

CORPORATE SERVICES REPORTS
PRESENTED TO THE BLAYNEY SHIRE COUNCIL
MEETING HELD ON MONDAY, 20TH APRIL 2009



01) **ADOPTION OF FEE: POWER PROVISION AT HERITAGE PARK**
(Director Corporate Services)

RECOMMENDED:

1. That the report on Adoption of Fee: Power Provision at Heritage Park and the submission on the proposed fee structure received, be noted;
2. That Council adopt a key deposit of \$100 and a fee of \$25 per day for provision of power at Heritage Park during hours of 7am - 9pm October to March and 8am – 6pm April to September;

REPORT

Council at its meeting held 9th March, 2009 resolved the following:

“That Council place on public exhibition the proposal to provide access to power to Carapark Café, at Heritage Park a fee incorporating a \$200.00 key deposit and a daily charge of \$10.00 for access to power at Heritage Park for a three month trial basis.”

At the close of period for public comment one submission on the fee structure had been received.

The submission raised the following issues:

- **Key Deposit \$200.** – *Other key deposits for other Council facilities in Council’s Schedule of Fees of Charges are in the amount of \$100. For consistency and ease of administration an amount that is in line with the others in place is suggested.*
- **Exclusivity of fee.** – *The proposed fee is an exclusive fee that can be argued is discriminatory to other park users that are unable to take advantage of the opportunity. It could also be perceived to be in breach of Trades Practices Act section 47(3) as the action can be construed as “the practice of exclusive dealing”. The fee structure may also overstep EEO as access and equity is not extended to all groups or whole of community.*
- **Usage fee \$10.** – *The proposed fee is cheaper than power supply available at Caravan Park and should be comparable. Fee should be restricted to usage within daylight hours only or have time constraints i.e. 7am - 9pm October to March and 8am – 6pm April to September to discourage overnight usage that would be in direct competition to the Caravan Park.*
- **Basis for fee determination.** – *There appears to be no commercial basis for determination of the above fee. The Local Government Act section 610D is outlined below. As the fee has no commercial basis and is arguably resulting ratepayer funding of a private enterprise activity.*

The fee structure proposed for Council’s consideration is based on the matters outlined above. This fee structure has also been incorporated into the 2009-2014 Management Plan

BUDGET IMPLICATIONS

Nil effect

POLICY CONSIDERATIONS

Council has adopted the following guidelines in the 2005/2010 Community / Social Plan:

This definition is based on the NSW Government's 1996 Social Justice Directions Statement.

The guidelines state that access and equity activities or strategies are defined as those which benefit both the broad community and/or particular target groups and help Councils to:

- promote fairness in the distribution of resources, particularly for those most in need;*
- recognise and promote people's rights and improve the accountability of decision makers;*
- ensure that people have fairer access to the economic resources and services essential to meeting their basic needs and improve their quality of life; and*
- give people better opportunities for genuine participation and consultation about decisions affecting their lives.*

Councils have a responsibility to ensure that their facilities and services are appropriate for and accessible to everyone in their communities.

02) 2009-2014 DRAFT MANAGEMENT PLAN
(Director Corporate Services)

RECOMMENDED:

1. That the Report on the 2009/2014 Draft Management Plan be adopted.
2. That the 2009 - 2014 Draft Management Plan be adopted and placed on public exhibition for comment by the community.
3. That public submission for the Draft Management Plan close on 18th May 2009 at 5pm.

REPORT

The Draft Management Plan for the period 2009-2014 is submitted for Council's consideration. The Draft Management Plan incorporates the budget for 2009/2010 showing income and expenditure and includes projections for the period to 2013/2014. Upon adoption by Council, the Draft Management Plan will be placed on exhibition for a period of 28 days inviting the community to make submissions in writing (closing 18th May 2009), after which time Council will give consideration to adopting the Plan. It is proposed that the Plan will be adopted at the Ordinary meeting on 15th June, 2009.

The Draft Management Plan has been carefully developed around a number of key issues that are before Council. The budget maintains the same level of services and a strong element of maintenance, particularly of the road network.

Rates and Charges

- *Ordinary Rates*
The Draft Management Plan has been prepared on the basis of a 3.25% increase in rate revenue. This is below the 3.5% rate peg announced by the Minister ensuring no increase to the 2008/09 special variation is applied. Council has traditionally taken the maximum permissible increase to maintain parity in its revenue collection with the all groups Consumer Price Index (CPI).
- *Domestic Waste Management Charges*
Due to an increase in service costs, it is necessary for Council to increase its Domestic Waste Management Charges by \$20. Council is working towards full cost recovery in accord with Waste Management Best Practice and legislation. In 2009/10 it is proposed that this service will carry a deficit of approximately \$202,000.
- *Sewerage Charges*
Access Charges and Usage Charges have been indexed by 3% for the 2009/2010 Financial Year in accordance with the draft Strategic Business Plan for Sewerage Services.

