

INVERELL SHIRE COUNCIL

NOTICE OF MEETING

ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE

8 February, 2018

An Economic & Community Sustainability Committee Meeting will be held in the Committee Room, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 14 February, 2018, 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; and
- Inverell Shire Council Operational Plan.



ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING

Wednesday, 14 February, 2018

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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, 8 NOVEMBER, 2017, COMMENCING AT 10.30AM.

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

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

Paul Henry (General Manager), Brett McInnes (Director Civil and Environmental Services) and Fiona Adams (Manager Integrated Planning and Reporting).

SECTION A

APOLOGIES:

Apologies were received from Cr Harmon for business reasons.

RESOLVED (King/Michael) that the apology from Cr Harmon be noted.

1. CONFIRMATION OF MINUTES

RESOLVED (Michael/King) that the Minutes of the Economic and Community Sustainability Committee Meeting held on 11 October, 2017 as circulated to members, be confirmed as a true and correct record of that meeting.

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

There were no interests declared.

3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil.

SECTION B
ADVOCACY REPORTS

Cr Michael Boss Engineering S8.3.1/10

Cr Michael noted Member for Northern Tablelands Adam Marshall announced Boss Engineering has secured a NSW Government grant of \$750,000, which will create 47 jobs. The announcement made on Monday, 30 October follows a grant last year of \$450,000, which enabled significant expansion.

Cr Michael Country NSW Cricket Championships - Northern S26.1.1

Cr Michael noted the success of the cricket championships held 3-5 November, where he attended the official welcome and coin toss. The fixture attracted widespread positive feedback on the quality of the grounds and facilities and thanked staff for their assistance.

Cr Michael Grandparents Day S15.8.73

Held on Saturday 4 November, this event attracted over 130 participants and Cr Michael congratulated staff for a successful event.

Cr King Grandparents Day \$15.8.73

Cr King attended the event and noted the Town Hall provided an ideal venue. He thanked staff and acknowledged the Inverell Times coverage of the event.

Cr Dight Yetman Sports Ground \$21.8.16

Cr Dight noted the Yetman Yabbies Cricket Club had a successful match on the new synthetic cricket pitch held recently at Terry Barnes Oval.

Cr Dight Sapphire City Festival \$26.3.11/09

Cr Dight attended the Festival finale on Saturday, 29 October. The fireworks display was well attended and the presence of Barnaby Joyce and Adam Marshall MP brought strong media coverage.

SECTION C COMMITTEE REPORTS

Nil.

SECTION D DESTINATION REPORTS

CSO-P-A 1. EXPIRING LICENCE AGREEMENT – INVERELL COMMUNITY GARDENS
\$5.10.126

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

- i) Council renew the agreement with Inverell Community Gardens for Part Reserve 1571, Swanbrook Road, Inverell;*
- ii) The licence agreement be for a five (5) year period with a five (5) year option;*
- iii) The Licence fee be \$463.70 per annum (GST Inclusive) with a 3% increase per annum;*
- iv) The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager; and*
- v) Inverell Community Gardens be responsible for any electricity, water, sewer, waste management and stormwater charges and any metered water use.*

GM-A 2. GRAMAN RESERVE – DEVELOPMENT OPPORTUNITY \$21.8.18

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

- i) A Development Application is not signed by Council; and*
- ii) Council advise the Sapphire City Motor Sports Club that it is not prepared to support the proposal going forward.*

CSO-P-A 3. REQUEST FOR SPONSORSHIP – COPETON FRESHWATER SWIM
\$26.1.1/10

RESOLVED (Michael/Dight) that the committee recommends that Council continue as an event sponsor and will provide \$1,500 sponsorship to the 2018 event.

GM-N 4. REVIEW OF THE MODEL CODE OF CONDUCT S4.12.1

RESOLVED (Michael/King) that report is received and noted.

SECTION E
INFORMATION REPORTS

GM-N 1. INVERELL COMMUNITY RADIO S26.4.21

RESOLVED (King/Dight) that the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 8 November, 2017, be received and noted.

SECTION F
QUESTIONS WITHOUT NOTICE

GM-A Cr King Provision of a Men's Shelter S3.16.8

Cr King raised concerns of men's homelessness and the absence of facilities for men needing crisis and transition accommodation. As there is a considerable interest in the community, Cr King suggests Council could facilitate a meeting to bring together stakeholders and interested residents.

Cr Dight Yetman Landfill S31.8.6

Cr Dight requested an update on the Yetman Landfill and its transition to a Waste Transfer Facility. Director Civil and Environmental Services provided information in this matter and advised staffing and functioning of the landfill will be determined in consultation with the community.

SECTION H
GOVERNANCE REPORTS

MFS-N 1. MONTHLY INVESTMENT REPORT S12.12.2/10

RESOLVED (Michael/Dight) that:

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

MFS-N 2. QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2017-2018
S12.5.1/10

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

- i) Council's Quarterly Operational Plan and Budget Review for 30 September, 2017 be adopted; and*
- ii) The proposed variations to budget votes for the 2017-2018 Financial Year be adopted, providing an estimated Cash Surplus at 30 June, 2018 from operations of \$3,267.*

There being no further business, the meeting closed at 11.05 am.

CR J A WATTS

CHAIRPERSON

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 14/02/2018

ITEM NO:	1.	FILE NO: S32.10.1/11
DESTINATION 1:	A recognised leader in a broader context	R
SUBJECT:	REQUEST FOR REDUCTION ON WATER ACCOUNT (LISTING)	
PREPARED BY:	Somone McLachlan, Debtors Clerk	

SUMMARY:

Council has received a letter regarding an excessive water account and seeks Council's assistance by issuing an amended account based on average usage. The Committee is asked to consider a confidential report that has been prepared in respect of this matter.

COMMENTARY:

Local Government Act 1993 (the Act), and the *Local Government (General) Regulation 2005* makes provision for the closure of meetings to the public and media in specified circumstances. In particular s.10A of the Act provides that Council may close to the public and media so much of a meeting as relates to the discussion and consideration of information identified in s.10A(2). The matters which may be closed to the public and media, as stated in the Act, must involve:

- (a) *Personnel matters concerning particular individuals (other than councillors.)*
- (b) *The personal hardship of any resident or ratepayer.*
- (c) *Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*
- (d) *Commercial information of a confidential nature that would, if disclosed:*
 - (i) *prejudice the commercial position of the person who supplied it, or*
 - (ii) *confer a commercial advantage on a competitor of the council, or*
 - (iii) *reveal a trade secret.*
- (e) *Information that would, if disclosed, prejudice the maintenance of law.*
- (f) *Matters affecting the security of the council, councillors, council staff or council property.*
- (g) *Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.*
- (h) *Information concerning the nature and location of a place or an item of Aboriginal significance on community land.*

In considering whether to close a part of a meeting to the public and media, Councillors are also reminded of further provisions of s.10D of the Act which states:

Grounds for closing part of meeting to be specified

- (1) *The grounds on which part of a meeting is closed must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting.*
- (2) *The grounds must specify the following:*
 - (a) *the relevant provision of section 10A (2),*
 - (b) *the matter that is to be discussed during the closed part of the meeting,*

- (c) *the reasons why the part of the meeting is being closed, including (if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret) an explanation of the way in which discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

Having regard for the requirements stated in s.10D of the Act Councillors should note that the matter listed for discussion in Closed Committee includes information provided by the applicants which is considered to be sensitive.

The recommendation that this item of business be considered in Closed Committee is specifically relied on section 10A(2)(b) of the Act as consideration of the matter involves:

- a) The personal hardship of any resident or ratepayer, and
- b) On balance, the public interest in preserving the confidentiality of the matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: R.07 Council is recognised for and distinguished by its management, innovation and customer service.

Term Achievement: R.07.01 Council's operating culture is flexible, efficient, integrated and aligned to Council's strategic objectives and program delivery.

Operational Objective: R.07.01.01 Implement a structured program of continuous improvement, based on identifying and adopting leading practice, across the organisation.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the matter be referred to Closed Committee for consideration as:

- i) the matters and information are 'the personal hardship of any resident or ratepayer.' (Section 10A(2)(b) 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.*

ITEM NO:	2.	FILE NO: S3.6.4
DESTINATION 2:	A community that is healthy, educated and sustainable	C
SUBJECT:	PUBLIC LIBRARIES NSW CONFERENCE 2017	
PREPARED BY:	Cr D Baker	

SUMMARY:

Cr Dianna Baker attended the Public Libraries NSW 2017 Conference, held in Sydney November 21 - 24. Manager Library Services Sonya Lange was an apology. The conference theme was "Switch your thinking – Looking from a different perspective".

COMMENTARY:

The Annual General Meeting of the Association was held, and dealt with a number of small constitutional changes to remove historic references to country and metropolitan positions within the executive of the organisation. No elections were conducted.

Cr Dallas Tout, President NSWPLA, welcomed State Librarian Dr John Vallance who gave an outsiders view on libraries and aims to make the State library more user friendly with digitalisation and displays.

All the speakers were of interest and had relevant inspiring information. SWITCH 2017 has been 'wicked rad to the power of sick'. Those are not words I use often; but I am open to ideas. *"People may resist change, that's what people do. Libraries need to expose people to change, that's what libraries do."*

Dr Vallance acknowledged that libraries are the heart of local communities. The multicultural loan service has been reinstated, and Dr Vallance's acknowledged that libraries are so much more than information; they are about personal enrichment for our readers and visitors.

Actor Russel Howcroft spoke about the power of ideas to increase usage and connection, and libraries are idea places – supporting and growing this within our communities, and thereby, growing ourselves. He encouraged stealing from the best, having the guts to stand out, being open to ideas, and investing in them, using art, fantastic architecture, and if we have the opportunity, to focus on communicating and building trust. Foster creative, persuasive writers, and consistently, get libraries message out there. We constantly need more funding.

Dr Nathaniel Bavinton affirmed the importance of ideas, in his talk on libraries powering smart cities. The library is a sacred space, one that brings everyone in and presents them with new ideas. Libraries contribute to liveability, sustainability and equity within our communities, and we have a significant part to play in terms of digital inclusion, but we can't do it alone. We need to be creative, supportive and have exploratory spaces in our community; to provide strategic programs that are linked to other programs – to work in partnership – we don't need to do it all.

Sue McKerracher took this thinking beyond ourselves even further, with the UN's Sustainable Development Goals. As libraries include the 16 goals in our strategic plans and share that with each council. There are wonderful stories about individual successes in terms of literacy, digital inclusion, culture and heritage.

Ben Conyers from the State Library of Victoria, inspired us with their little redesign project. He encouraged consideration of how signage, security and spaces help or hinder visitors in accessing library services, and letting visitors lead service design. Make the most of what we have, putting people at the heart, removing barriers, so that we are open and inviting, now and into the future.

Thanks to actor William McInnes for bringing us back to what wonderful, quirky, treasure chests libraries are in communities. Libraries are places where people have a haven, and opportunity; a universe of goodness. One of the most brilliant things about public libraries, is that not only are they for everyone, they are about everything.

Matina Jewell's extraordinary life is a moving journey, made so much more powerful because of what she learned, and has been able to share. Our environments are always changing. What matters is our perspective, the ability to see challenges as the opportunities for learning and the ability to adapt, to be flexible in leadership style, thinking outside the box to create a culture of decision making, abilities which I believe Inverell Shire Councillors and staff have.

Kevin Hennah showed statistics which prove that the quality of presentation, not the quantity of stock, should be our focus. Kevin recommends we seriously weed, face covers out, put non-fiction and fiction in genre-based sections, and create exciting spaces with a sense of theatre, such as we see in retail. There needs to be spaces for collaboration, presentation, for visitors to feel they can own, and to promote what visitors want.

Jukka Relander, from Finland, showed Europe's libraries are making clear statements that confirm what we instinctively know about ourselves; that libraries are places of welcome for everyone, that libraries are the only non-commercial, public spaces that ask what people want.

It has been an exciting year for the Indigenous Services team; they held an Unconference, 'Connecting Culture: Tracing Ancestors' family history workshops for staff and community members, a 'Transcribathon' during NAIDOC Week, focussing on Indigenous language material, consultations with public libraries, and today, launched the Indigenous Spaces in Library Places online toolkit. Masheila Pillay gave us an insight into the cultural landscape of Australia, sharing statistics that indicate the importance of understanding cultural behaviour within our communities, and acting to ensure that as many people as possible know that they are welcome, and that we have resources and services that are for them.

Christine Anu, reminded us that change happens when we SWITCH up our thinking, and move out of our comfort zone to where growth happens. She encouraged all to celebrate the power of stories; the power to change, for good.

We are in the midst of a digital revolution, and we, a federation, a commonwealth of libraries, are here to show our communities a constellation of possibilities, not tell them what to think. Revolutions can be nasty for those who live through them, but we can help steer people through so everyone can win.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: C.15 The social well being and health of individuals and communities within the Shire is being maintained and improved.

Term Achievement: C.15.02 Council is providing a diverse range of literature in all contemporary mediums to support the educational and recreational needs of the community.

Operational Objective: C.15.02.01 To provide and maintain a high quality library service which meets the educational, recreational and cultural needs and expectations of the community.

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil

RECOMMENDATION:

That the information be received and noted and that Inverell Shire Council continue to support NSWPLA in their efforts to increase State Government funding.

ITEM NO:	3.	FILE NO: S5.10.65
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	REQUEST TO LICENCE LAND - HARRISON	
PREPARED BY:	Julie Grima, Corporate Support Officer - Publishing	

SUMMARY:

Council has received a request from Ms Patricia Harrison of 97 Ross Street, Inverell, to licence land known as Lots 290, 291 and 292 DP 753287, adjacent to Ross and Clive Streets, Inverell.

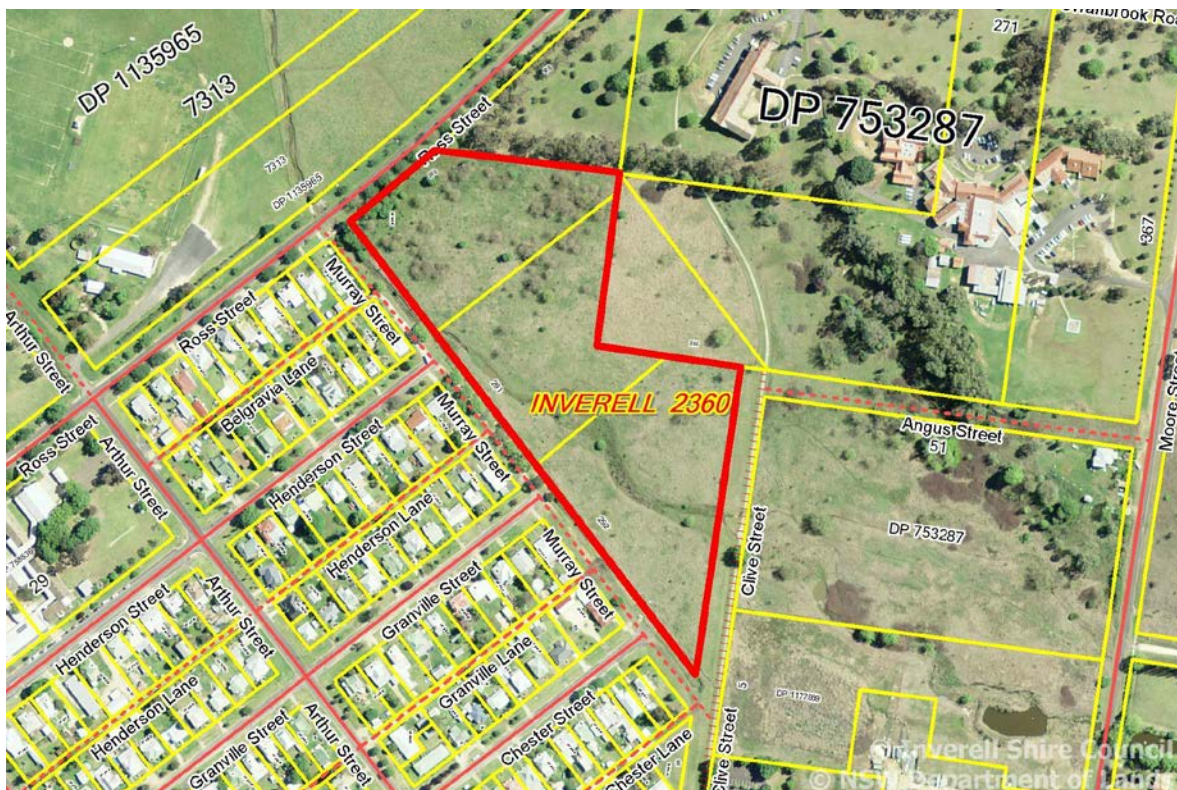
The Committee is requested to consider the request to licence the land.

