



QUALITY NATURE - QUALITY HERITAGE - QUALITY LIFESTYLE

BUSINESS PAPER ORDINARY COUNCIL MEETING 24 JULY 2024

Notice is hereby given in accordance with the provisions of the *Local Government Act 1993*, and pursuant to Clause 3.3 of Council's Code of Meeting Practice that an **Ordinary Council Meeting** will be held in the "Koreelah Room", Council Administration Building, 247 Rouse St, Tenterfield NSW, on **Wednesday 24 July 2024** commencing at **9.30 am**.

Hein Basson
General Manager

COMMUNITY CONSULTATION – PUBLIC ACCESS

Community Consultation (Public Access) relating to items on this Agenda can be made between 9.00 am and 9.30 am on the day of the Meeting. Requests for public access should be made to the General Manager no later than COB on the Monday before the Meeting.

Section 8 of the Business Paper allows a period of up to 30 minutes of Open Council Meetings for members of the Public to address the Council Meeting on matters INCLUDED in the Business Paper for the Meeting.

Members of the public will be permitted a maximum of five (5) minutes to address the Council Meeting. An extension of time may be granted if deemed necessary.

Members of the public seeking to represent or speak on behalf of a third party must satisfy the Council Meeting that he or she has the authority to represent or speak on behalf of the third party.

Members of the public wishing to address Council Meetings are requested to contact Council either by telephone or in person prior to close of business on the Monday prior to the day of the Meeting. Persons not registered to speak will not be able to address Council at the Meeting.

Council will only permit two (2) speakers in support and two (2) speakers in opposition to a recommendation contained in the Business Paper. If there are more than two (2) speakers, Council's Governance division will contact all registered speakers to determine who will address Council. In relation to a Development Application, the applicant will be reserved a position to speak.

Members of the public will not be permitted to raise matters or provide information which involves:

- Personnel matters concerning particular individuals (other than Councillors);
- Personal hardship of any resident or ratepayer;
- Information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business;
- Commercial information of a confidential nature that would, if disclosed:
 - Prejudice the commercial position of the person who supplied it, or
 - Confer a commercial advantage on a competitor of the Council; or
 - Reveal a trade secret;
- Information that would, if disclosed prejudice the maintenance of law;
- Matters affecting the security of the Council, Councillors, Council staff or Council property;
- Advice concerning litigation or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege;
- Information concerning the nature and location of a place or an item of Aboriginal significance on community land;
- Alleged contraventions of any Code of Conduct requirements applicable under Section 440; or
- On balance, be contrary to the public interest.

Members of the public will not be permitted to use Community Consultation to abuse, vilify, insult, threaten, intimidate or harass Councillors, Council staff or other members of the public. Conduct of this nature will be deemed to be an act of disorder and the person engaging in such behaviour will be ruled out of order and may be expelled.

CONFLICT OF INTERESTS

What is a "Conflict of Interests" - A conflict of interests can be of two types:

Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.

Non-pecuniary - a private or personal interest that a Council official has that does not amount to a pecuniary interest as defined in the Local Government Act (eg. A friendship, membership of an association, society or trade union or involvement or interest in an activity and may include an interest of a financial nature).

Remoteness

A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in Section 448 of the Local Government Act.

Who has a Pecuniary Interest? - A person has a pecuniary interest in a matter if the pecuniary interest is the interest of:

- The person, or
- Another person with whom the person is associated (see below).

Relatives, Partners

A person is taken to have a pecuniary interest in a matter if:

- The person's spouse or de facto partner or a relative of the person has a pecuniary interest in the matter, or
- The person, or a nominee, partners or employer of the person, is a member of a company or other body that has a pecuniary interest in the matter.

N.B. "Relative", in relation to a person means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person's spouse;
- (b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

No Interest in the Matter

However, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative or company or other body, or
- Just because the person is a member of, or is employed by, the Council.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter provided that the person has no beneficial interest in any shares of the company or body.

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - (a) at any time during which the matter is being considered or discussed by the Council or Committee, or
 - (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - A person does not breach this Clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Participation in Meetings Despite Pecuniary Interest (S 452 Act)

A Councillor is not prevented from taking part in the consideration or discussion of, or from voting on, any of the matters/questions detailed in Section 452 of the Local Government Act.

Non-pecuniary Interests - Must be disclosed in meetings.

There are a broad range of options available for managing conflicts & the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary conflicts of interests must be dealt with in at least one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice-versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in S451 of the Local Government Act apply (particularly if you have a significant non-pecuniary interest)

Disclosures to be Recorded (s 453 Act)

A disclosure (and the reason/s for the disclosure) made at a meeting of the Council or Council Committee or Sub-Committee must be recorded in the minutes of the meeting.

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## ORDER OF BUSINESS

### Community Consultation (Public Access)

1. Opening & Welcome
2. Civic Prayer & Acknowledgement of Country
3. Apologies
4. Disclosure & Declarations of Interest
5. Confirmation of Previous Minutes
6. Tabling of Documents
7. Urgent, Late & Supplementary Items of Business
8. Mayoral Minute
9. Recommendations for Items to be Considered in Confidential Section
10. Open Council Reports
  - Our Community
  - Our Economy
  - Our Environment
  - Our Governance
11. Reports of Delegates & Committees
12. Notices of Motion
13. Resolution Register
14. Confidential Business
15. Meeting Close

## **CLOSED COUNCIL**

### **Confidential Reports**

#### **(Section 10A(2) of The Local Government Act 1993)**

Where it is proposed to close part of the Meeting, the Chairperson will allow members of the public to make representations to or at the meeting, before any part of the meeting is closed to the public, as to whether or not that part of the meeting should be closed to the public.

The Chairperson will check with the General Manager whether any written public submissions or representations have been received as to whether or not that part of the meeting should be closed to the public.

The grounds on which part of the Council meeting may be closed to public are listed in Section 10A(2) of the Local Government Act 1993 and are as follows:

- (a) personnel matters concerning particular individuals others than Councillors,
- (b) the personal hardship of any resident or ratepayer,
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business,
- (d) commercial information of a confidential nature that would, if disclosed:
  - (i) prejudice the commercial position of the person who supplied it, or
  - (ii) confer a commercial advantage on a competitor of the council, or
  - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law,
- (f) matters affecting the security of the council, councillors, council staff or council property,
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,
- (h) during the receipt of information or discussion of information concerning the nature and location of a place or an item of Aboriginal significance on community land.
- (i) alleged contraventions of any code of conduct requirements applicable under section 440.

Section 10A(3) of the Act provides that Council, or a Committee of the Council of which all the members are councillors, may also close to the public so much of its meeting as comprises a motion to close another part of the meeting to the public.

Section 10B(3) of the Act provides that if a meeting is closed during discussion of a motion to close another part of the meeting to the public (as referred to in section 10A(3) of the Act,) the consideration of the motion must not include any consideration of the matter or information to be discussed in that other part of the meeting (other than consideration of whether the matter concerned is matter referred to in section 10A(2) of the Act).

Section 10B(1) of the Act provides that a meeting is not to remain closed to the public during the receipt of information or the discussion of matters referred to in section 10A(2):

- (a) except for so much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security, and
- (b) if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret – unless the Council or committee concerned is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

For the purpose of determining whether the discussion of a matter in an open meeting would be contrary to the public interest section 10B(4) of the Act states it is irrelevant that:

- (a) a person may interpret or misunderstand the discussion, or
- (b) The discussion of the matter may:
  - (i) cause embarrassment to the Council or committee concerned, or to councillors or to employees of the council, or
  - (ii) cause a loss of confidence in the Council or committee.

#### **Resolutions passed in Closed Council**

It is a requirement of Clause 253 of the Local Government (General) Regulation 2005 that any resolution passed in Closed Council, or Committee be made public as soon as practicable after the meeting has ended. At the end of Closed Council or Committee meeting, the Chairperson will provide a summary of those resolutions passed in Closed Council or Committee.

# AGENDA

## COMMUNITY CONSULTATION (PUBLIC ACCESS)

### WEBCASTING OF MEETING

This meeting will be recorded for placement on Council's website and livestreamed on Council's YouTube Channel for the purposes of broadening knowledge and participation in Council issues and demonstrating Council's commitment to openness and accountability.

All speakers must ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms or mentioning any private information.

No other persons are permitted to record the meeting, unless specifically authorised by Council to do so.

### 1. OPENING & WELCOME

#### 2. (A) OPENING PRAYER

*"We give thanks for the contribution by our pioneers, early settlers and those who fought in the various wars for the fabric of the Tenterfield Community we have today.*

*May the words of our mouths and the meditation of our hearts be acceptable in thy sight, O Lord."*

#### (B) ACKNOWLEDGEMENT OF COUNTRY

*"Tenterfield Shire Council would like to acknowledge the Ngarabal people, the traditional custodians of this land that we are meeting on today, and also pay our respect to the Jukembal, Bundjalung, Kamilaroi, Githabul and Wahlubul people of our Shire, and extend our respect to all people."*

### 3. APOLOGIES

### 4. DISCLOSURES & DECLARATIONS OF INTEREST

### 5. CONFIRMATION OF PREVIOUS MINUTES

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### 6. TABLING OF DOCUMENTS

### 7. URGENT, LATE & SUPPLEMENTARY ITEMS OF BUSINESS

## **8. MAYORAL MINUTE**

## **9. RECOMMENDATIONS FOR ITEMS TO BE CONSIDERED IN CONFIDENTIAL SECTION**

## **10. OPEN COUNCIL REPORTS**

### **OUR COMMUNITY**

### **OUR ECONOMY**

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| (ITEM ECO8/24) | SALVATION ARMY REQUEST FOR LONGER LEASE TERM FOR THE FORMER VISITORS' INFORMATION CENTRE ..... | 13 |

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### **OUR GOVERNANCE**

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**CONFIDENTIAL**

(ITEM GOV62/24) REVIEW OF TENTERFIELD SHIRE COUNCIL AUDIT, RISK AND IMPROVEMENT COMMITTEE ATTENDANCE FEES AND PAYMENT/REIMBURSEMENT OF COSTS FOR IN-PERSON COMMITTEE MEMBER ATTENDANCES

That above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2) (ARIC Confidential) of the Local Government Act, 1993, as the matter involves Information and documents pertaining to the Committee are confidential and are not to be made publicly available.”.