Section 356 Donations

In accordance with the Local Government Act 1993, Council is required to give public notification of donations or financial assistance provided to organisations. A schedule of Council's proposed Section 356 Donations for 2009/2010 has been included with Council's Draft Management Plan.

Quarterly Performance Reports

The Draft Management Plan itemises performance indicators for each objective contained within Council's Principal Activities and their respective performance targets.

Every three months, Council will receive a "report card" on how the organisation is performing against these indicators and targets. This report is open to public scrutiny and allows members of our community to form their own assessment of Council's performance. This is an important and transparent way of measuring how well we are serving our community.

BUDGET IMPLICATIONS

The Draft Management Plan sets the budget for 2009/2010 and provides a starting point for the establishment of the budgets for the four subsequent years. The budget for 2009/2010 has been significantly impacted by the following items:

- A gradual decline in interest rates over past years and a more conservative strategy has resulted with Investment Revenue being forecast at \$152,000 less than the prior year.
- Revised superannuation contributions for the defined benefits superannuation scheme (pre-1992 employees) has been forecast at \$112,000 more than the prior year.

POLICY CONSIDERATIONS

As indicated in this report, the Draft Management Plan is presented on the basis of provision of the same levels of service and resourcing. Should Council resolve in a manner which differs from that which is presented in the Draft Management Plan, then the appropriate alterations will be made to the Draft Management Plan document prior to it being placed on public exhibition.

03) REPORT OF COUNCIL INVESTMENTS AS AT 28th FEBRUARY 2009
(Manager Financial Services)

RECOMMENDED:

1. That the Report indicating Council's Investment position as at 28 February 2009 be received and noted.
2. That the Certification of the Responsible Accounting Officer be noted and the Report, be adopted.

REPORT

This report provides details of Council's Investment Portfolio as at 28 February 2009.

Council's total Investment and Cash position as at 28 February 2009 is \$5,766,947.82. Investments earned interest of \$13,233.95 for the month of February 2009.

Council's monthly net return annualised for February 2009 of 4.80% outperformed the 90 day Bank Bill Swap Rate of 3.14%.

Council's financial year to date return at February 2009 of 6.69% outperforms the 90 day Bank Bill Swap Rate average for financial year to date of 5.57%.

BUDGET IMPLICATIONS

A good investment strategy optimises Council's return on investments.

POLICY CONSIDERATIONS

Nil effect.

