

INVERELL SHIRE COUNCIL

NOTICE OF MEETING

ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE

5 May, 2017

An Economic & Community Sustainability Committee Meeting will be held in the Committee Room, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 10 May, 2017, commencing at 11.30am.

Your attendance at this Economic & Community Sustainability Committee Meeting would be appreciated.

P J HENRY PSM

GENERAL MANAGER

A G E N D A

| | |
|------------------|---|
| SECTION A | APOLOGIES CONFIRMATION OF MINUTES DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS BUSINESS ARISING FROM PREVIOUS MINUTES |
| SECTION B | ADVOCACY REPORTS |
| SECTION C | COMMITTEE REPORTS |
| SECTION D | DESTINATION REPORTS |
| SECTION E | INFORMATION REPORTS |
| SECTION F | GENERAL BUSINESS |
| SECTION H | GOVERNANCE REPORTS |
| SECTION G | CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE) |

Quick Reference Guide

Below is a legend that is common between the:

- Inverell Shire Council Strategic Plan;
- Inverell Shire Council Delivery Plan; and
- Inverell Shire Council Operational Plan.



ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING

Wednesday, 10 May, 2017

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MINUTES OF THE ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE
MEETING HELD IN THE COMMITTEE ROOM, INVERELL SHIRE COUNCIL, 144
OTHO STREET, INVERELL ON WEDNESDAY, 12 APRIL, 2017, COMMENCING AT
10.45AM.

PRESENT: Cr J A Watts (Chairperson), Crs P J Harmon, P A King, A A Michael
and C M Dight.

Also in attendance: Crs D F Baker, S J Berryman, J N McCosker
and M J Peters.

Paul Henry (General Manager), Ken Beddie (Director Corporate and
Economic Services) and Brett McInnes (Director Civil and
Environmental Services).

SECTION A

APOLOGIES:

There were no apologies received.

1. CONFIRMATION OF MINUTES

*RESOLVED (Michael/Dight) that the Minutes of the Economic and Community
Sustainability Committee Meeting held on 8 March, 2017 as circulated to members, be
confirmed as a true and correct record of that meeting.*

2. DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-
PECUNIARY INTERESTS

There were no interests declared.

3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil.

SECTION B
ADVOCACY REPORTS

Cr Dight Local Government Finance Training

Cr Dight provided an outline of the training undertaken by Cr Watts
and herself. The focus of the training was Council's Financial
Statements, with an emphasis on understanding the role of
depreciation in the financial results recorded by councils.

SECTION C
COMMITTEE REPORTS

1. PUBLIC ART SUNSET COMMITTEE MEETING MINUTES – 23 FEBRUARY
2017 S26.5.10

RESOLVED (Michael/Dight) that:

- i) the Minutes of the Public Art Sunset Committee Meeting held on
Thursday, 23 February, 2017, be received and noted; and*
- ii) the following recommendation of the Public Art Sunset Committee be
considered by Council:*

1. BLUE FACETS SCULPTURE

That an estimate of cost be prepared for the construction of an interpretive didactic area in Bicentennial Park for the sculpture, 'Blue Facets'.

2. KURRAJONG POPPIES

That Council accepts the conditional quote of \$1,200 to repaint the poppies sculpture.

3. PUBLIC ART PROJECT

That the following actions be undertaken:

- i) Council investigate the use of the concrete outer walls of the Bicentennial Memorial as an 'artist's canvas';*
- ii) The surface of the walls be inspected to ascertain suitability for this project; and*
- iii) The method of selecting an artist/s be considered at the next meeting of the Committee.*

SECTION D
DESTINATION REPORTS

CSOT-A 1. DONATION REQUEST – INVERELL ANGLERS ASSOCIATION S15.8.7/09

RESOLVED (Michael/Harmon) that the Committee recommend to Council that:

- i) A donation of \$500.00 for the purchase of trout fingerlings be provided to the Inverell Anglers Association; and*
- ii) The Association be thanked for their work.*

CSOT-A 2. EXPIRING LICENCE AGREEMENTS S5.10.52 & S5.10.137

- 1. Licence Agreement, Joseph and Samone Bell - Lot 10, DP 1123056, Taylor Avenue, Inverell

RESOLVED (Harmon/Michael) that the Committee recommend to Council that:

- i) Council renew the agreement with Joseph and Samone Bell for a further two (2) year period with a further two (2) year option under the same terms and conditions;*
- ii) The licence fee be \$622.40 (inclusive of the 3% increase on 16/17 figure) per annum (GST Inclusive) with a 3% increase per consecutive annum; and*
- iii) The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

- 2. Licence Agreement, Mr Colin Moore, Part Unformed Laneway Adjacent to Lot 1, DP 161692 and Lot 5, Sec 8, DP 448428, Inverell

RESOLVED (Harmon/Michael) that the Committee recommend to Council that:

- i) Council renew the agreement with Mr Colin Moore for a further two (2) year period with a further two (2) year option under the same terms and*

conditions;

- ii) *The licence fee be \$212.18 (inclusive of the 3% increase on 16/17 figure) per annum (GST Inclusive) with a 3% increase per consecutive annum; and*

The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

GM-A 3. BOUNDARY ADJUSTMENT WITH ARMIDALE REGIONAL COUNCIL S13.1.1

That:

- i) *The boundary adjustment between Armidale Regional Council and Inverell Shire Council proposed by the Armidale Regional Council Administrator, consisting of approximately 800km², be accepted (map attached to these minutes as Appendix 1);*
- ii) *That Council join with Armidale Regional Council to make an application to the Minister for Local Government, submitting for approval by the Governor, a proposal pursuant to S.218E(1) of the Local Government Act, 1993 for a boundary alteration to change the boundaries of the respective areas, as reflected in the map attached to the proposal;*
- iii) *The process of distributing assets and liabilities be by a mutually agreed process;*
- iv) *The State Government be requested to meet the costs of implementing the boundary adjustment;*
- v) *The approaches from the residents residing outside the survey area that expressed a wish to be included in the boundary adjustment process be acknowledged. Further, that the Administrator of Armidale Regional Council be requested to consider their wishes. Still further, that the residents be advised to press their view with the Administrator and Mr Marshall, MP.*

MFS-A 4. AASB 124 RELATED PARTY TRANSACTIONS S4.14.4/03

RESOLVED (Michael/Harmon) that the Committee recommend to Council that:

- i) *Council adopt the Key Management Personnel (KMP) - Related Party Transactions Policy; and*
- ii) *Council's Key Management Personnel, in accordance with section 10 of the policy, complete section 1 of Attachment C and return to Council's Responsible Accounting Officer by 10 May, 2017.*

DCS-A 5. VOLUNTEER RESCUE ASSOCIATION EMERGENCY RADIO FACILITY S10.10.3

RESOLVED (Harmon/King) that noting the valuable service the Inverell VRA provides to the Community, the Committee recommend to Council that:

- a) *The Inverell VRA be granted a Licence to access to Council's Uambi Radio Repeater Site;*
- b) *The annual Licence Fee be \$1.00 per year, payable on request; and*
- c) *The licence be subject to any other appropriate terms and conditions as determined by the General Manager.*

6. DA 181/2016 - DISCUSSION WITH DEVELOPER DA-181/2016

RESOLVED (Michael/Dight) that the matter be referred to Closed Council for consideration as:

- i) The matters and information are 'commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.' (Section 10A(2)(d)(i) of the Local Government Act, 1993);*
- ii) On balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and*
- iii) All reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.*

MFS-A 7. 2017/2018 DRAFT ESTIMATES AND OPERATIONAL PLAN, AND LONG TERM FINANCIAL PLAN S12.5.3

RESOLVED (Michael/Harmon) that the Committee recommend to Council that:

- a) The information of Budget Background Matters be noted; and*
- b) The outcome of the application of the FFF Benchmarks to the Long Term Financial Plans be noted.*

GENERAL ACTIVITIES

1. Revenue and Expenditure Matters

RESOLVED (Michael/Dight) that the Committee recommend to Council that Council utilises the maximum permissible rate increase allowed by IPART of 1.5% on top of the 4.75% 2017/18 SRV increase.

2. Budget Programs

2.1 Urban Works Program

RESOLVED (Harmon/Dight) that the Committee recommend to Council that the following works be funded from the Urban Works Vote and be included in the 2017/2018 Budget:

A. Inverell and Villages - Urban Renewal and Upgrade General Fund, Water Fund

| | |
|---|---------|
| Gwydir Highway/Bundarra Road Intersection | \$ 500K |
| | \$ 0K |

B. Footpaths and Cycleway Construction

| | |
|--|--------|
| \$ for \$ Contribution to PAMP Program (RMS approved the 2017/2018 Program) | \$ 30K |
|--|--------|

C. Urban Drainage Construction/Reconstruction

*Drainage Constructions – Funded from Stormwater
Management Service Charge – See separate section below*

D. Village Works – Community suggested projects

| | | |
|------------|----|----|
| Ashford | \$ | 7K |
| Delungra | \$ | 7K |
| Gilgai | \$ | 5K |
| Yetman | \$ | 7K |
| Oakwood | \$ | 1K |
| Bonshaw | \$ | 1K |
| Graman | \$ | 1K |
| Nullamanna | \$ | 1K |
| Elsmore | \$ | 1K |
| Stannifer | \$ | 1K |
| Gum Flat | \$ | 1K |

GENERAL FUND GRAND TOTAL

\$ 563K

WATER FUND TOTAL

\$ 0K

In addition, the \$1M Budget Provision – Chester Street Heavy Vehicle Route Renewal, in the Internally Restricted Asset, be allocated into the 2017/2018 Budget to enable these works to be completed at the same time.

2.2 Finance and Assistance Grant – Local Roads Component (ACRD) 2017/2018 Program

RESOLVED (Michael/King) that Committee recommend to Council that the following works be funded from the Urban Works Vote and be included in the 2017/2018 Budget:

- i) The budget allocations for the 2017/2018 ACRD Program be noted; and*
- ii) A further report be presented to the Civil and Environmental Services Committee in respect of the funding allocations and individual works proposed to be undertaken under this program.*

2.3 RMS Supplementary Block Grant Program

RESOLVED (Michael/King) that the Committee recommend to Council that the allocation of the \$160K RMS Supplementary Block Grant Program be the subject of a further report to the Civil and Environmental Services Committee Meeting.

2.4 Roads to Recovery Program

RESOLVED (King/Dight) that the Committee recommend to Council that:

- i) The budget allocation for the 2017/2018 Roads to Recovery Program be endorsed; and*
- ii) A further report be presented to the Civil and Environment Committee in respect of the specific projects to be funded.*

2.5 Block Grant Program – Regional Roads

RESOLVED (Michael/King) that the Committee recommend to Council that the allocation for the 2017/2018 Block Grant Program for the various activities on the Regional Road Network be endorsed.

3. Rating Structure

RESOLVED (Michael/King) that the Committee recommend to Council that:

a) *The following rating categories be utilised for the 2017/18 rating year:*

*Residential – Inverell
Residential – General
Residential – Ashford
Residential – Delungra
Residential – Gilgai
Residential – Yetman
Residential – Rural
Business – Inverell Industrial/Commercial
Business – Other
Farmland
Mining*

b) *A General Base Amount of \$198 plus an Ad Valorem Rate be determined for the categories detailed in a) above.*

4. Effect on Rates

RESOLVED (Dight/Harmon) that the Committee recommend to Council that:

- i) The information be noted; and*
- ii) The Interest Rate applicable to Outstanding Rates and Charges for 2017/2018 be the maximum allowable as advised by the Office of Local Government.*

5. Waste Management Charges

RESOLVED (Michael/King) that the Committee recommend to Council that the following Waste Management Charges be adopted:

- i) Waste Management Charge – All Properties \$ 80.00*
- ii) Domestic Waste Management - Occupied Charge:*

| Number of Services per Assessment | Annual Charge per Assessment |
|-----------------------------------|------------------------------|
| 1 | \$ 320.00 |
| 2 | \$ 640.00 |
| 3 | \$ 960.00 |
| 4 | \$ 1,280.00 |
| 5 | \$ 1,600.00 |
| 6 | \$ 1,920.00 |
| 7 | \$ 2,240.00 |
| 8 | \$ 2,560.00 |
| 9 | \$ 2,880.00 |
| 10 | \$ 3,200.00 |
| 11 | \$ 3,520.00 |
| 12 | \$ 3,840.00 |
| 13 | \$ 4,160.00 |
| 14 | \$ 4,480.00 |
| 15 | \$ 4,800.00 |
| | etc |

- iii) Domestic Waste Management – Unoccupied Charge \$50.00*

- iv) Other Waste Management Charge*

| Number of Services | Yearly Charge per Service (Ex GST) |
|--------------------|------------------------------------|
| 1 | \$ 320.00 |
| 2 | \$ 640.00 |
| 3 | \$ 960.00 |
| 4 | \$ 1,280.00 |
| 5 | \$ 1,600.00 |
| 6 | \$ 1,920.00 |
| 7 | \$ 2,240.00 |
| 8 | \$ 2,560.00 |
| 9 | \$ 2,880.00 |
| 10 | \$ 3,200.00 |
| 11 | \$ 3,520.00 |
| 12 | \$ 3,840.00 |
| 13 | \$ 4,160.00 |
| 14 | \$ 4,480.00 |
| 15 | \$ 4,800.00 |
| | etc |

- d) *Weekly Commercial Recycling Charge* \$ 110.00 ex GST
Fortnightly Commercial Recycling Charge \$ 55.00 ex GST
(These Charge are levied per Service, and GST is only charged if applicable)

6. Fees & Charges

RESOLVED (Harmon/King) that the Committee recommend to Council that the Fees and Charges, as recommended, be adopted.

7. Stormwater Management Service Charge

RESOLVED (Dight/Michael) that the Committee recommend to Council that:

- i) *The Stormwater Management Service Charge be set at the maximum amount allowable of \$25.00 per Residential Premises, \$12.50 per Residential Strata lot, and \$25.00 for Business Premises for each 350 square metres or additional part thereof, subject to a maximum charge on Business Premises of \$150.00; and*
- ii) *The Stormwater Management Program as recommended being Gilgai Drainage be adopted.*

8. Summary

RESOLVED (Dight/King) that the Committee recommend to Council that:

- i) *The report on the balanced budget under the FFF Roadmap 14.25% SRV Scenario (4.75% plus a rate peg increase for 2017/18) be noted;*
- ii) *The draft Estimates (incorporating the Operational Plan) for the General Activities for 2017/2018 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

SEWERAGE ACTIVITIES

RESOLVED (Michael/Harmon) that the Committee recommend to Council that:

- (i) *The Sewerage Charges as listed below be adopted for 2017/2018:*

| | |
|--------------------------------------|-------------------|
| <i>Sewerage Charge Occupied</i> | <i>\$ 500.00</i> |
| <i>Sewerage Charge Unoccupied</i> | <i>\$ 313.00</i> |
| <i>Sewerage Charge Flats/Units</i> | <i>\$ 313.00</i> |
| <i>Sewerage Charge Nursing Homes</i> | <i>\$2,342.00</i> |

| | |
|---|-------------------|
| <i>Sewerage Charge Hotel/Licensed Clubs</i> | <i>\$1,500.00</i> |
|---|-------------------|

| <i>Number of Services per Assessment</i> | <i>Annual Charge Per Assessment</i> |
|--|-------------------------------------|
| <i>1</i> | <i>\$ 500.00</i> |
| <i>2</i> | <i>\$ 813.00</i> |
| <i>3</i> | <i>\$1,126.00</i> |
| <i>4</i> | <i>\$1,439.00</i> |
| <i>5</i> | <i>\$1,752.00</i> |
| <i>6</i> | <i>\$2,065.00</i> |
| <i>7</i> | <i>\$2,378.00</i> |
| <i>8</i> | <i>\$2,691.00</i> |
| <i>9</i> | <i>\$3,004.00</i> |
| <i>10</i> | <i>\$3,317.00</i> |
| <i>11</i> | <i>\$3,630.00</i> |
| <i>12</i> | <i>\$3,943.00</i> |
| <i>13</i> | <i>\$4,256.00</i> |
| <i>14</i> | <i>\$4,569.00</i> |
| <i>15</i> | <i>\$4,882.00</i> |

| | |
|---|--------------------------------|
| <i>Sewerage Non-Rateable Schools – WC's</i> | <i>\$75.00 per receptacle</i> |
| <i>Sewerage Non-Rateable Other – WC's</i> | <i>\$124.40 per receptacle</i> |
| <i>Sewerage Non-Rateable Urinals</i> | <i>\$ 75.00 per receptacle</i> |

Charge Structure for Motels and Caravan Parks

In accordance with the new charge structure for Motels and Caravan Parks the following charges are proposed for 2017/2018.

| | |
|-------------------------------------|-------------------|
| <i>Motel Residence</i> | <i>\$ 500.00</i> |
| <i>Motel Restaurant</i> | <i>\$ 500.00</i> |
| <i>Motel Ensuite</i> | <i>\$ 156.60</i> |
| <i>Caravan Park Residence</i> | <i>\$ 500.00</i> |
| <i>Caravan Park Amenities Block</i> | <i>\$1,500.00</i> |
| <i>Caravan Park Ensuite Cabins</i> | <i>\$ 156.60</i> |

- (ii) The Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2017/2018 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

WATER ACTIVITIES

RESOLVED (Harmon/Dight) that the Committee recommend to Council that:

- i) A water availability base charge of \$364.00 per assessment (Includes first water meter) be adopted for 2017/2018;*
- ii) A water charge of \$364.00 per additional water meter, per assessment be adopted for 2017/2018;*
- iii) A charge of \$1.48 per kilolitre be adopted for commercial water consumption for 2017/2018;*
- iv) A charge of \$1.48 per kilolitre, 0 to 600 kilolitres and \$1.73 per kilolitre*

over 600 kilolitres be adopted for residential water consumption for 2017/2018;

- v) A charge of \$0.78 per kilolitre be adopted for water consumption - Abattoirs, plus a 20 per cent early settlement discount for 2017/2018;*
- vi) A charge of \$1.05 per kilolitre be adopted for Sporting Association water consumption;*
- vii) A charge of \$1.48 per kilolitre be adopted for Guyra Shire Council water consumption;*
- viii) A charge of \$0.38 per kilolitre adopted for Raw Water consumption for 2017/2018; and*
- ix) The draft Estimates (incorporating Operational Plan) for the Water Fund for 2017/2018 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

EMCS-A 8. INCLUSION (DISABILITY) ACTION PLAN S3.16.4

RESOLVED (Michael/King) that the Committee recommend to Council that the Draft Inclusive (Disability) Action Plan be placed on public exhibition for a period of 28 days.