(ITEM RC10/24) AUDIT, RISK & IMPROVEMENT COMMITTEE - MEETING MINUTES 13 DECEMBER 2023

That above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2) (ARIC Confidential) of the Local Government Act, 1993, as the matter involves Information and documents pertaining to the Committee are confidential and are not to be made publicly available.”.

**15. MEETING CLOSED**



**(ITEM MIN9/24) CONFIRMATION OF PREVIOUS MINUTES**

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**REPORT BY:** Elizabeth Melling -Executive Assistant & Media

**RECOMMENDATION**

**That the Minutes of the following Meeting of Tenterfield Shire Council:**

- **Ordinary Council Meeting – 26 June 2024**

**As typed and circulated, be confirmed and signed as a true record of the proceedings of these meetings.**

**ATTACHMENTS**

- 1** Unadopted Minutes - Ordinary Council Meeting - 26 June 2024 26 Pages

|                      |                                                               |
|----------------------|---------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                  |
| <b>Submitted by:</b> | Tamai Davidson, Manager Planning Property & Development       |
| <b>Reference:</b>    | <b>ITEM ECO7/24</b>                                           |
| <b>Subject:</b>      | <b>TENTERFIELD TRANSPORT MUSEUM - LEASE VARIATION REQUEST</b> |

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

|                      |                                                                                                                                                   |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Economy</b> - Develop Tenterfield Shire's economic base into a robust and growing economy that supports employment and business opportunities. |
| <b>CSP Strategy:</b> | Develop and facilitate a diversified and growing economy that is a balance of all economic contributors.                                          |

#### **SUMMARY**

The purpose of this report is to consider a request by the Tenterfield Transport Museum for a variation to their existing lease agreement with Council to allow for a sub-lease to the Campervan & Motorhome Club of Australia for their site at 44 Francis Street, Tenterfield (Lot 2 & 3 Section 37 DP 758959). The request is not supported on the basis that the variation is not required until such time as a Development Application is lodged, assessed and determined by Council. To vary the lease prior to this is premature and unnecessary.

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

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

- (1) Advise the Tenterfield Transport Museum that it is not in a position to vary the existing lease; and**
- (2) Advise the Tenterfield Transport Museum that, if required, Council will support a variation to the lease once a Development Application is determined by Council; and**
- (3) If the Development Application is approved, all associated costs for the variation of the lease are at no cost to Council.**

#### **BACKGROUND**

At its ordinary meeting of 20 December 2023 Council considered a report (attached) in relation to a proposal from the Campervan & Motorhome Club of Australia (CMCA) for a Recreational Vehicle (RV) proposal. The CMCA sought to establish a RV park at 44 Francis Street Tenterfield, currently leased to the Tenterfield Transport Museum (TTM). The CMCA proposed to sub-lease from the TTM.

The proposed use requires the lodgment of a Development Application with Council, including having the consent of the owner of the land (Council) and compliance with the *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2021*.

Council resolved as follows:

Our Economy No. 7 Cont...

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      | <p><b>[(ITEM ECO26/23) CAMPERVAN &amp; MOTORHOME CLUB OF AUSTRALIA (CMCA) RV PARK PROPOSAL</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                      | <p><b>SUMMARY</b><br/>                 This report is for Council consideration to sign a future development application as the owner of the land, regarding the Campervan &amp; Motorhome Club of Australia’s proposal for a campervan and RV park at 44 Francis St – Lot 2 Section 37 DP 758959 – Tenterfield and seek a resolution from Council.</p> <p><b>AMENDMENT</b><br/>                 That Council:<br/><br/>                 Resolve to consent to the signing of the proposed Development Application.<br/>                 (Peter Murphy/Kim Rhodes)</p> <p><b><u>Amendment Carried</u></b></p> |
| <p><b>240/23</b></p> | <p><b><u>Resolved</u></b> that Council:<br/><br/>                 Resolve to consent to the signing of the proposed Development Application.<br/>                 [(Peter Murphy/Kim Rhodes)]</p> <p><b><u>Motion Carried</u></b></p>                                                                                                                                                                                                                                                                                                                                                                         |

*[Upon being put to the meeting, the motion was declared carried.*

*For the Motion were Crs Tom Peters, John Macnish, Tim Bonner, Bronwyn Petrie, Peter Petty, Kim Rhodes, Greg Sauer, Peter Murphy and Geoffrey Nye Total (9).*

*Against the Motion Total (0).]*

**REPORT:**

The current Council resolution allows the CMCA to lodge a Development Application for assessment and consideration by Council. However, the CMCA are requesting a variation to the existing lease Council holds with the TTM to permit them to sublease the site and to allow for the development they propose. The current lease specifies the “permitted use” as “transport museum” – no other uses are permitted in accordance with the existing lease document. In the event that the DA is determined by way of consent, the lease can be varied at this time.

On 11 July 2024 Council received correspondence from the TTM requesting Council make amendments to the existing lease as follows:

Our Economy No. 7 Cont...

**RE: LEASE TO TENTERFIELD TRANSPORT MUSEUM INCORPORATED**

We write in respect of the proposed development application submission from the Campervan and Motorhome Club of Australia (CMCA) to develop a site in Tenterfield.

We understand that in order for the CMCA to be able to submit this DA, amendments are required to the lease currently in place with the Tenterfield Transport Museum for the land located at Francis Street.

We wish to request amendments be made to the lease to allow:

1. The purpose of the lease to include 'campervan and motorhome park operation' in addition to museum operation.
2. The lessee (Tenterfield Transport Museum) to be able to sublet part of the leased premises, in order that the CMCA may be able to submit a development application with a sub-lease in place.

As detailed above, there is no need for the lease to be varied until such time as a DA is determined by Council.

**COUNCIL IMPLICATIONS:**

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

No community engagement has been undertaken at this stage. Community consultation, including notification and advertising in accordance with Tenterfield Development Control Plan 2013 will be undertaken once a DA is lodged with Council for assessment.

**2. Policy and Regulation**

Nil.

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

Nil.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

Tenterfield Transport Museum hold a current lease with Council until 31 October 2033. The lease is for the land only, TTM owns the buildings and is responsible for insurances and all maintenance of the site and buildings thereon.

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

Our Economy No. 7 Cont...

**Hein Basson**  
**General Manager**

Prepared by staff member: Tamai Davidson, Manager Planning Property & Development

Approved/Reviewed by Manager: Hein Basson, General Manager

Department: Office of the Chief Corporate Officer

Attachments: **1** Report to Council - December 2023 3  
- Campervan & Motorhome Club of Pages  
Australia (CMCA) RV Park Proposal

|                      |                                                                                                 |
|----------------------|-------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Executive</b>                                                            |
| <b>Submitted by:</b> | Bruce Mills, Senior Advisor Communication & Economic Development                                |
| <b>Reference:</b>    | <b>ITEM EC08/24</b>                                                                             |
| <b>Subject:</b>      | <b>SALVATION ARMY REQUEST FOR LONGER LEASE TERM FOR THE FORMER VISITORS' INFORMATION CENTRE</b> |

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

|                      |                                                                                                                                                   |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Economy</b> - Develop Tenterfield Shire's economic base into a robust and growing economy that supports employment and business opportunities. |
| <b>CSP Strategy:</b> | Develop and facilitate a diversified and growing economy that is a balance of all economic contributors.                                          |

#### **SUMMARY**

The purpose of this report is to advise Council of the Salvation Army's request for clearer options for a longer lease term(s) for the former Visitors' Information Centre (VIC) – 157 Rouse Street, Tenterfield.

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

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

**Favourably considers the request received from the Salvation Army for the following excerpt to be removed from Council Resolution 74/24 (1):**

**"...;provided that this agreement makes provision for the lease to be terminated by both parties after the first three (3) year term if the arrangement is found to be unsatisfactory or circumstances change;..."**

#### **BACKGROUND**

Council adopted the following resolution at its Ordinary Meeting held on 22 May 2024:

##### **74/24 Resolved that Council:**

- (1) *Accepts the Salvation Army Australia Territory – Tenterfield branch's offer to lease the building at 157 Rouse Street, Tenterfield for an amount of \$30,000 pa (with a fixed increase of 3% per year) from 1 July 2024, with monthly lease payments to start from 1 October 2024 for three (3) years with the option to extend the lease term for a further two (2) terms of three (3) years each, provided that the lessee is responsible for all rates and utility charges i.e. water, sewer, waste and electricity.*
- (2) *Delegates the authority to the General Manager to execute the necessary lease agreement with the Salvation Army Australia Territory – Tenterfield branch; provided that this agreement makes provision for the lease to be terminated by both parties after the first three (3) year term if the arrangement is found to be unsatisfactory or circumstances change; further to ensure that the Lease agreement provides that the garden beds be properly maintained by the lessee*

Our Economy No. 8 Cont...

*and all donation bins be located discreetly at the rear of the Visitor Information Centre (VIC) building.*

- (3) *Requests the General Manager to make arrangements for the "i" information sign on the building located at 157 Rouse Street Tenterfield, to be removed.*

(Kim Rhodes/Geoff Nye)

**Motion Carried**

The Salvation Army has accepted the offer and prepared a formal lease, but has written to Council (letter attached) on 21 June 2024, asking for a simplified lease that allows for the initial three-year term and clear options for a further two, three-year terms – by removing the condition (2) of 74/24 Resolution:

***...;provided that this agreement makes provision for the lease to be terminated by both parties after the first three (3) year term if the arrangement is found to be unsatisfactory or circumstances change;...***

The Salvation Army has told the officer its move to 157 Rouse Street is a major undertaking and that it intends to be a long-term tenant. Given the effort and cost to make the move from Crown St, The Salvation Army would like to ensure it has clear options to lease the building beyond the initial three-year term.

The Salvation Army believes the above condition (italics) does not provide the option to clearly secure further three-year terms beyond the initial term.

Commentary: General Manager

It is my interpretation from discussions held with some representatives of the Chamber of Commerce's Tourism subcommittee that there is not an appetite to use the former VIC for its original purpose again.

