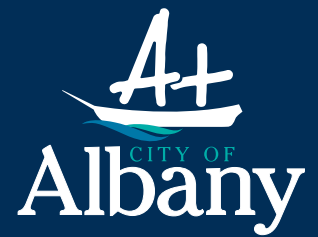


CITY OF ALBANY

2002-2003

A N N U A L R E P O R T



Mayor's Report	3
Chief Executive Officer's Report.....	4
Vision, Mission and Values Statement.....	5
City of Albany Council.....	6
City's Features.....	6
Organisational Structure	8
Expenditure Overview: 2002-2003	9
The Year Ahead - 2003-2004 Overview	10
Divisional Reports (Key Achievements/Projects for 2002-2003)	
Development Services	
• Strategic Planning	11
• Planning	12
• Building	12
▫ Inspection and Compliance	13
• Health	13
• Ranger Services	13
Works and Services	
• Asset and Client Services	14
• Trades and Building	14
• Parks and Reserves	15
• Sanitation and Litter	15
• Waste and Recycling.....	16
• Urban Maintenance	16
• Rural Maintenance	16
• Workshop.....	17
• Construction of Major Roads	17
• Other Works	18
• Weedbusters.....	18
Corporate Services	
• Customer Service	19
• Community Development.....	20
• IT System	22
• Albany Leisure and Aquatic Centre.....	22
• Princess Royal Forts	22
• Albany Town Hall	23
• Great Southern Regional Cattle Saleyards	25
• Vancouver Arts Centre	26
• Finance and Rates	27
• Albany Public Library and Local Studies	27
• Albany Regional Day Care Centre.....	28

Table of Contents

General Management Services	
• Economic Development	29
• Human Resources and Staff Development	32
Charting Our Course	33
National Competition Policy	39
Principal Activities Report	41
Financial Statement and Auditors Report	45



Annual Report 2003

It is again my sincere pleasure to present the Annual Report for the City of Albany for the 2002/2003 financial year.

In May 2003 I was extremely proud to be re-elected as your Mayor for a second four-year term and thank the community for showing such confidence in me once again. I am pleased that I will be able to see through to conclusion some of the major projects commenced during the first four years of the City of Albany.

One of the main milestones for the City of Albany during the year was the re-development of the Albany Public Library in conjunction with the University of Western Australia. Since March 2003, we now have a first class facility that will serve both the community and the students at the local UWA Albany Centre well into the future. The library provides a comfortable learning environment as well as a program of activities designed to keep both young and mature minds active.

In September 2002 another milestone for Albany was achieved with the opening of the totally refurbished Albany Plaza Shopping Centre. Opening 2 months ahead of schedule and offering shoppers and retailers alike a bright, innovative and refreshing experience, Albany Plaza now houses an extensive selection of shopping options.

I am also pleased to say that after much deliberation and with the continued consultation with the community significant progress has been made during the last 12 months towards the Albany Boat Harbour and the City of Albany's new Administration Centre projects. Both of these require substantial capital expenditure and with prudent funding decisions being made I am confident that the financial viability is secure.

The City of Albany was instrumental in initiating some important and historic achievements for the community this year. In March 2003 the City of Albany Aboriginal Accord was signed with the local Noongar community. This is an outstanding vehicle for reconciliation and to ensure that we work closely in partnership with the traditional owners of this land, sharing with them economic and social prosperity. We were proudly the first Western Australian local government body to adopt such an agreement and its associated action plan.

Closely following this, the Mayor of the City of Gallipoli and I signed an historic Friendship Agreement between our two cities in Albany on ANZAC Day 2003. The expected benefits of the agreement are the strengthening of cultural relationships between Albany residents (including schools) and increased tourism development (particularly around ANZAC day). The relationship will also enhance the City's prospects of achieving a wider objective to recognise Albany as Australia's 'ANZAC Capital'.

I was thrilled when that the City of Albany won awards in all categories at the WALGA 2002 Best Practice Awards on Friday 8th November. These were:

- Communication - for the Strategic Bushfires Plan,*
- Customer Service - Whole Customer Service Framework,*
- Innovation - 2020 Strategic Management,*
- Performance Measurement - 2020 Scorecard*
- Process Management - Review of Planning Processes, and*
- Whole of Organisation Award.*

Out of the 160 Councils who entered the awards, only five Councils won Whole of Organisation Best Practice Award, and the City of Albany is the first and only regional Council to ever do so. This is an endorsement of the hard work that all City staff has put in over the past few years. I am proud to be leading such a professional and dedicated team of people and I thank them all sincerely for their efforts.

In closing I would like to thank all Councillors both past and present who also contributed with healthy debate and qualified decision-making during the year. I look forward to working alongside them as we focus on a sustainable and prosperous future.

Thank you.

A handwritten signature in cursive script that reads "Alison Goode".

*Alison Goode JP
Mayor*

Chief Executive Officer's Report



Welcome to the 2002/2003 City of Albany Annual Report. The City's strategic plan Albany 2020 Charting Our Course, continues to provide the organisation with direction and focus and has provided the mission for our elected representatives and staff to achieve the vision that we hold for our wonderful City.

The City's financial performance in the 2002/2003 financial year was a positive one and we effectively managed to limit rate increases to 5.9% whilst and the same time undertaking an extensive capital works program and delivering the core services that are expected by our community.

This first's annual report comes with some very important performance indicators covering a range of Council services and activities which I am sure will provide both members of the organisation and community with an effective measurement of how well the City manages its assets and delivers its services on behalf of the community.

It was indeed a pleasure to achieve recognition from the Western Australian Local Government Association of Best Practice in Local Government across the whole of our organisation at the Western Australian Local Government Association Awards in November 2002.

This recognition came after extensive judging and assessment by independent bodies over all the core function of the organisation and I congratulate all staff and Councillors that have been so committed to the achievement of this accreditation in such a short time since the amalgamation of the Town and Shire Councils.

The City will continue to maintain its approach to Best Practice in all areas of its operations and remains committed to the concept of sustainability that demonstrates a commitment to social and economic development with environmental accountability.

The organisation has achieved many worthwhile outcomes in the year under the review and I look forward to our continued organisational growth and development.

My thanks go to Her Worship the Mayor, Alison Goode, Council members and our outstanding staff for their dedication and loyalty to the City of Albany.

Thank you.

A handwritten signature in blue ink, appearing to read 'Andrew Hammond', written in a cursive style.

Andrew Hammond
Chief Executive Officer



Vision Statement

The superbly located rural city of Albany will be a safe, caring community in harmony with its natural environment, historic past, prosperous hinterland and unique sense of place.

Future generations will enjoy a quality lifestyle and benefit from a range of educational, recreational and cultural experiences, sustainably managed environments and a diverse robust economy.

Mission Statement

As trustees for Albany's future on behalf of our diverse communities, your council will be a customer driven organisation committed to service and on-going communication in order to evaluate and respond to changing community needs and expectations. We will...

- Provide decisive leadership.
- Advocate strongly to maximise opportunities offered by external influences and to minimise any adverse impacts.
- Establish and encourage a culture of innovation and enterprise.
- Responsibly manage Council's services and assets.
- Promote the development of dynamic, diverse and sustainable rural and urban communities.
- Promote a positive attitude towards the sustainable management and use of all resources.
- Encourage a diverse range of industry, business and investment throughout our region.
- Advocate and provide for strong, sound and accessible infrastructure.

Values Statement

We are proud of Albany. We work towards the City of Albany vision in the knowledge that Albany is the best place. Our other values are...

Trust

- Council is honest, open and accountable.

Respect

- We treat each other with respect at all times. We are courteous and value other opinions.

Teamwork

- We work together to achieve positive outcomes and respect the democratic decision making process.

Responsiveness

- We respond to issues promptly and encourage community involvement.

Service

- We exist to serve our customers and seek to continually improve all that we do.

Best Practice

- We conduct ourselves professionally at all time. We expect and reward innovation. We develop and resource our people to achieve the City's Mission.



Breaksea Ward
Cr Paul Lionetti

Cr Tony Demarteau

Frederickstown Ward
Cr Jan Waterman

Cr Dennis Wellington

Hassell Ward
Cr Elizabeth Barton

Cr Ian West



Kalgan Ward
Cr Merryn Bojcun

Cr Bob Emery

West Ward
Cr Des Wolfe

Cr Diane Evers

Vancouver Ward
Cr Gwen Sankey

Cr Roley Paver



Yakamia Ward
Cr Milton Evans JP

Cr Judith Williams

City Features and Overview

The City of Albany, the first European settlement in Western Australia, is located 409kms south of Perth and covers an area approximately 4,315 square kms. With a diverse range of rural and urban land uses, Albany's features include a spectacular natural landscape with its distinct granite ridges, hills and pristine coastline. Other primary features such as its heritage buildings, watercourses and vegetation combine to give Albany its unique visual character.

The regional centre of the Great Southern, Albany has a population of approximately 30,279, which is projected to increase to 36,500 by the year 2016.

The City, after four years of strategic planning - both organisational and fiscal, is now starting to reap the benefits of the amalgamation of the former Town and Shire of Albany.

Council in its budget for 2001/2002 and current financial

year, dedicated a combined total of \$33.9 million on the capital works program, with \$17.7 million committed for the construction and preservation of the City's local road network.

The City is now in a much better position, to concentrate on special projects such as the Roads Program, Waste Minimisation Strategy and completion of Stage One of the Library Redevelopment whilst maintaining a balanced budget.

This has all been carefully achieved without reducing the level of services to the community.

Elections are held every two years on the first Saturday in May and are subject to electoral procedures governed by the Local Government Act.

Although voting at Council elections is not compulsory, participation by residents in elections is greatly encouraged as it is fundamental to the effectiveness of local government. Residents not included on the State Electoral Roll should contact the Australian Electoral Commission.

Council meetings are held every third Tuesday of each month at the City of Albany's Mercer Road office with the exception of the March and September meetings, which is held at a rural venue. This initiative was introduced this year to encourage members of the community who lived outside of the centre of Albany and who would normally not be able to attend a Council meeting the opportunity to view and see their local government at work. The first meeting by Council to be held at a rural venue was at the Greenrange Country Club in September 2002.

Council meetings commence at 7:30pm and are open to the public. Council minutes are available for viewing at the City of Albany's York Street office, the Albany Public Library and on the City's website at www.albany.wa.gov.au



Citizenship Ceremony



Parks and Gardens

An Annual General Meeting of electors is held each financial year, notice of which is published in the local newspaper. Additional information about elections and the Council process is available from the City's York Street administration office.

The City of Albany is one of 144 Western Australian local councils, and in 2001/2002 had an operational budget of \$34 million. Employing around 205 full-time and part-time staff the City delivers a broad range of services to the community.



Recreation and Leisure Facilities

The services provided by the City include children, youth, aged and disability services; recreation and leisure facilities; events, arts and cultural activities; health and local laws; Council information and publications; citizenship, building and planning services; environmental programs; waste services; maintenance of roads, drains, gardens, parks and other physical assets; support to business and industry; and many more.



Sanitation

Organisational Structure



Andrew Hammond
Chief Executive Officer

- General Management Services
- Economic Development
- Corporate Planning & Development
- Community & Media Liaison
- Strategic Projects
- Human Resource Management



Robert Fenn
Executive Director
Development Services

- Land, Buildings & Property Development & Approvals
- Environmental Health
- Ranger Services
- Inspection Services
- Dog Licensing
- Bushfire Prevention



Peter Madigan
Executive Director
Corporate & Community
Services

- Finance
- Administration
- Rates, Payments & Accounts
- Community Development
- Information Technology
- Leisure & Aquatic Centre
- Albany Town Hall
- Albany Public Library
- Princess Royal Fortress
- Perth Dive Wreck
- Vancouver Arts Centre
- Recreation Development
- Regional Saleyards



Brett Joynes
Executive Director
Works & Services

- Design, Survey & Engineering
- Asset Management
- Parks and Reserves
- Roads
- Paths
- Drainage
- Waste Management & Recycling
- Harry Riggs Regional Airport
- Building Maintenance
- Bushcare



Expenditure Overview

2002/2003

The 2002/03 expenditure of \$36million included a capital works program of \$13.4million.

Council expended almost \$7 million in 2002/03 as a continuation of the City's focus on its comprehensive road program.

Some of the major road upgrades undertaken included:

The widening and reconstruction of Lower Denmark Road from George Street to Elleker \$1,425,000
Construction and sealing of Prescottvale Road \$88,000, Home Road \$92,000, and Dempster Road (Stage One) \$75,000; and the
Sealing of Le Grande Avenue \$159,000.

The 2002/03 Budget not only prioritised improvements to the City's local roads but also earmarked the City's pathways, parks and other basic infrastructure and amenities around the City for major works.

The City of Albany has been working towards reducing the amount of waste going to landfill within the City by developing a strategy that is both environmentally and economically sustainable. The City recognised that it cannot sustain the current practice of disposing waste into landfills, especially at the Hanrahan Road and Bakers Junction sites.

The City spent \$478,000 in the establishment of transfer stations which will, under the new waste strategy scheme, replace the use of rural landfills with a further \$70,000 spent on the Hanrahan Road site in preparation of its eventual closure. A focus on recycling was undertaken that would in the long term benefit the community and the generations that follow.

Other major budget initiatives included the implementation of the Pathway Master Plan with \$377,000 expended on a network of pathways from Bayonet Head to Lower King (Brewster to Griffiths Street, Lower King Road to Rycraft Drive as well as extensions to Chester Pass Road (from the creek to Hudson and Dunn to Newbey).

\$207,000 was spent on parks and reserves within the City. Work commenced on the Management Plans for Lange Park (with the construction of the playground and pathways); Lake Seppings (new car park), and Mt Clarence commenced implementation. In addition, \$113,000 was spent on playground equipment and safety surface for Middleton Beach and Becker Park in Lower King.

The City contributed \$50,000 towards the \$270,000 that will be spent on planning and environmental studies to enable the construction of a \$12.6million small boat harbour. The construction of the breakwaters and other infrastructure is expected to commence within 2 years and be funded by the State Government.

The City has allocated \$43,000 for the construction of the \$400,000 Community Resource Centre at Wellstead with funding received through various grant programs by the State and Commonwealth Government. The proposed centre will house a number of community groups at Wellstead including the telecentre, library, historical and heritage group, landcare, community room, visiting medical staff and rural transactions centre.

In accordance with the City's Strategic Bush Fire Plan \$252,000 was committed to the replacement of three fire appliances and maintaining equipment used by the City's Volunteer Bush Fire Brigades. The City of Albany and Fire and Emergency Services of Western Australia provided equal funding for the replacement vehicles.

The Year Ahead

2003/2004 Overview

The City has a total budget of \$39million for 2003/04 with the priority to continue to improve our local roads as well as our paths, parks and other basic infrastructure and amenities around the City. The total capital expenditure will be \$16.5 million.

Council is continuing to build on the work completed last year through its Roads MasterPlan. Total capital expenditure for 2003/04 on road upgrades and preservation is \$3.7million, of which \$1.2million is funded from external sources.



Programmed drainage works at a cost of \$300,000 will continue across the City. This includes works in areas such as Emu Point, Middleton Beach and York Street.

As part of the City's waste minimisation strategy the City has been working towards reducing the amount of waste going to landfill as well as providing a service that is both environmentally and economically sustainable. \$873,000 has been allocated towards the upgrading of the Hanrahan Road and Bakers Junction sites (weighbridges, waste oil and rehabilitation.) The refuse service charge is to increase by \$34.00 as the City commences its total waste minimisation strategy (estimated February commencement).

Just under half a million dollars will be spent on parks and reserves within the City. Areas of expenditure include: Lowlands Reserve; Frenchman Bay (Whalers Cove); Lake Seppings; Sandpatch Reserve; and playground equipment in three parks (Lakeside, Hull and Woodrise). In addition, \$200,000 has been allocated to the Emu Point Beach erosion works.

This is the second year of the implementation of the Pathway Master Plan with \$547,000 contributing towards a network of pathways from Little Grove to the City Centre (Stage 1), Middleton Road (Stage 1) and various preservation works including the replacement of the large-slab paths in the City over the next three years.

The City has allocated \$120,000 to the operations of the Albany Visitor Centre. Other tourism industry development initiatives will be supported through the Community Financial Assistance Program and ongoing marketing by using the Albany Advantage suite of materials produced in early 2003.

The Fire and Emergency Services Authority (FESA) has agreed to provide through the Emergency Services Levy Capital Works Program, the City of Albany with a new rural tanker and three fast attack appliances to the total value of \$440,000.

The number of aged persons units and group housing projects developed in the City has increased in response to the changing demographic trend. The City of Albany has committed \$71,000 to a study that will put in place the planning controls needed to facilitate housing choices for the future.

In response to disasters in the Eastern States in 2003, the City has increased spending on the installation of firebreaks upon Council reserves in urban areas to \$57,000.



Council has allocated \$240,000 to contribute towards the development of a new joint-use, multi-purpose youth recreation venue. The City is also providing land valued at \$135,000, which is located on Sanford Road.

Operational expenditure supports the day-to-day operations of Council and the provision of services such as your weekly refuse collection. The City has an operational budget of \$28.4million for 2003/04.

Key Achievements and Projects for 2002/2003

Development Services

Lower Great Southern Regional Strategy

The Lower Great Southern Regional Strategy is intended to provide a regional planning framework for the next 20 years over the City of Albany and the Shires of Cranbrook, Denmark and Plantagenet. Several position papers have been prepared by local governments and state agencies in this region, covering issues such as agricultural land suitability, water resources and coastal management. The depth of knowledge held by planning agencies on regional issues is considerable and the regional strategy has provided the catalyst for that information to be documented.

The Western Australian Planning Commission had originally intended to release the first draft of the Lower Great Southern Regional Strategy to the public for comment in March / April 2003, however the project is over 12 months behind the original scheduled release date. The City of Albany is expecting several of the key recommendations in the regional strategy to directly impact upon existing Council policies and ongoing planning initiatives.

Albany Local Planning Strategy

The Albany Local Planning Strategy will seek to set a broad direction for planning of the City of Albany over the next 20 years. This Strategy, unlike the Lower Great Southern Regional Strategy, will provide Albany residents with a visual road map on how individual suburbs will develop and how important economic, social and environmental initiatives will be addressed at the local level.

In 2001 the community was provided with details on how the urban area of Albany could potentially develop beyond the timeframe envisaged by the Albany Local Planning Strategy. Over 280 submissions were received during that initial consultation process and the community's comments are being used to modify that strategy.

Ongoing delays in the production of the Lower Great Southern Regional Strategy have directly impacted on the City's capacity to complete and release the second draft of the Albany Local Planning Strategy. Despite these setbacks, a number of important planning initiatives have recently been undertaken. Those initiatives include:

Rural Planning Issues Review

In progressing to a new District Town Planning Scheme, the City is required to classify rural land into three categories: land which has State and regional significance, general rural land and areas which are rural small holdings. Properties which fit into the latter two land categories have been identified by the City and conceptual planning over those areas is progressing. However, the City is waiting on the State to declare the significant rural land so that boundary adjustments can be made.



The responses received during the public consultation phase of the rural planning issues review highlighted that the rural community is divided on the extent to which rural land needs to be controlled. Conflicts between neighbours over noise, the application of chemicals and land usage already exist. With the increasing regulation of farming activities by the state government there has been a significant change in the way agricultural practices are being carried out. The City's strategy will be seeking to protect the general environment from inappropriate land use activities, whilst giving landowners the capacity to responsibly farm their land without interference from non-farming land uses on adjoining lots.

Defining Central Albany

Taylor Burrell Planning Consultants were awarded a contract to prepare a master plan over Albany's central business district, the residential areas on the slopes of Mount's Clarence and Melville and also the business areas south of North Road. This important heritage and business precinct requires an integrated plan to address visual amenity, car parking provision, traffic management, future growth, land use integration and heritage protection.

An issues paper is currently being completed, ready for a district wide consultation program in October 2003. With the assistance of feedback from the public, planning solutions will be prepared and a workshop undertaken to develop a master plan for Central Albany.

Yakamia Structure Plan

Allerding Burgess Planning Consultants were engaged to prepare a subdivision guide plan over the southern portion of the Yakamia growth area. The study boundary extends from North Road to Catalina Road and from the eastern fringe of the existing Yakamia urban development through to the Yakamia Creek. The study area has the potential to produce more than 2,500 residential allotments over the next 20 years.

Landowners affected by the structure plan received an initial briefing on the design constraints and the draft planning solution in August 2003. They have identified some shortcomings in the draft design and those are currently being addressed. Council expects to release the plan for public comment in November 2003 and to endorse a final structure plan over the area around March 2004.

Environmental Constraints Mapping

With the assistance of various government agencies, private companies and City of Albany staff, an electronic data base is now being assembled which will provide integrated mapping solutions to known environmental constraints within the City. Mapping has already been completed, or is underway on:

- Heritage sites in Albany
- Noise buffers surrounding the Albany port, speedway, airport, quarry and industrial areas.
- Odour buffer surrounding the Timewell Road sewer treatment plant.
- Floodplains on the Yakamia Creek, Lake Seppings, Elleker townsite, Wilson Inlet and Albany's harbours.
- Significant wetlands throughout the City.
- Vegetation communities throughout the City.
- Sites potentially subject to soil or groundwater contamination.

Transport Planning

The Department of Planning and Infrastructure has completed its report on the impacts associated with maintaining continuous road and rail access to the Albany port. The department has also produced a comprehensive computer model of predicted traffic volumes on the City's road network into the future. Both the model and the report are assisting the City to identify and plan for the long term road requirements of the City's urban area.

City of Albany District Town Planning Scheme

Council staff are compiling a consolidated Town Planning Scheme for the City of Albany to replace the former Town of Albany and Shire of Albany Town Planning Schemes, with both schemes remaining in force following the amalgamation process.

The consolidation of the two schemes will result in changes to the land use controls affecting individual properties and attempts are being made to minimise the degree of impact from those changes, whilst still ensuring that the new scheme is responsive to the future development of the City. Continuous changes to State Government policy are compounding the task of completing that work.

Bayonet Head Guided Development Scheme

The Minister for Planning and Infrastructure has consented to the Bayonet Head Guided Development Scheme being placed on public exhibition and comments on the scheme will be sought over the final quarter of 2003. It is estimated the scheme area can produce approximately 3,800 residential lots over a 30-year timeframe, providing homes for over 9,500 people.

Planning and Building

The City's Development Services team has kept busy with new housing development due to the continuing growth of Albany, especially with 'Lakeside Estate', 'Woodrise' and 'Hillside Views' continuing to attract first home buyers.

During the year several major projects were assessed by the Development Team.

- The Bayonet Head Shopping Centre redevelopment valued at \$3.29 million.
- The 'Amity Village' on the corner of Ulster Road and North Road for 106 aged units.
- United Farmers Cooperative continued its expansion with approval for Stage 2 of their Fertiliser Storage area on Down Road to be built at a cost of approximately \$2.1 million.

The major trends that emerged were:

- Continued development of Group Dwellings by Homeswest in Albany accounting for approximately 54% of all grouped dwellings approved.
- In June 2003 an unusually high number of new housing applications were approved. Staff attribute this anomaly to the implementation of Energy Efficient measures coming into effect from July 1 2003.



Building Industry

Regular meetings with the Housing Industry Association were a feature of the past year and enabled the City to provide the industry with information and exchange information on changes occurring within the industry.

Inspection and Compliance

The City has undertaken random and scheduled compliance activities for both planning and building approvals/licences issued. The City has issued instructions for work to be undertaken to bring activities into line and on some sites to bring the development into line with legislative requirements or recognised work practices.

Statistics

The planning team has seen substantial increases occur in the number of Planning Scheme Consents during the start of the current year resulting from changes to the Residential Design Codes.

Health

Over the past year the City's Environmental Health Team has been involved in a review of the Manypeaks townsite bore and water supply to ensure:

- The water meets the required standard for potable water
- The chemical variation is consistent
- That the water is contamination free

Some of the other projects in which the Team was involved include:

- Assisting in the preparation of evacuation plans for major venues, hotel accommodation and lodging houses
- Ensuring that adequate notices are displayed on garden soils offered for sale, both loose and packaged, to warn that inappropriate handling could endanger life
- Inspection of second-hand clothing stores

The number of regular inspections achieved by the Team continues to increase with the main focus being on food outlets. Inspections were again carried out on public buildings, caravan parks and hairdressers show a marked improvement in compliance by these businesses.

The monitoring of mosquito activity has continued to ensure minimal nuisance to residents, with the main 'baiting' program concentrated in the Lower King locality.

Ranger Services

The City's Ranger service focussed on developing and implementing a hugely successful dog education program for children in lower primary school. The program "Ranger Rob and the Golden Rules of Owning a Dog" was presented to most of the City's primary schools.

With an increase in the number of complaints involving dogs it was timely that the State Government commenced a review of the Dog Act, which was introduced in 1976. The City's rangers submitted a formal response to the review panel and also participated in a public forum held in Albany to gain community input.

The nature of complaints received by the Ranger services during the year predominantly involved barking and dogs wandering at large, which resulted in 268 dogs being impounded.

Bush Fire

The 2002/2003 fire season was very busy for volunteer fire fighters who collectively spent in excess of 2000 hours attending 117 fires. The fire season started early with the first major incident occurring in November at Redmond. Major fires also occurred at Marbellup and Manypeaks.



