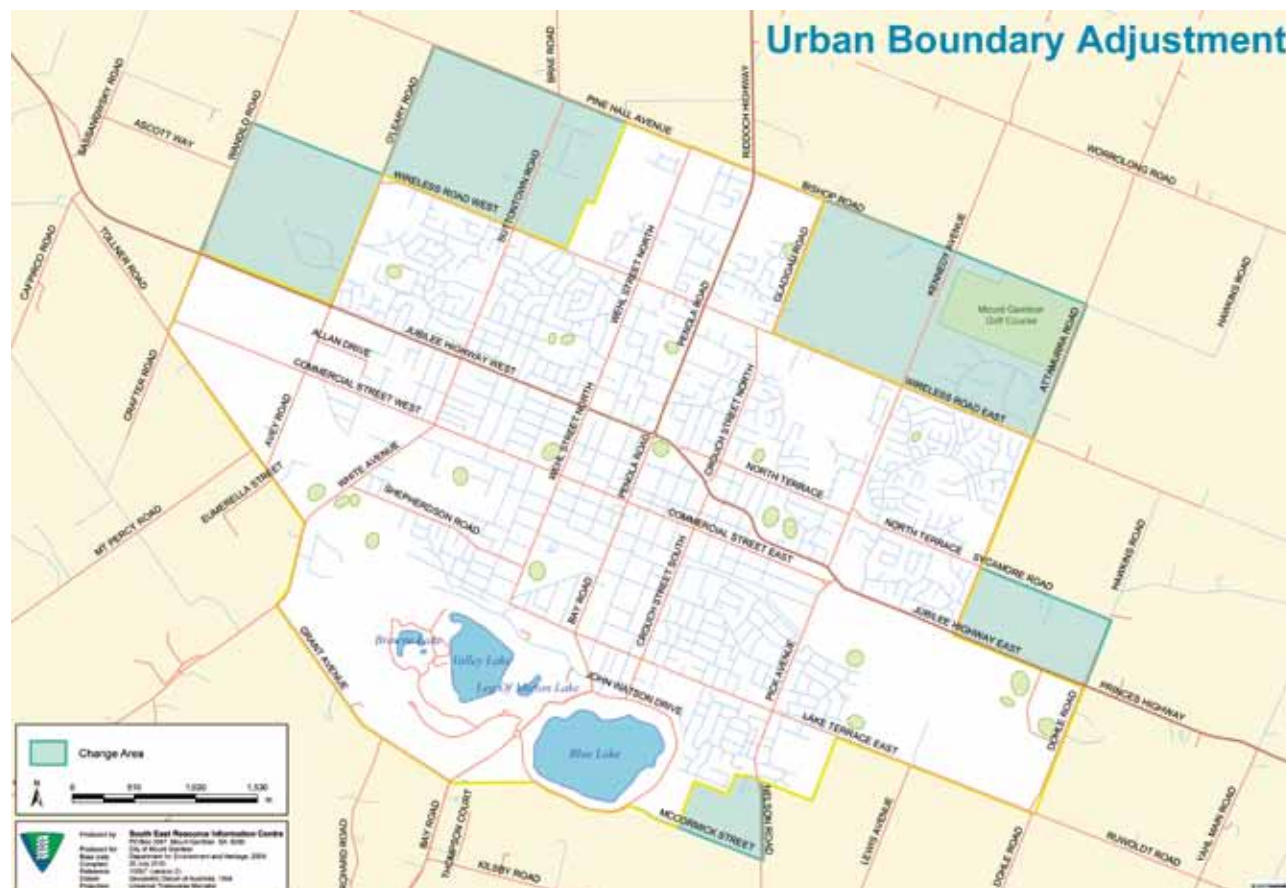
The proposal was initiated by the District Council of Grant and Council records its respects and appreciation to the District Council for its leadership in this matter.

The following are some of the interesting facts of what the boundary adjustment means:

The boundary change was achieved on 17th June 2010 when the adjustment was Gazetted.

The proposal was the subject of several layers of community consultation, by both Councils, a formal review by the Boundary Adjustment Facilitation Panel and the final consent of the Minister.

Council commends the District Council of Grant for its support and co-operation.



Compliance Statement



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Audit Committee

Council at its meeting held on 28th November 2006 resolved pursuant to the requirements of Section 126 of the Local Government Act to form an Audit Committee and to comprise two independent persons and one Council Member.

The terms of reference of the Audit Committee are detailed in Corporate & Community Services Report No. 76/2006 as are the terms and conditions of appointment of the three person Audit Committee.

The appointees are:-

- Valerie Murrell (Independent) and Presiding Member of the Committee
- Bob Clark (Independent)
- The Presiding Member of Council's Corporate & Community Services Committee presently Cr John Kyrimis

At this time neither Ms Murrell nor Mr Clark have claimed any sitting fee/allowance from Council for their work on the Audit Committee.

The Audit Committee's Annual Report to Council for the 2009/10 year is detailed in Corporate and Community Services Report No. 29/2010 and is in the form of updated notations and comments made to the adopted "Work Program for the Audit Committee 2007 – 2010" as well as:

- Dates of the seven meetings held and the number of Members in attendance
- Summary of Committee activities for 2009/10
- Training sessions attended
- Review of Terms of Reference
- Self assessment of its own performance
- Updated Work Program for 2007-2010



Business Plan Summary 2009/2010

The 2009/10 Business Plan is Council's statement of the programs and outcomes it intends to undertake in the financial year. The Plan gives effect to the Strategic Directions encompassed in the Council's Strategic Plan and the Long Term Financial and Asset Management frameworks.

The challenge in framing the 2009/2010 Business Plan and Budget is to prioritise expenditures to meet the demand for services and facilities while maintaining existing community infrastructure and assets, without imposing an unrealistic rate burden on the community.

Council continues to focus on the key goals in its Strategic Plan and in particular the continuation of its "Towards 2015 - A Vision for the Future" strategy which will deliver major strategic projects of a new Library/Community Centre and the "Main Corner" development in 2009/10.

Council has been able to secure over \$5.7m in Federal and State funding to assist in achieving these major strategic projects which are estimated to cost \$15.6 million.

In developing the 2009/10 Business Plan and Budget, Council has been extremely mindful of the unprecedented Global Economic Environment and the flow-on effect this is having locally.

Council's key strategy for 2009/10 is to continue to invest in the renewal and replacement of the City's infrastructure and to maintain the wide ranging community support programs and activities. Everything the Council does across all of its areas of endeavour is towards maintaining public infrastructure, building community capacity and adding to the "value" of Mount Gambier as a place of vibrancy with a superior quality of life.

Key priorities include:

- continued focus on achieving the vision expressed in the adopted Strategic Plan;
- continued progression of Councils "Towards 2015" strategy including major infrastructure projects of a new Mount Gambier Library, the "Main Corner" Development and the redevelopment of the former Railway Lands (planning phase);
- continued investment to promote Mount Gambier as a visitor destination, a regional retail and commercial hub as well as a quality destination for the hosting of major events and conferences;
- continuing the development of Council's infrastructure and asset management framework;
- capital infrastructure program of approximately \$4.1m (new and renewal)
- maintaining the extensive public realm assets and infrastructure and the maintenance of programs that directly support the community.

Council's Strategic Plan, Business Plan and Budget can be viewed at: www.mountgambier.sa.gov.au.

WHY DO WE PAY COUNCIL RATES?

The City of Mount Gambier is responsible for maintaining the community's assets with a current value of in excess of \$120 million which includes land, roads and footpaths, stormwater drainage, parks, community centres, tourist centre and sporting facilities.

In addition, Council provides intangible services for the benefit of residents such as street lighting, immunisation, waste management, aged care facilitation, libraries and information services as well as a range of regulatory services required under legislation.

The 2009/10 Budget proposes to spend a total of \$22.71 million on the delivery of services and programs, maintenance of assets and development of new or upgraded assets (operating and capital expenditure and appropriations to reserve funds). This is funded from a variety of sources, predominantly rates, but also grants as well as statutory and user charges.

Of that total budget expenditure, approximately \$16.26 million will be required to deliver the core services (operating expenditure) of Council.

HOW ARE RATES CALCULATED?

Once Council decides what services are to be provided in the financial year and at what cost, this information is incorporated into an overall Budget along with revenue sources such as grants, fees and charges, loan income etc.

Council then works out the amount of revenue that must be collected from the community in the form of Council rates to balance the Budget.

Council's rating strategy uses a combination of a fixed charge on every rateable property and a differential rating system, based on land use, when calculating general rates.

The fixed charge component, increased from \$421.50 to \$428.90 (+1.76%) in 2009/10, applies to every rateable property and will continue to raise approximately one half (45%) of Council's gross rate revenue.

The differential rating component which raises the remainder (55%) of Council's required gross rate revenue is determined by multiplying the individual property value (capital value provided by Valuer-General) by the differential rate in the dollar adopted for each

separate land use category i.e. residential, commercial, industrial, primary production, other and vacant land.

Business Plan Summary 2009/2010 cont.

IMPLICATIONS FOR RATES

Council's services and programs are funded through a mixture of sources, primarily rates. Delivery of Council's proposed program for 2009/10 will require a rate revenue of \$12,239,00.

In arriving at the overall general rate increase of 4.2% Council took into account current CPI figures (2.3% in March and 1.6% in June), the Local Government CPI of 5.1% and the additional rate revenue resulting from growth in new developments (2.4% of total rate revenue). That 2.4% or \$293,000 in rate revenue attributable to new growth/new development in the City will benefit all rateable assessments as it is spread over the entire rate assessment base.

For the average residential ratepayer this will equate to an approximate increase of \$21 or 2.7% (or forty (40) cents per week increase) in Council rates this year bringing the average annual residential rates to \$794 to help fund the 2009/10 Budget.

For around \$2.17 per day Mount Gambier residential ratepayers (on average) will have access to the substantial benefits of the services and facilities funded by the City of Mount Gambier in its 2009/10 Budget.

As part of Council's rating strategy a range of rate relief measures or assistance are provided which include:

- State Government eligible rate concessions
- Residential (Principal Place of Residence) rate cap
- Eligible Pensioner Residential rate cap
- Vacant Land rate rebate
- Postponement of rates for seniors
- Hardship
- Mandatory and Discretionary rate rebates

For further details, Council's Rate Rebate Policy can be viewed from the Council website or contact Council's Rates Assessment Officers for assistance.

WHERE DO YOUR RATES GO?

All Councils have mandatory responsibilities under the Local Government Act, the Development Act, the Public and Environmental Health Act, the Natural Resources Management Act and other relevant legislation.

Council also provides further services and programs in response to community demand.

Council anticipates that existing service levels of all continuing services from 2008/09 financial year will be maintained in 2009/10.

The development and delivery of Council's major projects as part of "Towards 2015" strategy is continued through the:

1. New Library and Community Centre (completion November 2009)
2. "Main Corner" Development (commencement early 2010)
3. Railway Lands Community Project (planning phase)

The new Library and Main Corner projects are proposed in partnership with Federal and State Governments and the private sector for which over \$5.7 million has been secured to assist with the overall estimated cost of \$15.6 million (budgeted for 2008/09).



Business Services Charter

Council conducted its last review of its Business Services Charter and adopted a slightly varied Charter in June 2007 and remains relevant and current.

The Business Services Charter is intended to improve Council/Business communication by clearly outlining Council services provided to business and seeking business feedback on the services and service standards.

The Business Services Charter sets out Council's commitment to provide a timely and efficient service to local businesses where this is necessary but more importantly the Charter is designed to assist with improving Council responsiveness to business.

The level and efficiency with which our services are delivered to businesses in our community is of importance to their sustainability.

A Business Charter is a high quality process centered around a commitment to a minimum level standard of service delivery to business clients and will assist in the attainment of the Council vision.

The Business Charter has two major components:-

- A list of the various services that Council provides to local businesses; and
- A commitment to a certain minimum standard in the delivery of those services.

It is envisaged that the Business Charter will provide a variety of benefits to both local business and to Council. The benefits to the local business community are:-

- Easily available information about the services offered by Council;
- More relevant and appropriate services;
- Recognition that the success of business is of major importance to our local economy;
- Transparency and accountability in service delivery; and
- Increased awareness of the needs of business, particularly the various needs of business in different industry sectors.

Some of the benefits to Council are:-

- Matching Council services with the needs and expectations of business;
- Enhancing the area as a place to do business;
- Promotion of the various services that Council provides;
- Ensuring continual management and operational improvement; and
- Ensuring that business operators do not have unreasonable expectations about Council's ability to deliver service.

As part of the development of a Business Charter by Council, it is considered appropriate that the local business community be progressively consulted for feedback and comment, which may result in amendments to the Business Charter from time to time.

The use of a Business Services Charter provides an opportunity for Council to ensure that the services offered to or needed by a business are appropriate and provided in a timely and efficient manner.

Council will ensure that its performance in fulfilling its obligations under this Charter is regularly monitored.



Community Lands

In accordance with the requirements of the Local Government Act 1999, Council had previously classified all of its land (excluding roads) as either community land or non-community land (i.e. operational land). This process was completed in June 2002.

The Local Government Act 1999 also requires Council to prepare community land management plans for all of its community land parcels and the land management plans must undergo a public consultation process prior to adoption.

Council has in excess of 300 land parcels and all land parcels now have land management plans in place.

All community land management plans were prepared and adopted prior to January 2005.

During the 2009/10 year in review, Council did make some minor amendments to some of its community land definitions and included some additional new lands as community lands and prepared new plans for those parcels of new community land.

These changes were made after the required community consultations.

The adopted community land management plans are available for inspection at the Council offices.

During 2009/10 Council:

- (i) declassified a small portion of drainage reserve at Woodlands Drive to facilitate roadworks;
- (ii) had received a proposal for the declassification of a part of a Council reserve at Hanson Street (near blowhole) for possible sale to the Eastside Christian Centre Mount Gambier Inc. Decision pending.

Development Assessment Panel

Changes to the Development Act resulted in all Councils being required to form Development Assessment Panels and that such Panels must have independent persons appointed thereto.

A number of consequential changes also resulted in process adjustments and a much clearer separation between a Council and its Panel in decision making.

Panel Members are entitled to the payment of sitting fees and in some cases the reimbursement of certain expenses.

Council had formed its Council Development Assessment Panel and the current membership has been appointed for a two year term concluding on 25th February 2011.

Following the calling for public expressions of interest (and also a separate process for the Council Member appointees to the Panel), Council resolved;

- (i) that the following Independent Persons be appointed to the Council Development Assessment Panel which shall commence a two year term from February, 2009:
 - Mr David Chapman;
 - Mr Paul Jenner;
 - Mr Ted Jordan;
 - Mrs Liz Travers.

Mrs Liz Travers was appointed as the Presiding Member of the Council Development Assessment Panel.

- (ii) that the following Elected Members be appointed to the Council Development Assessment Panel for a two year term commencing from February, 2009:

- Cr Jim Maher
- Cr Daniel McDonough
- Cr Merv White

The agreed sitting fees are to remain unchanged i.e.

- (i) Ordinary Meetings:-

| | |
|---------------------------|---------------------|
| Presiding Member | \$250 excluding GST |
| Other Independent Members | \$200 excluding GST |
| Council Member Appointees | \$200 excluding GST |

- (ii) Special Meetings:-

| | |
|---------------------------|--------------------|
| Presiding Member | \$60 excluding GST |
| Other Independent Members | \$50 excluding GST |
| Council Member Appointees | \$50 excluding GST |

(Mrs Travers is paid a travel allowance to attend meetings).

The Members have been appointed for a two year term commencing from 25th February 2009.

Competitive Tendering Statement

During the 2009/10 year Council advertised and accepted the following competitive tenders for the provision of goods and services:-

| ITEM | VALUE |
|--|--------------------------------------|
| Asphalt (hotmix) | |
| Legal Services for planning, building matters | |
| Management contract - Mount Gambier Aquatic Centre 2009/10 season only | |
| Graded Limestone Rubble (Sept 09 to June 11) | \$11.82 m ³ |
| Station wagon vehicle | \$12,489* |
| Small sedan (no trade) | \$16,910 |
| 2 x Tip Trucks | \$74,680* |
| Playground equipment (x 2 locations) | \$70,000 |
| Ride on Mower | \$34,010* |
| Out front deck mower | \$27,000 |
| 2WD Utility | \$9,639* |
| 4WD wide area deck mower | \$87,818 |
| 2 x tip trucks | \$31,620* |
| 2 x sedan vehicles | \$14,531* |
| Sedan vehicle | \$14,597* |
| Refuse collection vehicle | \$229,245* |
| Preparation of Aboriginal Cultural Heritage Survey | \$22,000 |
| Photocopier | \$15,007 |
| Sale of Mower | \$1,818 |
| Road Maint. Truck - self contained maint. body | \$108,105* |
| Truck with Elevated Work Platform | \$196,305* |
| Receival of Recyclable materials (seven year contract) | \$65.00 per tonne payable by Council |
| Expressions of Interest for appointment as contract managers of Council's Aquatic Centre - five year term from 1st July 2010 | |
| Provision of debt collection services from 1st July 2010 for two years | |
| Technical services for Railway Lands - land contamination and remediation plan preparation | |

*Excluding GST and after trade-in

Confidentiality Provisions

Council held twelve (12) ordinary meetings and eight (8) special meetings between July 2009 and June 2010.

A total of 578 resolutions were made at these meetings.

Of this number, 74 were considered 'in confidence' (12.8% of the total number).

The 74 items considered 'in confidence' included occasions where the same item was required to be considered for a second or third time by Council.

Of the 74 items considered 'in confidence' only 48 were kept confidential (8.3% of the total number).

Council's custom and practice is that an order to keep a matter confidential remains in place for six (6) months from the date the order is made.

In many other cases no order is made to keep the matter confidential or a different period of time is specified (usually a lesser period).

The following statistics are provided in respect of Council's Development Assessment Panel and its Standing Committees:

(i) Council Development Assessment Panel

- 11 meetings
- 48 items considered – no items were kept 'in confidence'

(ii) Operational Services Committee

- 11 meetings
- 186 items considered of which 33 were considered 'in confidence' (17.7% of the total number)
- Of the 33 items, 16 (8.6%) were kept confidential

(iii) Corporate and Community Services Committee

- 11 meetings
- 162 items were considered of which 10 were considered 'in confidence' (6.1% of the total number)
- Of the 10 items, 6 (3.7%) were kept confidential

(iv) Senior Officers Review and Appointments Committee

- 2 meetings
- 2 items considered - no items were kept 'in confidence'

(v) Audit Committee

- 7 meetings
- 52 items considered – no items were kept 'in confidence'

(vi) Strategic Planning & Development Policy Committee

- 2 meetings
- 9 items were considered of which 3 were considered 'in confidence' (33.3% of the total number)
- Of the 3 items, 3 (33.3%) were kept confidential



Cost Effective Delivery of Services

As a means of proving that Council continues to provide "Best Value" to its ratepayers and the wider community, Council is required to use measures to ensure that the services it provides are delivered cost effectively.

Council's "Competitive Tendering, Contracting, Purchasing, Sale and Disposal of Land and Other Assets Policy" makes a number of statements regarding Council's desire to:

- i. have and retain a core group of highly trained, skilled, resourced and motivated employees undertaking key services for the community as direct service providers;
- ii. retain an appropriate (core) level of staffing;
- iii. retain control over the way in which services are provided and its response to emergency situations;
- iv. create or maintain economic development, growth and employment opportunities within the Council area, i.e. within Council and within its external goods and services providers and contractors.

Whilst Council has no formalized system of cost comparison at this time, it is to be noted from the following data that Council has been successful in balancing the requirement for the retention of an appropriate (core) level of employees and the desire to ensure a competitive approach to service delivery (or components thereof) through tenders and use of contractors.

The way Council embraces this principal of responsive inhouse service delivery and recognising the advantage of buying in competitively priced goods and services to complement Council's employee skills is demonstrated in the following operating expenditures (excluding capital expenditures):

| YEAR ENDING | *EMPLOYEE COSTS \$ | | CONTRACTORS \$ | | MATERIALS \$ | |
|-------------|-----------------------|---------|---|---------|--------------|---------|
| 2006 | 5,091,943 | (53.7%) | 2,242,331 | (23.7%) | 2,138,311 | (22.6%) |
| YEAR ENDING | EMPLOYEE COSTS \$'000 | | OTHER MATERIALS, CONTRACTS, EXPENSES + PRESCRIBED EXPENSES \$'000 | | | |
| 2007# | 5,203 | (47.1%) | 5,840 | | | (52.9%) |
| 2008# | 5,453 | (47.4%) | 6,035 | | | (52.6%) |
| 2009# | 6,082 | (46.4%) | 7,005 | | | (53.6%) |
| 2010# | 6,610* | (49.1%) | 6,858 | | | (50.9%) |

* includes all salaries and wages (\$5,967,000), superannuation (\$545,000), fringe benefits tax, workers compensation (\$129,000), increases in liability for accrued wages, annual leave and long service leave (\$289,000), less employee costs capitalized

New Model Financial Statements adopted from 2006/07

As a means of establishing a comparative benchmark on the above Council statistics, Council notes that based on 2008/09 Statewide data the State Averages were:-

| | | |
|-----------------------------|-------------|---------|
| Employee Costs | \$7,787,000 | (45.2%) |
| Contractors, Materials etc. | \$9,429,000 | (54.8%) |



Elector Representation Review

Schedule 4 of the Local Government Act requires Council to publish in its Annual Report a statement of:

- (i) the council's representation quota; and
- (ii) the average representation quota for councils of a similar size and type (taking into account various factors prescribed by the regulations); and

(iii) when the council next intends to conduct a review under Chapter 3 Part 1 Division 2; and

- (iv) the procedures that are available under Chapter 3 for electors to make submissions on representation under this Act.

The following is the required statements.

SELECT OUTER METROPOLITAN & REGIONAL COUNCILS COMPOSITION & ELECTOR RATIO (AS AT 6/10/2010)

| COUNCIL | MEMBERS | ELECTORS | ELECTOR RATIO |
|----------------|---------|----------|---------------|
| Pirie Regional | 11 | 12,010 | 1:1091 |
| Barossa | 14 | 15,627 | 1:1116 |
| Victor Harbor | 11 | 10,344 | 1:940 |
| Murray Bridge | 10 | 12,570 | 1:1257 |
| Mount Gambier | 11 | 17,262 | 1:1569 |
| Whyalla | 11 | 14,451 | 1:1313 |
| Mount Barker | 11 | 19,564 | 1:1778 |
| Alexandrina | 12 | 16,808 | 1:1400 |
| Adelaide Hills | 13 | 28,106 | 1:2162 |
| Port Augusta | 10 | 9,075 | 1:907 |
| Port Lincoln | 11 | 9,634 | 1:875 |

Section 12(4) of the said Act states inter alia that a Council must ensure that all aspects of the composition of the Council are comprehensively reviewed at least once in every eight years.

Council conducted its Elector Representation Review in the 2008/09 year. Following the statutory public consultation stages on the initial options report and the second formal Council proposal report (and having regard to public submissions received), Council at its meeting held on 16th June 2009 resolved:

- (a) Council hereby adopts the following arrangements in respect of the formal Section 12 Elector Representation Review:
 - the Mayor continue to be the principal member of Council, elected "at large" by the community
 - Wards be abolished, thereby requiring the "area Councillors" to be elected by the community to represent the whole of the City
 - the Council constitute ten (10) area Councillors

all to apply as of the November 2010 Local Government elections:

- (b) the resolution of Council as contained in (a) above be the formal Council position and that this position be now submitted to the State Electoral Office for confirmation and approval."

The necessary application to the State Electoral Office was lodged for assessment and the State Electoral Office did grant consent to the Council proposal so that everything is now in place in time for the November 2010 General Elections.



Equal Employment Opportunity

The Chief Executive Officer is responsible:

- (a) for developing and implementing an equal employment opportunity program relating to employment within the Council;
- (b) for developing and implementing other initiatives to ensure that all employees have equal employment opportunity in relation to their employment.

Council is committed to assisting its employees in this area and the Equal Employment Opportunity Committee, which consists of management and employee representatives, meets on a regular basis.

Human Resources and Personnel Practices - Policies and Procedures are also reviewed on a regular basis.

| TEAM | MALES | FEMALES | TOTAL |
|----------------------------------|------------|------------|-------------|
| Executive | 1 | 2 | 3 |
| Corporate and Community Services | 7 | 36 | 43 |
| Operational Services | 60 | 17 | 77 |
| Totals | 68 | 55 | 123 |
| Percentages | 55% | 45% | 100% |

Total Number Employees 123
Full Time Equivalents: 106.1
(all as at 30th June 2010)

External Auditors

Pursuant to Section 128(9) of the Local Government Act, 1999, Council must include in its Annual Report details of the remuneration paid to its external Auditor for work performed during the review year.

In compliance with Section 128(9), Council advises:-

- the sum of \$6,700 was paid for the interim annual audit of the Council's internal controls and transactions (2009/10);
- the sum of \$7,680 was paid for the balance of the 2008/09 annual audit of statutory financial records and related specific purpose statements;
- the firm Galpin Engler Bruins & Dempsey were the Council's external Auditors for the entire review year.

Acting on delegated authority, Council's Audit Committee at its meeting held on 28th March 2007 engaged the firm Galpin Engler Bruins and Dempsey to be the Council's external Auditors for a period of five years as from the Audit of the 2006/07 financial statements until the conclusion of the 2010/11 Audit.

The external Audit includes:-

- statutory financial audit; and
- extensive internal control audit
- specific purpose statements



Grievance Procedures - Review of Decisions

Section 270 of the Local Government Act states (the following are the relevant parts for the purposes of this Annual Report):

- (1) A council must establish procedures for the review of decisions of -
 - (a) the council;
 - (b) employees of the council;
 - (c) other persons acting on behalf of the council.
- (2) The procedures must address the following matters (and may address other matters):
 - (a) the manner in which an application for review may be made;
 - (b) the assignment of a suitable person to reconsider a decision under review;
 - (c) the matters that must be referred to the council itself for consideration or further consideration;
 - (ca) in the case of applications that relate to the impact that any declaration of rates or service charges may have had on ratepayers - the provision to be made to ensure that these applications can be dealt with promptly and, if appropriate, addressed through the provision of relief or concessions under this Act;
 - (d) the notification of the progress and outcome of an application for review;
 - (e) the time frames within which notifications will be made and procedures on a review will be completed.
- (4) A council, or a person assigned to consider the application, may refuse to consider an application for review if -
 - (a) the application is made by an employee of the council and relates to an issue concerning his or her employment; or

- (b) it appears that the application is frivolous or vexatious; or
 - (c) the applicant does not have a sufficient interest in the matter.
- (8) A council must, on an annual basis, initiate and consider a report that relates to -
- (a) the number of applications for review made under this section; and
 - (b) the kinds of matters to which the applications relate; and
 - (c) the outcome of applications under this section; and
 - (d) such other matters as may be prescribed by the regulations."

Council has always had a formal Grievance Procedure however Sub Section (8) above requires Council on an annual basis to initiate and consider a report that relates to:

- (a) the number of applications received requesting a review,
- (b) the kinds of matters to which the application relates,
- (c) the outcome of the applications,
- (d) such other matters as may be prescribed.