COMMENTARY:

Council has received a request from Patricia Harrison to licence land known as Lots 290, 291 and 292 DP 753287, adjacent to Ross and Clive Streets, Inverell for \$535.00 (GST inclusive) per annum for a two (2) year period. Land Area is 5.097 hectares. This land is Crown Land and Council is the control authority.

Ms Harrison wishes to utilise the land for the purpose of grazing stock.

It is suggested that Council enter into an agreement with Patricia Harrison for a two (2) year term with a further two (2) year option and that the licence fee be \$535.00 per annum, being subject to a 3% yearly increase.



RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

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

Term Achievement: S.01.10 Best Practice in Land Use Administration has been adopted and implemented.

Operational Objective: S.01.10.01 To provide and maintain a modern efficient and reliable land use administration system which enables the effective and efficient management of Shire land.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council enter into a Licence Agreement with Patricia Harrison for Lots 290, 291 and 292 DP 753287, adjacent to Ross and Clive Streets, Inverell for a two (2) year period

<i>with a further two (2) year option;</i>	
<i>ii)</i>	<i>the Licence fee be \$535.00 per annum (GST inclusive) with a 3% increase per annum; and</i>
<i>iii)</i>	<i>the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.</i>

ITEM NO:	4.	FILE NO: S5.10.154
DESTINATION 5:	The communities are served by sustainable services and infrastructure.	S
SUBJECT:	EXPIRING LICENCE AGREEMENT – REEVES	
PREPARED BY:	Julie Grima, Corporate Support Officer - Publishing	

SUMMARY:

The Licence Agreement between Council and Mr Graham and Felicity Reeves is due to expire on 17 April, 2018. The Committee is requested to consider offering Mr and Mrs Reeves a new Agreement.

COMMENTARY:

The Licence Agreement between Council and Mr and Mrs Reeves for Lot 8, DP 188692 and Lot 7, DP 1101540 Rifle Range Road, Inverell expires on 17 April, 2018. The authorised use of the land is for the purpose of grazing cattle. Land Area is 15.77 hectares.

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

It is noted that the licences are issued subject to the licensee providing Public Liability Insurance for \$10M. These Policies now cost over \$500 p.a.

Further noted is the last billed amount of \$515.00 (GST inclusive).

The Committee is requested to consider offering Mr and Mrs Reeves a new Agreement.



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.01.10 Best Practice in Land Use Administration has been adopted and implemented.

Operational Objective: S.01.10.01 To provide and maintain a modern efficient and reliable land use administration system which enables the effective and efficient management of Shire land.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the Committee recommends to Council that:

- i) Council renew the agreement with Mr Graham and Felicity Reeves for Lot 8, DP 188692 and Lot 7, DP 1101540 Rifle Range Road, Inverell;

- ii) *The licence agreement be for a five (5) year period with a five (5) year option;*
- iii) *The Licence fee be \$515.00 per annum (GST Inclusive) with a 3% increase per annum; and*
- iv) *The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

ITEM NO:	5.	FILE NO: S12.22.1/11
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	DONATION REQUEST – THE INVERELL SINGERS (INC)	
PREPARED BY:	Julie Grima, Corporate Support Officer - Publishing	

SUMMARY:

Council has received a request from The Inverell Singers, seeking a donation for their 2018 special programs. The Committee is asked to consider this request.

COMMENTARY:

The Inverell Singers is a community choir founded in 2016 and Council has received a request from Anthony Dale, asking if Council will provide a donation to go towards their special programs plan for 2018.

The community choir's goals are to foster a love of music and singing within their membership and contribute to the cultural landscape of the town by sharing choral music through quality performances at nursing homes, street venues, public concerts and eisteddfods.

The Inverell Singers are seeking funding of \$500 to support their special programs plan for 2018:

- Promotional flyer for placement in the Inverell Tourist Centre;
- Performance of the nationally-acclaimed Blackstone-Ipswich Cambrian Choir (est. 1886), the 2016 Grand Champions of Queensland, at the Inverell Town Hall on 6 May 2018; and
- Skills development initiatives for choir members:
 - Participation in Armidale Choral Foundation's three-day choral workshop on 9 - 11 March 2018 at NEGS;
 - Bringing members of the internationally recognised Gondwana Chorale to Inverell for a series of workshops targeting youth in Inverell.

A copy of the correspondence received from Anthony Dale is attached as Appendix 1 (D11). The Committee is asked to determine if it wishes to provide a contribution to The Inverell Singers, and if so, in what capacity.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

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

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

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

POLICY IMPLICATIONS:

Management Policy: Donation Policy – ‘Council in accordance with the provisions of Section 356 of the *Local Government Act, 1993* may provide financial assistance by way of Donations to others, including charitable, community and sporting organisations. 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:

Funding could be sourced from Council's Section 356 Donations Allocation.

LEGAL IMPLICATIONS:

Nil.

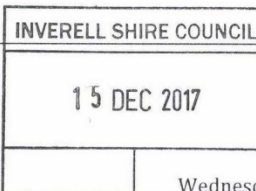
RECOMMENDATION:

A matter for the Committee.

APPENDIX 1

President: Mark Leonard
Secretary: Anthony Dale
Music Director: Lyn Hill

0458 746 843
 adale5354@gmail.com
 0431 953 646



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

Wednesday 13th December 2017

Dear Paul,

The Inverell Singers (Inc) is a community choir founded in 2016. Our goals are to foster a love of music and singing within our membership and contribute to the cultural landscape of the town by sharing choral music through quality performances at nursing homes, street venues, public concerts and eisteddfods. In particular, during the coming Christmas season, we will be participating via flash mob at the Chamber of Commerce's late night shopping initiative as well as joining other choirs and soloists in leading community singing at Carols in the Park. We would welcome further invitations to perform *gratis* at additional community events e.g. Australia Day celebrations and Anzac Day, throughout the year.

Our choir welcomes non-auditioned volunteer adult singers of diverse ages, backgrounds, abilities and disabilities. We pride ourselves on successfully building community through music by offering a relaxed and supportive environment for townfolk to develop their creativity; this is conducted under the guidance of senior choir mentors at rehearsals and performances, as well as through skills workshops and by promoting performances of visiting choirs in our town.

We are currently seeking funding of \$500 to support our special programs plan for 2018:

- Promotional flyer for placement in the Inverell Tourist Centre.
- Performance of the nationally-acclaimed *Blackstone-Ipswich Cambrian Choir* (est. 1886), the 2016 Grand Champions of Queensland, at the Inverell Town Hall on 6th May 2018.
- Skills development initiatives for choir members:
 - Participation in *Armidale Choral Foundation's* three-day choral workshop on 9th-11th March 2018 at NEGS.
 - Bringing members of the internationally recognised *Gondwana Chorale* to Inverell for a series of workshops targeting youth in our town. Rising composer & singer, Josie Gibson, daughter of Dom & Jane Gibson, is a current member.

Our choir liaises regularly with the executive of the *Inverell Cultural Council*, the *Inverell Music Appreciation Group* and the *Conservatorium Support Group* to support the Arts in our town. We will continue to work closely with these organisations as we implement our special programs plan in 2018.

For further information, please contact Mark Leonard: 0458 746 843 / mark.leonard3@bigpond.com.

Finally, please convey our thanks to the ISC Finance Committee for their consideration of this matter.

Yours faithfully

Anthony Dale
 24 Zircon Street
 Inverell. NSW. 2360

ITEM NO:	6.	FILE NO: S12.8.9/04
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	APPLICATION FOR NON-RATABILITY – CEMETERY SITE (LISTING)	
PREPARED BY:	Emma Murphy, Rates Clerk	

SUMMARY:

The purpose of this report is to list for consideration a report which deals with confidential matters and information which is recommended for determination by Council in a meeting closed to the public and media.

COMMENTARY:

Local Government Act 1993 (the Act), and the *Local Government (General) Regulation 2005* makes provision for the closure of meetings to the public and media in specified circumstances. In particular s.10A of the Act provides that Council may close to the public and media so much of a meeting as relates to the discussion and consideration of information identified in s.10A(2). The matters which may be closed to the public and media, as stated in the Act, must involve:

- (a) *Personnel matters concerning particular individuals (other than councillors.)*
- (b) *The personal hardship of any resident or ratepayer.*
- (c) *Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*
- (d) *Commercial information of a confidential nature that would, if disclosed:*
 - (i) *prejudice the commercial position of the person who supplied it, or*
 - (ii) *confer a commercial advantage on a competitor of the council, or*
 - (iii) *reveal a trade secret.*
- (e) *Information that would, if disclosed, prejudice the maintenance of law.*
- (f) *Matters affecting the security of the council, councillors, council staff or council property.*
- (g) *Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.*
- (h) *Information concerning the nature and location of a place or an item of Aboriginal significance on community land.*

In considering whether to close a part of a meeting to the public and media, Councillors are also reminded of further provisions of s.10D of the Act which states:

Grounds for closing part of meeting to be specified

- (1) *The grounds on which part of a meeting is closed must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting.*
- (2) *The grounds must specify the following:*
 - (a) *the relevant provision of section 10A (2),*
 - (b) *the matter that is to be discussed during the closed part of the meeting,*
 - (c) *the reasons why the part of the meeting is being closed, including (if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret) an explanation of the way*

in which discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

Having regard for the requirements stated in s.10D of the Act, Councillors should note that the matter listed for discussion in Closed Council provides Council with confidential information relating to the personal hardship of a ratepayer.

The recommendation that this item of business be considered in Closed Committee is specifically relied on section 10A(2)(b) of the Act as consideration of the matter involves:

- c) The personal hardship of any resident or ratepayer, and
- d) on balance, the public interest in preserving the confidentiality of the matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.

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.01.2) A sound long term financial position is maintained.

Operational Objective:

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

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

RECOMMENDATION:

That the matter be referred to Closed Council for consideration as:

- i) *the report includes 'the personal hardship of any resident or ratepayer', (Section 10A(2)(b) of the Local Government Act, 1993),*
- ii) *all reports are correspondence relevant to the subject business be withheld from access to the media and public as requires by section 11(2) of the Local Government Act, 1993.*

ITEM NO:	7.	FILE NO: S3.10.4
DESTINATION 5:	A community that is healthy, educated and sustained.	S
SUBJECT:	CRIME PREVENTION PLAN - DRAFT	
PREPARED BY:	Stephen Golding. Executive Manager Corporate and Community Services.	

SUMMARY:

In accordance with 2009 – 2029 Council's Community Strategic Plan, Strategy C03, *Promote an ordered and safe community*, and the NSW State Strategic Plan, *Safer Community*, a draft Crime Prevention Plan has been developed. The Committee is being asked to provide input on the draft Crime Prevention Plan and recommend to Council for this plan to be put on public exhibition.

COMMENTARY:

Council is committed in promoting a safer community, inclusive of crime prevention initiatives in the local government area of Inverell. This commitment has been translated in to the Crime Prevention Plan that supports the Community Strategy Plan's strategy to promote an ordered and safe community (Destination 2, C.03). A copy of the Draft Crime Prevention Plan has been forwarded to Councillors with the business paper.

Safer communities are part of the NSW State Plan that aims to reduce violent crime with a goal of all NSW Local Government Areas having stable or falling reported violent crime rates by 2019.

This Crime Prevention Plan has been developed to assist in the detection and prevention of criminal activity in the Inverell Local Government Area (LGA). The plan is founded upon the Destinations and Strategies outlined in Inverell Shire's Road Map for the Future 2009-2029 Community Strategic Plan and adheres to the NSW Government, Department of Justice's guidelines for developing a crime prevention strategy.

This document identifies the prevalent crimes within the Shire, crime profile, and draws focus upon the types of perpetrators committing these offences. Conveying an understanding of crime and offenders allows for the development and implementation of practical initiatives aimed at reducing criminal activity within the community.

This plan also supports the *Children's (Protection and Parental Responsibility) Act 1997* for a safer environment. This plan fulfils Part 4 Local crime prevention's objective '*to work towards a safer environment by fostering community involvement in the development of local crime prevention plans prepared on the initiative of local government councils*'

As part of the development and community engagement process this draft plan has been reviewed and endorsed by the Aboriginal Consultative Committee.

The final part of the community engagement process is for the plan to be placed on public exhibition.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: C.03 Promote an ordered and safe Community.

Term Achievement: C.03.01 Compliance and regulation programs have been developed and implemented to provide a safe environment for citizens and visitors.

Operational Objective: C.03.01.01 To promote the image of Council by providing timely response to citizen requests regarding Acts and Regulations.

POLICY IMPLICATIONS:

N/A

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

N/A

RECOMMENDATION:

That the Committee recommend to Council that the draft Crime Prevention Plan be put on public exhibition as part of the community engagement process.

ITEM NO:	8.	FILE NO: S8.5.9
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	NATIONAL TRANSPORT MUSEUM - ADDITIONAL FACILITIES	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

The National Transport Museum Committee request Council to consider funding the construction of a storage shed to facilitate the rotation of exhibits.

COMMENTARY:

The President of the National Transport Museum Committee, Mr Kevin Dunn, has advised that the Committee from time to time, receives offers of motor vehicles for display. Unfortunately, the exhibiting space in the Museum is fully utilised and these offers of new exhibits cannot be accepted unless space is created in the Museum by 'sending cars home'.

The Committee proposed an alternative to this practice. Their suggestion is to construct a 6m x 20m storage shed (3.6m height) (on the Museum site) in order to rotate exhibits from the Museum to the Storage Shed.

The Committee has requested Council to fund the construction of the Shed.

The estimated costs are:

- | | |
|---------------------------------------|----------------------------|
| • Purchase of shed | \$12,500 (quote) |
| • Laying of Slab and Erection of shed | <u>\$20,000</u> (estimate) |
| Total | \$32,500 |

The Committee is requested to consider its position on this approach.

Background:

- The Museum Land and Buildings are owned by Council.
- The Museum Committee has a 10 year lease on the Building. Annual Lease payments are \$28,053.30.
- In March, 2017 Council granted a reduction in the lease fee to \$14,026.65 for a two (2) year period.
- The Museum Committee meets all the operational costs of the Museum, with the exception of Council rates.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: S.07 Provide accessible and usable recreation facilities and services meet the needs of the community.

Term Achievement: S.07.01 Recreational and leisure facilities and services that meet community needs and are maintained to promote optimal utilisation.

Operational Objective: S.07.01.01 Facilitate joint use of the Shire's recreation and leisure facilities, sporting and open space facilities including co-location of programs.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

No specific budget allocation has been provided in the 2017-2018 budget. Funding could be sourced from Council Building Internal Restricted Assets (IRA). Council may also consider increasing the annual fee to recoup the capital costs.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

A matter for the Committee.

ITEM NO:	9.	FILE NO: S30.7.1
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	INVERELL AERODROME - INSTALLATION OF AN AUTOMATED WEATHER OBSERVING SYSTEM	
PREPARED BY:	Paul Pay, Manager Financial Services	

SUMMARY:

Council has been requested by the provider of our Regular Passenger Transport (RPT), Fly Corporate to consider installing an Automated Weather Observing System (AWOS) at the Inverell Aerodrome. Council is invited to consider this request.

COMMENTARY:

Council has recently been approached by Fly Corporate, the new commercial airline providing the Brisbane to Inverell air service at the Inverell Aerodrome, about the availability of an Automated Weather Observing System (AWOS). Data collected by an AWOS allows the Bureau of Meteorology (BoM) to prepare a Terminal Area Forecast (TAF) for the Inverell Aerodrome. Airlines and Pilots use this information to plan flights.

Any such system must comply with Australian Civil Aviation Safety Authority's CAR120 regulation and requirements of the Bureau of Meteorology. Currently there are no weather reports available for the Inverell Aerodrome.

An AWOS is a system of sensors, transmitters and other equipment that collects weather information at a particular location – wind speed and direction, precipitation, air temperature, visibility, present weather, QNH, cloud layer/ceiling and runway visual range. This information can then be accessed by third parties via phone, internet or VHF Air Band Radio.

AWOS's have different levels of sophistication; they range from a basic system to advanced systems. The advanced system requires more sensors and a PC desk top server, and thus is naturally more expensive. It has been indicated that BoM would require a more advanced system to collect sufficient data to provide a TAF for the Inverell Aerodrome.

