



**QUALITY NATURE - QUALITY HERITAGE - QUALITY LIFESTYLE**

## **ADDENDUM ITEMS FOR ORDINARY COUNCIL MEETING 23 MAY 2018**

Notice is hereby given pursuant to Clause 7(1) of Council's Code of Meeting Practice that an **Ordinary Council Meeting** will be held in the Tenterfield Shire Council Chamber, on **Wednesday 23 May 2018** commencing at **9.30 am**.

Terry Dodds  
**Chief Executive**

# **AGENDA**

## **10. URGENT, LATE & SUPPLEMENTARY ITEMS OF BUSINESS**

(ITEM GOV45/18)	QUARTERLY BUDGET REVIEW STATEMENT - MARCH 2018.....	2
(ITEM GOV46/18)	OPERATIONAL PLAN 2018/2019 .....	19

<b>Department:</b>	<b>Office of the Chief Corporate Officer</b>
<b>Submitted by:</b>	Manager Finance & Technology
<b>Reference:</b>	<b>ITEM GOV45/18</b>
<b>Subject:</b>	<b>Quarterly Budget Review Statement - March 2018</b>

#### **LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>CSP Goal:</b>	<b>Leadership</b> - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
<b>CSP Strategy:</b>	Council is a financially sustainable organisation, delivering value services to the Community.
<b>Delivery Plan Action:</b>	Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.
<b>Operational Plan Action:</b>	Ensure adequate and effective internal controls are in place for all financial management and purchasing functions.

#### **SUMMARY**

The purpose of this report is to provide Council with a quarterly Budget Review Statement (Attachment 1) in accordance with Regulation 203 of the Local Government (General) Regulation 2005 (the Regulation).

#### **OFFICER'S RECOMMENDATION:**

**That Council:**

- (1) Adopts the new format for the Quarterly Budget Review; and**
- (2) Adopts the March 2018 Quarterly Budget Review Statement.**

#### **BACKGROUND**

Regulation 203 of the Regulation states that:

- (1) Not later than two months after the end of each quarter (except the June quarter), the Responsible Accounting Officer of a Council must prepare and submit to the Council a Budget Review Statement that shows, by reference to the estimate of income and expenditure set out in the statement of the Council's Revenue Policy included in the Operational Plan for the relevant year, a revised estimate of the income and expenditure for that year.
- (2) A Budget Review Statement must include or be accompanied by:
  - (a) a report as to whether or not the Responsible Accounting Officer believes that the statement indicates that the financial position of the Council is satisfactory, having regard to the original estimate of income and expenditure, and
  - (b) if that position is unsatisfactory, recommendations for remedial action.
- (3) A Budget Review Statement must also include any information required by the Code to be included in such a statement.

The Code referred to is the Code of Accounting Practice and Financial Reporting. While earlier versions of the Code had an appendix that listed minimum requirements, these were removed a few years ago as they are of no relevance to the financial statements

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(which is the main purpose of the Code). In the absence of any instructions in the Code, the Quarterly Budget Review Statement publication issued in 2010 by the then Division of Local Government, NSW Department of Premier and Cabinet, details the minimum requirements and these requirements have been met in the preparation of the Quarterly Budget Review Statements (QBRs). Councillors should note the revised format in line with the Office of Local Government requirements for the March Quarterly Budget review. This is far more succinct and easier to understand than the length detailed report Council has previously received.

The quarterly review should act as a barometer of Council's financial health during the year and it is also a means by which Councillors can ensure that Council remains on track to meet its objectives, targets and outcomes as set out in its Operational Plan.

**REPORT**

The original budget adopted by Council indicated that the Net Operating Surplus at the end of the 2017/18 financial year was expected to be \$11,496,066 (including Capital Grants and Contributions). This was based on budgeted total operating revenue of \$29,902,381 and budgeted total operating expenditure of \$18,406,315.

The combined effect of previously approved budget revisions and the proposed budget changes for the March quarter of (\$3,476,551) are anticipated to lead to a further reduction to the bottom line of resulting in a projected Net Operating Surplus of \$5,267,661.

The March 2018 Quarterly Budget Review indicates that Council is in a good position in respect of actual expenditure to budgeted expenditure. However the net operating result after excluding Capital Income is showing a small deficit as a result of the removal of some large Capital grants that Council is not likely to receive this year. The position is considered a worse case scenario but until further analysis can take place on restricted cash, carry forwards from previous years and a number of other specific areas ie unexpended grant funds and internal overhead recharges a conservative approach has been adopted for the anticipated year end result.

The Operating Performance Ratio is an example of demonstrating whether Council is making an operating surplus or deficit and can be expressed including or excluding Capital income. Both are included in this quarters report.

The Operating Performance Ratio (excluding Capital income) is defined as:

$$\frac{\text{Total Continuing Operating Revenue (excluding Capital grants and contributions)} - \text{Operating Expenses}}{\text{Total Continuing Operating Revenue}}$$

As can be seen, Council originally budgeted for a positive Operating Ratio (surplus) both including and excluding Capital income of 38.45 percent and 8.99 percent respectively. Capital income is income provided purely for Capital purposes – this is discussed later in this report.

The Operating Performance Ratio is expected to be lower than budgeted as a result of the current proposed variations and is now anticipated to be 20.31 percent and -1.01 percent respectively.

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Council continues to make positive progress in this area of operating surpluses and is budgeting for surplus again next year.

The adjustments recommended for the March quarterly budget review are outlined in the attachment. Many are just adjustments between service units recognising changes in the organisational structure.

### **Cash and Investment Review:**

The cash and investment review provides an estimate of the current internal and external restrictions on Council's invested funds. These are not fully determined until the end of the Financial Year. Now that the audit of the Financial Statements has been completed, updates have been made to these figures as at 30 June 2017. The report also includes a reconciliation of Council's cash and investments on hand as at 31 March 2018.

It should be noted that both internally and externally restricted funds must be acquitted for a particular purpose, and therefore are in truth already committed for that purpose.

For this reason, the expenditure of these funds is more of a cash flow/working capital issue and will have no effect on the operational surplus or deficit. However, as indicated above, the timing of receipt of income and the expending of this can occur over a number of financial years. This results in a variance in the operational budget between those years. However, the net effect should still be nil over the financial years in which the grant (or reserve) is acquitted.

This report also requires a statement in respect of whether all investments are in accordance with the requirements of Section 625 of the Local Government Act 1993, the accompanying Regulation and Council's Investments Policy. This statement, in combination with the monthly investment report, ensures that Council is complying with these statutory, regulatory and policy requirements.

Further, a declaration as to the preparation of bank reconciliations is also required. Bank reconciliations occur on a daily basis with a full reconciliation performed on a monthly basis. The full reconciliation for the March 2018 quarter occurred on 2 April 2018.

### **Capital Budget Review:**

The Capital Budget Review format allows Council to analyse any additional Capital expenditure to be incurred in the current financial year and the extent to which monies have already been expended. The report also indicates how Council is to fund the Capital expenditure for the year.

