



SOUTHERN
MIDLANDS
COUNCIL



Southern Midlands Council

ANNUAL REPORT

2009-10



Southern Midlands Council

Our Vision

The following vision for the Southern Midlands municipal area was developed by Councillors on the basis of the information and advice provided at community meetings.

- A community spirit based on friendliness, co-operation and self help;
- An environment which encourages local creativity, enterprise and self help;
- A diversified local economy creating employment opportunities through sustainable agriculture, heritage tourism, forestry, and viable historic towns/service centres;
- Development based on the proper management of local resources and the physical environment;
- A range and standard of services within the Southern Midlands which meet local needs and are affordable and efficient.

Our Mission

The Mission for the corporation of Council identifies the roles and purpose of the Council. The mission was developed by Councillors and senior staff.

The Council in partnership with the community will:

- Work for the benefit of the community;
- Be forward looking and provide leadership;
- Operate as a team of Councillors and staff focused upon performance;
- Be financially responsible.

Our Guiding Principles

The following principles or philosophies represent the beliefs and values which will guide the culture of the organisation and underpin its work towards achieving the vision and mission. Council and staff will:

- Consult and listen to our customers and employees by maintaining open communication;
- Treat people with respect and courtesy;
- Give advice to the best of our professional ability;
- Be sensitive to the needs of residents;
- Respond promptly to customers concerns and requests;
- Be fair, equitable and consistent in decisions and conduct;
- Fully utilise the expertise and resources available to Council within the organisation and the community;
- Develop the full potential of Councillors and staff;
- Operate in accordance with the "Code of Conduct" adopted by Council.

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*Extras in High Street Oatlands for the Film Crew Shooting
an Energy Company's Advertisement in Winter 2009*

Introduction

The Year in Review – Mayor Anthony E Bisdee

It is my pleasure to present this Annual Report for the 2009/2010 period.

The past year has provided some challenges for the Southern Midlands Council but I believe we have managed these challenges in a responsible and efficient manner.

Reconstruction of the Callington Flour Mill at Oatlands has certainly been Council's major project. A fully operational wind-powered flour mill has been a vision of the community for many years, and I am most pleased to report that this vision will become a reality. The Millwright and all the internal machinery components arrived in early May from the UK, and by the end of the financial year substantial reconstruction work had commenced.

We have been extremely fortunate with the continued community support for the project, and the craftsmanship and professionalism of both Council staff and local sub contractors who have taken personal pride in this iconic project. We all look forward to the completion of the Mill and the new Visitor Centre.

On a much less positive issue, the heavy rains experienced in August created much havoc and caused damage to Council roads (both sealed and unsealed). Regrettably, two bridges over the Jordan River in the Elderslie area (Jones Road and Andersons Road) were substantially damaged which required the need to provide temporary crossings. In relation to the Anderson Road bridge, it was necessary for Council to hire a Bailey Bridge from the Department of Infrastructure, Energy and Resources to guarantee access to properties whilst engineering assessment and reconstruction works are undertaken. Total cost to Council as a result of these losses will exceed \$300,000.

Despite the damage, the heavy rains were very welcome after such a long (perhaps ten years) period of drought. It was so refreshing to see all the rivers and creeks running again, and farm dams full. An overflowing Craigbourne Dam was a wonderful sight and a very reassuring prospect for the irrigators in the Coal River Valley for the next summer period.

The Southern Midlands Council was very fortunate to receive a considerable amount of funding from the Australian Government under both Rounds 1 and 2 of the 'Regional and Local Community Infrastructure Program (RLCIP). This program was introduced as part of an overall federal stimulus package.

Introduction

The Year in Review – Mayor Anthony E Bisdee OAM

Important projects undertaken were: building extension - Community Centre at Oatlands; upgrade of the Kempton Watch house; Horse-drawn Heritage Coach house & Stables at Kempton; establishment of the Melton Mowbray Roadside Park; extension of the change rooms at the Kempton Recreation Ground; upgrading of the Mangalore Recreation Ground Pony Club facilities; construction of new internal toilets at the Campania Recreation Ground; construction of new public toilets adjacent to the Colebrook History Room; upgrade of Flour Mill Park at Campania; building improvements at the Woodsdale Recreation Ground; installation of an underground watering system at the Oatlands Recreation Ground; and purchase of a Mobile Skate Park.

During 2009-10, Council also participated in the Southern Tasmania Regional Planning Project. A key outcome of this project will be the development of a new Planning Scheme for the Southern Midlands Council which will be consistent with the overall regional strategy and other Schemes to be prepared by the individual Councils. Much work has been undertaken by the consultants towards progressing this Regional Planning Project, which has included considerable consultation with the community, Council planning officers and councillors.

In relation to the new Planning Scheme, there are changes proposed for the heritage precincts of Campania, Colebrook, Kempton and Oatlands; as well as identifying and rezoning some areas to better reflect proposed settlement patterns – especially in the Bagdad and Mangalore Valley areas.

This very important Regional Planning Project has still a considerable way to go before we will see a new planning scheme for the Southern Midlands. Further community consultation will take place during the development process before adoption of the draft schemes and submission to the Tasmanian Planning Authority. I strongly believe that initiatives proposed in the draft scheme will enhance and promote sustainable development within the Southern Midlands municipal area; strengthen the provisions to protect our heritage buildings; and provide clearer guidelines for developers.

Water & Sewerage Reform - Council continues to monitor (as far as possible) the provision of quality water and sewerage services. Whilst much adverse publicity has followed the establishment and operation of the new Water & Sewerage Corporations, mainly in regard to the excessive price increases, the service provided by Southern Water to consumers remains at a reasonably satisfactory level. I believe that a parliamentary enquiry to review the operations and effectiveness of the new Corporations is planned for 2011. It is anticipated that the Southern Midlands Council will make a submission to raise any issues that are evident at that time.

Introduction

The Year in Review – Mayor Anthony E Bisdee OAM

Responsible financial management remains a high priority for Council, and we continue to implement our financial strategy and associated policies, particularly as it relates to funding of depreciation. The Auditor-General has been critical of Tasmanian councils who do not fully fund infrastructure depreciation and we must address this issue to be sustainable into the future.

The successful operation of the Southern Midlands council during the past year can be attributed to the professionalism and dedication of the General Manager, Mr Tim Kirkwood and all staff and I thank each and everyone for their positive contributions.

As we look forward to another year of challenges and issues to resolve, I remain confident that within our finite resources we will continue to provide good local governance to all our constituents.

As the festive season nears, on behalf of my wife Sue, fellow Councillors and staff, I wish to extend to everyone a very happy and safe Christmas and prosperous New Year.



Clr Anthony Bisdee OAM
MAYOR

Overview

General Manager – Tim Kirkwood



This Annual Report is one of four major documents produced by Council each year to ensure public accountability. They are the:

- Strategic Plan;
- Annual Operational Plan;
- Annual Budget; and
- Annual Report and Financial Statement.

All of these documents are available to the public.

The *Local Government Act 1993* requires Council to provide a summary of the Operational Plan for the year including performance in respect of targets set for the period.

The following section of the Annual Report details the key achievements during the 2009-10 reporting period.

Whilst preparation of the Annual Report can be a time consuming exercise, it is highly gratifying to document the achievements that have been made during the reporting period. It is an ideal time to refocus on the various strategies and actions that have been developed through extensive consultation with a range of stakeholders, all of which aim to improve and enhance our community and lifestyle.

The format of the Annual Report is consistent with the respective Strategic Themes contained in Council's Strategic Plan:

- Infrastructure
- Growth
- Landscapes
- Lifestyle
- Community; and
- Organisation.

Overview

General Manager – Tim Kirkwood

In closing, I wish to thank the Mayor and Councillors for their support during the year and I wish to acknowledge and express my appreciation to all employees for their commitment, dedication and assistance which has been provided in a professional, efficient and timely manner.



Tim Kirkwood
General Manager

Council Committee Structure

THE COUNCILLORS	Council & Committee Membership
 <p>Mayor Tony E Bisdee OAM "Kelstock" Melton Mowbray Ph. 62 591 128</p>	<ul style="list-style-type: none"> ◆ Council ◆ Australia Day Awards (Chair) ◆ Callington Mill Steering Committee (Chair) ◆ Enterprise Bargaining / Award Consultative Committee (Chair) ◆ Little Swanport Water Management Plan Committee (Proxy) ◆ Southern Tasmania Council Association ◆ Southern Tasmania Weeds Strategy Steering Committee (Chair) ◆ Tunnack Recreation Ground Management Committee (Chair) ◆ Southern Tasmania Water & Sewerage Corporation – Owners Representatives Committee (proxy)
 <p>Deputy Mayor Helen M. Scott OAM (July - November 2009)</p> <p>Cllr H M Scott OAM (November 2009 – June 2010) 2476 Woodsdale Road Woodsdale Ph. 62 546 153</p>	<ul style="list-style-type: none"> ◆ Council ◆ Access Committee (Proxy) ◆ Australia Day Awards (Proxy to November 2009) ◆ Callington Mill Steering Committee (Proxy to November 2009) ◆ Community Advisory Committee (MMPHC) ◆ Enterprise Bargaining / Award Consultative Committee (Proxy to November 2009) ◆ Little Swanport Catchment Committee ◆ Little Swanport Water Management Plan Committee ◆ Mt Pleasant Recreation Ground Management Committee (Proxy to November 2009) ◆ Oatlands Community Hall Management Committee (Proxy) ◆ Oatlands Development Strategy Committee (Proxy) ◆ Parattah Progress Association (to November 2009) ◆ Southern Midlands Heritage Project Steering Committee ◆ Southern Midlands Recreation Committee ◆ Southern Tasmania Council Association (Proxy to November 2009) ◆ Southern Waste Strategy Authority (to November 2009) ◆ Tunnack Recreation Ground Management Committee (Proxy) ◆ Woodsdale Hall Management Committee

Council Committee Structure

 <p>Clr. Colin J. Beven Hall Street Campania Ph. 62 604 157</p>	<ul style="list-style-type: none"> ◆ Council ◆ Access Committee ◆ Campania Halls Management Committee ◆ Campania Recreation Ground Management Committee (Chair) ◆ Colebrook Hall Committee (Chair) ◆ Parattah Railway Restoration Management Committee (Proxy) ◆ Southern Midlands Recreation Committee (Chair)
 <p>Clr Marie J. Connors 68 Hungry Flats Road Tunnack Ph. 62 547 355</p>	<ul style="list-style-type: none"> ◆ Council ◆ Chauncy Vale Management Committee (Proxy) ◆ Community Advisory Committee (MMPHC) (Proxy) ◆ Southern Midlands Heritage Project Steering Committee (Proxy) ◆ Southern Midlands Recreation Committee ◆ Tunnack Recreation Ground Management Committee

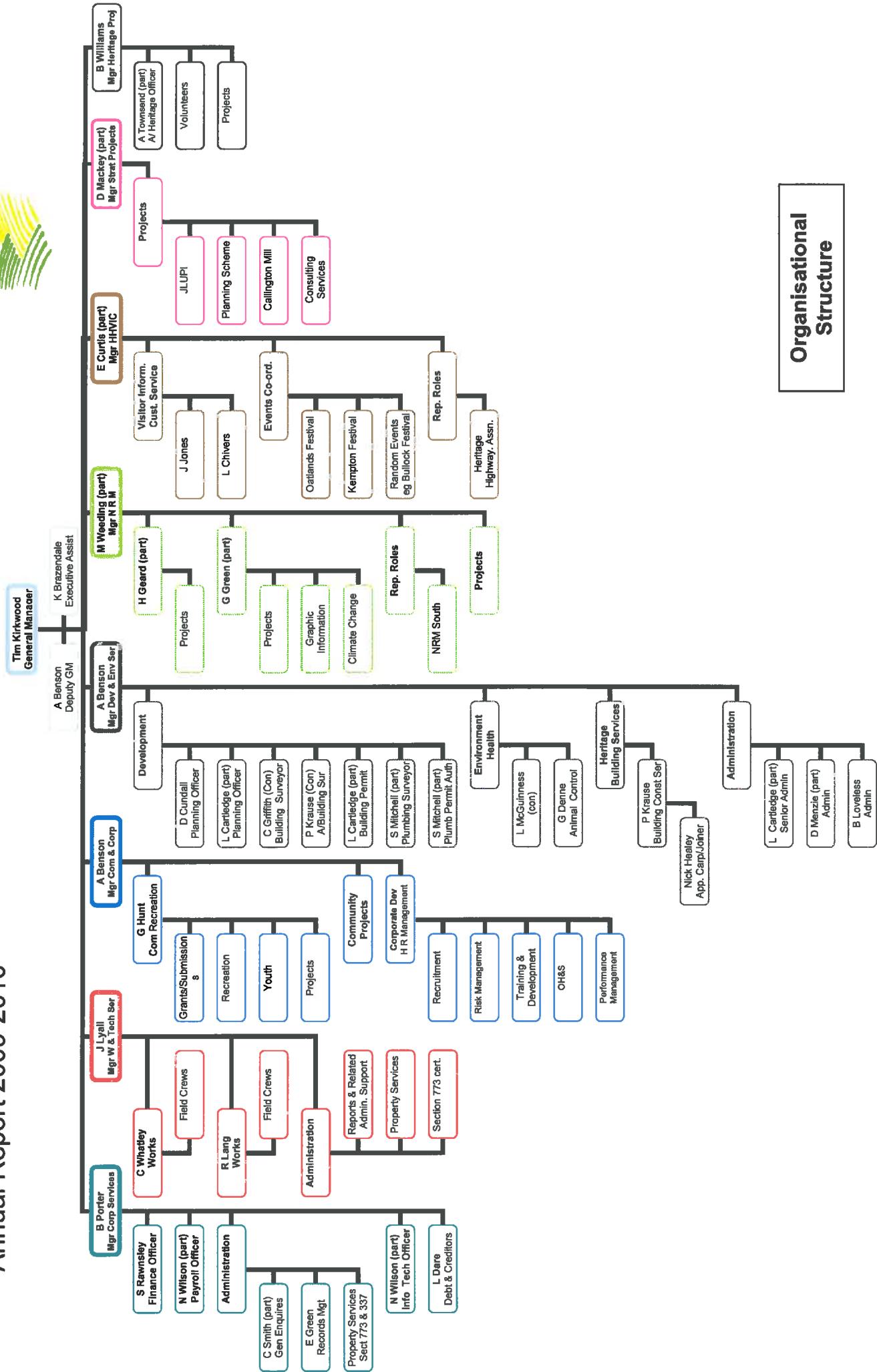
Council Committee Structure

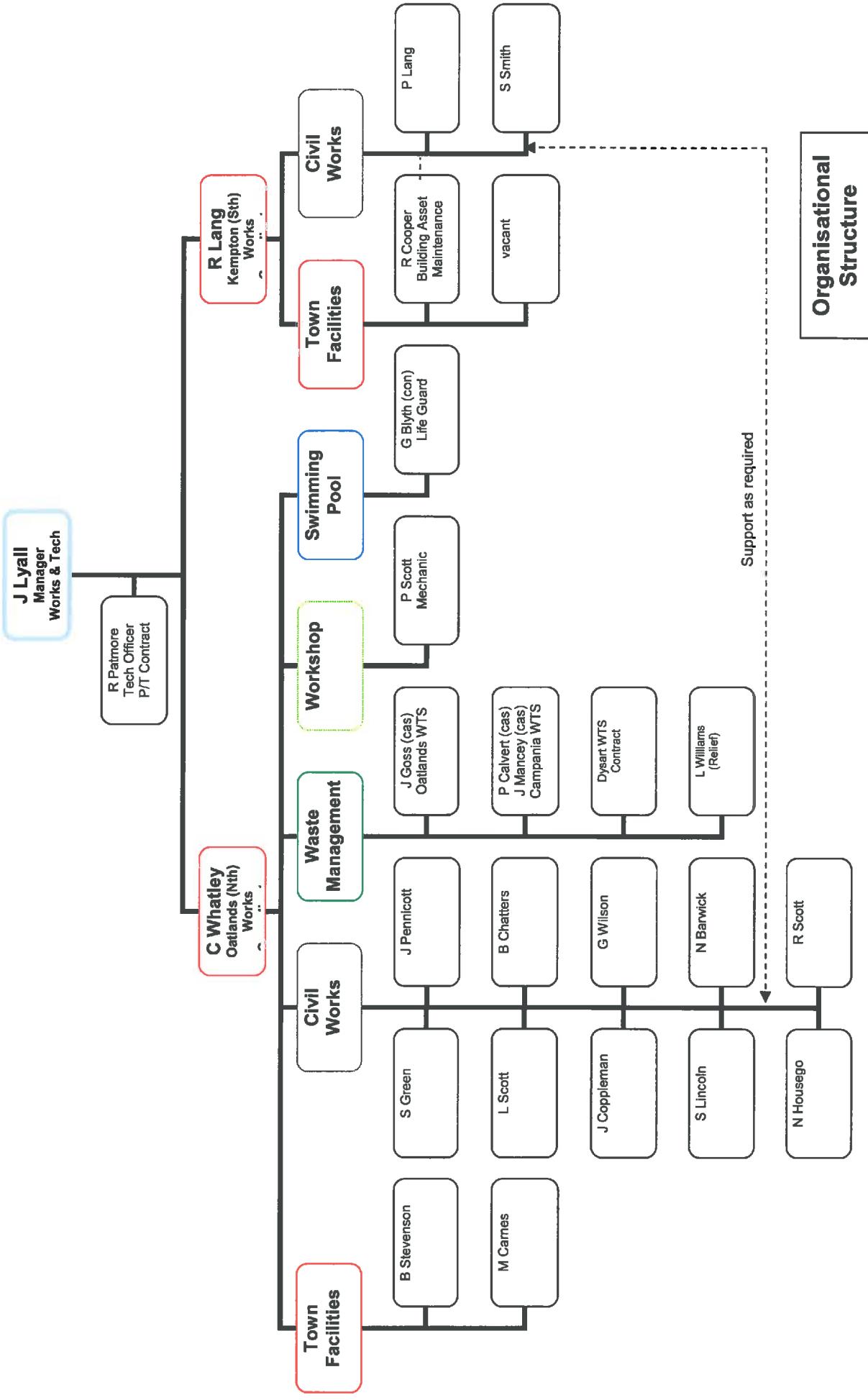
 <p>Clr Donald F. Fish "Ashgrove" 766 Inglewood Road Andover Ph. 62 555 157</p>	<ul style="list-style-type: none">◆ Council◆ Dulverton Area Fire Management Committee◆ Lake Dulverton / Callington Park Management Committee (Chair)◆ Oatlands Community Hall Management Committee◆ Oatlands Recreation Ground Management Committee◆ Oatlands Spring Festival Management Committee◆ Parattah Progress Association◆ Parattah Railway Restoration Management Committee◆ Southern Midlands Recreation Management Committee◆ Municipal Disaster Management Committee (Emergency Management Planning Committee) (Proxy from November 2010)◆ Oatlands Community Men's Shed (proxy)
 <p>Clr Alexander O. Green "Wattlebanks" 248 White Kangaroo Road Campania Ph. 62 604 153</p>	<ul style="list-style-type: none">◆ Council◆ Campania Halls Management Committee (Proxy)◆ Campania Recreation Ground Management Committee (Proxy)◆ Chauncy Vale Management Committee (Chair)◆ Colebrook Halls Committee (Proxy)◆ Coal River Area Fire Management Committee (Proxy)◆ Dulverton Area Fire Management Committee (Proxy)◆ Heritage Centre Management Committee (Chair)◆ Southern Waste Strategy Authority from November 2009
 <p>Clr Mark Jones OAM 74 Esplanade Oatlands Ph. 62 540 074</p>	<ul style="list-style-type: none">◆ Council◆ Lake Dulverton / Callington Park Management Committee (Proxy)◆ Mt Pleasant Recreation Ground Management Committee (Proxy from November 2010)◆ Municipal Disaster Management Committee (Emergency Management Planning Committee)◆ New Pool Project Steering Committee◆ Oatlands Community Men's Shed◆ Rural Alive and Well Inc. (proxy)