Although it is presently unclear which location the Tourism subcommittee will target for the fit-out of a face-to-face information kiosk, using the recently obtained \$30,000 (plus the \$15,000 earlier attained) grant funding, the School of Arts remains to be an option that at least needs consideration because of the potential tourism synergies, location, and parking availability.

If the former VIC building is deemed unsuitable for reactivation of its former purpose in the medium term, there is no reason for Council not to adhere to the request received from the Salvation Army.

**COUNCIL IMPLICATIONS:**

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

No further community consultation is deemed necessary.

**2. Policy and Regulation**

It is Council's intention to lease out the VIC at a commercial rent, which will guarantee Council of a reliable revenue stream into the future.

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

Agreeing to the Salvation Army's request would likely strengthen the likelihood of the lease being extended beyond the initial three-year term.

Our Economy No. 8 Cont...

**4. Asset Management (AMS)**

Allowing for clear options would not preclude Council from selling the asset if the need arose into the future. The site could potentially be sold with the existing lease in place.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

Agreeing to the Salvation Army's request could potentially limit Council's ability to cancel the lease. However, the draft lease agreement makes provision for a six (6) month notice period to terminate the lease agreement.

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

|                               |                                                                    |           |
|-------------------------------|--------------------------------------------------------------------|-----------|
| Prepared by staff member:     | Bruce Mills, Senior Advisor Communication & Economic Development   |           |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                                       |           |
| Department:                   | Office of the Chief Executive                                      |           |
| Attachments:                  | <b>1</b> Letter from Salvation Army seeking long term tennat terms | 1<br>Page |



|                      |                                                        |
|----------------------|--------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>           |
| <b>Submitted by:</b> | Roy Jones - Manager Finance & Technology               |
| <b>Reference:</b>    | <b>ITEM GOV52/24</b>                                   |
| <b>Subject:</b>      | <b>POLICY REVIEW - RELATED PARTY DISCLOSURE POLICY</b> |

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

|                             |                                                                                                                                                                                                                         |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b>        | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |
| <b>CSP Delivery Program</b> | Promote and support community involvement in Council decision making process.                                                                                                                                           |

#### **SUMMARY**

The purpose of this report is to update Council's Related Party Disclosure Policy.

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

**That Council adopts the updated:**

**(1) Tenterfield Shire Council Related Party Disclosure Policy.**

#### **BACKGROUND**

Council policies are instruments that communicate decisions and directions for pursuing Council's specific goals. Regular reviews of Council policies are required to ensure these policies are current and fit for purpose.

Under the *Local Government Act 1993* and *Local Government (General) Regulation 2021* all NSW local government bodies must produce annual financial statements that comply with the Australian Accounting Standards.

Council's auditors, as part of the Management Letter for the 2023 Financial Statements noted that Council did not adhere to the internal timeframe set by Council to complete the Key Management Personnel forms.

#### **REPORT:**

From 1 July 2016, the Australian Accounting Standard Board has determined that AASB 124 – Related Party Disclosures will apply to government entities, including local government. Council is required to disclose Related Party Relationships and Key Management Personnel (KMP) compensation in its annual financial statements. Council, in complying with disclosure requirements of AASB 124, will:

1. Identify related party relationships, related party transactions and ordinary citizen transactions;
2. Identify information about the related party transactions for disclosures;
3. Establish systems to capture and record the related party transactions and information about those transactions;

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4. Identify the circumstances in which disclosure of the items in subparagraphs (1) and (2) are required; and
5. Determine the disclosures to be made about those items in the General Purpose Financial Statements for the purpose of complying with AASB 124.

### **1. Related Party Disclosure Policy**

All Key Management Personnel (KMP) are responsible for identifying their close family members and entities they or close family members control for each financial year, using the KMP Related Party Notification forms.

The policy has been reviewed and updated for changes in the collection timeframe of completing the KMP forms.

The current policy adopted on 21 December 2022 – Minute number (248/22) – states under section 3.3.1 Related Party Disclosures: The collection of this information will be coordinated by the Governance Coordinator. (**specified notification period**):

- a) *30 days after the commencement of the application of this Policy;*
- b) *30 days after a KMP commences or ceases their term of employment with Council; and*
- c) *30 June each year (unless in a year in which the KMP has commenced or ceased their term or employment with Council).*

The updated policy states that the Manager Finance and Technology will in future fulfill this function.

Please note that if a KMP identifies related parties at other times in the year, they are to submit an updated KMP Related Party Notification form to the Manager Finance & Technology.

### **COUNCIL IMPLICATIONS:**

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

Nil.

#### **2. Policy and Regulation**

As detailed in the policy.

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

Nil.

#### **4. Asset Management (AMS)**

Nil.

#### **5. Workforce (WMS)**

Nil.

#### **6. Legal and Risk Management**

Nil.

#### **7. Performance Measures**

Nil.

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**8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

|                               |                                                           |
|-------------------------------|-----------------------------------------------------------|
| Prepared by staff member:     | Roy Jones – Manager Finance & Technology                  |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                              |
| Department:                   | Office of the Chief Corporate Officer                     |
| Attachments:                  | <b>1</b> Updated Policy - Related Party Disclosure Policy |
|                               | 16 Pages                                                  |

|                      |                                                                                                                                   |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                                                                                      |
| <b>Submitted by:</b> | Erika Bursford - Manager Customer Service, Governance & Records                                                                   |
| <b>Reference:</b>    | <b>ITEM GOV53/24</b>                                                                                                              |
| <b>Subject:</b>      | <b>UPDATES TO TENTERFIELD SHIRE COUNCIL AUDIT, RISK AND IMPROVEMENT COMMITTEE TERMS OF REFERENCE &amp; INTERNAL AUDIT CHARTER</b> |

|                                                               |                                                                                                                                                                    |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                                    |
| <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 fosters a strong organisational culture which strives for best practice in all operations with a supportive corporate governance framework.                |
| <b>CSP Delivery Program</b>                                   | Ensure that the performance of Council as an organisation complies with all statutory reporting guidelines and information is available to decision makers.        |

## SUMMARY

The objective of the Tenterfield Shire Audit, Risk and Improvement Committee (the Committee) is to provide independent assistance to Tenterfield Shire Council (Council) by monitoring, reviewing and providing advice on risk management, control frameworks, governance processes and external accountability responsibilities.

As part of the implementation of the NSW Office of Local Government's Risk Management and Internal Audit Framework for local government, updated model Terms of Reference and Internal Audit Charter were confirmed in November 2023. Council is required to update and adopt both the Audit, Risk and Improvement Committee Terms of Reference and the Internal Audit Charter.

## OFFICER'S RECOMMENDATION:

**That Council adopts the Office of Local Government updates for the:**

- (1) Tenterfield Shire Council Audit, Risk and Improvement Committee Terms of Reference, and**
- (2) Tenterfield Shire Council Internal Audit Charter.**

## BACKGROUND

The Office of Local Government has developed a new framework for Audit, Risk and Improvement Committees which is currently being implemented by Councils across NSW. A model Committee charter and a model internal audit charter have been included as part of the framework by the Office of Local Government, for adaptation by Councils.

## REPORT:

The attached Tenterfield Shire Council Audit, Risk and Improvement Committee Terms of Reference and Tenterfield Shire Council Internal Audit Charter have been updated with the changes to the model Terms of Reference and Charter provided in the Office of Local Government Risk Management and Internal Audit for local government

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framework. The documents have been reviewed by the Committee and signed by the Committee Chair and Council's General Manager, where required. Once Council adopts the updated Terms of Reference and Charter, Council's Mayor will be required to sign both documents.

### **COUNCIL IMPLICATIONS:**

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

Nil. Both the Committee Terms of Reference and the Internal Audit Charter are requirements of the NSW Office of Local Government's Risk Management and Internal Audit Framework for local government.

#### **2. Policy and Regulation**

- *NSW Local Government Act 1993*
- *NSW Local Government (General) Regulation 2021*
- *Risk Management and Internal Audit Framework for local government 2023*

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

Nil.

#### **4. Asset Management (AMS)**

Nil.

#### **5. Workforce (WMS)**

Nil.

#### **6. Legal and Risk Management**

Nil.

#### **7. Performance Measures**

Nil.

#### **8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

|                               |                                                                                                                                                                          |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Prepared by staff member:     | Erika Bursford - Manager Customer Service, Governance & Records                                                                                                          |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                                                                                                                                             |
| Department:                   | Office of the Chief Corporate Officer                                                                                                                                    |
| Attachments:                  | <ol style="list-style-type: none"><li>1 Tenterfield Shire Council ARIC Terms of Reference 2024</li><li>2 Tenterfield Shire Council Internal Audit Charter 2024</li></ol> |

|                      |                                             |
|----------------------|---------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Executive</b>        |
| <b>Submitted by:</b> | Hein Basson, General Manager                |
| <b>Reference:</b>    | <b>ITEM GOV54/24</b>                        |
| <b>Subject:</b>      | <b>COUNCIL SERVICES SATISFACTION SURVEY</b> |

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

|                      |                                                                                                                                                                                                                         |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b> | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |

#### **SUMMARY**

The purpose of this report is for Council to consider whether 2024 is an appropriate time for an independent survey to be undertaken of the community's satisfaction with its service delivery, or whether early 2025 would not constitute a better and more appropriate time.

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

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

**Does not pursue an independent review of the community's satisfaction with its service delivery in 2024, but for such a statistically valid survey to be conducted in February/March 2025 to further inform Council's community consultation regarding the development of an updated suite of Integrated Planning and Reporting Framework documents, including the Community Strategic Plan, Delivery Program, Asset Management Plans, Workforce Strategy, and Long-Term Financial Plan.**

#### **BACKGROUND**

The outcome of the last "Tenterfield Community Satisfaction Survey 2022"; identified the "Top Priorities for Council".