SECTION E
INFORMATION REPORTS

1. VILLAGES UPGRADE/DEVELOPMENT PROJECTS S12.5.3

RESOLVED (Harmon/King) that the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 12 April, 2017, be received and noted.

SECTION H
GOVERNANCE REPORTS

MFS 1. GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2/09

RESOLVED (Michael/Harmon) the Committee recommend to Council that:

- i) the report indicating Council's Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

SECTION G
CONFIDENTIAL REPORTS IN CLOSED COMMITTEE
(SECTION 10A(2) OF THE LOCAL GOVERNMENT ACT 1993)

At 12.40pm, the Chairperson offered the opportunity to members of the public to make representations as to whether any part of the Committee Meeting should not be considered in Closed Committee. There was no response from the public.

CLOSED COMMITTEE REPORTS

RESOLVED (Harmon/King) that the Committee proceed into Closed Committee to discuss the matters referred to it, for the reasons stated in the motions of referral.

Upon resuming Open Committee, at 12.47pm, the Chair verbally reported that the

Committee, with the Press and Public excluded, having considered the matters referred to it, recommends as follows:

GM-A 1. DA 181/2016 - DISCUSSION WITH DEVELOPER DA-181/2016

The Committee recommend to Council that:

- a) The information be noted;*
- b) The purchase price of \$58,000 for part Lot 71 DP997840 be offered be confirmed as detailed in the report;*
- c) The purchase price be subject to any other terms and conditions as negotiated with the General Manager;*
- d) The Common Seal of Council be affixed to the contract for sale of part Lot 71 DP 997840; and further*
- e) The land be classified as 'Operational Land'.*

ADOPTION OF RECOMMENDATION

RESOLVED (Michael/King) that the recommendation from Closed Committee be adopted.

There being no further business, the meeting closed at 12.49pm.

CR J A WATTS

CHAIRPERSON

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 10/5/2017

| | | |
|-----------------------|---|-----------------------------|
| ITEM NO: | 1. | FILE NO: S12.22.1/10 |
| DESTINATION 2: | A community that is healthy, educated and sustainable | C |
| SUBJECT: | REQUEST FOR SPONSORSHIP – INVERELL PARKRUN | |
| PREPARED BY: | Fiona Adams, Manager Integrated Planning & Reporting | |

SUMMARY:

Council has received a request from, Nicole Webb, Event Manager with Inverell Parkrun Committee, asking Council for assistance to create a Parkrun course in Inverell. Parkrun is an outdoor 5km circuit through community parkland, where participants can run, jog or even walk. The event is timed, has a fixed route and is held each Saturday morning in the same local parks at 210 sites nationally. It is free for participants.

Ms Webb is an Inverell resident and is supported by a local committee of five (5) persons.

COMMENTARY:

Parkrun is an Australia-wide initiative, with other facilities in the region including Armidale, Tamworth, Narrabri and Moree. The Parkrun initiative is run by local volunteers and the event is open to the wider community. The aim of Parkrun is to increase physical activity among Australians and there are 450,000 registered Parkrunners in Australia.

The proposed circuit for the Inverell Parkrun is along the banks of the Macintyre River between Mansfield Street and Northey Park. The event would start and end in Campbell Park.

Set up costs for Parkrun are \$10,000, with \$5,000 provided by Parkrun's national sponsors. Parkrun seeks the remaining \$5,000 from local sponsors, to cover one-off costs such as:

- Hosting kit;
- Timing and scanning equipment;
- Tokens;
- Laptop;
- Feather flags;
- Cones;
- IT setup / registration system;
- Website.

A copy of the correspondence received from Ms Webb is attached as Appendix 1 (D5 – D7). The Committee is asked to determine if it wishes to provide a contribution to Parkrun, and if so, in what capacity.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: S.03 Council provides equitable services, consistent with available resources and priorities to meet the Shire's identified needs and preferences.

Term Achievement: S.03.01 Services and programs that Council provides are determined based on equity, customer requirements and community benefits, best value and excellence.

Operational Objective: S.03.01.01 Appropriate services and programs are selected based on considerations of equity, best value, relevance and benefit to the community.

POLICY IMPLICATIONS:

Management Policy: Donation Policy – ‘The purpose of providing Donations from public funds is to help promote or assist individuals or organisations for which there is a recognised public benefit, Generally the maximum donation provided will be \$200.00.’

CHIEF FINANCIAL OFFICERS COMMENT:

A sum of \$2.5K is available in this current budget to support community health initiatives. This proposal would meet the objectives of this program.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the Committee recommend to Council that:

- i) The course proposed by the Parkrun committee be approved as the “Inverell Parkrun Course”; and*
- ii) The Committee determine if it is prepared to support the establishment of this new activity.*

| | | |
|-----------------------|---|-----------------------------|
| ITEM NO: | 2. | FILE NO: S12.22.1/10 |
| DESTINATION 2: | A community that is healthy, educated and sustainable | C |
| SUBJECT: | REQUEST FOR SPONSORSHIP – BHAWAA MIYAAY ABORIGINAL WOMEN’S RUGBY LEAGUE TEAM | |
| PREPARED BY: | Alice Holton, Corporate Support Officer - Telephonist | |

SUMMARY:

Council has received a sponsorship request from Keira Edwards, Captain/Coach of the Bhawaa Miyaay Aboriginal Women’s Rugby League team, which includes 25 women from the towns of Inverell, Tingha, Ashford, Moree, Goodooga, Walgett and Armidale.

COMMENTARY:

The Bhawaa Miyaay Aboriginal Rugby League team was formed in January 2017 and comprises 25 women of Indigenous heritage. During 2017, the team will compete in the following competitions:

- Murri Knockout Carnival, 20-23 September, 2017 in Redcliffe, Queensland;
- Koori Knockout Carnival, 29 September, 2017 in Sydney;

- North West Women's Rugby League Nine Competition, November 2017.

A copy of the correspondence received from Ms Edwards is attached as Appendix 2 (D8) and outlines team registration costs for the above events can cost up to \$3,000 per event. It is noted that sponsor logos would be included on the team's on and off-field apparel.

The Committee is asked to determine if it wishes to provide a contribution to the Bhawaa Miyaay Rugby League team, and if so, in what capacity.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: S.03 Council provides equitable services, consistent with available resources and priorities to meet the Shire's identified needs and preferences.

Term Achievement: S.03.01 Services and programs that Council provides are determined based on equity, customer requirements and community benefits, best value and excellence.

Operational Objective: S.03.01.01 Appropriate services and programs are selected based on considerations of equity, best value, relevance and benefit to the community.

POLICY IMPLICATIONS:

Management Policy: Donation Policy – 'The purpose of providing Donations from public funds is to help promote or assist individuals or organisations for which there is a recognised public benefit, Generally the maximum donation provided will be \$200.00.'

NOTE: Sporting teams are excluded from support under this Policy.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That Ms Edwards be advised that Council is unable to support this initiative.

| | | |
|-----------------------|---|--------------------------|
| ITEM NO: | 3. | FILE NO: S15.8.52 |
| DESTINATION 2: | A community that is healthy, educated and sustainable | C |
| SUBJECT: | GRAMAN RESERVE - DEVELOPMENT OPPORTUNITY | |
| PREPARED BY: | Paul Henry, General Manager | |

SUMMARY:

The Sapphire City Motor Sports Club (the 'Club') has indicated an interest in constructing a 30m x 20m concrete slab at the Graman Recreation Reserve. The Committee is requested to determine a recommendation in respect of this request.

COMMENTARY:

The Club is looking to further develop the Graman Recreation Reserve by constructing a 30m x 20m slab to be used for:

- a) 'Young Driver Education and Training' days catering for L, P1 and P2 drivers, and
- b) 'Advanced Driver Training and Education' days which would cater for drivers of all skill levels.

The slab would be constructed with all the safety requirements specified by CAMS and the *Motor Vehicle Sports Act (NSW) 1985*.

This intended use will require development consent.

As Council is Trustee for the Reserve, Council will need to sign the Development Application as owner before the application can be lodged. This provides Council with an opportunity to prevent the application being lodged if there is a perception that the proposed slab could be used for other purposes and this possible use is not a favoured use.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: C.07 Provide local opportunities for recreation, cultural and social activities.

Term Achievement: C.07.02 The Shire's recreational areas and facilities are contemporary and conducive to the communities wellbeing.

Operational Objective: C.07.02.01 Contribute to the physical well being of the community through the provision of active recreation areas.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

A matter for the Committee.

APPENDIX 1



27th April 2017

Mr Paul Henry
General Manager
Inverell Shire Council
144 Otho Street
INVERELL NSW 2360

Dear Paul,

More than 25,000 people are already enjoying one of 210 parkruns around Australia EVERY Saturday morning. Over 450,000 runners and walkers are registered to parkrun Australia (as of April 2017). But we've only just begun.

We're doubling in size every year, and believe that there should be a parkrun event for every community that wants one. Without question, parkrun has become the largest, most significant and game-changing **health** promotion in Australia. And it's happening each and every Saturday.

Thanks for giving us the opportunity to put forward this partnership information.

Park what?

Run by the community, for the community, parkrun offers a free, feel-good local event with both national and global footprints.

We organise free, weekly, timed 5km events all over Australia, taking place every Saturday morning in the same local parks, organised by dedicated and passionate teams of local volunteers. They are open to everyone and are safe and easy to take part in.

These events take place in beautiful open spaces where people of every ability are encouraged to join in; from those taking part in their first run, to juniors, experienced runners and even Olympians.

Objective

The parkrun mission is to build a HEALTHIER and HAPPIER planet. We achieve this by providing a free, weekly, timed 5km event in local communities; thereby increasing levels of physical activity, strengthening community connections and aiding the fight against chronic disease.

parkrun is a not-for-profit organisation, established to benefit the entire community.

Through parkrun, people all over Australia now have the opportunity to take part in an organised form of physical activity at the weekend which complies with Federal Government recommendations that adults take part in at least 30 minutes of moderate physical activity on 5 or more days of the week.

The objective is simple and measurable:

"To empower as many members of the community to get involved in parkrun, either by volunteering or running but ideally both."

www.parkrun.com.au

Sports House, 337 Christine Ave, Varsity Lakes, Queensland, 4227

Participation rates

Our weekly participation rates have grown steadily from 108 parkrunners at our first event in April 2011 to over 25,000 at 210 events as of April 2017. In total over 450,000 parkrunners are registered Australia-wide with each attending a parkrun event, on average, seven times per year.

Our events are spread across the country, from Weipa in far north Queensland to Hobart in Tasmania, across to Perth in Western Australia and up to Darwin in the Northern Territory. parkrun has become part of the fabric of communities small and large, urban and remote.

At this rate of growth, we expect to see over 650,000 registered parkrunners and more than 300 events across Australia by the end of 2017.

parkrun in North West NSW

Armidale parkrun launched on 19th July 2014 with 168 runners and 12 volunteers. North West NSW now has 4 parkruns – Armidale, Tamworth, Narrabri and Moree.

The 168 original participants at Armidale has grown to 564 across all events. Since July 2014, 347 events have been held in which 5,107 individual runners have participated running a staggering 180,010 kms, all made possible by 961 volunteers. As at April 2017, 5,456 people are registered for parkrun in North West NSW.

These numbers are made up of people of every demographic:

- Male - Female
- Young - they can be registered at 4,
- Mature - some in their 80s,
- Fast – around 14 or 15 minutes
- Slow – around an hour or so
- Straight or Gay
- Any and all ethnicities
- Any and all religions
- Battling mental health issues
- With dogs
- Pushing prams

The thing they have in common is, they are all welcome to participate in parkrun for free, every week of the year.

Partnership opportunity

We are actively seeking Inverell Shire Council to partner with us to bring parkrun to the Inverell community. We will help to achieve your strategic goals of improving the health of the community through grassroots initiatives like parkrun.

What we need to get this started:

1. Permission to use the course

The proposed course for Inverell parkrun is along the pathway on the banks of the Macintyre River between Mansfield Street and the Northey Point Lookout. The event would start/finish in Campbell Park adjacent to the fountain. It would be held at 8:00am every Saturday and be finished by 9:30am. We would also require a waiver of any fees and charges that would apply to use the space as we do not charge fees for members of the public to participate.

2. Funding to establish event

It costs \$10,000 to start a parkrun. parkrun Australia cover \$5,000 of this through our National Sponsors. We seek the \$5,000 remaining from the Council. **This is a once off fee to establish a local parkrun for life!**

The costs cover:

- All the kit to run parkrun
- Timing and scanning equipment
- Tokens
- Laptop
- Feather flags
- Cones
- IT setup / Registration system
- Website

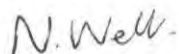
* All figures are excluding GST

Next steps

parkrun is unique in that it provides both an opportunity for people to participate in free and inclusive running events and training to volunteers from the local community to be able to deliver these events. This is a dynamic combination and something that we are very proud of. Therefore we feel that a partnership between parkrun Australia and the Inverell Shire Council would be of real value, not just too both organisations, but to Inverell and the North West Slopes region as a whole.

Should you have any questions or require any additional information in relation to this proposal, please do not hesitate to contact me. I look forward to hearing from you soon.

Kind regards



Nicole Webb
Future Inverell parkrun Event Director

APPENDIX 2



Bhawaa Miyaay Aboriginal Women's Rugby League Team

Seeking Sponsorship

I am writing on behalf of the Bhawaa Miyaay Aboriginal Women's Rugby League Team.

As a way of introduction to our team; Bhawaa Miyaay means Sister Girl in the Gamilaray Indigenous language of North West NSW. Our logo art represents the Seven Sisters and 2 female figures dancing throughout the Miyaay Miyaay (Pleiades constellation) which is a female based Gamilaray dreamtime/creation story.

Our team was formed in January of 2017 which will be representing our communities in a number of Rugby League Competitions.

Our team consists of approximately 25 women who are of Indigenous heritage and all of whom share the same passion for Football. We represent a combination of our ancestral home towns of Tingha, Inverell, Ashford, Moree, Goodooga, Walgett and Armidale.

2017 Competitions that we are entering:

Murri Knockout Carnival

20th September 2017 - 23rd September 2017 at Dolphin Oval, Redcliffe Queensland

Koori Knockout Carnival

29th September 2017 – 2nd October 2017 in Sydney NSW

North West Women's Rugby League Nines Competition

Kicking off in November 2017 – Dates TBC.

Quick facts to consider:

- Each competition has its own nomination fee – for example the Murri Carnival cost \$3,000 just for nomination. Notwithstanding the travel, accommodation, meals and uniforms etc.
- Each competition is held according to its own rules and respective dates
- Each competition will require all team players, coaches, trainers and delegates to travel to each competition by car/bus, be accommodated and meals to be provided.
- The total cost per person will cover playing uniforms, off field apparel, merchandise (jackets, training gear, bags, bottles, hats) registration/nomination fees, insurance fees, affiliation fees, first aid, strapping material, travel, petrol, accommodation and meals.
- The game fees are required to be paid in advance to each competition.

Sponsorship Request

Being a small community, with limited access to local sponsorship, we kindly ask if you would be willing to sponsor our team. Your kind financial sponsorship and support will assist our team to cover costs as outlined above and would be acknowledged and appreciated in many ways.

If you are willing to provide sponsorship, we will proudly display your logo on our uniform and off field apparel. We will need confirmation by Sunday 4th June 2017 in order to have your logo printed in time for the first competition.

All Donations can be made to:

St George Bank

BSB: 112-879

ACC: 456 323 650

**Note: Please state your name or organisation when making a deposit.
Please also send your logo to the email address identified below.**

Thanking you in advance,

Keira Edwards – Captain/Coach
Bhawaa Miyaay Aboriginal Women's Rugby League Team
0422 011 050

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 10/5/2017

| | | |
|-----------------------|--|--------------------------|
| ITEM NO: | 1. | FILE NO: S12.13.1 |
| DESTINATION 5: | The communities are supported by sustainable services and infrastructure | S |
| SUBJECT: | Fire and Emergency Service Levy (FESL) | |
| PREPARED BY: | Emma Murphy – Rates Clerk | |

SUMMARY:

Update on the Fire and Emergency Service Levy.

COMMENTARY:

Councillors will be aware the State Government has determined that a Fire and Emergency Services Property Levy will commence from 1 July, 2017. The Levy will be imposed on all rateable properties in NSW and that Local Government will be required to collect the Levy through Council's rating system.

The State Government has now announced the 2017/18 Fire and Emergency Services Property Levy rates. The rate for each category consists of a fixed and *ad valorem* amount. These are as follows:

| Classification | Fixed | Ad Valorem |
|-----------------------|--------------|-------------------|
| Government | Nil | Nil |
| Public Benefit | \$100 | .000219 |
| Farmland | \$200 | .000235 |
| Residential | \$100 | .000219 |
| Industrial | \$200 | .002687 |
| Commercial | \$200 | .001791 |

The *ad valorem* component is a multiplication of the 2016 Valuer General's Land Value.

Ratepayers are able to obtain more information above the FESL, or calculate their FESL amount via the website and calculator http://fesl.nsw.gov.au/rates_and_calculator.

The State Government have provided the below quick initial reference table, which provides the FESL amount (fixed + ad valorem) payable for each classification at multiples of \$100K. For example, a Residential property with a 2016 land value of \$100K would pay a FESL contribution of \$121.90.

It should be noted that the average valuation for Residential valuation for Inverell is \$65,583, under the FESL, the fee is \$114.36.

| FESL PAYABLE FOR EACH CLASSIFICATION: \$100K through \$1M. | | | | | | | | | | |
|--|----------|----------|------------|------------|------------|------------|------------|------------|------------|------------|
| CLASSIFICATION | \$100K | \$200K | \$300K | \$400K | \$500K | \$600K | \$700K | \$800K | \$900K | \$1M |
| Public Benefit | \$121.90 | \$143.80 | \$165.70 | \$187.60 | \$209.50 | \$231.40 | \$253.30 | \$275.20 | \$297.10 | \$319.00 |
| Farmland | \$223.50 | \$247.00 | \$270.50 | \$294.00 | \$317.50 | \$341.00 | \$364.50 | \$388.00 | \$411.50 | \$435.00 |
| Residential NV | \$121.90 | \$143.80 | \$165.70 | \$187.60 | \$209.50 | \$231.40 | \$253.30 | \$275.20 | \$297.10 | \$319.00 |
| Residential Vacant | \$60.95 | \$71.90 | \$82.85 | \$93.80 | \$104.75 | \$115.70 | \$126.65 | \$137.60 | \$148.55 | \$159.50 |
| Industrial NV | \$468.70 | \$737.40 | \$1,006.10 | \$1,274.80 | \$1,543.50 | \$1,812.20 | \$2,080.90 | \$2,349.60 | \$2,618.30 | \$2,887.00 |
| Industrial Vacant | \$234.35 | \$368.70 | \$503.05 | \$637.40 | \$771.75 | \$906.10 | \$1,040.45 | \$1,174.80 | \$1,309.15 | \$1,443.50 |
| Commercial NV | \$379.10 | \$558.20 | \$737.30 | \$916.40 | \$1,095.50 | \$1,274.60 | \$1,453.70 | \$1,632.80 | \$1,811.90 | \$1,991.00 |
| Commercial Vacant | \$189.55 | \$279.10 | \$368.65 | \$458.20 | \$547.75 | \$637.30 | \$726.85 | \$816.40 | \$905.95 | \$995.50 |

RECOMMENDATION:

That the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 10 May, 2017, be received and noted.

| | | |
|-----------------------|---|-----------------------------|
| ITEM NO: | 1. | FILE NO: S12.12.2/09 |
| DESTINATION 5: | The communities are served by sustainable services and infrastructure | S |
| SUBJECT: | MONTHLY INVESTMENT REPORT | |
| PREPARED BY: | Paul Pay, Manager Financial Services | |

SUMMARY:

To report the balance of investments held as at 30 April, 2017

COMMENTARY:

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 30 April, 2017 and an update of the investment environment:

- (a) Council's investments as at 30 April, 2017;
- (b) Council Investments by Fund as at 30 April, 2017;
- (c) Interest – Budgeted vs Actual;
- (d) Investment Portfolio Performance;
- (e) Investment Commentary; and
- (f) Certification – Responsible Accounting Officer.