Indicative enquiries about a system that may meet the operational requirements of Fly Corporate and the BoM would cost between \$150,000 and \$200,000. This is exclusive of costs of any required civil works. Ongoing maintenance costs will be around \$16,000 per year.

Automation of weather observations functions via an AWOS offers multiple benefits such as increased safety, efficiency, traffic and availability. Timely, accurate weather information not only increases operational safety but also lowers costs and can dramatically impact the economic situation of both the airport and community.

Weather information provided by an AWOS allows pilots to make informed decisions regarding fuel management, diversions and alternate planning, type of approach required or even in some cases whether an approach should be attempted. All of these factors provide increased safety to both the airline and its passengers and increases the efficiency of the scheduled flights resulting in lower costs improving the long term sustainability of the service to the Inverell Community

The main disadvantages of an AWOS are the high cost of installation, sensor only covers a limited area of about 3-5km surrounding the airport, and the cost of ongoing support.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

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

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

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

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Should Council resolve to install an AWOS, sufficient funding is available from Aerodrome Upgrade Internally Restricted Reserve.

There are no current budget allocations for the ongoing maintenance and support costs. The 2018-2019 budget process would need to make provisions for these costs.

LEGAL IMPLICATIONS:

Nil

RECOMMENDATION:

A matter for the Committee.

ITEM NO:	10.	FILE NO: S12.22.1/11
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	SPONSORSHIP REQUEST – BORDER BRANCH STOCK HORSE CHALLENGE	
PREPARED BY:	Julie Grima, Corporate Support Officer - Publishing	

SUMMARY:

Council has received a request from Caitlin Eather on behalf of Border Branch Australian Stock Horse Society seeking sponsorship towards the 2018 Border Branch Stock Horse Challenge being held at the Delungra Recreation Ground from 25 – 26 March, 2018. The Committee is asked to consider the request.

COMMENTARY:

Following the success of the event in 2017, the Society have decided to hold the event again in 2018. Ms Eather, in her correspondence notes that the program consists of two (2) junior challenges, an encouragement challenge, a 3yr old challenge, a 4yr old challenge, an open and hack challenge and this year they have also introduced an all breeds challenge.

A donation of \$300 would allow the Council to have naming rights to an individual challenge and the sponsors to each of the 8 overall challenges will have their name on the flyer (which is distributed via Facebook, newspapers, magazines and radio) and the company name embroidered onto the trophy rug for each winner. A donation of \$150 would allow the Council to have naming rights to each of the 5 events within the challenge. They are also able to promote the Council over the PA and feature Council's logo on programs and display any banners that we would like shown.

Council is also invited to have a stall in the marquee throughout the event. In addition, the Society invites a representative to assist in presenting the trophies.

A copy of the correspondence received from Caitlin Eather is attached as Appendix 2 (D20). The Committee is asked to determine if it wishes to provide a form of sponsorship to the 2018 Border Branch Stock Horse Challenge being held at the Delungra Recreation Ground from 25 – 26 March, 2018, and if so, in what capacity.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

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

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

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

POLICY IMPLICATIONS:

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

CHIEF FINANCIAL OFFICERS COMMENT:

Funding could be sourced from Council's Section 356 Donations allocation.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

A matter for the Committee.

APPENDIX 2

<p>Re: Border Branch Stock Horse Challenge Sponsorship</p> <p>To Whom It May Concern,</p> <p>I am writing to you on behalf of 'Border Branch Australian Stock Horse Society' seeking sponsorship for our 'Border Branch Stock Horse Challenge' to be held at The Delungra Recreation Ground 24th & 25th March 2018.</p> <p>After our challenge this year was so successful, we have decided to hold it again in 2018. The program consists of:</p> <ul style="list-style-type: none"> - Under 13 years Challenge - 13 and under 18 years Challenge - 3 year old horse Challenge - 4 year old horse Challenge - Open Challenge - Hack Challenge - Encouragement Challenge - All Breeds Challenge - a new addition to the 2018 program. <p>Each challenge comprises a led, hack, working, time trial and utility patterns and some include a campdraft. These 8 challenges have placings 1st-5th as overall recipients. Within each challenge there are 5 events, with placings 1st-3rd for each.</p> <p>We would welcome any prizes, product or money to put towards the 2018 Challenge. A donation of \$300 would allow your company to have the naming rights to an individual challenge. The sponsors of each of the 8 overall challenges will have their name on the flyer (this gets distributed via facebook, newspapers, magazines and radio) and the company name embroidered onto the trophy rug for each winner. A donation of \$150 would allow your company to have the naming rights to each of the 5 events within each challenge.</p> <p>We are able to promote your company/product and feature your business logo on our programs and over the P.A. system as well as displaying any banners you would like shown. We are also able to display your logo on our Border Branch Facebook page and in the ASHS Journal if you so choose.</p> <p>The Border Branch Australian Stock Horse Society invites you to attend our weekend and put your company and product on display in a marquee or stall. We would encourage a representative to be in attendance to present trophies and take advantage of photo opportunities. Horse breeders, trainers and competitors will be present over the two days providing a target market for your product.</p> <p>Looking forward to hearing from you.</p> <p>Yours Sincerely,</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>Caitlin Eather</p> <p>Secretary/Treasurer</p> <p>Phone: 0423 041 196</p> <p>Email: borderbranchashs@hotmail.com</p> </div> <div style="width: 45%;"> <p>Greg Williams</p> <p>President</p> <p>Phone: 0400 428 816</p> </div> </div>	 <p>Australian Stock Horse</p>
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ITEM NO:	11.	FILE NO: S25.7.1
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	BUSINESS RATES - SUB CATEGORIES	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

The Committee is requested to consider if there is a need to establish additional rating sub-categories in 2018/19 for the existing wind farm developments and the proposed solar farm developments.

COMMENTARY:

In September, 2017 the Valuer General (VG) commenced to issue separate valuations for the areas of land occupied by the individual wind turbines operated by Goldwind (Glen Innes Wind Farm) and CWP (Sapphire Wind Farm). A confidential report to the November, 2017 Ordinary Meeting, provided details on the process that was undertaken to classify the land for the purpose of assigning a rating category.

This process determined that the wind turbine sites were a 'business' and the appropriate rating category for rating purposes was 'Business – Other'.

Since September, 2017 the VG has continued to issue separate valuations for the turbine sites, and as of the time of writing this report 17 separate valuations have been issued. The additional rating income that will be generated in 2017/2018 is \$293,462.35.

A. New Rating Sub Category?

When a group of six (6) landowners represented by Allens opposed to the rating of the wind turbines separately, suggested that the approach adopted by Council was wrong, they suggested that a new 'Business Rate' sub category be established. It is assumed that part of the suggestion was for this sub-category to have a lower rate in the \$ than the 'Business-Other' sub category.

The rationale for the request was 'in order to reflect the wind farm use and associated use of Council's infrastructure and services, in circumstances such as our clients where the use is very low impact, it would be open to Council to establish a sub-category of 'farmland' use for low impact windfarms. The sub category could have a higher rate than 'farmland' but lower rate than 'business' based on the substantially higher value given by the Value-General on the small portion of the property used for windfarm purposes'.

The Committee is requested to determine if it accepts the argument advanced by Allens, and wishes to recommend to Council that in 2018/19 a new rating sub-category, 'Business- Wind Farms', be established.

If so, the following information needs to be considered.

i) Existing Business Rate Categories

Currently Inverell Shire Council has two (2) Business Rates Categories.

- Business – Inverell/Industrial, which comprises of land in the CBD and only condensed industrial areas, the Business Inverell/Industrial rate for 2017/18 is 3.2990 cents in the dollar.
- Business – Other, which comprises of all other land in the Shire that can not be classified as Residential, Farmland, Mining, or Business Inverell. The 2017/18 rate in the dollar is 2.4088, which is lower than the Business Inverell rate. Businesses located in the villages are allocated to this sub category.

ii) A Centre of Activity

In order to create a special sub-category of the business rate, it is necessary to be able to define the areas that will be subject to the rate. The defined area is called a 'Centre of Activity'.

In the 'Council Rating and Revenue Raising Manual' issued by the Office of Local Government, the definition of a 'Centre of Activity' is described in the following terms:

'the words refer to an area of land (usually comprising more than one parcel of rateable land) at which a complex of "business" activities are carried on in a fairly concentrated manner and with a high degree of congruity and homogeneity, having regard to the geographic cohesion of the land, the use to which it is put, and the comparative independence and self-relatedness of the activity or activities carried on in the area (e.g. a business centre or industrial estate).'

iii) Rating advice from Marsden's Law

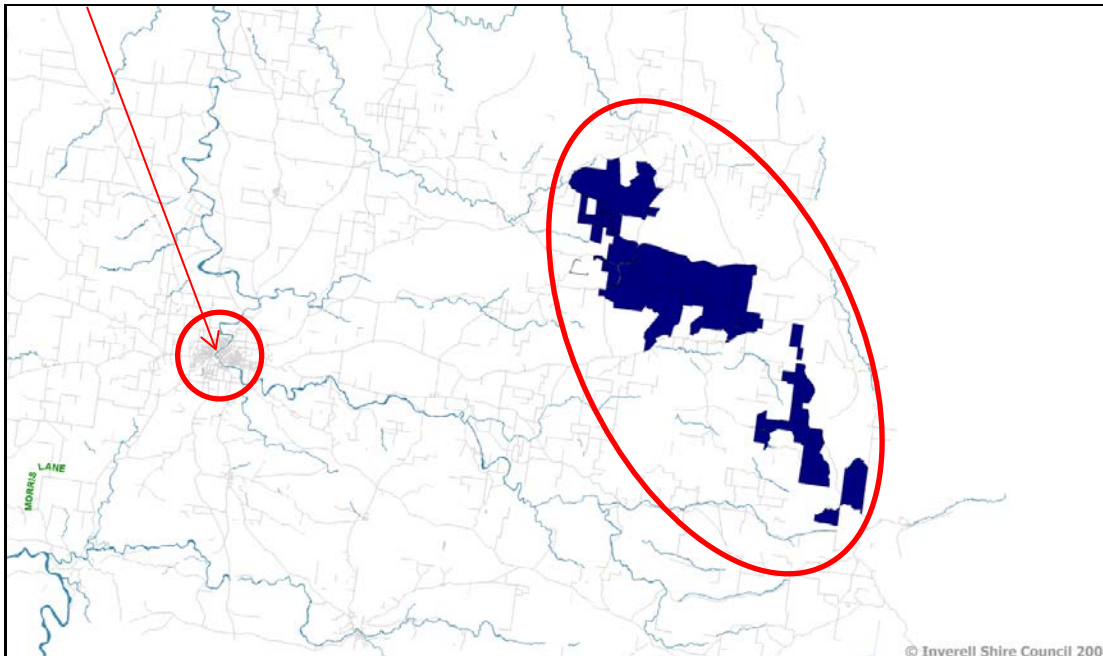
Council sought advice from Marsden's Law in regards to a sub-category of Business. Marsden's considered various case law when arriving at their conclusion. Marsden's concluded to Council that it would be feasible for Council to adopt a new sub-category of Business. In respect of land that is used for the purpose of a wind farm, and the area is for like activities or concentrated to a particular area.

The close proximity of Sapphire Wind Farm and White Rock Wind Farm should denote as like activities and concentrated to a particular area.

At the moment the centre of activity for these wind turbine sites is held primarily in the east of the shire, as depicted on the map below.

Please note the blue section identifies the *whole* lot not the *part* lot that may be leased.

Inverell



Conclusion

If Council chooses to introduce another business sub category, it is suggested that Council:

- a) Prepare a map of the 'centre of activity' for the proposed business sub category,
- b) Label the 'Centre of Activity', 'Business – Eastern Windfarm'.
- c) Consider the appropriate rate in the \$ for the sub-category in conjunction with the preparation of the 2018/19 Draft Operational Plan.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

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

Term Achievement: S.01.01 Council has implemented leading practice ethical and corporate governance standards.

Operational Objective: S.01.01.01 To provide a range of resources, services and systems which underpin Council's administrative processes in a timely and efficient manner.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

If Council elect to create a new Business Sub Category and the rate in the dollar adopted is less than the current *Business Other* rate (2.38420 cents), Council would need to generate the remaining income from another rating category. This could be one category, ie farmland, or spread across multiple categories.

Similarly if the new sub category was a higher rate than *Business Other*, another rating category would see a reduction in their rates, to accommodate for the additional income generated. Council would need to decide which rate category would see the reduction.

LEGAL IMPLICATIONS:

RECOMMENDATION:

A matter for the Committee.

ITEM NO:	12.	FILE NO: S24.20.1
DESTINATION 2:	A community that is healthy, educated and sustainable	C
SUBJECT:	ASHFORD MULTI-SERVICE CENTRE	
PREPARED BY:	Stephen Golding – Executive Manager Corporate and Community Services	

SUMMARY:

This report provides information and tangible evidence gathered as part of an investigation and risk assessment of the Ashford Multi-Service Centre. This investigation included consultation with the HNEH Community Health Centre Manager, Jodi Lennon and the Ashford HACC Manager, Ms Julie Stoessel.

This report will assist Councillors to be better informed of the centres operations, the manner in which the building is being utilised, suggested risk mitigation strategies and comment on suggested additional ramp access located at the staff entrance located at the rear of the building.

COMMENTARY:

The Ashford Multi-Service Centre was designed and constructed in consultation with Hunter New England Local Health District for the purpose of facilitating the provision of access to primary health care and community health services to the Ashford community.

The design of the building meets legislative requirements, inclusive but not limited to:

- Access and egress for older people with disabilities: Disability Discrimination Act 1992 (DDA),
- Disability (Access to Premises - Buildings) Standards 2010, and
- Fire safety compliance as they relate to access, egress, signage and paths of travel: Environmental Planning & Assessment Regulations (2000).

Background on Legal Requirement

The Disability Discrimination Act (DDA – 1992) is a Federal Government legislation enacted in 1993 that seeks to ensure all new building infrastructure, refurbishments, services and transport projects provide functional, equitable and independent accessibility.

A key component of compliance to the DDA is the use of the Disability (Access to Premises – Building) Standard 2010, Australian Standard Suite AS1428 and Australian Standard AS2890.6 2009 – Off-street parking for people with disabilities.

The Building Code of Australia has adopted key accessibility and DDA legislation into the 2011 BCA. In particular adherence to Access to Premises Standard (2010); AS1428.1 2009; AS1428.4 2009 and AS2890.6 has become mandatory. However, compliance with these elements does not necessarily result in compliance with the Disability Discrimination Act if the elements of equality, independence and functionality remain comprised within an environment.

A. Accessibility Review of Ashford Multi-Service Centre

A review of the prescriptive Deemed-to-Satisfy (DtS) accessibility provisions of BCA in relation to general building access, access to buildings and accessible carparking in relation to the Ashford Multi-Service Centre was undertaken as follows.

- General Building Access Requirements - compliance achieved
- Access to Buildings - compliance achieved
- Accessible Carparking - compliance achieved

Access to the reception and waiting room of the centre is provided through the front of the building, on Jubilee Street, and caters for community members of all abilities. All abilities access is provided by a ramp at the front of the building that is approximately 10 metres from street parking. The ramp is approximately eight (8) metres long leading to the front door. Staff are provided approximately four (4) unmarked car parking spaces at the rear of the building facilitating safe parking and secure access. An Ambulance set down point is provided at the side of the building providing safe and secure access for staff to transport identified clients to the ambulance.

B. Lease Agreement

Council has a Lease Agreement with Hunter New England Local Health District (HNEH) for the use of this building. This agreement allows HNEH to sub lease for the purpose of providing medical care and support that enhance delivery of services to the community. The Health Service has made a decision to sub lease a portion of the building to the Ashford HACC.

HNEH are conducting business from this facility and under the *Work Health and Safety Act 2011* (NSW) are classed as a PCBU (person conducting a business or undertaking). A person who performs work for a PCBU is considered a worker, inclusive of but not limited to contractors. Therefore HNEH has the primary duty of care and are responsible for the safety of staff, visitors and contractors.

HNEH operations utilise the building as per its design and purpose. HNEH operates 8.30 am to 5.00 pm on Mondays, Wednesdays and Fridays, with the local Doctors and receptionist operating 8.30 am to 5.00 pm on Wednesdays and 8.30 am to 12.00 pm on Saturdays. All clients of this service enter the front of the building that provides a waiting room until staff can attend the client.

The Ashford HACC operates 9.00 am to 3.30 pm on Mondays, Tuesdays and Fridays with up to 25 clients. The HACC Manager advised that from the 25 clients, there are 4 - 5 with mobility issues. HACC clients either utilise on street parking at the side of the building which is located approximately 24 metres to the bottom of the staff access entry stairs (rear of the building) or are dropped off at the Ambulance set down.