This review proposes a further decrease in the Capital Works Expenditure of \$4,520,804 to an expected end of year outcome of \$7,982,82 resulting primarily from a reduction in Mount Lindsay Road and NDRRA grant income. Details are as per the attachment.

### **Contracts:**

The Reporting Framework requires the identification of contracts entered into in the preceding quarter which exceed specified expenditure limits. The limit for reporting contracts in the QBRs is one percent (1%) of revenue from continuing operations, or \$50,000, whichever is less. No contracts have met the relevant criteria for the third quarter of 2017/18.

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Some contracts that were entered into that were not included in previous QBRS have now been included for completeness.

**Consultancy and Legal Expenses:**

The current expenditure to 31 March 2018 on qualifying consultancies and legal fees are identified in the QBRS and this expenditure is budgeted for and, given the size and nature of Council's operations, is considered reasonable.

**COUNCIL IMPLICATIONS:**

**1. Community Engagement / Communication (per engagement strategy)**

Nil.

**2. Policy and Regulation**

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Office of Local Government Circulars

**3. Financial (Annual Budget & LTFP)**

It is important for Council to note that the adoption of this budget review approves the variations identified in the attached report and that the cumulative effect of the budget variations should be considered when reviewing this budget.

The original estimated Operating Surplus for the 2017/18 financial year was \$11,496,066. Approved revisions will now result in a projected Net Operating Surplus of \$5,267,661.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

The Budget Review is submitted to Council in accordance with Clause 203(1) of the Local Government (General) Regulation 2005.

**7. Performance Measures**

The impact of the recommended budget variations on Council's main key performance indicator is detailed in the Quarterly Budget Review Statement. Due to year end accounting adjustments other performance ratios won't be available until the audited financial statements are completed.

**8. Project Management**

Nil.

Kylie Smith  
Chief Corporate Officer

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Prepared by staff member:	Paul Della, Manager Finance & Technology
Approved/Reviewed by Manager:	Kylie Smith, Chief Corporate Officer
Department:	Office of the Chief Corporate Officer
Attachments:	<b>1</b> Quarterly Budget Review - March 2018 12 Pages

**Tenterfield Shire Council**

**Budget review for the quarter ended - 31 March 2018**

**Report by Responsible Accounting Officer**

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005.

*It is my opinion that the Quarterly Budget Review Statement for the Tenterfield Shire Council for the quarter ended 31 March 2018 indicates that Council's projected financial position at 30 June 2018 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.*

Signed: P. - [Signature]

Date: 7/5/18

Responsible Accounting Officer



Tenterfield Shire Council							
Budget Statement for the year ended - 31 March 2018							
Income and Expenditure Review by Function							
	ORIGINAL Budget 2017/18	APPROVED Changes Sept Review	APPROVED Changes Dec Review	RECOMMENDED Changes March Review	REVISED Budget	PROJECTED year end Result 2017/18	ACTUAL YTD
<b>Income</b>							
Civic Office	-	-	-	-	-	-	-
Organisation and Leadership	-	-	-	-	-	-	-
Community Development	1,293	-	20,895	813	23,001	23,001	20,660
Economic Growth and Tourism	79,023	18,656	3,020	51,027	151,726	151,726	30,358
Theatre and Museum Complex	115,693	-	850	34,606	151,149	151,149	86,985
Finance and Technology	18,300	-	-	9,234,368	9,252,668	9,252,668	6,268,940
Corporate and Governance	9,464,196	46,906	-	9,511,102	0	0	-
Workforce Development	69,100	-	2,320	36,523	107,943	107,943	79,995
Library Services	46,007	-	-	4,964	41,043	41,043	40,507
Emergency Services	233,965	-	13,424	2,927	223,468	223,468	151,375
Asset Management and Resourcing	3,588	-	-	155,074	158,662	158,662	158,662
Commercial Works	127,408	-	-	-	127,408	127,408	99,846
Environmental Management	38,198	875	13,055	38,110	90,238	90,238	75,766
Planning and Regulation	185,409	277	12,500	134,659	332,845	332,845	170,186
Plant, Fleet and Equipment	36,900	-	-	12,833	49,733	49,733	49,733
Building and Amenities	170,217	-	-	69,541	100,676	100,676	39,663
Livestock Saleyards	210,656	-	-	300,000	510,656	510,656	121,488
Parks, Gardens and Open Space	86,467	-	1,300	5,168	92,935	92,935	92,674
Swimming Complex	38,000	-	-	-	38,000	38,000	31,491
Transport Network	11,376,909	3,200,000	1,596,755	4,054,961	5,718,703	5,718,703	3,701,045
Stormwater and Drainage	116,225	300	-	648	117,173	117,173	67,123
Sewerage Services	2,003,575	16,896	61,032	5,506	2,087,009	2,087,009	1,976,535
Waste Management	2,287,940	-	13,835	18,919	2,320,694	2,320,694	2,192,688
Water Supply	3,193,312	-	648	1,047,790	4,241,750	4,241,750	3,616,181
<b>Total Income</b>	<b>29,902,381</b>	<b>3,116,090</b>	<b>1,712,786</b>	<b>2,561,598</b>	<b>25,937,479</b>	<b>25,937,479</b>	<b>19,071,900</b>
<b>Expenses</b>							
Civic Office	218,359	143,645	27,000	126,907	262,097	262,097	167,313
Organisation and Leadership	126,514	59,079	214,019	135,645	417,099	417,099	273,184
Community Development	64,478	64,903	-	20,000	149,381	149,381	75,739
Economic Growth and Tourism	457,097	147,611	48,018	118,542	534,184	534,184	301,775
Theatre and Museum Complex	216,542	56,324	1,859	-	274,725	274,725	153,278
Finance and Technology	135,684	323,047	176,930	479,157	1,114,817	1,114,817	762,449
Corporate and Governance	602,361	665,157	184,997	88,124	1,596,669	1,596,669	147,743
Workforce Development	507,264	190,751	337,368	157,683	1,193,066	1,193,066	627,568
Library Services	474,399	26,847	-	1,217	500,030	500,030	357,831
Emergency Services	577,826	34,816	2,193	66,576	681,411	681,411	352,863
Asset Management and Resourcing	619,480	156,535	-	30,000	806,015	806,015	362,741
Commercial Works	110,000	18,425	-	-	128,425	128,425	79,124
Environmental Management	280,422	2,141	-	85,279	367,843	367,843	182,576
Planning and Regulation	239,731	419,272	16,030	229,050	65,538	65,538	43,262
Plant, Fleet and Equipment	377,692	46,098	-	-	331,594	331,594	336,564
Building and Amenities	1,156,900	102,765	70,576	127,455	1,061,633	1,061,633	747,723
Livestock Saleyards	175,357	55,143	-	2,334	232,833	232,833	156,704
Parks, Gardens and Open Space	703,642	73,756	-	17,967	795,365	795,365	701,187
Swimming Complex	199,403	56,868	-	-	256,271	256,271	189,040
Transport Network	6,493,873	104,166	20,148	31,716	6,586,471	6,586,471	4,777,162
Stormwater and Drainage	116,195	55,143	-	-	171,338	171,338	101,139
Sewerage Services	1,957,319	57,548	6,320	72	2,021,259	2,021,259	1,404,345
Waste Management	1,763,151	41,069	-	-	1,804,220	1,804,220	1,283,825
Water Supply	1,588,009	23,746	116,399	8,903	1,737,057	1,737,057	3,652,383
<b>Total Expenses</b>	<b>18,406,315</b>	<b>637,839</b>	<b>710,711</b>	<b>914,953</b>	<b>20,669,817</b>	<b>20,669,817</b>	<b>16,268,903</b>
<b>Total Surplus/ (Deficit)</b>	<b>11,496,066</b>	<b>3,753,929</b>	<b>1,002,075</b>	<b>3,476,551</b>	<b>5,267,661</b>	<b>5,267,661</b>	<b>2,802,998</b>
Capital Grants and Contributions	9,678,454	3,154,307	1,596,842	2,646,048	5,474,941	5,474,941	4,444,813
<b>Net Operating Result excluding Capital Grants and Contributions</b>	<b>1,817,612</b>	<b>599,621</b>	<b>594,767</b>	<b>830,504</b>	<b>207,279</b>	<b>207,279</b>	<b>1,641,816</b>
<b>Operating Ratio (including Capital Income)</b>	<b>38.45%</b>				<b>20.31%</b>	<b>20.31%</b>	<b>14.70%</b>
<b>Operating Ratio (excluding Capital Income)</b>	<b>8.99%</b>				<b>-1.01%</b>	<b>-1.01%</b>	<b>-11.22%</b>