Council Committee Structure

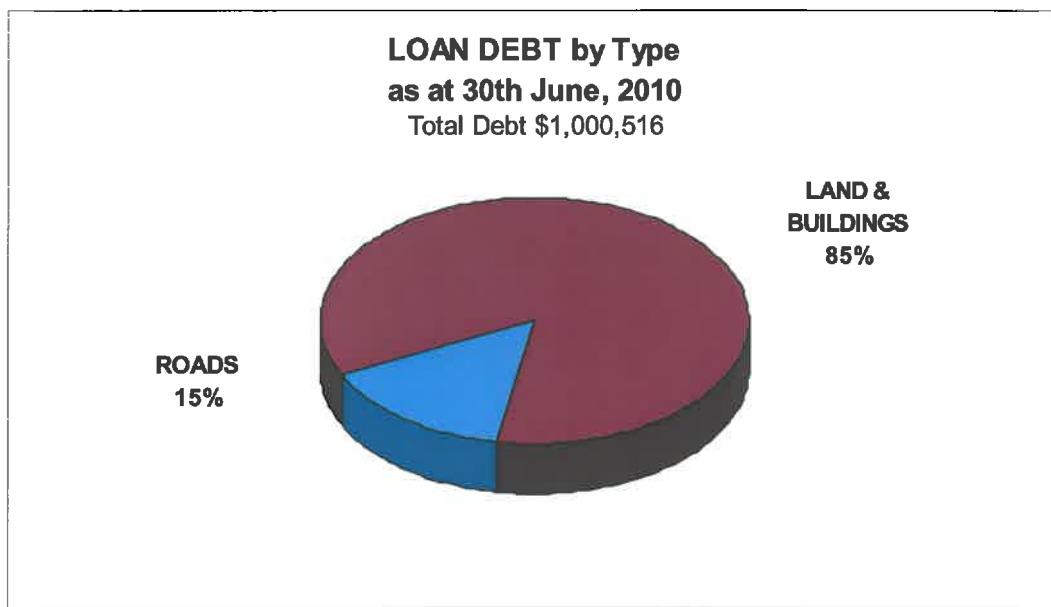
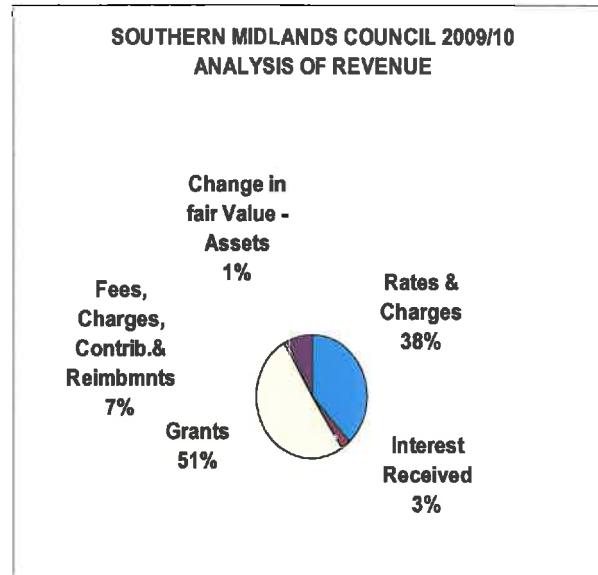
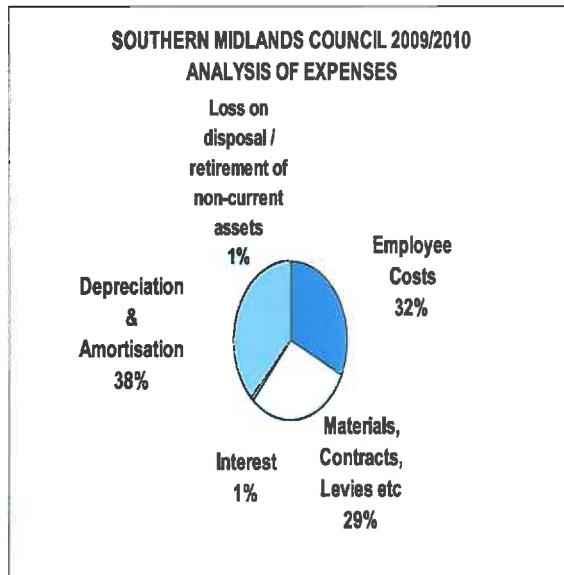
 <p>Cllr Bob Campbell Inglewood Road, Andover Ph. 62 555 232</p>	<ul style="list-style-type: none">◆ Council – Elected November 2010◆ Heritage Centre Management Committee (Proxy)◆ Little Swanport Catchment Committee (Proxy)◆ Mt Pleasant Recreation Ground Management Committee◆ New Pool Project Steering Committee (Proxy)◆ Oatlands Spring Festival Management Committee (Proxy)◆ Parattah Progress Association (Proxy)
 <p>Cllr Delia Thompson Mountain Park 250 Broadribbs Road Campania Ph. 62 604 222</p>	<ul style="list-style-type: none">◆ Council – Not re-elected November 2009◆ Campania Recreation Ground Management Committee (Proxy)◆ Little Swanport Catchment Committee (Proxy)◆ Municipal Disaster Management Committee (Emergency Management Planning Committee) (Proxy)

Annual Report 2009-2010

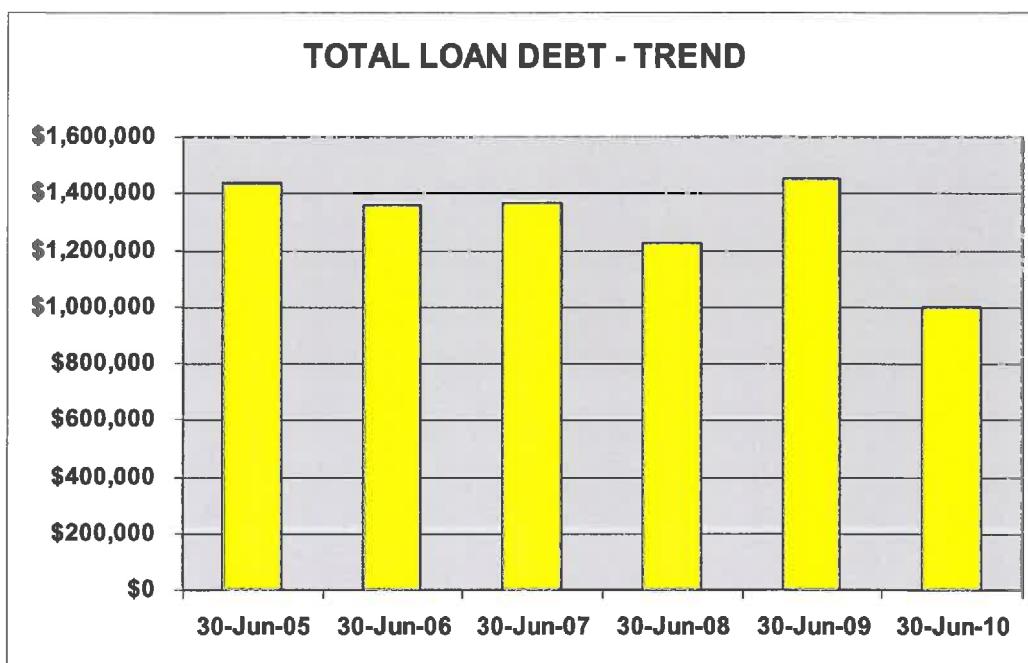
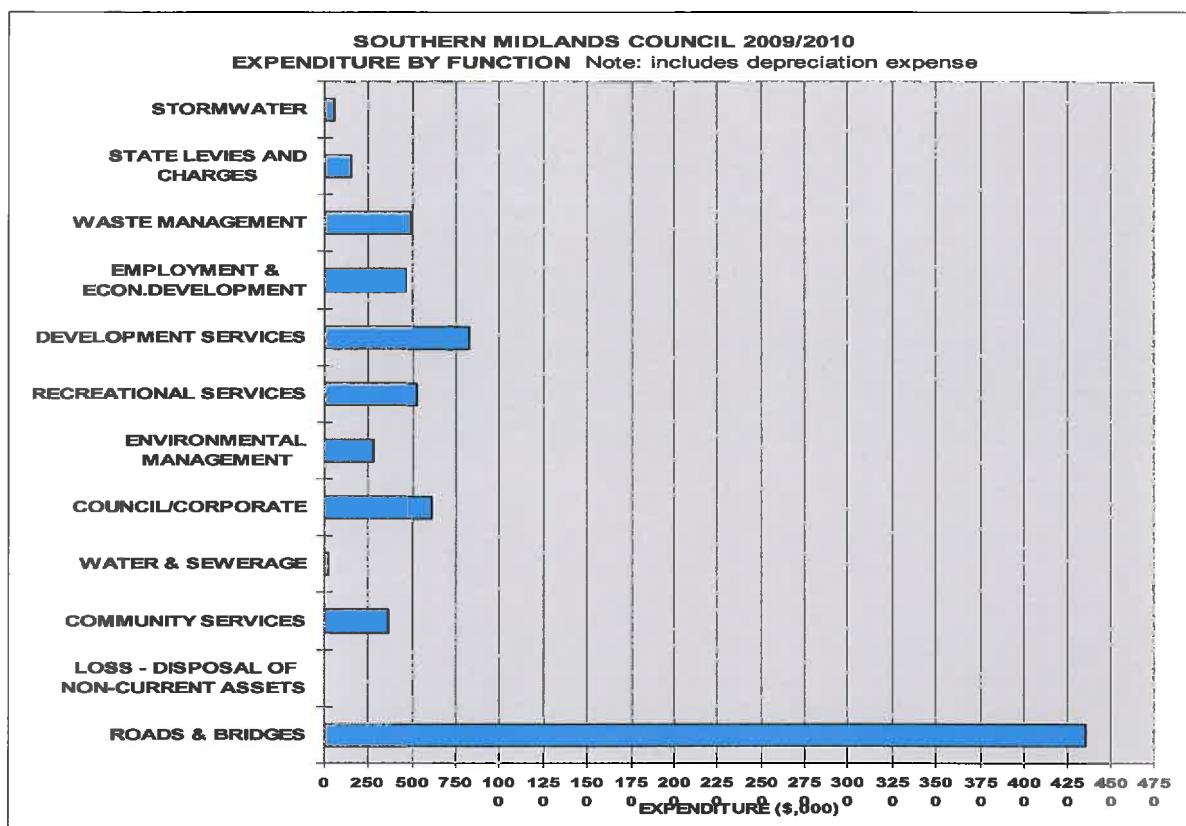




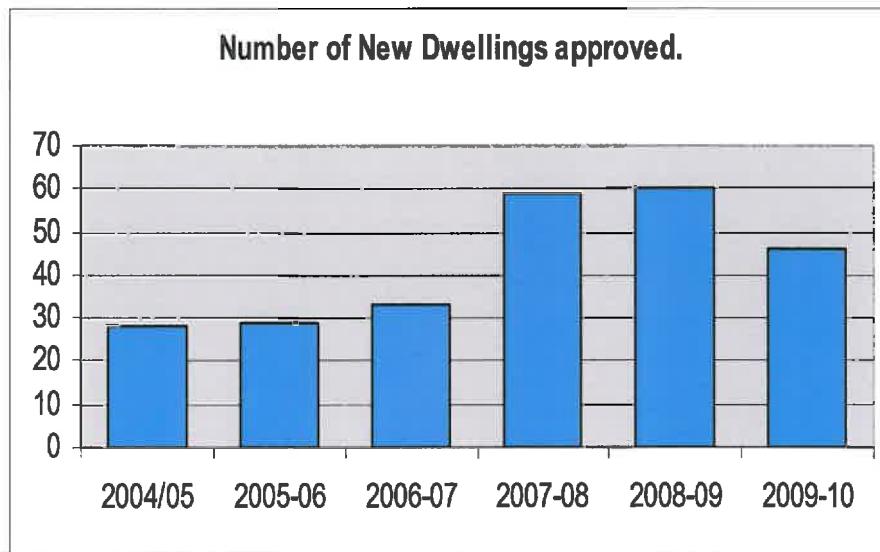
Statistics



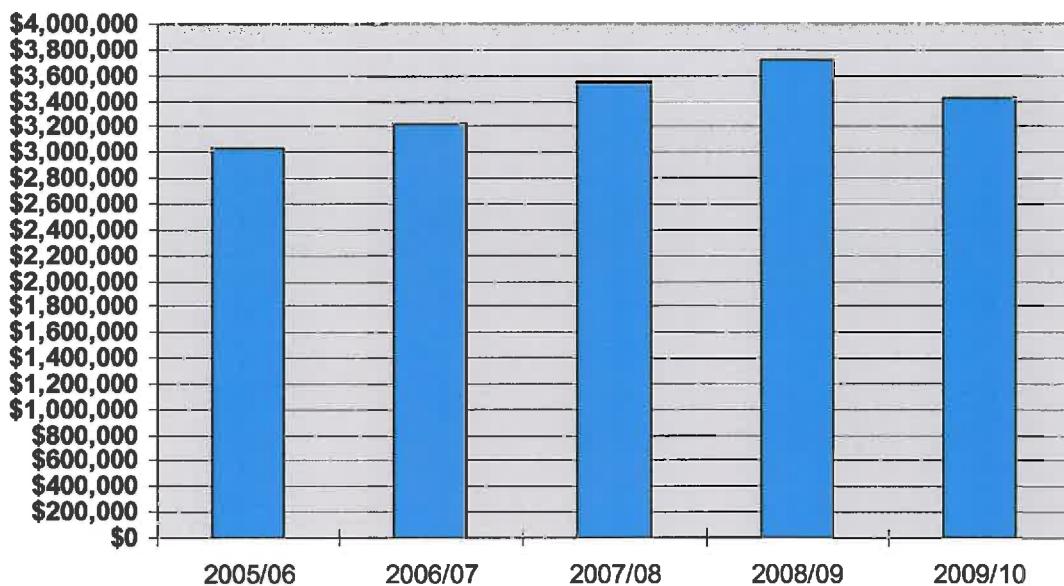
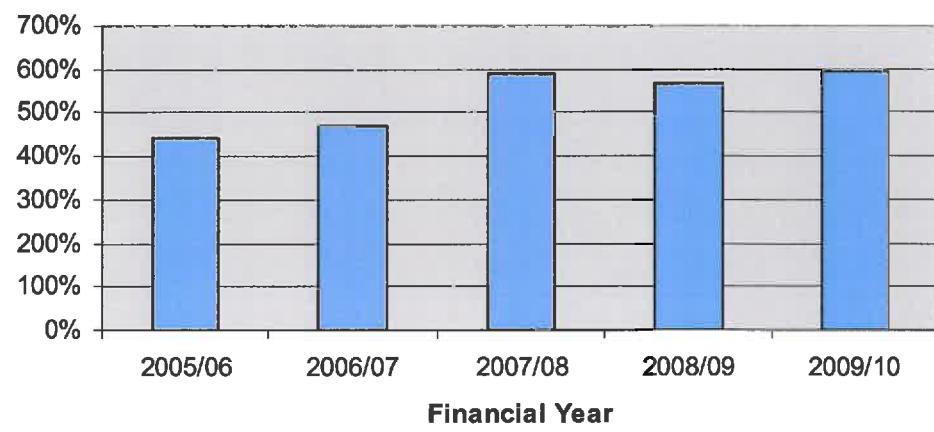
Statistics



Statistics



Statistics

TOTAL RATES LEVIED - TREND**Liquidity Ratio**

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Roads

- Maintenance and improvement of the standard and safety of roads in the municipal area.

Key Strategies and actions:

- Continue to seek opportunities to increase funding for road maintenance and construction from Commonwealth and State Governments.
- Seek new, cost effective sources of gravel suitable for road maintenance.
- Continue to work with the Department of Infrastructure, Energy and Resources to improve the safety of the Midland Highway.
- Continue to focus on road drainage and road widening as key elements of road maintenance.
- Ensure that appropriate sight distances are maintained for key transport routes, through effective roadside vegetation management / road realignment.
- Continue a program of regular safety audits of roads.
- In partnership with the State Government examine the issue of reserved roads and their impact on fire and weed management.
- In partnership with the State Government, through the "Gateways Program", undertake highway beautification works, noise attenuation mounding and the development of a walkway path, for the township of Kemptown.
- Continue to work with the Department of Infrastructure, Energy and Resources to improve the safety of junctions with State maintained roads.

2009-10 Achievements

Approximately \$1,151,000 (excluding depreciation) was expended on the maintenance of roads within the municipal area.

Capital expenditure totaled \$991,000 which included:

- \$469K on resheeting unsealed roads;
- \$96K on resealing roads;
- \$112K on road drainage and rehabilitation (Cliftonvale Road and Inglewood Road);
- \$61K on the construction and extension of pavement seals – Native Corners Road.
- \$42K on corner realignment to improve sight distances – Cockatoo Gully and Green Valley Roads.

Council continues to work with the Department of Infrastructure, Energy and Resources (DIER) to address a number of road safety issues, and undertake other initiatives aimed at improving both state and local road networks.