Council staff, Stephen Golding, Executive Manager Corporate and Community Services and Mathew de Witt, Risk Coordinator met onsite with Jodie Lennon (HNEH Ashford Community Health Centre Manager) and Julie Stoessel (Ashford HACC Manager) to undertake an inspection and subsequent risk assessment of the Ashford Multi-Service Centre's access for its clients.

The Community Health Centre Manager advised that they are aware that the Ashford HACC utilise the staff rear entry of the building and the Ambulance set down as entry access for their clients. This contravenes HNEH's operational practice of client access, breaches HNEH's security requirements and poses a risk to the safety of staff and visitors to the Ashford Multi-Service Centre.

It was discussed that the hallway area could be classed as a common area and that security swipes be placed on the HNEH and doctor offices that would provide the security required by HNEH.

The Community Health Centre Manager advised that HNEH operations would not be impacted by the Ashford HACC using the front entry and the hallway once security access measures have been taken and would be inline with the building's operative purpose.

It was noted that appropriate ramp access has been provided at the front entrance of the building in accordance with the Development Application, however the Ashford HACC Manager advised that their clients prefer to use the rear staff entrance.

Ms Stoessel advised that the Ashford HACC clients can use the front entry in line with the HNEH operational practices. However were advised that they prefer to use the staff rear entrance so as not to walk the 23 metre length from the front of the building to the activities room.

This practice is not in line with HNEH's operations of the facility and as a result presents the following risks;

- Increased motor vehicle and pedestrian traffic at rear of building;
- Trip hazard from gutter in staff car parking area as clients attempt to step over to access the building instead of using the path provided;
- Cars parking in Ambulance zone creating a congestion of vehicles and restricting access for NSW Ambulance Staff; and
- Potential unauthorised and unmonitored access to building.

All the above risks were assessed with a risk level of HIGH.

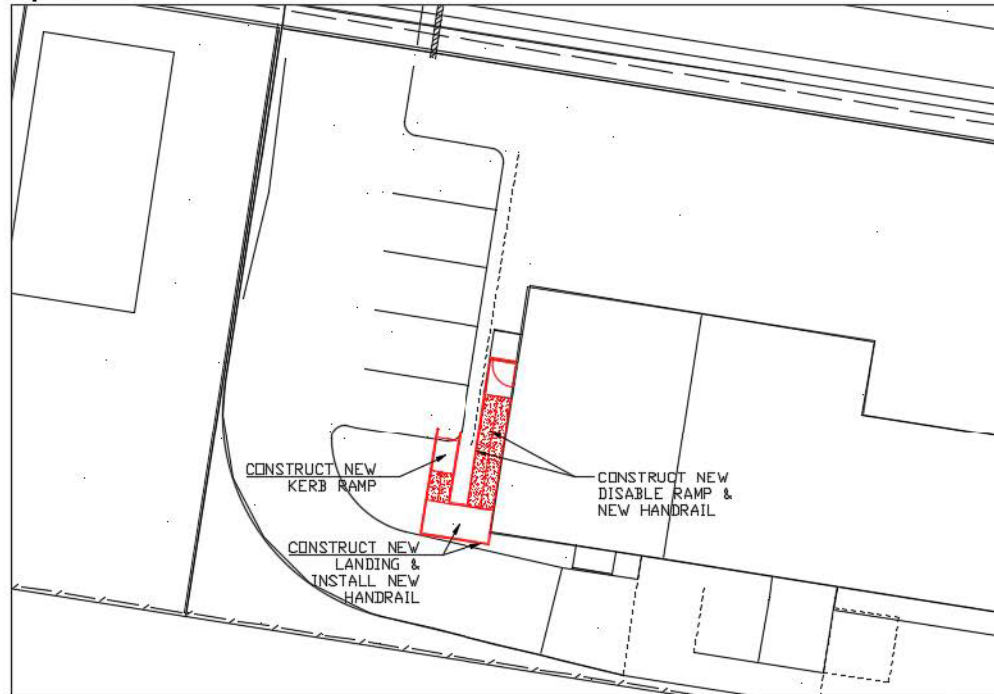
It was noted during the inspection that all pedestrian and vehicle access requirements in Jubilee Street, for the Ashford Multi-Service Centre have been completed. This included the the 60 degree rear to kerb parking line marking, with the approval of the designated disabled parking spaces by the Traffic Committee pending.

D. Suggestion by the Ashford HACC

The Ashford HACC Manager advised that her preferred approach is to have a ramp constructed in accordance with the Plan shown at Appendix 3 (D27).

APPENDIX 3

Option 3



Cost Estimated: \$25,000+ exclude GST

If a rear ramp is constructed as requested, the following risks were identified;

- Increased traffic movements at rear of building,
- Increased cars parking in Ambulance zone creating a congestion of vehicles and restricting access for NSW Ambulance Staff,
- Breach of HNEH (Lessee) Operational practices,
- Potential of pedestrian being struck by vehicles,
- Potential unauthorised and unmonitored access to buildings, and
- High cost of requested works with no elimination or reduction in the level of risk.

It should be noted that this option requires clients to travel 42 metres to traverse the distance from the rear car park to the HACC room.

E. Conclusion

It must be noted that Council has met all its legislative requirements as a building owner and lessor. The Lease is between Inverell Shire Council and HNEH and any subleasing arrangements are the responsibility of HNEH as the lessee.

HNEH has legislative obligations to ensure that operational practices at the facility do not increase risk to the safety of the public and staff that utilise this facility.

Additionally the suggested rear ramp for visitors and clients to access the staff rear entry door does not reduce the walking distance once the ramp length is included which is the main purpose of this adhoc alteration.

In conclusion, it is advocated that the suggested accessible ramp is not required to be provided to the rear of the Medical Centre as an access way is provided through the Principle Pedestrian Entrance at the front of the building in Jubilee Street as required by the Deemed-to-Satisfy provisions of the BCA.

F. Suggested Treatment

In an effort to mitigate the identified risks, the following is suggested for consideration;

- Provide access to HACC Room via the main entrance of Jubilee Street, Ashford;
- Clearly mark rear car park area as staff car parking only;
- Rear door only to be accessed via security card holders (staff) as per the security installation and HNEH operational requirements;
- Mark Ambulance zone with suitable signage;
- Construct a rail along guttering in staff car park to prevent persons stepping over guttering onto access path;
- Install a sign on rear door stipulating STAFF ONLY
- Signage on entry to staff car park and Ambulance exit depict 5km speed limit and pedestrian warning; and
- HNEH as the lessee who have sub leased part of the building to the Ashford HACC and are responsible for the usage of the building, inclusive of sub-lessees, to consult with Ashford HACC staff in regards to appropriate client access to the building via the front entrance of the facility.

It should be noted that this option requires clients to travel 42 metres to traverse the distance from Jubilee Street, through the front entrance to the HACC room. This is the same distance as the rear parking/new ramp option.

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.01.01 Advocate on behalf of the community for the provision of services which meet community needs and expectations.

Operational Objective: C.01.01.01 To provide community leadership and advocacy to ensure the community is provided with a broad range of services and opportunities commensurate with other regional centres.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

No existing budget allocation for any work at the Centre. If Council authorises any work the cost of carrying out the treatment will need to be funded from a revenue source identified in the next quarterly financial review.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

A matter for the Committee.

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 14/02/2018

ITEM NO:	1.	FILE NO: S15.8.41/21
DESTINATION 2:	A community that is healthy, educated and sustainable	C
SUBJECT:	YOUTH OPPORTUNITIES PROGRAM 2018	
PREPARED BY:	Fiona Adams, Manager Integrated Planning and Reporting	

SUMMARY:

Council is one of 29 recipients to be awarded funding under the NSW Government's Youth Opportunities Program. The program supports projects which engage youth in community activities, improve young people's involvement in community initiatives and it provides opportunities to equip youth to be volunteer and job ready.

COMMENTARY:

Council has been awarded \$50,000 in funding from NSW Youth Opportunities Program, which will deliver a year-long calendar of activities for young people in Inverell LGA.

The project aims to engage youth in educational, inclusive programs and also provide a springboard for young people to connect with volunteering opportunities and employment pathways.

The project will work in partnership with Inverell Family and Youth Support Services, local businesses, volunteer organisations and schools to provide an array of free educational, recreational and cultural opportunities throughout 2018. These activities include:

- Careers and Life Choices Expo for school students throughout the Northern Tablelands;
- Eco-adventure paddling tours during school holidays;
- School holiday contemporary art classes;
- Skateboarding workshops;
- Outdoor movie nights in three shire villages;
- Computer building workshops;
- Inflatable Obstacle challenge; and
- First Aid training workshops.

Activities will commence in March and continue throughout 2018; with more than 1500 young people across Inverell LGA expected to be engaged.

ITEM NO:	2.	FILE NO: S8.12.13
DESTINATION 1:	A recognised leader in a broader context	R
SUBJECT:	COD CASH PROMOTION UPDATE	
PREPARED BY:	Nathan Hughes, Corporate & Business Development Officer	

SUMMARY:

As resolved in Resolution 132/17 at the Ordinary Council Meeting, 22 November, 2017, a tagged fishing competition for Copeton Dam has been developed. The Committee is provided an update on the progress of the promotion.

COMMENTARY:

The 'Cod Cash' promotion is an Inverell Shire Council Tourism initiative designed to capitalise upon developing and existing tourism markets in order to provide an optimum economic Return on Investment (ROI) to the Inverell Local Government Area (LGA).

To ensure the economic viability of the promotion Council has successfully negotiated varying levels of sponsorship from 12 businesses and organisations. As such, the promotion has the capacity to offer up to \$29,000 worth of cash prizes to participants. This is due largely to a Major Sponsorship Agreement negotiated with MO Tackle and Outdoors, of Coffs Harbour, that makes them accountable for 50% (\$10,000) of the Major Prize (\$20,000) in exchange for:

- A reimbursement of 76% (\$7,600) of their \$10,000 financial commitment in the instance that the Major prize is not claimed within the parameters of the competition. Subsequently forfeiting the remaining \$2,400 to Council for expenses.
- Naming rights of the 2018 'Cod Cash' event, with the event to be known as the 'MO Tackle & Outdoors Cod Cash' – presented by the 'Sapphire City'.
- Naming rights of the Major prize, to be known as the 'MO Tackle & Outdoors \$20,000 Cod'.
- Extensive business promotion through all advertising mediums used by Council before, during and after the event that relate specifically to the 2018 event.
- The e-mail database of all authorising event participants.
- The ability to erect a promotional site at Reflections Holiday Park Copeton Waters or Copeton Dam Northern Foreshores for the duration of the event.
- The first opportunity to be the Major Sponsor of the event in 2019, should Council choose to run the event, subject to increased financial commitments for Major Prize Sponsorship.

This agreement was entered into with an understanding that MO Tackle and Outdoors do not use the event as a basis to engage in direct competition with local businesses within the Inverell LGA.

In addition to this, cross governmental negotiations have taken place with NSW Fisheries that will see their involvement on an operational and promotional basis. The level of assistance offered by NSW Fisheries is estimated to exceed \$10,000 in value and will ensure that the promotion has the ability to tag 10 fish for the event.

The financial contribution of a further 10 local businesses provides the event the capacity to make available 9 minor prizes of \$1,000 each as well as an additional \$1,000 in-kind donation for advertising and marketing.

Domestically, the promotion has been well received by the desired target markets of Regional New South Wales, South Eastern Queensland and Victoria, of which is reflected by engagements across all marketing activities. Social media exercises have exceeded 50,000 individual interactions, whilst print advertising has assisted in the fielding of enquiries from all domestic target areas. The campaigns social media platform suggests that more than 72% of all followers reside outside the Inverell area, demonstrating the appeal of the promotion and the effectiveness of the marketing campaign on the target markets. Excluding Inverell, the highest number of followers of the social media campaign reside in Tamworth, Melbourne, Sydney, Armidale, Toowoomba, Moree and Brisbane (in sequence).

Internationally, the promotion has attracted the attention of a Japanese film crew to whom employees of Council met with to promote the event as well as Inverell and Copeton Dam as an attractive Tourist Destination Region (TDR). This has provided Council with a direct contact into the Japanese market and presented an opportunity to capitalise on one of the fastest growing inbound tourism markets to Australia. Inbound Japanese tourism expenditure is estimated to inject \$3.3B into the economy by 2020. As such, a targeted marketing campaign has been launched on an international level to target appropriate demographics across Japan. Taking into consideration the minimal timeframe until the Cod Cash 2018 event in April, and pending its success, it is not irrational to suggest that future campaigns will enable Inverell Shire to secure a portion of inbound tourism from Japan.

As the Cod Cash event has been marketed both domestically and internationally, it has evidentially fulfilled the Key Performance Indicators (KPIs) associated with Destination One, Strategy R.01. The effectiveness of which is reflected not only through participant engagement but through participant actions, with a substantial number of reservations being made across accommodation services in the Inverell LGA for the event. As such, the promotion is on target to generate, and potentially exceed, the previously estimated return of investment of \$250K to \$600K for the local community.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: R.01 Inverell Shire is promoted and distinguished regionally, nationally and internationally.

Term Achievement: R.01.01 Inverell is recognised locally and throughout the New England area, as a vibrant, diverse, innovative and attractive rural centre, with a range of services and experiences complemented by those available in Armidale and Tamworth.

Operational Objective: R.01.01.01 Undertake marketing programs that presents Inverell Shire as an attractive and vibrant community that distinguishes it from other centres of the region.

POLICY IMPLICATIONS: Nil.

CHIEF FINANCIAL OFFICERS COMMENT: Nil.

LEGAL IMPLICATIONS: Nil.

RECOMMENDATION:

That the items contained in the Information Reports to the Economic & Community Sustainability Committee meeting held on 14 February, 2018 be received and noted.

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 14/02/2018

ITEM NO:	1.	FILE NO: S12.5.1
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2017/2018	
PREPARED BY:	Paul Pay, Manager Financial 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 required that the Committee adopt the report.

COMMENTARY:**2017/2018 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 2017/2018 Budget remains in balance (also see Appendix 1, H8 – H9). Those items identified as requiring funding since the adoption of the 2017/2018 budget have now been funded in full.

The Budget Variations for 2017/2018 are as follows:

**COMBINED FUND - BUDGET VARIATION SUMMARY REPORT
ESTIMATED CASH POSITION 30 JUNE, 2018
FOR 2017/2018 ACTIVITIES**

	General	Water	Sewer	Total	
Adopted Budget 2017/2018	7,697,947	836,952	704,949	9,239,848	Deficit
Add Back Depreciation	(6,682,350)	(838,000)	(706,000)	(8,226,350)	(Non-cash)
Add Back Carry Amount Assets Sold	(239,800)	-	-	(239,800)	(Non-Cash)
Internally Restricted Cash Utilised	(776,965)			(776,965)	
Transferred to Internally Restricted Cash	-	-	-	-	
ESTIMATED CASH RESULT FOR 2017/2018 ACTIVITIES	(1,168)	(1,048)	(1,051)	(3,267)	SURPLUS
2017/2018 Budget Variations Required to Maintain a Balanced Budget					
REVOTES	7,970,470	1,395,488	3,771,497	13,137,455	
UNEXPENDED GRANTS	2,390,447	-	-	2,390,447	
Adjustments 30-9-17	200,000	-	-	200,000	
Adjustments 31-12-17	492,500	-	-	492,500	
Adjustments 31-3-18	-	-	-	-	
SUB TOTAL	11,053,417	1,395,488	3,771,497	16,220,402	
Internally Restricted Cash Utilised	(692,500)	-	-	(692,500)	
FUNDED FROM EQUITY	(10,360,917)	(1,395,488)	(3,771,497)	(15,527,902)	
NET BUDGET VARIATIONS	0	0	0	0	
REVISED CASH RESULT FOR 2016/2017 ACTIVITIES	(1,168)	(1,048)	(1,051)	(3,267)	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 of Council's Working Capital. The expenditure of funds from Council's Internally Restricted Cash does not impact on Council's ability to undertake its regular activities. Internally Restricted Cash does not include unexpended Grant Funds or Funds which are subject to External Restrictions and Legislative Restrictions in respect of their use.
- 4) **BALANCED BUDGETS** - Council has adopted the principle of delivering "Balanced Budgets" as a major means of ensuring its operations are sustainable in the medium and long term. In determining that this objective is being met, the "Revised Cash Result" must be a "Surplus" for each of the three funds, and equal or exceed the "Original Cash Result" amount.