Interpreting these priorities, the top three priorities with the highest dissatisfaction ratings were the following:

1. Council Special Rate Variation (SRV)-Related: 38%  
(Consisting of: Lower Rates and Wastage 17%, Council Administration 10%, Debt 7%, Communication and Consultation 4%)
2. Roads: 33% or 36%  
(Consisting of: Roads Maintenance and Improvement 29%, Unsealed Roads 4%, Infrastructure 3% (not sure whether this is part of the roads component))
3. Economic Development: 18%  
(Consisting of: Growing Employment and Attracting Industry 11%, Tourism 7%)

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Under “normal” circumstances, Roads and Economic Development will be the top two, as is in my experience the case with the majority of Rural Councils in NSW.

This was also the case for this Council in **2020, with Roads (21%) and Economic Development (21%) sharing the top spot** – and other Council-related issues (which had informed the “SRV”- satisfaction rating) sitting at a relatively low 7%.

#### **REPORT:**

The community’s satisfaction ratings with Council and the services it provides have dropped significantly from 2020 to 2022. This last survey had been done when a 43% SRV application (originally for over two consecutive years but which had not been approved by IPART) had just been implemented.

It would be important for a newly elected Council to have access to statistically valid information providing them with a snapshot of the community’s satisfaction ratings regarding the services provided by Council, as well as providing a “baseline” to operate from. Ideally, there should be a maintained focus on those functions that are regarded as of a high priority to the community, and for which satisfaction ratings are high. Equally, there should be a particular focus on those service functions that are regarded as high priority areas by the community, and for which satisfaction ratings are low.

#### **COUNCIL IMPLICATIONS:**

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

A statistically valid survey of the community’s satisfaction with Council services would complement and assist with the validation of information obtained during community consultation sessions, as part of the development of an updated suite of Integrated Planning and Reporting (IP&R) - documents.

##### **2. Policy and Regulation**

- It is current Council policy to do an external community satisfaction survey on a two-year basis.

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

Although no special provision for this expense has been made in the 2024/25-Budget, it could be funded from the provision made for a cultural plan to be developed for Tenterfield (as part of the Library Services budget provisions). Given Council’s financial situation, the current focus is on the delivery of core services – as a “back-to-basics” strategy. It would be wise to, as part of this focus, to maintain the conduction of the satisfaction surveys on a regular basis – for Council to interpret trend fluctuations over periods of time.

For a 300-people sample survey, with no fixed quotas (age and gender related) and up to three open ended questions for coding, a quote has been obtained from the Taverner Research Group (used by Council the previous time) to conduct this survey, as follows:

|                                          |                   |
|------------------------------------------|-------------------|
| For a 15-minute average duration survey: | \$21,900 plus GST |
| For a 20-minute average duration survey: | \$24,600 plus GST |

A copy of this quote proposal is attached to the report as an **Annexure**.

##### **4. Asset Management (AMS)**

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Appropriate questions in the survey will assist Council with the prioritisation of its asset classes.

### **5. Workforce (WMS)**

The priority and level of satisfaction of the community with Council's various services, coupled with the objectives, strategies and actions identified as part of the Community Strategic Plan, Delivery Program and Operational Plans (as well as the resourcing documents i.e. Asset Management Plans and Long-Term Financial Plan) will have an effect on the staffing levels required to deliver on these set targets.

### **6. Legal and Risk Management**

It is regarded as "best practice" for Council to regularly engage an independent body to conduct a statistically valid services satisfaction survey.

### **7. Performance Measures**

The services satisfaction survey is in itself a performance measure tool. Over time, Council will be able to interpret service satisfaction ratings and trends, providing for helpful information to base future decisions on.

### **8. Project Management**

It is suggested for Council not to pursue an independent review of the community's satisfaction with its service delivery in 2024, but for such a statistically valid survey to be conducted in February/March 2025.

**Hein Basson**  
**General Manager**

|                               |                                                                                     |          |
|-------------------------------|-------------------------------------------------------------------------------------|----------|
| Prepared by staff member:     | Hein Basson, General Manager                                                        |          |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                                                        |          |
| Department:                   | Office of the Chief Executive                                                       |          |
| Attachments:                  | <b>1</b> Quote Proposal for Community Satisfaction Survey - Taverner Research Group | 16 Pages |



|                      |                                                                                         |
|----------------------|-----------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Executive</b>                                                    |
| <b>Submitted by:</b> | Hein Basson, General Manager                                                            |
| <b>Reference:</b>    | <b>ITEM GOV55/24</b>                                                                    |
| <b>Subject:</b>      | <b>APPOINTMENT OF THE DIRECTOR OF INFRASTRUCTURE SERVICES AS ACTING GENERAL MANAGER</b> |

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

|                      |                                                                                                                                                                                                                         |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b> | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |

#### **SUMMARY**

The purpose of this report is for Council to appoint the Director of Infrastructure Services as Acting General Manager during times when the General Manager is on approved leave or away from the office on official business for periods longer than three consecutive days.

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

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

**Temporarily appoints Mr. Matthew Francisco, Director of Infrastructure Services, as Acting General Manager during those periods of time that the General Manager, Mr Hein Basson, is on approved leave or away from the office on official business for a period greater than three consecutive days.**

#### **BACKGROUND**

It would constitute good management practice for Council to appoint an Acting General Manager for those periods of time when the General Manager (GM) is on leave or away from the office for a period longer than three consecutive days.

#### **REPORT:**

The GM plans to attend a conference from 20 to 23 August 2024 in Sydney as part of his professional development, but at his own cost. Further, he plans to travel abroad for the Christmas and New Year's break – potentially for a three-week period.

Consistent with healthy forward planning, it would be appropriate for Council to be aware of the above-mentioned periods that the GM plans not to be at work, and to appoint an Acting GM to fill in for those times.

Further, it provides for an arrangement that is in place in the event of any eventuality or unforeseen circumstances.

#### **COUNCIL IMPLICATIONS:**

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

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## 2. Policy and Regulation

Please see the "legal" section below.

## 3. Financial (Annual Budget & LTFP)

In terms of the Local Government (State) Award 2023, a "higher duties" allowance may be applicable for the period that the Director will be filling in for the GM. However, this will be negotiated by the GM with the Director.

## 4. Asset Management (AMS)

Nil.

## 5. Workforce (WMS)

The appointment of an Acting GM during times that the GM is away, will provide for adequate workforce oversight.

## 6. Legal and Risk Management

The Local Government Act 1993, states the following:

### Section 351 Temporary appointments

(1) If a position (including a senior staff position) within the organisation structure of the council is vacant or the holder of such a position is suspended from duty, sick or absent--

(a) the council, in the case of the general manager's position, or

(b) the general manager, in the case of any other position,  
may appoint a person to the position temporarily.

## 7. Performance Measures

Nil.

## 8. Project Management

Nil.

### Hein Basson General Manager

|                               |                                           |
|-------------------------------|-------------------------------------------|
| Prepared by staff member:     | Hein Basson, General Manager              |
| Approved/Reviewed by Manager: | Hein Basson, General Manager              |
| Department:                   | Office of the Chief Executive             |
| Attachments:                  | There are no attachments for this report. |

|                      |                                                           |
|----------------------|-----------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>              |
| <b>Submitted by:</b> | Roy Jones, Manager Finance & Technology                   |
| <b>Reference:</b>    | <b>ITEM GOV56/24</b>                                      |
| <b>Subject:</b>      | <b>FINANCE &amp; ACCOUNTS - PERIOD ENDED 30 JUNE 2024</b> |

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

|                             |                                                                                                                                                      |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community. |
| <b>CSP Strategy:</b>        | Ensure Council operates in an effective and financially sustainable manner to deliver affordable services.                                           |
| <b>CSP Delivery Program</b> | Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.                                    |

#### **SUMMARY**

The purpose of this Report is for the Responsible Accounting Officer to provide, in accordance with Clause 212 of the Local Government (General) Regulation 2005 a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The Report must be made up to the last day of the month immediately preceding the meeting.

Addition financial information on Water Leakage, 603 Certificates, and financial business units is presented for Councillor and community information.

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

**That Council notes the Finance and Accounts Report for the period ended 30 June 2024.**

#### **BACKGROUND**

In accordance with Clause 212 of the Local Government (General) Regulation 2005 the Responsible Accounting Officer must provide a written report setting out details of all money that the Council has invested under Section 625 of the Local Government Act 1993. The Report must be made up to the last day of the month immediately preceding the meeting.

Addition financial information on Water Leakage, 603 Certificates, and financial business units is presented for Councillor and community information.

#### **REPORT:**

A reconciliation of cash books of all funds has been carried out with the appropriate bank statements. A certified schedule of all Council's investments showing the various amounts invested is shown as an attachment to this report.

(a) Reconciliation of Accounts

A reconciliation of the cash books of all funds have been carried out with the appropriate bank statements as of 30 June 2024.

Cash Book Balances on this date were as follows: -

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|                        |                  |        |
|------------------------|------------------|--------|
| General (Consolidated) | \$ 55,413,660.00 | Credit |
| General Trust          | \$69,074.00      | Credit |

(b) Summary of Investments

Attachment to this report is a certified schedule of all Council's investments as of 30 June 2024 showing the various invested amounts and applicable interest rates.

**Concealed Water Leakage Concession Policy Update**

For the month of June, no concession was granted under Council's Concealed Water Leakage Concession Policy.

**603 Certificates**

During the sale of a property a 603 Certificate is usually requested to identify if there are any outstanding or payable fees to Council by way of rates, charges or otherwise in respect of a parcel of land. There were 22 applications for 603 Certificates in June 2024.

In the calendar year to date, there have been 149 applications compared to 99 applications for the same period last year.

