

INVERELL SHIRE COUNCIL

NOTICE OF MEETING

ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE

3 May 2019

An Economic & Community Sustainability Committee Meeting will be held in the Committee Room, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 8 May, 2019, 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 D	DESTINATION REPORTS
SECTION E	INFORMATION REPORTS
SECTION F	GENERAL BUSINESS
SECTION G	GOVERNANCE REPORTS
SECTION H	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, 8 May, 2019

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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, 10 APRIL, 2019, COMMENCING AT 11.30AM.

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), Scott Norman (Director Corporate and Economic Services) and Brett McInnes (Director Civil and Environmental Services).

SECTION A

APOLOGIES:

Apologies were received from Cr Harmon who could not attend due to personal reasons.

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

1. CONFIRMATION OF MINUTES

RESOLVED (Michael/Dight) that the Minutes of the Economic and Community Sustainability Committee Meeting held on 13 March, 2019 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

The following interests were declared:

Cr Harmon declared a pecuniary interest in Section D, Destination Reports, Item 6, "DA-143/2018 Medical Centre and Offices 3 Rivers St, Inverell". The nature of the interest relates to Cr Harmon having a family member with a business interest in 129-135 Otho St, Inverell.

3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil

SECTION B
ADVOCACY REPORTS

Cr Watts ALGWA NSW Conference

Cr Watts attended the ALGWA NSW Conference hosted by Liverpool City Council; a report will be presented to Council.

Cr Michael Delungra Family Fun Night

Cr Michael attended the Delungra Family Fun Night on Saturday, 6 April, 2019. He reported it was a well attended, successful event.

SECTION D
DESTINATION REPORTS

1. MEDICAL CENTRE DEVELOPMENT (LISTING) DA-143/2018

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

- i) the report includes 'Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business' (Section 10A(2)(c) of the Local Government Act, 1993); and*
- ii) on balance the public interest in preserving the confidentiality of this matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.*

2. DONATION REQUEST – INVERELL'S GOT TALENT 2019 – ROTARY CLUB OF INVERELL EAST S12.22.1/12

RESOLVED (Dight/King) that the Committee recommends to Council that Council provides a donation of \$800 towards the cost of Inverell's Got Talent that will again be organised by the Rotary Club of Inverell East and will be held as part of the Sapphire City Festival in October 2019.

3. EXPIRING LICENCE AGREEMENT – MR ROB & MRS JACQUI STRAHLEY S5.10.83

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

- i) Council renew the agreement with Mr Rob & Jacqui Strahley for Part Lot 3 DP 738104, Inverell Cemetery, Inverell;*
- ii) The Licence agreement be for a two (2) year period with a two (2) year option;*
- iii) The Licence fee be \$225.10 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.*

4. EXPIRING LICENCE AGREEMENT – SERVCO AUSTRALIA TAMWORTH PTY LTD TRADING AS NEW ENGLAND TOYOTA S5.10.130

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

- i) Council renew the agreement with Servco Australia Tamworth Pty Ltd trading as New England Toyota for Lot 2, DP 1038122 Oliver Street, Inverell;*
- ii) The licence agreement be for a five (5) year period with a five (5) year option;*
- iii) The Licence fee be \$400 per month (GST Inclusive); and*
- iv) The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

5. ARTS NORTH WEST (ANW) MEMBERSHIP S26.5.4

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

- i) For the purposes of securing touring performances and other ANW cultural opportunities in the future, Inverell Shire Council agree to membership of Arts North West for the next 3 years commencing 2019/20;*

- ii) *That the cost of membership for the next three (3) year period commencing 2019/20 be included in Council's forward budget;*
- iii) *This be conditional on Inverell Shire Council having an elected member on the ANW Advisory Board; and*
- iv) *Cr Dight be nominated as Council's representative on the ANW Advisory Board.*

6. 2019/2020 TINGHA RATING STRUCTURE S25.12.15

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

- i) *Properties within the Tingha Boundary Adjustment area be transitioned into Inverell Shire Council's existing rate structure in accordance with the Local Government Act, 1993;*
- ii) *Inverell Shire Council creates a new Residential sub-category called Residential – Tingha; and*
- iii) *Council implement a transitional phase in period over three (3) years for the following annual charges:*
 - *Annual Water charge,*
 - *Annual Sewerage Unoccupied Charge,*
 - *Waste Management Annual Charge,*
 - *Domestic Waste Management Collection Charge (for properties with 140Lt garbage bins)*

Suspension of Standing Orders

At this juncture, the time being 11.01 am, the Chairperson sought agreement to suspend Standing Orders to allow discussion on Draft Estimates, Operational Plan and Long Term Financial Plan.

At 11.20 am Cr Peters left the meeting.

Resumption of Standing Orders

At this juncture, the time being 12.08pm, Standing Orders resumed and the Committee considered the balance of the Agenda.

7. 2019/2020 DRAFT ESTIMATES AND OPERATIONAL PLAN, AND LONG TERM FINANCIAL PLAN S12.5.3

1. Draft Operational Plan and Budget guiding principles

The information be noted.

2. Factors Impacting the Budget

The information be noted.

3. 2019/2020 Budget Programs

The information be noted.

3.1 Urban Works Program:

RESOLVED (Michael/Dight):

That the Committee recommend to Council that the following works be funded from the Urban Works Vote and be included in the 2019/2020 Budget:

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

Project subject to a further report to Civil and Environmental Committee \$ 512.7K \$ 0K

B. Footpaths and Cycleway Construction

\$ for \$ Contribution to PAMP Program \$ 44K
(Subject to RMS approving the 2019/2020 Program)

C. Village Works – Community suggested projects

Ashford	\$7.36K
Delungra	\$7.36K
Gilgai	\$7.36K
Yetman	\$7.36K
Tingha	\$7.36K
Oakwood	\$1.09K
Bonshaw	\$1.09K
Graman	\$1.09K
Nullamanna	\$1.09K
Elsmore	\$1.09K
Stannifer	\$1.09K
Gum Flat	\$1.09K

GENERAL FUND GRAND TOTAL	\$601.1K	
WATER FUND TOTAL		\$ 0K

3.2 2019/2020 Grant Funded Road Programs

That the Committee recommend to Council that:

- i) *The budget allocations of \$2,157K for the 2019/2020 ACRD Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the funding allocations and individual works proposed to be undertaken under this program;*
- ii) *The budget allocations of the \$160K RMS Supplementary Block Grant Program be the subject of a further report to the Civil and Environmental Services Committee Meeting;*
- iii) *The budget allocation of \$1,121K for the 2019/2020 Roads to Recovery Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded;*
- iv) *The budget allocation of \$2,833K for the 2019/2020 Block Grant Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded; and*
- v) *The budget allocation of \$544K for the RMS Repair Program be endorsed and a report on the projects for the RMS approved Repair Program for 2019/2020 be presented to the Civil and Environmental Services Committee once advice has been received.*

4. Revenue and Expenditure Matters

4.1 Revenue

That the Committee recommend to Council that Council utilises the maximum permissible rate increase allowed by IPART of 7.25% as approved in Council's Special Rate Variation application.

4.2 Expenditure

That the Committee recommend to Council that:

- i) The information be noted;*
- ii) Council provide an allocation of \$150K for joint industry promotions and assistance;*
- iii) The following 2019/2020 Strategic Capital Infrastructure/Projects Program projects be endorsed:*
 - Asset Management - Road Revaluations \$ 85K*
 - Inverell Swimming Pool Redevelopment \$ 480K*
- iv) The budget allocation for \$341K for the 2019/2020 Special Projects – Roads Infrastructure Fund be endorsed;*
- v) A further report be presented to the Civil and Environment Committee in respect of the specific projects to be funding under the Special Projects – Roads Infrastructure Fund;*
- vi) the transfers to and from Internally Restricted Assets be endorsed; and*
- vii) The list of inclusions as included in the 2019/2020 draft Operational Plan/Budget and listed in section 4.2.2 & 4.2.3 of the report be endorsed.*

	\$
Inverell Pool - Gas	29,900
Audit & Risk Functions	25,000
Staff - Risk Management Staff Training	5,000
Donations in Lieu of Rates	4,500
CCTV Maintenance	6,000
Passive Parks - APEX Park Ashford	5,000
Storm/Fire/Flood Emergency works	25,000
Clear Zone Protection	100,000
TOTALS	200,400

- viii) the initial 2019/2020 budget allocations for the Tingha Boundary Adjustment as listed in sections 4.2.4 of the report be endorsed.*

5. Rating Structure

That the Committee recommend to Council that:

- i) The following rating categories be utilised for the 2019/2020 rating year:*
 - Residential – Inverell*
 - Residential – General*
 - Residential – Ashford*
 - Residential – Delungra*
 - Residential – Gilgai*

*Residential – Yetman
Residential - Tingha
Residential – Rural
Business – Inverell Industrial/Commercial
Business – Other
Farmland
Mining*

- ii) *A General Base Amount of \$225 plus an Ad Valorem Rate be determined for the categories detailed in above.*

6. Interest Rate on Outstanding Rates and Charges

That the Committee recommend to Council that:

- i) *the Interest Rate applicable to Outstanding Rates and Charges for 2019/2020 be the maximum allowable as advised by the Office of Local Government.*

7. Waste Management Charges

That the Committee recommend to Council that the following Waste Management Charges be adopted:

- | | | |
|------|--|---------------------------|
| i) | <i>Waste Management Charge – All Properties</i> | <i>\$ 85.00</i> |
| ii) | <i>Waste Management Charge – All Properties
(Tingha Boundary Adjustment)</i> | <i>\$50.00</i> |
| iii) | <i>Domestic Waste Management - Occupied Charge:
per service per assessment</i> | <i>\$330.00</i> |
| iv) | <i>Domestic Waste Management - Occupied Charge
Tingha Boundary Adjustment – properties with 140lt
garbage bin per service per assessment</i> | <i>\$300.00</i> |
| v) | <i>Domestic Waste Management – Unoccupied Charge</i> | <i>\$55.00</i> |
| vi) | <i>Weekly Commercial Waste Management Charge
(This Charge is levied per Service, and GST is charged if
applicable)</i> | <i>\$330.00</i> |
| vii) | <i>Weekly Commercial Recycling Charge</i> | <i>\$115.00 ex</i> |
| | <i>Fortnightly Commercial Recycling Charge</i> | <i>GST</i> |
| | <i>(These Charge are levied per Service, and GST is charged
if applicable)</i> | <i>\$60.00 ex
GST</i> |

8. Fees & Charges

That the Committee recommend to Council that the Fees and Charges, as recommended, be adopted.

9. Stormwater Management Service Charge

That the Committee recommend to Council that:

- i) *The Stormwater Management Service Charge be set at the maximum amount allowable of \$25.00 per Residential Premises, \$12.50 per Residential Strata lot, and \$25.00 for Business Premises for each 350*

square metres or additional part thereof, subject to a maximum charge on Business Premises of \$200.00; and

- ii) *The Stormwater Management Program as recommended being Gilgai Drainage Project as per the adopted Gilgai Drainage Upgrade Plan, be adopted.*

10. Fit for the Future Benchmarks

The information be noted.

11. Summary

That the Committee recommend to Council that:

- i) *The report on the balanced budget be noted;*
- ii) *The draft Estimates (incorporating the Operational Plan and Long Term Financial Plans) for the General Activities for 2019/2020 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

12. Sewerage Activities

That the Committee recommend to Council that:

- i) *The Sewerage Charges as listed below be adopted for 2019/2020:*

• Sewerage Charge Occupied	\$ 500.00
• Sewerage Charge Unoccupied	\$ 313.00
• Sewerage Charge Unoccupied – Tingha Boundary adjustment	\$ 200.00
• Sewerage Charge Flats/Units	\$ 313.00
• Sewerage Charge Nursing Homes	\$2,342.00
• Sewerage Charge Hotel/Licensed Clubs	\$1,500.00

Number of Services per Assessment

Annual Charge Per Assessment

1	\$ 500.00
2	\$ 813.00
3	\$1,126.00
4	\$1,439.00
5	\$1,752.00
6	\$2,065.00
7	\$2,378.00
8	\$2,691.00
9	\$3,004.00
10	\$3,317.00
11	\$3,630.00
12	\$3,943.00
13	\$4,256.00
14	\$4,569.00
15	\$4,882.00

- Sewerage Non-Rateable Schools – WC's \$ 82.70 per receptacle
- Sewerage Non-Rateable Other – WC's \$137.20 per receptacle
- Sewerage Non-Rateable Urinals \$ 82.70 per receptacle

Charge Structure for Motels and Caravan Parks

In accordance with the new charge structure for Motels and Caravan Parks the following charges are proposed for 2019/2020:

• Motel Residence	\$ 500.00
• Motel Restaurant	\$ 500.00
• Motel Ensuite	\$ 156.60
• Caravan Park Residence	\$ 500.00
• Caravan Park Amenities Block	\$1,500.00
• Caravan Park Ensuite Cabins	\$ 156.60

- i) *the Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2019/2020 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

13. Water Activities

That the Committee recommend to Council that:

- i) *a water availability base charge of \$364.00 per assessment (Includes first water meter) be adopted for 2019/2020;*
- ii) *a water charge of \$364.00 per additional water meter, per assessment be adopted for 2019/2020;*
- iii) *a water charge of \$280.00 per assessment (includes first water meter) be adopted for properties within the Tingha Boundary Adjustment area for 2019/2020;*
- iv) *a water charge of \$280.00 per additional water meter, per assessment be adopted for properties within the Tingha Boundary Adjustment area for 2019/2020;*
- v) *a charge of \$1.57 per kilolitre be adopted for commercial water consumption for 2019/2020;*
- vi) *a charge of \$1.57 per kilolitre, 0 to 600 kilolitres and \$1.83 per kilolitre over 600 kilolitres be adopted for residential water consumption for 2019/2020;*
- vii) *a charge of \$1.11 per kilolitre be adopted for Sporting Association water consumption;*
- viii) *a charge of \$0.40 per kilolitre be adopted for Raw Water consumption for 2019/2020; and*
- ix) *a charge of \$0.82 per kilolitre be adopted for Abattoirs, plus a 40 per cent early settlement discount for the period 1st July to 31st December 2019 and a 20 per cent early settlement discount for the period 1st January to 30th June 2020; and*
- x) *the draft Estimates (incorporating Operational Plan) for the Water Fund for 2019/2020 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

SECTION F
QUESTIONS WITHOUT NOTICE

Cr McCosker Gilgai pedestrian/cycle way

Cr McCosker enquired as to the progress of the Gilgai pedestrian/cycle way.

Director Civil and Environmental Services replied the project was still in the design and approval stage and currently progress was being limited by all available resources being allocated to higher priority projects.

Cr Dight Macintyre River at Yetman

Cr Dight enquired as to Council influence regarding access being limited to the Macintyre River at Yetman.

Director Civil and Environmental Services replied that area wasn't controlled by Council; however Council could work with volunteers who had permission to maintain the area.

Cr Watts Anzac Day Service at Delungra

Cr Watts Informed the meeting she would not be able to attend the Anzac Day Service at Delungra this year and hoped another Councillor would be able to attend in her place.

SECTION G GOVERNANCE REPORTS

1. GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2/12

RESOLVED (Dight/Michael) 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.*

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

At 12.14 pm, the Chairperson offered the opportunity to members of the public to make representations as to whether any part of the Committee Meeting should not be considered in Closed Committee. There was no response from the public.

CLOSED COMMITTEE REPORTS

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

RESOLVED (Michael/Dight) that the Committee proceed out of Closed Committee into Open Committee.

