

CASTLEREAGH MACQUARIE COUNTY COUNCIL

Meeting of Council

Held at Lightning Ridge

on Wednesday 19th September, 2018

7.3 ANNUAL FINANCIAL STATEMENTS 2017/2018

REPORTING SECTION: General Manager

AUTHOR: Don Ramsland – General Manager

FILE NUMBER:

Summary:

This report recommends the Draft Annual Financial Statements for the year ending 30 June 2018, be referred for audit.

Background:

Section 413, 415 and 416 of the Local Government Act 1993 requires the Council's General Purpose Annual Financial Reports for the year ending 30 June 2018 to be prepared, referred to audit and audited by 31 October, 2018.

Council is required to authorise the referral of the Annual Financial Reports consisting of the General Purpose Report to Council's Auditor.

Section 413 of the Local Government Act 1993, also requires that the Financial Reports must be accompanied by a Statement by Council and Management made pursuant to section 413 (2)(c) of the Local Government Act 1993 and made pursuant to a resolution of Council.

Section 418 (2) of the Local Government Act 1993, states that as soon as practicable but not more than 5 weeks after the Audit Report is received, Council must give notice that a Meeting will be held to present the Financial Reports and the Auditor's Report to the public. Such public notice must include a summary of the Financial Reports.

Current Position:

As well as moving to refer the statements to audit, Council is required at this time to sign the statement by Councillors and Management within the financial statements for the General Purpose Financial Statements.

Once the Financial Statements are audited, they will be presented before the Council to discuss any issues and / or adjustments which have arisen.

If there are no material adjustments or issues after this Council meeting, it is moved to delegate to the General Manager the authority to authorise the Financial Statements for issue to the Department of Local Government, and to the public before formal adoption at the next available Council meeting.

Council's General Manager is currently in the process of preparing the draft financial statements, once completed will be referred to audit RSD Auditors as the nominated independent auditing body.

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Relevant Reference Documents/Policies:

Local Government Act (1993)

Governance issues:

Full disclosure and transparency in activities relating to financial management will be met by provision of draft financial statements to be tabled at a later meeting of Council (prior to audit).

Environmental issues:

There are no identified environmental issues.

Stakeholders:

Councillors of Castlereagh Macquarie County Council
Department Local Government

Financial Implications:

The Financial Reports represent Council's financial position as at 30 June 2018.

Alternative Solutions/Options:

N/A

Conclusion:

It is now appropriate that action be taken in accordance with the Local Government Act in relation to the 2017/2018 Financial Reports.

Annual Financial Statements 2017/2018 - Refer for Audit

Recommendation:

1. The Draft Annual Financial Reports for 2017/2018 be referred to Council's Auditor.
2. The Chairperson, another Councillor, the General Manager and Finance Officer be authorised to sign the necessary Financial Statements.
3. On receipt of the Audited Report, a copy be forwarded to the Department of Local Government and the Australian Bureau of Statistics.
4. Council delegate to the General Manager the authority to set the date at which the Auditor's report and the Financial Statements be presented to the public, additionally be reviewed/adopted by Council formally as required, subject to Section 418 of the Local Government Act 1993 and its requirements.

Moved:

Seconded:

Attachments:

Section 413 statement for signature will be tabled at the meeting.

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**ITEM 7.4: REVIEW – ORGANISATIONAL ACTION PLAN –
SEPTEMBER, 2018**

REPORTING SECTION: General Manager

AUTHOR: Don Ramsland – General Manager

FILE NUMBER:

Summary:

To review the Organisational Action Plan.

Background:

In March, 2014 Council adopted a twelve point plan as part of the proposed organisational restructure of the County Council.

With the close of the 2016/17 financial year all of those measures had been implemented with the finalisation of the appointment of a new Senior Weeds Officer to replace Senior Weeds Officer John Unwin who retired on 13 July, 2017 and the repayment on 31 May, 2017 of the last \$10,000 instalments in respect of the advances made by our constituent Councils in 2014/15 to fund the restructure.