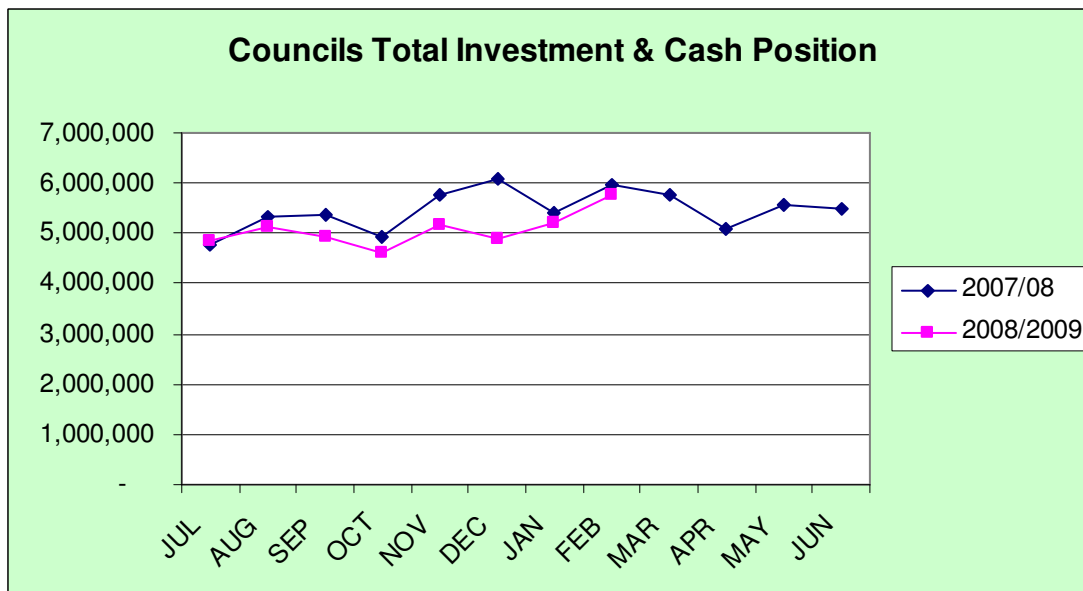
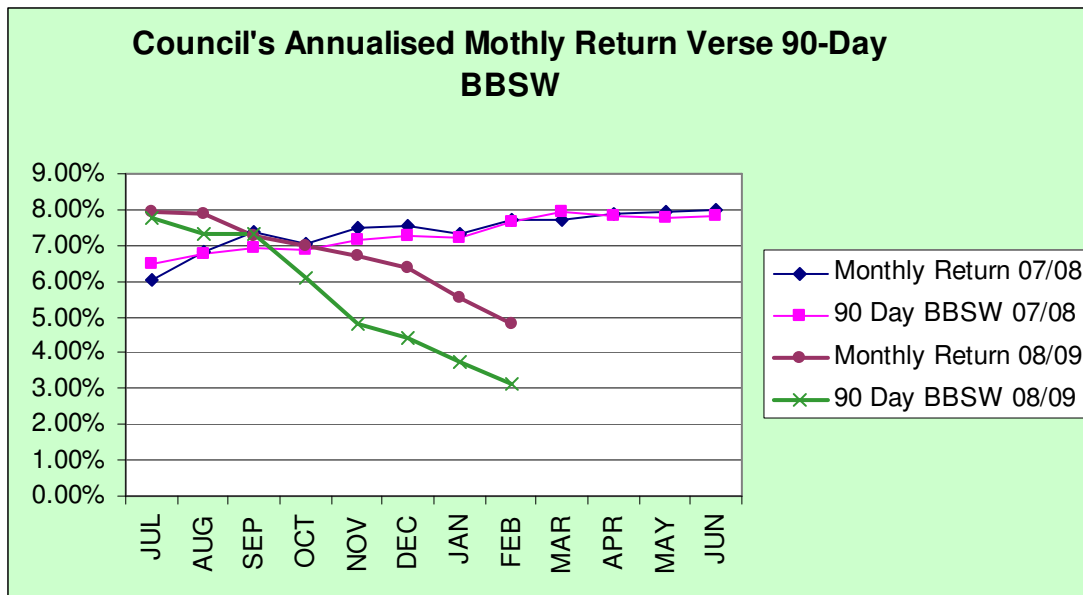
CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

REGISTER OF INVESTMENT AND CASH AS AT 28TH FEBRUARY 2009

Institution	Amount \$	Monthly Net Return Annualised
<u>Term Deposits</u>		
Suncorp	500,000.00	5.28%
ACCU (Australian Central Credit Union)	500,000.00	4.50%
SGE Credit Union	500,000.00	4.40%
Comminvest	500,000.00	5.35%
Australian Defence Credit Union	500,000.00	5.60%
Australian Defence Credit Union	500,000.00	5.07%
QLD police Credit Union	500,000.00	4.36%
Total	3,500,000.00	5.03%
<u>Collateralised Debt Obligation (CDO's)</u>		
ANZ Custodian (Kakadu, BBSW + 100 points)	500,000.00	5.25%
ANZ Custodian (Flinders, BBSW + 150 points)	500,000.00	5.75%
Total	1,000,000.00	5.50%
<u>Principal Protected Growth Products</u>		
ANZ Custodian (Credit Suisse)	500,000.00	0.00%
Total	500,000.00	0.00%
Total Investments	5,000,000.00	4.52%
Benchmark: BBSW 90 Day Index		3.14%
Commonwealth Bank Balance	766,947.82	
TOTAL INVESTMENTS & CASH	5,766,947.82	

Summary of Investment movements - February			
Financial Institution	Fund Rating	Invst/(Recall) Amount \$	Commentary
<u>Term Deposits</u>			
Australian Central Credit Union		(504,582.60)	Maturity of Term Deposit 02/02/2009
Maitland Mutual Building Society		(504,549.54)	Maturity of Term Deposit 3/02/2009
Maitland Mutual Building Society		(500,445.21)	Maturity of Term Deposit 12/02/2009
SGE Credit Union		(508,704.11)	Maturity of Term Deposit 23/02/2009
Maitland Mutual Building Society		500,000.00	Investment Term Deposit 02/02/2009
Australian Central Credit Union		500,000.00	Investment Term Deposit 02/02/2009
Australian Defence Credit Union		500,000.00	Investment Term Deposit 03/02/2009
QLD Police Credit Union		500,000.00	Investment Term Deposit 19/02/2009
SGE Credit Union		500,000.00	Investment Term Deposit 23/02/2009



04) REPORT OF COUNCIL INVESTMENTS AS AT 31st MARCH 2009
(Manager Financial Services)

RECOMMENDED:

1. That the Report indicating Council's Investment position as at 31 March 2009 be received and noted.
2. That the Certification of the Responsible Accounting Officer be noted and the Report, be adopted.