A) Council Investments as at 30 April, 2017

| Term Deposit Investment Group | | | | | | | | | | |
|---|-------------------------|---------|--------|-------------|---------------|---------------|---------------|-----------------|---------------|-------------|
| Investment No. | Borrower | FUND | Rating | Risk Rating | Purchase Date | Maturity Date | Current Yield | Principal Value | Current value | Term (days) |
| 17/38 | National Australia Bank | Sewer | A1+ | 1 | 17-Feb-17 | 18-May-17 | 2.57% | 2,000,000 | 2,000,000 | 90 |
| 17/26 | Bank West | General | A1+ | 1 | 25-Nov-16 | 24-May-17 | 2.60% | 2,000,000 | 2,000,000 | 180 |
| 17/27 | National Australia Bank | General | A1+ | 1 | 02-Dec-16 | 02-Jun-17 | 2.71% | 2,000,000 | 2,000,000 | 182 |
| 17/29 | CBA | General | A1+ | 1 | 12-Dec-16 | 09-Jun-17 | 2.61% | 1,000,000 | 1,000,000 | 179 |
| 17/21 | National Australia Bank | General | A1+ | 1 | 14-Oct-16 | 14-Jun-17 | 2.72% | 1,000,000 | 1,000,000 | 243 |
| 17/35 | National Australia Bank | Water | A1+ | 1 | 09-Jan-17 | 07-Jul-17 | 2.66% | 1,000,000 | 1,000,000 | 179 |
| 15/01 | CBA | General | A1+ | 1 | 15-Jul-14 | 15-Jul-17 | 4.05% | 1,000,000 | 1,000,000 | 1095 |
| 15/02 | CBA | General | A1+ | 1 | 15-Jul-14 | 15-Jul-17 | 4.05% | 1,000,000 | 1,000,000 | 1095 |
| 15/03 | CBA | General | A1+ | 1 | 15-Jul-14 | 15-Jul-17 | 4.05% | 1,000,000 | 1,000,000 | 1095 |
| 17/36 | Bank West | Sewer | A1+ | 1 | 17-Jan-17 | 17-Jul-17 | 2.65% | 2,000,000 | 2,000,000 | 181 |
| 17/37 | St George Bank | General | A1+ | 1 | 17-Jan-17 | 17-Jul-17 | 2.70% | 2,000,000 | 2,000,000 | 181 |
| 17/25 | CBA | General | A1+ | 1 | 18-May-16 | 16-Jul-17 | 2.65% | 1,000,000 | 1,000,000 | 210 |
| 17/23 | CBA | Sewer | A1+ | 1 | 20-Oct-16 | 20-Jul-17 | 2.64% | 2,000,000 | 2,000,000 | 273 |
| 15/09 | CBA | General | A1+ | 1 | 01-Sep-14 | 01-Sep-17 | 3.90% | 1,000,000 | 1,000,000 | 1096 |
| 17/17 | National Australia Bank | Water | A1+ | 1 | 27-Sep-16 | 27-Sep-17 | 2.70% | 1,000,000 | 1,000,000 | 365 |
| 17/13 | CBA | General | A1+ | 1 | 17-Sep-16 | 17-Sep-17 | 3.00% | 1,000,000 | 1,000,000 | 365 |
| 17/33 | St George Bank | General | A1+ | 1 | 02-Jan-17 | 02-Oct-17 | 2.71% | 1,000,000 | 1,000,000 | 123 |
| 17/18 | St George Bank | General | A1+ | 1 | 07-Oct-16 | 07-Oct-17 | 3.00% | 2,000,000 | 2,000,000 | 365 |
| 17/19 | St George Bank | General | A1+ | 1 | 07-Oct-16 | 07-Oct-17 | 3.00% | 2,000,000 | 2,000,000 | 365 |
| 17/44 | National Australia Bank | General | A1+ | 1 | 13-Apr-17 | 10-Oct-17 | 2.57% | 1,000,000 | 1,000,000 | 180 |
| 17/22 | St George Bank | General | A1+ | 1 | 16-Oct-16 | 16-Oct-17 | 3.00% | 1,000,000 | 1,000,000 | 183 |
| 17/05 | AMP BANK | General | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 2,000,000 | 2,000,000 | 242 |
| 17/06 | AMP BANK | General | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 1,000,000 | 1,000,000 | 242 |
| 17/07 | AMP BANK | Water | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 1,000,000 | 1,000,000 | 242 |
| 17/08 | AMP BANK | General | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 1,000,000 | 1,000,000 | 242 |
| 17/28 | St George Bank | Water | A1+ | 1 | 01-Dec-16 | 01-Dec-17 | 2.75% | 1,000,000 | 1,000,000 | 365 |
| 17/30 | Suncorp | General | A1+ | 1 | 14-Dec-16 | 14-Dec-17 | 2.75% | 1,000,000 | 1,000,000 | 365 |
| 17/31 | National Australia Bank | General | A1+ | 1 | 14-Dec-16 | 14-Dec-17 | 2.72% | 2,000,000 | 2,000,000 | 365 |
| 17/32 | Community Mutual | Water | NR | 3 | 14-Dec-16 | 14-Dec-17 | 2.90% | 2,000,000 | 2,000,000 | 365 |
| 17/46 | Suncorp | General | A1+ | 1 | 27-Apr-17 | 08-Jan-18 | 2.58% | 1,000,000 | 1,000,000 | 256 |
| 17/47 | Suncorp | General | A1+ | 1 | 27-Apr-17 | 08-Jan-18 | 2.36% | 1,000,000 | 1,000,000 | 256 |
| 17/34 | National Australia Bank | General | A1+ | 1 | 09-Jan-17 | 09-Jan-18 | 2.70% | 1,000,000 | 1,000,000 | 365 |
| 17/39 | National Australia Bank | General | A1+ | 1 | 15-Mar-17 | 15-Mar-18 | 2.63% | 2,000,000 | 2,000,000 | 365 |
| 17/45 | CBA | General | A1+ | 1 | 18-Apr-17 | 18-Apr-18 | 2.64% | 1,000,000 | 1,000,000 | 365 |
| 15/10 | Bank of Queensland | General | A1 | 2 | 02-Sep-14 | 03-Sep-18 | 4.10% | 1,000,000 | 1,000,000 | 1462 |
| Sub Total - Term Deposit Investment Group | | | | | | | | 47,000,000 | 47,000,000 | |
| TOTALS | | | | | | | | 47,000,000 | 47,000,000 | |

| Cash Deposits Accounts Investment Group | | | | | | | | | | |
|--|--|---------|--------|-------------|---------------|---------------|---------------|------------------|----------------------------|---------------|
| As at Date | Borrower | FUND | Rating | Risk Rating | Purchase Date | Maturity Date | Current Yield | Principal Value | Current value | |
| 30-4-17 | National Australia Bank (Cash Maximiser) | General | A1+ | 1 | | | 1.75% | 3,000,000 | 3,000,000 | |
| Sub Total - Cash Deposits Accounts Investment Group | | | | | | | | 3,000,000 | 3,000,000 | |
| Floating Rate Notes Investment Group | | | | | | | | | | |
| As at Date | Borrower | FUND | Rating | Risk Rating | Purchase Date | Maturity Date | Current Yield | Principal Value | Current value | |
| | | | | | | | | | | |
| Sub Total - Floating Rate Notes Investment Group | | | | | | | | - | - | |
| Structured Products Investment Group | | | | | | | | | | |
| As at Date | Borrower | FUND | Rating | Risk Rating | Purchase Date | Maturity Date | Current Yield | Principal Value | Written Down Value 30-6-15 | Current value |
| 31/12/16 | Lehman Brothers Treasury Co B.V (CPPI-745) | Water | DD | 5 | 9/5/2010* | | 0.00% | 300,000 | 9,810 | 9,810 |
| Sub Total - Structured Products Investment Group | | | | | | | | 300,000 | 9,810 | 9,810 |

The written down value of the Structured Product Investment Group as at 30 June 2016 was \$9,810, now holding at 9,810. As previously advised the write down in the value of Structured Products, has been funded from previous years above benchmark investment returns (\$6.8M) which had been held in Internal Restricted Assets. That said, while the written down value is only \$9,810 Council has to date received \$125,423 in principal repayments. These payments are ongoing. These investments were all rated AA- and up to AAA (strong investment grade) when they were entered into and were permissible under the Ministers Investment Order. As Noted by the Auditor in their 2014/2015 Audit Report, the Sewer Fund maintains a sound financial position to meet its operational requirements and the Water Fund maintains a strong financial position.

B) Council Investments by Fund 30 April, 2017

| Portfolio by Fund | 31/03/2017 | 30/04/2017 |
|-------------------|-------------------------|-------------------------|
| General Fund | 38,000,000 | 38,000,000 |
| Water Fund | 6,009,810 | 6,009,810 |
| Sewer Fund | 6,000,000 | 6,000,000 |
| TOTAL | \$ 50,009,810.00 | \$ 50,009,810.00 |

Council investment portfolio remained neutral throughout April 2017. This was in respect of normal cash flow movements for receipts collected and payments made during April 2017.

While the level of Investments has been largely maintained over recent years these will decrease during 2016/2017 as a number of major projects are completed. These include:

- Inverell Sewerage Treatment Works \$ 3.0 M
- Infrastructure Backlog Program \$ 4.01M
- Waste Infrastructure Program \$ 2.0M
- 2015/2016 Revotes \$15.5M

In addition to these amounts Council also holds substantial unexpended Grant Funds in the General Fund which can only be utilised for the purpose for which they were granted.

C) Interest – Budgeted verses Actual Result to Date

| | Ledger | 2016/2017 Budget | Actuals to Date |
|--------------|--------|----------------------|----------------------|
| General Fund | 128820 | 879,000.00 | 570,831.00 |
| Water Fund | 812350 | 50,000.00 | 78,926.86 |
| Sewer Fund | 906320 | 70,000.00 | 83,880.56 |
| TOTAL | | \$ 999,000.00 | \$ 733,638.42 |

The interest received to date (cash basis) is in accordance with Budget and does not include accruals. It is again expected that Council's Investment Portfolio will achieve benchmark returns in 2016/2017.

D) Investment Portfolio Performance

| Investment Portfolio Return | | Benchmarks | | |
|-----------------------------|-------|------------------|-----------------------|-------------------|
| | % pa | RBA Cash Rate | Aus Bond Bank Bill | 11am Cash Rate |
| Benchmark as at 30-4-2017 | | 1.50% | 1.88% | 1.56% |
| Term Deposits | 2.90% | | | |
| Cash Deposit Accounts | 1.50% | | | |
| Floating Rate Notes | | | | |
| Structured Products* | 0.00% | | | |

*Structured Products exclude 1 CDO's currently in default and returning zero coupon

E) Investment Commentary

Council's investment portfolio returns exceeded the 11am Cash Rate benchmark in all investment categories except for Structured Products and Cash Deposits Accounts. Term Deposits exceed the UBSA Bank Bill Index benchmark. Money is held in cash deposits accounts for liquidity purposes.

Council's investment portfolio of \$50M is almost entirely invested in fixed term deposits. Overall, the portfolio is highly liquid, highly rated and short-dated from a counterparty perspective.

During its April meeting, the RBA kept the cash rate steady at 1.5% for a seventh straight meeting. In the statement which accompanied the RBA's decision to keep the rate unchanged, the RBA highlighted their concerns with the economy's high unemployment rate and the high levels of household debt and cautioned against any further stimulus in the form of lower interest rates as it may encourage additional borrowing increasing household debt. It appears that even though the overall global economy has improved interest rates will continue to remain unchanged throughout 2017.

Council staff will continue to monitor interest movements to ensure the best possible returns on investments.

F) Certification – Responsible Accounting Officer

I Ken Beddie, hereby certify that the investments listed in this report have been made in accordance with Section 625 of the *Local Government Act 1993*, Clause 212 of the Local Government (General) Regulations 2005 and Council's Investment Policy.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

Strategy: S.01 Sound Local Government Administration, Governance and Financial Management are provided.

Term Achievement: S.01.02 A sound long term financial position is maintained.

Operational Objective: S.01.02.01 To manage Council Finances with the view to ensuring Council's ongoing financial health and stability, the discharge of statutory and fiduciary responsibilities, proper accounting systems and standards and an efficient and equitable revenue base.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

It is noted that the volatility for current financial markets and pending legal actions will not impact on Council's Rates and Charges, its ability to deliver its existing Services across the funds, or its medium or long term sustainability. Council's overall Investment Portfolio remains sound.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That:

- i) the report indicating Council's Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

| | | |
|----------------|---|------------------|
| ITEM NO: | 2. | FILE NO: S12.5.1 |
| DESTINATION 5: | The communities are served by sustainable services and infrastructure | S |
| SUBJECT: | QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2016/2017 | |
| PREPARED BY: | Ken Beddie, Director Corporate Services | |

SUMMARY:

Each quarter, Council is required to report on its Operational Plan and Council's Responsible Accounting Officer is required to report as to whether they believe that the Budget Review Statement indicates that the financial position of the Council is satisfactory, having regard to the original estimate of income and expenditure, and if unsatisfactory, make recommendations for remedial action. It is requested that the Committee adopt the report.

COMMENTARY:

2016/2017 BUDGET VARIATIONS:

It is advised that Council's financial position remains sound.

The following table represents variations required to be made to budget votes as a result of changes since the last meeting 2016/2017, to ensure the Budget remains in balance (see Appendix 1, H12-13). Those items identified as requiring funding since the adoption of the 2015/2016 budget have now been funded in full.

The Budget Variations for 2016/2017 are as follows:

The Attached Consolidated Income and Expense Statement (Appendix 2, H14) indicate a Surplus from all Activities to 31 March, 2017 of \$5.2M (part year), against a budgeted annual result of \$2723.

This current result indicates that sufficient funding remains available to fund Council's 2016/2017 continuing operations for the next 3 months to the end of the 2016/2017 Financial Year.

QUARTERLY BUDGET REVIEW REPORT:

Council's 31 March 2017 Quarterly Combined Budget Review Summary Report and Income and Expense Statement by function are attached (Appendix 3, H15). A review of the report indicates that Council's actual Revenue/expenditure compares favourably with Council's revised budget.

Council retains a strong Internally Restricted Asset balance (Appendix 4, H16) to fund liabilities, future works and emergencies. The quantum of these funds adds significantly to Council's investment income and therefore capacity to undertake recurrent maintenance and capital works.

GENERAL FUND – OPERATIONAL PLAN REVIEW:

The General Fund remains in balance with the predicted Cash Surplus in respect of 2016/2017 operations remaining unchanged following approval of the Budget Variations attached to this report (Appendix 1, H12-H13). This is after transfers to / from Internally Restricted Assets, Revotes from previous years and the bringing forward of Grant Funding received in 2015/2016, which will be expended in 2016/2017.

A range of additional costs have and are expected to be incurred in the General Fund over the year. These are to be funded as indicated in the Budget Variation Report, from cost savings in other areas and from additional income received. These do not result in a draw down of equity in the General Fund.

A comprehensive review of the General Fund Budget indicates that overall, incomes and expenditures to 31 March, 2017 are in accordance with the adopted budget. All matters not in accordance with the adopted Budget are included in the Budget Variation Report.

Capital Works:

Council's Capital Works Program, as disclosed in the 2016/2017 Operational Plan, (Appendix 5 and 6, H17 and H18), remains on track.

Progress on the major Road Construction Program, has been reported to Council through the Civil and Environmental Services Committee.

Investments:

The General Fund investments remain sound. It is noted that the RBA continues to hold the official cash rate at a half-century low of 1.5%. The banks have continued to adjust their deposit rates lower, with the RBA on its neutral cycle indicating that interest rates will remain on hold for the foreseeable future. However, some economists anticipate that the RBA will increase the official cash rate early 2018. Term Deposits are now as low as 2.50%. It is anticipated that Council will just achieve budget interest during 2016/2017.

A copy of Council's Cash and Investment Budget Review Statement as at 31 March, 2017 is attached (Appendix 7 and 8, H19 and H20). Council retains a sound investment position to fund all of Council's internal and external restrictions and Council's Working Capital/Cash flow needs.

A detailed investment report is provided to Council on a monthly basis and all investment continues to comply with Council's Investment Policy.

Contracts, Consultancy & Legal Expenses

The attached Contracts Summary indicates any Contracts entered into with a value of over \$150,000 by Council during the quarter ending 31 March 2017, (Appendix 9, H21). Other consultancy and legal expenses are summarised in the attached Consultancy & Legal Expense Summary (Appendix 9, H21).

Plant Fleet:

A copy of the Plant Fleet Financial Report to 31 March, 2017 is attached (Appendix 10, H22). The Report indicates a small Operating Deficit of \$20,381 to 31 March 2017. The deficit is directly attributable to the unseasonably wet conditions during the first three financial quarters, which has resulted in lower plant utilisation on construction works.

General Fund Summary:

Overall, the operational and financial position of the General Fund Function is sound.

WATER FUND – OPERATIONAL PLAN REVIEW:

The Water Fund continues to show sound growth. This position is as always dependant on Water Sales. Water Sales were down by \$120K in 2011/12 and up \$171K in 2012/2013 and \$380K in 2013/2014 and \$5K in 2014/2015 and \$294 in 2015/2016. It is anticipated that water sales may decline during 2016/2017 due to the unseasonably wet conditions during the first quarter of the financial year.

