

**INVERELL SHIRE COUNCIL**

**NOTICE OF ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING**

8 May, 2015

An Economic & Community Sustainability Committee Meeting will be held in the Committee Room, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 13 May, 2015, commencing at 10.30am.

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

**P J HENRY PSM**

**GENERAL MANAGER**

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**A G E N D A**

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

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## Quick Reference Guide

*Below is a legend that is common between the:*

- Inverell Shire Council Strategic Plan
- Inverell Shire Council Delivery Plan
- Inverell Shire Council Management Plan.

<i><b>Destinations</b></i>	<i><b>Icon</b></i>	<i><b>Code</b></i>
<p><b>1. A recognised leader in a broader context.</b></p> <p>Giving priority to the recognition of the Shire as a vital component of the New England North West Region through Regional Leadership.</p>		R
<p><b>2. A community that is healthy, educated and sustained.</b></p> <p>Giving priority to the Shire as a sustainable and equitable place that promotes health, well being, life long learning and lifestyle diversity.</p>		C
<p><b>3. An environment that is protected and sustained.</b></p> <p>Giving priority to sustainable agriculture, the protection and conservation of rivers, waterways bio diversity and the built environment.</p>		E
<p><b>4. A strong local economy.</b></p> <p>Giving priority to economic and employment growth and the attraction of visitors.</p>		B
<p><b>5. The Communities are served by sustainable services and infrastructure.</b></p> <p>Giving priority to the provision of community focused services and the maintenance, enhancement and upgrade of infrastructure.</p>		S

# ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING

Wednesday, 13 May, 2015

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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, 08 APRIL, 2015, COMMENCING AT  
10.30AM.

PRESENT: Cr J A Watts (Chairperson), Crs D F Baker, P J Girle, P J Harmon and  
A A Michael.

Also in attendance: Crs H N Castledine, B C Johnston and D C  
Jones.

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

APOLOGIES:

There were no apologies received.

SECTION A

1. CONFIRMATION OF MINUTES

*RESOLVED (Michael/Baker) that the Minutes of the Economic and Community  
Sustainability Committee Meeting held on 11 March, 2015 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 Jones NBN Tower - Fernhill

Cr Jones advised the Committee of his view that a meeting of the  
Fernhill Residents should be held to gauge the support for the re-  
establishment of the NBN Tower proposed in that area.

SECTION D  
DESTINATION REPORTS

1. REQUEST TO LICENCE LAND – STRAHLEY S5.10.83

CSOP-A *RESOLVED (Girle/Baker) that the Committee recommend to Council that:*

- i) *Council enter into a Licence Agreement with Mr Rob and Mrs Jacqui Strahley  
for Part Lot 3 DP 738104, Inverell for a two (2) year period with a further two  
(2) year option;*
- ii) *the Licence fee be \$200.00 per annum (GST Inclusive) with a 3% increase per  
annum; and*

- iii) *the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

2. 2015/2016 DRAFT ESTIMATES & OPERATIONAL PLAN S12.5.3

DCS-A *RESOLVED (Michael/Harmon) that the Committee recommend to Council the following works be funded from the Urban Works Vote and be included in the 2015/2016 Budget:*

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

Urban Construction and Asset Renewal \$ 297K  
(Subject to report to Civil and Environment Committee  
Noting additional funding required for the Gilgai  
drainage project will need to be allocated from these  
Funds).

B. Footpaths and Cycleway Construction

\$ for \$ Contribution to PAMP Program \$ 220K  
(RMS approved the 2015/2016 Program)

C. Urban Drainage Construction/Reconstruction

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

D. Village Works – Community suggested projects

Ashford	\$ 5K
Delungra	\$ 5K
Gilgai	\$ 5K
Yetman	\$ 4K
Oakwood	\$ 1K
Bonshaw	\$ 1K
Graman	\$ 1K
Nullamanna	\$ 1K
Elsmore	\$ 1K
Stannifer	\$ 1K
Gum Flat	\$ 1K

E. Asset Maintenance Program (new Item) \$ 100K

<b>GENERAL FUND GRAND TOTAL</b>	<b>\$ 643K</b>	
<b>WATER FUND TOTAL</b>		<b>\$ 0K</b>

1.2 Finance and Assistance Grant – Local Roads Component (ACRD) 2015/2016 Program

*RESOLVED (Baker/Michael) that the Committee recommend to Council that the budget allocations for the 2015/2016 ACRD Program be noted and 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.*

1.3 RMS Supplementary Block Grant Program

*RESOLVED (Michael/Baker) 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.*

1.4 Roads to Recovery Program

*RESOLVED (Baker/Michael) that the Committee recommend to Council that the budget allocation for the 2015/2016 Roads to Recovery Program be endorsed and a further report be presented to the Civil and Environment Committee in respect of the specific projects to be funded.*

1.5 Block Grant Program – Regional Roads

*RESOLVED (Harmon/Michael) that the Committee recommend to Council that the 2015/2016 Block Grant Program be endorsed.*

1.6 Variations to Budget

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

- i) the information be noted and projects be endorsed;*
- ii) Council provide an allocation of \$150,000 for joint industry promotions and assistance;*
- iii) the following 2015/2016 Strategic Capital Infrastructure/Projects Program projects be endorsed:*
  - Shade Shelter Gilgai Playground Equipment WHS \$ 25K
  - Community Building Partnerships Program \$ for \$ \$ 60K
  - Solar Lighting Campbell Park \$ 50K
  - Amenities Renewal/Asset Upgrades \$ for \$ Grants \$ 380K
- iv) the transfers to and from Internally Restricted Assets be endorsed.*

At this juncture, the time being 11.27am, Cr Jones left the meeting.

1.7 Rates

1.7.1 General Comments

*RESOLVED (Michael/Baker) that the Committee recommend to Council that Council utilise the maximum permissible rate increase allowed by the IPART/State Government of 2.4%.*

At this juncture, the time being 11.29am, Cr Jones returned to the meeting.

1.7.2 Rating Structure

*RESOLVED (Harmon/Girle) that the Committee recommend to Council that the General Base Amount and the General Ad Valorem Rates be determined utilising the maximum permissible increase allowed by the State Government and the categories be:*

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

1.7.3 Effect on Rates

*RESOLVED (Michael/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 2015/2016 be the maximum allowable as advised by the Division of Local Government.*

At this juncture, the time being 11.39am, Cr Watts left the meeting and Cr Harmon assumed the Chair.

1.8 Waste Management Charges

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

- i) Waste Management Charge – All Properties \$ 70.00*
- ii) Domestic Waste Management - Occupied Charge:*

<i>Number of Services per Assessment</i>	<i>Annual Charge per Assessment</i>
<i>1</i>	<i>\$300.00</i>
<i>2</i>	<i>\$600.00</i>
<i>3</i>	<i>\$900.00</i>
<i>4</i>	<i>\$1,200.00</i>
<i>5</i>	<i>\$1,500.00</i>
<i>6</i>	<i>\$1,800.00</i>
<i>7</i>	<i>\$2,100.00</i>
<i>8</i>	<i>\$2,400.00</i>
<i>9</i>	<i>\$2,700.00</i>
<i>10</i>	<i>\$3,000.00</i>
<i>11</i>	<i>\$3,300.00</i>
<i>12</i>	<i>\$3,600.00</i>
<i>13</i>	<i>\$3,900.00</i>
<i>14</i>	<i>\$4,200.00</i>
<i>15</i>	<i>\$4,500.00</i>
	<i>Etc.</i>

- c) Domestic Waste Management – Unoccupied Charge \$ 40.00*
- d) Other Waste Management Charge*





- iii) Council advise the State Government that, Council has been independently assessed as having sound financial and operational performance, Council continues to seek operational and energy efficiency and that it is undertaking a full review and assessment of its road and road related infrastructure assets. Further that Council endorses the strategy of addressing the Operating Performance, Own Source Revenue and Infrastructure Backlog “Fit for the Future” Benchmarks of the General Fund through an increase in its own source revenues, including the option of a special rate variation commencing in 2017/2018; and
- iv) the Draft Estimates (incorporating the Operational Plan) for the General Activities for 2015/2016 be adopted and placed on public exhibition for a period of twenty eight (28) days as required by Section 405 of the Local Government Act 1993.

## 2. SEWERAGE ACTIVITIES

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

- i) the Sewerage Charges as listed below be adopted for 2015/2016:

Sewerage Charge Occupied	\$ 476.20
Sewerage Charge Unoccupied	\$ 298.30
Sewerage Charge Flats/Units	\$ 298.30
Sewerage Charge Nursing Homes	\$2,230.50

Sewerage Charge Hotel/Licensed Clubs	\$1,428.40
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Number of Services per Assessment	Annual Charge Per Assessment
1	\$ 476.20
2	\$ 774.50
3	\$1,072.80
4	\$1,371.10
5	\$1,669.40
6	\$1,967.70
7	\$2,266.00
8	\$2,564.30
9	\$2,862.60
10	\$3,160.90
11	\$3,459.20
12	\$3,757.50
13	\$4,055.80
14	\$4,354.10
15	\$4,652.40

Sewerage Non-Rateable Schools – WC's	\$ 69.00 per receptacle
Sewerage Non-Rateable Other – WC's	\$ 115.00 per receptacle
Sewerage Non-Rateable Urinals	\$ 69.00 per receptacle

### New Charge Structure for Motels and Caravan Parks

In accordance with the new charge structure for Motels and Caravan Parks the following charges are proposed with 2015/2016.

Motel Residence	\$ 476.20
Motel Restaurant	\$ 476.20
Motel Ensuite	\$ 149.15
Caravan Park Residence	\$ 476.20
Caravan Park Amenities Block	\$1,428.40
Caravan Park Ensuite Cabins	\$ 149.15

- ii) *the Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2015/2016 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

### 3. WATER ACTIVITIES

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

- i) *a water charge of \$346.50 be adopted for 2015/2016;*
- ii) *a charge of \$1.37 per kilolitre be adopted for commercial water consumption for 2015/2016;*
- iii) *a charge of \$1.37 per kilolitre, 0 to 600 kilolitres and \$1.60 per kilolitre over 600 kilolitres be adopted for residential water consumption for 2015/2016;*
- iv) *a charge of \$0.75 per kilolitre be adopted for water consumption - Abattoirs, plus a 20 per cent early settlement discount for 2015/2016;*
- v) *a charge of \$0.36 per kilolitre adopted for Raw Water consumption for 2015/2016; and*
- vi) *the Draft Estimates (incorporating Operational Plan) for the Water Fund for 2015/2016 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

### 3. LAND MATTER (LISTING) S5.2.3

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

- i) *the matters and information are 'Matters affecting the security of the council, councillors, council staff or council property.' (Section 10A(2)(f) 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.*

## SECTION F QUESTIONS WITHOUT NOTICE

Cr Baker                      Chamber of Commerce & Industry

Cr Baker congratulated the Chamber of Commerce on the current TV marketing campaign.

Director                      Genesis Accounting                      S12.24.6  
Corporate and

Economic Services                      Director Corporate and Economic Services, Mr Ken Beddie advised the Committee that Council has been approached by Genesis Accounting regarding the Melton Shire Council v Commissioner of Taxation Tax ruling in which the Federal Court issued a Consent Order declaring that no tax under the GST law is imposed on any property transactions. The ATO accepted the Consent Order allowing Melton to take advantage of certain concessions previously only available to the Commonwealth and the State.

DCS-A

Council has been invited to participate in a class action against the ATO regarding GST paid on all sales of assets, seeking a refund for the last 6 years.

*RESOLVED (Baker/Michael) that the Committee recommend to Council that Inverell Shire Council accept the invitation and participate in the class action against the ATO.*

#### SECTION H GOVERNANCE REPORTS

1. GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2/08

*RESOLVED (Harmon/Michael) that 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 12.56pm, 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/Baker) 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 1.00pm, the Chair verbally reported that the Committee, with the Press and Public excluded, having considered the matters referred to it, recommends as follows:

1. LAND MATTER S5.2.3

GM-A

*That the Committee recommend to Council that:*

- i) the report be received and noted, and*
- ii) Council provide the Investigation Unit with information which identifies the subject land as being lawfully used and occupied and is needed for an essential public purpose.*

#### ADOPTION OF RECOMMENDATION

*RESOLVED (Girle/Baker) that the recommendation from Closed Committee be adopted.*

There being no further business, the meeting closed at 1.01pm.

CR J A WATTS

CHAIRPERSON

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 13/05/2015

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S5.10.20 & S5.10.97 & S5.10.111
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure.	<b>S</b>
<b>SUBJECT:</b>	<b>EXPIRING LICENCE AGREEMENTS</b>	
<b>PREPARED BY:</b>	Hayley Nichols, Corporate Support Officer - Publishing	

**SUMMARY:**

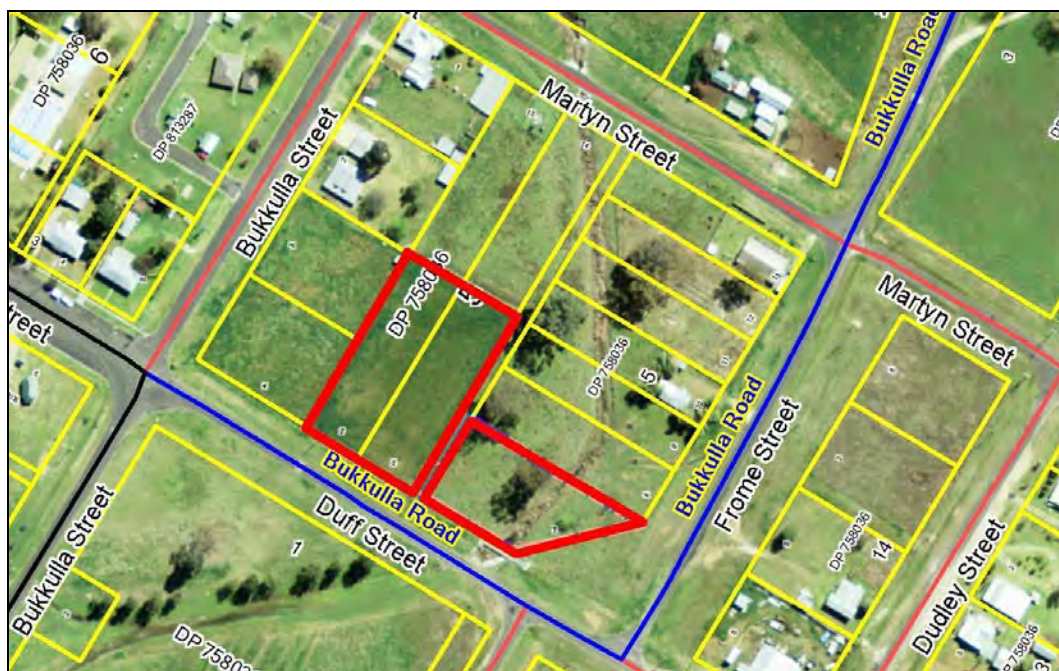
Three (3) Licence Agreements are due to expire 30 June, 2015. Council is requested to consider the following Licence holders for new Agreements.

**COMMENTARY:**

Three (3) Licence Agreements are due to expire 30 June, 2015. The listed Licence Agreements herein have been audited for compliance of Licence conditions and payment of associated fees. All have been found to be compliant to the required conditions and to meeting Council's expectation of maintaining the quality of Council land.

Council is asked to consider the following Licence holders to be offered new Agreements under the same terms and conditions for a three (3) year period with a further three (3) year option.

5.10.20	Mrs Giovanni Maria Palmas	01/07/13 - 30/06/15
5.10.97	Mr Mario Pintus	01/07/12 - 30/06/15
5.10.111	Estate of the Late Mr Peel Gainey	01/07/13 - 30/06/15

**1. Licence Agreement - Lots 5, 6 & 7, Section 5, DP 758036, Duff Street, Ashford**

The authorised use of the land is for the purpose of grazing stock. Public Liability insurance is required to the amount of \$10M.

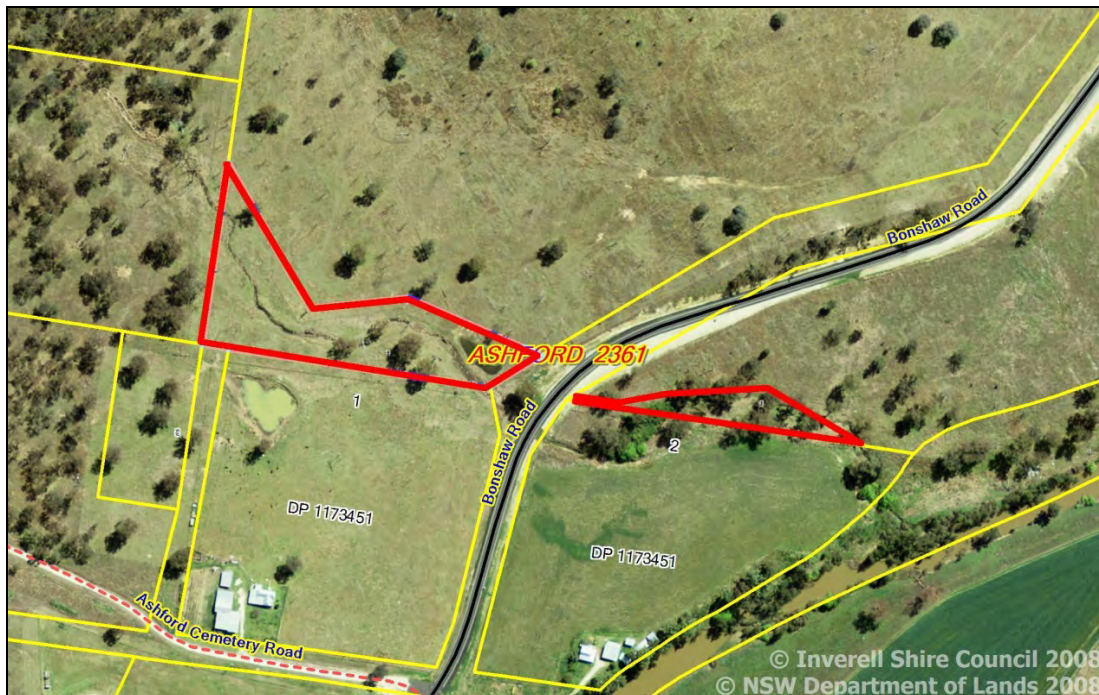
Last amount billed \$150.00 (GST Inclusive).

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) Council renew the agreement with Mrs Giovanni Maria Palmas for a three (3) year period with a further three (3) year option under the same terms and conditions;
- ii) the licence fee be \$160.00 per annum (GST Inclusive) not subject to an annual increase; and
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

**2. Licence Agreement - Lots 1 & 3, DP 1037597, Bonshaw Road, Ashford**



The authorised use of the land is for the purpose of grazing stock. Public Liability insurance is required to the amount of \$10M.

Last amount billed \$56.94 (GST Inclusive).

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) Council renew the agreement with Mr Mario Pintus for a three (3) year period with a further three (3) year option under the same terms and conditions;
- ii) the licence fee be \$70.00 per annum (GST Inclusive) with a 3% increase per annum; and



- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

**3. Licence Agreement - Lot 5, DP 867523 Taylor Avenue, Inverell**



The Licence Agreement would be renewed in the name of Mrs Leane Gainey, the wife of the late Mr Peel Gainey.

The authorised use of the land is for the purpose of grazing stock. Public Liability insurance is required to the amount of \$10M.

Last amount billed \$233.76 (GST Inclusive).

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) Council renew the agreement in the name of Mrs Leane Gainey for a three (3) year period with a further three (3) year option under the same terms and conditions;*
- ii) the licence fee be \$240.00 per annum (GST Inclusive) with a 3% increase per annum; and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S12.22.1/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>REQUEST FOR DONATION – HANNAH WORSLEY</b>	
<b>PREPARED BY:</b>	Hayley Nichols, Corporate Support Officer-Publishing	

**SUMMARY:**

Council has received a letter of request from Miss Hannah Worsley requesting a donation towards assisting Hannah in attending the 2015 London International Youth Science Forum (LIYSF).

**COMMENTARY:**

Council has received a letter of request from Miss Hannah Worsley requesting a donation towards assisting Hannah in attending the 2015 London International Youth Science Forum (LIYSF).

Hannah is 1 of 10 students to have been selected from around Australia to attend the LIYSF which is being held from 22 July, till 12 August, 2015. Hannah's selection will see her spend two (2) weeks in London, participating in lectures, workshops, lab visits and other activities at venues including Oxford and Cambridge University's and a further one (1) week on the European Union for Nuclear and Particle Physics Discovery Programme located in France and Switzerland.

