

CITY OF MOUNT GAMBIER ANNUAL REPORT 2011-12



Introduction

Welcome to the Annual Report of the City of Mount Gambier for the 2011/12 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 2011/12 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:

1. Governance
2. Corporate
3. Compliance
4. Community
5. Infrastructure
6. Economic and Regional
7. Environment

Each year, Council undertakes many initiatives to help improve the quality of life for its 26,206 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.

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Vision Statement

Our Goals and Values

OUR GOALS

Building Communities

To maintain and improve the quality of life of our people by fostering an appropriate range of infrastructure, services and activities.

Securing Economic Prosperity

To support our economic generators in meeting opportunities in the local, national and international business environment, to ensure that the city has a viable, sustainable and diverse economic base and continues to be a thriving provincial city.

Diversity

To provide opportunities for the needs of our diverse community groups to fully participate in our community, and to ensure a continuing sense of their engagement, belonging and recognition.

Environment

To incorporate into Council business and the development of our community a commitment to secure the long term integrity of the environmental systems, landscapes and services which support them.

Governance

To conduct Council business with probity, transparency, and accountability, to meet in a timely way all legislative and regulatory requirements; to implement prudent and professional financial and operational management; and to seek active and ongoing engagement in decision making with all stakeholders.

Community Well-Being

To advance the holistic health and well being of all age groups in our community by creating healthy environments, strengthening community relationships, developing health and wellbeing programs and supporting excellence in the delivery of health services.

Learning

To be recognised as a life-long learning community.

OUR VALUES

The Values statement presents our commitment to the way in which we will accomplish the Mission and work towards the Vision. It is a commitment to uphold, in all our work, values and qualities that are regarded as central in our society and community.

The Values of Council are:

Respect

In working with each person in our diverse communities, we act with respect for our people and ourselves.

Service: Our core commitment is to serve our people, and support welcoming and personal relationships. We are genuine in our desire to meet and exceed the expectations of the community.

Decision Making

Our decision making is participative and exhibits courage, determination and integrity. We are accountable to the community and to ourselves for the outcomes of our decisions and actions.

Future Orientation

We are forward looking and positive, and creative and innovative in developing new initiatives to meet new challenges.

Leadership

We are committed to fulfilling our responsibilities to other Councils within the region, and to being a role model to our community in the quality of our actions.

Teamwork

We are committed to the shared goals and strategies of this Strategic Plan. 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 for continuous improvement in all that we do.



Vision Statement

Beyond 2015 Vision and Mission Statement

Our Plan for the Community

VISION

In developing its Strategic Plan - Beyond 2015, Council describes its vision as:

"Mount Gambier is the most liveable City in Australia, where the people in the community are secure, prosperous, healthy and valued".

The vision governing this Strategic Plan is an expression of the Mount Gambier community's shared vision for the future. It informs and guides all aspects of the Council's work, through its goals, strategic objectives, operational planning and implementation, with a horizon Beyond 2015.

The Vision has been developed in consultation with residents, businesses and community groups. It is informed by the following key aspirations for the Mount Gambier community:

1. A healthy, safe, engaged and connected community;
2. Sustainable natural and built environments;
3. A prosperous and vibrant economy;
4. Well managed and maintained community infrastructure; and
5. Open, effective and efficient governance.

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

MISSION

"To serve the people who live and visit our City by working with our community's to ensure safety, access, equity and continuous improvement in infrastructure, planning, services and governance."

The Mission is a broad but focused statement, which describes how Council intends to achieve the Vision. It is Council's core operational response to the expectations of its stakeholders.



Mayor's Report



It gives council great pleasure to present the Corporation of the City of Mount Gambier Annual Report for 2011/12.

Elected members and staff have strived throughout the year to provide a range of services, facilities and advocacy aimed at improving the quality of life for residents and visitors of our city and environs. We value the productive local partnerships we share which assist to achieve our community's shared aims and the contributions of educational institutions, community and sporting groups, service clubs, businesses big and small, Regional Development Australia, locally based staff of government departments and many others.

This annual report stands as a testament to the diverse interests, rich culture and heritage and the positive future that all of us share and aspire to.

A stylized, handwritten signature in black ink, consisting of a large, flowing 'S' and 'P'.

Steve PERRYMAN
MAYOR
City of Mount Gambier

Member Information

Attendance at Meetings

The following is the recorded attendance (or apologies) of Elected Members at the twelve (12) Ordinary Council Meetings, the six (6) Special Council meetings held during the 2011/12 year.

Elected Member	Council Meetings held	Meetings Attended	Apologies	Not in Attendance
Mayor Perryman	18	17	1	0
Cr Harfield	18	18	0	0
Cr Lee	18	16	2	0
Cr Maher	18	15	3	0
Cr Mutton	18	15	3	0
Cr Persello	18	16	2	0
Cr Richardson	18	18	0	0
Cr Smith	18	17	1	0
Cr Tietz	18	14	4	0
Cr Von Stanke	18	15	3	0
Cr White	18	18	0	0
Cr Smith	18	18	0	0



Member Information



The Council comprises a Mayor and ten Councillors, elected at large.

The next four year term Local Government elections will be held in November 2014.

Council 2010 - 2014 (L-R)

Cr Biddie Tietz

Cr Des Mutton

Cr Andrew Lee

Cr Jim Maher

Cr Hanna Persello

Cr Allen Smith

Mayor Steve Perryman

Cr Byron Harfield (Deputy Mayor)

Cr Ian Von Stanke

Cr Penny Richardson

Cr Merv White

Council and Committees

2010-2014 (from November 2010)



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
- Australia Day Awards Selection Panel
- CEO Performance Review and Development Committee
- Former Hospital Community Consultation Working Party
- Mayor's Christmas Appeal Committee
- Provincial Cities Association
- South East Local Government Association

Member Portfolio

Civic Services and Strategic Relationships: civic, ceremonial, media management and public relations, peak Local Government Associations (e.g. SELGA, PCA, LGA, SAROC etc), relationships and advocacy with other Governments (State and Federal), across border and regional relationships, Elected Members (orientation, training and development).



CR BYRON HARFIELD DEPUTY MAYOR

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

- Operational Services Committee
- Strategic Planning and Policy Development Committee
- City of Mount Gambier Junior Sports Assistance Fund
- Environmental Sustainability Working Party
- Former Hospital Community Consultation Working Party
- Lifelong Learning Working Party
- Mount Gambier Aquatic Centre
- Mount Gambier Cemetery Trust
- Mount Gambier and Districts Airport Committee
- Railway Lands Development Working Party

Member Portfolio

Recreation and Sport: parks, gardens, reserves and ovals – use of, alternative transport, airport, playgrounds, junior sports fund, aquatic centre liaison, liaising with clubs/representative bodies, Council sporting grants.



CR ANDREW LEE

C/- 68 Commercial Street West
Phone: 0409 234 143
Email: crlee@mountgambier.sa.gov.au

- Corporate and Community Services Committee
- Audit Committee
- Former Hospital Community Consultation Working Party
- Library Committee (with District Council of Grant) – Financial
- Railway Lands Development Working Party

Member Portfolio

Council Finance, Financial Sustainability and Governance: financial management, treasury management, shared services and resource sharing, alternative revenue sources and funding programs, long term financial and asset plans, Council policies and procedures, technology development, business continuity, risk management, audit, Council efficiency and effectiveness.

Council and Committees

2010-2014 (from November 2010)



CR JIM MAHER

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

- Corporate & Community Services Committee
- CEO Performance Review and Development Committee
- Former Hospital Community Consultation Working Party
- Joint Boundary Roads with District Council of Grant (as Presiding Member of CCS)
- Lifelong Learning Working Party
- Railway Lands Development Working Party

SELGA

- South East NRM Board (until Feb 2012)
- Group Training Employment (until Feb 2012)
- South East Education and Training Association

Member Portfolio

Lifelong Learning: education (all sectors), Universities, TAFE and vocational education, apprenticeships and traineeships, placement services, community learning, learning community initiatives, learning technologies.



CR DES MUTTON

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

- Operational Services Committee
- Strategic Planning and Policy Development Committee
- Council Development Assessment Panel (CDAP)
- Environmental Sustainability Working Party
- Former Hospital Community Consultation Working Party
- Gateway Precincts Working Party with District Council of Grant
- Main Corner Development Working Party
- Queen Elizabeth Park Trust
- Railway Lands Development Working Party
- South East Local Government Association Waste Management Sub Committee

Member Portfolio

Waste Management: waste collections, recycling and waste minimisation, landfill (local and regional), waste transfer centre, policies and planning, EPA liaison and related relationships.



CR HANNA PERSELLO

PO Box 9315
Phone: 0438 354 787
Email: crpersello@mountgambier.sa.gov.au

- Corporate and Community Services Committee
- Community Engagement and Social Inclusion Working Party
- Former Hospital Community Consultation Working Party
- Health Advisory Committee (currently with District Council of Grant)
- Mayoress Family Fun Day
- Mount Gambier Christmas Parade Committee
- Mount Gambier Youth Advisory Committee
- Railway Lands Development Working Party
- Seniors Month Committee

Member Portfolio

Community Well-Being: community safety and order, youth services, aged care services, emergency services, volunteers, community events/celebrations, community centres, advocacy and awareness for community and preventative health, immunisations, culture and arts, galleries and theatres

Council and Committees

2010-2014 (from November 2010)



CR PENNY RICHARDSON

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

- Corporate & Community Services Committee
- Combined Councils Christmas Dinner (Attending as Proxy)
- Community Engagement and Social Inclusion Working Party
- Former Hospital Community Consultation Working Party
- Library Committee (with District Council of Grant) – Operations
- Mayoral Gala Performance Committee (Attending as Proxy)
- Railway Lands Development Working Party

Member Portfolio

Community Engagement and Social Inclusion: building community profiles and specific sector needs and goals, identifying special needs sectors, community engagement – awareness, understanding and programs, long-term community planning, library, advocacy and awareness for social inclusion and disadvantaged, multicultural and diversity matters, e.g. reconciliation, NAIDOC commemorations.



CR ALLEN SMITH

PO Box 56
Phone: 8725 1863; 0419 869 854
Email: crsmith@mountgambier.
sa.gov.au

- Corporate & Community Services Committee
- AWU Consultative Group
- City of Mount Gambier OHS&W and EEO Committee
- Former Hospital Community Consultation Working Party
- Indoor Employees Consultative Committee
- Main Corner Development Working Party
- Queen Elizabeth Park Trust

Member Portfolio

Economic Development and Human Resources: local economy, sustainable business and economic development, infrastructure, workforce – IR, workforce planning and development, EB, Employer of Choice, retail, tourism promotion and information, visitor services, major events, Council HR Policies and Programs, OHS&W / EEO.



CR BIDDIE TIETZ

110 Wehl Street South
Phone: 8723 6754; 0419 213 590
Email: crtietz@mountgambier.
sa.gov.au

- Operational Services Committee
- Strategic Planning and Policy Development Committee
- Community Engagement and Social Inclusion Working Party
- Crater Lakes Management
- Environmental Sustainability Working Party
- Former Hospital Community Consultation Working Party
- Main Corner Development Working Party
- Mount Gambier Heritage
- Riddoch Art Gallery (By Agreement)

Member Portfolio

Environmental Sustainability: natural resource management, relationships with relevant bodies, stormwater and drainage, water quality and management, lakes environs and management, The Natural Step Framework, heritage, community awareness and education about environmental sustainability.

Council and Committees

2010-2014 (from November 2010)



CR IAN VON STANKE

13 Wentworth Court
Phone: 8724 7047; 0429 841 804
Email: crvonstanke@mountgambier.sa.gov.au

- Operational Services Committee
- Strategic Planning and Policy Development Committee
- Australia Day Celebrations (By Agreement)
- Council Development Assessment Panel (CDAP)
- Dry Areas Working Party / Licensed Premises Accord Group
- Former Hospital Community Consultation Working Party
- Garden Square Group
- Mount Gambier Cemetery Trust
- Main Corner Development Working Party
- Riddoch Art Gallery (Proxy) (By Agreement)
- South East Local Government Association (Second Deputy)

Member Portfolio

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



CR MERV WHITE

1/33a Alexander Street
Phone: 8725 3799; 0408 808 464
Email: crwhite@mountgambier.sa.gov.au

- Operational Services Committee (Presiding Member)
- Strategic Planning and Policy Development Committee (Presiding Member)
- Building Fire Safety Committee
- CEO Performance Development and Review Committee
- Council Development Assessment Panel (CDAP)
- Former Hospital Community Consultation Working Party
- Gateways Precincts Working Party (with District Council of Grant)
- Joint Boundary Roads with District Council of Grant (as Presiding Member of OPS)
- Main Corner Development Working Party
- Mount Gambier & District Road Safety Committee
- Queen Elizabeth Park Trust
- South East Local Government Association (First Deputy)
- South East Local Government Association Road & Transport Working Group

SELGA

Green Triangle Freight Action Plan (Proxy)

Member Portfolio

Infrastructure and Public Services: roads, parking, footways, traffic management, street trees, Council built assets, parks gardens, ovals, reserves, (asset maintenance) road safety, transport, taxis.

CEO Report



Since commencing this role I have had the opportunity and privilege to meet with a wide diversity of community organisations and residents on a range of issues and would like to thank those individuals and community groups that have shared with me their thoughts, aspirations, time and explained their contributions to our community.

As a new resident to the City and in my role as CEO I highlight to many people how fortunate we are to be surrounded by a unique natural environment and an urban amenity that is equal if not better than most other cities in Australia. Our active and passive recreational areas are second to none as are the opportunities provided by sporting, recreational, educational and leisure activities across the City. We should not take these attributes as a given, they rely on dedication, planning and hard work from the community and Council and we all focus on improving the quality of our City.

Having lived in large and small cities in Australia and large cities overseas, I consider we must value, protect and strive to improve our City – these great attributes and sense of community are not universally enjoyed by others.

Highlights of 2011-2012 included the much anticipated opening of the Main Corner that completed

the upgrade of the total civic complex. The facility now boasts a large function area, community meetings rooms, cinema, interpretive and sound and light shows and upgraded Riddoch Art Gallery. Having now settled into a routine, the Main Corner will provide an enviable variety of community facilities and activities for many decades. Council staff and an array of contractors worked tirelessly to deliver the project for opening on the 11th December 2011 by The Governor of South Australia, with the highlight being the many thousands of people attending the festivities of the day and evening.

After more than a decade of troubled history, the Council purchased the former hospital buildings in November 2011. Immediately after purchase Council, as best as possible, tidied the site and conducted an initial phase of public consultation on the future for the facility. While resident's opinions varied, a common theme was the removal of the buildings and returning the 5 hectare site to open space for community use.

The total cost of this project will be considerable but the removal of the dilapidated building and provision of open space will be of long term benefit.

During this year Council sought feedback on the rail land plans with the draft proposal including walking and cycling tracks, open and treed areas, playgrounds and generally a vast improvement in urban amenity. Community feedback was positive and constructive and following receipt of a \$1 million grant from the State Government, the phase one plans will move forward to reality in 2013.

Economically the South East faced a degree of uncertainty regarding the future of the timber industry. The City supported by the District Council of Grant and Wattle Range Council, stakeholders and the community strongly opposed the forestry forward sale with

seemingly little affect. Council recognises that, in part, our future is dependent on a diversified economy and have been working with the State Government to ensure our message is heard and there is a strong consistent focus on Mount Gambier and our region.

The Council is committed to maintain our current excellent services and to deliver on a range of major projects that will enhance our City. Much of what Council does "just happens" however the quality of work is dependent on all of our staff delivering excellent service. I recognise and thank them for their efforts, commitment and community spirit.

Council is aware that the demands on service delivery reflect the changing and increasing needs of our community and in some cases the withdrawal of services by other providers. Residents identify Council as the primary service provider in our community however the continual challenge is to balance available resources and services delivered. Our complex economic times locally and globally will present many difficulties over the next few years for both Council and the community reinforcing the need to continually examine the most appropriate mix and level of services delivered to the community.

Finally I acknowledge the efforts and dedication of staff and Elected Members working together for the community and in welcoming me into my role.

A handwritten signature in black ink, appearing to read 'Mark McShane', written in a cursive style.

Mark McSHANE
CHIEF EXECUTIVE OFFICER

Governance Statement



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Financial Statement

2011/12 Budget Analysis

2011/2012 Budgeted Expenditure consists of:

- Operating Expenditure
\$20,096,000
- Non-Operating Expenditure
\$1,909,000
- Capital Expenditure
\$8,680,000

That total expenditure of \$30,685,000 will provide for the delivery of all Councils services and programs, maintenance of assets and the development of new or upgraded assets.

2011/2012 Budgeted Revenue, to fund Councils Budgeted Expenditure, consists of:

- Operating Revenue
\$20,233,000
- Non-Operating Revenue
\$9,976,000
- Capital Revenue
\$184,000

Operating Result

Council budgeted for an overall deficit of \$292,000 (operating, non-operating and capital) in 2011/2012 due to its desire to fund a number of major capital projects identified in its long term major project schedule. The funding of these major capital projects is planned to be amortised over future years using Treasury Management principles.

Council will fund its services in 2011/2012 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 \$13,520,000 in 2010/2011 to \$14,453,000 million in 2011/2012.

Budgeted Operating Expenditure in 2011/2012 was estimated to increase by approximately \$1.461 million above the 2010/2011 figures. In comparison, Operating Revenue was anticipated to increase by approximately 1.793 million, resulting in a \$137,000 surplus in Councils Operating result.

'TOWARDS 2015' - A VISION FOR THE FUTURE

The 2011/2012 Business Plan 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 (completed in 2010/2011)
- "Main Corner" Development (to be completed in 2011/2012)

- Railway Land Community Project (planning phase)

Council has now completed 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 2009/2010 and 2010/2011 financial years.

Federal and State Government funding assistance of \$6.7m for both the new Library (\$10.6m) and Main Corner (\$6.4m) projects (estimated total cost of \$17m) was secured which allowed Stage II of the Towards 2015 strategy i.e. the Main Corner development, to proceed.

In terms of the "Main Corner" project and the funding thereof, Councils intention is to fund the expected shortfall (\$3.7m after grant funds) by way of an internal allocation which will exhaust all Council reserve funds.



Governance Statement

2011/12 Budget Analysis

2011/12 Capital Expenditure includes:

	\$
Plant and machinery replacement program	467,000
Major items:	
Footpath/Sweeper	50,000
Crew Cab/Utilities/Mowers	157,000
Paver Cleaner	30,000
Crater Lakes - Valley Lake Boardwalk	150,000
Vansittart Park Carpark	95,000
Playground Program	70,000
Aquatic Centre Gas Heating Conversion	110,000
Stormwater Drainage Program	137,000
Major Projects: Old Kent Court Woodlands Drive Tumut Drive Jubilee Hwy/Crouch St	
Footpath and Bikeway Program	296,000
Major Projects Penola Road Annette Street Telford Street Pram Crossings (various) Bikeways Program	
Roads Program	1,703,000
Major Projects Lake Tce East Bishop Road Road Reseals Anthony Street Cardinia Street Duigan Street	
Traffic Control Program	174,000



Governance Statement

2011/12 Budget Analysis

Major Capital Works Projects

As part of Councils future long term planning process a number of Major Capital Works Projects have been considered as part of the current financial years Budgetary planning process. These include:

FUNDED:	\$
Main Corner Development (completion)	1.2m
City Centre Street Scaping	1.0m
Land Purchases for Stormwater Drainage	500,000
The Lady Nelson Brig renovation	250,000
Caroline Landfill - new cell construction	1,000,000
Pedestrian Link - Commercial/Percy	250,000
Passenger Bus Facilities (over two years)	100,000

Council has also maintained its Capital (new and renewal) programs and expenditure (\$8.7m) in relation to Roads, Footway and Bikeways, Stormwater Drainage, Reserves, Playgrounds and Buildings/Structures renewal.

SIGNIFICANT INFLUENCES

A number of significant factors have influenced the preparation of the Councils 2011/2012 Business Plan. These include:

Economic Environment

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 on a quarterly basis – the most recent release being March 2011 (+0.9% for the quarter year or + 3.4%

for the year) In comparison the Consumer Price Index (CPI) was recorded at +1.6% of the quarter year or +3.6% for the year.

For the financial year 2009/2010 the LGPI was recorded at + 2.8% whereas the CPI, for the same period, was recorded at +2.2%.

Source: The South Australian Centre for Economic Studies www.adelaide.edu/saces/economy/lgpil

New or Additional Cost Impacts

New or additional cost impacts on Council's Budget include:

- State Government legislation in relation to rate rebates results in increased cost to Council in the order of \$40,000
- Rate Rebates in accordance with the recent Boundary Adjustment are reduced in year two but are anticipated to be in the order of \$60,000

- State Government, Environment Protection Agency, landfill licensing in anticipated to increase by \$75,000
- Library Operating costs after first full year of operating equate to increase operating costs in the order of \$129,000
- Main Corner Development Operating costs for first six months including depreciation costs of \$178,000 and general operating of \$128,000

Other cost increases Council will need to absorb in the 2011/2012 Budget are the approved enterprise bargaining increases which affect salary, wage, superannuation etc commitments.

Governance Statement

2011/12 Budget Analysis

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, see 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 \$130 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

In order to deliver Councils services and programs in 2011/12, Council has determined that it will require an increase in the overall general gross rate revenue equivalent to 6.9% over the general gross rate revenue raised last financial year.

This overall percentage increase is offset by the effect of 'growth' i.e. new developments, new assessments etc that have occurred during the past year. This 'growth' is estimated to be equivalent to a .4% benefit in general rate revenue which will provide a "cushion" to the full extent of the 6.9% rate rise.

Council estimates that new operating costs to be introduced

into the 2011/2012 Budget to be in the order of 3.5%, leaving an effective net general rate increase of 3.4% for all Council services and activities. These costs include:

- State Government fees/ charges increases (waste levy, community housing rebates)
- Boundary Adjustment rebates (second year)
- New Library/Community Centre (first full year of seven (7) days per week operating)
- Main Corner facility (part year operating costs)

For the average residential ratepayer this will equate to an estimated 6.2% increase (or approximately \$1.00 per week increase) in Council rates this year bringing the average annual residential rates to \$904.00 to assist in funding the 2011/12 Budget.

At this level, Councils rating effort is still considered to be in mid range in comparison to Councils across the State.

For around \$2.48 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 2011/12 Budget.



