

INVERELL SHIRE COUNCIL

NOTICE OF MEETING

ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE

4 November, 2016

An Economic & Community Sustainability Committee Meeting will be held in the Committee Room, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 9 November, 2016, commencing at 10.30am.

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

P J HENRY PSM

GENERAL MANAGER






A G E N D A

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

Quick Reference Guide

Below is a legend that is common between the:

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

<i>Destinations</i>	<i>Icon</i>	<i>Code</i>
<p>1. A recognised leader in a broader context.</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>2. A community that is healthy, educated and sustained.</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>3. An environment that is protected and sustained.</p> <p>Giving priority to sustainable agriculture, the protection and conservation of rivers, waterways bio diversity and the built environment.</p>		E
<p>4. A strong local economy.</p> <p>Giving priority to economic and employment growth and the attraction of visitors.</p>		B
<p>5. The Communities are served by sustainable services and infrastructure.</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, 9 November, 2016

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MINUTES OF THE ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE
MEETING HELD IN THE COMMITTEE ROOM, INVERELL SHIRE COUNCIL, 144
OTHO STREET, INVERELL ON WEDNESDAY, 12 OCTOBER, 2016, COMMENCING
AT 11.00AM.

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

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

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).

SECTION A

APOLOGIES:

There were no apologies received.

1. CONFIRMATION OF MINUTES

RESOLVED (Michael/Watts) that the Minutes of the Economic and Community Sustainability Committee Meeting held on 10 August, 2016 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.

Note: Cr Michael has previously declared a conflict of interest in the land matter dealt with at item 2 in the confidential section.

3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil.

4. ELECTION OF CHAIRPERSON

CSOP-A The General Manager advised Councillors of the requirements of Council's Meeting Code and the need to elect a Chairperson for the next one (1) year term.

The General Manager advised Councillors of the entitlement under the Code for the Mayor to Chair Committee Meetings. Cr Harmon advised the General Manager that he declined to exercise the right to Chair the Meeting, inviting the General Manager to call for nominations for the position of Chairperson.

The General Manager called for nominations for the position of Chairperson:

One (1) nomination for the position of Chairperson was received being Cr Watts. There being only one (1) nomination, Cr Watts was declared duly elected as Chairperson for the ensuing one (1) year period and assumed the Chair.

At this juncture the time being 11.08am Cr Watts assumed the Chair.

5. INDUCTION – ECONOMIC & COMMUNITY SUSTAINABILITY SERVICES

The Director Corporate & Economic Services, Mr Ken Beddie gave a presentation to Councillors which included a brief overview of the Corporate & Economic directorate. Mr Beddie also addressed the Committee on Council's Fit for the Future Roadmap and Council's financial position.

SECTION B
ADVOCACY REPORTS

Cr Michael Regional Australia Bank

Cr Michael attended, on behalf of the Mayor, the Regional Australia Bank (RAB) Community Partnership Program ceremony on Thursday, 29 September, 2016.

This year, the RAB presented \$48,322.76 to 83 community groups of Ashford, Bundarra and Inverell.

SECTION D
DESTINATION REPORTS

1. COUNCILLOR WORKSHOPS - HIT THE GROUND RUNNING S13.6.11

GM-A *RESOLVED (Michael/Harmon) that arrangements be made for interested Councillors to be registered to attend the 'Hit the Ground Running' Workshop to be held in Tamworth on Thursday, 27 October, 2016.*

2. SERVICE LEVEL REQUIREMENTS - FLOOD MONITORING S18.6.19

MCE-A *RESOLVED (Michael/Harmon) that:*

- i) *the 2015/2016 Services Agreement for Hydrometric Services be completed and the \$99,078 fee be paid; and*
- ii) *Council seek the support of the Member for Northern Tablelands, Mr Adam Marshall and Local Government NSW in having the State Wide Flood Gauge Fees included in the new property based Emergency Services Levy on the basis of the wide benefits flowing to the community from the Flood Gauge Warning Systems being in place.*

3. OPERA NORTH WEST S26.3.14

MOTION (Michael/Harmon) that the Committee recommend to Council that Council provide \$5K in cash and up to \$5K in-kind of sponsorship to the 2017 Opera in the Paddock event.

The Motion on being put to the meeting was lost.

GM-A *RESOLVED (Harmon/Dight) that the Committee recommend to Council that:*

- i) *Council provide \$10K in cash and up to \$5K in-kind of sponsorship to the 2017 Opera in the Paddock event; and*
- ii) *the additional \$5K be funded from the Tourism Promotion Budget.*

4. LAND MATTER - RIFLE RANGE ROAD, INVERELL (LISTING) S5.2.0/09

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

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

5. 104 OTHO STREET, INVERELL (LISTING) S5.2.1/18

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

- i) *the matters and information are 'Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.' (Section 10A(2)(c) 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.*

6. LOCAL GOVERNMENT BOUNDARY ADJUSTMENT – TINGHA S13.1.1

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

- i) *Mr Marshall be advised that the course of action he has proposed to expedite the matter is supported; and*
- ii) *any necessary action be undertaken with Mr Marshall and the Administrator of Armidale Dumaresq Council on the mapping of an appropriate boundary between Inverell and Armidale Dumaresq Councils.*

7. PROPOSED BOUNDARIES FOR JOINT ORGANISATIONS (JO)
S13.1.2

GM-A *RESOLVED (Harmon/Michael) that the Office of Local Government be advised that Inverell Shire Council supports the proposed boundary for the New England Joint Organisation.*

8. REQUEST FOR REDUCTION IN TOWN HALL HIRE FEES – DANTHONIA
BRUDERHOF COMMUNITY S12.22.1/08 & S5.24.4/08

CSOP-A *RESOLVED (Michael/Harmon) that the Committee recommend to Council that Council provide a donation of \$200 to the Danthonia Bruderhof Community Christmas event.*

SECTION E
INFORMATION REPORTS

1. TAKE CHARGE YOUR FUTURE IS IN YOUR HANDS BY GRAHAM HYMAN
PRESENTED BY INVERELL SHIRE COUNCIL S8.2.3/08

RESOLVED (Michael/Harmon) that the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 12 October, 2016, be received and noted.

SECTION F
QUESTIONS WITHOUT NOTICE

DCS-A	Director Corporate & Economic Services	<u>Airspeed Aviation</u> <u>S30.16.4</u> Director Corporate & Economic Services, Mr Ken Beddie advised the Committee of an approach by the Director of Airspeed Aviation, Mr Ben Wyndam for Council support of a campaign for time slots at Sydney Airport to be allocated to regional airlines. It was noted that Sydney Airport timeslots are regulated by a Federal Government Act on aircraft movement and operating periods, and Senator Williams has already committed to pursuing this matter in a meeting with Mr Wyndam.
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RESOLVED (Michael/Harmon) that the Committee recommend to Council that Council write to Mr Wyndam advising of Council's support for the campaign for time slots to be allocated to rural regional Australia.

GM-A	Cr Dight	<u>Telstra Upgrade of a Mobile Phone Station at Yetman</u> <u>S18.6.62</u> Cr Dight advised the Committee of a Telstra proposal to upgrade a telecommunications facility at Warialda Road, Yetman. The proposal has been advertised seeking written submissions by the 17 October, 2016. Mr Henry advised that Council will make a submission in support of the proposed upgrades.
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SECTION H
GOVERNANCE REPORTS

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

RESOLVED (Michael/Dight) 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 1.22pm, 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. No members of the public were present to make representations.

CLOSED COMMITTEE REPORTS

RESOLVED (Harmon/Dight) 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 1.35pm, 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 - RIFLE RANGE ROAD, INVERELL S5.2.0/09

GM-A *That the Committee recommend to Council that Mr Basson be advised that:*

- i) the required land, being part Lot 12, DP 1196708 is available for sale on a deferred settlement arrangement;*
- ii) the purchase price will be determined by market appraisal plus subdivision costs;*
- iii) the sale will be subject to a three (3) year settlement wherein the deferred payment arrangement will attract a 3% p.a charge on the asking price;*
- iv) Council will not give any warranty or undertaking as to the necessary or required development approval or zoning compatibility;*
- v) the sale be subject to any other terms and conditions as deemed necessary or as negotiated with the General Manager; and*
- vi) all necessary documents be executed under Common Seal of Council.*

At this juncture, the time being 1.27pm, Cr Michael declared a pecuniary interest in Section G, Confidential Reports, Item 2, '104 Otho Street, Inverell'. The nature of the interest relates to Cr Michael's association with a developer with a possible interest in the property. Cr Michael left the meeting.

2. 104 OTHO STREET, INVERELL S5.2.1/18

GM-A *That the Committee recommend to Council that:*

- i) the listing price for this parcel of land be \$250K;*
- ii) the land be listed with all Inverell based Real Estate Agents; and*
- iii) the condition requiring a development of "an appropriate scale and capacity" be attached to the offering.*

At this juncture, the time being 1.35pm, Cr Michael returned to the meeting.

ADOPTION OF RECOMMENDATION

RESOLVED (Harmon/Dight) that the recommendation from Closed Committee be adopted.

There being no further business, the meeting closed at 1.36pm.

CR J A WATTS

CHAIRPERSON

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 09/11/2016

ITEM NO:	1.	FILE NO: S5.10.43 & S5.10.84
DESTINATION 5:	The communities are served by sustainable services and infrastructure.	S
SUBJECT:	EXPIRING AGREEMENTS	
PREPARED BY:	Hayley Nichols, Corporate Support Officer - Publishing	

SUMMARY:

The Committee is advised of two (2) Agreements that are due to expire in December, 2016. The Committee is requested to consider the Licence/Lease holders for new Agreements.

COMMENTARY:

Two (2) Agreements are due to expire in December, 2016. The listed Agreements herein have been audited for compliance of Licence conditions and payment of associated fees.

Both have been found to be compliant to the required conditions and to meeting Council's expectation of maintaining the quality of Council land.

It is noted that licences/leases are issued subject to Council being provided with Public Liability Insurance for \$10M. These Policies now cost over \$500 p.a.

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

1. Lease Agreement, Mr Nick King – Building at Inverell Pool, known as the “Gym”, Evans Street, Inverell.

The Lease Agreement is for the 260m² internal area commonly known as the GYM, in Evans Street which comprises part of the whole building known as the Inverell Memorial Baths, but excluding the areas listed below:

- a) The Inverell Memorial Baths and Grounds
- b) The Inverell Amateur Swimming Club Room
- c) The Inverell Amateur Swimming Club Storage Room

The authorised use of the building is for the purpose of a 'Gym'/Lifestyle Centre. Public Liability insurance is required to the amount of \$10M.

An inspection of the area confirms use is in accordance with the Lease Agreement.

Last amount billed \$814.50 (GST Inclusive), being for one (1) month (\$27.15 per day).

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with Mr Nick King for the Building at Inverell Pool, known as the “Gym”, Evans Street, Inverell for a three (3) year period with a further three (3) year option under the same terms and conditions;
- ii) the lease fee be \$27.96 per day (GST Inclusive) subject to annual CPI adjustments; and
- iii) the Lease Agreement be subject to any other terms and conditions as negotiated by Council’s General Manager.

2. Licence Agreement, Mr Owen Lewis – Part Lot 7313, DP 1135965 and Part Unformed Road, Ross Street, Inverell.



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

An inspection of the area confirms use is in accordance with the Licence Agreement.

Last amount billed \$344.79 (GST inclusive).

Please note that an address will be made in the public forum session at todays meeting by the Community Garden Group. If the approach from the Group is supported, then a month to month licence may be advisable.

RECOMMENDATION:

A matter for the Committee.