The Water Fund holds Term Deposits totalling \$6M and cash at bank of \$1.33M (see Appendix 7, H19).

Overall, the Operational and financial position of the Water Fund Function is sound.

SEWERAGE FUND OPERATIONAL PLAN REVIEW:

The Sewerage Fund continues to hold a sound operational and financial position.

The Committee will be aware that the main priority for the Sewer Fund is now the major refurbishment / expansion of the Inverell Sewerage Treatment Plant in 2016/2017, to be funded from Loans and Cash Reserves. Council has entered into a loan facility with the National Australia Bank for \$2M at a fixed interest rate of 4.16% in respect of this project. Council is receiving a 3% loan subsidy under the Local Infrastructure Renewal Scheme (LIRS) for the life of the loan.

The Sewerage Fund holds Term Deposits totalling \$6M (Includes the \$2M Loan), plus cash at bank of \$1.19M (See Appendix 7, H19).

OPERATIONAL PLAN – COMBINED FUND

Overall, Council's operational and financial position in respect of its five destinations are sound. The following information is provided in respect of major issues and projects that Council is leading, participating in, or delivering in 2016/2017:

- Destination 1 – A recognised leader in the broader context:
 - Participation in Road Funding meetings with the Roads and Maritime Services;
 - Participation in New England Northwest Regional Tourism meetings;
 - Participation in New England Destination Management Hub;
 - Participated in meetings with New England Councils Joint Organisation of Councils in the New England. Secretariat for the Group;
 - Participated in Border Region Organisation of Councils Meeting;
 - Seeking grants for the benefit of the community;
 - Cinema Under the Stars series for Shire villages;
 - Commenced White Ribbon Australia workplace accreditation.
- Destination 2 – A community that is healthy, educated and sustained:
 - Facilitation role for “Linking Together Centre” and development of strong partnerships with Best Employment, State and Federal Government funding bodies;

- Assist with Sapphire City Festival;
 - Assist with Grafton to Inverell Cycle Race;
 - Partnering with Family NSW to provide Playgroup activities at Tingha and Inverell;
 - Participation in New England Cooperative Library;
 - Working with BEST Employment in respect of the auspicing of Connections Disability Service;
 - Commenced White Ribbon Community Project;
 - Commenced Yetman Hall Upgrade;
 - Facilitate the Big Bike Ride to support NSW Bike Week;
 - Drafted Inclusion Action Plan;
 - Drafted Crime Prevention Plan;
 - Hosted two International Women's Day functions with 180 participants.
- Destination 3 – An environment that is protected and sustained:
 - Partnering with Local Land Services in "Nandewar Brigalow Bio Links Program;
 - Riverbank cleanup adjacent to Campbell Park;
 - Installed Solar/Wind Turbine Lighting in Waratah Park;
 - Completed grant funded landscaping and installation of solar/wind turbines at Waratah Park;
 - Installed Solar/Wind Turbine Lighting in Lions Park and along Old Bundarra Road;
 - Weed control on Dumaresq River;
 - Invasive species removal of river weeds in Inverell;
 - Remove Harrisia Cactus at Yetman;
 - Partner with RSM Fishing Club in Gone Fishing Day Event;
 - Installed Solar lighting along Captain Cook Drive footpaths;
 - Heritage grants awarded to seven recipients.
 - Destination 4 – A strong Local Economy:
 - Participated in a wide range of Tourism and Marketing Shows;
 - Participated in Inverell Promotional Activities with the Inverell Chamber of Commerce and Industry;
 - Ongoing discussions with Bindaree Beef in respect of their major expansion;
 - Commence "Retail Revamp" program for small business;
 - Participate in Eat Drink Live New England;
 - Delivered 4 Small Business Workshops with 71 participating business.
 - Destination 5 – The Communities are served by sustainable services and infrastructure:
 - Commenced and completed a range of Road Upgrade Projects on the Regional Road and Local Road Network;
 - Completed a significant quantum of Shire Roads Gravel Resheeting;
 - Completed a significant quantum of heavy patching throughout the Shire;
 - Completed Councils 2016/2017 bitumen reseal program;
 - Completed 2015/2016 Financial Statements – sound financial result achieved, with no audit issues raised;
 - Commenced upgrade works at Inverell Sports Complex;
 - Completed installation of new playground equipment in Lions Park;
 - Completed infrastructure works at Bellevue Park;
 - Completed 2016/2017 Footpath Programs – Roslyn Street and Lake Inverell;
 - Called Tenders for Tin Tot Bridge replacement and the upgrade works at the Inverell Sewerage Treatment Plant;
 - Completed installation of new shelters at Waratah Park (Grant Funded);
 - Completed new Ashford Sportsground Amenities Block;
 - Completed public art installation in Henderson Street roundabout;
 - Install outdoor gym at Yetman Recreation Ground;
 - Village grants awards to ten community groups.

Also attached is a copy of Council's Key Financial Performance Indicators (Appendix 11, H23-H24)

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

Strategy: S.01 Sound Local Government Administration, Governance and Financial Management are provided.

Operational Objective: CS.04 Financial Services – To manage Council Finances with the view to ensuring Council's ongoing financial health and stability, the discharge of statutory and fiduciary responsibilities, proper accounting systems and standards and an efficient and equitable revenue base.

POLICY IMPLICATIONS:

No Council or Management Policy is relevant at this time, however, adoption of the recommendation will ensure that Council's philosophy of maintaining "balanced budgets" is continued.

CHIEF FINANCIAL OFFICERS COMMENT:

In accordance with the *Local Government (General) Regulation 2005*, it is my opinion that the Budget Review Statement for Inverell Shire Council for the quarter ended 31 March, 2017 indicates that Council's projected financial position at 30 June, 2017 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Adoption of the proposed budget variations, as indicated above, will maintain Council's 2016/2017 Budget in balance, with an indicative surplus of \$2,723.

LEGAL IMPLICATIONS:

Council is required to comply with the provisions of the *Local Government Act, 1993* and *Local Government Regulation, 2005* in these matters.

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council's Quarterly Operational Plan and Budget Review for 31 March, 2017 be adopted; and*
- ii) the proposed variations to budget votes for the 2016/2017 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2017 from operations of \$2,723.*

| BUDGET VARIATIONS - FINANCE MEETING 10-5-2017 | | | |
|---|--|-----------|--|
| ITEM/LEDGER NO. | DESCRIPTION | AMOUNT \$ | COMMENT/REASON |
| GENERAL FUND | | | |
| Increase/Decrease in INCOME | | | |
| 122017-1000 | Grant-NSW Enviro Trust-Ashford Tip Closure & Consolidation | 19,930 | Balance of Grant funding (Total Grant \$199,308) |
| 122021-1000 | Grant-NSW Enviro Trust-Yetman Tip Closure & Consolidation | 16,458 | Balance of Grant funding (Total Grant \$164,580) |
| 122022-1000 | Grant-NSW Enviro Trust-Wallangra Tip Closure & Consolidation | 18,840 | Balance of Grant funding (Total Grant \$188,400) |
| 122023-1000 | Grant-NSW Enviro Trust-Oakwood Tip Closure & Consolidation | 19,590 | Balance of Grant funding (Total Grant \$196,800) |
| 121207-1000 | Grant-Dept Family & Community Services | 43,797 | Grant for sealing and lighting at Ross Hill Reserve |
| 137345-1000 | Grant - Local Land Services | 5,000 | Balance of Grant for LLS-Healthy River Program-Bridge/Wood Weed Remove |
| 121208-1000 | Grant-Clubgrants Funds | 580,000 | 2016/2017 portion of Grant for Upgrade of Inverell Complex |
| 148017-1000 | Grant - NSW Dept Industry | 5,000 | NSW Dept Industry-Back to Business Week-Workshops |
| 120850-1000 | Legal/Other Costs Raised | 5,460 | Additional Income Received |
| 120800-1000 | Interest on Rates | 3,010 | Additional Income Received |
| 180780-1000 | NSW Grand Parents Day 2017-Expenses | 1,697 | Grant funded program |
| 121345-1000 | Grant Income-Mental Health Association NSW-Perinatal Week | 1,000 | Perinatal Depression & Anxiety Awareness Week Grant |
| 121207-1000 | Grant-Dept Family & Community Services | 11,128 | Grant for Waratan Park hybrid lighting |
| TOTAL INCREASE IN INCOME | | 730,910 | Positive figure indicates increased income. (Negative) figure indicates decreased income |
| Increase/Decrease in EXPENDITURE | | | |
| 135438-1000 | Ashford Tip Closure & Consolidation Costs | 19,930 | Balance of Grant funding (Total Grant \$199,308) |
| 135438-1000 | Ashford Tip Closure & Consolidation Costs | 68,318 | Council's Cash Contribution to Ashford Tip Closure & Consolidation - Funded from IRA |
| 135443-1000 | Yetman Tip Closure & Consolidation Costs | 16,458 | Balance of Grant funding (Total Grant \$164,580) |
| 135443-1000 | Yetman Tip Closure & Consolidation Costs | 83,697 | Council's Cash Contribution to Yetman Tip Closure & Consolidation - Funded from IRA |
| 135444-1000 | Wallangra Tip Closure & Consolidation Costs | 18,840 | Balance of Grant funding (Total Grant \$188,400) |
| 135444-1000 | Wallangra Tip Closure & Consolidation Costs | 69,841 | Council's Cash Contribution to Wallangra Tip Closure & Consolidation - Funded from IRA |
| 135445-1000 | Oakwood Tip Closure & Consolidation Costs | 19,590 | Balance of Grant funding (Total Grant \$196,800) |
| 135445-1000 | Oakwood Tip Closure & Consolidation Costs | 95,729 | Council's Cash Contribution to Wallangra Tip Closure & Consolidation - Funded from IRA |
| 137254-1000 | Ross Hill Reserve-Upgrade/Maintenance | 43,797 | Grant for sealing and lighting at Ross Hill Reserve |
| 160531-1000 | Sporting Fields Upgrade | 29,550 | Purchase new goal post for Varley Oval and Complex to improve safety |
| 148420-1000 | DCES Special Projects | (8,970) | Funding for above |
| 129391-1000 | GM Special Projects | (20,580) | Funding for above |
| 137346-1000 | Exp-2016-LLS-Healthy River Program-Bridge/Bridge Weed Remove | 5,000 | Balance of Land Services Grant Funding |
| 137346-1000 | Exp-2016-LLS-Healthy River Program-Bridge/Bridge Weed Remove | 20,000 | Council Contribution to Program |
| 129391-1000 | GM Special Projects | (20,000) | Funding for above |
| 160528-1000 | Sports Complex Upgrade-2015/16-(Club Grant Funding) | 580,000 | 2016/2017 portion of Grant for Upgrade of Inverell Complex |
| 148018-1000 | Exps-NSW Dept Industry-Back to Business Week 2017-Workshop | 5,000 | NSW Dept Industry-Back to Business Week-Workshops |
| 130170-1000 | Election Expenses | 7,065 | Additional advertising costs incurred |
| 129381-1000 | DCS Special Projects | (7,065) | Funding for above |
| 141902-1000 | SCIP - New Toilet Block in Victoria Park | 14,190 | Concrete & Paved areas |
| 160565-1000 | Lions Park Upgrade | 16,434 | Additional costs incurred for Paths & Lighting |
| 160561-1000 | Wade Street Park (Bellevue Park) upgrade | (26,313) | Funding for above |
| 129381-1000 | DCS Special Projects | (4,311) | Funding for above |
| 159080-1000 | Admin Centre Modifications | 36,575 | Replace carpet |
| 129381-1000 | DCS Special Projects | (36,575) | Funding for above |
| 130290-1000 | Valuation Fees | 3,010 | Additional costs incurred |
| 130310-1000 | Debt Recovery Expenses | 5,460 | Additional costs incurred |
| 146310-1000 | Inverell Depot | 20,670 | Replace Depot fuel line from diesel tank (EPA requirement) |
| 129910-4700 | Financial Salaries | (20,670) | Funding for above |
| 160850-1000 | Council Depot Improvements | 37,030 | Renovations to Parks & Gardens Sheds and Overseers Office |
| 129381-1000 | DCS Special Projects | (37,030) | Funding for above |
| 137511-1000 | Public Hall - Butler Hall | 28,065 | Painting Butler Hall |
| 151131-1000 | Building/Facilities - Minor Mtc & upgrades | (28,065) | Funding for above |
| 137512-1000 | Public Hall - Gilegal | 2,200 | Additional costs incurred (Villages Programs) |
| 137510-1000 | Other Public Halls | (2,200) | Funding for above |
| 131060-1000 | CBD Security System CCTV Maintenance | 3,850 | Additional costs incurred |
| 130100-1000 | Computer Projects - Non-Capital | (3,850) | Funding for above |
| 136270-1000 | Rural Addressing of Shire | 7,500 | Purchase of Guide posts and numbering |
| 130100-1000 | Computer Projects - Non-Capital | (7,500) | Funding for above |
| 148141-1000 | Opera in the Paddock | 5,000 | Sponsorship |
| 134330-1000 | Community Activities | (5,000) | Funding for above |
| 160282-1000 | Catherine Campbell Childcare - Carpark | 10,996 | Reseal Carpark |
| 129391-1000 | GM Special Projects | (10,996) | Funding for above |
| 143008-1100 | RP - MR137 Seg 290 (St Hillary Project) | 585,315 | Allocation of 2016/2017 Repair Program Funding |
| 143009-1100 | RP - MR137 Roadside Memorial Stage 2 | 362,000 | Allocation of 2016/2017 Repair Program Funding |
| 138280-4450 | 138280 - Repair Program-Total Allocatio | (942,968) | Funding for Above |
| 137561-1000 | Block Grant-Total Allocation-Capital Exps | (4,347) | Funding for Above |
| 139407-1100 | Fit-4-Future Rehab - MR137 Seg 543 to 555 (Glen Idle) | 278,673 | Allocation Fit 4 Future Road Backlog - Heavy Patching/Stabilisation Funding |
| 139411-1100 | Fit-4-Future Rehab - MR137 - 7.56-8.5 Nth of Inverell (Byron Station Lane) | 284,050 | Allocation Fit 4 Future Road Backlog - Heavy Patching/Stabilisation Funding |
| 139404-1100 | Fit4Future-Road Backlog-Heavy patching/Stabilisation | (562,723) | Funding for above |
| 135740-1000 | Yetman - Street / Gutter Cleaning | 3,185 | Additional costs incurred |
| 137150-1000 | Passive Parks - Ashford | (3,185) | Funding for above |
| 137151-3600 | Passive Parks - Yetman | 2,135 | Additional costs incurred |
| 137154-1000 | Passive Parks - Pindari Dam | (2,135) | Funding for above |
| 137280-3001 | Street Mowing | 9,200 | Additional costs incurred |
| 139280-1000 | Rural Seal R'Side Furnish | (9,200) | Funding for above |
| 140220-1000 | Gravel Patching - North | 8,485 | Additional Gravel Patching due to storm damage |
| 140110-1000 | Gravel Sheetling - Minor Roads | (8,485) | Funding for above |
| 140230-1000 | Grading - North | 3,240 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (3,240) | Funding for above |
| 146300-4570 | Ashford Depot | 2,100 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (2,100) | Funding for above |
| 139160-1000 | Roadside Growth Control Sth | 30,140 | Additional roadside slashing due to unseasonably high rainfall |
| 148420-1000 | DCES-Special Projects | (30,140) | Funding for above |
| 139190-1000 | Rural Seal Drainage | 4,195 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (4,195) | Funding for above |
| 140050-1000 | Unsealed Village Maint | 7,635 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (7,635) | Funding for above |
| 140120-1000 | Gravel Patching | 54,670 | Additional Gravel Patching due to storm damage |
| 140110-1000 | Gravel Sheetling - Minor Roads | (10,120) | Funding for above |