Current Position:

As part of the Integrated Planning and Reporting legislation Council should be looking at the outcomes achieved from its Business Activity Statement and supporting legislation. Of paramount importance is the need to be proactive in the local government reform process and, in particular preparing submissions in respect any proposed local government reforms.

It was also a requirement that all the elements of the IP&R supporting legislation be reviewed within twelve months of the September, 2016 quadrennial elections and ensure they address the requirements of the Bio-Security Act 2015.

During August, 2016 Council commenced putting a new digital information system in place to meet the requirements of the new Bio-Security Information System (BIS) and be able to provide data for the new state-wide data base. Training for staff has taken longer than expected and is still ongoing.

At its meeting on 27 June, 2016 Council adopted a 30 point Organisational Action Plan for 2016/17 and this was updated and progressively implemented during both 2016/17 and 2017/18. It is now planned to continue to update and implement that plan progressively throughout 2018/19 and to also review it at each meeting.

Council at its June, 2017 meeting resolved to meet only once a quarter - in March rather than February and April, June, August and November rather than October and December, thus being able to reduce the number of meetings being held each year from six down to four.

Council also resolved to write to the OLG seeking advice on reducing the number of delegates from ten down to five and the possibility of operating under a Section 355 (LGA) committee type structure. Whilst it will be possible to reduce delegate numbers with the concurrence of all constituent councils the OLG supports continuing with the current County Council structure.

This report to the September, 2018 meeting will be the first of these reviews for 2018/19 and progress in respect of the following elements has now been identified:

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September

1. Be proactive in the local government reform process by preparing any necessary submissions.
2. Finalise annual statements of account for 2017/18.
3. Review and update its WH&S policies and procedures.
4. Review and negotiate Council's Insurances for 2018/19.
5. Update Local Control Plans – Priority Weeds.
6. Prepare 2017/18 WAP 1520 return.
7. Prepare Quarterly Budget Review Statements.
8. Finalisation of 2017/18 Audit requirements with Auditor General's Office and Victorian based contract auditors RSD Audit

Any Councillors' queries can be discussed at the meeting.

Relevant Reference Documents:

Council's Operational Plan and Budget for 2018/2019, September, 2018/19 QBRS statements and Long Term Financial Plan

Business Activity Strategic Plan Link:

1. The issues identified during the preparation of the 2018/19 Updated Draft Budget for 2018/19 and supporting documentation
2. Community consultation
3. Commence annual statement preparation
4. Review ELE reserves

The 2018//2019 Operational Plan and Budget are linked back to Council's 2018/2022 Delivery Plan and Business Activity Strategy

Delivery Plan Link:

The issues identified during the preparation of the 2018/2019 Operational Plan and Budget are linked back to Council's 2018/2022 Delivery Plan and Business Activity Strategy

Operational Plan/Budget Link:

The issues identified in 2018/2022 Council's Delivery Plan and Business Activity Strategy are directly linked to the 2018/2019 Operational Plan and Budget provisions

Stakeholders:

Castlereagh Macquarie County Council
Council Staff
Constituent Councils
Local residents and landholders

Governance Issues:

The aim of this report is to acquaint Councillors with the progress being made in respect of the many and varied tasks that need to be addressed over each twelve month period. As necessary, over the next twelve months, additional items may be added to the action plan.

Environmental Issues:

Not applicable

Financial Implications:

Maintaining both Council's financial viability and ongoing sustainability into the future are essential elements. The bleak financial future Council was facing five years ago has been turned around to one where a ten year financial plan indicates an increasing level of

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available funds and at the same time sees due provision being made for future liabilities such as ELE and Plant Replacement.

Legal Issues:

Council will need to be mindful of any changes in local government legislation that may have serious impacts into the future. This particularly relates to changes in the Bio-security Legislation that became effective from 1 July, 2017 and are still in the implementation phase in some areas as well as Joint Organisation developments.

Alternatives/Options:

Not to be aware of ongoing issues or plan for the future

Conclusion:

As discussed previously, it is to Council's credit that it has been prepared to take the tough decisions to address its recent financial dilemma and turn the financial situation around.