ITEM NO:	2.	FILE NO: S12.22.1/10
DESTINATION 2:	A community that is healthy, educated and sustainable	C
SUBJECT:	SPONSORSHIP REQUEST – 2017 INVERELL TOUGHEN UP CHALLENGE	
PREPARED BY:	Hayley Nichols, Corporate Support Officer - Publishing	

SUMMARY:

Council has received a request from Lynn Lennon, Inverell Toughen Up Challenge Secretary requesting Council become a sponsor for the 2017 event.

COMMENTARY:

Council has received a request from Lynn Lennon, Inverell Toughen Up Challenge Secretary requesting Council again become a sponsor for the event. The 2017 Inverell Toughen Up Challenge is to be held 11 March, 2017.

The 2016 Inverell Toughen Up Challenge was a success with participants travelling from all across NSW and QLD. To date, a total of \$21,667 has been raised and donated back to the Inverell community. Ms Lennon advises that the proceeds from the 2017 event will be gifted to the Inverell Rescue Squad and Rotary Club of Inverell East.

The 2016 event seen the introduction of the inflatable "ObstAcool" course as part of the junior competitions which contributed to the 326 junior entrants. In addition, the adults section increased by 22 teams on 2015.

Since the inception of the event in 2013, Council has purchased the Silver sponsorship package valued at \$500 (plus GST). It is recommended that Council sponsor the 2017 event by again purchasing the Silver package.

A copy of the correspondence received from the Inverell Toughen Up Challenge Committee which entails the Gold, Silver and Bronze sponsorship packages available is attached as Appendix 1 (D8 – D9).

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: C.10 Contribute to the health of the community by promoting healthy lifestyles and practices.

Term Achievement: C.10.01 Council is actively supportive and involved in programs and initiatives that promote and contribute healthy lifestyles and practices.

Operational Objective: C.10.01.01 To establish measures and processes to protect the environment and safety of the residents of the Shire through both direct control and education.

POLICY IMPLICATIONS:

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

CHIEF FINANCIAL OFFICERS COMMENT:

Council provided sponsorship of \$500 to the 2016 Event on the basis of the economic and social benefits it would bring to the Shire.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the Committee recommend to Council that Council provide the same sponsorship as in previous years, being the Silver Sponsorship Package valued at \$500 plus GST.

ITEM NO:	3.	FILE NO: S5.10.10
DESTINATION 2:	A community that is healthy, educated and sustainable	C
SUBJECT:	ADDITIONAL CARPARKING - CATHERINE CAMPBELL CENTRE	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

The Committee is requested to determine a position on the request by Inverell District Family Services (IDFS) to construct an extension to the carpark attached to the Catherine Campbell Centre.

COMMENTARY:

Council owns the Catherine Campbell Centre site, located at 71 – 77 Campbell Street, Inverell. This building is licensed to Inverell District Family Services (IDFS), which provides long day care services for children aged 0 – 5 years out of the building.

Earlier this year, IDFS undertook the following improvement works to this property:

- Provision of roof over sandpit,
- Removal & replacement of shade shelters
- Alterations to internal configuration of building,
- Removal of gas store and concrete slab,
- Removal of pergola and shade cloth,
- Replacement of some roof sheeting with laserlite.

The cost of these works was in excess of \$110K.

IDFS have advised that the increased demand for their services has resulted in pressure being placed on the existing carpark attached to the Centre, located off the busy Campbell Street. The Service seeks Council's assistance for the extension of the sealed car parking area.

a) The Request

The Service seeks a 15m x 20m extension of the carpark. This would provide space for an additional 10 cars to park off the street.

A map of the requested extension is below.



b) The Costs

A pre-design estimate of the requested extension is \$17,600K (inc GST).

c) Supporting Information

A total complement of between 10 and 12 staff work at the centre each day. Staff usually park on the grassed area, leaving the sealed area for peak pick up times.

The peak demand for the carpark is between 8.30am – 10.00am and 3pm – 5pm for drop off/pick up times.

It is noted that carparking occurs on the footpath (up against the kerb line) which is not an ideal situation.

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.01.03 Facilitate community development and growth through the support of community groups.

Operational Objective: C.01.03.01 To provide an annual allocation of support funding to enable donations to be considered by Council to assist community groups in achieving their community objectives.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

The funding for this project could be provided from Council's Industry Assistance Budget, noting it will be a Council Asset.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

A matter for the Committee.

ITEM NO:	4.	FILE NO: S12.22.1/09
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	REQUEST FOR ASSISTANCE – INVERELL GIRL GUIDES	
PREPARED BY:	Hayley Nichols, Corporate Support Officer-Publishing	

SUMMARY:

Council has received a letter of request from the Inverell Girl Guides asking for support towards the costs associated with bringing the Guide Hall up to standard, as a result of a recent nationwide audit by Girl Guides Australia.

COMMENTARY:

Inverell Guides is a not-for-profit volunteer organisation that has a small unit of 15 girls. Girl Guides provides leadership and personal skills development for its members.

Council has received a letter of request from the Inverell Girl Guides asking for support towards the costs associated with bringing the Guide Hall up to standard as a result of a recent nationwide audit by Girl Guides Australia.

The audit found the Guide Hall to be non-compliant as the facility does not have hard wired emergency exit lights or doors that meet safety standards. The Guides have obtained quotes that indicate it would be in excess of \$1700 to make the Hall compliant.

The Guides advise that, despite their best fundraising efforts, there is still a significant short fall. To date, the Guides have raised approximately \$1000 towards the associated costs.

It is noted that Council is the trustee of the land the Guide Hall is situated on and any works ultimately become a Council Asset.

The Committee is being asked for support by way of contributing towards the costs of making the Hall compliant.

A full copy of the received correspondence is attached as Appendix 2 (D10) for the Committee's information.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT 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:

A contribution in this matter could be provided from Council's Industry Assistance Budget as Council is the Trustee of the land.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

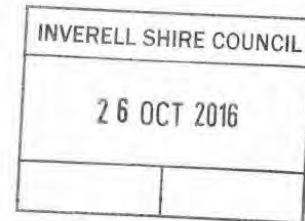
A matter for the Committee.

APPENDIX 1



11th October 2016

The General Manager
Inverell Shire Council
PO Box 136
INVERELL NSW 2360



Dear Mr Henry,

RE: Inverell Toughen Up Challenge – 11th March 2017

The Inverell Toughen Up Challenge has been hosted for 4 years and is growing in strength each year. Competitors from as far as Brisbane, Sydney, Central Coast as well as regional NSW and QLD are making this an annual event on their calendars and travelling to Inverell. The event is an extremely successful day with nothing but positive feedback from participants, volunteers, spectators and business houses from not just the Inverell Township but from others who have visited on the day or have heard about the success of the day after the event.

To date a total of \$21,667 has been raised and donated back into the Inverell Community. The funds raised from the 2017 event will be gifted to Inverell Rescue Squad and Rotary Club of Inverell East.

To make our Challenge the success it is requires the generous support of our sponsors and we would like to invite you to support the Inverell Toughen Up Challenge for 2017.

It would be appreciated if you could consider the sponsorship packages below and offer support for this amazing project which has captured the hearts of the Inverell community:

PO Box 990
INVERELL NSW 2360

Lynn Lennon – 0417.788.673
Brett Hawkins – 0427.612.400

**GOLD SPONSORSHIP****Cost \$1,000 + GST**

- Logo acknowledgement on promotional materials such as posters, flyers, invites and event forms.
- Logo acknowledgement on the event website and link to your business.
- Logo acknowledgement on the event Facebook page and link to your business.
- Logo acknowledgement through signage display at the event (to be supplied by your business).
- Acknowledgement on TV commercials.
- Acknowledgement in print media.
- Acknowledgement through live radio broadcasts on the day.
- A prominent site for your business on the day of the event.
- Up to 3 Adult Entries (\$70 x 3 people)

SILVER SPONSORSHIP**Cost \$500 + GST**

- Logo acknowledgement on the event website and link to your business.
- Logo acknowledgement on the event Facebook page and link to your business.
- Logo acknowledgement through signage display at the event (to be supplied by your business).
- Acknowledgement through live radio broadcasts on the day.
- A prominent site for your business on the day of the event.
- Up to 1 Adult Entry (\$70 x 1 person)

BRONZE SPONSORSHIP**Cost \$250 + GST**

- Logo acknowledgement on the event website and link to your business.
- Logo acknowledgement on the event Facebook page and link to your business.
- Logo acknowledgement through signage display at the event (to be supplied by your business).
- A prominent site for your business on the day of the event.

Thank you for considering the Inverell Toughen Up Challenge as part of your business' involvement in the community. To view highlights from the previous 4 years please go to www.inverelltoughenup.net or check out our Facebook page Inverell Toughen Up.

If you would like to discuss this sponsorship proposal further please contact Lynn Lennon, 0417.788.673 or email lynnl@pathfinders.ngo

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Lennon'.

(Lynn Lennon)
Secretary

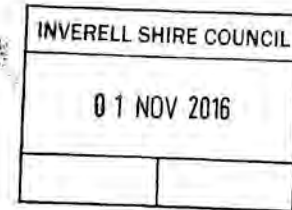
PO Box 990
INVERELL NSW 2360

Lynn Lennon – 0417.788.673
Brett Hawkins – 0427.612.400

APPENDIX 2

**GIRL GUIDES
AUSTRALIA**

Inverell Girl Guides
Campbell Street
Inverell NSW 2360
0428 224 118



Mr Ken Beddie
Director of Corporate & Economic Services
Inverell Shire Council
PO BOX 138
Inverell NSW 2360

25th October 2016

Dear Mr Beddie,

As you may be aware Girl Guides Australia is a not for profit volunteer organisation with a long established reputation for supporting girls right across Australia regardless of race, religion or socio-economic status for many generations.

Recently Girl Guides Australia announced that it will be undertaking an audit of all halls & venues utilised by units nationwide. This is to ensure that all venues are not only safe but meet work, health and safety standards. Included in this is the need for all premises to have hard wired exit signs that light up and doors that meet fire safety standards.

Unfortunately Inverell Girl Guides hall is non-compliant in both these areas. Recent quotes indicate that the cost of the installation of lights and doors to make us compliant will be in excess of \$1700 dollars (attached)

Inverell Girl Guides is a small unit of 15 girls ranging in ages. Many of our families come from a low socio-economic background and face daily financial and life struggles. For many of the girls the Girl Guides unit and leaders are the one constant they can rely on in their lives. IT provides a place which allows them to feel safe, to be themselves and to put their daily struggles and battles aside each week.

The unit often holds fundraisers to help raise monies that cover or reduce the cost to families, so that no girl is disadvantaged. Funds are used to cover the cost of camps, personal development opportunities, electricity, water bills and other costs associated with the hall.

Despite the best efforts of the girls and parents to raise much needed funds to assist in meeting these new costs required to become compliant there is still a significant short fall. We have just about exhausted ideas and avenues to help raise further funds.

Therefore we are reaching out to you to ask for your support in helping us cover the costs or direct us in the right direction to find and secure funding to ensure that Inverell Girl Guides can continue for all our current and future members.

Please contact Beth Hamilton 0428 224 118 to discuss this matter further.

Regards

Kelly Davis

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 09/11/2016

ITEM NO:	1.	FILE NO: S15.8.6/09
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	GRANTS TO VILLAGES AND RURAL AREAS – RECREATIONAL/CULTURAL GRANT 2016-2017	
PREPARED BY:	Fiona Adams, Manager Integrated Planning and Reporting	

SUMMARY:

Council fielded 14 applications to its annual Recreational/Cultural Grants program, with 10 organisations being awarded funding across an array of community focused projects.

COMMENTARY:

Inverell Shire Council awards grants of up to \$2000 to community groups under its annual Recreational/Cultural Grants program for Villages and Rural Areas. These grants inject valuable funds to volunteer-ran organisations in the Shire's smallest villages and localities. Often, these dollars provide a vital source of funds to improve their facilities and sustain their community.