Following consultation with a variety of interest groups, the City has adopted a Fire Prevention Plan to complement its Strategic Bushfire Plan. The Fire Prevention Plan provides a risk management framework, integrating community safety and conservation needs with public safety requirements.

Recommendations, which will assist the City to base its wildfire protection and reserve conservation on risk management principles, have been developed in the following areas:

- Environmental Assets and Values
- Bush Fire Risk
- Town Planning and Bush Fire Protection
- Fire Response
- Communications System
- Fire Prevention
- City Reserves
- Loss of Volunteers
- Fire Prevention strategies

Site and project specific strategies will now be developed, in conjunction with the City's Volunteer Bush Fire Brigades, to complement and implement the Fire Prevention Plan.

Works and Services

Asset and Client Services

The Asset and Client Services team continues to face large challenges with further development and refinement of asset management master plans remaining a high priority.

The Road Management Strategy and Pathways Strategy developed last year are being implemented. The development of a Buildings Asset Management Strategy is well underway with completion anticipated early in 2003/04.

Plans for the management of drainage systems will continue. This project includes the location and a condition assessment of the existing network. Work also commenced on comprehensive studies of the Bayonet Head and Emu Point catchment areas.

The City of Albany commissioned Connell Wagner to prepare the Albany Airport Master Plan as the basis of economic development and operational procedures for the airport.

Work will also continue on the development of a Reserves Management Strategy. Preparation of these plans will include an extensive public consultation process.

Infrastructure accounts for almost 60% of our normal expenditure and it is critical that sensible planning is in place to ensure the most beneficial management of the City's major assets.

The quality and range of our transport systems are important factors in the present and future well being of our community. Roads, paths, maritime and aviation facilities improve our working, social and recreational lives and a sensible, well-planned transport system is a key ingredient in the development of our economic future.

Completion of the Asset Management Strategies will for the first time allow City staff to answer customer enquiries relating to future developments based upon a reliable assessment.

Albany Regional Airport

The quality and range of our transport systems are important factors in the present and future well being of our community. Roads, paths, maritime and aviation facilities improve our working, social and recreational lives and a sensible, well-planned transport system is a key ingredient in the development of our economic future.

The City of Albany's Harry Riggs Regional Airport services and provides access to Albany and the Great Southern Region. Located 10km north of the city centre it provides airline services to and from Perth, general aviation, flight training, RAAF operations and airfreight requirements.



The City of Albany commissioned Connell Wagner to prepare the Albany Airport Master Plan in accordance with the following Terms of Reference:

- The current need for the airport's operations to fulfill a role regionally and locally.
- The targeted role for the airport's operations based on future usage projections and the Development Strategy.
- The financial impact and funding basis for future development.
- The infrastructure required to enable the airport to develop.
- That a life cycle Asset Management approach is needed to ensure appropriate budget is set aside for capital and operational expenditure over a rolling 5-year program.

The Master Plan is to form the basis of a business plan for the airport which would direct both economic development and operational procedures.

The City of Albany will be seeking community input on the Master Plan prior to final adoption.

Trades and Buildings

Directional Signage Upgrade

As part of the City's commitment to its 2020 vision in 2002/03 financial year it embarked on a directional signage upgrade to effectively and efficiently manage the City's transport infrastructure which would meet future needs complimentary to the City's form and sense of place.

These works were 95% completed in the 2002/03 year. The last of the signs are being put in place early in the 2003/04 year which will link up all the directional signage from the main roads to all the main areas of the City. This will give locals and visitors alike quick simple and direct access to all their destinations without confusion or the need to go into the Central Business District.

Emu Point Facilities

The City of Albany is committed to maintaining quality parks, gardens and reserves by keeping the infrastructure safe and well maintained to ensure enjoyment of use and retention of feature status.

This year the Trades and Building Department has upgraded the retaining walls, steps and paths at Emu Point Beach, thus improving and gaining safe access to the beach for everyone including the disabled. Safe access was paramount to this area as it is a main destination for everyone all year round in all kinds of weather.

Emu Point Public Conveniences

The popular Emu Point area and Middleton Beach's Ellen Cove are linked via the dual use path that starts at Emu Point and goes past Ellen Cove and the Boardwalk. There are quality toilets at Ellen Cove to cater for the thousands of people who visit the area and use the dual use path to Emu Point. The existing out-of-date but otherwise sound building at Emu Point Back Beach has been fully tiled, painted and fitted with lights and now provides quality toilet facilities which are visually pleasing and fit in well with the area.

Parks and Reserves

Children's playgrounds were a major focus in the City's parks and reserves this past year with three major units being installed at Middleton Beach, Becker Park and Lange Park.

Middleton Beach has innovative equipment which allows children to use their imagination to decide the level of challenge the play unit can provide. A new rubber soft fall surface has also been provided.

Becker and Lange Parks have equally well designed units that provide for circuit work as well as individual play stations for mixed age groups. Both parks have sand soft fall surfaces, which also adds another play dimension.

Lange Parks play equipment was part of Stage 1 of the implementation of the Lange Park management plan. Other work completed has been the construction of a small car park, gazebo and the addition of extra seating. Stage 2 works for this 2003/04 financial year include a half-size basketball court and car park.

The final stage of the Central Reticulation Control System was also completed which now services the 17 major reticulated sites within the City of Albany. The system allows for increased efficiencies in water usage and labour as well as providing for an improved standard of turf quality.

The Lockyer Avenue pump which supplies part of the water needs of the North Road Sporting Complex, was also upgraded to ensure another 20 years of reliable service.

Parks and Reserves were also busy with their regular maintenance programs, including:

- Street tree pruning under power lines
- Playground inspections
- Turf wicket preparation
- Mowing of parks and sporting fields
- Reticulation maintenance
- Annual garden bed displays
- Responding to Service Requests - Parks and Reserves have actioned 689 service requests during the 12 month period from 1 July 2002 to 30 June 2003. The majority of these requests were tree related.



Sanitation and Litter

Residents and visitors to Albany often enjoy the City's public facilities such as the outdoor barbecues at many of the City's picnic sites, as well as the convenience of having access to footpaths and public toilets. The care of these facilities are handled by the Sanitation and Litter Team who also empty the public rubbish bins, as well as assist the Waste Team by picking up Mobile Garbage Bins and recycling for residents with disabilities who are unable to place their bins on the road verge for collection.

Over the past couple of years, the number of barbecues placed in public recreation areas has increased. The City has provided additional rubbish bins at popular locations, such as Middleton Beach, Eyre Park and Emu Point, as well as Youngs Siding and Nananup Road, to cater for the increase in tourist and recreational activity.

The Sanitation and Litter team has a total of 233 bins which must be emptied at least once each week, most of them at least twice weekly. 54 bins are located in the York Street precinct, which are emptied daily, equalling a total of 378 waste collections per week in that area alone.

The Team also has a continuing litter pick up program in place, which helps to keep the road verges clean. This is occasionally assisted by a team from the Ministry of Justice Community Based Corrections program, which sees members of their teams also working towards a cleaner community.

Vandalism and graffiti can be a battle for any local government. Although the incident rate is not high in comparison to other municipalities, the City still has to deal with the issue, with public toilets often targeted. The work and cost involved in cleaning, repairing and replacing these facilities is high, and often requires the involvement of the Trades and Building Team, plumbers and electricians to carry out the work necessary to make the facilities available and acceptable for public use again.

Waste and Recycling

The City of Albany Waste and Recycling Contract expired in June 2002. A Waste Minimisation Contract has been formulated over the past year to include waste, recycling, sanitation and litter. Part of the contract will be resource recovery facilities to be constructed at Hanrahan Road and Bakers Junction waste sites.

This year, waste sites at MAnypeaks, Wellstead, Cheyne Beach and Redmond were upgraded to Transfer Stations. These will not open until the Waste Minimisation Contract has been awarded.

This will allow for revegetation programs to commence on the existing sites, allowing for clay capping followed by planting programs, which will be carried out to maximise plant growth during the wetter winter months.

Hanrahan Road Waste Site Stage 1 has been prepared for clay capping prior to covering with top soil and revegetation. The old Tyre Site at Lower King, and the former Waste Site at Redmond, have both been rehabilitated, and all species are growing well.

This year saw the signing of a contract to run drumMUSTER campaigns in the Wellstead and South Stirling farming communities. Specially fenced compounds were erected using drumMUSTER funding, and regular collections are planned to fit in with the communities seeding and harvesting seasons. DrumMUSTER is a nationwide campaign to assist farming communities and to avoid contamination of landfill sites by returning chemical drums for recycling.

The City's annual waste services calendar was also upgraded this year to include information about what can and cannot be recycled, information regarding the weekly domestic refuse collection and waste site information. This was designed in response to residents supplying information, which answers many of the most frequently asked questions.

Urban Maintenance

State Blackspot funding was secured to part fund the roundabouts at the following intersections:

- Sanford and Stead Roads
- Rufus and Adelaide Streets

Improvement works have been carried out on the following roads:

Sanford and Stead Road Roundabout

The installation of this roundabout has improved the traffic flow, particularly to and from the post office

Middleton Rd and Adelaide Crescent Roundabout

Traffic flow has increased at this intersection resulting from the installation of this roundabout. Upgraded footpaths and crossing points will assist pedestrian traffic.

Emu Point Marina

This area has been improved with new asphalt surface and better parking and launching facilities.

Marine Drive Lookout

The new kerbing design has improved accessibility and parking. The carpark has also been asphalted and footpaths recently paved.

Ulster Road

Ulster Road has been enhanced by a new layer of asphalt, new drainage, widening of the road and kerbing.

Minna Street

Box culverts have been continued from Minna Street to the Railways Sporting grounds to enclose open drains and create a healthier environment.

Chester Pass Road

A new footpath and school crossing have improved safety for children and pedestrians using the Chester Pass Road area. Works were carried out in conjunction with Main Roads WA.

Footpaths

Various footpaths have been upgraded, including maintenance on old slab paths with uneven and broken slabs relayed or replaced.

Beaufort Road

The construction of a new footpath and crossing has made it safer for children to cross the road to Yakamia Primary School and for residents of the area to gain pedestrian access to the North Road Shopping Centre.

Rural Maintenance

Bridges

The City of Albany has taken over the maintenance of all Council controlled bridges from Main Roads WA. The developed maintenance program includes regular inspections for termites, timber and metal deterioration and any other factors which may impact on the safety of the public using the bridges. The clearing of debris from

around the bridge environs, weed spraying, checking of appropriate signage and ensuring traffic visibility standards are maintained and are also part of the program.

Gravel Road Resheets

The following roads have undergone gravel resheeting during the past financial year. Some roads have only required relatively minor works, whilst others have had major works carried out to bring them back to an acceptable standard. It is intended that these works will result in routine maintenance with a long-term sustainable outcome enabling staff to target other areas for major upgrades to be carried out in the next 12 months.

In conjunction with gravel sheeting, works carried out on the following roads consisted of drainage work, clearing, forming up and pruning of vegetation for driver visibility and safety.

- Perkins Beach Road
- Hazzard Road
- East Bank Road
- Bornholm South Road
- Tennessee North Road
- Redmond West Road
- Lake Sadie North Road
- Timewell Road
- Torndirrup Road
- Thompson Road
- Beaudon Road
- Stanley Road

Preservation works for the following have been undertaken:

- Gravel resheets on rural roads totalled \$1,143,549
- Final seals/reseals on rural roads totalled \$721,314
- Asphalt/final seals on urban roads totalled \$361,189

Workshop

The Mechanics Team at the City's workshop have continued to investigate new methods and improved efficiencies in plant maintenance and scheduling. With the introduction of regular pre-programmed 250 hour service schedules, staff in other teams have been able to program their works whilst still maintaining productivity levels. Service methods include the provision of service kits for each item of plant, where all parts and equipment required to conduct the service is held in one central location.

Various plant strategies have been introduced into Council. These include replacement of major plant and equipment at optimum levels, reducing maintenance costs to Council over the whole of life and achieving

realistic trade prices. Evaluation panels comprising of all the relevant stakeholders have been introduced to evaluate any new purchase of equipment, encouraging ownership and input into the decision making process. The passenger vehicle fleet contract which has been let for the first time, allows those vehicles to be replaced at 15,000km and/or nine months for nil changeover, and includes all maintenance costs. Staff are hoping to achieve a similar result with Council's commercial fleet of vehicles.

Cost efficiencies in the supply and delivery of our fuel requirements have also been realised. The introduction of fuel cards for the supply of unleaded fuel has created a more professional internal customer service. Council staff no longer travel to Mercer Road to obtain fuel for their vehicles.

The City supports youth employment in Albany by hosting two apprentice mechanics. These apprentices receive training and employment over a four year term, obtaining life skills and nationally accredited qualifications

Construction of Major Roads

The initial construction of any major carrying capacity road involves a considerable amount of pre planning and work from other Works and Services Teams before the commencement of works. Initially, the Asset Team works to identify high use roads using data collected by the Survey Team from the placement of traffic counters. The traffic counters record vehicle types and quantities, which provides valuable information to the Engineering Design Team who then produce appropriate plans to cater for the specified road use, which work crews then initiate. The building of a major road requires work to be scheduled over a considerable period, with the final seal of bitumen being laid during the second year of construction. This second seal is imperative for the longevity of the road.

Mutton Bird Road

This is a high use recreational tourist road, and as such, has received a major upgrade, which was constructed well within budget. A Roads to Recovery grant was obtained for this upgrade. Associated road drainage has been carried out and the road bitumised with the first primer seal.

Marbellup Road

A clearly defined community link road running between South Coast Highway and Lower Denmark Road, Marbellup Road received a major upgrade of road surface and drainage, which was constructed well within budget. A Roads to Recovery grant was obtained for this upgrade. Some severe corners were removed for better alignment and improved safety and the road bitumised with the first primer seal.

East Bank Road

A short section from the end of the existing bitumen to the Moonlight Road intersection has had a minor upgrade including bitumising with a first primer seal. The remaining gravel section, up to the Ski Club grounds, has been refurbished including drainage improvements.

Bennett Road

Drain cleaning, tree trimming and gravel sheeting have been carried out on the full length of the road.

Divisional Reports

Corrimup Road

Drain cleaning and gravel sheeting has been carried out from Palmdale Road to Cumming Road.

Marbellup North Road

Box culverts have been installed across the road at Marbellup Creek, which will provide a safer road width across this watercourse.

Cape Road

Box Culverts installed across the road at Pendernup Creek should assist to minimise the flooding experienced at this particular watercourse.

Warriup Road

Gravel resheeting and road refurbishment of most of the road ready for the tree harvesting to commence in the Cordinup district.

Car Parks

The construction of carparks at Cosy Corner East, Cosy Corner West, and Mount Martin has commenced, with Stage 1 nearing completion. Further works on these projects are designed to be carried out over the next two to three years.

Other Works

As part of the City of Albany's continual improvement program, several projects were required to be put out to contract. Whilst the initial works and some follow up works have been and will be carried out by the firms awarded the contracts, the results will be absorbed back into the City's normal maintenance programs.

Roads which required major construction works to be carried out were: Ulster Road, Robinson Road and Nanarup Road, while streets which were put out to contract were Katoomba, Grove Street West, Gordon Street and Anzac Road. The Rufus and Adelaide Street Roundabout/Entry Statement were also put out to contract.

Roads that underwent a road rehabilitation program using cement stabilization were: Lower Denmark Road, Rutherford Road and some sections of Chillinup Road. Also put out to contract were various maintenance and sealing works.

Work was contracted out for the construction of the Centennial Oval Gravity Sewer, the erection of an ablution block for the comfort of visitors to the town of Wellstead, and the first of several rural Waste Transfer Stations was put to contract. It is anticipated that other transfer stations will be constructed over the next few months.

The commencement of works to the Princess Royal Foreshore Lakes began before the end of the 2001/02 financial year. This project will provide for a nutrient stripping wetland to enhance the central lake, this is part of the City's Strategy for cleaner harbours.

All the contracts listed above will impact in the future on the City of Albany Works and Services teams. Works maintenance crews will pick up the road maintenance programs. Trades and Buildings will maintain the Wellstead Ablution Block, Waste Services will manage transfer stations, and Parks and Reserves will take on the role of maintaining the Foreshore Lakes.

Weed Busters

The Weed Strategy has truly mobilised a cross section of our community into weed busting action and on average Community Busy Bees are held monthly.



Active Friends Group in the City of Albany include:

- Friends of Mt Clarence and Mt Adelaide
- Friends of Lake Seppings
- Torbay Hills Residents Association
- South Coast Progress association
- Frenchman Bay Association
- Friends of Gledhow
- Lower King and Bayonet Head Progress Association
- Friends of Emu Point
- Manypeaks Progress Association
- Wellstead Progress Association

Environmental Weeds Strategy

Weed infestations in Albany continue to increase and so does the cost of controlling them. The Environmental Weeds Strategy Council adopted, provides the City with a framework and tools to effectively control environmental weeds in areas for which it is responsible. The City of Albany has both a statutory and civic responsibility to protect and manage the natural bushland on land managed by and vested in the City. This includes parks, road reserves and bushland reserves.

It takes between 20 - 50 years for most weeds to become a significant problem. Experience has shown that the earlier a weed control program is started in the weed invasion, the most cost effective it is. The City recognises that the program should also be ongoing with failure to follow up on last year's work would result in the all the time, energy and costs in initially combating the problem largely wasted.

The City's Environmental Weed strategy identifies priority environmental weeds for Albany.

In order to address the priority and issues the City of Albany has developed a number of objectives to reduce the impact of weeds in our environment:

The implementation of the strategy not only depends on funding but also support from the community.

There are many active community groups in Albany who are willing to eradicate weeds and regenerate local bushland on Council land. Many have made great progress and already have contributed to the City with approximately \$16,000 worth of labour support.

The following areas have been selected as priority sites for weed control where Council can work with local community groups:

- Site 1: Mts Adelaide and Clarence Reserve
- Site 2: Lake Seppings Reserve
- Site 3: William Gibb Reserve and roadsides in Lower King
- Site 4: Foreshore reserve in Lower King area
- Site 5: 1010 Reserve, Wellstead
- Site 6: Torbay Catchment
- Site 7: Cosy Corner
- Site 8: Swarbrick St and Apex Reserve, Emu Point
- Site 9: Bayonet Head Reserve, Warangoo Road.
- Site 10: Little Grove and Progress Park.
- Site 11: Karakatta Reserve and other roadsides at Frenchman Bay.

The City of Albany does not have the resources at present to carry out the planning and implementation of weed control on all land vested with the City. However, this strategy will result in at least a 20% decrease of priority weeds at the identified priority areas during the first financial year. Weed control in bushland and bush regeneration is still a new service for many Councils in Western Australia. It is difficult to calculate the amount of weed control that will be achieved at the 11 priority sites. However it is envisaged that for subsequent years weed infestations will decrease by the following percentages:

Year 2 - 20%
 Year 3 - 35%
 Year 4 - 50%
 Year 5 - 70%

Corporate Services



The Corporate Services Division provides services in accounting, finance, administration, and information technology to the City. It is also responsible for the overall management of the City's community resources such as the Vancouver Arts Centre, Albany Leisure and Aquatic Centre Albany Regional Library, Albany Town Hall Theatre and the Forts.

Customer Service

In this financial year the City has continued to build upon its already solid foundation of Customer Service delivery. Consolidation of the customer service team, as well as the mapping out and commencement of strategic customer service initiatives closely aligned with the vision of Albany 2020 Charting Our Course, have provided clear direction and clarity in this area.

Significant achievements include:

Best Practice Recognition

The City of Albany was awarded a WA Local Government Association Best Practice Award for our 'Customer Service Framework,' this being testament to our clear direction, planning, demonstrated commitment and innovation in the field of customer service.

Customer Service Charter

Significant inroads have been made towards developing a City of Albany Customer Service Charter this year with the final stages of adoption, implementation and review to be completed early in the upcoming financial year. This process has been truly consultative with input and decision-making at all levels and will ensure consistent service level delivery across the organisation as well as foster a culture of accountability and continuous improvement.

Divisional Reports

Projects for the upcoming year include implementation, measurement and review of the Customer Service Charter, development and implementation of a complaints resolution and feedback strategies across the organisation and continued implementation and utilisation of the SynergySoft Corporate Information System to better serve our customers.

Community Development

Seniors Advisory Committee

The Seniors Advisory Committee continued to play an active role in the promotion of seniors' interests, taking a proactive lead in advising on traffic management difficulties, street scaping and recreation for seniors.

The Committee worked closely with the Community Development Officer in the development of the City of Albany's Seniors Policy. The large and increasing population of seniors calling Albany home drove this strategic approach to the provision of services and facilities for seniors. The City of Albany is the first Local Government in the State to develop a strategic Seniors Policy.

Other initiatives of the Seniors Advisory Committee included the running of the second Albany Seniors Information Expo which was held in April. This year's Expo took on a revised format and was again a resounding success.

Disability Services Advisory Committee

The former City of Albany Disability Services Committee revised its terms of reference and changed its name to better reflect its role of providing advice to Council on both disability and community access issues. Access became one of the key foci for the committee which continued to identify problem areas and access inequity issues. The committee worked in conjunction with the Seniors Advisory Committee to successfully lobby for the installation of a crosswalk on Albany Highway and is continuing to highlight the difficulties encountered by people with disabilities in crossing roads, using ablution blocks and entering buildings.

The Committee in conjunction with the City of Albany hosted a Disability Awareness Display at the Albany Agricultural Show. The display promoted the services and facilities of a number of organisations and agencies involved in disability services.

Our Commitment to Disability Services

The City of Albany continues to provide an ongoing commitment to address issues relating to the provision of disabled access to its buildings, services and facilities. Guided by the Disability Services Advisory Committee (DSAC), which comprises of representatives of agencies that deal with disability, in addition to community members with disability, the City has made significant progress towards its goal of total access equity.

The conduct of a comprehensive Disability and Discrimination Audit in June 2000, involving all Council's building and facilities, has laid the foundation for addressing access issues by enabling Council to plan, prioritise and budget for the necessary works. The recent review of the City's Disability Services Plan has seen the recommendations of the Audit Report incorporated into the Disability Services Plan.



Council continues to improve access to the many parks and reserve areas throughout the City. This involves ensuring that paths, walkways and lookouts are accessible and safe for people with a disability, as well as for the young, the elderly and those pushing strollers and prams.

Disabled Parking has been addressed within the total review of all parking in our CBD area. Based on advice from the DSAC, access ramps adjacent to a number of disabled parking bays were altered to improve access.

The DSAC, in conjunction with the Seniors Advisory Committee was successful in lobbying for the development of a crosswalk on Albany Highway. Continuing improvement to our dual use paths network is also making it easier for people with gophers and electric wheelchairs, as well as those with mobility problems.

While the installation of a lift in 2001 provided access to the mezzanine floor of our library, a major renovation and extension of the library building has seen the installation of an accessible unisex toilet. The Library is now fully accessible and the extra space and improved layout provides plenty of space in which to manoeuvre. Talking books and books in large print are available for those with sight impairment and a battery charger is available to recharge gophers and electric wheelchairs, thanks to Batteries Plus, Albany.

The City of Albany recognises its responsibility to the whole community and will continue to work closely with the DSAC to ensure we target our resources to maximise effect and efficiency in meeting the needs of those members of our community with disability. A feasibility study into the redevelopment of the Albany Leisure and Aquatic Centre has included the necessity to improve access and recommendations are currently being addressed with the new plans.



Youth Advisory Council

With a number of Youth Advisory Council (YAC) members having an interest in music and being involved in bands, YAC took on the job of organising the New Years Eve concert, which was held on the Harbour foreshore. The concert culminated with the New Years Eve fireworks display and attracted over 2000 spectators.

The Youth Advisory Council was also involved and played a vital role in developing the City of Albany's strategic Youth Policy. YAC is also playing a major role in the proposed Albany Youth Recreation Venue Project. The City of Albany in partnership with Albany PCYC, Southern Edge Arts, YAC and other youth groups has been successful in securing funding and other contributions totalling \$1,980,000 meaning the Youth Venue is now moving closer to realisation.

Aboriginal Accord

In accordance with spirit of the Statement of Understanding and Commitment between the City of Albany, the wider community and the Aboriginal people of Albany, the City has developed a comprehensive strategic Accord with the Aboriginal community. The Accord, through its associated action plan, will address issues of social disadvantage, land use and management, cross cultural awareness, history and heritage, arts and culture, as well as other issues of relevance to the Aboriginal and wider communities of Albany.

As the first Local Government in Western Australia to enter into an agreement and make such a commitment to its Aboriginal community and to reconciliation, the City of Albany has received the support of the State Government which has provided an officer from the Department of Indigenous Affairs to assist in implementation of the Accord.

Community Financial Assistance Program

Each year the City of Albany makes provision within its budget for the Community Financial Assistance Grants Program, which is designed to assist community organisations, clubs and association to develop and maintain facilities, to carry out their activities and to host their events.

Recognising the necessity to continually improve the grants programs and to ensure it best serves the community, Albany City Council has over the past few years made a number of changes to the program and increased its value from around \$80,000 in 1995/96 to over \$215,000 in 2002/03.

