

**ADDENDUM REPORT TO ORDINARY MEETING OF
GREATER HUME SHIRE COUNCIL TO BE HELD AT
JINDERA COMMUNITY HUB, 83 URANA STREET, JINDERA
ON WEDNESDAY, 16 AUGUST 2017**

OFFICER'S REPORT – PART A – FOR DETERMINATION

PART A – FOR DETERMINATION

GOVERNANCE

1. AUSTRALIA DAY 2018 REPORT

Report prepared by Tourism and Promotions Officer – Kerrie Wise

REASON FOR REPORT

To update councilors on the meeting held with representatives of St John's Lutheran Primary School, Jindera 150th Celebrations Committee partnering with Jindera Primary School and Australia Day Council Committee.

REFERENCE TO DELIVERY PLAN ACTION

Strategy Council is responsive to community needs and priorities

Action 1.1.2.7 Recognise Community leaders and their efforts and encourage others in the community to take up leadership roles.

Strategy Welcome people from diverse culture to live, work and settle in Greater Hume Shire.

Action 2.1.1.1 Encourage more residents to be involved in the Greater Hume Shire and events.

DISCUSSION

Two expressions of interest have been received from St John's Lutheran Primary School and Jindera 150th Celebrations Committee partnering with Jindera Primary School to host the 2018 Australia Day Celebrations.

A meeting was held on Monday, 14 August with representatives of the Australia Day Committee, St John's Lutheran Primary School and Jindera 150th Celebrations Committee/Jindera Primary School to discuss a suitable venue and hosting arrangements.

It was determined that to hold the Australia Day event at the Jindera Recreation Reserve, Dight Street, Jindera (the location for the 2011 Australia Day event in Jindera) and to form a subcommittee of representatives of St John's Lutheran Primary School, Jindera 150th Celebrations Committee, Jindera Primary School and Tourism and Promotions Officer to work through joint hosting arrangements and planning of community events on the day.

The Jindera Village Green was considered as a suitable venue however due to insufficient space at the Village Green and potential parking issues it was determined that the Recreation Reserve was a better location.

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AUSTRALIA DAY 2018 REPORT [CONT'D]

BUDGET IMPLICATION

Provision is made in recurrent budgets to host Australia Day.

CONCLUSION

Australia Day is Council flagship annual event and has attracted crowds of well over 500 people since its inception. The Jindera Recreation Reserve was an ideal location for the 2011 Australia Day Celebrations.

RECOMMENDATION

That 2018 Australia Day be held at the Jindera Recreation Reserve, Dight Street, Jindera, and St John's Lutheran Primary School, Jindera 150th Celebrations Committee and Jindera Primary School be invited to co-host the event.

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CORPORATE AND COMMUNITY SERVICES

1. INTERIM 2016/2017 QUARTERLY BUDGET REVIEWAS AT 30 JUNE 2017

Report prepared by Chief Financial Officer – Dean Hart

REASON FOR REPORT

For Council to consider interim restricted cash and investments as at 30 June 2017.

REFERENCE TO DELIVERY PLAN ACTION

Not applicable – legislative requirement

DISCUSSION

Further reconciliations of restricted cash and investments as at 30 June 2017 have been completed and details of interim External Restrictions, Internal Restrictions, Unexpended Grants are **ENCLOSED SEPARATELY** for the information of Councillors.

The only alteration to date to the schedule of uncompleted works is the accounting treatment of remaining works for swimming pools.

The remaining swimming pool upgrade works at Henty and Holbrook will be funded from existing reserves, remaining grant payments and community contributions.

A revised budget summary and schedule of uncompleted works is attached as **ANNEXURE 1**.

Councillors will note that total External Restrictions have increased by \$4.7m which is predominately made up of the prepayment of Financial Assistance Grants (\$2.45m) and payment for Holbrook & Woomargama Bypass Handover Works (2.37m). Total Internal Restrictions have decreased by \$2.3m which is predominately due to the spending of funds held in the Jindera Hostel Sale Proceeds Reserve following construction of the Jindera Community Hub.