However, as well as routine operational requirements, there are other issues outside Council's control including the functioning Local Land Services, the implementation and review of the new bio-security legislation and more possible changes to the NSW Office of Local Government's approach to local government reform that have now come into play.

This report notes the success and progress made in relation to the revised Organisational Action Plan which has now been updated for the coming year.

Recommendation:

That Council receive and note the General Manager's report in respect of the progress being made in respect of the revised Organisational Action Plan and endorse the action taken so far.

Attachments:

Organisational Action Plan

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ORGANISATIONAL ACTION PLAN – 2018/19

September

1. Finalisation of 2017/18 Audit requirements with Auditor General's Office and Victorian based contract auditors RSD Audit
2. Be proactive in the local government reform process by preparing any necessary submissions.
3. Finalise annual statements of account for 2017/18.
4. Review and update its WH&S policies and procedures.
5. Review and negotiate Council's Insurances for 2018/19.
6. Update Local Control Plans – Priority Weeds.
7. Prepare 2017/18 WAP 1520 return.
8. Prepare Quarterly Budget Review Statements.

November (formerly October/December)

9. Report on the outcomes achieved through the Integrated Planning and Reporting legislation Council from its Business Activity Strategy and supporting legislation.
10. All the elements of the IP&R supporting legislation be reviewed as required to ensure they address the current requirements.
11. Review Councillors' remuneration.
12. Review its salary system, work practices and costing documentation.
13. Update all policies and procedures.
14. Prepare Quarterly Budget Review Statements.
15. Follow up review of Councillor numbers and Committee Structure.
16. Auditor's presentation to November, 2018 meeting and annual statements table for adoption.
17. Re-negotiate property leases with constituent councils where appropriate.
18. Conduct both WH&S and Award Consultative Committee meetings.
19. Provide the support for secretariat for the Hudson pear Task Force if required.
20. Run a series of weeds eradication programmes based on seasonal conditions.
21. Improve communication with state agencies and other stakeholders.
22. Prepare Quarterly Budget Review Statements.
23. Review Staffing Structure
24. Prepare annual report for 2017/18

March (formerly February/April)

25. Monitor insurance cover and ensure all risks are reasonably addressed.
26. Provide regular feedback to constituent councils through the distribution of agendas and minutes.

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27. Maintain an up to date website and records system.
28. Prepare Quarterly Budget Review Statements.
29. Research grant fund opportunities.
30. Provide regular feedback to constituent councils through the distribution of agendas and minutes.
31. Prepare Draft Budget for 2019/20 and supporting documentation.
32. Advertise draft estimates
33. Review the General Manager's appointment
34. Review the administrative support function at present provided through Walgett Shire

June

35. Update Draft Budget for 2019/20 and supporting documentation
36. Community consultation
37. Commence annual statement preparation
38. Review ELE reserves
39. Finalisation of 2019/20 Audit requirements with Auditor General's Office and Victorian based contract auditors RSD Audit

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ITEM 7.5 QUARTERLY BUDGET REVIEW STATEMENT – PERIOD ENDED 31 August, 2018

Summary:

An analysis of Council's actual income and expenditure to 31 August, 2018 has now been completed and a revised budget result forecast for the year ending 30 June, 2019 has been prepared showing the anticipated result on present trends.

These results are summarised as follows:

	Budgeted Surplus/(Loss) \$	Revised Budget Surplus/(Loss) \$	Forecast Budget Surplus / (Loss)\$
Operating budget result	\$119,894	\$3,916	\$123,810
Capital Budget result	(\$75,788)	nil	(\$75,788)

Background:

Financial information made available to councillors should adequately disclose council's overall financial position and provide sufficient information to enable informed decision making and ensure that council remains on track to meet the objectives, targets and outcomes set out in its operational plan, adopted budget and delivery program.

Council's part-time General Manager is now operating remotely and the work load is being monitored to ensure appropriate accounting controls remain in place. A higher level of responsibility is being placed on the Senior Weeds Officer to undertake the necessary checks and balances in respect of staff control and day to day expenditure.