A particular objective of the Community Financial Assistance program is to assist community groups to develop and maintain buildings and other facilities that benefit both the group and the wider community. Examples of these Community Facility Grants include funds to resurface tennis courts at Napier and Little Grove. These facilities provide both a recreational and a social benefit to their local communities. Other projects assisted by Community Facility Grants include the Albany Volunteer Fire and Rescue Services training track upgrade, Great Southern Soccer Association ground maintenance, King River Recreation Club's carpark resurfacing and Southern Ocean Surfers' artificial surf reef study.

Emergency Services Grants have assisted St John Ambulance to purchase a new first aid vehicle, as well as enabling Albany Surf Life Saving Club and Volunteer State Emergency Service to purchase vital equipment.

Organisations assisted through Community Services and Other Purpose Grants include Albany Senior High School for their youth worker, the NASHS Chaplaincy, Albany City Band for instrument insurance and operating costs and Great Southern Community Partnerships for men's crisis support services.

Numerous community events were made possible by financial assistance from the City of Albany including the Albany Classic Motor Event, Albany Cycling Club's Great Southern Tour, Equitopia, Great Southern Dance & Movement Association's Danceweek and the Celebrate Albany Festival.

In addition to these and the many other organisations assisted each year, the City of Albany also provides relief from property rates for all community based organisations that own or lease property in the City. This assistance amounted to around \$54,000 in 2002/03

City Events

The 2002 Albany Christmas Pageant attracted larger crowds this year, as for the first time, the event was held on a Saturday and accompanied with a Christmas Concert. The Concert was a free community event and provided festive performances by singers, dancers and even belly-dancers!

Another new event in 2002 was the New Years Eve Concert held on the Princess Royal Foreshore offering family entertainment leading up to the tradition New Years Eve Fireworks. The Concert was organised by the City of Albany's Youth Advisory Council and showcased a wide range of local musical talent including bands such as Ulster Road and Unauthorised Exit.

Divisional Reports

The always-successful Australia Day Free Family Fun Day was again held at Princess Royal Fortress, Mt Adelaide on Australia Day, 26th January 2003. The free sausage sizzle, free games, children's rides, prizes, give-aways, entertainment and craft market stalls combined with the official Australia Day Ceremony, Citizenship Ceremony and naming of our Citizens of the Year to make for a very popular family event.

On 23 February 2003, the City of Albany granted the 'Freedom of Entry to a City' to the No 2 Flying Training School. The Freedom of the City is a very significant event for a unit and is a ceremony that has very old origins. The early history of Europe shows that walled cities and trained soldiers protected citizens from death or capture by marauding armies. Authorities therefore rarely granted the right of entry to a city by outside soldiers. In February, this ceremony saw 100 personnel, a RAAF band, some flypasts in a Diamond 9 formation, a low level aerobatics display over the bay with the people of Albany watching from the foreshore, a Helicopter winching display and aeroplanes open for inspection by the people of Albany at the airport.

IT System

The City of Albany's IT systems have been upgraded this year providing staff with more advanced and secure computer facilities. This included the re-design of the City's network topology, the installation of advanced backup systems and fault tolerant hardware and the implementation of improved application software.

The City's operational and business units now rely on the quality and functionality of the IT systems and these upgrades have been designed to provide the staff with the tools required to effectively deliver the quality of service to the end customer.

Albany Leisure and Aquatic Centre



The innovative approach of fibreglazing the pool surface has proven to be an outstanding success and the pool continued to operate for longer than twelve months without closure for maintenance. This is a definite benefit to the pool users of the Centre and forms an integral part of service to our customers.

The operation of the Albany Sports Centre also continued to throughout the year offering activities such as netball, indoor cricket, functions and school programs with regular activities scheduled six days per week on a regular basis.

The Sports Centre is proving to be a valuable adjunct to the services provided at the Leisure Centre.

In addition, during the year a recreation precinct master plan was developed by the City that had particular emphasis on facilities, programs and the operation of ALAC and will provide the strategic direction for the development of the facilities in the years to come.

And finally, the synthetic surface was given a new lease of life when the City undertook significant maintenance of the surface itself to provide a much improved facility for the users.

Princess Royal Fortress

The Forts, as the Fortress is colloquially known, continues to be one of Albany's best-attended tourist attractions and is a nationally recognised example of a top-quality military museum.

Built in 1893 as a response to threats by foreign powers, the construction of the Forts is one of the earliest examples of co-operation between the colonies prior to Federation in 1901. All colonies (with the exception of Tasmania) contributed funds to its construction and the first garrison stationed there came from South Australia.

Since its restoration in the 1980s the Forts attracts upward of 50,000 tourists per year from all parts of Australia and overseas.

The Princess Royal Fortress is on the Permanent Register of Heritage Places in Western Australia and is also on the Register of the National Estate (Australian Heritage Commission).

Staffing

In the past year the City of Albany has appointed two part-time curators to the Forts - a Display Curator (approx. half day per week) and a Gun Curator (two days per week). The Gun Curator also supervises a Work for the Dole team, which is organised by Albany Job Futures. This position has had a major impact on the condition and presentation of the guns, and has been the recipient of many favourable comments.

The Display Curator attended the Museums Australia National Conference which was held in Perth in May and was able to visit World War II gun installations around Perth.

Volunteers continue to staff the gate, run guided tours for groups and assist with the research and presentation of displays. Their services are, as always, greatly appreciated. It is with regret that we note the passing of Athol Boyle who was a great supporter of the Forts and the inspiration behind the displays in the Light Horse Room.

Displays

Over the past year work has started on the display of materials for the dive wreck, the former HMAS Perth. An Ikara missile launcher has been installed overlooking the Sound where the HMAS Perth was sunk. Materials from the ship will soon be moved into the Nissen Hut, which currently houses the Padre White Dawn Service display. Discussions have begun with an architect to design a Heritage Centre for the HMAS Perth memorabilia and, once funding has been received, work will commence on this building.

Conservation and Maintenance

Heritage Architect Naomi Lawrance completed the Conservation Plan for the Forts which had been commissioned with Lottery West funding. This comprehensive document, which runs to over 500 pages, will serve as a planning document for future renovation and conservation projects.

The Plan also includes areas of the Lower Forts (Plantagenet Battery) that adjoins the lighthouse at Point King. A Work for the Dole team has also been working on buildings and sites in this area. This development is linked to the gun emplacements and also the newly unveiled statue of Mustafa Kemal Atatürk which is on the dual use path that runs from Middleton Beach.

Promotion

A website devoted to the Forts has been designed and is now available to users at www.forts.albany.wa.gov.au. This outlines the key elements of the Forts for visitors and will be enhanced as more details of guns and exhibits are available.

Commercial Activities

The Military Institute Tearooms continue to be leased. Sophie and Michael Rogers terminated their lease at the end of the financial year and the City has been able to find new tenants who took over after a short break. Carlyles Function Centre has been sold to Lisa Scanlon and continues to host weddings and special events.

The Married Officers Quarters have been completely restored and it is anticipated that they will be available for short-term holiday rental accommodation within the next financial year.

Albany Town Hall

Mission Statement

To maximise the effectiveness of the Albany Town Hall Theatre complex and to enhance the cultural lives of people living in the region.

The Albany Town Hall Theatre management has the following key objectives:

- Manage and promote the Theatre complex to maximise use by local and visiting productions for performing arts and other suitable activities.
- Actively pursue and present performing arts options in the Theatre that may otherwise be unavailable to audiences of the region.
- Ensure the Theatre complex operates with maximum efficiency and productivity while achieving financial goals.
- Seek funding, other support and information from sources outside Council to assist in the delivery of performing arts events.
- Strive for continuous improvement and excellence in customer service in the workplace and support and facilitate staff development.
- Maintain high levels of accountability.
- Maintain networking and liaison with all local state and national groups to achieve a high profile for the Theatre complex.

Structure

The Theatre is wholly owned and operated by the City of Albany. The Town Hall Box Office is incorporated within the management of the Theatre and is staffed by council employees.

The Town Hall Theatre Advisory Committee is comprised of volunteers from the community, City of Albany Councillors and staff. The Advisory Committee discusses all productions available to tour to the centre and, after discussions, decides on productions based on variety, financial viability and community value before recommending council support for the presentation.

Minutes of all meetings go before Council and are subject to approval by Council, the Theatre Manager then works towards facilitating the selected productions in Albany.

The Theatre Manager and/or the Executive Director of Corporate and Community Services for the City of Albany address day-to-day issues regarding the Theatre management.

Executive Summary

Highlights

- Increase in attendances.
- Improvements in annual sales figures that reflect the increase in attendances.
- Improvements in activity with a record number of individual performances presented in the theatre.
- Completion and adoption of a comprehensive Marketing Plan for the Theatre.
- Excellent response to Perth International Arts Festival events held in the Theatre and other locations in Albany.
- Completion of the building painting program with almost the entire interior of the venue getting a new coat of paint. There has been repeated comment about how good the venue is looking from both patrons and visitors to the hall.
- Continued upgrading of the Theatre's equipment making it one of the most modern and well-equipped venues in regional areas.
- Completion of the second random community survey showing continued broad support for the Theatre's operations.
- Increased rental figures for ancillary spaces and equipment hire. The annual income from this activity has increased 57% in the last three years.
- Several significant exhibitions on the ground floor including Viewpoint and Ray Berry's exhibition of major national pieces.

Footlights

- Some very quiet times during the year including last December and April this year.
- Continued difficulty attracting large and/or high profile acts to Albany owing to the Theatre's limited seating capacity and, most importantly, stage space.
- Continued lack of consensus among CircuitWest

Divisional Reports

presenters has meant that WA occasionally misses out on significant national touring shows.

Manager's Report

The Theatre was well utilised in the last year and there have been some significant successes both in terms of financial and artistic results.

Again, there has been better than expected levels of income for the ancillary spaces and other activities such as equipment hire and the like.

The Theatre has adopted a comprehensive marketing plan that will assist with targeting our marketing dollar to the most effective form of advertising.

The completion of the painting of the building over the Christmas break has left the venue in first class condition. With mostly top quality equipment and a very well presented venue, there is a high level of satisfaction among commercial and community users of the venue for many different functions including some small conferences.

Marketing Report

- The data that we've been collecting indicates that the marketing of shows in the *Albany Advertiser* continues to be the mainstay of our advertising activities. A sustained campaign in the Thursday edition of the *Albany Advertiser* has repeatedly demonstrated this paper to be the place where the majority of people in the region learn about shows while being one of the most cost effective methods of advertising.
- Direct marketing to targeted groups continues to be a good adjunct to conventional methods, particularly for theatrical events. This form of advertising lends itself well to events that are less well known and need more significant explanation to attract potential patrons and sell well. This method is also occasionally used to offer special discounts and incentives. The kind donation of a folding machine by Councillor Roley Paver means that the Theatre can produce direct marketing much more cost effectively and efficiently.
- Marketing comparisons with other regional venues demonstrate that television is only successful at advertising popular events in Albany. Other more descriptive forms of advertising such as press and flyers seem to be the most effective in Albany for shows where the act or artists are perhaps less well known.



Statistics

Shows by annual comparison:

- Number of individual performances 1997/1998 year: 54
- Number of individual performances 1998/1999 year: 49
- Number of individual performances 1999/2000 year: 53 (plus seminars)
- Number of individual performances 2000/2001 year: 55 (plus seminars)
- Number of individual performances 2001/2002 year: 53 across 39 productions, plus 3 seminars, 2 workshops and 5 outdoor PA jobs.
- Number of individual performances 2002/2003 year: 64 across 37 productions, plus two conferences and two seminars, 5 workshops and one outdoor PA job.

Sales by annual comparison:

- Gross Box Office Income for the year 1997/1998 was \$160,184.
- Gross Box Office Income for the year 1998/1999 was \$125,995.
- Gross Box Office Income for the year 1999/2000 was \$174,431.
- Gross Box Office Income for the year 2000/2001 was \$224,160. (includes GST)
- Gross Box Office Income for the year 2001/2002 was \$240,272 (includes GST)
- Gross Box Office Income for the year 2002/2003 was \$278,224 (includes GST)

Attendance by annual comparison; (note; many patrons attend more than once per year)

- Attendance for the year 1997/1998: 10,119 persons
- Attendance for the year 1998/1999: 11,235 persons
- Attendance for the year 1999/2000: 11,685 persons
- Attendance for the year 2000/2001: 11,538 persons
- Attendance for the year 2000/2001: 13,308+ persons (anomaly due to Anzac festival)
- Attendance for the year 2001/2002: 11,027+ persons
- Attendance for the year 2002/2003: 13,119 persons

Cultural programming

- Number of performances presented by the Theatre (City of Albany underwritten and assisted by Lotteries WA) 1997/1998 year: 10.
- Number of performances presented by the Theatre (City of Albany underwritten and assisted by Lotteries WA) 1998/1999 year: 11.
- Number of performances presented by the Theatre (City of Albany underwritten and assisted by Lotteries WA) 1999/2000 year: 11.
- Number of performances presented by the Theatre (City of Albany underwritten and assisted by Lotteries WA) 2000/2001 year: 11.
- Number of performances presented by the Theatre (City of Albany underwritten and assisted by Lotteries WA) 2001/2002 year: 10.
- Number of performances presented by the Theatre (City of Albany underwritten and assisted by Lotteries WA) 2002/2003 year: 13. (includes two children's seasons).

Great Southern Regional Cattle Saleyards

The City and the Shire of Plantagenet originally jointly managed the Great Southern Regional Cattle Saleyards when it opened in March 2000. In May 2001, the City was asked to takeover the managerial responsibility for the business unit.

Since that time the City has:

- Develop an effective business plan
- Resolve a number of structural design problems (poor layout of gates and stall areas) and to
- Resolve operational problems caused by inadequate waste water treatment facilities

The Great Southern Regional Cattle Saleyards is an integral part of the cattle industry in Western Australia, providing not only excellent facilities, but also opportunities for value adding and additional products.

The Regional Cattle Saleyards aim to develop, market and maintain a 'state of the art' and self-supporting cattle saleyard for the beef industry in the Great Southern Region. It will provide complementary services to key stakeholders and provide a central location and comprehensive service for the rural sector.

A major objective for the Regional Cattle Saleyards to be recognised as one of the best saleyards in Australia with NSAQ based systems, including high standards of animal welfare; quality effluent disposal; convenience for users and efficient management systems.

The City of Albany and Shire of Plantagenet see the Regional Saleyards as a key priority in their strategic operations.



Sales

Sales are held each Thursday commencing at 1pm and also Friday's during peak season commencing at 10am.

Special breeder and stud bull sales are held periodically. Private sales can be arranged and may be held on any day of the week other than scheduled sale days.

The cafeteria operates on any sale day, stocking a wide range of cool drinks, tea, coffee, sandwiches, pies and cakes.

The year also saw the departure of Renny Gardiner Pty Ltd as Primaries of WA Pty Ltd took over the reins from December 2001.

During the year, the GSRCS have been working on the redevelopment of the effluent treatment system, with consultation from a local environmental engineering company. The eventual aim of the \$130,000 redevelopment is to recycle the wastewater for the purpose of yard wash down therefore reducing the amount spent on water that is currently used to supplement the wash down water.

Owing mainly to an inefficient compressor system there was a need to upgrade the system which would not only ensure quicker operating gates on sale day, it also enabled us to use the old compressor as a backup in case of breakdown. We were also able to replace a number of hand valves that had been causing some problems.

There was some pen strengthening undertaken to rectify a design fault from the construction of the yards. There was one section of the receival pens that had the gates swung incorrectly from the initial construction that had caused a few headaches for the stock agents.

A new perimeter fence was constructed around the extremities of the yards to prevent any cattle that escape from running onto Albany Highway. The fencing has proven successful with three escapes since the construction, and all were contained within the saleyards property, without going onto the highway.

Facilities

The Regional Cattle Saleyards were designed as a 'state of the art' facility. These include:

- Administration building
- Storage shed
- Receival pens
- Selling pens
- Delivery yards
- Resting paddocks (currently leased)
- Public canteen (currently leased)
- Pump sheds
- Two (2) bay computerised truck washing facility
- Scales
- Effluent treatment system
- Cattle crush and handling yards

Vancouver Arts Centre



The Vancouver Arts Centre (VAC) has remained the focal point and dynamic gathering place for artists and arts enthusiasts in the city of Albany.

The heritage listed building, once the Albany Cottage Hospital built in 1887, has become a thriving community arts centre, home to exhibitions, arts and crafts workshops, indoor and outdoor performances, festival events, craft fairs and children's holiday programs.

As well as providing studio space for local artists and galleries for local and touring exhibitions, the centre is the regular meeting place for dozens of community groups, including a film society, a choir, drawing groups and many traditional crafts groups.

Accessibility and diversity are the hallmarks of the VAC. Its community arts program, implemented by the Albany Arts Advisory Committee, embraces creativity in all its forms. All members of the community are encouraged to participate in the wide-ranging activities and events available daily at the centre.

Highlights of the past year have been many, from the growing stature of ongoing events to the inclusion of innovative, ambitious and collaborative new projects into the program.

The success of the UnHiding Project was such that it has been adopted as a model for similar projects around the country. A series of multi-arts workshops staged over several months, it was designed to increase visibility and inclusion for people with disabilities in the community. The project, a collaboration with the Vancouver Arts Centre, DADAA WA and the Lower Great Southern Community Living Association, included visual arts, performance and film, all of which culminated in a grand finale event in the gallery and grounds at the VAC.

The Sprung Festival once again provided a lively weekend forum for writers and readers. Highlights included the launch of *Skins*, by Vogel novelist Sarah Hay, and a Noongar language forum.

The VAC hosted one of the most successful concerts of the Perth International Arts Festival's first foray into the regions. African band The Mahotella Queens played to a sell-out crowd in the picturesque grounds. Denmark band Ruby's Grace and eclectic Albany group Mixed Bag were among other musical outfits to perform at the occasional concerts in the grounds.

PlayMakers, a two-day event celebrating the artistry of instrument building, attracted national interest when it was held in the gallery as part of the HarbourSound Festival. Instrument builders of national and international renown demonstrated their skills and musical prowess, establishing this inaugural event as a future highlight of the cultural calendar.

The Big Trill, an annual choral event, spread its influence throughout the region when choir leader Teresa Hughes took 18 members of the Safety in Numbers Choir to Nyabing for a collaborative and inspirational singing weekend. Teresa also coordinated a series of Blokes Notes Workshops and found a healthy contingent of men and boys keen to participate in a singing group.

"The VAC is the heartbeat of arts in our community."



Children's holiday workshops continued at the centre, bringing dozens of school age children to the centre daily for workshops in painting, mosaics, pottery and other crafts. The popularity of the Art on the Run program has prompted the inclusion of term time workshops into its annual program.

Weekend workshops for adults were held throughout the year, giving enthusiasts access to skills such as wire work, painting, mosaic and film and video.

The VAC's B Class gallery has staged regular exhibitions, both touring shows and works by local practitioners. The new Off the Wall Gallery - a miniature streetside gallery established near the Albany Plaza - provided a novel and highly accessible exhibition space for schools and community groups. The Vancouver Arts Centre coordinated other public art works in the new Plaza development, including the hand painted tiles in the Parenting Room and the mosaics in the footpath that lead to the shopping centre.

The Vancouver Arts Centre has upheld its commitment to accessible, affordable arts experience for young and old. It seeks to be an invaluable community resource for skills development and cultural expression, encouraging new ideas about what The Arts can be.

Finance and Rates

Finance customer service standards have been met. The City's Rates Officers have reviewed and updated the rates and property databases in preparation for the GIS mapping component of the Synergy Soft Property module. They have also undertaken considerable work in preparation for the introduction of the State Government's Emergency Services Levy in 2003/04.



Albany Public Library and Local Studies

enrich, explore, evolve, entertain, educate, escape

Library Redevelopment Project

New renovations have brought accessibility and a contemporary edge to the Albany Public Library. Construction of the long awaited building redevelopment project commenced in July and was completed in December 2002.

The \$1.32 million revamp initially started in 2001 after the City of Albany identified the need for a major upgrade on the 1960's building. At the same time the University of Western Australia was establishing its Albany Centre. Instead of building a separate library to service students, UWA joined forces with the City of Albany, contributing substantially to the Albany Public Library renovation which has brought wide benefits for the whole community.

The library now boasts 60 per cent more floor space, many new facilities and a friendly, welcoming presence on Albany's main street.

As well as housing UWA's book collection - also available for use by the general public - the library now has quiet study nooks and cosy reading areas, meeting rooms, group study areas and an improved Information Technology room with six public computers. The Local Studies Collection (previously located off-site) has been brought back to the fold in a dedicated Albany History Collection on the library's first floor.

Young adults are furnished with a discrete reading area with lounge seating, and for the very young a colourful new children's library with a multi-purpose activity area spills into a fenced outdoor courtyard.

The library has been physically integrated into the streetscape with large windows (shielded from glare by shade panels, a striking architectural feature) lending a light airiness to the inside and, from street level, a sense of activity within. Colour has been used to create warmth and dynamism as a backdrop for what is now a more user friendly hub of information and entertainment.

The Albany Public Library aims to be a contemporary, relevant community centre where the always-changing world of words can be fully explored. Access to the latest electronic information - on compact disc, CD ROMs and the Internet - makes the library vibrant and always up to date.

All the while the library subscribes to the "E-words": enrich, educate, explore, escape, entertain and evolve - all part of the Albany Public Library experience.

Opening Event

The public launch of the Building Redevelopment Project on 24th January 2003 was a very colourful and vibrant all day event in partnership with the Perth International Arts Festival, Great Southern Program.

A huge morning tea followed the official opening with guests and Library patrons entertained by The Albany String Trio and the hilarious antics of street theatre duo Bizircus. Literary tastes were catered for with readings from local and visiting authors and poets. Kids activities, a youth rock band and internet education filled the afternoon. Celebrations continued into the evening at the Library with a dazzling PIAF reception party featuring entertainment by Denmark Jazz a cappella group Slap My Thighs and Call Me Barbara and the Bardi Dancers from One Arm Point north of Broome.

UWA Partnership

The joint use Library partnership with the University of WA Albany Centre continues to benefit all members of the community. The Library currently houses over 1400 items provided by the University with these items being borrowed a total of 2400 times in the last 12 months. Approximately half of the loans are by the University's students.

Library staff provided 4 library orientation sessions for University students and hosted an information session for "Friends of University of Western Australia Albany Centre" during the year.

Events and Activities

The new look Library premises now provide a perfect venue for book launches, literary evenings and other events. Local journalist and author Max Piggot launched his book "With Notebook and Camera" in the Albany History Collection section of the Library in March.

In May the Library welcomed Australia's premiere crime fiction author Gabrielle Lord for "The Body in the Library". Over 80 people enjoyed an evening of crime, wine and nibbles with Gabrielle's very entertaining and interesting tales of researching and writing her bestselling books.

Divisional Reports

Library Website

Further additions to the Library's website include access to EBSCO - a database of Australian and New Zealand magazines, newspapers and journals. Members of the library can access the database information for free by obtaining a members login from the library. The Albany Public Library website can be found at:

<http://library.albany.wa.gov.au>

Albany History Collection

The Local Studies Collection was renamed the Albany History Collection to mark its return to a purpose-built area in the Main Library building in December, and to acknowledge the incorporation of the Albany Historical Society Archives collection into the Library's historic resource. The Albany History Collection continues to use the Old Bond Store as an off-site archive as there is insufficient space in the new premises for the whole collection.

The Collection has attracted 1835 enquiries over the past year, an increase of 3% over the previous year's total. The new location has begun to prove very popular and historic displays in the foyer have increased interest among visitors.

The Collection continues to rely on the generosity of volunteers to index and preserve the materials. It is timely to note the contribution of Gwen Norman who has now given 20 years of voluntary service to the library in indexing old newspapers and transcribing oral history tapes.

It is also appropriate to mention to the contribution of the Rotary Club of Albany Port which continues to sponsor the Albany Oral History Project with donations of funds and equipment.



Children's Activities

School holiday activities continue to attract keen young readers with sessions held every school holidays. Weekly pre-school story time has seen an increase in the number of regular preschoolers attending.

LIBRARY STATISTICS 2002/2003

	TOTAL
Population	31,208
Members	19,299
City of Albany	2,832
Other	2,832
Total Members	22,131
Total Transactions	767,406
Includes borrowing, inter library loans, Membership enrolments and updates; reference enquiries.	
Staff Numbers (full time equivalent)	12.65
Net Operating Costs	\$784,111

LIBRARY PERFORMANCE INDICATORS:

ECONOMIC	
Cost per head of population	\$25.12
Cost per transaction	\$1.02

PARTICIPATION	
Membership as % of population	61.8%
Transactions per member	35

CUSTOMER SERVICE	
Transactions per staff member	60,665

Albany Regional Day Care Centre

The Albany Regional Day Care Centre is a not for profit community based long day care service. We are situated at 99 Collie Street and are licensed to except 60 children a day. Children are aged 6 weeks to 6 years. The centre boasts four large indoor environments for the children and spacious gardens and outdoor play spaces.

The centre is certified on many levels by several governing bodies. This past twelve months has seen the staff and parents work very hard to achieve several goals. Firstly we were reviewed by the National Childcare Accreditation Council. The centre was reviewed for two days and after reviewing all our assessment

Documentation and staffing practices we received a 3 year accreditation standing, the highest achievable.

We are current holders of a Foodsafe certification, which is assessed yearly, and also hold a certificate in Start Right Eat Right promotion. Both these certificates are crucial to our operation as we provide morning/ afternoon teas for the children and a two course cooked meal at lunchtime.