Council met with representatives from the Road Safety Taskforce and DIER to discuss and identify road safety strategies. Council is assessing the possibility of introducing a reduced speed limit on rural roads as trialed in other municipal areas.

In February 2010, the State Government provided \$180K to the Southern Midlands Council (as part of an overall funding package to Local Government) to address urgent road maintenance requirements.

In October 2009, Council signed a protocol arrangement with the Tasmanian Premier relating to the development of a partnership agreement on the future of the Midland Highway. A Working Group was subsequently established with representatives from the



Brighton, Clarence City, Glenorchy City, Hobart City, Launceston City, Northern Midlands and Southern Midlands Councils. A draft partnership agreement is being prepared for consideration by the respective Councils. The Australian Government has legislated to extend the Roads to Recovery Program through to the end of 2012-13. This provides an additional annual grant that Council can utilise for road and bridge construction projects.



A Unique Role for Council's Field Workforce
High Street Oatlands and the Film Set Preparations for the Filming
of an Energy Company Advertisement



Camera Ready, Action – the Filming Taking Place on a Very Cold Winter's Night in Oatlands.



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Bridges

- Maintenance and improvement of the standard and safety of bridges in the municipality.

Key Strategies and actions:

- Continue the current program of bridge maintenance, including the monitoring and consideration of new construction methods for the replacement of timber bridges, including Council's desire to replace timber bridges with concrete bridges.

2009-10 Achievements

Approximately \$234,000 (excluding depreciation) was expended on the maintenance of bridges within the municipal area. This included considerable costs associated with the loss of three bridges due to flooding and the need to construct temporary crossings – Jordon River - Andersons Road and Jones Road, Elderslie & Little Swanport River – Swanston Road.

A total of \$82,000 was expended on capital renewals, which included:

- Yarlington Road (Isles Creek) Bridge - \$40,700
- Daniels Road (Little Swanport) Bridge - \$41,400

Fencing was erected on the East Bagdad Road Bridge to improve pedestrian safety – cost \$6,100.

The Southern Midlands Council continues to engage AusSpan to undertake six-monthly inspections of all its bridge assets on an ongoing basis. These inspections provide Council with forward maintenance and capital works programs on a priority basis.



A casualty of the floods in the Jordan River near Cliftonvale Road (no personal injury)

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Walkways & Trails

- Maintenance and improvement of the standard and safety of walkways and pedestrian areas.

Key Strategies and actions:

- Prepare a forward capital upgrade program for existing walkways and pedestrian areas.
- Determine priorities for extensions to existing walkways and pedestrian areas.
- Identify and develop new walkways and pedestrian areas (e.g. railway walk – Kempton, Oatlands to Parattah).
- Develop a Trails Strategy for the Southern Midlands.

Footpath improvements at northern end of Reeve Street, Campania at a cost of \$26,000.

New sections of Lake Dulverton Corridor Walkway were developed in 2009-10. Approximately 250 trees and 300 Poa grasses were planted and a further 450 metres of the walking track was established and gravelled. The majority of work was with voluntary labour, mainly by Hutchins School students.

Restoration works on a historic rail line culvert crossing adjacent to the Tunnack Road was completed. The crossing forms part of the Dulverton Corridor walk way track. This work was funded through a grant of \$5355 received from the Tasmania Community Fund.



Hutchins School students, Volunteers and Council Team Members working on the Dulverton Corridor Walking Track between Oatlands & Paratah



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Lighting

- Improve lighting for pedestrians.

Key Strategies and actions:

- Develop a program for upgrading lighting in areas of community need in accordance with the Australian Lighting Standard.

In June 2009, Council secured \$270,000 from the State Government under the Urban Renewal and Heritage Fund to progress the next stage (Stage 4) of the Oatlands High Street Underground Power Project.

This stage extends from Church Street to approximately 200 metres south of Wellington Street. Works commenced in late 2009 and will be completed in 2010/11.

Additional street lighting has been provided in conjunction with subdivision developments in Campania.



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Sewers

- Increase the number of properties that have access to reticulated sewerage services.
- Ensure that sewage treatment meets the required environmental performance standards.

Key Strategies and actions:

- Investigate the number of properties that have access to reticulated sewerage services.
- Ensure that there is a continuing regular monitoring and testing program.
- Participate in the transition process to establish the new Water & Sewer Authorities, to achieve the best outcomes for the Southern Midlands community.

Water and Sewerage Reform

Full transfer of water and sewerage assets, liabilities and staff to the newly established regional corporations took place on 1 July 2009. From that date, responsibility for the provision of water and sewerage services moved from local councils to three new regional water and sewerage corporations (trading as Southern Water).

Net assets (sewerage and water) of \$11.311 million transferred to Southern Water, which represents an ownership interest of 1.2 % (based on the 2009 Draft Treasurer's Returns Allocation Order).

Council's share of the net assets as at 30 June 2010 was \$10.989 million.

Development and building applications are referred to Southern Water for approval as part of the overall assessment and permit process.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Water

- Increase the number of properties that have access to reticulated water.
- Continue to provide domestic drinking water that meets the Australian Drinking Water Guidelines (ADWG).

Refer above comments – Sewers Program.

Key Strategies and actions:

- Ensure that there is an ongoing replacement and upgrading of reticulation mains throughout the municipality.
- Ensure that there is a design and construction of a new and larger reservoir for the Colebrook water scheme.
- Ensure that there is an upgrade of the reticulated water supply in the Mangalore and Tea Tree Road areas.
- Investigate the future demand for reticulated water services in areas zoned for future residential, commercial and industrial development.
- Work with Central Highlands Council to ensure the integrity of the Oatlands water catchment.
- Work to minimise the impact of forestry, agricultural and other activities on water catchments.
- Prepare ‘Drinking Water Quality Management Plans’ for all water schemes in accordance with the Public Health Act (1997).
- Participate in the transition process to establish the new Water & Sewer Authorities, to achieve the best outcomes for the Southern Midlands community.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Irrigation

- Increase access to irrigation water within the municipality.

Key Strategies and actions:

- Seek partnerships that expand the availability of water for irrigation within the municipality.
- Facilitate the expansion of "on-farm" storages.
- Encourage the adoption of water conservation practices.
- Support and lobby for the implementation of the 'Midlands Water Scheme'.

2009-10 Achievements

The Tasmanian Irrigation Development Board (TIDB) continues to progress the Midlands Water Irrigation Scheme with the Arthurs Lake pipeline component being of relevance to the Southern Midlands. The scheme is now designed to deliver 38,500 megalitres (ML) of water to the Isis, Macquarie and Blackman Rivers; the Kittys/Lemont, York Plains, Oatlands and Mt Seymour areas, and the upper section of the Jordan catchment (which was added to the scheme in late 2009).

The water will be available to landholders with suitable land for irrigation in the midlands region and for town water supplies. It is envisaged that the 51 Hectare area of Lake Dulverton will also benefit from the scheme.

Council has been active in supporting the scheme by coordinating meetings and information sessions for all intending Southern Midlands area irrigators. A day long Irrigation Forum organised by the Council was held at Oatlands on 4th February 2010 and attended by over 120 people. The seminar was an outstanding success, bringing together key players including bankers, property consultants, irrigation specialists and environmental consultants, allowing farmers to access specialist advice. Southern Midland's Council officers have attended meetings of the Midlands Water Group and the newly formed Arthurs Pipeline Regional Representative Group (APRRG).

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Drainage

- Maintenance and improvement of the town storm-water drainage systems.

Key Strategies and actions:

- Continue to program capital works that improve the effectiveness of the storm-water drainage system in the towns in the municipality.
- Research "best-practice" methods for the disposal of stormwater, that is applicable to country towns and rural living.
- Encourage the adoption of water conservation practices.
- Adopt 'Water Sensitive Urban Design Principles' where appropriate.

2009-10 Achievements

A total of \$7,800 was expended on capital works during 2009-10. This project involved an extension of the piped Stormwater system in Stanley Street, Oatlands.

Council continues to appraise and monitor an emerging new method to cope with stormwater; 'Water Sensitive Urban Design', which provides more opportunity for rain water to soak into the local water table. A number of examples in other locations in Southern Tasmania are being reviewed to understand the level of success of the method and the ongoing maintenance costs, which are thought to be higher than for traditional stormwater treatments.

The need for Stormwater gross pollutant traps have also been identified, the requirement of which is being incorporated in planning conditions for subdivisional development.

Waste

- Maintenance and improvement of the provision of waste management services to the Community.

Key Strategies and actions:

- Continue to be an active participant in the Southern Waste Management Authority.
- Continue to review the on-going operational arrangements for waste management.

Jericho township - Council introduced a fortnightly kerbside waste and recycling collection service at the commencement of the financial year.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Waste (Continued)

- In conjunction with the Local Government Association of Tasmania seek to identify suitable markets for recyclable products.
- Advocate for the establishment of a regional facility based in the northern sector of the Southern Tasmanian region.

2009-10 Achievements

Council operates three waste transfer stations, as well as providing a kerbside garbage collection service (using mobile garbage bins), and kerbside recycling, throughout the municipality.

Council continues to be represented on the Southern Waste Strategy Authority (SWSA), which includes representatives from all 12 southern Tasmanian Councils. The SWSA has initiated a review into the overall issue of waste management in the southern region, which includes an assessment of the most efficient and effective governance structures. This review will be concluded in 2010-11.

Information, Communication Technology

- Improve access to modern communications infrastructure.

Key Strategies and actions:

- Seek opportunities to facilitate the provision of cost effective broadband and mobile telecommunications access across the municipality.
- Seek opportunities to ensure the continuation and maintenance of land-line and public telephone services.

Council continued to lobby the Australian Government to focus on the provision of cost effective broadband and mobile telecommunications across the municipal area. There was also regular consultation with Telstra representatives to monitor its development plans for the Southern Midlands Council area.

Additional communication towers have been erected throughout the municipal area to address 'black-spot' areas.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: INFRASTRUCTURE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Signage

- Signage that is distinctive, informative, easy to see and easy to understand.

Key Strategies and actions:

- Implement a signage strategy for the Municipality.
- Implement the heritage signs for the Oatlands High Street.

A style guide for signage at heritage places was developed as part of the Callington Mill Precinct project.

Following the upgrade of individual town 'Welcome To' signs at Campania, Kempton and Oatlands, additional signs are to be prepared for other towns and villages. These are designed in consultation with the respective communities.

Public Amenities

- Develop a policy framework along with design guidelines for public amenities.

Key Strategies and actions:

- Develop the policy and implement the framework along with the design guidelines for public amenities in the Southern Midlands.

Policy and design guidelines adopted for public amenities.

Public amenities are located at Oatlands (2 sites), Kempton (2 sites), Campania, Colebrook and Tunbridge (rear of Community Hall).

New public amenities were constructed at Colebrook (adjacent to the History Room) under the Australian Government's Regional and Local Community Infrastructure Program.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Residential

- Increase the resident, ratepaying population in the municipality.

Key Strategies and actions:

- Seek opportunities to increase the number of subdivisions providing affordable land in areas that can utilise the existing water, sewer and road infrastructure.
- Investigate the potential of under-utilised Commonwealth, State and Local Government owned land for use and/or development.
- Investigate and pursue innovative responses to residential developments.

In the 2006 Census (held on 8th August 2006) there were 5,668 persons usually resident in the Southern Midlands.

145 Development Applications and 18 Subdivision Applications, along with 160 Building Applications (dwellings and other buildings) were processed / issued during the 2009/2010 reporting period

The "Strategic Land Use Strategy 2008" prepared by Pitt & Sherry in conjunction with Parsons Brinckerhoff (as part of the Joint Land Use Planning Initiative, (JLUPI) Phase One referred to elsewhere in this report), indicates that the Southern Midlands has experienced a small, and slowing population increase in recent years. Projections suggest that this slow increase will continue in the forecasting period assuming growth factors remain unchanged. However, it is further recognised that the advent of the Intermodal Freight Hub and anticipated associated development at Bridgewater will result in a significant boost in demand in the Bagdad-Mangalore-Dysart-Kempton corridor.

The second phase of the JLUPI project has been completed in 2009/2010 which includes a structure plan for the Bagdad-Mangalore Valley and local plans for the municipality's major towns foreshadowing future changes to land use zoning intended to be implemented in the next planning scheme.

Most towns in the municipal area retain sufficient undeveloped land zoned for residential development.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Tourism

- Increase the number of tourists visiting and spending money in the municipality.

Key Strategies and actions:

- Seek opportunities to support the development and growth of motor-home tourism.
- Implement the Callington Mill Master Plan for the restoration of the Callington Mill as a fully operational flour mill.
- Support the development of the Pugin Trail.
- Work in partnership with other State and Regional organisations, such as TasSouth and the Heritage Highway Tourism Region Association.
- Review the Southern Midlands Tourism Plan in light of recent tourism development.
- Develop and implement a program of interpreting the Southern Midlands through signage and tourism products.
- Support the ongoing development and delivery of services by the Heritage Highway Visitor Information Centre.
- Identify opportunities and activities to pursue the Tourism Tasmania Regional Marketing Strategy.

The Callington Mill Precinct Master Plan continues to provide overarching guidance for the restoration of the mill and its development as an iconic tourist attraction. Restoration and reconstruction work on the Mill Tower is progressing, as well as restoration of other buildings on-site. The Mill Owner's House is being established as a visitor and interpretation centre. The site will officially open in November 2010. This is a \$2.5 million dollar project, jointly funded by the Australian and Tasmanian Governments (each \$1.2 million) and the Southern Midlands Council (\$100K plus 'in-kind'). It will see the site operate as both a major tourism draw-card for the region and a specialty flour production facility.

Interpretation projects on heritage sites were progressed during 2009-2010 with the completion of the Oatlands Supreme Court House Interpretation Project, and the Oatlands Military Precinct Project, each funded substantially by the Tasmanian Community Fund.

The Tasmanian Government provided a grant of \$500k from the Urban Renewal and Heritage Fund for the Oatlands Gaoler's Residence restoration. A use and development plan has been endorsed to guide future public use of the building, which will include public interpretation space.

Council continues to support the Heritage Highway Tourism Region Association and provided a contribution of \$12,000 in 2009-10. The Association has two main purposes:

- *To facilitate sustainable and profitable business opportunities through the provision of a series of distinct visitor experiences, by engaging all communities in the development of their individual and complementary identities*

Annual Report 2009-2010

STRATEGIC THEME: GROWTH

2006 to 2011 Strategic Plan

Over the next five years Council will:

Tourism (Continued)

2009-10 Achievements

- To maximise business for the region's tourism industry, to build demand for core services, to develop, to develop new marketing segments and to raise demand for tourism and other businesses in the region.

The Heritage Highway Visitor Information Centre, which is fully funded and managed by Council, continues to experience increased visitor numbers. The Centre Manager and staff have also been heavily involved in the organisation and management of a number of community events, mainly the Oatlands Spring Festival and Kempton Festival, both of which attract large visitor numbers to our municipal area.



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Business

- Increase the number and diversity of business in the Southern Midlands.
- Increase employment within the municipality.

Key Strategies and actions:

- Continue to facilitate and be actively involved in the development of new business opportunities – with a focus on those that require large attenuation distances.
- Continue to provide support to businesses within the municipality to help ensure their long-term viability.
- Seek opportunities to support the development of affordable temporary accommodation for seasonal and other workers.
- Pursue the establishment of regional or statewide facilities that can take advantage of the municipality's central location and the accessibility of road and rail facilities.
- Identify opportunities associated with the gas pipeline project.
- Develop and provide incentives to businesses to establish in the Southern Midlands, or for local businesses to expand.
- Identify and examine potential uses for investment ready land as potential development sites including working in partnership with the State Government to review the future options for Crown Land within the Municipal boundaries.
- Develop and maintain infrastructure critical for the establishment and retention of businesses.

During the reporting period Council continued to pursue the recommendations of the Oatlands Integrated Development Strategy (OIDS).

The overall objective of the OIDS is to establish a blueprint for the economic, social and physical development of the historic village of Oatlands.

One of the key strategies was to develop within Oatlands an Australian Centre for Colonial Heritage Conservation and Restoration. Council has progressed this strategy to the extent that it has resolved to establish two separate entities: - one focussed on heritage education, skills and training; and the other a commercial trading enterprise providing heritage building services.

Council has continued to be proactive in identifying opportunities for business growth through consultation with Business & Employment (associated with the Department of Economic Development). Relevant business development training courses, including customer service and business planning, were conducted during 2009-10, with significant participation.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Industry

- Retain and enhance the development of the rural sector as a key economic driver in the Southern Midlands.
- See comments provided under "Irrigation" Program.

Key Strategies and actions:

- Develop opportunities that enhance Southern Midlands role as a focal point for rural activity.
- Seek opportunities to establish and expand sale-yards and abattoirs.
- Support traditional rural industries and the concept of "right to farm".
- Work in partnership with the State Government to establish a truck wash facility to support the agricultural community.
- Seek opportunities to facilitate the provision of accommodation for seasonal workers.
- Continue implementation of the Southern Midlands Weed Management Strategy as it relates to agricultural land.
- Facilitate the development of value adding opportunities in the rural sector
- Encourage and facilitate innovation in the rural sector.



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Integration

- The integrated development of towns and villages in the Southern Midlands.
- Refer comments provided under "Business" re: the Oatlands Development Strategy (formerly OVIEDS).*

Key Strategies and actions:

- Scope, develop and implement the Oatlands Development Strategy as a model that can be used for other towns and villages.
- Ensure that, through effective strategic planning, community benefit from development of the Bagdad-Mangalore Bypass is maximised.
- Maximise the opportunities presented through the sub regional Joint Land Use Planning Initiative (JLUPI)

Work was completed on the Bagdad-Mangalore Structure Plan as part of the broader Joint Land Use Planning Initiative. The Plan will provide a detailed spatial strategy for the area up until the Bagdad-Mangalore Bypass is constructed, and an outline for development in the valley following construction. This latter work will be reviewed and detailed in the year prior to the opening of the bypass.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LANDSCAPES

2006 to 2011 Strategic Plan

Over the next five years Council will:

Heritage

- Maintenance and restoration of significant heritage structures.
- Retain the heritage values of towns within the municipality.

Key Strategies and actions:

- Implement the Callington Mill Master Plan.
- Work in Partnership with the State Government to ensure the strategic long-term management of publicly owned heritage sites.
- Facilitate and investigate opportunities for assisting custodians of heritage structures in preserving significant heritage assets.
- Seek to accelerate the process of moving the swimming pool from the gaol.
- Undertake the development of the Oatlands Military Precinct.
- Investigate the development of a heritage skills centre in Oatlands.
- Continue the under-grounding of power in Oatlands.
- Continue to improve the streetscapes of the towns of the Southern Midlands.
- Implementation of the Southern Midlands Heritage Plan.