(Please note that at this time nothing has been prescribed).

The following is the required report pursuant to Section 270(8) of the Local Government Act and for the 2009/10 financial year:

| | |
|---|-----|
| 1. Number of Applications for review made under this Section: | NIL |
| 2. Kinds of matters to which the Application relate: | N/A |
| 3. Outcome of Applications under this Section: | N/A |
| 4. Prescribed Matters: | NIL |

Human Resources

Throughout 2009/10 the existing policies, practices and procedures across all areas of human resources were reviewed and Council and its employees can be justifiably pleased with all outcomes and progresses.

All employer-employee consultative groups have been focused and productive, i.e.:

- Occupational Health and Safety and Equal Employment Opportunity
- Indoor Employees Consultation Group
- AWU Consultation Group

All employee support systems have been maintained with the retention of the on site counselling service,

Human Resources cont.

journey insurance and the system of annual performance development and review for all employees.

All policies and procedures have been under constant review, systems refined with the process of consultation of all human resources documents an ongoing feature.

Other human resources activities included:

- completion and acceptance of new enterprise agreements for both Indoor Employees and Outdoor Employees that took effect as of 1st January 2009 (salary and wage increases from 1st December 2008);
- performance and development reviews conducted for all employees;
- employee assistance program reviewed and promoted to employees;
- an effective 'safe return to work' of injured employees has become a priority to reduce the cost of claims and the effect on employees;
- designated training and development.

STAFFING

As at 30th June 2010 Council employed sixty eight (68) male employees and fifty five (55) female employees, in full time, part time or casual positions.

| | |
|------------------------|-------|
| Total Number employees | 123 |
| Full Time Equivalents | 106.1 |

(all as at 30th June 2010)

STRUCTURE

Two Departments of Council currently operate to assist in the flow of work and to establish the accountability measures by each Department.

The Departments - Corporate and Community Services and Operational Services are managed by a Director with relevant support Managers, Team Leaders and employees for each Department/Division.

The office of the Chief Executive Officer is involved with all Departments and has specific responsibilities with the areas of Governance and Compliance.

TRAINING

Ongoing training for employees has been provided.

OCCUPATIONAL HEALTH AND SAFETY

Council continues its endeavour to maintain a high standard of Occupational Health and Safety Management.

The Strategic Plan for Occupational Health and Safety, which had been developed pursuant to the WorkCover Exempt Employer Standards, requires Council as an exempt employer, to set its own Occupational Health and Safety objectives based on the organisation's own gap analysis and to integrate Occupational Health and Safety into the organisation's Strategic Management Planning.

This is a continuing process and Council aims to increase workplace efficiency by maintaining:

- low incident rate;
- low frequency rate;
- low duration rate;
- assist with the reduction of the unit cost of labour for workers compensation.
- improve compliance of Occupational Health and Safety by contractors working for Council;
- maintain the workplace in a clean and orderly state;
- enhance pre-placement assessment process;
- maintain compliance with WorkCover Performance Standards;
- assess and maintain a high level of safety for employees working on roads;

Council's Occupational Health, Safety, Welfare and Equal Employment Opportunity Committee, which comprises management and employee representatives, continues to update its plan, policies and procedures for the use of employees.

The Committee has been assisted in its work by the Regional Risk Coordinator and this assistance has been invaluable to Council.

Council, the Committee (which meets regularly to address occupational health and safety issues), all employees and the Regional Risk Coordinator have a continuing commitment to Occupational Health and Safety and to achieve the best possible policies, practices and procedures for the occupational health and safety of all employees.

Safe Work Procedures and Policies are being continually reviewed and new procedures are introduced on a continuing basis.

Workplace inspections are undertaken on a regular basis.

Council participated in the Local Government Association Workers' Compensation Scheme's Healthy Lifestyle projects and continues to provide health screenings for its employees.

Occupational Health and Safety training and information sessions are made available to employees on a continuing basis.

Good Governance Program

The Local Government Association had developed (and piloted) a Good Governance Program - self assessment tool for use by all Councils;

Over the next five years the Program will be “rolled out” across the local government sector and comprises:

- self assessment tool
- sample validation
- annual reporting

with each Council's self assessment validated by an independent assessor.

It is suggested that each Good Governance Assessment and any resultant Action Plan be also reported to the Audit Committee for consideration and endorsement as well as Council.

The Good Governance Assessment Program is an extensive review of a Council's Policies, Practices and includes the following Themes and Topics:

- Ethics, Values and Council Members - comprises: 6 Sections and 106 questions
- Risk Management and Internal Controls - comprises: 7 Sections and 97 questions
- Decision Making - comprises: 6 Sections and 87 questions

Council was required to prepare its Self Assessment by 30th June 2010 and the independent validation of Council's Self Assessment occurred on 8th July 2010. Council was programmed to undertake the Self Assessment process in the second year of the five year Statewide program.

The Rating System utilised as part of the Self Assessment and independent validation is expressed as:

| | |
|------------------------|--|
| Level 0 Unsatisfactory | No evidence of Required Elements. |
| Level 1 Poor | Some evidence of Required Elements, but this is either informal or not reflected in practice. |
| Level 2 Satisfactory | Evidence of basic system with Required Elements present and generally reflected in practice. Some Good Practice Elements evident. |
| Level 3 Good | Clear evidence that all Required Elements are in place within a formal governance system. A significant and increasing number of Good Practice Elements are evident. Appropriate training has been arranged. |
| Level 4 Excellent | Level 3 plus evidence of ongoing monitoring, review and reporting on the effectiveness of the various elements of the governance system leading to continuous improvement. Governance systems and related documentation have been well communicated to Council Members and staff, are well understood and evident in practice. |



Good Governance Program cont.

Council results were as follows:

| THEMES AND TOPICS | | COUNCIL'S SELF ASSESSMENT RATING | | | | | INDEPENDENT VALIDATOR RATING | | | | |
|--|---|----------------------------------|---|---|---|---|------------------------------|---|---|---|---|
| 1. ETHICS, VALUES & COUNCIL MEMBERS | | 0 | 1 | 2 | 3 | 4 | 0 | 1 | 2 | 3 | 4 |
| 1.1 | Code of Conduct - Council Members | | | | 3 | | | | 2 | | |
| 1.2 | Code of Conduct - Council Employees | | | | 3 | | | | 2 | | |
| 1.3 | Council Member Training and Development | | | 2 | | | | | 2 | | |
| 1.4 | Council Committees | | | | 3 | | | | 2 | | |
| 1.5 | Council Meetings | | | | 3 | | | | | 3 | |
| 1.6 | Council Members Access to Information | | | 2 | | | | | | 3 | |
| 2. RISK MANAGEMENT & INTERNAL CONTROLS | | 0 | 1 | 2 | 3 | 4 | 0 | 1 | 2 | 3 | 4 |
| 2.1 | Risk Management | | | | 3 | | | | 2 | | |
| 2.2 | Internal Control | | | | 3 | | | | | 3 | |
| 2.3 | Fraud and Corruption | | | 2 | | | | | 2 | | |
| 2.4 | Legislative Compliance | | | 2 | | | | | 2 | | |
| 2.5 | Purchasing | | | 2 | | | | | | 3 | |
| 2.6 | Audit Committee | | | | 3 | | | | | 3 | |
| 2.7 | Sale and Disposal of Assets | | | 2 | | | | | | 3 | |
| 3. DECISION MAKING | | 0 | 1 | 2 | 3 | 4 | 0 | 1 | 2 | 3 | 4 |
| 3.1 | Delegations - Council | | | 2 | | | | | 2 | | |
| 3.2 | Delegations - Chief Executive Officer | | | 2 | | | | | | 3 | |
| 3.3 | Statutory Policies | | | | 3 | | | | | 3 | |
| 3.4 | Community Consultation | | | | 3 | | | | | 3 | |
| 3.5 | Strategic Management Planning | | | 2 | | | | | | 3 | |
| 3.6 | Complaints Management | | | | 3 | | | | | 3 | |
| ADJUDGED OVERALL RATING | | | | | 3 | | | | | 3 | |

The independent validator has provided to Council a final report that makes a range of comments and suggestions on areas where Council can improve its Good Governance practices.

These suggestions will be actioned during the 2010/11 financial year and beyond.

Mandatory Registers, Codes and Policies

Council is required by the Local Government Act 1999 to keep certain Registers, Codes of Conduct and Policies.

Most (if not all) Registers, Codes and Policies/Procedures are reviewed on an annual or regular basis.

The following schedule details all of these matters.

REGISTERS

Council maintains the following Registers:

- Members Register of Interest;
- Members Register of Allowances and Benefits;
- Officers Register and Remuneration, etc.;
- Officers Register of Interest;
- By-Laws;
- Delegations Register;
- Statutory Resolutions and Appointments Register;
- Public Roads Register;
- Annual Fees and Charges Register;
- Parking Register;
- Community Land Register;
- Development Application Register;
- Election Campaign Donation Returns;
- Dog Register;
- Risk Management Identification Register;
- Rate Rebate Register.

CODES

Council maintains the following Codes:

- Code of Conduct for Council Members/Complaint Handling Policy
- Code of Conduct for Employees;
- Code of Conduct for Council Development Assessment Panel.

POLICIES/PROCEDURES

Council maintains the following Policies/Procedures:

- Access to Council Meetings, Committee Meetings, Documents etc.;
- Rate Rebate Policy/Application;
- Public Consultation Policy;
- Competitive Tendering Policy;
- Order Making Policy;
- Policy Manual;
- Internal Review of Council Decisions;
- Elected Members Allowances and Support Policy;
- Fraud and Corruption Prevention Policy;
- Whistleblowers Protection Policy;
- Caretaker Policy;
- Complaint/Compliment Policy

Application of National Competition Principles

The aim of the National Competition Policy is that no Government business should enjoy a net competitive advantage simply by nature of its public ownership.

As at 30th June, 2010 Council had:

- determined that it does not undertake or control significant business activities, nor has it created or controlled any significant business activities in the review year;
- retained a clear recognition and understanding of the need to act and perform to ensure fair and open competition in all that Council undertakes unless the local community benefit requires otherwise;
- completed a previous review and reform of its by-laws with specific regard to removing any restrictions that prevent open competition or provide any net competitive advantage to Council;
- not received any complaints about any breach of Council's competitive neutrality rules;
- not been involved in any public monopolies.

Senior Executive Officers

Council has resolved that for the purposes of the relevant provisions of the Local Government Act 1999, the 'Senior Executive Officers' of Council are defined as including:

- Chief Executive Officer
- Director - Corporate and Community Services
- Director - Operational Services.

The remuneration of the Senior Executive Officers, the conditions of employment, contract of employment etc are detailed in the formal Officers Register and Remunerations - Salaries and Benefits, which is available for public inspection. The summary of the benefits of Senior Executive Officers (SEO's) are as follows (as at June 2008):

- Award Salary - all SEO's
- private use of a Council vehicle (conditions apply) - all SEO's
- annual performance payment (subject to meeting identified annual qualitative and identified quantitative measures) - all SEO's
- home telephone allowance (conditions apply) - all SEO's
- fixed term contract of employment (with no automatic right of renewal clauses) - all SEO's
- over Award Salary payment - all SEO's

The Award classification for Council is set by the independent Local Government Association/Australian Services Union biennial review which determines the Award level of each individual Council and as a consequence the Award level of its Chief Executive Officer.

Council, by policy resolution, has determined to accept the biennial review outcome level for the setting of the base classification of its Chief Executive Officer and that the Department Directors be classified two levels below that of the Award classification level of the Council/Chief Executive Officer plus the benefits of the terms and conditions of each individual Contract of Employment.

Council has appointed a formal Senior Officers Review and Appointments Committee to conduct regular reviews of the three Senior Officers, their performance and achievements against a range of agreed targets and outcomes.

In the 2006/07 year, Council had the entire annual review/performance review processes and documents independently assessed to ensure best practice.

The independent assessment confirmed the annual review processes is best practice.

Each Senior Executive Officer is on a five year fixed term non-renewable Contract of Employment with conclusions as follows:

| | |
|---|---------------------|
| Director - Corporate and Community Services | 1st June 2012 |
| Chief Executive Officer | 24th November 2013 |
| Director - Operational Services | 12th September 2014 |

Subsidiaries

Council has not formed any single Council Subsidiary(s) pursuant to Section 42 of the Local Government Act, 1999.

Council is a member, together with the six other Councils in the South East region that constitute the South East Local Government Association (SELGA) which is a regional subsidiary established or existing pursuant to Section 43 of the Act.

The Council Members of SELGA are:

- City of Mount Gambier
- District Council of Grant
- Wattle Range Council
- Naracoorte Lucindale Council
- District Council of Robe
- Kingston District Council
- Tatiara District Council

Council is a member together with six other Provincial Cities in the State that constitute the Provincial Cities Association (PCA) which is a regional subsidiary established pursuant to Section 43 of the Act.

The Council Members of the PCA are:

- City of Mount Gambier
- City of Port Augusta
- City of Port Lincoln
- City of Whyalla
- Port Pirie Regional Council
- Rural City of Murray Bridge
- City of Victor Harbor

Subsidiaries cont.

Clause 28 of Schedule 2 of the Act states:

“Reporting

28. (1) A regional subsidiary must, on or before a day determined by the constituent Councils, furnish to the constituent Councils a report on the work and operations of the subsidiary for the preceding financial year.
- (2) A report under sub-clause (1) must:-
- (a) incorporate the audited financial statements of the subsidiary for the relevant year; and
 - (b) contain any other information or report required by the Council or prescribed by the regulations.
- (3) A report under sub-clause (1) must be incorporated into the annual report of each constituent Council.”

Council has received from the South East Local Government Association and from the Provincial Cities Association the following reports on the affairs of SELGA and the PCA.

- Independent audit report and the audited statement of income and expenditure for year ended 30th June, 2010;
- Presidents Report detailing the work and operations of the Association for year ended 30th June, 2010;
- Annual Program/Business Plan for the 2010/11 year.

The above reports are available for viewing by any person (for purchase at a fee) at the Council Offices.

The Management Team

As part of our commitment to corporate excellence, the organisational structure of Council has been developed to encourage the organisation to better deliver improved efficiencies and to be totally accountable.

The management team comprises the following as at June 2010;

| SENIOR EXECUTIVE | |
|---|------------------------|
| Chief Executive Officer | Greg Muller |
| Director - Corporate and Community Services | Grant Humphries |
| Director - Operational Services | Daryl Sexton |
| Strategic Project Officer | Tracy Tzioutziouklaris |
| Executive Assistant | Lynne Dowling |
| Media and Communications Officer | Barbara Linden |
| DIVISIONAL MANAGERS | |
| Finance Manager | Robert Bowering |
| Library Manager | Cathryn Harris |
| Community and Events Manager | Gina Ploenges |
| Engineering Manager | Daryl Morgan |



Community Statement



| | |
|--|----|
| Railway Lands | 74 |
| Call Centre | 74 |
| Celebrate Seniors Month | 75 |
| City Centre CCTV Surveillance Cameras | 75 |
| Clean Up Australia Day 2010 | 75 |
| Community Awards Program | 76 |
| Community Garden | 76 |
| Community, Services, Lifestyle, Welfare and Well Being | 77 |
| Frew Park Centre (Ex SES) | 78 |
| Riddoch Art Gallery | 78 |
| Australia Day Awards | 78 |
| Junior Sports Assistance Fund | 79 |
| Life Education | 80 |
| Mayoress Family Fun Day | 80 |

| | |
|---|----|
| Main Corner Development | 81 |
| Home Assist Program | 81 |
| Mount Gambier Library | 82 |
| Mayoral Christmas Appeal | 85 |
| Mayoral Gala Performance | 86 |
| Memories in a Suitcase | 87 |
| Men's Shed | 87 |
| Seating | 87 |
| Mount Gambier Christmas Parade 2009 | 88 |
| Passenger Bus Facilities | 89 |
| Old Mount Gambier Gaol | 90 |
| Proactive Security Foot Patrolling with City Centre | 91 |
| YPN - Your Professional Network | 91 |
| Youth Advisory Committee | 92 |
| Australian Citizenship | 92 |

Railway Lands

Council was not able to devote the level of required thinking to the development vision for the Railway Lands due to other capital works programs taking precedent.

The New Library and Community Centre, together with the Main Corner Development have required Council to give these two major projects priority in terms of Members' time and the allocation of Council's financial resources.

During 2009/10 the following represents the steps taken by Council in respect of the Railway Lands as a means of advancing the vision direction:

- continued liaison with Centro (owners of the Lakes Village Shopping Centre) regarding future integration with the Railway Lands
- actioned processes to seek to rezone the Railway Lands to City Centre
- adjusted its vision to now include residential land uses as a potential option on parts of the land

- proceeded to prepare concept plans and design guidelines for the redevelopment of the NW section for possible commercial offices land uses
- commenced to develop environmental sustainability principles that will be required across the site's development
- reviewed the future options for all of the railway lands within the City area (beyond just Bay Road to Wehl Street South)
- obtained proposals to undertake a complete review of the land contamination issues across the entire site
- authorised a detailed examination of the site to identify land contamination locations and a report on the rehabilitation and remediation options

Call Centre

Council has an out of hours call service to ensure that customers are assured of personal contact on a 24/7 basis. Call centre services are now provided by Link:Q in Adelaide and the service provides a wide scope of information to out of hours callers.

Emergencies are referred directly to key personnel. Common out of hours calls include:

- Activated alarms on Council property
- Burning off
- Dog Issues
- Waste Management information
- Rates information
- Flooding
- Traffic/parking issues

The following statistics to provide a brief overview of the call centre operation over the past three financial years:

| | TOTAL NUMBER OF CALLS 2007/2008 | TOTAL NUMBER OF CALLS 2008/09 | TOTAL NUMBER OF CALLS 2009/10 |
|--------------------|--|--|--|
| July | 92 | 103 | 82 |
| August | 103 | 94 | 101 |
| September | 118 | 108 | 114 |
| October | 101 | 141 | 141 |
| November | 146 | 101 | 170 |
| December | 325 | 303 | 225 |
| January | 117 | 179 | 115 |
| February | 87 | 130 | 128 |
| March | 147 | 125 | 127 |
| April | 127 | 115 | 115 |
| May | 106 | 118 | 85 |
| June | 82 | 118 | 72 |
| Total Calls | 1,551 | 1,635 | 1,475 |

Celebrate Seniors Month

Council assists the Celebrate Seniors Committee with administrative and financial support to ensure a wide range of community members can take advantage of the activities and celebrations in October of each year.

The fantastic community committee with the support of many businesses, service clubs and organisations strives to create an action packed program of events each year for all seniors to enjoy in the community. In 2009 the Celebrate Seniors program listed over seventy activities - many of them free of charge or at a very reasonable fee.

As part of Celebrate Senior's Month, the committee in conjunction with Gambier City Lions Club and Mount Gambier Lions Club presented the following awards in 2009; Mrs Valda BECKER was selected as Senior of the Year and Mr John BUETI received the Recreation Award.

City Centre CCTV Surveillance Cameras

Following the continuing success of the installation and operation of the original eight (8) CCTV/Surveillance Cameras within the City Centre, a review indicated that Council should consider the installation of a further three (3) surveillance cameras at strategic locations as part of the 2009/10 Budget and to relocate three (3) existing cameras.

Council's 2009/10 Budget had allocated funds for the purchase and installation of three (3) new CCTV/surveillance cameras and the relocation of three (3) existing cameras.

The new locations for the three (3) new surveillance cameras were:

- Civic Centre/Civic Plaza
- corner of James Street and Gray Street
- corner of Helen Street and Gray Street

The relocations were:

- from Bay Road/James Street to Alexander Street/Hedley Street
- from Helen Street (Coles) to Penola Road (McDonalds) and,
- from Ferrers Street/Commercial Street East to Commercial Street West/Gray Street

All changes and positionings were with full consultation with Mount Gambier Police.

The quote for the above works was \$85,000 (plus GST) plus a new DVR to be located at the Mount Gambier Police Station at a cost of \$12,620 (plus GST).

All installations/relocations were completed by July 2010.

Clean Up Australia Day 2010

In 2010 Clean Up Australia Day again attracted a large number of volunteers, the majority of those being school students from Mount Gambier and surrounding schools. A number of families and individual participants registered on the day in front of the Mount Gambier Library and Community Centre. Volunteers were rewarded with a free sausage sizzle and refreshments and entertainment by Natasha Weatherill.

The focus for this year's Clean Up Day was to encourage local sporting groups to take more ownership for the waste generated from their events. The larger sporting grounds were targeted by volunteers throughout the week but it would be great for more sporting clubs to become involved in the future.

Once again, the National Clean Up Australia Day organisers provided coloured collection bags for recyclable material allowing successful separation of cans, bottles and cartons from the waste stream, and therefore preventing these recyclable materials from going to landfill.

Community Awards Program

Council in collaboration with sponsors: Tlife Mount Gambier, 5SE and STARFM developed the Tlife Outstanding Service Awards to recognise people in the community who go that extra mile in providing service, whether it be in a commercial or volunteer capacity. Awards were presented from September 2009 onwards with each of the winners listed, receiving a mobile phone from Tlife Mount Gambier and a certificate of recognition.

| 2009 | |
|-----------|---------------------|
| September | Josephine Pasin |
| October | Raelene Golebiowski |
| November | Bruce White |
| December | John Elliott |

| 2010 | |
|----------|-----------------------------|
| January | Terri Arthur |
| February | Dale and Lynn Harris-Walker |
| March | Des Lattin |
| April | Peter Clark |
| May | Sue Lines |
| June | Dale Howard |

Community Garden

OLD MOUNT GAMBIER GAOL COMMUNITY GARDEN

Council has continued to support the Old Mount Gambier Gaol Community Garden which has expanded from 26 garden beds to 46 since it was established in 2007. The Old Mount Gambier Gaol Community Garden now has 25 plot holder members and 5 Friends of the Garden Members. Councils support for the garden includes the ongoing pickup and delivery of manure from the Glenburnie Saleyard, provision of mulch for ground cover beneath trees, delivery of loam and breaking up of ground in preparation for the new garden beds east of the pergola, delivery and assistance with marquee's set up at the April Open Day, assistance with the installation of the rainwater tank and the capture of water from the Reidy Park Community Centre roof.

The Old Mount Gambier Gaol Community Garden has in turn been able to offer the use of its facilities to other organisations such as partnering in events with the Community Action for Sustainability and the Men's Shed establishment. Members of the garden have also been of assistance to the Stephanie Alexander Community Garden Kitchen at McDonald Park Primary School.

STEPHANIE ALEXANDER COMMUNITY GARDEN KITCHEN

Council has supported and partnered with the McDonald Park Primary School for the establishment of the Stephanie Alexander Community Garden Kitchen. Councils involvement including being of assistance to progress the concept, commitment to the provision of water to a land locked piece of school land, general support for the project and plans for the building of an Open Class Room (Pergola).

The achievement of McDonald Park Primary School in establishing the garden in such a short time frame is commendable and an excellent example of Building Community Capacity.



Community, Services, Lifestyle, Welfare and Well Being

Council provides many direct and indirect services and support to its community and in particular, to the health, welfare, lifestyle and well being of its citizens.

In addition to other contributions that may be referenced in this Annual Report, Council provided the following direct financial support for 2009/10:

| | |
|---|------------------|
| Care Ring Telephone Service (Lifeline SE) | \$2,000 |
| Crime Prevention initiatives | \$28,012 |
| General Community Donations | \$39,714 |
| Homeassist Program (HACC) | \$13,460 |
| Immunisations | \$44,015 |
| Lambert Village - supported residential facility (for capital improvements) | \$5,000 |
| Life Education Centre | \$4,000 |
| Red Cross Transport Service | \$NIL |
| Senior Citizens' Centre (maintenance to building/other expenses) | \$3,271 |
| Seniors' Month/Seniors Activities | \$2,177 |
| Syringe Disposal Service | \$1,899 |
| Youth Advisory Committee and projects | \$8,693 |
| Youth at Risk Initiatives | \$1,250 |
| Graffiti Removal Program | \$1,398 |
| Reidy Park Centre | \$7,571 |
| Mount Gambier City Band | \$5,000 |
| Community Information Services | \$13,054 |
| City Hall – subsidised hire charges to community groups (discounted value) | \$34,730 |
| Wehl Street Theatre (Centrestage) | \$37,548 |
| CCTV/Surveillance Cameras (Maintenance) | \$14,598 |
| City Centre Marketing Team | \$40,000 |
| Under Verandah lighting CBD (Maintenance) | \$5,328 |
| Health Promotion general | \$9,172 |
| Old Gaol Community Garden | \$2,516 |
| Services for the Ageing | \$3,984 |
| Major Community Events | \$26,791 |
| Your Professional Network | \$4,298 |
| Heritage Restoration Fund | \$12,000 |
| Mount Gambier Christmas Parade | \$33,074 |
| Obesity Prevention and Lifestyle (OPAL) | \$47,152 |
| Citizenship Ceremonies | \$3,765 |
| Mayoral Gala Performance | \$9,462 |
| Mayoress' Family Fun Day | \$31,348 |
| Mount Gambier A & H Society | \$14,150 |
| TOTAL | \$510,430 |

(Some incomes and/or grants may have been received to offset the costs of some of the above initiatives.)

Frew Park Centre (ex SES)

The Mount Gambier and Districts State Emergency Service relocated to new premises at Jubilee Highway East during 2009/10 and this provided the opportunity for Council to explore with the community new uses and occupations of the Frew Park SES Building.

A series of community open days and community meetings were convened and extensive publicity resulted in a number of organisations expressing an interest with Council to occupy the building.

During the 2009/10 year, Council resolved to permit the following organisations to occupy the premises under a partnership licence from Council:

- Mount Gambier and District Cricket Association
- Mil-Lel Cricket Club
- Mount Gambier Toy Library
- Sunset Community Kitchen

Council has commenced refurbishment of the internals of the premises to assist with the occupations and uses intended by the four groups.

It is hoped that in the 2010/11 year the internal refurbishments will be completed and that some external refurbishment works can also be achieved.

Riddoch Art Gallery

Council is directly involved with Riddoch Art Gallery, even though it is administered by a separate Incorporated Board of Management. Council provided the following benefits in 2009/10:

- Council is owner of the building
- Council has direct representation on the Board
- Council Depot staff assist Gallery staff on occasion with moving heavy and/or large items
- Provide a cash grant of \$58,000 comprising
 - General Operating Grant \$48,000
 - Collection & Conservation Grant \$5,000
 - Building Asset Maintenance Grant \$5,000
- Waived an annual \$5,470 repayment of existing loans due to Council from the Gallery.

With the announcement that Council was to proceed with the Main Corner Development, Riddoch Art Gallery closed as a public access gallery in December 2009 and the administration was required to remove all works of art into storage and relocate its administration in readiness for building works.

The Main Corner Development also incorporates the space previously occupied by the South East Art Society and the Society was also relocated.

During building works the Riddoch Art Gallery and the South East Art Society are sharing the City Hall.

Once the Main Corner Development is completed (September 2011) both the Gallery and the Society will relocate to the ground floor of the refurbished spaces.