**Notes:**

ORIGINAL Budget +/- approved budget changes in previous quarters = REVISED Budget  
 REVISED Budget +/- recommended changes this quarter = PROJECTED year end result

Recommended changes to original budget Budget Variations - Explanations		
Recommended Income Variations this Quarter	(000's)	Explanation:
Community Development	1	Increase in income received for Youth Week
Economic Growth	(16)	Movement of income from Economic Development to Planning & Regulation
Economic Growth	(36)	Movement of income from Economic Development to Environmental Management
Economic Growth	1	Movement of income from Economic Development to Environmental Management
Theatre & Museum	35	Increase in income for Museum Fees & Charges (2) Grant for School of Arts Repairing Interiors (33)
Finance & Technology	9,234	Movement of Income to Finance & Technology from Corporate Governance & Customer Service
Corporate Governance & Customer Service	(9,580)	Movement of Income to Finance & Technology from Corporate Governance & Customer Service
Workforce Development	37	Increase in income from Mental Health Wellbeing Day and Hindsight Performance
Library Services	5	Reduction in Income expected to be received for Library Services
Emergency Services	3	Increase in income for Fire Fighting Reimbursable Costs
Asset Management & Resourcing	3	Movement in income from Transport Network
Asset Management & Resourcing	152	Increase in income budgeted for sale of plant & materials
Environmental Management	36	Movement in income from Economic Growth
Environmental Management	2	Increase in budgeted income for animal control and abandoned vehicles
Planning & Regulation	75	Movement in Income from Building Amenities
Planning & Regulation	17	Movement in Income from Economic Growth
Planning & Regulation	42	Increase in S94 Developer Contributions
Plant, Fleet & Equipment	13	Increase in income budgeted for Energy Grants Scheme
Buildings & Amenities	70	Movement of income to Planning & Regulation
Livestock Saleyards	300	Grant for Saleyard Truck Wash (originally budgeted for 18/19)
Parks, Gardens & Open Spaces	5	Increase in Income received for Cemetery Burials
Parks, Gardens & Open Spaces	1	Increase in Income received for Sporting Ground Hire
Transport Network	(4,052)	Removal of Special Grant project and deferral of NDRRA Funding
Transport Network	(3)	Movement of Aerodrome to Asset Management & Resourcing
Sewer Network	6	Increase in income received for Trade Waste Fees
Sewer Network	16	Section 64 Contributions increase in revenue
Waste Management	6	Increase in income received for bulk bins
Waste Management	7	Increase in income received for interest on investments
Waste Management	2	Increase in income received for contributions
Waste Management	3	Increase in S94 income
Water Network	1,035	Increase in income received for Dam Wall Construction
Water Network	12	Developer Contributions
Miscellaneous (rounding adjustments)	6	
<b>Total Recommended Income Variations this Quarter</b>	<b>(2,562)</b>	

<b>Recommended Expenditure Variations this Quarter</b>	<b>(000's)</b>	<b>Explanation:</b>
Civic Office	17	Reduction in Balance of Councillor Training and Sister City Program to fund additional computers.
Civic Office	(144)	Movement of salaries & wages from Civic Office to Organisation Leadership
Organisation Leadership	144	Movement of salaries & wages to Organisation Leadership from Civic Office
Organisation Leadership	(8)	Movement of Compliance Register from Organisation Leadership to Corporate Governance
Community Development	20	Increase in Live & Local Expenditure to match income received last quarter
Economic Development	(67)	Movement of expenditure from Economic Development to Planning & Regulation
Economic Development	(7)	Movement of expenditure from Economic Development to Environmental Management
Economic Development	(47)	Adjustment to salaries and wages for Economic Development to one account
Economic Development	3	Adjustment to salaries and wages for Economic Development to one account
Finance & Technology	72	Increase in expenditure for Contract Staff
Finance & Technology	105	Adjustment to salaries and wages for Finance & Technology
Finance & Technology	318	Movement of accounts from Corporate Governance to Finance & Technology
Finance & Technology	(4)	Reduction in balance of insurance
Corporate Governance & Customer Service	(307)	Movement of accounts from Corporate Governance to Finance & Technology
Corporate Governance & Customer Service	5	Increase in Internal Audit Projects
Corporate Governance & Customer Service	19	Increase in Legal Fees
Corporate Governance & Customer Service	(46)	Reduction in expenditure for Corporate Governance
Corporate Governance & Customer Service	18	Movement in account from Organisation Leadership
Corporate Governance & Customer Service	399	Add back capitalised admin costs
Workforce Development	48	Increase to Innovation Fund
Workforce Development	104	Removal of expectation of capitalised administrative staff
Workforce Development	6	Increase in expenditure to sundry expenditure
Library Services	1	Transfer to capital for Computers
Emergency Services	67	Mainly due to an increase in expenditure for RFS Brigade Stations
Asset Management & Resourcing	30	Movement of assets from Transport Network Business Unit
Environmental Management	5	Increase in expenditure for miscellaneous complaints
Environmental Management	80	Movement in expenditure from Economic Growth Business Unit
Planning & Regulation	162	Movement in Expenditure from Building Amenities
Planning & Regulation	67	Movement in expenditure from Economic Growth Business Unit
Building & Amenities	(162)	Movement in expenditure from Planning & Regulation
Building & Amenities	38	Increase in expenditure of electricity
Building & Amenities	5	Increase in expenditure for Contract Staff
Building & Amenities	(8)	Movement of expenditure to capital projects
Parks, Gardens & Open Spaces	7	Increase in expenditure for Cemeteries due to additional land maintenance
Parks, Gardens & Open Spaces	11	Increase in expenditure for Park maintenance due to additional staff costs
Transport Network	(32)	Movement of Aerodrome to Asset Management & Resourcing
Water Network	10	Increase in expenditure for Dam Wall Maintenance
Miscellaneous adjustments and rounding	14	
<b>Total Recommended Expenditure Variations this Quarter</b>	<b>943</b>	

This document forms part of Tonterfield Shire Council's Quarterly Budget Review Statement for the quarter ended 31 March 2018 and should be read in conjunction with other documents in the QBRS.