2009-10 Achievements

Implementation of the Southern Midlands Historic Heritage Strategy 2009-13 is progressing, in most instances ahead of targets. Heritage Project Officer Position has been made into a full-time Manager Heritage Projects position.

The Oatlands Supreme Court House opened to the public in May 2010, staffed by a volunteer program.

The Oatlands Military Precinct interpretation was installed. An archaeological zoning plan for the precinct was developed in conjunction with Heritage Tasmania as part of the Southern Midlands Heritage Project.

The full restoration of the Oatlands Gaoler's Residence is underway as funded by the Tasmanian Government's Urban Renewal and Heritage Fund. Council endorsed a use and development plan for the building, which will be completed and opened by April 2011.

Work has commenced on the restoration of the Green Ponds (Kempton) watch house, due for completion in February 2011.

A grant of \$189,500 was received from the Tasmanian Community Fund for the establishment of a heritage trades skills centre at Oatlands. The Centre for Heritage at Oatlands will commence trading on July 1st 2010, with the first courses to be running in early 2011.

The second phase of JLUPI has also produced a combined Heritage Management Plan for the four-council area. This will provide input into the next planning scheme

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LANDSCAPES

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Heritage (Continued)

In 2007 Southern Midlands Council, Heritage Tasmania and Tourism Tasmania completed a joint project which provided recommendations to update the State and local heritage registers, subsequently identify and describe cultural landscapes and then determine how knowledge of cultural landscapes and heritage assets can be used to advance sustainable tourism. Southern Midlands and Heritage Tasmania are now working together to implement the recommendations of the report in regard to the listing of heritage places. It regard to heritage precincts, it is envisaged that the next Southern Midlands planning scheme will include enlarged heritage precincts at Oatlands, Kempton, Campania and Mangalore, and a new precinct at Colebrook.

The architect Augustus Welby Northmore Pugin, (1812–1852), is recognized as Britain's greatest early-Victorian designer. St Paul's Catholic Church in Oatlands and St Patrick's in Colebrook are two of only a handful of his buildings in Australia and are very much in original condition. Southern Midlands Council is working to support the Pugin Foundation to help preserve both the Oatlands and Colebrook churches and to develop a "Pugin Trail" running from Oatlands through Colebrook and Richmond to Hobart.



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Natural

- Identify and protect areas that are of high conservation value.
- Encourage the adoption of best practice landcare practices.

Ongoing commitment to managing weeds on roadsides, quarries and public reserves, with a focus on gorse and broome. External source funding has enabled limited assistance on private land for Pattersons Curse.

Key Strategies and actions:

- Continue implementation of the Southern Midlands Weed Management Strategy.
- Implement and monitor the Lake Dulverton Management Strategy and Action Plan including renewal of licence.
- Review and update the Campania Bush Reserve Management Plan.
- Work in Partnership with the State Government to develop a management plan for the expanded Chauncy Vale Wildlife Sanctuary.
- Continue to implement agreed Bushcare, Rivercare and Catchment Management Plans for the Municipality.
- Work in partnership with the State Government to develop a management plan for the Rhydaston Gorge.

The one outbreak of Serrated Tussock at Spring Hill continues to be actively managed by the landholders involved. The outbreak appears to be under control. An emphasis has been on increasing the awareness of landholders in relation to Serrated Tussock. Southern Midlands Council is now represented on the Serrated Tussock Working Group.

An officer in Council's Natural Resource Management /Landcare unit became a registered Weed Inspector under the Weeds Management Act 1999.

The Lake Dulverton Management Strategy and the Lake Dulverton Action Plan 2008 continue to be implemented, with a number of trees having been planted between the Oatlands township and the Flax Mill Point section of the foreshore. Mahers Point cottage continues to be steadily restored with plastering of the ceiling and walls mostly completed during 09/10.

The revised Little Swanport Catchment Management Plan was finalised. Working in partnership with a number of organisations, the Little Swanport Catchment Management Plan Implementation Committee (LSCMPIC) finalised the whole of catchment and whole of ecosystem planning model for southern Tasmania. The model is based on the Little Swanport as a reference example. The LSCMPIC won the 2009 Tasmanian Landcare Award - Community Group category.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Natural (Continued)

Southern Midlands Council's Natural Resource Management / Landcare Unit successfully tendered for work with the Tasmanian Irrigation Development Board Midlands Irrigation Scheme. The work related to the Reserves Impact Assessment (Environmental) – in regard to the proposed Arthurs Lake Pipeline component of the Scheme

Best Practice landcare information continues to be promoted, with information and research literature being available and distributed to many landholders upon contact with the landcare office. The NRM/Landcare Unit also promoted information forums on a range of issues, such as the Tree Decline Toolbox and the implications for landholders on regard to the listing of native grasses under the Environment and Biodiversity Conservation Act. A day long Irrigation Forum for landholders was organised and run by the Unit in Feb 2010. This was very successful with approximately 125 people attending.

Council has supported the Midlands Tree Committee in implementing landcare works (revegetation and remnant bush conservation) as per the Southern Midlands Bushcare Strategy. Two grants were received during the 09/10 year, for tree planting activities in 09/10 and 10/11. (\$1822 NRM South and \$9800 Aust Govt C4C Program).

Officers from the Council's NRM/Landcare Unit are participating in the development of the Macquarie Catchment Water Management Plan being developed by the Dept Primary Industries Parks Water and Environment. Officers are also involved in the development of Biodiversity Conservation Offset Guidelines and a project considering the feasibility of Biochar. Both are being driven through the Southern Tasmanian Councils Association.



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: GROWTH

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Natural (Continued)

The expanded Chauncy Vale Wildlife Sanctuary at Bagdad continues to be managed by Council via a community Management Committee that includes a representative from the Tasmanian Land Conservancy, (TLC). Previously, through a partnership with the TLC, funding was obtained from the Australian Government to purchase an area of approximately 400 hectares along the northern border of the sanctuary. This land also forms a corridor with the nearby Alpha Pinnacle Conservation Area, thereby essentially tripling the size the contiguous protected lands at Bagdad.

Best Practice landcare information has been promoted, with information and research literature being available and distributed to many landholders upon contact with the landcare office.

During 2009-10, as part of its Joint Land Use Planning Initiative (Phase Two) mentioned elsewhere in this document, work was completed on a detailed settlement strategy. This has, in part, take into account areas of threatened vegetation and other natural values that will be recognised as constraints to development.



Flat Rock Reserve – Chauncy Vale Sanctuary

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LANDSCAPES

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Cultural

- Increase the retention, documentation and accessibility of the aboriginal, convict, rural and contemporary culture of the Southern Midlands.

Key Strategies and actions:

- Identify and document the cultural heritage of the Southern Midlands.
- Seek opportunities to utilise the cultural landscape for the benefit of the Community.
- Develop and implement an Arts Strategy for the Southern Midlands.
- Develop a documented history of the Southern Midlands.

In 2007, the Southern Midlands Council, Heritage Tasmania and Tourism Tasmania completed a joint project which provided recommendations to update the State and local heritage registers, subsequently identify and describe cultural landscapes and then determine how knowledge of cultural landscapes and heritage assets can be used to advance sustainable tourism. This has provided direction and recommendations that have continued to inform Council decisions through the 2009-10 period.

Dr Alison Alexander has continued to conduct interviews with a range of persons within the Southern Midlands to capture and document the cultural and social historical context of the Southern Midlands. Funding will be received from the State Government to progress the publication of this work into the form of a Southern Midlands History Book.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Regulatory

- A regulatory environment that is supportive of and enables appropriate development.

Key Strategies and actions:

- Make use of the Joint Land Use Planning Initiative (JLUPI) strategy to develop a Planning Scheme for the Southern Midlands that reflects community and Council aspirations and aligns to the strategic direction of the Council.
- Ensure that new State policies are appropriately incorporated within Council's Planning Schemes.
- Process building and plumbing applications in a timely manner and monitor compliance with the relevant legislation.
- Develop a generic Customer Service Charter that includes regulatory and compliance services.

145 Development Applications and 18 Subdivision Applications, along with 160 Building Applications (dwellings and other buildings) were processed / issued during the 2009/2010 reporting period.

Customer Service Charter finalised.

Council has completed the sub-regional 'Joint Land Use Planning Initiative' (JLUPI) project with the Brighton, Central Highlands and Derwent Valley Councils. The objectives of this project are to development of a joint sub-regional land use planning strategy and, subsequently, four new 'common' planning schemes.

Phase Two of JLUPI was completed in 2009-10 in which targeted detailed strategic planning has been undertaken at the local level. This includes structure plans for major townships and the Bagdad-Mangalore corridor, along with a Heritage Management Plan. This work will substantially inform the new planning schemes intended to be developed through 2011.

During 2009-10 Council also participated in the Southern Tasmania Regional Planning Project, a project with broadly similar aims to JLUPI, but encompassing all 12 Southern Councils plus the Sullivan's Cove Waterfront Authority. It is under this project that the new planning scheme will now be developed, replacing the previous intention under the JLUPI project. A key outcome of this approach will be a new planning scheme for Southern Midlands that is substantially consistent with the other planning schemes in Southern Tasmania, thereby facilitating understanding of the planning system within the broader community and reducing costs to local government.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Regulatory (Continued)

2009-10 Achievements

Both the broader high-level and the detailed local work undertaken through the Southern Regional Planning Project and the JLUPI project should ensure that the land use planning objectives of the Southern Midlands, are strongly carried forward into the new planning scheme to be developed in 2011.

Council has developed a draft Street Trading Policy and Bylaw covering the best approach to administer and regulate the placement of private street furniture (e.g. dining, sandwich boards, etc) in public thoroughfares and footpaths. This has been subject to extensive community consultation.

Climate Change

- Develop strategies to inform and address issues of Climate Change in the Southern Midlands.

Program achievements are listed under the following:

Key Strategies and actions:

- Develop a discussion paper on the ramifications of climate change for the Southern Midlands.
- Develop policies and strategies to inform and address the impacts of climate change in the Southern Midlands.

Energy audits

- Fuel use audit, report & recommendations
- Electricity usage audit conducted by 'Planet Footprint'

Solar panels – 'Oatlands Solar Community'

A community bulk purchase of quality 1 kW grid-connected photovoltaic solar panel systems was organised for Oatlands resulting in more than 20 installations in Oatlands.

Solar hot water – community information & purchasing guide

A solar hot water guide was developed and covers basic information about: the technology; its benefits; energy savings; pros and cons of various technologies; current rebates; suppliers and prices.

Home energy audits – Identify household energy efficiency options for residents through the use of: household sustainability assessments; and Council's Home Energy Assessment Toolkit (HEAT toolkit).

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Climate Change (Continued)

2009-10 Achievements

Waste to energy & biochar initiative – a proposal to efficiently utilise ‘green waste’ from all Southern Region councils to be processed by pyrolysis to produce renewable energy and ‘biochar’.

Adaptation assistance for farmers - Assist the farming sector of the municipality to adapt to the predicted drier, warmer environment. This means provision of information, hosting seminars and running field days on themes such as water efficiency, soil carbon and pasture cropping.

Support scientifically informed strategic NRM projects as opportunities arise. Focus on landscape ecology, including protection of important remnants, connectivity and weed management.

Tree planting projects / tree decline – continue working with the Midlands Tree Committee and the community on tree planting initiatives for farms and in the community e.g. Dulverton Corridor.

Support research into tree decline and best practice establishment techniques for revegetation.

Education and awareness – keep residents informed about current issues and threats e.g. invasive weeds. Encourage, through education and awareness, the conservation of remnant bush stands. Raise awareness of native vegetation issues relative to the Midlands.

Organise public seminars on themes such as: climate change issues and solutions, energy efficiency, and renewable energy options.

Provide community resources on: climate change, energy efficiency, and renewable energy through Council’s web site, the ratepayers newsletter and through personal consultation

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Youth

- Increase the retention of young people in the municipality.

Key Strategies and actions:

- Implementation of the Youth Policy.
- Develop youth programs that cover employment and training as well as being linked to social, recreational and entertainment activities.
- Continue to identify and respond to the need for facilities for families with children (family day care, day centres).
- In partnership with the State Government investigate ways to enhance the delivery of youth services in the Southern Midlands.
- Respond to and monitor the recreation needs of the young people of the Southern Midlands.

Ongoing implementation of the Youth Policy provides the framework for participation and engagement with our young people.

Three very successful School Holiday Programs were conducted during the reporting period, which attracted funding contributions from the Regional Health Services program.

Council is a Member of the Youth Network of Tasmania.

Council continues to be an active member of Reclink, an organisation that promotes youth based recreation & arts activities.

The Mobile Skate Park which Council purchased through the Australian Government's stimulus package (Regional & Local Community Infrastructure Program) has continued to be extremely popular with the young people throughout the Southern Midlands due to the rotational roster that has been established

Council has expanded its youth development networks to include several surrounding local authorities.

Council officers developed a discussion paper on antisocial behaviour and a number of exciting initiatives have been created in consultation with the Community as a positive response to this issue

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Aged

- Improve the ability of the aged to stay in their communities.

Key Strategies and actions:

- Facilitate assistance for the aged to stay in their own homes, or with the support of a dependant carer.
- Support the construction of suitable accommodation for the elderly in their own communities.
- Provide continuing support to the Midlands Multi-Purpose Health Centre (MMPHC)
- Provide support and where appropriate facilitate the meaningful social engagement of older members of our community.
- Facilitate actions to address the transport needs of the aged in the Southern Midlands.

A number of dwelling units are continuing to be approved and built to provide a mix of housing stock for older Southern Midlands' residents. This will allow them to reside in their rural environment close to their families rather than being forced to move to an urban unit complex.

Council has continued the development of a Positive Aging Plan for the Southern Midlands.

Council is represented on the MMPHC Community Advisory Committee, being an advisory body to the Centre's management. Its role is to consult with the Community and provide input into the services delivered from the Centre. Council officers worked with the Community Advisory Committee to develop a strategic approach to their role.

Transport is always an issue in a rural/remote community such as the Southern Midlands. The trial introduction of a volunteer based service providing transport to Hobart and surrounds is being evaluated.

The establishment and the continued development of plans for the Community Men's Shed - Oatlands has provided a valuable extension of service / engagement options for aged members of our Community.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Children & Families

- Ensure that appropriate childcare services, as well as other family related services, are facilitated within the Community.

Key Strategies and actions:

- Review the adequacy of current childcare facilities (i.e. location, accessibility and number of placements).
- Take appropriate action to address any shortfalls identified in the provision of family related services across the Southern Midlands.

The Southern Midlands Council is not directly involved in the provision of childcare services. It provides operational subsidies totaling \$12,350 to the Station Child Care Centre and the Bagdad Community Child Care Centre both of which operate within the municipal area.

The Council also contributes \$5,000 to the Brighton Council for managing the family day care service that caters for the Southern Midlands.

Council has worked with and supported the Communities for Children program, being run by the schools in the region.



Youth Holiday Program – Devil Jets, New Norfolk

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Volunteers

- Encourage community members to volunteer.

Key Strategies and actions:

- Ensure that there is support and encouragement for volunteering.
- Facilitate training programs aimed at providing volunteers with the necessary skills.

The Southern Midlands Community Small Grants Program was introduced by Council in 2007-08. The Program provides \$20,000 per annum (through one round) for Community groups to apply for up to \$3,000 to undertake projects.

In the fifth round (September 2009), twelve applications were received. Grants totalling \$20,300 were approved against a total request of \$23,635 (total value of projects - \$104,587).

Many initiatives of Council's Heritage Projects Program benefit from volunteers. A volunteer training project is being developed for the Oatlands Supreme Court House in conjunction with Arts Tasmania's Roving Curator Program. This will concentrate on staffing the building, as well as museum and curatorial skills development. An archaeological volunteer program was run alongside the Kempton Council Offices excavations.

NRM projects have engaged volunteers wherever possible e.g. with Hutchins School students participating in the development of the Lake Dulverton corridor walkway.

The community volunteer based, Horse-drawn Heritage Project at Kempton has moved forward with an extensive Community consultation process being undertaken to gather views on Council entering into a memorandum of understanding for the project to utilise the area known as the "Gymkhana Paddock" adjacent to the Kempton Recreation Ground. There were no dissenters to the proposal.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Access

- Continue to meet the requirements of the Disability Discrimination Act.

Key Strategies and actions:

- Be an advocate for improving transport services for those in need within the Community.
- Prepare and implement an access plan to meet the requirements of the DDA.
- Encourage organisations in the Southern Midlands to adopt the 'Access Card' system.

Disability Plan - this issue has been identified in Council's Partnership Agreement with the State Government. Significant progress has been made during 2009/10.

Council continues to make available a bus to the Midlands Multi-Purpose Health Centre for client transport.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Public Health

- Monitor and maintain a safe and healthy public environment.

Key Strategies and actions:

- Continue to provide school immunisation programs.
- Continue to register and monitor food premises.
- Continue to ensure on-site waste water is effectively disposed of.
- Encourage health professionals, including doctors and nurses, to move to the Southern Midlands.
- Provide continuing support to the Midlands Multi-Purpose Health Centre (MMPHC).
- Continually raise the awareness of Notifiable Diseases in the community.

2009-10 Achievements

Immunisation Programs conducted for children in Kindergarten, Prep, Grades 6 and 10 at Oatlands, Kempton, Bagdad, Campania and Levendale schools in association with Council's Medical Officer of Health. A mass immunisation program was conducted against H1N1 virus (swine flu) with over 500 people immunised. This is in compliance with the Immunisation Program overseen by the Department of Health & Human Services.

Oatlands Swimming Pool water quality tested in accordance with the Public Health Act – Water Quality Guidelines during the summer season.

Relevant legislative requirements are specified in:

- Food Act 2003
- Food Safety Standards
- Public Health Act 1997 and associated Guidelines.

Statutory licences issued for:

- Food Premises – 46
- Places of Assembly – 17
- Water Carriers – 0 Note: there are 5 carriers licensed (licences renewable every three years).
- Special Event Licences – 5
- Private Water Licences – 0

Council's Environmental Health Officer and the local medical General Practitioners have hosted UTAS medical students for a "rural" experience to gauge their willingness to undertake a rural posting following graduation.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Recreation

- Provide a range of recreational activities and services that meet the reasonable needs of the Community.