**Cash and Investments – Detailed Analysis of External Restrictions**

| <b>RESTRICTED CASH ANALYSIS</b>                                         | <b>AS AT 30 JUNE<br/>2024</b> | <b>AS AT 30 JUNE<br/>2023</b> |
|-------------------------------------------------------------------------|-------------------------------|-------------------------------|
|                                                                         |                               |                               |
| <b>TOTAL CASH &amp; INVESTMENTS</b>                                     | <b>\$68,483,919</b>           | <b>\$34,891,004</b>           |
|                                                                         |                               |                               |
| <b>EXTERNALLY RESTRICTED CASH</b>                                       | <b>\$53,135,797</b>           | <b>\$28,078,266</b>           |
|                                                                         |                               |                               |
| <b>INCLUDED IN GRANT RELATED (EXCL DEVELOPER CONTRIBUTIONS)</b>         | <b>\$30,258,073</b>           | <b>\$9,285,089</b>            |
| GRANT-RELATED - GENERAL (EXCL DEVELOPER CONTRIBUTIONS AND RFS RESERVES) | \$29,927,203                  | \$8,670,754                   |
| GRANT-RELATED - WATER (EXCL DEVELOPER CONTRIBUTIONS)                    | \$225,024                     | \$168,056                     |
| GRANT-RELATED - SEWER (EXCL DEVELOPER CONTRIBUTIONS)                    | -                             | -                             |
| GRANT-RELATED - WASTE (EXCL DEVELOPER CONTRIBUTIONS)                    | \$105,845                     | \$446,279                     |
| GRANT-RELATED - STORMWATER (EXCL DEVELOPER CONTRIBUTIONS)               | -                             | -                             |
| BRUXNER WAY WIDENING                                                    | -                             | -                             |
|                                                                         |                               |                               |
| <b>INCLUDED IN DEVELOPER CONTRIBUTIONS</b>                              | <b>\$1,427,924</b>            | <b>\$870,032</b>              |
| DEVELOPER CONTRIBUTIONS - GENERAL                                       | \$1,090,779                   | \$651,144                     |
| DEVELOPER CONTRIBUTIONS - WATER                                         | \$130,027                     | \$94,296                      |
| DEVELOPER CONTRIBUTIONS - SEWER                                         | \$84,578                      | \$53,994                      |
| DEVELOPER CONTRIBUTIONS - WASTE                                         | \$113,882                     | \$63,921                      |
| DEVELOPER CONTRIBUTIONS - STORMWATER                                    | \$8,657                       | \$6,677                       |
|                                                                         |                               |                               |
| <b>INCLUDED IN RFS RESERVES</b>                                         | <b>\$124,167</b>              | <b>\$111,166</b>              |

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|                                                                                                       |                     |                     |
|-------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| RFS RESERVES                                                                                          | \$124,167           | \$111,166           |
|                                                                                                       |                     |                     |
| <b>INCLUDED IN CASH AT BANK AND INVESTMENT LEFTOVERS (AFTER EXCL GRANT RELATED, DC AND RFS ABOVE)</b> | <b>\$21,325,634</b> | <b>\$17,811,979</b> |
| WATER                                                                                                 | \$2,299,387         | \$1,210,136         |
| SEWER                                                                                                 | \$7,615,553         | \$6,763,527         |
| WASTE                                                                                                 | \$10,328,238        | \$8,464,494         |
| STORMWATER                                                                                            | \$1,013,382         | \$991,481           |
| TRUST FUND                                                                                            | \$69,074            | \$382,341           |
|                                                                                                       |                     |                     |
| <b>INTERNAL RESTRICTIONS</b>                                                                          | <b>\$2,100,000</b>  | <b>\$5,500,000</b>  |
| PLANT AND VEHICLE REPLACEMENT                                                                         | \$400,000           | -                   |
| EMPLOYEES LEAVE ENTITLEMENTS                                                                          | \$200,000           | -                   |
| SPECIAL PROJECTS – INFRASTRUCTURE FLOOD DAMAGE                                                        | \$1,500,000         | <b>\$5,500,000</b>  |
|                                                                                                       |                     |                     |
| <b>UNRESTRICTED FUNDS</b>                                                                             | <b>\$13,248,122</b> | <b>\$1,312,738</b>  |

In the month of June Council received 85% advance payment of the Financial Assistance Grant 2024/25 totaling \$5.7 Million.

Council received \$2.3 Million as reimbursement money relating to DRFA AGRN 1012 – Immediate Recovery Works for February 2022 event.

Council received \$1.04 Million as reimbursement money relating to Roads to Recovery 2023/2024.

Council also received a GST-refund of around \$520,000.

**The above have contributed to Council achieving a positive unrestricted funds result for the period ending 30 June 2024.**

Increase in Externally Restricted Cash:

As of May 2024, Council reported \$36.89 Million in externally restricted cash. As of June 2024, Council reports \$53.14 Million in externally restricted funds. Major contributing factors for this increase are:

Council signed up for a Tripartite Agreement with Transport for NSW to assist in managing cash flow associated with Essential Public Asset Restoration projects under AGRN 1012. This resulted in Council receiving an advance payment of \$6.65Million (approximately 20% of overall estimated cost of \$34.123Million).

Council further received an advance payment of \$7.77Million for Disaster Event – AGRN 960 – Dumaresq Channel Overflow Bridge, with a total estimated project cost of \$17.41 Million.

Fixing Country Bridges (Various) total restricted income in June was \$0.5 Million.

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The above payments are classified as Specific Purpose Grant and are restricted monies which do not form part of the unrestricted cash balance at the end of any month-end reconciliation of cash.

### Further Financial Reporting

Presented below are operating statements of various business units.

#### Library Services Operating:

| Library Services                         | 23/24 Full Year Budget | Adopted 23/24 Review 3 Budget (Anticipated June 2024 Result) | 23/24 YTD Actuals | 23/24 % Spent (Review 3 budget) |
|------------------------------------------|------------------------|--------------------------------------------------------------|-------------------|---------------------------------|
| <b>Operating Income</b>                  |                        |                                                              |                   |                                 |
| Library Operating Subsidy Income         | 25,871                 | 66,711                                                       | 66,711            | 100.00%                         |
| Library Sundry Income                    | 0                      | 0                                                            | 792               | 0.00%                           |
| Library Fees & Charges Income            | 6,242                  | 6,242                                                        | 1,402             | 22.47%                          |
| Library Operating Grant Income           | 0                      | 0                                                            | 1,500             | 0.00%                           |
| <b>TOTAL OPERATING INCOME</b>            | <b>32,113</b>          | <b>72,953</b>                                                | <b>70,406</b>     | <b>96.51%</b>                   |
| <b>Operating Expenditure</b>             |                        |                                                              |                   |                                 |
| Library Wages & Administration Expenses  | 390,382                | 418,726                                                      | 342,374           | 81.77%                          |
| Library Resources (Books, DVDs, etc)     | 25,910                 | 25,910                                                       | 25,378            | 97.95%                          |
| Database Subscriptions                   | 3,152                  | 3,152                                                        | 5,573             | 176.82%                         |
| Contribution to Regional Library Service | 9,726                  | 9,726                                                        | 9,336             | 95.99%                          |
| Electricity                              | 22,051                 | 32,051                                                       | 17,419            | 54.35%                          |
| Telephone & Communications               | 9,040                  | 9,040                                                        | 5,688             | 62.92%                          |
| Cleaning                                 | 19,038                 | 19,038                                                       | 12,393            | 65.09%                          |
| Rates & Charges                          | 2,192                  | 2,192                                                        | 2,118             | 96.62%                          |
| Insurance                                | 5,512                  | 512                                                          | 166               | 32.49%                          |
| Building & Asset Maintenance             | 35,010                 | 9,924                                                        | 3,283             | 33.08%                          |
| Building Operations                      | 7,538                  | 7,538                                                        | 4,269             | 56.63%                          |
| IT & Software                            | 22,901                 | 24,901                                                       | 17,158            | 68.90%                          |
| Rental of Premises                       | 525                    | 525                                                          | 0                 | 0.00%                           |
| Depreciation                             | 64,627                 | 52,456                                                       | 49,702            | 94.75%                          |
| <b>TOTAL OPERATING EXPENDITURE</b>       | <b>617,604</b>         | <b>615,691</b>                                               | <b>494,858</b>    | <b>80.37%</b>                   |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b> | <b>(585,491)</b>       | <b>(542,738)</b>                                             | <b>(424,453)</b>  |                                 |

#### Livestock Saleyards Operating:

| Livestock Saleyards                      | 23/24 Full Year Budget | Adopted 23/24 Review 3 Budget (Anticipated June 2024 Result) | 23/24 YTD Actuals | 23/24 % Spent (Review 3 budget) |
|------------------------------------------|------------------------|--------------------------------------------------------------|-------------------|---------------------------------|
| <b>Operating Income</b>                  |                        |                                                              |                   |                                 |
| Saleyard Dues Income                     | 46,818                 | 58,818                                                       | 93,967            | 159.76%                         |
| WHS Surcharge Income                     | 17,167                 | 21,167                                                       | 33,643            | 158.94%                         |
| Agents Licence Fees Income               | 13,109                 | 13,109                                                       | 13,118            | 100.07%                         |
| Sundry Income - Saleyards                | 2,722                  | 5,722                                                        | 7,093             | 123.97%                         |
| <b>TOTAL OPERATING INCOME</b>            | <b>79,816</b>          | <b>98,816</b>                                                | <b>147,822</b>    | <b>149.59%</b>                  |
| <b>Operating Expenditure</b>             |                        |                                                              |                   |                                 |
| Operation Costs                          | 25,821                 | 40,821                                                       | 45,999            | 112.68%                         |
| Saleyards Asset Maintenance              | 45,286                 | 45,286                                                       | 44,423            | 98.09%                          |
| Depreciation - Saleyards                 | 78,561                 | 82,523                                                       | 82,523            | 100.00%                         |
| <b>TOTAL OPERATING EXPENDITURE</b>       | <b>149,668</b>         | <b>168,630</b>                                               | <b>172,945</b>    | <b>102.56%</b>                  |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b> | <b>(69,852)</b>        | <b>(69,814)</b>                                              | <b>(25,123)</b>   |                                 |

Our Governance No. 56 Cont...