Tenterfield Shire Council						
Budget Statement for the year ended - 31 March 2018						
Capital Budget Review						
	ORIGINAL Budget 2017/18	APPROVED CHANGES		APPROVED CHANGES Dec Review	RECOMMENDED Changes March Review	
		Sept Review	March Review		March Review	ACTUAL YTD March
<b>Capital Funding</b>						
Rates and other untied funding	8,098,207.97	1,336,927.31	(1,274,047)		(1,870,372)	3,238,487.95
Capital Grants & Contributions	9,678,454	(3,154,307)	1,596,842		(2,646,048)	4,444,843
Internal Restrictions	481,784	873,421	-		-	-
External Restrictions	167,685	402,587	-		-	-
Other Capital Funding Sources e.g. - loans (Carried forward) etc	3,450,000	-	-		-	-
Income from sale of assets	1,803,000	106,700	-		4,385	299,541
<b>Total Capital Funding</b>	<b>23,679,130</b>	<b>(434,672)</b>	<b>322,796</b>		<b>(4,520,804)</b>	<b>7,982,872</b>

Capital Budget Review						
	ORIGINAL Budget 2017/18	APPROVED CHANGES		APPROVED CHANGES		ACTUAL YTD March
		Sept Review	Dec Review	March Review	REVISED Budget	
<b>Capital Expenditure</b>						
New Assets						
<b>CHIEF EXECUTIVE OFFICE</b>						
- Civic Office	-	-	-	-	-	-
- Organisational Leadership	-	-	-	-	-	-
- Community Development	-	-	-	-	-	-
- Economic Growth and Tourism	25,227	3,000	(3,227)	-	25,000	11,332
- Theatre and Museum Complex	196,081	57,503	-	-	253,584	-
- Workforce Development	10,579	-	-	-	10,579	-
- Library Services	8,481	10,000	-	-	18,371	12,165
<b>CHIEF CORPORATE OFFICE</b>						
- Finance and Technology	37,028	8,827	-	-	80,053	31,367
- Corporate and Governance	25,391	-	-	-	33,174	-
- Environmental Management	-	-	-	-	-	-
- Planning and Regulation	-	-	-	-	-	-
- Building and Amenities	-	16,507	-	-	-	-
- Livestock Safeyards	0	0	10,011	-	-	9
- Parks, Gardens and Open Spaces	-	-	-	-	-	-
- Swimming Complex	9,174	-	15,643	-	27,466	11,823
<b>CHIEF OPERATING OFFICE</b>	22,934	-	-	-	-	-
- Emergency Services	-	-	-	-	-	-
- Asset Management and Resourcing	-	15,000	-	-	15,000	16,984
- Commercial Work	-	-	-	-	-	-
- Plant, Fleet and Equipment	-	-	-	-	-	-
- Transportation Network	586,626	-	0	0	586,626	28,174
<b>WASTE MANAGEMENT</b>	561,915	116,160	0	0	820,075	32,051
<b>WATER NETWORK</b>	-	1,000	-	-	1,186	1,186
<b>SEWERAGE NETWORK</b>	241,500	110,876	-	-	407,872	143,904
<b>STORMWATER NETWORK</b>	5,000	-	-	-	5,000	-



Capital Budget Review						
	ORIGINAL Budget 2017/18	APPROVED CHANGES		APPROVED CHANGES		ACTUAL YTD March
		Sept Review	Dec Review	March Review	RECOMMENDED Changes	
Renewals (Replacement)						
<b>CHIEF EXECUTIVE OFFICE</b>						
- Civic Office	34,400	-	-	-	(34,400)	15,150
- Organisational Leadership	53,034	-	-	-	-	-
- Community Development	-	-	-	-	(16,053)	-
- Economic Growth and Tourism	16,053	-	-	-	-	-
- Theatre and Museum Complex	-	-	-	-	-	-
- Workforce Development	-	-	-	-	-	-
- Library Services	68,800	-	-	-	-	11,014
<b>CHIEF CORPORATE OFFICE</b>		8,000	-	-	-	-
- Finance and Technology	-	-	-	-	-	-
- Corporate and Governance	30,567	-	-	(17,000)	21,000	17,431
- Environmental Management	-	-	-	-	-	-
- Planning and Regulation	-	-	-	-	-	-
- Building and Amenities	45,868	129,126	-	-	(78,118)	4,350
- Livestock Salesyards	80,228	70,551	-	-	(82,734)	33,769
- Parks, Gardens and Open Spaces	131,866	-	-	25,000	(86,000)	14,770
- Swimming Complex	-	-	-	-	-	-
<b>CHIEF OPERATING OFFICE</b>						
- Emergency Services	-	-	-	-	-	-
- Asset Management and Resourcing	53,125	66,884	-	-	(103,125)	-
- Commercial Work	-	-	-	-	-	-
- Plant, Fleet and Equipment	2,775,000	-	-	-	-	1,793,094
- Transportation Network	11,598,508	8,000	-	-	616,238	2,559,417
<b>WASTE MANAGEMENT</b>		(1,309,549)	-	285,513	(4,874,879)	5,693
- Waste Management	241,397	-	-	-	(20,000)	-
<b>WATER NETWORK</b>						
- Water Network	5,529,257	37,000	-	-	-	2,755,666
<b>SEWERAGE NETWORK</b>						
- Sewerage Network	554,389	216,443	-	(73,145)	(55,483)	110,997
<b>STORMWATER NETWORK</b>						
- Stormwater Network	240,000	-	-	-	-	240,000
Loan Repayments (principal)	496,702	-	-	-	-	372,527
<b>Total Capital Expenditure</b>	<b>23,679,130</b>	<b>(434,672)</b>	<b>322,796</b>	<b>(4,520,804)</b>	<b>19,046,449</b>	<b>7,982,872</b>