Following the adoption of the Southern Midlands Recreation Plan (SMRP) in 2006, recommendations are progressively being refined and developed.

Key Strategies and actions:

- Implement the Southern Midlands Recreation Plan.
- Implement the Playground policy.
- Identify opportunities to work in partnership with the Community to improve recreational services and activities.
- Seek opportunities to develop a Regional Aquatic Centre to replace the existing Oatlands Municipal Pool.
- Review the Tasmanian Trails Strategy to identify opportunities for the Southern Midlands.

The SMRP identified that a sport and recreation facilities master plan be adopted for each of the municipality's major towns and villages. The subsequent Campania Sport & Recreation Facilities Master Plan 2007 continued to be implemented during 2009-2010.

Development has now progressed to completion of the Mangalore Recreation Ground horse arena, a project part supported by Sport & Recreation Tasmania (\$18,400). This is a component of the Mangalore / Bagdad Sport & Recreation Facilities Master Plan.

The Memorandum of Understanding that Council entered into with the Bagdad Community Club, in recognition of the valuable services and resources provided to community members, continues to be a tangible manner in which Council can add value in the area.

New Oatlands Pool Project: – Council again pursued another significant funding opportunity that would have enabled the Oatlands pool to be relocated from the historic Gaol to the current Council depot site, unfortunately without success. However, this process has resulted in detailed plans and costings being developed for a 'Midlands Health & Fitness Centre' (including the new pool) and thus providing a well-developed basis from which to pursue other funding opportunities should they arise.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2006 to 2011 Strategic Plan

Over the next five years Council will:

Recreation (Continued)

2009-10 Achievements

The Oatlands Integrated Development Strategy, completed in the 2008-2009 period confirmed Council's existing depot site as the preferred site for a new pool and fitness centre.

Following the announcement of the Australia Government's second stimulus package, (R&LCIP – Round 2) Council selected three projects,

- 1 Extensions and alterations to the old Oatlands Memorial Library building, known as the MILE / Community House (\$45,000);*
- 2 The design and construction of a home for the horse drawn carriages at Kempton (\$45,000); and*
- 3 Restoration of the old Kempton Watch House, adjacent to the Council Chambers (\$25,000)*

Animals

- Create an environment where animals are treated with respect and do not create a nuisance for the community.

1,838 Dogs were registered, and 35 Kennels licensed in the 2009-10 financial year.

Key Strategies and actions:

- Continue dog control, regulatory, licensing and educational programs.
- Conduct a public awareness / education program that informs the Community of the need to contain livestock and the associated legal requirements.
- Continue to provide and maintain stock pounds.

In accordance with the Dog Control Act 2000, Council reviewed its Dog Management Policy and adopted the revised Policy in July 2009.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: LIFESTYLE

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Education

- Increase the educational and employment opportunities available within the Southern Midlands.

Council continues to work with the education sector to provide valuable Community and professional officer support to the schools in the Southern Midlands.

Key Strategies and actions:

- Develop partnerships increasing educational opportunities within the Southern Midlands for the entire community, as well as recognising the principles of the "Child at the Centre" framework.
- Develop a supportive framework for the school to work transition of young people in our community.
- Provide meaningful and informed input to education processes and systems.

The Centre for Heritage and Conservation Restoration, as identified in the Oatlands Integrated Development Strategy, will provide numerous educational opportunities relative to heritage projects and activities.

Retention

- Maintain and strengthen communities in the Southern Midlands.

Council has initiated a number of strategies detailed in this Report, all of which are aimed at providing a sustainable Community with increased employment, social and housing opportunities.

Key Strategies and actions:

- Increase the ability of the ageing population to remain in their communities.
- Increase the opportunities for young people to remain in, or return to, the communities they grew up in.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: COMMUNITY

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Capacity

- Build the capacity of the Community to help itself.

Key Strategies and actions:

- Support community groups who wish to run and/or develop community based facilities.
- Support community groups who wish to run and/or develop community based events.
- Continue to provide funding opportunities for community groups through the Southern Midlands Community Small Grants Program.
- Provide support to the community groups in their establishment and ongoing development.
- Provide support to the community in addressing major impacts that affect the ability of the community to work cohesively together.

Council works closely with a number of community based organisations and groups, and provides both 'in-kind' and financial assistance to run community events and activities. It also has a primary role in building their capacity, through good governance and strategic planning support.

The establishment and on-going support of the Community Men's Shed is one practical example of this Community capacity building approach. Council officers are also part of the State Men's Shed Association

Council in partnership with Midlands Initiative for Local Enterprise Inc (MILE) are undertaking the extension and alterations to the old Oatlands Library building to provide a focal point/location for a range of community based activities and services. The Bargain Centre has consolidated itself into the centre which was brought about by having to exit the Callington Mill site due to the site's redevelopment. This has worked well for all concerned and continues to provide a valuable service to the community.

'Midlands Matters' the service provider and community group networking meetings on a monthly basis are adding significant value to the community and continue to be strongly supported..

Council continued to successfully manage the Rural Alive & Well program and secured on-going funding beyond the initial project grant period. A number of awards were received by RAW during the period. From 1st July 2009, Rural Alive and Well is to be managed by a separate incorporated body (Rural Alive & Well Inc). Council wishes the Board and staff of RAW Inc all the best for their future as they continue to provide an important service for rural communities.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: COMMUNITY

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Safety

- Increase the level of safety of the community and those visiting or passing through the municipality.

Key Strategies and actions:

- Continue to support the development of Community based policing initiatives such as "Neighbourhood Watch".
- Work in partnership with the Police to reduce the incidence of crime in the Southern Midlands.
- Maintain a Southern Midlands Emergency Management Plan and review every two years.
- Convene the Disaster Management Committee twice per year.
- Continue to support the Road Accident Rescue Unit in partnership with the State Emergency Service.
- In partnership, develop a Community Safety Committee.

The Southern Midlands Road Rescue Unit had 42 call-outs involving 273 operational hours during the 2009-10 period. This is an increase from 62 incidents (271 operational hours) during the prior period. The Unit, which has three rescue vehicles, continues to operate from both Oatlands and Kempton.

The Disaster Management Committee did not meet during the reporting period.

The Oatlands based Ambulance continues to operate in accordance with the Deed of Agreement between the Tasmanian Ambulance Service, the Department of Health and Human Services (Primary Health) and the Southern Midlands Council.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: COMMUNITY

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Consultation

- Improve the effectiveness of consultation with the Community.

Key Strategies and actions:

- Continue to schedule Council meetings in the various districts of the municipality.
- Develop a Community Consultation Strategy.

Five (5) Ordinary Meetings of Council were held in the following areas during the summer period:

Bagdad, Campania, Parattah, Tunbridge and Tunnack.

A Community Consultation Policy was adopted by Council during the reporting period

Council officers established a consultation project that they called Imagine Campania which has been the catalyst for excellent results in the community

Communication

- Improve the effectiveness of communication with the Community.

Key Strategies and actions:

- Continue to issue the quarterly Council newsletter for residents and ratepayers.
- Continue to develop and maintain an "up-to-date" website.
- Embrace innovative approaches to improving communications e.g. Community radio and 'New Media'.

Four newsletters were issued during 2009-10.

Council continues to maintain its Website (www.southernmidlands.tas.gov.au)



Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: ORGANISATION

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Improvement

- Improve the level of responsiveness to Community needs.
- Improve communication within Council.
- Improve the accuracy, comprehensiveness and user friendliness of the Council asset management system.
- Increase the effectiveness, efficiency and use-ability of Council IT systems.
- Improve the Council records management system and processes.
- Develop an overall Continuous Improvement Strategy and framework.

The work order / public enquiry system continues to work well in addressing community expectations.

Regular staff briefings are conducted.

A significant upgrade has been undertaken in respect to the Geographical Information System (GIS) data held by Council. Council continues to capture key infrastructure in its GIS System (Exponaire) using hand-held GPS equipment in the field.

The comprehensive maintenance management system that was developed for Council Halls and recreation grounds will be transferred to Council's new Asset Management software system during 2010/11.

Key Strategies and actions:

- Develop an automated work order/public enquiry system as well as a complaints system.
- Improve and maintain the Council web site.
- Maintain an up to date profile of the municipal area to assist in identifying community needs.
- Further enhance Council's Customer Service Charter.
- Establish and efficient and effective Intra-net.
- Develop and implement an effective staff performance appraisal system that provides staff with recognition for their achievements.
- Develop a regular communication briefing to go to all staff from the General Manager.
- Develop and implement a project plan for the upgrading of the Council asset management system.
- Develop a disaster recovery plan for Council IT systems.
- Develop a strategy to increase the user-friendliness of the finance module.

Disaster recovery plan developed for Council's IT systems.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: ORGANISATION

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Improvement (Continued)

Key Strategies and actions:

- Identify IT training needs of staff and seek opportunities to enhance their skills.
- Continue to implement and review the electronic document management system and ensure it integrates with the Kempton Office systems.
- Prepare a discussion paper and policy recommendations in relation to Continuous Improvement.

Council have established a Business Process Improvement program, where staff are assessing the efficiency and effectiveness of Council's information communications technology and making recommendations on "working smarter". This is part of Council's drive to deliver cost effective services by constantly reviewing operating activities.

Sustainability

- Retain corporate and operational knowledge within Council.
- Provide a safe and healthy working environment.
- Ensure that staff and elected members have the training and skills they need to undertake their roles.
- Increase the cost effectiveness of Council operations through resource sharing with other organisations.
- Continue to maintain and improve the level of statutory compliance of Council operations.
- Ensure that suitably qualified and sufficient staff are available to meet the community's needs.
- Work co-operatively with State and Regional organisations.
- Minimise Council's exposure to risk.

The corporation is made up of nine Councillors elected by ratepayers and residents of the municipal area. Elections are held every two years with half the Councillors retiring at each election. Elections for the position of Mayor and Deputy Mayor are held at the same time every two years.

In October 2009, Council resolved to conduct monthly ordinary meetings (as opposed to three weekly) in order to reduce costs and administrative overheads, and improve the overall efficiency of the Governance program.

In accordance with the Local Government 1993, Council reviewed its own Code of Conduct in November 2009. This included membership of the Code of Conduct Panel. The Panel has not been required to meet.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: ORGANISATION

2006 to 2011 Strategic Plan

Over the next five years Council will:

Sustainability Contd.

Key Strategies and actions:

- Develop a succession plan.
- Develop a program to ensure staff are multi-skilled.
- Develop an appropriate quality assurance system for Council.
- Review the appropriateness of employing entry level employees through formal training arrangements.
- Monitor the need for a new Oatlands Works Depot.
- Review the risks associated with the current accommodation at Oatlands Depot.
- Implement the staged re-development of the Kempton Council Chambers and administrative offices.
- Develop a program of education and training to support elected members in the role.
- Develop a program of training for staff to ensure that they have the training and skills they need to undertake their jobs.
- Identify opportunities for resource sharing with other Councils.
- Identify and implement working relationships with the Councils in our sub region across a wide range of operational and support areas.
- Undertake an annual 'in-house' review of statutory compliance, including a review of delegations.
- Review staffing levels.
- Continue to participate in State and Regional forums, including the Southern Tasmanian Councils Board, LGAT, as well as others.
- Implement a Risk Management Strategy and work within the framework of the Civic Mutual Plus (CMP) risk management model.

2009-10 Achievements

The Southern Midlands Code of Conduct for councillors is a statement and public declaration of the standard of behaviour that Councillors have agreed should be demonstrated, and which the community can expect to be demonstrated, when they are carrying out their roles and functions as elected community representatives.

Council actively participates in both regional and sub-regional forums. The Southern Tasmanian Council's Authority represents all 12 southern Tasmanian Councils; and the sub-region involves the Brighton, Central Highlands and Derwent Valley Councils. The purpose of these forums are to identify opportunities to work together to achieve benefits and efficiencies.

Risk Management - Staff continue to invest considerable time and effort in implementing Council's Risk Management Strategy. Regular inspections of Council assets are undertaken to identify (and rectify) any potential risks. Suitability assessments have been undertaken of all Council's sporting grounds and facilities.

Staff development is a key strategy in continuing to provide exceptional service to our clients. Whilst the training budget is quite small it continues to be invested in a wise and timely manner across the spectrum of Council's responsible areas.

Elected members have participated in a number of workshops to increase skills and knowledge to support them in their role (e.g. LGAT workshops, 'in-house' workshops).

Building extensions were completed at the Kempton Council Chambers to accommodate existing uses. The new building also incorporates a consulting room that can be used by visiting health professionals. Proceeds from sale of the adjoining Council house partially funded the capital upgrade.

Reporting on the 2006 to 2011 Strategic Plan

STRATEGIC THEME: ORGANISATION

2009-10 Achievements

2006 to 2011 Strategic Plan

Over the next five years Council will:

Finance

- Maintain current levels of community equity.
- Major borrowings for infrastructure will reflect the intergenerational nature of the assets created.
- Council will retain a minimum cash balance to cater for extraordinary circumstances.
- Operating expenditure will be maintained in real terms and expansion of services will be funded by re-allocation of service priorities or an increase in rates.
- Sufficient revenue will be raised to sustain the current level of community and infrastructure services.

The 2009-10 General Purpose Financial Statement forms part of this Annual Report. An unqualified Audit Report has been issued by the Tasmanian Auditor General.

A new Loan borrowing of \$150K was taken out during the year. This funded Council's contribution to the building extensions at the Oatlands Community Centre. Total loan debt decreased by \$452K, acknowledging that loan debt totaling \$518K was transferred to Southern Water.

As part of the 2009-10 Budget development process, Council conducted a review of its Financial Management Strategy and associated Policies.

Key Strategies and actions:

- Fund depreciation at 50% to 60% until 2006/07 then aim to increase this level thereafter.
- Limit expenditure on new infrastructure to \$250,000 pa.
- Implement the Southern Midlands Council Financial Management Strategy.
- Seek opportunities to develop and sell Council land.
- Allow for the acquisition or disposal of land where it is in the public interest and where there is a demonstrated community benefit.

There is an ongoing focus to improve our asset management plans for all major asset types.

Council completed the legislative process to sell public land in Campania (off Kandara Court). This land will be sold once subdivision works are completed and separate titles issued.

Reporting on Legislative Requirements

In alphabetical order, following are the reports that Council is required to provide under various legislation for the 2009/2010 financial year:

Allowances and Expenses Statement
(Under the *Local Government Act 1993*)

In 2009/2010 Council provided allowances and reimbursements for reasonable expenses to the Mayor, Deputy Mayor and Councillors. This included telephone rental, telephone calls and travelling.

Allowances \$102,818 Expenses \$30,678

Attendance at Council and Council Committee Meetings Statement
(Under the *Local Government Act 1993*)

Thirteen (13) regular Council meetings were held during the year, not including the Annual General Meeting which was held on the 14th of December 2009.

There were three (3) meetings of Council's Southern Midlands Recreation Committee, being the only Council Committee established in accordance with section 23 of the *Local Government Act 1993*.

	Ordinary Council Meetings Held	Ordinary Council Meetings Attended	Special Meetings	Annual General Meetings	Southern Midlands Recreation Committee Meetings Held	Southern Midlands Recreation Committee Meetings Attended
Mayor Tony Bisdee OAM	13	13	1	1	N/A	N/A
Deputy Mayor Helen Scott OAM (to 25/11/09)	5	4	N/A	N/A	1	0
Deputy Mayor John Jones OAM (from 25/11/09)	8	7	1	1	2	1 (Proxy)
Clr Colin Beven	13	13	1	1	3	2
Clr Bob Campbell (from 25/11/09)	8	8	1	1	N/A	N/A
Clr Marie Connors	13	13	1	1	3	3
Clr Don Fish	13	13	1	1	N/A	N/A
Clr Alex Green	13	12	1	1	N/A	N/A
Clr John Jones OAM (to 25/11/09)	5	5	0	N/A	1	1 (Proxy)
Clr M Jones OAM	13	12	0	1	N/A	N/A
Clr H M Scott OAM (from 25/11/09)	8	6	1	0	2	1
Clr Delia Thompson (to 25/11/09)	5	5	N/A	N/A	N/A	N/A

Reporting on Legislative Requirements

Contracts

In accordance with Section 23(5) of the *Local Government (General) Regulations 2005*, Council is required to report on contracts for the supply or provision of goods and services in excess of \$100,000 (excl. GST) entered into during the year to 30th June 2010.

Contactor Name & Address	Description of Contract	Value of Contract (excl. GST)	Period of Contract (plus extension options if applicable)
Roadways Pty Ltd	Sealing Program 2009-10	\$207,149	
Tasmania Farm Equipment	Kubota Excavator	\$155,428	

Donation of Land Statement

(Under the *Local Government Act 1993*)

Section 72 (1) (da) requires Council to report on details of any land donated by Council during the year.

Council made not such donations of land.

Enterprise Power Statement

(Under the *Local Government Act 1993*)

Section 72 (1) (ca) requires Council to provide a statement of activities and performance of the Council in relation to any activity undertaken pursuant to section 21 of the *Local Government Act 1993* 'Enterprise Powers'.

Council did not exercise any of its enterprise powers under section 21 of the *Local Government Act 1993* during the reporting period.

Remuneration Statement

(Under the *Local Government Act 1993*)

The following table provides the remuneration for those positions designated by Council as senior positions, as required under the *Local Government Act 1993*. The positions of General Manager, Manager – Development and Environmental Services, Manager – Community and Corporate Development, Manager – Works and Technical Services and Manager – Corporate Services have been defined as senior positions by the Southern Midlands Council.