Governance Statement

Council 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 Manual Index

CORPORATE SERVICES			
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C210	Contracts (Licenses, Leases etc.)	R300	Risk Management Policy
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E105	Elections - Supplementary Elections	A230	Art Works - Council Assistance
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		T140	Tourism - Objectives of Council
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C160	Coat of Arms
C190	Community Identity
C260	Council and Committees - Agenda Deadlines
C270	Council and Committees - Agenda Inquiries
C275	Council and Committees - Access to Council Meetings
C280	Council and Committees - Appointment to Committees
C285	Council Committees - Appointment of Independent Members
C290	Council and Committees - Internal Review of Council's Decisions
C295	Council and Committees - Conduct - Filming and Audio Recording Devices
C300	Council and Committees - Protocol for common items
C305	Council and Committees - Caretaker Policy
C310	Council and Committees - Presentation of Recommendations
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C360	Council - Personal Immunity for Individuals
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F225	Fraud and Corruption Prevention Policy
M120	Media - Access and Availability of Documents
M130	Media - Statements on behalf of Council
M155	Members - Allowances - Payments When Acting in a Higher Office
M160	Members - Certificate of Service
M165	Members - Allowances and Benefits Policy
M170	Members - Conferences, Courses and Seminars
M180	Members - Copies of Legislation
M190	Members - Deputy Mayor
M200	Members - Meetings of Electors

M205	Members - Mayor - Anniversary Messages
M210	Members - Newly Elected Members
M215	Members - Code of Conduct and Complaint Handling Policy
M220	Members - Photographs
M230	Members - Recognition of Service
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M255	Members - Council Induction Policy
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R155	Rates - Rebate Policy Statement and Application Process
R160	Rates - Outstanding
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E130	Employees - Attendance at Council and Committee Meetings
E140	Employees - Authority for Overtime
E150	Employees - Christmas Leave
E160	Employees - Credit Cards
E165	Employees - Defence Reserves Forces Leave
E170	Employees - Driver's Licence
E175	Employees - Jury Service/Witness Service
E180	Employees - Industrial Representation - Engagement of Experts
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E190	Employees - Meetings and Seminars
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E230	Employees - Telephone
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S175	Safe Environment Policy
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F160	Footways - Crossing Places
F165	Footways - Maintenance of Flexible Seal Vehicle Crossovers
F170	Footways - Landscaping by Residents
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F210	Footways - Protection of Public - Maintenance Work
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A200	Animals - Keeping of Birds, Livestock
A210	Animals - Noise Nuisance
B120	Building - Encroachments over Public Places
B125	Building - Mandatory Notifications
B135	Buildings - Rainwater Tanks
B150	Building - Sewer Connections, Waste Management Control and the Provision of Toilet Facilities
B160	Building - Verandah Posts
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C330	Council Land - Removal of Objects
C340	Council Land - Sale of Commodities from Vehicles
D200	Dog Control - House Inspections
D210	Dog Control - Problem Dogs
D220	Dog Control - Seizure of Dogs
E240	Expiation Notices - Cancellation or Waiver
F110	Fencing Costs - Contributions by Council
F120	Fires - Clean Air, Burning in Open
F125	Fireworks - Schedule 9 Permits
F135	Flammable Undergrowth
F180	Footways - 'Sale' and 'Special' Banners
F200	Footways - Protection of Public - Building Work
F220	Footways - Sale of Commodities from
O110	Order Making
T110	Taxis - Taxi Regulation
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A170	Advertising - All Business Premises/Property
A180	Advertising - Home Activity Signs
A190	Advertising - Revolving Wind Powered Signs
D110	Development Act - Amended Applications
D115	Development Act - DAP Code of Conduct
D120	Development Act - Application Fees
D125	Development Act - Bed and Breakfast Establishments
D130	Development Act - Certificate of Occupancy
D135	Development Act - Garages
D140	Development Act - Delegations
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D180	Development Act - Public Inspection of Applications
D195	Development Register - Provision of Information - Monthly
L135	Land Division - Provision of Power to New Allotments
L230	Licensed Premises - Trading Hours
P130	Planning - Isolation Water Valves, Residential Units
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R250	Reserves - Sponsorship and Advertising Signs
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Governance Statement

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 2011/12 year included:

CORPORATE & COMMUNITY SERVICES

- Mount Gambier Library Patronage/Opening Hours
- LGAMLS Risk Management Review Results 2011
- Comparative Performance Measurement Project Outcomes – Year 2011
- Sport and Recreation Major Capital Works Program 2011/12
- Competitive Tendering, Contracting, Purchasing, Sale and Disposal of Land and Other Assets Policy
- Council Policy C275 – Access to Council Meetings, Council Committees and Council Documents
- New Enterprise Agreement Negotiations with Indoor Employees
- Guides South Australia Inc. – Lease of Land at Olympic Park Reserve
- Freedom of Information Statement
- Residential Rates Comparison Report for Specified Councils Utilising 2007/08, 2008/09 and 2009/10 State Grants Commission Data
- Fraud and Corruption Prevention Policy and Whistleblowers Protection Policy
- Comparison of Councils – Grants Commission Data 2009/10
- Taxi Regulation
- New Council Policy M255 – Members – Council Induction Policy
- Report number not used – Report Cancelled
- New Council Policy P160 – Privacy
- Statutory Resolutions and Appointments of Council
- 2010/11 Unaudited Financial Statements and Financial Sustainability Outcomes and Other 2010/11 Financial Data
- South East Community Access Radio – 25 Alexander Street
- Internal Control Policy I105
- Council Rating Policy R105
- Review of the 2011/12 Budget as at 30th September, 2011 – First Review
- Federal Governments Education Infrastructure Fund (EIF) – University of South Australia
- Federal Government Building Better Regional Cities Program (BBRC)
- Investment Review – Yearly Report – 1st July, 2011 – 30th June, 2011
- Treasury Management – Annual Report
- Delegation of Powers of Council
- Report number not used – Report new been deferred to 2012 and new number allocated
- Review of the 2011/12 Budget as at 31st October, 2011 – Second Review
- Minutes of Public Meeting Held 29/11/2011
- Community Consultation and Engagement
- Rentals by Sporting Organisations Occupying Council Owned Land and which Council Maintains
- Appointment of External Auditor
- Half yearly Report to Council by the Audit Committee – 2011/2012 (to 31st December, 2011)
- Review of the 2011/12 Budget as at 30th November, 2011 – Third Review
- Review of Valuation and Rating System
- Council Fees and Charges Review 2012/2013
- Constitutional Recognition of Local Government – Funding and Awareness Raising Campaign
- Chief Executive Officer Performance Development and Review Committee
- Establishment of a Lower South East Sustainable Futures Fund
- Review of the 2011/12 Budget as at 31st January, 2012 – Fourth Review
- Review of the 2011/12 Budget as at 29th February, 2012 – Fifth Review
- Investment Review – Half yearly Report – 1st July, 2011 – 31st December, 2011
- Major Events – International Cities, Town Centres and Communities Conference (ICTC)
- Main Corner Project Report on Capital Spend and Reasons for Overspend
- Lease of Community Land – Blue Lake Sports Park to Mount Gambier Softball League
- Lease of Community Land – Blue Lake Sports Park to Lower South East Hockey Association
- Lease of Community Land – Hastings Cunningham Reserve to Blue Lake BMX Club
- Review of the 2011/12 Budget as at 31st March, 2012 – Sixth Review
- Review of Opening Hours – Community and Event and Library Division Facilities

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Policy and Strategic Matters

- Rate Rebates/Remissions – Annual Review and 2012/2013 Adoption
- Rate Rebate Policy and Rate Rebate Application
- Replacement of Office Machines
- SA Grant Commission ‘Database’ Report

OPERATIONAL SERVICES

- Residential Zone (Policy Review) Development Plan amendment
- Council Policy – Supported Residential Facilities Notification of Certain Events
- Infrastructure – Penola Road / Wireless Road Intersection
- Urban Boundary Adjustment Development Plan Amendment
- Liquor Licence – Application for an Extension to an Existing Licenced Premises – Banana Tree Cafe
- Tender AF11/2282 – Supply and Deliver Concrete Pavers for Commercial Street
- Rezoning Request – 88 Tollner Road, Mount Gambier
- Liquor Licence – Application for an Extension to an Existing Licenced Premises – Macs Hotel

- Liquor Licence – Application for an Extension to an Existing Licenced Premises – South Eastern Hotel

- Draft State Natural Resources management Plan – Public Consultation

- Statewide Windfarm Development Plan Amendment

- Zoning Request – 88 Tollner Road

- Switching off Street Lights

- Liquor Licence – Banana Tree Cafe, 53 Gray Street, Mount Gambier

- Liquor Licence – The Blue Lake Curry Club – 149 Commercial Street East, Mount Gambier

- Forward Roads Infrastructure Program

- Advertising Signage – Council Reserves

- Traffic Control/Traffic Safety – DeGaris Street, Shepherdson Road – Concerns raised by Councillor White

- District Council of Grant Better Development Plan (BDP) – Development Plan Amendment

- Traffic Management – Regulating – Variation of Council Policy regarding Mobile Vendors

operating within the Valley Lake / Leg of Mutton Reserve

- Development Control – Regulating – Urban Boundary Adjustment Development Plan Amendment

- Committees – Mount Gambier Heritage Advisory Committee – Historical Information Resource Pack produced for Local Schools

- Property Management – Railway Lands Community Consultation

- Development Control – Regulating – Section 84 Notices – Amberich Pty Ltd / Envirocycle – Operation of a metal recycling business – 30 White Avenue, Mount Gambier

- Liquor Licence – Application to Sell and Supply Liquor – Jupiter Limousines – 200 Attamurra Road, Glenburnie

- Liquor Licence – Application to Sell and Supply Liquor – Gambier City Bowl – 32 James street, Mount Gambier

- Development Application – Gambier City Sharks Soccer Club – proposed Clubrooms – 12 Comaum Avenue (East Gambier), Mount Gambier

- Committees – Projects – Gateways Precinct Working Party (Joint with District Council of Grant)



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Policy and Strategic Matters

- Government Liaison – District Council of Grant Strategic Management Plan 2012 – 2016
- Property Management – Mount Gambier Aquatic Centre – Water Heating System
- Social, Cultural and Community Services – Review of Affordable Housing in City of Mount Gambier
- Property Management – Council Property Maintenance – Valley Lake Conservation Park Boardwalk
- Property Management – City Centre Urban Development Project
- Development Control – Regulating – Recognition of Traditional Land Owners – Interpretive Signage
- Liquor Licence – Application for Extension of Trading Authorisation – Mount Gambier Hotel – corner Commercial Street west and Penola Road, Mount Gambier
- Liquor Licence – Application to Sell and Supply Liquor – Bahn Kubo Restaurant – 2/94 Commercial Street East, Mount Gambier
- Liquor Licence – Application to Sell and Supply Liquor – Metro Bakery and Cafe – 13 Commercial Street East, Mount Gambier

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 2011 and 2012
- Comparative Performance Measurement Project 2002 to 2012
- Residential Rates Comparison Report utilising Grants Commission data 2009/10 to 2010/11
- Financial comparison of Councils utilising Grants Commission data 2010/11
- Workplace Lost Time Injury Report

- Council's Financial Sustainability Indicator Outcomes
- Grant's Commission allocations for 2011/12

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. 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 - Council undertook a community consultation process on the new Strategic Plan – Beyond 2015 which was adopted in October 2011.

Governance Statement

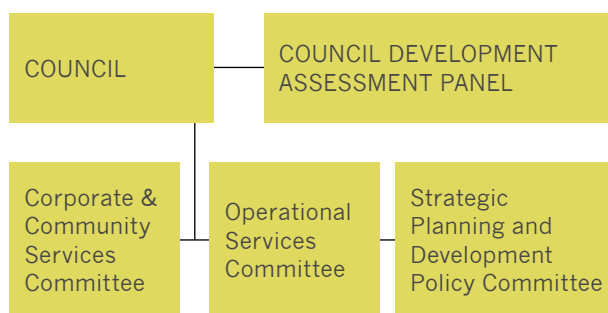
Decision Making Structure of Council

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

- Council
- Council Development Assessment Panel
- Committee Structure
- Community Committees
- Delegations to Employees
- Grievance Procedures

COMMITTEE STRUCTURE

Council's Standing Committee structure is set out below (to 30th June 2012).



Council meetings are held at the Council Chamber, Civic Centre, 10 Watson Terrace, Mount Gambier, on the third Tuesday of each month at 6.00 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 - 7.30 a.m.
- Corporate and Community Services Committee – 6.00 p.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 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:

- Audit Committee
- CEO Performance Development and Review Committee
- Community Engagement and Social Inclusion Working Party
- Environmental Sustainability Working Party
- Former Hospital Community Consultation Working Party
- Lifelong Learning Working Party
- Main Corner Development Working Party
- Railway Lands Redevelopment Working Party

COUNCIL DEVELOPMENT ASSESSMENT PANEL

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

As the relevant planning authority for the City of Mount Gambier, the Panel must assess and determine development proposals having regard to the Councils authorized development plan.

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).

Governance Statement

Decision Making Structure of Council

The Local Government Act 1999 does not apply to the Panel and 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.

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:

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

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 20th December 2011 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 16th August 2011.

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.

Governance Statement

Comparative Performance Measurement Project 2002 - 2012

The Project has been undertaken for eleven (11) calendar years i.e. 2002 to 2012 and Council has participated in all eleven annual reviews.

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	AV.
Community Satisfaction with Provision and Management of Assets	114.0	116.3 (105.9)	115.6 (104.2)	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)	116.7 (106.4)
Community Consultation and Awareness Satisfaction	83.9 (84.8)	89.6 (84.4)	85.8 (82.3)	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)	88.4 (83.7)
General Satisfaction with Councils Services and Facilities	111.6 (106.0)	114.1 (106.1)	112.2 (104.5)	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)	108.3 (103.6)
Community Perception of Quality of Life	96.95 (92.36)	98.5 (92.2)	107.3 (92.9)	107.2 (95.5)	103.7 (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)	105.6 (94.4)
Community Perception of Safety and Security	103.4 (94.5)	107.2 (93.0)	104.6 (93.2)	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)	109.2 (93.6)
Awareness of Strategic Direction	85.7 (82.8)	95.3 (83.2)	91.5 (81.4)	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)	86.4 (82.7)
Public Access to Information	88.0 (89.0)	94.5 (88.1)	90.7 (87.3)	93.8 (90.1)	93.7 (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)	91.5 (88.1)
Community Satisfaction with Waste Collection and Disposal	134.0 (131.2)	137.0 (131.6)	133.2 (129.2)	.	.	.	.	.	.	.	.	.
Community Satisfaction with Environmental Management	104.1 (99.2)	106.5 (99.7)	104.7 (98.7)	.	.	.	.	.	.	.	.	.
Community Satisfaction with Health Services	106.5 (102.4)	109.1 (102.4)	107.8 (102.3)	.	.	.	.	.	.	.	.	.
Community Satisfaction with Libraries and Services	142.1 (128.5)	148.2 (127.7)	146.3 (126.8)	.	.	.	.	.	.	.	.	.
Community Satisfaction with Recreation and Leisure	126.1 (115.6)	130.9 (115.5)	129.2 (111.6)	.	.	.	.	.	.	.	.	.
Community Satisfaction with Customer Service	96.7 (92.1)	96.7 (91.3)	97.8 (90.7)	.	.	.	.	.	.	.	.	.
Community Satisfaction with Information Delivery	96.2 (99.8)	96.4 (99.6)	91.3 (96.9)	.	.	.	.	.	.	.	.	.

The Council average for all fourteen indicators combined = 106.9.

The Statewide average for all fourteen indicators combined = 101.7.

Difference = 5.2 (or 8.2% difference).

Governance Statement

Comparative Performance Measurement 2011

Council participated in the tenth Comparative Performance Measurement Project, to gather information annually on the performance of participating Councils across the State in Calendar Year 2011.

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 2011.

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.

MEASURE	2011 RESULTS			
	COUNCIL	ACLG	SELGA	SWA
GOVERNANCE				
FOI requests	00.00	00.20	00.04	00.26
Awareness of Strategic Direction of Council	85.7	N/A	N/A	82.8
Community Consultation	84.0	N/A	N/A	84.8
Public Access to Information, Documents etc	87.9	N/A	N/A	88.9
Achievement of Annual Objectives	62.5%	78.0%	78.9%	77.8%
COMMUNITY SATISFACTION				
General Satisfaction with services and facilities	111.6	N/A	N/A	106.0
Review of Council Decisions	00.00	00.15	00.03	00.04
Complaints to Ombudsman	00.00	00.00	00.00	00.00
FINANCIAL SUSTAINABILITY INDICATORS				
Operating Surplus Ratio (%)	+8.0	-5.0	+1.0	0.0
Net Financial Liabilities Ratio (%) (+=surplus / - = deficit)	+9.0	10.0	+13.0	00.00
Asset Sustainability Ratio (%)	51.0	56.0	58.0	72.0
Asset Consumption Ratio (%)	92.0	75.0	65.0	64.0
Community Satisfaction with Provision and Management of Assets	113.9	N/A	N/A	105.6

Governance Statement

Comparative Performance Measurement 2011

MEASURE	2011 RESULTS			
	COUNCIL	ACLG	SELGA	SWA
QUALITY OF LIFE				
Community Perception of Quality of Life	96.95	N/A	N/A	92.36
Community Services (measure is operating expenditure per 1000 persons on libraries, recreation, leisure, sport and cultural, public order, health, economic etc)				
• Community Services	\$497.86	\$641.31	\$555.03	\$578.86
• Recreation & Leisure	\$101.12	\$112.48	\$119.08	\$121.42
Growth in Capital Valuations	3.10%	1.9%	1.13%	1.23%
Community Perception of Safety and Security	103.4	N/A	N/A	94.5
Community Satisfaction with Recreation & Leisure	126.1	N/A	N/A	115.6
ENVIRONMENT AND HEALTH (PER 1000 PERSONS)*				
Environmental Management*	\$52.32	\$70.01	\$51.59	\$90.38
Health Services*	\$7.48	\$83.72	\$10.77	\$23.03
Waste Management*	\$77.20	\$103.67	\$105.43	\$86.37
Community Satisfaction with Environmental Management	104.3	N/A	N/A	99.23
Community Satisfaction with Health Services	106.45	N/A	N/A	102.39
Community Satisfaction with provision of Waste Collection Services	133.97	N/A	N/A	131.15
Waste to Landfill (tonnes per 1,000 rateable properties)	449.50	1,195.50	619.91	689.92
QUALITY SERVICE DELIVERY				
Library Expenditure (per 1,000 persons)	\$70.79	\$44.30	\$52.22	\$49.24
Community Satisfaction with Information Delivery	96.2	N/A	N/A	99.8
Community Satisfaction with Customer Services	93.9	N/A	N/A	92.1
Community Satisfaction with Libraries and Library Services	142.1	N/A	N/A	128.5

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 2010/11 financial year.

Governance Statement

Comparative Performance Measurement 2011

ANALYSIS OF OUTCOMES FOR THIS COUNCIL FOR 2011

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 2011 CPMP outcomes:

- i) Improved on 2010 result and also achieved better than Statewide averages in two (2) measures vis:
 - Community Satisfaction with provision of Waste Collection Services
 - Waste to Landfill (tonnes per 1,000 rateable properties)

- ii) did not improve on 2010 results (or equal 2010 results) BUT was still better than Statewide averages in eleven (11) measures vis:

- Awareness of Strategic Direction of Council
- General Satisfaction with services and facilities
- Net Financial Liabilities Ratio (%) (+=surplus / - = deficit)
- Community Satisfaction with Provision and Management of Assets
- Community Perception of Quality of Life
- Growth in Capital Valuations
- Community Perception of Safety and Security
- Community Satisfaction with Recreation & Leisure
- Community Satisfaction with Environmental Management
- Community Satisfaction with Customer Services
- Community Satisfaction with Libraries and Library Services

- iii) did not improve on its 2010 results and was less than Statewide averages in four (4) measures.

- Community Consultation
- Public Access to Information, Documents etc
- Achievement of Annual Objectives
- Operating Surplus Ratio (%)

For the third time the CPMP included features which are also worthy of specific noting i.e.

- Waste to Landfill (tonnes per 1000 rateable properties) our 2011 result was better than 2010 and better than the Statewide average.
- Waste Management costs (\$) our 2011 result was higher than 2010 and significantly less than the Statewide average costs.
- Our Community Services and Social Well Being costs are below Statewide average costs.
- Our Environmental and Health costs are higher than 2010 however they are notably below Statewide average costs.



Governance Statement

Members Allowances and Reimbursements

Elected Members allowances, since the 2010 local government general elections, have been determined by an Independent Remuneration Tribunal in accordance with Section 76 of the Local Government Act.

In making its determination, the Tribunal must have regard to:

- The role of Members of Council as Members of the Council's governing body and as representatives of the council's area;
- The size, population and revenue of the Council, and any relevant economic, social, demographic and regional factors in the Council area;
- Such as allowance is not intended to amount to a salary for a Member;
- Such as allowance should reflect the nature of a Member's office; and
- The Act's provisions to provide for reimbursement of Member's expenses.

Section 76 further provides for allowances to be adjusted annually to reflect changes in the consumer price index. Elected members allowances determinations for the City of Mount Gambier from 12th November, 2011 are as follows:

COUNCIL	Group 2 classification (out of 5 Groups)
GROUP 2	Base is \$14,936
Mayoral Allowance	4 times the \$14,936 = \$59,742
Deputy Mayoral Allowance	1.25 times the \$14,936 = \$18,670
Presiding Member	as for Deputy Mayoral Allowance
Members	\$14,936

Council has resolved that all Members Allowances are to be paid monthly in arrears.

NOTE: A Council Member is entitled to decline payment of the allowance (see Section 76 (7) of the Act). If a Council Member does decline payment of the allowance it still must be recorded in the Register of Allowances and Benefits.

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.



Governance Statement

Members Training and Development

Council has the required 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.

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.

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

During 2011/12 Elected Members participated in a varied program of Workshops and Briefings including:

- Members Workshops on New Strategic Plan for Council (all Members)
- Members Workshops on Council's Long Term Financial Plan (all Members)
- Various LGA General Meetings and associated sessions/ conferences (two Members)
- International Cities Town Centres and Communities Conference (ICTC) (one Member)
- Information Session on proposed ICAC Bill (all Members)
- Information Session on proposed Council Decision Making Structure (all Members)
- Members Workshops with Chamber of Commerce, SAPOL and SENRM Board (all Members)

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 \$8,614.

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.

A total of \$137,120 was provided by Council for statutory or discretionary rebates on Council rates as follows:

- | | |
|-----------------------|----------|
| ▪ Statutory | \$90,889 |
| ▪ Discretionary | \$12,421 |
| ▪ Boundary Adjustment | \$33,810 |

A complete schedule of all rateable properties receiving either the statutory or discretionary rebate on rates is contained in Councils Budget papers and detailed in Council Policy R150 - Rate Rebate Register (all available from the Council website).

State Government legislation has increased significantly the amount of rate rebates Council is now required to provide to the Community Housing sector.

This legislation, introduced in 2010, is being phased in (50% in the second year - 2011/2012) and is anticipated to "cost" Council approximately \$40,000 in 2011/2012 and up to \$100,000 per annum once fully phased in.

Compliance Statement



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Compliance Statement

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.



Council is required to report on the occasions and reasons on its use of Section 90(2) of the Local Government Act and whether its confidentiality orders are still in place as at 30th June 2012.

The following is the required report for the Council meetings held in the 2011/12 financial year.

SECTION 90(2) ORDERS TO EXCLUDE PUBLIC AND SECTION 90(3) GROUNDS

		GROUNDS SECTION 90(3)													WAS ITEM KEPT CONFIDENTIAL
COUNCIL MEETING DATE	S90(2) ORDER NUMBER OF ITEMS	(A) PERSONAL AFFAIRS OF PERSON	(B) COMMERCIAL ADVANTAGE	(C) TRADE SECRET	(D) PREJUDICE COMMERCIAL POSITION	(E) SECURITY OF COUNCIL MEMBERS EMPLOYEES	(F) MAINTENANCE OF LAW	(G) DOES NOT BREACH ANY LAW OR COURT	(H) LEGAL ADVICE	(I) LITIGATION MAY TAKE PLACE	(J) INFO PROVIDED BY CROWN OR MINISTER	(K) TENDERS	(M) DPA'S	(N) FOI	S91(7) ORDERS
19/7/11	-														-
16/8/11	7	1	4									1	1		7
20/9/11	2		1									1			1
18/10/11	7		3							2		2			6
15/11/11	5				3							2			4
20/12/11	3											3			3
17/1/12	3	1										2			2
21/2/12	4											4			4
20/3/12	2				1				1						2
17/4/12	2	1			1										2
15/5/12	1								1						1
30/5/12	1	1													1
19/6/12	1								1						1
TOTALS	38	4	8		5				3	2		15	1		34

Compliance Statement

Confidentiality Provisions

SECTION 91(7) ORDERS TO KEEP CONFIDENTIAL

COUNCIL MEETING DATE	S91(7) ORDERS NUMBER OF ITEMS	PERIOD AND/OR CONDITIONS	EXPIRY DATE OR REVOCATION OF ORDERS	AS AT 30TH JUNE 2012 IS ORDER STILL IN PLACE?
19/07/2011	Nil	-	-	-
16/08/2011	7	6 months until DPA released until Council releases for public consultation	2 - 16/02/2012 1 - DPA not yet released	1 in place
20/09/2011	1	6 months (all details except winning tender)	1 - 20/3/2012	-
18/10/2011	6	6 months 12 months until public launch of concept plans	2 - 18/04/2012 1 - 18/10/2012	1 in place
15/11/2011	4	2 - 12 months 3 - 30 days	2 - 15/11/2012 2 - 17/12/2011	2 in place
20/12/2011	3	3 - 6 months	3 - 20/06/2012	-
17/01/2012	2	3 - 6 months	2 - 17/07/2012	-
21/02/2012	4	4 - until 22/02/2012	4 - 22/02/2012	-
20/03/2012	2	2 - 12 months	2 - 20/03/2013	2 in place
17/04/2012	2	2 - 12 months	2 - 17/04/2013	2 in place
15/05/2012	1	1 - 12 months	1 - 15/5/2013	1 in place
30/05/2012	1	1 - 12 months	1 - 30/5/2013	1 in place
19/06/2012	1	1 - 12 months	1 - 19/6/2013	1 in place
TOTALS	34			11

Compliance Statement

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 five 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

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, 2012;
- Presidents Report detailing the work and operations of the Association for year ended 30th June, 2012;
- Annual Program/Business Plan for the 2012/13 year.

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.

Compliance Statement

Elector Representation Review

SELECT OUTER METROPOLITAN & REGIONAL COUNCILS COMPOSITION & ELECTOR RATIO (AS AT JANUARY 2012)

COUNCIL	MEMBERS	ELECTORS	ELECTOR RATIO
Pirie Regional	11	12,213	1:1110
Barossa	12	17,355	1:1446
Victor Harbor	10	13,139	1:1313
Murray Bridge	10	15,281	1:1528
Mount Gambier	11	17,940	1:1630
Whyalla	10	14,438	1:1443
Mount Barker	11	22,617	1:2056
Alexandrina	12	18,469	1:1539
Adelaide Hills	13	28,632	1:2202
Port Augusta	10	9,072	1:907
Port Lincoln	11	9,777	1:888

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 the State Electoral Office approved the Council proposal including:

- 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.