The Centres out door environments have under gone some aesthetic changes over the past twelve months. The centre staff and parents raised funds during this time, which ended in a two-day busy bee. Both parents and staff donated time and materials over the two days. We achieved new and safer play area's for the children Vegetable gardens to help the children learn and discover more about their environment and had lots of fun in the process.

Despite being the most expensive service in town we are still the most sought after centre. Past families refer most of our families to us.

The Albany Regional Day Care is a community based care centre which cares for up to 60 children in four separate nurseries. The priority of access is for families with both parents either working or studying; single parents; children with special needs and Aboriginal/Torres St. Islander children all aged between 0-6 years.

Families can book full-time, part-time, seasonal, hourly and occasional care. All children are provided with morning and afternoon tea, a two-course lunch, snacks and drinks. The Centre has received Foodsafe certification and the Start Right: Eat Right award for its nutritional standards. A nappy service and pre-school pick up/delivery service are both available.

The Albany Regional Day Care provides consistently high quality care, with 3-year accreditation status. It is a place where children can develop their strengths and self esteem in a nurturing, unbiased and unhurried environment. All staff are mature professionals with a wide range of experience and training, many of them mothers themselves.

Visitors to the centre are welcome at any time and tours throughout the nurseries or access to information handbooks can be arranged.

General Management Services

Economic Development

Albany Boat Harbour Planning and Foreshore Redevelopment

Following State Government approval of \$12.7m capital works funding over four years for a new boat harbour on the Albany foreshore, the City of Albany partnered the Great Southern Development Commission (GSDC) and the Department for Planning and Infrastructure (DPI) in a strategic planning process for the proposed development.



A Memorandum of Agreement was prepared and executed between the City, GSDC and DPI, which outlined a strategy for development of the project. This document was executed by the three partners and witnessed by the Premier of Western Australia, the Hon Geoff Gallop MLA in

December 2002. The document signaled a commitment between the State Government and City of Albany to develop the project in a spirit of close co-operation.

A critical phase in project development was the appointment of a Project Manager dedicated to detailed planning of the harbour. After a thorough recruitment process, the project partners appointed Mr Jon Bettink, former head of Technical services at the Shire of Busselton to the position. The Project Manager is located in Albany at the Great Southern Development Commission and has the task of implementing the agreed strategy. In particular Mr Bettink will co-ordinate the technical studies required for land and marine based development and facilitate the community consultation processes, a critical access in ensuring success of the project.

Albany as a 'Learning City'

The City further enhanced its partnership with the University of Western Australia through completion of external works to the Old Post Office building on Stirling Terrace, which is provided to UWA on a peppercorn rental for 20 years. With the assistance of the Lotteries Commission of WA the Clock Tower was repaired and repainted, heritage bricks sourced and replaced and exterior painting completed. The 1869 building is a significant heritage icon for Albany and houses an important learning institution that will bring significant economic, social and cultural benefits to the region over the coming years.

The City continued its scholarship program to the University and in addition, made a further contribution of \$33,000 to support the Centre of Excellence in Natural Resource Management, which is an associate program of the UWA Albany Centre. The joint UWA Albany Public Library was completed and officially opened on 24 January 2003.

The strategic partnership with UWA enhanced the City's objective of being designated a 'Learning City.' This is a concept to further enhance existing educational facilities, enrich the lives of local people through continuous life-long learning and market Albany as a centre which provides excellent education and learning opportunities. Further work on this concept will be undertaken in partnership with educational institutions and regional development organisations in 2003/04.

Divisional Reports

Wind Discovery Centre (Strategic Assessment and Design Concept)

In January 2003, the City commissioned a consulting team to prepare a strategic assessment and design concepts for a major tourist development at the Albany Wind Farm on Sandpatch reserve. The report was financed by the City, Western Power Corporation (owner and operator of the wind farm) and the Great Southern Development Commission.

The purpose of the report is to explore strategies to maximise the economic and tourism benefit of the Albany wind farm located on spectacular coastline 12 km from the centre of Albany. The study outlines the feasibility and possible design options for a 'world-class' visitor attraction at the site of the Wind Farm. By integrating the visual splendour of the spectacular wind turbines and the sensory experience of the dramatic coastal environment and diverse ecology, a major new icon tourism development is possible for Albany.

The City and relevant stakeholder organisations will use the document as a tool to guide decision-making on future development options at the site, negotiate further with Western Power for installation of a viewing platform on a new turbine and work with State, Commonwealth and philanthropic organisations to support new tourism infrastructure.



Aviation Development Initiatives

As owner and operator of the region's major airport, the City continued to advocate for business expansion. A number of initiatives commenced during 2002/03 including the production of a promotional video on the services and facilities available at the airport, a new web site for the airport and a promotional flyer detailing its technical features. Flight training is viewed by the City of Albany as a significant opportunity given the airport's excellent facilities and the City's superb support infrastructure. Further advocacy work will commence in 2003/04 including prospecting for proposed Antarctica flights and Southern Ocean surveillance efforts recently announced by the Commonwealth.

Wellstead Community Resource Centre and Rural Transaction Centres

Selection of a builder and site works commenced on a Community Resource Centre at Wellstead, 100km from the city centre.

The Wellstead community provided volunteer people, machinery, sand and gravel and cartage services during the preliminary construction stage



The City appointed Southdown Constructions to build the resource centre in a rammed earth finish and it is estimated the building will be completed with fit out in October/November 2003.

The resource centre will house a landcare office, rural transaction centre, visiting medical office, the library, telecentre, historical and heritage displays and a community meeting room. Funding has been secured from the Great Southern Development Commission, Lotteries Commission of WA, Department of Local Government and Regional Development, Commonwealth Department of Transport and Regional Services and the City of Albany.

A rest area and public ablution facility on adjacent land was also completed during the year and will complement the new resource centre.

A smaller collocated library and rural transaction centre review was undertaken in conjunction with the Albany Public Library. An agreement with Youngs Store was developed to establish a rural transaction centre and rural library service on a 12-month trial period. The new facilities will commence operations in 2003/04.

International Relations

The City continued its affiliations with Japanese cities Tomioka and Nichinan. Regular school exchange programs continued and increased shipments of plantation woodchips were exported from Albany Port to Nichinan Port.

On Anzac day 2003, an official friendship agreement was signed between the City of Gallipoli in Turkey and the City of Albany. The agreement recognises Albany as the birthplace of the ANZAC Legend. Albany was the point of departure for many Australians and New Zealanders who fought and died in the World War 1 Gallipoli campaign
Pic to come...

Gallipoli Mayor Chiat Bingol visited Albany on ANZAC Day 2003 to officially sign the agreement in a moving ceremony on ANZAC Park. He also attended dawn and mid-morning services and a civic reception

The agreement states that the City of Gallipoli and the City of Albany will continue to promote people to people contact, and encourage the development of greater understanding and exchange of knowledge and experience in many fields. By emphasising mutual interests and fostering individual consciousness, the City of Gallipoli and the City of Albany will strive to promote close and friendly relations between the citizens of their two communities.

Albany's role as the assembly and departure point for the ANZAC's is a significant part of Australian history and is a unique regional value that will be expanded in years to come.



Albany Advantage and Tourism Promotion

A new promotional kit the Albany Advantage was launched at the Albany Town Hall in March 2003. The kit includes a glossy folder, investment flyer, pictorial booklet and a multimedia CD, which contains digital movies, a photo gallery and links to the Internet for further information.

Very strong response to the kit has been received from a range of tourism, government and individuals interested in investing, visiting or relocating to Albany. It is also used in gift packs for VIP visitors to Albany and as a general promotional tool. The imaging used in the kit is used in promoting Albany as a place to work, live and invest. Advertisements in the West Australian, tourism

magazines and feature articles were prepared during the year. The video production was also used on a new Tourism Touchscreen system installed across Australia. This system provides 24-hour access and promotion of local attractions to visitors to tourist bureaux. One such system is installed at the Albany Visitor Centre.

A DL sized promotional brochure Albany and Great Southern was produced and distributed to over 100 hotels and other tourist outlets including hire car companies. A contract was developed between Albany-based firm Aussie Drawcards Pty Ltd for distribution and replenishment of stocks.



Other Initiatives

A number of other initiatives were supported during the year including:

- Financial assistance and logistical support to the Perth International Arts Festival to conduct an inaugural Great Southern program that was well attended.
- 2002 Business Awards were again sponsored and assistance provided with judging, recognizing the value and contribution of small to medium enterprises in the Albany economy.
- Financial assistance to the equine industry to prepare and implement a strategic industry plan.
- Assistance to the Albany Chamber of Commerce and industry to promote a series of 'Women Going Places' workshops.
- Installation of a bronze Bust of French explorer Nicholas Baudin on the Middleton Beach to Port boardwalk recognising the maritime heritage Albany has with early French explorers.
- Funding was sought from the Great Southern Development Commission to commence design concepts for an Entertainment and Convention centre that will be commenced in 2003/04.

Human Resources and Staff Development

Organisational Development

The City of Albany is committed to ongoing organisational development as a primary objective in generating and maintaining a reputation for professional excellence. This was clearly demonstrated when we won the *Whole of Organisation Best Practice Award* at the WALGA 2002 Best Practice Awards in November.

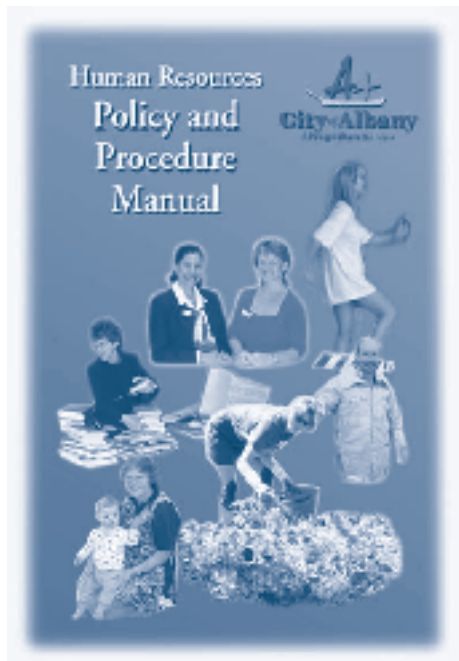
Out of 160 Councils who entered the awards, only five won Whole of Organisation Best Practice Awards, and the City of Albany is the first and only regional Council to ever do so. This award clearly demonstrates that the City of Albany is an industry leader and is at the forefront of delivering local government services and providing community facilities.

In addition to this the City of Albany won awards in all categories. These were:

- Communication: for the Strategic Bushfires Plan
- Customer Service: Whole Customer Service Framework
- Innovation: 2020 Strategic Management System
- Performance Measurement: 2020 Scorecard System
- Process Management: Review of Planning Processes

Human Resources Management Staff Development

The City of Albany takes a highly professional and contemporary approach to developing its people.



Induction Strategy

The City of Albany recently implemented an induction strategy to assist a new employee to integrate into their new workplace and become aware of organisational practice, strategy and culture, from the earliest opportunity.

Occupational Safety and Health

The City has been busy in addressing Occupational Safety and Health requirements which include development of emergency evacuation plans and procedures for all Council buildings and sites, formulation of an Occupational Safety and Health Policy, completion of task procedures for outdoor staff and a reduction in the injury severity rate across Council.

Rewards Strategy

A cost effective, team based reward strategy has been developed and successfully implemented by the City. The success of this strategy resulting in a demonstrated improvement in staff morale as measured through bi-annual climate surveys. Climate Surveys are an in house approach to the management of organisational culture as measured by employee perceptions and feelings.

Civic Leaders Development Program

In August Councillors were given an opportunity to attend Stress Management Training, with new Councillors also attending a May training session called 'Getting Started'. Councillors also attended a number of seminars and conferences including the WALGA 'Where to from here' Seminar, the City of Mandurah 'Beyond the Boundaries: Solutions for Success'. Other keynote conferences included the 'Airport and Aviation' Conference and 'National Road Congress 2003'.

Skill Based Training Program

An average of \$750 per staff member was spent on training and development during 2002/03.

This investment was targeted on skill based training needs directly related to addressing job related skill gaps as identified during the annual Performance Review and Personal Development process, in which all staff participate during March each year.

Examples of training undertaken by City of Albany staff include:

- Writing Reports of Investigation
- Chainsaw Use and Safety Course
- Chemical Awareness & Handling
- Computer Skills Training - Effective use of generic Microsoft suite of software, plus use of specialist software such as AutoCad, Synergy Soft etc.
- Reticulation & Irrigation Techniques
- Energy Efficient Housing - New Regulations seminars
- Copyright Regulations

Customer Service Training

This year considerable emphasis was placed upon heightening the awareness of and lifting motivation towards the continuous improvement of customer service. Whole of organisation workshops were held in April of 2003, focusing on customer service awareness and feedback was sought with regards to 'Customer Service at the City of Albany.' This exercise was one of the initial steps towards development of a consolidated Customer Service Charter. The workshop provided a high impact lead in to an ongoing Customer Service training schedule which is to start in the upcoming financial year. A per-head allocation for all staff members will again be included, and testament to the City's high emphasis on developing customer service excellence.

ALBANY 2020 Charting Our Course

2020 SCORECARD

Introduction:

The City of Albany's strategic plan entitled 'Albany 2020 Charting Our Course' was originally adopted in July 2000. The plan was slightly refined as part of a mini strategic review which took place in June 2001, following the second Council elections. Albany 2020 has been Council's principle guide for the future since that time.

The measurement of strategic performance is an important element of the City of Albany's award winning strategic management system and provides valuable information for the Community, Council and the City's Executive team.

The overall aim is to develop a coherent, efficient and effective system of performance indicators that reflect the performance of the organisation as viewed from the Community's perspective, the operational perspective and from the staff perspective. Importantly this 2020 Scorecard system will enable the tracking of performance over time.

The 2020 Scorecard strategic measurement system has evolved over a number of years and now incorporates three key elements of measurement...

- **Annual Community Scorecard Survey:** This community survey measures community satisfaction with 49 key Council services. This mail out survey is a relatively simple, well-understood survey process, involving 1000 residents being randomly selected who are invited to complete the survey. This survey has been undertaken twice, during the first week of December 2001 and 2002 and in each case a 40% response rate has been achieved, providing Council with information with a 95% confidence rating.
- **Annual Effectiveness Performance Indicators:** These indicators aim to measure the effectiveness of the City's chosen approaches to meeting the Albany 2020 strategic objectives. The first year of measurement was July 2002 - June 2003, although some data collection systems are not yet designed to provide all the required data. This information set will form the baseline information against which future information will be compared.
- **Organisational Climate Surveys:** This survey which aims to measure the effectiveness of the City's staff management approaches, are undertaken every June and December. Such surveys have been undertaken every six months since December 2000.

It is important to note that all these methods of performance measurement have been designed and implemented using existing in-house resources and expertise, with external assistance being kept to an absolute minimum. This approach lends itself to a high level of ownership and efficiency.

The scorecard information shown below is structured to reflect the 7 Port Of Call key result areas contained in the Albany 2020 Charting Our Course strategic plan.

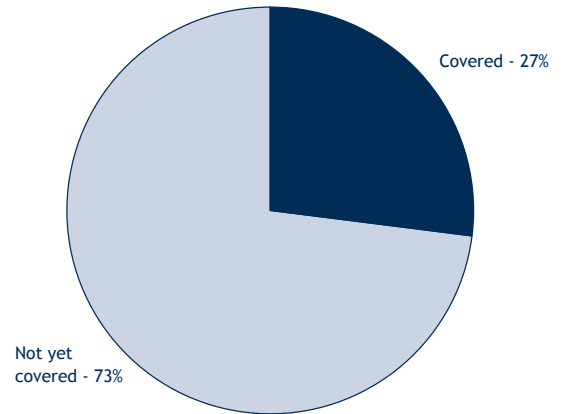
Port Of Call:

Managed Healthy Land & Harbour Environment

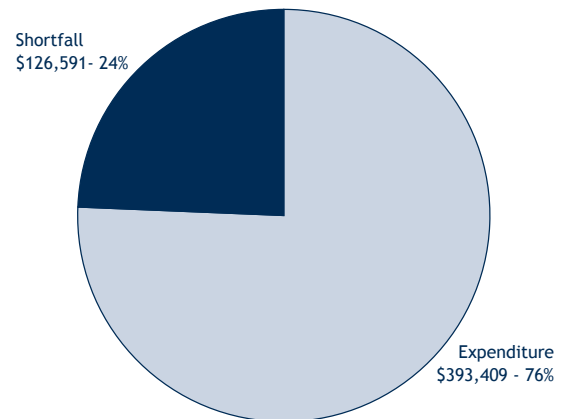
Effectiveness Performance Indicators: Environmental Service Activities.

Proportion of Council Reserves Covered by Adopted Management Plan

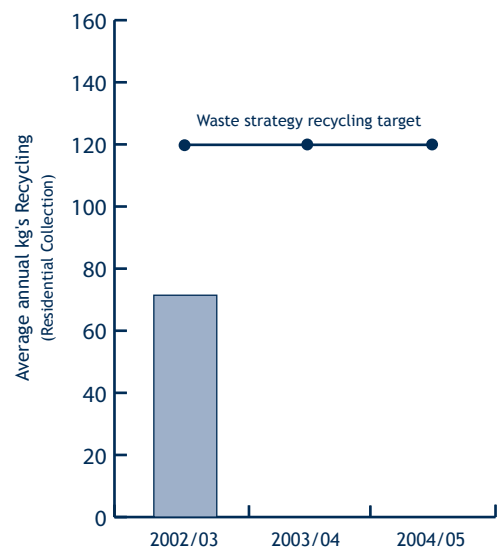
(Total Council Reserve Land: 12054 Hectares)



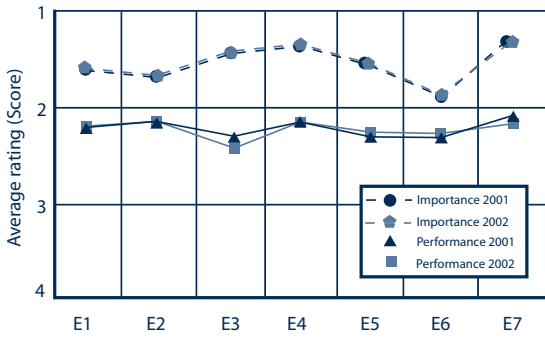
Proportion of required annual expenditure to maintain reserves at standards specified in the City's Reserves Masterplan actually expended during 2002/03



Residential Recycling Effort



Community Satisfaction: Environmental Services

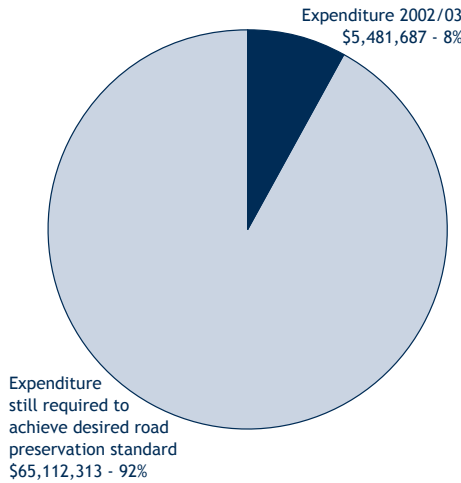


- E1. Stormwater drainage management.
- E2. Management of natural reserves e.g. Mt Clarence.
- E3. Future land use planning.
- E4. Waste management planning.
- E5. Environmental monitoring (e.g. determining environmental hazards).
- E6. Public environmental awareness initiatives.
- E7. Protection of harbour (i.e. working with other agencies to protect our harbour).

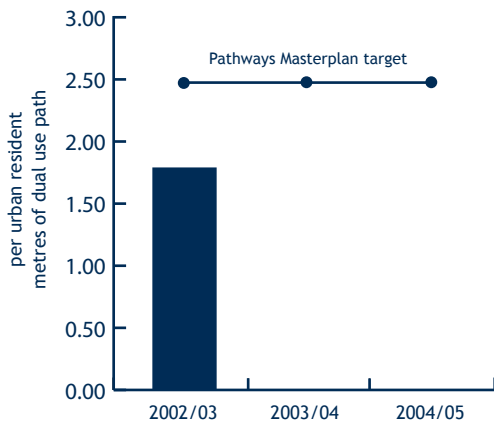
1 - Highly important/Excellent; 2 - Important/Good;
3 - Less important/Poor; 4 - Not important/Very poor

Port Of Call: Transport Systems And Services Designed To Meet Current And Future Needs
Effectiveness Performance Indicators:
Transport Activities.

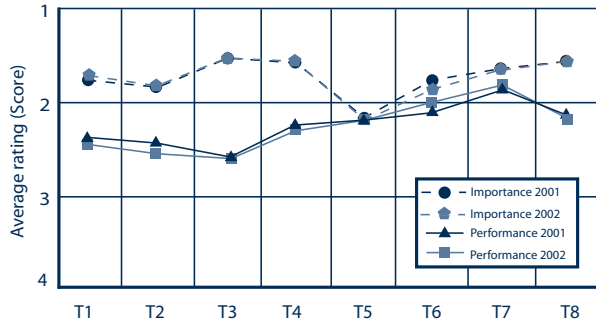
Road Preservation Performance Ratio



Alternative Transport Performance



Community Satisfaction: Transport Services



- T1. Transport Network Planning.
- T2. Public consultation about road programs.
- T3. Looking after rural roads.
- T4. Looking after urban roads.
- T5. Looking after jetties & boat pens.
- T6. Looking after dual use paths & walkways.
- T7. Looking after the Airport.
- T8. Management of Traffic Safety.

1 - Highly important/Excellent; 2 - Important/Good;
3 - Less important/Poor; 4 - Not important/Very poor

Port Of Call: The Continual Development Of Council Services And Facilities To Meet The Needs Of All Stakeholders

Effectiveness Performance Indicators: Community Service Activities.

Albany Leisure & Aquatic

Centre Staffing Cover...

During 2002/03 for every Full Time Equivalent member of staff ALAC served 15,216 patrons.

Subsidy Per Patron

Each visit per patron was subsidised by \$1.35 during 2002/03.

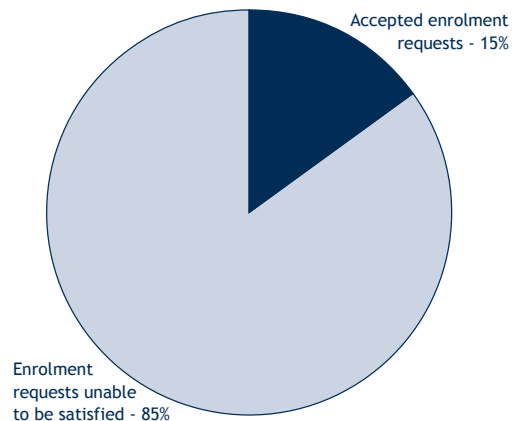
Albany Public Library *During 2002/03...

Library transactions per head of population 25
Cost per transaction \$1.02
Cost of Library Services per head of population .. \$25.12
Staffing Cover (transactions per FTE staff) 60,429
Participation Rates (membership population %) 70%

Albany Day Care Centre

Demand Satisfaction

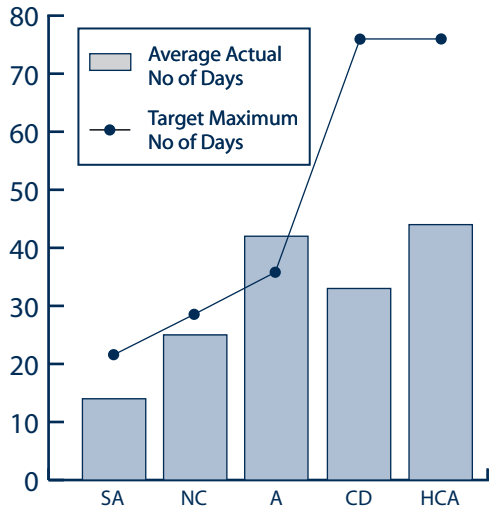
Proportion of new enrolment requests that the Centre could accommodate during 2002/03



Cost per child:
During 2002/03 the Day Care Centre was subsidised at the rate of \$5.50 per full time equivalent client.