Proposed Expenditure Variations	\$
<b>New Assets</b>	
Library	(110) Reduction in budget to Library Children's area refurbishment to reflect actual cost
Finance	34,198.00 Power Budget
Corporate & Governance	7,783 Risk Management Register
Parks, Gardens & Reserves	2,649 Christmas Tree
Swimming pool	(22,934) Correction to budget
Planning and Regulation	(16,507) Cancellation of IT System - EHC & DA PoRMSOI. However funds may be required for an inspection Portal.
Building and Amenities	(10,011) Removal of new Public Toilets at Urbenville Captain Cook Park
Waste	142,000 \$70K each Mingoola and Torrington Transfer station/landfill; \$2K Community recycling centre.
Water Network	186 WTP in line telemetry to reflect actual cost.
Sewerage Network	55,496 Transfer from Renewal to New (Mains relining to Mains Augmentation).
<b>Total New Asset Budget Adjustments</b>	<b>192,750</b>
<b>Renewal Assets</b>	
Civic Office	(34,400) Refurbishment of Council chamber deferred to 18/19
Economic Growth & Tourism	(16,053) Automatic Doors at Visitor Centre - Removed from budget
Buildings and Amenities	(78,118) Additional \$23K replacing shed at 10FM, Additional \$34.4K for Council Chambers Refurbishment, Reduction of \$117K for Admin Building Refurbishment and \$18K for Council House Renewal
Livestock Saleyards	(82,734) Reduction in Loading Ramps & Traffic Facilities \$103K, offset by \$20K allowance for Truckwash Design.
Asset Management & Resourcing	(103,125) Removal of Capitalised Admin Overheads
Plant Fleet & Equipment	616,238 Additional Plant purchases
Transportation Network	(4,874,879) Due to a reduction in Mt Lindsay Rd (\$3.2M) and NDRRA grant income (\$1.7M).
Finance	21,000 Computer Equip \$20K Office Equip \$1K
Parks, Gardens & Reserves	(86,000) \$25K sprinkler system federation Park offset by Shirley park not being renewed this year (\$11K reduction)
Waste Management	(20,000) Reduction in 240L Wheelie Bins expenditure
Sewerage Network	(55,483) Transfer to New from Renewal (Mains relining to Mains Augmentation)
<b>Total Renewal Asset Budget Adjustments</b>	<b>(4,713,554)</b>
<b>Total Proposed Expenditure Variations</b>	<b>(4,520,804)</b>

This document forms part of 'Tenterfield Shire Council's Quarterly Budget Review Statement for the quarter ended 31 March 2018 and should be read in conjunction with other documents in the QBRs.

Tenterfield Shire Council									
Budget Statement for the year ended - 31 March 2018									
Cash and Investment Review									
	ORIGINAL Budget 2017/18 (000's)	RECOMMENDED changes (March) for Council Resolution (000's)	APPROVED Changes		REVISED Budget (000's)	PROJECTED year end Result 2017/18 (000's)	ACTUAL YTD (000's)		
			Sept Review (000's)	Dec Review (000's)					
<b>Externally restricted</b>									
Developer Contributions (General Fund)	383	-	-	78	460	460	460	-	2
Grants & Subsidies (General Fund)	742	-	-	656	1,398	1,398	1,398	44	8
Contributions & Donations (General Fund)	2	-	-	42	44	44	44	373	-
Unexpended Loan Funds (General Fund)	-	-	-	373	373	373	373	181	-
Payment Received in Advance (General Fund)	181	-	-	-	181	181	181	62	-
Waste Management Fund	19	-	-	43	62	62	62	11	-
Water Fund	7	-	-	4	11	11	11	17	-
Sewerage fund	-	-	-	17	17	17	17	1	-
Stormwater Management	2	-	-	0	1	1	1	-	-
<b>Total Externally restricted</b>	<b>1,336</b>	<b>-</b>	<b>-</b>	<b>1,212</b>	<b>2,548</b>	<b>2,548</b>	<b>2,548</b>		<b>11</b>
<b>Internally restricted</b>									
Employee Entitlements Reserve	981	-	-	24	957	957	957	249	-
Committed Works Reserve	9	-	-	2,685	2,694	2,694	2,694	912	-
Special projects Reserve	912	-	-	-	912	912	912	108	-
Roads and Bridges Works Reserves	108	-	-	-	108	108	108	239	-
Gravel Quarry Rehabilitation	239	-	-	-	239	239	239	92	-
Land, Buildings & Other Infrastructure	92	-	-	-	92	92	92	-	-
Insurance Reserve	-	-	-	-	-	-	-	-	-
Legal Costs Reserve	-	-	-	-	-	-	-	-	-
Office Equipment Reserve	200	-	-	-	200	200	200	10	-
Partner City Programmes and Projects	10	-	-	-	10	10	10	834	-
Parks, Gardens & Reserves Reserve	-	-	-	-	-	-	-	31	-
Plant reserve	834	-	-	-	834	834	834	-	-
Local Main Street Loan reserve	31	-	-	-	31	31	31	-	-
Bushfire Emergencies	-	-	-	-	-	-	-	-	-
Funds earmarked for a specific purpose (Financial Assistance Grant)	2,203	-	-	-	2,203	2,203	2,203	-	-
<b>Total Internally restricted</b>	<b>5,617</b>	<b>-</b>	<b>-</b>	<b>2,860</b>	<b>8,277</b>	<b>8,277</b>	<b>8,277</b>		<b>2,452</b>
<b>Total Restricted</b>	<b>6,954</b>	<b>-</b>	<b>-</b>	<b>3,872</b>	<b>10,826</b>	<b>10,826</b>	<b>10,826</b>		<b>2,463</b>
<b>Available Cash (Unrestricted Funds)</b>	<b>7,737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,737</b>	<b>7,737</b>	<b>7,737</b>		<b>15,082</b>
<b>Total Cash and Investments</b>	<b>14,691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,563</b>	<b>18,563</b>	<b>18,563</b>		<b>17,545</b>

Notes:

The available cash position excludes restricted funds. External restrictions are funds that must be spent for a specific purpose and cannot be used by council for general operations. Internal restrictions are funds that council has determined will be used for a specific future purpose. Internal and external restrictions are not determined fully until after year end.

ORIGINAL: Budget 41- approved budget changes in previous quarters = REVISED Budget  
REVISED Budget 41- recommended changes this quarter = PROJECTED year end result.

NOTE: Explanations are to be in plain English and in a style easily understood by readers of non-financial information. This narrative is important in understanding why budget changes are necessary.



**Comment on Cash and Investments Position**  
Restricted cash still needs to be investigated thoroughly and put onto the Finance System figures above are based on the December Quarterly budget review. Some formula errors were corrected.  
Council's Cash and Investments are performing within anticipated parameters.

**Recommended Changes to Revised Budget**  
Includes an expansion for recommended changes and any impact on Council's capital management plan, delivery program or LTP. Any impacts of YTD expenditure on recommended changes to the budget.  
All changes required are in respect of the variations detailed in both the Capital budget and the Income and Expenditure Review

**Certification regarding Investments and Bank Reconciliations**

**Investments**

It is hereby certified that all investments listed below have made in accordance with the requirements of the Local Government Act 1992, (Section 625), the companion Regulations and Council's Investment Policy.

**Cash**

Bank reconciliations occur on a daily basis with a full reconciliation performed on a monthly basis. The full reconciliation for the March 2018 quarter occurred on 2 April 2018.