BUDGET VARIATIONS - FINANCE MEETING 10-5-2017

| ITEM/LEDGER NO. | DESCRIPTION | AMOUNT \$ | COMMENT/REASON |
|---|---|-----------|---|
| 148420-1000 | DCES-Special Projects | (44,550) | Funding for above |
| 140190-1000 | Gravel Resheeting - Minor Roads | 69,835 | Additional Gravel Resheeting due to storm damage |
| 140110-1000 | Gravel Sheetting - Minor Roads | (69,835) | Funding for above |
| 140400-1000 | Bridges - Other Roads Rural | 1,720 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (1,720) | Funding for above |
| 140630-1000 | Shire Roads Stn Timber Clearing | 59,164 | Additional tree clearing due to storm damage |
| 148420-1000 | DCES-Special Projects | (59,164) | Funding for above |
| 136100-1000 | Destruction of Dead Animals | 2,900 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (2,900) | Funding for above |
| 139010-1000 | Inverell Seal Maintenance | 47,645 | Additional maintenance due to unseasonably high rainfall |
| 148420-1000 | DCES-Special Projects | (47,645) | Funding for above |
| 141330-1000 | CBD Maintenance | 48,740 | Repair costs from tree damage |
| 141341-1100 | 2016/2017 Urban works - TCRP | (48,740) | Funding for above |
| 140000-1000 | Inverell Unsealed Maint | 1,350 | Additional costs incurred |
| 148408-1000 | DCES - MTC activities from Asset Mgt System | (1,350) | Funding for above |
| 141913-1100 | SCIP - 2016/2017 Johns Street Inverell | 14,350 | Additional costs incurred |
| 142008-1100 | FFF - Chisholm Street (Brae to Brown Street) | (3,700) | Funding for above |
| 142011-1100 | Old Bundarra Road | (10,650) | Funding for above |
| 142010-1100 | Swanbrook Rd - Moore Street Runnymede St | 28,170 | Additional costs incurred |
| 142011-1100 | Old Bundarra Road | (28,170) | Funding for above |
| 142517-1100 | ACRD Designs Works - Future Projects | 32,191 | Allocation to allow future projects to be designed in advance |
| 142503-1000 | AFCD - DCES allocation | (32,191) | Funding for above |
| 140520-3100 | Village Unpaved Footpaths | 65,595 | Additional roadside slashing due to unseasonably high rainfall |
| 148420-1000 | DCES-Special Projects | (65,595) | Funding for above |
| 140540-1000 | Tree Plant & Pots Mtc | 7,445 | Additional costs incurred |
| 145700-1000 | Tree Plant & Pots New | (7,445) | Funding for above |
| 137243-1000 | Sporting Fields | 31,645 | Additional mowing of sporting fields due to unseasonably high rainfall |
| 148420-1000 | DCES-Special Projects | (31,645) | Funding for above |
| 135900-1000 | Urban Drainage Maint. | 51,810 | Additional drainage maintenance due to storm damage |
| 135960-1000 | Urban Drainage Reconstruc | (51,810) | Funding for above |
| 180790-1000 | NSW Grand Parents Day 2017-Expenses | 1,697 | Grant funded program |
| 135033-1000 | Grant Exps-Mental Health Association NSW-Perinatal Week2016 | 1,000 | Perinatal Depression & Anxiety Awareness Week Grant Program |
| 160564-1000 | Waratah Park - Upgrade Stage 2 | 11,128 | Installation of additional hybrid lighting - Grant funded |
| 132501-1000 | Christmas Tree | 26,270 | New Christmas decorations for CBD |
| 148030-1000 | Industry Promotions | (26,270) | Funding for above |
| 148671-1000 | Rifle Range Road Subdivision 2016/2017 | 200,000 | Subdivision costs |
| 148010-1000 | Industrial Development | (200,000) | Funding for above |
| TOTAL INCREASE IN EXPENDITURE | | 1,048,495 | Positive figure indicates increased expenditure, (Negative) figure decreased expenditure) |
| NET CHANGE TO CURRENT BUDGET Surplus/(Deficit) | | 317,585 | Positive figure indicates increased expenditure, (Negative) figure decreased expenditure) |
| Restricted Assets | | | |
| PJ-161710-6220-3 GARBAGE DEGRADATION/REHAB. | | 317,585 | Funding for Council's Cash Contribution towards Landfill Closures & Consolidations |
| TOTAL FUNDING FROM RESTRICTED ASSETS | | 317,585 | |
| FUNDED FROM EQUITY (G\$795,000) | | 317,585 | |
| NET CHANGE TO FINANCIAL POSITION Surplus/(Deficit) | | - | |
| WATER FUND | | | |
| Increase/Decrease in INCOME | | | |
| 812350-1000 | Short Term Money Market | 28,920 | Additional interest on investments |
| 812260-1000 | Income - Install/Repairs | 16,380 | Additional Income Received |
| TOTAL INCREASE IN INCOME | | 45,300 | Positive figure indicates increased income, (Negative) figure indicates decreased income) |
| Increase/Decrease in EXPENDITURE | | | |
| 812380-5570 | Staff Training | 5,540 | Additional costs incurred |
| 814860-1000 | Reservoirs - Other | 10,845 | Additional costs incurred |
| 815020-1000 | Mains-Maints & Working Exp | 22,915 | Additional costs incurred |
| 815440-5540 | Tech/Bill Staff Travelling Exps | 6,000 | Additional costs incurred |
| TOTAL INCREASE IN EXPENDITURE | | 45,300 | Positive figure indicates increased expenditure, (Negative) figure decreased expenditure) |
| NET CHANGE TO CURRENT BUDGET Surplus/(Deficit) | | - | Positive figure indicates increased expenditure, (Negative) figure decreased expenditure) |
| SEWER FUND | | | |
| Increase/Decrease in INCOME | | | |
| 906220-1000 | Applications Fees - Sewer Plans | 1,625 | Additional Income Received |
| 906200-1000 | Fittings & Installation Income | 3,300 | Additional Income Received |
| TOTAL INCREASE IN INCOME | | 4,925 | Positive figure indicates increased income, (Negative) figure indicates decreased income) |
| Increase/Decrease in EXPENDITURE | | | |
| 906400-5570 | Staff Training | 2,720 | Additional costs incurred |
| 906540-1000 | Fittings & Installation Exps | 2,205 | Additional costs incurred |
| TOTAL INCREASE IN EXPENDITURE | | 4,925 | Positive figure indicates increased expenditure, (Negative) figure decreased expenditure) |
| NET CHANGE TO CURRENT BUDGET Surplus/(Deficit) | | - | Positive figure indicates increased expenditure, (Negative) figure decreased expenditure) |

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31-3-2017
CONSOLIDATED INCOME AND EXPENSE STATEMENT

| | ORIGINAL BUDGET 2016/2017 (000's) | Approved Changes | | | | | REVISED BUDGET (000's) | Recommended Changes for Council Resolution (000's) | PROJECTED Year End Result 2016/2017 (000's) | ACTUAL YTD (000's) | % OF PROJECTED BUDGET |
|--|--|---|--------------------------------|-------------------------------|-------------------------------|--------------------------------|------------------------------|--|---|--------------------------|-----------------------------|
| | | Unexpended Grants B/FW (000's) | Sept 2016 Review (000's) | Dec 2016 Review (000's) | Mar 2017 Review (000's) | June 2017 Review (000's) | | | | | |
| INCOME | | | | | | | | | | | |
| Rates & Annual Charges | 17,724 | | 12 | 2 | | | 17,738 | | 17,738 | 17,795 | 100.32% |
| User Charges & Fees | 3,371 | | 1,962 | | | | 5,333 | 20 | 5,353 | 2,964 | 55.58% |
| Interest | 1,027 | | | | | | 1,027 | 32 | 1,059 | 704 | 68.55% |
| Other revenues from ordinary activities | 427 | | | | | | 427 | 7 | 434 | 542 | 126.93% |
| Grants & Contributions provided for non capital purposes | 11,836 | | 279 | 84 | | | 12,199 | 88 | 12,287 | 9,112 | 74.69% |
| Grants & Contributions provided for Capital Purposes | 962 | | 54 | 938 | | | 1,954 | 634 | 2,588 | 681 | 34.85% |
| Gain from the sale of assets | 403 | | | | | | 403 | | 403 | 247 | 61.29% |
| Gain from interest in joint ventures & associates | | | | | | | - | | | | |
| TOTAL INCOME FROM CONTINUING OPERATIONS | 35,750 | | 2,307.00 | 1,024.00 | | | 39,061 | 781 | 39,862 | 32,045 | 82.00% |
| EXPENSES | | | | | | | | | | | |
| Employee Costs | 12,670 | | 26 | 706 | 31 | | 13,433 | 237 | 13,670 | 9172 | 68.28% |
| Borrowing Costs | 209 | | | | | | 209 | | 209 | 135 | 64.59% |
| Materials and Contracts | 4,887 | | 1,042 | 1,497 | 117 | | 9,066 | 337 | 9,403 | 5195 | 57.30% |
| Depreciation | 8,219 | 1,523 | | | | | 8,219 | | 8,219 | 6164 | 75.00% |
| Other Expenses from ordinary activities | 4,285 | 74 | | 2 | | | 4,361 | 13 | 4,374 | 2764 | 63.38% |
| Loss from the disposal of assets | | | | | | | - | | | | 0.00% |
| Loss from interest in joint ventures & associates | | | | | | | - | | | | |
| TOTAL EXPENSES FROM CONTINUING OPERATIONS | 30,270 | 1,597 | 1,068 | 2,203 | 150 | | 35,288 | 587 | 35,875 | 23,430 | 66.47% |
| NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/(DEFICIT) | 5,480 | (1,597) | (1,068) | 104 | 874 | | 3,773 | 194 | 3,987 | 8,615 | 227.12% |
| ADD BACK Non Cash Amounts | 8,219 | | | | | | 8,219 | | 8,219 | 6164 | 75.00% |
| Depreciation | 287 | | | | | | 287 | | 287 | 103 | 35.89% |
| Carrying Amount of Assets Sold | 13,986 | (1,597) | (1,068) | 104 | 874 | | 12,299 | 194 | 12,493 | 14,882 | 121.00% |
| Capital Amounts | | | | | | | | | | | |
| Repayments by deferred Debtors | | | | | | | | | | | |
| Acquisition of Assets | (13,435) | (13,866) | (1,345) | (104) | (874) | | -29,624 | (512) | -30,136 | -9254 | 31.24% |
| Loan Repayments | (528) | | | | | | -528 | | -528 | -439 | 83.14% |
| Advance to Deferred Debtors | | | | | | | | | | | |
| Loan Funds | | | | | | | | | | | |
| Less Net Transfers to IRA | (20) | 15,463 | 2,413 | | | | -20 | 318 | 298 | | 0.00% |
| Plus Equity Funding | - | | | | | | 17,876 | | 17,876 | | 0.00% |
| Unallocated Consolidation Net Profit/(Loss) | 3 | | | | | | 3 | | 3 | 5,189 | |
| NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/(DEFICIT) | 4,518 | | | | | | 4,518 | | 4,518 | 7,934 | |

* Favourable / (Unfavourable) variance

EXPLANATION OF MATERIAL VARIANCES

| Item | Explanation |
|---|--|
| INCOME | |
| Rates & Annual Charges | Includes rate levy for 2016/2017 |
| User Charges & Fees | Includes annual DWM charges for 2016/2017 |
| Other revenues from ordinary activities | Includes additional income from private works & SH12 |

EXPENSES

CAPITAL AMOUNTS

RECOMMENDED CHANGES TO REVISED BUDGET

The budget variations recommended above are required to be made to budget votes as a result of changes since the last budget review. Refer to attached appendix "Budget Variations" for commentary on each budget variation. Those items identified as requiring funding since the adoption of the 2016/2017 budget have now been funded.

APPENDIX 3

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31-3-2017
INCOME & EXPENSES BY FUNCTION

| | ORIGINAL BUDGET 2016/2017 (000's) | Approved Changes | | | | | REVISED BUDGET (000's) | Recommended Changes for Council Resolution (000's) | PROJECTED Year End Result 2016/2017 (000's) | ACTUAL YTD (000's) | % OF PROJECTED BUDGET (000's) |
|---|--|---------------------|---|--------------------------------|-------------------------------|-------------------------------|------------------------------|--|---|--------------------------|--|
| | | Revolves (000's) | Unexpended Grants B/FW (000's) | Sept 2016 Review (000's) | Dec 2016 Review (000's) | Mar 2017 Review (000's) | | | | | |
| EXPENSES | | | | | | | | | | | |
| Governance | 311 | 18 | 170 | -5 | | | 311 | 10 | 311 | 180 | 57.88% |
| Administration | 6,228 | 212 | | | -20 | | 6,409 | | 6,419 | 3,348 | 52.16% |
| Public Order and Safety | 964 | 38 | 715 | 50 | 24 | | 1,156 | | 1,156 | 666 | 57.61% |
| Health & Environment | 2,650 | 27 | 34 | 285 | | | 3,477 | 475 | 3,952 | 2,417 | 61.16% |
| Community Services and Education | 107 | 65 | 2 | | | | 453 | -2 | 451 | 171 | 37.92% |
| Housing and Community Amenities | 966 | | | | 23 | | 1,033 | 45 | 1,033 | 712 | 68.91% |
| Water Supplies | 3,321 | | | | | | 3,364 | | 3,409 | 2,389 | 70.08% |
| Sewerage and Drainage Services | 1,767 | | | | 3 | | 1,770 | | 1,775 | 1,389 | 78.25% |
| Recreation and Culture | 2,140 | 222 | 9 | | | | 2,371 | 105 | 2,476 | 1,603 | 64.73% |
| Mining, Manufacturing and Construction | 310 | 80 | 48 | 1,950 | 106 | | 310 | 285 | 7,509 | 192 | 61.94% |
| Transport and Communication | 5,040 | 934 | 90 | -97 | 15 | | 7,224 | -337 | 7,561 | 5,942 | 79.13% |
| Economic Affairs | 1,324 | | | | | | 2,266 | | 1,929 | 818 | 42.40% |
| TOTAL EXPENSES | 25,120 | 1,597 | 1,068 | 2,203 | 151 | 0 | 30,145 | 396 | 30,731 | 19,827 | 64.52% |
| REVENUES | | | | | | | | | | | |
| Governance | | | | | | | | | | | |
| Administration | 22,233 | | | -3 | | | 22,230 | 8 | 22,238 | 19,084 | 85.82% |
| Public Order and Safety | 559 | | | | 25 | | 584 | | 584 | 45 | 7.71% |
| Health & Environment | 3,343 | | | | | | 3,343 | 80 | 3,423 | 3,499 | 102.22% |
| Community Services and Education | 2 | | | 280 | | | 282 | 3 | 285 | 232 | 81.40% |
| Housing and Community Amenities | 268 | | | 20 | | | 288 | | 288 | 209 | 72.57% |
| Water Supplies | 4,537 | | | | 23 | | 4,560 | 45 | 4,605 | 3,578 | 77.70% |
| Sewerage and Drainage Services | 2,619 | | | | 3 | | 2,622 | 5 | 2,627 | 2,654 | 101.03% |
| Recreation and Culture | 172 | | | | 79 | | 251 | 635 | 886 | 279 | 31.49% |
| Mining, Manufacturing and Construction | 178 | | | 2,010 | | | 2,188 | | 2,188 | 177 | 8.09% |
| Transport and Communication | 6,536 | | | | 880 | | 7,416 | 5 | 7,416 | 5,376 | 72.49% |
| Economic Affairs | 308 | | | 15 | | | 323 | | 328 | 375 | 114.33% |
| TOTAL REVENUE | 60,730 | 0 | 0 | 2,307 | 1,025 | 0 | 61,032 | 781 | 61,813 | 35,708 | 79.14% |
| OPERATING RESULT (Surplus) | 15,609 | 1,597 | 1,068 | -104 | -374 | 0 | -13,912 | -195 | -14,137 | -15,681 | |
| Depreciation | 8219 | | | | | | 8,219 | | 8,219 | 6,164 | 75.00% |
| Increase in Employee Leave Entitlements | 2333 | | | | | | 2,333 | | 2,333 | 1,149 | 49.25% |
| (PROFIT) LOSS BEFORE CAPITAL AMOUNTS | (5,077) | 1,597 | 1,068 | (104) | (874) | - | (3,390) | (195) | (3,585) | (6,306) | |
| Carrying Amount of Assets Sold | 287 | | | | | | 287 | | 287 | 103 | 35.89% |
| Proceeds Sale of Assets | -690 | | | | | | -690 | | -690 | -350 | 50.72% |
| Cost Real Estate Assets Sold | | | | | | | 0 | | 0 | | |
| Loan Funds Used | | | | | | | 0 | | 0 | | |
| Other Debt Finance | | | | | | | 0 | | 0 | | |
| Repayments by Deferred Debtors | | | | | | | 0 | | 0 | | |
| Acquisition of Assets | 13,435 | 13,866 | 1,345 | 104 | 874 | | 29,624 | 512 | 30,136 | 9,254 | 30.71% |
| Development of Real Estate | | | | | | | 0 | | 0 | | |
| Advance to Deferred Debtors | | | | | | | 0 | | 0 | | |
| Repayment of Loans | 528 | | | | | | 528 | | 528 | 439 | 83.14% |
| Repayment of Other Debts | | | | | | | 0 | | 0 | | |
| ESTIMATED BUDGET RESULT | 6,463 | 15,463 | 2,413 | 0 | 0 | 0 | 26,339 | 317 | 26,656 | 1,078 | |
| (SURPLUS) DEFICIT | 8,219 | -15,463 | -2,413 | - | - | - | 8,219 | -317 | 8,219 | 6,164 | |
| ADD BACK Non Cash Amounts | 287 | | | | | | 287 | | 287 | 103 | |
| Depreciation | 20 | | | | | | 20 | | -297 | 0 | |
| Carrying Amount of Assets Sold | | | | | | | -17,876 | | -17,876 | | |
| Plus Net Transfers | | | | | | | | | | | |
| Plus Equity Funding** | | | | | | | | | | | |
| BUDGET (SURPLUS) DEFICIT | (3) | 0 | 0 | - | - | - | (3) | - | (3) | (5,189) | |
| ** Equity Funding is Unexpended Grants, Contributions and Incomplete works from previous years were money is held in equity at end of year | | | | | | | | | | | |
| Transfers to Internally Restricted Assets | 1,901 | | | | | | 1,901 | | 1,901 | 0 | 0.00% |
| Transfers from Internally Restricted Assets | 1,881 | | | | | | 1,881 | | 1,881 | 0 | 0.00% |
| Net Transfers | 20 | | | | | | 20 | | 20 | 0 | |

The budget variations recommended above are required to be made to budget votes as a result of changes since the last budget review. Refer to attached appendix "Budget Variations" for commentary on each budget variation. Those items identified as requiring funding since the adoption of the 2016/2017 budget have now been funded.