Remuneration Band	Number of Positions
\$ 71,000 - \$ 90,000	2
\$ 91,000 - \$110,000	1
\$111,000 - \$130,000	1
\$131,000 - \$150,000	1

Reporting on Community Involvement

2009/2010 Grants and Assistance

<u>Recipient</u>	<u>Description</u>	<u>\$ Exc GST if applicable</u>
Emma Watkins	Australian Darts Championships Representative	\$ 100.00
Jemma Plumber	National Soccer Championships	\$ 100.00
Jamie Hales	Australian Darts Championships Representative	\$ 100.00
Tunnack Progress Association	Public Liability Insurance 50% Reimbursement	\$ 473.15
M.I.L.E	Financial Assistance 2009/2010	\$ 4,090.91
Linda Fish	Australian Netball National Championships	\$ 100.00
Emma Groves	Australian Netball National Championships	\$ 100.00
Phillip McConnon	Australian All Schools Cross Country	\$ 100.00
Lisa McConnon	Australian All Schools Cross Country	\$ 100.00
Tasmanian Working Sheep Dogs Association	Sheep Dog Trials Oatlands	\$ 500.00
M.I.L.E	Parterre Garden Rate Remission	\$ 785.00
Oatlands Spring Festival	Annual Donation	\$ 1,000.00
Nicola Marshall	Australian School Orienteering Championships	\$ 100.00
Oatlands District Football Association	Sponsorship 2009	\$ 220.00
Oatlands District Homes Association	Reimburse 50% Development Application Fees	\$ 3,025.00
Bagdad Primary School	Annual Donation	\$ 50.00
Campania District High School	Annual Donation	\$ 150.00
Kempton Primary School	Annual Donation	\$ 50.00
Levendale Primary School	Annual Donation	\$ 50.00
Oatlands District High School	Annual Donation	\$ 150.00
M.I.L.E	High Street Action Group Signage	\$ 454.55
Zoe Nicholas	Australian Futsal Team	\$ 100.00
Oatlands Christmas Pageant	Annual Donation	\$ 150.00
Chloe Hoskinson	Australian Darts Championships Representative	\$ 100.00
Heritage Highway Tourism Region Association	Financial Assistance 2009/2010	\$12,000.00
Kempton Festival	Annual Donation	\$ 1,000.00
Levendale Hall Committee	Public Liability Insurance 50% Reimbursement	\$ 424.45
M.I.L.E	Parterre Garden Rate Remission	\$ 253.00
Woodsdale / Levendale Museum	Back to Woodsdale Picnic Day	\$ 250.00
Kirilee Porter	State Representative Swimming	\$ 100.00
Bagdad Child Care Centre	Funding Assistance 2009-2010	\$ 4,516.06
Oatlands Child Care Centre	Funding Assistance 2009-2010	\$ 7,707.40

Reporting on Community Involvement

2009/2010 Grants and Assistance

<u>Recipient</u>	<u>Description</u>	<u>\$ Exc GST if applicable</u>
Bagdad Online Access Centre	Office Workstation	\$ 631
Campania Hall Mgmt Committee	Purchase 45 new chairs	\$2,500
Colebrook OAC	Supply and fit screen door	\$ 415
Community Garden Committee	Seats & tables for Community garden	\$1,160
Levendale Com Group	Healthy Body Healthy Mind program	\$2,850
Midlands Initiative for Local Enterprise (MILE)	Community & Business Directory upgrade	\$2,000
Oatlands Spring Festival	Purchase Four 2 way radios	\$ 396
Parattah Jubilee Hall	Boundary Fence renewal	\$1,493
Parish of Southern Midlands	Family support in Bagdad	\$3,000
Runnymede Cricket Club	Shutters for Clubrooms	\$2,855
Tasmanian Land Conservancy / Chauncy Vale	Living Treasures—oral history of Chauncy Vale	\$3,000

SOUTHERN MIDLANDS COUNCIL



COMPLETE SET OF FINANCIAL STATEMENTS

2009/2010 FINANCIAL YEAR

Prepared in pursuance of the provisions of the Local Government Act 1993 (as amended), the Statements of Accounting Concepts and applicable Accounting Standards, including the accrual basis of accounting.

SOUTHERN MIDLANDS COUNCIL

COMPLETE SET OF FINANCIAL STATEMENTS

For the reporting period ended 30/06/2010

I, Timothy Francis Kirkwood, certify that in my opinion: -

1. the financial report set out on pages 1 to 51 fairly represents:
 - (a) the financial position of the council;
 - (b) the results of the council's operations; and
 - (c) the cash flow of the council.
2. the financial report has been prepared in accordance with the requirements of the Local Government Act 1993 (as amended), and Australian Accounting Standards, including Australian Interpretations.



T F Kirkwood
General Manager

Dated at Oatlands this 20th day of September 2010.



INDEPENDENT AUDIT REPORT

To the Councillors of Southern Midlands Council

Financial Statements for the Year Ended 30 June 2010

Report on the Financial Statements

I have audited the accompanying financial statements of Southern Midlands Council (Council), which comprises the statement of financial position as at 30 June 2010, the comprehensive income statement, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

The Responsibility of the General Manager for the Financial Statements

The General Manager is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General

Manager, as well as evaluating the overall presentation of the financial statements.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in Council's financial statements.

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Auditor's Opinion

In my opinion the financial statements of Southern Midlands Council:

- (a) present fairly, in all material respects, the financial position of Council as at 30 June 2010, and of its financial performance, cash flows and changes in equity for the year then ended; and
- (b) are in accordance with the *Local Government Act 1993* and Australian Accounting Standards (including Australian Accounting Interpretations).

TASMANIAN AUDIT OFFICE


A V Barron
DIRECTOR - FINANCIAL AUDIT
Delegate of the Auditor-General

HOBART
27 September 2010

STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 30 June 2010

	Notes	2010 Budget \$'000	2010 Actual \$'000	2009 Actual \$'000
Revenue				
General rates		3,335	3,422	3,724
User charges		414	641	929
Interest		180	260	315
Government subsidies		30	19	19
Other		0	13	205
		<u>3,959</u>	<u>4,355</u>	<u>5,192</u>
Grants - Operating			2,389	2,839
Total Revenue	2 (a)	<u>6,348</u>	<u>7,194</u>	<u>8,686</u>
Expenses				
Employee costs		2,854	2,613	2,873
Materials and contracts	6	2,134	2,040	2,597
Depreciation and amortisation	3	2,874	3,075	3,305
Borrowing costs	4	67	55	78
Loss on disposal/retirement of non current-assets	8	5	7	17
Contributions		145	145	139
Other	5	<u>153</u>	<u>196</u>	<u>173</u>
Total Expenses	2 (a)	<u>8,232</u>	<u>8,131</u>	<u>9,182</u>
Surplus (Deficit) for the year before:		<u>(1,884)</u>	<u>(937)</u>	<u>(496)</u>
Grants – Capital		1,013	1,752	1,198
Donations		2	0	26
	2 (a)	<u>1,015</u>	<u>1,752</u>	<u>1,224</u>
Surplus (Deficit) for the year before:	2 (a)	<u>(869)</u>	<u>815</u>	<u>728</u>
Change in fair value - investment in Southern/(Hobart) Water	7	0	(322)	247
Fair value revaluation of non-current assets		0	392	4,175
Comprehensive result		<u>(869)</u>	<u>885</u>	<u>5,150</u>

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2010

	Notes	2010 \$'000	2009 \$'000
CURRENT ASSETS			
Cash and cash equivalents	9	8,457	7,026
Receivables	10	579	807
Stores and materials		97	136
Total Current Assets		<u>9,133</u>	<u>7,969</u>
NON-CURRENT ASSETS			
Land	11	4,136	4,664
Buildings	12	5,386	6,364
Plant, machinery and equipment	13	2,101	2,098
Minor plant	14	28	25
Office furniture & equipment	15	124	126
Infrastructure assets	16	60,967	69,089
Heritage assets	17	80	80
Work in progress	18	2,195	1,352
Intangibles – Software & Valuation Fees	19	133	163
Investment in Southern (Hobart) Water	7	<u>10,989</u>	<u>2,692</u>
Total Non-Current Assets		<u>86,139</u>	<u>86,653</u>
TOTAL ASSETS	2(a)	<u>95,272</u>	<u>94,622</u>
CURRENT LIABILITIES			
Payables	20	531	415
Interest bearing liabilities	21	96	179
Provisions	22	914	810
Total Current Liabilities		<u>1,541</u>	<u>1,404</u>
NON-CURRENT LIABILITIES			
Interest bearing liabilities	23	905	1,274
Provisions	24	100	103
Total Non-Current Liabilities		<u>1,005</u>	<u>1,377</u>
TOTAL LIABILITIES		<u>2,546</u>	<u>2,781</u>
NET ASSETS		<u>92,726</u>	<u>91,841</u>
EQUITY			
Accumulated surplus		37,941	37,448
Reserves	25	<u>54,785</u>	<u>54,393</u>
TOTAL EQUITY		<u>92,726</u>	<u>91,841</u>

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



STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2010

STATEMENT OF CHANGES IN EQUITY

	Accumulated Surplus		Asset Revaluation Reserve (Note 25)		Bridge Maintenance Reserve (Note 25)	
	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the financial year	37,448	36,722	50,570	46,395	1,666	1,496
Comprehensive result	493	975	392	4,175	0	0
Transfers to reserves	0	(249)	0	0	0	170
Transfers from reserves	0	0	0	0	0	0
Balance at the end of the financial year	<u>37,941</u>	<u>37,448</u>	<u>50,962</u>	<u>50,570</u>	<u>1,666</u>	<u>1,666</u>
Other Reserves (Note 25)			Total Equity			
2010	2009	\$'000	2010	2009	\$'000	\$'000
Balance at the beginning of the financial year	2,157	2,078	91,841	86,691		
Comprehensive result	0	0	885	5,150		
Transfers to reserves	0	79	0	0		
Transfers from reserves	0	0	0	0		
Balance at the end of the financial year	<u>2,157</u>	<u>2,157</u>	<u>92,726</u>	<u>91,841</u>		

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

STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2010

	NOTES	INFLows (OUTFLOWS)	INFLows (OUTFLOWS)
		2010	2009
		\$'000	\$'000
Cash flows from operating activities			
Payments			
Employee costs		(2,474)	(2,689)
Materials and contracts		(2,476)	(3,037)
Interest		(55)	(78)
Other		(375)	(314)
		<u>(5,380)</u>	<u>(6,118)</u>
Receipts			
Rates		3,334	3,701
User charges		1,154	1,003
Interest received		259	315
Subsidies		19	19
Other revenue grants		2,839	3,494
GST Refunds from ATO		301	382
Other		14	209
		<u>7,920</u>	<u>10,352</u>
Net cash from operating activities	30	2,540	3,005
Cash flows from investing activities			
Payments for property, plant & equipment		(3,324)	(3,816)
Payment to Southern Water		(37)	0
Proceeds from sale of property, plant & equipment		326	389
Proceeds from Capital grants		1,860	1,229
Proceeds from Investments		0	1,000
Payment for Investments		0	0
Net cash used in investing activities		(1,175)	(1,198)
Cash flows from financing activities			
Repayment of borrowings		(84)	(153)
Proceeds from borrowings		150	380
Net cash from (used in) financing activities		66	227
Net increase/(decrease) in cash held		1,431	2,034
Cash at beginning of reporting year		<u>7,026</u>	<u>4,992</u>
Cash at end of reporting year	9(a)	8,457	7,026

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

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

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

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

This general purpose financial report has been prepared on an accruals basis in accordance with the Framework for the Preparation and Presentation of Financial Statements, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). It is presented in Australian dollars.

Except for certain assets, including infrastructure assets, which are valued at fair value in accordance with AASB 116 as disclosed in the relevant notes, the report has been prepared in accordance with the historical cost convention.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRSs). Some AIFRSs contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. Except to the extent that these special provisions require, this financial report complies with AIFRSs.

In the application of accounting standards and other authoritative pronouncements of the AASB, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

b) The Local Government Reporting Entity

All funds through which the Council controls resources to carry on its functions have been included in the Financial Statements forming part of this Financial Report.

In the process of reporting on the Council as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated in full.

Amounts, if any, received as tender deposits and retention amounts controlled by Council are included in the amount disclosed as "other payables" within current liabilities.

c) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. Architects' fees and engineering design fees are included in the costs of assets acquired.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

d) Valuations of Non-Current Assets

Council has adopted the following valuation bases for its non-current assets:

Land – Fair value
Buildings – Fair value
Plant, machinery & equipment – Cost
Minor plant – Cost
Office furniture & equipment – Cost
Water, sewerage and stormwater – Fair value
Bridges – Fair value
Roads – Fair value
Waste management – Cost
Heritage – Cost
Intangibles – Cost

Asset classes, excluding land, are measured on the fair value basis and are revalued to their "current cost" less accumulated depreciation. Acquisitions and capital works during the year are treated as being recorded at their fair value.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

e) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised equal to the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For non-cash generating assets such as roads and public buildings value in use is represented by the deprival value of the asset approximated by it's written down replacement cost.

f) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of the service potential embodied in those assets. Land is not a depreciable asset.

Heritage assets have not been depreciated. This is based on advice given to Council that provided adequate care and attention is regularly given to these assets, the value of the assets remains constant.

Depreciation is recognised on a straight-line basis, using rates, which are reviewed each reporting period. Assets acquired since valuation are depreciated at rates based on their estimated useful lives commencing from the beginning of the month after which the asset first became available for use.

Main depreciation periods are:

Buildings	10 to 50 years
Plant, machinery & equipment	4 to 15 years
Motor vehicles	0 to 2 years
Office furniture & equipment	5 to 25 years
Computers	5 years
Infrastructure	33 to 60 years
Furniture	5 to 100 years
Water systems	25 to 100 years
Sewerage systems	20 to 60 years
Stormwater/drainage systems	40 to 60 years
Roads	10 to 100 years
Bridges & culverts	15 to 100 years

**NOTES TO AND FORMING PART OF THE ACCOUNTS**30 June 2010

g) Recognition of Purchased Assets

Items will not be recognised as assets but treated as expenses if their purchase or construction cost does not reach certain limits. These limits vary according to the asset classification as follows:

	\$
Land	Nil
Plant, machinery & equipment	1,000
Furniture & fittings	500
Office equipment	250
Buildings	5,000
Roads	Nil
Water	3,000
Bridges	5,000
Sewerage	3,000
Stormwater/drainage	3,000
Recreation Facilities/community amenities	2,000
Heritage Assets	Nil

h) Stores and materials

Stores and materials are carried at the lower of cost and net replacement value. Assets are taken into stores at cost and issued at weighted average cost assuming items first purchased are first consumed.

i) Employee Entitlements

The bases of measurement of liabilities for each type of employee entitlement are as follows:

Wages and Salaries and Annual Leave

Liabilities for employee entitlements to wages and salaries, annual leave and other current employee entitlements are accrued at nominal amounts calculated on the basis of expected wage and salary rates at the time of payment.

Sick Leave

Council's Enterprise Bargaining Agreement provides for employees who resign from their position with Council to be paid a percentage of their sick leave balance based on completed years of service, plus a gratuity amount.

**NOTES TO AND FORMING PART OF THE ACCOUNTS**30 June 2010

Long Service Leave

Liabilities for employee entitlements, which are not expected to be settled within 12 months of balance date, are accrued as the present value of expected future payments to be made in respect of services provided by employees up to balance date. Consideration is given, when assessing future payments, to expected future wage and salary levels, experience of employee departures and periods of service. Related oncosts (superannuation, workers compensation and payroll tax) are included in the calculation of the provision for long service leave. Expected future payments are discounted using the appropriate indicative rates on selected Commonwealth Government Securities.

The current liability represents the amount due to employees with at least nine completed years of service. The remainder is shown as a non-current liability.

Superannuation

The superannuation expense for the reporting period is the amount of the statutory contribution the Council makes to the superannuation plans that provide benefits to its employees. Details of these arrangements are set out in note 28.

j) Leases

The Council currently has no material finance or operating lease arrangements.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

k) Revenue Recognition

Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured, and the timing of commencement of control depends upon the arrangements that exist between the grantor and the Council.

Unreceived contributions over which the Council has control are recognised as receivables. In respect of unpaid rates, an allowance for impairment is made for amounts considered uncollectible.

No contributions were received during the reporting period that were obtained on the condition that they be expended in a particular manner or used over a particular period.

User charges and fees

User charges and fees are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs. A provision for impairment is recognised when collection in full is no longer probable.

Sale of plant, property, infrastructure and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and rents

Interest and rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Dividend Revenue

Dividend revenue is recognised when Council's right to receive payment is established.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

I) Financial Assets and Liabilities

Financial Assets

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash on hand and at bank and term deposits are valued at face value.

Rate debtors

Rates are carried at nominal amounts due plus interest which are assumed to equal their fair values. Rate debts are a charge attached to the property and are recoverable on sale, therefore, no allowance for impairment is made.

Significant Terms and Conditions - Rates are payable by four instalments during the year or alternatively by one payment within thirty days of the date of issue (which provides for a discount of 1.1%). Arrears, including deferred rates, attract interest. The interest rate was 9.5% (9.5% in 2008/2009) at balance date for general rates.

Should amounts remain unpaid outside of approved payment options, Council will instigate collection proceedings.

Other debtors

Receivables are carried at nominal amounts due less any allowance for impairment. An impairment loss is recognised when collection in full is no longer probable.

Collectibility of overdue accounts is assessed on an ongoing basis.

Significant Terms and Conditions - Payment is required within thirty days of issue of the account. No interest is attracted to other debtors. Should amounts remain unpaid outside of approved payment options, Council will instigate collection proceedings.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

Financial liabilities

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date. The nominal value less estimated credit adjustments of trade and other payables are assumed to approximate their fair values.

Significant terms and conditions - General creditors are unsecured, not subject to interest charges and are normally settled within specified trading terms or 30 days whichever is the earlier.

Interest bearing loans & liabilities

Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued.

Significant terms and conditions - The debenture loans of Council are secured by trust deed. In accordance with Section 80 of the Local Government Act 1993, the borrowing capacity of Council is limited to:

- Except with the approval of the Minister, a council may not borrow additional money for any purpose if the annual payments required to service the total borrowings would exceed 30% of its revenue of the preceding financial year.
- Grants made to a council for specific purposes are to be excluded in calculating 30% of revenue of the council.

m) Comparative Information

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

n) Valuation - Land under Roads

In accordance with AASB 1051, Council has elected not to recognise land under roads acquired prior to 1 July 2008. From 1 July 2008 any land under roads is recognised in accordance with AASB116; that is it is not generally recognised until it satisfies both recognition criteria of providing economic benefits and having a reliably measured cost. As such land is generally acquired for no or nominal consideration. When it is recognised its cost is its fair value.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

o) Investments in Water Corporations

Investments in water corporations are valued at fair value; at balance date. Fair value is determined by using the ownership percentage against the water corporations' net asset value at balance date. Any unrealised gains and losses on holdings at balance date are recognised in the Comprehensive Income Statement.

p) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of the GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

q) Statement of Comprehensive Income – Budget Amounts

The Budget amounts which appear in the Comprehensive income statement are taken from the Annual Estimates and are not subject to audit.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

r) New Accounting Standards

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective.

They have not been adopted in preparation of the financial statements at reporting date.