Audit Committee

Council’s Audit Committee was initially established in November 2006, as required under Section 126 of the Local Government Act.

Council’s Audit Committee comprises two persons independent of Council, one Council Member and is supported by Council staff and on occasions by Council’s appointed external Auditor.

Council’s Audit Committee met on six (6) occasions during the 2011/2012 financial year.

The Committee’s Terms of Reference, Annual Report to Council and Work Program are available from the website.

Compliance Statement

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 \$'000	OTHER MATERIALS, CONTRACTS, EXPENSES + PRESCRIBED EXPENSES \$'000
2009	6,082	7,005
2010	6,611	6,858
2011	7,286*	8,136
2011 State Average	8,732	10,499

*includes all salaries and wages (\$6,594,000), superannuation (\$643,000), fringe benefits tax (\$47,000), workers compensation (\$160,000), increases in liability for accrued wages, annual leave and long service leave (\$166,000), less employee costs capitalized (\$324,000)

Source: South Australian Local Government Grants Commission



Compliance Statement

Competitive Tendering Statement

During the 2011/12 year Council advertised and accepted the following competitive tenders for the provision of goods and services (all excluding GST).

ITEM	\$ VALUE
Sedan Vehicle	10,150.37*
Demolition of Building – Former Mutual Community Building 29 Commercial St East	30,314.00
Design, Supply and Installation of ‘Lady Nelson’ Bus Terminal Shade Structure	149,000.00
4WD Dual Cab Utility x 2	27,550.91*
Sedan Vehicle	15,197.92*
4WD Utility	25,840.45*
Crew Cab Tip Truck	55,528.00*
Footpath Sweeper	34,153.00*
Sedan Vehicle	4147.54*
Sedan Vehicle	3747.54*
Front Deck Mower	15272.73*
4WD Utility	23,383.45*
Wagon Vehicle	17,710.18*
2WD Utility	17,164.73*
Hatch Vehicle	7056.91*
Supply and Installation of Replica ‘Lady Nelson’ Brig	356,458.00
External Auditor Services 2011/12-2015/16 (Year 1)	16,900.00
Sedan Vehicle	8708.46*
Sedan Vehicle	28,783.76
Supply and Delivery of Concrete Pavers for Commercial Street	66.00/m2
SUV Vehicle	34,839.76
Lady Nelson Cleaning Contract 1/11/2011 – 30/11/2013(2yrs)	60,000 (incl GST)

*Excluding GST and after trade-in

Compliance Statement External Auditors

Council is required under Section 128 of the South Australia Local Government Act 1999 to appoint a suitably qualified person as its external auditor. The external auditor reports to Council on the General Purpose and Special Purpose Financial Reports prepared annually in accordance with the Act.

The external auditor is also required to report to Council on particular matters arising from the audit. (Section 129 of the SA Local Government Act 1999) The external auditor must specifically identify in the report any irregularity in the Council's accounting practices or the

management of the Council's financial affairs identified by the external auditor during the course of an audit.

Following a competitive tendering process Council appointed the firm Galpins as Council's external Auditors for a five (5) year term from the 2011/2012 financial year to the 2015/2016 financial year.

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 \$7,000 was paid for the interim annual audit of the Council's internal controls and transactions (2011/12);
- the sum of \$8,800 was paid for the balance of the 2010/2011 annual audit of statutory financial records and related specific purpose statements

Compliance Statement Building Fire Safety Committee

The Building Fire Safety Committee operates pursuant to the provisions of the Development Act 1993 and its primary function is to:

- Achieve a reasonable standard of fire safety for the occupiers of a building
- Minimal spread of fire and smoke
- An acceptable fire fighting environment

The Committee is made up of one Council Member (in 2011/12 this was Councillor Merv White, who is also the Chair of the Committee), a member of the Metropolitan Fire Service, Mr Grant Riches (Private Building Surveyor), Mr Daryl Sexton (Director - Operational Services, City of Mount Gambier) and Mr Marc van Riet (Building Officer, City of Mount Gambier).

The focus of the Committee over the past twelve months was hotels, motels, shopping and entertainment complexes.



Compliance Statement

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 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 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:

- Ms Elizabeth Travers (Presiding Member)
- Ms Emily Finnigan
- Mr Ted Jordan
- Mr Peter Seebohm
- Cr Des Mutton
- Cr Ian Von Stanke
- 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 in the Operational Services Committee Room, Level 1, 10 Watson Terrace, Mount Gambier, commencing at 5:45 p.m. (unless otherwise determined).

The agreed sitting fees are 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).

(iii) Where the meeting does not require the attendance of Members in person and can be undertaken by phone linkup due to a small agenda and the minor nature of items for discussion and no site inspection is necessary the sitting fees be as follows:

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

Community Lands

Council is required to have in place Community Land Management Plans for all of its land that has been classified as "Community Land" in accordance with the requirements of the Local Government Act.

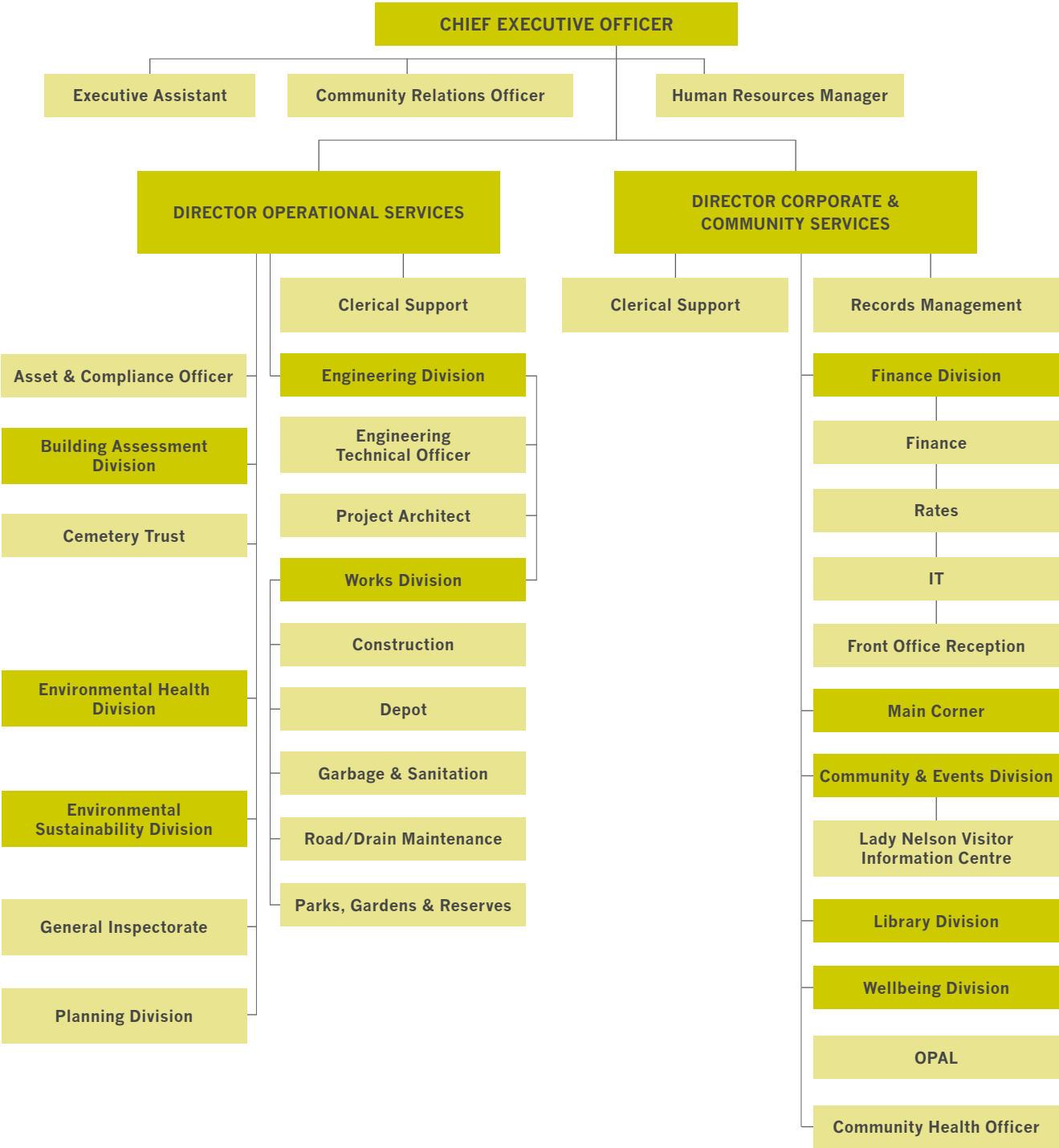
Council receives land from new subdivisions (usually in the form of reserves, screening reserves, drainage reserves and roads). Roads are excluded from the definition of Community Land.

Also, if Council acquires land (e.g. by direct purchase), it is required to make a declaration as to whether the land is to be classified as Community Land or not. Typically, any land purchased for operational purposes (e.g. carparking) will be excluded from the Community Land classification.

The Community Land Management Plans are available for inspection at the Council Office.

Compliance Statement

Organisational Chart



Compliance Statement 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 2012):

Award Salary - all SEO's

- 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

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 2017
- Chief Executive Officer
1st December 2016
- Director - Operational Services
12th September 2014



Compliance Statement

The Management Team

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

The management team comprises the following as at June 2012:

SENIOR EXECUTIVE



Mark McSHANE
Chief Executive Officer



Grant HUMPHRIES
**Director - Corporate and
Community Services**



Daryl SEXTON
**Director -
Operational Services**



Tracy TZIOUTZIOUKLARIS
Strategic Project Officer



Greg MULLER
Manager Projects



Stacey HOLDER
**Human Resource
Manager**



Lynne DOWLING
Executive Assistant



Barbara CERNOVSKIS
**Community Relations
Officer**

DIVISIONAL MANAGERS



Daryl MORGAN
Engineering Manager



Gary BUTTON
Finance Manager



Cathryn HARRIS
Library Manager



Chris MUSTART
Works Manager

Compliance Statement

Human Resources

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, 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 2012 (salary and wage increases from 1st December 2011);

- an extensive job role audit including training needs analysis and re-formatting of all position descriptions;
- 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;
- targeted training and development.

STAFFING

As at 30th June 2012 Council employed sixty six (66) male employees and fifty eight (58) female employees, in full time, part time or casual positions.

Total Number employees	124
Full Time Equivalents	113.11

(all as at 30 June 2012)

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.



Compliance Statement

Human Resources

TRAINING

Ongoing training for employees has been provided according to legislative requirements and training needs analysis as detailed in the organizational training plan.

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 requires Council as an exempt employer, to set its own Occupational Health and Safety objectives in accordance with Workcover's performance standards for self insurers 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, frequency and duration rates;
- assist with the reduction of the unit cost of labour for workers compensation;
- improve compliance with Occupational Health and Safety by contractors working for Council;
- maintain compliance with WorkCover Performance Standards; and
- assess and maintain a high level of safety for employees engaged in high risk activities.

Council's Occupational Health, Safety, Welfare and Equal Employment Opportunity Committee comprises management and employee representatives and monitors performance against the plan.

Council, the Committee (which meets regularly to address occupational health and safety issues), all employees and the Regional Risk Coordinator have an ongoing 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 monitored and reviewed with new procedures being introduced where required according to legislation or new/changed work practices.

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.

In accordance with Council's commitment to preventative actions, Occupational Health and Safety training and information sessions are made available to employees on a continuing basis.



Compliance Statement

Equal Employment Opportunity

Council believes it has a social responsibility towards all members of its community to create an employment environment which reflects the values and needs of the community. Accordingly Council has a strong commitment to developing and implementing programs and initiatives to ensure that everyone has equal employment opportunity in relation to their employment.

This statement reflects Council's commitment to create a workplace which is free of discrimination and to which all people are permitted equal access and opportunity, to progress within the full extent of their ability. To progress these objectives, Council has ongoing programs which include the identification and review of

policies, procedures and practices that have implications for equal employment opportunity.

Total Number employees	128
Full Time Equivalents	120.68

(all as at 30 June 2012)

TEAM	MALES	FEMALES	TOTAL
Executive	3	4	7
Corporate and Community Services	3	42	45
Operational Services	64	12	76
Totals	70	58	128
Percentages	55%	45%	100%

Grievance Procedures

In accordance with Section 270 of the Local Government Act, a Council must:

- establish procedures for review of decisions of Council (refer Council Policy C290 available on website)

- on an annual basis initiate and consider a report on applications made

For the 2011/2012 financial year the following report is provided:

- Number of Applications for review made under this Section: NIL

- Kinds of matters to which the Application relate: N/A
- Outcome of Applications under this Section: N/A
- Prescribed Matters: NIL



Corporate Statement



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Corporate Statement

Employee Entitlements - Provisions

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

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
2011	987	749	1,736	NIL	251	251
2012	979	856	1,835	NIL	235	235

"Current" is defined as:

LSL: assumes that all LSL falling due after 10 years service will be taken in the following 12 months.
AL: all accrued annual leave is treated as current.

CASH VALUE IN COUNCIL'S LONG SERVICE LEAVE RESERVE

YEAR END	CASH VALUE	% OF CURRENT LSL PROVISION FUNDED
2008	\$445,000	82.7
2009	\$545,000	85.2
2010	\$615,000	89.5
2011	\$676,000	90.2
2012	\$724,000	84.6

The average age of all employees is 44.48 years (male 46.75 and female 40.68).

The average years of service for all employees is 9.15 years (male 10.87 and female 6.17).



Corporate Statement

Council's Financial Performance - Grants Commission Data 2011/12

LOCAL GOVERNMENT GRANTS COMMISSION

The South Australian Local Government Grants Commission is an independent statutory authority established under the South Australian Local Government Grants Commission Act 1992. The three members are appointed on a part-time basis by the Governor.

The South Australian Local Government Grants Commission makes recommendations to the Minister for State/Local Government Relations for the distribution of Commonwealth financial assistance grants.

Grants for local governing authorities in South Australia are distributed in accordance with National Principles set by the Commonwealth Local Government (Financial Assistance) Act 1995.

All funds allocated by the Commonwealth are distributed to Councils. All of the Commission's costs are met by the State Government.

Grants distributed should compensate Councils for differences in the costs of providing services and in differences in their revenue raising capacity.

Equalisation refers to the financial capacity of the council it does not mean that the level of service must be equal.

Councils may choose to have higher or lower levels of service according to their own priorities.

The Commission aims to equalise their financial capacity to provide a similar level of service to their communities.

The Grants are untied and may be spent according to community priorities.

Pursuant to the Local Government Act all South Australian Councils are required to submit an annual information return along with their audited annual financial statements to the Commission.

From this information the South Australian Local Government Grants Commission prepares and distributes a range of comparative data on each Council, commonly referred to the Grants Commission "data base" reports. The following tables provide a range of financial comparative information drawn from the "data base" reports (the most recent being for the 2010/2011 financial year).



Corporate Statement

Council's Financial Performance - Grants Commission Data 2011/12

FINANCIAL COMPARISON – GRANTS COMMISSION DATA 2010/11

COUNCIL	POPULATION 30/6/2011	EMPLOYEES FTE	NUMBER OF RATEABLE PROPERTIES JAN 10	CV OF PROPERTIES (\$MILL) JAN 10	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	26,206	110	13,937	3,209	13,872	2,024	327	19,632	7,286	8,136	325	4,995
MURRAY BRIDGE	19,724	172	11,419	2,688	15,084	8,213	332	26,616	11,397	10,212	805	5,890
PORT AUGUSTA	14,725	203	57,511	1,609	12,677	10,205	62	29,098	13,714	12,494	629	6,379
PORT LINCOLN	14,739	44	8,271	2,291	8,382	1,505	298	12,461	3,082	6,426	38	2,338
PORT PIRIE	18,169	94	10,136	2,071	9,786	5,317	59	16,930	5,880	7,192	36	7,281
WHYALLA	23,243	119	11,984	2,332	13,200	5,233	244	23,389	8,385	8,925	391	7,054
VICTOR HARBOR	14,219	86	10,557	631	13,669	1,520	290	18,905	6,622	8,784	911	4,158
GRANT	8,314	73	5,213	2,051	6,193	2,914	390	12,738	4,356	4,676	167	3,826
WATTLE RANGE	12,512	90	9,040	2,860	13,650	3,409	155	19,831	5,617	8,725	536	5,060
NARACORTE -LUCINDALE	8,575	85	6,172	2,073	9,581	2,975	209	15,034	5,386	4,712	193	4,975
STATE AVERAGE	23,912	123	12,765	4,651	17,281	3,946	264	25,387	8,714	10,500	502	5,604
MOUNT GAMBIER	26,206	110	13,937	3,209	13,872	2,024	327	19,632	7,286	8,136	325	4,995

Corporate Statement Council's Financial Performance - Grants Commission Data 2011/12

FINANCIAL COMPARISON - GRANTS COMMISSION DATA 2010/11

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 09	FIXED CHARGE (\$)	% OF GENERAL RATES FROM FIXED CHARGE (%)	RATES AS % OF TOTAL OPERATING REVENUE (%)	TOTAL RESIDENTIAL RATES (\$000)
MOUNT GAMBIER	20,742	(2,439)	5,329	2,890	8,298	147,823	12,534	135,289	11,276	456	38	71	10,157
MURRAY BRIDGE	28,304	(4,468)	4,871	(3,597)	6,066	141,085	16,697	124,388	7,365			57	9,210
PORT AUGUSTA	33,216	(3,529)	2,203	(1,326)	2,625	198,937	22,183	176,754	6,197			44	9,934
PORT LINCOLN	11,884	(1,400)	1,275	(125)	4,583	135,180	3,409	131,772	6,308	310	26	67	6,206
PORT PIRIE	20,389	(3,569)	1,304	(2,265)	3,388	169,220	8,076	161,144	7,533	281	22	58	5,813
WHYALLA	24,775	(2,456)	(1,347)	(3,803)	3,794	219,403	8,820	210,583	10,496	315	30	56	10,964
VICTOR HARBOR	20,475	(2,148)	(24)	(2,172)	4,778	218,381	21,141	197,240	7,449	280	15	72	10,345
GRANT	13,025	(1,923)	3,217	1,294	5,331	149,651	4,836	144,815	2,134			49	1,020
WATTLE RANGE	19,938	(1,026)	6,220	5,194	684	103,495	10,715	92,780	4,340			69	4,723
NARACOOORTE -LUCINDALE	15,266	(3,130)	1,528	(1,602)	4,385	269,677	5,172	264,503	2,680			64	3,556
STATE AVERAGE	25,353	(1,580)	2,201	620	4,687	290,366	14,318	276,048	9,790	311	19	68	11,349
MOUNT GAMBIER	20,742	(2,439)	5,329	2,890	8,298	147,823	12,534	135,289	11,276	456	38	71	10,157

Corporate Statement

Council's Financial Performance - Grants Commission Data 2011/12

FINANCIAL COMPARISON – GRANTS COMMISSION DATA 2009/10

COUNCIL	TOTAL RESIDENTIAL RATES PER RATEABLE RESIDENTIAL PROPERTY (\$)	TOTAL FINANCIAL ASSETS (\$'000)	NET FINANCIAL LIABILITIES (\$'000)	OPERATING SURPLUS (DEFICIT) (\$'000)	OPERATING SURPLUS RATIO (%)	ASSET SUSTAINABILITY RATIO (%)	NET FINANCIAL LIABILITIES RATIO (%)
MOUNT GAMBIER	901	10,818	1,716	(8)	(1,110)	51	9
MURRAY BRIDGE	1,251	13,216	3,481	(11)	(1,688)	24	13
PORT AUGUSTA	1,603	4,165	18,018	(33)	(4,118)	45	62
PORT LINCOLN	984	5,688	(2,279)	7	577	40	(19)
PORT PIRIE	772	4,598	3,478	(36)	(3,459)	51	21
WHYALLA	105	5,945	2,875	(11)	(1,360)	65	13
VICTOR HARBOR	1,389	6,654	14,487	(12)	(1,570)	48	78
GRANT	478	6,484	(1,648)	(5)	(287)	50	(13)
WATTLE RANGE	1,088	2,306	8,409	(1)	(107)	80	43
NARACORTE -LUCINDALE	1,331	5,216	(44)	(2)	(232)	37	(0)
STATE AVERAGE	1,159	6,796	7,522	34	0	72	30
MOUNT GAMBIER	901	10,818	1,716	(8)	(1,110)	51	9

Corporate Statement

Council's Financial Performance - Grants Commission Data 2011/12

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

SUSTAINABILITY TARGET

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 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%

Enterprise Agreements

Council finalised negotiations with its two separate representative employee groups in the final quarter of 2011 and new enterprise agreements commenced in January 2012 (wage increases from 1st December 2011).

The enterprise agreements seek to again achieve fundamental productivity and efficiency improvements while value adding to the community's development. A strong commitment to high standards of customer service provides the foundation from which negotiated terms and conditions of employment for all employees are determined.

Council continues to seek opportunities through Enterprise Bargaining to enhance its desire to be an employer of choice and also to ensure that Council continues to provide real contributions to the community's quality of life and well being.



Corporate Statement

Risk Management Review

Council's risk management policies, practices and procedures were reviewed by the Local Government Association Mutual Liability Scheme in 2012 across 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 analyses Councils risk management compliance in the focus areas and makes high level and low level findings and recommendations on each specific category for Council's formal consideration and action.

The 2012 review averages for Council, Local Government (Statewide) and Regional Councils (Statewide) are as follows:

SECTION OF THE RISK MANAGEMENT REVIEW	LOCAL GOVERNMENT AVERAGE	REGIONAL AVERAGE (STATEWIDE)	CITY OF MOUNT GAMBIER AVERAGE
Risk Management Systems and Frameworks	77.9%	74.2%	80.1%
Business Continuity and Emergency	72.1%	67.3%	80.6%
Managing Committees, Volunteering/ Community Programs and Grants	89%	86.6%	78%
Contract Management Systems	90%	89%	94%
Land Assets – General Asset Management	84.3%	81.5%	81.6%
Land/Assets – Land Use and Operational Framework	87.8%	85.1%	56.9%
Roads/Systems and Programs	90.7%	89.6%	95%
Tree Management	81.1%	78.3%	94.7%
Average Overall Result	84.2%	81.4%	82.6%

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.

The 2012 review has made a number of recommendations for improvement through an Action Plan. Council will action these improvements within the next 12 months.

Corporate Statement

2011/12 Rating and Valuation Summary

RATING COMPONENT		2010/11	2011/12
1	FIXED CHARGE	\$428.90	\$456.00
	Amount Total Collection	\$6,048,384	\$6,408,960
	% of Total Rates	45%	45%
2	DIFFERENTIAL RATES		
	1. Residential	.1843	.1920
	2. Commercial - Shop	.4976 (+170%)	.5184 (+ 170%)
	3. Commercial - Office	.4976 (+170%)	.5184 (+ 170%)
	4. Commercial - Other	.4976 (+170%)	.5184 (+ 170%)
	5. Industry - Light	.4976 (+170%)	.5184 (+ 170%)
	6. Industry - Other	.4976 (+170%)	.5184 (+ 170%)
	7. Primary Production	.1843	.1920
	8. Vacant Land	.4976 (+170%)	.5184 (+ 170%)
	9. Other	.1843	.1920
3	VALUATION		
	Rateable Land	\$3,070,009,267	\$3,207,941,567
	Non Rateable Land	\$184,721,073	\$ 186,932,373
	All Land	\$3,254,730,340	\$3,394,873,940
4	SEPARATE RATE		
	Catchment Board Contribution	\$480,156	\$513,444
	Catchment/NRM Levy	\$36.20	\$38.60

5 VALUATION COMPARISON						
LAND USE CATEGORY		2010/2011		2011/2012 (ESTIMATES)		% INCREASE
		PROPERTIES	ASSESSED VALUE (\$)	PROPERTIES	ASSESSED VALUE (\$)	
1	Residential	11,391	2,445,643,435	11557	2,562,600,455	4.78%
2	Commercial	975	384,410,201	984	395,377,484	2.85%
3	Industry	216	112,040,342	220	113,910,322	1.67%
4	Primary Production	62	23,737,500	58	23,987,500	1.05%
5	Vacant Land	612	69,987,448	518	70,437,996	.64%
6	Other	53	34,190,341	58	41,627,840	21.75%
	TOTALS	13,309	3,070,009,267	13395	3,207,941,567	4.49%

Corporate Statement

2011/12 Rating and Valuation Summary

6 RATING COMPARISON								
LAND USE CATEGORY		2009/10			2010/11			% INCREASE
		FIXED CHARGE	RATE REBATE	TOTAL RATES	FIXED CHARGE	RATE REBATE	TOTAL RATES	
1	Residential	5,193,384	5,440	9,695,279	5,526,720	4,335	10,442,579	7.7%
2	Commercial	439,128		2,351,954	472,320		2,521,957	7.2%
3	Industry	95,760		653,272	105,600		696,111	6.6%
4	Primary Production	19,152		62,900	27,840		73,896	17.5%
5	Vacant Land	277,248		625,506	248,640		613,791	-1.9%
6	Other	24,168		87,181	27,840		107,765	23.6%
TOTALS		6,048,840	5,440	13,476,092	6,408,960	4,335	14,456,099	7.2%



Corporate Statement

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 2011/12 this was 34% of rate revenue compared to 32% the previous year and 51% prior to the introduction of the quarterly billing regime.