Cash Book Reconciliation	
	\$

Operating Cash balance as at 31 March 2018 1,862,305.19  
Trust Account Cash balance as at 31 March 2018 321,533.93  
Total Cash (Net invested) as at 31 March 2018 1,983,839.12

**Reconciliation**

The YTD total Cash and Investments has been reconciled with funds invested and cash at bank:

Financial Institution		Interest	Maturity Date
National Australia Bank	750,000.00 AA-	5,205.44	18/05/2018
National Australia Bank	500,000.00 AA-	4,105.56	15/05/2018
National Australia Bank	1,000,000.00 AA-	4,787.12	22/06/2018
National Australia Bank	1,000,000.00 AA-	1,734.25	06/05/2018
National Australia Bank	1,000,000.00 AA-	3,894.25	06/05/2018
National Australia Bank	500,000.00 AA-	816.03	07/06/2018
National Australia Bank	500,000.00 AA-	3,254.11	07/05/2018
National Australia Bank	1,000,000.00 AA-	1,715.62	09/04/2018
National Australia Bank	1,000,000.00 AA-	8,588.03	29/04/2018
National Australia Bank	1,000,000.00 AA-	6,230.96	20/06/2018
ANZ Bank	1,000,000.00 AA-	6,501.37	14/05/2018
ANZ Bank	500,000.00 AA-	3,430.47	16/06/2018
Commonwealth Bank (in call)	1,261,481.53 AA-	0.00	30/06/2018
Bankwest	1,000,000.00 AA-	8,493.15	28/05/2018
Bankwest	1,000,000.00 AA-	6,027.40	20/07/2018
Bankwest	500,000.00 AA-	4,248.56	28/05/2018
Bankwest	500,000.00 AA-	2,884.93	06/07/2018
Bankwest	800,000.00 AA-	6,154.52	05/06/2018
Bankwest	750,000.00 AA-	4,810.96	20/07/2018
<b>TOTAL INVESTMENTS</b>	<b>15,561,481.53</b>		
<b>TOTAL CASH ON HAND</b>	<b>1,983,839.12</b>		
<b>TOTAL CASH AND INVESTMENTS</b>	<b>17,545,320.65</b>		

The document forms part of the Ordinary Budget Review Statement for the year ended 31 March 2018 and should be read in conjunction with other documents in the OBR.

## Tenterfield Shire Council

### Budget review for the quarter ended - 31 March 2018

#### Contracts

Contractor	Contract detail & purpose	Contract value	Commencement date	Duration of contract	Budgeted (Y/N)
Pipe Lining Pty Ltd	Sewer relining	123,763	25-Oct-17	-	Y
Mark Shane o'Neill Tenterfield Mini Earthworks	Sewer Augmentation	69,135	18-Dec-17	-	Y
Leed Engineering & Construction	Tenterfield Dam Creek Safety Upgrade	6,556,600	20/10/2017	-	Y

#### Notes

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser.
2. Contracts to be listed are those entered into during the quarter and have yet to be fully performed (excluding contractors that are on Council's preferred supplier list).
3. Contracts for employment are not required to be included.
4. Where a contract for services etc was not included in the budget, an explanation is to be given (or reference made to an explanation in another Budget Review Statement).

This document forms part of Tenterfield Shire Council's Quarterly Budget Review Statement for the quarter ended 31 March 2018 and should be read in conjunction with other documents in the QBR.

## Tenterfield Shire Council

### Budget review for the quarter ended - 31 March 2018

#### Consultancy and Legal Fees

Expense	Expenditure YTD \$'000	Budgeted (Y/N)
Consultancies	28	Y*
Legal Fees	32	Y

#### Definition of consultant:

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

#### NOTES:

\* Both Legal Fees and Consultancy fees are in line with expectations. A large proportion of the legal fees are recoverable.

#### Details

##### **Consultancy Details:**

Heritage advisor Deborah Wray engaged for assistance with heritage issues  
Stephen Blackadder & Associates for recruitment of CEO

<b>Department:</b>	<b>Office of the Chief Corporate Officer</b>
<b>Submitted by:</b>	Manager Customer Service, Governance & Records
<b>Reference:</b>	<b>ITEM GOV46/18</b>
<b>Subject:</b>	<b>Operational Plan 2018/2019</b>

#### **LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>CSP Goal:</b>	<b>Leadership</b> - LEAD 12 - We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
<b>CSP Strategy:</b>	Maintain strong relationships with all levels of Government and proactively seek involvement in decision making impacting our Shire and the New England Northwest Region.
<b>Delivery Plan Action:</b>	Provide sound and inclusive decisions using the Community Engagement Strategy to guide our interactions.
<b>Operational Plan Action:</b>	Comply with the regulatory and legislative requirements of Councils as outlined by the Office of Local Government and other bodies.

#### **SUMMARY**

The purpose of this report is for Council to adopt the Tenterfield Shire Council Operational Plan 2018/2019, as amended to include submissions following public exhibition from 19 April 2018 to 17 May 2018, for inclusion with the current Tenterfield Shire Council Delivery Program 2017/2021 (circulated under separate cover).

#### **OFFICER'S RECOMMENDATION:**

##### **That Council:**

#### **(1) Adopts the Tenterfield Shire Council Operational Plan 2018/19, with the following amendments:**

- **Page 29 – Re-introduction of trike use on railway line to meet Community Strategic Plan Strategy 7.3;**
- **Pages 100 & 101 – Correction to Waste Fees tables in Revenue Statement;**
- **Page 102 – Free Waste Weeks in Lieu of Vouchers;**
- **Page 104 – Bruxner Way contribution to be identified separately from total RMS contribution, and**
- **Fees & Charges Page 34 – Emergency NLIS tag service to be amended to \$36.**

#### **(2) Adopts the following documents as part of the Tenterfield Shire Council Operational Plan 2018/19:**

- **Tenterfield Shire Council Budget for 2018/2019;**
- **Tenterfield Shire Council Revenue Policy Statement for 2018/2019;**
- **Tenterfield Shire Council Fees and Charges for 2018/2019.**

#### **(3) In accordance with the provisions of Section 355 of the Local Government Act 1993, makes, fixes and levies the rates for the year ending 30 June 2019 for the following rating categories:**

##### **Farmland:**

**A Farmland rate of 0.002899240 cents in the dollar on the current land values of all rateable land in the Local Government Area being Farmland,**

Our Governance No. 46 Cont...

**with a base rate of \$400.00 per annum (the total revenue collected from this base amount represents 25.65% of the total revenue collected from this category of land);**

**Residential – Tenterfield:**

**A Residential – Tenterfield rate of 0.007145865 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$315.00 per annum (the total revenue collected from this base amount represents 48.79% of the total revenue collected from this category of land);**

**Residential – Tenterfield (Urban):**

**A Residential – Tenterfield rate of 0.007144626 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$315.00 per annum (the total revenue collected from this base amount represents 23.26% of the total revenue collected from this category of land);**

**Residential – Urbenville:**

**A Residential – Urbenville rate of 0.011195999 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$282.00 per annum (the total revenue collected from this base amount represents 49.58% of the total revenue collected from this category of land);**

**Residential – Jennings:**

**A Residential – Jennings rate of 0.008366157 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$282.00 per annum (the total revenue collected from this base amount represents 49.93% of the total revenue collected from this category of land);**

**Residential – Drake:**

**A Residential – Drake rate of 0.009854314 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$282.00 per annum (the total revenue collected from this base amount represents 49.73% of the total revenue collected from this category of land);**