Walgett Shire continues to provide administrative support using casual staff whilst the nominated officer is absent on maternity leave – due to return in November, 2018.

The purchase or replacement of some office equipment will be the subject of a report to the November, 2018 meeting.

Current Position:

The attached Quarterly Budget Review Statement (QBRs) has been prepared as a second document which breaks down the actual budget line item income and expenditure for the year, details any variations from the original budget in respect of those various line items is also attached. It is proposed to go over these variations in detail at the meeting.

However in summary, and in view of the fact that this is the first quarterly report in respect of 2018/19, variations are only minor.

These variations reveal a net operating budget surplus for the period of \$3,916 after provision has been made for depreciation of \$45,000.

This result is in line with the expectations voiced at the time of adopting the 2018/19 budget and operational plan at the June, 2018 meeting.

This QBRs sets out the recommended changes to the revised budget of \$3,916 net. These are listed on the budget worksheet and relate to changes in private works income of \$30,430 and expenditure of \$34,346 in respect of works completed late in the 2017/18 year or works now carried forward to 2018/19.

A separate page with reference to our updated key performance ratios and required declarations in respect of contractual arrangements, consultancies and legal expenses is also included. Our exact key

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performance details will be set out with our financial statements for 2017/18 which are currently with our Auditors.

However, after allowing for capital income/expenditure Council will operate at an estimated overall surplus in 2018/19 of \$48,022 after allowing for depreciation.

Council's surplus achieved in 2017/18 will be the subject of a further report to Council's next meeting in November, 2018 when a clearer position the season is having on property inspection and road side spraying activities will be available. By that time too, the appointment of an additional weeds officer to cover the Warrumbungle Shire area will have been completed.

It is anticipated that Council will continue to attract a reasonable level of private works which, if appropriate will be undertaken using casual/contract resources.

Relevant Reference Documents/Policies:

The Local Government (General) Regulation 2005

Local Government Act 1993, as amended

DLG Circular 10/32 – Quarterly Budget Review Statement

Governance Issues:

Council continues to monitor developments with regards the establishment of Joint Organisations as outcomes in this area could impact on the degree of certainty in which to plan for the immediate and short-term future.

Stakeholders:

Castlereagh Macquarie County Council Constituent Councils – Shires of Warrumbungle, Coonamble, Gilgandra, Walgett and Warren.

Financial Implications:

It is proposed to discuss the matter what level of grant funds which may become available in 2018/19 in the confidential section of the meeting as further cuts could impact unfavourably on Council's bottom line.

Legal Issues:

In the event of the County Council being wound-up, constituent councils would share in any surplus funds realised or be required to make good and shortfall.

Alternative Solutions/Options:

As previously advised, Council's financial position, both in immediate future and going forward needs to be monitored closely.

Conclusion:

Council's ongoing actions are aimed at rectifying the financial downturn that was compounded by significant operating losses over the last decade. To date, the measures seem to be working quite satisfactorily but the situation needs to be regularly monitored to identify if and when any further action is required to maintain our viability, sustainability and affordability.

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Quarterly Budget Review Statement – 31 August, 2018

Recommendation:

That the Quarterly Budget Review Statement the period ended 31 August, 2018 be received and noted, the recommended variations to the revised budget as detailed in the attached statement be adopted.

Moved:

Seconded:

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Quarterly Budget Review Statement – 31 August, 2018.

Statement by Responsible Accounting Officer

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

It is my opinion that the Quarterly Budget Review Statement for the Castlereagh Macquarie County Council for the period ended 31 August, 2018 indicates that Council's projected financial position as at 30 June, 2019 will be satisfactory at year end having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

This statement is made on the proviso that any resolution passed at Council's meeting on 19 September, 2018 in respect budget amendments and associated issues to offset any loss in grant income are implemented within the timelines determined or as duly amended.

Signed: _____

Date: 10 September, 2018

Don Ramsland - Responsible Accounting Officer – Castlereagh Macquarie County Council

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Quarterly Budget Review Statement – 31 August, 2018.