In a peak year for the grants program, 14 applications were received, representing all corners of the Shire including Gilgai, Delungra, Ashford, Graman, Yetman, Staggy Creek and Gum Flat. Following assessment by Cr Watts and Director Corporate and Economic Services, \$14,744 was awarded to the following successful applicants:

- **Inverell Theatre Company** – replace windows in Beaulieu Hall - \$2,000
- **Ashford Golf Club** – new fridge and storage area - \$1,829
- **Delungra Memorial Bowling Club** – new picnic table and barbecue - \$1,000
- **Gwydir Group of CWA (Delungra)** – new locks and safety signage for hall - \$1,000
- **Gilgai Public Hall and Recreation Reserve Trust** – transform one (1) tennis court into a basketball court - \$816
- **Yetman Hall and Progress Association** – apply render to Caravan Park amenities block - \$2,000
- **Mount Russell Community Hall** – concrete outdoor seating area - \$1,500
- **Ashford Pony Club** – upgrade jumps and barrels for horse sports - \$1,599
- **Graman Memorial Hall** – play equipment for pre-schoolers - \$1,000
- **Gum Flat Hall** – re-stumping for hall safety - \$2,000

Each organisation has been invited to attend the Council meeting on Wednesday, 23 November, where funds will be disbursed. A media release will be distributed to local media shortly thereafter.

ITEM NO:	2.	FILE NO: S15.8.65/01
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	SOCIAL HOUSING COMMUNITY IMPROVEMENT FUND 2016 - ROSS HILL RESERVE	
PREPARED BY:	Fiona Adams, Manager Integrated Planning and Reporting	

SUMMARY:

Inverell Shire Council has been awarded a grant for \$43,797 from NSW Family and Community Services (FACS), *Social Housing Community Improvement Fund 2016* to improve safety and usage of Ross Hill Reserve.

COMMENTARY:

Inverell Shire Council submitted an application to the above grant program in April, 2016.

Ross Hill Reserve is a three (3) hectare woodland surrounded by private residences and is bordered by Jardine Road, Bannockburn Road, Angel Avenue and Butler Street.

The project responds to ongoing dialogue with neighbouring residents, and nearby Ross Hill Public School, regarding the potential to increase public use.

Ross Hill Reserve is located in close proximity to significant social housing areas, including Gilchrist Street, Lindsay Avenue and Angel Avenue. For this reason, the project was widely supported by a variety of organisations working with social housing residents, including Homes North, Rural Outreach and Support Service, Jobs Australia's Work for the Dole program and Ross Hill Public School.

Feedback from the above stakeholders indicated additional walking tracks, seating and picnic tables would address barriers to park usage and compliment earlier perimeter fencing and weed control. In addition, Ross Hill Public School has indicated the potential for the reserve to provide outdoor learning opportunities and physical education outcomes such as Cross Country.

Project outputs include 1000 metres of compacted granite path as well as five (5) platform style 2.5 x 2.5 metre benches, one (1) covered picnic table setting and three (3) solar public lights to increase safety after hours. Project works will be completed by June, 2017.

RECOMMENDATION:

That the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 9 November, 2016, be received and noted.

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 09/11/2016

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

SUMMARY:

To report the balance of investments held as at 31 October, 2016.

COMMENTARY:

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 31 October, 2016 and an update of the investment environment:

- (a) Council's investments as at 31 October, 2016.
- (b) Council Investments by Fund as at 31 October, 2016.
- (c) Interest – Budgeted vs Actual.
- (d) Investment Portfolio Performance.
- (e) Investment Commentary.
- (f) Certification – Responsible Accounting Officer.

A) Council Investments as at 31 October, 2016.

Term Deposit Investment Group										
<i>Investment No.</i>	<i>Borrower</i>	<i>FUND</i>	<i>Rating</i>	<i>Risk Rating</i>	<i>Purchase Date</i>	<i>Maturity Date</i>	<i>Current Yield</i>	<i>Principal Value</i>	<i>Current value</i>	<i>Term (days)</i>
16/39	National Australia Bank	General	A1+	1	15-Apr-16	15-Nov-16	3.11%	2,000,000	2,000,000	214
16/46	CBA	General	A1+	1	19-May-16	18-Nov-16	2.72%	1,000,000	1,000,000	183
17/14	Bank West	General	A1+	1	28-Apr-16	26-Nov-16	2.95%	2,000,000	2,000,000	151
17/10	St George Bank	Water	A1+	1	01-Sep-16	01-Dec-16	2.80%	1,000,000	1,000,000	91
16/47	National Australia Bank	General	A1+	1	02-Jun-16	02-Dec-16	2.98%	2,000,000	2,000,000	183
15/19	CBA	General	A1+	1	11-Dec-14	11-Dec-16	3.80%	1,000,000	1,000,000	732
16/48	Suncorp	General	A1+	1	14-Jun-16	14-Dec-16	3.00%	1,000,000	1,000,000	183
16/49	National Australia Bank	General	A1+	1	14-Jun-16	14-Dec-16	2.97%	2,000,000	2,000,000	183
16/50	Community Mutual	Water	NR	3	14-Jun-16	14-Dec-16	3.00%	2,000,000	2,000,000	183
14/22	Westpac	General	A1+	1	17-Dec-13	16-Dec-16	4.31%	2,000,000	2,000,000	1095
17/09	St George Bank	General	A1+	1	01-Sep-16	02-Jan-17	2.80%	1,000,000	1,000,000	123
17/01	National Australia Bank	General	A1+	1	11-Jul-16	09-Jan-16	2.94%	1,000,000	1,000,000	182
17/04	National Australia Bank	Water	A1+	1	12-Aug-16	09-Jan-17	2.74%	1,000,000	1,000,000	150
17/02	Bank West	Sewer	A1+	1	21-Jul-16	17-Jan-17	2.70%	2,000,000	2,000,000	180
17/03	St George Bank	General	A1+	1	22-Jul-16	17-Jan-17	2.80%	2,000,000	2,000,000	179
17-Dec	National Australia Bank	Sewer	A1+	1	17-Sep-16	17-Feb-17	2.64%	2,000,000	2,000,000	153
17/05	AMP BANK	General	A1	2	01-Sep-16	30-Mar-17	2.95%	2,000,000	2,000,000	210
17/06	AMP BANK	General	A1	2	01-Sep-16	30-Mar-17	2.95%	1,000,000	1,000,000	210
17/07	AMP BANK	Water	A1	2	01-Sep-16	30-Mar-17	2.95%	1,000,000	1,000,000	210
17/08	AMP BANK	General	A1	2	01-Sep-16	30-Mar-17	2.95%	1,000,000	1,000,000	210
17/11	National Australia Bank	General	A1+	1	16-Sep-16	14-Apr-17	2.65%	1,000,000	1,000,000	210
17/20	CBA	General	A1+	1	13-Oct-16	14-Apr-17	2.61%	1,000,000	1,000,000	183
17/15	Suncorp	General	A1+	1	27-Sep-16	27-Apr-17	2.55%	1,000,000	1,000,000	212
17/16	Suncorp	General	A1+	1	27-Sep-16	27-Apr-17	2.55%	1,000,000	1,000,000	212
17/21	National Australia Bank	General	A1+	1	14-Oct-16	14-Jun-17	2.72%	1,000,000	1,000,000	243
15/01	CBA	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/02	CBA	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/03	CBA	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
17/23	CBA	Sewer	A1+	1	20-Oct-16	20-Jul-17	2.64%	2,000,000	2,000,000	273
15/09	CBA	General	A1+	1	01-Sep-14	01-Sep-17	3.90%	1,000,000	1,000,000	1096
17/17	National Australia Bank	Water	A1+	1	27-Sep-16	27-Sep-17	2.70%	1,000,000	1,000,000	365
17/13	CBA	General	A1+	1	17-Sep-16	17-Sep-17	3.00%	1,000,000	1,000,000	365
17/18	St George Bank	General	A1+	1	07-Oct-16	07-Oct-17	3.00%	2,000,000	2,000,000	365
17/19	St George Bank	General	A1+	1	07-Oct-16	07-Oct-17	3.00%	2,000,000	2,000,000	365
17/22	St George Bank	General	A1+	1	16-Oct-16	16-Oct-17	3.00%	1,000,000	1,000,000	183
15/10	Bank of Queensland	General	A1	2	02-Sep-14	03-Sep-18	4.10%	1,000,000	1,000,000	1462
Sub Total - Term Deposit Investment Group								TOTALS	49,000,000	49,000,000

Cash Deposits Accounts Investment Group										
As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	
31/10/16	National Australia Bank (Cash Maximiser)	General	A1+	1			1.75%	1,000,000	1,000,000	
Sub Total - Cash Deposits Accounts Investment Group								1,000,000	1,000,000	
Floating Rate Notes Investment Group										
As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	
Sub Total - Floating Rate Notes Investment Group							-	-		
Structured Products Investment Group										
As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Written Down Value 30-6-16	Current value
30/6/16	Lehman Brothers Treasury Co B.V (CPPI-745)	Water	DD	5		9/5/2010*	0.00%	300,000	9,810	9,810
Sub Total - Structured Products Investment Group							-	300,000	9,810	9,810

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

B) Council Investments by Fund 31 October, 2016

Portfolio by Fund	30/09/2016	30/10/2016
General Fund	40,000,000	38,000,000
Water Fund	6,009,810	6,009,810
Sewer Fund	6,000,000	6,000,000
TOTAL	\$ 52,009,810.00	\$ 50,009,810.00

Council's investment portfolio decreased by \$2,000,000 in October, 2016. This was in respect of normal cash flow movements for receipts collected and payments made during October.

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

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

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

C) Interest – Budgeted verses Actual Result to Date

Ledger	2016/2017 Budget	Actuals to Date
General Fund 128820	879,000.00	229,263.67
Water Fund 812350	50,000.00	16,261.11
Sewer Fund 906320	70,000.00	35,117.81
TOTAL	\$ 999,000.00	\$ 280,642.59

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

D) Investment Portfolio Performance

Investment Portfolio Return		Benchmarks		
	% pa	RBA Cash Rate	Aus Bond Bank Bill	11am Cash Rate
Benchmark as at 31/10/16		1.50%	2.25%	1.91%
Term Deposits	3.07%			
Cash Deposit Accounts	1.75%			
Floating Rate Notes				
Structured Products*	0.00%			

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

E) Investment Commentary

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

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

As widely expected, the Reserve Bank of Australia (RBA) kept the official cash rate unchanged at 1.5% in its meeting in October. It was Philip Lowe's first official board meeting after taking over Glenn Stevens last month.

Money markets continue to price in another interest rate cut next year, although the probability has eased with the RBA moving towards a soft easing bias, as well as the potential for the US Fed to increase rates in December.

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

F) Certification – Responsible Accounting Officer

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

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

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

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

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

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

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

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That 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.*

ITEM NO:	2.	FILE NO: S12.5.1/09
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2016/2017	
PREPARED BY:	Ken Beddie, Director Corporate & 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:**2016/2017 BUDGET VARIATIONS:**

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

The following table represents variations required to be made to budget votes as a result of changes since the last meeting to ensure the Budget remains in balance (also see Appendix 1, H12 – H13). Those items identified as requiring funding since the adoption of the 2015/2016 budget have now been funded in full.