Upon resuming Open Committee, at 12:40 pm, the Chair verbally reported that the Committee, with the Press and Public excluded, having considered the matters referred to it, recommends as follows:

1. MEDICAL CENTRE DEVELOPMENT DA-143/2018

That the Committee recommend to Council that Council support the Armajun Aboriginal Health Service development of a new medical centre on the corner of Campbell and Rivers Streets Inverell by assisting with the following civil works on

public land, so to integrate the development with that part of the CBD

- i) Bitumen seal and install kerb and guttering the full length of County Lane (Indicative cost: \$114K)*
- ii) Indent kerb line in Rivers Street to provide space for nine (9) rear to kerb angled car parking spaces (Indicative cost: \$100K)*
- iii) Supply pavers in keeping with the area towards the establishment of footpaths on the Rivers Street and Campbell Street. It is the intent the Developer bears the cost of the construction of the footpaths.*

ADOPTION OF RECOMMENDATIONS

RESOLVED (Michael/King) that the Committee recommendations of Closed Committee be adopted.

There being no further business, the meeting closed at 12.44 pm.

CR J A WATTS

CHAIRPERSON

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 08/05/2019

ITEM NO:	1.	FILE NO: S12.22.1/12
DESTINATION 2:	A community that is healthy, educated and sustainable	C
SUBJECT:	INDUSTRY SUPPORT FUND (LISTING)	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

A report has been prepared for consideration by the Committee. The Committee is being asked to consider the Confidential Report.

COMMENTARY:

The *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 contains commercial information.

The recommendation that this item of business be considered in closed Council specifically relies upon section 10A(2)(a):

- a) Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business; and
- b) on balance, the public interest in preserving the confidentiality of this 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 report includes 'Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business' (Section 10A(2)(c) of the Local Government Act, 1993); and*
- ii) on balance the public interest in preserving the confidentiality of this matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.*

ITEM NO:	2.	FILE NO: S12.22.1/12
DESTINATION 4:	A strong local economy	B
SUBJECT:	GIRL GUIDES ASSOCIATION – REQUEST FOR ASSISTANCE	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

A report has been prepared for consideration by the Committee. The Committee is being asked to consider the Confidential Report.

COMMENTARY:

The *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 contains personal details relating to a ratepayer.

The recommendation that this item of business be considered in closed Council specifically relies upon section 10A(2)(b):

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

RECOMMENDATION:

That the matter be referred to Closed Committee 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); and*
- ii) *on balance the public interest in preserving the confidentiality of this matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.*

ITEM NO:	3.	FILE NO: S4.11.9
DESTINATION 5:	The communities are served by sustainable services and infrastructure.	S
SUBJECT:	EXPIRING LICENCE AGREEMENTS	
PREPARED BY:	Kristy Paton, Corporate Support Officer - Publishing	

SUMMARY:

The Committee is advised of six (6) Licence Agreements that are due to expire 30 June, 2019. The Committee is requested to consider the licence holders for new agreements.

COMMENTARY:

The listed Licence Agreements below have been audited for compliance of licence conditions and payment of associated fees.

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

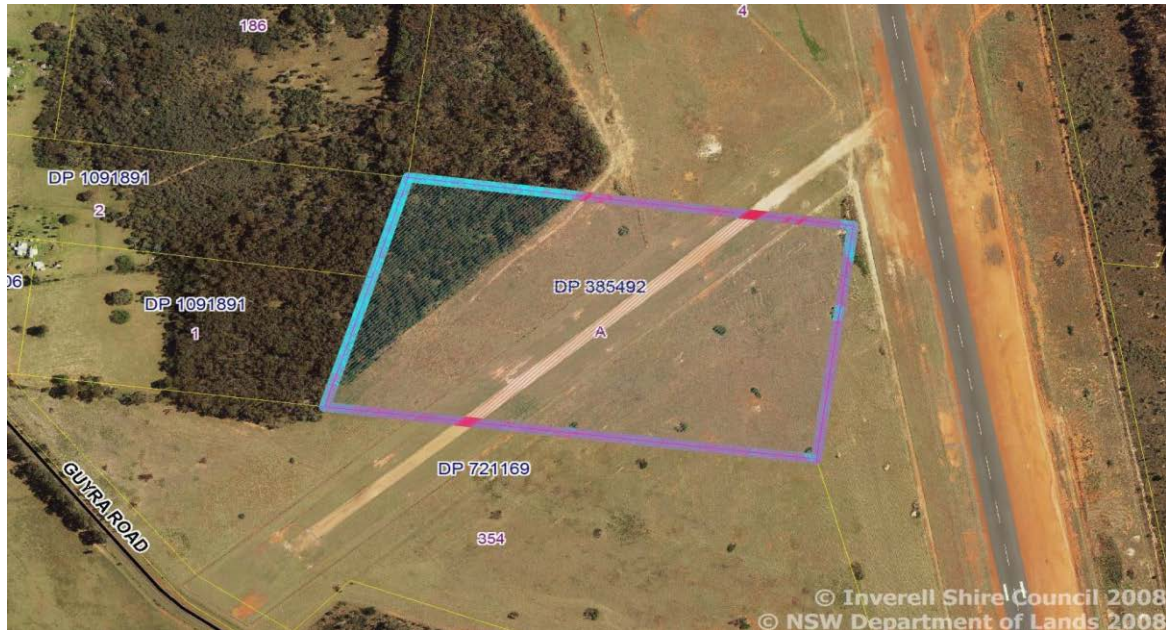
It is noted that the licences are issued subject to the licensee providing Public Liability Insurance for \$10M. These Policies now cost over \$500 p.a.

The Committee is asked to consider the following licence holders to be offered new agreements, under the same terms and conditions:

5.10.1	BP Australia Pty Ltd	01/07/2019 - 30/06/2024
5.10.57	Essential Energy	01/07/2019 – 30/06/2024

5.10.58	National Parks and Wildlife Service	01/07/2019 – 30/06/2024
5.10.60	NSW State Emergency Service	01/07/2019 – 30/06/2024
5.10.102	Mr G & R Brown	01/07/2019 – 30/06/2022
5.10.66	Mr G & R Brown	01/07/2019 – 30/06/2022

1. BP Australia Pty Ltd - Lot A, DP 385492, Inverell Airport, Gilgai.



The authorised use of the land is for the purpose of a storage, handling, sale of fuels, lubricants and related products. Public Liability insurance is required to the amount of \$10M.

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

Last amount billed \$389.25 (GST inclusive).

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with BP Pty Ltd, Lot A, DP 385492, Inverell Airport, Gilgai for a five (5) year period with a further five (5) year option under the same terms and conditions;*
- ii) the licence fee be \$396.64 per annum (GST Inclusive);) with a 3% increase per annum; and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

2. Licence Agreement, Essential Energy – Mandoe Radio Site, Lot 22 DP 721168, Mount Hallam Road, Atholwood.



The authorised use of the land is for the purpose of installation, operation and maintenance of a radio receiving and transmitting station. Public Liability insurance is required to the amount of \$10M.

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

Last amount billed \$1297.17 (GST inclusive).

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with Essential Energy for a five (5) year period with a further two (2) year option under the same terms and conditions;*
- ii) the licence fee be \$1336.08 per annum (GST inclusive) with a 3% increase per annum; and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

3. Licence Agreement, National Parks and Wildlife Service – Mandoe Radio Site, Lot 22 DP 721168, Mount Hallam Road, Atholwood.

The authorised use of the land is for the purpose of installation, operation and maintenance of a radio receiving and transmitting station. Public Liability insurance is required to the amount of \$10M.

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

Last amount billed \$1325.26 (GST inclusive).

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with National Parks and Wildlife Service for Mandoe Radio Site, Lot 22 DP 721168, Mount Hallam Road, Atholwood for a five (5) year period with a further five (5) year option under the same terms and conditions;*
- ii) the licence fee be \$1365.01 per annum (GST inclusive); with a 3% increase per annum; and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

4. Licence Agreement, NSW State Emergency Service - Mandoe Radio Site, Lot 22 DP 721168, Mount Hallam Road, Atholwood.

The authorised use of the land is for the purpose of installation, operation and maintenance of a radio receiving and transmitting station. Public Liability insurance is required to the amount of \$10M.

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

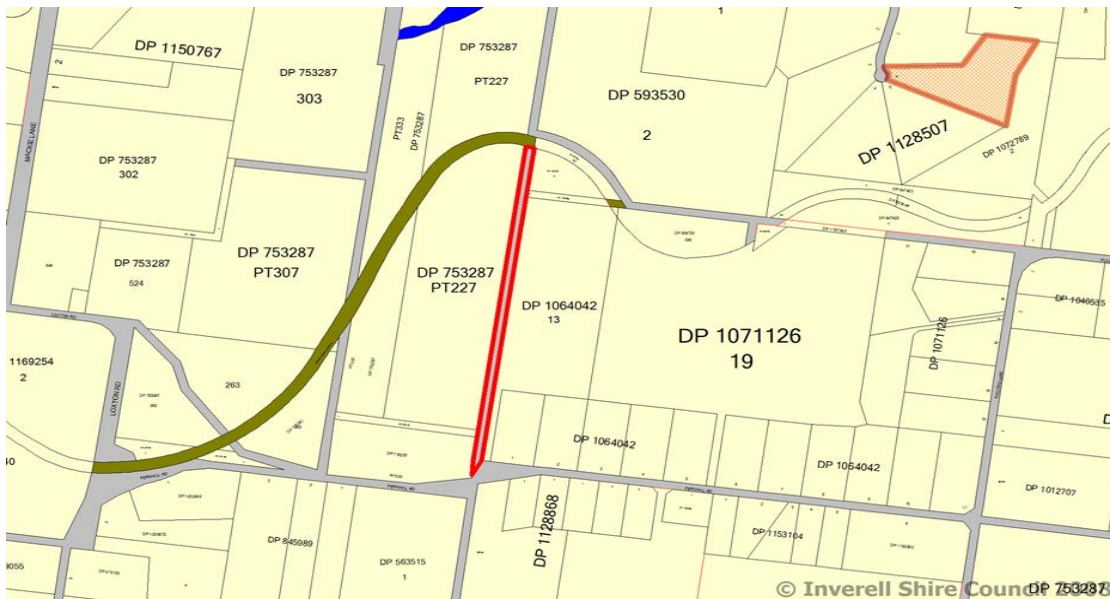
The current licence fee is \$1300.

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with NSW State Emergency Service for Mandoe Radio Site, Lot 22 DP 721168, Mount Hallam Road, Atholwood for a five (5) year period with a further five (5) year option under the same terms and conditions;*
- ii) the licence fee be \$1340.00 per annum (GST inclusive); with a 3% increase per annum and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

5. Licence Agreement, Mr G & R Brown - Part Unformed Road, Eastern Boundary of Lots 227 & 333 DP 753287, Inverell.



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

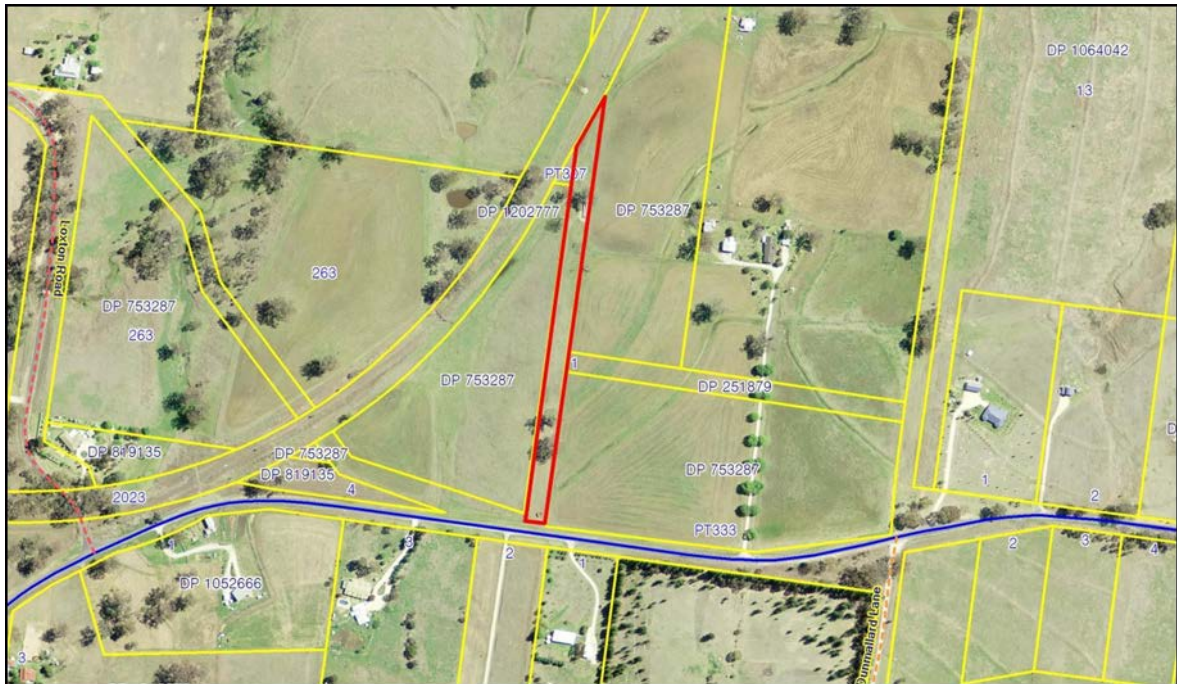
Last amount billed \$78.78 (GST inclusive).

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with Mr Garry and Mrs Robyn Brown for Part Unformed Road, Eastern Boundary of Lots 227 & 333 DP 753287, Inverell for a three (3) year period with a further three (3) year option under the same terms and conditions;
- ii) the licence fee be \$81.14 per annum (GST inclusive); with a 3% increase per annum and
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

6. Licence Agreement, Mr G & R Brown - Part Unformed Road, Eastern Boundary of Lot 263, DP 753287, Inverell.



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

Last amount billed \$92.70 (GST inclusive).

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council renew the agreement with Mr Garry and Mrs Robyn Brown for Part_Unformed Road, Eastern Boundary of Lot 263, DP 753287, Inverell, for a three (3) year period with a further three (3) year option under the same terms and conditions;*
- ii) the licence fee be \$95.48 per annum (GST inclusive); with a 3% increase per annum and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

ITEM NO:	4.	FILE NO: S13.1.1
DESTINATION 1:	A recognised leader in a broader context	R
SUBJECT:	BOUNDARY ADJUSTMENT - ARMIDALE REGIONAL COUNCIL	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

This report provides an update on the arrangements negotiated between Armidale Regional Council and Inverell Shire Council to give effect to the Governor's Proclamation regarding the boundary adjustment between the Councils.

COMMENTARY:

Clause 5 of the Governor's Proclamation states:

'Armidale Regional Council and Inverell Council are each to use their best endeavours to facilitate the operation of this Proclamation, including sharing information, agreeing about required matters and working co-operatively with the other council.'

'Armidale Regional Council and Inverell Council must each make available to the other council any records or other information in their possession that relates to the transfer, by virtue of this Proclamation, of staff, assets, rights or liabilities of, or of any part of the area of, Armidale Regional Council to Inverell Council.'

'Any such records or information that relate solely to the transfer, by virtue of this Proclamation, of staff, assets, rights or liabilities of, or any part of the area of, Armidale Regional Council to Inverell Council are to be transferred as soon as practicable after the alteration day.'

In pursuit of this requirement a number of meetings between staff of both Councils have occurred since February 2019 (last update provided to Council). The staff of Armidale Regional Council continues to work co-operatively with their Inverell counterparts to facilitate a smooth transition of operations.

It is intended that a General Manager's Agreement be completed that reflects the position agreed on by staff responsible for various matters.