Although this figure is decreasing marginally over past 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 eight (58) percent of Council's total rate revenue collection is now collected via these facilities compared to thirty five (35) percent five years ago in the 2007/08 financial year.

STATISTICS - 2010/11

SERVICE	NO. OF PAYMENTS	\$ VALUE
IVR	1,986	609,751
Internet	1,044	361,782
BPay	24,610	5,451,437
Direct Bank Debits	1,719	155,478
Australia Post (from June 2009)	6,902	1,929,446
TOTAL	36,261	8,507,894

Local Laws

During 2010 Council conducted a review of all By-laws resulting in the adoption of new By-laws as shown in the table.

The new By-laws came into effect on 6th May 2011, and will expire on 1st January 2019, unless revoked or amended prior to that date.

By-law No. 1	Permits and Penalties
By-law No. 2	Local Government Land
By-law No. 3	Roads
By-law No. 4	Moveable Signs
By-law No. 5	Dogs

In October 2011, Council adopted a new By-law:

By-law No. 6	Taxi Regulation
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Corporate Statement

Residential Rates Comparison Report 2010/11

The Australian Classification of Local Governments (ACLG) categorises Councils using the population, population density and the proportion of the population that is classified as urban for the Council.

All Local Governments who receive general-purpose financial assistance grants via Grants Commission are classified according to ACLG categories.

The above categories are defined as:

- URS: Urban Regional Small
- URM: Urban Regional Medium
- UFS: Urban Fringe Small

The majority of other SA Councils are classified in "Rural" or "Urban" large (metro) categories.

SA Councils categorised as "urban" (regional or fringe) have been used in the table below for comparative purposes:

Councils residential rates per residential property in the previous (2009/2010) financial year were approximately 77% of the State average residential rates per rateable property.

That percentage is maintained in the 2010/2011 financial year.

COUNCIL	TOTAL RATES	TOTAL RATES AS % OF TOTAL OPERATING REVENUE 10/11	RATE REVENUE INCREASE (DECREASE) % FROM 09/10 TO 10/11	RESIDENTIAL RATES PER RESIDENTIAL PROPERTY \$	
				2009/10	2010/11
MOUNT GAMBIER	13,872	71	9.3	856	901
MOUNT BARKER	23,705	73	6.9	1,489	1,623
ALEXANDRINA	24,914	76	9.8	1,368	1,438
BAROSSA	21,505	76	8.0	1,284	1,335
GAWLER	13,283	72	2.6	1,327	1,332
PORT AUGUSTA	12,677	144	15.5	1,390	1,603
PORT LINCOLN	8,382	67	6.1	950	984
VICTOR HARBOR	13,669	72	11.1	1,350	1,389
WHYALLA	13,200	56	8.5	983	1,045
STATE AVERAGE	17,281	68	6.8	1,114	1,159
URS/URM/UFS AVERAGE	16,134	67	8.6	1,222	1,294

Land Aquisitions

The only land acquisition by Council was the purchase of the Former Hospital site, Lake Terrace West.

Settlement on this property occurred on 7th November, 2011 at a purchase price of \$1,400,000.00 (excluding GST).

Council did not sell or dispose of any land during the 2011/2012 Financial Year.

Corporate Statement Superannuation

LOCAL SUPER AND STATEWIDESUPER HAVE MERGED!

On 1 July 2012 Local Super merged with StatewideSuper, with all Local Super members and assets being transferred to the Local Super Division of StatewideSuper.

The decision to merge was made after extensive investigations by the Trustees of Local Super and StatewideSuper. Each Trustee determined that the merger was in the best interests of the members of their respective funds.

The newly merged fund has more than 160,000 members and 14,000 employers, making it the leading industry fund based in South Australia and the Northern Territory.

The Trustee of the merged fund is Statewide Superannuation Pty Ltd. A new board was formed from 1 July 2012 with the Independent Chairman being former Local Super Chairman, Juliet Brown.

INVESTMENT MARKETS CONTINUE TO BE VOLATILE

The 2012 financial year was a difficult year for investors as economic and political uncertainty, particularly in Europe, resulted in a volatile period for global sharemarkets. Investment markets are likely to continue to be volatile and sentiment changes have, and will continue to have, a potentially significant impact on investment performance.

Fixed interest and Property markets have remained resilient and have delivered solid returns for the Scheme.

COMPETITIVE RETURNS

The Trustee maintains a long-term investment strategy and continues to closely monitor investment managers and their relative performance against benchmarks. The Local Super Division provides a number of investment options to meet the requirements of all members of the division.

Listed below are Local Super's 1, 5 and 10 year returns to 30 June 2012:

INVESTMENT OPTION	1 YEAR NET RETURN %	5 YEAR NET RETURN % P.A.	10 YEAR NET RETURN % P.A.
Growth	0.71	0.81	6.08
Australian shares	-6.44	-4.12	N/A*
International shares	-3.78	-4.10	N/A*
Sustainable shares	-4.24	-5.23	N/A*
Conservative	4.15	3.52	5.89
Cash	4.31	4.19	4.36

*N/A means the option has not been available for the period.

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

For the fifth year running Local Super was awarded the highest possible rating, Platinum, by SuperRatings, an independent company that provides research and analysis for the superannuation industry.

For more information about the Local Super Division of StatewideSuper, please visit www.localsuper.com.au, email info@localsuper.com.au or call Member Services on (08) 8100 9999 or 1800 882 988 (toll free).

Corporate Statement

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 generally maintained a consistently low incidence of workplace lost time injury (LTI) and lost time injury days (LTI days) with the exception of the period ending 2011.

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

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
2007	Council	4	24	6	6.0	20.2	4.0	2
	Groups	6	94	15	15.1	23.7	4.7	3
2008	Council	3	15	12	5.0	15.3	3.1	1
	Groups	4	47	13	10.6	18.2	3.6	2
2009	Council	0	0	8	0.0	0.0	0.0	0
	Groups	5	88	15	16.4	16.9	3.4	3
2010	Council	2	20	12	10.0	9.9	2.0	2
	Groups	5	42	14	8.1	17.3	3.5	2
2011	Council	3	118	10	39.3	13.8	2.8	2
	Groups	6	49	13	8.9	18.5	3.7	3
2012	Council	0	0	13	0	0	0	0
	Groups	4	41.1	10.9	10.3	14.8	3	2

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

Corporate Statement 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.

Council's relationship with Civica offers many significant benefits and advantages to help address challenges such as:

- significantly mitigating our IT related risk, especially in the case of a disaster;
- increasing our IT infrastructure performance;
- improving our ability to adopt new technology and keep our business applications current with regular updates;
- providing access to an acknowledged team of IT specialists and industry experts within the Local Government Sector;
- empowering staff to focus on our core business objectives;
- enabling connectivity to our remote sites and ensuring our remote sites; Depot, Visitor Information Centre, Cemetery and Library are supported through Managed Services provision;

Civica's Managed Services also provides Council with assured application and service delivery and the day-to-day running of supporting processes and systems, to guaranteed levels and predictable costs.

Council has over the past year introduced some significantly improved practices:

- The introduction of the mobile infringements mobile system, allowing Inspectorial staff to automate their old paper based systems, offering them flexibility in the field, using hand held devices to gather information.
- The collection of asset data

utilising mobile collection devices, ensuring accurate data for Council's Asset Management Program enabling a more up-to-date and accurate picture of Council's assets at any given time.

With the implementation of extensive new Data Centre Infrastructure to be put in place in the latter half of 2012 by Civica, Council will be able to continue its drive for continuous improvement.

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.

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 as 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.

To further enhance customer experience Library customers are able to pre-book computers using Pharos Sign-up a computer reservation system that automates the process of booking a library PC. Added to this is the incorporation of Inepro, an print management system which provides customers with an effective and efficient way of tracking and paying for the printing.

In late 2011 the Library implemented Evanced Solutions a suite of simple, cost-effective tools to help streamline library processes and better attract and engage the community we serve. Products include event calendaring and registration, meeting room booking and summer reading management.

Events - Customers have instant, online access to the library's programs and events. More than a Web calendar, Events is a full featured program/event management and planning utility with online registration options & outreach and public relations tools. Events is an entirely Web-based application that is flexible enough to meet the varying needs of the Library service.

Room Reserve is a user-friendly, cost-effective room scheduling software designed to manage meeting and study rooms as well as the equipment in the library. Again a web-based application allowing customers the option of booking rooms from their homes up to 30 days in advance.

Summer Reader provides a new and easy way to manage summer and year-round reading

Corporate Statement

Information Technology

programs and interest groups for patrons of all ages. Not only does Summer Reader help library staff manage in-house registration, it also offers an online registration self-service option for patrons. Other key features include reading and progress logging, prize management and distribution, drawings, and mediated reviews. Summer Reader also allows staff to easily collect and manipulate statistics and produce reports with only a few clicks.

In an endeavour to take the guess work out of choosing a customers next great read the Mount Gambier Library was one of the first libraries in South Australia to install LibraryThing, an online service which connects people, comes up with suggestions for what to read next, and so forth. LibraryThing is a full-powered cataloguing application, searching the Library of Congress, all five national Amazon sites, and more than 690 world libraries. Customers can search and sort items and "tag" books with their own subject headings. LibraryThing for Libraries has enriched the online catalogue with the power and fun of Library 2.0. In conjunction with LibraryAnywhere a mobile application for iPhone, Blackberry and Android, customers are now able to search, place holds, view opening hours and check out events from any mobile device simply by downloading the free App.

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.

In late 2010 Council migrated all other corporate software applications including Exponaire (GIS/Mapping), Business Intelligence (Business Reporting) and the MC Office suite of applications into the managed service (data centre) environment.

With the implementation of an electronic document management system (TRIM) in March 2011, Council's records management processes are now also established in the managed service environment.

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. Council's corporate systems can now be accessed from a variety of hardware devices from any location provided you have access to the internet.

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.

Council's local area network environment is progressively renewed over a three (3) year finance/rental cycle.

The move to managed services has allowed for the retirement of most server hardware and associated software.

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 was finalized and launched in late 2010.

A complete review of the Council component of the website has now been completed and is expected to be launched in July/August 2012.

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Infrastructure Statement

Infrastructure Works

Council continues its commitment towards providing suitable infrastructure such as roads, footpaths, traffic control devices and drainage systems that meet the demands of the community and to also allow for future urban growth.

Accordingly, Council has allocated approximately \$2.1M towards road reconstruction and road reseals to maintain the road network to a safe and acceptable standard. Projects such as Lake Terrace West and Wireless Road West will form part of this works.

Gateway Precincts Urban Design Project

The main gateways or entry points into a city set the tone for visitors and provide a sense of home coming to local residents.

The Gateway Precincts Urban Design Project was an initiative from the State Government for the City of Mount Gambier and the District Council of Grant to carry out. The City of Mount Gambier has formally taken over the project as per respective Council recommendations.

Detailed designs have been formalised by the City of Mount Gambier for the main gateways leading into the City of Mount Gambier which were highlighted as part of the 2008 Master Plan. These plans may evolve to changing conditions and localities but will remain largely as per Fifth Creek Studios final designs.

The City of Mount Gambier is planning to give our city's north, east and west gateways a major make over to give the best impression of what the City has to offer. This project will be led by the City of Mount Gambier.

The project will include signage, lighting, landscaping, water sensitive urban designs, stormwater treatments etc. Council is hopeful the start of the physical work will start towards the end of 2012.

Bicycle Paths

The creation of bicycle paths within the existing road network is still a major focus for Council as part of Council's commitment towards providing alternative transport modes. The implementation of bicycle lanes on roads such as Pinehall Avenue, Crouch Street North, Kennedy Avenue and Wireless Road West will see the establishment of a safe shared road space between vehicles and cyclists and enable current cyclists and aspiring cyclists to be able to travel more safely in and around Mount Gambier. This work also forms part of Council's bike plan.



Infrastructure Statement

Boundary Roads

The City of Mount Gambier and the District Council of Grant have the joint responsibility for the management of the roads that form the boundary between the two Council areas.

In 2011/12 each Council contributed \$125,000 to the Boundary Roads Program. Also, as of 1 July 2010, due to boundary

adjustments, substantial changes occurred to the Boundary Roads. A number of new roads (that were formally the sole responsibility of the District Council of Grant) became Boundary Roads.

A combined application by the City of Mount Gambier and the District Council of Grant was made to the Special Local Roads Program for

upgrade works on Lake Terrace East (from Eucalypt Drive to Lewis Avenue). The application was successful with a grant of \$207,500, to be matched on dollar for dollar basis by the District Council of Grant and City Council (i.e. \$103,750 from each Council).

Percy Street Walkway

Council has owned the former Mutual Community Building since the early 2000's with a view to eventually demolishing it and constructing a new pedestrian walkway through to Percy Street.

The existing enclosed Percy Street walkway two or three shops to the

north is under private ownership and currently leased by Council. The new walkway offers an opportunity to provide a direct link to Commercial Street East and the 'Civic' buildings, Cave Garden and Civic Centre from the off street car parks in Percy Street.

In middle 2012 tenders were called to demolish the former Mutual Community building and a new design incorporating high quality paving, landscaping and possibly a shade structure are planned to be implemented later in 2012.

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 James Street urban upgrade works and that of the new Library plaza and landscaping works will set the standard for all other works proposed in the City Centre.

In 2010/11 Council allocated funding to upgrade Engelbrecht Laneway and to commence the City Centre signage strategy implementation works. Council has allocated funding for the commencement of the Commercial Street urban renewal works which will see a revitalisation of the Main Street commencing in the latter part of 2012.



Infrastructure Statement

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 2011/12:

COMMON NAME	BOTANICAL NAME	STREET NAME	OVERHEAD POWER-LINES	TREES BEING RETAINED	PROPOSED REMOVALS	PROPOSED PLANTINGS	NET GAIN
Box Elder	<i>Acer negundo 'Sensation'</i>	Holly Place	N	N	0	12	12
Box Elder	<i>Acer negundo 'Sensation'</i>	Savannah Court	N	N	0	18	18
Callery Pear	<i>Pyrus calleryana 'Glensform' Chanticleer</i>	Fimmell Court	N	N	0	20	20
Callery Pear	<i>Pyrus calleryana 'Glensform' Chanticleer</i>	Hilltop Avenue	N	0	0	24	24
Callery Pear	<i>Pyrus calleryana 'Glensform' Chanticleer</i>	Kennedy Avenue (Lumidin Bvd- Wireless Rd)	N	0	0	51	51
Callery Pear	<i>Pyrus calleryana 'Glensform' Chanticleer</i>	Lee Court	N	0	0	26	26
Callery Pear 'Edgewood'	<i>Pyrus calleryana x betulaefolia 'Edgedell'</i>	Stiles Street	N	N	0	60	60
Gawler Hybrid Bottlebrush	<i>Callistemon viminalis 'Harkness'</i>	Doughty Street	Y	Y	0	31	31
Gawler Hybrid Bottlebrush	<i>Callistemon viminalis 'Harkness'</i>	Wireless Road East (Northern Side)	Y	0	0	22	22
Japanese Maple	<i>Acer palmatum 'Osakazuki'</i>	Haddy Street	Y	0	0	14	14
Native Frangipani	<i>Hymenosporum flavum</i>	Wireless Road East (Southern Side)	N	N	7	29	22
			TOTAL	0	7	307	300

Carinya Gardens Entry Structure/Gates

A budget allocation of \$80,000 was set aside to refurbish the existing Carinya Gardens Cemetery Entry Gates in 2010-11. Detail design has commenced on the refurbishment works in accordance with the approved Master Plan.

Key features of the design include a new signage feature, dolomite piers and landscaping. The project is expected to commence midway through 2011 and be completed by the end of 2011.



Infrastructure Statement

Aquatic Centre

The Management of the Centre was undertaken by Innovative Leisure Management (ILM), the second year of a five year contract. The Principal of ILM is Mr Peter Collins, the Centre Manager for the previous two management organisations. The Centre continues to be well maintained and well presented.

The Centre again completed a very intensive learn to swim program and school program, with very high numbers being achieved in these two key user groups.

Independent audits at the facility continue to realise very good reports that provide confidence to Council and the community that the Centre is very well maintained and operated.

The following statistics are provided for 2011/12:

INDIVIDUAL ADMISSIONS	
Swimming - Adult	3553
Swimming - Child	6430
Swimming - Spectator	1050
Swimming - Pensioner	442
Swimming - Family	242
Aquavoucher Return - Pensioner	15
Swim School - Preschool	2291
Swim School - School age	4228
Swim School - Adult	30
Season Pass – Laps	4387
Season Pass – Swimming Lessons	3078
Lap Swimming	1956
VacSwim	1615
Carnivals - General	80
Carnivals – School	1718
Education Department - Primary	12,756
Education Department - Jnr Primary	5162
Aquavoucher Return - Adult	319
Aquavoucher Return - Child	131
Fitness (aqua aerobics)	339
Swim Club	974
School Groups	1781
Individual Total	53,324
Comparison 2010/11	47,539

INDIVIDUAL ADMISSIONS	
HIRE GROUPS	
Royal Life Saving Society	226
Hire Group Total	226
Comparison 2010/11	221
COMPLIMENTARY ADMISSIONS	
No Charge Spectator	11,559
Education Department - Teachers	969
Complimentary Total	12,528
Comparison 2010/11	12,407
TOTAL ATTENDANCES	66,078
Comparison 2010/11	60,167

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Environment Statement

Environmental Sustainability

HIGHLIGHTS OF 2011/12

Environment Sustainability Business Award

Zero Waste and the City of Mount Gambier continued with the joint sponsorship of the Environment & Sustainability Award Category at the Chamber of Commerce awards held in September 2011. The award received 12 nominations with Ecologie Organics the 2011 winner. The Environment & Sustainability award category is a great way of showcasing the sustainability achievements of local leaders and to inspire the broader Mount Gambier business community.

Water Week

During October 2011, the South East Natural Resources Management Board, Department of Environment and Natural Resources (now known as DEWNR), and SA Water together with the City of Mount Gambier hosted a variety of community events to celebrate and highlight Water Week in a local context. There were Free screenings of 'Play Again' held in the Library at the Wehl Street Theatre, which demonstrated the need for people to connect with the environment and value it. A free Bool Lagoon day trip saw approximately 60 people take up the opportunity to visit this extensive freshwater reserve featuring extensive wetland wildlife. Two buses from Mount Gambier and one from Bordertown were provided and many young families enjoyed the hands on activities and tours of Bool Lagoon.

The continued support for the free Carpathon Fishing Competition at the Valley Lakes was strong with approximately 70 participants registered. Each registered family was given a show bag, which contained donated items and information from City of Mount Gambier, OPAL, SA Water, Water for Good, and Fishcare.

During the week the library story time sessions included a Water Week theme and craft activities. A public session called "Gone

Fishing" was also held in library. This was an interesting night of local fish information and tales from a fishing enthusiast and his international adventures.

WaterWise Communities and H2ome Rebates

The City of Mount Gambier extensively promoted two state government initiatives, WaterWise Communities and H2ome Rebates, to residents. Both provide education and solutions on saving and valuing this natural resource. Displays at the Library and part of community events has seen the City of Mount Gambier on top of the leader board for most households and most businesses per capita for WaterWise registrations. The H2ome Rebates was an opportunity for residents to retro fit subsidised water saving fittings within the home.

Clean Up Australia Day 2012

The national Clean Up Australia Day in March 2012 saw an increased level of participation in this environmental community event. Schools, community groups, families and individuals all worked together to clean up our city streets, parks, schools, sporting grounds and railway lands. A group of approximately 60 students, teachers and families from Reidy Park cleaned up the Vansittart Park area during the Sunday event in addition to participating in the School Clean Up day which boosted local volunteer efforts. The entire student body from Mil Lel Primary School bussed into town armed with bags, tongs and gloves and made quick work of tidying up the Railway lands in the CBD. Most schools within the City registered online this year and participated in cleaning up their local environment and surrounding areas.

Volunteers could register online or at the Council registration station in the Garden Square Precinct on Sunday morning. Site supervisors handed out bags for litter collection with recyclables being separated to avoid being

put back into landfill. Key areas targeted during the Sunday morning community clean up were the Valley Lake, Blue Lake, Olympic Park precinct, Lake Terrace & Eucalypt Drive, Wireless Road East and Gladigau Road, Grant Avenue, Lady Nelson & Frew Park area, and the CBD including the Cave Gardens. In addition some individual groups nominated their street and cleaned up their neighbourhood. The cave in the gardens was given a clean out by SES volunteers who used the exercise as a training opportunity. They found food wrappers, timber beams, metal items and a basketball.

Although exact volunteer numbers are not known (as not all participants registered) a barbecue was provided for approximately 120 volunteers of all ages in the Cave Gardens afterwards. It was a great opportunity for volunteers of all ages such as youth groups, scouts, naval cadets and girl guides to be acknowledged for their community and environmental care with the adult community group members and participating individual volunteers.

Sustainable Cities / Tidy Towns Awards

In 2011 Council participated in the KESAB sustainable communities program and was named the Overall Winner for South Australia, a great result. The City of Mount Gambier also won the South East Regional Award and Waste Integration Awards. As the Overall Winner of South Australia, City of Mount Gambier then went on to the National Tidy Towns Awards, winning the National Energy Innovation Award.

Earth Hour

In March 2012 the City of Mount Gambier again joined the fight against climate change by turning off the lights at major attractions around the city for Earth Hour 2012. As an active participant in Earth Hour, Council turned off lighting at Main Corner, City Hall, Vansittart Park, Library and the

Environment Statement

Environmental Sustainability

Centenary Tower for one hour. In addition, the library ran an Earth Hour theme for their story time sessions and made 'Earth Hour' candles during craft time.

Waste Audit

In June 2012 City of Mount Gambier staff conducted a waste audit of household rubbish, recycling and organics bins. This involved sifting through the contents of around 20 bins at a time and categorising all the different types of waste and recycling. The purpose of the audit was to see what Mount Gambier residents are doing well, and where improvement needs to be made in relation to the way we manage our waste. The audit will also enable Council to calculate the approximate landfill gas emissions from Caroline Landfill, in order to know if the landfill will trigger the carbon price mechanism at some point in the future. During the audit 95 household general rubbish and 95 recycling bins were audited, as well as 25 organic waste bins and 12 food business general waste bins. Mount Gambier residents are generally separating their waste and recycling well, but some improvements can be made:

- Put food waste in the organics bin or home compost – over 30% of the content of the general rubbish bins was food waste (by weight). This equates to over 1,800 tonnes of food getting thrown into Mount Gambier's bins each year.
- Don't put items inside plastic bags when putting them in the recycling bin.
- Take lids off bottles and empty the contents before putting them in the recycling bin.
- Don't put metal items in the recycling bin e.g. metal pots, metal cutlery etc. These can go to a local op-shop, or if their in poor condition can go to a scrap metal merchant.
- Don't put clothes in the recycling bin.

- Don't put packages with food in them in the recycling bin.
- Put a "No junk mail" sticker on your letterbox, if you really want a catalogue get it from the shop when you're there.

Home Energy Toolkits and Wood Moisture Meters

In the 2011/12 financial year the Library acquired four Home Energy Toolkits and two Wood Moisture Meters. The Home Energy Toolkit contains items and information to help community members find out what is using energy in their home and how they can start saving. The wood moisture meters assist with measuring the moisture content of firewood, and hence its readiness for burning, potentially saving on local air pollution and emissions. Both the Home Energy Toolkits and Wood Moisture Meters are getting borrowed once a fortnight on average.

Battery & Mobile Recycling Bins in Library

Don't throw your batteries and mobile phone in the bin, recycle them! In 2012 the City of Mount Gambier installed two new specialist recycling bins in the Mount Gambier Library – one is for domestic batteries (AA etc.), the other is for mobile phones and accessories. Batteries contain heavy metals which can potentially pollute our environment. Recycling them not only stops this pollution, it makes sure the metals are recycled into new materials. Mobile phones also contain potential pollutants and valuable resources, recycling them reduces waste to landfill and eases pressure on the mining of these valuable materials. It is hoped that the new bin will divert up to one tonne of batteries a year from landfill. So do the right thing and bring your batteries into the Library!