The Budget Variations for 2016/2017 are as follows:

**COMBINED FUND - BUDGET VARIATION SUMMARY REPORT
ESTIMATED CASH POSITION 30 JUNE, 2017
FOR 2016/2017 ACTIVITIES**

	General	Water	Sewer	Total
Adopted Budget 2016/2017	6,954,006	822,464	706,869	8,483,339 Deficit
Add Back Depreciation	(6,688,450)	(823,500)	(707,000)	(8,218,950) (Non-cash)
Add Back Carry Amount Assets Sold	(286,612)	-	-	(286,612) (Non-Cash)
Internally Restricted Cash Utilised	19,500			19,500
Transferred to Internally Restricted Cash	-	-	-	-
ESTIMATED CASH RESULT FOR 2016/2017 ACTIVITIES	(1,556)	(1,036)	(131)	(2,723) SURPLUS
2016/2017 Budget Variations Required to Maintain a Balanced Budget				
REVOTES	10,304,319	856,426	4,301,991	15,462,736
UNEXPENDED GRANTS	2,413,197	-	-	2,413,197
Adjustments 30-9-16	-	-	-	-
SUB TOTAL	12,717,516	856,426	4,301,991	17,875,933
Internally Restricted Cash Utilised	-	-	-	-
FUNDED FROM EQUITY	(12,717,516)	(856,426)	(4,301,991)	(17,875,933)
NET BUDGET VARIATIONS	0	0	0	0
REVISED CASH RESULT FOR 2016/2017 ACTIVITIES	(1,556)	(1,036)	(131)	(2,723) SURPLUS

DEFINITIONS:

- 1) **REVOTES** - 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) **FUNDED FROM EQUITY** - 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) **INTERNALLY RESTRICTED CASH** - 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 2016/2017 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, H14) indicate a Surplus from all Activities to 30 September, 2016 of \$13.2M (part year), against a budgeted annual result of \$2723. This current result indicates that sufficient funding remains available to fund Council's 2016/2017 continuing operations for the next 9 months to the end of the 2016/2017 Financial Year.

QUARTERLY BUDGET REVIEW REPORT:

Council's 30 September, 2016 Quarterly Combined Budget Review Summary Report and Income and Expense Statement by Function are attached as Appendix 3 (H15). A review of the report indicates that Council's actual Revenue/expenditure compares favourably with Council's revised budget.

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

GENERAL FUND – OPERATIONAL PLAN REVIEW:

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

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

A comprehensive review of the General Fund Budget indicates that overall, incomes and expenditures to 30 September, 2016 are in accordance with the adopted budget. All matters not in accordance with the adopted Budget are included in the Budget Variation Report.

Capital Works:

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

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

Investments:

The General Fund investments remain sound. It is noted that the RBA continued to hold the official cash rate at a half-century low of 1.5%. The banks have continued to adjust their deposit rates lower with the RBA on its easing cycle again, particularly with expectations of further cuts later in the financial year. Term Deposits are now as low as 2.60%. The market is fully pricing in one more rate cut by June 2017. It is anticipated that Council will just achieve budget interest during 2016/2017.

A copy of Council's Cash and Investment Budget Review Statement as at 30 September, 2016 is attached as Appendix 7 and 8 (H19 – H20). Council retains a sound investment position to fund all of Council's internal and external restrictions and Council's Working Capital/Cash flow needs.

A detailed investment report is provided to Council on a monthly basis and all 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 over \$150,000 by Council during the quarter ending 30 September, 2016 (refer to Appendix 9, H21). Other consultancy and legal expenses are summarised in the attached Consultancy & Legal Expense summary (refer to Appendix 9, H21).

Plant Fleet:

A copy of the Plant Fleet Financial Report to 30 September, 2016 is attached as Appendix 10 (H22). The Report indicates a small Operating Deficit of \$5,392 to 30 September, 2016. The deficit is directly attributable to the unseasonably wet conditions during the first financial quarter which has resulted in lower plant utilisation on construction works.

General Fund Summary:

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

WATER FUND – OPERATIONAL PLAN REVIEW:

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

The Water Fund holds Term Deposits totalling \$6M and cash at bank of \$2M (see Appendix 7, H19).

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

SEWERAGE FUND OPERATIONAL PLAN REVIEW:

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

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

The Sewerage Fund holds Term Deposits totalling \$6M (includes the \$2M Loan) plus cash at bank of \$1.57M (see Appendix 7).

OPERATIONAL PLAN – COMBINED FUND

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

- Destination 1 – A recognised leader in the broader context:
 - Participation in Road Funding meetings with the Roads and Maritime Services;
 - Participation in New England Northwest Regional Tourism meetings;
 - Participation in New England Destination Management Hub;
 - Participated in meetings with New England Councils Joint Organisation of Councils in the New England. Secretariat for the Group;
 - Participated in Border Region Organisation of Councils Meeting.
- Destination 2 – A community that is healthy, educated and sustained:
 - Facilitation role for "Linking Together Centre" and development of strong partnerships with Best Employment, State and Federal Government funding bodies;
 - Assist with Sapphire City Festival;
 - Assist with Grafton to Inverell cycle race;
 - Partnering with Family NSW to provide Playgroup activities at Tingha and Inverell;
 - Participation in New England Cooperative Library;
 - Working with BEST Employment in respect of the auspicing of Connections Disability Service.

- Destination 3 – An environment that is protected and sustained:
 - Partnering with Catchment Management Authority in “Brigalow Nandewar Bio Links Program;
 - Riverbank cleanup adjacent to Campbell Park;
 - Installed Solar/Wind Turbine Lighting in Waratah Park.
- Destination 4 – A strong Local Economy:
 - Participated in a wide range of Tourism and Marketing Shows;
 - Participated in Inverell Promotional Activities with the Inverell Chamber of Commerce and Industry;
 - Ongoing discussions with Bindaree Beef in respect of their major expansion.
- Destination 5 – The Communities are served by sustainable services and infrastructure:
 - Commenced and completed a range of Road Upgrade Projects on the Regional Road and Local Road Network;
 - Completed a significant quantum of Shire Roads Gravel Resheeting;
 - Completed a significant quantum of heavy patching throughout the Shire;
 - Commenced Council's 2016/2017 bitumen reseal program;
 - Completed 2015/2016 Financial Statements – sound financial result achieved. With no audit issues raised;
 - Commenced upgrade works at Inverell Sports Complex;
 - Completed installation of new playground equipment in Lions Park;
 - Completed infrastructure works at Bellevue Park;
 - Commenced 2016/2017 Footpath Programs – Rosslyn Street and Lake Inverell;
 - Called Tenders for Tin Tot Bridge replacement and the upgrade works at the Inverell Sewerage Treatment Plant.

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

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

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

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 30 September, 2016 indicates that Council's projected financial position at 30 June, 2017 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

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

LEGAL IMPLICATIONS:

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

RECOMMENDATION:

That the Committee recommend to Council that:

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

APPENDIX 1

BUDGET VARIATIONS - FINANCE MEETING 9-11-16			
ITEM/LEDGER NO.	DESCRIPTION	AMOUNT \$	COMMENT/REASON
GENERAL FUND			
Increase/Decrease in INCOME			
122400-1000	Block Grant	2,000	Additional Block Grant - Traffic Facilities
122400-4450	Block Grant	46,000	Additional Block Grant - Capital
122370-1000	Grant SH12	142,100	RMS Grant - SH12
122370-1000	Grant SH12	29,575	Additional RMCC Grant Funding
122370-1000	Grant SH12	90,442	RMS Grant - SH12 - Bitumen sealing at Mytona
122370-1000	Grant SH12	336,607	RMS Grant - SH12 - Bitumen sealing works
122370-1000	Grant SH12	1,362,928	RMS Grant - SH12 - Rehabilitation works at Haywood
145871-1000	RMS-Bike Week (2016/2017)	1,270	RMS Grant
180500-4360	LTC Helping Hands Program	205,000	Grant Funding for LTC Helping Hands Program
180360-4360	LTC Playgroup Program	62,293	Grant Funding for LTC Playgroup Program
122760-1000	ACRD Grant	(2,696)	Reduction in ACRD Funding
135031-1000	Grant - Tackling Tough Times Together-Cinema Under the Stars	11,252	Foundation for Rural & Regional Renewal Grant
TOTAL INCREASE IN INCOME		2,286,771	Positive figure indicates increased income, (Negative) figure indicates decreased income
Increase/Decrease in EXPENDITURE			
138801-1100	ACRD - Heavy Patching	137,064	Allocation of Road Funding to ensure that grant funding which requires annual acquittals can be expended before Councils general revenue funded projects are completed.
142515-1100	ARCD - Culverts & Causeways	100,000	
142516-1000	ARCD - MR187 South Wallangra Widen/Pavement Strengthening	827,436	
142514-1100	ACRD - Bitumen Renewal	300,000	
138680-1100	ACRD - Urban Reseals	(160,000)	
138810-1100	ACRD - Rural Reseals	(565,000)	
138815-1100	ACRD - Village Reseals	(16,000)	
142980-1100	ACRD - Gravel Resheeting - South - Arterial & Collector	(152,650)	
142505-1100	ACRD - Gravel Resheeting - South - Local Roads	(152,700)	
139990-1100	ACRD - Gravel Resheeting - North - Arterial & Collector	(138,750)	
142990-1100	ACRD - Gravel Resheeting - North - Local Roads	(179,400)	
143625-1100	R2R - Culverts/Causeways	(100,000)	
143626-1100	R2R - Bitumen Road Renewal	(300,000)	
143627-1100	R2R - Heavy Patching	(137,064)	
143630-1100	MR187 South Wallangra - Shoulder Widen/Pavement Strengthening	(827,436)	
143623-1100	R2R - Gravel Resheeting - South	303,750	
143624-1100	R2R - Gravel Resheeting - North	319,750	
143629-1100	R2R - Reseals - Local Roads	741,000	
137837-1000	Block - Traffic Facilities - North	10,000	Allocate Traffic Facilities Funding
137838-1000	Block - Traffic Facilities - South	10,000	Allocate Traffic Facilities Funding
137839-1000	Block - Traffic Facilities - Urban	10,000	Allocate Traffic Facilities Funding
137840-1000	Block - Traffic Facilities	(30,000)	Funding For above
180510-1000	LTC Helping Hands Program	205,000	Grant funded program
180360-1000	Playgroup - Expenses	62,293	Grant funded program
141440-1100	Urban laneways Program	46,873	Repair drainage in two Ashford Laneways
148420-1000	DCES Special Projects	(46,873)	Funding for above
134900-1000	White Ribbon Workplace Accreditation Program	5,000	Additional funding for program
146480-1000	Work Health & Safety	(5,000)	Funding for above
142012-1000	Mountain Bike Track - Access Crossing	1,650	Instal access crossing
129391-1000	GM - Special Projects	(1,650)	Funding for above
142950-1100	ACRD - Environmental Works	(2,696)	Reduction in ARCD Funding
135446-1000	Inv.Garbage Tip- Recycling Shed Foundations Works	50,000	Council contribution to earthworks, water, sewer, electricity, telephone
148010-1000	Industrial Development	(50,000)	funding for above
145872-1000	RMS Bike Week Expenses (2016/17)	1,270	RMS Grant funded Program
135032-1000	Tackling Tough Times Together-Cinema Under the Stars	11,252	Grant funded program
138820-1000	SH12-(WO)-Heavy Patching	97,200	RMS Works of SH12 - Heavy Patching Reseal - W/O 12_INV174
138820-1000	SH12-(WO)-Heavy Patching	44,900	RMS Works of SH12 - Heavy Patching Reseal - W/O 12_INV173
140787-1100	SH12 (WO) Haywood Rehab - seg 7710 & 7720	1,362,928	RMS Grant - SH12 - Rehabilitation works at Haywood
138830-1000	SH12-(WO)-Bitumen Resurfacing	336,607	RMS Grant - SH12 - Bitumen sealing works
138830-1000	SH12-(WO)-Bitumen Resurfacing	90,442	RMS Grant - SH12 - Bitumen sealing at Mytona
137840-1000	Block Exps-Traffic Facilities	2,000	Additional Block Grant - Traffic Facilities
137561-1000	Block Grant-Total Allocation-Capital Exps	46,000	Additional Block Grant - Capital
143006-1100	RP-MR137 Seg 90/100 - Roadside Memorial	175,175	Council Contribution to Repair Program Project on MR 137
138730-1000	3x3 Program- Total Allocation	(160,000)	Funding for above
137760-1120	BLK-MR462 Bruxner Way - Maint.	(15,175)	Funding for above
137770-0000	SH 12 Maintenance	29,575	Additional RMCC Grant Funding
TOTAL INCREASE IN EXPENDITURE		2,286,771	Positive figure indicates increased expenditure, (Negative) figure decreased expenditure
NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)		-	Positive figure indicates increased expenditure, (Negative) figure decreased expenditure
Restricted Assets			
TOTAL FUNDING FROM RESTRICTED ASSETS		-	
FUNDED FROM EQUITY (\$5795.000)		-	
NET CHANGE TO FINANCIAL POSITION Surplus/(Deficit)		-	