Detailed below are the agreed positions on the various matters, with the words in the 'suggestion' section being those that will be utilised in the 'General Manager's Agreement'. The attachments referred to in the 'suggestion' are included with this business paper for Council's information.

1. Roads to Recovery Grant

The funding split between the Councils for the 2019–24 R2R(5) programs needs to be reflected in a signed agreement between the Councils. This agreement must be provided to the Department by 30 June, 2019.

A basis for apportioning the R2R(5) grant is required. Road length is the suggested determinate. A total road length of 173.12 kms is recorded in the inventory.

Suggestion

- a) That the 2019-24 Roads to Recovery Grant for ARC and ISC be adjusted utilising the length of Regional, Rural and Urban roads in the respective local government area, as at 1 July, 2019.
- b) The road inventory of the Regional, Rural and Urban roads in the 'transfer area', be the inventory prepared by ARC (copy attached to this document Appendix 1 – D14). A total road length of 173.12kms is disclosed.
- c) The adjustment formulae shall be:

$$\frac{\text{Total ARC 2019-24 R2R(5) Allocation}}{\text{Total ARC Road Length as at 30/6/19}} \times \text{Road Length in 'transfer area'}$$

2. Financial Assistance Grant

The grants for 2019-20 and 2020-21 will need to be adjusted as these grants utilise population/roads data determined as at 30/6/18 and 30/6/19 (respectively). It is suggested that the 2019/20 FAGs allocation to ARC be used as a component of the adjustment formulae as its allocation has been deemed by the Grants Commission; independent of the two Councils.

The determinates of the components of the FAGs be:

- a) General Component: Population
- b) ACRD Component: Regional, Rural and Urban road lengths

Suggestion:

- a) The General Component of FAGs be adjusted utilising 'population' as the determinate,
- b) The population of the 'transfer area' be extrapolated by overlaying the amended Local Government boundary on the ABS Census Collection District data,
- c) General Component Formulae:

$$\frac{\text{Total ARC General Component of FAGs}}{\text{ARC total population as at 30/6/19}} \times \text{Population of 'transfer area'}$$

- d) The ACRD roads component of FAGs be adjusted utilising 'road length' as the determinate
- e) The road inventory of the Regional, Rural and Urban roads in the 'transfer area' be the inventory prepared by ARC (copy attached to this document). A total road length of 173.12kms is disclosed,
- f) The ACRD component formulae:

$$\frac{\text{Total ACRD Component of FAGs}}{\text{ARC total road length as at 30/6/19}} \times \text{Population of 'transfer area'}$$

3. Asbestos – Tingha Landfill

The disposal of waste from the fire recovery/clean up will be deposited at an EPA approved location in the Tingha Landfill. The 'responsibility date' for Inverell Shire Council to manage the approval of the designated location by the EPA and management of the receipt of the waste needs to be agreed. Also, the fees for disposal need to be determined. Utilisation of the ARC fee schedule will not result in any delay in the disposal of this waste, as advertising of an amended fee structure is avoided.

Suggestion:

- a) That 11 May, 2019 be the date on which Inverell Shire Council takes responsibility for gaining approval for a site within the Tingha Landfill to dispose of Waste from the fires and manage disposal of the designated waste.
- b) The fees for disposing of the designated waste at the Tingha landfill shall be in accordance with the 2018/2019 Fees and Charges adopted by Armidale Regional Council.

4. Data Migration

Staff from ARC and ISC have been working cooperatively on this issue. The distribution of costs for this activity in respect of records data, revenue systems (rates and water) planning/regulatory data and assets management data have been discussed between staff and the positions need documenting.

The suggestion detailed below reflects this tentative position.

Suggestion:

a) Current Tingha Records (ARC Content Manager System)

Both Armidale Regional Council (ARC) & Inverell Shire Council (ISC) use the HPE Content Manager Software (TRIM) Document Management System.

Both parties seek to migrate the relevant records including any useful metadata from ARC to ISC.

In the case of digital records this will be achieved by exporting records from the ARC data base and importing them to the ISC data base. Both Parties will bear their costs associated with this process.

In the case of physical records, the records will be identified and a digital image produced by ARC. The physical record will be retained by ARC. ARC will bear the costs associated with this process. The digital image along with any associated metadata will be provided to ISC in a format suitable for creating discrete document management records. ISC will create these records at their cost.

b) Revenue Systems Data.

Inverell Shire Council and Armidale Regional Council jointly engaged Infor to achieve data migration. Costs are being shared equally.

c) Planning/Regulatory Data

- No electronic data to be migrated from ARC to ISC
- ISC will arrange access to ARC documentation as and when required
- ISC will meet any associated costs applicable at the time
- ARC to assist ISC in answering historical planning enquiries that may arise from time to time

d) Assets Management Data

i) Asset Financial Information

ARC will provide ISC sufficient financial information relating to the transferred assets so the assets can be identified to a component level if appropriate and the information is sufficient to be used in the preparation of General Purpose Financial Statements.

The information will include the associated accounting assumption, revaluation methodologies with supporting calculations and any current impairment.

ii) Non Financial Information.

ARC will provide ISC any useful non financial information they hold that relates to the transferred assets. This includes

- Spatial or geographic data and imagery useful for graphical information systems applications.
- construction or augmentation dates
- As constructed plans
- historical photographs
- condition assessments
- Asset Management Plans and associated documents with particular references to the transferred assets
- policy and procedures associated with the operation and maintenance of the transferred assets. This includes Standard Operating Procedures and associated Safe Work Method Statements.
- operation Manuals
- Inspection programs

- i) Financial Data
- ii) Non-Financial Data

5. Outstanding Rates

As the rates are a charge on the land, these debts should be transferred to ISC on 1/7/19. ISC should transfer funds to ARC equivalent to the amount of these outstanding rates.

Suggestion:

- a) That ISC 'purchase' from ARC the amount of rates outstanding as at 30/6/19, on those parcels of land in the 'transfer area'.
- b) A full list of unpaid amounts and any legal action as at 1 July, 2019 to be provided by Armidale Regional Council to Inverell Shire Council.

6. Water Charges

The reading of water meters and the billing of water charges has been discussed and a timetable agreed. The recovery action for outstanding water charges has been discussed and it is suggested that ISC 'purchase' any outstanding water charges as at 31/7/19. This course is proposed as the range of actions available to Council to recover outstanding charges include measures that can only be carried out by the Local Authority.

Suggestion:

- a) That ARC carries out a reading of water meters in the Tingha Water Supply area on the 1/6/19. ISC water meter reader be involved in this task.
- b) ARC take action to immediately issue the water consumption charge and record a 'due date' on these accounts as at 30/6/19.
- c) ISC read the mains water supply meter on 1/6/19 and issue a water consumption charge to ARC.
- d) That ISC 'purchase' from ARC any outstanding water charges in the Tingha water supply area, as at 31/7/19.

7. Fixed Assets

This class of assets will be transferred to ISC. A schedule of these assets has been prepared by ARC and is attached (refer Appendix 2 – D15).

Suggestion:

- a) That the schedule of fixed assets (copy attached) be those assets transferred to ISC,
- b) That ARC utilise its best endeavours to assist ISC undertake the necessary changes to the records held by the Land Titles Office.

8. Non-Fixed Assets

The schedule of this class of assets is attached (Appendix 3 – D16). These assets will be retained by ARC.

Suggestion:

- a) That the schedule of non-fixed assets (copy attached) be those assets retained by ARC.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: R.06 Council ensures it is able to provide resources to effectively deliver its Strategy and Programs.

Term Achievement: R.06.01 Council provides adequate resources to deliver its programs and has introduced measures to increase its capacity to deliver cost effective and efficient services.

Operational Objective: R.06.01.01 Develop annual and longer term resource plans aligned to the strategic programs.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the Committee recommend to Council that:

- a) The information be received and noted, and*
- b) The actions proposed in respect of outstanding rates and charges be endorsed.*

APPENDIX 1 - ROAD INVENTORY

Regional Roads		
MR73 Thunderbolts Way	Ch 0 - 24.64 = 24.64 km	Uralla Boundary to old Inverell Boundary
MR135 Guyra Road	Ch 52.00 - 66.9 = 14.9 km	Chainage measured from Guyra
Total Regional Road 39.54 km		
Bridges Regional Roads		
MR73 Copes Creek	84.3m overall - 4 spans	
MR 73 Sandy Creek	47.8m overall - 4 spans	
MR 135 Copes Creek (Eastern)	84m overall - 6 spans	
MR 135 Copes Creek (Northern)	67m overall - 5 spans	
Total Regional Road Bridges 4		
Large Culverts Regional Roads		
MR73 Unnamed creek near Bundarra	10.2m overall - 4 spans	
MR 73 Tienga Creek	11.5m overall - 3 spans	
MR 73 Hawkins Gully near Aston Rd	14m overall - 4 spans	
MR 73 Stanborough Creek west of Howell Rd	8.8m overall - 3 spans	
MR 73 Culvert Unnamed creek East of Howell Rd	13.4m overall - 5 spans	
MR 73 Culvert Unnamed creek	9.1 m overall - 3 spans	
Total Regional large culverts 6		
Sealed Urban Roads		Length (m)
Agate St		177
Amethyst St		463
Copes Creek Rd		667
Cox Rd		303
Darby's St		536
Dettmans Rd		285
Diamond St		608
Garnet St		385
Gem St		100
Hospital Flat Rd		1762
Museum St		485
Onyx St		100
Opal St		505
Robert's St		127
Ruby St		588
Sapphire St		459
Topaz St		257
Zircon St		92
Total Length Sealed Urban (m) 7899		
Sealed Rural Roads		Length (km)
Georges Creek Rd		4.055
Grove Rd		4.032
Guyra Hill Rd		0.613
Howell Rd		27.28
Kempton Rd		2.291
New Valley Rd		13.326
Old Mill Rd		4.12
Red Hill Rd		0.832
Swimming Pool Rd		0.919
Total Length Sealed Rural (km) 57.468		
Unsealed Rural Roads		Length (km)
Aberdeen Rd		9.78
Albion Flat Rd		1.35
Aston Rd		2.12
Bassendean Rd		7.47
Clerks Creek Rd		2.925
Cracknells Rd		3.18
Darby's Rd		0.279
Dry Creek Rd		4.25
Georges Creek Rd		8.833
Glen Hazel Rd		1.059
Grove Rd		10.05
Jones Rd		2.15
Kempton Rd		4
Long Gully Rd		2.115
Red Hill Rd		3.57
Schumans Rd		0.36
Shorts Rd		0.13
Tienga Rd		0.622
Wiedermans Rd		2.36
Winterwood Rd		1.16
Total Length Unsealed Rural Roads (km) 67.763		
Bridges - Local Roads		
Red Hill Rd	36m overall - 4 span Timber	
Total Bridges Local Roads 1		
Large Culverts - Local Roads		
Grove Road	8m overall - 2 span	
Georges Creek Rd	10.2m overall - 4 span	
Howell Road	19.4m overall - 4 span	
Howell Road	11.4m overall - 3 span	
Howell Road	16m overall - 5 span	
New Valley Road	4 x 1200 pipe culvert	
Total Large Culverts Local Roads 6		

APPENDIX 2 - FIXED ASSETS

Tingha Assets for Transfer to Inverell Shire Council			11-Jul-18
Description		Location	Notes
Fixed Assets			
Tingha Depot	Depot		
AVDATA water point	Depot		
40 foot container (yellow)	Depot		
20 foot container (green)	Depot		
Dog pound shed	Depot		
Water Reservoir	Off Albion Flat Rd		0.72ML
Water Reservoir Radio Shed & equipment	Off Albion Flat Rd		
Water reticulation system	Tingha		
Tingha Sewage treatment ponds	Off Old Mill Rd		
Sewer Reticulation system (Pressure system) + pods	Tingha		
Copeton Dam Foreshore	Off Howell Rd		Including Brick toilet block
Graham Park	Ruby St / Amethyst St		Including Playground
Tingha skatepark	Ruby St		Including skate bowl
Symes Park	Opal St		Including Toilet Block, kiosk, shelter shed
Ruby St Park	Ruby St		Including Toilet Block
Tingha Town Clock	Ruby / Opal St		
Tingha Town Hall	Ruby St		
Wing Hing Long Store (Museum)	Ruby St		
Tingha Rural Transaction Centre	Ruby St		
Tingha Bushfire Brigade	Ruby St		
Tingha SES	Ruby St		
Home Units	Sapphire St		
Tingha Landfill	Kempton Rd		Including toilet block
Tingha Cemetery	Garnet St		Including toilet block

APPENDIX 3 - NON-FIXED ASSETS

Tingha Assets to be Retained by Armidale Regional Council		
Unfixed or Mobile Plant		
John Deere zero turn mower	Depot	Rego # BT21WL, Plant # 3911
John Deere Ride on mower	Depot	3037
Red push mower - Honda	Depot	3927
Mitsubishi Canter Truck	Depot	Rego # BX 82 JF , Plant # 3006
High Pressure Water Cleaner	Depot	3965
Fuel Trailer 1000 L - Grader	Depot	3988
Trailer - 1800 L Fuel	Depot	Rego # P-54251, Plant # 3989
Grader Ute - Mitsubishi Triton	Depot	3058
Cat12M Grader	Depot	3027
AFC130 Roller	Depot	3030
Komatsu WB93R Backhoe	Depot	3020
Misc such as chainsaws, whipper snipper, small tools	Depot	

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 08/05/2019

ITEM NO:	5.	FILE NO: S15.8.95
DESTINATION 5 :	The community is supported by sustainable services and infrastructure	S
SUBJECT:	COMMUNITY SAFETY IMPROVEMENT PROJECT	
PREPARED BY:	Fiona Adams, Manager Integrated Planning and Reporting	

SUMMARY:

Council has been awarded funding from the Australian Government's Safer Communities Program. The grant of \$200,000 will enable Council to extend the CCTV camera network in the Inverell CBD and improve safety in Campbell Park.

COMMENTARY:

Council has secured funding from the Safer Communities Program for a \$200,000 project developed in consultation with Inverell Police and supported by Inverell Chamber of Commerce.

The project focuses on addressing hotspots for crime and antisocial behaviour in the CBD through:

- Extending the CCTV network by installing new poles as depicted in Figure 1;
- Improving surveillance by installing new CCTV cameras on existing poles; and
- Improving public safety by extending solar park lighting in Campbell Park, as per the example in Figure 2.

Figure 1: Map of CCTV network extension



Figure 2: Example of solar lighting to be installed



The project will also address priorities of Council's Crime Prevention Plan (2017) and recent data from NSW Bureau of Crime Statistics and Research (BOCSAR):

- Malicious damage in Inverell LGA is 71% higher than the state average;
- Break and enter in Inverell LGA is 78% higher than the state average;
- The most prevalent premises for drug offences in Inverell LGA - road/street/footpath.
- Assault (non domestic violence) is 71% higher in Inverell LGA than the state average; and
- Inverell ranks in the highest 25% of LGA's in NSW for rates of theft from a retail store.

The works will be completed before December 2019.

RECOMMENDATION:

That the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 5 May, 2019 be received and noted.

TO ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING 08/05/2019

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

SUMMARY:

To report the balance of investments held as at 30 April, 2019.

COMMENTARY:

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 30 April, 2019 and an update of the investment environment:

- (a) Council's investments as at 30 April, 2019;
- (b) Council Investments by Fund as at 30 April, 2019;
- (c) Interest – Budgeted vs Actual;
- (d) Investment Portfolio Performance;
- (e) Investment Commentary; and
- (f) Certification – Responsible Accounting Officer.