Miss Worsley is requesting Council provide financial assistance to assist with the expected \$13,000 cost burden. A copy of the received correspondence is attached as Appendix 1 (D16 – D17) for further information.

The following is an extract provided from Council's donation Policy for the information of the Committee.

*The following procedure will be utilised in assessing requests for Donations:*

- a) *Donations will only be provided to support projects, events and activities which benefit the local community,*
- b) *Generally the maximum donation provided will be \$200.00,*
- c) *Only one (1) Donation will be made to any particular individual or organisation within a financial year,*
- d) *Donations will not be provided to:*
  - *Individuals, Individual sports people or sporting teams; and*
  - *Projects, events and activities outside the Shire boundaries.*
- e) *An annual allocation of funds will be provided in Council's Management Plan for Donations,*
- f) *Requests for Donation will be dealt with by Council's Economic and Community Sustainability Committee,*
- g) *Annual Donations will be provided to Community Organisations in accordance with Council's Policy. These donations will be provided on receipt of a written request from the organisation to the General Manager,*
- h) *A listing of Donations provided by Council will be included in Council's Annual Report.*

**RECOMMENDATION:**

*A matter for the Committee.*

<b>ITEM NO:</b>	3.	<b>FILE NO:</b> S3.6.1/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>LIBRARY OPENING HOURS REVIEW</b>	
<b>PREPARED BY:</b>	Stephen Golding, Executive Manager Corporate and Community Services	

**SUMMARY:**

A review of Inverell Shire Council's Library Opening hours has been undertaken. The Committee is asked to consider a variation to the Libraries opening hours.

**COMMENTARY:**

The State Library of NSW provides guidelines for minimum opening hours in the publication "Living Learning Libraries: Standards and Guidelines for New South Wales Public Libraries". The current guidelines for a Central Library servicing a population of 10,000 - 20 000 people is a minimum of 42 hours per week. We currently exceed this guideline by 4.5hrs.

At present, the Library is open for a total of 46.5 hours, spread over 6 days as follows:

Day	Time	Hours
Monday	9.30-5.30	8
Tuesday	9.30-6.00	8.5
Wednesday	10.30-5.30	7
Thursday	9.30-6.00	8.5
Friday	9.30-5.30	8
Saturday	9.30-4.00	6.5

On weekdays, Library staff commencement and finishing times are staggered to allow for pre-opening operational housekeeping and coverage of opening hours. On Saturday, the Library is staffed by two (2) permanent staff members.

The Library currently opens "late" on a Wednesday morning (10.30am) as shown above. The later opening time was established to facilitate regular staff meetings to be held, with all staff present. It also provided an opportunity for staff training to occur as a group and for staff to undertake activities such as moving stock or rearranging collections that are better done without members of the public in the building. However, the late opening on a Wednesday does cause some issues for library patrons, and the 2014 Library Survey received feedback highlighting the need for consistent opening hours. Despite the current opening hours being in place for many years, library patrons often come at 9.30am on a Wednesday, expecting the Library to be open.

On Tuesdays and Thursdays the Library stays open for an extra 30 minutes as shown above. This has been shown to provide minimal benefit to the public.



A review of Library Loan (borrowing) figures reveals that, on most days, the highest number of loans occurs between 11.00am - 12.00pm. The 5.00pm - 6.00pm period accounts for only 3.9% of loans, the majority of which occur before 5.30pm. The analysis indicates that less than 0.5% of loans occur in the 5.30 - 6.00 pm period.

Rationalising the Library open times to 9.30am - 5.30pm weekdays would reduce the confusion for patrons caused by various open times for different weekdays. It is to be noted this change would have no impact on staffing budgets.

**Proposed hours of operation from 29 June, 2015 (total 46.5)**

Day	Time	Hours
Monday	9.30-5.30	8
Tuesday	9.30-5.30	8
Wednesday	9.30-5.30	8
Thursday	9.30-5.30	8
Friday	9.30-5.30	8
Saturday	9.30-4.00	6.5

**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:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

No financial impact with the recommendation of opening times rationalisation.

**LEGAL IMPLICATIONS:**

Nil.

**RECOMMENDATION:**

*That the Committee recommend to Council that the opening hours for the Library for weekdays be 9.30am – 05.30pm.*

<b>ITEM NO:</b>	4.	<b>FILE NO:</b> S13.1.2
<b>DESTINATION 2:</b>	A community that is healthy, educated and sustainable	<b>C</b>
<b>SUBJECT:</b>	<b>FIT FOR THE FUTURE (FFF) ROADMAP</b>	
<b>PREPARED BY:</b>	Paul Henry, General Manager	

**SUMMARY:**

The FFF program requires a 'Road Map' to be prepared by Council. The Minister for Local Government has announced that the Independent Pricing and Regulatory Tribunal (IPART) will undertake the role of the Expert Panel in assessing Councils' Fit for the Future proposals. The following information is provided for the Committees consideration.

**COMMENTARY:**

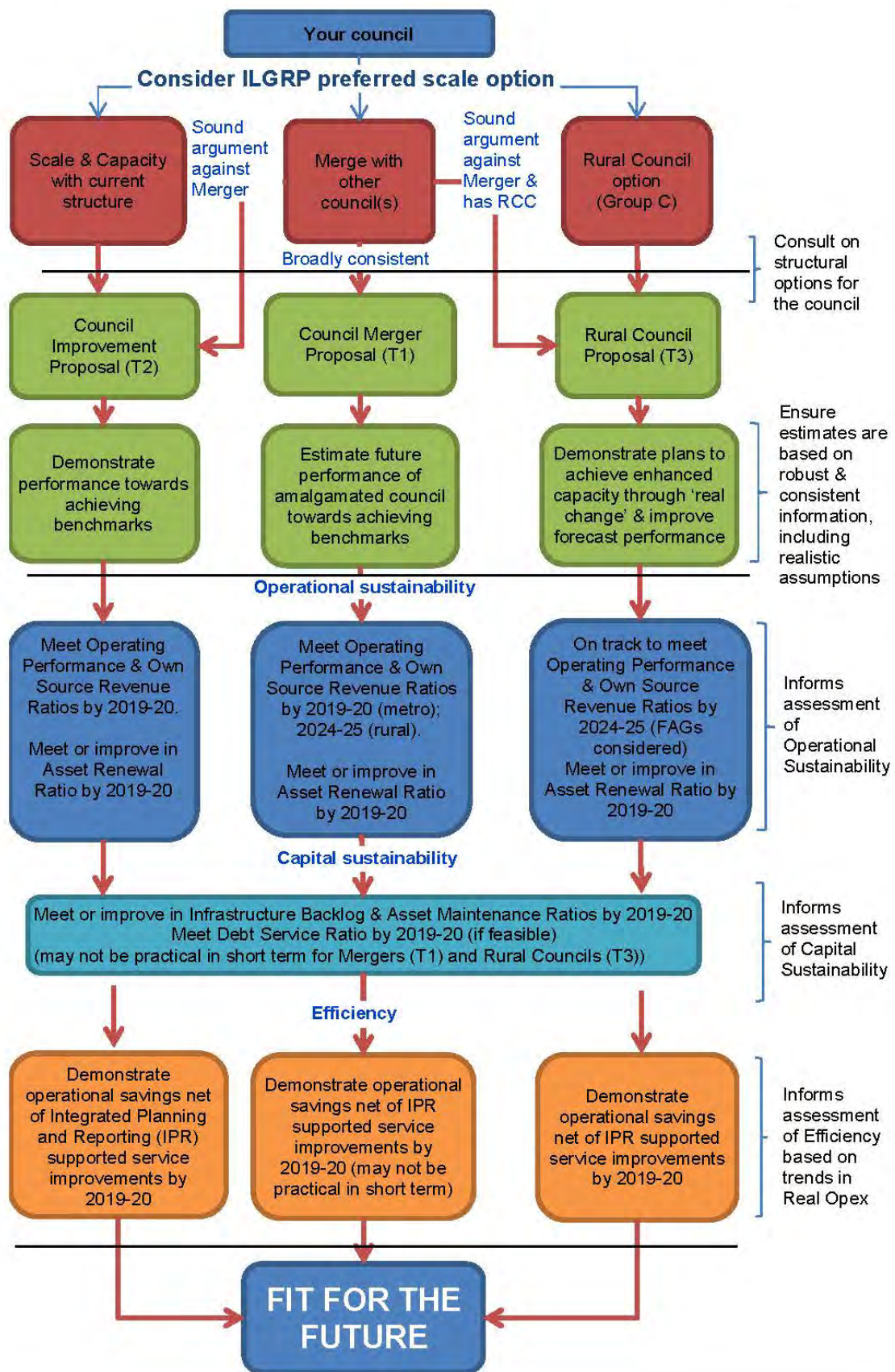
The Minister for Local Government has announced that the Independent Pricing and Regulatory Tribunal (IPART) will undertake the role of the Expert Panel in assessing councils' Fit for the Future proposals. In making the announcement the Minister has highlighted the following Key points:

- The appointment of the Expert Panel marks the next step in the Fit for the Future process (see Ministerial Circular 15-03);
- The Premier has appointed an additional tribunal member, Mr John Comrie, to support IPART in its deliberations. Mr Comrie has extensive knowledge of the local government sector and has previously provided advice to the Independent Local Government Review Panel and Local Government NSW on council sustainability issues;
- The Terms of Reference for the Expert Panel were developed in consultation with Local Government NSW, Local Government Professionals Australia and the United Services Union;
- IPART will conduct four regional workshops during May as part of the consultation process. Details of times and venues are available on IPART's website;
- The OLG will continue to offer support to councils preparing their submissions via the One Stop Shop. All enquiries regarding the assessment methodology consultation should be directed to IPART.

Following the announcement IPART released a Consultation Paper – April 2015 detailing their proposed "Methodology for Assessment of Council Fit for the Future Proposals". A copy of the Consultation Paper has been forwarded to Councillors with this Business Paper and is also available at <http://www.ipart.nsw.gov.au>.

In the Consultation Paper, IPART have indicated that they propose to assess each Councils Fit for the Future Roadmap on a number of fronts including scale, strategic capacity, sustainability, infrastructure service provision and efficiency. They note that the Government has already established clear objectives and benchmarks for IPART to follow in making these assessments. In making their assessments IPART have advised the following approach:

**Figure 1.1 Proposed assessment process for councils' FFTF proposals**



To determine a rating, we propose to assess Councils' proposals as:

**Fit** – if the proposal satisfies the four (4) FFTF criteria overall, that is, if the proposal:

1. First, satisfies the **scale and capacity** criterion. We expect that proposals that are broadly consistent with the ILGRP's preferred options would satisfy this threshold criterion. Our approach to assessing proposals that do not align with ILGRP preferred options will take account of a number of factors as outlined further in section 3.2;
2. Second, satisfies overall the other criteria of **sustainability, effective infrastructure and service management, and efficiency**. Our proposed assessment methodology for these criteria requires councils to demonstrate how they either meet or seek to improve performance against specific benchmarks, outlined further in section 3.3.

**Not Fit** – if the proposal does not satisfy the scale and capacity criterion, or does not satisfy overall the other criteria based on our analysis; this rating which would be accompanied by our explanation and, potentially, a recommendation.

**Not assessed, deemed Not Fit** – if a council has not submitted a proposal for us to assess. Further, in undertaking our assessments, we propose to also consider other factors which may influence the results of the FFTF criteria, eg, the social and community context of the council, discussed further in section 4.

IPART are also inviting written comment on the Consultation Paper and are encouraging all interested parties to provide submissions addressing the matters discussed by 25 May, 2015. The following information is provided:

#### **SCALE AND CAPACITY ASSESSMENT CRITERIA:**

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##### **Box 3.1 Key elements of Strategic Capacity**

- ▼ More robust revenue base and increased discretionary spending
- ▼ Scope to undertake new functions and major projects
- ▼ Ability to employ wider range of skilled staff
- ▼ Knowledge, creativity and innovation
- ▼ Advanced skills in strategic planning and policy development
- ▼ Effective regional collaboration
- ▼ Credibility for more effective advocacy
- ▼ Capable partner for State and Federal agencies
- ▼ Resources to cope with complex and unexpected change
- ▼ High quality political and managerial leadership.

**Source:** ILGRP, *Revitalising Local Government – Final Report of the NSW Independent Local Government Review Panel*, October 2013, p 32.

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**Table 3.1 Proposed approach to assess the scale and capacity criterion**

ILGRP preferred option	Our assessment approach
No change	Meets criterion
Merger	<ol style="list-style-type: none"> <li>1. Meets criterion if same proposal as preferred by the ILGRP.</li> <li>2. Does not meet criterion if it does not submit the same proposal as preferred by the ILGRP, unless it presents: <ul style="list-style-type: none"> <li>▼ a sound argument (eg a business case) for 'no structural change' which clearly demonstrates why the option proposed is superior to the merger option and indicative of the features of strategic capacity in Box 3.1, or</li> <li>▼ a merger option broadly consistent with the objectives of the ILGRP preferred option, supported by a sound argument (eg, a business case) eg, this may include two or three, not a group of four councils preferred by the ILGRP, or</li> <li>▼ a 'Rural Council Proposal' which satisfies the Rural Council Characteristics developed by OLG, and the council: <ul style="list-style-type: none"> <li>– demonstrates that it considered the merger option but it was not a feasible option to pursue (eg, as supported by a business case)</li> <li>– clearly demonstrates the strategies it plans to undertake to achieve real change, indicative of the features of strategic capacity (as per Box 3.1).</li> </ul> </li> </ul> </li> </ol>
Rural Council Proposal	Meets criterion where the council clearly demonstrates the strategies to enhance its capacity to a more sustainable level.

**IPART seeks comments on the following:**

1. *How should the key elements of strategic capacity influence our assessment of scale and capacity? Are there any improvements we can make to how we propose to assess the scale and capacity criterion, consistent with OLG guidance material?*
2. *Which of the 'Rural Council Characteristics' are the most relevant, considering a council must satisfy a majority of the characteristics to be considered a rural council?*

**BENCHMARK ASSESSMENT CRITERIA:****Table 3.3 Proposed approach to assess the sustainability criterion**

Performance measure	Benchmark	All councils (except rural councils)	Rural council (option)	Merger case <sup>a</sup>
Operating Performance Ratio	Greater than or equal to break-even average over 3 years	Must meet within 5 years	Plan to meet within 10 years	Must meet within 5 years for non-rural councils Plan to meet within 10 years for rural councils
Own Source Revenue	Greater than 60% average over 3 years	Must meet within 5 years	Plan to improve within 5 years & consideration of FAGs	Must meet within 5 years for non-rural councils Plan to improve within 5 years & consideration of FAGs for rural councils
Building & Infrastructure Asset Renewal Ratio	Greater than 100% average over 3 years	Meet or improve within 5 years	Meet or improve within 5 years	Meet or improve within 5 years

<sup>a</sup> For mergers, we will also consider whether meeting each of the benchmarks is practical in the short term for the new council.

**Table 3.5 Proposed approach to assess the infrastructure and service management criterion**

Performance measure	Benchmark	All councils (except rural councils)	Rural council (option)	Merger case <sup>a</sup>
Infrastructure Backlog	Less than 2%	Meet or improve/inform within 5 years	Meet or improve/inform within 5 years	Meet or improve/inform within 5 years
Asset Maintenance	Greater than 100% average over 3 years	Meet or improve/inform within 5 years	Meet or improve/inform within 5 years	Meet or improve/inform within 5 years
Debt Service	Greater than 0% and less than or equal to 20% average over 3 years	Meet within 5 years	Meet within 5 years	Meet within 5 years



**Table 3.7 Proposed approach to assess the efficiency criterion**

Performance measure	Benchmark	All councils (except rural councils)	Rural council (option)	Merger case
Real operating expenditure per capita	A decrease in Real Operating Expenditure per capita over time	Must demonstrate operational savings (net of IPR supported service improvements) over 5 years	Must demonstrate operational savings (net of IPR supported service improvements) over 5 years	Demonstrate operational savings (net of IPR supported service improvements) over 5 years but may not be practical in short term

**IPART seeks comments on the following:**

3. *Are there any improvements we can make to how we propose to assess the sustainability, infrastructure management and efficiency criteria, consistent with OLG guidance? Are there issues that we need to consider when assessing councils' proposals using the measures and benchmarks for these criteria?*

**OTHER ASSESSMENT CRITERIA:**

In addition to these major areas, IPART have also noted in their Consultation Paper that they are prepared to consider other factors in assessing Council proposals and have advised the following in Section 4.1 of the paper:

**4.1 Social and community context of the council**

*The Term of Reference ask us to consider the social and community context when assessing council FFTF proposals. This may include the demographics of an area, the community's social and economic needs and the sense of local identity. We consider these factors may be particularly relevant when considering the scale and capacity criterion.*

*The ILGRP identified that:*

- *Local government boundaries should not unnecessarily divide areas with strong economic and social inter-relationships; but instead should facilitate integrated planning, coordinated service delivery, and regional development. We will consider these aspects of a council's proposed scale and capacity as part of our assessment.*
- *Mechanisms such as Community Boards and new approaches to place management, community engagement and customer service make it possible to maintain local representation and identity within larger council areas.*

*Therefore, we will also consider how councils have considered these types of alternative mechanisms before developing proposals premised on the social and community context being an argument against the ILGRP's preferred option.*

**4.2 Council consultation on FFTF proposals**

*The Terms of Reference ask us to include an assessment of the consultation process undertaken by the council as part of our assessment of council FFTF proposals. The ILGRP considered that a policy on boundary changes based on evidence based assessments should include full community consultation.*

OLG's FFTF guidance material also identifies how councils may use findings from community consultation to assist in identifying benefits and costs for proposals. In particular, OLG requires councils to provide evidence on community consultation regarding any proposed merger or new 'rural council' structures. In addition, evidence should be provided of council resolutions in support of merger proposals. OLG also suggested that councils exhibit proposals for mergers for at least 28 days as part of their community consultation.

We will assess a council's consultation process with reference to the OLG guidance materials. We will also consider how balanced was the information that is provided to the community. That is, whether it promoted only the benefits or only the costs of a particular option, or instead informed the community about both the costs and benefits of one or more options. We acknowledge that there are different ways that councils may capture community feedback or input, including:

- exhibiting options or proposals for comment;
- a mail-out to all ratepayers with a reply-paid survey;
- fact sheets and media releases;
- an online survey or a random survey of ratepayers, appropriately stratified to capture the population characteristics of the LGA; and
- public meetings, listening posts, or resident workshops.

We consider that councils should choose methods that reflect the issues that need to be consulted upon, eg, a Merger Proposal would likely require input from residents in multiple councils regarding the implications of change, whereas a Council Improvement Proposal, where the ILGRP recommended that a council already had sufficient scale and capacity, would require more limited consultation, if any. Generally, the nature and extent of the consultation should be commensurate with the significance of the changes involved in the proposal and the possible impacts on the community. We will also consider the resources of the council in assessing consultation.

#### **4.3 The impact of water utility performance**

Councils submitting either a Council Improvement or Rural Council proposal are required to separately report on their water utility performance, where these councils provide water and sewer services. All other sections in the templates require councils to report their General Fund performance which excludes the impact of water business funds. According to Local Government NSW (LGNSW), the activities of the water business may affect the General Fund, through dividend payments and through internal borrowings between the General and Water Funds. LGNSW also explains how the services of water businesses can contribute to the strategic capacity of a council through economies of scale and scope. We will assess scale and capacity against the ILGRP objectives and performance against the benchmarks (see Figure 3.1) based on General Fund data only, but will consider how the performance of the General Fund is affected by the water utility business as part of this assessment, as relevant. As part of this assessment, we will also consider cross-subsidisation issues if they arise, noting that cross-subsidisation between the General and Water and Sewer Funds for a council is unlikely to lead to efficient service provision.

#### **IPART seeks comments on the following:**

4. How should councils engage with their communities when preparing FFTF proposals? Are there other factors we should consider to inform our assessment of council consultation? Please explain what these other factors are, and why they are important.

#### **5 Monitoring and reporting future FFTF performance**

Becoming a FFTF council is a process that will take time, particularly where structural change is proposed. There are also benefits from assessing council performance over time to ensure financial sustainability and effective and efficient service delivery. Therefore, we consider that councils should report against their FFTF proposals and be reassessed in the future.

The Government supported the ILGRP's recommendations to improve auditing practices for the local government sector.<sup>54</sup> It recognised the potential value in giving the Auditor General oversight of councils' financial audits to improve quality, consistency, timeliness and financial management more generally.