BUDGET VARIATIONS - FINANCE MEETING 9-11-16			
ITEM/LEDGER NO.	DESCRIPTION	AMOUNT \$	COMMENT/REASON
WATER FUND			
<i>Increase/Decrease in INCOME</i>			
812010-1000	Water Annual Charge	12,000	
812270-1000	Contrib to Works (Sect 64)	7,600	
TOTAL INCREASE IN INCOME		19,600	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
814650-1000	Reservoir-Lake Inv.Dam	19,600	Inspections of Lake Inverell as required by NSW Dam Safety Committee
TOTAL INCREASE IN EXPENDITURE		19,600	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)		-	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
SEWER FUND			
<i>Increase/Decrease in INCOME</i>			
TOTAL INCREASE IN INCOME		-	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
TOTAL INCREASE IN EXPENDITURE		-	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)		-	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>

APPENDIX 2

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 30-9-2016
CONSOLIDATED INCOME AND EXPENSE STATEMENT**

	ORIGINAL BUDGET 2016/2017 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2016/2017 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2016 Review (000's)	Dec 2016 Review (000's)	Mar 2017 Review (000's)	June 2017 Review (000's)					
INCOME												
Rates & Annual Charges	17,724							17,724	12	17,736	17,555	98.98%
User Charges & Fees	3,371							3,371	1,962	5,333	384	11.39%
Interest	1,027							1,027		1,027	209	20.35%
Other revenues from ordinary activities	427							427		427	171	40.05%
Grants & Contributions provided for non capital purposes	7,670							7,670	279	7,949	2,582	33.66%
Grants & Contributions provided for Capital Purposes	5,128							5,128	54	5,182	222	4.33%
Gain from the sale of assets	403							403		403	-	0.00%
Gain from interest in joint ventures & associates								-				
TOTAL INCOME FROM CONTINUING OPERATIONS	35,750							35,750	2,307	38,057	21,123	59.09%
EXPENSES												
Employee Costs	12,670		28					12,696	706	13,402	3141	24.74%
Borrowing Costs	209							209		209	63	30.14%
Materials and Contracts	4,887	1,523	1,042					7,452	1,497	8,949	1469	19.71%
Depreciation	8,219							8,219		8,219	2055	25.00%
Other Expenses from ordinary activities	4,285	74						4,359		4,359	1518	34.82%
Loss from the disposal of assets								-			32	0.00%
Loss from interest in joint ventures & associates								-				
TOTAL EXPENSES FROM CONTINUING OPERATIONS	30,270	1,597	1,068					32,935	2,203	35,138	8,278	25.13%
NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/(DEFICIT)	5,480	(1,597)	(1,068)					2,815	104	2,919	12,845	456.31%
ADD BACK Non Cash Amounts												
Depreciation	8,219							8,219		8,219	2055	25.00%
Carrying Amount of Assets Sold	287							287		287		0.00%
	13,986	(1,597)	(1,068)					11,321	104	11,425	14,900	131.61%
Capital Amounts												
Repayments by deferred Debtors												
Acquisition of Assets	(13,435)	(13,866)	(1,345)					-28,646	(104)	-28,750	-1642	5.73%
Loan Repayments	(528)							-528		-528	-41	7.77%
Advance to Deferred Debtors												
Loan Funds												
Less Net Transfers to IRA	(20)							-20		-20		0.00%
Plus Equity Funding	-	15,463	2,413					17,876		17,876		0.00%
Unallocated Consolidation Net Profit/(Loss)	3	-	-					3	-	3	13,217	
NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/(DEFICIT)	352							352		352	12,623	

* Favourable / (Unfavourable) variance

EXPLANATION OF MATERIAL VARIANCES**YTD Variances**

Item	Explanation
INCOME	
Rates & Annual Charges	Includes rate levy for 2016/2017
User Charges & Fees	Includes annual DWM charges for 2016/2017

EXPENSES**CAPITAL AMOUNTS****RECOMMENDED CHANGES TO REVISED BUDGET**

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

APPENDIX 3

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 30-9-2016
INCOME & EXPENSES BY FUNCTION

	ORIGINAL BUDGET 2016/2017 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2016/2017 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2016 Review (000's)	Dec 2016 Review (000's)	Mar 2017 Review (000's)	June 2017 Review (000's)					
EXPENSES												
Governance	311							311		311	47	15.11%
Administration	6,226	18	170					6,414	-5	6,409	1,240	19.35%
Public Order and Safety	964	212						1,176		1,176	255	22.53%
Health & Environment	2,650							2,650		2,650	781	29.47%
Community Services and Education	107	38	715					859	50	909	37	4.07%
Housing and Community Amenities	966	65	2					1,033		1,033	231	22.36%
Water Supplies	3,321							3,321	20	3,341	781	23.38%
Sewerage and Drainage Services	1,767							1,767		1,767	438	24.79%
Recreation and Culture	2,140	222	9					2,371		2,371	557	23.49%
Mining, Manufacturing and Construction	310							310		310	72	23.23%
Transport and Communication	5,040	80	48					5,168	1,950	7,118	1,929	27.10%
Economic Affairs	1,324	934	90					2,348	-97	2,251	400	17.77%
TOTAL EXPENSES	25,126	1,597	1,068	0	0	0	0	27,791	2,203	29,994	6,778	22.60%
REVENUES												
Governance	-							-		-	-	-
Administration	22,233							22,233	-3	22,230	12,763	57.41%
Public Order and Safety	559							559		559	4	0.72%
Health & Environment	3,343							3,343		3,343	3,011	90.07%
Community Services and Education	2							2	280	282	81	28.74%
Housing and Community Amenities	268							268	20	288	84	29.21%
Water Supplies	4,537							4,537		4,537	2,294	50.58%
Sewerage and Drainage Services	2,619							2,619		2,619	2,455	93.74%
Recreation and Culture	172							172		172	43	25.00%
Mining, Manufacturing and Construction	178							178	2,010	2,188	42	1.92%
Transport and Communication	6,536							6,536		6,536	1,270	19.43%
Economic Affairs	308							308		308	124	40.26%
TOTAL REVENUE	40,755	0	0	0	0	0	0	40,755	2,306	43,061	22,171	51.49%
OPERATING RESULT: (Surplus)	-15,829	1,597	1,068	0	0	0	0	-12,964	-104	-13,068	-15,393	
Depreciation	8,219							8,219		8,219	2,055	25.00%
Increase in Employee Leave Entitlements	2,333							2,333		2,333	422	18.09%
(PROFIT)LOSS BEFORE CAPITAL AMOUNTS	(5,077)	1,597	1,068	-	-	-	-	(2,412)	(104)	(2,516)	(12,916)	
Carrying Amount of Assets Sold	287							287		287	103	35.89%
Proceeds Sale of Assets	-690							-690		-690	71	-10.29%
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	0							0		0	0	
Acquisition of Assets	13,435	13,866	1,345					28,646	104	28,750	1,842	5.71%
Development of Real Estate	0							0		0	0	
Advance to Deferred Debtors	0							0		0	0	
Repayment of Loans	528							528		528	41	7.77%
Repayment of Other Debts	0							0		0	0	
ESTIMATED BUDGET RESULT: (SURPLUS)/DEFICIT	8,483	15,463	2,413	0	0	0	0	26,359	0	26,359	(11,059)	
ADD BACK Non Cash Amounts:												
Depreciation	8,219							8,219		8,219	2,055	
Carrying Amount of Assets Sold	287							287		287	103	
Plus Net Transfers	20							20		20	0	
Plus Equity Funding**		15,463	2,413					-17,876		-17,876	0	
BUDGET (SURPLUS)/DEFICIT	(3)	0	0	0	0	0	0	(3)	0	(3)	(13,217)	
** 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	1,901							1,901		1,901	0	0.00%
Transfers from Internally Restricted Assets	1,881							1,881		1,881	0	0.00%
Net Transfers	20							20		20	0	

EXPLANATION OF MATERIAL VARIANCES

YTD Variances

Item	Explanation
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Expenses

INCOME

Administration	Includes entire rate levy for 2016/2017
Public Order & Safety	Bush Fire Subsidies not received until March 2017
Housing & Community Amenities	Includes entire DWM levy Charges for 2016/2017
Sewerage and Drainage Services	Includes entire annual sewer charges levy for 2016/2017

CAPITAL AMOUNTS

RECOMMENDED CHANGES TO REVISED BUDGET

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

APPENDIX 4

INTERNALLY RESTRICTED ASSETS (CASH) MOVEMENTS							
25/10/2016	EST. BAL. 30/6/15	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2016	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2017
PURPOSE		Code 6210	Code 6220		Code 6210	Code 6220	
GENERAL ACTIVITIES	\$	\$	\$	\$	\$	\$	\$
BUILDING REFURBISHMENT/UPGRADE	2,567,843.18		747,000	1,820,843.18			1,820,843.18
EQUIP. UPGRADE/EMERGENCY MTCE	210,805.00			210,805.00			210,805.00
COMPUTER/IT SYSTEMS UPGRADES	758,046.00	300,000	51,000	1,007,046.00			1,007,046.00
INDUSTRIAL DEVELOPMENT	668,600.00			668,600.00			668,600.00
RESIDENTIAL DEVELOPMENT	7,309.77			7,309.77			7,309.77
AERODROME UPGRADE	134,330.00			134,330.00			134,330.00
COPETON NORTHERN FORESHORES	49,000.00			49,000.00			49,000.00
LIBRARY BUILDING REFURBISHMENT	202,000.00			202,000.00			202,000.00
INDUSTRIAL/TOURISM PROMOTION	11,594.00			11,594.00			11,594.00
GARBAGE DEPOT LAND PURCHASE ETC	169,391.00			169,391.00			169,391.00
GARBAGE DEGRADATION/REHAB.	938,342.00			938,342.00	120,000		1,058,342.00
WASTE INFRASTRUCTURE	354,286.00	1,858,482		2,212,768.00			2,212,768.00
WASTE-EXTERNALITY SUSTAINABILITY	177,000.00			177,000.00	120,000		297,000.00
PLANT REPLACEMENT	3,972,547.00	1,649,769	1,812,603	3,809,713.00	1,626,000	1,881,500	3,054,213.00
			500,000	(500,000.00)			
GRAVEL PIT RESTORATION	118,679.00	28,807		147,486.00	17,500		164,986.00
GRAVEL PIT RESTORATION -Roads	55,960.00	28,807		84,767.00	17,500		102,267.00
COMMUNITY CAPITAL PROJECTS AND LAND	1,505,000.00		855,000	650,000.00			650,000.00
BUSINESS UNITS	2,138,616.00		2,138,616				
STRATEGIC CAPITAL PROJECTS FUND	4,450.00	-	-	4,450.00			4,450.00
STRATEGIC DEVELOPMENT FUND	1,115,611.00		425,000	690,611.00			690,611.00
EMPLOYEE LEAVE ENTITLEMENTS	1,010,710.46			1,010,710.46			1,010,710.46
WORKERS COMP INSURANCE	438,903.00	133,698		572,601.00			572,601.00
TOWN HALL MAJOR MTCE/UPGRADE	100,000.00			100,000.00			100,000.00
INSURANCE EXCESS/SELF INSURANCE	161,848.00			161,848.00			161,848.00
SWIMMING POOLS UPGRADE/FENCING	2,002,000.00	198,000		2,200,000.00			2,200,000.00
ROAD RESUMPTIONS	20,000.00			20,000.00			20,000.00
INVERELL HOCKEY FACILITY	300,000.00	100,000		400,000.00			400,000.00
CONNECTIONS PLANT/EQUIP.	54,220.61		12,037	42,183.74			42,183.74
CONNECTIONS ELE	25,792.00		25,792				
LINKING TOGETHER CENTRE ELE	17,834.45		17,834				
LINKING TOGETHER CENTRE	0.00						
SES BUILDINGS	67,311.00			67,311.00			67,311.00
FUND TOTAL	19,358,029.47	4,297,563	6,584,882	17,070,710.15	1,901,000	1,881,500	17,090,210.15
WATER SUPPLY							
EMPLOYEE LEAVE ENTITLEMENTS	55,000.00			55,000.00	-	-	55,000.00
EQUIPMENT BREAKDOWN	107,940.00			107,940.00	-	-	107,940.00
REVENUE EQUALISATION	470,000.00			470,000.00			470,000.00
FUTURE CAPITAL WORKS	1,997,260.00	1,113,000		3,110,260.00			3,110,260.00
FUND TOTAL	2,630,200.00	1,113,000	-	3,743,200.00	-	-	3,743,200.00
SEWERAGE SERVICES							
EMPLOYEE LEAVE ENTITLEMENTS	15,000.00			15,000.00	-	-	15,000.00
EQUIPMENT BREAKDOWN	109,078.82			109,078.82	-	-	109,078.82
FUTURE CAPITAL WORKS	1,496,200.00	870,000		2,366,200.00			2,366,200.00
FUND TOTAL	1,620,278.82	870,000	-	2,490,278.82	-	-	2,490,278.82
TOTAL OF ALL FUNDS	23,608,508.29	6,280,563	6,584,882	23,304,188.97	1,901,000	1,881,500	23,323,688.97