Development Approvals

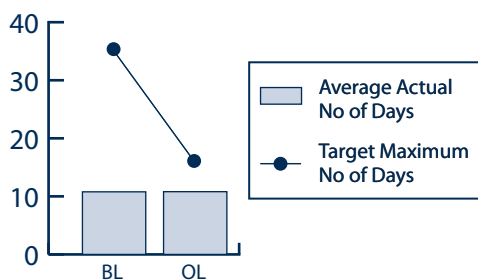
Planning Consent Approval Turnaround Times



Application Type

SA	Standard Application (delegated approvals)
NC	Neighbours Consent (delegated approvals)
A	Advertised (delegated approvals)
CD	Council Decisions
HCA	Highly Complex Applications

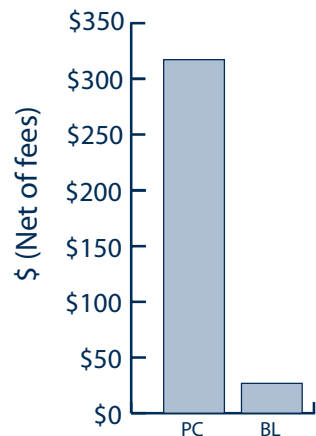
Building Licence Approval Turnaround Times



Building Licence Type

BL	Building Licences
OL	Other Licences (eg Sign, Demolition)

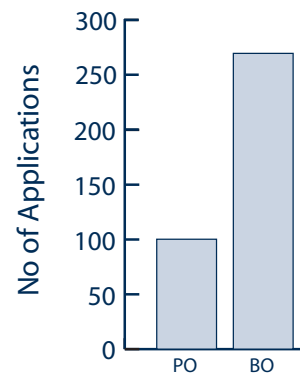
Cost of Development Approval Processes 2002/03



Type of Approval

BL	Planning Consents
OL	Building Licences

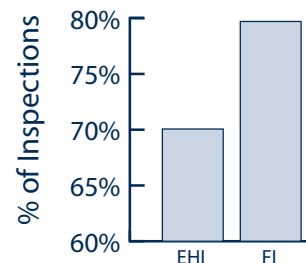
Staffing Cover: No. of Development Applications Determined 2002/03



PO	No of applications determined per Planning Officer
BO	No of applications determined per Building Officer

Inspection Services

No of Inspections compliant with Regulations



Inspection Type

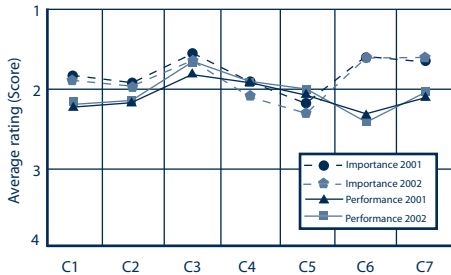
EHI	Environmental Health
FI	Firebreak

Cost per Health Inspection
Cost per Health inspection \$320.

Regional Cattle Saleyards

During 2002/03 an average of 940 cattle per sale went through the Saleyards.
Profit per head of Cattle: \$3.65

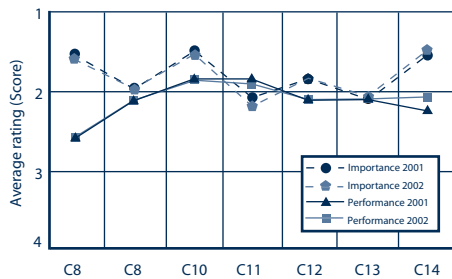
Community Satisfaction: Community Services (a)



- C1. ALAC - pool, spa & sauna facilities.
- C2. ALAC - courts, synthetic sports surface & gym facilities.
- C3. Albany Public Library.
- C4. Albany Regional Day Care Centre.
- C5. Community Arts (Vancouver Arts Centre).
- C6. Development Approvals (Building & Planning).
- C7. Environmental Health Services.

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

Community Satisfaction: Community Services (b)

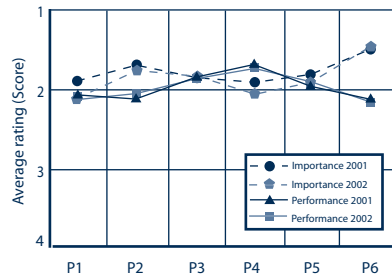


- C8. Public Conveniences.
- C9. Ranger Services.
- C10. Recycling & Waste Collection Services.
- C11. Regional Cattle Saleyards.
- C12. Supporting Volunteer Groups.
- C13. Town Hall Theatre.
- C14. Waste Disposal (e.g. Tips).

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

Port of Call: Quality Parks, Gardens and Reserves Maintaining their Feature Status

Community Satisfaction: Streets and Parks

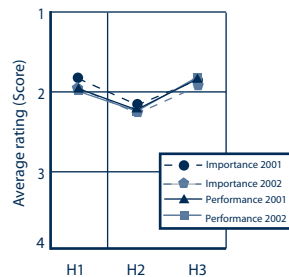


- P1. Appearance of streetscapes.
- P2. Street Lighting.
- P3. Looking after parks & ovals.
- P4. Looking after gardens.
- P5. Looking after playgrounds.
- P6. Presentation of Albany to Visitors

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

Port of Call: Outstanding Municipal and Privately Owned Heritage Assets

Community Satisfaction: Heritage Activities

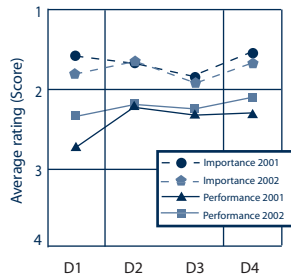


- H1. Looking after municipal heritage buildings (E.g. Town Hall, Vancouver Arts Centre).
- H2. Providing advice for owners of privately owned heritage buildings.
- H3. Local Studies Library Service.

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

Port of Call: Attraction & Development of a Broad Range of Social, Cultural and Economic Entities

Community Satisfaction: Social, Cultural and Economic Development

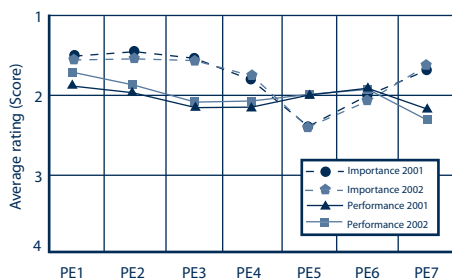


- D1. Economic Development (attracting Investment).
- D2. Community Development (Working with Seniors, Youth & Minority Communities).
- D3. Recreational Planning.
- D4. Tourism Development.

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

Port Of Call: A Reputation for Professional Excellence

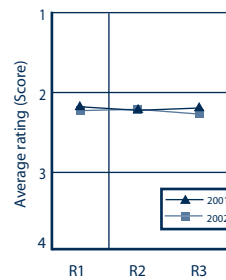
Community Satisfaction: Professional excellence



- PE1. General Courtesy of staff.
- PE2. General Efficiency of staff.
- PE3. Responsiveness of staff to complaints.
- PE4. Providing Information about Council activities and services.
- PE5. Civic Ceremonies (e.g. Citizenship ceremonies).
- PE6. Community Events (e.g. Australia Day Celebrations).
- PE7. Overall Image of Council.

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

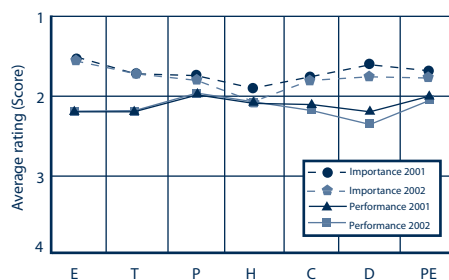
Community Satisfaction with Rates and Charges



- R1. The Current Level of Council Rates.
- R2. Charges (Other than Rates) for Council Services.
- R3. Performance of Council compared to level of Rates.

1 = Very satisfied; 2 = Generally satisfied;
3 = Generally dissatisfied; 4 = Very dissatisfied

Summary of Community Satisfaction with Council Performance



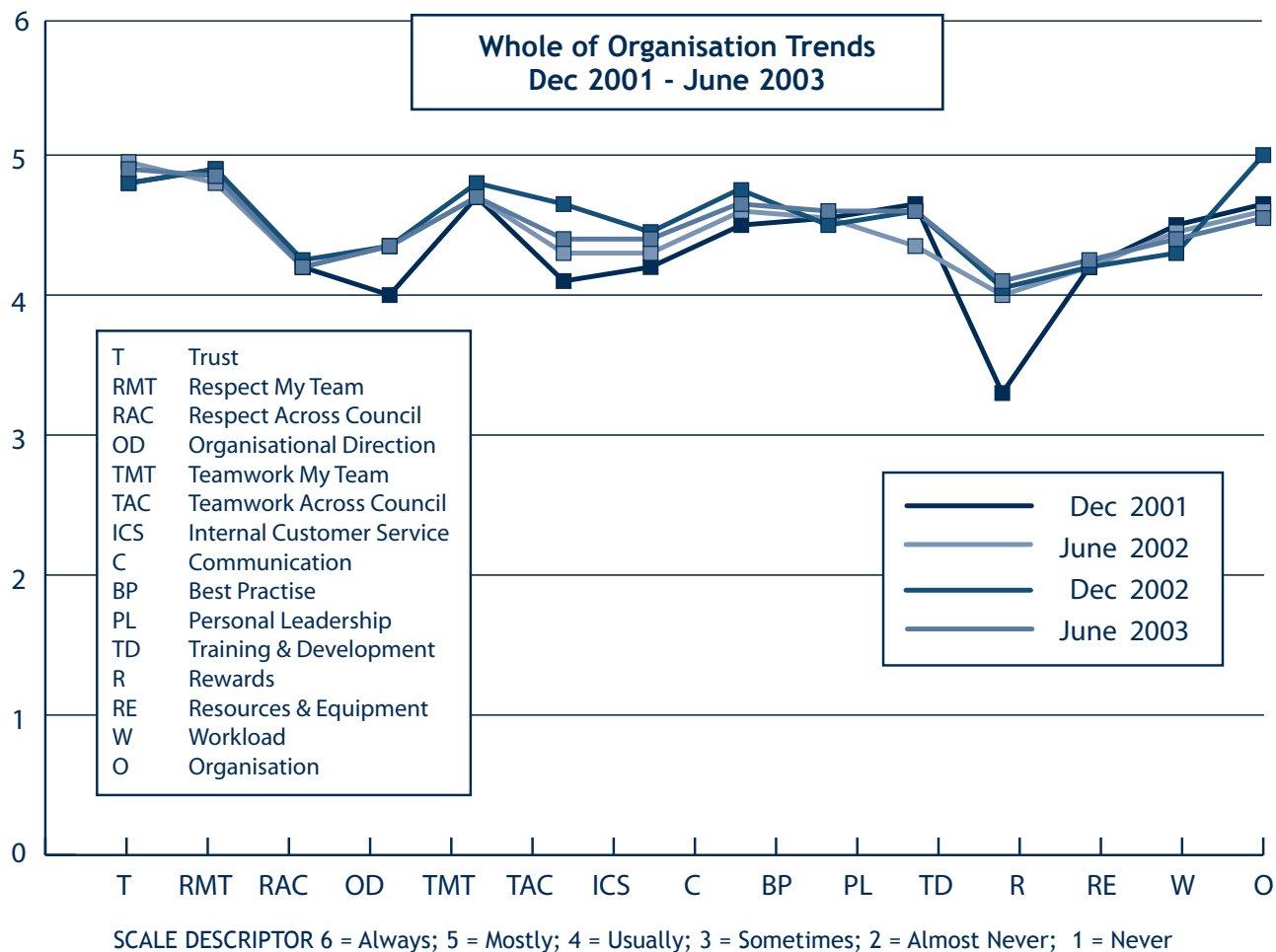
Note abbreviations are for:

- E: Environmental services
- T: Transport services
- P: Street scaping & Parks
- H: Heritage activities
- C: Community Services
- D: Social, cultural and economic development
- PE: Professional excellence

1 = Highly important/Excellent; 2 = Important/Good;
3 = Less important/Poor; 4 = Not important/Very poor

Charting our Course

Staff Satisfaction (Organisational Climate Survey Results)



Organisational Climate Survey Statements

TRUST

In my team, we trust each other.

RESPECT - MY TEAM

In my team, we treat each other respectfully.

RESPECT - ACROSS COUNCIL

People respect the contribution that is made by others in the organisation.

ORGANISATIONAL DIRECTION

In my team, we feel that organisational goals are clearly defined.

TEAMWORK - MY TEAM

In my team, we are committed to working with each other to achieve organisational and team goals.

TEAMWORK - ACROSS COUNCIL

People are happy to work with staff from other teams to achieve organisational goals.

INTERNAL CUSTOMER SERVICE - ACROSS COUNCIL

In my experience internal requests for service are responded to positively and promptly.

COMMUNICATION

In my team, there is a free exchange of information about issues & events relevant to our work.

BEST PRACTICE

In my team, we are committed to finding better ways of working and we are encouraged to try new approaches.

PERSONAL LEADERSHIP

In my team, as the need for leadership arises, we feel free to use our expertise.

TRAINING & DEVELOPMENT:

In my team, we are encouraged to learn and develop new skills to help us do our jobs better

REWARDS:

In my team, we are recognised for good work.

RESOURCES & EQUIPMENT:

In my team, we are provided with the equipment and resources that we need to do our jobs.

WORKLOAD:

My workload is generally manageable.

ORGANISATION

There is evidence that the City is developing into a strong professional unit and I am proud to work at the City of Albany.

National Competition Policy Implementation

Introduction

The National Competition Policy (NCP) is designed to enhance the efficiency and effectiveness of public sector agencies and lead to a more efficient use of all economic resources

The Competition Principles Agreement is to ensure an inter-governmental agreement between the Commonwealth and State/Territory Governments that stipulates the manner in which government will apply competition policy principles to public sector organizations under their jurisdiction.

The State Government released a Policy Statement, effective from July 1996, which forms part of the Competition Principles Agreement. This Clause 7 Policy document sets out nominated principles of which that Agreement now applies to Local Government.

The provisions of Clause 7 of the Competition Principles Agreement require local government to report annually as to the implementation, applications and effects of Competition Policy.

Competitive Neutrality

The principal of competitive neutrality is that government businesses should not enjoy a competitive advantage, or disadvantage, simply because of their public sector ownership. Measures should be introduced to effectively neutralise any net competitive advantage flowing from government ownership.

Competitive neutrality should apply to all business activities that generate a user pays income of over \$200,000 unless it can be shown it is not in the public interest.

For the City of Albany, the significant business activities are the:

- Day Care Centre;
- Leisure and Aquatic Centre including Cafeteria;
- Waste Disposal (Tip) Operations;
- Waste Collection Services;
- Albany Regional Airport; and the
- Great Southern Regional Cattle Saleyards

A public benefit test has been undertaken to determine if competitive neutrality is in the public interest.

The public benefit analysis takes into account the tangible economic factors as well as the less tangible (social and environmental) factors to determine whether it is in the public interest to have a Local Government's significant business activity more open to competition. The Council has endorsed the recommendation of the public benefit testing in accordance with the National Competition Policy Guidelines.

Day Care Centre



The Albany Regional Day Care Centre satisfies a gap in the local market and does not duplicate, to any inappropriate extent, services or facilities provided by the Commonwealth, State or other private centres. It provides accredited childcare for up to 60 children aged between 6 weeks and 6 years. Qualified personnel with extensive childcare experience and First Aid Certificate staff the Centre. The Centre provides all meals, snacks, nappy and laundry service as well as a pre-school pick up and delivery service.

In relation to the Centre:-

- Competition Neutrality Principles have been adopted;
- Efficiency reviews and price and quality comparisons have been carried out; and
- The Centre's pricing policy takes into account the advantages and disadvantages in accordance with competitive neutrality principles

All associated costs of operating the Centre have been included in the budget including rental provisions for the building.

Overall:

- There is no subsidisation by the Council;
- Fee charges are higher than for other Centres within Albany;
- The Centre has a utilisation rate of 95%

Albany Leisure and Aquatic Centre (ALAC)

In relation to the Leisure and Aquatic Centre:-

Competitive Neutrality Principles have been adopted; and price comparisons and market testing (including tax equivalent regime) have been undertaken.

Activity Based Costing has continued to be used with all associated costs for operating the Leisure Centre (including nominal building rental) being allocated in the 2002/2003 budget.

Waste Collection



Council provides a waste (refuse and recycling) collection service for all urban properties within the municipality. Council also provides a recycling service for the Shire of Denmark.

Activity based costing has been used and all operational associated costs including debt servicing on vehicles, payroll, financial services, management and notional building rental were allocated in the 2002/03 budget.

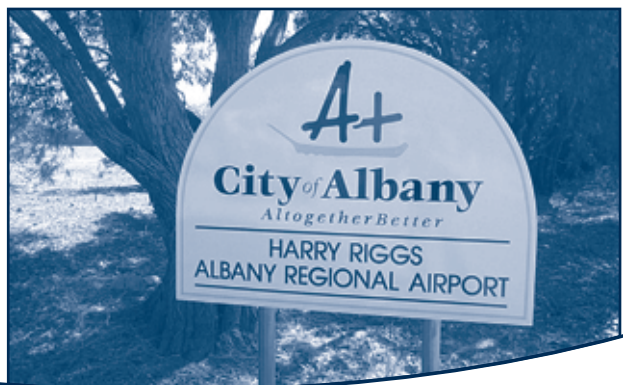
The waste team's business plan also incorporates the operational procedures.

Albany Regional Airport

The procedures for the operation of the airport were in accordance with the Airport Business Plan.

Activity based costing is included in operation costs and debt servicing is charged.

Any operating surplus is allocated to the airport reserve for future capital and asset preservation works.



Regional Cattle Saleyards

The Great Southern Regional Cattle Saleyards satisfies a gap in the local market left by the closing of the Albany and Mt Barker saleyards. It provides the facilities to handle up to 1400 cattle per sale day.

The procedures for the operation of the saleyards are included in the Regional Saleyard Strategic Plan.

Activity based costing has been introduced with all associated costs for operating the saleyard being allocated. The fees charged for using the Saleyards are higher than other similar facilities in the state.

Legislation Review

All local governments are required to assess which of their local laws might affect competition and conduct a review of the Act to determine how many restrictive practices might be overcome.

Recent reviews of local laws included:

- Standing Orders
- Extractive Industries
- Prevention and Abatement of Sand Drift
- Local Law Relating to the Former HMAS Perth
- Local Government Property Local Laws
- Animals Local Laws
- Activities in Thoroughfares and Public Places and Trading Local Law
- Local Laws Relating to Fencing
- Health (Eating-Houses and Itinerant Food Vendors)
- Health Local Laws
- Parking and Parking Facilities
- Deletion of Obsolete Local Laws

The Western Australian Municipal Association model local laws are the basis of most of Council's remaining local laws. Public consultation of these local laws has commenced and will continue.

PERFORMANCE

For the four year period from 1 July 2001 to 30 June 2005

Section 5.53 of the Local Government Act 1995 requires Council to include an assessment of the local government's performance in relation to each principal activity noted in the annual budget.

Airport Operations

Activities:

Provide a safe and effective regional aviation service.

Objectives:

- That the Albany Airport continues to deliver outstanding service to all its clients within and outside of the Great Southern Region, and within that role to provide a prompt and flexible response to all client needs and operational requirements

- That the Albany Airport operates on a financially sustainable basis, whilst continuing to take a flexible and innovative approach to expanding business operations
- That the Albany Airport endeavours to maintain a high standard of operating procedures specifically in meeting the requirements of the Civil Aviation Safety Authority Regulations



Performance Measures:

- Increase in airport passengers
- Increase in associated users
- Develop an airport master plan

Assessment of performance:

- Despite the collapse of Ansett Australia and recent terrorist events in the United States, confidence in air travel to Albany is returning with passenger numbers readily rising to pre-collapse levels
- The compilation of an Airport Masterplan has recently been completed and is currently under review
- The Civil Aviation Safety Authority (CASA) annual audit found that all operations reached the required statutory standards.

ALAC Operations

Activities:

Provision of Leisure and Aquatic Centre facilities for the people of the City of Albany.

Objectives:

- To provide a range of products and services that is required by the community to increase customer satisfaction and attendance;
- To provide accountable, cost effective products and services that promotes 'user-pay' to a subsidy level and to monitor this using industry specific computer technology;
- To respond promptly and effectively to the requirements of existing and prospective customers, ensuring that staffing, product, and facility resources are matched appropriately to those needs, and ALAC is capable of fulfilling agreed requirements;
- To conduct market research and promote the Centre to current 'non-users' of ALAC; and
- To promote the positive benefits of exercise and involvement in physical activity.

Performance Measures

- Business relationships - Customer complaints, suggestions and service problems to be considered and actioned promptly;
- Financial - Operating costs and revenue reviewed quarterly to meet annual levels approved by Council;
- Marketing and promotion - Increase in utilisation of facility during identified 'off-peak' times, and comprehensive database of client needs, expectations, and possible requirements matched to target markets; and
- Products and services - Increase market share for ALAC's range of core products and services.

Assessment of performance

Economic

Measures the cost of providing the service:
Level of subsidy per patron is \$1.35

Participation

Measures the number of patrons visiting the Centre:
No of patrons 220,664

Customer Service

Measures the coverage of staff to patrons:
No of patrons per staff member 15,216

LIBRARY OPERATIONS

Activities:

Provision of a public library service for the people of the City of Albany.

Provision of Regional Library Services to the Great Southern.

Objectives:

To plan and provide for equity of access to, and the continual development of library services, which enhance the quality of life for a growing community

Approaches:

- Implement adopted Strategic Review of Library Services.
- Maintain an up to date Service plan.
- Maintain a strong customer focus and develop services that are responsive to community needs, emerging technologies and worldwide trends.
- Ensure equitable access to library services and facilities.

Principal Activities Report

Performance Measures

ECONOMIC

- Resources committed per head of population (\$25.12);
- Cost of transaction (\$1.02).

Participation

- Registered users as a proportion of population (61.8%);
- Participation and usage rates; loans (issues and returns); reservations; inter library loans; enquiries; membership enrolments; special services programs participation rates; local studies collection enquiries; and access rates
- Transaction per member (35)

Service Efficiency and Effectiveness

- Customer / community satisfaction surveys
- Timelines of supply, delivery and throughput as per service standards and
- Transaction per staff members (60,665)

Regional Services

- As per regional service agreement with the Library Information Service of WA.

PARKS AND RESERVES MAINTENANCE

Activities:

Maintain a diverse range of passive and active recreational areas.

Objective:

- To manage the City's parks and reserves to provide creative, attractive, safe and enjoyable recreational experiences for the community.

Performance Measures:

- Develop management plans for the City's parks and reserves.
- Community feedback and satisfaction level.
- Annual inspection of all street trees and prune where necessary to meet safety requirements.
- Construct reticulation systems to provide grassed and planted areas with adequate water supply to ensure vigorous growth.

Assessment of performance:

- In 2001-02 Council commenced management plans for Lowlands Beach (regional natural reserve), Frenchman Bay (regional coastal park), Eyre Park (regional park) and Lange Park (district park). Lowlands Beach Plan is still in its early stages of development and community consultation. Lange Park is completed and has been adopted by Council.

Frenchman Bay and Eyre Park have completed the public consultation process.

- In order to improve satisfaction levels in relation to community feedback, 756 works requests were fully completed by the parks and reserves team in addition to routine preventative maintenance.
- The annual inspection of trees for western power pruning has been conducted with approx 70% of the work completed. Trees are not inspected annually for structural safety unless alerted to by the public.
- First and second stages of the centrally controlled reticulation system have been completed with 11 reticulated sites upgraded to the system. The third and final stage will be implemented the 2002/03 year with a further six sites brought on line.

Battery powered controllers have also been upgraded to increase the reliability of these systems to minimise risk of malfunction.

A bio filter was also constructed at Hatelie Lakes to filter the water runoff from feeder drains. This is expected to reduce excavation maintenance by trapping sedimentation before it enters the lakes. Water for the reticulation for the North Rd Sporting Complex is pumped from the lakes.

MAINTENANCE OF ROAD NETWORK

Activities:

The maintenance of the road network in an effective and efficient manner.

Objectives:

- To provide a high quality service
- To meet community expectations
- To minimise whole of life costs of the network

Performance Measures:

- Unsealed road and streets are graded to the appropriate standard for the function of the road.
- Implement annual crack sealing program in major urban roads.
- Implement preventative maintenance programs including resurfacing, re-sheeting and re-sealing.
- Roads and streets are to be swept to Council's standards to remove aggregate, dirt and debris to prevent danger to traffic and pedestrians and to enable free drainage of roadway.
- Sealed road network is inspected on a monthly basis for potholes, edge failures, signs and guideposts.
- All stormwater sumps are cleaned on an annual basis.
- Implement bridge maintenance program to ensure safety.

Assessment of performance:

- Continued maintenance of unsealed roads and streets was undertaken as part of the annual grading program including minor repair and restoration.
- The annual crack-sealing program in major urban roads was included as Council's annual bitumen reseal program.
- The implementation of preventative maintenance consisted of major maintenance in areas such as reconstruction of Lower King Rd and Burgoyne Rd - asphalt overlays of roads in Goode Beach and Kalgan Heights - reseals of Hunton Rd, Redmond Hay Rd, Thomas Rd and several minor roads - stabilisation of Cosy Corner Rd, Palmdale Rd, Homestead and 5 other minor roads. Implementation of Council's Asset Management Strategy consisted of re-sheeting 24 unsealed roads at a cost in the region of \$750,000.
- Roads and streets were swept to Council's current standard contract to remove aggregate, dirt and debris to prevent danger to traffic and pedestrians and to enable free drainage of roadway.
- Sealed road network was inspected and repairs/replacement organised for potholes, edge failures, signs and guideposts. 750 customer enquiries and requests, were investigated and works implemented
- Storm water drainage system underwent continued maintenance including gully education as per contract, pipe clearing, open drain vegetation control and roadside drainage refurbishment.
- Council's bridge maintenance program continued through the financial year. This included, but was not limited to clearing, vegetation pruning/mowing, painting, spraying for termites and other minor works.

STREET AND ROAD CONSTRUCTION

Activities:

Provide the City's road transport infrastructure

Objectives:

- Ensure road transport infrastructure is of a high quality
- Take into account community expectations, in alignment with transport plans.

Performance Measures:

- Implementation and review of the City's capital upgrade expenditure program for streets and roads.
- Amount of funds attracted and spent on streets and roads.
- Percentage of gravel roads.
- Percentage of unkerbed urban roads.
- Kilometres of urban streets constructed and sealed.

