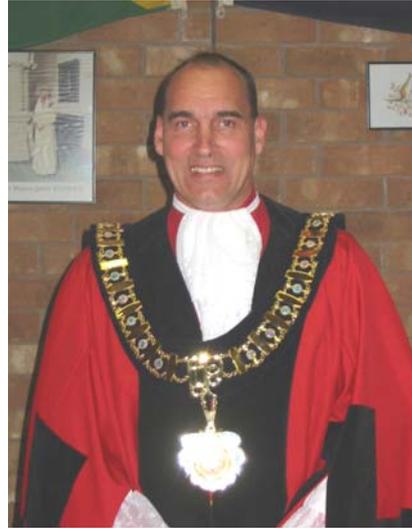


MAYOR'S REPORT

This year has been a difficult one for Council, and sees its finances in a very fragile position. Capital expenditure has been reduced and cut backs continue to be sought in an attempt to reduce Council's deficit. Council has formulated a budget for the 2003/2004 financial year that now attempts to reduce this deficit even further, whilst still carrying out our road sealing program and providing an acceptable level of service to our community.

This year saw Council's power station fail, which resulted in a delegation travelling to Adelaide to start negotiations with the Government in an attempt to provide an alternative, reliable supply of electricity to the people of Coober Pedy. This resulted in hire generators having to be brought to Coober Pedy to produce power to our town over the summer months. Council has now, with the assistance of several government departments, formulated a short term strategy to ensure a reliable and continuous supply of electricity to the people of Coober Pedy. Tender documents are now being prepared to address options for the long term generation needs of the town.

Council's Plan Amendment Report is also being finetuned before once again going out for public consultation. This document redefines the building zones within the Coober Pedy Local Government Area, and offers residents and developers a clear view of Council's objectives for development in the coming years. This is an extremely important document that has taken several years to formulate.



Mayor Steve Baines

Council continues to investigate options for a seven day a week Visitor Information Centre. Grant funding from the South Australian Tourism Commission is still available, but Council requires further funding to enable a stand alone facility. To this end Council continues to apply for grant funding from other funding bodies.

The year has, as usual, seen a number of staff changes. I wish the very best to those that have left Council's employ and thank them for their contribution. Mr Terry Clark, Mr Michael White, and Mr Scott Mazzone have joined Council's employ in the area of Works, while Mr Gavin Talbot has joined our Electricity Department. I welcome all these gentlemen to Council.

The Local Government Elections in 2003 saw a change of Council. My appreciation goes to the outgoing Mayor, Mr Eric Malliotis, for his twenty one years of service to the Coober Pedy Community. I wish Eric all the very best in his retirement. To the other outgoing members of Council, I thank you for your service,

and assure you that the new Council will endeavour to carry on your good work for the next three years.

My sincere thanks go to my Chief Executive Officer, Mr Trevor McLeod, for his tireless commitment to the District Council of Coober Pedy and the community at large. His professionalism and willingness to go the extra mile, often during trying times, is a credit to him, and something we should all be trying to replicate. I thank Trevor for the assistance he has given to my Council and me this past year.

My thanks also go to the employees of Council for the dedication and commitment they have shown during the past year.



Mayor Steve Baines with EDO Trevor Peek

I look forward to the many challenges that I am sure we will face during the next financial year, and am confident that we will continue to meet, and at times exceed, the expectations of our residents.

Stephen Baines JP
Mayor

CHIEF EXECUTIVE OFFICER'S REPORT

“Cooper Pedy – Opal Capital of the World”

Amid the vast expanse of the Cooper Pedy Precious Stones Opal Fields, some 4,952 square kilometres in area, lies the District Council of Cooper Pedy Local Government area, consisting of a mere 77.6 square kilometres.

Cooper Pedy's economy is driven mainly by the opal mining and tourism industries, although over the past few years it has also developed into a regional service centre for Outback South Australia. It is recognised that compared to other Councils, a low rate income base exists in Cooper Pedy, however Council is committed to supporting both major industries. The opal mining industry remains in decline although efforts to stimulate its development continue through the mining associations, Council and the Northern Regional Development Board.

With a population of approximately 3,500 residents, which remarkably is comprised of some 45 or so different nationalities, Cooper Pedy lies strategically located roughly half way between Adelaide and Alice Springs, adjacent to the Stuart Highway (Highway 87).

In comparison to other Councils, the District Council of Cooper Pedy is very unique in that it is responsible not only for the usual services offered by councils (ie roads, rates and rubbish), but also the ownership, management and operation of both water and



Chief Executive Officer Trevor McLeod

electricity operations. This places a heavy financial burden upon Council, which became very evident following a serious breakdown in the power station in November 2002.

The subsequent rental costs associated with hiring generators almost brought Council to its knees financially. Were it not for some serious lobbying of the State Government by the Mayor and senior staff, with the assistance of the Local Government Association and the Office of Local Government, our situation could have taken Council down the path to administration.