The report indicates that the Net Budget Variations for 2017/2018 continue to remain at **“Zero”**. Councillors will note that expenditure has increased by \$3.576M, while revenue has increased by \$2.884M. The “zero” change position is achieved by utilising Internally Restricted Assets (IRA). 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, H10) indicate a Surplus from all Activities to 31 December, 2017 of \$6.5M, against a budgeted annual result of \$2,723. This current result indicates that sufficient funding remains available to fund Council's 2017/2018 continuing operations for the next 6 months to the end of the 2017/2018 Financial Year.

QUARTERLY BUDGET REVIEW REPORT:

Council's 31 December, 2017 Quarterly Combined Budget Review Summary Report and Income and Expense Statement by Function are attached (refer to Appendix 3, H11). 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, H12) 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 2017/2018 operations remaining unchanged following approval of the Budget Variations attached to this report (refer Appendix 1, H8 – H9). This is after transfers to/from Internally Restricted Assets and Revotes from previous years and the bringing forward of Grant Funding received in 2016/2017 which will be expended in 2017/2018.

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.

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

Capital Works:

Council's Capital Works Program as disclosed in the 2017/2018 Operational Plan (refer Appendix 5, H13 and Appendix 6, H14) 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 neutral cycle indicating that interest rates will remain on hold for the foreseeable future. Most economists anticipate that the RBA won't increase the official cash rate until late 2019. Term Deposits are now as low as 2.50%. It is anticipated that Council will just achieve budgeted interest during 2017/2018.

A copy of Council's Cash and Investment Budget Review Statement as at 31 December, 2017 is attached (refer to Appendix 7, H15 and Appendix 8, H16). Council retains a sound investment

position to fund all of Council's internal and external restrictions and Council's Working Capital/Cash flow needs.

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

Contracts, Consultancy & Legal Expenses

The attached Contracts Summary indicates any Contracts entered into with a value of under \$150,000 by Council during the quarter ending 31 December, 2017, (refer to Appendix 9, H17). Other consultancy and legal expenses are summarised in the attached Consultancy & Legal Expense summary refer to Appendix 9, H17).

Plant Fleet:

A copy of the Plant Fleet Financial Report to 31 December, 2017 is attached (refer to Appendix 10, H18). The Report indicates an Operating Surplus of \$103K to 31 December, 2017. This reduces to a small surplus after an allowance is made for registration costs, insurance costs and oncosts (workers compensation etc) not paid until later in the financial year.

General Fund Summary:

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

WATER FUND – OPERATIONAL PLAN REVIEW:

The Water Fund continues to show sound growth. This position is as always dependant on Water Sales. Water Sales were down by \$120K in 2011/12 and up \$171K in 2012/2013 and \$380K in 2013/2014 and \$5K in 2014/2015, \$294K in 2015/2016 and down \$83K in 2016/2017. It is anticipated that water sales will continue to increase during 2017/2018 due to the current dry conditions within the Shire.

The Water Fund holds Term Deposits totalling \$6M and cash at bank of \$2.6M (refer to Appendix 7, H15).

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 the completion of the refurbishment/expansion of the Inverell Sewerage Treatment Plant in 2017/2018. This project is 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 \$4M (this includes the \$2m Loan) plus cash at bank of \$2.7M (refer to Appendix 7, H15).

OPERATIONAL PLAN – COMBINED FUND

Overall Council's operational and financial position in respect of its five (5) destinations are sound. The following information is provided in respect of major issues and projects that Council is leading, participating in, or delivering in 2017/2018:

- Destination 1 – A recognised leader in the broader context:
 - Participation in Road Funding meetings with the Roads and Maritime Services;
 - Participation in New England Northwest Regional Tourism meetings;
 - Participation in New England Destination Management Hub;
 - Participated in meetings with New England Councils Joint Organisation of Councils in the New England. Secretariat for the Group;
 - Participated in Border Region Organisation of Councils Meeting;
 - Seeking grants for the benefit of the community;
 - White Ribbon Australia workplace accreditation implementation;
 - Sponsor acquisition prize of Inverell Art Prize;
 - Initiate inaugural NAIDOC week art exhibition;
 - Secure Country Cricket Championships for Inverell;
 - Host Australia Day Celebrations across the Shire;
 - Secure funding for community noticeboards in the Shire's Villages; and
 - Participation in the Northern Inland Risk Management Group.
- Destination 2 – A community that is healthy, educated and sustained:
 - Launch Women in Business networks;
 - Launch Youth Opportunities Programs to engage young people aged 12-20;
 - Joint initiative with BEST Employment to commence free learn to swim classes;
 - 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;
 - Participation in New England Cooperative Library;
 - Working with BEST Employment in respect of the management rights of the Linking Together Centre;
 - White Ribbon Community Project action plan being implemented;
 - Completed Yetman Hall Upgrade;
 - Completed Yetman Recreation Centre Upgrade and cricket pitch upgrade;
 - Facilitate Grandparents Day;
 - Augment launch of Inverell Park Run; and
 - Successful grant submission from Social Housing Community Infrastructure Funding for LTC building modifications to assist in the establishment of a drop in centre.
- Destination 3 – An environment that is protected and sustained:
 - Partnering with Local Land Services in "Nandewar Brigalow Bio Links Program";
 - Remove Harrisia Cactus at Yetman;
 - Remove Water Lettuce at Beebo West;
 - Participated in Cross Borders Working Group on weed control meetings;
 - Participated in Northern Inland Regional Waste meetings;
 - Submitted grant applications for two new transfer stations and remediation works at four rural landfills;
 - Ongoing works at May Street Park;
 - Adopted Open Space Strategy;
 - Completed draft LEMP;
 - Assist Yetman community to secure weed funding for Mimosa Bush control on Yetman Common;
 - Erect education signage on Macintyre River for river rehabilitation program;
 - Outreach National Science Week activities at Inverell Public School; and
 - Secure funding from Local Land Services for river rehabilitation in Inverell.

- 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;
 - Secure funding for Small Business up skilling workshop;
 - Completed upgrade works at Inverell Airport Terminal;
 - Liaised with Fly Corporate on the commencement of new Regular Passenger Transport (RPT) service from Brisbane – Inverell – Moree – Brisbane;
 - Support Inverell Chamber of Commerce's "Shop Local & Festival of Christmas campaigns"; and
 - Establishment of Cod Cash Fishing Tournament.
- Destination 5 – The Communities are served by sustainable services and infrastructure:
 - Commenced and completed a range of Road Upgrade Projects on the Regional Road and Local Road Network;
 - Completed a significant quantum of Shire Roads Gravel Resheeting;
 - Completed a significant quantum of heavy patching throughout the Shire;
 - Completed Councils 2017/2018 bitumen reseal program;
 - Completed 2016/2017 Financial Statements – sound financial result achieved;
 - Upgrades of infrastructure at Inverell Pool;
 - Completed upgrade works at Inverell Sports Complex;
 - Completed replacement of Tin Tot Bridge;
 - Commenced upgrade works at the Inverell Sewerage Treatment Plant;
 - Implementing White Ribbon Australia workplace accreditation;
 - Recreation Grants awards four community groups;
 - Community consultation for Open Space Strategy;
 - Continual Roll out of Solar Lighting Infrastructure;
 - Secure funding for assessment of Higher Mass Vehicle network expansion; and
 - Participation in the Northern Inland Risk Management Group.

Also attached is a copy of Councils Key Financial Performance Indicators (refer to Appendix 11, H19 – H20).

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

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

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

POLICY IMPLICATIONS:

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

CHIEF FINANCIAL OFFICERS COMMENT:

In accordance with the Local Government (General) Regulation 2005 it is my opinion that the Quarterly Budget Review Statement for Inverell Shire Council for the quarter ended 31 December, 2017 indicates that Council's projected financial position at 30 June, 2018 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 2017/2018 Budget in balance, with an indicative surplus of \$3,267.

LEGAL IMPLICATIONS:

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

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council's Quarterly Operational Plan and Budget Review for 31 December, 2017 be adopted; and*
- ii) the proposed variations to budget votes for the 2017/2018 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2018 from operations of \$3,267.*

APPENDIX 1

BUDGET VARIATIONS - FINANCE MEETING 14-2-2018			
ITEM/LEDGER NO.	DESCRIPTION	AMOUNT \$	COMMENT/REASON
GENERAL FUND			
<i>Increase/Decrease in INCOME</i>			
121208-1000	Grant-Clubgrants Funds - Inverell Sports Complex	230,000	Grant Install for Inverell Sports Complex
127120-1000	Insurance Claims Proceeds	20,830	Insurance on Storm Damage Inverell Aerodrome
147049-1000	Grant-Noxious Weeds-Coordination	18,950	Additional Grant Received from New England Weeds Authority
121207-1000	Grant-Dept Family & Community Services	20,990	Investing in Women Program
121110-1000	Grant - B.F. Protection	(9,426)	Reduction in RFS grant funding
122000-1000	Grant-Nsw Heritage Assistance	2,830	Increase in grant funding for 17/18
122010-1000	Grant-Local Heritage Fund	2,530	Increase in grant funding for 17/18
122370-1000	Grant - Sh 12	238,868	Grant - SH12 - Bitumen Resurfacing
122370-1000	Grant - Sh 12	19,770	Grant - SH12 - Relocate power pole
122370-1000	Grant - Sh 12	179,590	Grant - SH12 - Heavy Patching
122400-1000	Grant - Block Income	(61,525)	Reduction in RMS Block Grant
121346-1000	Grant - Youth Opportunities Program	50,000	Family and Community Services Grant Program
121121-1000	Grant-Bush Fire Issues - Capital	145,120	Record Acquisition of RFS Red Fleet deferred from 2016-2017
TOTAL INCREASE IN INCOME		858,527	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
147124-1000	Inverell Aerodrome	11,090	New Secondary Wind Sock - CASA Requirement for RPT
147120-1000	Inverell Aerodrome	10,910	Upgrade Signal Area - CASA Requirement for RPT
147120-1000	Inverell Aerodrome	12,400	Install Parking Positions on main apron - CASA Requirement for RPT
147120-1000	Inverell Aerodrome	41,466	Council contribution towards commencement of RPT
148070-1000	Joint Industrial Promotions	(75,866)	Funding for above
159141-4450	RFS-Equipment Issues-Capital-PLANT	145,120	Record Acquisition of RFS Red Fleet deferred from 2016-2017
137255-1000	NSW Country Cricket Championships	13,523	Costs incurred for Cricket Championships
129380-1000	Special Projects	(13,523)	Funding for above
160528-1100	Sports Complex Upgrade-2015/16-(Club Grant Funding)	230,000	Grant Fund - Inverell Complex Redevelopment
160528-1100	Sports Complex Upgrade-2015/16-(Club Grant Funding)	250,000	Councils Contribution to Inverell Complex Redevelopment
147124-1000	Inverell Aerodrome - Capital	20,830	Replace Storage shed - Insurance Claim
141740-1100	ACRD - Blackspot/Minor Upgrades	17,458	Upgrade access to Pindari View Culvert
142503-1100	ACRD - Unallocated	(17,458)	Funding for above
140230-1000	Grading North	100,000	Allocation of MCE Grading Budget
140130-1000	Grading South	166,000	Allocation of MCE Grading Budget
148409-1000	Maintenance Grading MCE Allocation	(266,000)	Allocation of MCE Grading Budget
142010-1100	Swanbrook Rd-Moore St. to Runnymede Dr.-Pave/Drainage Wks.	60,105	Final Seal
142014-1100	Captain Cook Drive/Wood Street Intersection Upgrade	39,690	Final Seal
142015-1100	Gilchrist Street Shoulder, Kerb & Gutter	5,775	Additional Costs incurred
142008-1100	Chisholm Street - (Brae to Brown Street)	(105,570)	Funding for above
147050-3875	Noxious Weeds-Coordination	18,950	Additional grant funding from New England Weeds Authority
148030-1000	Industry Promotions	6,000	Cod Fish Promotions
129380-1000	Special Projects	(6,000)	Funding for above
135034-1000	Grant Exps-FACS-Investing in Woman Program WOM02	20,990	Dept Family & Community Services grant program
160245-1000	Library - Office Equipment - CAPITAL	25,000	Establishment of IDFHG in Library
132550-0000	RFS Subsidised Expenses	(9,426)	Reduction in RFS grant funding
136250-1000	Nsw Heritage Advisor	1,000	Increase in Heritage Assistance Grant
136260-4921	Local Heritage Program	4,360	Increase in Local Heritage Grant Program
138830-1100	SH12-(WO)-Bitumen Resurfacing	238,868	Grant - SH12 - Bitumen Resurfacing
140787-1100	SH12 (WO) Haywood Rehab - seg 7710 & 7720	19,770	Relocate power pole
138820-1000	SH12-(WO)-Heavy Patching	179,590	Grant - SH12 - Heavy Patching
137561-1100	Block Grant-Capital Exps	(57,795)	Reduction in RMS Block Grant
137840-1000	Block Exps-Traffic Facilities	(3,730)	Reduction in RMS Block Grant
160537-1000	Inverell Complex - Netball Upgrade	217,500	Resurfacing Netball courts and other facilities approved in Inverell Sports Complex upgrade
135036-1000	Youth Opportunities Program 2017-2018	50,000	Grant funded youth programs
TOTAL INCREASE IN EXPENDITURE		1,351,027	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)		492,500	<i>Positive figure indicates increased expenditure, (Negative) figure decreased expenditure</i>
<i>Restricted Assets</i>			
PJ-162230-6220	STRATEGIC DEVELOPMENT FUND	250,000	Councils Contribution to Inverell Complex Redevelopment
PJ-161720-6220	BUILDING REFURBISHMENT/UPGRADE	242,500	Resurfacing Netball courts and other facilities approved in Inverell Sports Complex upgrade and Establishment of IDFHG in Library
TOTAL FUNDING FROM RESTRICTED ASSETS		492,500	
FUNDED FROM EQUITY (G5795.000)			
NET CHANGE TO FINANCIAL POSITION Surplus/(Deficit)		-	

WATER FUND			
<i>Increase/Decrease in INCOME</i>			
812010-1000	Water charge	3,250	Additional Income Received
TOTAL INCREASE IN INCOME		3,250	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
812660-1000	Insurance Premiums	3,250	additional costs incurred
TOTAL INCREASE IN EXPENDITURE		3,250	<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 31-12-17
CONSOLIDATED INCOME AND EXPENSE STATEMENT

	ORIGINAL BUDGET 2017/2018 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2017/2018 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2017 Review (000's)	Dec 2017 Review (000's)	Mar 2018 Review (000's)	June 2018 Review (000's)					
INCOME												
Rates & Annual Charges	18,473							18,473	3	18,476	18,800	101.75%
User Charges & Fees	3,446			-33				3,413	438	3,851	1,397	40.93%
Interest	1,027							1,027		1,027	261	25.41%
Other revenues from ordinary activities	423							423	21	444	386	91.25%
Grants & Contributions provided for non capital purposes	9,964			1,238				11,202	24	11,226	5,255	46.91%
Grants & Contributions provided for Capital Purposes	926			820				1,746	375	2,121	1,395	79.90%
Gain from the sale of assets	196							196		196	451	230.10%
Gain from interest in joint ventures & associates								-				
TOTAL INCOME FROM CONTINUING OPERATIONS	34,455	-	-	2,025				36,480	861	37,341	27,945	76.60%
EXPENSES												
Employee Costs	13,312	81		132				13,525	37	13,562	6510	48.13%
Borrowing Costs	182							182		182	89	48.90%
Materials and Contracts	5,847	1,381	123	70				7,421	443	7,864	2697	36.34%
Depreciation	8,226							8,226	15	8,241	4121	50.09%
Other Expenses from ordinary activities	4,198	135	51	93				4,477		4,477	2002	44.72%
Loss from the disposal of assets								-				0.00%
Loss from interest in joint ventures & associates								-				
TOTAL EXPENSES FROM CONTINUING OPERATIONS	31,765	1,597	174	295	-	-	-	33,831	495	34,326	15,419	45.58%
NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/(DEFICIT)	2,690	(1,597)	(174)	1,730	-	-	-	2,649	366	3,015	12,527	472.88%
ADD BACK Non Cash Amounts												
Depreciation	8,226							8,226		8,226	4121	50.09%
Carrying Amount of Assets Sold	240							240		240		0.00%
	11,156	(1,597)	(174)	1,730	-	-	-	11,115	366	11,481	16,647	149.77%
Capital Amounts												
Repayments by deferred Debtors												
Acquisition of Assets	(11,378)	(11,540)	(2,216)	(1,930)				-27,064	(859)	-27,923	-9775	36.12%
Loan Repayments	(552)							-552		-552	-364	65.94%
Advance to Deferred Debtors												
Loan Funds												
Less Net Transfers to IRA	777			200				977	493	1,470		0.00%
Plus Equity Funding	-	13,137	2,390					15,527		15,527		0.00%
Unallocated Consolidation Net Profit/(Loss)	3	-	-	-	-	-	-	3	-	3	6,508	
NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/(DEFICIT)	1,764							1,764		1,764	11,132	

* Favourable / (Unfavourable) variance

EXPLANATION OF MATERIAL VARIANCES**YTD Variances**

Item	Explanation
INCOME	
Rates & Annual Charges	Includes rate levy for 2017/2018
User Charges & Fees	Includes annual DWM charges for 2017/2018
Other revenues from ordinary activities	Includes additional income from private works & SH12
Gain from the sale of assets	Higher trade prices than expected.