*OLG expects to implement this new regime following further consultation with the local government sector and legislative change.*

*To monitor and report future FFTF performance of councils, we propose that:*

- *councils would report performance in their Annual Reports, and*
- *the Auditor General would reassess performance periodically as part of the Audit Office of NSW's new auditing role in the sector.*

**IPART seeks comments on the following:**

5. *Should council performance against FFTF proposals be monitored? If so, are there any improvements we can make on the approach outlined for councils to monitor and report progress on their performance relative to their proposals?*

Council's FFF Roadmap is being prepared in accordance with the IPART proposed process. Staff have undertaken a review of the Consultation Paper and suggest the following:

1. Council agree with IPARTs proposed methodology to be utilised to assess the scale and capacity criterion, consistent with OLG;
2. Rural Council characteristics – No Comment;
3. Council notes that while the sustainability, infrastructure management and efficiency criteria are largely sound, that the Efficiency Benchmark can be affected by the level of Auspiced/Grant Funded programs (non-capital) a Council agrees to participate in for the benefit of their community. The costs of auspicing and delivering these programs are included in this Benchmark and therefore can be shown to negatively affect Council's performance by inflating the Benchmark. Council also notes that this type of funding has a negative impact on the Own Source Revenue and Operating Performance Benchmarks. In Council's case Council auspices up to \$2M of Community Services Programs annually for State and Federal Agencies. Council's in rural areas would all be impacted in this matter;
4. Council support IPART utilising the OLG guidance materials when assessing how councils have engaged with their communities when preparing FFTF Proposals;
5. Council agree with IPARTs proposed methodology that;
  - Councils would report performance in their Annual Reports, and
  - the Auditor General would reassess performance periodically as part of the Audit Office of NSW's new auditing role in the sector;
6. Council supports the inclusions by IPART of the consideration of the social and community context when assessing council FFTF proposals. It is noted that this would legitimise Council raising issues around Community of Interest, and that Council's existing boundaries do not reflect its community of interest, in its Roadmap.

#### **RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:**

**Strategy:** C.01 Facilitate the provision of a broad range of services and opportunities which aid the long term sustainability of the community.

**Term Achievement:** C.01.02 Manage on behalf of the community issues which impact on or threaten the medium and long term sustainability of the community.

**Operational Objective:** C.01.02.01 To provide leadership and community direction to ensure that issues which impact on the community are managed for the benefit of the community.

#### **POLICY IMPLICATIONS:**

Nil.

#### **CHIEF FINANCIAL OFFICERS COMMENT:**

Nil.

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**LEGAL IMPLICATIONS:**

Nil.

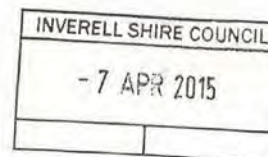
**RECOMMENDATION:**

*A matter for the Committee.*

## APPENDIX 1



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



Dear Mr Henry,

My name is Hannah Worsley, and I am a current year 12 student at Inverell High School. I am writing to respectfully seek financial assistance to attend the 2015 London International Youth Science Forum (LIYSF).

In 2014, I was selected from over 1200 applicants to be one of 400 students from across Australia (and a number of other countries) to attend the National Youth Science Forum (NYSF). This is a highly prestigious program, and it saw me spend 2 weeks at the Australian National University, participating in activities, which in many cases were not accessible by the public or even university students. It was an absolutely incredible experience, and I was able to represent the future of Australian science, as well as Inverell and my community, with pride.

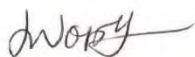
From this experience, I was able to apply for the next level of representation, which is Internationals. I have been lucky enough to have been selected as one of ten students from around Australia to attend the LIYSF, which runs from July 22<sup>nd</sup> to August 12<sup>th</sup> 2015. I will spend 2 weeks in London, participating in lectures, workshops, lab visits, site visits and other activities at venues including Oxford and Cambridge University. I will then spend one week on the CERN (European Union for Nuclear and Particle Physics-the large hadron collider) Discovery Programme, which is located in both France and Switzerland.

There will be over 300 students from around 60 countries attending, and as part of the Australian Youth Delegation, I am representing the future of our national scientific industry on the world stage, as well as proudly representing Inverell. The scientific industry in Australia contributes over \$145 billion per year to our economy (11% of our economic growth), and encompasses an incredibly wide range of disciplines and sectors across all locations in Australia. By participating in the LIYSF, I am doing my part to ensure the future of our national and international scientific industry is secure and prosperous. Promoting my local community and my nation will not be difficult for me-I am a proud Australian and am very thankful for the opportunities I have had access to as a result of living in

Inverell. The community has been incredibly supportive of all of my endeavours over the years, and I will continue to represent them to the best of my ability.

As exciting an opportunity as this is, it does come with a considerable financial burden-over \$13,000. While I understand that this can be considered a private endeavour, I am representing my country at an international level, as well as my school, family and community. I hope I have impressed upon you the importance of such a program to the future of not only our scientific industry, but also to our economy and national wellbeing, and I thank you for your consideration of this application.

Yours sincerely,



Hannah Worsley

Australian Representative at the 2015 London International Youth Science Forum



**Address:** 3386 Emmaville Road, "Maryland", Nullamanna NSW 2360

**Email:** hannah.worsley97@gmail.com

**Phone:** 0458 362 664

**Website:** Visit [www.liysf.org.uk](http://www.liysf.org.uk) for more information

**TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 13/05/2015**

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S3.6.1/08
<b>DESTINATION 2:</b>	A community that is healthy, educated and sustainable	<b>C</b>
<b>SUBJECT:</b>	<b>LIBRARY OPERATIONS 2013/14</b>	
<b>PREPARED BY:</b>	Sonya Lange, Manager Library Services	

**SUMMARY:**

The following details the major achievements of the Inverell Library over the preceding year.

**COMMENTARY:**

The Inverell community continues to strongly patronise the Inverell Library, reflecting the library's key role as an educational, cultural and recreational resource. A number of key measures of performance have shown strong growth over the year. 2015 marks the 75<sup>th</sup> Anniversary of the library, and a range of programs and activities will celebrate this achievement.

**Key Statistics for the 2013/14 financial year:**

Visitor numbers	76, 160	+4.5% (Average of 255 per day)
Circulation	136, 500	+ 0.1%
Members	5,640	- 3%
Computer Bookings	14,950	+ 6.2%
Wifi logins	6,800	+66%
Total Stock*	52,500	+6%
Attendance at children's programs	4,180	+4.5%

\*Does not include eBooks, eAudio, Digital magazines

Strong growth has also been noted in the January to March period 2015, with an increase of 7.1% in visitor numbers, 6.1% in circulation, and 36% in Wifi usage over the corresponding period in 2014. This is particularly pleasing as it indicates an ongoing reversal of the decline in usage recorded in earlier years.

**75<sup>th</sup> Anniversary Celebrations**

Inverell Shire Public library is the third oldest public library in NSW, having commenced operation on 1 January, 1940. Celebratory activities included a "75 Days & 75 Ways" campaign on social & print media, to promote a different way of using the library every day for the first 75 days of the year. The campaign culminated in a formal celebration on the 75<sup>th</sup> day of the year, March 16<sup>th</sup>. Cr Graham Smith (Cessnock Shire Council), President of NSW Public Libraries Association addressed a gathered audience of 80 patrons, former staff and local dignitaries. Library staff have utilised the opportunity to record the recollections of a number of former staff, to add to the history of the library.

### **Collection Analysis & Performance:**

Analysis of circulation and collection statistics indicates that both the DVD and Fiction categories continue to be very popular. Collection development strategies currently focus on building these collections, whilst streamlining collections with less activity. DVD's are an extremely high demand collection, providing 21% of all loans, whilst only representing 7% of our total holdings, despite significant funds being allocated to enlarging the collection this year. Regular review of the Collection Development Policy is in accordance with Management Plan, Task **C15.2.1.1** *"Provide a policy framework for the development and maintenance of a collection that meets community needs."*

### **Library Survey:**

A library user survey was conducted in mid 2014, nearly 300 responses, including a small number from infrequent or non-users. The survey responses were overwhelmingly positive, with services, programs collections and staff all receiving a high proportion of "Good" and "Very Good" rankings. A number of suggestions made by respondents have been acted upon. Key messages gleaned from the survey included:

- Strong customer desire for expanded DVD and leisure reading collections.
- The need to better promote awareness of new eBook and other digital collections.
- The need to develop better distribution channels for the library newsletter and promotional material, with email being a highly desirable method.
- Customer desire for a coffee machine or beverage availability.

### **Services and Activities:**

The Baby Bounce and Storytime programs continue to be very well patronised, and a number of new outreach programs have been introduced, with five (5) local preschools and two (2) primary schools enjoying regular visits to the library, or from the library staff. A Lego Club for primary school students has seen strong support, and a new reading club for teens has recently launched. Regular "Tech Savvy Seniors" programs are well attended, with demand particularly high for ipad/tablet classes. The library continues to serve as a community hub, with local knitters, U3A members, CWA, and a number of others using the library as an informal meeting spot.

### **Future Considerations:**

Key issues that will be considered in the future are:

- Developing a plan for the replacement of the current Library Management System (Amlib software) which is approaching end-of-life.
- Identifying efficiencies and developing alternate funding sources to balance the increasing needs and expectations of the community against the higher cost of resources and insufficient State Government funding.

<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S8.12.3/08
<b>DESTINATION :</b>	A strong local economy	<b>B</b>
<b>SUBJECT:</b>	<b>TOURISM UPDATE</b>	
<b>PREPARED BY:</b>	Peter Caddey, Manager Tourism and Marketing	



**SUMMARY:**

The purpose of this report is to advise the Committee on the current status of Inverell Shire Council's Tourism and Marketing, inclusive of Destination NSW (DNSW) information and the initiatives and services being delivered.

**COMMENTARY:**

Latest information from DNSW utilising data collected through the National Visitor Survey, demonstrates that Tourism delivers an annual average of \$54M into the Inverell Shire economy, up from \$47M in 2011, a 15% increase with an estimated 304 direct jobs and 456 across the industry. Tourism Inverell has seen an increase in visitation numbers for the first quarter of 2015 with visitation up 7.83% compared to the same period in 2014.

Tourism numbers for 2014 were listed at 55,324 which were 6% lower than the previous year however, as indicated above, visitors are spending more. The visitation statistics are in line with the State-wide decrease, but less than the decrease experienced across the region. It is pleasing to note that DNSW figures indicate that whilst other major centres in the New England North West footprint have continued to see a decrease in visitor numbers, visitation to the Inverell Shire has begun to steadily increase.

The following is noted:

- Opera in the Paddock received a \$10,000 cash contribution with additional in-kind contributions to support the event. Unfortunately due to weather conditions on the day, Opera in the Paddock was cancelled at the commencement of the performance.
- A major Monster Truck event was held at the Inverell Showground in April, 2013. Tourism Inverell was the sole outlet for tickets and attracted 6,229 visitors to the Visitor Centre that month. The Tourism Department is working with the promoters to see Inverell added to the circuit again when possible.
- The annual migration of the wanderers heading north began much later in 2014 due to the warm weather continuing later into the season. This therefore meant that the "Grey Nomads" went directly to their winter locations once the winter conditions arrived, without spending time in the region on the way to their destination.

The new Visitor Information Guide is nearing completion. Previous publications have been A5 in size. The 2015/16 publication will be A4, high gloss, full colour. A lot of time effort and research has gone into the production to ensure the best product to promote the Inverell Shire. It is planned to produce 80,000 copies and dependant on finalisation of advertising and approval, the guide will go to print in early June.

Inverell Shire Council's Tourism and Marketing (T&M) has achieved great success in attracting new visitors to the Shire, to offset the general industry decline, through the development of tour itineraries for clubs and organisations. Two (2) notable examples are the Queensland Mercedes Benz Owners Club and most recently the Australian Touring Caravan, Motorhome and Camping Club. In the February/March edition of the Mercedes Benz Owners Club Magazine, Vice President Geoff Greensill is quoted in saying "I can report that I have never come across a more enthusiastic group of people willing to put together a weekend in Inverell. In fact, what had been intended as a two night/one day stay has turned into a three night/two day weekend." There has also been an increase in the amount of Coach Tours visiting the Shire for day trips and overnight stays. The town tours conducted by Tourism staff regularly gain high praise from both passengers and coach companies.

T&M has conducted two (2) highly successful family movie nights on the large outdoor screen. Despicable Me 2 and Finding Nemo attracted crowds of 1,500 to Campbell Park to enjoy the atmosphere of "Movies by the Macintyre". Another movie night is planned for later in 2015 as the weather for such an event improves. It is also planned to conduct an evening with an appropriate movie for adult audiences to enjoy.

The Manager of Tourism and Marketing (MTM) continues to attend 12 Caravan, Camping and Holiday shows up and down the eastern seaboard with excellent results. As New England North West Tourism Organisation (NENWTO) is no longer producing a voucher book, T&M will be implementing its own voucher system to enable hard data to be collected which will demonstrate the conversion of visitors from each individual show.

Music in the Rotunda was conducted in the lead up to Christmas. Local talent of all ages was secured to entertain the audience who came out to listen. It was noted that whilst the events were well attended, audience numbers may be increased if better known artists performed and the event held at a different time of the year.

The Telstra Inverell Sapphire City Festival was a resounding success with large crowds attending all the events over the 17 day festival period. Planning for the 2015 Festival is well underway. The Festival Finale day falls on 31 October. The Parade and Finale evening will be given a Halloween theme. October 2016 will see the 60<sup>th</sup> anniversary of the Festival. The Committee is investigating potential high profile performers to ensure a Festival not to be forgotten.

With the success of the Town Hall re-opening concert, Inverell Shire Council in conjunction with the Inverell Cultural Group will be producing a concert to highlight culture in Inverell on Friday, 17 July. The Concert will feature two (2) former stars of "The Voice" and will be titled "Voices Unite". The event promises to cater for all ages of the community and strengthen Council's commitment to promoting culture within the Shire.

T&M is working closely with the Organising Committee of the Kurrajong Re-enactment to be held in January, 2016. Council is offering support in the development and implementation of the various activities to take place. As this is such a unique opportunity, investigations are underway to secure national media coverage during the event.

Inverell Shire continues to work with Sports Marketing Australia in the procurement of high yielding sporting events to the Shire. Partnering with local sporting organisations has enabled us to secure the 2014 Swimming NSW Country Regional Meet and the 2015 Indoor Sports NSW Country Superleague Cricket. Both events have delivered approximately 400 visitors per event. We are awaiting a date from Dragon Boats NSW for a meet to be held at Copeton Dam and discussions are taking place for a potential training weekend with the A-League players from the Newcastle Jets to be held in Inverell.

The Inverell Chamber of Commerce and Industry is conducting an extensive marketing campaign to promote shopping locally and support local business. Together with the Chamber President, the MTM has been instrumental in its development and implementation as Council's delegate on the Chamber. MTM is currently working with Elements Group from Sydney to implement the digital media portion of the campaign. This component will commence shortly and continue through to the end of July.

Planning is underway for a comprehensive Tourism Marketing Campaign to commence in the latter part of 2015. The campaign will primarily consist of Television and Digital Media. New images and video will be produced for the promotion of the entire Shire. Several television commercials (TVCs) will be created to show the breadth of experiences available within the Shire footprint, together with lifestyle aspects of the Shire. The aim of the lifestyle content is to target visitors and others who may be looking at a relocation destination. New technologies will be utilised to create a unique view for both video and still image footage. The TVCs will target regional travellers and day trippers, whilst the Digital component (Facebook, YouTube, Twitter, and Instagram) will have a much broader footprint. The two (2) most high yielding market segments for the Shire are the Wanderers and Visiting Friends and Relatives (VFR). Both of these segments are self drive. The National Visitor Survey demonstrates that 89% of travellers to the area travel by car. Our marketing will focus on the self drive market and include touring routes.

It is vital the Inverell Shire continues to collaborate with our neighbouring shires to promote tourism to the region as a whole. To this end, Inverell Shire is an active partner with New England High Country which partners with Armidale Dumaresq, Glen Innes Severn, Tenterfield, Uralla, Guyra and Walcha Shire Councils.



Inverell is in a unique position in that geographically we are also able to partner with councils from the North West Region (Moree, Gwydir, Narrabri and Lightning Ridge). The North West has at this point, not finalised it's branding and marketing strategy. Inverell Shire is heavily involved in this process and will continue to partner with all relevant shires to continue to grow tourism within the regions and Inverell Shire.

<b>ITEM NO:</b>	3.	<b>FILE NO:</b> S3.15.7
<b>DESTINATION 2:</b>	A community that is healthy, educated and sustainable	<b>C</b>
<b>SUBJECT:</b>	<b>CONNECTIONS DISABILITY SERVICES</b>	
<b>PREPARED BY:</b>	Stephen Golding, Executive Manager Corporate and Community Services	

#### **SUMMARY:**

The purpose of this report is to advise the Committee on the current status of Connections and the programs being delivered.

#### **COMMENTARY:**

At present, Connections supports 61 people with disabilities in our local district and employs 32 people working to support our people to have an independent, inclusive, good life.

#### **Community Participation**

The Community Participation Program aims to assist young people with a disability to develop skills they need to achieve their goals, increase independence and participate as valued and active members in the community. The program is targeted to young people with an intellectual disability who require an alternative to paid employment or further education in the medium to long term. There is currently 31 people supported by this program.

#### **Transition to Work**

The Transition to Work program is a two (2) year program which achieves employment for young people with a disability. Connections staff creates a person centred plan identifying short term and long term goals around employment. This plan is developed after consultation with the person and identified stake holders. Strategies are then put in place to improve/develop skills needed to achieve goals around securing sustainable employment.

Transition to work is designed to support people over 18 years with moderate intellectual disability who have completed their education and require additional support to move into the work force. There are currently two (2) people supported by this program.

#### **Life Choices & Active Ageing**

The Active Ageing and Life Choices Programs assist adults with a disability to enjoy life and gain independent living skills through a mix of community access and centre based activities and training. Active Ageing responds to the needs and interests of older people aged 55 to 64 years who have a disability; our aim is to promote an active and healthy lifestyle and assist clients to participate in community life and remain independent. The Life Choices program offers activities that are aimed at increasing clients' independence, confidence and interests.

The target group for Life Choices is people with a disability aged 25 to 54 years with moderate to high support needs. As with all our programs, we encourage the development of friendships and social skills both within our service and the wider community. There are currently 12 people supported by this program.

There are currently 12 people being supported by Independent Living Training/Community Access programs and three (3) people supported by Post School Options programs. These two programs are in the transition of being blended into the Life Choices & Active Ageing program.

### **Community Participation**

The Community Participation Program aims to assist young people with a disability to develop skills they need to achieve their goals, increase independence and participate as valued and active members in the community.

The program is targeted to young people with an intellectual disability who require an alternative to paid employment or further education in the medium to long term. There are currently 12 people supported by this program.

### **Connections Respite**

Connections Disability respite service is a centre-based respite that is provided in a house in the community where the person with disability stays overnight or longer. This program provides families and unpaid carers of a person with a disability with planned, short-term, time-limited breaks from their usual caring role. They are services that assume the caring role during the period of respite with the intention that families/carers resume care at the end of the respite period.

Respite services aim to provide a positive experience for both the carer and the person with disability. There are currently 13 people supported by this program.

Connections has had a steady growth of new clients, with 10 new clients being provided with service in the last 12 months. Future predictions show a continuing trend of growth at this rate, if not slightly higher.

With information around upcoming school leavers, ageing carers requiring more respite and people re-locating to our area to access services have provided future planning information.

In regards to the National Disability Insurance Scheme (NDIS) that is a generational reform that will deliver a national system of disability support focused on the individual needs and choices of people with disability. The NDIS will be rolled out across the whole of NSW by 2018.

Connections is about to enter into the final three (3) year contract with NSW Family and Community Services, ending 30/6/2018, the NDIS will then be fully operational in our region and may be subject to change depending on pilot site outcomes.

With NDIS being implemented, Connections are preparing families and clients by being provided ongoing updates. The NDIS is not a foreign concept for Connections as they have been providing this type of service to our people for some time.

Connections partnership with Inverell Shire Council strengthens Connections viability in this new market place with the possible need to prepare for an increase in support required for people above and beyond future predictions.

Connections clients are involved in many collaborative partnerships within the community. Connections assist Meals On Wheels, are part of the Best Food Garden (delivering vegetables to people 3 times a week), have a car washing and lawn mowing service, attend work experience at Big W, Target, IGA, Video Ezy, Inverell Truck and Auto Repairs, Wayne's World, Bunnings, Inverell Sportspower, Northaven, Tattersalls Hotel, Royal Hotel, Woolworths, Fe Fi Fo, KCL Childcare and Inverell Fishing and Hunting.

Connections also support their clients in attending drama classes, art classes, self- defence, music, horse riding, farmability, transport training, living skills, computer skills, fitness programs, cooking, craft, swimming, TAFE, bushwalking, kayaking, cycling, moneyaide, budget skills and any other programs clients choose to access.