Overall, Interim Uncompleted Works total \$3.4m which is consistent with final figures for the previous financial year which confirms that the majority of the 2016/2017 works program has been completed.

BUDGET IMPLICATIONS

Part of overall budget review process

CONCLUSION

Further reconciliations of restricted cash and investments as at 30 June 2017 have been completed and details of interim External Restrictions, Internal Restrictions, Unexpended Grants and Uncompleted Works are hereby presented to Council.

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INTERIM 2016/2017 QUARTERLY BUDGET REVIEW AS AT 30 JUNE 2017 [CONT'D]

RECOMMENDATION

That:

1. Council note and approve the Interim Budget Review Statement including the proposed amounts to be carried forward as uncompleted works as at 30 June 2017.
2. Council note and approve the interim restricted cash and investments as at 30 June 2017.

INTERIM 2016/2017 QUARTERLY BUDGET REVIEW AS AT 30 JUNE 2017

Report prepared by Chief Financial Officer – Dean Hart

REASON FOR REPORT

To present the Interim Budget Review as at 30 June 2017 in accordance with Section 203 of the Local Government (General) Regulation 2005.

REFERENCE TO DELIVERY PLAN ACTION

Not Applicable – legislative requirement

DISCUSSION

The Interim Budget Review as at 30 June 2017 is attached as **ANNEXURE 6**. The Budget Review, as presented, indicates that the projected 2016/2017 cash deficit will be \$43,366 which represents an improvement of \$38,445 on the budget deficit of \$81,811 reported to Council at the 31 March 2017 budget review. Councillors should note that the overall budget improvement of \$2,493,736 includes the prepayment of two quarters of the 2017/2018 Financial Assistance Grant totalling \$2,455,291.

OVERALL BUDGET REVIEW

Detailed below is a full review on a functional basis with comments. The commentary below provides an explanation of major variances (greater than \$5,000).

GOVERNANCE

Function and comment	Projected Budget Variance \$	Amount Carried Forward
Elected Members Expenses Satisfactory	-563	5,000
Governance Expenses Additional costs of \$15k associated with NSW Audit Office management of external audit process. Development of Community Strategic Plan \$11k. Allocation of \$30k for Council rebranding project offset by reduction in Council signage allocation in Tourism area.	-33,842	18,000
Risk Management Excess amount payable on insurance claims lower than budget estimates.	+6,754	Nil
TOTAL GOVERNANCE	-27,651	23,000

Function and comment		Projected Budget Variance \$	Amount Carried Forward
<p>Corporate Services Administration and Customer Service Centres Rental costs for Jindera Customer Service centre exceeded budget due to the late lodgement of rent invoices by the property owner resulting 18 months rental being charged in the 2016/2017 year. Some other budget areas such as Postage and Printing exceeded budget whereas other areas such as Building Maintenance costs were under budget.</p>		-26,061	50,800
<p>Information Technology Services Data usage charges exceeded budget due to the requirement for increased bandwidth to cater for effective data and voice communications between Council offices. Management are liaising with Telstra in relation to appropriate NBN options.</p>		-34,374	Nil
<p>Employment On-Costs Final reconciliation of Employment on-costs and Engineering overhead recoveries reconciled and net surplus of overhead recoveries has not been completed and will be finalised during preparation of the financial statements.</p>		+13,109	Nil
<p>Engineering Administration Engineering Administration salaries exceeded budget by \$17k due primarily to staff not taking their full allocation of leave. Overall other costs satisfactory. On cost recovery generated through private works will be transferred to Works Warranty Reserve following final reconciliation.</p>		-21,504	50,000
<p>Depot Administration and Maintenance Better than anticipated budget result due to the recovery of electricity charges for the Holbrook Works Depot that were levied and paid in error.</p>		+30,281	791,383
<p>Vehicle Hire</p>		Nil	Nil
<p>Plant Operations</p>		Nil	Nil
<p>TOTAL ADMINISTRATION</p>		-38,550	892,183