INTERNALLY RESTRICTED ASSETS COMMITMENTS							
Note 1 - Building Refurbishment/Upgrade Projects - Asset Renewal funded from annual depreciation expense, includes \$600K provision for new RFS Headquarters Building 2016/2017							
Note 2 - Replace Property/Revenue System 2017/2018							
Note 3 - Funding received from Federal Compensation Package - New Taxi-way to CASA requirements 2015/2016							
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 plus GPS devices							
Note 6 - Future Capital Works/Non-Trading Land Purchases/Industrial Land Development Fund							
			300,000.00	Industrial Land Development			
			200,000.00	Tintot Bridge Replacement			
			150,000.00	Council Contribution to Heritage Trade Training Centre (Transport Museum)			
			650,000.00				
Note 7 - Strategic Capital Projects and Infrastructure Fund							
	Inverell Sports Complex		250,000	2016/2017 Program	Asset Renewal - Grant Funding \$930k		
	Ashford Amenities		200,000	2016/2017 Program			
			450,000				
Note 8 - Future Capital Works							
	Ashford Water Treatment Plant		850,000.00	Ashford Plant River Inlet and Plant Ancillary Works			
	Lake Inverell Safety Works		400,000.00	State Government requirement			
	Other Capital Works		700,000.00	Inverell Treatment Works Renewal/Refurbishment Project			
			1,950,000.00				

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

APPENDIX 5

CAPITAL EXPENDITURE 2016/2017

PROGRAM	LEDGER NUMBER	DESCRIPTION	ORIGINAL CAPITAL BUDGET		ADJUSTED CAPITAL BUDGET		Classification	% Complete	FUNDING		AMOUNT
			AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL					
ADMINISTRATIVE SERV.	159060-1000	OFFICE FURNITURE & EQUIPMENT-DESKS, CHAIRS	5,200		5,200		Renewal	0%			
	134940-1000	ACQUISITION OF ART PRIZE	4,500		4,500		New Asset	0%			
	180470-1000	ART GALLERY REFURBISHMENTS	5,000	14,700	36,000	45,700	Renewal	0%			
ENGINEERING	160800-1100	ENGINEERS INSTRUMENTS & EQUIPMENT	2,100	2,100	2,100	2,100	Renewal	0%			
BUSH FIRE	159141-1000	EQUIPMENT ISSUES	265,678	265,678	265,678	265,678	Renewal	RFS	GRANT	121121-1000	265,678
SES	132851-4450	SES BUILDING UPGRADE	7,150	7,150	60,676	60,676	Renewal	1%			
INFORMATION SERVICES	130101-1000	COMPUTER EQUIPMENT	44,290		225,290		Renewal	0%			
	130101-4910	COMPUTER EQUIPMENT			32,000		Renewal	0%			
	130111-5130	COMPUTER EQUIPMENT - NEW PRINTING EQUIPMENT	39,200		39,200		Renewal	0%			
	130111-5162	COMPUTER EQUIPMENT - NEW HARDWARE	32,000	147,490	32,000	328,490	Renewal	0%			
SPORTING FIELDS	180880-1100	SPORTS GROUND IMPROVEMENT-SPORT CNL	20,000	20,000	20,000		New Asset	0%	CONTRIBUTION	127090-1000	10,000
	160529-1100	ASHFORD SPORTING FIELDS			190,000		New Asset	48%			
	160528-1000	INVERELL SPORTS COMPLEX			346,050	556,050	New Asset	0%			
PARKS	160565-1000	LIONS PARK PLAYGROUP EQUIPMENT & FENCING			130,806		Renewal	83%			
	160581-1000	WADE STREET PARK			42,215		Renewal	38%			
	160584-1000	WARATAH PARK			29,827	202,848	Renewal	20%			
CEMETERY	136391-4150	CEMETERY	1,000	1,000	1,000	1,000	New Asset	100%			
LIBRARY	160180-1100	LIBRARY CORPORATE SERVICE COLLECTION	1,350		1,350		Renewal	0%			
	160190-1000	LIBRARY BOOKS	56,500		76,500		Renewal	25%			
	160200-1000	LIBRARY BOOKS - CO-OPERATIVE CONTRIBUTION	21,000		21,000		Renewal	0%			
	160240-1000	NON BOOK MATERIALS-VIDEOS CASSETTES ETC.	9,250		9,250		Renewal	33%			
	160270-1000	LIBRARY SECURITY SYSTEM	2,150		2,150		Renewal	100%			
	160393-1000	LIBRARY-SPECIAL GRANT PROJECT	25,000	115,250	37,151	147,401	New Asset	14%	GRANT	160389-1000	25,000
WASTE MANAGEMENT	159759-1000	WASTE MANAGEMENT CAPITAL INFRASTRUCTURE	316,000	316,000	316,000	316,000	New Asset	34%			
SCIP	141899-1000	STRATEGIC CAPITAL INFRASTRUCTURE PROGRAM	60,000	60,000	305,914	305,914	Renewal	3%	SCIPF	161920-6220	420,000
OTHER NEW INFRASTRUCTURE ASSETS	129381-1000	MINOR COMMUNITY INFRASTRUCTURE ASSETS	160,000	160,000	852,374	852,374	New Asset	0%			
PLANT	161590-1000	SMALL PLANT	80,000		80,000		Renewal	1%	PLANT REPLACE, IRA Less Sales	161680-6220	2,521,000
	161610-1000	WORKSHOP EQUIPMENT	40,000		40,000		Renewal	0%			(689,500)
	161600-1000	LIGHT CARS/TRUCKS	743,500		743,500		Renewal	14%			1,831,500
	161620-1000	HEAVY PLANT	1,657,500		1,657,500		Renewal	10%			
	148221-1000	INVERELL WORKSHOP EQUIPMENT		2,521,000		2,521,000					
TOTAL			3,630,368	3,530,368		5,605,031		REVENUE FUNDING REQUIRED		1,496,540	
SEWERAGE	907170-1000	OTHER EQUIPMENT - Sewer Rodding Equip; Gas Detectors	10,000		45,000		Renewal	0%	CAPITAL WORKS IRA	907360-6220	-
	907110-1100	MAINS RELINING PROGRAM	90,000		350,349		Renewal	0%			
	907270-1000	PUMPING STATIONS UPGRADES	440,000		780,000		Renewal	0%			
	907280-3100	RETICULATION MAINS	107,000		107,000			0%			
	907280-3100	SEWER INVESTIGATION			182,785			0%	TOTAL IRA FUNDING		-
	907280-3090	SEWER TREATMENT WORKS - DELUNGRA			100,000			0%	GRANT FUNDING		-
	907280-3070	SEWER TREATMENT WORKS - GILGAI			80,000			0%	LOAN FUNDS		-
	907321-3100	SEWER TREATMENT WORKS - INVERELL			3,303,857			1%	TOTAL REVOTES/EQUITY		4,301,991
	TOTAL			647,000	647,000		4,948,991		REVENUE FUNDING REQUIRED		647,000
	WATER	813220-1100	MAINS REPLACEMENT - INVERELL	135,000		328,466		Renewal	8%		
813230-3100		MINOR MAINS EXTENSIONS-INVERELL	50,000		50,000		New Asset	1%			
813285-1000		BACKFLOW PREVENTION WORKS	275,000		550,000		Renewal	0%			
813288-3100		TELEMETRY UPGRADES	300,000		300,000		Renewal	0%			
813260-3100		WATER TREATMENT PLANT			50,000			0%			
813280-3100		PUMP STATIONS			300,000			0%			
813280-3001		METERING - ASHFORD			-		Renewal	0%	CAPITAL WORKS IRA	813380-6220	-
813280-3020		METERING - DELUNGRA			-		Renewal	0%			
813280-3100		METERING - INVERELL	66,950		104,910		Renewal	3%			
813280-3230		METERING - YETMAN			-		Renewal	0%			
813280-3020		METERING - DONGSHAW			-		Renewal	0%			
813290-3100		OTHER EQUIPMENT	5,000		5,000		Renewal	0%			
TOTAL			831,950	831,950		1,688,376		REVENUE FUNDING REQUIRED		831,950	
ROADS	135960-3100	URBAN DRAINAGE RECONSTRUCTION-Construction Costs	139,000		520,408		Renewal	3%			
	138270-1000	URBAN WORKS PROGRAM	517,000		2,273,158		Renewal	0%			
	141331-4450	CBD WORKS	17,300		32,387						
	137561-1000	BLOCK GRANT WORKS	525,000		571,000		Renewal	79%			
	138691-1000	ACRD GRANT WORKS	1,624,253		2,274,379		Renewal	6%			
	1387330-445	3x4 GRANT WORKS	160,000		-		Renewal	0%			
	138260-1000	REPAIR PROGRAM WORKS (PJ143003,143004)	942,968		1,410,015		Renewal	21%			
	138400-1000	ROADS TO RECOVERY PROGRAM WORKS	3,010,064		3,010,064		Renewal	4%			
	139400-1100	TIN TOT BRIDGE			200,000		Renewal	0%			
	139120	VILLAGES DEVELOPMENT WORKS	30,000		104,465		Renewal	0%			
	139200-1000	VILLAGES BITUMEN RESEALS	22,989		67,007		Renewal	16%			
	Various	FIT FOR THE FUTURE - ROAD BACKLOG PROGRAM	-		3,504,714		Renewal	3%			
	140110-1100	GRAVEL RESHEETING MINOR ROADS	44,220		88,440		Renewal	0%			
	140190-1000	GRAVEL RESHEETING MINOR ROADS	33,280		40,302		Renewal	0%			
	141440-1100	URBAN LANEWAYD PROGRAM	-		46,873		Renewal	19%			
	139430	NON RECURRENT ROADS PROGRAM			1,091,904		Renewal	1%			
	139422	URBAN REHABILITATION - NON-RECURRENT PROGRAM	200,000		200,000		Renewal	1%			
	139420	NEW BITUMEN SEALS - NON RECURRENT PROGRAM	700,000		700,000		New Asset	0%			
	141899-1000	STRATEGIC CAPITAL INFRASTRUCTURE/PROJECTS FUN (Extension Oliver Street and John Street Sealing)	360,000		360,000		New Asset	0%			
	160900-1000	OPTICS - BUS SHELTERS			12,344			100%			
TOTAL			8,326,054	8,326,064		16,507,480		REVENUE FUNDING REQUIRED		2,069,121	
TOTAL ACQUISITION OF ASSETS				13,435,372		28,749,858		TOTAL IRA FUNDING		1,831,500	
TOTAL ASSET RENEWALS				11,798,872		27,256,480		GRANT FUNDING		6,662,963	
TOTAL NEW ASSETS				1,636,500		1,493,369		LOAN FUNDING		-	
								TOTAL 15/16 UNEXPENDED GRANTS		1,345,066	
								TOTAL REVOTES/EQUITY		13,866,718	
								REVENUE FUNDING REQUIRED		5,044,611	
								TOTAL		28,749,858	