Connections supports people with exceptional, high, moderate and low support needs with a personal centred approach that connects people to their community with a focus on developing programs promoting independence, strengths and specific skill development to support a person to have the best life possible.

<b>ITEM NO:</b>	4.	<b>FILE NO:</b> S2.14.3
<b>DESTINATION 2:</b>	A community that is healthy, educated and sustainable	<b>C</b>
<b>SUBJECT:</b>	<b>LINKING TOGETHER CENTRE (LTC) UPDATE</b>	
<b>PREPARED BY:</b>	Stephen Golding, Executive Manager Corporate and Community Services	

#### **SUMMARY:**

The purpose of this report is to advise the Committee on the current status of the Linking Together Centre services and programs being delivered and outline the development and commencement of future services and programs.

#### **COMMENTARY:**

In February, the Linking Together Centre's Service Manager resigned as funding for the position was to cease as at the 30 June, 2015 with no further funding being secured for the next financial year. The Executive Manager Corporate and Community Services (EMCCS) is currently overseeing the operations of the Centre and reviewing the Centres programs and services. Part of this review is aimed at strengthening the existing programs, re-establishing successful programs that previously closed, facilitate networks with other community providers and seek new funding opportunities that can deliver the positive outcomes for the community. The EMCCS and the Linking Together Centre Program Manager (LTCPM) are currently in discussions with various groups and organisations in respect of this matter and the following information is provided:

#### **Current Programs and Services**

##### **The Helping Hands and Linking Youth Program**

The Helping Hands and Linking Youth Program is one of the major initiatives delivered from the Centre. This program supports young Aboriginal people in Inverell (12 – 18 years old), who have been incarcerated or are at risk of incarceration. It aims to increase their self-esteem, engage them in meaningful activities, develop positive connections with others and avoid anti-social behaviour. These changes contribute to their development into healthy adults which has positive flow-on effects for the young people's families, the community and the justice system.

Funding for this program is sourced from the Indigenous Juvenile Justice Department of the Prime Minister and Cabinet and the program concludes 30 June, 2015. The Indigenous Juvenile Program has ceased with the Indigenous Advancement Strategy (IAS) now replacing this program. The IAS consolidates the many different Indigenous policies and programmes that were delivered by the Federal Government into five (5) overarching programmes within IAS, those being:

- Jobs, Land and Economy
- Children and Schooling
- Safety and Wellbeing
- Culture and Capability
- Remote Australia Strategies

To ensure the continuation of the Helping Hands Program, Inverell Shire Council made a grant submission to the IAS funding round with a revised program aligned to the IAS. Inverell Shire Council was successful in its grant submission for the "Safety and Wellbeing" program. Currently the funding, terms of funding and program delivery are being negotiated to allow the revised Helping Hands and Linking Youth program to continue, which now is targeted towards 12 - 20 year olds.

A component of the Helping Hands Program deals with clients that have been given Children's Community Service Orders (CSSO) or Community Services Orders (CSO) in which the LTC Staff support the clients in meeting the order requirements. A recent review of the program has identified an activity gap in case management to contribute to the reduced rate of incarceration. An increase in the CSSO and CSO hours being handed down has seen the need for additional community services activities to ensure these hours are completed. This trend of increasing CSO hours requires new activities to be sourced.

As the Linking Together Centre is a registered participating organisation for the CSSO and CSO, the Centre has designed a new program known as MOW, 'Making Orders Work' that can deliver the activities required to assist with meeting CSO and CCSO. This program will assist the Helping Hands clients in achieving the community services hours required.

#### Inverell and Tingha Support Playgroups

The Inverell and Tingha Playgroups are funded by the NSW Family and Community Services. The current funding agreement expires on the 30 June, 2016. LTC staff deliver a program that provides an opportunity for parents to share experiences of parenting and for children to socialise, play and learn in a structured and positive environment. This program provides a support network and opportunities for parents to acquire new parenting skills. Supported playgroups for children create opportunities for age-appropriate learning experiences and activities that help them become 'ready for school'.

#### Parents in the Park

'Parents in the Park' Program is funded through Inverell District Family Services (IDFS) Kindamindi Preschool. The program supports Aboriginal families to engage with education and support services and empower them to be strong advocates for their child's education. The EMCCS is in discussions with the Director of Kindamindi regarding the continuation of this program.

#### LTC Homework Centre

The Homework Centre has been re-commenced with the purpose to mentor and tutor between 12-34 students from the South Inverell area. It operates after school, two (2) afternoons per week, during school terms. The Centre provides homework and assignment support for students including access to resources, such as computer and internet access for disadvantaged students so that they are able to meet homework/school requirements.

Improved delivery and resources have been implemented based on a recent review of this program. Funding sources are being sought for program sustainability.

Inverell Community Kitchen

The Inverell Community Kitchen is staffed by volunteers and provides an environment for social community interaction. This environment assists with the community well-being and provides opportunities for the exchange of meal information on budgeting, shopping, cooking, nutritional value of food and healthy affordable meal ideas in a relaxed and friendly atmosphere.

The Inverell Community Kitchen runs weekly to socialise and cook affordable and nutritious meals for participants to share a meal allowing those in our community that may not have other social outlets or limited ability to interact in a social environment.

This program is funded by in kind, cash and produce donations. This program is currently being reviewed for areas of resourcing that may be required to meet the community needs.

Drug Education and Harm Minimisation Program (Needle and Syringe program)

This Needle and Syringe program (NSP) provides injecting equipment, education and information on reducing drug use and referral to drug treatment, medical care and legal and social services. It also provides support services to families with people who inject drugs and refers clients to drug treatment services.

NSP Dispensing Facility is located at the Linking Together Centre's Community Mentor Shed which provides a safe and secure environment allowing a discrete location for those requiring support from the program with needles and syringes, education and other programs and services.

The NSP provides pivotal points of contact for this marginalised community group (injecting drug users) and encourages harm reduction, referrals to drug treatment, medical, legal and social services.

This program has recently been reviewed resulting in improvements being implemented for effective, safe and secure service delivery.

**New, Reviewed and Recommended Programs and Services**

The Linking Together Centre is currently preparing to recommence programs and services that have ceased over the last two (2) years that are still needed in the community.

These programs have been reviewed and revised to meet community needs. Recent discussions with NSW Family and Community Services (FACS) have resulted in an additional funding contribution to the Centre for this financial year to assist the Inverell Housing Community.

As part of the Centre's review and the establishment of networks with other community services providers, community service gap analysis will occur to identify areas of collaboration to meet community needs.

'Making Orders Work' (MOW) Program

MOW is a project that is aimed at addressing the need to meet CSO and CCSO and assisting the elderly and those socially disadvantaged living in NSW Housing in the Inverell estate by providing lawn maintenance.

The uniqueness of MOW is that while it addresses the CSO requirements, it allows for informal mentoring, improving social skills and assists in the youth's re-engagement to the community. It can also assist with Work and Development Orders (WDO) if required.

MOW will assist with the motivation, confidence and self-respect of the Helping Hands clients, as they witness the results of their efforts in helping the elderly and single parents who have difficulty in maintaining their properties. The activities will be focused on the community in which they live in, allowing them to see physically their efforts contributing to the well-being of the community through creating an environment that is tidy and neat.

The program requires resources such as mowers, trimmers and garden blowers and an appropriate means of transport. Currently, the Helping Hands program has no vehicle capable of safe and efficient means of transporting the required equipment to each site.

To contribute to the establishment of this project Council has approached NSW FACS to fund the purchase of the required mowers, trimmers and garden blowers. This program will also assist FACS in relation to the housing properties and the up keep of lawns while increasing the sense of community wellbeing and pride. FACS has agreed to meet the purchase costs of these items should the project go ahead.

Council also approached the Community Safety and Policy Division of the Prime Minister and Cabinet (PM&C) seeking formal approval for a Variation for Funding Agreement under the Indigenous Justice Program to a replace the oldest fleet vehicle with a twin cab utility that will assist in this and other activities within the program.

A detailed business case was submitted for the PM&C's review which was successful. A letter of variation of funding has been approved and received.

#### 'Offering Assistance to Schooling' (OATS) Breakfast Club.

The Breakfast Club has been re-established and is now known as 'Offering Assistance to Schooling' (OATS) Breakfast Club. OATS will provide nutritional breakfast and assistance to school children ensuring they have a healthy start to the day and catch the local school bus.

The LTC staff running this service will assistance in ascertaining if the children are prepared for school, such as ensuring the correct uniform, school bag and school stationary and if other assistance or referrals are required to contribute to school engagement. The Club's first morning breakfast saw 20 children participate. Funding costs are being established with funding sources being sought for program sustainability. A flyer for the OATS Breakfast Club is attached as Appendix 1 (E12) for the Committee's information.

#### 'Water of Wellbeing' (WOW)

Water of Wellbeing (WOW) is a water fitness program aimed at the low income over 55 year olds from South Inverell and Aboriginal Elders. This program will be delivered from the Inverell Public Pool. The program consists of a 30-minute gym workout, with full access to all the gym equipment, inclusive of floor exercises, and a 30-minute Aerobic workout in the Inverell heated pool. This program will commence shortly once funding is confirmed and other funding being sourced for program sustainability.

#### Linking Learning and Sport

The Linking Learning and Sport Program provides access to structured sports and fitness programs and will assist the South Inverell area in terms of providing healthy diversionary activities for young people while providing leadership opportunities for the community.

The program will be run after school on Tuesdays and Thursdays, 3.45pm - 5.00pm from the Linking Together Centre's Community Mentor Shed and Waratah Park in South Inverell. The program commenced on 7 May, 2015. The sessions consist of a mix of different sports and fitness programs for children aged from 8 to 16 years with healthy snacks being provided. This program is funded until the end of 2015.

This project is a joint venture with BEST Employment Ltd with funding also being provided by NSW Sport and Recreation, Sports Participation grants. A flyer for the Linking Learning and Sport Program is attached as Appendix 2 (E13) for the Committee's information.

**CONCLUSION:**

Following the recent comprehensive review of the Linking Together Centre, it is now operating well and a number of previously closed programs have been recommenced. Council staff are seeking to strengthen its existing and re-establish new collaborative partnerships in the provision of programs and services that will contribute to empowering and educating highly disadvantaged and vulnerable people within our community. These partnerships will also assist them to make better choices relating to their personal health and well-being that strengthen community capacity, achieve measurable improvements to the LTC client's well-being and build an inclusive, harmonious community.

**CHIEF FINANCIAL OFFICERS COMMENT:**

The EMCCS and the LTCPM are seeking collaborative partnerships for the funding and delivery of programs and services from the LTC for the community.

At present, all LTC programs and services are grant or sponsorship funded. Council has now received additional funding for 2014/2015 and 2015/2016.

**RECOMMENDATION:**

*That the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 13 May, 2015, be received and noted.*

## APPENDIX 1



# OATS Breakfast Club

"Offering Assistance to Schools"  
(OATS) Breakfast Club

**Who:** Students aged 5 - 12

**When:** School Weekdays 7:30am -  
8:30am

**Where** 23 Warratah Avenue



Please note: All school children must be dressed in uniform and prepared for school.



## APPENDIX 2

# LINKING LEARNING AND SPORT



## healthyfood@sport

**BEST Employment and the Inverell Linking Together Centre** will be presenting the linking and learning sport program, encouraging children to learn more about healthy eating and healthy exercise.

A mix of different sports and fitness programs will be offered for children aged from 8 to 16 years and healthy snacks will be provided.

- Starting Thursday 7th May 2015 at **3.45pm - 5.00pm.**
- Running every Tuesday and Thursday until the end of 2015.
- Healthy snacks will be provided.
- Suitable for children aged from 8 to 16 years.
- To be held at the Inverell Linking Together Centre and Waratah Park.

Trained mentors and coaches from the local community will be on hand to help facilitate the sessions.

Funding for this project was supplied by the NSW Department of Sport and Recreation.



**TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 13/05/2015**

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S23.16.5/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>STORES &amp; MATERIALS STOCKTAKE - INVERELL</b>	
<b>PREPARED BY:</b>	Ryan Dick, Expenditure Controller	

**SUMMARY:**

A physical Stocktake was undertaken of Council's Stores and Materials as at **7 April, 2015 at 9:30 am**, for GENERAL, WATER AND SEWER STORES for **INVERELL**.

**COMMENTARY:**

<b>FUND</b>	<b>ADJUSTMENT</b>	<b>NET</b>
GENERAL	WRITE-ON	22.79
GENERAL	WRITE-OFF	-341.85
WATER	WRITE-ON	0.00
WATER	WRITE-OFF	0.00
SEWER	WRITE-ON	0.00
SEWER	WRITE-OFF	-8.50
	<b>TOTAL</b>	<b>-\$327.56</b>

<b>STOCKTAKE DISCREPANCY LIST</b>						
<b>ITEM</b>	<b>DESCRIPTION</b>	<b>DATE &amp; TIME OF COUNT</b>	<b>BOOK BALANCE QTY</b>	<b>COUNT QTY</b>	<b>DIFF</b>	<b>\$ VALUE ADJ</b>
300085	Solvent Cement Blue – 250ml	07/04/15 – 9:30am	18	17	-1	-3.89
300090	Priming Fluid Red – 250ml		22	21	-1	-4.61
101435	Distillate – On Road Bulk		7,743	7,440	-303	-341.85
101445	Petrol – Unleaded		5,170	5,190	20	22.79
					<b>TOTAL</b>	<b>-\$327.56</b>

**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.01.05 Best Practice in Procurement and Inventory Management have been adopted and implemented.

**Operational Objective:** S.01.05.01 To provide and maintain quality stock control of goods and material purchasing activities.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

An adjustment of **-\$327.56** is required to be undertaken in the stores ledger.

**LEGAL IMPLICATIONS:**

The Stocktake is a Financial Regulation and Audit Requirement.

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$327.56** be made in the Stores Ledger.*

<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S23.16.5/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>STORES &amp; MATERIALS STOCKTAKE - ASHFORD</b>	
<b>PREPARED BY:</b>	Ryan Dick, Expenditure Controller	

**SUMMARY:**

A physical Stocktake was undertaken of Council's Stores and Materials as at **31 March, 2015 at 8:00 am**, for GENERAL STORES for **ASHFORD**.

**COMMENTARY:**

<b>FUND</b>	<b>ADJUSTMENT</b>	<b>NET</b>
GENERAL	WRITE-ON	0.00
GENERAL	WRITE-OFF	-236.57
WATER	WRITE-ON	0.00
WATER	WRITE-OFF	0.00
SEWER	WRITE-ON	0.00
SEWER	WRITE-OFF	0.00
	<b>TOTAL</b>	<b>-\$236.57</b>

STOCKTAKE DISCREPANCY LIST						
ITEM	DESCRIPTION	DATE & TIME OF COUNT	BOOK BALANCE QTY	COUNT QTY	DIFF	\$ VALUE ADJ
101435	Distillate – On Road Bulk	31/03/15 – 8:00am	14,397	14,310	-87	-98.92
101445	Petrol – Unleaded		105	0	-105	-137.65
					<b>TOTAL</b>	<b>-\$236.57</b>

**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.01.05 Best Practice in Procurement and Inventory Management have been adopted and implemented.

**Operational Objective:** S.01.05.01 To provide and maintain quality stock control of goods and material purchasing activities.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

An adjustment of **-\$236.57** is required to be undertaken in the stores ledger.

It should be noted that the write-off relates almost entirely to the removal of Unleaded Petrol from the storage tanks, which have also been removed as they are no longer compliant.

**LEGAL IMPLICATIONS:**

The Stocktake is a Financial Regulation and Audit Requirement.

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$236.57** made in the Stores Ledger.*

<b>ITEM NO:</b>	3.	<b>FILE NO:</b> S23.16.5/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>STORES &amp; MATERIALS STOCKTAKE - YETMAN</b>	
<b>PREPARED BY:</b>	Ryan Dick, Expenditure Controller	

**SUMMARY:**

A physical Stocktake was undertaken of Council's Stores and Materials as at **31 March, 2015 at 8:00 am**, for GENERAL STORES for **YETMAN**.

**COMMENTARY:**

FUND	ADJUSTMENT	NET
GENERAL	WRITE-ON	20.72
GENERAL	WRITE-OFF	0.00
WATER	WRITE-ON	0.00
WATER	WRITE-OFF	0.00
SEWER	WRITE-ON	0.00
SEWER	WRITE-OFF	0.00
	<b>TOTAL</b>	<b>\$20.72</b>

STOCKTAKE DISCREPANCY LIST						
ITEM	DESCRIPTION	DATE & TIME OF COUNT	BOOK BALANCE QTY	COUNT QTY	DIFF	\$ VALUE ADJ
101435	Distillate – On Road Bulk	31/03/15 – 8:00am	3,283	3,300	17	20.72
					<b>TOTAL</b>	<b>\$20.72</b>

**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.01.05 Best Practice in Procurement and Inventory Management have been adopted and implemented.

**Operational Objective:** S.01.05.01 To provide and maintain quality stock control of goods and material purchasing activities.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

An adjustment of **\$20.72** is required to be undertaken in the stores ledger.

**LEGAL IMPLICATIONS:**

The Stocktake is a Financial Regulation and Audit Requirement.

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **\$20.72** made in the Stores Ledger.*

<b>ITEM NO:</b>	4.	<b>FILE NO:</b> S23.16.5/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>STORES &amp; MATERIALS STOCKTAKE – FUEL TANKER T190</b>	
<b>PREPARED BY:</b>	Ryan Dick, Expenditure Controller	

**SUMMARY:**

A physical Stocktake was undertaken of Council's Stores and Materials as at **31 March, 2015 at 8:00am**, for GENERAL STORES for **FUEL TANKER T190**.

**COMMENTARY:**

<b>FUND</b>	<b>ADJUSTMENT</b>	<b>NET</b>
GENERAL	WRITE-ON	405.88
GENERAL	WRITE-OFF	0.00
WATER	WRITE-ON	0.00
WATER	WRITE-OFF	0.00
SEWER	WRITE-ON	0.00
SEWER	WRITE-OFF	0.00
	<b>TOTAL</b>	<b>\$405.88</b>

STOCKTAKE DISCREPANCY LIST						
ITEM	DESCRIPTION	DATE & TIME OF COUNT	BOOK BALANCE QTY	COUNT QTY	DIFF	\$ VALUE ADJ
101435	Distillate – On Road Bulk	31/03/15 – 8:00am	3,445	3,808	363	405.88
					<b>TOTAL</b>	<b>\$405.88</b>

**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.01.05 Best Practice in Procurement and Inventory Management have been adopted and implemented.

**Operational Objective:** S.01.05.01 To provide and maintain quality stock control of goods and material purchasing activities.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

An adjustment of **\$405.88** is required to be undertaken in the stores ledger.

**LEGAL IMPLICATIONS:**

The Stocktake is a Financial Regulation and Audit Requirement.

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **\$405.88** made in the Stores Ledger.*

ITEM NO:	5.	FILE NO: S23.16.5/08
DESTINATION 5:	The communities are served by sustainable services and infrastructure	<b>S</b>
SUBJECT:	STORES & MATERIALS STOCKTAKE – FUEL TANKER T212	
PREPARED BY:	Ryan Dick, Expenditure Controller	



**SUMMARY:**

A physical Stocktake was undertaken of Council's Stores and Materials as at **31 March, 2015 at 8:00 am**, for GENERAL STORES for **FUEL TANKER T212**.

**COMMENTARY:**

FUND	ADJUSTMENT	NET
GENERAL	WRITE-ON	0.00
GENERAL	WRITE-OFF	0.00
WATER	WRITE-ON	0.00
WATER	WRITE-OFF	0.00
SEWER	WRITE-ON	0.00
SEWER	WRITE-OFF	0.00
	<b>TOTAL</b>	<b>\$0.00</b>

STOCKTAKE DISCREPANCY LIST						
ITEM	DESCRIPTION	DATE & TIME OF COUNT	BOOK BALANCE QTY	COUNT QTY	DIFF	\$ VALUE ADJ
101435	Distillate – On Road Bulk	31/03/15 – 8:00am	1,579	1,579	0	0.00
					<b>TOTAL</b>	<b>\$0.00</b>

**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.01.05 Best Practice in Procurement and Inventory Management have been adopted and implemented.

**Operational Objective:** S.01.05.01 To provide and maintain quality stock control of goods and material purchasing activities.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

No adjustment is required to be undertaken in the stores ledger.

**LEGAL IMPLICATIONS:**

The Stocktake is a Financial Regulation and Audit Requirement.