Australia Day Awards

On 26th January 2010, Council presented its Australia Day Awards to:

- Deb PASCHKE
- Graham BIGNELL
- Barrie WHENNAN
- Hannah PHAM - Young Citizen
- Kennie BAWDEN - Young Citizen

- Generations in Jazz - Community Event
- SA Rural Women's Gathering - Community Event

The Rotary Club of Mount Gambier Lakes donated the proceeds from the 2010 Australia Day Breakfast to Give Me 5 for Kids and to the Rotary Shelter Box Program; each group received \$2,145.

Junior Sports Assistance Fund

Membership of the Fund is comprised of the City of Mount Gambier and the District Council of Grant and a number of sporting organisations who have agreed to become members.

The Fund provides financial support for those junior sports persons who have achieved State selection or better in a specific sport. The financial transactions and financial position of the Fund for 2009/10 was as follows:-

| | \$ |
|--------------------------------------|--------|
| Assistance to Juniors | 18,150 |
| Support for special Coaching Clinics | 2,000 |
| Members' Contributions | 6,428 |
| Councils' Contributions | 13,000 |
| Bank Interest earned | 195 |
| Donations received | 3,478 |
| Other Expenses | - |
| Government and Bank Charges | 35 |
| Cash at Bank, 30th June 2010 | 53,183 |

For the Twenty Five (25) years of the Fund's operations, the consolidated transactions to 30th June 2010 are as follows:-

| | \$ |
|--------------------------------------|---------|
| Assistance to Juniors | 290,100 |
| Support for special Coaching Clinics | 49,303 |
| Members' Contributions | 99,066 |
| Councils' Contributions | 203,500 |
| Bank Interest earned | 64,161 |
| Donations received | 27,367 |
| Other Expenses | 300 |
| Government and Bank Charges | 1,208 |
| Cash at Bank, 30th June 2010 | 53,183 |

It is to be noted that payments from the Fund for assistance to juniors did not commence until July 1988 and funding for coaching clinics did not commence until July 1991.

The major considerations for the review year included:-

- 24 sporting organisations/clubs are members of the Fund;
- Commercial Club Inc again provided a very generous \$2,500 donation to the Fund (2009);
- A major review of finances (i.e. increase income and reduce expenditure) will again be the focus of the 2010 Annual Meeting.
- New members admitted were:- Nil
- Members resigned / suspended were:- One organisation
- A new funding formula was adopted to apply from the 2005/06 financial year (and is continuing);
- The new funding formula is now based on contributions from the Fund to Member organisations and not on the number of juniors a member organisation has i.e. the more an organisation receives from the Fund the more an organisation will need to contribute.
- Blue Ribbon Insurance Service Pty Ltd provided a \$1,000 donation to the Fund for the selection of a junior who would benefit from this additional support. The Awardee was Jack Pudney (cricket).



Life Education

Life Education continues to provide preventative drug and health education programs to young people in Mount Gambier.

In Terms 3 & 4 2009 the following schools received visits from the mobile classroom and 1,712 students within the Council area accessed the Life Education Centre resources.

| SCHOOLS | STUDENTS | COUNCIL SUBSIDY \$ |
|---------------------------------------|--------------|-----------------------|
| Mount Gambier North PS | 306 | 612 |
| Gordon Education Centre - Mulga St | 55 | 110 |
| Melaleuca Park K-7 | 180 | 360 |
| St Martins Lutheran School | 382 | 764 |
| Tenison Woods College | 789 | 1,578 |
| TOTAL | 1,712 | 3,424 |

Unfortunately many families genuinely struggle with a fee of \$7 through financial hardship. Council's funding of \$2 per child was directly used to offset this charge, reducing the fee for Mount Gambier families to a more affordable \$5. This will again happen in 2010/11. Life Education SA Inc apply a policy that no child is to miss out on the programs due to economic hardship and local service club and other community support further assist such families.

All primary schools within the Council area are invited to have the mobile classroom attend their schools. The programs cover years R-10, are age appropriate and designed to be delivered on an annual basis.

We are also pleased to note that a new mobile classroom servicing the region has been secured and has been newly commissioned and provided by Life Education Victoria.

Council provided the sum of \$4,000 to the organisation in the 2009/10 financial year.

Mayoress Family Fun Day

The 7th Mayoress' Family Fun Day was held in 2010 and was again an outstanding success. In 2010 the weather conditions were less than optimal however it did not dampen the crowd's spirits. Approximately 2,300 passports were issued to children under the age of sixteen years. The Mayoress' Family Fun Day is an event that enables children from all socioeconomic groups to participate in an event that is all inclusive, without any cost that might otherwise deter marginalised groups.

As with each other year the Mayoress' Family Fun Day Committee are indebted to the Service Clubs, Church Groups, Sporting and Dance Organisations, Local Businesses and other organisations and numerous individuals who give up their valuable time to provide assistance with raising and dismantling tents, putting up banners, supervising long queues of children and providing food for the crowd.

The Animal Farm which included Pony Rides sponsored by AcCare drew large crowds as did "The Forestry SA Friends of Native Wild Life", complete with snake pit and education program.

Participants on the day as well as the volunteers applaud the Mayoress' Family Fun Day Committee's efforts to produce this event.



Main Corner Development

The Main Corner project is much anticipated and will be one of the most exciting developments for Mount Gambier in recent times and is a key component of Councils Towards 2015 Vision.

The project started out as a desktop exercise to develop concepts for the Main Corner prior to handover of ownership of the former RSL property in April 2009. It has now become an actioned project at an estimated capital cost of \$7.4M.

Funding from the Federal Government's Regional and Local Community Infrastructure Program - Strategic Projects as part of the 'Stimulus Package' (\$1.5m) along with various other funding sources (including \$1.0m from the State Government) Council was able to commence this stage of Councils Towards 2015 Vision in June 2010.

Key features of the design will be a new entrance to the complex and the Riddoch Art Gallery space as part of a bold vertical entry statement curved in the shape of a sinkhole. The rest of extension to the building will only cover a small portion of the site (around 36%) to enable vistas through the site from the main corner into the Cave Garden and toward the New Library beyond. The extension will house an entrance foyer, multi-purpose reception area and feature staircase utilising the old fire stair treads from the original dress circle of the King's Theatre (upper section of the Riddoch). Other functionality of the extension will include loading access from Bay Road for gallery purposes, a new lift as well as a storage room for exhibition crates. A suspended upper level, or mezzanine, 'Exhibition Foyer' will complete the new extension component of the building and further link the ground level spaces to the redeveloped first floor of the complex.

Redevelopment works within the Riddoch building itself will include a total revamp of the existing lower galleries, a new first floor to utilise the derelict upper level for multifunctional community purposes such as specialised exhibitions, multi-media and conference type use. In addition to the new upper floor, the existing tiered seating component of the northern end of the first floor will be redeveloped as a lecture theatre seating around 100 people and conveniently also accessed from the upper level of the Institute adjacent the College and Leadlight Rooms. At ground level the existing building will also undergo a facelift to its under-stage storage zones and incorporate the introduction of a centrally located commercial grade kitchen to cater for both the spaces of the Main Corner Development and the City Hall further enhancing the functionality of the overall complex.

The building will comprise of nearly 500m² of new multifunctional space as well as nearly 900m² of revamped gallery and multi-purpose zones within the existing building. The redevelopment of the Cultural and Heritage Precinct will enhance the artistic culture and arts of the region on an ongoing basis and centred on our 'Main Corner'.

The project formally commenced in June 2010 following an exhaustive planning assessment process where the building design and features were tested in regards to heritage restraints and building code requirements. The project will now follow a project construction timeline of some 12 months. Chapman Herbert Architects have been engaged by Council to project manage the construction and complete the final design drawings for approval.

Dycer Constructions successfully tendered for the project as the Construction Manager and will lead the process of selecting and managing the trade packages who will carry out the work as well as certify the construction of the building in its various stages.

Home Assist Program

Council made available the sum of \$13,460 in 2009/10 to the South East Regional Community Health Service for the Home Assist Program (HACC) to eligible clients in the Council area. The level of service provided to that of need within the community is always challenging.

Mount Gambier and District Community Health Service, through the Home Assist Program, supplied services in the categories of domestic assistance, personal care, respite care, check visits, home help, food services, nursing services, social support and transport.

In partnership with the above Services and the significant funding they secure from HACC, the small Council contribution to the overall costs has been well utilised for the benefit of the members of the Mount Gambier community.

Based on previous year's statistics the Home Assist Program within Mount Gambier and District will provide some:-

- 45,000 services to over 2,000 clients;
- Services include social support, respite services, home maintenance, home modifications and home help.

Mount Gambier Library

Council's aspirations for a new library were realised on December 17th 2009 when the doors to the City's state of the art facility opened for the first time. 7,000 eager community members showed their support and appreciation by braving the weather to experience what has now been hailed "The best smaller city public library in the world"

The vision behind the new library aimed to:

- Showcase examples of excellence in library spaces, programs and use of information technology
- Target services and programs to promote learning and literacy
- Maximise access to technology to enhance community capacity in an online world
- Promote the library as a place for community activity
- Build partnerships with allied organisations as partners and champions of the library
- Promote the role of the library in preserving local history and heritage

All this and more has been achieved with:

- Welcoming spaces
 - That delight visitors and have a character reflecting local culture and community aspirations
 - That are flexible, vibrant, safe, multiple use community spaces
 - Co-located with complementary community facilities and commercial outlets to enrich visitor experiences and share infrastructure
 - Future focused and ecologically sensitive in design, construction and operation
- Connecting people
 - Promoting the library as a community gathering place
 - Development of partnerships with community groups to deliver public programs, events and initiatives
 - Provide the opportunities for learning, collaboration and cultural expression with appeal to people with varied backgrounds and interests
 - Maximise access to digitised information resources enabled by Web 2.0 technologies
 - Employing people with a range of skills to respond to community needs

- Learning and Leisure
 - Support the love of reading and broad literacy development through innovative programs and services
 - Add value by providing personalised services for reading and information
 - Provide 24/7 access to resources through online services and also extended opening hours and opening days
 - Create partnerships to provide learning opportunities
- Embracing technology
 - Provide greater access and opportunities for technological literacy through training programs and support
 - Exploit Web 2.0 technology to enable clients to create their own resources and develop interactive library spaces
 - Use technology to improve customer services and utilise employee skills eg RFID, self service loans and automated returns
 - Provide access to broadband and wireless solutions

The success of the new Mount Gambier Library has been overwhelming. The community of Mount Gambier have embraced the new library with its spacious layout and state-of-the-art facilities so much so that the loan rate has increased by 48% and the visitation rate has increased a massive 400%.

Most new libraries experience a 100% increase in visitation but the success of the new Mount Gambier Library is unprecedented in the history of South Australian libraries if not Australian libraries.



Mount Gambier Library cont.

VISITS

Previous to the opening of the new Library the monthly visitation was in the order of 10,000 to 11,000 visits, in comparison, for the first six months of 2010 the monthly

average was around 50,000 visits although the monthly visitation for June has dropped to around the 45,000 mark.

| LIBRARY VISITS 2009/2010 | | | | | | | | | | | | |
|--------------------------|--------|--------|--------|--------|-------|--------|--------|--------|--------|--------|--------|--------|
| | JULY | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUNE |
| Mount Gambier | 11,065 | 10,206 | 10,573 | 10,466 | 9,667 | 17,229 | 53,172 | 48,369 | 51,991 | 50,489 | 49,514 | 45,471 |

These statistics only reflect the door counter mechanism that is installed at the main entrance door and does not include persons who may enter via the coffee shop entrance.

Weekend Visits

Saturday opening hours for the first three months of 2010 remained at the traditional 9.30 a.m. to 12.30 p.m. hours.

Visitation for Saturdays during February and March averaged out at approximately 1,000. The 1,200 average recorded visits during January reflect both the introduction of a new facility and school holidays.

Saturday opening hours changed to 10.00 a.m. to 4.00 p.m. from 10th April, 2010 – and the following statistics report on the first full month operating on the new weekend hours.

Sunday openings were introduced from 31st January, 2010 (10.00 a.m. - 4.00 p.m.).

Saturdays are now averaging attendances of 1,400 - 1,500 patrons whereas Sundays are averaging around 1,400 patrons.

June weekend patronage reflects the success of the Environment Week activities within the community.

| WEEKEND VISITS | | | |
|----------------|----------|--------|--------|
| | SATURDAY | SUNDAY | TOTAL |
| January | 6,084 | 1,100 | 7,184 |
| February | 6,046 | 5,211 | 11,257 |
| March | 4,126 | 6,877 | 11,003 |
| April | 5,216 | 2,912 | 8,128 |
| May | 5,647 | 4,910 | 10,557 |
| June | 5,917 | 5,960 | 11,877 |



Mount Gambier Library cont.

Mount Gambier Library Service Statistics 2009/10

| | MOUNT GAMBIER | PORT MACDONNELL | TOTAL | 2008/2009 |
|------------------------------------|------------------|--------------------|----------------|----------------|
| Loans | | | | |
| Adult Fiction | 81,188 | 4,957 | 86,145 | 59,077 |
| Adult Non-Fiction | 21,144 | 821 | 21,965 | 28,221 |
| Large Print | 35,250 | 724 | 35,974 | 41,850 |
| Adult Paperback | N/A | 940 | 940 | 14,503 |
| Childrens Fiction | 55,779 | 2,770 | 58,549 | 33,978 |
| Childrens Non-Fiction | 5,945 | 237 | 6,182 | 4,985 |
| Childrens Paperbacks | N/A | N/A | 0 | 18,999 |
| Graphic Novels | 4,042 | 180 | 4,222 | 1,885 |
| Sports Equipment | 22 | 0 | 22 | 79 |
| Jigsaws | 635 | 0 | 635 | 566 |
| Magazines | 12,927 | 809 | 13,736 | 13,469 |
| Music CD | 7,409 | 3 | 7,412 | 5,698 |
| CD ROM | 1,364 | 12 | 1,376 | 593 |
| Video | 729 | 55 | 784 | 7,041 |
| DVD | 73,071 | 10,770 | 83,841 | 62,507 |
| Cassette Books | 387 | 4 | 391 | 351 |
| Hear a Books | 5,834 | 76 | 5,910 | 5,946 |
| LOTE - Language other than English | 340 | 0 | 340 | 436 |
| Interlibrary Loans | 1,582 | 24 | 1,606 | 2,046 |
| Other loans | | | 0 | 6,519 |
| TOTAL | 307,648 | 22,382 | 330,030 | 308,749 |

| | 2009/2010 | | | 2008/2009 |
|---|------------------|--------------------|---------|-----------|
| | MOUNT GAMBIER | PORT MACDONNELL | TOTAL | |
| Door Count | 368,212 | 21,458 | 389,670 | 144,678 |
| Internet (hours) | 18,612 | 3,689 | 22,301 | 17,018 |
| Story telling - Under 5's & Baby Bounce | 2,775 | 417 | 3,192 | 4,524 |
| Holiday Activities | 1,200 | | 1,200 | 1,500 |
| School Visits | 4,027 | 120 | 4,147 | 4,128 |
| Adult programs | 321 | | 321 | 161 |
| JP Service | 517 | | 517 | 73 |
| Visits per head of population | | | 12 | 4.6 |
| Number of Borrowers | | | 15,725 | 15,200 |

(Borrower files were archived on 1st July 2010 and the figure above represents a true account of active borrowers)

Mayoral Christmas Appeal

The 2009 Mayor's Christmas Appeal raised the magnificent sum of \$22,330 and donations were provided to six local charitable organisations, namely Salvation Army, Jubilee Care, St Vincent de Paul, Uniting Care, Anglican Care and Lifeline, for the distribution of Christmas hampers and other benefits to persons/families in Mount Gambier and district.

Donations to Agencies were:

| | |
|----------------------------|----------|
| Jubilee Care | \$3,200 |
| Uniting Care | \$5,000 |
| St Vincent de Paul Society | \$6,100 |
| Salvation Army | \$7,600 |
| Anglican Community Care | \$3,500 |
| Lifeline South East | \$1,600 |
| | \$27,000 |

The donations to the above agencies supported 655 adults, 633 children and distributed 517 hampers and 145 vouchers to support those in need during the festive season.

Significant donations received were as follows:-

| | |
|---|---------|
| K & S Freighters Pty Ltd | \$1,000 |
| Group Training Employment | \$1,000 |
| UFS Chemist | \$1,000 |
| OG Roberts & Co | \$1,000 |
| Rotary Club of Mount Gambier West (Party after Parade) | \$1,285 |
| Rotary Club of Mount Gambier | \$1,000 |
| Rotary Club of Mount Gambier Lakes (Blue Lake Carols) | \$2,242 |
| Mount Gambier Christmas Parade donations (Youth Advisory Committee collections) | \$3,468 |

The Combined Christmas Appeals Committee also hosted a Christmas function for volunteers who support the distribution of Christmas cheer in the community. The event attracted approximately ninety community members who enjoyed an afternoon tea and Christmas carols performed by students from Mulga Street Primary School.

Due to the outstanding generosity to the 2009 Mayor's Christmas Appeal and following a recent meeting with representatives of the local welfare organisations, the planning committee has recommended that the donations for 2010 to the local welfare organisations be maintained at \$27,000.

The full value of the donations to each local welfare organisation is to be made in early December 2010 to provide funds in advance for purchases of foodstuffs for the Christmas hampers.

The 2009 Appeal exceeded our expectations and the Mayor and the Committee representatives feel quite humbled by the continued generosity of our community.

Financial transactions for the year were as follows:

| | \$ |
|--|-----------------|
| Balance brought forward 1st April 2009 | 45,961 |
| Plus income: | |
| Donations | 22,330 |
| Interest | 362 |
| Total Funds | 68,653 |
| Less Expenditure: | |
| Donations | 27,000 |
| Bank/Govt Charges | Nil |
| Total Expenditure | 27,000 |
| Balance as at 31st March 2010 | \$41,653 |
| Funds held: | |
| Cheque Account | 41,653 |
| Fixed Deposit | 5,874 |
| | \$47,527 |



Mayoral Gala Performance

The Mayoral Gala Performance is recognised as the premier performing arts event held in the region.

The Performance, held on Saturday 5th June 2010, continues to be a focus event for performing artists of the region, who by invitation, are recognised for their talent and are no doubt proud to be part of the Mayoral Gala concept.

The Performance, held annually at the Sir Robert Helpmann Theatre is proudly sponsored by Van Schaik's Bio Gro and is supported by the City of Mount Gambier and the media of Mount Gambier.

- The Committee membership includes:
- His Worship the Mayor, Mr Steve Perryman
- Cr John Kyrimis, Presiding Member
- Mrs Barbara Lees-Margiotta, OAM, Artistic Director
- Mrs Marlene Doody, Stage Manager
- Mrs Pamela Walker OAM, Musical Director
- Mr Grant Humphries
- Ms Gina Ploenges
- Mrs Jacinta Reid
- Mrs Dianne McEwen

Hannah Bruhn was announced the winner of the 2010 Mayoral Gala Award on Saturday evening, 5th June 2010.

Hannah displayed her vocal talent by performing "Star Vicino", "Don't Know Why", "I'm Not That Girl" and "You're Still You".

The 2010 Mayoral Gala Performance also featured former local performer, Stuart Day.

Born in Queensland in 1962, Stuart moved to Mount Gambier with his family at the age of six where he developed a passion for music and performing arts which has flourished into an award winning career.

Stuart is a composer, songwriter, music producer and multi-instrumentalist who has worked in a wide range of musical settings over thirty years. His music has been heard from country pubs in the Australian outback to TV screens and theatre stages around the world.

He has composed, performed, recorded and designed music and soundscapes for plays, dance works, installations, documentaries, television, radio and children's theatre and played in punk, funk, country, cabaret, folk, blues, roots, rock and reggae bands too numerous to mention.

Commissions include: ABC Television and Radio; State Theatre Company of South Australia; Queensland Theatre Company Patch theatre; Brink Productions; Windmill National Children's Theatre (Riverland - Helpmann award winner 2005); Flinders University; Rockola; Cirkidz; Restless Dance; Kneehigh Puppeteers; Leigh Warren + Dancers and the Australian National Playwrights Conference.

Stuart has organised and run music workshops with participants of all ages and abilities. Topics have included music technique, songwriting, recording concepts, mentoring, band dynamics, drama and sound awareness in settings as diverse as regional high schools, urban community centres and remote Aboriginal communities.

He has recorded over 25 albums with various groups including the ARIA nominated The Black Joke by The Barkers (contemporary folk - 1997). His 80's band FAB was named one of the 50 most significant S.A. music acts (Sunday Mail 19/06/05). His current band The Beggars has had a recent #1 hit on the European Country Music airplay charts with The Banjo Song.

His various performances at international events include - New Visions New Voices (Kennedy Centre, Washington DC), New Victory Theatre (Broadway, New York), Shanghai International Arts Festival, AN Creative Dance (Tokyo), Hakashu Butoh Art Camp (Japan), Berlin Country Music Messe (Germany); Sydney Spring New Music Festival, Adelaide Festival and Fringe, Perth International Arts Festival, Come Out Youth Art Festival, Womadelaide, Gympie Muster, Tamworth Country Music Festival, Port Fairy Folk Festival, Victor Harbor Folk Festival, Narooma Blues and Roots Festival and Wintersun in Queensland.

Other local persons invited to participate at the 2010 Performance included:

- Jessica Allison
- Limestone Coast Jazz Orchestra
- Matt Cram
- Phoenix Rise Choral Ensemble
- Joseph Lisk

Cr John Kyrimis, Presiding Member of the Mayoral Gala Performance Committee praised the quality of all 2010 performers and commented that the aim of the City of Mount Gambier Mayoral Gala Performance is to recognise the performing arts talent in the region by showcasing this local talent in one Gala Performance.

Mayoral Gala Performance is widely recognised as the regions premier performing arts event.



Memories in a Suitcase

The “Memories in a Suitcase” sculpture was created as part of the celebration of the contribution of migrants to the community of Mount Gambier, in particular post-war migrants. Silvio Apponyi was commissioned to create a large scale granite sculpture shaped as a suitcase, the suitcase was an icon selected by the community that represented their journeys from across the globe to Australia, it is considered a timeless symbol.

The “Memories in a Suitcase” sculpture was completed in March 2008, and was held in storage at Council awaiting installation as part of the landscaping features of the new Mount Gambier Library and Community Centre / Civic Plaza.

The unveiling of the sculpture at the new Civic Plaza location took place on 17th December 2009 as part of the ceremonies to mark the official opening of the new Library and Community Centre on that same day.

Men’s Shed

Council had initially worked with a group of men with the aim of establishing a Men’s Shed in Mount Gambier. A public forum was held in July 2009 and the interest shown at this event was encouragement to continue with the project. A steering committee was formed and through their work a constitution has been prepared and the organisation is seeking Incorporation. A building committee was established to plan for a custom built facility. The group currently meets in the Library with occasional activity in the Old Mount Gambier Gaol Community Garden. The Men’s Shed are currently awaiting advice from Council regarding suitable land upon which a building could be constructed.

Men’s Sheds are seen as a vehicle for promoting health in Men. It is recognised that a shed is a “man’s space” and according to Associate Professor Gary Misan PhD. In his research paper Men’s Sheds: A Strategy to Improve Men’s Health; in the Australian male culture “it is a place where men retreat from the hectic pace of work, life and family to make or repair things and to enjoy the company of other men”.

Assoc. Prof. Masin claims that the key benefits of men’s sheds is in decreasing social isolation, creating friendship, and enhancing self esteem. Men come to sheds for comradeship, for socialisation, to learn new things, to regain a sense of purpose in life, and to be able to contribute to their community.

Seating

Mobile seating for major events is slowly becoming a reality as Council continues to construct small sections of grandstand seating (which can be moved from one location to another).

This project has been made possible after Council was successful in gaining access to 700 seats from the Adelaide Oval (our gratitude to the South Australian Cricket Association).

This year saw the construction of two (2) new banks of seats (each of 18 seats) that adds to the available stock.

It is anticipated this project will continue until all the seats are constructed to become mobile grandstands.

To date Council has constructed:

- 1 x double bank of 42 seats
- 9 x single banks of 18 seats

Some of these banks are located at different ovals/sporting grounds across the City.

Mount Gambier Christmas Parade 2009

The WIN Television Mount Gambier Christmas Parade delighted the people of Mount Gambier and district for the fifty first time in 2009 as it heralded the arrival of Father Christmas to the City.

The Parade attracts a wide variety of community participants from service clubs, schools, families and individuals who all work together to bring a high quality event to the community.

Perfect weather drew a large audience to the 2009 Parade which again featured The Blue Lake Brass Band Festival. Visiting band entries continue to be a great addition to the Parade, performing much loved Christmas carols along the length of the parade route.

Peter Mounsey, Christmas Parade Development Advisor created a fantastic new float "Christmas in Toy Town". This self drive float was an instant hit with its bold design and colours.

WIN Television provided the following awards for the 2009 Parade winners:

| | | |
|-------------------------------------|--|--------------------------------|
| MOST OUTSTANDING ENTRY | Compton Primary School | "Beatlemania" |
| BEST CHRISTMAS THEME | SE Accommodation Services | "The Christmas Lakers" |
| BEST CLUB OR COMMUNITY ORGANISATION | Synergy Dance | "Centro Synergy Dance Stars" |
| BEST SCHOOL ENTRY | Tenison Woods College Junior School | "In the Jungle" |
| BEST OUT OF TOWN ENTRY | Allendale East Area School | "Jungle Safari" |
| BEST MUSICAL ENTRY | Mount Gambier High School | "Mount High's Christmas Cheer" |
| BEST INDIVIDUAL ENTRY IN PARADE | Ben Sparrow | "Clown on a Tricycle" |
| ENCOURAGEMENT AWARD | Mount Gambier & District Bicycle Users Group | "A Happy Cycling Christmas" |
| BEST BRASS BAND | NON PROFESSIONAL | Geelong West Brass Band |



Mount Gambier

Christmas Parade 2009 cont.

The financial transactions of the Parade Committee for the year ended 30th June 2010 is detailed as follows:

| | |
|---|-----------------|
| OPENING BALANCE AS AT 1 JULY 2009 | \$12,650 |
| RECEIPTS | |
| Council Donation | \$10,000 |
| Donation for Christmas Stocking - Chamber of Commerce | \$200 |
| Donation for Hansel and Gretel – Harvey Norman | \$200 |
| Donation for Toyland Float - Out of School Hours Care Program | \$1,000 |
| Donation for Christmas Star Float | \$- |
| Bank Interest | \$- |
| Sales | \$- |
| | \$11,400 |
| | \$24,050 |
| PAYMENTS | |
| Reimburse to Council | \$9,092 |
| Photography | \$337 |
| Advertising | \$106 |
| Lions Club Brass Band Festival | \$4,000 |
| Printing | \$532 |
| Bank Charges | \$- |
| Donation to Marshalls | \$600 |
| Donation to Program Distributors | \$200 |
| Donation to St Johns Volunteers | \$150 |
| Trophies | \$38 |
| | \$14,680 |
| BANK BALANCE AS AT 30 JUNE 2010 | \$9,370 |

Passenger Bus Facilities

The need for more formal and improved passenger bus facilities for Mount Gambier has been a matter before Council and the community for some time.