PUBLIC ORDER AND SAFETY**ANNEXURE 1 ADDENDUM REPORT**

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Animal Control Wages lower than budgeted due to the rangers allocating hours to other budget cost centres.		+24,572	Nil
Fire Services Final expenditure totals as reconciled to 30 June 2017		-4,497	Nil
Emergency Services Satisfactory		+597	Nil
TOTAL PUBLIC ORDER & SAFETY		+20,672	Nil

HEALTH SERVICES

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Health Administration Satisfactory		+885	85,000
TOTAL HEALTH SERVICES		+885	85,000

ENVIRONMENT

ANNEXURE 1 ADDENDUM REPORT

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Waste Management Increase in budget estimate for waste revenue (\$k) primarily due to an increase in revenue from tipping fees and the sale of recyclable material. A net allocation of \$20k has been transferred to the Waste Reserve after allowing for leachate works undertaken at the Holbrook Landfill during 2016/2017.		-888	Nil
Noxious Animals & Insects Satisfactory		+735	Nil
Noxious Plants Satisfactory.		+329	30,536
Riverina Noxious Weeds Satisfactory		Nil	Nil
Street Cleaning Satisfactory		-2,076	Nil
Stormwater Maintenance & Drainage Maintenance costs lower than budget		+10,193	322,414
TOTAL ENVIRONMENT		+8,293	352,950

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Family Day Care Satisfactory		Nil	Nil
In Home Care Satisfactory		Nil	Nil
Preschools Satisfactory		-1,163	Nil
Youth Services Satisfactory		+142	Nil
Community Housing Satisfactory		Nil	Nil
Frampton Court Rental Units Satisfactory		Nil	Nil
Kala Court Rental Units Satisfactory		Nil	Nil
Kala Court Self-Funded Units Satisfactory		Nil	Nil
Aged Care Rental Units – Culcairn Satisfactory		Nil	Nil
Aged Care Rental Units – Howlong Satisfactory		Nil	Nil
Aged Care Rental Units – Jindera Satisfactory		Nil	Nil
Compacts Satisfactory		Nil	Nil
Community Services – Discontinued Programs Satisfactory		Nil	Nil
Other Community Services Satisfactory		-1,533	Nil
TOTAL COMMUNITY SERVICES & EDUCATION		-2,554	Nil

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Street Lighting Satisfactory		+1,841	56,615
Public Cemeteries Revenue from cemetery fees higher than budget and slightly lower operating expenses.		+8,188	13,500
Town Planning Satisfactory		-4,962	5,000
Public Conveniences Combined operating and maintenance costs for public toilets significantly lower than budget		+20,653	40,000
Council Owned Housing Satisfactory. Adjustment to reserve transfer.		Nil	Nil
Wirraminna Environmental Education Centre Satisfactory		Nil	Nil
Other Community Amenities		Nil	10,000
TOTAL HOUSING & COMMUNITY AMENITIES		+25,720	125,115

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Public Halls Satisfactory		+653	35,751
Libraries Satisfactory. An adjustment of salary and wage costs made between Library and Corporate Services in relation to shared Library/Customer Service staff		+818	Nil
Riverina Regional Library Satisfactory		Nil	Nil
Community Technology Centre and Meeting Room Satisfactory. Improved income generated from hire of the Meeting Rooms. Also cleaning costs allocated to other budget areas.		+4,963	Nil
Museums Satisfactory		+968	Nil
Swimming Pools Final budget adjustment following reconciliation of income and expenditure totals for 2016/17 pool season. Overall operating expenses within budget.		+6,149	34,500
Sporting Grounds & Recreation Reserves Final costs for drainage works undertaken at Culcairn Sportsground lower than final budget. Overall maintenance costs exceeded budget by \$33k		-7,721	4,960
Parks & Gardens Maintenance costs significantly higher than budget estimates however this offset somewhat by lower maintenance costs for public toilets.		-46,118	Nil
Other Cultural Services		Nil	46,880
TOTAL RECREATION & CULTURE		-40,288	122,091