- Kilometres of rural roads constructed and sealed.
- Kilometres of footpath and shared pathways constructed.
- Development and implementation of Local Area Traffic Management Plan (LATM).

Assessment of performance:

- The adoption of the Asset Management Plan - Roads has seen the implementation of a structured plan for the upgrade of roads, within the City.
- The current construction program outlined significant progress toward ensuring assets meet the established standard. Major upgrades were undertaken on Home Rd, Dempster Rd, Prescottvale Rd, Le Grande Rd, Minor and Carbine Sts and Gledhow South Rd.
- The City has been successful in attracting funds through the Great Southern Regional Road Group and other Commonwealth road funding programs. Total grant funding received during 2002/03 from various government departments for road construction and preservation was \$2.25 million.
- The 2002/03 roadwork's programme completed totalled \$7.4 million, with preservation of existing road assets (gravel resheet, final/reseals, asphalt and stabilisation) being \$2.1 million.
- The State Black Spot Program assisted with funding for the construction of a roundabout at the intersection of Lockyer Ave and Minna Street.
- The construction of shared pathway linking Bayonet Head to Middleton Beach and various dual use paths on Chesterpass Rd and Collingwood Rd.
- Local Area Traffic Management Plans were developed for Emu Point.

WASTE MANAGEMENT

Activities:

The collection of domestic refuse from the urban areas of the City.

The collection of recyclable materials from the urban areas of the City and reduce the quantity of refuse disposal of at landfill sites.

The disposal of refuse from the domestic collection service, rural and commercial premises.

Objectives:

- To provide, improve and maintain an efficient and effective refuse collection, disposal and recycling service which embraces environmental considerations and waste minimisation.

Performance Measures:

- Ensure landfill sites meet Department of Environmental Protection requirements.
- Quantity of recyclable material and green waste diverted for landfill.
- Cost of collection service.
- Quality of service provided.

- Develop and implement waste management strategy.
- Formation of a regional waste council.

Assessment of Performance:

The Waste and Sanitation Services tender will be assessed by Council in November 2003. The service will include:

- kerbside collection of waste and recyclables;
- construction of a new Materials Recycling Facility;
- Green waste collection service;
- Opening of the rural transfer station service;
- Hard waste collection service;
- Waste minimisation education program;
- Construction of weighbridges and recycling stations at the landfill sites.
- All of the Transfer Stations have been completed and will be commissioned once the waste minimisation contract commences.
- Waste Cell 1 at Hanrahan Road and Waste Cell 1 at Bakers Junction Landfill Sites have both been completed including clay capping ready for topsoiling and planting in the following financial year.
- Replacement Plant Hire of vehicles to maintain the continuing level of service to customers. This hiring program was introduced to avoid the expense of purchasing and maintaining 'new' vehicles in order to fulfil the City's obligations until the conclusion of the current waste contract.
- Gauging Station at Hanrahan Road was built to DEP specifications to monitor the flow of water and chemicals leaving the Hanrahan Road Landfill Site. The information gathered from the Gauging Station will be used in planning the next stage of the wetlands development on CSBP lands, as per the DEP recommendation. Negotiation for the use of CSBP land is currently under negotiation.
- A report on treatment options for discharge from the Hanrahan Road Landfill site is to be completed this year.
- Bakers Junction Landfill Site - the existing contract has been re-let for a further 12 months.
- drumMUSTER was introduced to the region, initially at the Wellstead and South Stirling's Waste Sites, to cater for the need of broad acre farming, however it is now planned to introduce the drumMUSTER campaign to other sites over the next 12 months to cater for the horticultural and tree farming industries.

ADMINISTRATION BUILDING AND CIVIC CENTRE

Activities:

To provide a single building to meet the City's future administrative and Civic Centre requirements

Objectives:

- Continually develop Council Services and facilities to meet the needs of all stakeholders by providing a single Administration Building and Civic Centre to meet the long term needs of the City by determining the method of funding the building, and progressing to building design and construction.

Performance Measures:

- Consider funding options and provide a recommendation for Council
- Commission architects, design the building, and progress to tender.
- Commence Construction

Assessment of Performance:

- The site location issues delayed the recommendation to Council and consideration of the funding options.
- Architects were commissioned and preliminary designs completed.



2002/2003
Financial Report

INDEPENDENT AUDIT REPORT

To: Council
City of Albany
PO Box 484
ALBANY WA 6331

Scope

I have audited the financial report of the City of Albany for the year ended 30th June 2003 as set out on Pages 1 to 37. The Council is responsible for the preparation and presentation of the financial report and the information contained therein. I have conducted an independent audit of the financial report in order to express an opinion on it to the City of Albany.

My audit has been conducted in accordance with Australian Auditing Standards to provide a reasonable level of assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and Australian Accounting Concepts and Standards so as to present a view of the Council which is consistent with my understanding of its financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the financial report presents fairly the financial position of the City of Albany as at 30th June 2003 and the results of its operations for the year then ended in accordance with the requirements of the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and Statements of Accounting Concepts and applicable Australian Accounting Standards.

Statutory Compliance

I did not during the course of my audit become aware of any instances where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.

Signature: 

Date: 25 September 2003

Auditor: Russell Harrison
Firm: Lincolns Accountants and Business Advisers
Address: PO Box 494
ALBANY WA 6331



Statement by
CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Albany being the annual financial report and supporting notes and other information for the financial year ended 30 June 2003 are in my opinion properly drawn up to represent fairly the financial position of the City of Albany at 30 June 2003 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards (except to the extent that these have been varied in the Statement of Accounting Policies required by Australian Accounting Standard AAS6 "Accounting Policies" and the accompanying notes to the annual financial report) and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 9th day of September, 2003

A handwritten signature in blue ink, appearing to read 'Andrew Hammond'.

Andrew Hammond
Chief Executive Officer

2002/2003 INDEX

Operating Statement by Function / Activity	i
Operating Statement by Nature / Type	i
Statement of Financial Position	ii
Statement of Changes in Equity	iii
Statement of Cash Flows	iv
Statement of Cash Flows Reconciliation	v
Schedule 1 General Purpose Income	vi
Statement of Rating Information	vii
General Fund Summary	viii
NOTES:	
1. Significant Accounting Policies	ix
2. Component Functions / Activities	xi
3. Component Nature / Type	xi
4. Changes in Accounting Policy	xii
5. Operating Revenues and Expenses	xii
6. Cash and Investments	xii
7. Receivables and Other	xiii
8. Stock on Hand	xiii
9. Property, Plant and Equipment	xiii
9(a).Non Current Assets - Investment	xiii
9(b).Non Current Assets - Contributions by Developers	xiii
10. Borrowings	xiv
11. Creditors, Provisions and Accruals	xv
12. Reserves	xv
12(a) Reserves Statement	xxiii
13. Rating Information	xxiv
14. Members Allowances	xxv
15. Depreciation	xxv
16. Investments	xxv
17. Fees and Charges	xxv
18. Financial Ratios	xxvi
19. Joint Venture	xxvi
20. Non Operating Revenues and Expenditure	xxvi
21. Contingent Liabilities	xxvii
22. Subsequent Events	xxvii
23. Conditions over Contributions	xxvii
24. Loan Liability Statement	xxviii
25. Additional Information on Borrowings	xxx
26. Trust Fund	xxxi
27. Asset Reconciliations	xxxii

FOR THE PERIOD ENDED 30-Jun-03

(a) Function / Activity

		Actual 2002/2003	Budget 2002/2003	Actual 2001/2002
INCOME				
General Purpose Funding		16,096,926	15,815,710	15,024,296
Governance	4	48,850	16,876	(8,606)
Law Order and Public Safety	5	212,129	301,650	213,332
Health	7	41,654	36,600	64,808
Education and Welfare	8	577,085	613,709	515,714
Community Amenities	10	2,857,112	2,530,878	2,035,758
Recreation and Culture	11	2,150,237	2,154,822	1,781,325
Transport	12	3,895,191	2,974,529	3,677,016
Economic Services	13	1,284,313	1,569,086	1,340,429
Other Property and Services	14	67,015	248,172	163,169
		27,230,514	26,262,032	24,807,240
EXPENDITURE				
General Purpose Funding	3	298,700	265,782	180,942
Governance	4	1,215,626	1,276,771	990,245
Law Order and Public Safety	5	1,200,261	1,164,787	1,075,012
Health	7	332,466	298,148	281,127
Education and Welfare	8	752,721	748,065	691,811
Community Amenities	10	3,724,562	4,047,303	3,335,037
Recreation and Culture	11	6,030,171	6,143,344	5,560,407
Transport	12	7,896,039	8,797,072	8,163,163
Economic Services	13	1,828,078	2,431,251	1,702,895
Other Property and Services	14	1,348,168	826,665	710,556
		24,626,792	25,999,188	22,691,194
Change in net assets from operations		2,603,722	262,844	2,116,046

(b) Nature / Type

		Actual 2002/2003	Budget 2002/2003	Actual 2001/2002
INCOME				
Rates	3	12,640,229	12,443,114	11,552,322
Grants and Subsidies	4	6,066,283	6,719,721	5,774,564
Contributions. Reimb and Donations	5	1,578,795	879,364	1,465,079
Fees and Charges	7	5,305,858	5,218,825	4,313,644
Interest Earned	8	616,917	370,000	414,708
Profit (loss) on asset disposal	10	1,078	(134,016)	(71,623)
Other Revenue / Income	11	5,722,612	6,292,730	6,571,674
less: applicable to capital works	12	(4,701,258)	(5,527,706)	(5,213,128)
		27,230,514	26,262,032	24,807,240
EXPENDITURE				
	3	10,022,999	9,684,394	9,274,873
Employee Costs	4	984,914	836,910	908,570
Utilities	5	566,460	557,894	280,319
Interest Expenses	7	6,942,048	6,810,296	6,338,574
Depreciation on non current assets	8	8,833,602	16,117,730	6,044,261
Contracts and materials	10	334,636	294,510	223,571
Insurance expenses	11	10,960,002	10,142,339	11,436,046
Other Expenses	12	(14,017,869)	(18,444,885)	(11,815,020)
less: Applicable to capital works		24,626,792	25,999,188	22,691,194
Change in net assets from operations		2,603,722	262,844	2,116,046

This statement to be read in accordance with the accompanying notes

Statement of Financial Position

	Note	Actual 30-Jun-03	Budget 30-Jun-03	Actual 30-Jun-02
CURRENT ASSETS				
Cash	6	2,842,100	1,242,760	883,623
Restricted Funds - Grants / Loans	10	152,466		142,100
Restricted cash	26	1,046,696	816,335	783,128
Reserve Funds	12	8,812,540	3,057,069	8,509,437
Receivables and Other	7	2,107,715	1,604,656	1,677,452
Stock on hand	8	21,693	42,721	42,721
		14,983,210	6,763,541	12,038,462
CURRENT LIABILITIES				
Bank Overdraft				
Borrowings	10	644,014	540,850	540,085
Employee provisions	11	1,290,489	1,289,083	937,247
Trust Liabilities	11	1,003,795	742,441	742,441
Creditors & other provisions	11	3,802,345	2,890,136	2,406,433
		6,740,643	5,462,510	4,626,971
NET CURRENT ASSETS		8,242,567	1,301,031	7,411,490
NON CURRENT ASSETS				
Receivables	7	264,355	229,832	305,634
Pensioners Deferred Rates	7	241,284	239,154	226,996
Property, Plant and Equip	9	214,503,982	218,889,177	208,845,614
		215,009,621	219,358,163	209,378,243
NON CURRENT INVESTMENTS				
Local Govt House Shares	9a	19,501	19,501	19,501
NON CURRENT LIABILITIES				
Borrowings	10	12,448,340	13,378,188	8,451,354
Creditors and Provisions	11	380,077	159,014	518,331
		12,828,417	13,537,201	8,969,684
NET ASSETS		210,443,272	207,141,494	207,839,550
EQUITY				
Accumulated Surplus		182,856,099	185,309,792	180,555,480
Reserves	12	8,812,540	3,057,069	8,509,437
Asset Revaluation Reserve		18,774,634	18,774,634	18,774,634
		210,443,272	207,141,494	207,839,550

This statement to be read in accordance with the accompanying notes

Statement of Changes in Equity

FOR THE PERIOD ENDED 30-Jun-03

	Actual 2002/2003	Budget 2002/2003	Actual 2001/2002
RESERVES			
Opening Balance	8,509,437	8,066,442	6,209,524
Transfers to Municipal Fund	(3,972,101)	(5,676,326)	(1,878,048)
Transfers from Municipal Fund	4,275,204	666,953	4,177,961
	8,812,540	3,057,069	8,509,437
ASSET REVALUATION RESERVE			
Opening balance	18,774,634	18,774,634	18,774,634
add: Land revaluations			
Asset revaluation	18,774,634	18,774,634	18,774,634
ACCUMULATED SURPLUS			
Opening Balance	180,555,480	180,037,575	180,739,347
Changes in net assets from Operations	2,603,722	262,844	2,116,046
Transfers from reserves	3,972,101	5,676,326	1,878,048
Transfers to reserves	(4,275,204)	(666,953)	(4,177,961)
	182,856,099	185,309,792	180,555,480
TOTAL EQUITY	210,443,272	207,141,494	207,839,550

This statement to be read in accordance with the accompanying notes

Statement of Cash Flows

CASH FLOWS FROM OPERATING ACTIVITIES

	Actual 02/03	Budget 02/03	Actual 01/02
RECEIPTS			
Rates	12,765,140	12,468,268	11,472,516
Contributions & Donations	898,420	834,534	252,657
Fees and Charges	5,130,936	5,235,262	4,970,649
Interest Earnings	616,917	370,000	414,708
Other	1,021,353	809,854	1,358,546
	20,432,767	19,717,918	18,469,077
EXPENDITURE			
Employee Costs	8,655,306	8,650,015	8,232,392
Materials and Contracts	1,650,976	3,346,945	2,114,701
Utility Charges	921,887	781,910	843,498
Insurance	334,636	294,510	223,571
Interest	303,932	557,894	294,118
Other	3,648,987	5,783,304	3,034,617
	15,515,724	19,414,578	14,742,898
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,917,043	303,340	3,726,179
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase and construction of Assets	(13,477,019)	(17,904,035)	(10,884,226)
Proceeds from sale of Assets	868,798	700,650	526,071
Proceeds from self supporting loans	60,258	60,022	133,020
	(12,547,962)	(17,143,363)	(10,225,135)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loans	(540,850)	(540,850)	(902,864)
Proceeds from new loans	4,641,000	5,467,684	5,080,108
	4,100,150	4,926,834	4,177,244
CASH FLOWS FROM GOVERNMENT			
Grants and Subsidies	6,066,283	6,719,721	5,774,564
	6,066,283	6,719,721	5,774,564
NET INCREASE (DECREASE) IN CASH HELD			
Cash at beginning of year	2,535,514	(5,193,468)	3,452,853
Cash at end of year	10,318,288	10,309,632	6,865,436
	12,853,802	5,116,164	10,318,288
CASH SUMMARY			
	Actual 02/03	Budget 02/03	Actual 01/02
Municipal Account - unrestricted	2,838,060	422,385	880,553
Municipal Account - restricted	152,466		142,100
Petty Cash	4,040	3,370	3,070
Restricted Cash	1,046,696	698,055	783,128
Reserve Account	8,812,540	3,557,872	8,509,437
	12,853,802	4,681,682	10,318,288

This statement to be read in accordance with the accompanying notes

RECONCILIATION OF NET CASH IN OPERATING ACTIVITIES TO CHANGES IN NET ASSETS ARISING FROM OPERATIONS FOR THE YEAR ENDED 30 JUNE 2003

	Actual 30-Jun-03	Actual 30-Jun-02
NET CHANGE IN ASSETS FROM OPERATIONS	2,603,722	2,116,046
ADD: ITEMS CLASSIFIED AS GOVERNMENT ACTIVITIES		
Government Grants Received	(6,066,283)	(5,774,564)
Add/(Deduct) Non Cash Items		
Provision for doubtful debts	(8,272)	(13,417)
Depreciation	6,942,048	6,338,574
(Profit) Loss on sale of assets	(1,078)	71,623
	3,470,138	2,738,262
CHANGE IN ASSETS AND LIABILITIES		
Debtors - Rates and Service Charges	(87,865)	(93,917)
Debtors - Sundry	(172,623)	155,602
Stock	21,028	7,334
Rates Received in advance	12,632	15,586
Income received in advance	176,310	125,625
Prepaid Expense	(35,460)	28,566
GST Expenditure	37,007	(69,983)
Accrued Interest / Other	(1,005)	312,989
Accruals - Sundry	(469,877)	(276,383)
Creditors - Sundry	1,510,701	545,145
Net Movement in Long Service Leave Provision	24,755	87,053
Net Movement in Annual Leave Provision	54,085	(31,266)
Net Movement in Employee Entitlements	74,995	2,352
Net Movement in I Provision for Rate Refund	189,504	
Work in Progress Adjustment	8,882	
GST Income	(158,693)	74,729
Net Interest Expense Accrual	1,175	(13,799)
Consolidation of Trust Controlled Transactions	261,353	118,281
NET CASH FROM OPERATING ACTIVITIES	4,917,043	3,726,176

General Purpose Income

STATEMENT FOR THE YEAR ENDED 30 JUNE 2003

RATE CATEGORY	Actual	Budget	Valuations
Town Planning Scheme 1a Former Town Area			
General GRV GRV Rate In \$.10101	7,218,073	7,218,073	71,458,995
Town Planning Schemes 2,3,3.2b & 7 Former Shire Area			
GRV General GRV Rate In \$.10101	2,525,064	2,525,064	24,998,158
GRV Urban Farmland GRV Rate In \$.10101	1,240	1,240	12,272
Loc 103 Area Rates - Water	6,078	6,078	
UV General UV Rate In \$.6212	2,113,770	2,113,770	340,271,998
UV Urban Farmland UV Rate In \$.6212	2,808	2,808	452,000
Minimum Rate GEN-GRV TPIA Group 1 No: Of Assess 511 @ \$413.00	211,043	211,043	1,336,663
Minimum Rate GRV General TPS2,3,3.2b & 7 Group 1 No: Of Assessments 471 @ \$413.00	194,523	194,523	1,183,334
Minimum Rate UV General No: Of Assessments 655 @ \$413.00	270,515	270,515	29,001,187
TOTAL RATES LEVIED	12,543,114	12,543,114	468,714,607
Plus Interim Rates	305,618	165,000	
Back Rates	39,303		
Instalment Charges *	22,055	20,000	
Instalment Interest **	43,389	40,000	
Late Payment Interest ***	58,203	40,000	
Exgratia Rates	36,401	35,000	
Less Discounts Allowed	(407,852)	(400,000)	
TOTAL MADE UP FROM RATES	12,640,231	12,443,114	
Grants Commission	1,854,803	1,851,989	
Local Roads Grants	1,136,529	1,119,107	
Rates - Street Directories	1,975	2,000	
Provision - Rates Refunds	(189,504)		
Rates Written Off	(985)		
Rates Sundry Income	24,848	18,000	
Reserves Interest	285,374	170,000	
T/F Reserves - Interest	(285,374)	(170,000)	
Interest On Investments	331,543	200,000	
Interest On Deferred Pensioner	12,113	11,500	
TOTAL GENERAL PURPOSE FUNDING	15,811,553	15,645,710	

STATEMENT OF RATING INFORMATION 2002/2003

Rate Code	Category	Rate in \$	Total GRV/UCV	Non Min. GRV/UV	Min. GRV/UV	Non Min Levy	Min. Levy	Total No. Properties	No. Non Min. Properties	No: Min Prop	Total Rate Levy	Interim / Back Rates
***** Town Planning Scheme 1a GRV												
5	Gen-GRV Tp1a	10.10100	72,795,658	71,458,995	1,336,663	7,218,073	211,043	7,721	7,210	511	7,429,116	206,508
Total Levy From Tps 1a			72,795,658	71,458,995	1,336,663	7,218,073	211,043	7,721	7,210	511	7,429,116	206,508
***** Town Planning Schemes 2,3,3.2b & 7												
Gross Rental Valuation												
1	GRV-general	10.10100	26,181,492	24,998,158	1,183,334	2,525,064	194,523	3,899	3,428	471	2,719,587	97,556
2	GRV-urb. farmland	10.10100	12,272	12,272	0	1,240	0	1	1	0	1,240	
	GRV- Area Rates-loc 103					6,078		0	0		6,078	
Subtotal			26,193,764	25,010,429	1,183,334	2,532,381	194,523	3,900	3,429	471	2,726,904	
Total Levy From GRV Props.			98,989,422	98,989,422	9,750,455	405,566	11,621	10,639	9,821	156,021		
Unimproved Capital Valuation												
3	UV-urb. Farmland	0.621200	452,000	452,000	0	2,808	0	1	1	0	2,808	0
4	UV-general	0.621200	369,273,185	340,271,998	29,001,187	2,113,770	270,515	2,874	2,219	655	2,384,285	1,553
	Subtotal		369,725,185	340,723,998	29,001,187	2,116,577	270,515	2,875	2,220	655	2,387,092	
Total Levy From Tps 2,3,3.2b & 7			395,918,949	365,734,427	30,184,522	4,648,959	465,038	6,775	5,649	1,126	5,113,997	
Grand Totals			468,714,607	437,193,422	31,521,185	11,867,032	676,081	14,496	12,859	1,637	12,543,113	305,617

General Fund Summary

Particulars	2002/03 Actual Year to Date		2002/03 Budget Full Year		
	Income	Expend	Income	Expend	
OPERATING SECTION					
General Purpose Income	3	(16,096,926)	584,075	(15,645,710)	265,782
Governance	4	(30,874)	1,273,845	(30,920)	1,268,771
Law, Order, Public Safety	5	(115,636)	1,214,806	(49,359)	1,164,787
Health	7	(45,527)	332,466	(40,473)	298,148
Welfare & Education	8	(579,485)	785,221	(583,709)	748,065
Community Amenities	10	(3,057,168)	4,990,740	(2,693,491)	4,092,303
Recreation and Culture	11	(1,781,306)	6,124,083	(1,674,959)	6,200,073
Transport	12	(839,765)	9,812,100	(884,013)	9,340,720
Economic Services	13	(1,472,461)	2,016,078	(1,751,999)	2,539,251
Other Property and Services	14	(144,015)	1,570,573	(188,945)	578,240
Sub Total		(24,163,164)	28,703,987	(23,543,578)	26,496,140
CAPITAL SECTION					
Governance	4	(136,099)	619,284	(955,500)	1,297,364
Law, Order, Public Safety	5	(266,844)	237,814	(504,391)	651,191
Health	7	0	0		
Welfare & Education	8	(4,791)	13,173	(38,791)	47,172
Community Amenities	10	(434,637)	999,247	(768,900)	1,722,484
Recreation and Culture	11	(1,637,532)	2,256,646	(2,056,146)	3,144,520
Transport	12	(9,086,980)	8,973,110	(9,318,755)	11,319,544
Economic Services	13	(7,500)	436,531	(110,000)	210,608
Other Property and Services	14	0	482,064	0	52,000
Sub Total		(11,574,382)	14,017,869	(13,752,483)	18,444,883
Total Operating & Capital		(35,737,546)	42,721,855	(37,296,061)	44,941,023
Less Depreciation			(6,942,048)		(6,810,296)
Less WDV Sale of Assets		(867,720)		(834,666)	
TOTAL OPERATING & CAPITAL		(36,605,266)	35,779,808	(38,130,727)	38,130,727

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2003

(1) SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of the Financial Statements are:-

(a) Basis of Accounting

This financial report is a general purpose financial report which has been prepared to comply with the Local Government Act of Western Australia 1995 and Local Government (Financial Management) Regulations 1996 and applicable Australian Accounting Standards.

In accordance with those legislative requirements, forms and content the financial statements have been prepared to meet the requirements of the applicable Australian Accounting Standards and the Statements of Accounting Concepts.

They have been prepared on the accrual basis under the convention of historical cost accounting.

(b) The Local Government Reporting Entity

All funds through which the City 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 local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

Certain monies held in the Trust Fund are excluded from the Financial statements, but a separate statement of those monies appears at Note 25 to the financial statements.

(c) Non Current Assets

(i) Valuations of Non Current Assets

Property, plant, and equipment and infrastructure assets are brought to account at cost or independent or management valuation, less, where applicable, any accumulated depreciation or amortisation.

(ii) Valuations of Land and Buildings Measured at Cost Basis

In accordance with the requirements of AAS36 'Statement of Financial Position' the current valuation of land and buildings disclosed above and measured on the cost basis is as follows:

Current Valuation : \$27,500,000

The above valuation is a management valuation based on the written down replacement cost of all of Council's land and buildings as at 30th June 2003.

It is not considered independent in nature.

(iii) Depreciation of Non Current Asset

All non-current assets having a limited useful life are systematically depreciated over their life in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation will be applied on the following prime cost basis.

Land	n/a
Buildings	2%
Furniture and Office Equipment	15%
Electronic Equipment	20%
Light Vehicles, if replacement is due:	
every year	n/a
every two years	5%
more than two years	10%
Sundry Plant and Equipment	15%
Heavy Plant	10%
Freehold Land for Sale	n/a
Roads and Other Infrastructure	
Sealed	7%
Unsealed	15%
Road Base	2%
Culverts and Bridges	5%

Depreciation on each asset will be charged to the programme to which the asset principally relates or, where possible, to the activity the asset was used.