**Residential – Other:**

**A Residential – Other rate of 0.005067048 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$148.00 per annum (the total revenue collected from this base amount represents 24.90% of the total revenue collected from this category of land);**

**Business – Tenterfield:**

**A Business – Tenterfield rate of 0.014394395 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$540.00 per annum (the total revenue collected from this base amount represents 39.70% of the total revenue collected from this category of land);**

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**Business – Urbenville:**

**A Business – Urbenville rate of 0.009739094 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$256.00 per annum (the total revenue collected from this base amount represents 48.78% of the total revenue collected from this category of land);**

**Business – Jennings:**

**A Business – Jennings rate of 0.004882816 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$256.00 per annum (the total revenue collected from this base amount represents 48.78% of the total revenue collected from this category of land);**

**Business – Drake:**

**A Business – Drake rate of 0.006425474 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$256.00 per annum (the total revenue collected from this base amount represents 48.78% of the total revenue collected from this category of land);**

**Business – Other:**

**A Business – Other rate of 0.005536684 cents in the dollar of the current land values of all rateable land within this category, with a base rate of \$273.00 per annum (the total revenue collected from this base amount represents 43.37% of the total revenue collected from this category of land);**

**Mining:**

**A Mining rate of 0.017476684 cents in the dollar on the current land values of all rateable land in the Local Government Area where the dominant use is for a coal mine or metalliferous mine, with a base rate of \$430.00 per annum (the total revenue collected from this base amount represents 46.83% of the total revenue collected from this category of land).**

- (4) In accordance with the provisions of Section 552 of the Local Government Act 1993, Council makes, fixes and levies a Water Supply Availability Charge on all land rateable to the Water Supply Charge for the year ending June 2019, as follows:**

- a. Residential - \$444.00 per connection per annum;**
- b. Residential Strata - \$333.00 per connection per annum;**
- c. Mt Lindesay Private Line – \$561 per connection per annum;**
- d. Rural Other - \$444 per connection per annum;**
- e. Non Residential - Meter connection: 20mm - \$166.75 per connection per annum (Minimum Charge \$444 per annum);**
- f. Non Residential - Meter connection: 25mm - \$250.56 per connection per annum (Minimum Charge \$444 per annum);**
- g. Non Residential - Meter connection: 32mm - \$426.90 per connection per annum (Minimum Charge \$444 per annum);**
- h. Non Residential - Meter connection: 40mm - \$667.04 per connection per annum;**

Our Governance No. 46 Cont...

- i. Non Residential - Meter connection: 50mm - \$1,042.27 per connection per annum;**
  - j. Non Residential - Meter connection: 80mm - \$2,668.21 per connection per annum;**
  - k. Non Residential - Meter connection: 100mm - \$4,169.07 per connection per annum;**
  - l. Non Residential - Meter connection: 150mm - \$9,380.43 per connection per annum;**
  - m. Voluntary & Charitable Organisations - \$88.00 per connection per annum;**
  - n. Services installed solely for the purpose of firefighting – No Charge.**
- (5) In accordance with Section 502 of the Local Government Act, makes, fixes and levies a stepped tariff for the charge for water consumed by residential customers (to be by measure of metered water consumption) at the rate of \$3.46 per kilolitre for water consumption between nil (0) and 450 kilolitres per annum and, and \$5.19 per kilolitre for water consumed over 450 kilolitres per annum.**
- (6) In accordance with Section 502 of the Local Government Act, that Council makes, fixes and levies a stepped tariff for the charge for water consumed by Rural/MT Lindesay customers (to be by measure of metered water consumption) at the rate of \$3.46 per kilolitre for water consumption between nil (0) and 450 kilolitres per annum and, and \$5.19 per kilolitre for water consumed over 450 kilolitres per annum.**
- (7) In accordance with Section 502 of the Local Government Act, makes, fixes and levies a stepped tariff for the charge for water consumed by Non-Residential customers (to be by measure of metered water consumption) at the rate of \$3.46 per kilolitre for water consumption between nil (0) and 800 kilolitres per annum and, and \$5.19 per kilolitre for water consumed over 800 kilolitres per annum.**
- (8) In accordance with Section 502 of the Local Government Act 1993, makes, fixes and levies a minimum water consumption account charge of \$25 for each of the six (6) monthly billing periods. Further, that if at the time of reading a water meter it is found to be damaged or has stopped, an account will be issued based on the previous two corresponding water bills.**
- (9) In accordance with the provisions of Section 501(1) and 502 of the Local Government Act 1993, makes, fixes and levies a Sewerage Service Availability Charge of \$1,032.00 on all land assessable to the Drainage Charge in the Tenterfield and Urbenville Town Areas and:**
  - a. Is connected to the Council's sewer main, or**
  - b. Is not connected to the Council's sewer main but any part of the property is no more than 75 metres from the Council's sewer main, and**
  - c. Is land from which sewerage can be discharged into the sewers of Council for the year ending June 2019.**



Our Governance No. 46 Cont...

**Further, that in respect of Residential Flat Buildings a Sewerage Availability Charge will be made equal to the number of residential flats multiplied by the service charge for a single connection.**

- (10) In accordance with the provisions of Sections 501(1) and 552 of the Local Government Act 1993, Council makes, fixes and levies Annual Access Charges for Commercial and Non-Residential Sewerage for the year ending June 2019, as follows:**

**A Sewerage Access Charge will be incurred proportional to the customer's water connection diameter plus a pay for use charge based on the water used, calculated in accordance with the following connection options and the formula following subparagraph "j" below:**

- a. Non Residential - Meter connection: 20mm - \$522.00 per connection per annum (Minimum Charge \$1,032 per annum);**
- b. Non Residential - Meter connection: 25mm - \$1,016.31 per connection per annum (Minimum Charge \$1,032 per annum);**
- c. Non Residential - Meter connection: 32mm - \$1,336.73 per connection per annum**
- d. Non Residential - Meter connection: 40mm - \$2,088.14 per connection per annum;**
- e. Non Residential - Meter connection: 50mm - \$3,263.18 per connection per annum;**
- f. Non Residential - Meter connection: 80mm - \$8,353.76 per connection per annum;**
- g. Non Residential - Meter connection: 100mm - \$13,052.75 per connection per annum;**
- h. Non Residential - Meter connection: 150mm - \$29,384.24 per connection per annum;**
- i. Voluntary & Charitable Organisations - \$206.00 per connection per annum;**
- j. Services installed solely for the purpose of firefighting – No Charge.**

**The minimum non-residential sewerage access charge will be the annual residential sewerage availability charge.**

- (11) Makes, fixes and levies Trade Waste and On site sewerage Management Charges as outlined in the Operational Plan 2018/19.**
- (12) Makes, fixes and levies and charges Waste Management Charges as outlined in the 2018/19 Operational Plan 2018/19.**
- (13) Introduces a system where for two weeks of each year, being the last week of July and January, whereby Tenterfield Shire residents may take household domestic waste to each Waste Transfer Station for free. This replaces the previous voucher system that was included with the rates notice. Household domestic waste excludes asbestos, chemicals, paints, oils, whitegoods, furniture, mattresses and tyres.**



Our Governance No. 46 Cont...