MINING, MANUFACTURING & CONSTRUCTION

Function and comment		Projected Budget Variance \$	Amount Carried Forward
Building Control Removal of budget allocation for replacement of vehicle.		+424	Nil
Quarries & Pits Satisfactory		Nil	Nil
TOTAL MANUFACTURING CONSTRUCTION	MINING, &	+424	Nil

TRANSPORT AND COMMUNICATIONS

Function and comment		Projected Budget Variance \$	Amount Carried Forward
FAG Grant – Roads Component Prepayment of two quarters of 2017/2018 grant		+982,116	Nil
Urban Roads Local Overall maintenance costs lower than budget estimates by \$47k. Contribution of \$134k received in 2016/2017 in relation to Woomargama Streetscape works undertaken in previous financial years.		+178,290	326,150
Sealed Rural Roads – Local Significant additional expenditure incurred due to severe weather events in the first part of the financial year. Council has received financial assistance of \$500k and a Natural Disaster Claim for emergency works has been submitted to Roads & Maritime Services. Refer Director Engineering reports to December 2016 and February 2017 Council Meetings. The overall budget variance in this area is offset from the budget under expenditure in the Urban Roads area.		-158,551	1,011,804
Sealed Rural Roads – Regional Satisfactory.		Nil	Nil
Unsealed Rural Roads - Local Expenditure in this area significantly exceeded the original budget due to the severe weather events as referred to above. A Natural Disaster claim has been submitted and invoices raised to Roads & Maritime Services to cover the over expenditure.		Nil	36,350

Bridges Maintenance and capital expenditure lower than budget.		+34,755	Nil
Kerb & Gutter Maintenance costs satisfactory and lower than budget. Amounts carried forward for works at Hopetoun Street Culcairn, Adams Street Jindera, Howlong-Burrumbuttock Road Burrumbuttock with the remainder carried forward from previous years' allocations.		+36,659	152,442
Footpaths Maintenance costs satisfactory. It is proposed that the carried forward amounts for Bartsch Avenue and Comer Street Henty with the remainder carried forward from previous years' allocations. An allocation of \$35k has also been received from Caltex for footpath works to be undertaken at the new Caltex Service Centre in Holbrook.		+38,575	136,285
Aerodromes Satisfactory.		-8,449	Nil
Bus Shelters Additional works carried out on bus shelter at Dights Forest Road. Offset by reductions in Kerb & Gutter and Footpath maintenance costs.		-11,390	Nil
Ancillary Road Works Satisfactory. Final reconciliation of Villages Vote with \$49,961 carried forward.		Nil	+49,961
PAMPS and Cycleways Satisfactory		Nil	+40,000
State Roads RMCC Works Extensive works have been undertaken under the RMCC State Roads contract during 2016/2017. Overheads generated under the RMCC contract have been transferred to Council's internal Works Warranty reserve.		Nil	Nil
Road Safety Officer Satisfactory. Overall costs of the RSO project lower than budget due to the incumbent employee commencing part way though the financial year.		+11,765	Nil
TOTAL TRANSPORT & COMMUNICATIONS		1,103,769	1,752,992

Summary

As the above budget variances indicated, there were a number of budget transfers between the various operational areas that make up the Transport & Communications function. For example the positive budget result achieved in Urban Roads (\$178,290) has offset additional expenditure on Sealed Rural Roads (\$158,551). In overall terms the Transport & Communication area has an improved budget outcome of \$121,653 (net of the prepaid Financial Assistance Grant) however this result follows the receipt of \$500k in emergency funding and is depended upon the approval of Natural Disaster Claims submitted to Roads & Maritime Services.