APPENDIX 4

| INTERNALLY RESTRICTED ASSETS (CASH) MOVEMENTS | | | | | | | |
|---|----------------------|------------------|------------------|------------------------|------------------|------------------|------------------------|
| 14/03/2017 | EST. BAL. 30/6/16 | TRANSFER TO | TRANSFER FROM | EST. BAL. 30/6/2017 | TRANSFER TO | TRANSFER FROM | EST. BAL. 30/6/2018 |
| PURPOSE | | Code 6210 | Code 6220 | | Code 6210 | Code 6220 | |
| GENERAL ACTIVITIES | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| BUILDING REFURBISHMENT/UPGRADE | 1,820,843.18 | | | 1,820,843.18 | 36,710 | | 1,857,553.18 |
| EQUIP. UPGRADE/EMERGENCY MTCE | 210,805.00 | | | 210,805.00 | | | 210,805.00 |
| COMPUTER/IT SYSTEMS UPGRADES | 1,007,046.00 | | | 1,007,046.00 | | | 1,007,046.00 |
| INDUSTRIAL DEVELOPMENT | 668,600.00 | | | 668,600.00 | | | 668,600.00 |
| RESIDENTIAL DEVELOPMENT | 7,309.77 | | | 7,309.77 | | | 7,309.77 |
| AERODROME UPGRADE | 134,330.00 | | | 134,330.00 | | | 134,330.00 |
| COPETON NORTHERN FORESHORES | 49,000.00 | | | 49,000.00 | | | 49,000.00 |
| LIBRARY BUILDING REFURBISHMENT | 202,000.00 | | | 202,000.00 | | | 202,000.00 |
| INDUSTRIAL/TOURISM PROMOTION | 11,594.00 | | | 11,594.00 | | | 11,594.00 |
| GARBAGE DEPOT LAND PURCHASE ETC | 169,391.00 | | | 169,391.00 | | | 169,391.00 |
| GARBAGE DEGRADATION/REHAB. | 938,342.00 | 120,000 | | 1,058,342.00 | 150,000 | | 1,208,342.00 |
| WASTE INFRASTRUCTURE | 2,212,768.00 | | | 2,212,768.00 | 174,825 | | 2,387,593.00 |
| WASTE-EXTERNALITY SUSTAINABILITY | 177,000.00 | 120,000 | | 297,000.00 | 120,000 | | 417,000.00 |
| PLANT REPLACEMENT | 3,309,713.00 | 1,626,000 | 1,881,500 | 3,054,213.00 | 1,528,000 | 2,821,500 | 1,760,713.00 |
| GRAVEL PIT RESTORATION | 147,486.00 | 17,500 | | 164,986.00 | 17,500 | | 182,486.00 |
| GRAVEL PIT RESTORATION -Roads | 84,767.00 | 17,500 | | 102,267.00 | 17,500 | | 119,767.00 |
| COMMUNITY CAPITAL PROJECTS AND LAND | 650,000.00 | | 200,000 | 450,000.00 | | | 450,000.00 |
| ECONOMIC DEVELOP/GROWTH ASSETS | 0.00 | 2,500,000 | | 2,500,000.00 | | 1,000,000 | 1,500,000.00 |
| STRATEGIC CAPITAL PROJECTS FUND | 4,450.00 | | | 4,450.00 | | | 4,450.00 |
| STRATEGIC DEVELOPMENT FUND | 690,611.00 | | 450,000 | 240,611.00 | | | 240,611.00 |
| EMPLOYEE LEAVE ENTITLEMENTS | 1,010,710.46 | | | 1,010,710.46 | | | 1,010,710.46 |
| WORKERS COMP INSURANCE | 572,601.00 | | | 572,601.00 | | | 572,601.00 |
| TOWN HALL MAJOR MTCE/UPGRADE | 100,000.00 | | | 100,000.00 | | | 100,000.00 |
| INSURANCE EXCESS/SELF INSURANCE | 161,848.00 | | | 161,848.00 | | | 161,848.00 |
| SWIMMING POOLS UPGRADE/FENCING | 2,200,000.00 | | | 2,200,000.00 | | | 2,200,000.00 |
| ROAD RESUMPTIONS | 20,000.00 | | | 20,000.00 | | | 20,000.00 |
| INVERELL HOCKEY FACILITY | 400,000.00 | | | 400,000.00 | | | 400,000.00 |
| CONNECTIONS PLANT/EQUIP. | 42,183.74 | | | 42,183.74 | | | 42,183.74 |
| CONNECTIONS ELE | 0.00 | | | - | | | - |
| LINKING TOGETHER CENTRE ELE | 0.00 | | | - | | | - |
| LINKING TOGETHER CENTRE | 0.00 | | | - | | | - |
| SES BUILDINGS | 67,311.00 | | | 67,311.00 | | | 67,311.00 |
| FUND TOTAL | 17,070,710.15 | 4,401,000 | 2,531,500 | 18,940,210.15 | 2,044,535 | 3,821,500 | 17,163,245.15 |
| WATER SUPPLY | | | | | | | |
| EMPLOYEE LEAVE ENTITLEMENTS | 55,000.00 | - | - | 55,000.00 | - | - | 55,000.00 |
| EQUIPMENT BREAKDOWN | 107,940.00 | - | - | 107,940.00 | - | - | 107,940.00 |
| REVENUE EQUALISATION | 470,000.00 | | | 470,000.00 | | | 470,000.00 |
| FUTURE CAPITAL WORKS | 3,110,260.00 | | | 3,110,260.00 | | | 3,110,260.00 |
| FUND TOTAL | 3,743,200.00 | - | - | 3,743,200.00 | - | - | 3,743,200.00 |
| SEWERAGE SERVICES | | | | | | | |
| EMPLOYEE LEAVE ENTITLEMENTS | 15,000.00 | - | - | 15,000.00 | - | - | 15,000.00 |
| EQUIPMENT BREAKDOWN | 109,078.82 | - | - | 109,078.82 | - | - | 109,078.82 |
| FUTURE CAPITAL WORKS | 2,366,200.00 | | | 2,366,200.00 | | | 2,366,200.00 |
| FUND TOTAL | 2,490,278.82 | - | - | 2,490,278.82 | - | - | 2,490,278.82 |
| TOTAL OF ALL FUNDS | 23,304,188.97 | 4,401,000 | 2,531,500 | 25,173,688.97 | 2,044,535 | 3,821,500 | 23,396,723.97 |

Note 1 Funding Building Refurbishments/Asset Management needs
OLG Promoting Better Practice Recommendation

Note 2 Replace Revenue/Property System 2017/2018 - 2018/2019 etc
Rifle Range Road Subdivision Infrastructure Costs 2016/2017

Note 3 Federal Compensation Package Funds

Future Library Building Refurbishments
Tourism Brochure etc

Note 4 Waste Strategy Funds - Restricted

Note 4 Waste Strategy Funds - Restricted

Note 4 Waste Strategy Funds - Restricted

Note 4 Waste Strategy Funds - Restricted

Note 5 Plant Fleet Asset Renewals
Rehabilitation Requirement
Rehabilitation Rifle Range Road and others

Note 6

Note 7 Major Roundabouts with RMS and Federal Government
including Chester Street Renewal

Note 8 Land Bank/Infrastructure Development Funding
Restricted - Minimum Statutory Requirement
Promoting Better Practice Recommendation
Funding for future building refurbishments
Promoting Better Practice Recommendation
Future Upgrades (includes Transfer from Provisions)
Ongoing Issue
Field Resurfacing - Provision for Surface Renewal
Restricted - Auspiced Program
Restricted - Auspiced Program
Restricted - Auspiced Program
Accumulated Funds - Building Contribution
SES Building Renewals

Note 9

Restricted - Statutory Requirement
Promoting Better Practice Recommendation
Best Practice Guidelines

Restricted - Statutory Requirement
Promoting Better Practice Recommendation
Inverell Sewer Treatment Plant and Pump Station 1 renewal
and Mains Relining

| INTERNALLY RESTRICTED ASSETS COMMITMENTS | | | |
|---|---|---------------------|---|
| Note 1 - Building Refurbishment/Upgrade Projects - Asset Renewal funded from annual depreciation expense. Asset Management Plans require this level of Funding over the next 10 Years Transfer to IRA is lease fee from Connections. | | | |
| Note 2 - Replace Property/Revenue System 2017/2018 - 2018/2019 | | | |
| Note 3 - Funding received from Federal Compensation Package - Future Bitumen Reseals | | | |
| Note 4 - Waste Management Strategy Implementation Funding and future land purchases/degradation requirements, including new Garbage Trucks, Solar Power, Weghbridges, Tip Closures etc | | | |
| Note 5 - Plant Fleet future acquisitions fund - Asset Renewal plus GPS devices | | | |
| Note 6 - Future Capital Works/Non-Trading Land Purchases/Industrial Land Development Fund | | 300,000.00 | Industrial Land Development |
| | | 200,000.00 | Tintot Bridge Replacement |
| | | 150,000.00 | Council Contribution to Heritage Trade Training Centre (Transport Museum) |
| | | 650,000.00 | |
| Note 7 - Economic Dev/Growth Assets | Chester St. Renewal - Heavy Vehicle Route | 1,000,000.00 | Federal Funding \$1.5M, Awaiting RMS Contribution, Council \$0.5M 2017/2018 |
| | Gwydir Highway/Rosslyn Street Roundabout | 1,000,000.00 | Land acquired, design in progress for 2018/2019 Project |
| | Gwydir Highway/Mansfield St Intersection | 500,000.00 | |
| | | 2,500,000.00 | |
| Note 8 - Strategic Capital Projects and Infrastructure Fund | Inverell Sports Complex | 250,000 | 2016/2017 Program Asset Renewal - Grant Funding \$930K |
| | Ashford Amenities | 200,000 | 2016/2017 Program Asset Renewal - Grant Funding \$75K |
| | Campbell Street Property/Carpark | 240,000 | 2017/2018 or later Program (RMS) |
| | | 690,000 | |
| Note 9 - Future Capital Works | Ashford Water Treatment Plant | 850,000.00 | Ashford Plant River Inlet and Plant Ancillary Works |
| | Lake Inverell Safety Works | 400,000.00 | State Government requirement |
| | Other Capital Works | 700,000.00 | Inverell Treatment Works Renewal/Refurbishment Project |
| | | 1,950,000.00 | |

These funds are held as Cash and Investments, primarily as Term Deposits

APPENDIX 5

CAPITAL EXPENDITURE 2016/2017

| PROGRAM | LEDGER NUMBER | DESCRIPTION | ORIGINAL CAPITAL BUDGET AMOUNT | ADJUSTED CAPITAL BUDGET AMOUNT | ADJUSTED SECTION TOTAL | Classification | % Complete | FUNDING | AMOUNT |
|---------------------------------|---------------|--|--------------------------------------|--------------------------------------|---------------------------|----------------|---------------|-------------------------------|------------|
| ADMINISTRATIVE SERV. | 150600-1000 | OFFICE FURNITURE & EQUIPMENT-DESKS, CHAIRS | 5,200 | 5,200 | | Renewal | 0% | | |
| | 150900-1000 | ADMINISTRATION BUILDING | | 36,575 | | Renewal | 100% | | |
| | 160850-1000 | COUNCIL DEPOTS | 4,500 | 37,030 | | Renewal | 5% | | |
| | 134940-1000 | ACQUISITION OF ART PRIZE | | 4,500 | | New Asset | 25% | | |
| | 160470-1000 | ART GALLERY REFURBISHMENTS | 5,000 | 14,700 | | Renewal | 0% | | |
| ENGINEERING | 160800-1100 | ENGINEERS INSTRUMENTS & EQUIPMENT | 2,100 | 2,100 | | Renewal | 0% | | |
| | 159141-1000 | EQUIPMENT ISSUES | 265,678 | 265,678 | | Renewal | RFS | | |
| BUSH FIRE | 159172-1000 | AIRBASE WATER TANK | | | | New Asset | RFS | GRANT | 310,558 |
| | 132851-4450 | SES BUILDING UPGRADE | 7,150 | 7,150 | | Renewal | 100% | | |
| SES | 130101-1000 | COMPUTER EQUIPMENT | 44,290 | 225,290 | | Renewal | 57% | | |
| | 130101-4910 | COMPUTER EQUIPMENT | 32,000 | 32,000 | | Renewal | 0% | | |
| INFORMATION SERVICES | 130111-5130 | COMPUTER EQUIPMENT - NEW PRINTING EQUIPMENT | 38,200 | 32,000 | | Renewal | 100% | | |
| | 130111-5162 | COMPUTER EQUIPMENT - NEW HARDWARE | 32,000 | 32,000 | | Renewal | 100% | | |
| SPORTING FIELDS | 160660-1100 | SPORTS GROUND IMPROVEMENT-SPORT CNL | 20,000 | 20,000 | | New Asset | 0% | CONTRIBUTION | 10,000 |
| | 160529-1100 | ASHFORD SPORTING FIELDS | | 265,000 | | New Asset | 95% | | |
| PARKS | 160531-1000 | SPORTING FIELDS - GOAL POSTS | | 29,550 | | New Asset | 70% | | |
| | 160528-1000 | INVERELL SPORTS COMPLEX | | 926,050 | | New Asset | 53% | | |
| CEMETERY | 160565-1000 | LIONS PARK PLAYGROUP EQUIPMENT & FENCING | | 147,040 | | Renewal | 100% | | |
| | 160561-1000 | WADE STREET PARK | | 15,902 | | Renewal | 100% | | |
| LIBRARY | 160564-1000 | WARATAH PARK | | 40,955 | | Renewal | 100% | | |
| | 136391-4450 | CEMETERY | 1,000 | 1,000 | | New Asset | 100% | | |
| WASTE MANAGEMENT | 160190-1100 | LIBRARY-CORPORATE SERVICE COLLECTION | 1,350 | 1,350 | | Renewal | 5% | | |
| | 160190-1000 | LIBRARY BOOKS | 56,500 | 76,500 | | Renewal | 63% | | |
| SCIF | 160200-1000 | LIBRARY BOOKS - CO-OPERATIVE CONTRIBUTION | 21,000 | 21,000 | | Renewal | 100% | | |
| | 160240-1000 | NON BOOK MATERIALS-VIDEOS CASSETTES ETC. | 9,250 | 9,250 | | Renewal | 100% | | |
| PLANT | 160270-1000 | LIBRARY SECURITY SYSTEM | 2,150 | 2,150 | | Renewal | 100% | | |
| | 160393-1000 | LIBRARY-SPECIAL GRANT PROJECT | 25,000 | 37,151 | | New Asset | 57% | GRANT | 25,000 |
| SCIPF | 159759-1000 | WASTE MANAGEMENT CAPITAL INFRASTRUCTURE | 316,000 | 316,000 | | New Asset | 91% | | |
| | 141899-1000 | STRATEGIC CAPITAL INFRASTRUCTURE PROGRAM | 60,000 | 320,104 | | Renewal | 77% | SCIPF | 420,000 |
| OTHER NEW INFRASTRUCTURE ASSETS | 129381-1000 | MINOR COMMUNITY INFRASTRUCTURE ASSETS | 160,000 | 680,487 | | New Asset | 0% | | |
| | 161590-1000 | SMALL PLANT | 80,000 | 80,000 | | Renewal | 28% | PLANT REPLACE IRA | 2,521,000 |
| WATER | 161610-1000 | WORKSHOP EQUIPMENT | 40,000 | 40,000 | | Renewal | 0% | Less Sales | (689,500) |
| | 161620-1000 | LIGHT CARS/TRUCKS | 743,500 | 743,500 | | Renewal | 53% | | 1,831,500 |
| SEWERAGE | 148221-1000 | INVERELL WORKSHOP EQUIPMENT | 1,657,500 | 1,657,500 | | Renewal | 28% | | |
| | TOTAL | | 3,630,368 | 6,251,618 | | | | TOTAL GRANT / OTHER FUNDING | 35,000 |
| SEWERAGE | 907170-1000 | OTHER EQUIPMENT - Sewer Rodding Equip, Gas Detectors | 10,000 | 45,000 | | Renewal | 0% | CAPITAL WORKS IRA | - |
| | 907110-1100 | MAINS RELINING PROGRAM | 90,000 | 350,349 | | Renewal | 0% | | |
| WATER | 907270-1000 | PUMPING STATIONS UPGRADES | 440,000 | 780,000 | | Renewal | 0% | | |
| | 907250-3100 | RETICULATION MAINS | 107,000 | 107,000 | | Renewal | 5% | | |
| WATER | 907280-3100 | SEWER INVESTIGATION | | 182,785 | | Renewal | 50% | TOTAL IRA FUNDING | - |
| | 907280-3050 | SEWER TREATMENT WORKS - DELUNGRA | | 100,000 | | Renewal | 3% | GRANT FUNDING | - |
| WATER | 907280-3070 | SEWER TREATMENT WORKS - CILGAI | | 80,000 | | Renewal | 0% | LOAN FUNDS | - |
| | 907321-3100 | SEWER TREATMENT WORKS - INVERELL | | 3,303,857 | | Renewal | 20% | TOTAL REVOTES/EQUITY | 4,301,991 |
| WATER | TOTAL | | 647,000 | 647,000 | | | | TOTAL REVOTES/EQUITY | 647,000 |
| WATER | 813220-1100 | MAINS REPLACEMENT - INVERELL | 135,000 | 328,466 | | Renewal | 16% | | |
| | 813230-3100 | MINOR MAINS EXTENSIONS-INVERELL | 50,000 | 50,000 | | New Asset | 14% | | |
| WATER | 813285-1000 | BACKFLOW PREVENTION WORKS | 275,000 | 550,000 | | Renewal | 0% | | |
| | 813288-3100 | TELEMETRY UPGRADES | 300,000 | 300,000 | | Renewal | 9% | | |
| WATER | 813280-3100 | WATER TREATMENT PLANT | | 50,000 | | Renewal | 100% | | |
| | 813280-3100 | PUMP STATIONS | | 300,000 | | Renewal | 0% | | |
| WATER | 813280-3001 | METERING - ASHFORD | | - | | Renewal | 0% | CAPITAL WORKS IRA | - |
| | 813280-3020 | METERING - DELUNGRA | | - | | Renewal | 0% | | |
| WATER | 813280-3230 | METERING - INVERELL | 66,950 | 104,910 | | Renewal | 40% | | |
| | 813280-3020 | METERING - BONSHAW | | - | | Renewal | 0% | | |
| WATER | 813290-3100 | OTHER EQUIPMENT | 5,000 | 5,000 | | Renewal | 100% | | |
| | TOTAL | | 831,950 | 1,686,376 | | | | TOTAL IRA FUNDING | - |
| ROADS | 135960-3100 | URBAN DRAINAGE RECONSTRUCTION-Construction Costs | 138,000 | 468,598 | | Renewal | 4% | | |
| | 138270-1000 | URBAN WORKS PROGRAM | 505,000 | 2,274,249 | | Renewal | 57% | | |
| ROADS | 141331-4450 | CBD WORKS | 17,300 | 19,722 | | Renewal | 32% | | |
| | 137561-1000 | BLOCK GRANT WORKS | 525,000 | 470,581 | | Renewal | 89% | GRANT | 525,000 |
| ROADS | 138691-1000 | ACRD GRANT WORKS | 1,624,253 | 2,306,570 | | Renewal | 17% | GRANT | 1,624,253 |
| | 1387330-4450 | 3x4 GRANT WORKS | 160,000 | - | | Renewal | 0% | GRANT | 160,000 |
| ROADS | 138280-1000 | REPAIR PROGRAM WORKS (PJ143003, 143004) | 942,968 | 1,510,454 | | Renewal | 53% | GRANT | 942,968 |
| | 138400-1000 | ROADS TO RECOVERY PROGRAM WORKS | 3,010,064 | 3,010,064 | | Renewal | 60% | GRANT | 3,010,064 |
| ROADS | 139400-1100 | TIN TOT BRIDGE | | 1,000,000 | | Renewal | 5% | GRANT | 100,000 |
| | 139120 | VILLAGES DEVELOPMENT WORKS | 30,000 | 104,465 | | Renewal | 30% | | |
| ROADS | 139200-1000 | VILLAGES BITUMEN RESEALS | | 67,007 | | Renewal | 90% | | |
| | Various | FIT FOR THE FUTURE - ROAD BACKLOG PROGRAM | | 3,504,714 | | Renewal | 43% | | |
| ROADS | 140110-1100 | GRAVEL RESHEETING MINOR ROADS | 44,220 | 73,108 | | Renewal | 100% | IRA | - |
| | 140190-1000 | GRAVEL RESHEETING MINOR ROADS | 33,290 | 46,873 | | Renewal | 77% | | |
| ROADS | 141440-1100 | URBAN LANEWAYD PROGRAM | | 1,091,904 | | Renewal | 2% | | |
| | 139430 | NON RECURRENT ROADS PROGRAM | 200,000 | 200,000 | | Renewal | 38% | TOTAL IRA FUNDING | - |
| ROADS | 139422 | URBAN REHABILITATION - NON-RECURRENT PROGRAM | 700,000 | 700,000 | | New Asset | 1% | GRANT FUNDING | 6,362,285 |
| | 139420 | NEW BITUMEN SEALS - NON RECURRENT PROGRAM | 360,000 | 374,350 | | New Asset | 10% | TOTAL 15/16 UNEXPENDED GRANTS | 957,038 |
| ROADS | 141899-1000 | STRATEGIC CAPITAL INFRASTRUCTURE/PROJECTS FUNE (Extension Oliver Street and John Street Sealing) | | 12,344 | | | 100% | | |
| | 160900-1000 | CPTIGS - BUS SHELTERS | | | | | | | |
| ROADS | TOTAL | | 8,314,054 | 17,234,983 | | | | TOTAL REVOTES/EQUITY | 7,119,016 |
| | | TOTAL ACQUISITION OF ASSETS | 13,423,372 | 30,123,968 | | | | REVENUE FUNDING REQUIRED | 2,795,644 |
| ROADS | | TOTAL ASSET RENEWALS | 11,786,872 | 28,802,486 | | | | | |
| | | TOTAL NEW ASSETS | 1,636,500 | 1,321,482 | | | | | |
| ROADS | | | | | | | | TOTAL IRA FUNDING | 1,831,500 |
| | | | | | | | | GRANT FUNDING | 6,397,285 |
| ROADS | | | | | | | | LOAN FUNDING | - |
| | | | | | | | | TOTAL 15/16 UNEXPENDED GRANTS | 1,345,066 |
| ROADS | | | | | | | | TOTAL REVOTES/EQUITY | 13,865,718 |
| | | | | | | | | REVENUE FUNDING REQUIRED | 6,684,399 |
| ROADS | | | | | | | | TOTAL | 30,123,968 |
| | | | | | | | | | |