With the assistance of the Local Government Association, Treasury and Finance, Energy SA and the Minister for Energy's office, Council embarked upon and implemented a short term strategy to address the power generation needs of Cooper Pedy whilst a long term strategy was implemented. This involved Council resolving to 'contract out' the generation of electricity and accordingly tender documents are being drafted to achieve this end.

The crisis surrounding the electricity generation problems has been very trying for the whole community, let alone staff at the power station. I take

this opportunity to thank them for their tireless efforts in endeavouring to maintain continuity of supply to the town, despite the barrage of complaints council received. Council and senior staff support for them was unwavering.

In February 2002, Mr Ian Quartermain resigned from the position of Director of Finance & Administration, and at such a crucial time considering the state of Council's finances, I thank Mr David Peters, who was previously employed by Council a few years ago, for taking leave from his employment in Victoria, to assist Council with its finances during this period of time. During the recruitment process for a replacement, David also provided long-distance support in budget preparation until Mr Damien Clark accepted an offer to take up the position of Finance & Administration Manager during the latter part of June.

This year saw the development of both a Dugout Construction Policy and Dugout Construction Advisory Committee. This was in response to the need for Council to meet the legislative requirements of the Development Act pertaining to residential dugout (underground dwellings) construction and minimising risk of liability. Council's proposal to the Government that a committee of local Coober Pedy miners be established to undertake assessment of dugout construction, supported by the Local Government Association Mutual Liability Scheme and Planning SA, was accepted and accordingly this has eliminated the need for expensive geotechnical reports to be obtained by developers.

The development and adoption of By-Laws has been a long and drawn-out process, however I am pleased to report that by-laws relating to Permits

and Penalties, Moveable Signs, Nuisances and Dogs came into effect on 20th April 2003. By-Laws relating to activities on Local Government Land and Roads have been delayed due to administrative and drafting reasons identified by the Legislative Review Committee. These issues were dealt with prior to the end of the year resulting in both by-laws being published in the Government Gazette on 28th August 2003.



CEO Trevor McLeod and Executive Assistant Lyn Freeman

Effective from 1st July 2002, Council is required to carry out the legislative requirements of the Public & Environmental Health Act and the Food Act. During the year Mr Keith Simmonds visited Coober Pedy on a regular basis and reports that in general his inspections of food premises and accommodation houses indicate a high level of compliance.

Council's Plan Amendment Report will be ready for a final public consultation phase towards the end of 2003/early 2004 and once completed will provide clear and concise development guidelines for development in Coober Pedy for the future.

Council continues to provide financial support to the Coober Pedy Retail Business and Tourism Association for the Coober Pedy Opal Festival and a Tourism Marketing Officer, both

integral aspects of promoting Coober Pedy. The latter half of 2002 saw focus on Coober Pedy during the 'Sounds of the Outback' concert held at the Breakaways Reserve, featuring internationally renowned entertainers, all of which was a part of the 'Year of the Outback' celebrations.

Council was extremely pleased to be able to work with Regional Express (REX) Airlines in its endeavour to promote its Coober Pedy route and to increase and sustain passenger numbers. To that end Council has agreed to remove its passenger head tax for an initial period of 12 months, matched dollar for dollar by REX, including the removal of the 'Ansett Levy' to provide and promote a greatly reduced and affordable airfare for passengers utilising REX. Council has entered a partnership with REX, the Minister for Transport and Urban Planning and the South Australian Tourism Commission to ensure the best possible outcome is achieved for all concerned in the promotion of the Coober Pedy route.



Mayor Steve Baines with REX pilots

The Local Government Elections in May of this year saw a changing of the guard at the top. The results saw Steve Baines elected to the position of Mayor and a substantial turnover in councillors.

I take this opportunity to publicly thank outgoing Mayor Mr Eric Malliotis for his commitment to Council and the community of Coober Pedy over many, many years. Personally I thank him for his guidance, support and friendship whilst working with him since early 2000. I look forward to working with Mayor Steve Baines and the new Council over the next three years and if early indications are a guide, the prospect looks very, very encouraging. To those outgoing elected members I thank them for their commitment during their term of office.

Council's association with the Northern Regional Development Board remains as strong as ever and its increased presence in the region is quite noticeable. Council is committed to maintain its excellent working relationship with the NRDB and looks forward to future partnerships.

The latter part of this year has been extremely trying, however with committed support from Council, senior management and staff, I am confident that these issues will be overcome. With frugal financial management and a commitment in its 2003/2004 budget to reduce Council's deficit, the provision of an acceptable level of services to the community can be sustained.

I again extend my thanks to Elected Members, both past and present, Senior Management and all staff for their support and efforts during the year.

Trevor McLeod
Chief Executive Officer