**RECOMMENDATION:**

*That the Committee recommend to Council that the stores and materials Stocktake information be received and noted.*

<b>ITEM NO:</b>	6.	<b>FILE NO:</b> S23.16.5/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>STORES &amp; MATERIALS STOCKTAKE- INVERELL</b>	
<b>PREPARED BY:</b>	Ryan Dick, Expenditure Controller	

**SUMMARY:**

A physical Stocktake was undertaken of Council's Stores and Materials as at **5 May, 2015 at 9:30 am**, for GENERAL, WATER AND SEWER STORES for **INVERELL**.

**COMMENTARY:**

FUND	ADJUSTMENT	NET
GENERAL	WRITE-ON	232.09
GENERAL	WRITE-OFF	-393.06
WATER	WRITE-ON	0.00
WATER	WRITE-OFF	0.00
SEWER	WRITE-ON	0.00
SEWER	WRITE-OFF	0.00
<b>TOTAL</b>		<b>-\$160.97</b>

STOCKTAKE DISCREPANCY LIST						
ITEM	DESCRIPTION	DATE & TIME OF COUNT	BOOK BALANCE QTY	COUNT QTY	DIFF	\$ VALUE ADJ
100255	Bags – Silt Green	05/05/15 – 9:30am	184	188	4	21.07
100340	Pegs – 1 ½ x 1 ½ x 48"		274	285	11	22.00
100250	Bags Sand – Jute		1,226	1,229	3	2.29
100165	Cement – Rapid Set 20kg		33	26	-7	-42.70
100630	Tooth – 2D5572 Cat		15	23	8	185.60
100630	Plough Bolt/Nut – 2x5/8"		79	80	1	1.13
100640	Plough Bolt/Nut – 4x3/4"		18	16	-2	-7.69
101435	Distillate – On Road Bulk		28,531	28,250	-281	-323.30
101445	Petrol – Unleaded		4,012	3,995	-17	-19.37
					<b>TOTAL</b>	<b>-\$160.97</b>

**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.01.05 Best Practice in Procurement and Inventory Management have been adopted and implemented.

**Operational Objective:** S.01.05.01 To provide and maintain quality stock control of goods and material purchasing activities.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

An adjustment of **-\$160.97** is required to be undertaken in the stores ledger.

**LEGAL IMPLICATIONS:**

The Stocktake is a Financial Regulation and Audit Requirement.

**RECOMMENDATION:**

*That the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$160.97** be made in the Stores Ledger.*

<b>ITEM NO:</b>	7.	<b>FILE NO:</b> S12.12.2/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>GOVERNANCE - MONTHLY INVESTMENT REPORT</b>	
<b>PREPARED BY:</b>	Paul Pay, Manager Financial Services	

**SUMMARY:**

To report the balance of investments held as at 30 April, 2015.

**COMMENTARY:**

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 30 April, 2015 and an update of the investment environment:

- (a) Council's investments as at 30 April, 2015.
- (b) Council Investments by Fund as at 30 April, 2015.
- (c) Interest – Budgeted vs Actual.
- (d) Investment Portfolio Performance.
- (e) Investment Commentary.
- (f) Certification – Responsible Accounting Officer.

**A) Council Investments as at 30 April, 2015.**

Term Deposits							
Maturity Date	Current Yield	Borrower	FUND	Rating	Risk Rating	Principal Value	Current value
27-May-15	3.11%	St George Bank	Water	A1+	1	1,000,000.00	1,000,000.00
28-May-15	3.15%	Bank West	Sewer	A1+	1	2,000,000.00	2,000,000.00
28-May-15	3.65%	CBA	General	A1	2	1,000,000.00	1,000,000.00
01-Jun-15	3.70%	National Australia Bank	General	A1+	1	2,000,000.00	2,000,000.00
10-Jun-15	3.70%	National Australia Bank	General	A1+	1	1,000,000.00	1,000,000.00
17-Jun-15	3.65%	National Australia Bank	General	A1+	1	2,000,000.00	2,000,000.00
22-Jun-14	3.65%	National Australia Bank	Water	A1+	1	1,000,000.00	1,000,000.00
15-Jul-15	3.75%	National Australia Bank	General	A1+	1	2,000,000.00	2,000,000.00
27-Jul-15	3.07%	St George Bank	Water	A1+	1	1,000,000.00	1,000,000.00
13-Aug-15	3.75%	National Australia Bank	Water	A1+	1	1,000,000.00	1,000,000.00
18-Aug-15	3.60%	AMP BANK	General	A1	2	1,000,000.00	1,000,000.00
24-Aug-15	3.11%	ING	General	A1	2	1,000,000.00	1,000,000.00
02-Sep-15	3.70%	St George Bank	Water	A1+	1	1,000,000.00	1,000,000.00
04-Sep-15	4.00%	NECU (community mutual)	General	NR	3	1,000,000.00	1,000,000.00
11-Sep-15	4.00%	NECU (community mutual)	General	NR	3	1,000,000.00	1,000,000.00
14-Sep-15	3.03%	ING	General	A1	2	1,000,000.00	1,000,000.00
16-Sep-15	4.00%	CBA	General	A1	2	1,000,000.00	1,000,000.00
16-Sep-15	4.11%	National Australia Bank	General	A1+	1	1,000,000.00	1,000,000.00
17-Sep-15	3.61%	National Australia Bank	Sewer	A1+	1	2,000,000.00	2,000,000.00
23-Sep-15	4.00%	NECU (community mutual)	General	NR	3	1,000,000.00	1,000,000.00
08-Oct-15	2.80%	St George Bank	General	A1+	1	2,000,000.00	2,000,000.00
15-Oct-15	3.60%	National Australia Bank	General	A1+	1	1,000,000.00	1,000,000.00
16-Oct-15	2.77%	St George Bank	General	A1+	1	1,000,000.00	1,000,000.00
28-Oct-15	3.59%	Westpac	General	A1+	1	3,000,000.00	3,000,000.00
11-Dec-15	3.55%	CBA	Sewer	A1+	1	1,500,000.00	1,500,000.00
12-Dec-16	3.80%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
16-Dec-16	4.31%	Westpac	General	A1+	1	2,000,000.00	2,000,000.00
15-Jul-17	4.05%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
15-Jul-17	4.05%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
15-Jul-17	4.05%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
01-Sep-17	3.90%	CBA	General	A1	2	1,000,000.00	1,000,000.00
03-Sep-18	4.10%	Bank of Queensland	General	A1	2	1,000,000.00	1,000,000.00
<b>Sub Total - Term Deposit Investment Group</b>						<b>41,500,000.00</b>	<b>41,500,000.00</b>
Cash Deposit Accounts							
As at Date	Current Yield	Borrower	FUND	Rating	Risk Rating	Principal Value	Current value
30/04/2015	2.80%	National Australia Bank (Cash Maximiser)	General	A1+	1	2,000,000.00	2,000,000.00
30/04/2015	2.25%	UBS Cash Manmagement Account	General	A1+	1	2,768.92	2,768.92
<b>Sub Total - Cash Deposit accounts Investment Group</b>						<b>2,002,768.92</b>	<b>2,002,768.92</b>
Floating Rate Notes Investment Group							
As at Date	Current Yield	Borrower	FUND	Rating	Risk Rating	Principal Value	Current value
<b>Sub Total - Floating Rate Notes Investment Group</b>						<b>-</b>	<b>-</b>

Structured Product Investments Group				Maturity Date					
As at Date	Current Yield	Borrower		FUND	Rating	Risk Rating	Principal Value	Written Down Value 30-6-14	Current value
31/03/2015	0.000%	Lehman Brothers Treasury Co. B.v (CPPI - 7457)	9/05/2010*	Water	AA-	5	300,000	48,000.00	30,000.00
							300,000	48,000.00	30,000.00

The written down value of the Structured Product Investment Group as at 30 June, 2014 was \$48,000 now decreasing to \$30,000. 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. 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 2011/2012 Audit Report, the Sewer Fund maintains a sound financial position to meet its operational requirements and the Water Fund maintains a strong financial position.

RISK MATRIX		
Investment Type		Risk Rating
At Call Deposits		1
Bonds	Commonwealth	1
	State	2
	Territory	2
Interest Bearing Deposits (Fixed)		
	Major Bank	1
	Other Banks	2
	Large Credit Union	2
	Small Credit Union	3
Interest Bearing Deposit (Floating)		
	Major Bank	2
	Other Banks	3
	Large Credit Union	3
	Small Credit Union	4
T-Corp Hour Glass Facility		1
Deposits with LGFS		3
Grandfathered Investments		
	Managed Funds	5
	Strcutured Products	5
Large Credit Union - Assets over 1 Billion		
Small Credit Union - Assets under 1 Billion		

**B) Council Investments by Fund 30 April, 2015**

Portfolio by Fund	as at 31-3-2015	as at 30-4-15
General Fund	34,002,768.92	33,002,768.92
Water Fund	5,030,000.00	5,030,000.00
Sewer Fund	5,500,000.00	5,500,000.00
<b>TOTAL</b>	<b>44,532,768.92</b>	<b>43,532,768.92</b>

Council's investment portfolio has decreased by \$1,000,000. This decrease was in respect of normal cash flow movements for receipts collected and payments made.

While the level of Investments has been largely maintained over recent years these will decrease during 2014/2015 as a number of major projects are completed. These include:

- Ashford Water Treatment Plant \$ 1.7 M
- Inverell Sewerage Treatment Works \$ 3.0 M

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	2014/2015 Budget	Actuals to Date
General Fund	128820	1,050,000.00	592,622.02
Water Fund	812350	50,000.00	65,335.36
Sewer Fund	906320	10,000.00	45,394.53
<b>TOTAL</b>		<b>1,110,000.00</b>	<b>703,351.91</b>

The interest received to date (cash basis) is in accordance with Budget and does not include accruals. It is anticipated that Council will meet budgeted interest targets when allowing for end of year accruals.

**D) Investment Portfolio Performance**

Investment Portfolio Return		Benchmarks	
	% pa	UBSA Bank Bill	11am Cash Rate
Benchmark as at 30-4-15		2.67%	2.25%
Term Deposits	3.65%		
Cash Deposit Accounts	2.53%		
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 Term Deposits exceed the UBSA Bank Bill Index benchmark. Money is held in cash deposits accounts for liquidity purposes.

Council's investment portfolio of \$43.5M is almost entirely invested in fixed term deposits. Overall, the portfolio is highly liquid, highly rated and short-dated from a counterparty perspective.

The RBA once again declined to lower rates in April despite the market pricing a significant chance of a move. The market has retained a strong expectation of a rate cut in May. The RBA retained the reference to further easing, saying: "Further easing of policy may be appropriate over the period ahead, in order to foster sustainable growth in demand and inflation consistent with the target. The Board will continue to assess the case for such action at forthcoming meetings."

That said, rates were cut by 0.25% on 5 May, 2015 to 2% with a further cut by September, 2015. Recent quoted term deposits rates would support this with rates now ranging from 2.40-2.90%.

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 sounds.

#### **LEGAL IMPLICATIONS:**

Nil.

#### **RECOMMENDATION:**

*That 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.*



<b>ITEM NO:</b>	8.	<b>FILE NO:</b> S12.5.1/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2014/2015</b>	
<b>PREPARED BY:</b>	Ken Beddie, Director Corporate and Economic 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:****2014/2015 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 to ensure the Budget remains in balance (also see Appendix 1, H20 – H21). Those items identified as requiring funding since the adoption of the 2014/2015 budget have now been funded in full.

The Budget Variations for 2014/2015 are as follows:

COMBINED FUND - BUDGET VARIATION SUMMARY REPORT ESTIMATED CASH POSITION 30 JUNE, 2015 FOR 2014/2015 ACTIVITIES				
	General	Water	Sewer	Total
<b>Adopted Budget 2014/201</b>	6,914,940	693,373	393,419	8,001,732 Deficit
Add Back Depreciation	(7,967,150)	(961,000)	(694,500)	(9,622,650) (Non-cash)
Add Back Carry Amount Assets Sold	(77,041)	-	-	(77,041) (Non-Cash)
Internally Restricted Cash Utilised	1,128,000	265,000	300,000	1,693,000
Transferred to Internally Restricted Cash	-	-	-	-
<b>ESTIMATED CASH RESULT FOR 2014/2015 ACTIVITIES</b>	<b>(1,251)</b>	<b>(2,627)</b>	<b>(1,081)</b>	<b>(4,959) SURPLUS</b>
<b>2014/2015 Budget Variations Required to Maintain a Balanced Budget</b>				
<b>REVOTES</b>	4,669,157	3,613,178	1,855,000	10,137,335
<b>UNEXPENDED GRANTS</b>	1,705,476	-	-	1,705,476
Adjustments 30-9-14	243,000	-	-	243,000
Adjustments 31-12-14	128,200	-	-	128,200
Adjustments 31-3-15	760,550	-	-	760,550
<b>SUB TOTAL</b>	<b>7,506,383</b>	<b>3,613,178</b>	<b>1,855,000</b>	<b>12,974,561</b>
<b>Internally Restricted Cash Utilised</b>	<b>(1,131,750)</b>	<b>-</b>	<b>-</b>	<b>(1,131,750)</b>
<b>FUNDED FROM EQUITY</b>	<b>(6,374,633)</b>	<b>(3,613,178)</b>	<b>(1,855,000)</b>	<b>(11,842,811)</b>
<b>NET BUDGET VARIATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>REVISED CASH RESULT FOR 2014/2015 ACTIVITIES</b>	<b>(1,251)</b>	<b>(2,627)</b>	<b>(1,081)</b>	<b>(4,959) SURPLUS</b>
DEFINITIONS:				
1) <b>REVOTES</b> - Revotes are works budgeted and funded in the previous Financial Year, carried forward for completion in the current financial year. Revotes only occur if cash funding remains available from that previous Financial Years Budget to fund the works. The cash is held as equity.				
2) <b>FUNDED FROM EQUITY</b> - Represents Cash funding received in previous financial years from Revenues, Grants and Other Sources and held as Cash due to its non-expenditure, carried forward to fund the required works in the current Financial Year.				
3) <b>INTERNALLY RESTRICTED CASH</b> - Is cash held in investments to fund future financial obligations, for example Employee Leave Entitlements, Future Projects etc. These funds are not part				

The report indicates that the Net Budget Variations for 2014/2015 continue to remain at **“Zero”**. This means that all budget variations required to be made to this point, to cover increased or additional expenditures, have been fully funded from either Council receiving additional income or alternately from reductions in expenditures in other areas. There has been no reduction in Working Capital.

The attached Consolidated Income and Expense Statement (refer Appendix 2, H22) indicates a Surplus from all Activities to 31 March, 2015 of \$3.865M, against a budgeted annual result of \$4,959. This current result indicates that sufficient funding remains available to fund Council's 2014/2015 continuing operations for the next three (3) months to the end of the 2014/2015 Financial Year.

**QUARTERLY BUDGET REVIEW REPORT:**

Council's 31 March, 2015 Quarterly Combined Budget Review Summary Report and Income and Expense Statement by Function are attached (refer to Appendix 3, H23). 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 (refer to Appendix 4, H24) 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 2014/2015 operations remaining unchanged following approval of the Budget Variations attached to this report (refer Appendix 1, H20 – H21). This is after transfers to/from Internally Restricted Assets and Revotes from previous years and the bringing forward of Grant Funding received in 2013/2014 which will be expended in 2014/2015.

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, 2015 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 2014/2015 Operational Plan (refer Appendix 5 and 6, H25 - H26) 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 continued to hold the official cash rate at a half-century low of 2.25%. The banks have continued to adjust their deposit rates lower with the RBA on its easing cycle again, particularly with expectations of further cuts in the immediate future. The market is fully pricing in two (2) more rate cuts by September 2015. It is anticipated that Council will achieve budget interest during 2014/2015.

A copy of Council's Cash and Investment Budget Review Statement as at 31 March, 2015 is attached (refer to Appendix 7 and 8, H27 – H28). 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 investments continue to comply with Council's Investment Policy.

**Contracts, Consultancy & Legal Expenses**

The attached Contracts Summary indicates any Contracts entered into with a value of under \$150,000 by Council during the quarter ending 31 March, 2015, (refer to Appendix 9, H29). Other consultancy and legal expenses are summarised in the attached Consultancy & Legal Expense summary (refer to Appendix 9, H29).

**Plant Fleet:**

A copy of the Plant Fleet Financial Report to 31 March, 2015 is attached (refer to Appendix 10, H30). The Report indicates an Operating Surplus of \$95K to 31 March, 2015. This reduces to a small surplus after an allowance is made for registration costs, insurance costs and on costs (workers compensation etc) not paid until later in the financial year.

**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 should be enhanced in 2014/2015; however, this will be dependant on Water Sales. Water Sales were down by \$260K in 2010/2011 and \$120K in 2011/12 and up \$171K in 2012/2013 and \$380K in 2013/2014. It is anticipated that water sales will continue to increase during 2014/2015 due to the dry conditions in the first half of the financial year.

The Committee will be aware that the major priority for the Water Fund is now the completion of the new Ashford Water Treatment Plant. Council has entered into a loan facility with the National Australia Bank for \$2M at a fixed interest rate of 5.4% in respect of this project. Council is receiving a 4% loan subsidy under the Local Infrastructure Renewal Scheme (LIRS) for the life of the loan.

In respect of Council's Water Fund Investments, it is noted that Council staff continue to monitor the developments relating to the bankruptcy of Lehman Brothers. Council's Water Fund holds one (1) remaining CDO with a face value of \$300K, Term Deposits totalling \$5M (includes the \$2M loan funds) and cash at bank of \$1.250M (see Appendix 7, H27).

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 2014/2015 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 \$5.5M (Includes the \$2M Loan) plus cash at bank of \$796K (see Appendix 7).

**OPERATIONAL PLAN – COMBINED FUND**

Overall, Council's operational and financial position in respect of its five (5) destinations are sound. The following information is provided in respect of major issues and projects that Council is leading, participating in, or delivering in 2014/2015:

- Destination 1 – A recognised leader in the broader context:
  - Participation in Regional Living Expo;
  - 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 and prepared the submission to establish a trial Joint Organisation of Councils in the New England. Secretariat for the Group;
  - Participated in "Fit for the Future" meetings with New England Councils;

- 
- Participated in Border Region Organisation of Councils Meeting.
  - 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;
    - Completed building works on new Ashford EOC Centre;
    - Assist with Sapphire City Festival;
    - Assist with Grafton to Inverell cycle race;
    - Secured library funding from Brighter Access for Early childhood Inclusion Program;
    - Secured funding from Festival Australia for Ngay Walaaybaa (My Home) visual arts exhibition;
    - Secured funding from Clubs NSW for Cameron Park Redevelopment;
    - Completed works on the new Ashford Medical Centre;
    - Provided assistance to the Evans Street Surgery in their development of a new Medical Centre;
    - Co-ordinate youth activities – Movies in Campbell Park;
    - Partnering with Family NSW to provide Playgroup activities at Tingha and Inverell;
    - Participation in New England Cooperative Library.
  - Destination 3 – An environment that is protected and sustained:
    - Partnering with Catchment Management Authority in “Brigalow Nandewar Bio Links Program”;
    - Completed Energy Efficiency Program for Administration Building;
    - Partnership with Catchment Management Authority for Serrated Tussock weeds program;
    - Secured NSW Environmental Trust Funding for Waste Less Recycle More Initiatives of Love Food hate waste, Household compost Bins Project, Community Recycling Centre, Ashford landfill consolidation, Elsmore landfill consolidation;
    - Completed Energy Efficiency Program for Inverell Works Depot and Inverell Tourist Centre.
  - Destination 4 – A strong Local Economy:
    - Completed 75% of works on Cameron Park Redevelopment;
    - Completed works at Ashford Medical Centre;
    - Completed works on the new Ashford SES EOC building;
    - Commenced works on New Toilet and Storage shed at Varley Oval;
    - Participated in a wide range of Tourism and Marketing Shows;
    - Completed Transport Museum Complex and completed sale of old site to Boss Engineering;
    - Participated in Inverell Promotional Activities with the Inverell Chamber of Commerce and Industry.
  - 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;
    - Commenced Highway upgrade project east of Delungra for Roads and Traffic Authority;
    - Completed a significant quantum of Shire Roads Gravel Resheeting;
    - Completed a significant quantum of heavy patching throughout the Shire;
    - Completed Councils 2014/2015 bitumen reseal program;
    - Completed works for Resealing Inverell Airport;
    - Completed 85% works on Optic Fibre installation from Administration Building to Inverell Depot;
    - Successfully secured interest rate subsidy from the Office of Local Government under the Local Infrastructure Renewal Scheme (LIRS) round three for the Inverell Sewerage Treatment Plant (this is the last round of the program);

- Completed 2013-2014 Financial Statements – sound financial result achieved;
- Secured additional Repair Program funding from RMS;
- Secured Active Transport Funding (PAMP) for 2015/2016 - \$0.44M Project;
- Secured Black Spot funding for upgrade of Leviathan to Schwenkes Lane and a turning lane at Rob Roy Road;
- Secured Fixing Country Roads funding for Tin Tot Bridge - \$1M Project;
- Secured Fixing Country Roads funding for HML Assessment on Brunxer's Way.