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 2017/2018 budget have now been funded.

APPENDIX 3

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31-12-17
INCOME & EXPENSES BY FUNCTION

	ORIGINAL BUDGET 2017/2018 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2017/2018 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2017 Review (000's)	Dec 2017 Review (000's)	Mar 2018 Review (000's)	June 2018 Review (000's)					
EXPENSES												
Governance	318							318		318	109	34.28%
Administration	6,749	499			-5			7,243	-20	7,223	2,640	36.55%
Public Order and Safety	1,026	92						1,118	-9	1,109	355	32.01%
Health & Environment	2,747	25						2,794	19	2,813	1,384	49.20%
Community Services and Education	105		55		211			371	71	442	87	19.68%
Housing and Community Amenities	966	53						1,019	5	1,024	458	44.73%
Water Supplies	3,344							3,344	3	3,347	1,398	41.77%
Sewerage and Drainage Services	1,748							1,748		1,748	1,019	58.30%
Recreation and Culture	2,092	168	46		95			2,401	14	2,415	1,139	47.16%
Mining, Manufacturing and Construction	330							330		330	130	39.39%
Transport and Communication	5,294	210	18		-5			5,517	483	6,000	3,258	54.30%
Economic Affairs	1,288	550	33					1,871	-70	1,801	675	37.48%
TOTAL EXPENSES	26,007	1,597	174	0	296	0	0	28,074	496	28,570	12,652	44.28%
REVENUES												
Governance								-		-		-
Administration	22,501				118			22,619		22,619	15,763	69.69%
Public Order and Safety	522							522	136	658	545	82.83%
Health & Environment	3,372							3,372	19	3,391	3,374	99.50%
Community Services and Education	1				211			212	50	262	113	43.13%
Housing and Community Amenities	269							269	5	273	116	42.49%
Water Supplies	4,581							4,581	3	4,584	2,880	62.83%
Sewerage and Drainage Services	2,628							2,628		2,628	2,595	98.74%
Recreation and Culture	171							171	251	422	386	91.47%
Mining, Manufacturing and Construction	178							178		178	117	65.73%
Transport and Communication	4,586				1,697			6,283	377	6,660	3,804	57.12%
Economic Affairs	308							308	21	329	326	99.09%
TOTAL REVENUE	39,116	0	0	0	2,026	0	0	41,142	862	42,004	30,019	71.47%
OPERATING RESULT: (Surplus)	-13,109	1,597	174	0	-1,730	0	0	-13,068	-366	-13,434	-17,367	
Depreciation	8226							8,226		8,226	4,113	50.00%
Increase in Employee Leave Entitlements	2389							2,389		2,389	1,171	49.02%
(PROFIT)/LOSS BEFORE CAPITAL AMOUNTS	(2,494)	1,597	174	-	(1,730)	-	-	(2,453)	(366)	(2,819)	(12,083)	
Carrying Amount of Assets Sold	240							240		240		0.00%
Proceeds Sale of Assets	-436							-436		-436	-327	75.00%
Cost Real Estate Assets Sold								0		0		
Loan Funds Used								0		0		
Other Debt Finance								0		0		
Repayments by Deferred Debtors								0		0		
Acquisition of Assets	11,378	11,540	2,216		1,930			27,064	859	27,923	9,651	34.56%
Development of Real Estate								0		0		
Advance to Deferred Debtors								0		0		
Repayment of Loans	552							552		552	364	65.94%
Repayment of Other Debts								0		0		
ESTIMATED BUDGET RESULT: (SURPLUS)/DEFICIT	9,240	13,137	2,390	0	200	0	0	24,967	493	25,460	(2,395)	
ADD BACK Non Cash Amounts												
Depreciation	8,226							8,226		8,226	4,113	
Carrying Amount of Assets Sold	240							240		240	0	
Plus Net Transfers	-777				-200			-777	-493	-777		
Plus Equity Funding**		-13,137	-2,390					-15,527		-15,527		
BUDGET (SURPLUS)/DEFICIT	(3)	-	-	-	-	-	-	197	-	490	(6,508)	
** Equity Funding is Unexpended Grants. Contributions and incomplete works from previous years were money is held in equity at end of year												
Transfers to Internally Restricted Assets	2,045							2,045		2,045	0	0.00%
Transfers from Internally Restricted Assets	2,822							2,822	200	3,022	0	0.00%
Net Transfers	-777	0	0	0	0	0	0	-777	-200	-977	0	

EXPLANATION OF MATERIAL VARIANCES

YTD Variances

Item	Explanation
Expenses	
INCOME	
Administration	Includes entire rate levy for 2017/2018
Public Order & Safety	Bush Fire Subsidies not received until March 2018
Health & Environment	Includes entire domestic rates for 2017/2018
Housing & Community Amenities	Includes entire DWM levy Charges for 2017/2018
Sewerage and Drainage Services	Includes entire annual sewer charges levy for 2017/2018
Economic Funds	Includes additional income from private works
CAPITAL AMOUNTS	
RECOMMENDED CHANGES TO REVISED BUDGET	

Expenses

INCOME

Administration Includes entire rate levy for 2017/2018
Public Order & Safety Bush Fire Subsidies not received until March 2018
Health & Environment Includes entire domestic rates for 2017/2018
Housing & Community Amenities Includes entire DWM levy Charges for 2017/2018
Sewerage and Drainage Services Includes entire annual sewer charges levy for 2017/2018
Economic Funds Includes additional income from private works

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 2017/2018 budget have now been funded.

APPENDIX 4

INTERNALLY RESTRICTED ASSETS (CASH) MOVEMENTS								Comments
31/01/2018	EST. BAL. 30/6/16	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2017	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2018	
PURPOSE	\$	\$	\$	\$	\$	\$	\$	
GENERAL ACTIVITIES								
BUILDING REFURBISHMENT/UPGRADE	1,820,843.18	337,000		2,157,843.18	36,710	25,000	2,169,553.18	Note 1 Funding Building Refurbishments/Asset Management needs/Funded from Deprn Expense
EQUIP. UPGRADE/EMERGENCY MTCE	210,805.00			210,805.00			210,805.00	OLG Promoting Better Practice Recommendation
COMPUTER/IT SYSTEMS UPGRADES	1,007,046.00	100,000		1,107,046.00			1,107,046.00	Note 2 Replace Revenue/Property System 2017/2018 - 2018/2019 etc
INDUSTRIAL DEVELOPMENT	668,600.00	480,000		1,148,600.00			1,148,600.00	Rifle Range Road Subdivision Infrastructure Costs 2017/2018
RESIDENTIAL DEVELOPMENT	7,309.77			7,309.77			7,309.77	
AERODROME UPGRADE/MTC	134,330.00	172,000		306,330.00			306,330.00	Note 3 Federal Compensation Package Funds
COPETON NORTHERN FORESHORES	49,000.00			49,000.00			49,000.00	
LIBRARY BUILDING REFURBISHMENT	202,000.00			202,000.00			202,000.00	Future Library Building Refurbishments
INDUSTRIAL/TOURISM PROMOTION	11,594.00	82,000		93,594.00			93,594.00	Tourism Brochure etc
GARBAGE DEPOT LAND PURCHASE ETC	169,391.00			169,391.00			169,391.00	Note 4 Waste Strategy Funds - Restricted
GARBAGE DEGRADATION/REHAB.	938,342.00		492,997	445,345.00	150,000		595,345.00	Note 4 Waste Strategy Funds - Restricted
WASTE INFRASTRUCTURE	2,212,768.00	291,300		2,504,068.00	174,825		2,678,893.00	Note 4 Waste Strategy Funds - Restricted
WASTE-EXTERNALITY SUSTAINABILITY	177,000.00			177,000.00	120,000		297,000.00	Note 4 Waste Strategy Funds - Restricted
PLANT REPLACEMENT	3,309,713.00	1,481,014	545,004	4,245,723.00	1,528,000	2,821,500	2,952,223.00	Note 5 Plant Fleet Asset Renewals
GRAVEL PIT RESTORATION	147,486.00	43,267		190,753.00	17,500		208,253.00	Rehabilitation Requirement
GRAVEL PIT RESTORATION -Roads	84,767.00	43,267		128,034.00	17,500		145,534.00	Rehabilitation Rifle Range Road and others
COMMUNITY CAPITAL PROJECTS AND LAND	650,000.00			650,000.00		200,000	450,000.00	Note 6
ECONOMIC DEVELOP/GROWTH ASSETS	0.00	2,500,000		2,500,000.00		1,000,000	1,500,000.00	Note 7 Major Roundabouts w/ RMS and Federal Government
STRATEGIC CAPITAL PROJECTS FUND	4,450.00			4,450.00			4,450.00	including Chester Street Renewal
STRATEGIC DEVELOPMENT FUND	690,611.00		200,000	490,611.00		250,000	240,611.00	Note 8 Land Bank/Infrastructure Development Funding
EMPLOYEE LEAVE ENTITLEMENTS	1,010,710.46	326,000		1,336,710.46			1,336,710.46	Restricted - Minimum Statutory Requirement
WORKERS COMP INSURANCE	572,601.00	130,000		702,601.00			702,601.00	Promoting Better Practice Recommendation
TOWN HALL MAJOR MTCE/UPGRADE	100,000.00			100,000.00			100,000.00	Funding for future building refurbishments
INSURANCE EXCESS/SELF INSURANCE	161,848.00	48,000		209,848.00			209,848.00	Promoting Better Practice Recommendation
SWIMMING POOLS UPGRADE/FENCING	2,200,000.00	390,000		2,590,000.00			2,590,000.00	Future Upgrades (includes Transfer from Provisions)
ROAD RESUMPTIONS	20,000.00			20,000.00			20,000.00	Ongoing Issue
INVERELL HOCKEY FACILITY	400,000.00	50,000		450,000.00			450,000.00	Field Resurfacing - Provision for Surface Renewal
CONNECTIONS BUILDINGS/PLANT/EQUIP.	42,183.74	30,000		72,183.74			72,183.74	Funding Building Refurbishments/Asset Management needs/Funded from Deprn Expense
SES BUILDINGS	67,311.00	37,000		104,311.00			104,311.00	SES Building Renewals
FUND TOTAL	17,070,710.15	6,540,848	1,238,001	22,373,557.15	2,044,535	4,296,500	20,121,592.15	
WATER SUPPLY								
EMPLOYEE LEAVE ENTITLEMENTS	55,000.00	10,000	-	65,000.00	-	-	65,000.00	Restricted - Statutory Requirement
EQUIPMENT BREAKDOWN	107,940.00	-	-	107,940.00	-	-	107,940.00	Promoting Better Practice Recommendation
REVENUE EQUALISATION	470,000.00			470,000.00			470,000.00	Best Practice Guidelines
FUTURE CAPITAL WORKS	3,110,260.00	467,000		3,577,260.00			3,577,260.00	Note 9
FUND TOTAL	3,743,200.00	477,000	-	4,220,200.00	-	-	4,220,200.00	
SEWERAGE SERVICES								
EMPLOYEE LEAVE ENTITLEMENTS	15,000.00	5,000	-	20,000.00	-	-	20,000.00	Restricted - Statutory Requirement
EQUIPMENT BREAKDOWN	109,078.82	-	-	109,078.82	-	-	109,078.82	Promoting Better Practice Recommendation
FUTURE CAPITAL WORKS	2,366,200.00	73,000		2,439,200.00			2,439,200.00	Inverell Sewer Treatment Plant and Pump Station 1 renewal
FUND TOTAL	2,490,278.82	78,000	-	2,568,278.82	-	-	2,568,278.82	and Mains Relining
TOTAL OF ALL FUNDS	23,304,188.97	7,095,848	1,238,001	29,162,035.97	2,044,535	4,296,500	26,910,070.97	

INTERNALLY RESTRICTED ASSETS COMMITMENTS					
Note 1 - Building Refurbishment/Upgrade Projects - Asset Renewal funded from annual depreciation expense. Asset Management Plans require this level of Funding over the next 10 Years Transfer to IRA is lease fee from Connections.					
Note 2 - Replace Property/Revenue System 2017/2018 - 2018/2019					
Note 3 - Funding received from Federal Compensation Package - Future Bitumen Reseals					
Note 4 - Waste Management Strategy Implementation Funding and future land purchases/degradation requirements, including new Garbage Trucks, Solar Power, 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 - Economic Dev/Growth Assets		Chester St. Renewal - Heavy Vehicle Route	1,000,000.00	Federal Funding \$1.5M, Awaiting RMS Contribution, Council \$0.5M 2017/2018	
		Gwydir Highway/Rosslyn Street Roundabout	1,000,000.00	Land acquired, design in progress for 2018/2019 Project	
		Gwydir Highway/Mansfield St Intersection	500,000.00		
		2,500,000.00			
Note 8 - Strategic Capital Projects and Infrastructure Fund		Inverell Sports Complex	250,000	2016/2017 Program	Asset Renewal - Grant Funding \$930K
		Campbell Street Property/Carpark	240,000	2017/2018 or later Program (RMS)	
		490,000			
Note 9 - Future Capital Works		Ashford Water Treatment Plant	850,000.00	Ashford Plant River Inlet and Plant Ancillary Works	
		Lake Inverell Safety Works	400,000.00	State Government requirement	
		Other Capital Works	700,000.00	Inverell Treatment Works Renewal/Refurbishment Project	
		1,950,000.00			

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

APPENDIX 5

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-12-2017
CAPITAL BUDGET

	ORIGINAL BUDGET 2017/2018 (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	Unexpended Grants	Sept 2017 Review	Dec 2017 Review	Mar 2018 Review	June 2018 Review				
		(000's)	(000's)	(000's)	(000's)	(000's)	(000's)				
CAPITAL FUNDING											
Rates and Other untied Funding											
General Fund	2,814							2,814	31	2,845	2,845
Sewer Fund	664							664		664	664
Water Fund	848							848		848	848
								-			
Capital Grants & Contributions								-			
Bushfire	220							220	145	365	365
Sporting Fields	10							10	230	240	240
Library	25							25		25	
Roads	4,278			1,710				5,988	(40)	5,948	3,582
								-			
Internal Restricted Assets								-		-	
Aerodrome								-		-	
Plant Replacement	2,518							2,518		2,518	
Roads Program								-		-	
Sewerage Future Capital Works								-		-	
Water Future Capital Works								-		-	
Strategic Capital Projects Fund								-	250	250	
Strategic Development Fund								-	243	243	
Building Refurbishment/Upgrade								-			
Loan Funding								-		-	
Equity (Unexpended Grants and Contributions from pervious years)		11,540	2,216	220				13,976		13,976	13,976
TOTAL CAPITAL FUNDING	11,377	11,540	2,216	1,930				27,063	859	27,922	22,520
CAPITAL EXPENDITURE											
Administrative Services	15							15		15	6
Aerodrome								-	32	32	32
Engineering Equipment	2							2		2	-
SES/Bushfire	227							227	145	372	365
Information Services	147	118						265		265	54
Sporting Fields	24	9						33	697	730	592
Cemetery	1							1		1	1
Library	119		9					128	25	153	69
Plant	3,208							3,208		3,208	2,500
Minor Community Infrastructure Assets	280	351		(15)				616		616	160
Strategic Capital Infrastructure Program	515	109									
Sewerage Services	664	3,771						4,435		4,435	934
Water Services	848	1,395						2,243		2,243	141
Roads	5,328	5,787	2,207	1,945				15,267	(40)	15,227	6,167
TOTAL CAPITAL EXPENDITURE	11,378	11,540	2,216	1,930				27,064	859	27,923	11,021

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 2017/2018 budget have now been funded.