Talks for Schools & Community Groups

City of Mount Gambier environmental sustainability staff delivered a number of talks and presentations to schools and

community groups covering a wide variety of topics relating to environmental sustainability. The purpose of these talks is to encourage the community to live more sustainably and talk about smarter ways to live in the 21st century. These talks included a tour of the sustainability features of the Library car park, Library and Main Corner buildings. Always popular with primary schools was the talk using the model water catchment "Enviroscape".

Valley Lake Conservation Park

A comprehensive program of restoration work at the Valley Lake Conservation Park aims to improve habitat by establishing endemic flora and native vegetation, for the eventual reintroduction of native fauna that have disappeared from the region. This has been a collaboration between a number of community groups, schools and agencies. Work that has been undertaken in the last 12 months includes:

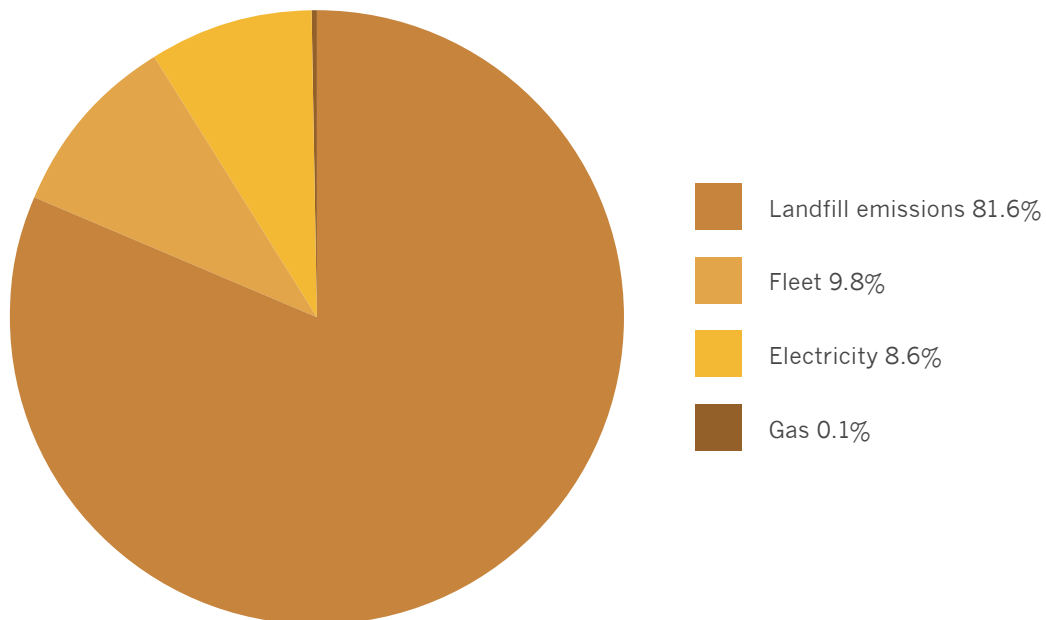
- In collaboration with DENR the Youth Creating Habitat project commenced involving primary and secondary schools in a range of project work in the Conservation Park.
- Yarra Pygmy Perch (nationally listed as 'vulnerable') were released into one of the ponds.
- Conservation volunteers, DENR & Millicent High School students transplanted Triglochin (water ribbon) into the ponds.
- A wide range of activities have been completed by a variety of school and community groups including weeding, fencing, mulching, structural repairs, planting, animal shelter building, and pathway construction.
- Australian Conservation Volunteers assisted in fox proofing the external fence.
- The potoroos had their first offspring.

Environment Statement

Environmental Sustainability

GHG Emissions 2011/12

SOURCE OF GHG EMISSIONS	EMISSIONS TONNES CO ₂ -E	% OF TOTAL EMISSIONS
Landfill gas emissions	5,867.18	81.6
Fuel (vehicles and plant use)	701.97	9.8
Electricity (excluding street lighting)	620.83	8.6
Gas	4.39	0.1
TOTAL	7,194	100



Environment Statement

Environmental Sustainability

NATURAL STEP FRAMEWORK

In May 2012 Dr Steb Fisher of the Pathfinder Network ran two sessions on the Natural Step Framework and sustainability – one for councillors and one for Council staff. These sessions encouraged participants to think about sustainability issues such as resource constraints, global warming and discontinuous change in a local context. Attendees were challenged to think about how they would respond to these changes, and what their role would be in supporting the wider community.

Following on from these sessions City of Mount Gambier staff are developing decision making tools which incorporate the Natural Step Framework and triple bottom line considerations.

City of Mount Gambier – Natural Step Sustainability Objectives

To reduce and eventually eliminate the City of Mount Gambier's contribution to:

1. Putting substances into the environment that cannot be broken down quicker than they are contributed e.g. fossil fuel derived substances like greenhouse gas emissions and plastics.
2. Damaging the environment - physically or by contributing substances that could damage the environment and/or people e.g. air, water or soil pollution.
3. Undermining the ability of people to meet their fundamental human needs* e.g. provide safe working and living conditions.

*As defined by Manfred Max-Neef (http://en.wikipedia.org/wiki/Fundamental_human_needs).

For more information on the Natural Step see: <http://www.naturalstep.org/en/faq>

Council staff get on their bike

The City of Mount Gambier is once again taking the lead in being a sustainable local government. Council staff are now allowed to use the free Library hire bikes for work trips. This is yet another way that Council are trying to reduce their environmental impact whilst encouraging staff to be more active.

SUSTAINABLE ORGANISATION MARQUEE PROJECT

In 2011/2012 the Sustainable Organisation Marquee Project came to a conclusion. The project consisted of the formation of three teams of Council staff with the aim of improving the sustainability of the organisation. The three teams were for Energy, Water, and Waste.

The teams investigated the three topic areas and made recommendations to improve the organisation's sustainability in relation to their topic. A total of 25 staff, both office based and outdoor staff, volunteered their work time to be involved in the project.

Each team produced a number of reports that outlined their findings and recommendations. These reports were submitted to the Environmental Sustainability Working Party (ESWP) for consideration.

The project was allocated a budget through the Sustainability section of the Operational Services budget. The project resulted in over \$28,000 worth of work being done at the Depot including renovating the office space for energy efficiency, installing two 21,000 L rainwater tanks, and installing dual flush toilets and water saving taps.



Environment Statement

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 of food or

handling of food intended for sale. In 2011/2012 Council conducted 311 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 2011/12

Routine inspections undertaken	227
Follow up inspections undertaken	73
Incident triggered inspections	11
Total number of inspections conducted under the Food Act 2001	311
Number of permanently operating premises routinely inspected under the Food Act 2001	237
Inspections conducted of temporary premises operating at local events (markets, festivals etc.)	63
Number of orders/notices issued under Food Act 2001	0
Number of expiation notices issued under Food Act 2001	0
Number of alleged food poisoning complaints received	3
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 school students, community groups and businesses. Council's successful partnership with TAFESA Regional has resulted in 84 participants attending nationally accredited food safety training courses held in Mount Gambier during the year. Council's Environmental Health Officers (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 as it positively encourages compliance and breaks down the barriers between the EHO's and the proprietors/staff of food businesses. The successful partnership has been expanded, with many regional Councils throughout the State expressing their desire to join the partnership.

HEALTH PROMOTION AND COMMUNITY ENGAGEMENT

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 applications, i.e. to a mulched garden bed.

Environment Statement

Environmental Health Division

DISEASE PREVENTION

Monitoring and Management of Insanitary Conditions

In 2011/12 Council received 16 complaints in relation to perceived insanitary conditions. The majority of the complaints related to pest/vermin infestation or alleged unsightly properties. All complaints are inspected by Councils Environmental Health Officer 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. Pools and spas have been implicated in disease outbreaks and it is imperative they are maintained at the required standard.

Community Health Division

The City of Mount Gambier 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 Division of Council provide accessible, no cost immunisation sessions for childhood vaccination and user pay vaccinations at cost to the consumer.

IMMUNISATIONS

During the 2011/12 financial year, Council continued to offer the Public Immunisation Sessions and the Newly Arrived Refugee Program. The Newly Arrived Refugee Program is a challenging and very important program that provides catch up vaccinations for those who have arrived under the humanitarian resettlement scheme.

Public Immunisation sessions are held twice a day on the second and fourth Wednesday of each month. These sessions provide vaccinations to infants under the Australian Childhood Vaccination Program.

The workplace sessions provide for Influenza; Adult Diphtheria, Tetanus & Pertussis (whooping cough), Hepatitis B and Hepatitis A&B.

Human Papillomavirus vaccine is offered to Year 8 girls, Hepatitis B and Chicken Pox vaccine is offered to all students not already immune; and Boostrix (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 2011/12 Council administered 5,151 vaccines, this is a reduction of 95 from the 5,246 in 2010/11. Looking ahead, commencing in the 2013 school year the Human Papillomavirus vaccine will be

offered to year 8 and 9 boys. This will significantly increase the number of HPV vaccinations given.

Once again the demand for Influenza vaccination continues to increase. Travel vaccinations are also being sought by adults travelling abroad who have identified their vaccinations needs. Council responds and assists where possible to help people determine their own or a child's immunisation status. This is achieved through Council's own vaccination data base and the Australian Commonwealth Immunisation Register.



Environment Statement

Community Health Division

VACCINES	2010/11	2011/12
Chicken Pox	342	368
Diphtheria & Tetanus - adult	72	85
Diphtheria, Tetanus & Pertussis (Boostrix - adult)	656	561
Diphtheria, Tetanus, Pertussis acellular, Hep B, Hib & Polio (Hexa – childhood)	154	83
Diphtheria, Tetanus, Pertussis and Polio (Infanrix IPV- childhood)	89	102
Haemophilla	82	63
Hepatitis A (Child)	4	11
Hepatitis A (Adult)	20	24
Hepatitis B (Paediatric)	112	52
Hepatitis B (Adult)	1025	978
Hepatitis A & B (Child)	0	0
Hepatitis A & B (Adult)	37	71
Human Papiloma Virus (Gardasil)	676	705
Influenza	1194	1375
Measles, Mumps & Rubella	256	241
Meningococcal C	138	86
Pneumococcal (Pneumovax)	5	1
Pneumococcal (Prevenar - childhood)	143	137
Poliomyelitis	120	136
Rotavirus	121	72
TOTAL	5,246	5,151

HOME BASED THERAPEUTIC WASTE PROGRAM

The program that was introduced in 2004 provides the community of Mount Gambier with the opportunity to dispose of sharps in a responsible manner. With the ever increasing impact of chronic illness such as diabetes in the community and the home management of these conditions comes the need for a domestic sharps disposal program.

Businesses and individuals are given advice about disposing of sharps responsibly and are able to obtain sharps containers from Council. A fibre board sharps container has been introduced to reduce 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 313 people register for this program since it began in 2004 and the interest is still strong, with 87 sharps containers purchased over the past twelve months.

Environment Statement

Planning Division

SECTION 30 REVIEW

SELGA on behalf of the South East Councils, which includes the City of Mount Gambier, have completed the South East Section 30 Development Plan Review.

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.

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.

RESIDENTIAL ZONE REVIEW AND DEVELOPMENT PLAN AMENDMENT

Council has recently completed a Residential Zone Review and a Residential Zone Development Plan Amendment (DPA). Council underwent a DPA to update the current Residential objectives and principles of development control within its Development Plan.

A number of residential issues which have been addressed within this Review include:

- dwelling size and types;
- infill development;
- character and amenity;
- site coverage; and
- domestic outbuildings.

This DPA has recently been completed (May 2012) and has been incorporated into the Development Plan.

URBAN BOUNDARY ADJUSTMENT DEVELOPMENT PLAN AMENDMENT

The boundary adjustment process between the District Council of Grant and the City of Mount Gambier was completed by 1st July, 2010. The City of Mount Gambier is now preparing 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.

NORTH EASTERN RESIDENTIAL GROWTH AREA DEVELOPMENT PLAN AMENDMENT

This DPA was developer funded and was started when the land was located within the District Council of Grant.

This DPA proposes to rezone land from Deferred Urban to a Residential Zone to accommodate the residential growth of Mount Gambier in this locality. The area affected is part of the land transferred from the District Council of Grant to the City of Mount Gambier as part of the Local Boundary Reform which occurred on 1st July, 2010. The subject land is located to the south of Bishop Road, north of Wireless Road East and between Gladigau Road and Attumurra Road, excluding the area developed for Country Living purposes on Wireless Road East and Attumurra Road. The area affected is approximately 216 hectares in area.

This DPA was completed in 2011.

Environment Statement

Building Division

The Building Division is part of the Operational Services within Council.

OBJECTIVE OF THE BUILDING DIVISION

Council's building division seeks to maintain appropriate building standards and controls within the guidelines and responsibilities imposed by various Acts but mainly 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.

Tasks carried out by the building division include:

- Building assessments;
- On-site building inspections;
- 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 and essential safety provisions registers; and
- Advisory services.

BUILDING STATISTICS

	2011/12	2010/11	2009/10
Estimated Expenditure	\$93,180,204	\$43,656,453	\$50,942,331
Dwellings	104	104	128
Dwelling additions	25	31	40
Flats/Units	0	0	5(15)
Outbuildings	195	209	241
Commercial	40	25	24
Industrial	11	11	11
Signage	11	16	17
Wastewater	0	0	0
Other	58	76	74
TOTAL	444	472	540



Environment Statement

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:

- Heritage education and distribution of information to the public

- Advice to Council regarding appropriate Heritage Bollards/ Walks and future bollard projects
- Advice to Council regarding potential educational resource packs
- 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:

- Applications for grants for heritage related projects
- Promotion of built and environmental heritage as a tourism asset
- Future stages of the Heritage Bollard/ Walk (significant localities)

The current members of the City of Mount Gambier Heritage Committee are:

- Mr Stephen Dunn
- Ms Wendy Monger
- Mrs Lynn Lowe
- Mr Fred Aslin
- Mr Robert Miles
- Cr Biddie Tietz
- Mr Richard Woods (South East Heritage Advisor)
- Mr Simon Wiseman - Secretary (Senior Planner - City of Mount Gambier)

Council continues to acknowledge the importance of 'heritage' to the City of Mount Gambier.

Local Heritage Restoration Fund

In 2011/12 Council allocated \$18,500 as part of the 2011 Local Heritage Restoration Fund to ten (10) 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 tenth year that Council has offered grants as part of the Local Heritage Restoration Fund, with the majority of the money available being shared amongst ten (10) applicants. This year Council's Heritage Committee, which considers all of the applications, was able to offer assistance to all of the applicants, which is a reflection of how important the conservation of the City's heritage is considered by Council.

Environment Statement

Strategic Bushfire Prevention Plan

The aim of the Strategic Bushfire Prevention Plan is:

- As far as practical prevent bushfires starting in or entering the City of Mount Gambier
- To protect life and reduce the impact of bushfires on land and properties throughout the City of Mount Gambier

- To provide community protection from bushfire whilst ensuring the proper land management principles are taken into account
- To educate the community in bushfire prevention

The plan identifies works that Council should undertake to minimise risk of bushfire in the Council area.

Blue Lake Management Committee

Council has continued its long association with the Blue Lake Management Committee. Councillor Byron Harfield, as well as Daryl Sexton, Director - Operational Services, represented Council on the Committee during the past year. This Committee is now a formal Committee of the South East Natural Resource

Management Board and brings together a wide range of agencies that collectively work very hard to offer advice and guidance to the community and regulatory organisations on appropriate measures to protect and enhance the Blue Lake. The new Blue Lake Management Plan is nearing completion.

2011 State Sustainable Communities Award

It was again our community's pleasure to receive the KESAB title of the State's Most Sustainable Community Award for 2011, at the annual KESAB function held on 26th October 2011 in Adelaide.

Mount Gambier was selected as the 2011 Awardee of the KESAB Sustainable Communities Program (formerly called Tidy Towns), and Mount Gambier has enjoyed unprecedented success in this program since its inception in 1978 (and our 11th title).

Individual recognitions were also presented to:

- Council: for its Waste Integration
- Community Engagement – Commerce and Industry: Barry Maney Group
- Community Engagement – Community: MacDonald Park Primary School
- Community Commendation Award: Senior Constable Paul Scicluna

- Judges Commendation Award: Mr Barry Maney

- Lifetime Achievement Award: Greg Muller

This State recognition enabled our community to be the State's nominee to the 2012 Australia's Tidiest Town Awards (refer to page 85).

Environment Statement

Stormwater Management

Mount Gambier is living proof that stormwater is a resource! All the City stormwater enters the underground aquifer under the City and finds its way to the Blue Lake.

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).

In addition to the importance of ensuring the groundwater is not polluted, Council also has to provide flood protection to residents and the retention basins also play a major role in storing stormwater runoff from major storm events.

Waste Management

KERBSIDE RECYCLING

Kerbside recycling remains a well utilised service and the recycling effort by the community has been sustained. Council encourages everyone to use the blue bin 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 and leachate.

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 rapidly being embraced by the community. Any item that has batteries or an electrical cord should now be recycled. Council seeks to raise revenue through the gate fees that equal the cost of transportation and the recycling charges of the recycling company that receives the ewaste.

WASTE OIL

Waste oil in the home is also a problem and Council has 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, or petrol products.

Opening hours for the Waste Transfer Centre are as follows:

- Monday to Friday
7.30am to 12 noon
- Saturday and Sunday
2pm to 5pm

Environment Statement

Graffiti Removal

Timely removal of graffiti continues to be a high priority for Council. Bedford Gambier Contracts provide a rapid response to graffiti removal on Councils behalf and have developed significant expertise in dealing with graffiti found on a variety of surfaces.



Environment Statement

2012 Australia's Tidiest Town Awards

Australia's Tidiest Town in 1992 and 2005 / National Finalist in 2003, 2008 and 2012. Thank you Mount Gambier we are still national leaders.

Council is proud to convey its thanks and sincere appreciation to all sectors of our community for your significant contribution to Mount Gambier's success in being again a National Finalist to the recent 2012 Keep Australia Beautiful Tidy Towns Awards.

Harnessing the contributions of groups, individuals, schools, industry, service organisations, government agencies, commerce, sporting clubs, social organisations, media and Council employees were all pivotal in our continuing success in the national arena.

Reinforcement of our collective aspirations to be a united, committed and caring community always plays a significant part in our success.

Individual inspiration, material efforts and enthusiasm played the most important part in Mount Gambier being able to again attend the Nationals.

Since 1991, this was the fifth time that Mount Gambier has proudly represented our State as a national finalist and is the only community which has twice taken out the title of Australia's Tidiest Town.

And in 2012, we received the prestigious Award of:

- Energy Innovation

Graciously, we all can celebrate this achievement and that the people of Mount Gambier share such vitality and strong community spirit. We are undisputed leaders in this nation, across so many areas of community innovation, enrichment and endeavour.

Motivated and inspired we should all feel proud, by our continuing ability to be leaders in Australia.

For our efforts, Mount Gambier was also commended in the

Resource Recovery and Waste Management and Water Conservation categories.

Our long and successful tradition has continued for over 30 years in the state and national Tidy Towns/ Sustainable Communities program with Council and the community involved in numerous partnerships associated with ensuring the City's sustainability.

Relationships are a key element of the Tidy Towns program providing an opportunity for the community of Mount Gambier to showcase the many examples of where people have come together in schools, workplaces and community groups, to build a future that is more sustainable.

Energy efficiency as a core design element of the City's new Main Corner redevelopment is an example of our awareness. This includes a living green wall as the centrepiece, whilst the building also features numerous environmentally sensitive design features.

Vitally important is Council's commitment to reducing its own greenhouse gas emissions and

this is evident through the Main Corner redevelopment, as well as conducting energy efficiency audits on Council buildings and investigating the installation of solar systems on Council properties.

Environmentally, Council has initiated a broad range of resource recovery initiatives demonstrating Mount Gambier's commitment to reducing waste to landfill. Working in partnership with the City of Mount Gambier, Bin-it and Bedford Industries provide hard waste recycling services and promote the uptake of recycling through a comprehensive program, helping to keep hard waste out of landfill in particular. The City is also actively supporting other Councils in the South East to provide comprehensive waste and recycling services for their communities.

Reuse of rainwater is one of a suite of projects to save water, including the irrigation of public parks, gardens and recreational reserves, participation in the SA Government's Water for Good initiative and the use of irrigation systems to redirect and reuse stormwater.



Environment Statement

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. The Dog and Cat Management Plan 2013-2017 was adopted by the City of Mount Gambier on the 17th July 2012.

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 2011/12 year.

Dog expiations	128
Dog complaints	1,314
Dog impoundments	128
Dog attack report	5
Parking offences	321
Pest Plant notices (long grass & noxious)	201
Fire permits	24
Cattle impoundments (sheep and cows)	2
Vehicle impoundments	2
Dog Registrations	4,605
Payment to SEAWL (Councils pound)	\$19,000
Dog expiation income	\$14,665
Dog registration fees	\$102,162



Community Statement



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Community Statement

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 2011/12:

Care Ring Telephone Service (Lifeline SE)	\$2,000
Crime Prevention initiatives	\$28,899
General Community Donations	\$32,527
Homeassist Program (HACC)	\$14,420
Immunisations	\$77,571
Lambert Village - supported residential facility (for capital improvements)	\$5,000
Life Education Centre	\$5,000
Senior Citizens' Centre (maintenance to building/other expenses)	\$3,769
Seniors' Month/Seniors Activities	\$816
Syringe Disposal Service	\$1,770
Youth Advisory Committee and projects	\$4,343
Youth at Risk Initiatives	\$4,136
Graffiti Removal Program	\$1,672
Reidy Park Centre	\$8,401
Mount Gambier City Band	\$6,000
Mount Gambier Toy Library	\$2,000
City Hall – subsidised hire charges to community groups (discounted value)	\$16,457
Wehl Street Theatre (Centrestage)	\$26,015
CCTV/Surveillance Cameras (Maintenance)	\$6,783
Under Verandah lighting CBD (Maintenance/Upgrades)	\$12,231
Old Gaol Community Garden	\$779
Major Community Events	\$53,181
NAIDOC Week	\$1,000
Heritage Restoration Fund	\$36,471
Mount Gambier Christmas Parade	\$32,701
Obesity Prevention and Lifestyle (OPAL)	\$38,239
Citizenship Ceremonies	\$6,085
Mayoral Gala Performance	\$3,625
Mayoress' Family Fun Day	\$28,838
Mount Gambier A & H Society	\$13,150
ANZAC Remembrance Appeal	\$1,500
	\$475,379

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

Community Statement

OPAL

OPAL (Obesity Prevention and Lifestyle) was officially launched by the Minister for Health, John Hill, 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 now one of 20 Council sites 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.

OPAL Mount Gambier has now been part of 4 Themes – Water the original cool drink, Give the Screen a rest active Play is best, Make it a fresh snack and the current theme Think Feet First. The themes help the community to focus on a specific behaviour change with a consistent health message.

This is a significant investment for the City of Mount Gambier who have funded the initiative along with both Federal and State governments.

Through OPAL numerous projects, programs and events have taken place in the community with positive impacts not just for the 0 to 18 year old target group but into the wider community. Projects and events to date-

- Blue Lake Fun Run
- Plant Your Own Fresh Snack
- Park and Step - Active Travel - Walk Cycle Scoot to School
- Hayes Crescent - Recreation facility upgrade and community capacity building
- Library Bike Hire
- Visit and presentation to community Leaders from UK Walking Expert Dr Rodney Tolley
- Healthy Clubs - Sports club healthy canteens and environments

- Cycle Safe Essentials - Training for volunteers
- Numerous theme based projects supporting 'Eating well and Being Active' in Mount Gambier
- 6 week Pedometer Challenge - Council Staff
- Paws around the Blue Lake
- Active Community Team Challenge support and promotion
- School support with events, programs and projects to assist students, staff and parents to 'eat well and be active'

OPAL works with interested partners who provide strong contributions and support for the wellbeing of the community.

Understanding the importance of a vital socially connected, inclusive and caring community has enabled City of Mount Gambier to ensure residents are offered easy choices and opportunities to eat well and be active in a variety of settings.

Plant Your Own Fresh Snack has over 14 partners and 15 trained mentors involved in the project.

Working with Housing SA (1,200 tenants in Mount Gambier) as a Landlord and referral agent for tenants and families to grow their own fruit and vegetables.