During 2009/10 Council agreed to investigate the possibility of better facilities being located at "The Lady Nelson" Visitor and Discovery Centre. Council engaged local consultants to undertake an analysis of the site and provide a concept

design for such a facility. In December 2009 that concept (which involved a rearranged car park, slip lane into the Lady Nelson site off Jubilee Highway East, pedestrian walkways and undercover canopies) was presented to Council and left lie on the table pending further consideration as to future affordability of the capital works suggested.

Old Mount Gambier Gaol

The current lease over the Old Mount Gambier Gaol expires on 30th September 2010 and during 2009/10 Council resolved:

- not to negotiate a new lease to the current occupier
- to commence a comprehensive community consultation process to identify new uses and occupiers for the facilities

A series of community open days and community meetings were convened and extensive publicity resulted in a number of organisations and persons expressing an interest with Council in respect of the Old Mount Gambier Gaol.

Through continued negotiations and forums with the various expression of interest organisations and individuals, Council developed a final list of four possible preferred primary occupiers for continued discussions. The other expressions of interest were listed as secondary occupiers and could form a part of the final occupation structure under the final primary occupier licence.

Council in July 2010 resolved to negotiate more formally with a preferred primary occupier.

Those negotiations will require the preferred primary occupier to address a range of Council requirements including:

THE COUNCIL VISION

The Council vision for the Old Mount Gambier Gaol complex is to have a fully viable, functional and community connected asset that will:

1. add real value to the social capital of Mount Gambier by its presence and the activities therein;
2. be accessible to the community as a genuine community facility and comprise a range of events, services, programs, activities that will encourage and promote community use and visitation;
3. integrate with and be a part of the entire precinct of Olympic Park and Reidy Park and all of the existing community activities now occurring across the entire precinct;
4. repair, refurbish, develop and renew the Old Gaol at minimal cost to Council or a partnership scheme that can maximise the Council's financial contributions to its renewal and in a manner which respects and recognises the benefits of its history and heritage;
5. build tourism and visitor experiences and provide a level of quality backpacker accommodation and services and be an integral part of the complex, the precinct and the community;
6. connect with and utilise the complementary skills and needs of other community sectors to provide activities that enhance the complex within an overarching theme;
7. be extremely professionally managed, with onsite supervision and control, creative promotion and community engagement;

8. be financially viable and sustainable long term without operational support from Council and in time provide a direct financial return to Council.

MATTERS FOR NEGOTIATION

Council has resolved to continue negotiations which will include reference to:

- i. the long term viability of any proposed occupation and use
- ii. that the primary occupier may wish to negotiate with the other expression of interest groups to determine if it can utilise any needed skills, expertise, access needs, community involvement and community enhancements to maximise the Old Mount Gambier Gaol;
- iii. that the primary occupier is encouraged to embrace (as part of its formal business plan) Council's Vision and Goals for the complex as detailed in Corporate and Community Services Report No. 33/2010 and being items (1) to (8) above;
- iv. that the primary occupier needs to now work with Council to formalise:
 - the business plan for the complex
 - the operational plan to enable the implementation of their vision and that of Council
 - the capital renewal plan for the built form comprising the Old Mount Gambier Gaol noting its State Heritage status
 - the capital renewal plan to detail their own contributions to that renewal e.g. free labour/funds etc
 - their capacity to maintain the premises and their own occupation and cash flow requirements as they build the viability and profitability of the business over time
 - potential future rental returns to Council over the 5 year term of the lease (and its renewal) and a methodology regarding rentals to Council
 - the eventual formal leasing of the facility and its grounds from Council under terms, conditions and performance indicators to be developed and agreed
 - the eventual transfer and timing of occupation from the current lessee to the new lessee and other matters such as:
 - leasing terms and conditions e.g. 5 years plus R of R of 5 years
 - annual rental to Council (noting that the first year may be rent free)
 - insurances (including public liability)
 - key issuing/security
 - onsite resident management
 - transfer of utility accounts

Proactive Security Foot Patrolling Within City Centre

The Mount Gambier Licensed Premises Accord Group comprises Police, Office of Liquor and Gaming Commission, Council, Licensees of Hotels/Clubs able to operate after 1.00 a.m. and other key stakeholders.

The Group believe that the security foot patrol presence must continue to ensure even higher levels of acceptable public behavior as well as provide vital and valuable support to local Police in their extremely demanding work for the community.

Members of the Group and others closely associated with activities of licensed premises e.g. taxis were very willing to again support this proactive initiative and some of the licensees of the Group financially contribute to the costs collectively (45%), as well as Council (51% of costs) and Taxi Operators (4%).

The security foot patrolling operates each weekend and with continuing success.

The contractor is Green Triangle Security.

Detailed weekend reports on observations and activities within the patrolled area are provided to Council and Police by the Contractor.

Council and Police have been particularly impressed with the willingness and genuine interest in the continuation of the security patrol initiative on a permanent basis by the licensed premise proprietors involved and other businesses who are the true “drivers” of this project.

YPN - Your Professional Network

Your Professional Network (YPN) is a social and professional support network that provides an opportunity to meet other like-minded people in Mount Gambier, particularly those who have relocated for employment/career purposes and have no personal or professional connections to rely upon.

YPN assists new people in the local community to feel welcome and creates opportunities for personal and professional networking, increasing the likelihood of them settling or at the very least, enabling them to act as great advocates for the region due to their positive experiences.

YPN co-ordinates a monthly ‘connect’ event sponsored by local businesses and also promotes a monthly social program designed to cater for the interests of a wide audience. Some of the more notable functions held throughout the year include the annual Welcome function in March which kicked off the YPN year, the Coonawarra After Dark and Coonawarra Arts Festival bus trips and hosting UniSA students involved in the Mount Gambier teaching practicum.

YPN introduced for 2010 The Table of Eight series, a unique networking and mentoring opportunity that connects YPN members with a guest - a leading local business entrepreneur or educator - over a private meal to learn from the successes and challenges they have experienced while establishing and building their business/career in our region.

YPN has been recognised by the local business community as a valuable conduit to a skilled workforce that compliments a number of workforce retention strategies. YPN has a strong membership and will continue to support our local professional workforce whether new or seasoned to Mount Gambier.



Youth Advisory Committee

Councils Youth Advisory Committee is now in its eighth year of operation and continues to attract a wide cross section of young people to its membership. Meetings during 2009-2010 have averaged attendance of 18-24 members on each occasion. City YAC membership currently spans the entire 12 to 25 youth age range.

Highlights of the year have included the following:

YOUTH PARLIAMENT 2009

Youth Parliament has become a permanent fixture of the Youth Advisory Committee program. Each year members of the YAC volunteer to participate in this Statewide program at Parliament House, Adelaide. It is a large commitment on the part of the participants as they spend many months researching and writing parliamentary bills and speeches in preparation for the week long Youth Parliamentary session. In 2009 team members Ryan Hodgman, Tim Newport, Hannah Pham, Sarah Dickins and Grace Ploenges-Beltchev tabled the "Mandated Immunisation Act 2009" for debate in the Upper and Lower Houses of Youth Parliament. Grace Ploenges-Beltchev was recognised as Deputy Leader of the Opposition and Sarah Dickins received a highly coveted "best speaker" award.

VOLUNTEERING

The City of Mount Gambier Youth Advisory Committee is very proud of the number of volunteer hours they contribute to a wide variety of youth and general community events. In the past twelve months YAC members have given their time, energy, enthusiasm and skills to the following:-

- Clean Up Australia Day 2010
- Mayoress' Family Fun Day 2010
- Youth Week 2010
- Mayor's Christmas Appeal 2009 - the YAC has now raised \$12,000 over four years.
- Leukemia Foundation "Light the Night" 2009
- Relay for Life 2010
- Australia Day Breakfast 2010

WHAT WORKS

One of the achievements of 2010 has been the launch of the Foundation for Young Australian's publication "What Works", an online resource that celebrates the work of youth-led organisations across the country and highlights best practice in running them successfully.

The City of Mount Gambier Youth Advisory Committee is included in the publication as an example of best practice of "What works in the Youth" sector. You can download the document from www.fya.org.au

NATIONAL YOUTH WEEK 2010 - LIVE IT NOW

The City of Mount Gambier Youth Advisory Committee put together a comprehensive program with a variety of activities, which included:

Music on the balcony of the Mount Gambier Library and Community Centre

- Sausage Sizzle
- Mocktails
- Subsidised Movie Night
- Launch and Loc8 - a treasure hunt
- Youth Week concluded with members of the City of Mount Gambier Youth Advisory Committee coming out in force to volunteer for the Grant District Council Battle of the Bands at the Glenburnie Race Course

REFUGEE WEEK

The City of Mount Gambier Youth Advisory Committee has been working towards greater involvement with young humanitarian refugees who now call Mount Gambier home. Refugee Week offered the opportunity for members of the City of Mount Gambier Youth Advisory Committee and members of the Migrant Resource Centre Youth Group to come together and take part in ten pin bowling and share a meal at the Mount Gambier City Bowl. The event was extremely successful with over 40 young people taking part. All involved hope this event leads to future collaborations between the City a YAC and the MRC youth group.

Australian Citizenship

During the 2009/10 financial year, eight (8) Citizenship Ceremonies were conducted.

A total of forty five (45) persons received Australian Citizenship, and we welcomed new members to the community from:

Cuba, Finland, Iceland, India, Ireland, Italy, New Zealand, Papua New Guinea, Republic of South Africa, Sri Lanka, Sudan, United Kingdom, United States of America, Vietnam, Wales and Zimbabwe.

At each Citizenship Ceremony, members of Soroptimist International of Mount Gambier presented a native tree or shrub to each candidate.

Infrastructure Statement



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Aquatic Centre

The Mount Gambier Aquatic Centre continued to provide Learn to Swim programs to the local community during 2009/10. These programs included VacSwim and 'in house' programs.

Council has continued to maintain this community asset with completion of wet deck tiling.

Local Manager, Peter Collins has continued to "grow the business" and has worked hard to promote this facility, with the aim of retaining current customers and encouraging new swimmers to the Centre.

Daily patronage is very temperature dependent, with daily maximum temperatures below about 26° to 27° resulting in low daily attendance figures.

The facility was again independently audited during 2009/10 for Risk Management and as with previous years, the Centre achieved extremely high scores, indicating the value of well maintained and a well managed facility.

The following statistics are provided for 2009/10:



| INDIVIDUAL ADMISSIONS | |
|------------------------------------|---------------|
| Swimming - Adult | 3,264 |
| Swimming - Child | 7,267 |
| Swimming - Spectator | 606 |
| Swimming - Pensioner | 307 |
| Swimming - Family | 161 |
| Aquavoucher Return - Pensioner | 86 |
| Swim School - Preschool | 1,849 |
| Swim School - School age | 3,414 |
| Swim School - Adult | 30 |
| Season Pass – Laps | 4,046 |
| Season Pass – Swimming Lessons | 2,234 |
| Lap Swimming | 1,984 |
| VacSwim | 2,173 |
| Carnivals - General | 636 |
| Carnivals – School | 1,445 |
| Education Department - Primary | 13,910 |
| Education Department - Jnr Primary | 4,981 |
| Aquavoucher Return - Adult | 163 |
| Aquavoucher Return - Child | 110 |
| Fitness (aqua aerobics) | 670 |
| Swim Club | 429 |
| School Groups | 1,444 |
| Individual Total | 49,767 |
| Comparison 2008/09 | 44,895 |
| HIRE GROUPS | |
| Royal Life Saving Society | 187 |
| Hire Group Total | 187 |
| Comparison 2008/09 | 83 |
| COMPLIMENTARY ADMISSIONS | |
| No Charge Spectator | 12,337 |
| Education Department - Teachers | 1,123 |
| Complimentary Total | 13,460 |
| Comparison 2008/09 | 9,987 |
| TOTAL ATTENDANCES | 64,856 |
| Comparison 2008/09 | 54,965 |

Bicycle Paths

Council received funding from the Department for Transport, Energy and Infrastructure for enhancements to the Bicycle paths and two (2) bicycle routes were enhanced in 2009/10; the Mulga Street to St Martins School route and the Conroe Drive area.

Council will aim to continue with the provision of infrastructure in accordance with the revised plan and hopes to secure State Government funding to continue with this worthy project.

Boundary Roads

The City of Mount Gambier and the District Council of Grant share responsibility for the network of roads that form the common boundary of the two (2) Council areas.

In 2009/10 both Councils contributed \$125,000 each to the Boundary Roads Program.

A combined application from the City of Mount Gambier and District Council of Grant resulted in funding of \$237,500 from the Special Local Roads Fund for the reconstruction of Tollner Road (Mount Percy road to the Basketball Stadium). The two (2) Council's matched the Government Funding dollar for dollar.



Cemeteries

The City of Mount Gambier is the legal owner of the lands, buildings and facilities at the Lake Terrace Cemetery and the Carinya Gardens Cemetery. The Mount Gambier Cemetery Trust (a Committee of Council) undertakes the care, control and management of Carinya Gardens Cemetery and Sections H and J at the Lake Terrace Cemetery.

The Mount Gambier Cemetery Trust is made up of:

- two Members of the City of Mount Gambier;
- one Member of the District Council of Grant;
- one representative of the Churches of Mount Gambier and nominated by the Mount Gambier Ministers' Association;
- one community representative.

The current Members of the Trust are The Reverend Canon Ashworth (Presiding Member), Cr Tony Pasin, Cr Byron Harfield, Cr Brian Collins and Mr Tony Bolton.

The Trust is a member of the Australasian Cemeteries and Crematoria Association (ACCA) and the Cemeteries Association of South Australia (CASA). Both industry bodies provide leadership, professional services and communication to the cemetery and crematorium industry.

The Trust is mindful of the need to keep fees to a minimum whilst at the same time providing quality facilities and services to the public.



CARINYA GARDENS CEMETERY

The Mount Gambier Cemetery Trust has demonstrated a keen desire to enhance and expand the grounds and facilities at Carinya Gardens Cemetery.

The Trust has previously adopted the 'Carinya Gardens Cemetery Master Plan' as its overall vision for the future development of Carinya Gardens Cemetery. It is envisaged the Plan will ensure the orderly development of Carinya Gardens Cemetery. Concepts provided in the Master Plan are expected to be gradually introduced over a number of years.

The progressive installation of concrete strips and head-blocks to burial lawns was completed during the 2009/10 year.

The total number of burials performed at Carinya Gardens Cemetery during the financial year was 136 compared to 132 in 2008/09. The total number of cremations performed was 230 compared to 256 in 2008/09.

The Carinya Chapel was utilised for 134 funeral services during the year. Of these, 73 were for cremation services, and 61 were for burial services.

LAKE TERRACE CEMETERY

(area managed by the Trust)

Section H contains a total of sixty (60) concrete burial vaults, of which forty eight (48) have either been utilised for burial or pre-leased. Section J of Lake Terrace Cemetery contains numerous ground burial allotments which provide an alternative to families who would prefer monumental style memorialisation rather than the standard memorialisation available at Carinya Gardens Cemetery.

For the 2009/10 financial year, one (1) burial was undertaken at Section H (vaults), and three (3) burials were undertaken at Section J (ground) at Lake Terrace Cemetery.

LAKE TERRACE CEMETERY

(area controlled by Council)

The Lake Terrace Cemetery is one of the oldest cemeteries in Mount Gambier and is still used from time to time.

In 2009/10 one interment of ashes was undertaken in Section B, one burial and one interment of ashes in Section K and one burial in Section M.

Children's Memorial (Lake Terrace Cemetery)

Council has been able to now develop a vision for the proposed Lake Terrace Cemetery Children's Memorial. Drawings and 3D images produced by Council were placed on public exhibition during May 2010.

The Lake Terrace Cemetery is of considerable heritage significance to Mount Gambier. In continuous use since 1868, the Lake Terrace Cemetery is the final resting place for many children. Many of the children's graves were never marked and some are no longer tended by relatives or friends, however there remains a very strong community commitment to remember all these children and the loss of any child within our community with a lasting Memorial.

The site of the Children's Memorial is proposed at the top of the main drive, recognising the importance of this memorial within the wider community. The Memorial Court structure is enclosed by a low limestone and dolomite wall on the uphill side, on which plaques can be attached. The lower side will feature a new artist designed or recycled metal fence reflecting the old cast and wrought iron fencing and within the enclosure a sculptural element of artist's design will be the central feature elevated on a dolomite pedestal. Seats and native plantings will also be provided for quiet solitude and reflection while at the memorial.

The design concepts for the Lake Terrace Cemetery Children's Memorial received support during the community consultation process and is planned for construction toward the end of 2010.

City Centre Urban Design and Traffic Management Plan

The City Centre Urban Design and Traffic Management Plan (prepared in 2007) assumes that the quality of the recent James Street urban upgrade works will flow through to all other works proposed in the City Centre.

In 2009/10 Council allocated funding to the following City Centre works:

- New walkway from James Street to Helen Street through the Coles carpark
- Upgrading of Engelbrecht Lane

Due to the construction works associated with the new Library the construction of the above projects only commenced late in the financial year and Engelbrecht Lane upgrade will carry over to the 2010/11 financial year.

Playgrounds

Council undertook the construction of a new playground at the William A Crouch Reserve on Crouch Street South. This playground was constructed at a cost of approximately \$35,000.



Infrastructure Works

ROAD CONSTRUCTION AND MAINTENANCE

Council has continued with its substantial program of reviewing existing roads within the City.

In 2009/10 the following projects were completed:

- Wehl Street South (James Street to Commercial Street)
- Wehl Street North (Jubilee Highway West to Boothey Street)
- Crouch Street North (Link Street to North Terrace)
- Commercial Street West (Gray Street to Bay Road)
- Tollner Road (Mount Percy Road to Milton Street)

Council also expended in the order of \$240,000 on the resealing of various roads, and \$23,000 (approximately) on providing a 'hotmix' asphalt overlay to intersections.

General road maintenance (including pot hole repair, signage, linemarking etc) was carried out to a value of \$112,895.

NEW DEVELOPMENTS

Residential development was again strong in 2009/10 and the construction of the following streets by either Council or contractors on behalf of numerous developers occurred:

- Bluebell Drive extension
- Dawn Court
- Ash Court extension
- King Grove extension
- Stuart Court extension
- Dolomite Drive
- Woodlands Drive extension

FOOTPATH CONSTRUCTION

In order to enhance and expand the footpath network within the City, Council expended in the order of \$334,000 on the following works:

- Resealing footpaths (\$30,000)
- Vivienne Avenue footpath (Allison street to Pinehall Avenue) (\$33,000)
- Dalkeith Drive shared path (\$5,000)
- Commercial Street East/West footpath reseals (\$125,000)
- new pram crossings (\$9,000)
- Bike path upgrades (\$60,000)
- Coles Carpark pedestrian link (\$72,000)

In addition to the provision of new facilities, Council expended in the order of \$287,913 on general maintenance of the footpath networks.

TRAFFIC MANAGEMENT

Council expended in the order of \$108,806 on general traffic management in 2009/10. This expenditure relates to maintenance of parking signs, traffic lights, pedestrian crossings, school crossing etc.

STORMWATER MAINTENANCE

Maintenance of the stormwater system is a major component of Council's annual works program, and the expenditure on this function in 2009/10 was approximately \$111,959. This work involves drain cleaning and repair and maintenance of the network of drainage bores (in excess of 400).



Street Trees

Council remains committed to its goal of a street tree planting program to populate the City's streets with 10,000 street trees by 2017.

To accomplish this objective, Council has to obtain a net gain on average of 300 new trees each year. The following table sets out the street tree program achieved for 2009/10.

| COMMON NAME | BOTANICAL NAME | STREET NAME | TREES BEING RETAINED | REMOVALS | PLANTINGS | NET GAIN |
|----------------------------|---|--------------------------------|----------------------|-----------|------------|------------|
| Biloxi Crepe Myrtle | <i>Lagerstroemia indica x L. Fauriei 'Biloxi'</i> | Marlow Court | 0 | 0 | 22 | 22 |
| Biloxi Crepe Myrtle | <i>Lagerstroemia indica x L. Fauriei 'Biloxi'</i> | Morphett Crescent | 0 | 0 | 8 | 8 |
| Indian Summer Crepe Myrtle | <i>Lagerstroemia indica x L. Fauriei 'Sioux'</i> | Calvary Road | 0 | 0 | 18 | 18 |
| Purple Leaf Cherryplum | <i>Prunus cerasifera 'Nigra'</i> | Lake Terrace East (North Side) | 0 | 9 | 37 | 28 |
| Purple Leaf Cherryplum | <i>Prunus cerasifera 'Nigra'</i> | Lansell Street | 2 | 4 | 23 | 19 |
| Crimson Spire Cherryplum | <i>Prunus cerasifera 'Oakville Crimson Spire'</i> | Lake Terrace East (South Side) | 0 | 9 | 33 | 24 |
| Southworth Dancer | <i>Pyrus betulaefolia 'Southworth' Dancer</i> | Ivy Place | 0 | 0 | 14 | 14 |
| Aristocrat Pear | <i>Pyrus calleryana 'Aristocrat'</i> | Dulkara Avenue | 0 | 2 | 64 | 62 |
| Capital Callery Pear | <i>Pyrus calleryana 'Capital'</i> | Dutton Street | 0 | 0 | 30 | 30 |
| Callery Pear | <i>Pyrus calleryana 'Glensform' Chanticleer</i> | Ash Court | 0 | 0 | 33 | 33 |
| Callery Pear | <i>Pyrus calleryana 'Glensform' Chanticleer</i> | Nedlands Avenue | 0 | 0 | 13 | 13 |
| Callery Pear | <i>Pyrus calleryana 'Glensform' Chanticleer</i> | Wehl Street North (West Side) | 0 | 3 | 15 | 12 |
| Manchurian Pear | <i>Pyrus Ussuriensis</i> | Peppermint Drive | 0 | 0 | 17 | 17 |
| Gawler Hybrid Bottlebrush | <i>Callistemon viminalis 'Harkness'</i> | Pannell / Paltridge Street | 0 | 10 | 66 | 56 |
| TOTAL | | | 2 | 37 | 393 | 356 |





Economic and Regional Statement



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Kanawinka GeoPark “Land of Tomorrow”

The Kanawinka Geopark Board is the evolution of the former Volcanoes Discovery Trail Cross Border Committee, an organisation established around 1995 which identified the need for and commissioned the preparation of a strategy for the volcanic assets of Victoria's western plains and the volcanic outcrops in south eastern South Australia.

The volcanic province of the western district of Victoria and south eastern South Australia is the most extensive in Australia, covering some 26,910 square kilometres across two states and seven Council areas.

It ranks with the top six most significant volcanic provinces in the world and contains six sites of international significance as well as nearly fifty sites of national, state or regional significance.

Whilst the aims of the former Volcanoes Discovery Trail Committee focussed principally on the implementation of a tourism marketing strategy, the goalposts and associated opportunities have dramatically shifted with the transition to Geopark status.

In 2006 the UNESCO Global Geopark network issued an invitation for the area of the Volcanoes Discovery Trail to apply for status as part of the international network of Geoparks.

Following submission of an application and an inspection process that occurred in the region in June 2007, the UNESCO International Geopark Conference held in Germany on 22nd June, 2008 Kanawinka Geopark was proclaimed as the 57th member of the Global Network of International Geoparks assisted by UNESCO.

Australia now joins 19 other countries and 64 National Geoparks as members of the UNESCO Global Network with the most prolific Geopark locations being in China (22) and Europe (35).

The initial focus of the Geopark Board is on the securing of funding through Government Programs that will enable the preparation of a strategic plan and the eventual implementation of that Plan.

The important aspects Geoparks are the links between the geology and the people, their stories, culture and history that build into a sustainable source of geotourism, bring jobs to rural and indigenous people and in turn help protect sites of importance and promote geoheritage.

THE VISION

To promote and enhance Kanawinka Global Geopark through community initiatives that creates real benefits by the development of sustainable tourism, public education, arts and culture.

MISSION STATEMENT

The committee's considerable achievements during the 2009/2010 year included;

- Bimonthly meetings well attended every time.
- Web site redesigned and registering hits with a new Domain suffix www.kanawinkageopark.org.au
- A new logo and branding developed and launched, now used on all publications.
- PowerPoint presentation being used to promote the Geopark to the tourism industry including Vic Tourism and SATC.
- Networking with Great Ocean Road Committee, Limestone Coast Tourism and Great Southern Touring Route Committee (member's active on both of these committees).
- Extensive advertising in tourism Guides - Limestone Coast, Great Southern Tourism News, Caravanning Australia.
- Signing of Sistering Relations for mutual promotion with Geoparks in China and Germany.
- Extensive advertising in Tourism Guides - Limestone Coast, Great Southern Tourism News, Caravanning Australia.
- Signing of Sistering Relations for mutual promotion with Geoparks in China and Germany.
- Negotiation to have the Cones of Kanawinka listed as among the Famous Mountains of the World in Mount Lushan, China in October 2009.
- Presentations at the 4th Global Geoparks Conference in Langkawi, Malaysia in April 2010.
- A display booth at the 2nd Geopark Fair in Langkawi, Malaysia in April 2010 where some 550 Visitor Guides were distributed along with many talks to significant Tourism bodies from around the Geopark network.
- Contacts and exchange of information commenced with Mayors and Councillors of Global Geoparks such as Itiogawa, Japan.
- A new and colourful Visitor Guide prepared, printed and launched.
- Annual Report produced.
- Committees established to carry out programs and planning for Geotourism, Economic Development and Management, Interpretation and Environment Education, Geology and Landscape, and Creative Kanawinka (Art and Culture).
- These committees have developed Policy and Plans.
- Community members have been engaged with skills to supplement existing skills.

Mount Gambier & District Tertiary Education Grants

Council continued the Mount Gambier & District Tertiary Education Grants program in 2009/10 as a means of recognising local skill shortages and to assist local students who are required to live outside Mount Gambier to pursue their course of study in a specific focus area.

The program aims to support and foster those persons who normally reside within our City and District and who need to leave our region in order to undertake studies in the identified skill areas required within our community. It is our hope that the students will return to our region after graduation.

Twelve Mount Gambier residents have been awarded donations from the Mount Gambier and District Tertiary Education Grant Program.

The value of the donation is \$2,000 each and a total distribution of \$24,000 was provided to the twelve successful applicants.

Twenty three excellent applications to the Tertiary Education Grants Program were received and the process of determining which of the applicants were to benefit from the program was extremely difficult.

The focus area for 2010 was medical and allied health studies/vocations and the Program is about providing some financial assistance to our residents who are required to leave our community to study degree programs in our focus area.

Funding for the grant program was provided by:-

- City of Mount Gambier
- Mount Gambier Private Hospital
- District Council of Grant
- Ken and Carol Stafford
- UFS Chemist
- Country Health SA (SERCHS)
- Barry and Shirley Maney
- Soroptimist International Mount Gambier
- Greater Green Triangle UDRH

Council is indebted to the above financial sponsors who through their vision and confidence, meaningful financial support can be offered to the successful students and their families to meet the very high costs of tertiary study.