ECONOMIC AFFAIRS

Function and comment	Projected Budget Variance \$	Amount Carried Forward
Jindera Health Centre Satisfactory	+3,750	Nil
Jindera Medical Centre Satisfactory	-792	Nil
Jindera Admin Centre Satisfactory	Nil	Nil
Caravan Parks Satisfactory	+333	Nil
Tourism Operations and Visitor Information Centre Operating expenses at the Visitor Information Centre higher than budgeted predominately in wage costs for casual staff. Budget of \$30k for Council signage reallocated to Governance for Council rebranding project.	-373	10,000
Submarine Museum Satisfactory	-1,152	Nil
Economic and Community Development Satisfactory	+2,497	35,000
Community Development Grants Satisfactory	-4,958	2,000
Community Development Projects Satisfactory	+8,698	Nil
Real Estate Development Total cost of the Jindera Industrial Estate exceeded funds held in	-23,650	Nil

reserve and therefore is being funded from working funds until further land sales are achieved.			
Real Estate Sales Satisfactory		-139	Nil
Private Works Budgeted profit generated from private works lower than estimated due to the high volume of works undertaken for Rural Fire Service which are undertaken on a cost recovery only basis.		-28,704	Nil
TOTAL ECONOMIC AFFAIRS		-44,490	47,000

Function and comment		Projected Budget Variance \$	Amount Carried Forward
FAG Grant – General Component Prepayment of two quarters of 2017/2018 grant.		+1,473,175	Nil
Interest on Investments Adjustment following final allocation of interest payable to other budget activities such as Water Fund, Sewer Fund and aged housing etc		-13,189	Nil
General Rates - Residential Adjustment to reflect actual YTD income		+5,028	Nil
General Rates - Farmland Adjustment to reflect actual YTD income		-404	Nil
General Rates – Business Adjustment to reflect actual YTD income		-2,277	Nil
General Rates – Pensioner Concessions		-6,341	Nil
General Rates – Pensioners Rates Subsidy		-361	Nil
Extra Charges on Overdue Rates Adjustment to reflect actual YTD income from interest on overdue rates.		-22,995	Nil
Fire & Emergency Services Levy Additional funds paid to Council to cover the cost of implementation of the FESL. Although the FESL project has been postponed, Council did undertake significant work in preparing for the implementation of the FESL which is reflected in wage costs allocated in the Corporate Services area.		+54,869	Nil
TOTAL GENERAL PURPOSE REVENUES		+1,487,505	Nil

SUMMARY OF BUDGET VARIATIONS	Projected Budget Variance \$	Amount Carried Forward
	+2,493,736	3,400,341

WATER AND SEWERAGE

General income and expenditure figures appear to be satisfactory.

UNCOMPLETED WORKS AND RESERVE BALANCES

Preliminary reconciliations of uncompleted works and restricted reserve balances are included in the budget papers for Councillor's information.

SUMMARY

Council's overall budget position has improved as at 30 June 2017 with the revised budget estimate now providing for a small budget deficit at year end. It should be stressed however that the budget review figures quoted in this report are interim figures only and Council's true financial position will not be confirmed until such time as the financial statements and associated audit processes are completed.

RECOMMENDATION

That Council note and approve the Interim Budget Review Statement including proposed amounts to be carried forward as at 30 June 2017.