The partners in the project work together to achieve desired outcomes for the tenant and also assist with opportunities linking individuals to training (SA Works), services (ac care, Lifeline, Interwork) and Community and business links

The delivery of the Active Travel Theme in Mount Gambier and the 'Park and Step' project encouraging all school age children to walk, cycle and scoot to school has been embraced by eleven schools within the City of Mount Gambier with considerable interest and support from stakeholders, business and community groups.

It is this support and drive which provides the impetus for healthy behaviour change.

Developing a culture of community ownership assists the City of Mount Gambier to create a connected and inclusive community.

The Boral Blue Lake Fun Run in only its second year increased participation from 1,003 participants in 2010 to 1,334 participants in 2011.

This equates to having been more successful per head of population when compared to Adelaide hosted runs.

1,334 out of 26,000 (population of Mount Gambier) equals 5.1 % participation compared to 34,659 participants out of 1.2 Million (City to Bay - Adelaide) equals 2.9 % participation.

The event encourages team registration, which has led to a large contingent of teams representing workplaces, families, schools, friendship groups and gym members.

Teams have worked together to increase fitness along with the development of team names, colours and teamwork.

Friendly rivalry has encouraged 'Social connectedness' so the event has a vibrant and 'feel good' end result for all.

The lead in time along with the community engagement has indirectly lead to some significant healthy behaviour change for many individuals, families and organisations.

In 2012 the Boral Blue lake Fun Run will be organised and run by the volunteers from Mount Gambier Rotary Lakes. This is testament to the City of Mount Gambier and OPAL's desire to create a sustainable event.

Community Statement

Mayoral Gala Performance 2011

The 2011 Mayoral Gala Performance was held on Sunday December 11, to coincide with the grand opening of the Main Corner Complex.

Traditionally held in the Sir Robert Helpmann Theatre, the 2011 performance was a way of showcasing the unique performing arts talent of the region in front of an audience of thousands of people who attended the opening of the Complex, and also a way of highlighting the functionality of the new building.

The Mayoral Gala Performance Committee includes:

- His Worship the Mayor, Mr Steve Perryman
- Cr Penny Richardson, Presiding Member
- Mrs Ruth Stephenson, Artistic Director
- Mrs Marlene Doody, Stage Manager
- Mrs Pamela Walker OAM, Musical Director
- Mr Grant Humphries
- Miss Danni Jones
- Mrs Marelle Bruhin
- Mrs Dianne McEwen

Local performers invited to participate in the 2011 Mayoral Gala included:

- Josie Lamb
- Kate Andrinopoulos
- Luke Andressen
- Kim Cella and Hype Dance
- Mayfair

Once again the acts presented by all performers were of the highest quality and because of this, the City of Mount Gambier Mayoral Gala Performance continues to be widely recognised as one of the regions premier performing arts events.

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 provided by Well Done International 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 provide a brief overview of the call centre operation over the past three financial years:

	TOTAL NUMBER OF CALLS 2009/10	TOTAL NUMBER OF CALLS 2010/11	TOTAL NUMBER OF CALLS 2011/12
July	82	65	67
August	101	100	83
September	114	131	43
October	141	111	no call centre in operation
November	170	109	no call centre in operation
December	225	262	no call centre in operation
January	115	170	no call centre in operation
February	128	113	119
March	127	77	103
April	115	106	101
May	85	59	86
June	72	116	76
Total Calls	1,475	1,419	678

Community Statement

Mayor's Christmas Appeal

The 2011 Mayor's Christmas Appeal raised an impressive sum of \$23,506 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	\$3,045
Uniting Care	\$5,259
St Vincent de Paul Society	\$6,035
Salvation Army	\$6,564
ac.care	\$5,827
Lifeline South East	\$1,270
TOTAL	\$28,000

The donations to the above agencies supported 719 adults, 656 children and distributed 515 hampers and 216 vouchers to support those in need during the festive season.

Due to the outstanding generosity to the 2011 Mayor's Christmas Appeal and following a recent meeting with representatives of the local welfare organisations, the planning committee recommended that the donations for 2011 to the local welfare organisations be slightly increased to \$28,000.

The full value of the donations to each local welfare organisation is to be made in early December 2012 to provide funds in advance for purchases of foodstuffs for the Christmas hampers.

The 2011 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 2011	40,724
Plus income:	
Donations	23,506
Interest	215
Term Deposit	5,874
Total Funds	70,319
Less Expenditure:	
Donations	28,000
Bank/Govt Charges	Nil
Total Expenditure	28,000
Balance as at 31st March 2011	42,319
Funds held:	
Cheque Account	42,319
Fixed Deposit	Nil
Balance all Funds as at 31st March 2012	42,319



Community Statement

Riddoch Art Gallery

Riddoch Art Gallery has had a very active twelve months, but in particular since the opening of the Main Corner on 11 December 2011.

The redevelopment included replacement of the climate control system for the Gallery, revamped gallery spaces, improved office amenity, improved public access and the addition of a studio, kitchen and library space. Since the re-opening of the Gallery as part of the Main Corner, the opportunity to work with Council staff to deliver community programs has been greatly enhanced.

Ongoing funding from Council assists in the continuing operations of the Gallery, including a diverse exhibition program, maintaining the collection and assisting with preventive conservation. The collection of

close to 2,000 artworks and artefacts was stored in Melbourne for two years; the return of the collection was a large project and involved delivery, careful handling, unpacking and then hanging for exhibition or transfer to the revamped collection storeroom. Council Depot staff were important ensuring this laborious set of tasks went smoothly.

The Gallery is delighted with the immense increase in visitor numbers. From before the redevelopment, there has been a five-fold increase in visitor numbers to the Gallery; from an average of 18 per day to an average of 97 per day. As well as the increase in visitor numbers, the Gallery has increased its public program and through sponsorship from Adelaide Airport is able to offer once a month free Sunday art classes for children.

Riddoch Art Gallery continues to play an important leadership role in the regional gallery sector in South Australia. It is a destination for many travellers, because of some items in the collection and because of the high quality of exhibitions.

This year has also seen the instigation of a dedicated community gallery (the Cathleen Edkins Community Gallery), which is available to local artists, community groups, school groups and emerging artists. This presents an ideal opportunity for community members to exhibit in a high profile well regarded venue.

Riddoch Art Gallery looks forward to working with Council and Council staff for the ongoing presentation of high quality visual art and craft exhibition for the community of Mount Gambier and the region.



Community Statement

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 2011/12 was as follows:-

	\$
Assistance to Juniors	24,950
Support for special Coaching Clinics	.
Members' Contributions	7,482
Councils' Contributions	14,000
Bank Interest earned	551
Donations received	2,937
Other Expenses	.
Government and Bank Charges	25
Cash at Bank, 30th June 2012	51,686

For the Twenty Seven (27) years of the Fund's operations, the consolidated transactions to 30th June 2012 are as follows:-

	\$
Assistance to Juniors	335,950
Support for special Coaching Clinics	54,953
Members' Contributions	113,566
Councils' Contributions	231,500
Bank Interest earned	65,292
Donations received	33,795
Other Expenses	300
Government and Bank Charges	1,264
Cash at Bank, 30th June 2012	51,686

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:-

- 20 sporting organisations/clubs are members of the Fund;
- Commercial Club Inc again provided a very generous \$2,500 donation to the Fund (2011);
- A major review of finances (i.e. increase income and reduce expenditure) will again be the focus of the 2012 Annual Meeting.
- New members admitted were:- Nil
- Members resigned / suspended were:- two organisations
- The new funding formula is 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 its third annual \$1,000 donation to the Fund for the selection of a junior who would benefit from this additional support. The Awardee for 2012 was Matthew Markiewicz (Basketball).

Community Statement

Life Education

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

In Terms 3 & 4 2011 the following schools received visits from the mobile classroom and 1,834 students within the Council area accessed the Life Education Centre resources.

SCHOOLS	STUDENTS	COUNCIL SUBSIDY \$
Gordon Education Centre	55	137.50
Melaleuca Park K-7	142	355
Mount Gambier North PS	325	812.50
Suttontown PS	88	220
St Martin's Lutheran College	432	1080
Tenison Woods College	792	1980
TOTAL	1,834	4585

Unfortunately many families genuinely struggle with a fee of \$7.50 through financial hardship. Council's funding of \$2.50 per child was directly used to offset this charge, reducing the fee for Mount Gambier families to a more affordable \$5.00. 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.

Life Education SA lost all State Government funding at the end of December 2011.

To offset this loss of revenue, the number of employed Educators and the number of mobile classrooms has been reduced.

Work is continuing to secure sponsor support to return to full service.

Despite this setback two new programs have been rolled out for year 6/7 students focusing on caffeine/energy drinks and alcohol using new technologies including tablet devices and interactive response meters.

Council provided the sum of \$5,000 to the organisation in the 2011/12 financial year of which \$4,585 was used to provide the subsidy and the balance to offset administration and educator costs.



Community Statement

Australian Citizenship 2011/12

During the 2011/12 financial year, five (5) Citizenship Ceremonies were conducted, at which a total of twenty seven (27) people received Australian Citizenship.

We have welcomed members to the Community from the Arab Republic of Egypt, Bangladesh, Finland, Mexico, People's Republic of China, Philippines, Thailand, United Kingdom and Zimbabwe.

At each Public Ceremony, members of Soroptimist International of Mount Gambier presented a native plant to each of our newest citizens.

Clean Up Australia Day 2012

The National Clean Up Australia Day in March 2012 saw an increased level of participation in this environmental community event. Schools, community groups, families and individuals all worked together to clean up our city streets, parks, schools, sporting grounds and railway lands. A group of approximately 60 students, teachers and families from Reidy Park Primary School cleaned up the Vansittart Park area during the Sunday event, in addition to participating in the School Clean Up Day which boosted local volunteer efforts. The entire student body from Mil-Lel Primary School bussed into the City, armed with bags, tongs and gloves and made quick work of tidying up the railway lands. Most schools within the City registered

online this year and participated in cleaning up their local environment and surrounding areas.

Volunteers could register online or at the Council registration station in the Garden Square Precinct on the Sunday morning. Site supervisors handed out bags for litter collection with recyclables being separated to avoid being put back into landfill. Key areas targeted during the Sunday morning community clean up were the Valley Lake, Blue Lake, Olympic Park precinct, Lake Terrace East and Eucalypt Drive, Wireless Road East and Gladigau Road, Grant Avenue, Lady Nelson and Frew Park areas and the CBD, including the Cave Garden. In addition some individual groups nominated their street and cleaned up their neighbourhood.

The cave in the gardens was given a clean out by SES volunteers, who used the exercise as a training opportunity. They found food wrappers, timber beams, metal items and a basketball.

Although exact volunteer numbers are not known (as not all participants registered) a barbecue was provided for approximately 120 volunteers of all ages in the Cave Garden afterwards. It was a great opportunity for volunteers of all ages such as youth groups, scouts, naval cadets and girl guides to be acknowledged for their community and environmental care with the adult community group members and participating individual volunteers.



Community Statement

Railway Lands

The Railway Lands redevelopment project has been on Council's agenda for over 10 years and since Council took formal ownership of the land from State Government in May 2005, detail design and analysis has intensified. A number of consultants have been used to develop the Master Plan over the last seven years with the final design being predominantly created internally by the City of Mount Gambier design team.

The Master Plan for the Railway Lands site (4.0 Ha site stretching between Wehl St South to Bay Rd) is based on an open green space and parklands theme and is designed to offset the urban density of the adjacent City Centre, and will assist with balancing the carbon footprint of city development. The Master Plan also provides the flexibility to allow for the possible future development of other elements within the parcel of land associated with other land uses (if so desired by the community at a later date) and is in line with Council's sustainability principles, being;

- A need to conserve and reduce the quantity of water use and improve the quality of water entering our groundwater and lakes system.
- Protect and where necessary, enhance the natural and built environment.

The major features of the Master Plan focus on open spaced parklands / gardens that are of high quality, ensuring the space becomes attractive and stimulating and that it adds to the environmental fabric of Mount Gambier. The parklands will add value to Mount Gambier's existing gardens (such as Vansittart Park, Cave Garden and Crater Lakes) and will offer a natural uplifting experience for residents and visitors alike, similar to that offered by Adelaide Botanic Garden, Hyde Park in Sydney and Botanic Park in Melbourne.

In mid 2012 Council was successful in gaining \$1m in State Government funding (of which Council has matched) through the 'Places for People' program allowing Stage One to be achieved commencing in early 2013. Subsequent stages will be subject to future funding from Council and additional grant opportunities will continue to be actively sought.

Old Hospital

Since its acquisition by Council in 2011 the former Mount Gambier Hospital site has undergone a number of internal feasibility studies to determine the best future development options for Council to consider.

Following an exhaustive process, the Council, in mid 2012 resolved to carry out total demolition of all buildings and subsequent site remediation allowing the area to be returned to park lands.

Detail design and further analysis of this option is being carried out in late 2012 with a view to commencing demolition possibly some time in 2013.



Community Statement

Main Corner Development

Council was able to complete all aspects of the refurbishment, construction and display elements of the Main Corner complex in the 2011/12 financial year.

With the public release on 27th July 2012 of the world class cinematic experience of Volcano (incorporating the Aboriginal dreamtime story of Craitbul) and the separate film Deep Time, a journey that started over ten years ago was complete.

From the initial negotiations to purchase No. 1 Bay Road, to the screening of the displays centerpieces – Craitbul, Volcano and Deep Time, the Main Corner has now concluded this phase of its journey of design, construction, discovery, recording, learning and community engagement.

Earth – Fire – Water – the story of our unique landscapes and natural resources and the power and inspiration of the dreamtime stories of our local Aboriginal and Torres Strait Islander persons have been expertly captured in the built form of the Main Corner and the films, displays and exhibits that showcase our spirit, the elements that are this City's point of difference when compared to any other provincial community.

The physical constructions and the major displays featured at the complex are uniquely Mount Gambier – with the centerpiece being our Volcano and all the power of Nature that forged forth from the earth to create our riches of Earth – Fire – Water; the essences of Mount Gambier, the spirit of our City.

The Main Corner complex is already contributing to the social capital of the community, providing first class learning experiences of what makes Mount Gambier so different, a major function centre in the heart of the City and a presence that dominates and encourages our community to be positive, bold, creative and strong.

The real opportunity for the Main Corner is through activities, functions and events that we identify and showcase from the many flexible spaces within the complex or our ability to attract groups to hire the facilities for community purposes or income producing purposes. Already the level of use is high and growing.

The Main Corner complex has always been focused towards:

- A built form that is dynamic and iconic
- Films and displays that showcase our uniqueness and encourage learning
- A flexible range of spaces that attract the attention of the community
- The community desiring to use the complex as a true community centre

The citizens and their many friends and visitors are encouraged to go on their own journey of discovery so everyone is informed, entertained and enlightened by the Spirit of Mount Gambier as presented proudly at the Main Corner during the day and evenings.

THE WORLD CLASS CINEMATIC EXPERIENCE – VOLCANO

“Volcano” takes you on a spell-binding journey through the dramatic volcanic landscapes of Mount Gambier and western Victoria – lava flows spilling into the sea; underground caverns bubbling with magma; deep, water-filled caves so clear that divers seem to float in settings of breath-taking beauty. Using the latest scientific research, the film tells the incredible story of the eight major eruptions that created Mount Gambier – a story that starts in a local school oval and finishes in the sparkling waters of the Blue Lake. Hosted by Rescue Special Ops’ Luke McKenzie, the film lifts the lid on one of the most exciting stories to come out of Southern Australia in the last 120 million years.



Community Statement

Old Mount Gambier Gaol

Council expended just over \$150,000 in the 2011/12 financial year to complete its agreed capital renewal and capital refurbishment of the complex of buildings that comprise the Old Mount Gambier Gaol.

In partnership with the licensees, an internationally recognised unique boutique accommodation and functions facility has been created.

Council does receive a reasonable annual commercial rental from the licensees.

The renewal works reinforce the State Heritage features of the Old Gaol and also provide very comfortable and varying forms of accommodation and also function capabilities.

The Council vision for the Old Mount Gambier Gaol complex is to have a fully viable, functional 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.

The 2011/12 capital renewal works included:

- Internal painting
- Repairs to timberwork
- Plumbing and electrical renewals
- Free standing shade shelter
- Landscape and grounds upgrades
- Renovations internal / external of the two houses
- Kitchen upgrades
- Heating to some cells and common use spaces
- Interpretive signage on the history of the Old Gaol
- Convert bath area to showers



Community Statement

Mount Gambier Library

The Mount Gambier Library is a testament that libraries are about engaging the community and creating a sense of excitement and pride through innovative programming and special events that emphasize (in its purest form) the value of literacy. The vision behind the development of the Mount Gambier Library has incorporated excellence in library spaces, programs and the use of information technology successfully to provide the community with a contemporary environment to support their quest for knowledge as they undertake their learning journey.

PARTNERSHIPS

Collaborative ventures and partnerships have been used to maximise community benefit and participation in the library. The Library Manager has worked hard to secure ongoing sponsorship from local businesses to support programs such as Libraries and Beyond through the provision of a library vehicle, a learning lounge facility and sponsored spaces within the library, and many other contributors providing program assistance or financial support for special events and programs.

Veggie Swap

A regular Saturday Veggie Swap conducted by SE Community Health is one example of an

effective partnership between a State Government department and Local Government. Event organisers and volunteers meet on the Library verandah once per month to swap fruit and vegetables with the community and offer advice and support to one another. Local migrant groups have been keen supporters of this initiative and often use it as a means to meet new people.

Environmental Month

Environmental Month (first held in 2010) delivers a full program of events and is held in collaboration with over 20 groups and Government departments. During this month the Library showcases a different environmental theme each week from live snakes and reptiles, educational presenters such as the Connies sharing their passion for native wildlife with children, recycling, sustainable housing options, water care and land management for farmers.

Library Markets

The highly successful Library Markets are another collaborative venture that have been developed through a vision of transforming not only the Library but the Cave Garden Precinct into a thriving and active community space in the heart of the city where the community are able to showcase their talents and exchange their learning experiences. Local

musicians give their time freely to complete the dynamic ambience and bring Mount Gambier to life with the sights, sounds and aromas that you would expect to find in a cosmopolitan area.

Over 3,000 people regularly attend the Markets and the benefits include increased visitation (from 800 to over 3,000), increases in loans, participation in programs and a greater awareness of the services offered by the Library through creating a people place.

Reconciliation Week

Local Aboriginal groups Pangula Mannamurna and Burrandies worked closely with the Mount Gambier Library to develop an unprecedented program of activities to celebrate National Reconciliation Week 2012 including:

- Traditional dancing performance by the Honorary Tal-Kin-Jerri Dance group
- Professor Barry Blake speaking about his book on Aboriginal languages
- Footprints of Reconciliation – collection of art works by the children on Mount Gambier linking the three Civic sites together



Community Statement

Mount Gambier Library

- Traditional smoking ceremony of the Library
- Regular storytime sessions including Aboriginal stories and craft
- Display of traditional artefacts and art
- Indigenous music

Finding MY Place

Finding MY Place is an alternative learning program where at-risk youth develop skills needed for both careers and life after school. The program has only been made possible with the support and participation of local business and community organisations who freely give their time to conduct workshops with the students.

The program is conducted over a ten week period with a Mayoral graduation ceremony at the end where students are presented with certificates and prizes; all of which have been donated by local businesses.

AWARDS

During the last 12 months the Mount Gambier Library has won 2 very prestigious Awards. On 15th November 2011 the Library was awarded the 2011 ALIA Library Achiever of the Year whilst on 20th July 2012 it was awarded the Jim Crawford Award of Innovation in Libraries. These awards were achieved through the dedication and belief that the library should be an exciting community hub that invites discovery and inclusion.

The Library has generated a vibrancy in the Cave Garden Precinct and contributed to strengthening the community with a sense of optimism during a tough economic climate where recent Government decisions have created a cloud of uncertainty about the future. This community empowerment is largely due to the innovative, creative programs offered by the Mount Gambier Library which have been built on the belief that the future of libraries lies in their ability to engage with the community, build strong social networks whilst continuing to stay on trend with the information and recreational needs of the community. This can only be achieved if there is a willingness to strive above and beyond 'normal expectations'.

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.

As with any community committee, it is through the added support of many local businesses, service clubs and organisations that Celebrate Seniors is able to provide such a diverse program of events year after year. In 2011, Celebrate Seniors contained over 40 events, the majority of which are free, and others provided at discounted rates.

Each year in conjunction with the Lions Club of Gambier City, and the Lions Club of Mount Gambier, The Mount Gambier Celebrate Seniors Committee awards the Senior of the Year and the Recreation Award. Both these awards recognise individuals on their achievements and service to older people within the community. In 2011 Les Cunningham was named Senior of the Year, and Gary Vandepeer was awarded the Recreation Award.

Community Statement

Youth Advisory Committee

The Mount Gambier City Youth Advisory Committee, or YAC, is a group of young people aged 12-25 years, who meet on a monthly basis and represent their local community on youth needs, issues and concerns.

The committee is now in its tenth year of operation, and continues in its aims to promote a positive image of young people, through interaction with Council as a 'youth voice' and the facilitation of activities, events and forums.

Highlights of the year have included the following:

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:

- Mayoress' Family Fun Day 2011
- Mayor's Christmas Appeal 2011
- Youth Week State Launch 2012
- Fun in the Park 2012

NATIONAL YOUTH WEEK

The City of Mount Gambier Youth Advisory Committee celebrated Youth Week 2012 with the biggest celebration yet. Activities included

Participation in the State launch of Youth Week 2012

- Land boat races
- Photography workshops
- Illustration workshops
- Juggling workshops
- A Scavenger Hunt
- Mario Kart challenge
- And YAC's 10th Birthday party

Mount Gambier Christmas Parade 2011

An annual festive favourite, the Mount Gambier Christmas Parade attracts a wide variety of community participants from service clubs, schools, families and individuals who all work together to bring a unique, and high quality event to the community.

Great weather once again helped to draw a large audience to the 2011 Parade, which also incorporates The Blue Lake Brass Band Festival. Visiting brass bands from across Victoria and South Australia continue to be a great addition to the Parade, performing much loved Christmas carols along the length of the parade route.

WIN Television provided the following awards for the 2011 Parade winners:

SCHOOLS	STUDENTS
Most Outstanding Entry	Narnia St Martins Lutheran College
Best Christmas Theme	Santa's Workshop Compton Primary
Best Club or Community Organisation	Synergy Dance Stars Synergy Dance
Best Out-Of-Town Entry	Winter Wonderland Nangwarry
Best Musical Entry	An Aussie Christmas SE Country Music Association
Best Individual Entry	Older Man on Old Bike Robin Weston
Encouragement Award	Getting Ready for Christmas Montessori Playgroup
TOTAL	1,834

Community Statement

Crime Prevention Strategies

Council supports a number of crime prevention/anti-social measures including:

MOUNT GAMBIER LICENSING ACCORD

A regular forum involving SAPOL, Office of Liquor and Gaming, Hotel/Club Licensees and Council and other key stakeholders.

MOUNT GAMBIER DRY AREAS

Council maintains four (4) Dry Areas within the City of Mount Gambier which are subject to a five year approval basis from the State Government.

The four proclaimed Dry Areas are:

- Mount Gambier City Centre
- Vansittart Park Oval and Gardens
- AF Sutton Memorial Park
- Dimjalla Park

Council has recently made application for a further five (5) years extension to each of the existing Dry Areas as the current approval will expire in November, 2012.

CCTV SURVEILLANCE CAMERAS

Council, in partnership with SAPOL, has installed cameras in various strategic locations within the City Centre.

The cameras, monitored by SAPOL from the Mount Gambier Police Station, have proved to be an effective initiative.

UNDER VERANDAH LIGHTING

With the assistance and co-operation of property owners in the City Centre area, a program of installing additional lighting under verandah's has assisted in the prevention of anti-social behaviour, particularly in Commercial Street area.

SECURITY FOOT PATROLS

Is an initiative of the Licensed Accord Group and operates on Thursday evenings and on each weekend.

The security contractor provides detailed reports on observations and activities within the patrolled area and are essentially another set of "eyes and ears" to assist with the policing of the area.

Costs for the service are shared between Council and some Licensed Premises.

Australia Day 2012

Each year the Australia Day awards honour the outstanding achievement of individuals and groups within our community. In 2012, Council was pleased to award the following winners,

- Des Lattin - Citizen of the Year
- Geoffrey Aslin - Citizen of the Year
- Luke Andressen - Young Citizen
- New Years Eve Celebrations - Community Event



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Economic and Regional Statement

Major Events

To highlight only a few of the events Council has supported:

AUSTIMBER 2012 (29-31 MARCH)

Mount Gambier held its second Austimber, the other in 2008. An International event with visitors from Netherlands, America, Japan, New Zealand and across Australia.

With 5,200 people attending the three day event, starting with Austimber hosting the pre Symposium "Precision Forestry in Advance" on 27 & 28 March with 50 international guests attending to share their knowledge.

