

# **COBAR SHIRE COUNCIL**



## **FINANCE & POLICY COMMITTEE MEETING AGENDA**

**THURSDAY 9 JUNE 2016**

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## **~ ORDER OF BUSINESS ~**

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Business for the meeting will be as follows:

1. Apologies
  2. Declaration of Interests
  3. General Manager's Report – Part A (Action)
  4. General Manager's Report – Part B (Information)
  5. Matters of Urgency
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## ~ TABLE OF CONTENTS ~

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<b><u>PART A - ACTION</u></b>	<i>Page Number</i>
Report 1A – 2016 Statewide Mutual Risk Management Conference – The Local Government Risk Management Conference .....	3
Report 2A – Policy for the Provision and Use of Council’s Corporate Credit Card.....	5
<b><u>PART B - INFORMATION</u></b>	<i>Page Number</i>
Report 1B – Update on Infrastructure Project Finances .....	6
Report 2B - Bank Reconciliation, Cash Flow & Loan Facility Summaries as at 31 May 2016 .....	7
Report 3B – Rates Reconciliation Report as at 31 May 2016.....	9
Report 4B – Grant Report.....	10
Reference to Attachments .....	13

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**REPORT 1A – 2016 STATEWIDE MUTUAL RISK MANAGEMENT  
CONFERENCE – THE LOCAL GOVERNMENT RISK MANAGEMENT  
CONFERENCE**

**FILE: R4-1, R4-4                      AOP REFERENCE: 3.1.4                      ATTACHMENT: NO**

**AUTHOR: *Director of Corporate and Community Services, Kym Miller***

**Purpose**

The purpose of this report is to provide information to Council about the annual Local Government Risk Management Conference which is scheduled to be held in Sydney on 25 and 26 August 2016.

**Background**

This report details the relevance of staff attending the Conference and the costs.

The theme of this year's conference is "*Circle of Risk*". The dynamic environment in which we operate requires us to embrace the ever-evolving nature of risk towards continual improvement. The conference aims at getting Councils prepared for such risks by:

- Providing speakers from all corners of the industry;
- Provide networking opportunities; and
- Showing case studies from members.

**Issues**

It has been usual for the Human Resources Manager (who also has risk management coordination responsibilities) to attend the Annual Risk Management Conference organised by Council's risk insurers, Statewide Mutual. Because of the temporary nature of appointments in Human Resources and Risk it is suggested that the General Manager select an attendee closer to the event.

The Conferences over the years have been extremely beneficial as many of the speakers on the program are Risk Managers from other Councils who showcase how they have addressed challenges and overcome issues with limited resources.

This Conference is important as it provides the opportunity to keep up to date with changes in risk management principles, best practice in local government and networking opportunities for Councils that are rural and remote (like Cobar) that do not employ a Risk Manager to have access to some of the best Risk Managers in the Sector. The Conference will also provide Council with an opportunity to further discuss resourcing issues in relation to Risk Management with Statewide Mutual, in particular opportunities for resource sharing.

Cobar Shire Council has not sent any delegates to the previous two yearly conferences due to staff changes and conflicting dates with prior engagements.

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**Financial Implications**

Registration costs are \$495.00 per delegate inclusive of lunches and \$160.00 for a Conference dinner on the Thursday night. Accommodation costs would be approximately \$250.00 per room per night for three nights and travel costs of \$500.00 would be required.

It should be noted that Statewide Mutual's risk rebates in the 2015/2016 year are \$33k and a similar amount could be expected in 2016/2017. A portion of this could be set aside to cover the conference costs.

**RECOMMENDATION**

**That Council approves the attendance of one Council employee (selected by the General Manager) at the 2016 Local Government Risk Management Conference.**

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**REPORT 2A – POLICY FOR THE PROVISION AND USE OF COUNCIL’S CORPORATE CREDIT CARD**

**FILE: P5-50**

**AOP REFERENCE: 3.1.5.2**

**ATTACHMENT: YES**

**(PAGE 16-23)**

**AUTHOR: *Director of Corporate and Community Services, Kym Miller***

**Purpose**

To amend the ‘Policy for the Provision and Use of Council’s Corporate Credit Card’ by adding an additional card holder.