Capital Expenditure

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-3-2017
CAPITAL BUDGET

| | ORIGINAL BUDGET 2016/2017 (000's) | Approved Changes | | | | | REVISED BUDGET (000's) | Recommended Changes for Council Resolution (000's) | PROJECTED Year End Result 2016/2017 (000's) | ACTUAL YTD (000's) |
|--|--|--------------------|---------------------------------|--------------------------------|-------------------------------|-------------------------------|-----------------------------------|--|---|--------------------------|
| | | Revotes (000's) | Unexpended Grants (000's) | Sept 2016 Review (000's) | Dec 2016 Review (000's) | Mar 2017 Review (000's) | June 2017 Review (000's) | | | |
| CAPITAL FUNDING | | | | | | | | | | |
| Rates and Other untied Funding | 3,462 | | | 57 | (61) | | | 8 | 3,466 | 3,466 |
| General Fund | 647 | | | | | | | | 647 | 647 |
| Sewer Fund | 832 | | | | | | | | 832 | 832 |
| Water Fund | | | | | | | | | | |
| Capital Grants & Contributions | | | | | | | | | | |
| Bushfire | 266 | | | | 45 | | | | 311 | 45 |
| Sporting Fields | 10 | | | | 75 | | | | 665 | 350 |
| Library | 25 | | | | | | | | 25 | 25 |
| Roads | 6,362 | | | 47 | 815 | | | (76) | 7,148 | 5,384 |
| Internal Restricted Assets | | | | | | | | | | |
| Aerodrome | | | | | | | | | | |
| Plant Replacement | 1,831 | | | | | | | | 1,831 | |
| Roads Program | | | | | | | | | | |
| Sewerage Future Capital Works | | | | | | | | | | |
| Water Future Capital Works | | | | | | | | | | |
| Strategic Capital Projects Fund | | | | | | | | | | |
| Loan Funding | | | | | | | | | | |
| Equity (Unexpended Grants and Contributions from previous years) | | 13,866 | 1,345 | | | | | | 15,211 | 15,211 |
| TOTAL CAPITAL FUNDING | 13,435 | 13,866 | 1,345 | 104 | 874 | | 29,624 | 512 | 30,136 | 25,960 |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| Administrative Services | 15 | 31 | | | | | 46 | 74 | 120 | 40 |
| Aerodrome | | | | | | | | | | |
| Engineering Equipment | 2 | | | | | | 2 | | 2 | |
| SES/Bushfire | 273 | 54 | | | 45 | | 372 | | 372 | 45 |
| Information Services | 147 | 181 | | | | | 328 | | 328 | 213 |
| Sporting Fields | 20 | 190 | 346 | | 75 | | 631 | 610 | 1,241 | 925 |
| Parks | | 173 | 30 | | | | 203 | | 203 | 175 |
| Cemetery | 1 | | | | | | 1 | | 1 | 1 |
| Library | 115 | 20 | 12 | | | | 147 | | 147 | 102 |
| Plant | 2,521 | | | | | | 2,521 | | 2,521 | 869 |
| Other Structures/Buildings | | | | | | | | | | |
| Minor Community Infrastructure Assets | 160 | 694 | | (1) | (61) | | 792 | (110) | 682 | 247 |
| Strategic Capital Infrastructure Program | 60 | 246 | | (1) | | | 315 | 14 | 315 | 289 |
| Waste Management Capital | 316 | | | | | | 4,949 | | 4,949 | 758 |
| Sewerage Services | 647 | 4,302 | | | | | 1,688 | | 1,688 | 199 |
| Water Services | 832 | 856 | | | | | 17,310 | | 17,234 | 6,550 |
| Roads | 8,314 | 7,119 | 957 | 105 | 815 | | | (76) | | |
| TOTAL CAPITAL EXPENDITURE | 13,423 | 13,866 | 1,345 | 103 | 874 | | 29,611 | 512 | 30,123 | 10,413 |

RECOMMENDED CHANGES TO REVISED BUDGET

The budget variations recommended above are required to be made to budget votes as a result of changes since the last budget review. Refer to attached appendix "Budget Variations" for commentary on each budget variation. Those items identified as requiring funding since the adoption of the 2016/2017 budget have now been funded.

INVERELL SHIRE COUNCIL
INVESTMENTS HELD 31/3/17

Start of Year 1/07/2016
End of Year 30/06/2017

| Term Deposit Investment Group | | | | | | | | | | |
|---|-------------------------|---------|--------|-------------|---------------|---------------|---------------|-----------------|---------------|-------------|
| Investment No. | Borrower | FUND | Rating | Risk Rating | Purchase Date | Maturity Date | Current Yield | Principal Value | Current value | Term (days) |
| 17/11 | National Australia Bank | General | A1+ | 1 | 16-Sep-16 | 14-Apr-17 | 2.65% | 1,000,000 | 1,000,000 | 210 |
| 17/20 | CBA | General | A1+ | 1 | 13-Oct-16 | 14-Apr-17 | 2.61% | 1,000,000 | 1,000,000 | 183 |
| 17/15 | Suncorp | General | A1+ | 1 | 27-Sep-16 | 27-Apr-17 | 2.55% | 1,000,000 | 1,000,000 | 212 |
| 17/16 | Suncorp | General | A1+ | 1 | 27-Sep-16 | 27-Apr-17 | 2.55% | 1,000,000 | 1,000,000 | 212 |
| 17/38 | National Australia Bank | Sewer | A1+ | 1 | 17-Feb-17 | 18-May-17 | 2.57% | 2,000,000 | 2,000,000 | 90 |
| 17/26 | Bank West | General | A1+ | 1 | 25-Nov-16 | 24-May-17 | 2.60% | 2,000,000 | 2,000,000 | 180 |
| 17/27 | National Australia Bank | General | A1+ | 1 | 02-Dec-16 | 02-Jun-17 | 2.71% | 2,000,000 | 2,000,000 | 182 |
| 17/29 | CBA | General | A1+ | 1 | 12-Dec-16 | 09-Jun-17 | 2.61% | 1,000,000 | 1,000,000 | 179 |
| 17/21 | National Australia Bank | General | A1+ | 1 | 14-Oct-16 | 14-Jun-17 | 2.72% | 1,000,000 | 1,000,000 | 243 |
| 17/35 | National Australia Bank | Water | A1+ | 1 | 09-Jan-17 | 07-Jul-17 | 2.66% | 1,000,000 | 1,000,000 | 179 |
| 15/01 | CBA | General | A1+ | 1 | 15-Jul-14 | 15-Jul-17 | 4.05% | 1,000,000 | 1,000,000 | 1095 |
| 15/02 | CBA | General | A1+ | 1 | 15-Jul-14 | 15-Jul-17 | 4.05% | 1,000,000 | 1,000,000 | 1095 |
| 15/03 | CBA | General | A1+ | 1 | 15-Jul-14 | 15-Jul-17 | 4.05% | 1,000,000 | 1,000,000 | 1095 |
| 17/36 | Bank West | Sewer | A1+ | 1 | 17-Jan-17 | 17-Jul-17 | 2.65% | 2,000,000 | 2,000,000 | 181 |
| 17/37 | St George Bank | General | A1+ | 1 | 17-Jan-17 | 17-Jul-17 | 2.70% | 2,000,000 | 2,000,000 | 181 |
| 17/25 | CBA | General | A1+ | 1 | 18-May-16 | 16-Jul-17 | 2.65% | 1,000,000 | 1,000,000 | 210 |
| 17/23 | CBA | Sewer | A1+ | 1 | 20-Oct-16 | 20-Jul-17 | 2.64% | 2,000,000 | 2,000,000 | 273 |
| 15/09 | CBA | General | A1+ | 1 | 01-Sep-14 | 01-Sep-17 | 3.90% | 1,000,000 | 1,000,000 | 1096 |
| 17/17 | National Australia Bank | Water | A1+ | 1 | 27-Sep-16 | 27-Sep-17 | 2.70% | 1,000,000 | 1,000,000 | 365 |
| 17/13 | CBA | General | A1+ | 1 | 17-Sep-16 | 17-Sep-17 | 3.00% | 1,000,000 | 1,000,000 | 365 |
| 17/33 | St George Bank | General | A1+ | 1 | 02-Jan-17 | 02-Oct-17 | 2.71% | 1,000,000 | 1,000,000 | 123 |
| 17/18 | St George Bank | General | A1+ | 1 | 07-Oct-16 | 07-Oct-17 | 3.00% | 2,000,000 | 2,000,000 | 365 |
| 17/19 | St George Bank | General | A1+ | 1 | 07-Oct-16 | 07-Oct-17 | 3.00% | 2,000,000 | 2,000,000 | 365 |
| 17/22 | St George Bank | General | A1+ | 1 | 16-Oct-16 | 16-Oct-17 | 3.00% | 1,000,000 | 1,000,000 | 183 |
| 17/05 | AMP BANK | General | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 2,000,000 | 2,000,000 | 242 |
| 17/06 | AMP BANK | General | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 1,000,000 | 1,000,000 | 242 |
| 17/07 | AMP BANK | Water | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 1,000,000 | 1,000,000 | 242 |
| 17/08 | AMP BANK | General | A1 | 2 | 30-Mar-17 | 27-Nov-17 | 2.75% | 1,000,000 | 1,000,000 | 242 |
| 17/28 | St George Bank | Water | A1+ | 1 | 01-Dec-16 | 01-Dec-17 | 2.75% | 1,000,000 | 1,000,000 | 365 |
| 17/30 | Suncorp | General | A1+ | 1 | 14-Dec-16 | 14-Dec-17 | 2.75% | 1,000,000 | 1,000,000 | 365 |
| 17/31 | National Australia Bank | General | A1+ | 1 | 14-Dec-16 | 14-Dec-17 | 2.72% | 2,000,000 | 2,000,000 | 365 |
| 17/32 | Community Mutual | Water | NR | 3 | 14-Dec-16 | 14-Dec-17 | 2.90% | 2,000,000 | 2,000,000 | 365 |
| 17/34 | National Australia Bank | General | A1+ | 1 | 09-Jan-17 | 09-Jan-18 | 2.70% | 1,000,000 | 1,000,000 | 365 |
| 17/39 | National Australia Bank | General | A1+ | 1 | 15-Mar-17 | 15-Mar-18 | 2.63% | 2,000,000 | 2,000,000 | 365 |
| 15/10 | Bank of Queensland | General | A1 | 2 | 02-Sep-14 | 03-Sep-18 | 4.10% | 1,000,000 | 1,000,000 | 1462 |
| Sub Total - Term Deposit Investment Group | | | | | | | | TOTALS | 47,000,000 | 47,000,000 |

| Cash Deposits Accounts Investment Group | | | | | |
|---|--|---------|--------|-------------|---------------|
| As at Date | Borrower | FUND | Rating | Risk Rating | Current Yield |
| 31/3/17 | National Australia Bank (Cash Maximiser) | General | A1+ | 1 | 1.75% |
| Sub Total - Cash Deposits Accounts Investment Group | | | | | 3,000,000 |

| Floating Rate Notes Investment Group | | | | | |
|--|----------|------|--------|-------------|---------------|
| As at Date | Borrower | FUND | Rating | Risk Rating | Current Yield |
| | | | | | |
| | | | | | |
| | | | | | |
| Sub Total - Floating Rate Notes Investment Group | | | | | - |

| Structured Products Investment Group | | | | | |
|--|--|-------|--------|-------------|---------------|
| As at Date | Borrower | FUND | Rating | Risk Rating | Current Yield |
| 31/12/16 | Lehman Brothers Treasury Co B.V (CPPI-7457 | Water | DD | 5 | 0.00% |
| Sub Total - Structured Products Investment Group | | | | | 9,810 |
| | | | | | 9,810 |

| Portfolio by Fund | |
|-------------------|------------|
| General Fund | 38,000,000 |
| Water Fund | 6,009,810 |
| Sewer Fund | 6,000,000 |
| TOTAL | 50,009,810 |

| Portfolio by Fund | |
|-------------------|-----------------------------------|
| General Fund | 38,000,000 |
| Water Fund | 6,009,810 |
| Sewer Fund | 6,000,000 |
| TOTAL | \$ 50,009,810.00 \$ 50,009,810.00 |

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-3-2017
CASH & INVESTMENTS

| | ORIGINAL BUDGET 2016/2017 (000's) | Approved Changes | | | | | Recommended Changes for Council Resolution (000's) | PROJECTED Year End Result 2016/2017 (000's) | ACTUALS (000's) |
|--|--|---------------------|---|--------------------------------|-------------------------------|-------------------------------|--|---|--------------------|
| | | Revolves (000's) | Unexpended Grants B/FW (000's) | Sept 2016 Review (000's) | Dec 2016 Review (000's) | Mar 2017 Review (000's) | | | |
| EXTERNALLY RESTRICTED | | | | | | | | | |
| Water Services | 5,682 | | | | | 5,682 | | 5,682 | 5,682 |
| Sewerage Services | 7,632 | | | | | 7,632 | | 7,632 | 7,632 |
| Waste Management | 3,497 | | | | | 3,497 | | 3,497 | 3,497 |
| Special Purpose Grants | 2,477 | | | | | 2,477 | | 2,477 | 2,477 |
| Developer Contributions | 369 | | | | | 369 | | 369 | 157 |
| Bonds & Deposits | 748 | | | | | 748 | | 748 | 124 |
| Stormwater Management | - | | | | | - | | - | 141 |
| TOTAL EXTERNALLY RESTRICTED | 20,405 | | | | | 20,405 | | 20,405 | 19,710 |
| INTERNALLY RESTRICTED | | | | | | | | | |
| Employee Leave Entitlements | 1,011 | | | | | 1,011 | | 1,011 | 1,011 |
| Strategic Development Fund | 690 | | | | | 690 | | 690 | 690 |
| Plant Replacement | 3,310 | | | | | 3,310 | | 3,310 | 3,310 |
| Computer | 1,007 | | | | | 1,007 | | 1,007 | 1,007 |
| Building Renewal/Upgrades | 1,821 | | | | | 1,821 | | 1,821 | 1,821 |
| Business Units | - | | | | | - | | - | - |
| Aerodrome | 134 | | | | | 134 | | 134 | 134 |
| Workers Compensation Insurance | 573 | | | | | 573 | | 573 | 573 |
| Future Capital Works/Land Purchases | 650 | | | | | 650 | | 650 | 650 |
| Emergency Management/ Equipment Upgrades | 211 | | | | | 211 | | 211 | 211 |
| Industrial Development | 669 | | | | | 669 | | 669 | 669 |
| Special Capital Projects | 5 | | | | | 5 | | 5 | 5 |
| Baths Improvements - Inverell Pool | 2,200 | | | | | 2,200 | | 2,200 | 2,200 |
| Sports Grounds - Hockey Facility Resurfacing | 400 | | | | | 400 | | 400 | 400 |
| Other Restrictions | 893 | | | | | 893 | | 893 | 893 |
| TOTAL INTERNALLY RESTRICTED | 13,574 | | | | | 13,574 | | 13,574 | 13,574 |
| TOTAL RESTRICTED | 33,979 | | | | | 33,979 | | 33,979 | 33,284 |
| TOTAL CASH & INVESTMENTS | 51,834 | | | | | 51,834 | | 51,834 | 50,010 |
| AVAILABLE WORKING CAPITAL | 17,855 | | | | | 17,855 | | 17,855 | 16,726 |

Note: The annual interest generated on Council's Working Capital is the funding source for Councils annual Strategic Capital Infrastructure Project Fund. Any reduction in Working Capital will result in a further reduction in the quantum of funds available annually for Council to undertake Strategic Projects

COMMENT ON CASH & INVESTMENT POSITION

Councils overall Investment Portfolio remains sounds and as at 31 March 2017 Councils Cash and Investment Portfolio totalled \$50.01 million plus \$2.2 million Cash at bank. This includes securities with a market value of \$10K that are subject the market volatility and are effected by the Lehman Brothers Liquidation.

STATEMENTS

INVESTMENTS

I, Ken Beddie, as Council's Responsible Accounting Officer, hereby certify that the restricted funds listed above are invested in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulations 2005 and Council's Investment Policy. For further information about Councils investment portfolio and performance refer to Councils Monthly Investment Report included in Councils Business Paper

| | |
|--|---------------|
| Total External Restricted Funds | 19,710 |
| Total Internal Restricted Funds | 13,574 |
| Total Restricted | 33,284 |
| Total Funds Invested as per Investment Report (31-03-17) | 50,010 |
| Sub Total | 16,726 |

CASH

I, KEN BEDDIE, as Council's Responsible Accounting Officer, hereby certify that the bank balances, as per General Ledger, have been reconciled with the bank statements for the month of March, 2017, and the details have been recorded. For further information about Councils bank reconciliations refer to Councils Monthly Financial Statements report included in the Council Business Paper

RECONCILIATION

I, KEN BEDDIE, as Council's Responsible Accounting Officer, hereby certify that the investment balances, as per General Ledger, have been reconciled with the investment report for the month of March 2017, and the details have been recorded. For further information about Councils investment portfolio and performance refer to Councils Monthly Investment Report included in the Councils Business Paper.