Also attached is a copy of Council's Key Financial Performance Indicators (refer to Appendix 11, H31 - H32).

#### **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:**

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 Quarterly Budget Review Statement for Inverell Shire Council for the quarter ended 31 March, 2015 indicates that Council's projected financial position at 30 June, 2015 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 2014/2015 Budget in balance, with an indicative surplus of \$4,959.

#### **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, 2015 be adopted; and*
- ii) the proposed variations to budget votes for the 2014/2015 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2015 from operations of \$4,959*



## APPENDIX 1

BUDGET VARIATIONS - FINANCE MEETING 13-5-15			
LEDGER No.	DESCRIPTION	AMOUNT \$	COMMENT/REASON
<b>GENERAL FUND</b>			
<i>Increase/Decrease in INCOME</i>			
122015-1000	Grant - Multicultural NSW Program/Celebrations	2,000	Grant funded program
128591-1000	Other Land and Building Income	8,730	Additional Rental Income
123340-1000	Admin Sundry income	2,000	Additional Income Received
126920-4022	Library Contributions/Donations	909	Early Literacy Program
120450-5730	Residential Rates	6,700	Additional Rate income
120850-1000	Legal/Other Costs Raised	15,500	Recoupment of Legal Expenses on Outstanding Rates
128280-1000	Caravan Park - Sundry Income	6,200	Additional Income Received from Yetman Caravan Park
127440-1000	Town Hall Rent & Fees	8,800	Additional Income Received
122013-3100	Grant - Community Building Partnership Program	32,000	Cultural Icon Project
<b>TOTAL INCREASE IN INCOME</b>		<b>82,839</b>	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income)</i>
<i>Increase/Decrease in EXPENDITURE</i>			
135900-1000	Urban Drainage Maint.	8,000.00	Additional costs incurred
140500-1000	K & C Maint.	(8,000.00)	Funding for above
140130-1000	Grading South	25,766	Additional costs incurred
148409-1000	Maintenance Grading MCE Allocation	(25,766)	Funding for above
141330-4570	CBD works	19,450.00	Additional costs incurred
141340-1000	CBD Upgrade Works (Op Expenditure)	(19,450.00)	Funding for above
145800-1000	Roads & Traffic Signs New	2,610.00	Additional costs incurred
140550-1000	Road & Traffic Signs Mtc	(2,610.00)	Funding for above
139060-1000	Village Seal Maint South	5,000.00	Additional costs incurred
140050-1000	Unsealed Village Maint.	(5,000.00)	Funding for above
139160-1000	Roadside Growth Control - Sth	35,000.00	Additional costs incurred due to abnormally wet season
142503-1000	ARCD - Unallocated	(35,000.00)	Funding for above
139180-1000	Maint Bitumen Seal South	15,170.00	Additional costs incurred
139190-1000	Rural Seal Drainage Str	(11,365.00)	Funding for above
140150-1000	Drainage Structures	(3,805.00)	Funding for above
140120-1000	Gravel Patching	7,200.00	Heavy Patching Bonshaw Road Seg 180 & 200
129380-1000	DCES Special Projects	(7,200.00)	Funding for above
140130-1000	Grading South	43,500.00	Contra Item
148409-1000	Maintenance Grading MCE Allocation	(43,500.00)	Contra Item
137690-1170	BLK-Mr 137-North-Inv/Bonshaw	48,762.00	Heavy Patching Bonshaw Road Seg 180 & 200
137830-1100	BLK-Heavy Patching-Region Rds	(22,430.00)	Funding for above
137800-1100	BLK-Reseals Classified Roads	(7,023.00)	Funding for above
137620-1120	Blk-Tr 63 -49.35 Nth Warialda	(19,309.00)	Funding for above
137680-1120	BLK Mr 137-South-Inv/Bonshaw (South)	15,000.00	Additional Maintenance costs
137630-1120	Blk-Tr 73 -Bundarra/Inverell	(15,000.00)	Funding for above
143609-1100	R2R4-Yr1 Gravel Resheeting Local Roads	21,518.00	Additional Gravel Resheeting
142503-1000	ARCD - Unallocated	(21,518.00)	Funding for above
137155-1000	Passive Parks Rest Areas North	1,950.00	Additional costs incurred
139280-1000	Rural Seal Bitumen Mtc.	(1,950.00)	Funding for above
137151-1000	Passive Parks - Yetman	750.00	Additional costs incurred
139280-1000	Rural Seal Bitumen Mtc.	(750.00)	Funding for above
137280-3001	Street Mowing - Ashford	6,400.00	Additional costs incurred
139280-1000	Rural Seal Bitumen Mtc.	(6,400.00)	Funding for above
137760-1110	BLK- SH16 Brunner H/W	70,000.00	Additional Maintenance costs
137620-1120	Blk-Tr 63 -49.35 Nth Warialda	(70,000.00)	Funding for above
140250-1000	Drainage Structures	18,715.00	Additional costs incurred
139290-1000	Rural Seal Drainage Strs	(18,715.00)	Funding for above
135780-5790	Inverell St/Gutter Clean	1,280.00	Additional water charges
135760-1000	Delunga St / Gutter Clean	(1,280.00)	Funding for above
138910-1000	ACRD - Pavement Mgt	103,000.00	Correct allocation of Revote
146460-1000	Asset Management	(103,000.00)	Correct allocation of Revote
137810-1000	BLK - Risk Management Inspections	51,900.00	Road Laser Profiling for asset inspections
137560-1000	Block Grant-Total Allocation-Non Capital	(51,900.00)	Funding for above
132640-1000	General Fire Control Exps	3,000	Atholwood Road Fire / Repairs to stand pipe
132570-1000	Council Funded RFS Exps	(3,000)	Funding for above
131040-1000	Council Chamber Exterior & Ground Mtc	6,000	Roof Repairs
131020-4510	Council chambers - Interior M & R	(6,000)	Funding for above
142006-1000	Community Better Partnership Program	20,000	Fitness Equipment and Softfall
134325-1000	SCIF-Community Building Partnership Program	(20,000)	Funding for above
148140-1000	Cultural Events	6,450	Part Sponsorship Opera in the Paddock
137050-1000	Other Cultural Activities	(6,450)	Funding for above
137100-4500	Inverell Baths/Swimming Pool	30,000	Solar Heating Repairs, Replace Roller Shutters & PVC Curtain, Painting, Apex Shade Structure
129380-1000	DCS Special Projects	(30,000)	Funding for above
159109-1000	Ashford Medical Centre Development	386,550	Council Contribution to the Ashford Medical Centre - including civil works.
160560-3100	Passive Park Upgrades	47,000	Council Contribution to Liberty Swing in Victoria Park
134325-1000	SCIF-Community Building Partnership Program	(47,000)	Funding for above
130411-1000	Multicultural Day Expenses	2,000	Grant Funded Program
130160-1000	Café Bar & Sundry Expenses	2,000	Additional costs incurred
135500-1000	Housing/Dwelling - Residential	5,200	Additional costs incurred
151100-1000	Other Land and Buildings	7,200	Increase in insurance
146250-1000	Insurance - Public Risk	(3,670)	Part funding for above
136670-4022	Library - Story Time	909	Early Literacy Program
160200-1000	Co-Operative Contribution	5,000	Additional Co-Operative Contribution
130310-5600	Debt Recovery Expenses	15,500	Debt Recovery on Outstanding Rates
137500-1000	Civic Hall - Inverell M & R	10,500	Additional Maintenance
147820-4480	Yetman Caravan Park	6,200	Additional Maintenance incurred
147122-1100	Inverell Aerodrome	374,000	Reseal and Linemark Inverell Aerodrome
124550-1000	Health - Food Shop Premises	7,500	Additional costs incurred
133950-4700	Health-Salaries & Allowances	(7,500)	Funding for above
134321-1000	Community Building Partnership - Cultural Icon Project	64,000	Grant Funded Project
134325-1000	SCIF-Community Building Partnership Program	(32,000)	Council contribution to above project
135250-1000	Killeen Street Construction	27,000	Funding in complete additional works while on site
148420-1000	DCES Special Projects	(27,000)	Funding for above
<b>TOTAL INCREASE IN EXPENDITURE</b>		<b>843,389</b>	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure)</i>
<b>NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)</b>		<b>760,550</b>	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure)</i>
<i>Restricted Assets</i>			
162030-6220	IRA - Ashford Medical Centre	250,000	Funding for Ashford Medical Centre
161920-6220	IRA - Strategic Capital Projects Fund	136,550	Funding for Ashford Medical Centre
161750-6220	IRA - Aerodrome Upgrade	374,000	Funding for resealing Airport
<b>TOTAL FUNDING FROM RESTRICTED ASSETS</b>		<b>760,550</b>	
<b>FUNDED FROM EQUITY (G5795,000)</b>		<b>760,550</b>	
<b>NET CHANGE TO FINANCIAL POSITION Surplus/(Deficit)</b>		<b>-</b>	



BUDGET VARIATIONS - FINANCE MEETING 13-5-15			
LEDGER No.	DESCRIPTION	AMOUNT \$	COMMENT/REASON
<b>WATER FUND</b>			
<i>Increase/Decrease in INCOME</i>			
812010-1000	Water Annual Charge	8,300	Additional Income Received
<b>TOTAL INCREASE IN INCOME</b>		<b>8,300</b>	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
812710-1000	Legal Expenses	1,800	Additional costs incurred
814910-1000	Meter Reading - Bulk Meters	1,500	Additional costs incurred
815000-1000	Mains Maint Inverell/Gilgai	5,000	Additional costs incurred
<b>TOTAL INCREASE IN EXPENDITURE</b>		<b>8,300</b>	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
<b>NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)</b>		<b>-</b>	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
<b>SEWER FUND</b>			
<i>Increase/Decrease in INCOME</i>			
906200-1000	Fittings & Installations	4,200	Additional Income Received
<b>TOTAL INCREASE IN INCOME</b>		<b>-</b>	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
906470-1000	Pumping Station & Plant	7,000	Additional Costs
906460-4510	Pumping Station & Plant - Energy Costs	(7,000)	Funding for above
906540-1000	Fittings & Installations	4,200	Additional Costs
<b>TOTAL INCREASE IN EXPENDITURE</b>		<b>4,200</b>	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
<b>NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)</b>		<b>4,200</b>	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>

## APPENDIX 2

INVERELL SHIRE COUNCIL  
BUDGET REVIEW FOR THE QUARTER ENDED 31-3-2015  
CONSOLIDATED INCOME AND EXPENSE STATEMENT

	ORIGINAL BUDGET 2014/2015 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2014/2015 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2014 Review (000's)	Dec 2014 Review (000's)	Mar 2015 Review (000's)	June 2015 Review (000's)					
<b>INCOME</b>												
Rates & Annual Charges	16,204				10			16,214	10	16,224	16,225	100.01%
User Charges & Fees	3,242			1,075	1,073			5,390	1,073	6,463	4,159	77.16%
Interest	1,138							1,138		1,138	426	37.43%
Other revenues from ordinary activities	473				20			493	20	513	824	167.14%
Grants & Contributions provided for non capital purposes	9,103			185	34			9,322	34	9,356	7,759	83.23%
Grants & Contributions provided for Capital Purposes	2,883			1,035	-58			3,860	-58	3,802	1,939	50.23%
Gain from the sale of assets	239							239		239	223	93.31%
Gain from interest in joint ventures & associates								-		0		0.00%
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>	<b>33,282</b>	<b>-</b>	<b>-</b>	<b>2,295</b>	<b>1,079</b>			<b>36,656</b>	<b>1,079</b>	<b>37,735</b>	<b>31,555</b>	<b>86.08%</b>
<b>EXPENSES</b>												
Employee Costs	12,630	60	97	333	216			13,336	216	13,552	9398	70.47%
Borrowing Costs	203							203		203	72	35.47%
Materials and Contracts	6,238	2,093	547	777	867			10,522	867	11,389	5681	53.99%
Depreciation	9,623							9,623		9,623	7217	75.00%
Other Expenses from ordinary activities	4,321	88	1		-13			4,397	-13	4,384	2848	64.77%
Loss from the disposal of assets								-		0		
Loss from interest in joint ventures & associates								-		0		
<b>TOTAL EXPENSES FROM CONTINUING OPERATIONS</b>	<b>33,015</b>	<b>2,241</b>	<b>645</b>	<b>1,110</b>	<b>1,070</b>			<b>38,081</b>	<b>1,070</b>	<b>39,151</b>	<b>25,216</b>	<b>66.22%</b>
<b>NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/(DEFICIT)</b>	<b>267</b>	<b>(2,241)</b>	<b>(645)</b>	<b>1,185</b>	<b>9</b>			<b>(1,425)</b>	<b>9</b>	<b>(1,416)</b>	<b>6,339</b>	<b>-444.82%</b>
<b>ADD BACK Non Cash Amounts</b>												
Depreciation	9,623							9,623		9,623	7217.25	75.00%
Carrying Amount of Assets Sold	77							77		77	705	915.58%
<b>Capital Amounts</b>	<b>9,967</b>	<b>(2,241)</b>	<b>(645)</b>	<b>1,185</b>	<b>9</b>			<b>8,275</b>	<b>9</b>	<b>8,284</b>	<b>14,261</b>	<b>172.34%</b>
Repayments by deferred Debtors	1							1		1	3	300.00%
Acquisition of Assets	(7,950)	(7,896)	(1,060)	(1,428)	(137)			-18,471	(137)	-18,608	-10236	55.42%
Loan Repayments	(320)							-320		-320	-163	50.94%
Advance to Deferred Debtors												
Loan Funds	-							-		-		0.00%
Less Net Transfers to IRA	(1,693)			243	128			-1,322	128	-1,194		0.00%
Plus Equity Funding	-	10,137	1,705					11,842		11,842		0.00%
<b>Unallocated Consolidation Net Profit/(Loss)</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>5</b>	<b>-</b>	<b>5</b>	<b>3,865</b>	
<b>NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/(DEFICIT)</b>	<b>(2,616)</b>							<b>(2,616)</b>		<b>(2,616)</b>	<b>4,400</b>	

\* Favourable / (Unfavourable) variance

**EXPLANATION OF MATERIAL VARIANCES****YTD Variances**

Item	Explanation
<b>INCOME</b>	
Rates & Annual Charges	Includes rate levy for 2013/2014 including additional waste collection services
Other revenues from ordinary activities	Includes additional Grant funding for disability services (Connections), Insurance Reimbursements, and additional Private Works income

**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 2013/2014 budget have now been funded.



## APPENDIX 3

INVERELL SHIRE COUNCIL  
BUDGET REVIEW FOR THE QUARTER ENDED 31-3-2015  
INCOME & EXPENSES BY FUNCTION

	ORIGINAL BUDGET 2014/2015 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2014/2015 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2014 Review (000's)	Dec 2014 Review (000's)	Mar 2015 Review (000's)	June 2015 Review (000's)					
<b>EXPENSES</b>												
Governance	330							330		330	184	55.76%
Administration	6,431	656	135	-42	-59			7,121	-119	7,002	2,128	30.39%
Public Order and Safety	935	119			-25			1,029		1,029	458	44.51%
Health & Environment	2,404	13	93	26	26			2,562	8	2,570	1,714	66.69%
Community Services and Education	1,484	68	98	66	20			1,736		1,736	1,343	77.36%
Housing and Community Amenities	770	49			27			846	5	851	487	57.23%
Water Supplies	3,147				4			3,151	8	3,159	2,326	73.63%
Sewerage and Drainage Services	1,665				3			1,668	4	1,672	1,328	79.43%
Recreation and Culture	2,064	218	14		65			2,361	42	2,403	1,746	72.66%
Mining, Manufacturing and Construction	387							387		387	175	45.22%
Transport and Communication	5,136	199	261	1,060	1,074			7,730	85	7,815	6,348	81.23%
Economic Affairs	1,313	919	44		-65			2,211	-16	2,195	832	37.90%
<b>TOTAL EXPENSES</b>	<b>26,066</b>	<b>2,241</b>	<b>645</b>	<b>-1,310</b>	<b>1,070</b>	<b>0</b>	<b>0</b>	<b>31,132</b>	<b>17</b>	<b>31,149</b>	<b>19,069</b>	<b>61.22%</b>
<b>REVENUES</b>												
Governance	-							-		-	-	-
Administration	21,157			108	40			21,265.00	24	21,289	17,035	80.02%
Public Order and Safety	676				23			716.00		716	169	23.60%
Health & Environment	2,791			26	20			2,840.00		2,840	3,023	106.44%
Community Services and Education	1,376			66	20			1,462.00		1,462	1,464	100.14%
Housing and Community Amenities	241				27			268.00	34	302	274	90.73%
Water Supplies	4,417				4			4,421.00	8	4,429	3,416	77.13%
Sewerage and Drainage Services	2,416				6			2,422.00	4	2,426	2,437	100.45%
Recreation and Culture	155			510	15			680.00	10	690	582	84.35%
Mining, Manufacturing and Construction	178							178.00		178	143	80.34%
Transport and Communication	4,456			1,585	944			6,985.00		6,985	4,823	69.05%
Economic Affairs	376							376.00	15	391	456	116.62%
<b>TOTAL REVENUE</b>	<b>38,239</b>	<b>0</b>	<b>0</b>	<b>2,295</b>	<b>1,079</b>	<b>0</b>	<b>0</b>	<b>41,613</b>	<b>95</b>	<b>41,708</b>	<b>33,822</b>	<b>81.09%</b>
<b>OPERATING RESULT: (Surplus)</b>	<b>-12,173</b>	<b>2,241</b>	<b>645</b>	<b>-1,185</b>	<b>-9</b>	<b>0</b>	<b>0</b>	<b>-10,481</b>	<b>-78</b>	<b>-10,558</b>	<b>-14,753</b>	
Depreciation	9623							9,623		9,623	7,217	75.00%
Increase in Employee Leave Entitlements	2058							2,058		2,058	1,425	69.24%
<b>(PROFIT)/LOSS BEFORE CAPITAL AMOUNTS</b>	<b>(492)</b>	<b>2,241</b>	<b>645</b>	<b>(1,185)</b>	<b>(9)</b>	<b>-</b>	<b>-</b>	<b>1,200</b>	<b>(78)</b>	<b>1,122</b>	<b>(6,111)</b>	
Carrying Amount of Assets Sold	77							77		77	705	915.58%
Proceeds Sale of Assets	-316							-316		-316	-933	295.25%
Cost Real Estate Assets Sold	0							0		0	0	
Loan Funds Used	0							0		0	0	
Other Debt Finance	0							0		0	0	
Repayments by Deferred Debtors	-1							-1		-1	-3	300.00%
Acquisition of Assets	8,488	7,896	1,060	1,428	137			19,009	839	19,848	10,236	51.57%
Development of Real Estate	0							0		0	0	
Advance to Deferred Debtors	0							0		0	0	
Repayment of Loans	246							246		246	163	66.26%
Repayment of Other Debts	0							0		0	0	
<b>ESTIMATED BUDGET RESULT: (Deficit)</b>	<b>8,002</b>	<b>-10,137</b>	<b>-1,705</b>	<b>243</b>	<b>128</b>	<b>0</b>	<b>0</b>	<b>20,235</b>	<b>-761</b>	<b>20,976</b>	<b>4,057</b>	
<b>ADD BACK Non Cash Amounts</b>												
Depreciation	9,623							9,623		9,623	7,217	
Carrying Amount of Assets Sold	77							77		77	705	
Plus Net Transfers	1,693			-243	-128			-1,629	-761	-1,629	0	
Plus Equity Funding**		-10,137	-1,705					-11,842		-11,842		
<b>BUDGET (SURPLUS)/DEFICIT</b>	<b>(5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,956)</b>	<b>-</b>	<b>(2,195)</b>	<b>(3,865)</b>	
** Equity Funding is Unexpended Grants, Contributions and incomplete works from previous years where money is held in equity at end of year												
Transfers to Internally Restricted Assets	2,160							2,160		2,160	0	0.00%
Transfers from Internally Restricted Assets	-3,789							-3,789		-3,789	0	0.00%
Net Transfers	-1,629							-1,629		-1,629	0	

## EXPLANATION OF MATERIAL VARIANCES

## YTD Variances

Item	Explanation
Expenses	

## INCOME

Administration	Includes entire rate levy for 2013/2014
Public Order & Safety	Bush Fire Subsidies not received until May 2014
Health & Environment	Includes entire DWM levy Charges for 2013/2014, Includes additional DWM Charges from extension of collection routes.
Community Services and Education	Includes additional Grant funding for disability services (Connections & Link Together Centre)
Sewerage and Drainage Services	Includes entire annual sewer charges levy for 2013/2014, Additional S64 Contributions
Economic Affairs	Includes additional Private works income - offset by private works not yet completed.