**Background**

Council has a number of credit cards which are held by Officers authorised under this policy and general delegations. The Executive Assistant to the General Manager and Mayor does most of the travel bookings for these Officers. To do this they have to ask card holders to assist with the transaction. This is entirely impractical.

**Issues**

Opportunity has been taken to do some other wordsmithing on the existing policy without altering the intent of the document.

**Policy Implications**

Once adopted by Council, the attached Policy will replace the former existing Policy. Other delegation documents will need to be consistent with this.

**Financial Implications**

There is capacity in the bank facility as the level allocated to the Mayor is not used.

**RECOMMENDATION**

**That the Executive Assistant to the General Manager and Mayor be issued with a Corporate Credit Card with a limit of \$5,000 and the amended Policy be adopted.**

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**REPORT 1B – UPDATE ON INFRASTRUCTURE PROJECT FINANCES****FILE: G4-29 AOP REFERENCE: 4.1.4.3, 4.3.2 & 4.4.4 ATTACHMENT: NO****AUTHOR: *Project Manager, David Sechtig******Project Executive Officer, Heather Holder*****Purpose**

To provide Council with an update on the infrastructure projects budgets and expenditure as at 31 May 2016.

**Background**

Cobar Shire Council was successful in obtaining funding for three projects through the Resources for Regions Restart NSW provided by the NSW State Government. One project has been completed with two ongoing projects.

**Financial Implications**

	<b>Restart NSW Funding</b>	<b>Cobar Shire Council Funding</b>	<b>Expended as at 31 March 2016</b>	<b>Project Status</b>
Water Treatment Plant	\$7,800,000	\$200,000	\$603,158	- Power supply work continuing. - Continued works on WTP to obtain shovel ready project.
Sewerage Scheme Refurbishments Expansion and Upgrade	\$2,100,000	\$100,000	\$135,382	- Ward Oval pump station refurbishment tender awarded. - Lagoon upgrade on ground works are continuing.

Please note, at the time of writing this report, Council is unaware of any outstanding commitments or engagements on behalf of the Council made by NSW Public Works for either of these projects.

**RECOMMENDATION**

**That Council receive and note the updated financial information for the two Restart NSW Resources for Regions infrastructure projects.**

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**REPORT 2B – BANK RECONCILIATION, CASH FLOW & LOAN FACILITY  
SUMMARIES AS AT 31 MAY 2016**

**FILE: B2-7      AOP REFERENCE: 3.1.1.5      ATTACHMENT: NO**  
**AUTHOR: *Manager Finance & Administration, Neil Mitchell***

**Purpose**

Council has requested that the following financial information be presented to each meeting of Council: reconciled bank balance, cash flow statement and loan facilities.

**Bank Reconciliation**

Balance as per Bank Statement	10,000
Add: Outstanding deposits	12,366
Deduct: Unpresented Cheques	(19,808)

<b>BALANCE AS PER CASH BOOK</b>	<b>2,558</b>
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*In accordance with the requirements of the Local Government Act, 1993, I hereby certify that the Cash Book has been reconciled with the appropriate Bank Statements on a daily basis, during the month of May 2016 and that the reconciliations have been recorded.*



Manager Finance & Administration

**Summary of Total Funds Available at Month End for the Last 12 Months**

Month	Investment Balances	Operating Account	Total Available Funds
Jun-15	10,473,979	153	10,474,132
Jul-15	12,971,035	8,402	12,979,437
Aug-15	13,801,984	42,273	13,844,257
Sep-15	12,482,788	2,134	12,484,922
Oct-15	12,002,987	(13,000)	11,989,987
Nov-15	12,524,282	-	12,524,282
Dec-15	12,435,700	-	12,435,700
Jan-16	10,002,473	(73,800)	9,928,673
Feb-16	9,928,673	(72,231)	9,856,442
Mar-16	11,090,439	(75,849)	11,014,590
Apr-16	9,858,306	67,277	9,925,583
May-16	11,576,435	2,558	11,578,993