Field trips were also organised by ForestySA to have delegates visit forests of hardwood and softwood in the Green Triangle Region.

The ForestWorks Austimber 2012 conference "Precision Forestry in Action" was attended by 186 delegates to give the "hands-on Managers" of the forest industry an opportunity to understand new technology for use now and in the future.

The Welcome Dinner was an outstanding success with 650 visitors and guests attending.

The site at Wandilo with both the Expo and timber forestry logging were beyond belief with the latest technology in forestry machinery on a "working" display for not only visitors, guests but the public to see.

50TH ANNIVERSARY MCNAMARA PARK (6-8 APRIL)

Mac Park as it is locally known, held its 50th Anniversary in April 2012.

There were over 100 entrants with many of them from various states across Australia to help celebrate and compete on the only club owned track in the Southern Hemisphere.

Joining in the celebrations was Kevin Magee, ex international rider who started his Motorcycle career

at McNamara Park. Magee was the winner of the 1988 Spanish Motorcycle Grandprix at Jarama and 1991 and 1992 Phillip Island World Superbike titles champion.

The weekend provided 30 races including historic and modern bike races, junior competitions, side cars and parade laps of past winners along with the a display of interesting and historic bikes throughout the weekend.

The Mount Gambier Motorcycle & Light Car Club hosted a successful Saturday night Dinner at Casido Park with 200 people attending.

30TH ANNIVERSARY EASTER SHOWJUMPING FESTIVAL (6-9 APRIL)

The Mount Gambier Showjumping Club held its 30th Anniversary Easter Showjumping Festival at the Blue Lake Sports Park.

The attractive prize pool of \$30,000 saw a result of over 200 competitors and their horses travel to Mount Gambier from a strong contingent from Western Australia, with also other states of NSW, Victoria and all parts of South Australia to compete in the 5 day event.

Mount Gambier's local club member, John Wilsher celebrated his 30th year with the very successful club.

The four day weekend consisted of riders and horses that were gaining their rankings in a lead up to the Olympics in London. There was a representation of 3 Olympians and State winners in Showjumping.

The quality was exceptional with dedicated riders displaying their showjumping skills in all classes.

BMX NATIONAL CHAMPIONSHIPS 2012 (17-22 APRIL)

The nation's eyes were on Mount Gambier when the BMX National Championships were held at the Blue Lake BMX Club track from 17 - 22 April 2012. Being an Olympic

year, the event was hotly contested from elite riders from all states of Australia to gain their rankings for a position at the London Olympics in August.

Mount Gambier local BMX club was excited and thrilled to be holding the Nationals on their new state of the art track and facilities. Many man hours and volunteers helped place the track as "the track to race at, being the best track in Australia".

Being the distance from major capital cities, Mount Gambier had over 1000 riders attending, attending from far away as Kununurra, Perth, Cairns and Tasmania.

This created excitement and many opportunities for local businesses to capture the many visitors attending and a real boost to Mount Gambier's economy.

A very impressive event where a small club was able to devise, develop and host an event of national significance and create the best ever National BMX Championships.

GENERATIONS IN JAZZ (4-6 MAY)

The 30th annual Generations in Jazz Festival was attended by 22 schools from all across Australia descending on the Blue Lake City. The schools were here to compete for a number of prestigious awards and scholarships.

The huge circus marquee housed 3,000 people over the three day event, with huge support of volunteers a host of talented young musicians, vocalists and guest artists.

The weekend is an ideal environment for the young musicians to perform and learn in a relaxed atmosphere, share fellowship with their peers, and the opportunity to hear professionals like James Morrison, Daryl Somers and Mount Gambier's own jazz academy director, Graeme Lyall.

Economic and Regional Statement

Major Events

LIMESTONE COAST TATTOO (26 NOVEMBER)

The Inaugural Limestone Coast Tattoo is an opportunity for bands in Mount Gambier to come together to share the achievements of local musicians and celebrate their contribution to the community in a combined public performance.

The Tattoo honours the achievement of the region's young musicians and celebrates the growing enthusiasm for music in Mount Gambier. There is a Music Scholarship that is awarded to young musicians who display musical talent and have a desire and passion to further their experiences and knowledge in music.

The Tattoo had a cast of 70 performers featuring pipe, drum, brass and marching bands. The show is a true partnership between local bands, united by a love of music and its traditions, friendship between the bands and the shared joy of playing for the public benefit.

YPN – Your Professional Network

Your Professional Network (YPN) is a social and professional support network that has been established to provide a networking platform for like-minded professionals that facilitates constructive inter-professional networking in both formal and social settings and also supports new professionals to integrate into our community, particularly those who have relocated for employment/career purposes and have no personal or professional connections to rely upon.

YPN focuses on a number of areas such as:

- Supporting new people settling in Mount Gambier;

- People (new and local) who would like to progress their careers;
- People who are establishing or looking to grow their business;
- Identifying established professionals or business owners who are willing to assume a mentor role;
- Social networking and professional development opportunities.

YPN co-ordinates social programs designed to cater for the interests of a wide audience. Some of the more notable functions held throughout the year include the:

- 'The Table of Eight' networking and mentoring evenings
- YPN Unplugged music events
- 2012 Welcome Soiree @ the Library
- Coonawarra After Dark bus trip
- Coonawarra Arts Festival bus trip
- Mingle @ the Main

YPN will continue to support our local professional workforce in Mount Gambier.



Economic and Regional Statement

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.

The City of Mount Gambier acknowledge 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, Mount Gambier Library the many playgrounds, parks and gardens as well as "The Lady Nelson" Visitor and Discovery Centre. New opportunities for community and visitor growth will exist at the Main Corner Complex on completion.

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 each year, 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 103,861 people, 74% 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 MOUNT GAMBIER VISITOR INFORMATION CENTRE AND "THE LADY NELSON" 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 staff 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 Statliner Bus Ticketing
- Community Services

The Information Centre continues to offer bus ticketing, and this service continues to grow and now represents a major part of the services offered within the centre.

The refurbishment of the Visitor Entry Area achieved with the new counters completed during the latter part of 2010 incorporating the following:

- Visitor Information Customer Service
- Two seated positions with low counter suitable for

administration, accommodation and tour bookings and wheelchair access.

- A portable service area that can be moved and stored away when more area is needed for functions.

This has streamlined the bus ticketing and cash handling process and has delineated the two service areas and allows staff to continue to process bus tickets while servicing the needs of visitors.

Visitor & Discovery Centre Visitation

A total of 56,948 enquiries were handled at the counter, with 94,277 visitors through the door.

16% of enquiries handled were local within the 5290 and 5291 postcodes. International Visitors made up 11% of the total visitation. 17% of total visitors also visited the Discovery Centre, this is an increase of 9% from the previous year, this can be directly attributed to the drastic reduction in entry fees due to the Brig "The Lady Nelson" being unavailable to view for the major part of the year.

Bus Ticketing continued to increase with Premier Statliner ticketing increasing by 6% , and V Line increasing by 21%. Concession Tickets continue to be the largest ticketing item with both carriers.

Monthly calculations show peaks occurring in April, January, and December. With the busiest day of the year occurring on the 5th January, with 710 visitors.

In addition staff prepared 5395 Information Packs, supporting many major events, as well as smaller community events, and also supporting the Greater Green Triangle Dept of Rural Health, by providing packs for their clinical placement practitioners, as well introductory tours of the city when requested.

Economic and Regional Statement

Tourism

The Visitor Centre was selected to participate in the South Australia Tourism Commission's Sell SA Pilot Project. The aim of the project is to deliver outstanding customer experience through the State's network of accredited Visitor Information Centres. Mount Gambier was one of eight Centres across the state to be selected.

Through the project, the aim is to increase VIC sales capability, encourage conversion in order to maximise visitor expenditure and improve financial viability, as well as build strategic partnerships that support conversion activities.

SATC Account Executives undertook an analysis of the business. Part way through the project staff had already undertaken fully subsidised familiarisations to Kangaroo Island and the Fleurieu Peninsula, two regions clearly identified in the analysis, as having potential to increase our sales conversion.

Lady Nelson staff has provided considerable support to the Main Corner, with staff initially overseeing the Haighs Chocolates set up and service delivery. Support has also been provided with the structure and maintenance of the POS System. Staff are fully trained across both sites and provide back up where required.

VISITATION FIGURES FOR 2011/12 TO THE VISITOR CENTRE

Jul – 11	6080
Aug – 11	5133
Sep – 11	6579
Oct – 11	9278
Nov – 11	7883
Dec – 11	9541
Jan – 11	12162
Feb – 11	7505
Mar – 11	9966
Apr – 11	10443
May – 11	5108
Jun – 11	4599
TOTAL	94277
Comparison 2010 - 11	103861
Total Visitation (May 1977- June 2012)	2,592,315

VISITATION FIGURES FOR 2011/12 TO THE DISCOVERY CENTRE

Adults	2880
Child	578
Senior	2877
Family	896
School Groups	234
Adult Groups	495
Passports	12
Total	16945
% of Overall Visitation (94277)	17%
Comparison 2010 – 11	9329 or 9%
Total Visitation (December 1986 – June 2012)	623,022

BUS TICKETING EX GST

TICKET TYPE	QTY	TOTAL
PREMIER STATELINER		
Premier Adult Ticket	1026	\$79236
Premier Child Ticket	171	\$7490
Premier Concession Ticket	1956	\$102627
Premier Student Ticket	592	\$25137
Premier Stateliner Total (6% increase from 10-11)	3745	\$214517
V Line Adult Ticket	1306	\$56563
V Line Child Ticket	171	\$4563
V Line Concession	1334	\$102627
V Line Student Ticket	592	\$25137
V Line Total (21% increase from 10-11)	3249	\$188890
Combined Bus Total (13% increase from 10-11)	6994	\$403407

Economic and Regional Statement

Tourism

OTHER INTERESTING STATISTICS & DISTRIBUTION

Total Email and Phone Enquiries	3658
Total Counter Enquiries	41375
Visitor from outside of Mount Gambier	31%
International Visitors	11%
Easter Long Weekend Visitation	3320
Christmas Period Visitation (26 Dec – 6th Jan)	6980
Busiest Day (Thu Jan 5th)	710
Quietest Day (Sun Jun 24th)	80
Information Packs	5395

PUBLICATIONS & BROCHURE DISTRIBUTION

The A4 Mount Gambier Visitor Guide, the DL Mount Gambier Brochure and the City of Mount Gambier Maps, A1 & A3 tear Off Pads have all been updated and reprinted this year.

All are distributed throughout Mount Gambier, across the region, and into Victoria and South Australia.

TOURISM INDUSTRY SUPPORT

Staff 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.

EVENTS

Event Support Services

The City of Mount Gambier's dedicated Events Support Division, based at "The Lady Nelson" Visitor & Discovery Centre specialise in:

- 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

MAJOR VISITOR EVENTS

Council continues to recognise the promotional, economic and employment benefits to Mount Gambier that is realized from the hosting of major events within the City.

Council makes available direct funding to organisers who conduct major events, and Mount Gambier continues to host a significant range of events of State and National significance.

These major events attract thousands of visitors annually and forms a very dominant component of our economic wealth generation.

In addition to the costs of employee assistance in many aspects of the attraction, planning and implementation of major visitor events, Council also provided direct funding of \$101,672 in 2010/11 in the hosting of such events.

Council also allocated the sum of \$15,870 for the host of events of regional significance.

Planning has commenced for the hosting of new and annual major visitor events well into the future.



Economic and Regional Statement

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 2011/12:

Regional Development Australia Limestone Coast	\$20,502
Limestone Coast Tourism	\$56,725
Local Government Association of South Australia	\$26,495
Provincial Cities Association	\$15,500
Regional Recreation and Sport position	\$10,545
Riddoch Art Gallery	\$63,470
South East Local Government Association	\$42,344
Volcanoes Discovery Trail Committee	\$5,000
South East Heritage Advisory Service	\$15,887
South East Resource Information Centre (SERIC)	\$11,859
Stand Like Stone Foundation	\$8,000
Lifelong Learning Initiatives/Tertiary & Higher Education Initiatives	\$7,124
Save Our Forests Campaign	\$5,174

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

Lady Nelson Brig

The City of Mount Gambier applied for and was successful in gaining a grant from the Federal Government to assist with the refurbishment of the Lady Nelson Brig. Constructed in 1986 by volunteers and community groups the brig has progressively become water damaged and numerous short term fixes over recent years have become unsustainable to continue with.

An initial project budget of \$385,000 has been allocated including the Federal grant to replace the brig with a fibreglass replica and salvage any usable items for re-use in the refurbished icon. In an innovative approach, the City of Mount Gambier teamed with Warrnambool's Flagstaff Hill Maritime Village to supply the replica brig in late 2011. Slow but meaningful progress was made during 2012 with a completion date set for late 2012.

A special celebration is anticipated to commemorate the partnership between the two Councils and the monumental effort to supply such a culturally significant historical icon.

Economic and Regional Statement

Kanawinka Geopark “Land of Tomorrow”

The Kanawinka Inc. 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 26 other countries and 99 Geoparks as members of the UNESCO Global Network with the most prolific Geopark locations being in China (26) and Europe (49).

The initial focus has been on achieving Federal Government recognition (still awaited) and then 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 of 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.

For the past twelve months, the Board's primary focus has been on:

- Governance issues including:
 - Development and adoption of a new constitution
 - Development of Board Works Plan (ongoing)
 - Integration of Budget and Works Plan
 - Financial reporting
- Marketing and promotion including:
 - Revamp and printing of Kanawinka Geotrail map
 - Official visitor guide promotions
 - Review of marketing and promotional collateral e.g. maps, visitor guides, tear off maps, web site and volcanic site fact sheets

In the next twelve months the Board will continue to pursue the above focus areas with a particular emphasis on further marketing and promotion and development of a Kanawinka signage strategy.

Bus Facilities at the Lady Nelson

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.

The 2011/12 budget has an allocation set aside to assist Council in achieving the approved

vision over two separate financial years. The project was tendered to suitably qualified construction companies in March 2012 where a contractor was engaged to supply and install a 40m long, 5 bay, conical shaped tensile shade structure on the northern portion of the car park. Construction will begin in late 2012 and operational by the start of 2013.

Economic and Regional Statement

Mount Gambier - A Lifelong Community 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.

Council has formed a dedicated Lifelong Learning Council Working Party comprising:

- Cr Jim Maher
- Cr Byron Harfield
- Virginia Hill (community)
- David Meziniec (community)
- Sharee Cordes (community)

The City of Mount Gambier continues to adopt Learning as a key theme and strategy and in the review of Council’s current Strategic Plan, Learning remains one of our key strategic goals Beyond 2015.

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 be recognised as a learning community which celebrates learning for all groups and members of the community”.

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.

In response to strong interest in the community for the local delivery of an Education Degree a public meeting was held in September 2010 to establish an accurate measure of the extent of interest that existed within the community; an estimated 200 people made it very clear that they would support the local delivery of an Education Degree of which more than 130 people confirmed their commitment to participate in the program.

Council’s Lifelong Learning Working Party have collaborated with the wider community and Education sector to explore the possibility of a locally delivered Education Degree and it is with great pride that Council welcome the introduction of a Bachelor of Education (Primary) to be delivered at the local UniSA campus in 2013.

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 an expanded selection 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 celebrates literacy in all forms, encourages learning, and operates in a broader community sense.

Learning takes on many forms and it has been widely recognised that it takes a village to teach the child therefore the City of Mount Gambier remains committed to enhancing our community’s quality of life through the development, recognition and celebration of lifelong learning.



Economic and Regional Statement

Mount Gambier & District

Tertiary Health Education Grants

Council continued the Mount Gambier & District Tertiary Health Education Grants program in 2011/12 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.

The program aims to encourage 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.

Ten recipients from Mount Gambier and the surrounding districts have been awarded grants from the Mount Gambier and District Tertiary Health Education Grant Program.

The value of the grant is \$2,000 each and a total distribution of \$20,000 was provided to the ten successful applicants.

Twenty Seven excellent applications to the Tertiary Health 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 2012 was medical and allied health studies/ vocations who were required to leave our community to study degree programs.

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
- 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 continue to be 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 2012 were:-

Connor Short	Bachelor of Medicine & Bachelor of Surgery University of Adelaide 2nd Year
Chelsea Dickins	Bachelor of Health Science – Chiropractic (Masters) RMIT 1st year
Bridget Lloyd-Fox	Bachelor of Clinical Science & Bachelor of Medicine/Surgery Flinders University 2nd Year
Ashleigh Glynn	Bachelor of Applied Science (Occupational Therapy) University of South Australia 3rd Year
Abraham Gower	Bachelor of Physiotherapy University of South Australia 2nd Year
Chloe Parslow	Bachelor of Physiotherapy University of South Australia 2nd Year
Dominique Kasole	Bachelor of Nursing Flinders University 3rd Year
Jenna Laube GGTURDH Sponsored Recipient	Bachelor of Paramedic Science Flinders University 1st Year
Janelle Wood	Psychology (Honours) Flinders University 3rd Year
Kara Wischki	Bachelor of Oral Health La Trobe University 1st Year

Financial Statement



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Financial Statement

Financial Sustainability Indicators 2011-12

FINANCIAL SUSTAINABILITY INDICATORS & OUTCOMES FOR PERIOD 2007/08 TO 2011/12

SUSTAINABILITY TARGET	2011/12 COUNCIL OUTCOME (\$=,000)	2010/11 COUNCIL OUTCOME (\$=,000)	2009/10 COUNCIL OUTCOME (\$=,000)	2008/09 COUNCIL OUTCOME (\$=,000)	2007/08 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 Deficit of \$583 ⁴	Operating Deficit of \$1,110 ³	Operating Surplus of \$274 ²	Operating Surplus of \$976 ¹	Operating Surplus of \$858	Operating Surplus of \$263 (\$,000) (\$348 surplus)
2. Net Financial Liabilities (Deficit) Ratio of greater than 0% but less than 100% of annual operating revenue	27% Deficit	9% Deficit	12% Surplus	20% Surplus	31% Surplus	14.8% Surplus (18.3% Surplus)
3. 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	52%	51%	50%	68%	40%	49% (43%)

* Please note that the figures in brackets are the previous rolling five year averages (to 30/6/2010).

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.

³ Includes \$552,434 Grants Commission payment as an advance for 2011/12

⁴ Includes \$1,196,609 Grants Commission payment as an advance for 2012/13

IMPORTANT NOTE

In each of the June 2009, 2010 and 2011, the Commonwealth Government made an advance payment of one quarterly payment of the Financial Assistance Grant (see Note 3). Accordingly there were five "quarterly" payments in 2009 and four payments in each of 2010 and 2011.

In June 2012, the Commonwealth Government made an advance payment of one half-yearly payment of the Financial Assistance Grant (see note 4).

Financial Statement

Financial Statistics of Council at a Glance

	YEAR END				
	2008 (\$,000)	2009 (\$,000)	2010 (\$,000)	2011 (\$,000)	2012 (\$,000)
Operating Revenue	16,633	18,501	18,734	19,632	22,455
Council Rates included in Operating Revenue	11,027	11,746	12,241	13,464	14,450
Operating Expenditure	15,775	17,525	18,460	20,742	23,038
Employee Costs included in Operating Expenditure	5,453	6,082	6,611	7,286	7,983
Depreciation included in Operating Expenditure	4,056	4,243	4,622	4,995	5,491
Operating Surplus/(Deficit)	858	976 ¹	274 ²	(1,110) ³	(583) ⁴
Capital Revenue	736	3,539	2,083	2,792	1,874
Net Surplus/(Deficit)	1,658	5,480	2,674	1,972	1,129
Loans Principal Outstanding	3,212	6,730	5,881	9,114	5,112
Current Assets	10,266	13,616	10,921	10,503	2,159
Current Liabilities	2,736	4,235	3,402	3,927	3,523
Non Current Assets	120,355	127,528	131,455	137,320	217,885
Non Current Liabilities	2,722	6,266	5,657	8,607	4,909
Net Equity	125,163	130,643	133,317	135,289	211,612
Cash at Beginning of Period	8,495	9,369	12,041	9,696	8,298
Cash at End of Period	9,369	12,041	9,696	8,298	981
Principal Paid on Borrowings	714	764	849	711	4,002 ⁵
Interest Paid on Borrowings	231	195	369	325	560
Superannuation Council Contribution (included in Employee Costs)	438	466	545	643	725
Rates Outstanding	117	202	252	298	375
Lease Commitments	176	117	90	155	156
External Debt to Net Equity	2.6%	5.1%	4.4%	6.7%	2.4%
External Debt to Gen Rates	29.1%	57.2%	48.0%	67.6%	35.4%
Debt Servicing (P&I) to General Rates	8.6%	8.2%	9.9%	7.6%	31.5% ⁵

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.

³ includes \$552,434 Grants Commission payment as an advance payment for 2011/12

⁴ includes \$1,196,609 Grants Commission payment as an advance payment for 2012/13

⁵ Full Treasury Management was implemented during 2011/12 with surplus funds paid into a CAD loan re-draw facility

Financial Statement

Selected General Statistics

Area		3,413 ha	Number of Properties coded Residential		11,557	Capital Value (July 2011)						\$3,394,873,940
Length of Roads		218 km	Site Value (July 2010)		\$1,130,968,040							
FOR THE YEAR ENDED 30 JUNE:												
		2004	2005	2006	2007	2008	2009	2010	2011	2012		
Residents of the City of Mount Gambier		24296	24703	24959	25182	25427	25729	26128	26128	26206		
Residential Voters		15921	16304	16550	16668	16921	17267	17854	17843	17912		
Non-residential Voters		2230	2198	2216	2312	2449	2463	N/A	44	N/A		
No. of employees (full time equivalent)		93.5	94	97.5	97.5	102.1	102.6	106.1	110.4	111.4		
Development Applications (Blg & Plan)												
Applications and Land Divisions (No.)		607	726	730	638	643	537	540	472	472		
Dwellings (No.)		148	137	113	123	128	122	128	104	104		
Flats/Units (No.)		10(54)	7(84)	15(86)	12(35)	20(107)	21(217)	5(15)	0	0		
Business/Commercial /Industrial (No.)		64	83	76	61	54	44	35	36	51		
Additions and Alterations (No.)		345	392	405	352	304	249	281	240	220		
Other, signs, divisions		106	107	121	90	137	101	91	92	69		
Estimated Expenditure (Value \$m)		52.1	42.8	43.5	47.4	46.4	91.5	50.9	43.6	93.1		
No. of Dogs Registered		4048	3952	4304	4720	4617	4467	4310	4813	4837		
No. of Assessments		11461	11718	11827	12074	12356	12561	12857	13309	13,395		
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)		427.3 (site)	1953	2033	2188	2478	2560	2829	3070	3,207		
Rates foregone on non rateable property (value \$thous)		550	370	386	391	421	452	457	567	599		
Rate Rebates and Remissions (value \$thous)		107	384*	141*	60	55	54	51	119	137		
Value of Pensioner Concessions (value \$thous)		360	372	353	346	389	394	423	417	426		
No. of non-ratable 100% rebate assessments		453	415	413	425	447	452	467	497	501		
Fixed Charge			\$365	\$365	\$382	\$400	\$421.50	\$428.90	\$456.00	\$480.00		

Financial Statement

Selected General Statistics

Changed from Site Value to Capital Value as from 1st July 2004

	2005/06 \$	2006/07 \$	2007/08 \$	2008/09 \$	2009/10 \$	2010/11 \$	2011/12 \$
Residential	.002104	.00199	.001869	.00188	.001782	.001843	.00192
Commercial - Shop	.005680 (+170%)	.005373 (+170%)	.005046 (+170%)	.005076 (+170%)	.004811 (+170%)	.004976 (+170%)	.005184 (+170%)
Commercial - Office	.005680 (+170%)	.005373 (+170%)	.005046 (+170%)	.005076 (+170%)	.004811 (+170%)	.004976 (+170%)	.005184 (+170%)
Commercial - Other	.005680 (+170%)	.005373 (+170%)	.005046 (+170%)	.005076 (+170%)	.004811 (+170%)	.004976 (+170%)	.005184 (+170%)
Industry - Light	.004944 (+135%)	.004676 (+135%)	.004392 (+135%)	.004794 (+155%)	.004811 (+170%)	.004976 (+170%)	.005184 (+170%)
Industry - Other	.004944 (+135%)	.004676 (+135%)	.004392 (+135%)	.004794 (+155%)	.004811 (+170%)	.004976 (+170%)	.005184 (+170%)
Primary Production	.002104	.00199	.001869	.00188	.001782	.001843	.00192
Vacant Land	.008416 (+300%)	.00796 (+300%)	.007476 (+300%)	.00752 (+300%)	.007128 (+300%)	.004976 (+170%)	.005184 (+170%)
Other	.002104	.00199	.001869	.00188	.001782	.001843	.00192



Financial Statement

Selected General Statistics

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 48 years:-

1961	15,388
1966	17,146
1971	17,934
1976	19,292
1991	19,880
1996	20,813
2001	23,503
2006	24,959
2010	26,128

Percentage increase: 58.8% or 1.2% average per year

(Source: State Library of SA – ABS SA Year Books and ABS data)





Financial Statement

Statement of Comprehensive Income

for the year ended 30 June 2012

	NOTES	2012 \$'000	2011 \$'000
INCOME			
Rates	2	14,881	13,872
Statutory charges	2	310	340
User charges	2	3,157	2,293
Grants, subsidies and contributions	2	3,101	2,024
Investment income	2	141	327
Reimbursements	2	598	502
Other income	2	267	274
Total Income		22,455	19,632
EXPENSES			
Employee costs	3	7,983	7,286
Materials, contracts & other expenses	3	9,004	8,136
Depreciation, amortisation & impairment	3	5,491	4,995
Finance costs	3	560	325
Total Expenses		23,038	20,742
OPERATING SURPLUS / (DEFICIT)		(583)	(1,110)
Physical resources received free of charge	4	(162)	290
Operating result from discontinued operations	2	1,874	2,792
NET SURPLUS / (DEFICIT) transferred to Equity Statement		1,129	1,972
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	75,194	-
Total Other Comprehensive Income		75,194	-
TOTAL COMPREHENSIVE INCOME		76,323	1,972

This Statement is to be read in conjunction with the attached Notes.