REPORT

This report provides details of Council's Investment Portfolio as at 31 March 2009.

Council's total Investment and Cash position as at 31 March 2009 is \$6,191,428.65. Investments earned interest of \$18,470.41 for the month of March 2009.

Council's monthly net return annualised for March 2009 of 4.44% outperformed the 90 day Bank Bill Swap Rate of 3.15%.

Council's financial year to date return at March 2009 of 6.44% outperforms the 90 day Bank Bill Swap Rate average for financial year to date of 5.30%.

BUDGET IMPLICATIONS

A good investment strategy optimises Council's return on investments.

POLICY CONSIDERATIONS

Nil effect.

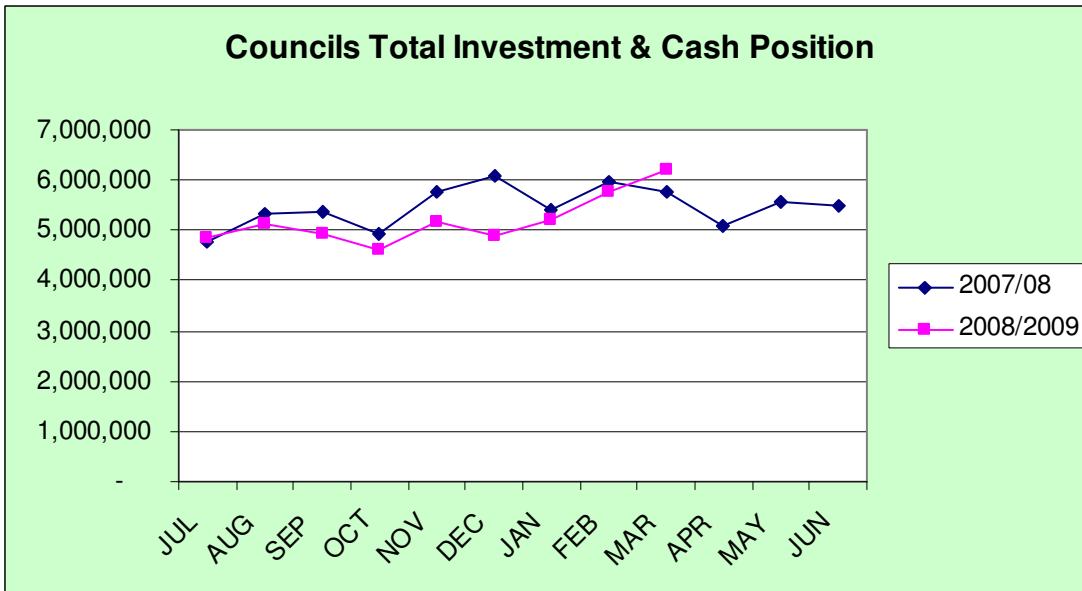
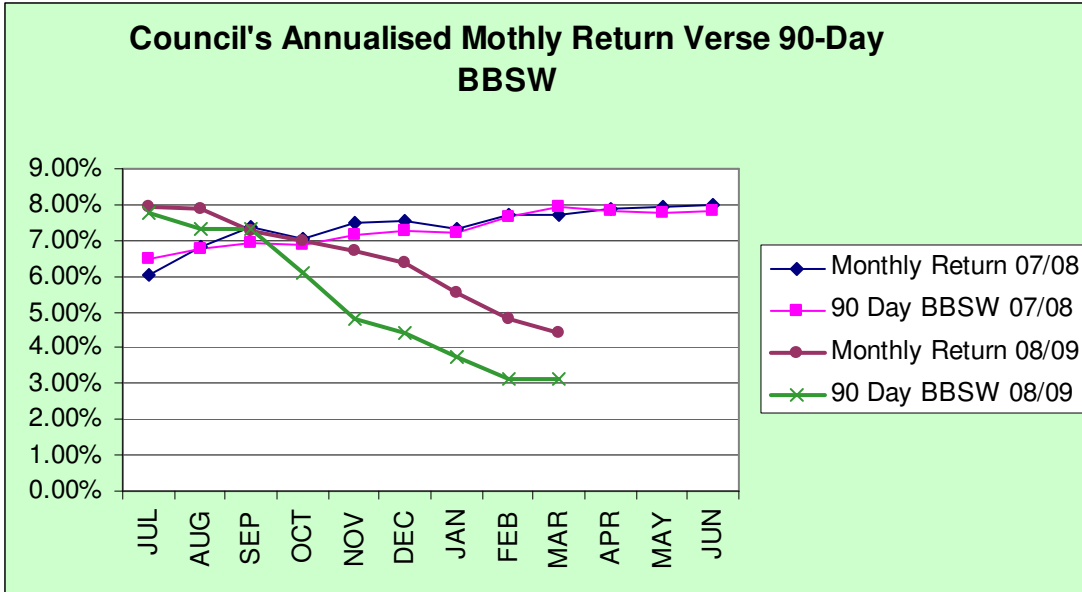
CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