INTERIM UNCOMPLETED WORKS	Closing Balance as at 30 June 2016	TRANSFERS TO (Income)	TRANSFERS FROM (Expenditure)	Closing Balance as at 30 June 2017
Governance				
Councillors Induction Training	8,000		8,000	0
Councillors Conferences & Seminars	6,500	5,000	6,500	5,000
Councillor Laptops / Ipads & Software	3,500		3,500	0
Customer Satisfaction Survey	5,000		5,000	0
Governance Training	0	3,000	0	3,000
Council Rebrand		15,000		15,000
Council Contributions to Community Organisations	2,500		2,500	0
Administration				
Improvement Works to Old Shire Offices	9,488		9,488	0
Administration Training	0	13,300	0	13,300
Education Assistance	0	6,700	0	6,700
Admin Vehicle Purchases	0	23,000	0	23,000
Civica PCS Upgrade	0		0	0
Records Storage & Destruction	0	7,800	0	7,800
Engineering				
Holbrook Works Depot	455,000	724,341	455,000	724,341
Culcairn Service Pit	0	67,042		67,042
Engineering Vehicle Purchases	0	50,000	0	50,000
Public Order & Safety				
Fire Services	18,359		18,359	0
Health				
Health Vehicle Purchase	35,000	85,000	35,000	85,000
Environment				
Noxious Weeds				
Invasive Weeds on LCA Lands & Water	0	22,000	0	22,000
NW - Regional Weeds Committee	0	4,500	0	4,500
NW - Monitoring Programs	0	4,036	0	4,036
Waste				
Henty Tansfer Station	13,360		13,360	0
CRC Shed & Earthworks - Culcairn Waste Facility	50,000		50,000	0
Storm Water Drainage				
Fahey Crescent, Culcairn	30,000	30,000	30,000	30,000
Sladen Street, Henty (CBD) North side	186,700	283,700	186,700	283,700
Culcairn Township Flood Mitigation	0	8,714	0	8,714
Billabong Creek Install Field Flaps	20,000		20,000	0
Housing & Community Amenities				
Automatic Watering System Holbrook Cemetery	13,500	13,500	13,500	13,500
Gerogery Park Toilets	52,619		52,619	0
Town Planning Legal Expenses	0	5,000	0	5,000
Plan & Design Walla Walla Community Centre	10,000	10,000	10,000	10,000
Jindera Rec Reserve Toilet Upgrade	0	40,000	0	40,000
Street Light Installations	56,615	56,615	56,615	56,615
Recreation & Culture				
Hall Renewal Expenses	25,000	15,360	25,000	15,360
Improvement Works to Holbrook Shire Hall	33,673	20,391	33,673	20,391
Local Heritage Advisor	4,810	4,160	4,810	4,160
Local Heritage Fund	44,995	42,720	44,995	42,720
Community Technology Centre Carpark Lighting	3,500		3,500	0
Signage Around Pool Surrounds	10,000	10,000	10,000	10,000
Walla Pool Painting	22,500	22,500	22,500	22,500
Walla Pool Outdoor Furniture	0	2,000	0	2,000
Henty Pool and Amenities Refurbishment	571,860		571,860	0
Jindera Swimming Pool Third Pool	71,255		71,255	0
Gerogery West Rec Reserve Contribution	0	2,205	0	2,205
Mullengandra Rec Reserve Contribution	0	2,205	0	2,205
Morven Tennis Club Contribution	0	550	0	550
Henty Bicentennial Park Seal Access Road & Bollards	6,788		6,788	0
Henty Bicentennial Park Replace Playground Edging	4,000		4,000	0
Transport & Communication				
Urban Street Construction	106,250	185,720	106,250	185,720
Urban Roads - Reseal Program	142,035	140,430	142,035	140,430
Rural Roads Sealed Construction	62,890	99,404	62,890	99,404
Rural Roads Reseal Program	0	912,400	0	912,400
Unsealed Rural Roads Gravel Resheeting	0	36,350	0	36,350
Bridge/Major Culvert	205,945		205,945	0
Footpath Construction	96,285	136,285	96,285	136,285
K & G Construction	73,632	152,442	73,632	152,442
Villages Services	40,000	49,961	40,000	49,961
Bus Shelters	5,000		5,000	0
SRRL - Reseals	739,550		739,550	0
PAMPS	0	40,000	0	40,000
Tourism Initiatives	6,500	10,000	6,500	10,000
Economic Development Initiatives	13,500	35,000	13,500	35,000
Community Development Grants	12,217	2,000	12,217	2,000
Total	3,305,892	3,400,331	3,305,892	3,400,331