A) Council Investments as at 30 April, 2019

Term Deposit Investment Group										
Investment No.	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	Term (days)
19-18	National Australia Bank	General	AA-	1	14-Dec-18	14-Jun-19	2.72%	2,000,000	2,000,000	182
18/38	Westpac Bank	Water	AA-	1	28-Jun-18	25-Jun-19	2.95%	1,000,000	1,000,000	362
18/39	Westpac Bank	General	AA-	1	28-Jun-18	25-Jun-19	2.95%	2,000,000	2,000,000	362
19/21	Police Credit Union (SA)	General	NR	3	09-Jan-19	09-Jul-19	2.97%	1,000,000	1,000,000	181
19/22	National Australia Bank	General	AA-	1	09-Jan-19	09-Jul-19	2.72%	1,000,000	1,000,000	181
19/01	CBA	General	AA-	1	17-Jul-18	17-Jul-19	2.76%	3,000,000	3,000,000	365
19/02	Bank West	Sewer	AA-	1	17-Jul-18	17-Jul-19	2.80%	2,000,000	2,000,000	365
19/03	Bank of Queensland	General	BBB+	2	03-Sep-18	03-Sep-19	2.73%	1,000,000	1,000,000	365
19/04	CBA	General	AA-	1	14-Sep-18	13-Sep-19	2.68%	1,000,000	1,000,000	364
19/05	National Australia Bank	Water	AA-	1	27-Sep-18	27-Sep-19	2.75%	1,000,000	1,000,000	365
19/24	Nexus Mutual	Sewer	NR	3	28-Mar-19	30-Sep-19	2.82%	1,500,000	1,500,000	186
19/06	St George Bank	General	AA-	1	02-Oct-18	02-Oct-19	2.60%	1,000,000	1,000,000	365
19/07	National Australia Bank	General	AA-	1	09-Oct-18	09-Oct-19	2.74%	1,000,000	1,000,000	365
19/28	Bank of Sydney	General	NR	3	17-Apr-19	17-Oct-19	2.65%	1,000,000	1,000,000	183
19/08	Bendigo Adelaide Bank	General	BBB+	2	25-Oct-18	25-Oct-19	2.75%	2,000,000	2,000,000	365
19/11	National Australia Bank	Sewer	AA-	1	20-Nov-18	20-Nov-19	2.75%	2,000,000	2,000,000	365
19/12	Rural Bank	General	BBB+	2	27-Nov-18	27-Nov-19	2.85%	2,000,000	2,000,000	365
19/13	Police Credit Union (SA)	General	NR	3	27-Nov-18	27-Nov-19	2.94%	1,000,000	1,000,000	365
19/14	AMP BANK	General	A-	2	27-Nov-18	27-Nov-19	2.85%	2,000,000	2,000,000	365
19/15	AMP BANK	General	A-	2	27-Nov-18	27-Nov-19	2.85%	1,000,000	1,000,000	365
19/16	AMP BANK	Water	A-	2	27-Nov-18	27-Nov-19	2.85%	1,000,000	1,000,000	365
19/17	AMP BANK	General	A-	2	27-Nov-18	27-Nov-19	2.85%	1,000,000	1,000,000	365
19/23	AMP BANK	General	A-	2	18-Mar-19	13-Dec-19	2.80%	2,000,000	2,000,000	270
19/19	Summerland Credit Union	Water	NR	3	17-Dec-18	17-Dec-19	3.00%	2,000,000	2,000,000	365
19/25	Nexus Mutual	Water	NR	3	28-Mar-19	30-Dec-19	2.80%	1,000,000	1,000,000	277
19/20	National Australia Bank	General	AA-	1	09-Jan-19	09-Jan-20	2.75%	2,000,000	2,000,000	365
19/27	St George Bank	General	AA-	1	17-Apr-19	17-Apr-20	2.60%	2,000,000	2,000,000	366
19/09	ING BANK	General	A	1	25-Oct-18	25-Oct-20	2.90%	2,000,000	2,000,000	731
19/10	Westpac Bank	General	AA-	1	25-Oct-15	25-Oct-20	2.97%	2,000,000	2,000,000	1827
19/26	Police Credit Union (SA)	General	NR	3	28-Mar-19	29-Mar-21	2.90%	2,000,000	2,000,000	732
19/30	Rural Bank	General	BBB+	2	17-Apr-19	19-Apr-21	2.63%	1,000,000	1,000,000	733
19/29	Newcastle Permanent	General	BBB	2	17-Apr-19	19-Apr-22	2.70%	1,000,000	1,000,000	1098
Sub Total - Term Deposit Investment Group								TOTALS	48,500,000	48,500,000

Cash Deposits Accounts Investment Group									
As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value
30/4/19	National Australia Bank (Cash Maximiser)	General	A1+	1			1.65%	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
30/4/19	Commonwealth Bank	General	A1+	1	11/1/2019	11/1/2024	3.19% 3M BBSW + 113bp	2,000,000.00	2,029,674.00
30/4/19	ANZ Bank	General	A1+	1	8/2/2019	8/2/2024	3.10% 3M BBSW + 110bp	2,000,000.00	2,026,654.00
30/4/19	ANZ Bank	Water	A1+	1	8/2/2019	8/2/2024	3.10% 3M BBSW + 110bp	1,000,000.00	1,013,327.00
Sub Total - Floating Rate Notes Investment Group								5,000,000.00	5,069,655.00
* Yield changes every 3 months and is a margin over the 3 month BBSW (Bank Bill Swap Rate)									

B) Council Investments by Fund 30 April, 2019

Portfolio by Fund	31/03/2019	30/04/2019
General Fund	\$ 41,046,008	\$ 42,056,328
Water Fund	\$ 7,010,847	\$ 7,013,327
Sewer Fund	\$ 5,500,000	\$ 5,500,000
TOTAL	\$ 53,556,855	\$ 54,569,655

Council's investment portfolio increased by \$1.1M during April 2019. This was in respect of normal cash flow movements for receipts collected and payments made during April 2019.

C) Interest – Budgeted verses Actual Result to Date

	Ledger	2018/2019 Budget	Actuals to Date
General Fund	128820	879,000.00	603,474.00
Water Fund	812350	85,000.00	97,520.40
Sewer Fund	906320	87,000.00	58,160.00
TOTAL		\$ 1,051,000.00	\$ 759,154.40

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 2018/2019. It is noted that with the changing structure of Council's investment portfolio which will include more Floating Rate Notes and Term Deposits which pay a quarterly coupon (as opposed to annually or at maturity), Council's income stream from investments will become more regular and consistent.

D) Investment Portfolio Performance

Investment Portfolio Return		Benchmarks		
	% pa	RBA Cash Rate	Aus Bond Bank Bill	11am Cash Rate
Benchmark as at 30-4-2019		1.50%	2.02%	1.50%
Term Deposits	2.80%			
Cash Deposit Accounts	1.65%			
Floating Rate Notes	3.13%			

E) Investment Commentary

Council's investment portfolio returns exceeded the 11am Cash Rate benchmark in all investment categories except for Council's cash deposit accounts. These accounts are held for liquidity purposes. Term Deposits exceeded all benchmarking indexes.

Council's investment portfolio of \$54.6M is almost entirely invested in fixed term deposits. Overall, the portfolio is highly liquid, highly rated and short-dated from a counterparty perspective.

The Board of the Reserve Bank decided to leave the cash rate unchanged at 1.50 per cent again at its April Meeting. However during April RBA has shifted its view and has become openly more dovish, signalling the scenario in which it will cut interest rates (rising unemployment, low inflation, below trend growth) for now, they are endeavouring to remain on a neutral bias while employment continues to show strength. Housing concerns are closely being monitored with the fall in house

prices (mainly in Sydney and Melbourne) finally being acknowledged as having an impact on the 'wealth effect' towards consumers.

The key risks for the RBA stem from the impact of international trade wars and a slowdown in the Chinese economy, US inflation and a broader slowdown in the global economy. Domestically, they are focused on employment, inflation, wage growth, housing and consumption. As a result of these uncertainties, the RBA continues to be cautious and is now seemingly ready to adjust interest rates should any downside risks materialise.

The futures market is now clearly focused on a rate cut with the prospect of a 25bp cut by July 2019 seen as a 100% scenario. Some economists are predicting the RBA will be forced to cut multiple times this year on expectations of a slowdown in the domestic and global economy, household finances impacting consumer confidence and a further downturn in residential property.

The RBA meet again on 7 May, 2019 and many economists and business leaders are urging the RBA to cut the official interest rate. Those that oppose this view believe that strong employment data, pending Income tax rebates for low to middle income households worth up to \$1080 per worker are due to arrive around September after people file their tax returns after June 30 and the pending federal election will allow the RBA to hold rates at current levels. It is noted that the RBA have only ever cut interest rates once during an election campaign, this was in 2013.

F) Certification – Responsible Accounting Officer

I Scott Norman, 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:

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

ITEM NO:	2.	FILE NO: S12.5.1
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2018/2019	
PREPARED BY:	Scott Norman, Director Corporate Services	

SUMMARY:

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

COMMENTARY:**2018/2019 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 2018/2019 Budget remains in balance (see Appendix 1, G1212 – G13). Those items identified as requiring funding since the adoption of the 2018/2019 budget have now been funded in full.

The Budget Variations for 2018/2019 are as follows:

COMBINED FUND - BUDGET VARIATION SUMMARY REPORT
ESTIMATED CASH POSITION 30 JUNE, 2019
FOR 2018/2019 ACTIVITIES

	General	Water	Sewer	Total
Adopted Budget 2018/2019	7,556,285	850,913	699,900	9,107,098 Deficit
Add Back Depreciation	(6,943,050)	(853,000)	(701,000)	(8,497,050) (Non-cash)
Add Back Carry Amount Assets Sold	(240,400)	-	-	(240,400) (Non-Cash)
Internally Restricted Cash Utilised	(375,075)			(375,075)
Transferred to Internally Restricted Cash	-	-	-	-
ESTIMATED CASH RESULT	(2,240)	(2,087)	(1,100)	(5,427)
FOR 2018/2019 ACTIVITIES				SURPLUS
2018/2019 Budget Variations Required to Maintain a Balanced Budget				
REVOTES	5,896,199	1,988,047	3,316,614	11,200,860
UNEXPENDED GRANTS	1,371,846	-	-	1,371,846
Budget Review Adjustments 30-9-18	415,000	-	-	415,000
Budget Review Adjustments 31-12-18	-	-	-	-
Budget Review Adjustments 31-12-19	-	-	-	-
SUB TOTAL	7,683,045	1,988,047	3,316,614	12,987,706
Internally Restricted Cash Utilised	(415,000)	-	-	(415,000)
FUNDED FROM EQUITY	(7,268,045)	(1,988,047)	(3,316,614)	(12,572,706)
NET BUDGET VARIATIONS	0	0	0	0
REVISED CASH RESULT	(2,240)	(2,087)	(1,100)	(5,427)
FOR 2018/2019 ACTIVITIES				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 2018/2019 continue to remain at **“Zero”**. Councillors will note that expenditure has increased by \$5.537M, while revenue has increased by \$5.122M. 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, G14) indicate a surplus from all activities to 31 March 2019 of \$4.3M, against a budgeted annual result of \$5,427. This current result indicates that sufficient funding remains available to fund Council's 2018/2019 continuing operations for the next 3 months to the end of the 2018/2019 Financial Year.

QUARTERLY BUDGET REVIEW REPORT:

Council's 31 March, 2019 Quarterly Combined Budget Review Summary Report and Income and Expense Statement by function are attached (Appendix 3, G15). A review of the report indicates that Council's actual revenue/expenditure compares favourably with Council's revised budget.

Council retains a strong Internally Restricted Asset balance (Appendix 4, G16) to fund liabilities, future works and emergencies. The quantum of these funds adds significantly to Council's investment income and therefore capacity to undertake recurrent maintenance and capital works.

GENERAL FUND – OPERATIONAL PLAN REVIEW:

The General Fund remains in balance with the predicted Cash Surplus in respect of 2018/2019 operations remaining unchanged following approval of the Budget Variations attached to this report (Appendix 1, G12 – G13). This is after transfers to/from Internally Restricted Assets and Revotes from previous years and the bringing forward of Grant Funding received in 2017/2018 which will be expended in 2018/2019.

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 March, 2019 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 2018/2019 Operational Plan (Appendix 5 and 6, G17 – G18) remain 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 RBA has recently shifted its view and has become openly more dovish, signalling the scenario in which it will cut interest rates (rising unemployment, low inflation, below trend growth). For now, they are endeavouring to remain on a neutral bias while employment continues to show strength. Housing concerns are closely being monitored with the fall in house prices (mainly in Sydney and Melbourne) finally being acknowledged as having an impact on the 'wealth effect' towards consumers.

The futures market is now clearly focused on a rate cut with the prospect of a 25bp cut by July 2019 seen as a 100% scenario. Some economists are predicting the RBA will be forced to cut multiple

times this year on expectations of a slowdown in the domestic and global economy, household finances impacting consumer confidence and a further downturn in residential property.

Term Deposits are now as low as 2.30-2.50%. It is anticipated that Council will achieve budgeted interest during 2018/2019.

A copy of Council's Cash and Investment Budget Review Statement as at 31 March, 2019 is attached (Appendix 7 and 8, G19 – G20). Council retains a sound investment position to fund all of Council's internal and external restrictions and Council's Working Capital/Cash flow needs.

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

Contracts, Consultancy & Legal Expenses

The attached Contracts Summary indicates any contracts entered into with a value of over \$50,000 by Council during the quarter ending 31 March, 2019, (Appendix 9, G21), other consultancy and legal expenses are summarised in the attached Consultancy & Legal Expense summary (Appendix 9, G21).

Plant Fleet:

A copy of the Plant Fleet Financial Report to 31 March, 2019 is attached (Appendix 10, G22). The report indicates a small Operating Surplus of \$9K to 30 April, 2019. The Fleet fund continues to remain in a sound financial position.

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 up, \$294K in 2015/2016, down \$83K in 2016/2017 and up \$535K in 2017/2018. It is anticipated that water sales will continue to increase during 2018/2019 due to the current dry conditions within the Shire.

The Water Fund holds Term Deposits totalling \$7.5M and cash at bank of \$2.96M (See Appendix 7, G19).

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 2018/2019. This project is funded from Loans and Cash Reserves. Council is also implementing a \$885K sewer pipe relining program.

The Sewerage Fund holds Term Deposits totalling \$6M plus cash at bank of \$1.5M (See Appendix 7, G19).