## CAPITAL AMOUNTS

Carrying Amount of Assets Sold	Includes the sale of land to Boss Engineering
Proceeds Sale of Assets	Includes the sale of land to Boss Engineering

## 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 2013/2014 budget have now been funded.

## APPENDIX 4

INTERNALLY RESTRICTED ASSETS (CASH) MOVEMENTS							
30/04/2015	EST. BAL. 30/6/14	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2015	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2016
PURPOSE		Code 6210	Code 6220		Code 6210	Code 6220	
GENERAL ACTIVITIES	\$	\$	\$	\$	\$	\$	\$
BUILDING REFURBISHMENT/UPGRADE	2,567,843.18			2,567,843.18			2,567,843.18
EQUIP. UPGRADE/EMERGENCY MTCE	210,805.00			210,805.00			210,805.00
COMPUTER/IT SYSTEMS UPGRADES	758,046.00			758,046.00			758,046.00
INDUSTRIAL DEVELOPMENT	668,600.00			668,600.00			668,600.00
RESIDENTIAL DEVELOPMENT	7,309.77			7,309.77			7,309.77
AERODROME UPGRADE	508,330.00		374,000	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.	847,842.00	95,000		942,842.00	120,000		1,062,842.00
WASTE INFRASTRUCTURE	242,274.00	220,000	378,000	84,274.00	220,000		304,274.00
WASTE-EXTERNALITY SUSTAINABILITY	123,000.00	97,500		220,500.00	120,000		340,500.00
PLANT REPLACEMENT	3,656,062.00	1,774,500	1,094,000	4,336,562.00	1,676,000	1,429,000	4,583,562.00
GRAVEL PIT RESTORATION	93,076.00	17,500		110,576.00	17,500		128,076.00
GRAVEL PIT RESTORATION -Roads	30,357.00	17,500		47,857.00	17,500		65,357.00
COMMUNITY CAPITAL PROJECTS AND LAND	1,355,000.00			1,355,000.00			1,355,000.00
BUSINESS UNITS	618,616.00	1,520,000	200,000	1,938,616.00			1,938,616.00
STRATEGIC CAPITAL PROJECTS FUND	384,000.00	515,000	651,550	247,450.00	-	-	247,450.00
STRATEGIC DEVELOPMENT FUND	1,115,611.00			1,115,611.00			1,115,611.00
EMPLOYEE LEAVE ENTITLEMENTS	1,000,710.46			1,000,710.46			1,000,710.46
WORKERS COMP INSURANCE	438,903.00			438,903.00			438,903.00
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	1,752,000.00			1,752,000.00			1,752,000.00
ROAD RESUMPTIONS	20,000.00			20,000.00			20,000.00
INVERELL HOCKEY FACILITY	150,000.00			150,000.00			150,000.00
CONNECTIONS PLANT/EQUIP.	54,220.94			54,220.94			54,220.94
CONNECTIONS ELE	25,792.00			25,792.00			25,792.00
LINKING TOGETHER CENTRE ELE	17,834.45			17,834.45			17,834.45
LINKING TOGETHER CENTRE	24,000.00		24,000	-			-
ASHFORD MEDICAL CENTRE	250,000.00		250,000	-			-
SES PLANT REPLACEMENT	144,356.00		144,356	-			-
FUND TOTAL	17,758,421.80	4,257,000	3,115,906	18,899,515.80	2,171,000	1,429,000	19,641,515.80
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	1,372,260.00	265,000		1,637,260.00			1,637,260.00
FUND TOTAL	2,005,200.00	265,000	-	2,270,200.00	-	-	2,270,200.00
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	1,053,200.00	300,000	-	1,353,200.00			1,353,200.00
FUND TOTAL	1,177,278.82	300,000	-	1,477,278.82	-	-	1,477,278.82
TOTAL OF ALL FUNDS	20,940,900.62	4,822,000	3,115,906	22,646,994.62	2,171,000	1,429,000	23,388,994.62

INTERNALLY RESTRICTED ASSETS COMMITMENTS							
Note 1 - Building Refurbishment/Upgrade Projects - Asset Renewal funded from annual depreciation expense							
Note 2 - Replace Property/Revenue System							
Note 3 - Funding received from Federal Compensation Package - full runway reseal and line mark 2014/2015 \$450K - Asset Renewal							
Note 4 - Waste Management Strategy Implementation Funding and future land purchases/degradation requirements, including new Garbage Trucks, Solar Power, Weighbridges, Tip Closures etc							
Note 5 - Plant Fleet future acquisitions fund - Asset Renewal							
Note 6 - Future Capital Works/Non-Trading Land Purchases/Industrial Land Development Fund			835,000.00	Industrial Land Development			
- Other			520,000.00	NTM Development Contribution and Advance			
			1,355,000.00				
Note 7 - Strategic Capital Projects and Infrastructure Fund		Cameron Oval	247,450	2014/2015 Program	Asset Renewal - Grant Funding \$510k		
			247,450				
Note 8 - Future Capital Works		Ashford Water Treatment Plant	1,013,000.00	2012/2013 Infrastructure Renewal Program LIRS Project			
		Other Capital Works	700,000.00	Inverell Treatment Works Renewal/Refurbishment Project			
			1,713,000.00				

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



## APPENDIX 5

## CAPITAL EXPENDITURE 2014/2015

PROGRAM	LEDGER NUMBER	DESCRIPTION	ORIGINAL CAPITAL BUDGET		ADJUSTED CAPITAL BUDGET		Completa 31/03/2015	FUNDING		AMOUNT
			AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL				
ADMINISTRATIVE SERV.	159060-1000	OFFICE FURNITURE & EQUIPMENT-DESKS,CHAIRS	5,200		5,200		0%			
	134940-1000	ACQUISITION OF ART PRIZE	4,500		4,500		100%			
	160470-1000	ART GALLERY RFEFURBISHMENTS	5,000	14,700	5,000		0%			
	180511-4450	HELPING HANDS PROGRAM			16,271	30,971	85%			
ENGINEERING	160800-1100	ENGINEERS INSTRUMENTS & EQUIPMENT	2,100	2,100	2,100	2,100	100%			
BUSH FIRE	159141-1000	EQUIPMENT ISSUES	360,000	360,000	370,000	425,572	RFS	GRANT	121121-1000	425,572
	159170	RFS FIRE SHEDS			55,572					
SES	132851-4450	SES BUILDING UPGRADE	7,150	7,150	7,150		0%			
	159301-3001	ASHFORD EOC BUILDING			150,350	157,500	100%	IRA		128,000
INFORMATION SERVICES	130101-1000	COMPUTER EQUIPMENT	44,290		532,090		5%			
	130101-4910	COMPUTER EQUIPMENT	32,000		32,000		0%			
	130111-5162	COMPUTER EQUIPMENT - NEW HARDWARE	32,000	108,290	32,000	596,090	60%			
SPORTING FIELDS.	160660-1100	SPORTS GROUND IMPROVEMENT-SPORT CNL	20,000	20,000	20,000		0%	CONTRIBUTION	127090-1000	10,000
	160530-1100	VARLEY OVAL - TIOLET & STORAGE BLOCK			102,000		30%			
	160534-1100	CAMERON PARK REDEVELOPMENT			713,000		64%	GRANT	121203-1000	510,000
	160536-1100	CAMERON PARK REDEVELOPMENT - Canteen/Tiolets/Storage			180,000	1,015,000	0%			
CEMETERY	136391-4450	CEMETERY	1,000	1,000	1,000	1,000	11%	SCIF IRA	161920-6220	243,000
LIBRARY	160180-1100	LIBRARY-CORPORATE SERVICE COLLECTION	1,350		1,350		0%			
	160190-1000	LIBRARY BOOKS	51,500		51,500		69%			
	160200-1000	LIBRARY BOOKS - CO-OPERATIVE CONTRIBUTION	15,000		20,000		100%			
	160240-1000	NON BOOK MATERIALS-VIDEOS CASSETTES ETC.	9,250		9,250		94%			
	160270-1000	LIBRARY SECURITY SYSTEM	2,150		2,150		68%			
	160393-1000	LIBRARY-SPECIAL GRANT PROJECT	25,000	104,250	26,942		6%	GRANT	160389-1000	25,000
	160150-1000	REVITALISING THE LIBRARY			900		0%			
	160402-1000	LIBRARY CHILDHOOD INCLUSION GRANT			1,691	113,783	78%			
SCIF	141901-1000	SHADE SHELTER - LAKE INVERELL	25,000		25,000		0%	SCIF IRA	161920-6220	515,000
	141902-1000	NEW TOILET BLOCK - VICTORIA PARK	120,000		120,000		0%			
	141907-1000	EXTEND SHADE SHELTER - VICTORIA PARK	15,000		15,000		0%			
	134325-1000	COMMUNITY BUILDING P/SHIP	60,000		-		0%			
	141908-1000	TOWN CENTRE RENEWAL PLAN	295,000	515,000	295,000		0%			
	141906-1000	NEW FOOTPATH IN VIVIAN STREET			90,000		48%			
	142006-1000	COMMUNITY BUILDING P/SHIP - FITNESS EQUIP & SOFTFALL			29,514		100%			
	159772-1000	SOLAR PANEL INSTALLATION - ADMIN BUILDING			304,000		45%			
	134321-1000	COMMUNITY BUILDING P/SHIP - CULTUREAL ICON PROJECT			64,000		0%			
	160560-3100	COMMUNITY BUILDING P/SHIP - LIBERTY SWING VICTORIA PARK			47,000	989,514	100%			
								STRATEGIC CAPITAL PROJECTS IRA		136,550
								ASHFORD MEDICAL CENTRE IRA		250,000
OTHER	159109-1000	ASHFORD MEDICAL CENTRE			612,101		100%			
	159112-1000	TRANSPORT MUSEUM			70,000		81%			
	135250-1000	MEDICAL CENTRE INVERELL - EXTERNAL WORKS			327,000		82%			
	159115-1100	TRANSPORT MUSEUM - CARPARK			131,505		90%			
	137540-3250	TOWN/VILLAGE HALLS - IMPROVEMENTS			18,000		8%			
	147122-1100	INVERELL AERODROME - RESEAL WORKS			374,000	1,532,606	100%	AERODROME IRA		374,000
PLANT	161590-1000	SMALL PLANT	80,000		80,000		100%	PLANT REPLACE IRA	161680-6220	1,094,000
	161610-1000	WORKSHOP EQUIPMENT	20,000		20,000		0%			
	161600-1000	LIGHT CARS/TRUCKS	428,000		428,000		100%			
	161620-1000	HEAVY PLANT	882,000		882,000		100%			
	148221-1000	INVERELL WORKSHOP EQUIPMENT	40,000	1,450,000	40,000	1,450,000	0%			
								TOTAL GRANT / OTHER FUNDING		1,068,572
							TOTAL UNEXPENDED GRANTS		255,869	
							TOTAL REVOTES/EQUITY		1,546,455	
							TOTAL IRA FUNDING		2,612,550	
	TOTAL		2,582,490	2,582,490		6,314,136		REVENUE FUNDING REQUIRED		800,690
SEWERAGE	907170-1000	OTHER EQUIPMENT - Sewer Rodding Equip, Gas Detectors	11,000		11,000		16%	CAPITAL WORKS IRA	907360-6220	-
	907250-3100	RECTICULATION MAINS - INVERELL	53,000		53,000		100%	LOAN FUNDS		
	907280-3100	SEWER INVESTIGATION			200,000		8%			
	907320-3050	SEWER TREATMENT WORKS - DELUNGRA			100,000		0%	TOTAL IRA FUNDING		-
	907320-3070	SEWER TREATMENT WORKS - GILGAI			80,000		0%	GRANT FUNDING		-
	907321-3100	SEWER TREATMENT WORKS - INVERELL (LRIS)			1,475,000		0%	LOAN FUNDS		-
	906541-1100	FITTINGS & INSTALLATIONS	30,000		32,580		8%	TOTAL UNEXPENDED GRANTS		-
	907110-1100	MAINS RELINING PROGRAM	225,000		225,000		29%	TOTAL REVOTES/EQUITY		1,855,000
								REVENUE FUNDING REQUIRED		321,580
WATER	813220-1100	MAINS REPLACEMENT - INVERELL	433,000		433,000		18%			
	813230-3100	MINOR MAINS EXTENSIONS-INVERELL	55,000		55,000		100%			
	813260-3001	WATER TREATMENT PLANT UPGRADE/AUGMENTATIONS	120,000		3,733,178		72%			
	813280-3001	METERING - ASHFORD	-		-		0%	CAPITAL WORKS IRA	813380-6220	-
	813280-3020	METERING - DELUNGRA	-		-		0%			
	813280-3100	METERING - INVERELL	65,000		65,000		70%	LOAN FUNDING	W1394.514	-
	813280-3230	METERING - YETMAN	-		-		0%			
	813280-3020	METERING - BONSHAW	-		-		0%			
	813290-3100	OTHER EQUIPMENT	15,000		15,000		60%			
								TOTAL IRA FUNDING		-
							LOAN FUNDING		-	
							TOTAL UNEXPENDED GRANTS		-	
							TOTAL REVOTES/EQUITY		3,613,178	
	TOTAL		688,000	688,000		4,301,178		REVENUE FUNDING REQUIRED		688,000
ROADS	135960-3100	URBAN DRAINAGE RECONSTRUCTION-Construction Costs	107,250		176,108		8%			
	138270-1000	URBAN WORKS PROGRAM	517,000		453,130		0%			
	141341-1100	TOWN CENTRE RENEWAL			300,000		36%			
	137561-1000	BLOCK GRANT WORKS	485,000		836,267		50%	GRANT	122400-4450	485,000
	138691-1000	ACRD GRANT WORKS	1,614,731		2,065,926		80%	GRANT	122760-1000	1,824,724
	138730-4450	3x3 GRANT WORKS	160,000		160,000		0%	GRANT	122860-4450	160,000
	138280-1000	REPAIR PROGRAM WORKS (PJ143003,143004)	997,682		1,299,263		70%	GRANT	122460-1000	1,297,682
	138400-1000	ROADS TO RECOVERY PROGRAM WORKS	922,968		956,130		45%	GRANT	122880-1000	922,968
	141331-4450	CBD WORKS	17,300		17,300		20%			
	139120	VILLAGES DEVELOPMENT WORKS	26,000		104,940		33%			
	139200-1000	VILLAGES BITUMEN RESEALS	22,969		21,069		0%			
	140110-1100	GRAVEL RESHEETING MINOR ROADS	49,220		49,220		100%			
	140180-1000	GRAVEL RESHEETING MINOR ROADS	38,280		41,380		100%			
	139400-1100	TIN TOT BRIDGE CONSTRUCTION			20,847		98%			
	142301-1100	MAY STREET VIEWING AREA/LOOKOUT			14,527		6%			
	145852-1100	NETWORK & SAFETY PROGRAM			63,000		94%	GRANT	145851-1000	38,000
	160900-1000	CPTIGS - BUS SHELTERS			56,020		100%			
	140501-1000	KERB & GUTTER CONSTRUCTION			153,679		0%			
	142004-1100	HOLY TRINITY - KISS n DROP			2,702		55%			
	142005-1100	RIFLE RANGE ROAD BITUMEN EXTENSION			49,881		0%			
142220-1100	MANSFIELD STREET			250,000		0%	TOTAL IRA FUNDING		-	
145650-1000	CYCLEWAY / FOOTPATH EXTENSIONS			64,000		69%	GRANT FUNDING		4,728,374	
							TOTAL 13/14 UNEXPENDED GRANTS		804,373	
							TOTAL REVOTES/EQUITY		920,218	
	TOTAL		4,958,400	4,958,400		7,165,389		REVENUE FUNDING REQUIRED		702,424
		TOTAL ACQUISITION OF ASSETS	8,547,890		19,947,283			TOTAL IRA FUNDING		2,612,550
		TOTAL ASSET RENEWALS	8,222,390		17,395,970			GRANT FUNDING		5,826,946
		TOTAL NEW ASSETS	325,500		2,551,313			TOTAL 13/14 UNEXPENDED GRANTS		1,060,242
								TOTAL 13/14 REVOTES/EQUITY		7,934,851
								REVENUE FUNDING REQUIRED		2,512,694
								TOTAL		19,947,283
								Capital Expenditure		

Capital Expenditure



## APPENDIX 6

**INVERELL SHIRE COUNCIL  
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-2015  
CAPITAL BUDGET**

	ORIGINAL BUDGET 2014/2015 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2014/2015 (000's)	ACTUAL YTD (000's)
		Revotes (000's)	Unexpended Grants (000's)	Sept 2014 Review (000's)	Dec 2014 Review (000's)	Mar 2015 Review (000's)	June 2015 Review (000's)				
<b>CAPITAL FUNDING</b>											
Rates and Other untied Funding											
General Fund	1,348				18			1,366	46	1,412	1,412
Sewer Fund	64				2			66		66	66
Water Fund	405							405		405	405
Capital Grants & Contributions											
Bushfire	360				66			426		426	180
Sporting Fields	10			650				660		660	510
Library	25							25		25	25
Roads	4,189			535	(77)			4,647		4,647	3,844
Other Structures									32	32	32
Internal Restricted Assets											
Aerodrome											
Plant Replacement	1,094							1,094	374	1,468	
Ashford Medical Centre									250	250	
Sewerage Future Capital Works	-							-		-	
Water Future Capital Works	-							-		-	
Strategic Capital Projects Fund	455			243				698	137	835	
Loan Funding	-							-		-	
Equity (Unexpended Grants and Contributions from previous years)		7,896	804		128			8,828		8,828	8,700
<b>TOTAL CAPITAL FUNDING</b>	<b>7,950</b>	<b>7,896</b>	<b>804</b>	<b>1,428</b>	<b>137</b>			<b>18,215</b>	<b>839</b>	<b>19,054</b>	<b>15,174</b>
<b>CAPITAL EXPENDITURE</b>											
Administrative Services	15		16					31		31	19
Aerodrome	-							-	374	374	374
Engineering Equipment	2							2		2	2
SES/Bushfire	367	22			194			583		583	231
Information Services	108	488						596		596	46
Sporting Fields	20	102		893				1,015		1,015	490
Cemetery	1							1		1	1
Library	104		5					109	5	114	68
Plant	1,450							1,450		1,450	1,390
Other Structures/Buildings	455	896	235		18			1,604	419	2,023	1,316
Sewerage Services	64	1,855			2			1,921		1,921	156
Water Services	405	3,613						4,018		4,018	2,858
Roads	4,959	920	804	535	(77)			7,141	41	7,182	3,849
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>7,950</b>	<b>7,896</b>	<b>1,060</b>	<b>1,428</b>	<b>137</b>			<b>18,471</b>	<b>839</b>	<b>19,310</b>	<b>10,800</b>