Council was very impressed with the standard and number of our residents who are undertaking demanding study away from home in the critical areas of medicine and allied health.

Council extends its very best wishes to the successful recipients in their studies and we trust they obtain the success and rewards that come from dedication, commitment and desire to achieve.

It is the wish of the community partnership to support any initiative that strengthens and enhances our strategic objective for Mount Gambier to be a leading community in encouraging all forms of Lifelong Learning and assist in meeting local essential skills shortages.

Successful recipients in 2009/10 were:-

| RECIPIENT | COURSE OF STUDY |
|--|--|
| Aimie Laube | <ul style="list-style-type: none"> • Bachelor of Physiotherapy • University of South Australia • First year - Year of Graduation 2013 |
| Eloise Patzel | <ul style="list-style-type: none"> • Bachelor of Physiotherapy • Uni SA • First Year - Year of Graduation 2013 |
| Sarah Judd | <ul style="list-style-type: none"> • Bachelor of Physiotherapy • University of South Australia • First year - Year of Graduation 2014 |
| Nicholas Flood | <ul style="list-style-type: none"> • Bachelor of Physiotherapy • University of South Australia • First year - Year of Graduation 2013 |
| Sophie Radley | <ul style="list-style-type: none"> • Medical Radiation Studies • Uni SA • Third Year - Year of Graduation 2012 |
| Harriet Wallis MIM INGHAM MEMORIAL AWARDEE Soroptimist International Sponsorship | <ul style="list-style-type: none"> • Bachelor of Speech Pathology • Flinders University • Second year - Year of Graduation 2012 |
| Hannah Bruhn | <ul style="list-style-type: none"> • Bachelor of Health Sciences (Speech Pathology) • Charles Sturt University • First Year - Year of Graduation 2013 |
| Sasha Miles | <ul style="list-style-type: none"> • Bachelor of Psychology (Honours) • Flinders University • First year - Year of Graduation 2014 |
| Stephanie Lopriore GREATER GREEN TRIANGLE UDRH AWARDEE | <ul style="list-style-type: none"> • Bachelor of Psychology (Honours) • Adelaide University • First Year - Year of Graduation 2015 |
| Elise Thompson | <ul style="list-style-type: none"> • Bachelor Psychology (Honours) • Adelaide University • Second Year - Year of Graduation 2012 |
| Kimberley Muhovics | <ul style="list-style-type: none"> • Bachelor of Psychology (Honours) • Flinders University • First Year - Year of Graduation 2014 |
| Careen Lindsay | <ul style="list-style-type: none"> • Master of Psychology (Educational & Development) • Monash University (distance) • First Year - Year of Graduation 2014 |

Mount Gambier - a Lifelong Learning City

Council has a continuing desire (in collaboration with the community) for Mount Gambier to be a true "Lifelong Community Learning City".

Initially this desire was driven by Council's wish to recognise our local educational excellence from early childhood right through to our university and tertiary education presences.

During 2008/09 Council formed a dedicated Lifelong Learning Council Working Party comprising:

- Cr Jim Maher
- Cr Daniel McDonough
- Virginia Hill (community)
- David Meziniec (community)
- Sharee Cordes (community)

The City of Mount Gambier has now adopted Learning as a key theme and strategy. In the Council's Strategic Plan - Towards 2015, Learning is one of our key strategic goals and we are now moving forward strongly with a better articulated vision and strong community support.

Our fundamental focus is that learning in all its forms is a lifelong activity and is a core source of individual, social and community strength. This is reflected in the simple statement of our learning vision: "To enhance our community's quality of life through the development, recognition and celebration of lifelong learning".

It is not the role of Council to take responsibility for, nor to be a provider of education in our City however, Council does facilitate information sharing and broker cooperative opportunities which:

- Dramatically reflect our commitment to the value of learning within our communities of interest
- Reinforce the message that learning and education are fundamental building blocks of a strong community
- Understand the issues and opportunities facing education and advocate effectively on behalf of the community
- Foster a united and shared understanding of the way forward.

Through the continuing development of the Council's desire to be a "Lifelong Learning City", the working party have introduced a targeted media campaign aimed at parents and secondary students to increase the awareness of the tertiary education pathways that are present in Mount Gambier. The Live.Learn.Imagine campaign is gaining recognition and is well supported by both the educational sector and industry.

In addition, the working party regularly engage with Industry representatives to discuss:

- possible barriers that hinder local education and employment pathways
- industry preferred education sources for employee development
- the benefits of developing a Tertiary Education presence in the City

The City of Mount Gambier is committed to increasing the presence of tertiary providers in a collaborative manner for the mutual benefit of our community and the education sector and advocates for the delivery of programs that support our local industries.

The Mount Gambier Library plays a significant role in Councils strategic goal to become a Lifelong Learning community. The Library is a community learning facility that encourages learning and operates in a broader community sense and as a precursory feed into our Tertiary education options. Already recognised by the working party, learning takes on many forms and it takes a village to teach the child, therefore Councils contribution to the new Library can be interpreted as the 'village' supporting the cradle to grave philosophy for learning.

The City of Mount Gambier remains committed to enhancing our community's quality of life through the development, recognition and celebration of lifelong learning.

Live and Learn locally and Imagine what the possibilities could be ...

MOUNT GAMBIER
L I V E . L E A R N . I M A G I N E



Regional Funding Support

Throughout this Annual Report Council makes significant references to its genuine willingness to work regionally to further the common good of the South East region or the provincial regions of our State.

A vibrant and successful South East region will provide benefits to Mount Gambier and/or this Council.

The following are the more significant direct Council contributions it has provided to State and/or regional organisations for 2009/2010:

| | |
|---|----------|
| Limestone Coast Economic Development Board / Regional Development Australia | \$19,944 |
| Limestone Coast Tourism | \$55,287 |
| Local Government Association of South Australia | \$28,103 |
| Provincial Cities Association | \$10,678 |
| Regional Recreation and Sport position | \$9,920 |
| Riddoch Art Gallery | \$63,470 |
| South East Education and Training Association | \$4,000 |
| South East Local Government Association | \$40,197 |
| Volcanoes Discovery Trail Committee | \$4,500 |
| Regional Waste Management | NIL |
| Tertiary/Higher Education (Medicine/Allied Health Scholarships) | \$24,000 |
| Historic Celebrations (Admella – August 2009) | \$14,887 |
| Stand Like Stone Foundation | \$7,500 |
| Flinders University RCC – (IMMERSE) | \$5,000 |
| University of South Australia | \$3,027 |
| Lifelong Learning Initiatives | \$3,598 |

(Some incomes and/or grants may have been received to offset the costs of some of the above initiatives).



Visitor and Tourism

Tourism makes a significant contribution to Mount Gambier's economy, generating over \$100 million in annual expenditure and equating to the creation of numerous jobs. Those both directly and indirectly involved in tourism have the capacity to benefit economically from this industry.

Council acknowledged the importance of tourism to the local economy many years ago and has planned and invested heavily in the community infrastructure to provide a platform which encourages the ongoing development of tourism based businesses. Such facilities include Crater Lakes Complex and Recreational Areas, Umpherston Sinkhole, Engelbrecht Cave, Centenary Tower, Cave Garden, the many playgrounds, parks and gardens as well as "The Lady Nelson" Visitor and Discovery Centre.

Apart from the infrastructure investment Council has been a significant contributor to the Local and Regional Tourism organisations in a financial capacity, participation as board members and other in-kind support.

*For further details regarding funding please see particulars listed under Regional Funding Support in this section

MOUNT GAMBIER VISITOR NUMBERS

On average Mount Gambier plays host to over 420,000 international and domestic visitors, this includes day trips to the City of Mount Gambier Local Government area. Mount Gambier is the southern gateway to The Limestone Coast Region of South Australia and is well equipped to manage visitor enquiries with "The Lady Nelson" Visitor and Discovery Centre ideally positioned on the Princes Highway. In the past 12 months The Visitor Information Centre assisted 104,076 people, 82% of which were visitors to Mount Gambier.

Sourced Data; Tourism Australia: Tourism Profiles for Local Government Areas in Regional Australia & City of Mount Gambier

"THE LADY NELSON" VISITOR & DISCOVERY CENTRE

The Visitor Centre plays a fundamental role in the cross border region as it provides detailed information on Mount Gambier, Limestone Coast, South Australia and Victoria. The Discovery Centre component continues to interpret the geological and human history of the area and "The Lady Nelson" is a favourite attraction of many locals and visitors alike. The centre's facilities and employees provide valuable support to business and tourism operators, tourism industry groups as well as offering a range of information services to the community.

Key elements

- Visitor and Information Services
- Discovery Centre
- Event Support Services
- Tourism Industry Support

- Education Facility
- Passenger Bus Terminal
- VLine and Premier Stateliner Bus Ticketing (New)
- Community Services (new)

During the past twelve months Council has developed new partnerships with both Premier Stateliner and VLine Passenger Bus Services with the Centre now offering bus ticketing. In August 2009 VLine ticketing began after the community was without an agent for well over twelve months. Since December 2009 Premier Stateliner ticketing has been available.

A successful funding application of \$12,000 from the SATC Tourism Development Fund has enabled the final stages of the refurbishment of the Visitor Entry Area to be achieved with the new counters installed during June/ July 2010 incorporating the following:

1. Visitor Information Customer Service
2. Two seated positions with low counter suitable for administration, accommodation and tour bookings and wheelchair access.
3. Provide a streamlined access to the payment for Discovery Centre entry, purchase of merchandise and the processing the sale of bus ticketing (New Service).
4. The design will showcase some of the region's natural materials - Mount Gambier Limestone and locally sourced Blue Gum Timber.

VISITOR & DISCOVERY CENTRE VISITATION

A total of 104,076 visitors have passed through the doors during the 2009/10 year, of this the 82% were visitors to Mount Gambier and the remaining 18% is made up by locals whom reside in the 5290 and 5291 postcodes. Local visitors to the centre increased from 6,472 in 2008/09 to 9,405 in 2009/10 a rise of 31% and can be attributed to the new Bus Ticketing Services now available. Overall Domestic Visitors make up 80% while International Visitors remain steady at 20% of the total. While the Discovery/ Interpretive Centre visitation remains at 10% of overall visitors it is interesting to note that numbers through the centre increased from 9,784 (2008/09) to 10,672 (2009/10) up by 8%. A large increase in families from 458 (2008/09) to 789 (2009/10) up by 40%. The Discovery Centre has reached a milestone of over half a million visitors during the 2009/10 financial year.

Monthly calculations show peaks occurring in October, November, December, January and again in March and April.

Visitor and Tourism cont.

Visitation figures for 2009/10 to the Visitor Centre:

| | |
|--|----------------|
| Jul-09 | 6,456 |
| Aug-09 | 4,979 |
| Sep-09 | 6,776 |
| Oct-09 | 9,251 |
| Nov-09 | 8,212 |
| Dec-09 | 11,154 |
| Jan-10 | 14,131 |
| Feb-10 | 8,418 |
| Mar-10 | 10,814 |
| Apr-10 | 11,607 |
| May-10 | 6,660 |
| Jun-10 | 5,618 |
| Total (Electronic Door Counter) | 104,076 |
| Comparison 2008/09 (Electronic Door Counter) | 98,066 |
| Total Visitation (May 1977-June 2010) | 2,394,177 |

Visitation figures for 2009/10 to the Discovery Centre:

| | |
|--|---------------|
| Adults | 2,458 |
| Child | 529 |
| Senior | 2,179 |
| Family 789 x 4 av. = | 3,156 |
| School Groups | 968 |
| Adult Groups | 1,280 |
| Annual Pass | 28 |
| Attractions Passports | 74 |
| Total | 10,672 |
| % of Overall Visitation (104,076) | 10.2% |
| Comparison 2008/09 | 9,787 |
| Total Visitation (December 1986 - June 2010) | 502,216 |

BUS TICKETING EX GST 2009/10

| TICKET TYPE | QUANTITY | TOTAL |
|--|--------------|------------------|
| Premier Stateliner Dec 2009-June 2010 | | |
| Premier Adult Ticket | 500 | \$38,385 |
| Premier Child Ticket | 66 | \$2,404 |
| Premier Concession Bus Ticket | 1,018 | \$49,427 |
| Premier Student Bus Ticket | 278 | \$12,042 |
| Premier Stateliner Total | 1,862 | \$102,258 |
| Vline Aug 2009-June 2010 | | |
| Vline Adult Bus Ticket | 888 | \$34,214 |
| Vline Child Bus Ticket | 110 | \$1,974 |
| Vline Concession Bus Ticket | 697 | \$15,674 |
| Vline Student Bus Ticket | 65 | \$1,360 |
| Vline Total | 1,760 | \$53,223 |
| Combined Bus Ticketing Total | 3,622 | \$155,482 |

Other Interesting Statistics & Distribution :

| | |
|---|--------|
| Total Email & Phone Enquiries | 3,558 |
| Local Community Visitation & Enquiries | 18% |
| Visitors from outside of Mount Gambier | 82% |
| A4 Mount Gambier Visitor Guides | 30,000 |
| DL Mount Gambier/ Lady Nelson Brochure | 30,000 |
| Mount Gambier Maps | 30,000 |
| Limestone Coast Visitor Guides | 20,000 |
| South Australian Regional Guides | 10,000 |
| Event Information Packs | 3,584 |
| New Residents & Visiting Students Packs | 134 |

Visitor and Tourism cont.

PUBLICATIONS & BROCHURE DISTRIBUTION

The Mount Gambier Visitor Guide was printed in full colour for the 13th consecutive year. The Guide is an essential tool in the delivery of information with details of attractions plus a whole host of colour photographs of Mount Gambier and surrounds. 30,000 A4 Mount Gambier Visitor Guides and 30,000 DL Mount Gambier/ Lady Nelson Brochures were produced and distributed across Mount Gambier and Mount Gambier Airport, Victoria and South Australia, as well as providing them to Tourism Businesses in Mount Gambier and District. 30,000 Mount Gambier Maps were revised and produced into tear off pads which allows for easier delivery of information.

Sourced Data; Tourism Australia: Tourism Profiles for Local Government Areas in Regional Australia & City of Mount Gambier

TOURISM INDUSTRY SUPPORT

Employees at The Lady Nelson regularly assist operators in their business activities and provide advice to prospective or new Tourism Operators. A Tourism Operator's Pack provides information on the tourism industry and where required a referral to various industry and business development services is given.

Involvement with industry bodies and associations has continued to grow with good networking occurring with information centres throughout South Australia and Victoria. The Centre employees work closely with Limestone Coast Tourism with a Council representative completing a two year term on the Board in July 2010.

Promotion of Tourism/ Hospitality as a career was supported once again this year with senior tourism students from Mount Gambier High School, Grant High School, Tenison Woods College and St Martin's Lutheran College accessing information, workshops at schools and 2 Full Sessions at the Rotary Career Expo. Teacher resources and support services are provided on an ongoing basis.

EVENTS

Event Support Services

Council now has a dedicated Event Support team. Based at "The Lady Nelson" Visitor & Discovery Centre, they have assisted numerous events and hosted welcome functions over the past twelve months. Assistance provided includes:

- Venue Selection & Advice
- Accommodation requirements
- Itinerary Planning
- Funding Advice & Assistance
- Catering Selection & advice
- Promotion & Marketing
- Administrative Support
- Referrals to appropriate Council Divisions
- Co-ordinate meetings with key personnel within Council & the Community as required
- Event Timing & Bidding
- Event Analysis
- Tourist Information Packs (pre event mail-outs or available at Events)
- Motivational Image Gallery of the city & region
- Promotional Banners & Signage
- What's on events calendar
- Welcome functions featuring Local/Regional Food & Wine



Visitor and Tourism cont.

Major Visitor Events

Council has continued to recognise the promotional, economic and employment benefits to Mount Gambier that is realised from the hosting of major events within the City.

Council makes available direct funding to organisers who conduct major events, and the following State or National events were held during the review year or partly funded for a near future event.

| | |
|---|--------|
| Blue Lake Swim Club Carnival | Dec-09 |
| State BMX Championships | Feb-10 |
| 50th Anniversary of Mount Gambier Karting Club | Jul-10 |
| Generations in Jazz | May-10 |
| International Tennis | Oct-09 |
| Lions National Brass Band Festival | Nov-09 |
| Mount Gambier Gift | Dec-09 |
| National Limestone Sculpture Symposium | Mar-11 |
| Valley Lake Hill Climb Motor Event | Nov-09 |
| Junior Showjumping Carnival | Jan-10 |
| Australian Forest Contractors Austimber Conference & Expo | Mar-12 |
| National Conference of Ryder Cheshire | Apr-10 |
| Aged and Community Care Tri-state Conference | Feb-10 |
| 30th Show & Shine South East Street Machines | Oct-09 |
| Auto Fest Car Festival | Nov-09 |
| SA Rural Women's Gathering | Aug-09 |
| International Union of Forest Research Organisations | Aug-09 |
| National Community Foundation Forum | Aug-09 |
| Australian Forest Growers Bi-annual Conference | Oct-10 |
| Two Day Cycling Carnival (100 Mile & Blue Lake Cup) | May-10 |
| World Simmental Congress 2010 (post conference tour) | Sep-10 |
| 2010 National Sunbeam Car Rally | Jun-10 |

Total funding allocated was \$83,065 for Major Visitor Events in 2009/10.

Council also allocated \$17,009 for the conduct of minor events which were also held at Mount Gambier during 2009/10.

Planning has commenced for the hosting of some or all of the following major events in the 2010/11 year or near future years:

| | |
|---|--------|
| Generations in Jazz | May-11 |
| International Tennis | Oct-10 |
| Lions National Brass Band Festival | Nov-10 |
| Mount Gambier Gift | Dec-10 |
| National Limestone Sculpture Symposium | Mar-11 |
| Valley Lake Hill Climb Motor Event | Nov-10 |
| Junior Showjumping Carnival | Jan-11 |
| Australian Forest Contractors Austimber Conference & Expo | Mar-12 |
| 30th Show & Shine South East Street Machines | Oct-10 |
| Auto Fest Car Festival | Nov-10 |
| Australian Forest Growers Bi-annual Conference | Oct-10 |
| Two Day Cycling Carnival (100 Mile & Blue Lake Cup) | May-11 |
| World Simmental Congress 2010 (post conference tour) | Sep-10 |
| Mount Gambier Basketball Regional Championships | Nov-10 |
| Blue Lake BMX National Championships | Mar-13 |
| SA LG Works Conference | Aug-10 |
| Darts State Country Championships | Jun-11 |
| Blue Lake Y Swim Club Regional Championships | Jan-11 |
| Grant High School 50th Anniversary | Sep-11 |
| Triumph Owners National Meeting | Oct-11 |
| Federation of Historic Car Clubs | Apr-11 |
| SA Hog Rally | Oct-10 |
| SA Disability Expo | Mar-11 |

These planned major events are in addition to many other events held annually at Mount Gambier for which separate funding may have been allocated.

Visitor and Tourism cont.

MAJOR COMMUNITY EVENTS

Council recognises the importance in the development of the community and to contribute to the quality of life of our citizens that the conduct of major community events can be a significant means of community celebration.

Council wishes to develop partnerships to provide to the community opportunities to enjoy, participate and appreciate the uniqueness of our City.

Through community events and community activities we can seek to enhance the respect towards our community by our community and to strengthen City Pride, community participation and community success.

Examples of existing major community events that very successfully build City Pride include:

| | |
|--|------------|
| Australia Day Breakfast/Awards | Jan-10 |
| Mount Gambier Gold Cup racing | May-10 |
| Mayoress Family Fun Day | Apr-10 |
| Mount Gambier Christmas Parade | Nov-09 |
| Rotary West Party in the Park (after Parade) | Nov-09 |
| Mayoral Gala Performance | Jul-10 |
| Blue Lake Carols | Dec-09 |
| Mount Gambier Show | Oct-09 |
| Mount Gambier Eisteddfod | Jul-Sep-09 |
| Limestone Coast Choral & Vocal Showcase | Aug-09 |
| New Years Eve event | Dec-09 |
| Seniors Month | Oct-09 |

It was Council's pleasure to provide significant financial support to many of the above community events (\$90,755 in 2009/10 noting that some sponsorship incomes were received to offset the above cost).

MOUNT GAMBIER
LIVE . LEARN . IMAGINE



Environment Statement



| | |
|--|-----|
| Building Division | 112 |
| Community Health Division | 113 |
| Corporate Reserve B | 114 |
| Crater Lakes | 114 |
| Dog and Cat Management Plan 2007-2012 | 115 |
| General Inspectorial including Dog Control | 115 |
| Environmental Health Division | 116 |
| Environmental Sustainability Improvements | 117 |
| Environmental Sustainability | 119 |
| Heritage Restoration Fund | 120 |
| Litter Pick-up and Graffiti Removal | 120 |
| OPAL (Obesity Prevention and Lifestyle) | 121 |
| Planning Division | 121 |
| Stormwater Management | 124 |
| Waste Management - Future Directions | 124 |

Building Division

The Building Division is part of the Operational Services Department within Council.

Tasks carried out by the building division include:

- On-site building inspections for which building approval has been issued.
- Management of building maintenance services for Council's built assets.
- Building Fire Safety Committee duties including inspection and reporting.
- Project management of Council projects.
- Maintenance of asbestos registers.
- Advisory services.

OBJECTIVE OF THE BUILDING DEPARTMENT

Council's building division seeks to maintain appropriate building standards and controls within the guidelines and responsibilities imposed by various Acts but chiefly the Development Act 1993 and Development Regulations 1994, Council Policies, Building Code of Australia and associated Australian Standards. Our aim is to provide an efficient and professional service providing sound advice to a range of stakeholders including State Government Agencies, allied professionals, tradespeople and the community.

Building Statistics

| | 2009/10 | 2008/09 | 2007/08 |
|-----------------------|--------------|--------------|--------------|
| Estimated Expenditure | \$50,942,331 | \$91,538,498 | \$46,475,738 |
| Dwellings | 128 | 122 | 128 |
| Dwelling Additions | 40 | 39 | 40 |
| Flats/Units | 5 (15) | 21 (217) | 20 (107) |
| Outbuildings | 241 | 210 | 264 |
| Commercial | 24 | 30 | 33 |
| Industrial | 11 | 14 | 21 |
| Signage | 17 | 16 | 19 |
| Wastewater | 0 | 2 | 6 |
| Other | 74 | 83 | 112 |
| TOTAL | 540 | 537 | 643 |



Community Health Division

Council is committed to encouraging and supporting residents to lead an active and healthy lifestyle and to have local access to high quality health services. To this end, the Community Health Services of Council provide for accessible no cost immunisation sessions for childhood vaccination and user pay vaccinations at cost to the consumer; licenses the Supported Residential Facility and advocates for improved services in Aged Care and Mental Health.

IMMUNISATIONS

Council's Vaccination Program has been expanded in 2010 with the introduction of the Newly Arrived Refugee Immunisation Sessions held at the Migrant Resource Centre, beginning in April 2010. This together with the Pandemic Influenza Program of late 2009 and the increasing requirement for Boosterix to combat the ever increasing incidence of Whooping Cough cases and an increase in persons requiring travel vaccinations, has resulted in a very busy year. Workplace vaccinations programs which in the past had been mainly for Influenza Vaccinations, now includes Hepatitis A and B and Boosterix for whooping Cough. The Public Vaccination Sessions for Childhood Vaccinations have continued at Child & Youth Health in Heriot Street, however plans are being made to relocate this service to the conference rooms in the former Library area of the Civic Centre.

Public Immunisation sessions provide vaccinations to infants under the Australian Childhood Vaccination Program. The workplace sessions provide for Influenza; Adult Diphtheria, Tetanus & Pertussis (Whooping Cough); and Hepatitis B. the school vaccination program delivers Hepatitis B and Chicken Pox to all Year 8 students; Human Papiloma Virus vaccine to Year 8 girls; and Boosterix (diphtheria, tetanus and whooping cough) to Year 9 students. The School program involves visiting each school for the Year 8 program 3 times in the year; and one visit for Year 9 students. In 2009/10 Council administered 6143 vaccines compared with 4960 vaccines in 2008/09.

The demand for Influenza vaccinations by workplaces continues to grow steadily with the number of vaccinations delivered increasing each year. Twenty nine visits were made to worksites for the delivery of Influenza vaccinations. The supply shortages of Influenza Vaccination for the private market led to an exceptional increase in demand for Influenza Vaccination also at the Public Immunisation Sessions. Council vaccines had been obtained before the shortage became apparent, resulting in Council being one of the few who could provide vaccine from March through to mid June.

Council responds and assists where possible to help people determine their own or a child's immunisation status. This is done through Council's own vaccination data base and the Australian Commonwealth Immunisation Register.

| VACCINES | |
|---|--------------|
| Adult Diphtheria & Tetanus (ADT) | 19 |
| Childhood Pneumococcal - Prevenar | 236 |
| Diphtheria, Tetanus & Pertussis (Adult vaccine Boosterix) (dTPa) | 683 |
| Haemophilla | 78 |
| Hep B (Paediatric) - Hep B | 39 |
| Hep B (Adult) | 968 |
| Hep A (Adult) - Hepatitis A | 7 |
| Hep A (Child) - Hepatitis A | 4 |
| Hep A & B (Adult) - Hepatitis A & B | 22 |
| Hep A & B (Child) - Hepatitis A & B | 0 |
| Hexa (diphtheria, tetanus, pertussis acellular, Hep B, Hib & Polio) | 254 |
| HPV - Gardasil (Human Papiloma Virus) | 702 |
| IFX/IPV - Diphtheria, Tetanus & Pertussis and Polio | 107 |
| Influenza Vaccine - Influenza | 2,065 |
| IPV - Poliomyelitis | 29 |
| Meningococcal C (MenC) | 103 |
| Measles, Mumps & Rubella (MMR) | 277 |
| Pedvax (Haemophilus Influenza Type B) | 0 |
| Pneumococcal Vaccine - Pneumovax | 2 |
| Rotavirus | 212 |
| Varilrix - Chicken Pox | 336 |
| TOTAL | 6,143 |
| Comparison for 2008/09 | 4,960 |



Community Health Division cont.

HEALTH CARE AND COMMUNITY SERVICES

Supported Residential Facilities

Council has one supported residential facility within its jurisdiction. The facility provides accommodation and some personal care services for clients. Council audits this facility annually and licenses its ongoing operation.

Home Based Therapeutic Waste Program

The program that was introduced in 2004 provides the community of Mount Gambier with a responsible means of disposal of needles and syringes and other forms of sharps used in the home in the course of administering treatments at home. Businesses and individuals are given advice about disposing of sharps responsibly and are able to obtain sharps containers from Council. In late June 2009 a fibre board sharps container has been introduced to reduce both cost for the user and plastic waste in our environment. Council arranges for the disposal of the sharps containers, so that they do not end up in general waste. Council has had 300 people registered for this program since it began in 2004 and currently 95 continue to use the program.

Corporation Reserve B

Council has continued with the development of its 'Walk through History' pine plantation on Corporation B (south side of Blue Lake and adjacent to Northumberland Avenue).