Standard/ Interpretation	Summary	Operative date *	Impact on Local Government financial statements
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project. [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions. [AASB 2]	The amendments clarify the scope of AASB 2.	1 Jan 2010	No impact. AASB 2 does not apply to Local Government; consequently this Standard does not apply.
AASB 2009-9 Amendments to Australian Accounting Standards – Additional Exemptions for First-time Adopters [AASB 1]	Applies to entities adopting Australian Accounting Standards for the first time, to ensure entities will not face undue cost or effort in the transition process in particular situations.	1 Jan 2010	No impact. Relates only to first time adopters of Australian Accounting Standards.
AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132]	The Standard makes amendments to AASB 132, stating that rights issues must now be classed as equity rather than derivative liabilities.	1 Feb 2010	No impact. Local Government do not issue rights, warrants and options. Consequently the amendment does not impact on the statements.

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

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

AASB 9 Financial Instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2013	Detail of impact is still being assessed.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	This gives effect to consequential changes arising from the issuance of AASB 9.	1 Jan 2013	Detail of impact is still being assessed.
AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	This Standard amends AASB 8 to require an entity to exercise judgement in assessing whether a government and entities known to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures. This Standard also makes numerous editorial amendments to other AASs.	1 Jan 2011	ASB 8 does not apply to Local Government therefore no impact is expected. Otherwise, only editorial changes arising from amendments to other standards, no major impact. Impacts of editorial amendments are not expected to be significant.

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

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19. [AASB 1]	Consequential amendment to AASB 1 arising from publication of Interpretation 19	1 Jul 2010	Local Governments do not extinguish financial liabilities with equity instruments, therefore requirements of Interpretation 17 and related amendments have no impact
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of Prepayments of a Minimum Funding Requirement	1 Jan 2011	Expected to have no significant impact
AAASB 1053 Application of Tiers of Australian Accounting Standards	Establishes a differential reporting framework, which consists of two tiers of reporting requirements.	1 Jul 2013	Expected to have no significant impact

* Annual reporting periods beginning on or after

s) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars.

2. FUNCTIONS/ACTIVITIES OF THE COUNCIL

- a) Revenues, expenses and assets have been attributed to the following functions/activities. Details of those functions/activities are set out in note 2c).
- Continued next page.

	Roads/ Bridges	Roads/ Bridges	Water	Sewerage	Storm- Water	Waste	Environmental Management	Environmental Management
	2010	2009	2010	2009	2010	2009	2010	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses	4,358	4,055	11	1,017	15	300	52	71
Revenue:								
Grants	192	672	0	0	0	0	0	5
Other	19	25	16	1,017	3	258	1	46
Total	211	697	16	1,017	3	258	1	51
Surplus/ (deficit)	(4,147)	(3,358)	5	0	(12)	(42)	(51)	(18)
Assets	61,790	62,779	10,989	9,515	0	2,547	901	916
							297	331
							0	0
								0

2. FUNCTIONS/ACTIVITIES OF THE COUNCIL (CONTINUED)

a) Revenues, expenses and assets have been attributed to the following functions/activities. Details of those functions/activities are set out in note 2c).

	Employment & Economic Development	Employment & Economic Development Services	Development Services	Community Services	Community Services	Recreational Services	Recreational Services	Council/Corporate	Council/Corporate	Unclass.	Total
2010	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	2009
Expenses	464	444	821	797	367	540	527	533	607	574	146
Revenue:											
Grants	1,495	201	0	0	130	147	120	327	5	75	2,644
Other	31	39	207	154	30	68	75	68	99	78	3,359
Total	1,526	239	207	154	160	216	195	395	104	153	6,003
Surplus/ (deficit)	1,062	(205)	(614)	(643)	(207)	(324)	(332)	(138)	(503)	(421)	5,857
Assets	3,087	1,875	578	375	1,247	1,170	5,251	5,124	1,855	1,907	9,277
											8,083
											95,272
											94,622

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

2. FUNCTIONS/ACTIVITIES OF THE COUNCIL (CONTINUED)

- b) The written down value of Assets shown in Note 2(a) are reconciled with the amount shown for assets in the Balance Sheet as follows:

	2010	2009
	\$'000	\$'000
Current Assets	9,133	7,969
Non-Current Assets	<u>86,139</u>	<u>86,653</u>
	95,272	94,622

- c) The activities of the municipality are categorised into the following broad functions:

Roads and Bridges

Management, maintenance and cleaning of roads, bridges, footpaths, kerbs and guttering; provision of street lighting.

Water

Maintenance of water reticulation systems, including the purchase and supply of bulk water.

Sewerage

Maintenance of sewerage reticulation systems; treatment and disposal of sewerage.

Stormwater

Maintenance and provision of stormwater reticulation systems.

Waste Management

Collection, handling, processing and disposal of waste materials, operations of refuse disposal sites, waste transfer stations and recycling facilities.

Environmental Management

Protection and enhancement of the environment, maintenance of amenity through control of statutory nuisances, environmental health, and the control of animal nuisances.

Employment and Economic Development

Facilitation and development of local employment and economic initiatives, including streetscape improvements. Development and promotion of tourism and economic services within the municipal area.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

2. FUNCTIONS/ACTIVITIES OF THE COUNCIL (CONTINUED)

Development Services

Development services cover all planning and development control, building control and related regulatory and statutory matters.

Community Services

Operation of the Midlands Multi-Purpose Health Centre, the Home and Community Care Program, the provision of other aged care services; operation of youth employment and development programs; Library services; emergency services including the municipal Ambulance Service.

Recreational Services

Provision and maintenance of recreation and sport facilities, including public halls and swimming pool. Included in this activity are parks and reserves, town beautification and associated facilities.

Council/Corporate

Administrative support for the Council and operational branches, including secretarial, computer, financial, personnel and general administrative services.

Unclassified

All revenues and expenditure that cannot be attributed directly to one of the other listed functions. Includes carrying amount of non-current assets sold, State Government levies and contributions and Councillors emoluments.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

3. DEPRECIATION AND AMORTISATION EXPENSE

Depreciation and amortisation expense was charged in respect of:

	2010 \$'000	2009 \$'000
Depreciation		
Buildings	174	203
Plant, Machinery & Equipment	263	252
Office Furniture & Equipment	30	31
Minor Plant	8	7
Roads	2,152	2,152
Water Assets	0	161
Sewerage Assets	0	66
Waste Management Assets	18	16
Stormwater Assets	23	22
Bridges	360	370
	<hr/> <u>3,028</u>	<hr/> <u>3,280</u>
Amortisation		
Valuation Fees	26	0
Software	21	25
Total Depreciation & Amortisation	<hr/> <u>3,075</u>	<hr/> <u>3,305</u>

4. BORROWING COSTS

Gross Interest Paid/Payable	55	78
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5. OTHER EXPENSES

Other expenses include:

Auditor's Remuneration	27	22
Audit Services	109	110
Councillors Allowances	60	41
Other	<hr/> <u>196</u>	<hr/> <u>173</u>



NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

6. MATERIALS & CONTRACTS

	2010 \$'000	2009 \$'000
Advertising	34	44
Bank Charges and Commissions	22	18
Chemicals (Water Operations)	0	21
Computer System Operations	108	97
Consultancies	160	189
Donations and Grants	73	79
Household Garbage & Recycling Collection Contract	139	122
Insurance Premiums	56	68
Internal Plant Hire	231	283
Land Tax	42	30
Plant & Machinery Hire (External)	189	160
Power Costs (includes street lighting)	135	164
Subscriptions and Publications	53	50
Telecommunications	43	59
Waste Transfer Station, Waste Transport and Disposal Contracts	169	165
Valuation Fees (Supplementary Valuations)	11	23
Water Purchases	9	346
Other	566	679
Total Materials & Contracts	2,040	2,597

7. INVESTMENT IN SOUTHERN (HOBART) WATER

In February of 2008 State and Local Government reached agreement to establish three, Local Government owned, vertically integrated businesses providing bulk, distribution and retail water and sewerage services, and a common service provider subsidiary company. The *Water and Sewerage Corporations Act 2008* (Corporations Act) was subsequently enacted and received Royal Assent on 13 June 2008.

Full transfer of water and sewerage assets, liabilities and staff to the new corporations took place on 1 July 2009. From that date, responsibility for the provision of water and sewerage services moved from local councils to three new regional water and sewerage corporations (trading as Cradle Mountain Water, Ben Lomond Water and Southern Water). A fourth company provides common services and support to the three regional corporations.

Southern Midlands Council's ownership interest in the Hobart Regional Water Authority, trading as Hobart Water, was transferred to Southern Water from 1 July 2009. The following assets and liabilities relating to water and sewerage were transferred to Southern Water. Council's opening ownership interest in the new corporation is represented by the net assets transferred.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

	\$'000
Cash and cash equivalents	36
Inventories	17
Land	501
Buildings	1,701
Water infrastructure	5,040
Sewerage infrastructure	1,792
Plant, machinery and equipment	82
Work in Progress	6
Investment in Hobart Water	2,692
Financial Liabilities	(518)
Employee provisions	(38)
Net assets transferred	11,311

At 30 June 2010, Council has an ownership interest of 1.2% (based on the 2009 Draft Treasurer's Returns Allocation Order) in Southern Water. At the time of preparation of this report the Treasurer was yet to finalise the Order. Council does not have significant influence to allow it to use the equity method to account for this interest.

It has classified this asset as an Available-for-Sale financial asset as defined in AAB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial statements.

There is no active market for the investment and so it is valued at Council's share of total equity as at each balance date. Changes in the fair value are recognised as revenue or expense in the Comprehensive Income Statement each year. Council's investment is disclosed on the face of the Balance Sheet with the value being determined as disclosed above. Dividends received from Southern Water are brought to account as income is received.

Council's share of the Corporation's net assets at 30 June 2010 is \$10.989 million.

	2010	2009
	\$'000	\$'000
Balance 1 July	2,692	2,445
Net assets transferred 1 July 2009	8,619	-
Change in fair value of investment	(322)	247
Balance 30 June	10,989	2,692

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

8. LOSS FROM DISPOSAL / RETIREMENT OF NON-CURRENT ASSETS

	2010 \$'000	2009 \$'000
Net proceeds from disposal of non-current assets	324	390
Carrying amount of non-current assets retired	331	407
Net profit (loss)	(7)	(17)

9. CURRENT ASSETS
a) Cash and Cash Equivalents

Cash at bank and on hand	1,407	1,369
Term deposits	7,050	5,657
	8,457	7,026

b) Restricted Cash and Other Financial Assets

Cash and cash equivalents – unrestricted	7,988	6,617
Subject to external restrictions :		
Current long service leave	369	306
Non-current long service leave	100	103
	8,457	7,026



NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

10. CURRENT ASSETS - RECEIVABLES

	2010	2009
Current Assets	\$'000	\$'000
Rates receivable	324	315
Other debtors	255	492
	<hr/> <u>579</u>	<hr/> <u>807</u>

Significant Terms and Conditions

Debtors of Council are required to settle their accounts within specified terms including:

Rate Debtors

Payment is required either by four instalments or alternatively within thirty days (which provides a discount of 1.1%). The discount provided is shown as an expense of the entity in the Income Statement. A penalty of 5% applies to any rate or charge that is not paid on or before the date it falls due and in addition to the penalty, interest under section 128 of the *Local Government Act 1993* will be charged at the rate of 9.5% per annum.

Other Debtors

Current Receivables - Payment is required within thirty days of issue of the account.

Non-Current Receivables - Payment in accordance with financing arrangement.

Should amounts remain unpaid outside the adopted payment options, Council will instigate collection proceedings in accordance with the provisions of the *Local Government Act 1993 (as amended)*.

**NOTES TO AND FORMING PART OF THE ACCOUNTS**

30 June 2010

11. NON-CURRENT ASSETS - LAND

	2010	2009
	\$'000	\$'000
Gross Carrying Amount		
Fair Value as at 1 July	4,664	1,990
Additions	23	57
Disposals	(50)	0
Transfer to Southern Water	(501)	0
Net Adjustment from Revaluation	0	2,617
Net Book Value 30 June – at fair value	4,136	4,664

Valuation of land was based on the Valuer-General's independent valuations as at 1st October 2008.

12. NON-CURRENT ASSETS - BUILDINGS

	2010	2009
	\$'000	\$'000
Gross Carrying Amount		
Fair Value as at 1 July	7,739	4,305
Additions	1,020	132
Disposals	(144)	0
Transfer to Southern Water	(1,978)	0
Net Adjustment from Revaluation	0	3,302
Balance at 30 June	6,637	7,739
Accumulated Depreciation		
Balance at 1 July	1,375	672
Net Adjustment from Revaluation	0	500
Disposals	(21)	0
Transfer to Southern Water	(277)	0
Depreciation expense for the year	174	203
Balance at 30 June	1,251	1,375
Net Book Value 30 June – at fair value	5,386	6,364

Valuation of buildings was based on the Valuer-General's independent valuations as at 1st October 2008.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

13. NON-CURRENT ASSETS - PLANT, MACHINERY AND EQUIPMENT

	2010 \$'000	2009 \$'000
Gross Carrying Amount		
At cost at 1 July	3,097	2,978
Additions	506	874
Disposals	(273)	(755)
Transfer to Southern Water	(107)	0
Balance at 30 June	<u>3,223</u>	<u>3,097</u>
Accumulated Depreciation		
Balance at 1 July	999	1,095
Disposals	(114)	(348)
Transfer to Southern Water	(25)	0
Depreciation expense for the year	262	252
Balance at 30 June	<u>1,122</u>	<u>999</u>
Net Book Value 30 June		
	<u>2,101</u>	<u>2,098</u>

14. NON-CURRENT ASSETS - MINOR PLANT

	2010	2009
Gross Carrying Amount		
At cost at 1 July	183	180
Additions	11	3
Balance at 30 June	<u>194</u>	<u>183</u>
Accumulated Depreciation		
Balance at 1 July	158	151
Depreciation expense for the year	8	7
Balance at 30 June	<u>166</u>	<u>158</u>
Net Book Value 30 June		
	<u>28</u>	<u>25</u>

15. NON-CURRENT ASSETS - OFFICE FURNITURE & EQUIPMENT

	2010	2009
Gross Carrying Amount		
At cost at 1 July	534	486
Additions	28	48
Disposals	0	0
Balance at 30 June	<u>562</u>	<u>534</u>
Accumulated Depreciation		
Balance at 1 July	408	376
Disposals	0	0
Depreciation expense for the year	30	32
Balance at 30 June	<u>438</u>	<u>408</u>
Net Book Value 30 June		
	<u>124</u>	<u>126</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

16. NON-CURRENT ASSETS - INFRASTRUCTURE ASSETS

	2009 \$'000	2008 \$'000
a) Roads		
Gross Carrying Amount		
Fair Value as at 1 July	95,265	105,885
Additions	767	1,214
Net Adjustment from Revaluation	0	(11,834)
Balance at 30 June	<u>96,032</u>	<u>95,265</u>
Accumulated Depreciation		
Balance at 1 July	46,883	50,123
Net Adjustment from Revaluation	0	(5,392)
Depreciation expense for the year	2,152	2,152
Balance at 30 June	<u>49,035</u>	<u>46,883</u>
Net Book Value 30 June – at fair value	<u>46,997</u>	<u>48,382</u>

Valuations of roads (including earthworks) were determined by an Engineer as at 30 June 2009. These valuations were based on fair value - current replacement value at that time.

b) Bridges

	2009	2008
Gross Carrying Amount		
At cost at 1 July	20,896	12,717
Additions	88	272
Net Adjustment from Revaluation	110	7,907
Disposals	0	0
Balance at 30 June	<u>21,094</u>	<u>20,896</u>
Accumulated Depreciation		
Balance at 1 July	8,061	4,983
Disposals	0	0
Net Adjustment from Revaluation	(281)	2,709
Depreciation expense for the year	360	369
Balance at 30 June	<u>8,140</u>	<u>8,061</u>
Net Book Value 30 June – at fair value	<u>12,954</u>	<u>12,835</u>

Valuations of bridges (including earthworks) were determined by consulting engineers Tas Span as at 24 May 2010. These valuations were based on fair value - current replacement value at that time.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

**16. NON-CURRENT ASSETS - INFRASTRUCTURE ASSETS
 (CONTINUED)**

	2010 \$'000	2009 \$'000
c) Water assets		
Gross Carrying Amount		
Fair Value as at 1 July	10,196	10,131
Additions	0	65
Transfer to Southern Water	<u>(10,196)</u>	<u>0</u>
Balance at 30 June	<u>0</u>	<u>10,196</u>
Accumulated Depreciation		
Balance at 1 July	5,156	4,995
Transfer to Southern Water	<u>(5,156)</u>	<u>0</u>
Depreciation expense for the year	<u>0</u>	<u>161</u>
Balance at 30 June	<u>0</u>	<u>5,156</u>
Net Book Value 30 June – at fair value	<u>0</u>	<u>5,040</u>

Valuation of water assets were determined by Council's Municipal Engineer as at 1st July 2005. These valuations were based on fair value - current replacement value.

Water assets with a written down value of \$5.040 million were transferred to Southern Water on 1 July 2009.



NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

16. NON-CURRENT ASSETS - INFRASTRUCTURE ASSETS (CONTINUED)

	2010 \$'000	2009 \$'000
d) Sewerage assets		
Gross Carrying Amount		
Fair Value as at 1 July	3,175	3,163
Additions	0	12
Transfer to Southern Water	<u>(3,175)</u>	0
Balance at 30 June	<u>0</u>	<u>3,175</u>
Accumulated Depreciation		
Balance at 1 July	1,383	1,317
Transfer to Southern Water	<u>(1,383)</u>	0
Depreciation expense for the year	0	66
Balance at 30 June	<u>0</u>	<u>1,383</u>
Net Book Value 30 June – at fair value	<u>0</u>	<u>1,792</u>

Valuation of sewerage assets were determined by Council's Municipal Engineer as at 1st July 2005. These valuations were based on fair value - current replacement value.