*12 month average of cash held: \$11,586,412  
The amount restricted in the Audited Financial Accounts for Employee Leave Entitlements  
is \$309,220.*



## Cash Flow Forecast

Forecast	Actual	Description	Forecast
May-16	May-16		June-16
0	67,277	Opening Balance	2,558
0	37,000	Regional Roads Grant	0
1,602,311	1,637,231	Financial Assistance (FAGS) and R2R	0
306,600	306,650	Fixing Country Roads	0
0	333,119	RMS Routine and Ordered Works	0
12,500	13,750	Service NSW Agency	13,750
890,000	589,537	Rates and User Charges	480,000
190,000	426,280	Private works <i>RFS Reconciliation</i>	190,000
215,000	208,162	LBV	215,000
150,000	159,426	Children's Services	150,000
1,004,500	0	Transfers from Investments	7,873,000
30,000	185,811	Sundry Income <i>Library Grant</i>	30,000
30,000	0	Plant Sales	30,000
100,000	93,232	GST	55,000
		<i>less</i>	
(2,500,000)	(1,621,023)	Creditors <i>Late invoices deferred</i>	(2,500,000)
(690,000)	(693,465)	Salaries and Wages	(1,035,000)
(1,318,611)	(1,718,129)	Transfers to Investments	(5,472,008)
(22,300)	(22,300)	Loan Repayments	(22,300)
<b>10,000</b>	<b>2,558</b>	<b>Closing Balance</b>	<b>10,000</b>

### COUNCIL'S LOAN FACILITY as at 31 May 2016

Refinanced NECU Loan (6.22%)

(\$1,597,852)

## RECOMMENDATION

That Council receive and note the Bank Reconciliation, Cash Flow and Loan Facility Summaries as at 31 May 2016.

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**REPORT 3B – RATES RECONCILIATION REPORT AS AT 31 MAY 2016****FILE: R2-1****AOP REFERENCE: 3.1.1.6****ATTACHMENT: YES (PAGE 24-25)****AUTHOR: Rates Officer, Jo-Louise Brown****Purpose**

To provide Council details of the Rate Reconciliation as at 31 May 2016.