All the seedlings were planted in the winter of 2008 and Council now has to concentrate on weed and pest control in the early years of the new plantation. At present the new plantation is not obvious to passersby but over the next 2-3 years the pine trees will gain height and the layout of the plantation will become obvious.

Crater Lakes

The Crater Lakes Complex (comprising Blue Lake, Leg of Mutton Lake, Valley Lake and Brownes Lake) is a state and national natural icon with the area under the care, control and management of the City of Mount Gambier (except the area inside the fence line to the Blue Lake).

In 2009/10 Council continued with its program to eliminate pest 'woody' plants, namely invasive Pine trees and Olive trees.

The importance of the Blue Lake cannot be underestimated. It is our water supply and a fantastic tourist attraction and preserving both the quality and quantity of the water supply is one of the major environmental challenges facing the Mount Gambier Community.

Council has continued its support for, and participation in the Blue Lake Management Committee. It is regrettable that funding for the position of Blue Lake Water Care Officer was withdrawn as of 30th June 2009. The City of Mount Gambier is campaigning strongly to have this funding reinstated so the Mount Gambier community has access to appropriate resources and knowledge to ensure the long term sustainability of the Blue Lake.

Every person in this community needs to do 'their bit' to look after the Blue Lake.

Council has also started a project to recognise the Valley Lake Wildlife Park (now known as a Conservation Park) which will enable the reintroduction of a range of native flora and fauna into the facility. Council extends its thanks to the Rotary Club of Mount Gambier Lakes, Drew Laslett and Peter Feast for their input (in both labour and expertise) and also to Troy Horn of Forestry SA for his invaluable and highly professional inputs (together with contributions from Trevor Wynniat, Mark Whan, Bryan Haywood and Jan Newport) in the preparation of the first draft of the Valley Lake Conservation (Wildlife) Park - re-vegetation and rehabilitation plan.

The Plan will guide the entire revegetation and rehabilitation of the Valley Lake Conservation (Wildlife) Park over the long term.

Dog and Cat Management Plan 2007-2012

Council is required by law to implement the provisions of the Dog and Cat Management Act. The Act requires Council to regulate dogs (in accordance with the Act) and at present, Council has the option to regulate cats. Council has not resolved to regulate cats.

Dog owners are required to ensure that their dogs are registered with Council once they reach the age of three months.

Council's Dog and Cat Management Plan has established a number of areas (known as "off leash" areas) where residents can let their dogs off the leash for healthy exercise.

These 'off leash' areas are:

- Hastings Cunningham Reserve
- Corriedale Park
- Don McDonnell Reserve
- Blue Lake Sports Park
- Northumberland Avenue
- Frew Park

In all other areas of the City, dogs in public places must be on a leash.

Council encourages all dog owners to act responsibly and ensure their pet is not allowed to wander at large or cause a nuisance to neighbours.

General Inspectorial including Dog Control

The following statistics are provided in respect of the Division of Inspectorial and Dog Control for the 2009/10 year.

| | |
|---|----------|
| Dog expiations | 181 |
| Dog complaints | 1,317 |
| Dog impoundments | 415 |
| Dog attack report | 5 |
| Parking offences | 568 |
| Pest Plant notices (long grass & noxious) | 201 |
| Fire permits | 129 |
| Cattle impoundments (sheep and cows) | 2 |
| Vehicle impoundments | 1 |
| Dog Registrations | 4,713 |
| Payment to SEAWL (Councils pound) | \$17,000 |
| Dog expiation income | \$19,189 |
| Dog registration fees | \$96,333 |



Environmental Health Division

FOOD SAFETY

Food Premises Inspections

Council conducts regular inspections of food premises within its jurisdiction. A food business is defined as being any business, enterprise or activity that involves the sale or food or handling of food intended for sale. In 2008/2009 Council conducted 196 unannounced food premises inspections and site visits. The frequency of Council's inspections is based upon the type of business, the businesses client base and the history of compliance. Some foods require particular care to handle them safely; also some groups of people have greater susceptibility to food poisoning. Where an inspection reveals poor food safety practices, a follow up inspection is carried out to assess compliance. Council imposes penalties for non-compliance, including expiation fees and orders to restrict the operations of a food business.

Administration of the Food Act 2001, During the Financial Year 2009/10

| | |
|---|------------|
| Routine inspections undertaken | 223 |
| Follow up inspections undertaken | 21 |
| Incident triggered inspections | 7 |
| Total number of inspections conducted under the Food Act 2001 | 251 |
| Number of permanently operating premises routinely inspected under the Food Act 2001 | 173 |
| Inspections conducted of temporary premises operating at local events (markets, festivals etc.) | 43 |
| Number of orders/notices issued under Food Act 2001 | 2 |
| Number of expiation notices issued under Food Act 2001 | 0 |
| Number of alleged food complaints received | 2 |
| Number of confirmed food poisoning cases received | nil |

Food Safety Education

Council takes a pro-active approach to food safety education, providing educational opportunities for local primary and high school students, service clubs and community groups. Council's successful partnership with TAFE SA, resulted in the provision of food safety training to the region. Council's EHO's attend the training sessions to provide advice and to foster relationships with the proprietors and staff of food businesses. Council believes this is important to step towards positively encouraging compliance and breaking down the barriers between the EHO's and the proprietors/staff of food businesses. The successful partnership will continue into the new financial year, which will also see neighbouring Councils joining the partnership.

HEALTH PROMOTION AND COMMUNITY ENGAGEMENT

Monitoring of Air Quality

City of Mount Gambier is working with the Environment Protection Authority on a combined wood smoke reduction program aimed at reducing pollution caused by the inefficient use of domestic wood heaters in the City of Mount Gambier. The SmokeWatch program has focussed on delivery of community information sessions and distribution of a range of communication materials.

Monitoring of waste control systems

The City of Mount Gambier has a number of existing septic systems in areas not connected to sewer. As the City of Mount Gambier is in the capture zone of the Blue Lake, only aerobic on-site wastewater systems are now approved for new development in areas where sewer is not available. An aerobic wastewater treatment plant treats the water using aeration and chlorination to a standard where it can be re-used for some irrigation procedures.

DISEASE PREVENTION

Monitoring and Management of Insanitary Conditions

In 2009/10 Council received 22 complaints in relation to perceived insanitary conditions. The majority of the complaints related to pest/vermin infestation. All complaints are inspected by Council's Environmental Health Officers to determine if the condition of the premises constitutes an insanitary condition (as defined by the Public and Environmental Health Act, 1987). Council provides brochures and advice to both commercial and residential properties affected by rodent infestation.

Public Pools and Spas

Mount Gambier has a number of publicly accessible pools and spas, found in a variety of locations including motels, gyms and caravan parks. Council inspects pools and spas to ensure they are properly disinfected, maintained appropriately and safe for public use. Throughout 2009/10 the standard of maintenance throughout some of these facilities improved, with a number of facilities contracting a third party to maintain the facilities. Pools and spas have been implicated in disease outbreaks and it is imperative they are maintained at the required standard.



Environmental Sustainability Improvements

NEW LIBRARY AND COMMUNITY CENTRE

The new Library and Community Centre incorporates best practice environmentally sustainable design principles.

Building and construction materials are robust and low maintenance. Recycled content, locally sourced and renewable materials were specified where possible. The new building is aligned on a north/south orientation to integrate passive solar effects and maximise available daylight and natural ventilation.

The building contractor was required to comply with sound environmental management principles during construction with respect to recycling and site management.

The air conditioning systems are a variable refrigerant volume (VRV) type. The VRV system provides an improvement in energy efficiency by utilising variable speed refrigeration compressors. This enables the compressor to speed up or slow down to match the required load on the system, in lieu of continuously starting and stopping as in a conventional system.

Additional energy savings were achieved by utilising a three pipe refrigeration system. If there is a situation where one of the indoor units is operating in heating mode, and another unit is operating in cooling mode, the three pipe system enables a transfer of energy between the systems, thus reducing the load on the outdoor condensing unit.

Outside air is required to be introduced into the building via a ducted mechanical ventilation system. This can have a significant impact on energy consumption, as the outdoor air needs to be heated or cooled to a suitable temperature before being supplied to the building.

To reduce the amount of energy normally required to introduce outside air, ducted heat recovery ventilation units are featured. These ventilation units extract air from the building at 24°C, and use this outgoing air to heat (or cool) the incoming outside air via a heat exchange device. This provides a reduction of up to 70% in the energy required to heat or cool the outside air.

On days when the weather is suitable, energy savings are achieved via natural ventilation system. The mechanical ventilation and air conditioning systems will shut down, and the operable windows will automatically open.

The lighting, power and communications systems are energy efficient, utilising current technologies which are linked to the building management system with programmable automated timers.

Council will also purchase 100% “wind green power” for the new Library.

Hydraulic services include self closing taps and regulated auto flush to urinals. All clean roof water discharge will be directed to aquifer storage in keeping with water catchment requirements in Mount Gambier.

The building features solar hot water systems with natural gas backup units.

PUBLIC OPEN SPACE AROUND THE NEW LIBRARY AND COMMUNITY CENTRE AND ASSOCIATED WATER SENSITIVE URBAN DESIGN (WSUD) STRATEGIES

The concepts of urban greenery and Water Sensitive Urban Design provide fundamental benefits for cities as they grow:

- Increased biodiversity
- Reduced temperatures
- Cleaner air
- Less water run-off, minimising flooding and reducing infrastructure
- Improved psychological well being for people
- Improved aesthetics

Due to the proximity of the new Library site to the Cave Garden sinkhole (the City’s original water source), the theme of water has been used as inspiration for the WSUD strategies integrated into the Civic Plaza and associated car park, showcasing the City’s commitment to water sustainability and protection.

Permeable pavers will lower rainfall run-off from impervious areas that will ultimately reduce potential downstream flooding. These pavers are also designed to capture pollutants from stormwater runoff that would otherwise contaminate groundwater or drainage systems. These systems assist in the biological decomposition of hydrocarbon contaminants whilst enabling the underground aquifer to be naturally recharged.

Adjacent to the permeable pavers are a series of vegetative swales. These are used as natural filter strips that retain excess runoff from the car park zone not captured by the permeable pavers. The swales are shallow channels lined with shade trees, native grasses and sedges that retain pollutants through infiltration and re-direct captured excess runoff to a nearby sediment removal pond. Captured water is able to effectively reach the root zone and naturally hydrate the landscape elements. Only excess runoff is directed to the sediment removal pond via an integrated network of perforated subsoil drains.

The final part of the system is the sediment removal pond that captures all of the excessive runoff not infiltrated into the groundwater via the permeable pavers and vegetative swales. This pond, with a cascading open drain, has the capacity to hold the runoff from a major storm event. It is designed as a contemporary piece of urban architecture whilst performing important storage and filtering functions.

As a demonstration site for future WSUD projects within the City Centre, it is a benchmark feature and promotes the need for water conservation and management awareness in a public space heavily frequented by locals and visitors alike.

Environmental Sustainability

Improvements cont.

MAIN CORNER DEVELOPMENT

The Main Corner Development will incorporate environmentally sustainable design principles by interweaving them into the design, construction and operation of the development and having regard to Council's Natural Step principles/framework (see below).

Following is a compilation of the principles and features to be incorporated:

Building Features

- Utilise the existing building fabric and salvage materials for re-use in the project
- Separate building materials during demolition for recycling
- Orientate the extension to maximize passive energy
- Reduce building materials by designing an efficient structure
- Minimise waste during construction
- Utilise local building techniques and technology

Materials

- Source local materials where appropriate
- Consider the life-cycle, sustainability, embodied energy, recycled content, recyclable content and source when specifying materials
- Specify materials which minimize adverse emissions to air, soil and water (specifically, low VOC paints and adhesives)

Healthy Building

- Provide healthy, safe and comfortable spaces to maximize the health, safety and productivity of people

Climatic Controls

- Utilise a 'Living Wall' to passively shade the building façade, so that a micro-climate is created to reduce energy use
- Apply mechanical shading devices to the façade to reduce radiant heat loads
- Plant deciduous trees to provide summer shade and allow winter sun penetration, to reduce the building's heating and cooling energy use
- Provide a high level of insulation to the building envelope
- Compartmentalise the air-conditioning to suit the specific requirements of each space

Power Saving Systems

- Specify LED or compact fluorescent light fittings internally
- Utilise motion sensors for lighting spaces internally where appropriate
- Specify LED lamp fittings externally
- Utilise PE cells and timers externally where appropriate
- Utilise programmable and automated timers

Water

- Conserve water/minimise water use
- Improve water quality entering groundwater and drainage system by ensuring that all chemicals, soaps used have minimal impact
- Apply innovative water sensitive urban design (WSUD)
- Utilise wet land filtration systems
- Utilise permeable pavers to capture stormwater run-off, which will reduce potential downstream flooding
- Harvest site stormwater in underground rainwater tank is being considered as an opportunity
- Re-use stored stormwater for living wall, irrigation and possibly for flushing toilets in public toilets

External Features

- Provide bicycle racks at entry to building
- Provide seats at traffic lights and under shade to encourage pedestrian usage
- Plant waterwise species (in addition to some deciduous trees which do provide a very important function)
- Increase biodiversity with native species (as plantings do support different species which live in them or feed off them such as birds and insects)

NATURAL STEP SUSTAINABILITY PRINCIPLES

"In a sustainable society, nature is not subject to systematically increasing:

1. concentrations of substances extracted from the Earth's crust;
2. concentrations of substances produced by society;
3. degradation by physical means and, in that society;
4. people are not subject to conditions that systematically undermine their capacity to meet their needs."

City of Mount Gambier Natural Step Principles.

Environmental Sustainability

Council has made a commitment towards the whole organisation becoming more environmentally sustainable and furthermore wants to 'lead by example' - encouraging others in the Mount Gambier community to become more environmentally sustainable. This is a broad vision encompassing both organisational change as well as broader societal change – change to capacity, behaviours and community attitudes. The Natural Step framework has been adopted by Council as a planning tool to help Council achieve this vision. The Natural Step Framework holds that in a sustainable society nature is not subject to systematically increasing concentrations of substances extracted from the Earth's crust, concentrations of substances produced by society, degradation by physical means and that in that society the ability for humans to meet their needs is not systematically undermined. To progress work in environmental sustainability, Council has formed an Environmental Sustainability working party made up of elected members, senior management and operational staff, committed a budget towards environmental sustainability projects and created a dedicated environmental sustainability officer position. Council's Environmental Sustainability Working Party has identified 37 initial priority areas to direct the work undertaken, including work in the areas of water, energy and greenhouse gas emissions, transport, waste management and sustainable building.

HIGHLIGHTS OF 2009/10

Materials Usage and Waste

- Over 56 tonne of E-waste was recycled through a ZeroWaste SA, City of Mount Gambier and District Council of Grant combined Councils e-waste drop-off.
- To celebrate National Recycling Week Council hosted a swap party, to promote reuse of everyday items. This event attracted 50 participants and 62 unwanted items were swapped, rather than ending up in landfill.
- In conjunction with ZeroWaste SA and the District Council of Grant a hazardous chemical collection resulted in over 19 tonne of hazardous chemicals being collected from households and farms, protecting the local environment.



Water

- The Blue Lake Waterwise Business of the Year Awards was held for a second year. These awards celebrate the achievements of local businesses and community groups, in water protection.
- In conjunction with SA Water Council held a showerhead exchange - over 450 Mount Gambier residents swapped over their showerhead for a more water efficient model, resulting in an estimated saving of over 14 million litres of Blue Lake water, over the course of a year.
- Council developed new performance targets for the irrigation of public green spaces (parks, gardens and sporting ovals) and implemented water saving strategies (such as water efficient turf irrigation and use of mulch & natives).

Energy and Greenhouse Gas Emissions

- A preliminary audit of Council's greenhouse gas emissions from landfill, electricity and fuel was completed along with a review of current legislative requirements.
- Research into sustainable lighting has been incorporated into the Civic Centre refurbishment to create new office space.

Building Capacity

- Over 100 Elected Members and employees attended a series of presentations to learn about the 'Natural Step' framework, resilience, population growth and regional waste management.



Heritage Restoration Fund

In 2009/10 Council distributed \$16,000 as part of the 2009 Local Heritage Restoration Fund to fifteen (15) owners of Local Heritage Places within the City on the recommendation of Council's Heritage Committee.

The Local Heritage Restoration Fund was established by the City of Mount Gambier to assist owners of Local Heritage listed places to undertake conservation work such as painting, repairs, extensions, re-roofing of their buildings. The grants offered as part of the Local Heritage Restoration Fund are normally available each financial year, with all owners of Local Heritage buildings being formally advised as to when they can apply for possible funding as part of the program.

The successful applicants are able to seek their approved grant from Council upon completion of the work.

At the previous request of the Heritage Committee, Council increased the value of the grant to a maximum of \$2,000 in certain circumstances to be able to provide better assistance to the owners of Local Heritage listed properties to undertake more urgent and significant maintenance projects on their properties.

This is the eighth year that Council has offered grants as part of the Local Heritage Restoration Fund, with all of the money available being shared amongst ten of the fourteen applicants. This year Council's Heritage Committee, which considers all of the applications, was able to offer assistance to most of the applicants, which is a reflection of how important the conservation of the City's heritage is considered by Council.

Litter Pick Up and Graffiti Removal

Council is very conscious of the need to regularly patrol high risk areas for litter and to also act quickly to remove graffiti.

Bedford Gambier Contracts have continued to provide a litter pick up service to the following key areas:

- Penola Road - Highway Super Deli to KFC
- Jubilee Highway - Wehl Street to Crouch Street
- Jubilee Highway - Suttontown Road to Badenoch Street
- Jubilee Highway - Mobil Service Station to McDonald's Restaurant
- Lake Terrace - Pick Avenue to Lewis Avenue
- John Watson Drive
- Jubilee Highway East to Dohle Road
- Lake Terrace East - Lewis Avenue to Dohle Road

This service is provided to Council as part of the rental agreement for the occupation by Bedford Gambier Contracts of the Council owned facility on Eucalypt Drive.

The following table summarises the hours spent during 2009/10 on litter pick up.

| MONTH | HOURS |
|--------------|------------|
| Jul 09 | 24 |
| Aug 09 | 24 |
| Sept 09 | 30 |
| Oct 09 | 24 |
| Nov 09 | 24 |
| Dec 09 | 24 |
| Jan 10 | 18 |
| Feb 10 | 16 |
| Mar 10 | 20 |
| Apr 10 | 16 |
| May 10 | 16 |
| Jun 10 | 20 |
| Total | 256 |



OPAL (Obesity Prevention and Lifestyle)

OPAL (Obesity Prevention and Lifestyle) was officially launched by the Minister for Health, Hon. John Hill MP, in September 2009. It is a joint partnership between the Federal, State and Local Government with initial funding for five (5) years. Mount Gambier is one of the first six pilot Councils to be involved in the initiative. The overall aim of OPAL is to improve the eating and activity patterns in children through a whole of community approach. This is achieved by empowering the community to take responsibility for their own health and wellbeing. This may take shape through significant lifestyle change.

The local OPAL launch took place in February 2010, coinciding with the first theme 'Water: The Original Cool Drink'. Sweet drinks are associated with a number of health problems, including loss of appetite for healthy food choices, overweight and obesity and increased prevalence of tooth decay. OPAL will launch a new positive health message every six months, encouraging the community to eat healthy and be active.

PROJECTS:

- OPAL in partnership with Council assisted with the development of a seasonal Library calendar.
- OPAL supported Anglican Community Care to educate clients to provide healthy lunch box ideas along with food hygiene
- OPAL created media interest and participation for Paws around the Blue Lake. This event raised much needed funds for the South East Animal Welfare League.
- Healthy Clubs a partnership with be active, Mount Gambier Football and Netball Clubs, Radio Rentals and OPAL supports training and education for volunteers in a club culture. OPAL provide guidance for change with canteen foods, during and after game rewards and the removal of sweet drinks from canteens.
- OPAL are sponsors for the annual Life Be in it Active Community Team Challenge commencing this time in August 2010.
- A Major event for the year will be the Inaugural Boral Blue Lake Fun Run scheduled to take place on Sunday 21st November 2010. Planned to be an annual event the Fun Run will follow the City to Bay Fun Run and aim for similar success.

Planning Division

SECTION 30 REVIEW

SELGA on behalf of the South East Councils, which includes the City of Mount Gambier have recently:

- established a Planning Committee to commence the South East Section 30 Development Plan Review; and
- engaged a consultant, Connor Holmes, to undertake the Section 30 Review on behalf of SELGA; and

The Section 30 Review is a process Council is required to undertake as specified within Section 30 of the Development Act 1993 where Council is required to prepare a report which:

- addresses the strategic planning issues within the area of Council;
- any other policy or document prescribed by the Regulations; and
- addresses appropriate amendments to any Development Plan that applies within the area of Council.

The purpose of the Section 30 Review is to set Council's priorities for:

- achieving orderly and efficient development;
- the integration of transport and land use planning;
- implementing any relevant targets set out in the State Planning Strategy;
- implementing affordable housing policies;
- infrastructure planning; and
- other projects or initiatives considered relevant by Council.

Council is required by the Development Act 1993, to undertake a Section 30 Review every five (5) years. It is anticipated that the Section 30 Review will be completed by the end of 2009.

Planning Division cont.

LOCAL HERITAGE DEVELOPMENT PLAN AMENDMENT

Council has completed a review of the 1994 City of Mount Gambier Heritage Survey. Council has now commenced a Local Heritage Development Plan Amendment to incorporate the recommendation of the Heritage Survey into the Development Plan.

Council has appointed Jensen Planning, as the project consultants, who are now preparing the draft DPA on behalf of Council. It is anticipated that this draft DPA will be forwarded to Council for consideration in the near future and will be finalised during and incorporated into the Development Plan by 2010.

RESIDENTIAL ZONE REVIEW AND DEVELOPMENT PLAN AMENDMENT

Council is currently undertaking a Residential Zone Review and a Residential Zone Development Plan Amendment (DPA). Council wishes to undertake a DPA to update the current Residential objectives and principles of development control within its Development Plan.

A number of residential issues have arisen which need to be addressed in relation to:

- dwelling size and types;
- infill development;
- character and amenity;
- site coverage; and
- domestic outbuildings.

It is anticipated that the DPA will be completed by the end of 2010.

PRELIMINARY ABORIGINAL CULTURAL HERITAGE SURVEY

Council identified within the 2009/10 budget process that it wishes to undertake an Aboriginal Cultural Heritage Survey. This project is intended to provide representatives of the local Booandik descendents the opportunity to paint their own historical picture of the region around the City of Mount Gambier based on their memories, cultural stories/histories and their spiritual connections to family and 'country'. Council is keen to document an account of Booandik cultural history that brings together the documented knowledge of European histories and the cultural/spiritual/historical knowledge of local Booandik people.

It is anticipated that this project will be completed towards the end of 2010.

URBAN BOUNDARY ADJUSTMENT DEVELOPMENT PLAN AMENDMENT

The City of Mount Gambier and the District Council of Grant have agreed to a boundary adjustment and commenced the process to undergo the boundary adjustment process. The City of Mount Gambier is now preparing to undertake a Development Plan Amendment to:

- review the zoning and policies of all of the land to be transferred from the District Council of Grant to the City of Mount Gambier;
- consider and provide policies to implement the vision for the future direction of growth and development of the City of Mount Gambier;
- consider and develop policies to implement the recommendations as contained within the Greater Mount Gambier Master Plan February, 2008;
- adopt 'best planning practice' to promote current trends.
- adopt the format of the modules as contained within the Better Development Plan project; and
- review and update the envisaged forms of development within the Light Industry Zone;

Council is keen to complete this Development Plan Amendment at the earliest opportunity.

DEVELOPMENT ASSESSMENT

A Development Application has three consents pursuant to the Development Act 1993; being, Development Plan Consent (planning consent), Building Rules Consent (building consent) and final Development Approval.

Many Development Applications are dealt with under delegated authority by Council Officers. However, some Development Applications require referral to the Council Development Assessment Panel (CDAP) for a decision to be made.

Before undertaking any development, please discuss your intentions with the relevant Council Officer/s. If you are required to lodge a Development Application, time and money can be saved if you are thoroughly prepared. Advice can be obtained from the Development Services Division of Council, phone (08) 8721 2530.



Planning Division cont.

COUNCIL DEVELOPMENT ASSESSMENT PANEL

The Development Act 1993 requires all Councils in South Australia to establish a Council Development Assessment Panel (CDAP) to act as a delegate of Council in accordance with the Act; to provide advice and reports to Council, as it thinks fit in regard to trends, issues and other matters relating to planning and development that it has become evident as a result of performing its development assessment function; and to perform other functions assigned to the panel by the Council.

The creation of CDAP is to ensure that Council makes development decisions as a relevant planning authority pursuant to the Development Act 1993, having sole regard to the Council's authorised Development Plan and any referral advice to determine the merits of the proposal. The Local Government Act 1999, does not apply to the CDAP.

The Development Act 1993, has determined that all CDAPs must be comprised of one independent presiding member, three independent members and three elected members. All Members of the CDAP have been appointed by Council. Currently, the CDAP Members are:

- Mrs Elizabeth Travers (Presiding Member)
- Mr Paul Jenner
- Mr David Chapman
- Mr Ted Jordan
- Cr Daniel McDonough
- Cr Jim Maher
- Cr Merv White

Council cannot influence or overturn any decision made by the CDAP. It should be noted that all CDAP Members are to fulfil their duties in accordance with the CDAP Members Code of Conduct, as implemented by the Development Act 1993.

The Council Development Assessment Panel holds its meetings on every third Thursday of the month at the Council Chamber, 10 Watson Terrace, Mount Gambier, commencing at 5:45 p.m. (unless otherwise determined).

CITY OF MOUNT GAMBIER HERITAGE COMMITTEE

The City of Mount Gambier Heritage Committee was established in 1991. The City of Mount Gambier Heritage Committee has an important role in advising Council on the development of policies to conserve and promote natural, built, cultural and indigenous heritage within the City of Mount Gambier. The City of Mount Gambier Heritage Committee has played an important role in a number of heritage related projects over the past twelve months.

The following projects are examples of achievements, in which the City of Mount Gambier Heritage Committee has been involved in:

- Review of the 1994 City of Mount Gambier Heritage Survey;
- Heritage education and distribution of information to the public;
- Implementing monthly Heritage Help Workshops (open to the public); and
- Local Heritage Restoration Fund.

The following are examples of projects, in which the City of Mount Gambier Heritage Committee may be involved with in the future:

- Establishment of a significant tree register;
- Applications for grants for heritage related projects;
- Review of heritage listed properties;
- Provide advice to Council regarding a Heritage Development Plan amendment;
- Promotion of built and environmental heritage as a tourism asset; and
- Aboriginal Cultural Heritage Survey.

Council continues to acknowledge the importance of 'heritage' to the City of Mount Gambier.



Stormwater Management

Recent nationwide drought has focused communities and governments on the need to consider stormwater as a valuable resource rather than a 'waste' product.