APPENDIX 6

CAPITAL EXPENDITURE 2017/2018

PROGRAM	LEDER NUMBER	DESCRIPTION	ORIGINAL CAPITAL BUDGET		ADJUSTED CAPITAL BUDGET		Classification	% Complete	FUNDING		AMOUNT
			AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL					
ADMINISTRATIVE SERV.	159090-1000	OFFICE FURNITURE & EQUIPMENT-DESKS, CHAIRS	5,200		5,200		Renewal	31%			
	134940-1000	ACQUISITION OF ART PRIZE	4,500		4,500		New Asset	0%			
	160470-1000	ART GALLERY REFURBISHMENTS	5,000	14,700	5,000	14,700	Renewal	88%			
ENGINEERING	160800-1100	ENGINEERS INSTRUMENTS & EQUIPMENT	2,100	2,100	2,100	2,100	Renewal	0%			
BUSH FIRE	159141-1000	EQUIPMENT ISSUES	220,000	220,000	365,120	365,120	Renewal	RFS	GRANT	121121-1000	365,120
SES	132851-4450	SES BUILDING UPGRADE	7,150	7,150	7,150	7,150	Renewal	0%			
INFORMATION SERVICES	130101-1000	COMPUTER EQUIPMENT	44,290		161,918		Renewal	14%			
	130101-4910	COMPUTER EQUIPMENT	32,000		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	265,118	Renewal	0%			
SPORTING FIELDS	160660-1100	SPORTS GROUND IMPROVEMENT-SPORT CNL.	20,000		20,000		New Asset	0%	CONTRIBUTION	127090-1000	10,000
	160531-1000	SPORTING FIELD UPGRADES			488,970		Renewal	100%	GRANT	121208-1000	230,000
	134919-1000	EQUESTRIAN CENTRE UPGRADE	4,000	24,000	4,000		Renewal	0%			
	160537-1000	COMPLEX FIELD UPGRADES			217,500	730,470	Renewal	0%			
INVERELL AERODROME	147124-1000	AERODROME CAPITAL UPFRAGES			31,920	31,920	Renewal	100%			
CEMETERY	136391-4450	CEMETERY	1,030	1,030	1,030	1,030	New Asset	100%			
LIBRARY	160180-1100	LIBRARY-CORPORATE SERVICE COLLECTION	1,380		1,380		Renewal	0%			
	160190-1000	LIBRARY BOOKS	57,910		57,910		Renewal	56%			
	160200-1000	LIBRARY BOOKS - CO-OPERATIVE CONTRIBUTION	21,530		21,530		Renewal	100%			
	160240-1000	NON BOOK MATERIALS-VIDEOS CASSETTES ETC.	9,480		9,480		Renewal	38%			
	160245-1000	LIBRARY - OFFICE EQUIPMENT	2,000		27,000		Renewal	8%			
	160270-1000	LIBRARY SECURITY SYSTEM	2,200		2,200		Renewal	0%			
	160395-1000	LIBRARY-SPECIAL GRANT PROJECT	25,000	119,500	34,603	154,103	New Asset	28%	GRANT	160389-1000	25,000
	141899-1000	STRATEGIC CAPITAL INFRASTRUCTURE PROGRAM	515,000	515,000	624,000	624,000	Renewal	0%			
OTHER NEW INFRASTRUCTURE ASSETS	129381-1000	MINOR COMMUNITY INFRASTRUCTURE ASSETS	180,000		165,000		New Asset	8%			
	137373-1000	COMMUNITY GARDENS			100,000		New Asset	1%			
	159772-1000	ENERGY EFFICIENCY PROGRAM	40,000		40,000		New Asset	0%			
	134325-1000	COMMUNITY BUILDING PARTNERSHIP PROGRAM	60,000	280,000	153,597		New Asset	0%			
	137540-3230	TOWN/VILLAGE IMPROVEMENTS			157,594	616,191					
PLANT	161590-1000	SMALL PLANT	80,000				Renewal	100%	PLANT REPLACE. IRA	161680-6220	3,207,500
	161610-1000	WORKSHOP EQUIPMENT	40,000		40,000		Renewal	0%	Less Sales		(689,500)
	161600-1000	LIGHT CARS/TRUCKS	350,000		350,000		Renewal	99%			2,518,000
	161620-1000	HEAVY PLANT	2,737,500		2,737,500		Renewal	74%			
	148221-1000	INVERELL WORKSHOP EQUIPMENT		3,207,500	-	3,207,500	Renewal				
TOTAL			4,538,470	4,538,470		6,018,402			REVENUE FUNDING REQUIRED		2,274,890
SEWERAGE	907170-1000	OTHER EQUIPMENT - Sewer Rodding Equip: Gas Detectors	14,000		59,000		Renewal	3%	CAPITAL WORKS IRA	907360-6220	-
	907280-3100	SEWER INVESTIGATION			182,785		Renewal	71%			
	907110-1100	MAINS RELINING PROGRAM	440,000		790,349		Renewal	0%			
	906541-1100	FITTING AND INSTALLATIONS	10,000		10,000		Renewal	0%			
	907250-3100	RETICULATION MAINS	100,000		196,758		Renewal	5%			
	907270-1000	PUMPING STATIONS			780,000		Renewal	0%			
	907320-3050	SEWER TREATMENT WORKS - DELUNGRA			100,000		Renewal	3%			
	907320-3070	SEWER TREATMENT WORKS - GILGAI			80,000		Renewal	0%			
	907321-3100	SEWER TREATMENT WORKS (LRIS PROJECT)			2,136,605		Renewal	37%			
	907272-3050	DELUNGRA TELEMETRY	100,000		100,000		Renewal	0%			
TOTAL			664,000	664,000		4,435,497			REVENUE FUNDING REQUIRED		664,000
WATER	813220-1100	MAINS REPLACEMENT - INVERELL	110,000		316,348		Renewal	36%			
	813230-3100	MINOR MAINS EXTENSIONS-INVERELL	50,000		50,000		New Asset	1%			
	813282-1000	PUMP STATION UPGRADES	70,000		370,000		Renewal	0%			
	813288-3100	TELEMETRY UPGRADES	275,000		548,833		Renewal	1%			
	813290-3100	OTHER EQUIPMENT	20,000		20,000		Renewal	2%			
	813285-1000	BACKFLOW PREVENTION			550,000		Renewal	0%			
	813260-3001	TREATMENT PLANTS	254,760		254,760		Renewal	0%			
	813280-3001	METERING - ASHFORD			-				CAPITAL WORKS IRA	813380-6220	-
	813280-3020	METERING - DELUNGRA			-						
	813280-3100	METERING - INVERELL	68,620		133,905		Renewal	17%			
	813280-3230	METERING - YETMAN			-						
	813280-3020	METERING - BONSHAW			-						
TOTAL			848,380	848,380		2,243,846			REVENUE FUNDING REQUIRED		848,380
ROADS	135960-3100	URBAN DRAINAGE RECONSTRUCTION-Construction Costs	139,000		593,426		Renewal	2%			
	138270-1000	URBAN WORKS PROGRAM	529,930		1,555,343		Renewal	8%			
	137561-1000	BLOCK GRANT WORKS	583,755		525,960		Renewal	87%	GRANT	122400-4450	583,755
	138691-1000	ACRD GRANT WORKS	1,662,030		3,400,729		Renewal	38%	GRANT	122760-1000	1,662,030
	1387330-4450	3x4 GRANT WORKS	160,000		160,000		Renewal	0%	GRANT	122860-4450	160,000
	138280-1000	REPAIR PROGRAM WORKS (P.J143003,143004)	961,824		1,055,130		Renewal	16%	GRANT	122460-1000	961,824
	139400-1000	ROADS TO RECOVERY PROGRAM WORKS	910,064		1,988,719		Renewal	78%	GRANT	122880-1000	1,620,128
	139400-1100	TIMBER BRIDGE PROGRAM			888,656		Renewal	100%	GRANT		667,000
	160566-1100	RIFLE RANGE ROAD SUBDIVISION WORKS			30,000		Renewal	28%	IRA		200,000
	160662-1000	OFF ROAD RECREATIONAL CIRCUIT			15,000		Renewal	33%			
	139420-139432	NON RECURRENT PROGRAM			1,979,339		Renewal	12%			
	145836-1100	PAMP			70,000		New Asset	5%			
	145821	FACILITIES AROUND SCHOOLS			27,596		New Asset	100%			
	141899-1000	STRATEGIC CAPITAL INFRASTRUCTURE/PROEJCTS FUND (Extension Oliver Street and John Street Sealing)			325,650		New Asset	6%			
	145874-1000	SAFER ROADS PROGRAM			152,100		Renewal	26%	GRANT		152,100
	160280-1100	CAR PARKING - OLIVER STREET			314,445		Renewal	100%			
	141331-4450	CBD WORKS	17,730		17,730		Renewal	51%			
	139120	VILLAGES DEVELOPMENT WORKS	33,340		134,089		Renewal	0%			
	139200-1000	VILLAGES BITUMEN RESEALS	23,540		23,540		Renewal	0%			
	140110-1100	GRAVEL RESHEETING MINOR ROADS	44,220		44,220		Renewal	74%			
	140190-1000	GRAVEL RESHEETING MINOR ROADS	33,280		33,280		Renewal	0%			
	139404-6445	FAF - ROAD BACKLOG STABILISATION	228,000		1,889,707		Renewal	33%			
TOTAL			5,326,713	5,326,713		15,224,659			REVENUE FUNDING REQUIRED		1,023,703
TOTAL ACQUISITION OF ASSETS				11,377,563		27,923,404			TOTAL IRA FUNDING		2,718,000
TOTAL ASSET RENEWALS				10,997,033		26,931,428			GRANT FUNDING		6,637,857
TOTAL NEW ASSETS				380,530		991,976			LOAN FUNDING		
									TOTAL 16/17 UNEXPENDED GRANTS		2,216,256
									TOTAL REVOTES/EQUITY		11,540,318
									REVENUE FUNDING REQUIRED		4,810,973
									TOTAL		27,923,404

APPENDIX 7

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-12-2017
CASH & INVESTMENTS

	ORIGINAL BUDGET 2017/2018 (000's)	Approved Changes						Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2017/2018 (000's)	ACTUALS (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2017 Review (000's)	Dec 2017 Review (000's)	Mar 2018 Review (000's)	June 2018 Review (000's)			
EXTERNALLY RESTRICTED										
Water Services	7,677						7,677		7,677	7,677
Sewerage Services	7,155						7,155		7,155	7,155
Waste Management	3,295						3,295		3,295	3,295
Special Purpose Grants	5,448						5,448		5,448	3,448
Developer Contributions	478						478		478	157
Bonds & Deposits	111						111		111	128
Stormwater Management	-						-		-	147
TOTAL EXTERNALLY RESTRICTED	24,164						24,164		24,164	22,007
INTERNALLY RESTRICTED										
Employee Leave Entitlements	1,337						1,337		1,337	1,337
Strategic Development Fund	490						490		490	490
Plant Replacement	4,246						4,246		4,246	4,246
Computer	1,107						1,107		1,107	1,107
Building Renewal/Upgrades	2,258						2,258		2,258	2,258
Economic Development/Growth Assets	2,500						2,500		2,500	2,500
Aerodrome	306						306		306	306
Workers Compensation Insurance	703						703		703	703
Future Capital Works/Land Purchases	650						650		650	650
Emergency Management/ Equipment Upgrades	315						315		315	315
Industrial Development	1,149						1,149		1,149	1,149
Baths Improvements - Inverell Pool	2,590						2,590		2,590	2,590
Sports Grounds - Hockey Facility Resurfacing	450						450		450	450
Other Restrictions	978						978		978	978
TOTAL INTERNALLY RESTRICTED	19,079						19,079		19,079	19,079
TOTAL RESTRICTED	43,243						43,243		43,243	41,086
TOTAL CASH & INVESTMENTS	57,174						57,174		57,174	52,000
AVAILABLE WORKING CAPITAL	13,931	Figure incl. revotes & Unexpended grants from 2016/2017					13,931		13,931	10,914

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

COMMENT ON CASH & INVESTMENT POSITION

Councils overall Investment Portfolio remains sound and as at 31 December 2017 Councils Cash and Investment Portfolio totalled \$52.00 million plus \$3.86 million Cash at bank

STATEMENTS**INVESTMENTS**

I, PAUL PAY, 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	22,007
Total Internal Restricted Funds	19,079
Total Restricted	41,086
Total Funds Invested as per Investment Report (31-12-2017)	52,000
Total Available Working Capital	10,914

CASH

I, PAUL PAY, 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 December, 2017, and the details have been recorded. For further information about Councils bank reconciliations refer to Councils Monthly Financial Statements report included in the Council Business Paper

RECONCILIATION

I, PAUL PAY, 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 December, 2017, and the details have been recorded. For further information about Councils investment portfolio and performance refer to Councils Monthly Investment Report included in the Councils Business Paper.

APPENDIX 8

IVERELL SHIRE COUNCIL
INVESTMENTS HELD 31-12-17

Term Deposit Investment Group										
Investment No.	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	Term (days)
17/46	Suncorp Bank	General	A1+	1	27-Apr-17	08-Jan-18	2.58%	1,000,000	1,000,000	256
17/47	Suncorp Bank	General	A1+	1	27-Apr-17	08-Jan-18	2.36%	1,000,000	1,000,000	256
17/34	National Australia Bank	General	A1+	1	09-Jan-17	09-Jan-18	2.70%	1,000,000	1,000,000	365
1802	Bank West	Sewer	A1+	1	17-Jul-17	17-Jan-18	2.50%	2,000,000	2,000,000	184
17/39	National Australia Bank	General	A1+	1	15-Mar-17	15-Mar-18	2.63%	2,000,000	2,000,000	365
18/20	National Australia Bank	General	A1+	1	27-Nov-17	27-Mar-18	2.46%	2,000,000	2,000,000	120
17/55	CBA	General	A1+	1	16-Jun-17	12-Apr-18	2.59%	1,000,000	1,000,000	300
18/03	St George Bank	General	A1+	1	17-Jul-17	17-Apr-18	2.52%	2,000,000	2,000,000	274
17/45	CBA	General	A1+	1	18-Apr-17	18-Apr-18	2.64%	1,000,000	1,000,000	365
17/53	CBA	General	A1+	1	09-Jun-17	08-Jun-18	2.56%	1,000,000	1,000,000	364
17/54	National Australia Bank	General	A1+	1	14-Jun-17	14-Jun-18	2.53%	1,000,000	1,000,000	365
17/56	Westpac Bank	General	A1+	1	28-Jun-17	28-Jun-18	2.69%	2,000,000	2,000,000	365
17/57	Westpac Bank	Water	A1+	1	28-Jun-17	28-Jun-18	2.69%	1,000,000	1,000,000	365
17/58	Westpac Bank	General	A1+	1	28-Jun-17	28-Jun-18	2.69%	2,000,000	2,000,000	365
18/22	Suncorp Bank	General	A1+	1	14-Dec-17	12-Jul-18	2.50%	1,000,000	1,000,000	210
18/01	CBA	General	A1+	1	17-Jul-17	17-Jul-18	2.56%	3,000,000	3,000,000	1095
18/19	Bank of Queensland	General	A1	2	27-Nov-17	25-Jul-18	2.55%	1,000,000	1,000,000	240
18/04	CBA	General	A1+	1	01-Sep-17	01-Aug-18	2.50%	1,000,000	1,000,000	334
15/10	Bank of Queensland	General	A1	2	02-Sep-14	03-Sep-18	4.10%	1,000,000	1,000,000	1462
18/05	CBA	General	A1+	1	18-Sep-17	14-Sep-18	2.63%	1,000,000	1,000,000	361
18/06	National Australia Bank	Water	A1+	1	27-Sep-17	27-Sep-18	2.61%	1,000,000	1,000,000	365
18/06	St George Bank	General	A1+	1	02-Oct-17	02-Oct-18	2.62%	1,000,000	1,000,000	365
18/08	St George Bank	General	A1+	1	07-Oct-17	07-Oct-18	2.62%	2,000,000	2,000,000	366
18/09	St George Bank	General	A1+	1	07-Oct-17	07-Oct-18	2.62%	2,000,000	2,000,000	366
18/10	National Australia Bank	General	A1+	1	10-Oct-17	09-Oct-18	2.58%	1,000,000	1,000,000	364
18/11	St George Bank	General	A1+	1	16-Oct-17	16-Oct-18	2.60%	1,000,000	1,000,000	365
18/12	AMP BANK	General	A1	2	27-Nov-17	27-Nov-18	2.60%	2,000,000	2,000,000	365
18/13	AMP BANK	General	A1	2	27-Nov-17	27-Nov-18	2.60%	1,000,000	1,000,000	365
18/14	AMP BANK	Water	A1	2	27-Nov-17	27-Nov-18	2.60%	1,000,000	1,000,000	365
18/15	AMP BANK	General	A1	2	27-Nov-17	27-Nov-18	2.60%	1,000,000	1,000,000	365
18/16	National Australia Bank	Sewer	A1+	1	27-Nov-17	27-Nov-18	2.50%	2,000,000	2,000,000	365
18/17	Bank West	General	A1+	1	27-Nov-17	27-Nov-18	2.55%	2,000,000	2,000,000	365
18/18	Suncorp Bank	General	A1+	1	27-Nov-17	27-Nov-18	2.50%	1,000,000	1,000,000	365
18/21	St George Bank	Water	A1+	1	01-Dec-16	30-Nov-18	2.50%	1,000,000	1,000,000	364
18/23	National Australia Bank	General	A1+	1	14-Dec-17	14-Dec-18	2.52%	2,000,000	2,000,000	365
18/24	Community Mutual	Water	NR	3	14-Dec-17	14-Dec-18	2.51%	2,000,000	2,000,000	365
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
31/8/17	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								-	-