Sewerage assets with a written down value of \$1.792 million were transferred to Southern Water on 1 July 2009.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

**16. NON-CURRENT ASSETS - INFRASTRUCTURE ASSETS
(CONTINUED)**

	2010 \$'000	2009 \$'000
e) Stormwater assets		
Gross Carrying Amount		
Fair Value as at 1 July	1,346	1,317
Additions	8	29
Balance at 30 June	<u>1,354</u>	<u>1,346</u>
Accumulated Depreciation		
Balance at 1 July	430	408
Depreciation expense for the year	23	22
Balance at 30 June	<u>453</u>	<u>430</u>
Net Book Value 30 June – at fair value	<u>901</u>	<u>916</u>
Valuation of stormwater assets were determined by Council's Municipal Engineer as at 1st July 2005. These valuations were based on fair value - current replacement value.		
f) Waste Management assets		
Gross Carrying Amount		
At cost at 1 July	188	174
Additions	9	14
Disposals	0	0
Balance at 30 June	<u>197</u>	<u>188</u>
Accumulated Depreciation		
Balance at 1 July	64	48
Depreciation expense for the year	18	16
Balance at 30 June	<u>82</u>	<u>64</u>
Net Book Value 30 June	<u>115</u>	<u>124</u>
Infrastructure Assets - Net Book Value 30 June	<u>60,967</u>	<u>69,089</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

17. NON-CURRENT ASSETS - HERITAGE

	2010	2009
	\$'000	\$'000
Gross Carrying Amount		
Heritage Assets – Cost as at 1 July	80	80
Net Book Value 30 June		
	80	80

18. NON-CURRENT ASSETS - WORK IN PROGRESS

Work in progress at cost	2,195	1,352
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Work in progress represents capital works not completed and not ready for use as at 30 June 2010. Therefore, depreciation has not been charged against these amounts

19. NON-CURRENT ASSETS – INTANGIBLES –SOFTWARE & VALUATION FEES

	2010	2009
	\$'000	\$'000
Gross Carrying Amount		
At cost at 1 July	235	110
Additions	16	125
Balance at 30 June	251	235
Accumulated Amortisation		
Balance at 1 July	72	47
Amortisation expense for the year	46	25
Balance at 30 June	118	72
Net Book Value 30 June		
	133	163

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

20. CURRENT LIABILITIES - PAYABLES

	2010 \$'000	2009 \$'000
Current Liabilities		
Payables and accruals	488	375
GST Payable	0	0
Payroll tax and workers compensation on employee entitlements	43	40
	<hr/>	<hr/>
	531	415

Significant Terms and Conditions

Payables are generally settled within specified trading terms or thirty days whichever is the earlier.

21. CURRENT LIABILITIES – INTEREST BEARING LIABILITIES

Borrowings – Bank	96	179
	<hr/>	<hr/>
	96	179

Significant Terms and Conditions

The loans of Council are secured by trust deed. In accordance with Section 80 of the *Local Government Act 1993*, the borrowing capacity of Council is limited to:

- Except with the approval of the Minister, a council may not borrow additional money for any purpose if the annual payments required to service the total borrowings would exceed 30% of its revenue of the preceding financial year.
- Grants made to a council for specific purposes are to be excluded in calculating 30% of revenue of the council.

The current annual payments of loans by Council, based on the debenture loan schedules, equate to 1.27 % of the revenue for the preceding year.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

22. CURRENT LIABILITIES - PROVISIONS

	2010 \$'000	2009 \$'000
Employee entitlements:		
Annual leave	330	312
Long service leave	369	306
Other leave	144	128
EBA gratuity payments	71	64
	<hr/> <hr/> 914	<hr/> <hr/> 810

23. NON-CURRENT LIABILITIES – INTEREST BEARING LIABILITIES

Borrowings – Bank	905	1,274
	<hr/> <hr/> 905	<hr/> <hr/> 1,274

Security for Borrowings

The bank loans are secured over the general rates of the Council.

Credit Standby Arrangements

Bank overdraft limit – Online Payroll Facility	60	60
Funds already accessed	0	0
Business Credit Cards	3	8
Funds already accessed	0	0
Total amount of credit unused	<hr/> 63	<hr/> 68

Refer to Note 21 for disclosure in relation to *Significant Terms and Conditions*.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

24. NON-CURRENT LIABILITIES - PROVISIONS

	2010 \$'000	2009 \$'000
Employee entitlements:		
Long service leave	100	103
Total Employee Entitlements	<u>1,014</u>	<u>913</u>

Number of Employees

Council had 42 full-time equivalents (FTEs) at 30 June 2010 (2009: 45).

25. RESERVES

a) Composition

Asset Revaluation Reserve	50,962	50,570
Bridge Maintenance Reserve	1,666	1,666
Other Reserves		
Plant Replacement Reserve	686	686
Capital Works Reserve	1,239	1,239
Quarry Reinstatement Reserve	31	31
Public Open Space Reserve	29	29
Water and Sewerage Capital Reserve	172	172
	<u>54,785</u>	<u>54,393</u>

b) Movements

Asset revaluation reserve

Balance at the beginning of the financial year	50,570	46,396
Revaluation of land assets	0	2,617
Revaluation of building assets	0	2,801
Revaluation of road assets	0	(6,442)
Revaluation of bridge assets	392	5,198
Revaluation of water assets	0	0
Revaluation of sewerage assets	0	0
Revaluation of stormwater assets	0	0
Balance at the end of the financial year	<u>50,962</u>	<u>50,570</u>

Bridge Maintenance Reserve

Balance at the beginning of the financial year	1,666	1,496
Amount transferred from accumulated surplus	0	170
Balance at the end of the financial year	<u>1,666</u>	<u>1,666</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

25. RESERVES (CONTINUED)

	2010 \$'000	2009 \$'000
Other Reserves		
Plant Replacement Reserve		
Balance at the beginning of the financial year	686	607
Amount transferred to accumulated surplus	0	0
Amount transferred from accumulated surplus	0	79
Balance at the end of the financial year	<u>686</u>	<u>686</u>
Capital works reserve		
Balance at the beginning of the financial year	1,239	1,239
Balance at the end of the financial year	<u>1,239</u>	<u>1,239</u>
Quarry reinstatement reserve		
Balance at the beginning of the financial year	31	31
Balance at the end of the financial year	<u>31</u>	<u>31</u>
Public open space reserve		
Balance at the beginning of the financial year	29	29
Balance at the end of the financial year	<u>29</u>	<u>29</u>
Water & Sewerage capital reserve		
Balance at the beginning of the financial year	172	172
Balance at the end of the financial year	<u>172</u>	<u>172</u>
Total Other Reserves	<u>2,157</u>	<u>2,157</u>

The Asset Revaluation Reserve is used to record increments and decrements on the revaluation of Council's property, plant and equipment. The purpose of all other reserves is the replacement and maintenance of the associated assets.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

26. COMMITMENTS FOR EXPENDITURE

a) Capital Commitments

The Council had contracted but not incurred capital expenditure totalling \$161,500 which will be paid within the 2010-2011 period. It is not recognised in

The Council had no material commitments under operating leases at the reporting date.

c) Finance Lease Commitments

The Council had no commitments under finance leases at the reporting date.

27. COMMITTEES

Pursuant to Section 84(d) of the *Local Government Act 1993*, these Statements include transactions for the following Special Committees:

Committee:	2010 \$'000	2010 \$'000	2010 \$'000
	Revenue	Expenses	Balance
Campania Halls Committee	11	5	13
Colebrook Hall Committee	0	0	2
Woodsdale Hall Committee	3	3	5
Oatlands Community Hall Committee	2	3	3
Woodsdale Recreation Ground Committee	0	0	0
Colebrook Recreation Ground Committee	0	0	2
Parattah Recreation Ground Committee	9	4	11
Lake Dulverton Management Committee	1	0	3
Callington Park Committee	0	1	0
Parattah Railway Committee	0	0	1
Oatlands Spring Festival Committee	22	19	9
	48	35	49

These committees raise their own funds and make their own decisions, maintain their own books and records, and operate separate bank accounts. They do not conduct financial transactions with Council. Their transactions and bank balances have been consolidated into these accounts.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

28. SUPERANNUATION

The Southern Midlands Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the Quadrant Superannuation Scheme. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 32(b) of AASB 119, Council does not use defined benefit accounting for these contributions.

At the present time Council contributes 9.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Benzulla Actuarial Pty Ltd undertook the last actuarial review of the Fund at 30 June 2008. The review disclosed that at that time the net market value of assets available for funding member benefits was \$84,786,241, the value of vested benefits was \$77,075,401, the surplus was \$7,707,840, and the value of total accrued benefits was \$81,398,000. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Scheme's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

Net Investment Return	-17.0% p.a. for 2008/09 and 7.0% p.a. thereafter
Salary Inflation	4.0% pa
Price Inflation	n/a

In the opinion of the Actuary, the Quadrant Defined Benefit Fund was adequately funded in that assets were sufficient to cover the vested benefits of all members at the review date and the actuarial value of accrued past service benefits.

At 30 June 2009, the net market value of assets available for funding member benefits had fallen to \$58,450,000 largely due to the poor investment returns that were experienced during the 2009 financial year. The value of vested benefits at that date was \$64,350,000 resulting in a shortfall of \$5,900,000. When the Fund's assets are below the vested benefits, superannuation law defines this as an "unsatisfactory financial position". As a result of the Fund moving into an unsatisfactory financial position, the Quadrant Trustee prepared a plan to restore the financial position within a reasonable time frame. This plan noted the improved investment returns since 30 June 2009 and confirmed that the 9.5% contribution rate remained appropriate.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

28. SUPERANNUATION (CONTINUED)

The next full triennial review will be undertaken after 31 October 2011 for 30 June 2011.

Council also contributes to other accumulation schemes on behalf of a number of employees, however the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

During the reporting period the amount of contributions paid to defined benefits schemes was \$218,458 (2008-09 \$233,905), and the amount paid to accumulation schemes was \$49,448 (2008-09, \$45,266).

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

**29. RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES
TO SURPLUS FROM OPERATIONS**

	2010 \$'000	2009 \$'000
Surplus (Deficit) for the period	815	728
Depreciation and amortisation	3,075	3,305
Capital Grants	(1,860)	(1,229)
Payment to Southern Water	37	0
Increase (Decrease) in employee provisions	101	118
Increase (Decrease) in payables	116	97
(Increase) Decrease in debtors and prepayments	227	(62)
(Increase) Decrease in stores and materials	22	31
* (Gain) Loss on disposal of non-current assets	7	17
Net cash from (used in) operating activities	<u>2,540</u>	<u>3,005</u>
 * (Gain) Loss on disposal of non-current assets		
Proceeds from Sales	324	390
Less carrying amount of assets sold or retired	(331)	(407)
Gain (Loss) on Sale	<u>7</u>	<u>(17)</u>

30. RELATED PARTY TRANSACTIONS

(a) Allowances and Reimbursements	122	110
 (b) Register of Interests – 2009/10		
Interests of Councillors notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.		
 Councillor & Position		
Mayor A E Bisdee OAM	No interest declared.	
Deputy Mayor J L Jones OAM	No interest declared.	
Clr C J Beven	No interest declared.	
Clr B Campbell (October 2009 to date)	No interest declared.	
Clr M Connors	No interest declared.	
Clr D F Fish	No interest declared.	
Clr M Jones OAM	No interest declared.	
Clr A O Green	No interest declared.	
Clr H M Scott OAM	No interest declared.	
Clr D F Thompson (retired October 2009)	No interest declared.	

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

31. FINANCIAL INSTRUMENTS

a) Risk Exposures and Mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, those being currency risk, interest rate risk and other price risk. Council's exposure to or management of these risks has not changed since the previous period.

Components of market risk to which we are exposed are discussed below.

Currency Risk:

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Council has established a Foreign Currency Account through the Commonwealth Bank and invested sufficient funds in Great British Pounds to meet the remaining payments under the Contract with Traditional Millwrights Ltd relating to the Callington Mill. There is no market risk of fluctuation as the Contract is also in Great British Pounds.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument, or cash flows associated with the instrument, will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

a) Risk Exposures and Mitigation (continued)

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1993. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Other Price Risk:

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Council is not aware of having any exposure to this risk.

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating.

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables. In addition, receivable balances are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

a) Risk Exposures and Mitigation (continued)

Amounts owing in relation to rates are secured by a charge over the land to which the debts relate. Debtors other than rate debtors have not been written off or written down during the reporting period.

Council generally diversifies its investments and restricts investments to entities with Standard and Poor's long term credit ratings of BBB+ or better, or short term credit ratings of A.1 or better.

There has been no change in Council's exposure to or management of this risk since the previous period.

Ageing of Trade and Other Receivables

The following table provides an ageing of Council's trade and rate receivables at the reporting date:

<i>Trade receivables</i>	30 June 2010		30 June 2009	
	Gross \$'000	Impairment \$'000	Gross \$'000	Impairment \$'000
Not past due	18	-	15	-
Past due 0-30 days	37	-	216	-
Past due 31-60 days	8	-	(1)	-
Past due 61-90 days	39	-	2	-
More than 90 days	145	-	171	-
Total trade receivables	247	-	403	-
Water Meter Debtors	7	-	89	-
Rates receivable	325	-	315	-
Total receivables	\$579	\$ -	\$807	\$ -

Ageing of individually impaired Trade and Other Receivables

A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. No allowance for impairment in respect of rate and trade receivables has been recognised at 30 June 2010. Some of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

a) Risk Exposures and Mitigation (continued)

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- . we will not have sufficient funds to settle a transaction on the date;
- . we will be forced to sell financial assets at a value which is less than what they are worth; or
- . we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

- . have readily accessible standby facilities and other funding arrangements in place;
- . monitor budget to actual performance on a regular basis; and
- . set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

A maturity analysis is included in part b) of this note. It's exposure to or management of this risk has not changed since the previous period.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

b) Interest Rate Risk Exposure

The Council's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments at balance date is:

2009-2010	WAEIR 2010	Floating interest rate	1 year or less	1 to 5 years	over 5 years	Non interest bearing	Total
			\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash	1.00%	1,407					1,407
Investments	4.00%		7,050				7,050
Receivables						324	324
- Rates						255	255
- Other							
Investment in Southern Water						10,989	10,989
Total Financial Assets – 2009			1,407	7,050	0	0	11,568
							20,025
Liabilities							
Interest Bearing Liabilities	6.08%		96				96
Interest Bearing Liabilities	6.29%			433			433
Interest Bearing Liabilities	6.47%				472		472
Payables						488	488
Accruals						43	43
Total Financial Liabilities – 2010			0	96	433	472	531
							1,532
Net Financial Assets/ (Liabilities) – 2010			1,407	6,954	(433)	(472)	11,037
							18,493

WAEIR - weighted average effective interest rate.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

b) Interest Rate Risk Exposure (Continued)

2008-2009	WAEIR 2009	Floating interest rate	1 year or less	1 to 5 years	over 5 years	Non interest bearing	Total
			\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash	1.84%	1,369					1,369
Investments	5.30%		5,657				5,657
Receivables							
- Rates						315	315
- Other						492	492
Investment in Hobart Water						2,692	2,692
Total Financial Assets – 2009		1,369	5,657	0	0	3,499	10,525
Liabilities							
Interest Bearing Liabilities	6.32%		179				179
Interest Bearing Liabilities	6.42%			679			679
Interest Bearing Liabilities	6.03%				595		595
Payables						375	375
Accruals						40	40
Total Financial Liabilities – 2009		0	179	679	595	415	1,868
Net Financial Assets/ (Liabilities) – 2009		1,369	5,478	(679)	(595)	3,084	8,657

WAEIR - weighted average effective interest rate.

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

c) Net Fair Value

The aggregate net fair value of Council's financial assets and financial liabilities is as follows:

	<i>Actual</i> <i>2010</i>		<i>Actual</i> <i>2009</i>
	Carrying amount \$'000	Aggregate net fair value \$'000	Carrying amount \$'000
Financial assets			
Cash and cash equivalents	8,457	8,457	7,026
Receivables	579	579	807
Investment in Southern (Hobart) Water	10,989	10,989	2,692
Total	20,025	20,025	10,525
Financial liabilities			
Payables	531	531	415
Interest bearing liabilities	1,001	1,084	1,453
Total	1,532	1,615	1,868
Net financial assets/liabilities	18,493	18,410	8,657

Aggregate net fair value is calculated using a discount rate equal to the average of mid rates of Commonwealth Government securities maturing on or near 30 June each year for the next 10 years.

	30 June 2010	30 June 2009
Carrying amounts classified as:	\$'000	\$'000
<i>Financial assets</i>		
Cash and cash equivalents	8,457	7,026
Loans and receivables	579	807
Available for sale financial assets	10,989	2,692
	20,025	10,525
<i>Financial liabilities</i>		
Financial liabilities measured at amortised cost	1,532	1,868
	1,532	1,868
Net financial assets / (liabilities)	18,493	8,657

NOTES TO AND FORMING PART OF THE ACCOUNTS
30 June 2010

d) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- . Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
- . Level 2 - inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- . Level 3 - inputs for the asset or liability that are not based on observable market data

30 June 2010	Level 1	Level 2	Level 3	Total
Available for sale financial assets	-	-	10,989	10,989

There were no transfers between Level 1 and 2 in the period.

Reconciliation of Level 3 Fair Value Movements

	2010
	\$
Opening balance	2,692
Investment on transfer of net assets	8,619
<i>Gains (losses) recognised in other comprehensive income:</i>	
Change in fair value of investment in Southern Water	(322)
Closing balance	10,989

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

e) Sensitivity Analysis

At balance date Council had the following mix of financial assets and liabilities exposed to interest rate risk:

	2010	2009
	\$'000	\$'000
Financial Assets		
Cash and cash equivalents	8,457	7,026
Financial Liabilities		
Interest bearing liabilities	(1,001)	(1,453)
Net Exposure	7,456	5,573

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of +1% and -0.5% in market interest rates (AUD) from year-end

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

	2010	2009
	\$'000	\$'000
Net result		
+ 1 %	75	56
- 1 %	(75)	(56)
Equity		
+ 1 %	75	56
- 1 %	(75)	(56)

f) Accounting Policies

Accounting policies in respect of financial assets and financial liabilities are disclosed in note 1.

g) Terms and Conditions

There are no terms and conditions associated with financial assets or financial liabilities which may significantly affect the amount, timing or certainty of future cash flows.

NOTES TO AND FORMING PART OF THE ACCOUNTS

30 June 2010

32. SIGNIFICANT BUSINESS ACTIVITIES

	Water	Water	Sewerage	Sewerage
	2010	2009	2010	2009
<u>Revenue</u>				
Rates	0	441,599	0	250,898
User Charges	0	386,218	0	0
Government Grants	0	0	0	0
Other	0	24,913	0	6,803
	0	852,730	0	257,701
<u>Expenditure</u>				
Direct				
Employee Costs	0	154,506	0	36,663
Materials & Contracts	0	219,309	0	93,730
Interest	0	22,861	0	13,499
Purchase of Water	0	345,579	0	0
Other	0	5,274	0	4,179
	0	747,529	0	148,071
Indirect				
Engineering & Administration	0	77,461	0	77,461
Capital Costs				
Depreciation	0	192,202	0	74,465
Opportunity Cost of Capital	0	535,600	0	203,762
	0	727,802	0	278,227
Competitive Neutrality Costs	0	9,607	0	6,357