REGISTER OF INVESTMENT AND CASH AS AT 31ST MARCH 2009

Institution	Amount \$	Monthly Net Return Annualised
<u>Term Deposits</u>		
Suncorp	500,000.00	5.28%
ACCU (Australian Central Credit Union)	500,000.00	4.50%
SGE Credit Union	500,000.00	4.40%
Cominvest	500,000.00	5.35%
Australian Defence Credit Union	500,000.00	5.60%
Australian Defence Credit Union	500,000.00	4.30%
Bank of Queensland	500,000.00	4.25%
Citibank Limited	500,000.00	4.45%
SGE Credit Union	500,000.00	4.00%
Total	4,500,000.00	4.68%
<u>Collateralised Debt Obligation (CDO's)</u>		
ANZ Custodian (Kakadu, BBSW + 100 points)	500,000.00	5.25%
ANZ Custodian (Flinders, BBSW + 150 points)	500,000.00	5.75%
Total	1,000,000.00	5.50%
<u>Principal Protected Growth Products</u>		
ANZ Custodian (Credit Suisse)	500,000.00	0.00%
Total	500,000.00	0.00%
Total Investments	6,000,000.00	4.44%
Benchmark: BBSW 90 Day Index		3.15%
Commonwealth Bank Balance	191,428.65	
TOTAL INVESTMENTS & CASH	6,191,428.65	

Summary of Investment movements - March			
Financial Institution	Fund Rating	Invst/(Recall) Amount \$	Commentary
<u>Term Deposits</u>			
Australian Defence Credit Union		(502,083.56)	Maturity of Term Deposit 05/03/2009
QLD Police Credit Union		(501,911.23)	Maturity of Term Deposit 23/03/2009
Bank of Queensland		500,000.00	Investment Term Deposit 12/03/2009
SGE Credit Union		500,000.00	Investment Term Deposit 26/03/2009
Australian Defence Credit Union		500,000.00	Investment Term Deposit 5/03/2009



05) 2008 LOCAL GOVERNMENT ELECTION
(General Manager)

RECOMMENDED:

1. That the report on the final costs of the 2008 Local Government Election, be received and noted.

REPORT

At Council's August 2007 Ordinary Meeting, a report was considered relating to the estimated cost to Council of the upcoming Local Government Elections.

In brief, this report identified that the total cost of the 2004 Local Government Election was \$25,135.20 which included a payment of \$8,192.98 to the NSW Electoral Commission, and that the NSW Electoral Commission estimated their charge for the 2008 Local Government Election to be \$33,200 (calculated at \$7.14 per elector). In informing Council of this estimate, the NSW Electoral Commission advised that their estimate included the charges associated with the production of the ballot papers, and excluded the costs associated with the engagement of full-time Council employees.

In May 2008 Council received a revised detailed estimate for the election which had been prepared on the basis of a returning officer being shared with Bathurst Regional Council. The revised estimate amounted to \$44,900 and provided a breakdown of the items which were included.

Council is now in receipt of the final invoice for the 2008 election. The total amount charged by the NSW Electoral Commission is \$36,200. In addition to this amount, Council paid \$2,119.58 for advertising associated with the preparation of the Non-Residential Rolls. Hence, the total cost of the 2008 Local Government Election for Blayney Shire amounted to \$38,319.58, an increase of 152% when compared to the costs of the 2004 election.

BUDGET IMPLICATIONS

Council's 2008/2009 budget included a \$50,000 provision for the 2008 Local Government Election. An adjustment to this estimate will be included with Council's March Quarterly Budget Review.

POLICY CONSIDERATIONS

Nil effect.