Capital Expenditure

APPENDIX 6

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 30-9-2016
CAPITAL BUDGET**

	ORIGINAL BUDGET 2016/2017 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2016/2017 (000's)	ACTUAL YTD (000's)
		Revotes (000's)	Unexpended Grants (000's)	Sept 2016 Review (000's)	Dec 2016 Review (000's)	Mar 2017 Review (000's)	June 2017 Review (000's)				
CAPITAL FUNDING											
Rates and Other untied Funding											
General Fund	3,462							3,462	57	3,519	3,519
Sewer Fund	647							647		647	647
Water Fund	832							832		832	832
Capital Grants & Contributions								-			
Bushfire	266							266		266	
Sporting Fields	10							10		10	
Library	25							25		25	
Roads	6,362							6,362	47	6,409	1,614
Internal Restricted Assets								-			
Aerodrome								-		-	
Plant Replacement	1,831							1,831		1,831	
Roads Program								-		-	
Sewerage Future Capital Works								-		-	
Water Future Capital Works								-		-	
Strategic Capital Projects Fund								-		-	
Loan Funding								-		-	
Equity (Unexpended Grants and Contributions from previous years)		13,866	1,345					15,211		15,211	10,057
TOTAL CAPITAL FUNDING	13,435	13,866	1,345	-	-	-	-	28,646	104	28,750	16,669
CAPITAL EXPENDITURE											
Administrative Services	15	31						46		46	30
Aerodrome								-		-	
Engineering Equipment	2							2		2	1
SES/Bushfire	273	54						327		327	
Information Services	147	181						328		328	-
Sporting Fields	20	190	346					556		556	91
Parks	-	173	30					203		203	129
Cemetery	1							1		1	
Library	115	20	12					147		147	29
Plant	2,521							2,521		2,521	268
Other Structures/Buildings											
Minor Community Infrastructure Assets	160	694						854	(1)	853	10
Strategic Capital Infrastructure Program	60	246									
Waste Management Capital	316							316	(1)	315	109
Sewerage Services	647	4,302						4,949		4,949	3
Water Services	832	856						1,688		1,688	41
Roads	8,326	7,119	957					16,402	105	16,507	1,235
TOTAL CAPITAL EXPENDITURE	13,435	13,866	1,345	-	-	-	-	28,646	103	28,749	1,946

RECOMMENDED CHANGES TO REVISED BUDGET

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

APPENDIX 7

INVERELL SHIRE COUNCIL
INVESTMENTS HELD 30-9-16

Term Deposit Investment Group

Investment No.	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	Term (days)
16/37	St George Bank	General	A1+	1	08-Apr-16	07-Oct-16	3.12%	2,000,000	2,000,000	182
16/38	St George Bank	General	A1+	1	08-Apr-16	07-Oct-16	3.12%	2,000,000	2,000,000	182
16/45	CBA	General	A1+	1	16-May-16	13-Oct-16	2.70%	1,000,000	1,000,000	150
16/40	National Australia Bank	General	A1+	1	15-Apr-16	14-Oct-16	3.11%	1,000,000	1,000,000	182
16/44	St George Bank	General	A1+	1	16-Apr-16	16-Oct-16	3.00%	1,000,000	1,000,000	183
16/41	CBA	Sewer	A1+	1	19-Apr-16	19-Oct-16	3.00%	2,000,000	2,000,000	183
16/42	Suncorp	General	A1+	1	28-Apr-16	25-Oct-16	3.10%	2,000,000	2,000,000	180
16/39	National Australia Bank	General	A1+	1	15-Apr-16	15-Nov-16	3.11%	2,000,000	2,000,000	214
16/46	CBA	General	A1+	1	19-May-16	18-Nov-16	2.72%	1,000,000	1,000,000	183
17/14	Bank West	General	A1+	1	28-Apr-16	26-Nov-16	2.95%	2,000,000	2,000,000	151
17/10	St George Bank	Water	A1+	1	01-Sep-16	01-Dec-16	2.80%	1,000,000	1,000,000	91
16/47	National Australia Bank	General	A1+	1	02-Jun-16	02-Dec-16	2.98%	2,000,000	2,000,000	183
15/19	CBA	General	A1+	1	11-Dec-14	11-Dec-16	3.80%	1,000,000	1,000,000	732
16/48	Suncorp	General	A1+	1	14-Jun-16	14-Dec-16	3.00%	1,000,000	1,000,000	183
16/49	National Australia Bank	General	A1+	1	14-Jun-16	14-Dec-16	2.97%	2,000,000	2,000,000	183
16/50	Community Mutual	Water	NR	3	14-Jun-16	14-Dec-16	3.00%	2,000,000	2,000,000	183
14/22	Westpac	General	A1+	1	17-Dec-13	16-Dec-16	4.31%	2,000,000	2,000,000	1095
17/09	St George Bank	General	A1+	1	01-Sep-16	02-Jan-17	2.80%	1,000,000	1,000,000	123
17/01	National Australia Bank	General	A1+	1	11-Jul-16	09-Jan-16	2.94%	1,000,000	1,000,000	182
17/04	National Australia Bank	Water	A1+	1	12-Aug-16	09-Jan-17	2.74%	1,000,000	1,000,000	150
17/02	Bank West	Sewer	A1+	1	21-Jul-16	17-Jan-17	2.70%	2,000,000	2,000,000	180
17/03	St George Bank	General	A1+	1	22-Jul-16	17-Jan-17	2.80%	2,000,000	2,000,000	179
17-Dec	National Australia Bank	Sewer	A1+	1	17-Sep-16	17-Feb-17	2.64%	2,000,000	2,000,000	153
17/05	AMP BANK	General	A1	2	01-Sep-16	30-Mar-17	2.95%	2,000,000	2,000,000	210
17/06	AMP BANK	General	A1	2	01-Sep-16	30-Mar-17	2.95%	1,000,000	1,000,000	210
17/07	AMP BANK	Water	A1	2	01-Sep-16	30-Mar-17	2.95%	1,000,000	1,000,000	210
17/08	AMP BANK	General	A1	2	01-Sep-16	30-Mar-17	2.95%	1,000,000	1,000,000	210
17/11	National Australia Bank	General	A1+	1	16-Sep-16	14-Apr-17	2.65%	1,000,000	1,000,000	210
17/15	Suncorp	General	A1+	1	27-Sep-16	27-Apr-17	2.55%	1,000,000	1,000,000	212
17/16	Suncorp	General	A1+	1	27-Sep-16	27-Apr-17	2.55%	1,000,000	1,000,000	212
15/01	CBA	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/02	CBA	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/03	CBA	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/09	CBA	General	A1+	1	01-Sep-14	01-Sep-17	3.90%	1,000,000	1,000,000	1096
17/17	National Australia Bank	Water	A1+	1	27-Sep-16	27-Sep-17	2.70%	1,000,000	1,000,000	365
17/13	CBA	General	A1+	1	17-Sep-16	17-Sep-17	3.00%	1,000,000	1,000,000	365
15/10	Bank of Queensland	General	A1	2	02-Sep-14	03-Sep-18	4.10%	1,000,000	1,000,000	1462
Sub Total - Term Deposit Investment Group								TOTALS	51,000,000	51,000,000

Cash Deposits Accounts Investment Group

As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value
30/9/16	National Australia Bank (Cash Maximiser)	General	A1+	1			1.75%	1,000,000	1,000,000
Sub Total - Cash Deposits Accounts Investment Group								1,000,000	1,000,000

Floating Rate Notes Investment Group

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

Structured Products Investment Group

As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Written Down Value 30-6-15	Current value
30/6/16	Lehman Brothers Treasury Co B.V (CPPI-7457)	Water	DD	5		9/5/2010*	0.00%	300,000	9,810	9,810
Sub Total - Structured Products Investment Group								300,000	9,810	9,810

Portfolio by Fund

General Fund	40,000,000
Water Fund	6,009,810
Sewer Fund	6,000,000
TOTAL	52,009,810

Portfolio by Fund	31/08/2016	30/09/2016
General Fund	37,000,000	40,000,000
Water Fund	6,009,810	6,009,810
Sewer Fund	6,000,000	6,000,000
TOTAL	\$ 49,009,810.00	\$ 52,009,810.00

APPENDIX 8

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 30-9-2016
CASH & INVESTMENTS**

	ORIGINAL BUDGET 2016/2017 (000's)	Approved Changes						Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2016/2017 (000's)	ACTUALS (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2016 Review (000's)	Dec 2016 Review (000's)	Mar 2017 Review (000's)	June 2017 Review (000's)			
EXTERNALLY RESTRICTED										
Water Services	5,682						5,682		5,682	5,682
Sewerage Services	7,632						7,632		7,632	7,632
Waste Management	3,497						3,497		3,497	3,497
Special Purpose Grants	2,477						2,477		2,477	3,448
Developer Contributions	369						369		369	157
Bonds & Deposits	748						748		748	748
Stormwater Management	-						-		-	141
TOTAL EXTERNALLY RESTRICTED	20,405						20,405		20,405	21,305
INTERNALLY RESTRICTED										
Employee Leave Entitlements	1,011						1,011		1,011	1,011
Strategic Development Fund	690						690		690	690
Plant Replacement	3,310						3,310		3,310	3,310
Computer	1,007						1,007		1,007	1,007
Building Renewal/Upgrades	1,821						1,821		1,821	1,821
Business Units	-						-		-	-
Aerodrome	134						134		134	134
Workers Compensation Insurance	573						573		573	573
Future Capital Works/Land Purchases	650						650		650	650
Emergency Management/ Equipment Upgrades	211						211		211	211
Industrial Development	669						669		669	669
Special Capital Projects	5						5		5	5
Baths Improvements - Inverell Pool	2,200						2,200		2,200	2,200
Sports Grounds - Hockey Facility Resurfacing	400						400		400	400
Other Restrictions	893						893		893	893
TOTAL INTERNALLY RESTRICTED	13,574						13,574		13,574	13,574
TOTAL RESTRICTED	33,979						33,979		33,979	34,879
TOTAL CASH & INVESTMENTS	51,834						51,834		51,834	52,010
AVAILABLE WORKING CAPITAL	17,855	Figure incl. revotes & Unexpended grants from 2015/16 \$12.7m							17,855	17,131

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 30 September 2016 Councils Cash and Investment Portfolio totalled \$52.01 million plus \$3.5 million Cash at bank. This includes securities with a market value of \$10K 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	21,305
Total Internal Restricted Funds	13,574
Total Restricted	34,879
Total Funds Invested as per Investment Report (30-09-16)	52,010
Total Available Working Capital	17,131