**Theatre and Museum Operating**

| Theatre & Museum Complex                         | 23/24<br>Full Year<br>Budget | Adopted 23/24<br>Review 3 Budget<br>(Anticipated June<br>2024 Result) | 23/24<br>YTD<br>Actuals | 23/24<br>% Spent<br>(Review 3<br>budget) |
|--------------------------------------------------|------------------------------|-----------------------------------------------------------------------|-------------------------|------------------------------------------|
| <b>Operating Income</b>                          |                              |                                                                       |                         |                                          |
| Cinema Income                                    | 96,757                       | 5,661                                                                 | 5,676                   | 100.27%                                  |
| Theatre Income                                   | 31,212                       | 898                                                                   | 1,498                   | 166.79%                                  |
| Museum Income                                    | 20,808                       | 3,275                                                                 | 3,493                   | 106.67%                                  |
| Museum Advisory Services Income                  | 9,364                        | 9,364                                                                 | 10,455                  | 111.65%                                  |
| Café Rent Income                                 | 9,693                        | 13,249                                                                | 13,248                  | 100.00%                                  |
| Café Utilities Reimbursement Income              | 3,849                        | 3,849                                                                 | 3,164                   | 82.21%                                   |
| M&G NSW 2023 Skills Development Grant Income     | 0                            | (4,000)                                                               | (4,000)                 | 100.00%                                  |
| <b>TOTAL OPERATING INCOME</b>                    | <b>171,683</b>               | <b>32,296</b>                                                         | <b>33,535</b>           | <b>103.84%</b>                           |
| <b>Operating Expenditure</b>                     |                              |                                                                       |                         |                                          |
| Theatre & Museum Wages & Administration Expenses | 218,371                      | 41,437                                                                | 40,923                  | 98.76%                                   |
| Cinema Operations                                | 53,434                       | 14,242                                                                | 12,767                  | 89.65%                                   |
| Theatre Operations                               | 29,291                       | 8,736                                                                 | 8,736                   | 100.00%                                  |
| Museum Operations                                | 8,350                        | 7,825                                                                 | 2,992                   | 38.23%                                   |
| Museum Advisory Services                         | 21,013                       | 21,013                                                                | 16,284                  | 77.50%                                   |
| Arts North West Membership                       | 6,030                        | 6,030                                                                 | 5,527                   | 91.66%                                   |
| School of Arts Building Operations               | 5,269                        | 5,269                                                                 | 4,929                   | 93.55%                                   |
| Cleaning                                         | 22,050                       | 22,050                                                                | 23,027                  | 104.43%                                  |
| Fire Monitoring and Inspections                  | 5,778                        | 10,778                                                                | 8,366                   | 77.62%                                   |
| Security Monitoring                              | 3,257                        | 3,257                                                                 | 3,437                   | 105.52%                                  |
| Insurance                                        | 13,230                       | 13,230                                                                | 14,504                  | 109.63%                                  |
| Building & Asset Maintenance                     | 14,043                       | 14,043                                                                | 9,547                   | 67.98%                                   |
| Promotions                                       | 3,152                        | 1,413                                                                 | 1,470                   | 104.04%                                  |
| Volunteer Expenses                               | 2,692                        | 135                                                                   | 135                     | 99.73%                                   |
| Depreciation                                     | 20,934                       | 20,229                                                                | 19,583                  | 96.81%                                   |
| <b>TOTAL OPERATING EXPENDITURE</b>               | <b>426,894</b>               | <b>189,687</b>                                                        | <b>172,226</b>          | <b>90.79%</b>                            |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b>         | <b>(255,211)</b>             | <b>(157,391)</b>                                                      | <b>(138,691)</b>        |                                          |

Our Governance No. 56 Cont...

**Waste Management Operations**

| Waste Management                                            | 23/24<br>Full Year<br>Budget | Adopted 23/24<br>Review 3 Budget<br>(Anticipated June<br>2024 Result) | 23/24<br>YTD<br>Actuals | 23/24<br>% Spent<br>(Review 3 budget) |
|-------------------------------------------------------------|------------------------------|-----------------------------------------------------------------------|-------------------------|---------------------------------------|
| <b>Operating Income</b>                                     |                              |                                                                       |                         |                                       |
| Annual Charges Income                                       | 2,961,928                    | 2,961,928                                                             | 2,996,140               | 101.16%                               |
| User Charges Income                                         | 314,493                      | 314,493                                                               | 315,476                 | 100.31%                               |
| Interest & Other Income                                     | 45,630                       | 175,630                                                               | 173,436                 | 98.75%                                |
| Operating Grants & Subsidies Income                         | 59,676                       | 59,676                                                                | 55,536                  | 93.06%                                |
| <b>TOTAL OPERATING INCOME</b>                               | <b>3,381,727</b>             | <b>3,511,727</b>                                                      | <b>3,540,589</b>        | <b>100.82%</b>                        |
| <b>Operating Expenditure</b>                                |                              |                                                                       |                         |                                       |
| Management & Administration                                 | 498,669                      | 498,669                                                               | 498,166                 | 99.90%                                |
| Operations - Domestic & Commercial Waste Collection         | 262,967                      | 330,967                                                               | 350,067                 | 105.77%                               |
| Operations - Trade Waste Collection                         | 47,534                       | 57,534                                                                | 49,944                  | 86.81%                                |
| Operations - Recycling Services                             | 297,970                      | 247,970                                                               | 213,167                 | 85.96%                                |
| Operations - Transfer Station - Tenterfield                 | 235,297                      | 295,297                                                               | 293,365                 | 99.35%                                |
| Operations - Transfer Station - Urbenville, Liston & Legume | 140,713                      | 190,713                                                               | 191,544                 | 100.44%                               |
| Operations - Transfer Station - Drake                       | 115,894                      | 119,894                                                               | 103,199                 | 86.08%                                |
| Operations - Transfer Station - Torrington                  | 53,013                       | 68,013                                                                | 59,807                  | 87.93%                                |
| Operations - Boonoo Boonoo Landfill                         | 90,883                       | 228,883                                                               | 215,895                 | 94.33%                                |
| Interest on Loans                                           | 138,577                      | 138,577                                                               | 138,577                 | 100.00%                               |
| Depreciation                                                | 1,024,634                    | 930,782                                                               | 345,632                 | 37.13%                                |
| <b>TOTAL OPERATING EXPENDITURE</b>                          | <b>2,906,151</b>             | <b>3,107,299</b>                                                      | <b>2,459,364</b>        | <b>79.15%</b>                         |
| <b>NET OPERATING SURPLUS / (DEFICIT)</b>                    | <b>475,576</b>               | <b>404,428</b>                                                        | <b>1,081,225</b>        |                                       |

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

Nil.

**2. Policy and Regulation**

- Investment Policy (Policy Statement 1.091)
- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- Ministerial Investment Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Office of Local Government Circulars

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

Nil.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

Nil.

**7. Performance Measures**



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Nil.

**8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

Prepared by staff member: Roy Jones, Manager Finance & Technology  
Approved/Reviewed by Manager: Hein Basson, General Manager  
Department: Office of the Chief Corporate Officer  
Attachments: **1** Investment Report - as at 30 June 2024

|                      |                                              |
|----------------------|----------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b> |
| <b>Submitted by:</b> | Roy Jones, Manager Finance & Technology      |
| <b>Reference:</b>    | <b>ITEM GOV57/24</b>                         |
| <b>Subject:</b>      | <b>REPORT ON LOAN BALANCES 30 JUNE 2024</b>  |

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

|                             |                                                                                                                                                      |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community. |
| <b>CSP Strategy:</b>        | Ensure Council operates in an effective and financially sustainable manner to deliver affordable services.                                           |
| <b>CSP Delivery Program</b> | Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.                                    |

#### **SUMMARY**

The purpose of this Report is to inform Council of its loan balances as at 30 June 2024.

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

**That Council notes the loan balance as at 30 June 2024 was \$20,115,861.86 (\$20,190,432.82 as at 31 March 2024).**

#### **BACKGROUND**

Council resolved at its meeting on 24 August 2011 (Resolution 380/11) that a report be provided every three (3) months summarising Council's debt levels and that the report should include the date the loan is taken out, the amount of the original loan, the current balance owing, the term of the loan, the interest rate and the payment details.

#### **REPORT:**

Loan payments are being made in accordance with the particular loan agreements. Council's loan balance as at 30 June 2024 was \$20,115,861.86 (\$20,190,432.82 as at 31 March 2024).

#### **New Loans Taken Out between reporting periods 30 June 2023 to 30 June 2024.**

No New Loans were taken out during the reporting period.

#### **Bridging Finance**

At the Council Meeting held on 12 January 2022, Council approved the establishment of a Corporate Markets Loan with the National Australia Bank, with a drawdown facility limit of \$5,000,000 for a rollover period of 90 days, to function as a cash reserve to fund external restrictions when required.

On 27 June 2023 Council activated the drawdown facility to manages its cash flow. This was mainly due to delay in the receipt of the Advance Financial Assistance Grant payment. The Office of Local Government has been informed.

As at 30 June 2024, Council did not use any amount from this facility to transfer into its General Fund for business operations.

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Debt Service Cover Ratio: The 'debt service cover ratio' measures the operating cash available to service debt including interest, principal and lease payments. The benchmark set by OLG for the ratio is greater than two times.

Council's Audited Debt Service Cover Ratio as at 30 June 2023 is 8.3x (benchmark is >2.00x).

Council's Unaudited Debt Service Cover Ratio as at 30 June 2024 is 10.61x (benchmark is >2.00x).

The ratio has improved primarily due to receipt of Financial Assistance Grant and other revenue from grants in June 2024.

Debt Service Ratio: The debt service ratio measures the proportion of general income that is used to repay debt and interest charges. The benchmark for this ratio is greater than 0% and less than 20%.

Councils Indicative Debt Service Ratio for June 2024 is 5%.

### **COUNCIL IMPLICATIONS:**

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

For the 2023/24 Operational Plan and Budget Council had indicated a Nil Borrowing. The NSW Office of Local Government (OLG) was notified of this. For the 2023/2024 financial year Council did not borrow any money.

#### **2. Policy and Regulation**

- Section 621 of the *Local Government Act 1993* allows a Council to borrow at any time for any purpose allowed under the Act subject to any restrictions imposed by the Minister in accordance with Section 624 of the Act.
- Borrowing Policy.

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

Nil.

#### **4. Asset Management (AMS)**

Nil.

#### **5. Workforce (WMS)**

Nil.

#### **6. Legal and Risk Management**

Nil.

#### **7. Performance Measures**

Nil.

#### **8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

Our Governance No. 57 Cont...