Depreciation is included in expense calculations when assessing service charges to be imposed but has been excluded from calculations when determining the amount of rates to be levied.

(iv) Infrastructure Assets

All infrastructure assets of the City of Albany are recognised in the Statement of Financial Position in accordance with AAS27 Financial Reporting by Local Governments and the Local Government {Financial Management} Regulations 1996.

(d) Non Current Assets - Investments

Local Government House Unit Trust - refer note 9 (a) disclosure.

During the financial year ended 30 June 1998 the above asset class was revalued. The valuation has been provided by the trustees of Local Government House. The valuation is based on the value of equity held in the Local Government House Unit Trust.

There is no policy of regular revaluation.

(e) Capitalisation of Fixed Assets Materiality Level

The materiality threshold for the capitalisation of fixed assets is \$1,000.

(f) Grants, Donations and Other Contributions

All grants, donations and other contributions have been recognised as revenues. Conditional grants received in advance are recorded as income and brought to account upon the performance of the obligations of the grant.

(g) Investments

All cash investments are valued at cost and interest on those investments is recognised when accrued.

(h) Provision for Employee Entitlements

The estimates for employee entitlements relates to amounts expected to be paid to employees for long service leave and annual leave based on legal and contractual entitlements and assessment having regard to experience of staff departures and leave entitlements. Expected future wage rates are used in the calculation of the provisions. Long service leave is accrued on the basis of the number of years employed (continuously) in Local Government in Western Australia.

(i) Superannuation Funds

The City of Albany contributes the statutory 9% of employee salaries to a superannuation fund plus a further 2% where the employee makes a contribution to the fund of 5%.

(j) Stock on Hand

Stock and materials are recorded at the lower of cost and net realisable value including taxes, freight and cartage.

(k) Cash

For the purposes of the Statement of Cash Flows, cash is considered to include cash on hand and in banks, cash floats and investments.

(l) Comparative Information

Comparative figures are shown where appropriate.

(m) Changes in Accounting Policy

The accounting policies adopted are consistent with those of the prior financial year unless otherwise stated.

(n) Interest Rate Risk

The Council's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, is considered negligible for all financial instruments other than borrowings. Information on interest rate risk as it applies to borrowings is disclosed in note 10.

(o) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial report. The City does not have any material credit risk exposure to any single debtor or group of debtors under the financial instruments entered into by the City.

(p) Net Fair Values

The net fair values of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Council intends to hold these assets to maturity.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial report.

(q) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

(2) COMPONENT FUNCTIONS/ACTIVITIES

The Operating Statements are presented in a program format using the following titles in accordance with Part 1 of Schedule 1 Reg.3 of the Local Government {Financial Management} Regulations 1996.

(a) General Purpose Income

General purpose grants, untied road grants, interest on deferred rates.

(b) Governance

Members of Council, elections, citizenship ceremonies, receptions/functions general administration and public relations.

(c) Law, Order and Public Safety

Fire prevention/fighting, WA Fire Brigades Levy, contributions to local brigades. Animal control, general ranger duties to ensure public safety.

(d) Health

Health inspections, analytical/bacteriological testing, donations to organisations and clinic operations.

(e) Education and Welfare

Pre school, Day Care Centre operations, Senior Citizens centre and Community Development Officer expenditure.

(f) Community Amenities

Rubbish collections, recycling, refuse site operations, education and compliance control and studies, pollution control, urban drainage and donations to organisations. Public conveniences operations and protection of the environment issues.

(g) Recreation and Culture

Beaches, parks, reserves, boat ramp maintenance, financial assistance grants to sporting bodies, library town hall and community arts programmes operations. Sporting grounds, gardens maintenance and heritage buildings.

(h) Transport

Roads, footpaths, drainage, road verges, street lighting, traffic management and airport.

(i) Economic Services

Building control, saleyards, plant nursery, contributions to tourism bodies and tourist information bays. Economic development and Albany Business Centre.

(j) Other Property and Services

Public works overheads, plant/vehicle operations, stock and materials, depot operations, Strategic planning operations and studies and private works.

(3) COMPONENT NATURE OR TYPE

The Operating Statements are presented in a program format using the following titles in accordance with Part 2 of Schedule 1 Reg.3 of the Local Government {Financial Management} Regulations 1996.

REVENUES**Rates**

General Rate Revenue, instalment interest and administration cost, late payment interest, discount and ex gratia rates.

Grants and Subsidies

Grants and contributions toward operating activities and capital expenditure.

Fees and Charges

Fees and charges for the performance of services eg. private works.

Income from buildings, facilities and equipment i.e. Airport landing fees, Saleyard etc.

Other Fees and Charges

Dog licences, BCITF levies.

Reimbursements

Self Supporting Loan interest repaid legal costs recouped.

Interest Earnings

Investment interest on bank accounts, reserves etc.

EXPENDITURE**Employee Costs**

Direct labour (wages & salaries) leave entitlements, superannuation, allowances vacancy advertising, staff conferences, fringe benefits tax, uniforms, protective clothing, staff training, conference expenses, workers comp.insurance premiums, professional indemnity insurance.

Utilities

Telephone, water, electricity, gas etc.

Insurances

Members, bushfire, public liability, motor vehicles, buildings, plant, multiple risk.

Materials

All materials including fuel, oils, tyres, stationery, equipment maintenance, security cleaning, external plant hire, operating lease payments.

Interest on Loans

Interest on loans, loan overdraft and establishment fees etc.

Depreciation

Depreciation as a single total to disclose the expense on all non current assets.

Other

Civic receptions, postage, valuations, subscriptions, legal fees, bank charges, audit fees, elected members expenses etc.

(b) Depreciation Classified by Function and Activity for the Year Ended 30th June 2002

	2002/2003	2001/2002
Governance		
Members	11,247	11,247
Other	311,491	204,053
Law, Order, Public Safety	265,255	261,484
Health	9,212	8,997
Welfare and Education	11,967	11,738
Community Amenities	151,994	150,746
Recreation and Culture	936,685	869,829
Transport - roads etc	5,034,816	4,612,482
Economic Services	194,712	195,668
Other Property and Services	14,671	12,330
	<u>6,942,048</u>	<u>6,338,574</u>

Auditors Renumeration

Audit Services	10,500	10,660
Other Services	550	1,820
** Audit fees include grant acquittals	<u>11,050</u>	<u>12,480</u>

Interest Expense

Loans	566,460	280,319
	<u>566,460</u>	<u>280,319</u>

4. CHANGES IN ACCOUNTING POLICY

From 1 July 1998, the City of Albany adopted Australian Accounting Standard 27 in accordance with a direction from the Minister for Local Government.

5. OPERATING REVENUES AND EXPENSES

(a) The change in net assets resulting from operations was arrived at after charging/ (crediting) the following items:

	2002/2003	2001/2002
DEPRECIATION		
Buildings	683,107	661,972
Furniture and Fittings	512,800	420,121
Plant and Machinery	973,806	909,364
Infrastructure	4,772,335	4,347,117
	<u>6,942,048</u>	<u>6,338,574</u>
Proceeds from		
Sale of Fixed Assets:	868,798	526,071

(c) Assets Classified by Function and Activity.

Governance	2,922,674	2,902,711
Law, Order, Public Safety	1,792,331	1,821,772
Health	187,656	196,868
Welfare and Education	381,314	393,281
Community Amenities	12,549,284	11,876,660
Recreation and Culture	29,430,771	28,224,203
Transport	162,537,756	158,848,471
Economic Services	6,131,881	5,986,392
Other Property and Services	127,240	143,298
Other not reliably attributable	13,931,924	11,023,047
	<u>229,992,831</u>	<u>221,416,703</u>

General Rates debtors and investments for the City of Albany have not been attributed to functions or activities.

6. CASH AND INVESTMENTS

Restricted Trust	1,046,696	783,128
Restricted Reserves	8,812,540	8,509,437
Restricted Muni Fund (Grants)	152,466	142,100
Unrestricted Municipal Fund	2,842,100	883,623
	<u>12,853,802</u>	<u>10,318,288</u>

7 RECEIVABLES AND OTHER

	2002/2003	2001/2002
Current		
Rates and Charges		
Outstanding	357,807	288,253
Trade Debtors	1,480,448	1,148,420
Provision for		
Doubtful Debts	0	(8,272)
Prepaid Expenses	144,294	108,834
Other Accrued Income	80,964	79,959
Loans-Clubs, Institutions	44,201	60,258
	<u>2,107,715</u>	<u>1,677,452</u>

Non-Current

Rates Outstanding		
Pensioners	241,284	226,996
Service Charges	20,709	16,687
Trade Debtors	2,321	3,421
Loans-Clubs, Institutions	241,325	285,526
	<u>505,639</u>	<u>532,630</u>

8. STOCK ON HAND

Construction materials and fuel @ cost	21,693	42,721
---	--------	--------

9. PROPERTY, PLANT AND EQUIPMENT

Land @ Independent Valuation	2,099,100	7,906,574
Land @ Historical Cost	8,648,827	2,841,353
	<u>10,747,927</u>	<u>10,747,927</u>
Paintings @ Council Val.	326,610	326,610
Buildings @ Independent Valuation	2,099,100	2,099,100
Buildings @ Hist. Cost	28,962,523	26,132,605
Less: Accumulated Depreciation	(5,634,993)	(4,951,886)
	<u>25,426,631</u>	<u>23,279,819</u>
Furniture and Equipment	4,810,066	4,567,179
Less: Accumulated Depreciation	(2,888,373)	(2,375,572)
	<u>1,921,693</u>	<u>2,191,607</u>
Plant and Machinery	11,156,554	10,407,466
Less: Accumulated Depreciation	(4,827,296)	(4,512,121)
	<u>6,329,258</u>	<u>5,895,345</u>
Tools	31,095	31,095
Less: Accumulated Depreciation	(31,095)	(31,095)
	<u>0</u>	<u>0</u>

	2002/2003	2001/2002
Infrastructure @ Council Valuation	164,720,183	164,720,183
Infrastructure @ Historical Cost	54,950,747	46,668,748
Less: Accumulated Depreciation	(50,836,639)	(46,064,303)
	<u>168,834,290</u>	<u>165,324,628</u>
Total Property, Plant and Equipment Net Book Value	277,804,805	265,700,913
	213,586,409	207,765,936
Work In Progress	917,571	1,079,678

9(a) NON CURRENT ASSETS - INVESTMENTS

Local Government House Unit Trust	19,501	19,501
-----------------------------------	--------	--------

During the financial year ended 30 June 1998 the above asset class was revalued. The valuation has been provided by the trustees of Local Government House. The valuation is based on the value equity held in the Local Government House Unit Trust.

There is no policy of regular revaluation.

9(b) NON CURRENT ASSETS - DEVELOPER CONTRIBUTIONS

During the financial year ended 30 June 2003 there were developers' contributions for 20 roads in new subdivisions.

New Subdivision Roads - Urban

	Length	Value
Bay View Heights:		
Compass Boulevard	200	65,000
Albatross Dr	200	65,000
Allwood Pde Ext	65	21,125
Windlass Lane	80	26,000
		<u>177,125</u>

New Subdivision Roads - Rural

Greatrex Road	290,400
Gull Rock Road:	
Osprey Heights	57,750
Valley Pond Heights	52,800
Pine Rise	33,000
Warrenup Ridge:	
Randell Cres Ext	49,500
Bottrell Close	19,800
	<u>503,250</u>

Total Subdivision Contributions 680,375

10. BORROWINGS

	2002/2003	2001/2002
Current Loans	644,014	540,850
Non-Current Loans	<u>12,448,340</u>	<u>8,451,354</u>
	13,092,354	8,992,204

In accordance with Section 6.20 (1) of the Local Government Act 1995 the following items were included in the budget estimates for the reporting period ending 30 June 2003.

	2002/2003	2001/2002
Plant Purchases	443,500	450,000
Roadworks - Asset Upgrade Program	3,464,484	4,523,767
RSJV - Saleyards Capital	32,500	55,500
Liquid Waste Program		320,000
Library Development	612,000	684,000
Renegotiate - Loan 143		37,245
Renegotiate - Loan 145		106,696
Reserves Masterplan	222,700	
Playground Equipment	115,000	
Waste Management	202,500	
Depot Site Remediation	<u>375,000</u>	
Total	5,467,684	6,177,208

Details of Loans Raised

Purpose	Financier	Rate	Amount	Term	
Plant Purchases	WA Treasury Corp	5.15%	443,000	5	
Roadworks - Asset Masterplan	WA Treasury Corp	5.17%	1,679,000	5	Interest Only
Roadworks - Asset Masterplan	WA Treasury Corp		1,500,000	7	Interest Only
Library Development	WA Treasury Corp	5.44%	612,000	15	
Reserves Masterplan	WA Treasury Corp	5.44%	205,000	15	
Waste Management	WA Treasury Corp	5.44%	202,000	15	
		Total	4,641,000		

There was an unspent balance on Loan 16 - Roadworks - Upgrade programme at 30th June 2003. An amount of \$152,466 has been included in restricted Municipal Account funds and will be expended in 2003/2004. There were no other unspent balances.

Interest Rate Risk

	30 June 03	30 June 02
Floating Interest Rate	0	0
Fixed interest rate maturing		
- Within one year	130,834	27,071
- One to five years	6,242,788	6,081
- Over five years	6,453,607	8,693,927
Non interest bearing	<u>265,125</u>	<u>265,125</u>
Total borrowings	13,092,354	8,992,204

Weighted average interest rate	6.0%	6.4%
--------------------------------	------	------

11 CREDITORS, PROVISIONS & ACCRUALS

	2002/2003	2001/2002
Current		
Sundry Accruals	327,588	797,464
Creditors	2,791,627	1,244,307
Provision Annual Leave	756,009	701,924
Provision Long Service Leave	398,332	235,323
Provision - Rate Refunds	189,504	
Prepaid Rates	70,640	58,008
Income received in advance	336,205	159,895
Trust Bonds and Deposits	1,003,795	742,441
Accrued Wages	136,148	61,153
Accrued Interest	86,781	85,606
	<u>6,096,629</u>	<u>4,086,121</u>
Non Current		
Provision Long Service Leave	<u>380,077</u>	<u>518,331</u>
	380,077	518,331

12 RESERVES

	2002/2003	2001/2002
Airport Reserve		
To facilitate the future development and improvements at the Albany Airport.		
Opening Balance	3,236	201,404
Transferred to Accumulation	(85,241)	(205,985)
Transferred from Accumulation	368,771	
Interest Earned	<u>3,266</u>	<u>7,817</u>
Closing Balance	290,032	3,236

ALAC - Future Development Reserve

To facilitate the development, redevelopment of future improvements at the Albany Leisure and Aquatic Centre.

Opening Balance	26,500	9,007
Transferred to Accumulation	(5,000)	(9,007)
Transferred from Accumulation		26,500
Interest Earned	<u>324</u>	<u></u>
Closing Balance	21,824	26,500

ALAC - Synthetic Surface "Carpet" Reserve

To provide a replacement of the synthetic surface "carpet"

Opening Balance	144,127	118,527
Transferred to Accumulation		
Transferred from Accumulation		21,000
Interest Earned	<u>7,457</u>	<u>4,600</u>
Closing Balance	151,584	144,127

2002/2003 2001/2002

Albany Classic Barriers

To provide funding for the roadside barriers for the Albany Classic Event.

Opening Balance	28,968	34,654
Transferred to Accumulation	(7,500)	(7,031)
Transferred from Accumulation		
Interest Earned	<u>1,204</u>	<u>1,345</u>
Closing Balance	22,672	28,968

Amity Improvements Reserve

To facilitate maintenance and development works in respect to the Brig Amity.

Opening Balance	64,031	52,012
Transferred to Accumulation		
Transferred from Accumulation	10,000	10,000
Interest Earned	<u>3,553</u>	<u>2,019</u>
Closing Balance	77,584	64,031

Artwork Restoration Reserve

To facilitate the restoration of the City of Albany Art collection.

Opening Balance	4,575	5,385
Transferred to Accumulation	(1,000)	(1,000)
Transferred from Accumulation		
Interest Earned	<u>170</u>	<u>190</u>
Closing Balance	3,745	4,575

Bayonet Head Infrastructure Reserve

To hold owner funding for infrastructure items and works within the Bayonet Head Outline Development Plan Area.

Opening Balance	0	
Transferred to Accumulation		
Transferred from Accumulation	41,626	
Interest Earned	<u>1,108</u>	
Closing Balance	42,734	

Car Parking Reserve

To provide for the acquisition of land, the development of land for car parking within the Central Business District.

Opening Balance	60,256	58,005
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>2,892</u>	<u>2,251</u>
Closing Balance	63,148	60,256

	2002/2003	2001/2002
Concert / Cultural Reserve		
To facilitate and enhance the development of Concert and Cultural facilities.		
Opening Balance	436,654	420,340
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>20,656</u>	<u>16,314</u>
Closing Balance	457,310	436,654
Council Publications Reserve		
To provide for reprinting of Council Publications.		
Opening Balance	2,714	17,332
Transferred to Accumulation		(15,000)
Transferred from Accumulation		
Interest Earned	<u>130</u>	<u>382</u>
Closing Balance	2,844	2,714
Day Care Centre Reserve		
For the development, and future improvements at the Albany Regional Day Care Centre.		
Opening Balance		3,356
Transferred to Accumulation		(3,355)
Transferred from Accumulation		
Interest Earned		<u>(1)</u>
Closing Balance		-
Drainage Reserve		
To facilitate drainage works.		
Opening Balance	18,545	17,852
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>890</u>	<u>693</u>
Closing Balance	19,435	18,545
Economic Development Reserve		
To facilitate the funding of Economic Development issues.		
Opening Balance	262,208	127,909
Transferred to Accumulation	(65,521)	(99,780)
Transferred from Accumulation	178,000	231,051
Interest Earned	<u>5,901</u>	<u>3,028</u>
Closing Balance	383,588	262,208

2002/2003

2001/2002

EDU-Display Room Reserve

To provide promotional facilities for Economic Development within the City of Albany offices.

Opening Balance		20,925
Transferred to Accumulation		
Transferred from Accumulation		(21,650)
Interest Earned		725
Closing Balance		<u>-</u>

EDU-Promotion Video Reserve

To provide for the purchase of video stocks, and the reproduction of the video.

Opening Balance		6,781
Transferred to Accumulation		
Transferred from Accumulation		(7,016)
Interest Earned		235
Closing Balance		<u>-</u>

EDU-Exporter Education Reserve

To provide funding for exporter education on economic matters.

Opening Balance		1,341
Transferred to Accumulation		
Transferred from Accumulation		(1,387)
Interest Earned		46
Closing Balance		<u>-</u>

Emu Point Boat Pens Development Reserve

To provide for the development/redevelopment of the Emu Point Boat Pens.

Opening Balance	90,414	87,036
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	4,339	3,378
Closing Balance	<u>94,753</u>	<u>90,414</u>

Gravel Pit Regeneration

To provide for regeneration of gravel pits used for road construction.

Opening Balance	0	
Transferred to Accumulation		
Transferred from Accumulation	10,045	
Interest Earned	151	
Closing Balance	<u>10,196</u>	

	2002/2003	2001/2002
Joint Use Facilities Reserve		
To facilitate development, redevelopment, or future improvements to facilities of the former Shire & Town.		
Opening Balance	251,264	230,411
Transferred to Accumulation	(66,591)	(17,500)
Transferred from Accumulation		29,750
Interest Earned	<u>6,650</u>	<u>8,603</u>
Closing Balance	191,323	251,264
Long Service Leave & Gratuities Reserve		
To provide for lump sum and special payments to employees on retirement, resignation and termination.		
Opening Balance	92,935	89,462
Transferred to Accumulation	(47,000)	
Transferred from Accumulation		
Interest Earned	<u>2,205</u>	<u>3,473</u>
Closing Balance	48,140	92,935
Lost and Damaged Stock Reserve		
To provide for replacement of lost or damaged library stocks.		
Opening Balance	9,273	8,927
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>444</u>	<u>346</u>
Closing Balance	9,717	9,273
Waste Trucks Major Maintenance Reserve		
To provide for planned major maintenance on the two rubbish trucks.		
Opening Balance	262,599	262,713
Transferred to Accumulation	(92,132)	(10,311)
Transferred from Accumulation		
Interest Earned	<u>11,502</u>	<u>10,197</u>
Closing Balance	181,969	262,599
Office Improvements Reserve		
To facilitate the development, redevelopment & refurbishment of Council's offices, furnishings & equipment.		
Opening Balance	1,075,404	1,036,345
Transferred to Accumulation	(124,079)	
Transferred from Accumulation		
Interest Earned	<u>49,059</u>	<u>39,059</u>
Closing Balance	1,000,384	1,075,404

	2002/2003	2001/2002
Parks Development Reserve		
To provide for the development/enhancement of parks and park facilities.		
Opening Balance	440,567	301,043
Transferred to Accumulation	(251,181)	(208,562)
Transferred from Accumulation		336,402
Interest Earned	5,592	11,684
Closing Balance	<u>194,978</u>	<u>440,567</u>

Parks, Recreation Grounds and Open Space Reserve

For the purchase of land for parks, recreation grounds or open spaces, in the locality in which the funds were received.

For repaying loans raised for the purchase of any such land with the approval of the Minister, for the improvement or development as parks, recreation grounds or open space.

Opening Balance	46,792	65,112
Transferred to Accumulation	(40,000)	(20,450)
Transferred from Accumulation		
Interest Earned	325	2,130
Closing Balance	<u>7,117</u>	<u>46,792</u>

Plant Replacement Reserve

To provide for the future replacement of plant, and reduce dependency on loans for this purpose.

Opening Balance	345,944	406,046
Transferred to Accumulation	(343,491)	(411,370)
Transferred from Accumulation	596,606	343,491
Interest Earned	117	7,777
Closing Balance	<u>599,176</u>	<u>345,944</u>

Property Acquisition-Traffic Management Reserve

To facilitate traffic management through the strategic acquisition of land.

Opening Balance	445,606	428,957
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	18,992	16,649
Closing Balance	<u>464,598</u>	<u>445,606</u>

Refuse Depot Reserve

To facilitate the rehabilitation, redevelopment and development of Refuse Sites.

Opening Balance	350,218	402,479
Transferred to Accumulation	(147,400)	(120,994)
Transferred from Accumulation	934,511	57,400
Interest Earned	21,116	11,333
Closing Balance	<u>1,158,445</u>	<u>350,218</u>

	2002/2003	2001/2002
Roadworks Reserve		
To facilitate roadworks as noted in the five (5) year plan.		
Opening Balance	3,243,908	1,091,573
Transferred to Accumulation	(2,325,626)	(192,987)
Transferred from Accumulation	992,065	2,316,610
Interest Earned	96,983	28,712
Closing Balance	<u>2,007,330</u>	<u>3,243,908</u>

Saleyards Agents Levy Reserve

To facilitate the development of Regional Saleyards joint venture from addl agents levy funds (above70,000/yr)

Opening Balance	4,069	3,917
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>195</u>	<u>152</u>
Closing Balance	<u>4,264</u>	<u>4,069</u>

Saleyards Reserve

To facilitate the development of Regional Saleyards joint venture.

Opening Balance		40,278
Transferred to Accumulation		(41,841)
Transferred from Accumulation		
Interest Earned		<u>1,563</u>
Closing Balance		-

SBS Equipment Reserve

To provide for necessary maintenance, or replacement of the SBS antenna.

Opening Balance	3,561	3,428
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>170</u>	<u>133</u>
Closing Balance	<u>3,731</u>	<u>3,561</u>

Software Enhancement Reserve

To provide for future software development.

Opening Balance	22,719	21,870
Transferred to Accumulation		
Transferred from Accumulation		
Interest Earned	<u>1,090</u>	<u>849</u>
Closing Balance	<u>23,809</u>	<u>22,719</u>

Notes

	2002/03	2001/02
Planning Reserve		
Carryover planning funds from prior years.		
Opening Balance	473,007	330,270
Transferred to Accumulation	(328,239)	(455,375)
Transferred from Accumulation	834,405	598,112
Interest Earned	5,538	
Closing Balance	984,711	473,007

Town Jetty Replacement Reserve

To facilitate the replacement of part of the Town Jetty as required in the license.

Opening Balance	208,737	178,028
Transferred to Accumulation		
Transferred from Accumulation	23,800	23,800
Interest Earned	11,163	6,909
Closing Balance	243,700	208,737

Tyre Disposal Reserve

To facilitate the disposal of tyres deposited on Council land.

Opening Balance	23,045	25,128
Transferred to Accumulation	(5,100)	(3,000)
Transferred from Accumulation	0	-
Interest Earned	861	917
Closing Balance	18,806	23,045

VAC Reserve

To facilitate future development at the Vancouver Arts Centre Council land.