CASH

I, KEN BEDDIE, as Council's Responsible Accounting Officer, hereby certify that the bank balances, as per General Ledger, have been reconciled with the bank statements for the month of September, 2016, 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 September, 2016, 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 30-9-16
CONTRACTS**

Contractor	Contract Details & purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Danbuilt P/L	Ashford Sportsground Amenities Block	\$ 276,500.00	04-July-2016	4.5 Months	Y
NSW Spray Seal	Bitumen Resealing Program 2016/2017	\$ 1,253,707.00	12-October-2016	4 Months	Y
Inverell Aggregate Supplies	Aggregate Supply - Bitumen Resealing Program 2016/17	\$ 409,732.00	12-October-2016	4 Months	Y
Neil Jonhston & Son P/L	Aggregate Supply - Bitumen Resealing Program 2016/17	\$ 117,517.00	12-October-2016	4 Months	Y

Notes

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

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 30-9-16
CONSULTANCY & LEGAL EXPENSES**

EXPENSE	EXPENDITURE YTD	BUDGETED (Y/N)
CONSULTANCIES		
Heritage Advisor	5,413.63	Y
Town Centre Renewal		Y
Investment Advisor	3,000.00	Y
Waste Management	7,281.00	Y
Asset Management	3,622.50	Y
LEGAL FEES	3,452.78	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

APPENDIX 10

INVERFLEET OPERATIONS 2016-2017

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

SUFFIX	DESCRIPTION	2017 BUDGET	2017 Y.T.D.	% VOTE	BALANCE
	Operators Wages	32,000	28,451	88.9%	3,549
	Workshop Wages	311,468	100,004	32.1%	211,464
	Repairs	15,000	-	0.0%	15,000
	Parts	398,500	105,956	26.6%	502,544
	Tyres	195,000	35,414	2.2%	159,586
	Fuel	1,041,000	257,427	24.7%	783,573
	Registration	185,000	16,208	8.8%	168,792
	Accident Expenses	5,000	-	0.0%	5,000
	Depreciation	1,550,000	387,500	25.0%	1,162,500
	Oils & Lubricants	40,000	9,277	23.2%	30,723
	Cutting Edges	55,000	14,649	26.6%	40,351
	Insurance	129,000	159,128	123.4%	-30,128
148170	Miscellaneous +G4817.000	253,000	83,642	33.1%	169,358
148190	Insurance Excess	8,000	1,500	18.8%	6,500
148210	Ashford Workshop Exp.	17,000	3,091	18.2%	13,909
148220	Inverell Workshop Exp.	49,345	4,713	9.6%	44,632
148230	Apprentice Exp.	15,000	-	0.0%	15,000
148240	Administration Charge	303,081	75,770	25.0%	227,311
148250	Small Plant & Tools	105,370	21,090	20.0%	84,280
994825	Depreciation Small Plant & Tools	76,000	19,000	25.0%	57,000
148260	Plant & Tools under \$750	3,000	-	0.0%	3,000
148280	Oncosts (Super,w/comp etc.)	172,780	31,243	18.1%	141,537
146370	2 Way Radio SYSTEM UPGRADE	0	-	0.0%	0
146380	2 Way Radio M & R	22,540	2,553	11.3%	19,987
146390	2 Way Radio Installations	2,500	11	0.4%	2,489
146400	2 Way Radio Licences	1,500	-	0.0%	1,500
TOTAL OPERATING COSTS:		4,986,084	1,356,628	27.2%	1,388,413
128780	Council Hire	-5,402,000	1,320,449	24.4%	-4,081,551
128781	RTA Hire	0	-	0.0%	0
128782	Private Hire	-6,000	-	0.0%	-6,000
G2315	Apprentice Subsidy	-	-	0.0%	0
127800	Radio Communications Site	-5,000	-	0.0%	-5,000
148400	Small Plant & Tools	-123,150	30,788	25.0%	-92,363
TOTAL OPERATING INCOME:		-5,536,150	1,351,237	24.4%	-1,299,794
NET RESULT:		-550,066	5,392	-1.0%	-555,458
Less GPS Units funded from IRA's		-50,000	-	0.0%	-50,000
Less Funding to Non-reccurent Roads Program		600,000	-	-	-
Less Capital Replacement Inflation Allowance		-	-	-	-
		-66	5,392	-8169.0%	-5,458
REPLACEMENT PROGRAM					
161620	Heavy Plant Purchases	1,657,500	286,057	17.3%	1,371,443
161600	Light Plant Purchases	743,500	170,581	22.9%	572,919
161590	Small Plant Purchases	80,000	4,531	5.7%	75,469
	Workshop Upgrades	0	-	0.0%	0
148221	Workshop Equipment	40,000	-	0.0%	40,000
		2,521,000	461,170	18.3%	2,059,830
168100	Sale of Heavy Plant	-349,000	4,545	1.3%	-344,455
168110	Sale of Light Plant	-340,500	67,789	19.9%	-272,711
168120	Sale of Small Plant	0	-	0.0%	0
NET RESULT:(Surplus)/Deficit		1,831,500	388,835		1,442,665
PLANT RESERVE					
G6168	Estimated Balance 1.7.14	3,719,547	-		3,719,547
G6168.802	Transfer from 2016/2017	-1,831,500	-		-1,831,500
G6168.801	Transfer to 2016/2017	1,626,000	406,500		1,219,500
G6168	Balance 30.06.2015	3,514,047	406,500		3,107,547

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 30-9-16
KEY PERFORMANCE INDICATORS**



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

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

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

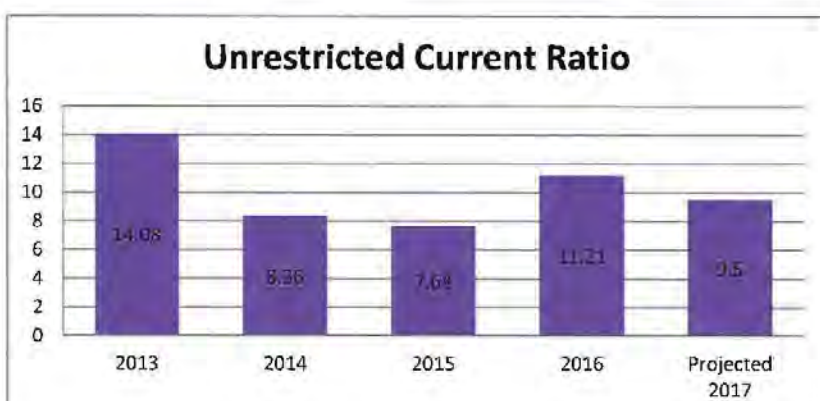
The 2016 is inflated due to additional operating grants being received (R2R, Block etc) while expenditure of these grants were capitalised



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

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

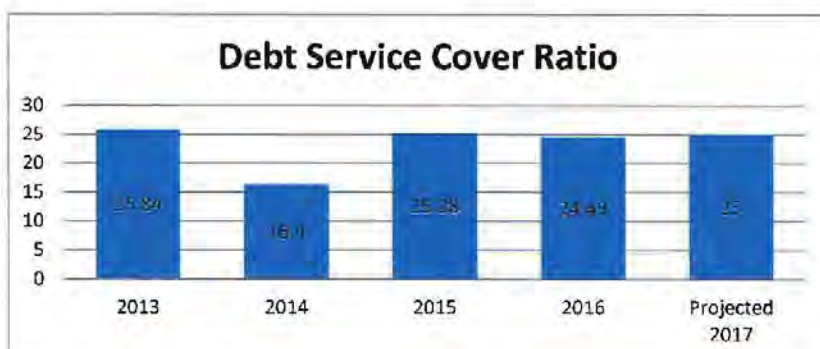
The "fit for the future" benchmark is that councils should have own source revenue of greater than 60% over a three year period.



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

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

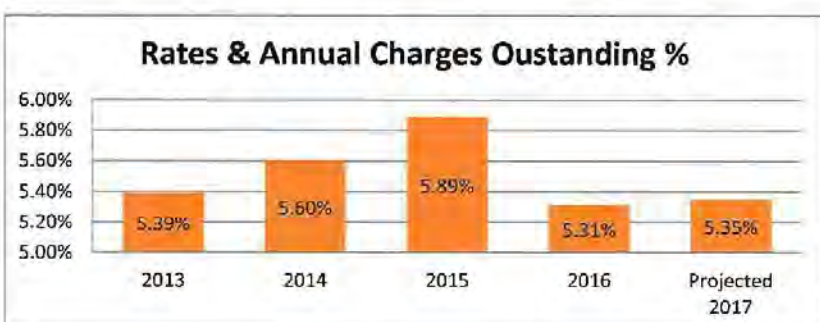
The Tcorp benchmark is greater than 1.5



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

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

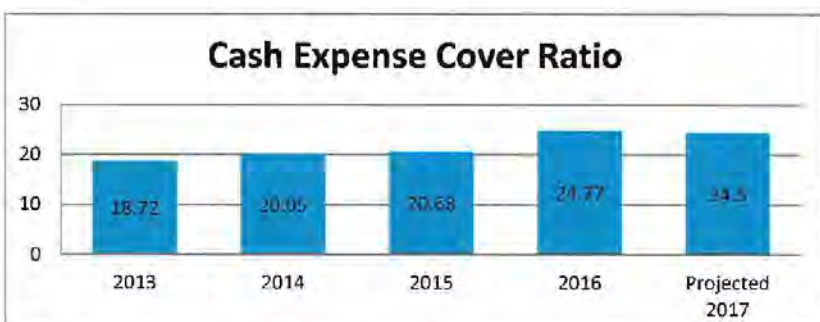
The Tcorp benchmark is to have a ratio of greater than 2.



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

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

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



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

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

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 30-9-16
KEY PERFORMANCE INDICATORS**

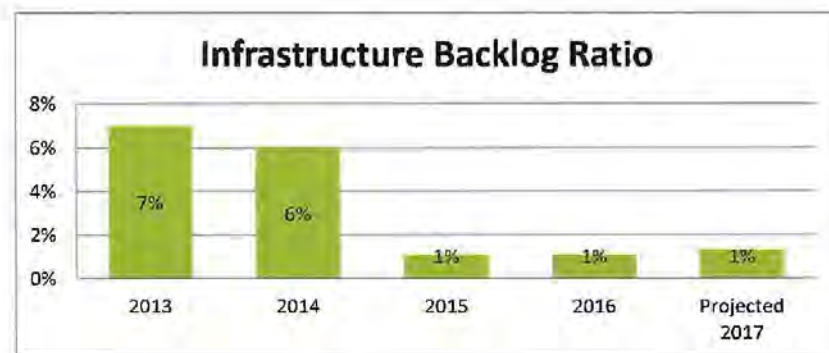


The **Asset Renewal Ratio** indicates the rate at which assets are being renewed against the rate they are being depreciated.

Council's 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

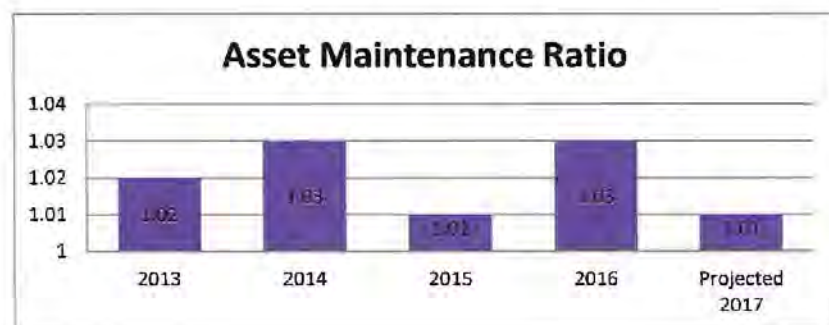


The **Infrastructure Backlog Ratio** assess Council infrastructure backlog against the total value of councils infrastructure.

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%