FUND	LEVY 2015-2016	Pensioner Rebates	Abandoned Levy	Additional Levies	Sub Total 2015-2016	Arrears 30th Jun 15	Payments	Total Outstanding	Total Outstanding Previous Year	% Outstanding of Sub Total Plus Arrears
Business	373,284.09		-	-	373,284.09	28,372.80	344,041.97	57,614.92	44,372.73	14.34%
Farmland	636,330.18		2,887.60	-	633,442.58	30,712.52	604,506.44	59,648.66	71,241.31	8.98%
Mining	1,562,018.90		-	-	1,562,018.90	100,980.00	1,541,503.98	121,494.92	139,702.04	7.31%
Residential	1,125,966.49	54,697.80	251.00	320.50	1,071,338.19	163,655.32	972,033.98	262,959.53	210,266.23	21.29%
Overpayments					-	-112,364.94	- 209.77	-112,155.17	-94,800.24	99.81%
Legal Costs			-	8,500.36	8,500.36	34,066.14	13,698.27	28,868.23	36,059.30	67.82%
Interest			-	9,869.61	<b>9,869.61</b>	74,347.87	13,119.10	71,098.38	56,966.41	84.42%
<b>General Rates</b>	<b>3,697,599.66</b>	<b>54,697.80</b>	<b>3,138.60</b>	<b>18,690.47</b>	<b>3,658,453.73</b>	<b>319,769.71</b>	<b>3,488,693.97</b>	<b>489,529.47</b>	<b>463,807.78</b>	<b>12.31%</b>
<b>Domestic Waste</b>	<b>571,520.00</b>	<b>19,639.70</b>	<b>910.00</b>	<b>207.50</b>	<b>551,177.80</b>	<b>26,068.33</b>	<b>507,395.68</b>	<b>69,850.45</b>	<b>46,724.95</b>	<b>12.10%</b>
<b>Sewerage</b>	<b>714,501.11</b>	<b>20,825.00</b>	<b>330.00</b>	-	<b>693,346.11</b>	<b>42,857.67</b>	<b>652,625.48</b>	<b>83,578.30</b>	<b>50,113.29</b>	<b>11.35%</b>
Cobar Water	617,750.00	22,225.01	240.00	-	595,284.99	23,343.92	556,642.17	61,986.74	45,597.65	10.02%
Nymagee Water	26,250.00	612.50	2,290.00	-	23,347.50	5,829.76	22,599.68	6,577.58	6,825.28	22.54%
Euabalong Water	41,495.00	1,203.12	1,705.00	585.00	39,171.88	8,321.50	36,867.62	10,625.76	10,233.86	22.37%
Euab West Water	25,720.00	525.00	-	-	25,195.00	4,905.32	24,576.93	5,523.39	5,956.83	18.35%
Mt Hope Water	6,800.00	21.87	680.00	-	6,098.13	249.72	5,866.99	480.86	1,320.89	7.58%
<b>Water Access</b>	<b>718,015.00</b>	<b>24,587.50</b>	<b>4,915.00</b>	<b>585.00</b>	<b>689,097.50</b>	<b>42,650.22</b>	<b>646,553.39</b>	<b>85,194.33</b>	<b>69,934.51</b>	<b>11.64%</b>
<b>Water Usage</b>	<b>1,612,622.80</b>		<b>20,875.20</b>	<b>469.00</b>	<b>1,592,216.60</b>	<b>474,833.87</b>	<b>1,947,992.52</b>	<b>119,057.95</b>	<b>62,278.48</b>	<b>5.76%</b>
<b>TOTAL</b>	<b>7,314,258.57</b>	<b>119,750.00</b>	<b>30,168.80</b>	<b>19,951.97</b>	<b>7,184,291.74</b>	<b>906,179.80</b>	<b>7,243,261.04</b>	<b>847,210.50</b>	<b>692,859.01</b>	<b>10.47%</b>

**RECOMMENDATION****That the Rates Reconciliation Report as at the 31 May 2016 be received and noted.**

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**REPORT 4B – GRANT FUNDING**

FILE: G4-17

AOP REFERENCE: 3.1.1.4

ATTACHMENT: NO

AUTHOR: *Special Projects Officer, Angela Shepherd***Grant Update**

Grant and Department	Activity	Amount Applied For	Successful?	Council Funding Required	Deadline for Project
<b>Grants Applied for</b>					
RMS funding for Aboriginal communities	To reconstruct and seal three roads within the community and to undertake potholing on the rest of the network.	Approx. \$450,000 over four different grants	Pending	Nil.	Council supplied the information to RMS for them to submit the application. Will be for the 2016/2017 year.
Liveable Communities Grant (FACS)	Establish a Wellness Centre in Cobar.	\$86,000	EOI pending	Nil. This grant was put in under the NSWODGP.	
Murray Darling Basin Energise Enterprise Fund	Training for businesses – visual marketing and online/social media.	\$11,900	Pending	Nil.	Submitted in partnership with the Cobar Business Association. Expected to be awarded early May.
National Stronger Regions Fund	Upgrade and Extension of the Cobar Youth and Fitness Centre	\$640,000	Pending	\$295,000 made up of S94A funds, matching grant funds and allocated grant funding. Project also requires \$20,000 from Peak and includes \$25,000 already received	Announcement was expected July, however Federal election will put this back.