- (14) Borrows up to \$2,000,000 in 2018/19 for the reinforcement of the Tenterfield Water Supply Dam Wall and \$830,000 for the Sale Yards Truck Wash.**
- (15) In accordance with the provisions of Section 566(3) of the Local Government Act 1993, determines that the extra interest charges on overdue rates and charges will be levied at the maximum rate allowable and as advised by the Office of Local Government on a daily simple interest basis for the financial year ending 30 June 2019. (This rate will be 7.5% as advised by the Office of Local Government).**
- (16) In accordance with the provisions of Section 405(6) of the Local Government Act 1993, places a copy of its adopted Operational Plan 2018/19 on its website within 28 days.**

## **BACKGROUND**

At its Ordinary Meeting of 18 April 2018, Council resolved:

- 1. The following amendments be made to the draft Tenterfield Shire Council Operational Plan 2018/2019:*
  - Page 34 of the Fees & Charges – cost of Emergency NLIS tags be amended to \$10.00 each;*
  - Page 68 of the Operational Plan 2018/2019 – add "Investigate the option of converting waste to energy during the development of the Strategic Business Plan".*
- 2. Council place the amended draft Tenterfield Shire Council Operational Plan 2018/2019 on public exhibition for 28 days for community review and comment; and*
- 3. A further report be brought back to Council for adoption of the Tenterfield Shire Operational Plan 2018/2019.*

In accordance with Council's resolution, the draft document was exhibited from 19 April to 17 May 2018. Six (6) public submissions were received during this period.

## **REPORT:**

Section 8C of the Local Government Act 1993 provides the following principles for Integrated Planning and Reporting that apply to Councils:

- a) Councils should identify and prioritise key local community needs and aspirations and consider regional priorities.*
- b) Councils should identify strategic goals to meet those needs and aspirations.*
- c) Councils should develop activities, and prioritise actions, to work towards the strategic goals.*
- d) Councils should ensure that the strategic goals and activities to work towards them may be achieved within council resources.*

Our Governance No. 46 Cont...

*e) Councils should regularly review and evaluate progress towards achieving strategic goals.*

*f) Councils should maintain an integrated approach to planning, delivering, monitoring and reporting on strategic goals.*

*g) Councils should collaborate with others to maximize achievement of strategic goals.*

*h) Councils should manage risks to the local community or area or to the council effectively and proactively.*

Council's current Delivery Program 2017/2021 incorporates the Community Strategic Plan and an annual Operational Plan that communicates to the residents of Tenterfield Shire the priorities for that year. The draft Operational Plan 2018/2019 details the actions and programs to be undertaken to support the Delivery Program and the Community Strategic Plan.

At the conclusion of the exhibition period, Council had received six (6) public submissions in relation to the draft Operational Plan 2018/19. A Council Workshop was held on 18 May 2018 where all submissions were reviewed and considered, as follows:

Submitter	Submission	Amend	Recommendation
1. Tenterfield Railway Station Preservation Society	<ul style="list-style-type: none"> <li>Reintroduction of trike use on railway line.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Specific action to be inserted to meet Community Strategic Plan Strategy 7.3 (Page 29).</li> </ul>
2. Resident	<ul style="list-style-type: none"> <li>Protection of Tenterfield Creek Ecosystem.</li> </ul>	No	<ul style="list-style-type: none"> <li>Covered by Community Strategic Plan Strategy 10.2 (Page 45).</li> </ul>
3. Resident	<ul style="list-style-type: none"> <li>Reinsert words on Mount Lindesay Rd Waste Management service and user survey to be conducted at end of 2018/29 financial year.</li> <li>Fees and Charges correction for General and Recycling Waste.</li> <li>Inclusion of general waste vouchers.</li> </ul>	No  Yes  No	<ul style="list-style-type: none"> <li>Service will be in second year of trial. Survey will be undertaken under Community Strategic Plan Strategy 6.5 (Page 68).</li> <li>Correction to Waste fees tables in Revenue Statement (Pages 100 &amp; 101).</li> <li>Waste vouchers to be removed. Two free disposal weeks to be introduced in July 2018 and January 2019 (Page 102).</li> </ul>
4. Resident	<ul style="list-style-type: none"> <li>Review of Section 64 charges.</li> </ul>	No	<ul style="list-style-type: none"> <li>Covered by statutory review requirements for Development Servicing Plans. Review to be undertaken in 2018/19.</li> </ul>
5. Mingoola Progress Association	<ul style="list-style-type: none"> <li>Bruxner Way contribution from RMS to be reinserted as a separate item.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Bruxner Way contribution to be identified separately from RMS contribution total (Page 104).</li> </ul>

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	<ul style="list-style-type: none"> <li>Reinstate Mingoola Transfer Station into Operational Plan.</li> <li>Payment of \$70 more for Compliance Certificate inspections done outside 20km radius of Tenterfield are discriminatory.</li> </ul>	No	<ul style="list-style-type: none"> <li>Subject to Waste Review.</li> <li>Fee is spread across all users outside the 20km zone.</li> </ul>
6. TSC Saleyards Advisory Committee	<ul style="list-style-type: none"> <li>Proposed NLIS service fee will be unsustainable. Fee needs to reflect true cost to provide tagging service.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>Fee to be amended to \$36.00 (Page 34).</li> </ul>

**COUNCIL IMPLICATIONS:****1. Community Engagement / Communication (per engagement strategy)**

Community engagement activities were undertaken in 2016 and 2017 to establish the Community Strategic Plan, the Delivery Program 2017/2021 and the Operational Plan 2017/2018. Community engagement sessions have been undertaken in Tenterfield and Drake in December 2017.

The draft Operational Plan 2018/2019 was placed on public exhibition for a period of 28 days, for community review and comment.

**2. Policy and Regulation**

- Local Government Act 1993 – Sections 8A 1(c), 8C, 405.

**3. Financial (Annual Budget & LTFP)**

The draft Operational Plan 2018/2019 includes Council's detailed annual budget, along with the Council's Statement of Revenue Policy, which includes the proposed rates, fees and charges for the financial year 2018/2019.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Workforce implications for resourcing the delivery of Operational Plan activities are provided for within the recently adopted corporate structure.

**6. Legal and Risk Management**

In accordance with Sections 405(3) and 405(5) of the Local Government Act 1993, Council was required to provide the draft Operational Plan 2018/2019 for public exhibition for a period of at least 28 days, for public review and comments. The draft Operational Plan was exhibited from 19 April 2018 to 17 May 2018.

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

Our Governance No. 46 Cont...

**Kylie Smith**  
**Chief Corporate Officer**

Prepared by staff member:	Erika Bursford, Manager Customer Service, Governance & Records
Approved/Reviewed by Manager:	Kylie Smith, Chief Corporate Officer
Department:	Office of the Chief Corporate Officer
Attachments:	<b>1</b> Attachment 13 (Booklet 5) - 179 Delivery Program 2017-2021 and Pages Operational Plan 2018-2019