OPERATIONAL PLAN – COMBINED FUND

Overall Council's operational and financial position in respect of its five destinations is sound. The following information is provided in respect of major issues and projects that Council is leading, participating in, or delivering in 2018/2019:

-
- Destination 1 – A recognised leader in the broader context:
 - Secure \$200K funding to extend CCTV network and Solar lighting in Campbell Park;
 - Participation in Road Funding meetings with the Roads and Maritime Services;
 - Participation in New England Northwest Regional Tourism meetings;
 - Participation in New England High Country Destination Management Hub;
 - Participated in meetings with New England Council's Joint Organisation of Councils. Secretariat for the Group;
 - Participated in Border Region Organisation of Councils Meeting;
 - Seeking grants for the benefit of the community;
 - Sponsor acquisition prize of Inverell Art Prize;
 - Assist with the running of Country Cricket Championships in Inverell;
 - Participation in the Northern Inland Risk Management Group;
 - Secure funding for the development of an Arts & Cultural Strategic Plan;
 - Secure \$2.5M funding to facilitate an \$8M upgrade of the Inverell Livestock Exchange;
 - Completed installation of Illuminator lighting system to sportsgrounds to increase lighting efficiency;
 - Facilitate high speed data connectivity between Admin, Library, Tourism buildings;
 - Assist with establishment of Blaze Aid Camp at Inverell showground; and
 - Install entrance Signage for Bonshaw.
 - Destination 2 – A community that is healthy, educated and sustained:
 - Youth Opportunities Programs in progress to engage young people aged 12-20 with 1430 participants;
 - Joint initiative with BEST Employment to commence free learn to swim classes – 80 participants;
 - Assist with Sapphire City Festival;
 - Participation in New England Cooperative Library;
 - Working with BEST Employment in respect of the management rights of the Linking Together Centre;
 - Host Grandparents Day with 150 participants;
 - Completed Sale of Land for Unpaid rates;
 - Assisted with preparation for Armistice Day;
 - Host grant writing workshops with 36 participants;
 - Assist more than 30 community groups and schools to apply for grant funding;
 - Commence upgrade of Library Management System;
 - Youth week events engage more than 350 youth; and
 - Sponsor 2019 Inverell & Ashford Shows.
 - Destination 3 – An environment that is protected and sustained:
 - Partnering with Local Land Services in River Rehabilitation & Weeds Removal Programs;
 - Completed Harrisia Cactus program at Yetman;
 - Remove Water Lettuce at Beebo West;
 - Completed a Cats Claw program on Dumeresq River;
 - Commenced an Osage Orange Program along the Macintyre River;
 - Participated in Cross Borders Working Group on weed control meetings;
 - Participated in Northern Inland Regional Waste meetings;
 - Ongoing works at May Street Park to improve riverbank environment;
 - Development of Soundtracks mobile App for Goonoowigall Conservation Area; and
 - Complete installing walking tracks and seating at Ross Hill Reserve.
 - 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 in marketing;
 - Celebrated Fly Corporate first anniversary of the new Regular Passenger Transport (RPT) service from Brisbane – Inverell – Sydney;
 - Collaborate with Community groups to develop proposals for Drought Communities Programs –secured Drought Communities Funding;
 - Sponsorship of Eat Drink Live;
 - Facilitate round one of Sapphire Wind Farm Community Benefit Fund;
 - Partner with Fishing Australia to develop promotional film of Inverell LGA;
 - Partner with ARC, emergency services and government agencies to assist in Tingha Plateau bushfire recovery; and
 - Host Drought Community events in 5 locations.
- 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 2018/2019 bitumen reseal program;
 - Completed 2017/2018 Financial Statements – sound financial result achieved;
 - Commenced upgrade works at the Inverell Sewerage Treatment Plant;
 - Commenced assessment of Higher Mass Vehicle network expansion;
 - Upgrade of Inverell Town Hall Annex to Create a multipurpose Arts Space;
 - Facilitate transition of Inverell Family History Group's premises to Inverell Library;
 - Commence infrastructure works at Inverell Sports Complex, Inverell Tennis Club, Lake Inverell, Inverell Skate park and Criterium Circuit valued at \$2.9M;
 - Commence 12 projects to upgrade community infrastructure under Drought communities Programme; and
 - Installation of air conditioning at Bonshaw Hall.

Also attached is a copy of Council's Key Financial Performance Indicators (refer to Appendix 11, G23 G24).

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 March, 2019 indicates that Council's projected financial position at 30 June, 2019 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 2018/2019 Budget in balance, with an indicative surplus of \$5,427.

LEGAL IMPLICATIONS:

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

RECOMMENDATION:

That the Committee recommend to Council that:

- i) Council's Quarterly Operational Plan and Budget Review for 31 March, 2019 be adopted; and*
- ii) the proposed variations to budget votes for the 2018/2019 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2019 from operations of \$5,427.*

APPENDIX 1

BUDGET VARIATIONS - FINANCE MEETING 8-5-2019

ITEM/LEDGER NO.	DESCRIPTION	AMOUNT \$	COMMENT/REASON
GENERAL FUND			
<i>Increase/Decrease in INCOME</i>			
121993-1000	Grant-Dept Industry Innovation & Science-Safer Community Fd.	93,363	2018/2019 Grants for CCTV & Solar Lighting (Total Grant over two years \$200K)
121342-1000	Grant - Department Veteran Affairs	3,500	Grant - Structural Engineering Assessment
121210-1000	Grant-Public Reserves Management Fund-Community Garden Toilet	26,704	Grant - Public Reserves Management Fund
120580-1000	Urban Stormwater Mgt Charge	6,100	Additional revenue received
120850-1000	Legal/Other Costs - Rates	11,750	Additional revenue received
126010-5700	Housing Rental Income	11,150	Rental income 1 Sosslyn Street
128590-1000	Income Other Land & Buildings	3,835	Additional revenue received
121995-1000	Grant-Dept Industry Innovation & Science-Building Better Reg	23,874	Grant for Cultural and Arts Strategic Plan
122013-1000	Grant - Community Building Partnership Program	12,000	Grant for Village signage at Bonshaw, Ashford & Yetman
121996-1000	Grant-Dept Industry Innovation & Science-Building Better Reg	183,479	New Grant - Saleyard Upgrades (further funding in future years of \$2M)
TOTAL INCREASE IN INCOME		375,755	<i>Positive figure indicates increased income, (Negative) figure indicates decreased income</i>
<i>Increase/Decrease in EXPENDITURE</i>			
148022-1000	Exps-Dept Industry Innovation & Science-Safer Community Fd	93,363	2018/2019 Grants for CCTV & Solar Lighting (Total Grant over two years \$200K)
137030-1000	Memorials - Inverell	3,500	Grant - Structural Engineering Assessment
137373-1000	Community Gardens Project - Capital Expenditure	26,704	Relocation of Community Gardens
135960-3070	Urban Drainage Reconstruction	6,100	Funded by additional Revenue for urban drainage
130310-1000	Debt Recovery Expenses - Rates	11,750	Costs incurred in recovery of outstanding rates.
160560-1100	Passive Parks Upgrades	18,835	Hopper Street playground equipment
141331-4450	CBD Capital Works	(18,835)	Funding for above
136270-1000	Rural Addressing of Shire	5,620	Bulk purchase of materials
147450-1000	Tourism Cleaning Expenses	9,365	New Contract
132320-1000	Other Public Events	14,252	Armistice Day 2019
129381-1000	Special Projects	(14,252)	Funding for above
135740-1000	Yetman Street/Gutter Cleaning	1,300	additional costs incurred
139070-1000	Village Seal Mtc	(1,300)	Funding for above
137149-1000	Passive Parks - Apex Park Ashford	5,000	Maintenance works at Apex Park Ashford
129391-1000	Special Projects	(5,000)	Funding for above
137140-1000	Sporting Fields - Ashford	2,500	additional costs incurred
137150-1000	Passive Parks - Ashford	(2,500)	Funding for above
137837-1000	BLK - Traffic facilities North	11,143	Grant funded traffic facilities works
137838-1000	BLK - Traffic Facilities - South	6,320	Grant funded traffic facilities works
137840-1000	BLK - Traffic Facilities	(17,463)	Funding for above
142513-1100	ACRD - Culverts/Causeways North	16,939	Additional costs incurred - Causeway slab renewal - Mt Hallam Road
142519-1100	ACRD - SR168 Michells Lane Bitumen Renewal	(16,939)	Funding for above
137650-1120	BLK - MR134 South-Bingara / Ash	36,055	Additional heavy patching and bitumen maintenance of MR134
137720-1120	BLK - MR187 South Inverell/Rock Dam	7,960	Additional bitumen maintenance on MR187
137690-1120	BLK-MR137 North InvBonshaw	2,800	additional costs incurred
137700-1120	BLK - MR 138 SH16	1,800	additional costs incurred
137800-1100	BLK - Reseals Classified Roads	6,292	Planning expenses for 2019/2020 program
137830-1100	BLK - Heavy Patching	(54,907)	Funding for above
140190-1100	Gravel Resheeting -Minor Roads	158,553	Gravel resheeting King Plains Road
139433-1100	Special Projects - Roads (wind Farm revenue)	(158,553)	Funding for above
139180-1000	Maint Bitumen Seal - South	12,475	Additional bitumen maintenance on rural roads south
140630-1000	Shire Rds timber clearing - South	17,355	Clear zone protection works rural areas south
139170-1000	Maint Roadside Furnish - South	6,055	additional guidepost replacement
140050-1000	Unsealed Village Maint	2,220	additional costs incurred
140120-1000	Gravel Patching - South	7,655	Additional gravel patching on southern rural roads completed
140140-1000	Roadside Furnishings - South	10,200	additional costs incurred
136300-1000	Public Privies - Mtc	48,000	New Public Privies cleaning contract
140540-1000	Tree Plant & Plots Mtc	32,705	Clear zone protection works rural residential areas around Inverell
148408-6445	SRV Mtc Allocation	(136,665)	Funding for above
137255-1000	NSW Country Cricket championships	5,000	Council contribution to NSW Country Cricket championships
129391-1000	Special Projects	(5,000)	Funding for above
135900-1000	Urban Drainage Mtc	1,730	additional costs incurred
139010-1120	Inverell Seal Maint	(1,730)	Funding for above
140510-1000	Paved Footpaths Maint	3,495	additional costs incurred
140470-1000	Cycleway Maint	(3,495)	Funding for above
141330-4570	CBD Maint	20,000	Pavement cleaning in CBD
141331-4450	CBD Capital Works	(20,000)	Funding for above
137243-3500	Sporting Fields - Varley Oval	8,250	Replace synthetic wickets at Varley Oval cricket nets
129391-1000	Special Projects	(8,250)	Funding for above
134322-1000	Cultural/Arts Strategic Plan for Inverell-Grant Funded-2019	23,874	Grant for Cultural and Arts Strategic Plan
134322-1000	Cultural/Arts Strategic Plan for Inverell-Grant Funded-2020	13,856	Council contribution to cultural and Arts Strategic Plan
129391-1000	Special Projects	(13,856)	Funding for above
134326-1000	Community Building Partnership Program-Village Signage	39,783	Grant for Village signage at Bonshaw, Ashford & Yetman
134325-1000	Community Building Partnership Program	(27,783)	Council contribution to above program
147900-1000	Inv.Saleyards Upgrade & Redevelopment-Grant Funded	183,479	New Grant - Saleyard Upgrades (further funding in future years of \$2M)
TOTAL INCREASE IN EXPENDITURE		375,755	<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>
<i>Restricted Assets</i>			
TOTAL FUNDING FROM RESTRICTED ASSETS			
FUNDED FROM EQUITY (G\$795,000)			
NET CHANGE TO FINANCIAL POSITION Surplus/(Deficit)			

WATER FUND*Increase/Decrease in INCOME*

812350-1000	Interest on Investments	25,025	Additional interest received
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TOTAL INCREASE IN INCOME	25,025	Positive figure indicates increased income, (Negative) figure indicates decreased income
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Increase/Decrease in EXPENDITURE

814840-4510	Pump Station Others	25,025	Pump station repairs
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TOTAL INCREASE IN EXPENDITURE	25,025	Positive figure indicates increased expenditure, (Negative) figure decreased expenditure
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NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)	-	Positive figure indicates increased expenditure, (Negative) figure decreased expenditure
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SEWER FUND*Increase/Decrease in INCOME*

906170-1000	Charges - Non Rateable	4,750	Additional revenue received
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TOTAL INCREASE IN INCOME	4,750	Positive figure indicates increased income, (Negative) figure indicates decreased income
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Increase/Decrease in EXPENDITURE

906540-1000	Fittings & Installations Maint.	4,750	Additional costs incurred
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TOTAL INCREASE IN EXPENDITURE	4,750	Positive figure indicates increased expenditure, (Negative) figure decreased expenditure
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NET CHANGE TO CURRENT BUDGET Surplus/(Deficit)	-	Positive figure indicates increased expenditure, (Negative) figure decreased expenditure
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APPENDIX 2

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31-03-2019
CONSOLIDATED INCOME AND EXPENSE STATEMENT

	ORIGINAL BUDGET 2018/2019 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2018/2019 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2018 Review (000's)	Dec 2018 Review (000's)	Mar 2019 Review (000's)	June 2019 Review (000's)					
INCOME												
Rates & Annual Charges	19,697							19,697	11	19,708	19,743	100.18%
User Charges & Fees	3,652			257	448			4,357		4,357	4,369	100.28%
Interest	1,069							1,069	25	1,094	707	66.14%
Other revenues from ordinary activities	435				72			507	27	534	497	98.03%
Grants & Contributions provided for non capital purposes	9,049			2,930	1,049			13,028	210	13,238	7,650	58.72%
Grants & Contributions provided for Capital Purposes	1,885			-213	157			1,829	132	1,961	1,521	83.16%
Gain from the sale of assets	613							613		613	304	49.59%
Gain from interest in joint ventures & associates								-				
TOTAL INCOME FROM CONTINUING OPERATIONS	36,400	-	-	2,974	1,726			41,100	405	41,505	34,791	84.65%
EXPENSES												
Employee Costs	13,698	71		160	-59			13,870	25	13,895	10,106	72.86%
Borrowing Costs	159							159		159	106	66.67%
Materials and Contracts	6,091	1,800	417	743	1,082			10,133	302	10,435	5,725	56.50%
Depreciation	8,497							8,497		8,497	6,373	75.00%
Other Expenses from ordinary activities	4,243	190	21		6			4,460		4,460	3,055	68.50%
Loss from the disposal of assets								-				
Loss from interest in joint ventures & associates								-				
TOTAL EXPENSES FROM CONTINUING OPERATIONS	32,688	2,061	438	903	1,029	-	-	37,119	327	37,446	25,365	68.33%
NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/(DEFICIT)	3,712	(2,061)	(438)	2,071	697	-	-	3,981	78	4,059	9,426	236.78%
ADD BACK Non Cash Amounts												
Depreciation	8,497							8,497		8,497	6373	75.00%
Carrying Amount of Assets Sold	240							240		240	84	35.00%
Capital Amounts	12,449	(2,061)	(438)	2,071	697	-	-	12,718	78	12,796	15,883	124.89%
Repayments by deferred Debtors												
Acquisition of Assets	(12,243)	(9,140)	(934)	(2,486)	(697)			-25,500	(78)	-25,578	-11861	46.51%
Loan Repayments	(576)							-576		-576	-476	82.64%
Advance to Deferred Debtors												
Loan Funds												
Less Net Transfers to IRA	375			415				790		790	790	100.00%
Plus Equity Funding	-	11,201	1,372					12,573		12,573		0.00%
Unallocated Consolidation Net Profit/(Loss)	5	-	-	-	-	-	-	5	-	5	4,336	
NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/(DEFICIT)	1,827							1,827		1,827	7,905	

* Favourable / (Unfavourable) variance

EXPLANATION OF MATERIAL VARIANCES**YTD Variances**

Item	Explanation
INCOME	
Rates & Annual Charges	Includes rate levy for 2018/19
Interest	Recorded on a cash basis only. Council is expected to meet budget again in 2018/2019
Grants & Contributions provided for Capital Purposes	Works have not yet commenced on these projects and grant funding for road projects are normally paid in arrears. The advance payment of the FAGS grant is due in June 2019 (if paid) and totals 50% of the grant

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 2018/2019 budget have now been funded.