Prepared by staff member: Roy Jones, Manager Finance & Technology  
Approved/Reviewed by Manager: Hein Basson, General Manager  
Department: Office of the Chief Corporate Officer  
Attachments: **1** Loan Register as at 30 June 2024 1 Page

|                      |                                                      |
|----------------------|------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>         |
| <b>Submitted by:</b> | Roy Jones, Manager Finance & Technology              |
| <b>Reference:</b>    | <b>ITEM GOV58/24</b>                                 |
| <b>Subject:</b>      | <b>CAPITAL EXPENDITURE REPORT AS AT 30 JUNE 2024</b> |

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

|                             |                                                                                                                                                                                                                         |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b>        | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |
| <b>CSP Delivery Program</b> | Collaborate and deliver resources with other organisations to ensure a variety of cost effective services across the service area.                                                                                      |

#### **SUMMARY**

The purpose of this report is to show the Year-to-date (YTD) financial progress of Capital Works projects against the budget.

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

**That Council notes the Capital Expenditure Report for the period ended 30 June 2024.**

#### **BACKGROUND**

The Capital Expenditure Report indicates to Council the financial progress of each project against the forecast expenditure for that project and is attached as an **Annexure** to this report. The information has also been set out to show which Council service the expenditure relates to.

#### **REPORT:**

The carry-forward budgets for capital projects that are ongoing from the 2022/23 year, in particular grant-funded works, were adopted in the first Quarterly Budget Review at the November 2023 meeting. The budgets for a number of new grants received in the current financial year were also adopted.

The Capital Expenditure Report has been updated to show the current list of approved capital projects, including the budget changes for capital projects that were adopted by Council at the May 2024 meeting (as part of the March 2024 Quarterly Budget Review).

#### **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

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- Australian Accounting Standards
- Office of Local Government Circulars

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

Nil.

**4. Asset Management (AMS)**

Nil.

**5. Workforce (WMS)**

Nil.

**6. Legal and Risk Management**

Nil.

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

|                               |                                               |
|-------------------------------|-----------------------------------------------|
| Prepared by staff member:     | Roy Jones, Manager Finance & Technology       |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                  |
| Department:                   | Office of the Chief Corporate Officer         |
| Attachments:                  | <b>1</b> June 2024 Capital Expenditure Report |
|                               | 5 Pages                                       |

|                      |                                                              |
|----------------------|--------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>                 |
| <b>Submitted by:</b> | Roy Jonnes – Manager Finance & Technology                    |
| <b>Reference:</b>    | <b>ITEM GOV59/24</b>                                         |
| <b>Subject:</b>      | <b>CORPORATE MARKETS LOAN (OVERDRAFT FACILITY) EXTENSION</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>CSP Delivery Program</b> | Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.                                                  |

#### **SUMMARY**

The purpose of this report is to recommend to Council that the current Corporate Markets Loan with the National Australia Bank with a drawdown facility limit of \$5,000,000.00 be extended for another 12 months, but with a revised drawdown facility of \$2,670,000.00 for a rollover period of 90 days, to function as a cash reserve for emergency needs only.

This short-term bridging finance is necessary to alleviate Council's ongoing cash-flow issues, which are the result of the delays in funding from government bodies for grant works and disaster recovery activities which are paid in arrears.

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

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

- (1) Approves the continuation of the Corporate Markets Loan with National Australia Bank with a revised drawdown facility limit of \$2,670,000.00 for a rollover period of 90 days, to function as a cash reserve for emergency needs only.**

#### **BACKGROUND**

On 12 January 2022, Council adopted the following resolution (14/22)- (1):

*That Council Approves the establishment of a Corporate Markets Loan with NAB with a drawdown facility limit of \$5,000,000 for a rollover period of 90 days, to function as a cash reserve to fund external restrictions when required.*

On 27 March 2024, Council resolved (48/24) – (10):

*That Council decrease its Overdraft facility from \$5million to \$0.5million over the next 5 years to reflect the increase in unallocated cash at hand and to reduce long term risks and costs of holding a bank overdraft.*

Council has improved its unrestricted cash position post 30 June 2022, however, it continues to face challenges in cash flow management due to the majority of grant-funded and disaster recovery (DRFA) works being funded in arrears by the various State

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and Federal Government funding bodies (wherein cash is received after expenditure has been incurred). This issue has been highlighted with Council on several occasions in the past.

**REPORT:**

For the Financial Year 2023/2024 Council did not borrow any money from external banking institutions. Council managed its cash flow effectively whilst managing creditors expectations with payment terms of invoices and ensured a positive unrestricted cash balance as at the end of 30 June 2024.

In stating the above, Council still faces challenges in cash flow management due to the majority of grant funded and disaster recovery (DRFA) work being funded in arrears by the various State and Federal Government funding bodies.

Council continues to work on maintenance and capital projects because of disaster recovery funding which far exceed Council's own capital works programs and adds additional pressure on cash flow management, which in turn impacts Council's obligation to its fund plant replacement reserve and employee leave entitlement reserve.

Recently, Council signed up for a Tripartite Agreement with Transport for NSW to assist in managing cash flow associated with Essential Public Asset Restoration projects under AGRN 1012. This resulted in Council receiving an advance payment of \$6.65Million (approximately 20% of overall estimated cost of \$34.123Million).

Council further received an advance payment of \$7.77Million for Disaster Event – AGRN 960 – Dumaresq Channel Overflow Bridge – with a total estimated project cost of \$17.41 Million.

Both the above payments are classified as Specific Purpose Grant and are restricted monies which do not form part of the unrestricted cash balance at the end of any month-end reconciliation of cash.

For the Financial year 2024/2025 Council has adopted its Operational Plan with zero borrowings.

The extension of the Corporate Markets Loan with a lower revised amount will purely act as a financial buffer to meet any unexpected cash shortcomings.

In the past twelve months the NAB has increased its Facility Fee from 0.40% per annum to 0.75% per annum.

Having a wholistic approach to Councils cash management and budget implications, the table below presents a comparison for the current Corporate Markets Loan with:

- 1) Option 1: Renewal with the existing \$5 Million limit – adding an additional \$17,500 in facility fees which is not budgeted for (compared to \$20,000 the previous year).
- 2) Option 2: Renewal with a reduced limit of \$2.670Million – resulting in a reduction of the Corporate Markets Loan to \$2,670,000 whilst keeping the same facility fee expenditure per annum of the already budgeted \$20,000. Therefore, nil impact on the 2024/25 Budget.



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| Loan                                                                            | Current<br>Corporate Markets<br>Loan | Option 1 - Renew<br>Corporate Markets Loan | Option 2 – Renew & Reduce Limit<br>Corporate Markets Loan |
|---------------------------------------------------------------------------------|--------------------------------------|--------------------------------------------|-----------------------------------------------------------|
| Limit                                                                           | \$5,000,000                          | \$5,000,000                                | \$2,670,000                                               |
| Facility Fee                                                                    | 0.40%p.a.<br>(\$20,000 p.a)          | 0.75% p.a.<br>(\$37,500 p.a)               | 0.75% p.a.<br>(\$20,025)                                  |
| Drawn Margin                                                                    | 0.75%                                | 0.75%                                      | 0.75%                                                     |
| Funding Margin                                                                  | 0.00%                                | 0.00%                                      | 0.00%                                                     |
| Indicative Floating Rate<br>(BBSY** + the Drawn Margin +<br>the Funding Margin) | 5.09%                                | 5.09%                                      | 5.09%                                                     |
| Repricing                                                                       | Quarterly Rolls                      | Quarterly Rolls                            | Quarterly Rolls                                           |
| Loan Expiry Date*                                                               | 31/07/24                             | 31/07/2025                                 | 31/07/2025                                                |

\*Loan to be reviewed upon expiry

\*\*BBSY indicative at todays rate for 90day pricing period is 4.34%

Council, as part of its adopted 2024/25 Budget has \$21,000.00 allocated for this facility. Given the legal requirement that Council must comply with in the *Local Government Act 1993*, the current funding arrangements and Council's operational deficits posing a risk to financial sustainability, it would be in Council's the best interest to extend this facility with the reduced amount of \$2,670,000.00.

## COUNCIL IMPLICATIONS:

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

Council's Operational Plan and Budget for 2024/2025 went out for public consultation prior to the adoption of the final Operational Plan and Budget in June 2024.

No additional consultation is required.

### 2. Policy and Regulation

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- Ministerial Revised Borrowing Order
- Local Government Code of Accounting Practice and Financial Reporting
- Australian Accounting Standards
- Council's Borrowing Policy

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

If Council approves the extension of the Corporate Markets Loan, no budget adjustment will be required as the adopted budget has already catered for the \$20,000 expense.

However, in case Council uses the overdraft facility to drawdown any amount, interest will need to be calculated based on BBSY+ the Drawn Margin rate.

### 4. Asset Management (AMS)

Nil.

### 5. Workforce (WMS)

Nil.

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**6. Legal and Risk Management**

Nil.

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

**Hein Basson**  
**General Manager**

|                               |                                             |
|-------------------------------|---------------------------------------------|
| Prepared by staff member:     | Roy Jones – Manager of Finance & Technology |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                |
| Department:                   | Office of the Chief Corporate Officer       |
| Attachments:                  | There are no attachments for this report.   |

|                      |                                                 |
|----------------------|-------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Corporate Officer</b>    |
| <b>Submitted by:</b> | Lee Sisson, Governance Officer                  |
| <b>Reference:</b>    | <b>ITEM GOV60/24</b>                            |
| <b>Subject:</b>      | <b>MONTHLY OPERATIONAL REPORT FOR JUNE 2024</b> |

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

|                      |                                                                                                                                                                                                                         |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>     | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b> | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |

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**SUMMARY**

The purpose of this Report is to provide a standing monthly report to the Ordinary Meeting of Council that demonstrates staff accountabilities and actions taken against Council's 2023/2024 Operational Plan.