				from NSW Sport and Rec.	
Fixing Country Roads	Seal Extension – 12 Grain Road (SR20).	\$2m	Pending	Council to contribute \$350,000.	
Fixing Country Roads	Realignment and Seal Extension (4km).	\$800,000	Pending	Council to contribute \$200,000.	
Innovation Fund	Purchase and implementation of an Electronic Document Management System (EDMS).	\$150,000	Pending	\$80,000 from this year's IT budget, an additional \$10,000 from next year's IT budget.	
Resources for Regions	Upgrade and Extension of the Cobar Youth and Fitness Centre.	\$690,000	Pending	\$245,000 made up of S94A funds, matching grant funds and allocated grant funding. Project also requires \$20,000 from Peak and includes \$25,000 already received from NSW Sport and Rec.	
Public Reserves Management Fund Program	Boxthorn removal and the Euabalong Common.	\$21,816	Pending	Nil – Council's Weeds Officer would undertake the work.	
Public Reserves Management Fund Program	Irrigation and fencing at Euabalong Sports Ground.	\$51,655	Pending	Nil.	
Public Reserves Management Fund Program	New Main Pavilion at Ward Oval – new shed.	\$99,435	Pending	\$29,865 from matching grants budget allocation.	
Water Security Backlog Program	Funding for the new Water Treatment Plant.	\$7.5m	Pending	Existing grant funding and Council	

				contribution used as matching funding.	
Heavy Vehicle Safety Program	New heavy vehicle wash bay.	\$125,000	Pending	\$125,000 - \$90,000 is in the budget, will need to allocate a further \$35,000.	

Also assisted the Cobar Business Association to submit a grant under the Stronger Communities Fund for the Miners Memorial Project.

Grant and Department	Activity	Amount Applied For	Successful?	Council Funding Required	Comment
<b>Grants Announced</b>					
Sport and Recreation	New long jump runway for Ward Oval.	\$16,102	Unsuccessful	\$15,102 Council and \$1,000 from Cobar Little Athletics.	Submitted by Little A's as Council is ineligible.

### Current Grant Opportunities

- LLS Incentives Program – considering an application;
- Murray Darling Basin Energise Enterprise Fund – awaiting a new round to open. Council resolution to submit a proposal for an Economic Strategy and action plan to diversify Cobar's economic base. Also working with DPI on this initiative;
- Heritage Activation Grant – currently investigating options under this fund (rejuvenation of local history places). Applications close Monday 27 June 2016;
- Eco schools funding for plantings – talking to schools about applications. Up to \$3,500 available. Due 17 June;
- NSW Housing Fund – up to \$50,000 available for projects that benefit housing residents, such as parks etc. Closes 9 June. Investigating options;
- Youth Opportunities grant – up to \$50,000. Closes 27 June. In discussions with Batyr for a joint project.

### Grant Funded Projects – Implementation

The following is a summary of works in progress for grant funded projects:

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- Nymagee Tennis Courts – tennis court formed up, lights purchased and installed, fence removed, new fence materials ordered. Court still to be sealed and line marked – seeking a sealing contractor to come to Cobar. An extension for this project has been granted;
  - Drummond Park synthetic turf – equipment purchased, shed ordered and awaiting delivery. Contractors on notice to commence project as soon as shed arrives. Synthetic grass ordered;
  - Youth Opportunities – currently finalising program of events with stakeholders;
  - Environmental Education Grant – first field day held Tuesday 5 April 2016 with school students. Over 70 students were involved on the day learning about how water within the Newey Reservoir is tested, what can influence poor water quality results and Council's role with regards to water quality testing. Students also learnt about noxious weeds on the day;
  - Dumping Grant through Netwaste –The online portal to notify of illegal dumping incidents (RidOnline) was officially launched on Monday 11 April at the Library. Regular patrols have been undertaken as well, which has led to the documenting of a number of dumping incidents. The project has also been discussed on ABC Radio during an interview with Council's Manager of Planning and Environmental Services.

### **RECOMMENDATION**

**That the information contained in the grant funding report detailing grants applied for, grants announced and grants available be received and noted.**

# **ATTACHMENTS**



## **FINANCE & POLICY COMMITTEE MEETING AGENDA**

**THURSDAY 9 JUNE 2016**

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## ~ REFERENCE TO ATTACHMENTS ~

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### PART A – ACTION

Report 2A – Policy for the Provision and Use of Council’s Corporate Credit Card ..16-23

### PART B – INFORMATION

Report 3B – Rates Reconciliation Report as at 31 May 2016 .....24-25