APPENDIX 3

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31-03-2019
INCOME & EXPENSES BY FUNCTION**

	ORIGINAL BUDGET 2018/2019 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2018/2019 (000's)	ACTUAL YTD (000's)	% OF PROJECTED BUDGET (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2018 Review (000's)	Dec 2018 Review (000's)	Mar 2019 Review (000's)	June 2019 Review (000's)					
EXPENSES												
Governance	314							314		314	130	41.40%
Administration	6,722	367	21		73			7,183	12	7,195	3,793	52.72%
Public Order and Safety	979	146			-30			1,095		1,095	978	89.32%
Health & Environment	3,001	50	152					3,203	3	3,206	2,530	78.91%
Community Services and Education	82		59	7	41			189	48	237	91	38.40%
Housing and Community Amenities	988	161			445			1,594	25	1,619	1,107	68.38%
Water Supplies	3,456							3,456	5	3,461	2,762	79.80%
Sewerage and Drainage Services	1,811	57						1,868	74	1,942	1,554	80.02%
Recreation and Culture	2,267	297	117	246	52			2,979		2,979	1,986	66.67%
Mining, Manufacturing and Construction	363							363	-32	331	275	83.08%
Transport and Communication	5,472	312	3	401	448			6,636	192	6,828	5,545	81.21%
Economic Affairs	1,335	670	86	250				2,341		2,341	782	33.40%
TOTAL EXPENSES	26,790	2,060	438	904	1,029	0	0	31,221	327	31,548	21,533	68.25%
REVENUES												
Governance					73			-		-		-
Administration	23,984				127			24,057	11	24,068	20,050	83.31%
Public Order and Safety	415							542		542	233	42.99%
Health & Environment	3,631							3,631	6	3,637	3,564	97.99%
Community Services and Education	1			7	41			49		49	43	87.76%
Housing and Community Amenities	281			2,518	900			3,699	147	3,846	1,652	42.95%
Water Supplies	4,650							4,650	25	4,675	4,635	99.14%
Sewerage and Drainage Services	2,691							2,691	5	2,696	2,636	97.77%
Recreation and Culture	194			12	28			234		258	239	92.64%
Mining, Manufacturing and Construction	183							183	24	183	148	80.87%
Transport and Communication	4,503			188	554			5,245		5,245	4,718	89.95%
Economic Affairs	310			250	3			563	187	750	713	95.07%
TOTAL REVENUE	40,843	0	0	2,975	1,726	0	0	45,544	405	45,949	38,631	84.07%
OPERATING RESULT: (Surplus)	-14,053	2,060	438	-2,071	-697	0	0	-14,323	-78	-14,401	-17,098	
Depreciation	8497							8,497		8,497	6,373	75.00%
Increase in Employee Leave Entitlements	2457							2,457		2,457	1,603	65.24%
(PROFIT)/LOSS BEFORE CAPITAL AMOUNTS	(3,099)	2,060	438	(2,071)	(697)	-	-	(3,369)	(78)	(3,447)	(9,122)	
Carrying Amount of Assets Sold	240							240		240	84	35.00%
Proceeds Sale of Assets	-853							-853		-853	-388	45.49%
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	12,243	9,140	934	2,486	697			25,500	78	25,578	11,861	46.37%
Development of Real Estate								0		0		
Advance to Deferred Debtors								0		0		
Repayment of Loans	576							576		576	476	82.64%
Repayment of Other Debts								0		0		
ESTIMATED BUDGET RESULT: (SURPLUS)/DEFICIT	9,107	11,200	1,372	415	0	0	0	22,094	0	22,094	2,911	
ADD BACK Non Cash Amounts												
Depreciation	8,497							8,497		8,497	6,373	
Carrying Amount of Assets Sold	240							240		240	84	
Plus Net Transfers	-375			-415				-790		-790	-790	
Plus Equity Funding**		-11,200	-1,372					-12,572		-12,572		
BUDGET (SURPLUS)/DEFICIT	(5)	-	-	-	-	-	-	(5)	-	(5)	(4,336)	
** 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	2,171							2,171		2,171	0	0.00%
Transfers from Internally Restricted Assets	2,546			415				2,961		2,961	0	0.00%
Net Transfers	-375	0	0	-415	0	0	0	-790	0	-790	0	

EXPLANATION OF MATERIAL VARIANCES**YTD Variances**

Item	Explanation
Expenses	

INCOME

Administration	Includes entire rate levy for 2018/2019
Public Order & Safety	Bush Fire Subsidies not received until March 2019
Housing & Community Amenities	Includes entire DWM levy Chagres for 2018/2019
Community Services and Education	2018/2019 Youth Opportunities grant pending
Sewerage and Drainage Services	Includes entire annual sewer charges levy for 2018/2019

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 2018/2019 budget have now been funded.

APPENDIX 4

INTERNALLY RESTRICTED ASSETS (CASH) MOVEMENTS

30/03/2019	EST. BAL. 30/6/18	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2019	TRANSFER TO	TRANSFER FROM	EST. BAL. 30/6/2020	
PURPOSE								
GENERAL ACTIVITIES	\$	\$	\$	\$	\$	\$	\$	Comments
BUILDING REFURBISHMENT/UPGRADE	1,995,343.18	36,710		2,032,053.18	36,710	100,000	1,968,763.18	Note 1 Funding Building Refurbishments/Asset Management needs/Funded from Depn Expense
EQUIP. UPGRADE/EMERGENCY MTCE	210,805.00			210,805.00			210,805.00	OLG Promoting Better Practice Recommendation
COMPUTER/IT SYSTEMS UPGRADES	1,107,046.00			1,107,046.00			1,107,046.00	Note 2 Replace Revenue/Property System 2017/2018 - 2018/2019 etc
INDUSTRIAL DEVELOPMENT	1,148,600.00			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/MTCE	306,330.00			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	93,594.00			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.	695,345.00	120,000		815,345.00	100,000		915,345.00	Note 4 Waste Strategy Funds - Restricted
WASTE INFRASTRUCTURE	2,686,182.00	199,445		2,885,627.00	159,810		3,045,437.00	Note 4 Waste Strategy Funds - Restricted
WASTE-EXTERNALITY SUSTAINABILITY	447,000.00	120,000		567,000.00	100,000		667,000.00	Note 4 Waste Strategy Funds - Restricted
PLANT REPLACEMENT	3,638,369.00	1,625,000	2,497,500	2,765,869.00	1,668,000	1,999,000	2,434,869.00	Note 5 Plant Fleet Asset Renewals
GRAVEL PIT RESTORATION	237,596.00	35,000	24,365	248,231.00	35,000	24,985	258,246.00	Rehabilitation Requirement
GRAVEL PIT RESTORATION -Roads	174,876.00	35,000	24,365	185,511.00	35,000	24,985	195,526.00	Rehabilitation Rifle Range Road and others
COMMUNITY CAPITAL PROJECTS AND LAND	450,000.00			450,000.00			450,000.00	Note 6
ECONOMIC DEVELOP/GROWTH ASSETS	4,210,000.00			4,210,000.00			4,210,000.00	Note 7 Major Roundabouts with RMS and Federal Government
STRATEGIC CAPITAL PROJECTS FUND	4,450.00			4,450.00			4,450.00	including Chester Street Renewal
STRATEGIC DEVELOPMENT FUND	755,611.00			755,611.00			755,611.00	Note 8 Land Bank/Infrastructure Development Funding
EMPLOYEE TRAINING (STATUTORY)	131,750.00			131,750.00			131,750.00	
EMPLOYEE LEAVE ENTITLEMENTS	1,336,710.46			1,336,710.46			1,336,710.46	Restricted - Minimum Statutory Requirement
WORKERS COMP INSURANCE	935,601.00			935,601.00			935,601.00	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	209,848.00			209,848.00			209,848.00	Promoting Better Practice Recommendation
SWIMMING POOLS UPGRADE/FENCING	2,905,000.00			2,905,000.00			2,905,000.00	Future Upgrades (includes Transfer from Provisions)
ROAD RESUMPTIONS	20,000.00			20,000.00			20,000.00	Ongoing Issue
INVERELL HOCKEY FACILITY	450,000.00			450,000.00			450,000.00	Field Resurfacing - Provision for Surface Renewal
CONNECTIONS BUILDINGS/PLANT/EQUIP.	72,183.74			72,183.74			72,183.74	Funding Building Refurbishments/Asset Management needs/Funded from Depn Expense
SES BUILDINGS	104,311.00			104,311.00			104,311.00	SES Building Renewals
FUND TOTAL	24,854,252.15	2,171,155	2,546,230	24,479,177.15	2,134,520	2,148,970	24,464,727.15	
WATER SUPPLY								
EMPLOYEE LEAVE ENTITLEMENTS	130,000.00			130,000.00			130,000.00	Restricted - Statutory Requirement
EQUIPMENT BREAKDOWN	207,940.00			207,940.00			207,940.00	Promoting Better Practice Recommendation
REVENUE EQUALISATION	996,000.00			996,000.00			996,000.00	Best Practice Guidelines
FUTURE CAPITAL WORKS	4,030,260.00			4,030,260.00	68,190		4,098,450.00	Note 9
FUND TOTAL	5,364,200.00	-	-	5,364,200.00	68,190	-	5,432,390.00	
SEWERAGE SERVICES								
EMPLOYEE LEAVE ENTITLEMENTS	67,000.00			67,000.00			67,000.00	Restricted - Statutory Requirement
EQUIPMENT BREAKDOWN	109,078.82			109,078.82			109,078.82	Promoting Better Practice Recommendation
FUTURE CAPITAL WORKS	2,439,200.00			2,439,200.00			2,439,200.00	Inverell Sewer Treatment Plant and Pump Station 1 renewal and Mains Relining
FUND TOTAL	2,615,278.82	-	-	2,615,278.82	-	-	2,615,278.82	
TOTAL OF ALL FUNDS	32,833,730.97	2,171,155	2,546,230	32,458,655.97	2,202,710	2,148,970	32,512,395.97	

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		450,000.00	Industrial Land Development
		450,000.00	
Note 7 - Economic Dev/Growth Assets		Chester St. Renewal - Heavy Vehicle Route	1,000,000.00
		Roundabout-SH12/MR73-(Tingha Bridge Roun	1,000,000.00
		Council Contribution 2017/18 Urban Works, 2017/18 SCIF Plus Federal Funding \$1.5M, Awaiting RMS Contribution, Plus Council Urban Works 2018/19 \$500K, Plus SCIF 2018/19 \$540K	
		Gwydir Highway/Rosslyn Street Roundabout	1,000,000.00
		Gwydir Highway/Mansfield St Intersection	500,000.00
		Oliver Street Extension	310,000.00
		Jardine Road Resealing & Rehabilitation	400,000.00
		4,210,000.00	
Note 8 - Strategic Capital Projects and Infrastructure Fund		Campbell Street Property/Carpark	240,000
			2017/2018 or later Program (RMS)
			415,000
			2018/2019 Council Contribution towards Criterium Track at Lake Inverell
			100,000
			Provision (not commitment) for Inverell Community Gardens Projects
		755,000	
Note 9 - Future Capital Works		Ashford Water Treatment Plant	850,000.00
		Lake Inverell Safety Works	400,000.00
		Other Capital Works	700,000.00
			Ashford Plant River Inlet and Plant Ancillary Works
			State Government requirement
			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 31-03-2019
CAPITAL BUDGET

	ORIGINAL BUDGET 2018/2019 (000's)	Approved Changes						REVISED BUDGET (000's)	Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2018/2019 (000's)	ACTUAL YTD (000's)
		Revotes (000's)	Unexpended Grants (000's)	Sept 2018 Review (000's)	Dec 2018 Review (000's)	Mar 2019 Review (000's)	June 2019 Review (000's)				
CAPITAL FUNDING											
Rates and Other untied Funding											
General Fund	3,770			2				3,772	(54)	3,718	3,772
Sewer Fund	640							640		640	640
Water Fund	835							835		835	835
Capital Grants & Contributions								-			
Bushfire	197				157			354		354	-
Sporting Fields & Parks	10							10		10	-
Library	25							25		25	25
Roads	4,268			(213)	105			4,160	12	4,172	4,172
Open Space				2,282	455			2,737	120	2,857	1,330
Internal Restricted Assets								-			
Aerodrome								-		-	
Plant Replacement	2,498							2,498		2,498	2,498
Roads Program								-		-	
Sewerage Future Capital Works								-		-	
Water Future Capital Works								-		-	
Strategic Capital Projects Fund								-		-	
Other				415				415		415	415
Loan Funding								-		-	
Equity (Unexpended Grants and Contributions from pervious years)		9,140	934					10,074		10,074	10,034
TOTAL CAPITAL FUNDING	12,243	9,140	934	2,486	717	-		25,520	78	25,598	23,721
CAPITAL EXPENDITURE											
Administrative Services	15							15		15	4
Aerodrome								-		-	-
Engineering Equipment	2							2		2	-
SES/Bushfire	205				157			362		362	6
Information Services	147	159						306		306	22
Sporting Fields & Parks	24	22						46	19	65	28
Cemetery	8							8		8	8
Library	122		25	2				149		149	86
Plant	3,350							3,350		3,350	1,806
Minor Community Infrastructure Assets	280	210		(140)				350	85	435	15
Stronger Country Communities				2,837				2,837		2,837	647
Drought Communities Program					455			455		455	199
Strategic Capital Infrastructure Program	540							540		540	-
Sewerage Services	640	3,260						3,900		3,900	720
Water Services	835	1,988						2,823		2,823	355
Roads	6,075	3,501	909	(213)	105			10,377	26	10,403	7,480
TOTAL CAPITAL EXPENDITURE	12,243	9,140	934	2,486	717	-		25,520	130	25,650	11,376

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 2018/2019 budget have now been funded.