Opening Balance	67,561	101,673
Transferred to Accumulation	(40,000)	(54,500)
Transferred from Accumulation		17,500
Interest Earned	1,334	2,888
Closing Balance	28,895	67,561

Total

Opening Balance	8,509,437	6,209,526
Transferred to Accumulation	(3,972,101)	(1,878,048)
Transferred from Accumulation	3,989,829	3,981,563
Interest Earned	285,375	196,396
Closing Balance	8,812,540	8,509,437

12(a) RESERVES SUMMARY

	Balance 1-Jul-02	Interest Earned	Transfer From Muni	Transfer To Muni	Balance 30-Jun-03
Airport Reserve	3,236	3,266	368,771	85,241	290,032
ALAC-Future Development	26,500	324		5,000	21,824
ALAC-Synthetic Surface	144,127	7,457			151,584
Albany Classic Barriers	28,968	1,204		7,500	22,672
Amity Improvements	64,031	3,553	10,000		77,584
Artwork Restoration	4,575	170		1,000	3,745
Bayonet Head Infrastructure Reserve	0	1,108	41,626		42,734
Car Parking	60,256	2,892			63,148
Concert/Cultural Reserve	436,654	20,656		0	457,310
Council Publications	2,714	130			2,844
Drainage	18,545	890			19,435
Economic Development	262,208	5,901	178,000	62,521	383,588
Emu Point Boat Pens Development	90,414	4,339			94,753
Gravel Pit Regeneration		151	10,045		10,196
Joint Use Facilities	251,264	6,650		66,591	191,323
Long Service Leave	92,935	2,205		47,000	48,140
Lost and Damaged Stock	9,273	444			9,717
Waste Truck Major Maintenance	262,599	11,502		92,132	181,969
Office Improvements	1,075,404	49,059		124,079	1,000,384
Parks Development	440,567	5,592		251,181	194,978
Parks, Rec. Grounds & Open Space	46,792	325		40,000	7,117
Plant Replacement	345,944	117	596,606	343,491	599,176
Property Acquisition/Traffic Mgmt	445,606	18,992			464,598
Refuse Depot	350,218	21,116	934,511	147,400	1,158,445
Roadworks	3,243,908	96,983	992,065	2,325,626	2,007,330
Saleyards- AGENTS	4,069	195			4,264
SBS Equipment	3,561	170			3,731
Software Enhancement	22,719	1,090			23,809
Planning Community Liason	473,007	5,538	834,405	328,239	984,711
Town Jetty Restoration	208,737	11,163	23,800		243,700
Tyre Disposal	23,045	861		5,100	18,806
VAC Reserve	67,561	1,334		40,000	28,895
	8,509,437	285,375	3,989,829	3,972,101	8,812,540

(13) RATING INFORMATION

In accordance with Section 6.2 (1) of the Local Government Act 1995 and Reg. 23 of the Local Government (Financial Management) Regulations 1996, the following General Rates were adopted by the City :-

	Min Rate	Rate in Dollar	
		02/03	01/02
Gross Rental Value	413.00	10.101c	9.538c
Unimproved Value	413.00	10.101c	0.5883c

Discounts, Incentives and Concessions

The City of Albany offered ratepayers the opportunity to claim a 5% discount on current rates, by making payment in full by the due date (i.e. within 35 days of the date of the service of the rate notice). Payment must include all arrears and accrued interest.

Council provided a 20% discount on current rates to owners of property deemed under the previous Act as "Urban Farmland".

Ratepayers who were registered in accordance with the Rates and Charges (Rebates and Deferments) Act 1992 were eligible for a concession up to 50% of the General Rate, in line with the conditions as set out under that act.

The City of Albany offered the following incentives for those ratepayers who paid their rates in full and within 21 days of the date of the service of the rate notice:-

- (i) Commonwealth Bank-\$2,000 Commonwealth Bank Streamline Account
- (ii) Accomodation Package Cottesloe Beach Chalets
- (iii) Accomodation Package Comfort Inn - Albany
- (iv) 12 bottles of Wignalls wine new release "Albany Dew" wine.

Specified Area Rate.

In accordance with Section 6.37 of the Local Government Act 1995, a Specified Area Rate of 0.01 cents in the dollar be imposed on gross rental valuations, in addition to the differential rates imposed, on the following specified properties in Location 103 Little Grove and a minimum specified area rate be set at \$264.28 in addition to the minimum rate set of \$300.00.

Assessment No.	Property Description	Amount	Amount
A14893	Lot 124 Henry Street	264.28	264.28
A63080	Lot 114 Henry Street	264.28	264.28
A42511	Lot 1 Albert Street	264.28	264.28
A5803	Lot 130 Albert Street	264.28	264.28
A33962	Lot 28 William Street	264.28	264.28
A5693	Lot 110 Albert Street	264.28	264.28
A5976	Lot 109 Henry Street	264.28	264.28
A36760	Lot 27 William Street	264.28	264.28
A5878	Lot 107 George Street	264.28	264.28
A5982	Lot 108 Henry Street	264.28	264.28
A66545	Lot 124 George Street	264.28	264.28
A63062	Lot 121 Henry Street	264.28	264.28
A42309	Lot 9 The Esplanade	264.28	264.28
A5921	Lot 131 Albert Street	264.28	264.28
A5691	Lot 118 George Street	264.28	264.28
A20513	Lot 104 Henry Street	264.28	264.28
A6134	Lot 109 Henry Street	264.28	264.28
A6137	Lot 108 William Street	264.28	264.28
A45771	Lot 100 Albert Street	264.28	264.28
A73258	Lot 126 The Esplanade	264.28	264.28
A45959	Lot 102 Henry Street	264.28	264.28
A171746	Lot 128 The Esplanade	264.28	
A171750	Lot 129 The Esplanade	264.28	
Total Specified Area Rate		6,078.44	5,814.16

(i) Options for Payment of Rates and Refuse Charge

Section 6.45 (1) Local Government Act 1995 states:

- A rate or service charge is ordinarily payable to a local government by a single payment but the person liable for the payment of a rate or service charge may elect to make that payment to a local government subject to subsection (3), by-
 - (a) 4 equal or nearly equal instalments; or
 - (b) such other method of payment by instalments as is set out in the local government budget.

Section 6.45 (3) Local Government Act 1995 states:

- A local government may impose an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments and that additional charge is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.

The date of issue of the rate notices was 13 August 2002 and ratepayers were provided with the following payment options:-

Payment in full

Option 1: Payment in full, including all arrears of rates and charges, by the due date will attract a discount calculated at 5% of the current rate. Due date for payment in full was 14/9/02.

Rates outstanding after 35 days and where no instalment option is taken, attracted late penalty interest of 11% calculated daily at 0.0301%

Due date for payment in full was 17 September 2002.

Payment by 2 instalments

Option 2: First instalment must include payment of all arrears and accrued interest charges.

Second instalment attracts an additional administration charge of \$3.00 and instalment interest calculated at 5.5%.

Instalment dates were:-

17 September 2002 and 1 January 2003

Instalments not paid by the due date attracted a late penalty interest of 11% calculated daily at 0.0301%

Payment by 4 instalments.

Option 3: First instalment must include payment of all arrears and accrued interest charges.

2nd, 3rd and 4th instalments attract an additional admin charge of \$3.00 per instalment and instalment interest of 5.5%.

Instalment dates were:- 17 September 2002,

18 November 2002, 1 January 2003, 18 March 2003

Instalments not paid by the due date attracted a late penalty interest of 11% calculated daily at 0.0301%

(14) MEMBERS OF COUNCIL - ALLOWANCES

The following fees, allowances and expenses were paid to elected members:

	Actuals 2002/2003	Actuals 2001/2002
Mayor - Fees	12,000	12,000
- Allowances	12,000	12,000
Deputy Mayor - Fees	6,000	6,000
- Allowances	3,000	3,000
Councillors - Fees	78,000	78,000
Other expenses	23,346	18,522
	<u>134,346</u>	<u>129,522</u>

(15) DEPRECIATION - NON CURRENT ASSETS

The allowance for depreciation included within the accounts, is by program, as follows:-

	Actuals 2002/2003	Actuals 2001/2002
General Administration	322,738	215,300
Law, Order, Public Safety	265,255	261,484
Health	9,212	8,997
Welfare and Education	11,967	11,738
Community Amenities	151,994	150,746
Recreation and Culture	936,685	869,829
Transport	5,034,816	4,612,482
Economic Services	194,712	195,668
Other Prop. and Services	14,671	12,330
Total Depreciation	<u>6,942,048</u>	<u>6,338,574</u>

(16) INVESTMENTS

The investment interest included within the accounts is as follows:

	Actuals 2002/2003	Actuals 2001/2002
Various Reserve Funds	285,375	196,396
Surplus Municipal Funds	331,543	218,312
	<u>616,907</u>	<u>414,708</u>

(17) FEES AND CHARGES

	Actuals 2002/2003	Actuals 2001/2002
Law, Order, Public Safety	52,931	46,867
Health	41,019	60,596
Education and Welfare	506,610	499,342
Community Amenities	2,251,316	1,518,553
Recreation and Culture	1,082,369	1,032,664
Transport	622,798	449,422
Economic Services	717,650	654,460
Other Prop. and Services	31,165	51,740
Total	<u>5,305,858</u>	<u>4,313,644</u>

(18) FINANCIAL RATIOS

	2002/2003	2001/2002
{a} Current Ratio	76.0%	59.3%
{b} Debt Ratio	8.5%	6.1%
{c} Debt Service Ratio	4.3%	6.2%
{d} Rate Coverage Ratio	46.4%	42.8%
{e} Outstanding Rates Ratio	4.6%	4.5%

Formulae for Calculation of Ratios:

{a} Current Ratio

Purpose: To assess adequacy of working capital and the ability to service short term obligations.

$$\frac{\text{Current assets minus Restricted assets}}{\text{Current liabilities}}$$

{b} Debt Ratio

Purpose: To identify exposure to debts by measuring proportion of assets funded by creditors.

$$\frac{\text{Total liabilities}}{\text{Total assets}}$$

{c} Debt Service Ratio

Purpose: To assess the degree to which revenues are committed to the repayment of debt.

$$\frac{\text{Debt service cost}}{\text{Available operating revenue}}$$

{d} Rate Coverage Ratio

Purpose: To assess the degree of dependence upon revenues from rates.

$$\frac{\text{Rates revenues}}{\text{Operating revenues}}$$

{e} Outstanding Rates Ratio

Purpose: To assess the outstanding revenue from rates.

$$\frac{\text{Rates Outstanding}}{\text{Rates Collectable}}$$

(19) JOINT VENTURE

The City of Albany is a joint venture party in a project for the operations of the Great Southern Regional Cattle Saleyards situated at Plantagenet Location 4900 Albany Highway.

The City of Albany has a 50% interest in the assets, liabilities and output of this joint venture.

The Great Southern Regional Cattle Saleyards was completed in March 2000, and the City of Albany has contracted to meet half of the operating expenses of the saleyards.

The City of Albany component of Saleyards activities forms part of these financial statements.

(20) NON OPERATING INCOME AND EXPENDITURES

a) The following non operating income and expenditure movements have been excluded from the Operating Statement.

Non Operating Income:-

	2002/03 Actual	2002/03 Budget
Transfers from reserves	3,972,101	5,676,326
Proceeds from sale of Assets	868,798	700,650
Contributions from Self		
Supporting Loans	60,258	60,022
Loans raised during		
2002/2003	4,641,000	5,467,684
Total	9,542,157	11,904,682

Non Operating Expenditure:-

Transfers to reserves	4,275,204	666,953
Loan Principal repaid	540,850	540,850
Capital acquisitions	13,477,019	17,904,035
Total	18,293,073	19,111,838

b) Current Position at 1st July 2002.

The current position balance carried forward from the previous financial year for the purpose of the 2002/03 budget was \$0. The actual current position balance shown in the audited financial report as at 30th June 2003 was \$198,009. The difference of \$198,009 was primarily attributed to cost savings in 2001/02.

(21) CONTINGENT LIABILITIES

In August 2003, the West Australian Newspaper reported that the owner of the ship which experienced a cocoa bean fire off the coast of Albany intended to sue the City of Albany for damages associated with the burial of beans in a City tip and subsequent resale by auction of the goods. Clauses 7-9 of the conditions of sale were agreed to by the buyer. They stipulated that any risk associated with the sale of the beans passed to the buyer on the contract date. The net proceeds of the beans (\$ 443,453) were transferred to the Refuse Reserve in 2002/03.

In the event of a claim, Council has the ability to counterclaim against the buyer.

There are no other known contingent liabilities.

(22) SUBSEQUENT EVENTS

Nil

(23) CONDITIONS OVER CONTRIBUTIONS

Grants which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended for a specific purpose but had yet to be applied in that manner as at the reporting date were:

Grant-Wellstead Resource Centre	77,478
Albany Boat Harbour Implementation Plan	192,000
Grant-Lake Seppings Management	8,000
Grant-Waste Transfer Station Oil Managemt	60,000
Volunteer Resource Centre	17,000
Mt Melville Management Plan	17,668
Community Arts Grants	55,700
	<u>427,846</u>

Reserve transfers for each of these grants have been executed in 2002/2003.

Expenditure for these grants is in the 2003/2004 budget.

(24) LOAN LIABILITY - 2002/2003

Sch	Programme/Purpose No.	Loan No.	Loan Categ.	Original Principal	Lender Code	Interest Rate	Principal Outstand. 1-Jul-02	Principal Repaid 2002/2003	New Loans 2002/2003	Principal Outstand. 30/6/03	Maturity Date	SS Loan Repaid	
12	Depot Construction	1	C	245000	CBA	6.55%	107,556	52,046		55,510	30-Jun-04		
13	Saleyards Const	2	BU	325000	WATC	6.63%	303,788	15,339		288,448	1-Jan-15		
13	Saleyards Const.	3	BU	1400000	WATC	6.96%	1,345,898	39,279		1,306,619	1-Jan-20		
12	Depot Construction	4	C	210500	WATC	6.92%	179,016	17,423		161,592	17-Apr-09		
12	Plant Purchases	5	BU	403000	WATC	6.76%	257,663	80,245		177,418	17-Apr-05		
12	Plant	6	BU	189783	WATC	6.95%	121,543	37,780		83,763	15-Jan-05		
11	S/S P.R.S.Club	7	S/S	122740	WATC	6.98%	104,430	10,141		94,289	17-Apr-10	10,141	
4	Computer Upgrade	8	C	400000	WATC	5.45%	368,968	32,746		336,222	17-Apr-11		
12	Plant Purch. 2000-2001	9	BU	450000	WATC	5.45%	415,089	36,839		378,250	17-Apr-11		
12	Depot Construction	10	C	89695	WATC	5.52%	73,655	16,938		56,717	15-Feb-06		
12	Jetty	11	C	150000	WATC	5.95%	138,640	12,046		126,595	17-Apr-11		
10	Liquid Waste Project	12	BU	320000	WATC	7.03%	320,000	12,584		307,416	28-Jun-17		
13	Dive Ship	13	BU	300000	WATC	7.03%	400,000	15,731		384,269	28-Jun-17		
12	Plant	14	BU	487245	WATC	6.86%	487,245	35,303		451,942	28-Jun-12		
12	Airport-Loan 145 Renegotiate	15	BU	106696	WATC	6.86%	106,696	7,731		98,965	28-Jun-12		
12	Roadworks-asset Upgrade	16	C	3766167	CBA	6.51%	3,766,167	0		3,766,167	27-Jun-07		
11	Library Development	17	C	612000	WATC	5.44%	0		612,000	612,000	30-May-18		
11	Recreation	18	C	205000	WATC	5.44%	0		205,000	205,000	30-May-18		
10	Waste Management	19	C	202000	WATC	5.44%	0		202,000	202,000	30-May-18		
12	Plant Purchases	20	BU	443000	WATC	5.15%	0		443,000	443,000	30-May-08		
12	Roadworks - Asset Upgrade	21	C	1679000	WATC	5.17%	0		1,679,000	1,679,000	27-Jun-08		
12	Roadworks - Asset Upgrade	22	C	1500000	WATC	5.29%	0		1,500,000	1,500,000	27-Jun-10		
13	Saleyards-Convert to Grant	100	BU	265125	Grant		265,125			265,125			
11	Track Extensions	134	S/S	45000	BW	6.25%	6,081	6,081		0	1-Apr-03	6,081	
12	Plant	136	BU	302000	BW	5.40%	76,456	37,210		39,246	1-Jan-04		
12	Airport-r/way Reseal	137	BU	140000	BW	5.40%	35,443	17,250		18,194	1-Jan-04		
12	Vibrating Roller	148	BU		BW	6.60%	11,523	11,523		0			
11	S/S Grcc	149	S/S		BW	6.30%	2,707	2,707		0		2,707	
13	Water Ext Loc 103	150	S/S		BW	6.25%	6,760	6,760		0			
11	S/S Albany Soccer	258	S/S	50000	CBA	7.75%	10,121	6,618		3,503	15-Oct-03	6,618	
8	S/S Meals On Wheels	261	S/S	100000	CBA	8.97%	27,553	13,173		14,381	15-Apr-04	4,791	
11	S/S Surf Club	262	S/S	40000	CBA	10.88%	14,246	5,250		8,996	15-Oct-04	4,979	
11	S/S G.S. Hockey Ass	263	S/S	100000	CBA	9.17%	39,835	12,107		27,728	15-Apr-05	11,084	
11	Royals Football Club											8,120	
11	City Of Albany Band											5,500	
10	Assisted Sewerage											237	
Grand Totals											13,092,354	60,258	
									4,641,000	540,850	8,992,204	4,641,000	13,092,354

(24) LOAN LIABILITY - 2002/2003 (cont.)

Summary by Category		Principal Outstand. 1-Jul-02	Principal Repaid 2002/2003	New Loans 2002/2003	Principal Outstand. 30/6/03
C	Council	4,634,002	131,199	4,198,000	8,700,803
BU	Business Unit	4,146,469	346,814	443,000	4,242,655
S/S	Self Supporting	211,733	62,838	0	148,896
		<u>8,992,204</u>	<u>540,850</u>	<u>4,641,000</u>	<u>13,092,354</u>
Summary by Lender					
BW	Bankwest	138,971	81,531	0	57,440
CBA	Commonwealth Bank	199,311	89,194	0	110,117
Grant	State Government	265,125	0	0	265,125
WATC	WA Treasury Corporation	8,388,797	370,126	4,641,000	12,659,671
		<u>8,992,204</u>	<u>540,850</u>	<u>4,641,000</u>	<u>13,092,354</u>

(25) ADDITIONAL INFORMATION ON BORROWINGS

Sch	Programme/ Purpose	Loan No.	Principal 1/07/02	New Loans 2002/03 Actual	New Loans 2002/03 Budget	Principal Repaid Actual	Principal Repaid Budget	Principal 30/06/03	Interest Repaid Actual	Interest Repaid Budget	SS Loan Repaid Actual	SS Loan Repaid Budget
12	Depot Construction	1	107,556			52,046	52,046	55,510	6,206	6,206		
13	Saleyards Const	2	303,788			15,339	15,339	288,448	19,891	19,891		
13	Saleyards Const.	3	1,345,898			39,279	39,279	1,306,619	93,003	93,003		
12	Depot Construction	4	179,016			17,423	17,423	161,592	12,092	12,092		
12	Plant Purchases	5	257,663			80,245	80,245	177,418	16,084	16,084		
12	Plant	6	121,543			37,780	37,780	83,763	7,802	7,802		
11	S/S P.R.S. Club	7	104,430			10,141	10,141	94,289	7,115	7,115	10,141	10,141
4	Computer Upgrade	8	368,968			32,746	32,746	336,222	19,669	19,669		
12	Plant Purchases 00-01	9	415,089			36,839	36,839	378,250	22,127	22,127		
12	Depot Construction	10	73,655			16,938	16,938	56,717	3,835	3,835		
12	Jetty	11	138,640			12,046	12,046	126,595	8,073	8,073		
10	Liquid Waste Project	12	320,000			12,584	12,584	307,416	22,309	22,309		
13	Dive Ship	13	400,000			15,731	15,731	384,269	27,887	27,887		
12	Plant	14	487,245			35,303	35,303	451,942	32,876	32,876		
12	Airport-Loan145 reneq.	15	106,696			7,731	7,731	98,965	7,199	7,199		
12	Roadworks-asset Upgrd.	16	3,766,167					3,766,167	245,177	245,177		
11	Library Development	17		612,000		612,000	612,000	612,000				
11	Recreation	18	0	205,000	222,700			205,000				
10	Waste Management	19	0	202,000	202,500			202,000				
12	Plant Purchases	20	0	443,000	443,500			443,000				
12	Roadworks-Asset Upgrd.	21	0	1,679,000	1,964,484			1,679,000				
12	Roadworks-Asset Upgrd.	22	0	1,500,000	1,500,000			1,500,000				
	Playground Equipment			115,000	115,000							
	RSJV Saleyards			32,500	32,500							
13	Depot Site Remediation	100	265,125			6,081	6,081	265,125	287	287	6,081	6,081
11	Saleyards-Cvt To Grant	134	6,081			37,210	37,210	39,246	3,633	3,633		
12	Plant	136	76,456			17,250	17,250	18,194	1,684	1,684		
12	Airport-R/Way Reseal	137	35,443			11,523	11,523	0	380	380		
12	Vibrating Roller	148	11,523			2,707	2,707	0	1,219	128	2,707	2,707
11	S/S GRCC	149	2,707			6,760	6,760	0	319	319		
13	Water Ext Loc 103	150	6,760			6,618	6,618	3,503	659	659	6,618	6,618
11	S/S Albany Soccer	258	10,121			13,173	13,173	14,381	2,183	2,183	4,791	4,791
8	S/S Meals On Wheels	261	27,553			5,250	5,250	8,996	1,411	1,411	4,979	4,979
11	S/S Surf Club	262	14,246			12,107	12,107	27,728	3,382	3,382	11,084	11,084
11	S/S G.S. Hockey Ass.	263	39,835								8,120	8,120
11	Royals Football Club										5,500	5,500
11	City Of Albany Band										237	237
11	Assisted Sewerage											
Grand Totals			8,992,204	4,641,000	5,467,684	540,850	540,850	13,092,354	566,501	565,410	60,258	60,021

(26) TRUST FUND FOR THE PERIOD ENDING 30 JUNE 2002**Custodial**

Funds over which the City of Albany has no control and which are not included in the financial statements.

	Balance 30.06.02	Receipts 02/03	Payments 02/03	Balance 30.06.03
Amity Trust	22,672	1,020	-	23,692
Point King Lighthouse	1,980	-	-	1,980
Recycling Committee	3,871	-	-	3,871
	<u>28,523</u>	<u>1,020</u>	<u>-</u>	<u>29,543</u>

Controlled Trusts

	Balance 30.06.02	Receipts 02/03	Payments 02/03	Balance 30.06.03
Airport Housing Bond	617	-	-	617
Works Bonds	69,879	40,550	28,144	82,285
Contractor Retention Bonds	50,377	145,487	77,324	118,540
Circus Bonds	-	1,300	-	1,300
Deposits	1,453	1,100	1,100	1,453
Development Bonds	3,865	-	3,865	-
Drainage Upgrade	1,358	-	-	1,358
Extractive Industry Deposits	72,270	6,800	10,909	68,160
Housing Deposits	19,320	75,000	59,000	35,320
Subdivision maintenance Bonds	84,920	70,059	28,900	126,079
Subdivision Contributions/Bonds	438,033	192,324	62,025	568,332
Unclaimed Monies	349	-	-	349
	<u>742,441</u>	<u>532,621</u>	<u>271,267</u>	<u>1,003,795</u>

Controlled Trusts - Revenue

	Balance 30.06.02	Receipts 02/03	Payments 02/03	Balance 30.06.03
Anzac 2001 Committee	1,000	-	-	1,000
Natural Resource Mgt	-	-	-	-
Contribution to Roads	15,672	-	-	15,672
Contribution to Works	-	-	-	-
Lotteries House Management	13,478	-	836	12,642
Lotteries House Photocopier	9,682	3,051	-	12,733
Mt Clarence Seats	779	-	-	779
Nomination Deposits	-	1,520	1,520	-
Promotion Videos	75	-	-	75
	<u>40,686</u>	<u>4,571</u>	<u>2,356</u>	<u>42,901</u>

Custodial Bank Account 288010	28,523	1,020	-	29,543
Trust Bank Account 186010	783,128	537,192	273,623	1,046,696

(27) ADDITIONAL ASSET RECONCILIATION 2002/2003

Asset Class	Balance 1 July 2002	Asset Additions	Disposals	Balance 30/6/2003	Accum. Depreciation	Closing Balance 30/6/2002
Land	10,747,927	-	-	10,747,927	-	10,747,927
Buildings	28,231,705	2,829,918	-	31,061,623	5,634,993	25,426,631
Plant and Equip	10,407,466	2,275,439	(1,526,350)	11,156,554	4,827,296	6,329,258
Furniture & Fittings	4,567,178	242,888	-	4,810,066	2,888,373	1,921,693
Infrastructure	211,388,931	8,281,999	-	219,670,930	50,836,639	168,834,290
Tools	31,095	-	-	31,095	31,095	-
Paintings	326,610	-	-	326,610	-	326,610
Totals	265,700,912	13,630,244	(1,526,350)	277,804,805	64,218,396	213,586,409

DETAILS OF 2002/2003 DISPOSALS

Asset Class	Historical Cost		Accum. Depreciation		Sale Proceeds		Profit/Loss from Sale	
	Budget	Actuals	Budget	Actuals	Budget	Actuals	Budget	Actuals
Plant and Equip	1,801,856	1,526,350	967,190	658,630	700,650	868,798	(134,016)	1,078
Totals	1,801,856	1,526,350	967,190	658,630	700,650	868,798	(134,016)	1,078