The natural geological structure of the ground under Mount Gambier has ensured that this City has used stormwater as drinking water since European Settlement. The question of whether a community can use stormwater as drinking water has been beyond doubt for the last 150 years, but many Australians are only just starting to come to terms with this concept.

Whilst Mount Gambier is living proof that stormwater is a resource, we all need to work hard to ensure that run off is not polluted and Council is adopting modern drainage practices and techniques (e.g. stormwater retention basins) to 'clean' the stormwater prior to discharge to the underground aquifer (which in turn supplies water to the Blue Lake).

Waste Management - Future Directions

KERBSIDE RECYCLING

Kerbside recycling remains a well utilised service and the recycling effort by the community has been sustained.

Fortunately the Global Economic Crisis has not affected the materials that can be recycled via this service and hopefully this will remain the case into the future. Council encourages everyone to use the blue bins to its fullest potential.

Businesses are encouraged to ensure recycling becomes part of their core business.

ORGANIC RECYCLING

Organic recycling, although a voluntary, user pay service, continues to expand with more residents taking up this service each year. This is an excellent outcome as every kilogram of material in the organic/greenwaste bin is used in the production of gardening supplies (Van Schaiks Bio Gro) and is one less kilogram going to landfill.

Organics in landfills are major producers of greenhouse gases.

Items that can be put out for organic recycling include:

- Vegetable peelings
- Fruit peelings and stones
- Meat scraps, fat and all bones
- All cooked food leftovers
- Tea bags and coffee grindings
- Solidified cooking oil

Items that cannot be put in the organic/greenwaste bin include:

- Plastic bags
- Cans and metals
- Cardboard packaging
- Foil/biscuit containers etc
- Any inorganic material
- Newspaper (unless used to wrap food scraps)

EWASTE RECYCLING

Ewaste recycling is slowly being embraced by the community. Any item that has batteries or an electrical cord should now be recycled. This service is cost neutral to Council, that is Council only receives revenues that equal the cost of transportation and the recycling charges of the recycling company that receives the ewaste.

Council is hopeful that more people will embrace ewaste recycling and it is also worthy of noting that the Federal Government is looking at a nationwide ban on ewaste going to landfill.

WASTE OIL

Waste oil in the home is also a problem and Council has now introduced a free recycling service at the Waste Transfer Centre on Eucalypt Drive. Residents only have to take the waste oil to the Centre and tip it in the recycling container. Plastic oil bottles are also recyclable. Waste oil does NOT include kitchen cooking oils or the like.

Opening hours for the Waste Transfer Centre are as follows:

Monday to Friday - 7.30am to 12 noon

Saturday and Sunday - 2pm to 5pm

Waste Management - Future Directions cont.

Organic/Greenwaste Collection Statistics

| YEAR END | | | |
|----------|------------------------------|-----------------------------|--------------|
| JUNE | TOTAL RESIDENTIAL PROPERTIES | RESIDENTS PURCHASED SERVICE | % ACCEPTANCE |
| 2005 | 10,153 | 4,269 | 42 |
| 2006 | 10,323 | 4,500 | 43 |
| 2007 | 10,506 | 4,919 | 46 |
| 2008 | 10,702 | 4,943 | 46 |
| 2009 | 10,859 | 5,237 | 48 |
| 2010 | 11,105 | 5,448 | 49 |

The following table indicates the amount of waste (in tonnes) handled by Council for the last six financial years:

| YEAR END 30TH JUNE | DOMESTIC PICKUP (T) | WASTE TRANSFER CENTRE BINS (T) | HARDWASTE (T) | KERBSIDE (T) | ORGANIC/ GREENWASTE (T) | TOTAL WASTE OF CONTRACTORS (T) | TOTAL TO LANDFILL (T) |
|--------------------|---------------------|--------------------------------|---------------|--------------|-------------------------|--------------------------------|-----------------------|
| 2005 | 6054 | 1362 | 572 | - | 2476 | 7017 | 14448 |
| 2006 | 5279 | 1049 | 717 | 2128 | 2855 | 5144 | 11489 |
| 2007 | 5449 | 948 | 725 | 2239 | 2496 | 4725 | 11293 |
| 2008 | 5551 | 993 | 637 | 2362 | 2345 | 5254 | 11832 |
| 2009 | 5589 | 773 | 561 | 2327 | 2812 | 2889 | 9444 |
| 2010 | 5528 | 729 | 540 | 2341 | 3901 | 2666 | 9106 |





Financial Statement



| | |
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Financial Statistics of Council

| | YEAR END | | | | |
|--|------------------|-------------------|-------------------|-------------------|-------------------|
| | 2006 (\$,000) | 2007* (\$,000) | 2008* (\$,000) | 2009* (\$,000) | 2010* (\$,000) |
| Operating Revenue | 14,929 | 15,651 | 16,633 | 18,501 | 18,733 |
| Council Rates Included in Operating Revenue | 9,852 | 10,268 | 11,027 | 11,746 | 12,241 |
| Operating Expenditure | 15,656 | 15,336 | 15,775 | 17,525 | 18,459 |
| Employee Costs included in Operating Expenditure | 5,091 | 5,203 | 5,453 | 6,082 | 6,610 |
| Depreciation included in Operating Expenditure | 4,331 | 4,017 | 4,056 | 4,243 | 4,622 |
| Operating Surplus/(Deficit) | (727) | 315 | 858 | 976 ¹ | 274 ² |
| Capital Revenue | 445 | 501 | 736 | 3,539 | 2,083 |
| Net Surplus/(Deficit) | (286) | 835 | 1,658 | 5,480 | 2,674 |
| Loans Principal Outstanding | 4,609 | 3,926 | 3,212 | 6,730 | 5,881 |
| Current Assets | 7,447 | 9,174 | 10,266 | 13,616 | 10,921 |
| Current Liabilities | 2,133 | 2,554 | 2,736 | 4,235 | 3,402 |
| Non Current Assets | 110,369 | 120,759 | 120,355 | 127,528 | 131,455 |
| Non Current Liabilities | 4,556 | 3,879 | 2,722 | 6,266 | 5,657 |
| Net Equity | 111,127 | 123,500 | 125,163 | 130,643 | 133,317 |
| Cash at Beginning of Period | 6,493 | 6,836 | 8,495 | 9,369 | 12,041 |
| Cash at End of Period | 6,836 | 8,495 | 9,369 | 12,041 | 9,696 |
| Principal Paid on Borrowings | 694 | 683 | 714 | 764 | 849 |
| Interest Paid on Borrowings | 304 | 276 | 231 | 195 | 369 |
| Superannuation Council Contribution (included in Employee Costs) | 395 | 409 | 438 | 466 | 545 |
| Rates Outstanding | 107 | 99 | 117 | 202 | 252 |
| Lease Commitments | 222 | 69 | 176 | 117 | 90 |
| External Debt to Net Equity | 4.1% | 3.2% | 2.6% | 5.1% | 4.4% |
| External Debt to Gen Rates | 46.7% | 38.2% | 29.1% | 57.2% | 48.0% |
| Debt Servicing (P&I) to General Rates | 9.8% | 9.3% | 8.6% | 8.2% | 9.9% |

* New Model Financial Statements introduced as from 2006/07

¹ includes \$457,299 Grants Commission payment as an advance payment for 2009/10.

² includes \$504,699 Grants Commission payment as an advance payment for 2010/11.

Selected General Statistics

| | |
|--|-----------------|
| Area | 2,704 ha |
| Length of Roads | 190 km |
| Number of Properties coded Residential | 11,105 |
| Site Value (July 2009) | \$1,016,705,500 |
| Capital Value (July 2009) | \$2,974,452,100 |

| FOR THE YEAR ENDED 30 JUNE: | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|--------------|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Residents of the City of Mount Gambier | 23743 | 23907 | 24292 | 24534 | 24705 | 24938 | 25216 | N/A |
| Residential Voters | 15902 | 15921 | 16304 | 16550 | 16668 | 16921 | 17267 | 17854 |
| Non-residential Voters | 1831 | 2230 | 2198 | 2216 | 2312 | 2449 | 2463 | N/A |
| No. of employees (full time equivalent) | 89 | 93.5 | 94 | 97.5 | 97.5 | 102.1 | 102.6 | 106.1 |
| Development Applications (Blg & Plan) | | | | | | | | |
| • Applications and Land Divisions (No.) | 641 | 607 | 726 | 730 | 638 | 643 | 537 | 540 |
| • Dwellings (No.) | 132 | 148 | 137 | 113 | 123 | 128 | 122 | 128 |
| • Flats/Units (No.) | 7(53) | 10(54) | 7(84) | 15(86) | 12(35) | 20(107) | 21(217) | 5(15) |
| • Business/Commercial / Industrial (No.) | 59 | 64 | 83 | 76 | 61 | 54 | 44 | 35 |
| • Additions and Alterations (No.) | 298 | 345 | 392 | 405 | 352 | 304 | 249 | 281 |
| • Other, signs, divisions | 100 | 106 | 107 | 121 | 90 | 137 | 101 | 91 |
| • Estimated Expenditure (Value \$m) | 32.0 | 52.1 | 42.8 | 43.5 | 47.4 | 46.4 | 91.5 | 50.9 |
| No. of Dogs Registered | 4004 | 4048 | 3952 | 4304 | 4720 | 4617 | 4467 | 4310 |
| No. of Assessments | 11302 | 11461 | 11718 | 11827 | 12074 | 12356 | 12561 | 12857 |
| Rates of cents in the dollar | | | See Below | See Below | See Below | See Below | See Below | See Below |
| Rateable Capital Value of Assessments (value \$m) | 375.8 (site) | 427.3 (site) | 1953 | 2033 | 2188 | 2478 | 2560 | 2829 |
| Rates foregone on non rateable property (value \$thous) | 546 | 550 | 370 | 386 | 391 | 421 | 452 | 457 |
| Rate Rebates and Remissions (value \$thous) | 48 | 107 | 384* | 141* | 60 | 55 | 54 | 51 |
| Value of Pensioner Concessions (value \$thous) | 360 | 360 | 372 | 353 | 346 | 389 | 394 | 423 |
| No. of non-ratable 100% rebate assessments | 448 | 453 | 415 | 413 | 425 | 447 | 452 | 467 |
| Fixed Charge | | | \$365 | \$365 | \$382 | \$400 | \$421.50 | \$428.90 |

Selected General Statistics cont.

Changed from Site Value to Capital Value as from 1st July 2004

| | 2004/05 \$ | 2005/06 \$ | 2006/07 \$ | 2007/08 \$ | 2008/09 \$ | 2009/10 \$ |
|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Residential | .002045 | .002104 | .00199 | .001869 | .00188 | .001782 |
| Commercial - Shop | .005624 (+175%) | .005680 (+170%) | .005373 (+170%) | .005046 (+170%) | .005076 (+170%) | .004811 (+170%) |
| Commercial - Office | .005624 (+175%) | .005680 (+170%) | .005373 (+170%) | .005046 (+170%) | .005076 (+170%) | .004811 (+170%) |
| Commercial - Other | .005624 (+175%) | .005680 (+170%) | .005373 (+170%) | .005046 (+170%) | .005076 (+170%) | .004811 (+170%) |
| Industry - Light | .004806 (+135%) | .004944 (+135%) | .004676 (+135%) | .004392 (+135%) | .004794 (+155%) | .004811 (+170%) |
| Industry - Other | .004806 (+135%) | .004944 (+135%) | .004676 (+135%) | .004392 (+135%) | .004794 (+155%) | .004811 (+170%) |
| Primary Production | 0.002045 | .002104 | .00199 | .001869 | .00188 | .001782 |
| Vacant Land | .012270 (+500%) | .008416 (+300%) | .00796 (+300%) | .007476 (+300%) | .00752 (+300%) | .007128 (+300%) |
| Other | .002045 | .002104 | .00199 | .001869 | .00188 | .001782 |

HOW YOU CAN HELP

What you can do as a public minded citizen to make your City a better place:

- Keep any overhanging branches from your property over the footpath neatly trimmed to a minimum height of 2.2m above the footpath.
- Report street trees that require trimming for safe sight distance and safe to walk under.
- Care for your own street footpath. Some residents are unable. Can you assist them?
- Report to Council or the Police any acts of vandalism, graffiti or damage to any public or private property. Remember you are a 'shareholder' in your City.
- Report to Council any dangerous pot holes in roads or footpaths.
- Take your visitors for a walk through our parks, gardens, the Crater Lakes area, Cave Garden, Umpherston Sinkhole and 'The Lady Nelson' complex. Show them that you are proud of your City.
- If you see any Council's safety signs or lights on road works down, please stand them up or report to Council.
- Report to the ETSA Utilities or to Council, any street lights which are not working. Phone 13 13 66.

You have a duty to yourself and the community, to keep your property clean and tidy at all times. The simple commitment to the presentation of your property will make you a good neighbour and a good citizen.

We owe it to everyone to play our part in making Mount Gambier the tidiest and friendliest City in Australia.

POPULATION CHANGE

The population of Mount Gambier City over the last 47 years:-

| | |
|------|--------|
| 1961 | 15,388 |
| 1966 | 17,146 |
| 1971 | 17,934 |
| 1976 | 19,292 |
| 1991 | 19,880 |
| 1996 | 20,813 |
| 2001 | 23,503 |
| 2008 | 24,938 |
| 2009 | 25,216 |

Percentage increase: 63.9% or 1.36% average per year

(Source: State Library of SA – ABS SA Year Books and ABS data)

Selected General Statistics cont.

CLIMATE SUMMARY

Thanks to the Technical Officers at the Mount Gambier Met. Office of the Bureau of Meteorology, the following climate data is able to be provided for the 2009/10 year:

| MONTH | AVERAGE TEMP (°C) | HIGHEST MAX (°C) | LOWEST MIN (°C) | RAINFALL (MM) |
|----------------|-------------------|------------------|-----------------|---------------|
| July 09 | 13.4 | 15.9 | -0.5 | 158.2 |
| August 09 | 15.2 | 21.7 | 4.2 | 142.4 |
| September 09 | 16.2 | 26.3 | 3.3 | 116.4 |
| October 09 | 17.8 | 30.5 | 2.0 | 75.8 |
| November 09 | 26.2 | 35.0 | 3.6 | 55.0 |
| December 09 | 24.8 | 40.8 | 6.4 | 34.2 |
| January 10 | 25.9 | 42.5 | 5.2 | 14.0 |
| February 10 | 27.7 | 37.7 | 8.4 | 47.0 |
| March 10 | 24.5 | 32.6 | 4.3 | 19.8 |
| April 10 | 19.9 | 27.6 | 6.5 | 72.4 |
| May 10 | 16.6 | 22.5 | 1.2 | 49.2 |
| June 10 | 13.6 | 16.5 | -0.8 | 72.8 |
| Average | 20.2 | 29.1 | 3.6 | 71.4 |



Income Statement as at 30 June 2010

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|--|-------|----------------|----------------|
| INCOME | | | |
| Rates | 2 | 12,689 | 12,166 |
| Statutory charges | 2 | 421 | 418 |
| User charges | 2 | 1,742 | 1,579 |
| Grants, subsidies and contributions | 2 | 2,315 | 2,789 |
| Investment income | 2 | 333 | 411 |
| Reimbursements | 2 | 999 | 944 |
| Other income | 2 | 234 | 194 |
| Total Income | | 18,733 | 18,501 |
| EXPENSES | | | |
| Employee costs | 3 | 6,610 | 6,082 |
| Materials, contracts & other expenses | 3 | 6,858 | 7,005 |
| Finance costs | 3 | 369 | 195 |
| Depreciation, amortisation & impairment | 3 | 4,622 | 4,243 |
| Total Expenses | | 18,459 | 17,525 |
| OPERATING SURPLUS / (DEFICIT) | | 274 | 976 |
| Asset disposal & fair value adjustments | 4 | 97 | 203 |
| Amounts received specifically for new or upgraded assets | 2 | 2,083 | 3,539 |
| Physical resources received free of charge | 2 | 220 | 762 |
| NET SURPLUS / (DEFICIT) | | | |
| transferred to Equity Statement | | 2,674 | 5,480 |
| Other Comprehensive Income | | - | - |
| TOTAL COMPREHENSIVE INCOME | | 2,674 | 5,480 |

This Statement is to be read in conjunction with the attached Notes.

Balance Sheet as at 30 June 2010

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|---|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5 | 9,696 | 12,041 |
| Trade & other receivables | 5 | 1,181 | 1,544 |
| Inventories | 5 | 44 | 31 |
| Total Current Assets | | 10,921 | 13,616 |
| Non-current Assets | | | |
| Financial Assets | 6 | 457 | 514 |
| Infrastructure, Property, Plant & Equipment | 7 | 130,998 | 127,014 |
| Total Non-current Assets | | 131,455 | 127,528 |
| TOTAL ASSETS | | 142,376 | 141,144 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 8 | 1,370 | 2,158 |
| Borrowings | 8 | 711 | 850 |
| Provisions | 8 | 1,321 | 1,227 |
| Total Current Liabilities | | 3,402 | 4,235 |
| Non-current Liabilities | | | |
| Trade & Other Payables | 8 | - | 50 |
| Borrowings | 8 | 5,170 | 5,880 |
| Provisions | 8 | 487 | 336 |
| Total Non-current Liabilities | | 5,657 | 6,266 |
| Total Liabilities | | 9,059 | 10,501 |
| NET ASSETS | | 133,317 | 130,643 |
| EQUITY | | | |
| Accumulated Surplus | | 45,893 | 41,518 |
| Asset Revaluation Reserves | 9 | 78,235 | 78,235 |
| Other Reserves | 9 | 9,189 | 10,890 |
| TOTAL EQUITY | | 133,317 | 130,643 |

This Statement is to be read in conjunction with the attached Notes.

Changes in Equity as at 30 June 2010

| | NOTES | ACCUMULATED SURPLUS \$'000 | ASSET REVALUATION RESERVE \$'000 | OTHER RESERVES \$'000 | TOTAL EQUITY \$'000 |
|---|-------|----------------------------------|---|-----------------------------|------------------------|
| 2010 | | | | | |
| Balance at end of previous reporting period | | 41,518 | 78,235 | 10,890 | 130,643 |
| Restated opening balance | | 41,518 | 78,235 | 10,890 | 130,643 |
| Net Surplus / (Deficit) for Year | | 2,674 | - | - | 2,674 |
| Other Comprehensive Income | | | | | |
| Transfers between reserves | | 1,701 | - | (1,701) | - |
| Balance at end of period | | 45,893 | 78,235 | 9,189 | 133,317 |
| 2009 | | | | | |
| Balance at end of previous reporting period | | 37,510 | 78,235 | 9,418 | 125,163 |
| Restated opening balance | | 37,510 | 78,235 | 9,418 | 125,163 |
| Net Surplus / (Deficit) for Year | | 5,480 | - | - | 5,480 |
| Transfers between reserves | | (1,472) | - | 1,472 | - |
| Balance at end of period | | 41,518 | 78,235 | 10,890 | 130,643 |

This Statement is to be read in conjunction with the attached Notes



Cash Flow Statement

for the year ended 30 June 2010

| CASH FLOWS FROM OPERATING ACTIVITIES | NOTES | 2010 \$'000 | 2009 \$'000 |
|---|-------|----------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Operating receipts | | 20,477 | 18,983 |
| Investment receipts | | 289 | 595 |
| Payments | | | |
| Operating payments to suppliers & employees | | (15,733) | (13,305) |
| Finance payments | | (382) | (194) |
| Net Cash provided by (or used in) Operating Activities | | 4,651 | 6,079 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Receipts | | | |
| Amounts specifically for new or upgraded assets | | 2,083 | 3,539 |
| Sale of replaced assets | | 237 | 527 |
| Repayments of loans by community groups | | 89 | 77 |
| Payments | | | |
| Expenditure on renewal/replacement of assets | | (2,559) | (3,409) |
| Expenditure on new/upgraded assets | | (5,967) | (7,377) |
| Loans made to community groups | | (30) | (282) |
| Net Cash provided by (or used in) Investing Activities | | (6,147) | (6,925) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Receipts | | | |
| Proceeds from Borrowings | | - | 4,282 |
| Payments | | | |
| Repayments of Borrowings | | (849) | (764) |
| Net Cash provided by (or used in) Financing Activities | | (849) | 3,518 |
| Net Increase (Decrease) in cash held | | (2,345) | 2,672 |
| Cash & cash equivalents at beginning of period | 10 | 12,041 | 9,369 |
| Cash & cash equivalents at end of period | 10 | 9,696 | 12,041 |

This Statement is to be read in conjunction with the attached Notes

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under clause 11 of the Local Government (Financial Management) Regulations 1999.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

2. The Local Government Reporting Entity

City of Mount Gambier is incorporated under the SA Local Government Act 1999 and has its principal place of business at 10 Watson Terrace, Mount Gambier. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

3. Income recognition

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

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

4. Cash, Cash Equivalents and other Financial Instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

5. Inventories

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

6. Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Capital works still in progress at balance date are recognised as other non-current assets and transferred to Assets when completed ready for use.

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

6.2 Materiality

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

| | |
|---|---------|
| Office Furniture & Equipment | \$1,000 |
| Other Plant & Equipment | \$1,000 |
| Buildings - new construction/extensions | \$1,000 |
| Park & Playground Furniture & Equipment | \$1,000 |
| Road construction & reconstruction | \$1,000 |
| Paving & footpaths, Kerb & Gutter | \$1,000 |
| Drains & Culverts | \$1,000 |

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

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

Plant, Furniture & Equipment

| | |
|--------------------------------|---------------|
| Office Equipment | 4 years |
| Vehicles and Road-making Equip | 8 to 15 years |
| Other Plant & Equipment | 5 years |

Building & Other Structures

| | |
|------------------------|---------------|
| Buildings / Structures | 5 to 20 years |
|------------------------|---------------|

Infrastructure

| | |
|---------------------|-----------|
| Sealed Roads | 40 years |
| Bridges | 30 years |
| Footpaths / Kerbing | 50 years |
| Drains | 100 years |

Other Assets

| | |
|---------------|------------|
| Library Books | 6.67 years |
|---------------|------------|

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

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

6.6 Borrowing Costs

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

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

7. Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8. Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

9. Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted average discount rate 4.76% (2009, 7.25%)

Weighted average settlement period 1 year (2009, 1 year)

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 16.

10. Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

11. Leases

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

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

12. GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

13. New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2010 reporting period.

| | |
|-------------------|---|
| AASB 1 | First-time Adoption of Australian Accounting Standards |
| AASB 5 | Non-current Assets Held for Sale and Discontinued Operations |
| AASB 7 | Financial Instruments: Disclosures |
| AASB 9 | Financial Instruments |
| AASB 101 | Presentation of Financial Statements |
| AASB 107 | Statement of Cash Flows |
| AASB 108 | Accounting Policies, Changes in Accounting Estimates and Errors |
| AASB 110 | Events after the Reporting Period |
| AASB 117 | Leases |
| AASB 118 | Revenue |
| AASB 119 | Employee Benefits |
| AASB 132 | Financial Instruments: Presentation |
| AASB 136 | Impairment of Assets |
| AASB 137 | Provisions, Contingent Liabilities and Contingent Assets |
| AASB 139 | Financial Instruments: Recognition and Measurement |
| AASB 1031 | Financial Instruments: Recognition and Measurement |
| AASB 2009-11 | Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] |
| AASB 2009-12 | Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] |
| AASB 2009-13 | Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] |
| AASB 2010-1 | Amendments to Australian Accounting Standards – Limited Exemption from Comparative AASB 7 Disclosures for First-time Adopters [AASB 1 & AASB 7] |
| Interpretation 4 | Determining whether an Arrangement contains a Lease |
| Interpretation 14 | AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |

(Standards not affecting local government have been excluded from the above list.)

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.



Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 2 - INCOME

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|--|-------|----------------|----------------|
| RATES REVENUES | | | |
| General Rates | | 12,292 | 11,800 |
| Less: Discretionary rebates, remissions & write offs | | (51) | (54) |
| | | 12,241 | 11,746 |
| Other Rates (including service charges) | | | |
| Natural Resource Management levy | | 467 | 444 |
| | | 467 | 444 |
| Other Charges | | | |
| Penalties for late payment | | 32 | 30 |
| | | 32 | 30 |
| Less: Discretionary rebates, remissions & write offs | | (51) | (54) |
| | | 12,689 | 12,166 |
| STATUTORY CHARGES | | | |
| Development Act fees | | 116 | 149 |
| Town planning fees | | 155 | 143 |
| Animal registration fees & fines | | 115 | 106 |
| Parking fines / expiation fees | | 21 | 13 |
| Other registration fees | | 13 | 5 |
| Sundry | | 1 | 2 |
| | | 421 | 418 |
| USER CHARGES | | | |
| Cemetery/crematoria fees | | 511 | 533 |
| Green Waste Collection | | 337 | 310 |
| Hall & equipment hire | | 39 | 25 |
| Parking fees | | 0 | 4 |
| Sales - general | | 746 | 606 |
| Sundry | | 110 | 101 |
| | | 1,742 | 1,579 |
| INVESTMENT INCOME | | | |
| Interest on investments | | | |
| Local Government Finance Authority | | 307 | 374 |
| Banks & other | | 23 | 34 |
| Loans to community groups | | 3 | 3 |
| | | 333 | 411 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 2 - INCOME cont.

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|--|-----------|----------------|----------------|
| REIMBURSEMENTS | | | |
| - for roadworks | | 244 | 206 |
| - for private works | | 619 | 718 |
| - other | | 136 | 20 |
| | | 999 | 944 |
| OTHER INCOME | | | |
| Insurance & other recoupments - infrastructure, property, plant & equipment | | 161 | 102 |
| Donations | | 70 | 90 |
| Sundry | | 3 | 2 |
| | | 234 | 194 |
| GRANTS, SUBSIDIES, CONTRIBUTIONS | | | |
| Amounts received specifically for new or upgraded assets | | 2,083 | 3,539 |
| Other grants, subsidies and contributions | | 1,810 | 2,332 |
| "Individually significant item - additional Grants Commission payment" | See below | 505 | 457 |
| <i>The functions to which these grants relate are shown in Note 11.</i> | | 4,398 | 6,328 |
| | | | |
| Sources of grants | | | |
| <i>Commonwealth government</i> | | 708 | 843 |
| <i>State government</i> | | 3,690 | 5,485 |
| | | 4,398 | 6,328 |
| Individually Significant Item | | | |
| On 26 June 2010, Council received payment of the first quarter instalment of the 2010/11 Grant Commission (FAG) grant. This represents a significant increase in income from this source for 2008/09 and 2009/10, with an equivalent reduction in 2010/11. | | 505 | 457 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 2 - INCOME cont.