APPENDIX 6

CAPITAL EXPENDITURE 2018/2019

PROGRAM	LEDGER NUMBER	DESCRIPTION	ORIGINAL CAPITAL BUDGET		ADJUSTED CAPITAL BUDGET		Classification	%	Complete	FUNDING	AMOUNT
			AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL					
ADMINISTRATIVE SERV.	159060-1000	OFFICE FURNITURE & EQUIPMENT-DESKS, CHAIRS	5,200		5,200		Renewal	0%			
	134940-1000	ACQUISITION OF ART PRIZE	4,500		4,500		New Asset	46%			
	160470-1000	ART GALLERY REFURBISHMENTS	5,000	14,700	5,000	14,700	Renewal	0%			
ENGINEERING	160800-1100	ENGINEERS INSTRUMENTS & EQUIPMENT	2,100	2,100	2,100	2,100	Renewal	0%			
BUSH FIRE	159141-1000	EQUIPMENT ISSUES	197,400	197,400	354,739	354,739	Renewal	RFS	GRANT	121121-1000	197,400
SES	132851-4450	SES BUILDING UPGRADE	7,150	7,150	7,150	7,150	Renewal	0%			
INFORMATION SERVICES	130101-1000	COMPUTER EQUIPMENT	44,290		164,290		Renewal	0%			
	130101-4910	COMPUTER EQUIPMENT	32,000		32,000		Renewal	0%			
	130111-5130	COMPUTER EQUIPMENT - NEW PRINTING EQUIPMENT	39,200		39,200		Renewal	36%			
	130111-5162	COMPUTER EQUIPMENT - NEW HARDWARE	32,000	147,490	70,540	306,030	Renewal	10%			
SPORTING FIELDS & PARKS	160660-1100	SPORTS GROUND IMPROVEMENT-SPORT CNL.	20,000		20,000		New Asset	0%			
	160531-1000	SPORTING FIELD UPGRADES			22,000		Renewal	100%			
	134919-1000	EQUESTRIAN CENTRE UPGRADE	4,000	24,000	4,000		Renewal	0%			
	160560-1000	HOPPER STREET PARK - PLAYGROUND EQUIPMENT			18,835	64,835	Renewal				
CEMETERY	136391-4450	CEMETERY	8,000	8,000	8,000	8,000	New Asset	100%			
LIBRARY	160180-1100	LIBRARY-CORPORATE SERVICE COLLECTION	1,410		1,410		Renewal	0%			
	160190-1000	LIBRARY BOOKS	59,360		59,360		Renewal	84%			
	160200-1000	LIBRARY BOOKS - CO-OPERATIVE CONTRIBUTION	22,070		22,070		Renewal	100%			
	160240-1000	NON BOOK MATERIALS-VIDEOS CASSETTES ETC.	9,720		9,720		Renewal	61%			
	160245-1000	LIBRARY - OFFICE EQUIPMENT	2,000		7,475		Renewal	100%			
	160270-1000	LIBRARY SECURITY SYSTEM	2,260		2,260		Renewal	0%			
	160395-1000	LIBRARY-SPECIAL GRANT PROJECT	25,000	121,820	46,057	148,352	New Asset	0%	GRANT	160389-1000	25,000
	141899-1000	STRATEGIC CAPITAL INFRASTRUCTURE PROGRAM	540,000	540,000	540,000	540,000	Renewal	0%			
OTHER NEW INFRASTRUCTURE ASSETS	129381-1000	MINOR COMMUNITY INFRASTRUCTURE ASSETS	180,000		113,832		New Asset	0%			
	159772-1000	ENERGY EFFICIENCY PROGRAM	40,000		56,990		New Asset	7%			
	134325-1000	COMMUNITY BUILDING PARTNERSHIP PROGRAM (CBP)	60,000	280,000	85,814		New Asset	0%			
	134325-1000	CBP - VILLAGE SIGNS			39,783		New Asset		GRANT	122013-1000	12,000
	137373-1000	COMMUNITY GARDENS PROJECT			26,704		New Asset		GRANT	121210-1000	26,704
	148022-1000	CCTV & SOLAR LIGHTING			93,363		New Asset		GRANT	121993-1000	93,363
	148012-1000	DROUGHT COMMUNITIES PROGRAM			455,000	871,486	Renewal	44%	GRANT	121994-1000	455,000
	137375-1000	LAKE INVERELL UPGRADE	-		881,606		New Asset	1%	GRANT	121211-1000	881,606
	160538-1000	SPORTS COMPLEX - ATHLETICS PRECINCT	-		450,000		New Asset	20%	GRANT		350,000
	160662-1000	OFF ROAD RECREATIONAL CIRCUIT	-		1,415,000		New Asset	33%	GRANT		1,000,000
STONGER COUNTRY COMMUNITIES PROGRAM	160761-1000	SKATE PARK EXTENSIONS	-		89,555	2,836,161	New Asset	87%	GRANT		50,000
									IRA		415,000
PLANT	161590-1000	SMALL PLANT	80,000		80,000		Renewal	51%	PLANT REPLACE. IRA	161680-6220	3,350,500
	161610-1000	WORKSHOP EQUIPMENT	40,000		40,000		Renewal	0%	Less Sales		(853,000)
	161600-1000	LIGHT CARS/TRUCKS	780,000		780,000		Renewal	48%			2,497,500
	161620-1000	HEAVY PLANT	2,450,500	3,350,500	2,450,500	3,350,500	Renewal	57%			
TOTAL			4,693,160	4,693,160	8,504,053						
SEWERAGE											
	907170-1000	OTHER EQUIPMENT	10,000		10,000		Renewal	0%	CAPITAL WORKS IRA	907360-6220	-
	907110-1100	MAINS RELINING PROGRAM	170,000		1,160,349		Renewal	61%			
	906541-1100	FITTING AND INSTALLATIONS	10,000		32,000		Renewal	25%			
	907250-3100	RETICULATION MAINS	100,000		284,671		Renewal	0%			
	907270-1000	PUMPING STATIONS	100,000		680,000		Renewal	0%			
	907272-3050	TELEMETRY	250,000		350,000		Renewal	0%			
	907320-3050	SEWER TREATMENT WORKS - DELUNGRA	-		100,000		Renewal	0%	TOTAL 17/18 UNEXPENDED GRANTS		-
	907320-3070	SEWER TREATMENT WORKS - GILGAI	-		80,000		Renewal	0%	TOTAL IRA FUNDING		-
	907321-31000	SEWER TREATMENT WORKS - INVERELL	-		1,202,858		Renewal	0%	LOAN FUNDS		-
TOTAL			640,000	640,000	3,899,878				TOTAL REVOTES/EQUITY		3,259,878
WATER									REVENUE FUNDING REQUIRED		640,000
	813220-1100	MAINS REPLACEMENT - INVERELL	112,750		275,452		Renewal	91%			
	813230-3100	MINOR MAINS EXTENSIONS-INVERELL	51,250		51,250		New Asset	18%	CAPITAL WORKS IRA	813380-6220	-
	813282-1000	PUMP STATION UPGRADES	75,000		445,000		Renewal	0%			
	813290-3100	OTHER EQUIPMENT	20,000		28,437		Renewal	0%			
	813285-1000	BACKFLOW PREVENTION	155,000		628,750		Renewal	0%			
	813260-3001	TREATMENT PLANTS	350,320		605,080		Renewal	3%			
	813288-3100	TELEMETRY			542,163		Renewal	0%			
	812451-1000	ASSET MANAGEMENT			11,563		New Asset	100%			
	813342-1000	RESERVOIRS			76,250		Renewal	55%			
	813280-3001	METERING - ASHFORD			-						
	813280-3020	METERING - DELUNGRA			-						
	813280-3100	METERING - INVERELL	70,340		158,762		Renewal	16%			
	813280-3230	METERING - YETMAN			-						
	813280-3020	METERING - BONSHAW			-						
TOTAL			834,660	834,660	2,822,707				TOTAL 17/18 UNEXPENDED GRANTS		-
ROADS									TOTAL IRA FUNDING		-
	135960-3100	URBAN DRAINAGE RECONSTRUCTION-Construction Costs	140,475		579,696		Renewal	19%			
	138270-1000	URBAN WORKS PROGRAM	543,180		543,180		Renewal	0%			
	141331-4450	CBD WORKS	18,170		12,884		Renewal	5%			
	145650-1000	CYCLEWAY/FOOTPATH (PAMP)	-		140,545		New Asset	10%			
	137561-1000	BLOCK GRANT WORKS	516,359		564,114		Renewal	88%	GRANT	122400-4450	619,224
	138691-1000	ACRD GRANT WORKS	1,700,520		2,473,962		Renewal	83%	GRANT	122780-1000	1,700,520
	138730-4450	3x4 GRANT WORKS	160,000		160,000		Renewal	0%	GRANT	122860-4450	160,000
	138280-1000	REPAIR PROGRAM WORKS	981,026		1,255,683		Renewal	98%	GRANT	122460-1000	981,026
	138400-1000	ROADS TO RECOVERY PROGRAM WORKS	910,064		657,075		Renewal	100%	GRANT	122880-1000	910,064
	143630-1100	MR187 - SOUTH WALLANGRA ROAD			1,117,180		Renewal	89%			
	139120	VILLAGES DEVELOPMENT WORKS	34,220		151,369		Renewal	10%			
	139200-1000	VILLAGES BITUMEN RESEALS	24,130		-		Renewal	100%			
	140110-1100	GRAVEL RESHEETING MINOR ROADS	44,220		44,220		Renewal	0%			
	140190-1000	GRAVEL RESHEETING MINOR ROADS	33,280		191,833		Renewal	100%			
	139401-6445	F4F - ROAD BACKLOG - BITUMEN SEALS	-		-			100%			
	139403-6445	F4F - ROAD BACKLOG - GRAVEL PATCHING	-		31,992		Renewal	5%	GRANT	160899-1000	40,000
	139404-6445	F4F - ROAD BACKLOG STABILISATION	599,400		1,226,400		Renewal	81%			
	139405-6445	F4F - ROAD BACKLOG PREVENTION	52,000		52,000		Renewal	0%	TOTAL 17/18 UNEXPENDED GRANTS		909,402
	139421-1100	NON RECURRENT PROGRAM	-		627,121		Renewal	100%			
	160900-1000	CPTIGS - CONSTRUCT BUS SHELTERS	-		40,000		New Asset	20%			
	160566-1000	RIFLE RANGE ROAD SUBDIVISION COSTS	-		30,000		New Asset	36%			
	139433-1000	SPECIAL PROJECTS - ROADS INFRASTRUCTURE FUND	318,000		452,907		Renewal	0%	TOTAL GRANT FUNDING		4,410,834
TOTAL			6,075,044	6,075,044	10,352,161				TOTAL IRA FUNDING		2,912,500
TOTAL ACQUISITION OF ASSETS				12,242,864		25,578,799			GRANT FUNDING		7,926,907
TOTAL ASSET RENEWALS				11,854,114		22,202,317			LOAN FUNDING		-
TOTAL NEW ASSETS				388,750		3,376,482			TOTAL 16/17 UNEXPENDED GRANTS		933,934
									TOTAL REVOTES/EQUITY		9,141,028
									REVENUE FUNDING REQUIRED		4,664,430
									TOTAL		25,578,799

APPENDIX 7

INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-2019
CASH & INVESTMENTS

	ORIGINAL BUDGET 2018/2019 (000's)	Approved Changes						Recommended Changes for Council Resolution (000's)	PROJECTED Year End Result 2018/2019 (000's)	ACTUALS (000's)
		Revotes (000's)	Unexpended Grants B/FW (000's)	Sept 2018 Review (000's)	Dec 2018 Review (000's)	Mar 2019 Review (000's)	June 2019 Review (000's)			
EXTERNALLY RESTRICTED										
Water Services	9,217						9,217		9,217	9,217
Sewerage Services	6,795						6,795		6,795	6,795
Waste Management	3,997						3,997		3,997	3,997
Special Purpose Grants	4,648						4,648		4,648	4,648
Developer Contributions	505						505		505	
Bonds & Deposits	101						101		101	88
Stormwater Management							-		-	146
TOTAL EXTERNALLY RESTRICTED	25,263						25,263		25,263	24,891
INTERNALLY RESTRICTED										
Employee Leave Entitlements	1,337						1,337		1,337	1,337
Strategic Development Fund	756						756		756	756
Plant Replacement	3,638						3,638		3,638	3,638
Computer	1,107						1,107		1,107	1,107
Building Renewal/Upgrades	2,095						2,095		2,095	2,095
Economic Development/Growth Assets	4,210						4,210		4,210	4,210
Aerodrome	306						306		306	306
Workers Compensation Insurance	936						936		936	936
Future Capital Works/Land Purchases	450						450		450	450
Emergency Management/ Equipment Upgrades	315						315		315	315
Industrial Development	1,149						1,149		1,149	1,149
Baths Improvements - Inverell Pool	2,905						2,905		2,905	2,905
Sports Grounds - Hockey Facility Resurfacing	450						450		450	450
Other Restrictions	1,203						1,203		1,203	1,203
TOTAL INTERNALLY RESTRICTED	20,857						20,857		20,857	20,857
TOTAL RESTRICTED	46,120						46,120		46,120	45,748
TOTAL CASH & INVESTMENTS	57,104						57,104		57,104	53,556
AVAILABLE WORKING CAPITAL	10,984	Figure incl. revotes & Unexpended grants from 2017/2018							10,984	7,808

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

COMMENT ON CASH & INVESTMENT POSITION

Councils overall Investment Portfolio remains sounds and as at 31 March 2019 Councils Cash and Investment Portfolio totalled \$53.56 million plus \$5.35 million Cash at bank (Water Fund \$2.97m, Sewer Fund \$1.5m, General Fund \$0.882m).

STATEMENTS**INVESTMENTS**

I SCOTT NORMAN, 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	24,891
Total Internal Restricted Funds	20,857
Total Restricted	45,748
Total Funds Invested as per Investment Report (31-03-19)	53,556
Total Available Working Capital	7,808

CASH

I, SCOTT NORMAN, as Council's Responsible Accounting Officer, hereby certify that the bank balances, as per General Ledger, have been reconciled with the bank statements for the month of March, 2019 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, SCOTT NORMAN, as Council's Responsible Accounting Officer, hereby certify that the investment balances, as per General Ledger, have been reconciled with the investment report for the month of March, 2019, 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

INVERELL SHIRE COUNCIL
INVESTMENTS HELD 31-3-2019

Term Deposit Investment Group										
Investment No.	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	Term (days)
18/31	CBA	General	A1+	1	12-Apr-18	12-Apr-19	2.68%	1,000,000	1,000,000	365
18/32	St George Bank	General	A1+	1	17-Apr-18	17-Apr-19	2.76%	2,000,000	2,000,000	365
18/33	CBA	General	A1+	1	18-Apr-18	17-Apr-19	2.72%	1,000,000	1,000,000	364
19-18	National Australia Bank	General	A1+	1	14-Dec-18	14-Jun-19	2.72%	2,000,000	2,000,000	182
18/38	Westpac Bank	Water	A1+	1	28-Jun-18	25-Jun-19	2.95%	1,000,000	1,000,000	362
18/39	Westpac Bank	General	A1+	1	28-Jun-18	25-Jun-19	2.95%	2,000,000	2,000,000	362
19/21	Police Credit Union (SA)	General	NR	3	09-Jan-19	09-Jul-19	2.97%	1,000,000	1,000,000	181
19/22	National Australia Bank	General	A1+	1	09-Jan-19	09-Jul-19	2.72%	1,000,000	1,000,000	181
19/01	CBA	General	A1+	1	17-Jul-18	20-Sep-19	2.76%	3,000,000	3,000,000	365
19/02	Bank West	Sewer	A1+	1	17-Jul-18	17-Jul-19	2.80%	2,000,000	2,000,000	365
19/03	Bank of Queensland	General	A1	2	03-Sep-18	03-Sep-19	2.73%	1,000,000	1,000,000	365
19/04	CBA	General	A1+	1	14-Sep-18	13-Sep-19	2.68%	1,000,000	1,000,000	364
19/05	National Australia Bank	Water	A1+	1	27-Sep-18	27-Sep-19	2.75%	1,000,000	1,000,000	365
19/24	Nexus Mutual	Sewer	NR	3	28-Mar-19	30-Sep-19	2.82%	1,500,000	1,500,000	186
19/06	St George Bank	General	A1+	1	02-Oct-18	02-Oct-19	2.60%	1,000,000	1,000,000	365
19/07	National Australia Bank	General	A1+	1	09-Oct-18	09-Oct-19	2.74%	1,000,000	1,000,000	365
19/08	Bendigo Adelaide Bank	General	A2	2	25-Oct-18	25-Oct-19	2.75%	2,000,000	2,000,000	365
19/11	National Australia Bank	Sewer	A1+	1	20-Nov-18	20-Nov-19	2.75%	2,000,000	2,000,000	365
19/12	Rural Bank	General	A2	2	27-Nov-18	27-Nov-19	2.85%	2,000,000	2,000,000	365
19/13	Police Credit Union (SA)	General	NR	3	27-Nov-18	27-Nov-18	2.94%	1,000,000	1,000,000	365
19/14	AMP BANK	General	A1	2	27-Nov-18	27-Nov-19	2.85%	2,000,000	2,000,000	365
19/15	AMP BANK	General	A1	2	27-Nov-18	27-Nov-19	2.85%	1,000,000	1,000,000	365
19/16	AMP BANK	Water	A1	2	27-Nov-18	27-Nov-19	2.85%	1,000,000	1,000,000	365
19/17	AMP BANK	General	A1	2	27-Nov-18	27-Nov-19	2.85%	1,000,000	1,000,000	365
19/23	AMP BANK	General	A-	2	18-Mar-19	13-Dec-19	2.80%	2,000,000	2,000,000	270
19/19	Summerland Credit Union	Water	NR	3	17-Dec-18	17-Dec-19	3.00%	2,000,000	2,000,000	365
19/25	Nexus Mutual	Water	NR	3	28-Mar-19	30-Dec-19	2.80%	1,000,000	1,000,000	277
19/20	National Australia Bank	General	A1+	1	09-Jan-19	09-Jan-20	2.75%	2,000,000	2,000,000	365
19/09	ING BANK	General	A1+	1	25-Oct-18	25-Oct-20	2.90%	2,000,000	2,000,000	730
19/10	Westpac Bank	General	A1+	1	25-Oct-15	25-Oct-20	2.97%	2,000,000	2,000,000	1096
19/26	Police Credit Union (SA)	General	NR	3	28-Mar-19	29-Mar-21	2.90%	2,000,000	2,000,000	732
Sub Total - Term Deposit Investment Group								TOTALS	47,500,000	47,500,000