Financial Statement

Balance Sheet as at 30 June 2012

	NOTES	2012 \$'000	2011 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	981	8,298
Trade & other receivables	5	1,131	2,264
Inventories	5	47	35
Total Current Assets		2,159	10,597
Non-current Assets			
Financial Assets	6	339	350
Infrastructure, Property, Plant & Equipment	7	217,546	136,970
Total Non-current Assets		217,885	137,320
Total Assets		220,044	147,917
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	1,231	1,527
Borrowings	8	438	758
Provisions	8	1,854	1,736
Total Current Liabilities		3,523	4,021
Non-current Liabilities			
Borrowings	8	4,674	8,356
Provisions	8	235	251
Total Non-current Liabilities		4,909	8,607
Total Liabilities		8,432	12,628
NET ASSETS		211,612	135,289
EQUITY			
Accumulated Surplus		52,707	53,620
Asset Revaluation Reserves	9	153,429	78,235
Other Reserves	9	5,476	3,434
TOTAL EQUITY		211,612	135,289

This Statement is to be read in conjunction with the attached Notes.

Financial Statement

Changes in Equity as at 30 June 2012

	NOTES	ACCUMULATED SURPLUS \$'000	ASSET REVALUATION RESERVE \$'000	OTHER RESERVES \$'000	TOTAL EQUITY \$'000
2012					
Balance at end of previous reporting period		53,620	78,235	3,434	135,289
Restated opening balance		53,620	78,235	3,434	135,289
Net Surplus / (Deficit) for Year		1,129			1,129
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment	9		75,194		75,194
Transfers between reserves		(2,042)		2,042	-
Balance at end of period		52,707	153,429	5,476	211,612
2011					
Balance at end of previous reporting period		45,893	78,235	9,189	133,317
Restated opening balance		45,893	78,235	9,189	133,317
Net Surplus / (Deficit) for Year		1,972			1,972
Other Comprehensive Income					
Transfers between reserves		5,755		(5,755)	-
Balance at end of period		53,620	78,235	3,434	135,289

This Statement is to be read in conjunction with the attached Notes.



Financial Statement

Cashflow Statement for the year ended 30 June 2012

	NOTES	2012 \$'000	2011 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates - general & other		14,804	13,826
Fees & other charges		335	273
User charges		4,103	1,713
Investment receipts		159	350
Grants utilised for operating purposes		3,334	2,176
Reimbursements		658	552
Other revenues		507	1,520
Payments			
Employee Costs		(8,096)	(7,119)
Materials, contracts & other expenses		(9,490)	(9,703)
Finance payments		(568)	(332)
Net Cash provided by (or used in) Operating Activities		5,746	3,256
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		1,874	2,792
Sale of replaced assets		257	390
Repayments of loans by community groups		108	88
Payments			
Expenditure on renewal/replacement of assets		(3,099)	(2,946)
Expenditure on new/upgraded assets		(8,193)	(8,121)
Loans made to community groups		(8)	(90)
Net Cash provided by (or used in) Investing Activities		(9,061)	(7,887)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings		-	3,944
Payments			
Repayments of Borrowings		(4,002)	(711)
Net Cash provided by (or used in) Financing Activities		(4,002)	3,233
Net Increase (Decrease) in cash held		(7,317)	(1,398)
Cash & cash equivalents at beginning of period	10	8,298	9,696
Cash & cash equivalents at end of period	10	981	8,298

This Statement is to be read in conjunction with the attached Notes

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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 regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

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 Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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.

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to *infrastructure, property, plant & equipment* 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	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road Construction & Reconstruction	\$10,000
Paving & Footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000

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 on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

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	80 years
Buildings – Roofing	40 years
Buildings - Fitout	20 years
Buildings – Services	50 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

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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.

7. Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts 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	4.00% (2011, 4.90%)
Weighted average settlement period	1 year (2011, 1 years)



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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.

13. Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2012 reporting period and have not been used in preparing these reports.



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

AASB 9	Financial Instruments
AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosure of Interests in Other Entities
AASB 13	Fair Value Measurement
AASB 119	Employee Benefits
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates and Joint Ventures
AASB 2010-6	Amendments to Australian Accounting Standards [AASBs 1 & 7]
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]
AASB 2011-1	Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]
AASB 2011-5	Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]
AASB 2011-8	Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]

AASB 2011-9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]
AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]
AASB 2011-12	Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]

(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.

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 2. INCOME

	NOTES	2012 \$'000	2011 \$'000
RATES REVENUES			
General Rates		14,587	13,583
Less: Discretionary rebates, remissions & write offs		(137)	(119)
		14,450	13,464
Other Rates (including service charges)			
Natural Resource Management levy		515	480
		515	480
Other Charges			
Legal & other costs recovered		53	47
		53	47
Less: Discretionary rebates, remissions & write offs		(137)	(119)
		14,881	13,872
STATUTORY CHARGES			
Development Act fees		70	100
Town planning fees		102	102
Animal registration fees & fines		117	117
Parking fines / expiation fees		13	14
Other licences, fees, & fines		8	7
		310	340
USER CHARGES			
Cemetery/crematoria fees		678	542
Green Waste Collection		345	356
Hall & equipment hire		41	40
Sales - general		1,887	1,213
Sundry		206	142
		3,157	2,293
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		124	309
Banks & other		14	15
Loans to community groups		3	3
		141	327
REIMBURSEMENTS			
for roadworks		172	193
for private works		275	180
other		151	129
		598	502

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 2. INCOME CONT.

	NOTES	2012 \$'000	2011 \$'000
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		230	222
Donations		36	37
Sundry		1	15
		267	274
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		1,874	2,792
Other grants, subsidies and contributions		905	1,472
Individually significant item - additional Grants Commission payment	see below	2,196	552
<i>The functions to which these grants relate are shown in Note 11.</i>		4,975	4,816
Sources of grants			
<i>Commonwealth Government</i>		1,649	927
<i>State Government</i>		3,326	3,889
<i>Other</i>		0	0
		4,975	4,816
Individually Significant Item		2,196	552
<p>On 28 June 2011, Council received \$552 payment of the first instalment of the 2011/12 Grant Commission (FAG) grant. Similarly, on 14 June 2012 Council received \$1,196 payment of the first two instalments of the 2012/13 grant.</p> <p>This has materially increased Council's operating results in the current year, as these amounts are recognised as income upon receipt.</p> <p>Similarly material adverse effects will be experienced when the timing of these grant payments is restored to normal schedule. It is not known when this will occur. On 27 June 2012, Council received \$1,000 grant for Stage 1 of the Railway Lands redevelopment.</p>			

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		-	500
Less: expended during the current period from revenues recognised in previous reporting periods			
New Library & Main Corner Developments		-	(500)
		-	(500)

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 2. INCOME CONT.

	NOTES	2012 \$'000	2011 \$'000
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions			
Railway Lands		1,000	-
Subtotal		1,000	-
Unexpended at the close of this reporting period		1,000	-
Net increase (decrease) in assets subject to conditions in the current reporting period		1,000	(500)



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 3. EXPENSES

	NOTES	2012 \$'000	2011 \$'000
EMPLOYEE COSTS			
Salaries and Wages		7,481	6,594
Employee leave expense		(112)	166
Superannuation - defined contribution plan contributions	16	725	643
Workers' Compensation Insurance		194	160
Other		63	47
Less: Capitalised and distributed costs		(368)	(324)
Total Operating Employee Costs		7,983	7,286
Total Number of Employees		111	108
(Full time equivalent at end of reporting period)			
MATERIALS, CONTRACTS & OTHER EXPENSES			
Prescribed Expenses			
Auditor's Remuneration			
Auditing the financial reports		17	16
Other Services		-	-
Elected members' expenses		319	356
Election expenses		-	1
Subtotal - Prescribed Expenses		336	373
Other Materials, Contracts & Expenses			
Contractors		3,673	3,293
Energy		689	640
Maintenance		11	14
Legal Expenses		66	107
Levies paid to government - NRM levy		513	478
Parts, accessories & consumables		1,775	1,933
Professional services		34	63
Sundry		1,907	1,235
Subtotal - Other Materials, Contracts & Expenses		8,668	7,763
		9,004	8,136

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 3. EXPENSES CONT.

	NOTES	2012 \$'000	2011 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		2,632	2,392
Infrastructure		1,556	1,382
Plant & Equipment		846	784
Minor Plant		21	30
Office Equipment		259	208
Other		177	199
		5,491	4,995
FINANCE COSTS			
Interest on Borrowing		560	325
		560	325

NOTE 4. ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	NOTES	2012 \$'000	2011 \$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
Assets renewed or directly replaced			
Proceeds from disposal		257	390
Less: Carrying amount of assets sold		419	100
Gain (Loss) on disposal		(162)	290
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		(162)	290



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 5. CURRENT ASSETS

	NOTES	2012 \$'000	2011 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		823	4,597
Deposits at Call		158	3,701
		981	8,298
TRADE & OTHER RECEIVABLES			
Rates - General & Other		375	298
Accrued Revenues		73	91
Debtors - general		519	1,355
GST Recoupment		57	324
Loans to community organisations		107	196
Total		1,131	2,264
INVENTORIES			
Stores & Materials		28	22
Trading Stock		19	13
		47	35

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.



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 6. NON-CURRENT ASSETS

	NOTES	2012 \$'000	2011 \$'000
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		339	350
TOTAL FINANCIAL ASSETS		339	350

NOTE 7. INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2011 \$'000				2012 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	27,435	928	-	28,363	39,459	1,567	-	41,026
Buildings & Other Structures	48,389	18,352	(10,526)	56,215	155,588	-	(43,479)	112,109
Infrastructure	40,010	11,413	(6,160)	45,263	75,559	-	(18,934)	56,625
Plant & Equipment	2,383	4,391	(2,233)	4,541	4,685	-	-	4,685
Minor Plant	30	218	(139)	109	155	-	-	155
Office Equipment	75	1,520	(377)	1,218	-	1,656	(636)	1,020
Other	1,936	499	(1,174)	1,261	1,926	-	-	1,926
TOTAL PROPERTY, PLANT & EQUIPMENT	120,258	37,321	(20,609)	136,970	277,372	3,223	(63,049)	217,546
Comparatives	120,258	27,148	(16,408)	130,998	120,258	37,321	(20,609)	136,970

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 7. INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT CONT.

	2011 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000								2012 \$'000
	CARRYING AMOUNT	ADDITIONS		DISPOSALS	DEPRECIA- TION	IMPAIR- MENT	TRANS- FERS	NET RE- VALUATION	CARRYING AMOUNT	
		NEW/ UPGRADE	RENEWALS							
Land	28,363	1,498	-	-	-	-	-	11,165	41,026	
Buildings & Other Structures	56,215	6,007	836	-	(2,632)	-	-	51,683	112,109	
Infrastructure	45,263	451	1,711	(317)	(1,556)	-	-	11,073	56,625	
Plant & Equipment	4,541	114	552	(102)	(846)	-	-	426	4,685	
Minor Plant	109	19	-	-	(21)	-	-	48	155	
Office Equipment	1,218	58	-	-	(259)	-	-	3	1,020	
Other	1,261	46	-	-	(177)	-	-	796	1,926	
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	136,970	8,193	3,099	(419)	(5,491)	-	-	75,194	217,546	
Comparatives	130,998	8,121	2,946	(100)	(4,995)	-	-	-	136,970	

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 7. INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT CONT.

Valuation of Assets

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent additions at cost, this remains as the basis of recognition of non-material asset classes.

Land & Land Improvements

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

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 2006 at current replacement cost. Additions are recognised at cost.

With the exclusion of the 'Old Hospital Site' which has been recognised at cost, these assets were revalued as at 30 June 2012 by Mr Martin Oldfield, BBus Property (Val) AAPI Certified Practising Valuer of Maloney Field Services.

Buildings & Other Structures

Buildings and other structures generally are recognised on their replacement cost basis deriving from a valuation by Mr Martin Oldfield, BBus Property (Val) AAPI Certified Practising Valuer of Maloney Field Services at 30 June 2012. Additions are recognised at cost.

Infrastructure

Transportation assets were valued by Council officers at depreciated current replacement cost during the reporting period ended 30 June 2012, based on actual costs incurred during the reporting periods ended 30 June 2010 and 2011. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council officers as at 30 June 2012 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2011. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

Plant & Equipment and Minor Plant assets were valued by Council officers at depreciated current replacement cost during the reporting period ended 30 June 2012, based on actual costs incurred during the reporting periods ended 30 June 2010 and 2011. The remaining assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 8. LIABILITIES

	NOTES	2012 \$'000		2011 \$'000	
		CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
TRADE & OTHER PAYABLES					
Goods & Services		831		1,085	
Payments received in advance		29	-	195	-
Accrued expenses - employee entitlements		-	-	215	-
Accrued expenses - other		24	-	32	-
Deposits, Retentions & Bonds		347	-	-	-
		1,231	-	1,527	-
BORROWINGS					
Loans		438	4,674	758	8,356
		438	4,674	758	8,356
All interest bearing liabilities are secured over the future revenues of the Council.					
PROVISIONS					
Employee entitlements (including oncosts)		1,854	235	1,736	251
		1,854	235	1,736	251



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 9. RESERVES

ASSET REVALUATION RESERVE	NOTES	1/7/2011 \$'000	NET INCREMENTS (DECREMENTS) \$'000	TRANSFERS, IMPAIRMENTS \$'000	30/6/2012 \$'000
ASSET REVALUATION RESERVE					
Land		19,346	11,165	.	30,511
Buildings & Other Structures		43,354	51,683	.	95,037
Infrastructure		12,645	11,073	.	23,718
Plant & Equipment		69	426	.	495
Minor Plant		2,821	847	.	3,668
TOTAL		78,235	75,194	.	153,429
Comparatives		78,235	.	.	78,235
OTHER RESERVES					
		1/7/2011	TRANSFERS TO RESERVE	TRANSFERS FROM RESERVE	30/6/2012
Long Service Leave		676	48	.	724
Off Street Car Park		190	77	.	267
Plant Replacement		1,372	189	.	1,561
Lady Nelson Park Development		6	.	.	6
Asset Replacement		.	1,296	.	1,296
Land Division - Outstanding work		232	.	.	232
Downstream Drainage		122	29	(90)	61
City Centre Improvement		676	12	.	688
Major Capital Works		2	480	.	482
Mount Gambier Cemetery Trust		103	4	.	107
Junior Sporting Fund		55	.	(3)	52
TOTAL OTHER RESERVES		3,434	2,135	(93)	5,476
Comparatives		9,189	3,470	(9,225)	3,434

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 9. RESERVES CONT.

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

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



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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	2012 \$'000	2011 \$'000
Total cash & equivalent assets	5	981	8,298
Balances per Cash Flow Statement		981	8,298
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus (Deficit)		1,129	1,972
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		5,491	4,995
Net increase (decrease) in unpaid employee benefits		(113)	179
Non-cash asset acquisitions		-	-
Grants for capital acquisitions treated as Investing Activity		(1,874)	(2,792)
Net (Gain) Loss on Disposals		162	(290)
		4,795	4,064
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		1,044	(974)
Net (increase) decrease in inventories		(12)	9
Net increase (decrease) in trade & other payables		(81)	157
Net Cash provided by (or used in) operations		5,746	3,256
(c) Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdrafts		-	3,056
Corporate Credit Cards		27	15
LGFA Cash Advance Debenture facility		7,000	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Administration / Support Services	17,177	15,678	4,047	4,450	13,130	11,228	2,583	1,900	24,237	11,290
Community Support	252	993	1,889	3,396	(1,637)	(2,403)	8	124	15,382	10,516
Culture	732	109	2,965	963	(2,233)	(854)	140	-	57,770	22,994
Economic Development	398	391	1,422	1,298	(1,024)	(907)	129	-	6,522	3,495
Environment	1,641	1,094	3,185	3,395	(1,544)	(2,301)	-	-	6,158	4,831
Recreation	1,151	90	2,860	2,650	(1,709)	(2,560)	-	-	49,002	31,913
Regulatory Services	309	347	1,113	1,069	(804)	(722)	-	-	-	-
Transport	192	248	1,901	1,760	(1,709)	(1,512)	241	-	44,918	42,726
Engineering/ Indirect	-	-	2,273	772	(2,273)	(772)	-	-	9,127	5,142
Unclassified Activities	603	682	1,383	989	(780)	(307)	-	-	6,928	15,010
TOTALS	22,455	19,632	23,038	20,742	(583)	(1,110)	3,101	2,024	220,044	147,917

Excludes net gain (loss) on disposal or revaluation of assets, amounts received specifically for new or upgraded assets and physical resources received free of charge.

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 11 - FUNCTIONS CONT.

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, 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 Station, 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.

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.



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 12 - 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 3.50% and 4.00% (2011: 4.00% and 4.75%).
	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.
Note: These receivables do not meet the definition of “financial instruments” and have been excluded from the following disclosures.	Terms & conditions: Secured over the subject land, arrears attract interest of 0.75% (2011: 0.75%) 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.
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.

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 12 - FINANCIAL INSTRUMENTS CONT.

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 6.9% (2010: 5.05% and 7.9%)
	Carrying amount: approximates fair value.
Liabilities Finance Leases	Accounting Policy: accounted for in accordance with AASB 117.

Liquidity Analysis

2012	DUE < 1 YEAR \$'000	DUE > 1 YEAR; < 5 YEARS \$'000	DUE > 5 YEARS \$'000	TOTAL CONTRACTUAL CASH FLOWS \$'000	CARRYING VALUES \$'000
FINANCIAL ASSETS					
Cash & Equivalents	981			981	981
Receivables	592	-	-	592	592
Other Financial Assets	108	270	68	446	446
Total	1,681	270	68	2,019	2,019
FINANCIAL LIABILITIES					
Payables	1,207	-	-	1,207	1,207
Current Borrowings	438	-	-	438	438
Non-Current Borrowings	118	689	3,867	4,674	4,674
Total	1,763	689	3,867	6,319	6,319
2011	DUE < 1 YEAR \$'000	DUE > 1 YEAR; < 5 YEARS \$'000	DUE > 5 YEARS \$'000	TOTAL CONTRACTUAL CASH FLOWS \$'000	CARRYING VALUES \$'000
FINANCIAL ASSETS					
Cash & Equivalents	8,298			8,298	8,298
Receivables	1,446	-	-	1,446	1,446
Other Financial Assets	50	435	61	546	546
Total	9,794	435	61	10,290	10,290
FINANCIAL LIABILITIES					
Payables	1,280	-	-	1,280	1,280
Current Borrowings	758	-	-	758	758
Non-Current Borrowings		1,221	7,135	8,356	8,356
Total	2,038	1,221	7,135	10,394	10,394

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 12 - FINANCIAL INSTRUMENTS CONT.

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

	30 JUNE 2012		30 JUNE 2011	
	WEIGHTED AVERAGE INTEREST RATE %	CARRYING VALUE \$'000	WEIGHTED AVERAGE INTEREST RATE %	CARRYING VALUE \$'000
Other Variable Rates	5.50%	700		1,280
Fixed Interest Rates	6.48%	4,412	6.50%	9,114
		5,112		10,394

NET FAIR VALUE

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

RISK EXPOSURES

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 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. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 13 - FINANCIAL INDICATORS

	2012	2011	2010
These Financial Indicators have been calculated in accordance with <i>Information Paper 9 - Local Government Financial Indicators</i> 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	(4%)	(8%)	2%
Rates - general & other less NRM levy			
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>			
Adjusted Operating Surplus Ratio	(16%)	(9%)	2%
<i>In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance of one quarterly payment of the Financial Assistance Grant. In June 2012 an advance of two quarterly payments was made (see Note 2). Accordingly there were four "quarterly" payments in 2010 and 2011, and five payments in 2012. The Adjusted Operating Surplus Ratio adjusts for this distortion.</i>			
NET FINANCIAL LIABILITIES RATIO			
Net Financial Liabilities	27%	9%	(12%)
Total Operating Revenue less NRM levy			
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue (excluding NRM levy).</i>			
Asset Sustainability Ratio			
Net Asset Renewals	52%	51%	50%
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>			



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

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.

	2012 \$'000	2011 \$'000
Income	22,455	19,632
less Expenses	23,038	20,742
Operating Surplus / (Deficit)	(583)	(1,110)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	3,099	2,946
less Depreciation, Amortisation and Impairment	5,491	4,995
less Proceeds from Sale of Replaced Assets	257	390
	(2,649)	(2,439)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	8,193	8,121
less Amounts received specifically for New and Upgraded Assets	1,874	2,792
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	-	-
	6,319	5,329
Net Lending / (Borrowing) for Financial Year	(4,253)	(4,000)



Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 15 - OPERATING LEASES

LEASE PAYMENT COMMITMENTS OF COUNCIL

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

Contingent rental payments exist in relation to the lease of one grader if utilisation exceeds 250 hours during any month. No contingent rentals were paid during the current or previous reporting periods.

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

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

No lease contains any escalation clause.

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

	2012 \$'000	2011 \$'000
Not later than one year	62	64
Later than one year and not later than 5 years	94	91
Later than 5 years	-	-
	156	155

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 2011/12; 9% in 2010/11). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as

determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6.3% in 2010/11) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of salary for Salarylink members 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 Fund is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each 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 actuarial investigation was conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Financial Statement

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

NOTE 17. CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to users 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 218 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. 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 4 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.

4. "CARBON" TAX

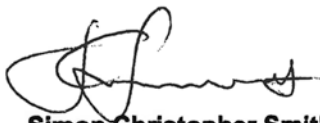
From 1 July 2012 a new tax on emissions of certain "greenhouse" gases commences operation. Council has a number of garbage landfill facilities which emit, and will continue for many years to emit, gases of this type. Information currently available provides assurances that "legacy emissions" from garbage placed in landfills prior to commencement of the tax will not subsequently become liable to the tax. However, details of the mechanisms for measuring such emissions, or of providing the exemption are not currently available.

CITY OF MOUNT GAMBIER
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2012

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of the City of Mount Gambier for the year ended 30 June 2012, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Simon Christopher Smith

Galpins Accountants, Auditors & Business Consultants

Dated this 20th day of November 2012

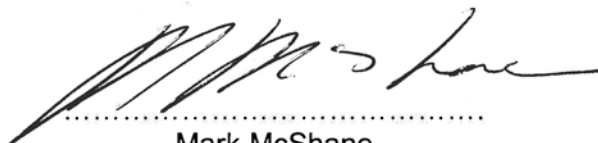
CITY OF MOUNT GAMBIER

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

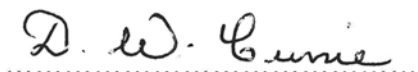
CERTIFICATION OF AUDITOR INDEPENDENCE

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 2012, the Council's Auditor, Galpins Accountants, Auditors & Business Consultants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



Mark McShane
CHIEF EXECUTIVE OFFICER



Donald Currie
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 21/11/2012

CITY OF MOUNT GAMBIER

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

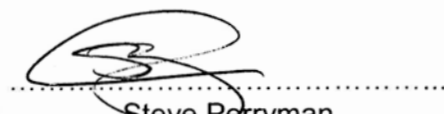
CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2012 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.



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Mark McShane
CHIEF EXECUTIVE OFFICER



.....
Steve Perryman
MAYOR

Date: 21/11/2012



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