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|---|-------|----------------|----------------|
| Conditions over grants & contributions | | | |
| Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows: | | | |
| Unexpended at the close of the previous reporting period | | 2,500 | - |
| Less: expended during the current period from revenues recognised in previous reporting periods | | | |
| New Library & Main Corner Developments | | (2,500) | - |
| Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions | | | |
| New Library & Main Corner Developments | | 500 | 2,500 |
| Subtotal | | 500 | 2,500 |
| Unexpended at the close of this reporting period | | 500 | 2,500 |
| | | | |
| Net increase (decrease) in assets subject to conditions in the current reporting period | | (2,000) | 2,500 |
| | | | |
| PHYSICAL RESOURCES RECEIVED FREE OF CHARGE | | | |
| Roads, Bridges & Footpaths | | 220 | 762 |
| TOTAL PHYSICAL RESOURCES RECEIVED | | 220 | 762 |



Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 3 - EXPENSES

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|--|-------|----------------|----------------|
| EMPLOYEE COSTS | | | |
| Salaries and Wages | | 5,967 | 5,544 |
| Employee leave expense | | 289 | 310 |
| Superannuation - defined contribution plan contributions | 16 | 545 | 466 |
| Workers' Compensation Insurance | | 129 | 129 |
| Other | | 46 | 22 |
| Less: Capitalised and distributed costs | | (365) | (389) |
| Total Operating Employee Costs | | 6,610 | 6,082 |
| Total Number of Employees <i>(Full time equivalent at end of reporting period)</i> | | 131 | 111 |
| MATERIALS, CONTRACTS & OTHER EXPENSES | | | |
| Prescribed Expenses | | | |
| Auditor's Remuneration | | | |
| Auditing the financial reports | | 16 | 14 |
| Elected members' expenses | | 242 | 240 |
| Election expenses | | 2 | - |
| Subtotal - Prescribed Expenses | | 260 | 254 |
| Other Materials, Contracts & Expenses | | | |
| Contractors | | 2,301 | 2,304 |
| Energy | | 543 | 496 |
| Maintenance | | 28 | 35 |
| Legal Expenses | | 51 | 108 |
| Levies paid to government - NRM levy | | 466 | 442 |
| Parts, accessories & consumables | | 1,802 | 2,205 |
| Professional services | | 41 | 239 |
| Sundry | | 1,366 | 922 |
| | | 6,858 | 7,005 |
| FINANCE COSTS | | | |
| Interest on Borrowings | | 369 | 195 |
| | | 369 | 195 |
| DEPRECIATION, AMORTISATION & IMPAIRMENT | | | |
| Depreciation | | | |
| Buildings & Other Structures | | 2,222 | 2,005 |
| Infrastructure | | 1,289 | 1,253 |
| Plant & Equipment | | 776 | 696 |
| Minor Plant | | 30 | 30 |
| Office Equipment | | 92 | 27 |
| Other Assets | | 213 | 232 |
| | | 4,622 | 4,243 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 4 - GAIN OR LOSS ON DISPOSAL OF ASSETS

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|--|-------|----------------|----------------|
| INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT | | | |
| <i>Assets renewed or directly replaced</i> | | | |
| Proceeds from disposal | | 237 | 527 |
| Less: Carrying amount of assets sold | | 140 | 324 |
| Gain (Loss) on disposal | | 97 | 203 |
| NET GAIN (LOSS) ON DISPOSAL | | 97 | 203 |

Note 5 - CURRENT ASSETS

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|--------------------------------------|-------|----------------|----------------|
| CASH & EQUIVALENT ASSETS | | | |
| Cash on Hand and at Bank | | 1,311 | 1,215 |
| Deposits at Call | | 8,385 | 10,826 |
| | | 9,696 | 12,041 |
| TRADE & OTHER RECEIVABLES | | | |
| Rates - General & Other | | 252 | 202 |
| Accrued Revenues | | 114 | 70 |
| Debtors - general | | 416 | 1,048 |
| GST Recoupment | | 43 | 54 |
| Prepayments | | 269 | 81 |
| Loans to community organisations | | 87 | 89 |
| | | 1,181 | 1,544 |
| Stores & Materials | | 32 | 20 |
| Trading Stock | | 12 | 11 |
| | | 44 | 31 |

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 6 - NON-CURRENT ASSETS

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|----------------------------------|-------|----------------|----------------|
| FINANCIAL ASSETS | | | |
| Receivables | | | |
| Loans to community organisations | | 457 | 514 |
| TOTAL FINANCIAL ASSETS | | 457 | 514 |

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

| | 2009 \$'000 | | | | 2010 \$'000 | | | |
|--|------------------|---------|----------------|--------------------|------------------|---------|----------------|--------------------|
| | AT FAIR VALUE | AT COST | ACCUM DEP'N | CARRYING AMOUNT | AT FAIR VALUE | AT COST | ACCUM DEP'N | CARRYING AMOUNT |
| Land | 27,435 | 416 | - | 27,851 | 27,435 | 577 | - | 28,012 |
| Buildings & Other Structures | 48,389 | 8,359 | (5,912) | 50,836 | 48,389 | 12,864 | (8,133) | 53,120 |
| Infrastructure | 40,010 | 6,280 | (3,488) | 42,802 | 40,010 | 8,386 | (4,778) | 43,618 |
| Plant & Equipment | 2,664 | 2,736 | (1,613) | 3,787 | 2,383 | 3,318 | (2,244) | 3,457 |
| Minor Plant | 30 | 166 | (80) | 116 | 30 | 174 | (109) | 95 |
| Office Equipment | 88 | 125 | (88) | 125 | 75 | 1,384 | (169) | 1,290 |
| Other | 1,936 | 324 | (763) | 1,497 | 1,936 | 445 | (975) | 1,406 |
| TOTAL PROPERTY, PLANT & EQUIPMENT | 120,552 | 18,406 | (11,944) | 127,014 | 120,258 | 27,148 | (16,408) | 130,998 |
| 2009 Totals | | | | | 120,552 | 18,406 | (11,944) | 127,014 |

This Note continues on the following pages.



Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT cont.

| | 2009 \$'000 | CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000 | | | | 2010 \$'000 |
|--|--------------------|---|----------|-----------|--------------|--------------------|
| | CARRYING AMOUNT | ADDITIONS | | DISPOSALS | DEPRECIATION | CARRYING AMOUNT |
| | | NEW/ UPGRADE | RENEWALS | | | |
| Land | 27,851 | 161 | - | - | - | 28,012 |
| Buildings & Other Structures | 50,836 | 4,196 | 310 | - | (2,222) | 53,120 |
| Infrastructure | 42,802 | 220 | 1,885 | - | (1,289) | 43,618 |
| Plant & Equipment | 3,787 | 16 | 566 | (136) | (776) | 3,457 |
| Minor Plant | 116 | - | 9 | - | (30) | 95 |
| Office Equipment | 125 | 1,252 | 7 | (2) | (92) | 1,290 |
| Other | 1,497 | 122 | - | - | (213) | 1,406 |
| TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT | 127,014 | 5,967 | 2,777 | (138) | (4,622) | 130,998 |
| 2009 Totals | 120,033 | 8,139 | 3,415 | (330) | (4,243) | 127,014 |

This Note continues on the following pages.

Note 8 - LIABILITIES

| | NOTES | 2010 \$'000 | | 2009 \$'000 | |
|--|-------|----------------|-------------|----------------|-------------|
| | | CURRENT | NON-CURRENT | CURRENT | NON-CURRENT |
| TRADE & OTHER PAYABLES | | | | | |
| Goods & Services | | 1,067 | | 1,894 | |
| Payments received in advance | | 37 | - | 29 | 50 |
| Accrued expenses - employee entitlements | | 227 | - | 183 | - |
| Accrued expenses - other | | 39 | - | 52 | - |
| | | 1,370 | - | 2,158 | 50 |
| BORROWINGS | | | | | |
| Loans | | 711 | 5,170 | 850 | 5,880 |
| | | 711 | 5,170 | 850 | 5,880 |
| <i>All interest bearing liabilities are secured over the future revenues of the Council.</i> | | | | | |
| PROVISIONS | | | | | |
| Employee entitlements (including oncosts) | | 1,321 | 487 | 1,227 | 336 |
| | | 1,321 | 487 | 1,227 | 336 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 9 - RESERVES

| | NOTES | 1/7/2009 \$'000 | NET INCREMENTS (DECREMENTS) \$'000 | TRANSFERS, IMPAIRMENTS \$'000 | 30/6/2010 \$'000 |
|----------------------------------|--------------------|--------------------|---|-------------------------------------|---------------------|
| ASSET REVALUATION RESERVE | | | | | |
| Land | | 19,346 | - | - | 19,346 |
| Buildings & Other Structures | | 43,354 | - | - | 43,354 |
| Infrastructure | | 12,645 | - | - | 12,645 |
| Plant & Equipment | | 69 | - | - | 69 |
| Minor Plant | | 2,821 | - | - | 2,821 |
| TOTAL | | 78,235 | - | - | 78,235 |
| | 2009 Totals | 78,235 | - | - | 78,235 |
| OTHER RESERVES | | | | | |
| | | 1/7/2009 | Transfers to Reserve | Transfers from Reserve | 30/6/2010 |
| Long Service Leave | | 545 | 151 | (81) | 615 |
| Off Street Car Park | | 289 | 102 | - | 391 |
| Plant Replacement | | 921 | 684 | (210) | 1,395 |
| Lady Nelson Park Development | | 107 | 23 | - | 130 |
| Asset Replacement | | 988 | 269 | - | 1,257 |
| Land Division - Outstanding work | | 232 | - | - | 232 |
| Downstream Drainage | | 58 | 44 | - | 102 |
| Work in Progress | | 7,332 | 4,089 | (7,332) | 4,089 |
| City Centre Improvement | | 96 | 692 | (140) | 648 |
| Major Capital Works | | 177 | 106 | (100) | 183 |
| Mount Gambier Cemetery Trust | | 95 | 3 | - | 98 |
| Junior Sporting Fund | | 50 | - | (3) | 47 |
| TOTAL OTHER RESERVES | | 10,890 | 6,165 | (7,866) | 9,189 |
| | 2009 Totals | 9,418 | 9,146 | (7,674) | 10,890 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 9 - RESERVES cont.

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets and available-for-sale financial assets.

Other Reserves

Long Service Leave

- established to fund City of Mount Gambier employee long service leave entitlements
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations, interest received and funds from other employers in respect of transferred employees

Off Street Car Parking Reserve

- established to fund off street car parking initiatives in the Mount Gambier City Centre precinct
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations and interest received

Plant Replacement

- established to fund Council's plant and machinery fleet requirements
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations, interest received, sales etc

Lady Nelson Park Development

- established to fund any development works that may occur at The Lady Nelson site
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations and interest received

Asset Replacement

- established to fund the City of Mount Gambier Asset replacement/renewal requirements
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations, interest received, any sales etc

Land Division Outstanding Works

- funds held in trust to ensure land division obligations are completed
- ongoing Reserve Fund
- transfers from the Fund are made as and when land division obligations are certified as completed
- transfers to the Fund are funds deposited by developers in respect of their land division obligations

Downstream Drainage

- funds contributed by developers and held by Council to complete drainage obligations
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund are developer contributions and interest received

Work in Progress

- established to fund Council works and projects that are carried over from one budgetary year to the next
- ongoing Reserve Fund
- transfers from the Fund are as and when required with works and projects normally completed in the year following
- transfers to the Fund include funds for works and projects that have been allocated in one budget year but not completed in that year

City Centre Improvement

- established to fund improvements and initiatives in the Mount Gambier City Centre precinct
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations and interest received

Major Capital Works

- established to assist Council fund impending major capital works projects
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations and interest received

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 9 - RESERVES cont.

Mount Gambier Cemetery Trust

- established to fund any development works or projects that may be required at the Carinya Gardens Cemetery and Crematorium
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Cemetery Trust budgetary allocations and interest received

Junior Sporting Fund

- established to fund the operations of the Mount Gambier Junior Sporting Fund
- ongoing Reserve Fund
- transfers from the Fund are made as and when required
- transfers to the Fund include Council budgetary allocations, donations and interest received

Note 10 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

| | NOTES | 2010 \$'000 | 2009 \$'000 |
|---|-------|----------------|----------------|
| Total cash & equivalent assets | 5 | 9,696 | 12,041 |
| Balances per Cash Flow Statement | | 9,696 | 12,041 |
| (b) Reconciliation of Change in Net Assets to Cash from Operating Activities | | | |
| Net Surplus (Deficit) | | 2,674 | 5,480 |
| Non-cash items in Income Statement | | | |
| Depreciation, amortisation & impairment | | 4,622 | 4,243 |
| Net increase (decrease) in unpaid employee benefits | | 289 | 310 |
| Non-cash asset acquisitions | | (220) | (762) |
| Grants for capital acquisitions treated as Investing Activity | | (2,083) | (3,539) |
| Net (Gain) Loss on Disposals | | (97) | (203) |
| | | 5,185 | 5,529 |
| Add (Less): Changes in Net Current Assets | | | |
| Net (increase) decrease in receivables | | 361 | (663) |
| Net (increase) decrease in inventories | | (13) | (2) |
| Net increase (decrease) in trade & other payables | | (882) | 1,215 |
| Net Cash provided by (or used in) operations | | 4,651 | 6,079 |
| (c) Non-Cash Financing and Investing Activities | | | |
| Acquisition of assets by means of: | | | |
| - Physical resources received free of charge | 2 | 220 | 762 |
| | | 220 | 762 |
| (d) Financing Arrangements | | | |
| Unrestricted access was available at balance date to the following lines of credit: | | | |
| Corporate Credit Cards | | 15 | 18 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 11 - FUNCTIONS

| | INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES | | | | | | | | | |
|-----------------------------------|--|--------------------------|--------------------------|--------------------------|-----------------------------|--------------------------|---------------------------|----------------|---|----------------|
| | INCOME | | EXPENSES | | OPERATING SURPLUS (DEFICIT) | | GRANTS INCLUDED IN INCOME | | "TOTAL ASSETS HELD (CURRENT & NON-CURRENT)" | |
| | ACTUAL 2010 \$'000 | ACTUAL 2009 \$'000 | ACTUAL 2010 \$'000 | ACTUAL 2009 \$'000 | ACTUAL 2010 \$'000 | ACTUAL 2009 \$'000 | 2010 \$'000 | 2009 \$'000 | 2010 \$'000 | 2009 \$'000 |
| Administration / Support Services | 14,603 | 14,838 | 3,671 | 3,125 | 10,932 | 11,713 | 1,915 | 2,672 | 10,867 | 11,235 |
| Community Support | 653 | 96 | 1,280 | 851 | (627) | (755) | 19 | 14 | 10,122 | 8,377 |
| Culture | 378 | 907 | 2,245 | 2,456 | (1,867) | (1,549) | 88 | 87 | 22,133 | 19,434 |
| Economic Development | 247 | 754 | 1,057 | 960 | (810) | (206) | 30 | 16 | 3,364 | 3,480 |
| Environment | 716 | 102 | 3,019 | 2,859 | (2,303) | (2,757) | - | - | 4,650 | 4,943 |
| Recreation | 134 | 82 | 2,482 | 2,382 | (2,348) | (2,300) | - | - | 30,718 | 31,210 |
| Regulatory Services | 421 | 418 | 1,001 | 891 | (580) | (473) | - | - | - | - |
| Transport | 507 | 68 | 1,720 | 1,670 | (1,213) | (1,602) | 263 | - | 41,125 | 40,074 |
| Engineering / Indirect | - | - | 847 | 812 | (847) | (812) | - | - | 4,949 | 5,326 |
| Unclassified | 1,074 | 1,236 | 1,137 | 1,519 | (63) | (283) | - | - | 14,448 | 17,065 |
| TOTALS | 18,733 | 18,501 | 18,459 | 17,525 | 274 | 976 | 2,315 | 2,789 | 142,376 | 141,144 |

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

Note 11 cont. - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration / Support Services

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

Community Services

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Preventive Health Services, Other Health Services, Community Support, Other Services for the Aged and Disabled, Children and youth Services, community Assistance, Other Community Support, Community Amenities, Bus Shelters, Cemeteries/Crematoria, public Conveniences, Car Parking – non-fee-paying, and Other Community Amenities.

Culture

Library Services, Other Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

Economic Development

Regional Development, Tourism, and Other Economic Development and activities.

Environment

Animal/Plant Boards, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Other Waste Management, Other Environment, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

Recreation

Parks and Gardens, Sports Facilities - Indoor, Sports Facilities - Outdoor, Swimming Centres - Outdoor, and Other Recreation.

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 11 cont. - COMPONENTS OF FUNCTIONS

Regulatory Services

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

Transport

Footpaths and Kerbing, Roads - sealed, Roads - formed, Roads - natural formed, Roads - unformed, Traffic Management, and Other Transport.

Engineering / Indirect

Engineering office expenses, AWU employee's expenses and entitlements, depot expenses, plant and machinery expenses.

Unclassified Activities

Finance charges and investment revenue, private works and sundry property maintenance.

Note 12 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

| | |
|--|--|
| Bank, Deposits at Call, Short Term Deposits | Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned. |
| | Terms & conditions: Deposits are returning fixed interest rates between 2.75% and 4.50% (2009: 2.75% and 7.00%). |
| | Carrying amount: approximates fair value due to the short term to maturity. |
| Receivables Rates & Associated Charges (including legals & penalties for late payment) | Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. |
| | Terms & conditions: Secured over the subject land, arrears attract interest of .58% (2009: .93%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State. |
| | Carrying amount: approximates fair value (after deduction of any allowance). |
| Receivables Fees & other charges | Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. |
| | Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. |
| | Carrying amount: approximates fair value (after deduction of any allowance). |
| Receivables Other levels of government | Accounting Policy: Carried at nominal value. |
| | Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State. |
| | Carrying amount: approximates fair value. |
| Receivables Retirement Home Contributions | Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. |
| | Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation. |
| | Carrying amount: approximates fair value (after deduction of any allowance). |
| Liabilities Creditors and Accruals | Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. |
| | Terms & conditions: Liabilities are normally settled on 30 day terms. |
| | Carrying amount: approximates fair value. |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 12 - FINANCIAL INSTRUMENTS cont.

| | |
|---|--|
| Liabilities Retirement Home Contributions | Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values. |
| | Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy. |
| | Carrying amount: approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies. |
| Liabilities Interest Bearing Borrowings | Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues. |
| | Terms & conditions: secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 5.05% and 7.90% (2009: 5.05% and 9.80%) |
| | Carrying amount: approximates fair value. |
| Liabilities Finance Leases | Accounting Policy: accounted for in accordance with AASB 117. |

Liquidity Analysis

| | DUE < 1 YEAR \$'000 | DUE > 1 YEAR; ≤ 5 YEARS \$'000 | DUE > 5 YEARS \$'000 | TOTAL CONTRACTUAL CASH FLOWS \$'000 | CARRYING VALUES \$'000 |
|------------------------------|------------------------|--------------------------------------|----------------------------|--|------------------------------|
| 2010 | | | | | |
| Financial Assets | | | | | |
| Cash and Cash equivalents | 9,696 | - | - | 9,696 | 9,696 |
| Receivables | 886 | 307 | 150 | 1,343 | 1,343 |
| Total | 10,582 | 307 | 150 | 11,039 | 11,039 |
| Financial Liabilities | | | | | |
| Payables | 1,104 | - | - | 1,104 | 1,104 |
| Non-Current Borrowings | 711 | 1,795 | 3,375 | 5,881 | 5,881 |
| Total | 1,815 | 1,795 | 3,375 | 6,985 | 6,985 |
| Financial Assets | | | | | |
| Cash and Cash equivalents | 12,041 | - | - | 12,041 | 12,041 |
| Receivables | 1,256 | 307 | 239 | 1,802 | 1,802 |
| Total | 13,297 | 307 | 239 | 13,843 | 13,843 |
| Financial Liabilities | | | | | |
| Payables | 1,973 | - | - | 1,973 | 1,973 |
| Non-Current Borrowings | 850 | 2,350 | 3,530 | 6,730 | 6,730 |
| Total | 2,823 | 2,350 | 3,530 | 8,703 | 8,703 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 12 - FINANCIAL INSTRUMENTS cont.

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

| | 30 JUNE 2010 | | 30 JUNE 2009 | |
|----------------------|--|-----------------------------|--|-----------------------------|
| | WEIGHTED AVERAGE INTEREST RATE % | CARRYING VALUE \$'000 | WEIGHTED AVERAGE INTEREST RATE % | CARRYING VALUE \$'000 |
| Other Variable Rates | | 1,104 | | 1,973 |
| Fixed Interest Rates | 6.12 | 5,881 | 6.24 | 6,730 |
| | | 6,985 | | 8,703 |

NET FAIR VALUE

All carrying values approximate fair value for all recognised financial instruments.

Risk Exposures

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

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

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

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



Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 13 - FINANCIAL INDICATORS

| | 2010 | 2009 | 2008 |
|--|---------|---------|---------|
| 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. | | | |
| Operating Surplus | 274 | 976 | 858 |
| <i>Being the operating surplus (deficit) before capital amounts .</i> | | | |
| Adjusted Operating Surplus | 731 | 519 | 858 |
| <i>In June 2009 the Commonwealth Government made an advance payment approximately equal to one quarter of the 2009/10 Financial Assistance Grant (see Note 2). This income has materially distorted the amount of the Operating Result for both the 2008/09 and 2010/11 reporting periods. The Adjusted Operating Surplus and Adjusted Operating Surplus Ratio adjust for this distortion.</i> | | | |
| Operating Surplus Ratio | | | |
| Operating Surplus | 2% | 8% | 8% |
| Rates - general & other less NRM levy | | | |
| Adjusted Operating Surplus Ratio | 6% | 4% | 8% |
| <i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i> | | | |
| Net Financial Liabilities | | | |
| | (2,275) | (3,598) | (5,101) |
| <i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i> | | | |
| Net Financial Liabilities Ratio | | | |
| Net Financial Liabilities | (12.5%) | (19.9%) | (31.5%) |
| Total Operating Revenue less NRM levy | | | |
| Interest Cover Ratio | | | |
| Net Interest Expense | 0.2% | (1.2%) | (2.3%) |
| Total Operating Revenue less NRM levy less Investment Income | | | |
| Asset Sustainability Ratio | | | |
| Net Asset Renewals | 50% | 68% | 40% |
| Depreciation Expense | | | |
| Asset Consumption Ratio | | | |
| Carrying value of depreciable assets | 86% | 89% | 92% |
| Gross value of depreciable assets | | | |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 14 - UNIFORM PRESENTATION OF FINANCES

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

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

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

| | 2010 \$'000 | 2009 \$'000 |
|--|----------------|----------------|
| Income | 18,733 | 18,501 |
| less Expenses | 18,459 | 17,525 |
| | 274 | 976 |
| less Net Outlays on Existing Assets | | |
| Capital Expenditure on renewal and replacement of Existing Assets | 2,559 | 3,409 |
| less Depreciation, Amortisation and Impairment | 4,622 | 4,243 |
| less Proceeds from Sale of Replaced Assets | 237 | 527 |
| | (2,300) | (1,361) |
| less Net Outlays on New and Upgraded Assets | | |
| "Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)" | 5,967 | 7,377 |
| less Amounts received specifically for New and Upgraded Assets | 2,083 | 3,539 |
| | | |
| Net Lending / (Borrowing) for Financial Year | (1,310) | (1,501) |

Note 15 - OPERATING LEASES

Lease payment commitments of Council

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

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

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

No lease contains any escalation clause.

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

| | 2010 \$'000 | 2009 \$'000 |
|--|----------------|----------------|
| Not later than one year | 62 | 66 |
| Later than one year and not later than 5 years | 28 | 51 |
| | 90 | 117 |

Notes to, and forming part of, the Financial Statements for the year ended 30 June 2010

Note 16 - SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2009/10 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2008/09). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. Council makes employer contributions to

Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6% (6% in 2008/2009) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2009, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Note 17 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

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

'At reporting date, Council controlled 196.37 km of road reserves of average width 20 metres.

2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. BANK GUARANTEES

'Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$0 (2009: \$21,000) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

4. LEGAL EXPENSES

'Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 5 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

CITY OF MOUNT GAMBIER

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2010

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Greg MULLER, the person for the time being occupying the position of Chief Executive Officer of City of Mount Gambier, do hereby state that the Financial Statements of the Council for the year ended 30 June 2010 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.



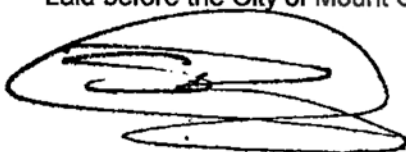
Greg MULLER

CHIEF EXECUTIVE OFFICER

Dated this 12 day of ~~OCTOBER~~ 2010

ADOPTION STATEMENT

Laid before the City of Mount Gambier and adopted on the 9 day of ~~NOVEMBER~~ 2010.



Steve PERRYMAN
MAYOR

CITY OF MOUNT GAMBIER

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2010

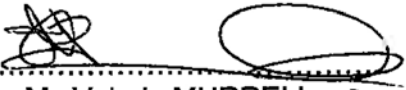
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Mount Gambier for the year ended 30 June 2010, the Council's Auditor, Galpin, Engler, Bruins and Dempsey, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



.....
Greg MULLER
CHIEF EXECUTIVE OFFICER



.....
Ms Valerie MURRELL
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 12th October, 2010



GALPIN, ENGLER, BRUINS & DEMPSEY

Accountants, Auditors & Business Consultants

Unit 4/3-5 Mount Barker Road
PO Box 727
Stirling S.A. 5152
Telephone 08 8339 1255
Facsimile 08 8339 1266
Email stirling@galpins.com.au

INDEPENDENT AUDIT REPORT TO THE COUNCILLORS OF THE CITY OF MT GAMBIER

Scope

The financial report and Chief Executive Officer's responsibility

The financial report comprises the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, accompanying Notes to the Financial Statements and the Chief Executive Officer's Statement of City of Mt Gambier (the Council) for the year ended 30 June 2010.

The Chief Executive Officer is responsible for the preparation and presentation of the financial report and the information contained therein. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Council. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with the Local Government Act 1999, the Local Government (Financial Management) Regulations 1999, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and context of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

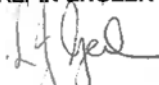
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of the City of Mt Gambier for the year ended 30 June 2010 is properly drawn up:

- (a) so as to give a true and fair view of:
 - (i) the Council's state of affairs as at and its operating result and cash flows for the year ended on that date; and
 - (ii) the other matters required by Division IV of the Local Government Act 1999 to be dealt with in the accounts;
- (b) in accordance with the provisions of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

GALPIN ENGLER BRUINS & DEMPSEY

 26-10-10

L J Galpin FCPA
Partner

MOUNT GAMBIER 233 Commercial Street West, PO Box 246, Mount Gambier S.A. 5290, Telephone 08 8725 3068, Facsimile 08 8724 9553
NORWOOD 3 The Parade, Norwood S.A. 5067, PO Box 546, Kent Town DC S.A. 5071, Telephone 08 8362 3660, Facsimile 08 8362 4778

www.galpins.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

CITY OF MOUNT GAMBIER
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2010

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of City of Mount Gambier for the year ended 30 June 2010, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.



Laurie GALPIN

Galpin, Engler, Bruins and Dempsey

Dated this 26th day of October 2010

City of Mount Gambier

Civic Centre

10 Watson Terrace, Mount Gambier South Australia 5290

(PO Box 56 Mount Gambier 5290)

Telephone : 08 8721 2555

Facsimile : 08 8724 9791

Email : city@mountgambier.sa.gov.au

Website : www.mountgambier.sa.gov.au

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