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-3-17
CONTRACTS**

| Contractor | Contract Details & purpose | Contract Value | Commencement Date | Duration of Contract | Budgeted (Y/N) |
|------------------|--|----------------|-------------------|----------------------|----------------|
| Danbuilt Pty Ltd | Inverell Sporting Complex Amenities Building Redevelopment | \$ 488,110.00 | 01-January-2017 | 16 Weeks | Y |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Notes

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser
2. Contractors to be listed are those entered into during the quarter and have yet to be fully performed, excluding contractors that are on Council's Preferred supplier list
3. Contracts for employment are not included

Explanation of Unbudgeted Contracts

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-3-17
CONSULTANCY & LEGAL EXPENSES**

| EXPENSE | EXPENDITURE YTD | BUDGETED (Y/N) |
|--------------------------|-----------------|----------------|
| CONSULTANCIES | | |
| Heritage Advisor | 13,786.35 | Y |
| Swimming Pool Facilities | 8,895.00 | Y |
| Computer Projects | 16,956.00 | Y |
| Investment Advisor | 8,000.00 | Y |
| Waste Management | 62,435.00 | Y |
| Asset Management | 29,841.00 | Y |
| LEGAL FEES | 17,344.56 | Y |

Definition of Consultant

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level special or professional advice to assist decision making by management. General it is the advisory nature of the work that differentiates a consultant from other contractors

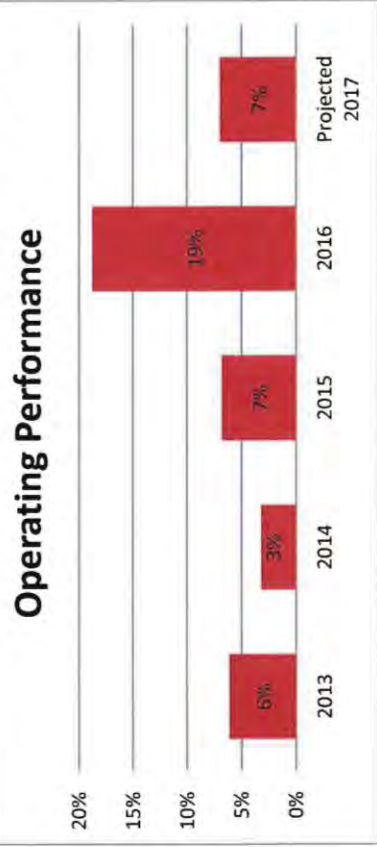
Explanation of Unbudgeted Consultancy & Legal Fees

INVERFLEET OPERATIONS 2016-2017

FROM 01-Jul-2016 TO 30-Jun-2017

| SUFFIX | DESCRIPTION | 2017 BUDGET | 2017 Y.T.D. | % VOTE | BALANCE |
|-----------|--|-------------------|------------------|------------------|-------------------|
| | Operators Wages | 32,000 | 23,545 | 73.6% | 8,455 |
| | Workshop Wages | 311,468 | 313,526 | 100.7% | -2,058 |
| | Repairs | 15,000 | - | 0.0% | 15,000 |
| | Parts | 398,500 | 327,245 | 82.1% | 281,255 |
| | Tyres | 195,000 | 115,645 | 7.1% | 79,355 |
| | Fuel | 1,041,000 | 746,294 | 71.7% | 294,706 |
| | Registration | 185,000 | 170,818 | 92.3% | 14,182 |
| | Accident Expenses | 5,000 | - | 0.0% | 5,000 |
| | Depreciation | 1,550,000 | 1,162,500 | 75.0% | 387,500 |
| | Oils & Lubricants | 40,000 | 30,298 | 75.7% | 9,702 |
| | Cutting Edges | 55,000 | 36,207 | 65.8% | 18,793 |
| | Insurance | 129,000 | 181,525 | 140.7% | -52,525 |
| | Miscellaneous +G4817.000 | 253,000 | 248,066 | 98.0% | 4,934 |
| 148170 | Insurance Excess | 8,000 | 3,500 | 43.8% | 4,500 |
| 148190 | Ashford Workshop Exp. | 17,000 | 7,883 | 46.4% | 9,117 |
| 148210 | Inverell Workshop Exp. | 49,345 | 10,521 | 21.3% | 38,824 |
| 148220 | Apprentice Exp. | 15,000 | - | 0.0% | 15,000 |
| 148230 | Administration Charge | 303,081 | 227,311 | 75.0% | 75,770 |
| 148240 | Small Plant & Tools | 105,370 | 59,694 | 56.7% | 45,676 |
| 994825 | Depreciation Small Plant & Tools | 76,000 | 57,000 | 75.0% | 19,000 |
| 148260 | Plant & Tools under \$750 | 3,000 | - | 0.0% | 3,000 |
| 148280 | Oncosts (Super,w/comp etc.) | 172,780 | 97,662 | 56.5% | 75,118 |
| 146370 | 2 Way Radio SYSTEM UPGRADE | 0 | - | 0.0% | 0 |
| 146380 | 2 Way Radio M & R | 22,540 | 3,707 | 16.4% | 18,833 |
| 146390 | 2 Way Radio Installations | 2,500 | 11 | 0.4% | 2,489 |
| 146400 | 2 Way Radio Licences | 1,500 | 1,835 | 122.3% | -335 |
| | TOTAL OPERATING COSTS: | 4,986,084 | 3,824,792 | 76.7% | 1,388,413 |
| 128780 | Council Hire | -5,402,000 | - | 73.8% | -1,416,508 |
| 128781 | RTA Hire | 0 | - | 0.0% | 0 |
| 128782 | Private Hire | -6,000 | - | 0.0% | -6,000 |
| G2315 | Apprentice Subsidy | - | - | 0.0% | 0 |
| 127800 | Radio Communications Site | -5,000 | 5,695 | 113.9% | 695 |
| 148400 | Small Plant & Tools | -123,150 | 92,363 | 75.0% | -30,788 |
| | TOTAL OPERATING INCOME: | -5,536,150 | 4,083,549 | 73.8% | -1,299,794 |
| | NET RESULT: | -550,066 | 258,757 | 47.0% | -291,309 |
| | Less GPS Units funded from IRA's | -50,000 | 20,861 | 41.7% | -29,139 |
| | Less Funding to Non-recurrent Roads Program | 600,000 | 300,000 | | |
| | Less Capital Replacement Inflation Allowance | -66 | 20,381 | -30880.9% | -20,447 |
| | REPLACEMENT PROGRAM | | | | |
| 161620 | Heavy Plant Purchases | 1,657,500 | 455,900 | 27.5% | 1,201,600 |
| 161600 | Light Plant Purchases | 743,500 | 391,616 | 52.7% | 351,884 |
| 161590 | Small Plant Purchases | 80,000 | 22,444 | 28.1% | 57,556 |
| | Workshop Upgrades | 0 | - | 0.0% | 0 |
| 148221 | Workshop Equipment | 40,000 | - | 0.0% | 40,000 |
| | | 2,521,000 | 869,960 | 34.5% | 1,651,040 |
| 168100 | Sale of Heavy Plant | -349,000 | 92,652 | 26.5% | -256,348 |
| 168110 | Sale of Light Plant | -340,500 | 202,107 | 59.4% | -138,393 |
| 168120 | Sale of Small Plant | 0 | - | 0.0% | 0 |
| | NET RESULT:(Surplus)/Deficit | 1,831,500 | 575,201 | | 1,256,299 |
| | PLANT RESERVE | | | | |
| G6168 | Estimated Balance 1.7.16 | 3,719,547 | 3,514,047 | | 205,500 |
| G6168.802 | Transfer from 2016/2017 | -1,831,500 | 575,201 | | -1,256,299 |
| G6168.801 | Transfer to 2016/2017 | 1,626,000 | 1,219,500 | | 406,500 |
| G6168 | Balance 30.06.2017 | 3,514,047 | 4,158,346 | | -644,299 |

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-3-2017
KEY PERFORMANCE INDICATORS**

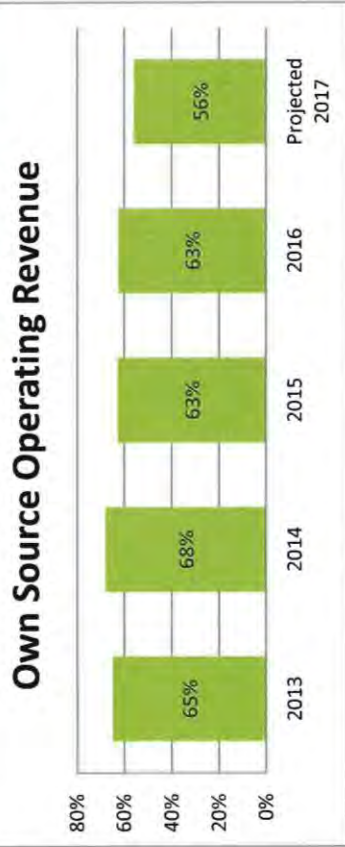


The **Operating Performance Ratio** indicates that Council operating revenue, excluding capital grants and contributions are sufficient to cover operating expenditure. Council has exceeded both the benchmarks listed below

The Tcorp benchmark for the ratio is to have a deficit of less than 4%.

The "fit for the future" benchmark is that council should have a breakeven or better operating performance ratio over a three year period.

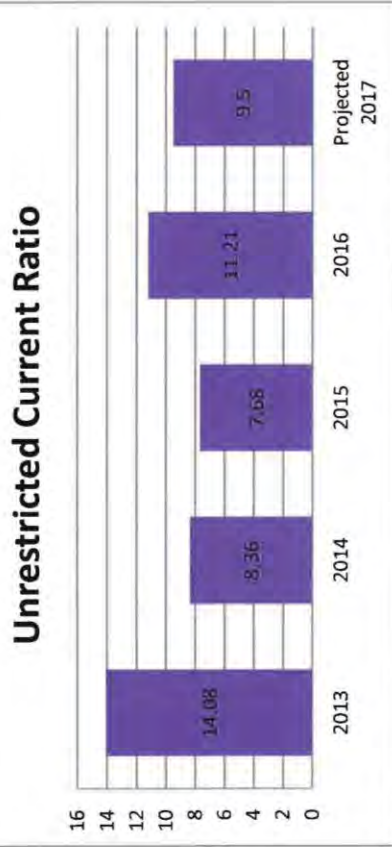
The 2016 is inflated due to additional operating grants being received (R2R, Block etc) while expenditure of these grants were capitalised



The **Own Source Operating Revenue** indicates that Council has a low dependence on grants and contributions. Council has exceeded both the benchmarks listed below

The Tcorp benchmark for sustainability is to have a ratio of greater than 60%

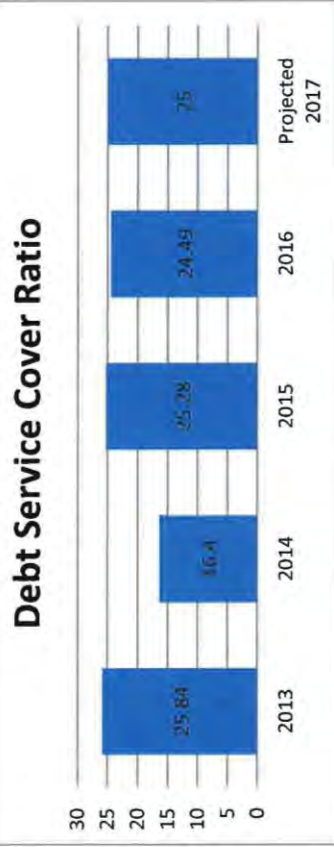
The "fit for the future" benchmark is that councils should have own source revenue of greater than 60% over a three year period.



The **Unrestricted Current Ratio** excludes all current assets and liabilities that are restricted for specific purposes. These include the water, sewer, domestic waste management functions and specific purpose unexpended grants and contributions

This ratio is before setting aside cash to fund internal restrictions in the General Fund.

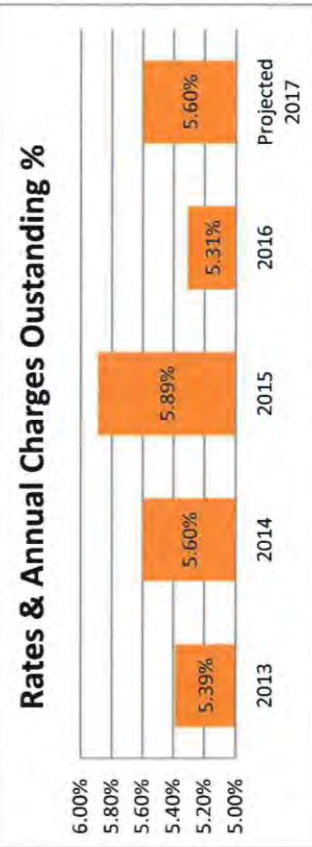
The Tcorp benchmark is greater than 1.5



The **Debt Service Ratio** indicates the extent to which council's operating revenues are committed to servicing both interest and the repayment of principal repayments on existing loans.

Councils Debt Service Ratio will increase marginally over the coming years with Councils increasing its loan borrowings by \$2m for Water and Sewer Fund activities and Waste Management Funds

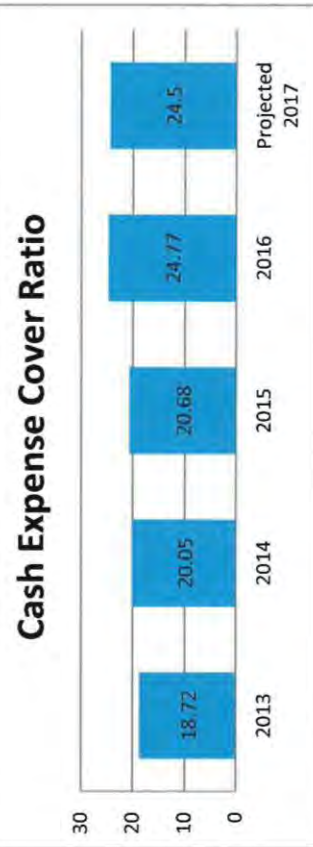
The Tcorp benchmark is to have a ratio of greater than 2.



The **Outstanding Rates Ratio** indicates the percentage of uncollected rates and charges and the adequacy of recovery efforts.

Council's ratio remains at a low level and is within benchmarks for group 11 Councils and reflects good recovery procedures as advised by Councils Auditor

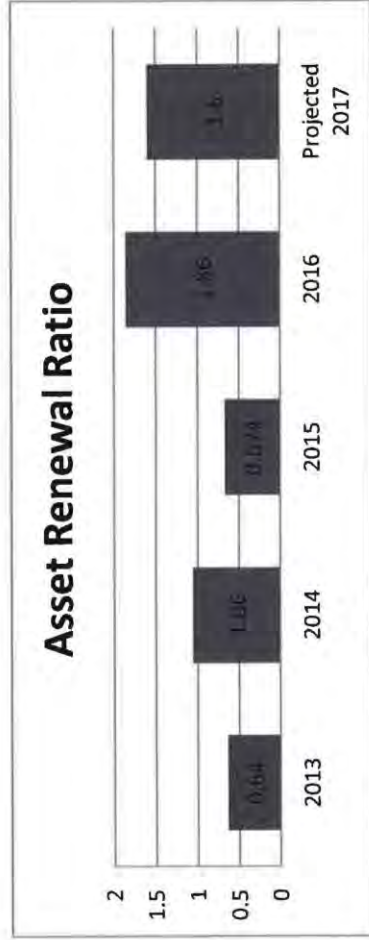
The Tcorp benchmark is to have a ratio of less than 10%



The **Cash Expense Cover Ratio** indicates the number of months Council can pay its expenses without additional cash flow.

The Tcorp benchmark is to have reserves to meet at least three months of operating expenditure

INVERELL SHIRE COUNCIL BUDGET REVIEW FOR THE QUARTER ENDING 31-3-2017 KEY PERFORMANCE INDICATORS

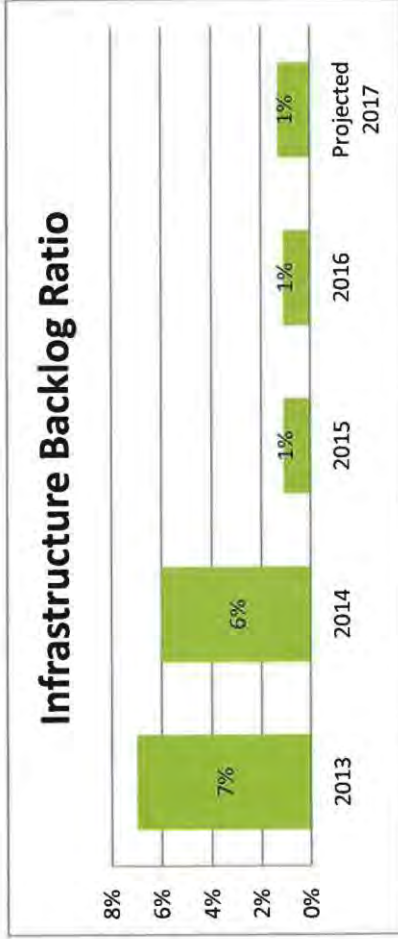


The **Asset Renewal Ratio** indicates the rate at which assets are being renewed against the rate they are being depreciated.

Councils ratio indicates that Council is expending more on asset renewals compared to the estimated asset deterioration (depreciation) across the General, Water and Sewerage Funds. This is largely due to the quantum of grant funded works being undertaken on the Shire Road Network.

The Tcorp benchmark is to have a ratio of greater than 1.

The "fit for the future" benchmark is that councils should have a ratio of greater than 1 over a three year period

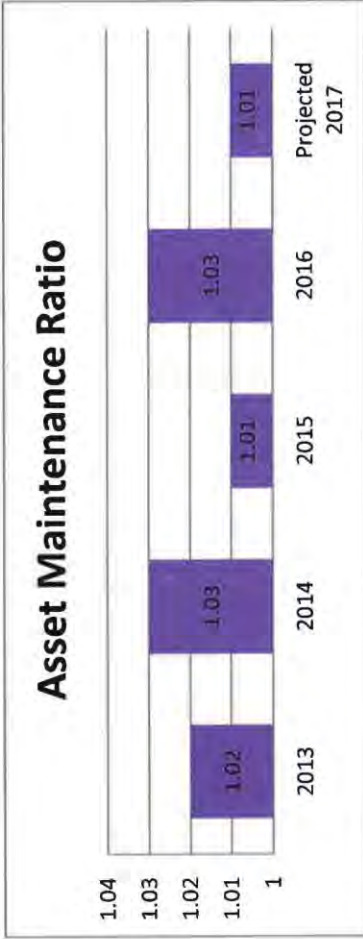


The **Infrastructure Backlog Ratio** assess Council infrastructure backlog against the total value of councils infrastructure.

The Tcorp benchmark is a ratio of less than 20%.

The "fit for the future" benchmark is less than 2%

2012 figure (20%) was the cost to bring all Shire roads up to HML standard.



The **Asset Maintenance Ratio** compares actual asset maintenance expenses against the estimated asset maintenance required for each year.

The Tcorp benchmark is a ratio of greater than 1

The "fit for the future" benchmark is less than 2%