**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 2014/2015 budget have now been funded.



## APPENDIX 7

**INVERELL SHIRE COUNCIL**  
**INVESTMENTS HELD 31-3-15**

Term Deposits							
Maturity Date	Current Yield	Borrower	FUND	Rating	Risk Rating	Principal Value	Current value
08-Apr-15	3.60%	St George Bank	General	A1+	1	2,000,000.00	2,000,000.00
16-Apr-15	3.80%	St George Bank	General	A1+	1	1,000,000.00	1,000,000.00
17-Apr-15	3.55%	St George Bank	General	A1+	1	1,000,000.00	1,000,000.00
27-May-15	3.11%	St George Bank	Water	A1+	1	1,000,000.00	1,000,000.00
28-May-15	3.15%	Bank West	Sewer	A1+	1	2,000,000.00	2,000,000.00
28-May-15	3.65%	CBA	General	A1	2	1,000,000.00	1,000,000.00
01-Jun-15	3.70%	National Australia Bank	General	A1+	1	2,000,000.00	2,000,000.00
10-Jun-15	3.70%	National Australia Bank	General	A1+	1	1,000,000.00	1,000,000.00
17-Jun-15	3.65%	National Australia Bank	General	A1+	1	2,000,000.00	2,000,000.00
22-Jun-14	3.65%	National Australia Bank	Water	A1+	1	1,000,000.00	1,000,000.00
15-Jul-15	3.75%	National Australia Bank	General	A1+	1	2,000,000.00	2,000,000.00
27-Jul-15	3.07%	St George Bank	Water	A1+	1	1,000,000.00	1,000,000.00
13-Aug-15	3.75%	National Australia Bank	Water	A1+	1	1,000,000.00	1,000,000.00
18-Aug-15	3.60%	AMP BANK	General	A1	2	1,000,000.00	1,000,000.00
24-Aug-15	3.11%	ING	General	A1	2	1,000,000.00	1,000,000.00
02-Sep-15	3.70%	St George Bank	Water	A1+	1	1,000,000.00	1,000,000.00
04-Sep-15	4.00%	NECU (community mutual)	General	NR	3	1,000,000.00	1,000,000.00
11-Sep-15	4.00%	NECU (community mutual)	General	NR	3	1,000,000.00	1,000,000.00
14-Sep-15	3.03%	ING	General	A1	2	1,000,000.00	1,000,000.00
16-Sep-15	4.00%	CBA	General	A1	2	1,000,000.00	1,000,000.00
16-Sep-15	4.11%	National Australia Bank	General	A1+	1	1,000,000.00	1,000,000.00
17-Sep-15	3.61%	National Australia Bank	Sewer	A1+	1	2,000,000.00	2,000,000.00
23-Sep-15	4.00%	NECU (community mutual)	General	NR	3	1,000,000.00	1,000,000.00
15-Oct-15	3.60%	National Australia Bank	General	A1+	1	1,000,000.00	1,000,000.00
28-Oct-15	3.59%	Westpac	General	A1+	1	3,000,000.00	3,000,000.00
11-Dec-15	3.55%	CBA	Sewer	A1+	1	1,500,000.00	1,500,000.00
12-Dec-16	3.80%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
16-Dec-16	4.31%	Westpac	General	A1+	1	2,000,000.00	2,000,000.00
15-Jul-17	4.05%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
15-Jul-17	4.05%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
15-Jul-17	4.05%	CBA	General	A1+	1	1,000,000.00	1,000,000.00
01-Sep-17	3.90%	CBA	General	A1	2	1,000,000.00	1,000,000.00
03-Sep-18	4.10%	Bank of Queensland	General	A1	2	1,000,000.00	1,000,000.00
Sub Total - Term Deposit Investment Group						42,500,000.00	42,500,000.00

Cash Deposit Accounts							
As at Date	Current Yield	Borrower	FUND	Rating	Risk Rating	Principal Value	Current value
31/03/2015	2.80%	National Australia Bank (Cash Maximiser)	General	A1+	1	2,000,000.00	2,000,000.00
31/03/2015	2.25%	UBS Cash Manmagement Account	General	A1+	1	2,768.92	2,768.92
Sub Total - Cash Deposit accounts Investment Group						2,002,768.92	2,002,768.92

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

Structured Product Investments Group				Maturity Date					
As at Date	Current Yield	Borrower		FUND	Rating	Risk Rating	Principal Value	Written Down Value 30-6-14	Current value
31/03/2015	0.000%	Lehman Brothers Treasury Co. B.v (CPPI - 7457)	9/05/2010*	Water	AA-	5	300,000	48,000.00	30,000.00
							300,000	48,000.00	30,000.00

\* Terminated Lehman Brothers Securities

Portfolio by Fund	
General Fund	34,002,768.92
Water Fund	5,030,000.00
Sewer Fund	5,500,000.00
<b>TOTAL</b>	<b>44,532,768.92</b>

Portfolio by Fund	as at 28-2-2015	as at 31-3-2015
General Fund	34,002,768.92	34,002,768.92
Water Fund	5,030,000.00	5,030,000.00
Sewer Fund	5,500,000.00	5,500,000.00
<b>TOTAL</b>	<b>44,532,768.92</b>	<b>44,532,768.92</b>



## APPENDIX 8

**INVERELL SHIRE COUNCIL  
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-2015  
CASH & INVESTMENTS**

	ORIGINAL BUDGET 2014/2015 (000's)	Approved Changes					REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2014/2015 (000's)	ACTUALS (000's)
		Revotes (000's)	Sept 2014 Review (000's)	Dec 2014 Review (000's)	Mar 2015 Review (000's)	June 2015 Review (000's)				
<b>EXTERNALLY RESTRICTED</b>										
Water Services	7,308						7,308		7,308	7,308
Sewerage Services	3,900						3,900		3,900	3,900
Waste Management	1,382						1,382		1,382	1,382
Special Purpose Grants	1,638						1,638		1,638	3,448
Developer Contributions	296						296		296	157
Bonds & Deposits	25						25		25	30
Stormwater Management	-						-		-	109
Other Contributions	118						118		118	72
<b>TOTAL EXTERNALLY RESTRICTED</b>	<b>14,667</b>						<b>14,667</b>		<b>14,667</b>	<b>16,406</b>
<b>INTERNALLY RESTRICTED</b>										
Employee Leave Entitlements	1,044						1,044		1,044	1,044
Strategic Development Fund	1,115						1,115		1,115	1,115
Plant Replacement	3,656						3,656		3,656	3,656
Computer	758						758		758	758
Administration Building	2,568						2,568		2,568	2,568
Aerodrome	508						508		508	508
Workers Compensation Insurance	439						439		439	439
Future Capital Works/Land Purchases	1,355						1,355		1,355	1,355
Emergency Management/ Equipment Upgrades	211						211		211	211
Special Capital Projects	384						384		384	384
Town Hall Upgrade	100						100		100	100
Other Restrictions	4,238						4,238		4,238	4,238
<b>TOTAL INTERNALLY RESTRICTED</b>	<b>16,376</b>						<b>16,376</b>		<b>16,376</b>	<b>16,376</b>
<b>TOTAL RESTRICTED</b>	<b>31,043</b>						<b>31,043</b>		<b>31,043</b>	<b>32,782</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>40,509</b>						<b>40,509</b>		<b>41,025</b>	<b>44,532</b>
<b>AVAILABLE WORKING CAPITAL</b>	<b>9,466</b>	Figure incl. revotes & Unexpended grants from 2013/14 \$4.7m					<b>9,466</b>		<b>9,982</b>	<b>11,750</b>

*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 sound and as at 31 March 2015 Councils Cash and Investment Portfolio totalled \$44.5 million plus \$1.4 million Cash at bank. This includes securities with a market value of \$30K that are subject to 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	16,406
Total Internal Restricted Funds	16,376
Total Restricted	32,782
Total Funds Invested as per Investment Report (31-03-15)	44,532
Total Available Working Capital	11,750

**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 as at 31 March 2015, 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, 2015, 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.



## APPENDIX 9

**INVERELL SHIRE COUNCIL  
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-15  
CONTRACTS**

Contractor	Contract Details & purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
	<i>No contracts entered into during this period</i>				

**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 31-03-2015  
CONSULTANCY & LEGAL EXPENSES**

EXPENSE	EXPENDITURE YTD	BUDGETED (Y/N)
<b>CONSULTANCIES</b>		
Heritage Advisor	10,800.00	Y
Waste Management	5,600.00	Y
Investment Advisor	13,050.69	Y
NSW Public Works	7,816.64	Y
<b>LEGAL FEES</b>	6,780.57	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**

## APPENDIX 10

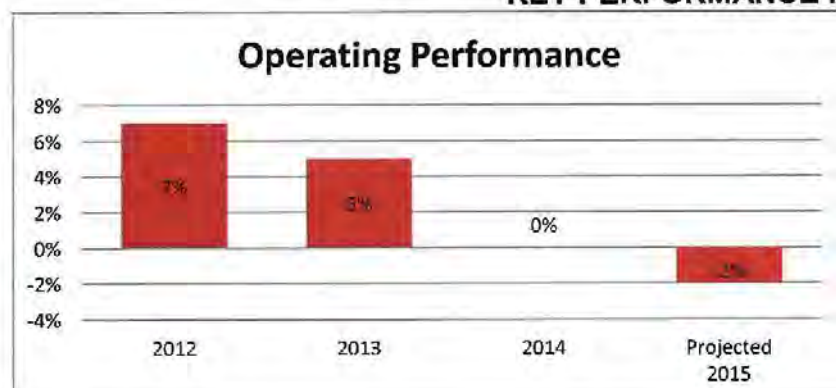
## INVERFLEET OPERATIONS 2014-2015

FROM 01-Jul-2014 TO 30-Apr-2015

SUFFIX	DESCRIPTION	2015 BUDGET	2015 Y.T.D.	% VOTE	BALANCE
	Operators Wages	30,000	83,299	277.7%	-53,299
	Mechanics Wages	208,110	259,112	124.5%	-51,002
	Repairs	15,000	353	2.4%	14,647
	Parts	335,000	323,823	57.1%	243,177
	Tyres	217,000	146,279	8.6%	70,721
	Fuel	1,150,000	826,356	71.9%	323,644
	Registration	190,000	93,805	49.4%	96,195
	Accident Expenses	7,500	-	0.0%	7,500
	Depreciation	1,710,000	1,282,500	75.0%	427,500
	Oils & Lubricants	45,000	27,117	60.3%	17,883
	Cutting Edges	65,000	42,656	65.6%	22,344
	Insurance	143,000	148,736	104.0%	-5,736
148170	Miscellaneous +G4817.000	200,000	81,938	41.0%	118,062
148190	Insurance Excess	8,000	8,162	102.0%	-162
148210	Ashford Workshop Exp.	20,000	7,330	36.7%	12,670
148220	Inverell Workshop Exp.	40,000	33,588	84.0%	6,412
148230	Apprentice Exp.	12,500	8,161	65.3%	4,339
148240	Administration Charge	248,568	186,426	75.0%	62,142
148250	Small Plant & Tools	62,670	72,516	115.7%	-9,846
994825	Depreciation Small Plant & Tools	64,500	48,375	75.0%	16,125
148260	Plant & Tools under \$750	3,000	-	0.0%	3,000
148280	Oncosts (Super,w/comp etc.)	138,075	108,142	78.3%	29,933
146370	2 Way Radio SYSTEM UPGRADE	0	-	0.0%	0
146380	2 Way Radio M & R	6,455	10,701	165.8%	-4,246
146390	2 Way Radio Installations	2,500	-	0.0%	2,500
146400	2 Way Radio Licences	1,350	1,438	106.5%	-88
<b>TOTAL OPERATING COSTS:</b>		<b>4,923,228</b>	<b>3,800,813</b>	<b>77.2%</b>	<b>1,388,413</b>
128780	Council Hire	-4,799,000	3,935,982	82.0%	-863,018
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	-1,500	-	0.0%	-1,500
148400	Small Plant & Tools	-117,190	87,893	75.0%	-29,298
<b>TOTAL OPERATING INCOME:</b>		<b>-4,923,690</b>	<b>4,023,875</b>	<b>81.7%</b>	<b>-1,299,794</b>
<b>NET RESULT:</b>		<b>-462</b>	<b>223,062</b>	<b>48281.8%</b>	<b>222,600</b>
Less Plant Upgrade/New Plant added to fleet		0	-	0.0%	0
Less Capital Replacement Inflation Allowance		-	128,250	-	-
		<b>-462</b>	<b>94,812</b>	<b>20522.1%</b>	<b>94,350</b>
<b>REPLACEMENT PROGRAM</b>					
161620	Heavy Plant Purchases	882,000	1,112,765	126.2%	-230,765
161600	Light Plant Purchases	428,000	522,302	122.0%	-94,302
161590	Small Plant Purchases	80,000	89,743	112.2%	-9,743
148221	Workshop Equipment	20,000	-	0.0%	20,000
		<b>1,410,000</b>	<b>1,724,810</b>	<b>122.3%</b>	<b>-314,810</b>
168100	Sale of Heavy Plant	-142,000	87,274	61.5%	-54,726
168110	Sale of Light Plant	-174,000	282,552	162.4%	108,552
168120	Sale of Small Plant	0	1	0.0%	1
<b>NET RESULT:(Surplus)/Deficit</b>		<b>1,094,000</b>	<b>1,354,983</b>		<b>-260,983</b>
<b>PLANT RESERVE</b>					
G6168	Estimated Balance 1.7.14	3,656,062	-		3,656,062
G6168.802	Transfer from 2014/2015	-1,094,000	-		-1,094,000
G6168.801	Transfer to 2014/2015	1,774,500	-		1,774,500
G6168	Balance 30.06.2015	4,336,562	-		4,336,562



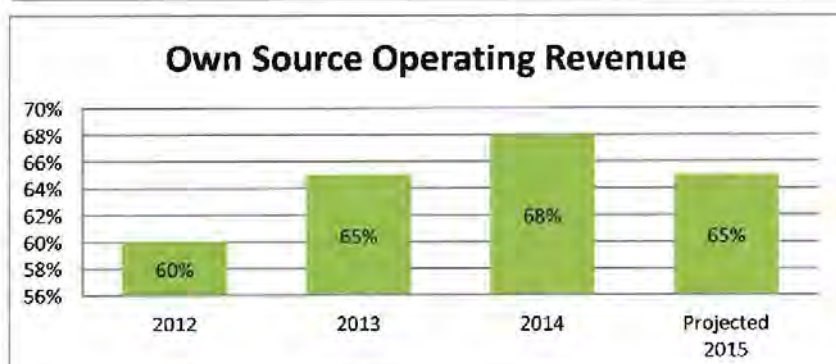
**INVERELL SHIRE COUNCIL  
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-2015  
KEY PERFORMANCE INDICATORS**



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%.

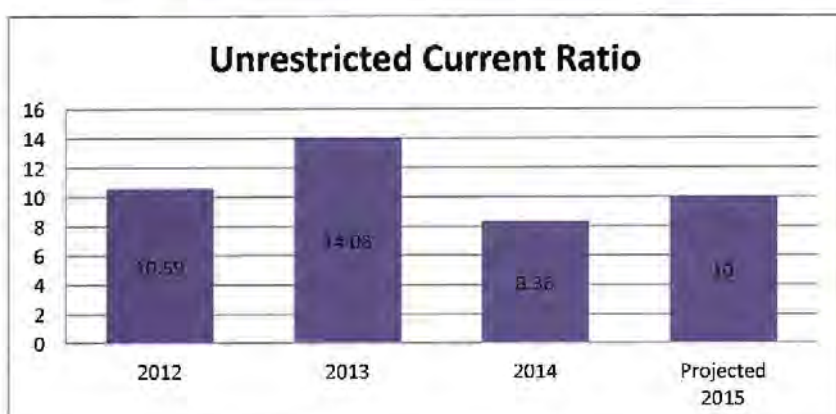
The "fit for the future" benchmark is that council should have a breakeven or better operating performance ratio over a three year period.



The **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.

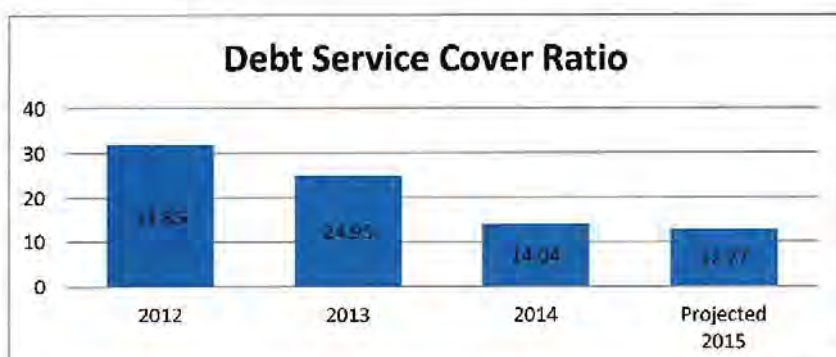


The **Unrestricted Current Ratio** excludes all current assets and liabilities that are restricted for specific purposes. These include the water, sewer, domestic waste management functions and specific purpose unexpended grants and contributions

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

The Tcorp benchmark is greater than 1.5

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



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

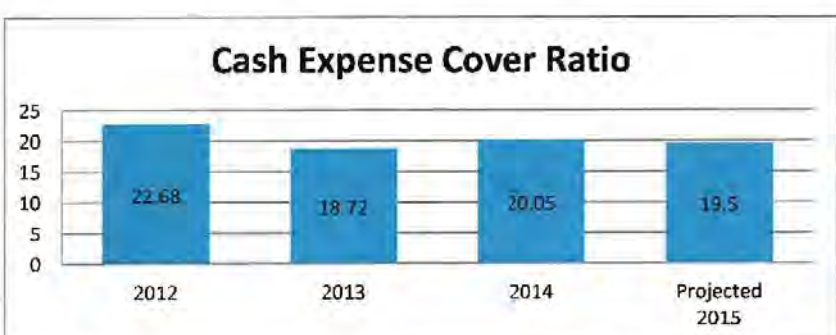
The Tcorp benchmark is to have a ratio of greater than 2.



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

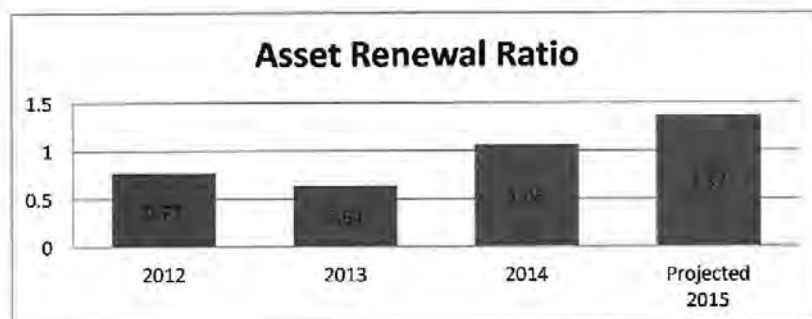
The Tcorp benchmark is to have a ratio of less than 10%



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 31-03-2015  
KEY PERFORMANCE INDICATORS**

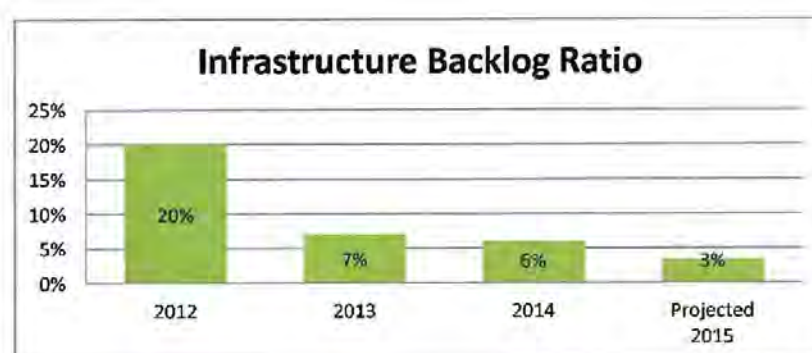


The **Asset Renewal Ratio** indicates the rate at which assets are being renewed against the rate they are being depreciated.

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

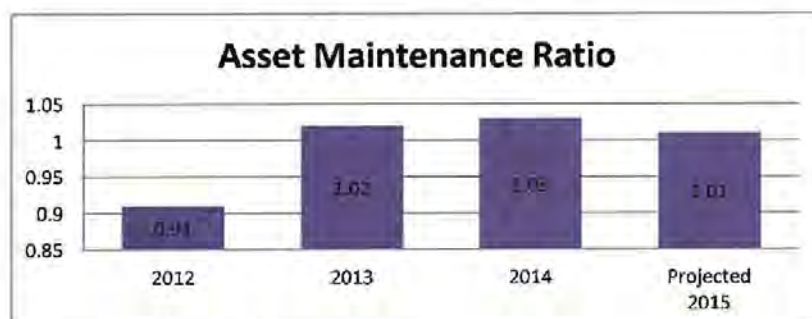


The **Infrastructure Backlog Ratio** assess Council infrastructure backlog against the total value of councils infrastructure.

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

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

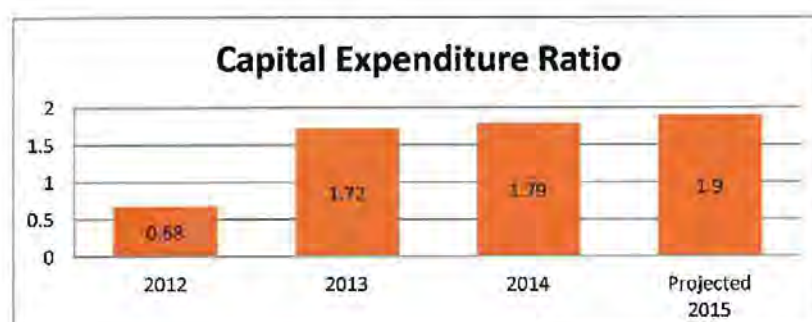
2012 figure (20%) was the cost to bring all Shire roads up to HML standard.



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%



The **Capital Expenditure Ratio** indicates the extend to which Council is forecasting to expend its asset base with capital expenditure spent on both new assets and replacement and renewal of existing assets.

The Tcorp benchmark is a ratio of greater than 1.1.