Cash Deposits Accounts Investment Group									
As at Date	Borrower	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value
31/3/19	National Australia Bank (Cash Maximiser)	General	A1+	1			1.65%	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
31/3/19	Commonwealth Bank	General	A1+	1	11/1/2019	11/1/2024	3.19% 3M BBSW + 113bp	2,000,000.00	2,024,314.00
31/3/19	ANZ Bank	General	A1+	1	8/2/2019	8/2/2024	3.10% 3M BBSW + 110bp	2,000,000.00	2,021,694.00
31/3/19	ANZ Bank	Water	A1+	1	8/2/2019	8/2/2024	3.10% 3M BBSW + 110bp	1,000,000.00	1,010,847.00
Sub Total - Floating Rate Notes Investment Group								5,000,000.00	5,056,855.00

* Yield changes every 3 months and is a margin over the 3 month BBSW (Bank Bill Swap Rate)

Portfolio by Fund	
General Fund	\$ 41,046,008
Water Fund	\$ 7,010,847
Sewer Fund	\$ 5,500,000
TOTAL	\$ 53,556,855

Portfolio by Fund	28/02/2019	31/03/2019
General Fund	\$ 39,016,804	\$ 41,046,008
Water Fund	\$ 7,506,107	\$ 7,010,847
Sewer Fund	\$ 5,500,000	\$ 5,500,000
TOTAL	\$ 52,022,911	\$ 53,556,855

APPENDIX 9

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-19
CONTRACTS**

Contractor	Contract Details & purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
ATJ Bobcat & Tipper Hire	Grave Digging	\$495/ grave	01-April-2019	2 years	Y
Ted Edmonds Construction	Equestrian Centre Upgrade	\$ 140,976.00	15-February-2019	3 months	Y
Danbuilt	Skate Park Extensions	\$ 59,034.00	18-February-2019	1 month	Y
Environmental Earth Sciences	Ground Water & Gas Monitoring - Inverell Waste Depot	\$ 32,483.00	29-January-2019	12 Months	Y
Southside Truck Centre	Waste Collection Vehicles (3)	\$ 1,269,582.00	18-March-2019	6-9 months	Y
3Logix Pty Ltd	IVMS waste Management Solutions for 3 Waste Collection Vehicles	\$ 53,168.50	19-March-2019	6-9- months	Y
Kenway & Clarke	Tipper Truck	\$ 93,800.00	08-March-2019	3 Months	Y

Notes

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

Explanation of Unbudgeted Contracts

No unbudgeted contracts as at 31 March 2019

**INVERELL SHIRE COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDING 31-03-19
CONSULTANCY & LEGAL EXPENSES**

EXPENSE	EXPENDITURE YTD	BUDGETED (Y/N)
CONSULTANCIES		
Heritage Advisor	10,545.00	Y
Human Resources	4,384.55	Y
Investment Advisor	10,333.35	Y
Sewer Civil Works	8,363.70	Y
LEGAL FEES	8,706.47	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

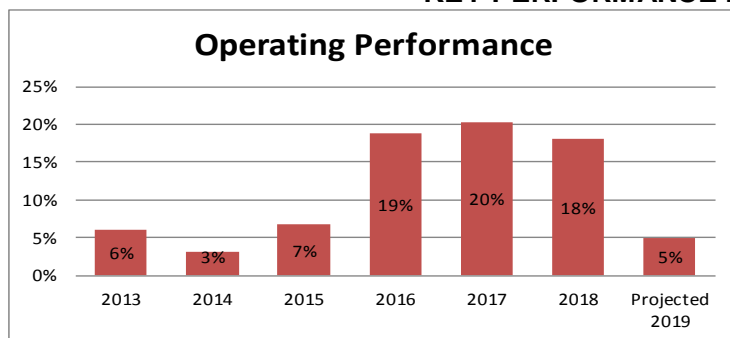
No unbudgeted Consultancy or Legal Fees as at 31 March 2019

APPENDIX 10

INVERFLEET OPERATIONS 2018-2019					
FROM 01-Jul-20178 TO 30-Jun-2019					
SUFFIX	DESCRIPTION	2018/2019 BUDGET	2018/2019 Y.T.D.	% VOTE	BALANCE
	Operators Wages	58,680	100,862	171.9%	-42,182
	Workshop Wages	299,514	204,080	68.1%	95,434
	Repairs, Parts & Tyres	654,400	583,432	89.2%	70,968
	Fuel	1,032,000	878,365	85.1%	153,635
	Registration	180,000	166,323	92.4%	13,677
	Accident Expenses	5,000		0.0%	5,000
	Depreciation	1,550,000	1,162,500	75.0%	387,500
	Oils & Lubricants	40,000	25,939	64.8%	14,061
	Cutting Edges	48,000	37,634	78.4%	10,366
	Insurance	169,620	168,888	99.6%	732
148170	Miscellaneous +G4817.000	327,000	160,557	49.1%	166,443
148190	Insurance Excess	10,000	3,719	37.2%	6,281
148210	Ashford Workshop Exp.	18,000	6,367	35.4%	11,633
148220	Inverell Workshop Exp.	41,165	6,495	15.8%	34,670
148230	Apprentice Exp.	15,000	42	0.3%	14,958
148240	Administration Charge	333,020	249,765	75.0%	83,255
148250	Small Plant & Tools	110,600	48,367	43.7%	62,233
994825	Depreciation Small Plant & Tools	75,000	56,250	75.0%	18,750
148260	Plant & Tools under \$750	3,000	-	0.0%	3,000
148280	Oncosts (Super,w/comp etc.)	189,580	110,557	58.3%	79,023
146360	Community Radio Repeater	1,200	-	0.0%	1,200
146370	2 Way Radio SYSTEM UPGRADE		-	0.0%	0
146380	2 Way Radio M & R	23,740	13,200	55.6%	10,540
146390	2 Way Radio Installations	2,500	-	0.0%	2,500
146400	2 Way Radio Licences	2,200	3,067	139.4%	-867
	TOTAL OPERATING COSTS:	5,189,219	3,986,409	76.8%	1,388,413
128780	Council Hire	-5,050,000	- 4,294,159	85.0%	-755,841
128781	RTA Hire	-	-	0.0%	0
128782	Private Hire	-5,000	- 2,025	40.5%	-2,975
G2315	Apprentice Subsidy	-	-	0.0%	0
127800	Radio Communications Site	-5,500	-	0.0%	-5,500
148400	Small Plant & Tools	-128,820	- 96,615	75.0%	-32,205
	TOTAL OPERATING INCOME:	-5,189,320	- 4,392,799	84.7%	-1,299,794
	NET RESULT:	-101	- 406,391	402366.9%	406,290
	Less Capital Replacement Inflation Allowance		176,027		
	Less Capital Contribution towards Plant Washdown Bay		52,500		
	Less Capital Contributions towards Plant Storage Bay		93,750		
	Less Capital Contribution towards New Fuel System		75,000		
		-101	- 9,113	9023.1%	9,012
REPLACEMENT PROGRAM					
161620	Heavy Plant Purchases	2,450,500	1,394,715	56.9%	1,055,785
161600	Light Plant Purchases	780,000	324,745	41.6%	455,255
161590	Small Plant Purchases	80,000	40,811	51.0%	39,189
	Workshop Upgrades	0		0.0%	0
148221	Workshop Equipment	40,000	-	0.0%	40,000
		3,350,500	1,760,272	52.5%	1,590,228
168100	Sale of Heavy Plant	-503,000	- 316,874	63.0%	-186,126
168110	Sale of Light Plant	-350,000	- 70,886	20.3%	-279,114
168120	Sale of Small Plant	0	-	0.0%	0
	NET RESULT:(Surplus)/Deficit	2,497,500	1,372,512		1,124,988
PLANT RESERVE					
G6168	Estimated Balance 1.7.18	2,952,223	-		2,952,223
G6168.802	Transfer from 2018/2019	-2,497,500	-		-2,497,500
G6168.801	Transfer to 2018/2019	1,625,000	-		1,625,000
G6168	Balance 30.06.2019	2,079,723	-		2,079,723

APPENDIX 11

INVERELL SHIRE COUNCIL BUDGET REVIEW FOR THE QUARTER ENDING 31-03-2019 KEY PERFORMANCE INDICATORS

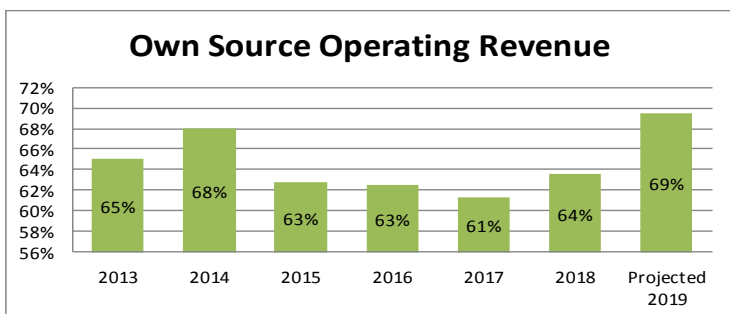


The **Operating Performance Ratio** indicates that Council operating revenue, excluding capital grants and contributions are sufficient to cover operating expenditure. Council has exceeded both the benchmarks listed below

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.

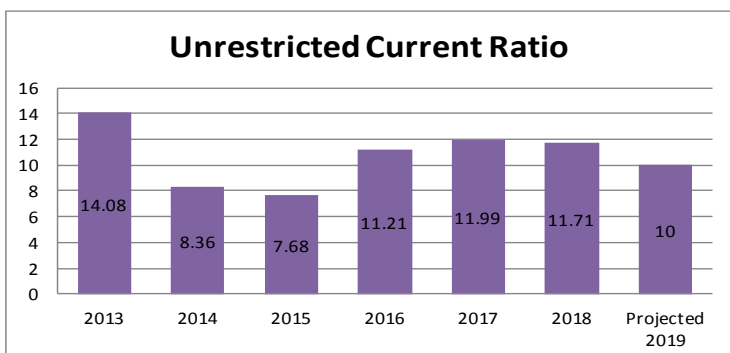
The 2017 is inflated due to the advanced payment of 50% 2017-2018 Financial Assistance Grant.



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%

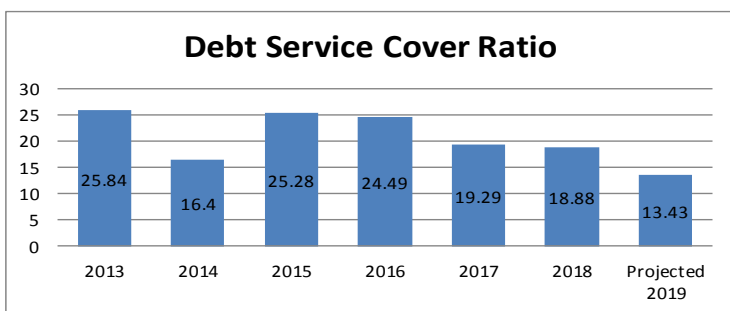
The "fit for the future" benchmark is that councils should have own source revenue of greater than 60% over a three year period.



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.

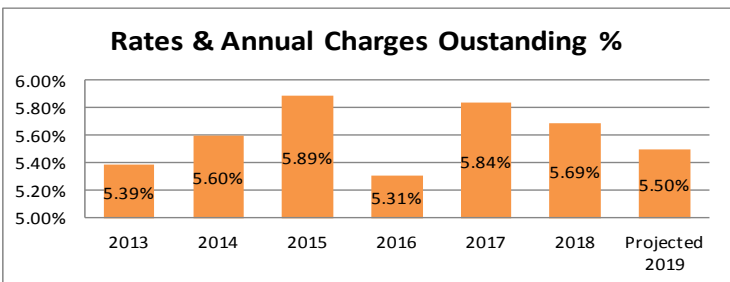
The Tcorp benchmark is greater than 1.5



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.



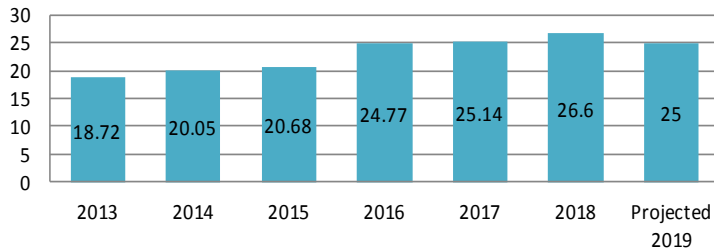
The **Outstanding Rates Ratio** indicates the percentage of uncollected rates and charges and the adequacy of recovery efforts.

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%

INVERELL SHIRE COUNCIL BUDGET REVIEW FOR THE QUARTER ENDING 31-03-2019 KEY PERFORMANCE INDICATORS

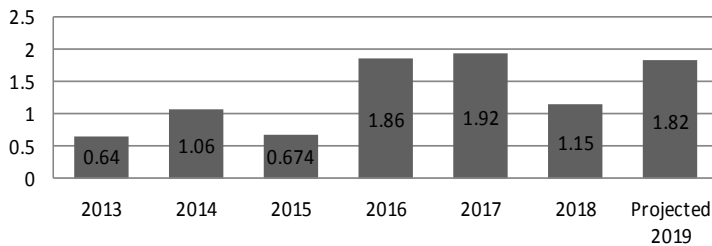
Cash Expense Cover Ratio



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

Asset Renewal Ratio



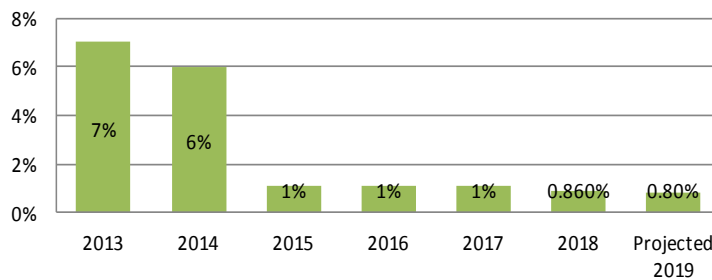
The **Asset Renewal Ratio** indicates the rate at which assets are being renewed against the rate they are being depreciated.

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

Infrastructure Backlog Ratio

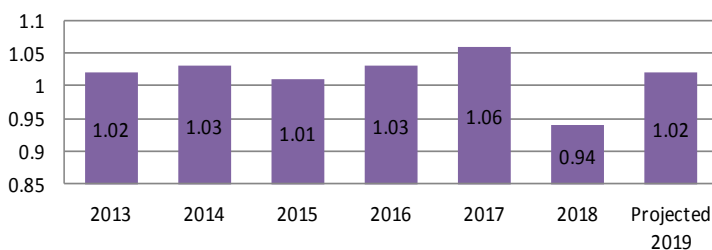


The **Infrastructure Backlog Ratio** assess Council infrastructure backlog against the total value of councils infrastructure.

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

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

Asset Maintenance Ratio



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 greater than 1