Portfolio by Fund	
General Fund	42,000,000
Water Fund	6,000,000
Sewer Fund	4,000,000
TOTAL	52,000,000

APPENDIX 9

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-12-2017
CONTRACTS**

Contractor	Contract Details & purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
New England Land P/L	Contract Engineering Surveying Services	\$110 per hour	01-January-2018	12 months	Y
Abergeldie Water Team P/L	CCTV Services - Sewer Mains Investigation	\$ 138,831.35	01-October-2017	4 months	Y
Boss Engineering	Stainless Steel Floats - Sewer Treatment Plant	\$ 130,363.00	14-December-2017	3 months	Y
Arkwood Organic Recycling	Design Sludge Lagoons - Sewer Treatment Plant	\$ 43,600.00	01-October-2017	Completed	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 and Fleet purchased through LGP.
3. Contracts for employment are not included

Explanation of Unbudgeted Contracts

No unbudgeted contracts as at 31 December 2017

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-12-2017
CONSULTANCY & LEGAL EXPENSES**

EXPENSE	EXPENDITURE YTD	BUDGETED (Y/N)
CONSULTANCIES		
Heritage Advisor	9,450.00	Y
Work Health & Safety	7,136.00	Y
Human Resources	4,651.00	Y
Investment Advisor	6,999.00	Y
Urban Works - TCRP	11,966.00	Y
Information Services	1,200.00	Y
LEGAL FEES	8,387.00	Y

Definition of Consultant

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

Explanation of Unbudgeted Consultancy & Legal Fees

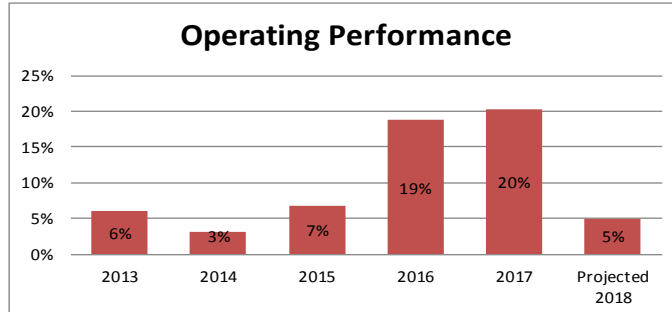
No unbudgeted Consultancy or Legal Fees as at 31 December 2017

APPENDIX 10

INVERFLEET OPERATIONS 2017-2018					
FROM 01-Jul-2017 TO 30-Jun-2018					
SUFFIX	DESCRIPTION	2018 BUDGET	2018 Y.T.D.	% VOTE	BALANCE
	Operators Wages	58,680	35,232	60.0%	23,448
	Workshop Wages	293,394	164,641	56.1%	128,753
	Repairs, Parts & Tyres	656,000	454,195	69.2%	201,805
	Fuel	1,032,800	561,241	54.3%	471,559
	Registration	175,000	33,025	18.9%	141,975
	Accident Expenses	5,000	-	0.0%	5,000
	Depreciation	1,450,000	725,000	50.0%	725,000
	Oils & Lubricants	40,000	19,227	48.1%	20,773
	Cutting Edges	54,000	19,560	36.2%	34,440
	Insurance	177,000	161,537	91.3%	15,463
148170	Miscellaneous +G4817.000	312,160	122,470	39.2%	189,690
148190	Insurance Excess	9,000	5,364	59.6%	3,636
148210	Ashford Workshop Exp.	18,000	5,571	31.0%	12,429
148220	Inverell Workshop Exp.	45,345	7,880	17.4%	37,465
148230	Apprentice Exp.	15,000	-	0.0%	15,000
148240	Administration Charge	296,630	148,315	50.0%	148,315
148250	Small Plant & Tools	107,650	32,365	30.1%	75,285
994825	Depreciation Small Plant & Tools	78,000	39,000	50.0%	39,000
148260	Plant & Tools under \$750	3,000	-	0.0%	3,000
148280	Oncosts (Super,w/comp etc.)	181,325	68,208	37.6%	113,117
146370	2 Way Radio SYSTEM UPGRADE	0	-	0.0%	0
146380	2 Way Radio M & R	23,090	3,468	15.0%	19,622
146390	2 Way Radio Installations	2,500	-	0.0%	2,500
146400	2 Way Radio Licences	2,200	-	0.0%	2,200
	TOTAL OPERATING COSTS:	5,035,774	2,606,299	51.8%	1,388,413
128780	Council Hire	-4,850,000	- 2,761,196	56.9%	-2,088,804
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	-125,620	- 62,810	50.0%	-62,810
	TOTAL OPERATING INCOME:	-4,986,620	- 2,824,006	56.6%	-1,299,794
	NET RESULT:	49,154	- 217,707	-442.9%	266,861
	Less GPS Units funded from IRA's	-50,000	-	0.0%	-50,000
	Less Capital Replacement Inflation Allowance		114,600		
		-846	- 103,107	12187.6%	102,261
REPLACEMENT PROGRAM					
161620	Heavy Plant Purchases	2,737,500	2,028,943	74.1%	708,557
161600	Light Plant Purchases	350,000	347,771	99.4%	2,229
161590	Small Plant Purchases	80,000	123,494	154.4%	-43,494
	Workshop Upgrades	0	-	0.0%	0
148221	Workshop Equipment	40,000	-	0.0%	40,000
		3,207,500	2,500,208	77.9%	707,292
168100	Sale of Heavy Plant	-261,000	- 194,580	74.6%	-66,420
168110	Sale of Light Plant	-175,000	- 277,516	158.6%	102,516
168120	Sale of Small Plant	0	-	0.0%	0
	NET RESULT (Surplus)/Deficit	2,771,500	2,028,112		743,388
PLANT RESERVE					
G6168	Estimated Balance 1.7.17	3,054,213	3,054,213		0
G6168.802	Transfer from 2017/2018	-2,821,500	-2,028,112		-793,388
G6168.801	Transfer to 2017/2018	1,528,000	775,493		752,507
G6168	Balance 30.06.2018	1,760,713	1,801,594		-40,881

APPENDIX 11

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-12-2017
KEY PERFORMANCE INDICATORS

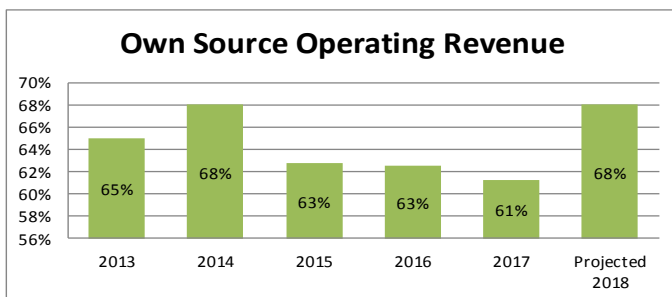


The **Operating Performance Ratio** indicates that Council operating revenue, excluding capital grants and contributions are sufficient to cover operating expenditure. Council has exceeded both the benchmarks listed below

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

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

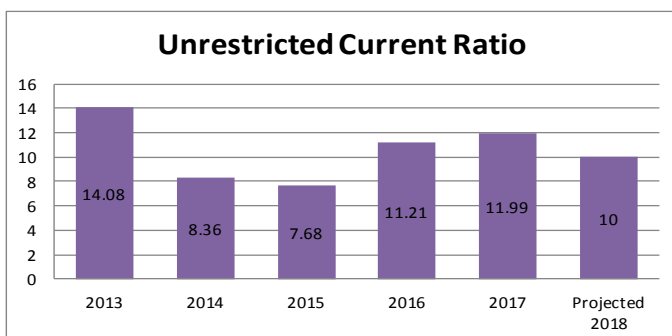
The 2017 is inflated due to the advanced payment of 50% 2017-2018 Financial Assistance Grant.



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%

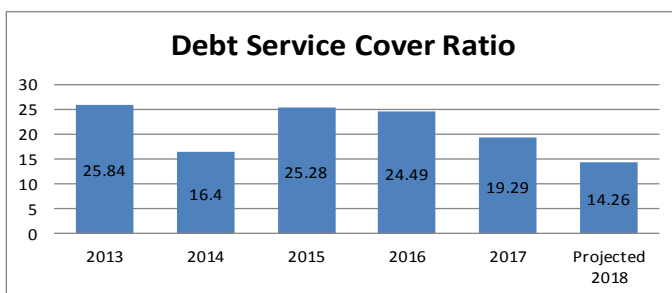
The "fit for the future" benchmark is that councils should have own source revenue of greater than 60% over a three year period.



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.

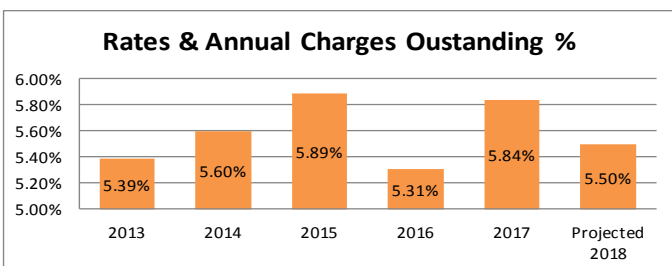
The Tcorp benchmark is greater than 1.5



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.

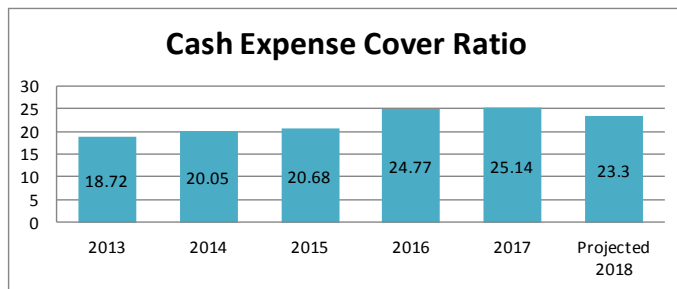


The **Outstanding Rates Ratio** indicates the percentage of uncollected rates and charges and the adequacy of recovery efforts.

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

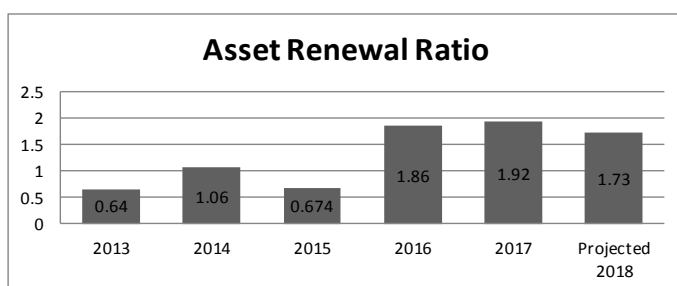
The Tcorp benchmark is to have a ratio of less than 10%

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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

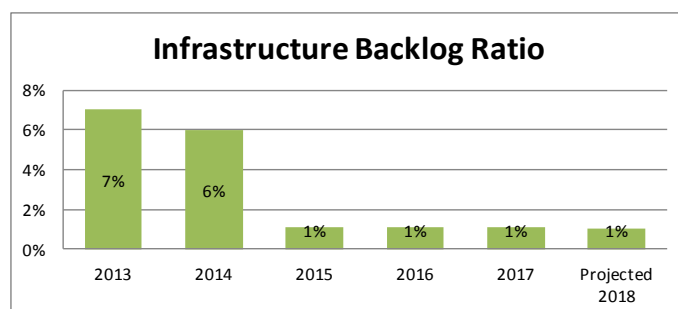


The **Asset Renewal Ratio** indicates the rate at which assets are being renewed against the rate they are being depreciated.

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

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

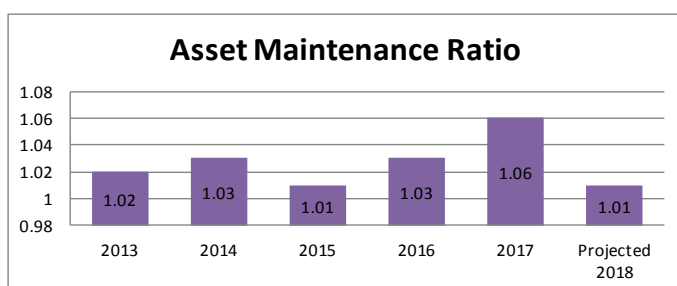
The "fit for the future" benchmark is that councils should have a ratio of greater than 1 over a three year period



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

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

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



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%

ITEM NO:	2.	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 January, 2018.

COMMENTARY:

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 31 January, 2018 and an update of the investment environment:

- (a) Council's investments as at 31 January, 2018;
- (b) Council Investments by Fund as at 31 January, 2018;
- (c) Interest – Budgeted vs Actual;
- (d) Investment Portfolio Performance;
- (e) Investment Commentary; and
- (f) Certification – Responsible Accounting Officer.

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							-	-	

B) Council Investments by Fund 31 January, 2018

Portfolio by Fund	31/12/2017	31/01/2018
General Fund	42,000,000	40,000,000
Water Fund	6,000,000	6,000,000
Sewer Fund	4,000,000	4,000,000
TOTAL	\$ 52,000,000	\$ 50,000,000

Council's investment portfolio has decreased by \$2M throughout January 2018. This was in respect of normal cash flow movements for receipts collected and payments made during January 2018.

While the level of Investments has been largely maintained over recent years these will decrease during 2017/2018 as a number of major projects are completed. These include:

- Inverell Sewerage Treatment Works \$ 2.0 M
- Infrastructure Backlog Program \$ 3.3M
- Waste Infrastructure Program \$ 1.5M
- 2017/2018 Revotes \$13.1M

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	2017/2018 Budget	Actuals to Date
General Fund 128820	879,000.00	277,726.00
Water Fund 812350	50,000.00	62,349.00
Sewer Fund 906320	70,000.00	51,115.00
TOTAL	\$ 999,000.00	\$ 391,190.00

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 2017/2018

D) Investment Portfolio Performance

Investment Portfolio Return		Benchmarks		
	% pa	RBA Cash Rate	Aus Bond Bank Bill	11am Cash Rate
Benchmark as at 31-1-18		1.50%	1.75%	1.50%
Term Deposits	2.62%			
Cash Deposit Accounts	1.50%			
Floating Rate Notes				
Structured Products*	0.00%			

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

E) Investment Commentary

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

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

As widely expected, the Reserve Bank (RBA) kept interest rates unchanged at 1.50% at its December 2017 meeting making it the 16th month in a row at these record lows. There has not been an official rate increase since November 2010.

The RBA noted in their statement that wage growth is minimal and inflation remained below the target of 2 per cent, household incomes are growing slowly and debt levels are high suggesting that the central bank is no hurry to make any policy changes. The RBA's central forecast remains for inflation to pick up gradually as the economy strengthens for an eventual rate hike.

However, most Economists believe that ongoing low inflation, record low wages growth, uncertainty around consumer spending, signs that the housing cycle is slowing and the still strong Australian dollar argue against a rate hike. In fact the cash rate yield curve currently indicates that the financial markets expect interest rates to remain on hold until after April 2019.

For now it appears that interest rates will remain low for the foreseeable future. Council continues to invest at unprecedented low rates of around 2.5%.

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

F) Certification – Responsible Accounting Officer

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

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

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

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

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

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

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

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the Committee recommend to Council that:

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