**OFFICER'S RECOMMENDATION:**

**That Council:**

**Notes the status of the Monthly Operational Report for June 2024.**

**Hein Basson**  
**General Manager**

|                               |                                                    |             |
|-------------------------------|----------------------------------------------------|-------------|
| Prepared by staff member:     | Lee Sisson, Governance Officer                     |             |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                       |             |
| Department:                   | Office of the Chief Corporate Officer              |             |
| Attachments:                  | <b>1</b> Monthly Operational Report -<br>June 2024 | 48<br>Pages |

|                      |                                                                                                      |
|----------------------|------------------------------------------------------------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Executive</b>                                                                 |
| <b>Submitted by:</b> | Hein Basson, General Manager                                                                         |
| <b>Reference:</b>    | <b>ITEM GOV61/24</b>                                                                                 |
| <b>Subject:</b>      | <b>ALTERATION AND RECISSION MOTIONS - NO SPECIAL RATE VARIATION FOR THE 2025/2026 FINANCIAL YEAR</b> |

|                                                               |                                                                                                                                                                                                                         |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK</b> |                                                                                                                                                                                                                         |
| <b>CSP Goal:</b>                                              | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b>                                          | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |

**SUMMARY**

The purpose of this report is to alter and rescind parts of Council Resolution 96/24, dealing with the 2024/25-Budget and adopted at its Ordinary Council Meeting held on Wednesday 26 June 2024.

**Move that Council:**

- (1) Rescinds in totality the contents of paragraphs five (5) and seven (7) of Resolution 96/24 adopted at the Ordinary Council Meeting held on 26 June 2024.**
- (2) Alters the contents of paragraph six (6) of Resolution 96/24 adopted at the Ordinary Council Meeting held on 26 June 2024 to read as follows:**
  - (6) Commences with the preparation of an updated suite of Integrated Planning and Reporting Framework (IPRF) documents as soon as is practicable after the September 2024 Local Government Elections, noting that community consultation is an intrinsic process associated with the preparation actions, and that Centium consultancy firm has been engaged to facilitate the community consultation processes and assist Council staff with the preparation of the IPRF-suite of documents.**
- (3) Makes the necessary funding alterations in its adopted 2024/25-Budget to cover the projected cash deficit of \$928,088 as follows:**

| <b>Descriptor</b>                     | <b>Budgeted Amount</b> | <b>Revised Amount</b> | <b>Amount Saved</b> | <b>Alternative Funding Source</b>                                               |
|---------------------------------------|------------------------|-----------------------|---------------------|---------------------------------------------------------------------------------|
| <b>Urban Streets – Reseal Program</b> | <b>\$100,000</b>       | <b>Nil</b>            | <b>\$100,000</b>    | <b>\$100,000 funded from R2R – from the increased allocation of \$793,700pa</b> |

Our Governance No. 61 Cont...

|                                   |                    |                    |                  |                                                                  |
|-----------------------------------|--------------------|--------------------|------------------|------------------------------------------------------------------|
| <b>Rural Roads-Reseal Program</b> | <b>\$400,000</b>   | <b>Nil</b>         | <b>\$400,000</b> | <b>\$400,000 funded from R2R – from the increased allocation</b> |
| <b>Urban Road Rehabilitation</b>  | <b>\$75,000</b>    | <b>Nil</b>         | <b>\$75,000</b>  | <b>\$75,000 funded from R2R – from the increased allocation</b>  |
| <b>Rural Roads Maintenance</b>    | <b>\$1,500,000</b> | <b>\$1,146,912</b> | <b>\$353,088</b> | <b>\$353,088 funded from RERRF (Pothole money)</b>               |
| <b>Cash Deficit</b>               | <b>(\$928,088)</b> |                    | <b>\$928,088</b> |                                                                  |

## BACKGROUND

Council, at its Ordinary Meeting held on 26 June 2024, amongst others, adopted the following resolutions ((96/24):

- (4) *Confirms its resolution adopted at the Ordinary Council Meeting held on 27 March 2024 for a Special Rate Variation (SRV) application to the Independent Pricing and Regulatory Tribunal (IPART) to be prepared for an SRV to be implemented for the 2025/26 Financial Year onwards to address the current and ongoing future operating deficits and associated inability of Council to adequately address the maintenance and renewal of its infrastructure assets.*
- (5) *Commences as soon as is possible with the preparation of an updated suite of Integrated Planning and Reporting Framework (IPRF) documents and SRV-application, noting that community consultation is an intrinsic process associated with these preparation actions, and that Centium consultancy firm has been engaged to facilitate the community consultation processes and assist Council staff with the preparation of the SRV-application and the IPRF-suite of documents.*
- (6) *Determines a proposed percentage increase for the SRV and the proposed implementation period before the community consultation regarding the SRV commences, and that the Councillor Workshop that is scheduled for 10 July 2024 be 6 2 July 2024 earmarked for initial information presentations by staff in this regard.*

## REPORT:

In moving the rescission and alteration motions, the mover and seconders have considered the following factors:

- Acknowledged Council's tight financial situation, and also the tight financial situation in the community with interest rate rises, increased commodity prices and lower livestock prices, however: -
- In consultation with the General Manager, it would be possible for Council to adjust its 2024/25-Budget to fund its projected cash deficit, which alterations will be incorporated as part of the first quarterly budget review.
- Council has received an increased allocation of Roads to Recovery funding.
- Council has a small cushion with the RERRF funds (Pothole money).

Our Governance No. 61 Cont...

- Presently, we have just completed the first year of the 43% SRV implementation and are now entering the second year. We note that even with the rate rise Tenterfield Shire rates are still well below many other Councils.
- The necessary SRV and IP&R-community consultations in close succession to each other in the second part of 2024 is not ideal, as it confuses the issues.
- Council's asset plans and associated information are not updated yet and would be difficult to achieve in time for an RSV-application for 2025/26, as it involves time-consuming processes and interpretation of data.
- The consultation and implementation of a revised Organisation Structure is another time-consuming exercise, and in conjunction with an SRV-application, would be challenging for staff to accomplish within strict timeframes.
- The expenditure of \$87Million DRFA and other grant funding over the next few years places an enormous additional burden on the organisation.
- The payment by the public of the Emergency Levy to Councils is currently under consideration by the State Government.
- The rate pegging policy in NSW is currently under investigation and consideration by the State Government.
- The future of the Rural Fire Service's red fleet and other assets and associated depreciation costs, and how these costs will be dealt with in NSW in future, is uncertain and currently further being investigated.

A duly signed Notice of Alteration and Rescission Motion has been received, signed by the Mayor, Cr Bronwyn Petrie, the Deputy Mayor, Cr John Macnish and Cr Kim Rhodes, for Council's consideration.

## **COUNCIL IMPLICATIONS:**

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

Nil.

### **2. Policy and Regulation**

- *The Local Government Act 1993*

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

Consultation between the Mayor and General Manager had been held regarding possible changes to the adopted 2024/25-Budget to fund the projected cash deficit of \$928,088 for the current financial year.

### **4. Asset Management (AMS)**

Council not pursuing an RSV-application for the 2025/26 financial year, will put staff in a better position to update and refine its Asset Management Plans.

### **5. Workforce (WMS)**

Council not pursuing an RSV-application for the 2025/26 financial year, will put staff in a better position to implement the proposed revised organisation structure.

### **6. Legal and Risk Management**

*The Local Government Act 1993*, Section 372 deals with the rescinding or altering of resolutions, and, amongst other things, states the following:

*(1) A resolution passed by Council may not be altered or rescinded except by a motion to that effect of which has been duly given in accordance with the Council's code of meeting practice.*

Our Governance No. 61 Cont...

*(4) A notice of motion to alter or rescind a resolution, and a notice of motion which has the same effect as a motion which has been negatived by the council, must be signed by 3 councillors if less than 3 months has elapsed since the resolution was passed, or the motion was negatived, as the case may be.*

**7. Performance Measures**

Nil.

**8. Project Management**

Nil.

**Hein Basson  
General Manager**

|                               |                                                |
|-------------------------------|------------------------------------------------|
| Prepared by staff member:     | Hein Basson, General Manager                   |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                   |
| Department:                   | Office of the Chief Executive                  |
| Attachments:                  | <b>1</b> Signed Recission Motion - SRV 2 Pages |

**(ITEM RC9/24) REPORTS OF DELEGATES & COMMITTEES - MURRAY DARLING COMMITTEE 2024 NATIONAL CONFERENCE COMMUNIQUE**

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**REPORT BY:** Greg Sauer - Councillor

Councillor Sauer will provide further verbal advice and information at the Council Meeting.

**RECOMMENDATION**

**That the report be received and noted from the Murray Darling Association – 2024 National Conference Communique.**

**ATTACHMENTS**

- 1 Murray Darling Association - 2024 National Conference Communique 5 Pages



|                      |                                                 |
|----------------------|-------------------------------------------------|
| <b>Department:</b>   | <b>Office of the Chief Executive</b>            |
| <b>Submitted by:</b> | Elizabeth Melling - Executive Assistant & Media |
| <b>Reference:</b>    | <b>ITEM RES6/24</b>                             |
| <b>Subject:</b>      | <b>COUNCIL RESOLUTION REGISTER - JUNE 2024</b>  |

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

|                             |                                                                                                                                                                                                                         |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CSP Goal:</b>            | <b>Leadership</b> - Council is a transparent, financially-sustainable and high-performing organisation, delivering valued services to the Community.                                                                    |
| <b>CSP Strategy:</b>        | Ensure the performance of Council as an organisation complies with all statutory Guidelines, supported by effective corporate management, sound integrated planning and open, transparent and informed decision making. |
| <b>CSP Delivery Program</b> | Ensure that the performance of Council as an organisation complies with all statutory reporting guidelines and information is available to decision makers.                                                             |

#### **SUMMARY**

The purpose of this Report is to provide a standing monthly report to the Ordinary Meeting of Council that outlines all Resolutions of Council previously adopted and yet to be finalised.

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

**That Council notes the status of the Council Resolution Register to June 2024.**

**Hein Basson**  
**General Manager**

|                               |                                                       |             |
|-------------------------------|-------------------------------------------------------|-------------|
| Prepared by staff member:     | Elizabeth Melling- Executive Assistant & Media        |             |
| Approved/Reviewed by Manager: | Hein Basson, General Manager                          |             |
| Department:                   | Office of the Chief Executive                         |             |
| Attachments:                  | <b>1</b> Actioins/Resolutions Register -<br>June 2024 | 26<br>Pages |