Recommended Changes to Revised Budget

A. Revenue Income (net)	\$	\$
Adjustment of Private Works income	\$30,430	
Total – Revenue Income Adjustments		\$30,430
Revenue Expenditure (net)		
Adjustment of Private Works expenditure	\$34,346	
Total Revenue Expense Adjustments		\$34,346
Net Increase in Operating Surplus		\$3,916
B. Capital Income Adjustments (net) -		Nil
C. Capital Expenditure Adjustments (net)		Nil
Total – Capital Adjustments		Nil
Net increase in Surplus		\$3,916

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Quarterly Budget Review Statement – 31 August, 2018.

Budget Review - Key Performance Indicators Statement

1. **Unrestricted Current Ratio – 7.73:1** (1 July, 2018)
2. **Debt Service Ratio – Nil:1** (1 July, 2018)
3. **Building and Infrastructure Renewal Ratio** - as a 1 July, 2018 this ratio was 0.00% as Council had made no provision for assets renewals
4. **Cash Expense Cover Ratio – 9.13 months**

Budget Review - Contracts and Other Expenses

Part A – Contracts Listing - Council has not entered into any contracts.

Part B – Consultancy and Legal Expenses

<u>Expense</u>	<u>Expenditure YTD</u>	<u>Budgeted</u>
	\$	Y/N
Consultancies	Nil	No
Legal Fees	Nil	No

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OPERATING BUDGET FOR 2018/19 as at 31 August, 2018

	revised estimate 2017/18	adopted budget 2018/19	Amendments				Revised Budget	YTD	remainder of year	projected for year	further variance	%
			01-07-18	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr					
INCOME												
Administration												
DPI - MVWAC Grant	106,256	108,700					108,700		108,700	108,700		0.00
DPI - NW LLS WAP Grant	188,174	192,502					192,502		192,502	192,502		0.00
DPI - CW LLS WAP Grant	5,000	4,000					4,000	246	3,754	4,000		6.15
Weed Certificates	5,000	5,000					5,000		5,000	5,000		0.00
Constituent Council Contribs	514,145	525,970					525,970	758	2,742	3,500		21.66
Interest on Investments	3,000	3,000					3,000	2,084	916	3,000		69.47
Property Insurance Rebate	1,500	1,500					1,500		1,500	1,500		0.00
Vehicle Insurance Adj	5,000	5,000					5,000		5,000	5,000		0.00
WH&S Incentive Rebate	832	515					515		515	515		0.00
Workers Comp Incentive payment	2,580	2,580					2,580		2,580	2,580		0.00
MV Claim discount	-	-					-		-	-		0.00
Jury Duty	-	-					-		-	-		0.00
Administration - Total	831,487	847,267					847,267	3,088	844,179	847,267		0.36
Destruction of Weeds												
Con't from Constituent Councils												0.00
Mesquite Control - Grant												0.00
Parthenium Weed - Grant												0.00
Parkinsonia - Grant												0.00
Destruction of Weeds - Total												0.00
Private Works												
Private Works Income												0.00
Bre Shire - Private Works												0.00
Coonamble Private Works												0.00
Warrumbungle Shire Private Works	7,762											0.00
Warren Private Works												0.00
Walgett Shire Private Works	28,076											0.00
Gilgandra Private Works	1,970											0.00
WLC (HP)												0.00
Walgett Shire - HP												0.00
North West LLS - Parkinsonia	37,727								8,181	8,181	8,181	0.00
Western CMA (HP)									-	-	-	0.00
Western LLS (HP) S/R Analysis									-	-	-	0.00
North West LLS Pamphlet Project									8,181	8,181	8,181	0.00
NW LLS - H P Bio Control Project	10,000								4,535	4,535	4,535	0.00
DLWC - 5 ways									-	-	-	0.00
DPI HP PRMF Project VSS	11,818								-	-	-	0.00
DPI HP PRMF Project R 7623 LR	9,091	39,207					39,207		-	-	39,207	0.00
DPI HP PRMF Project R7623 Cbh	5,000	14,184					14,184		-	-	14,184	0.00
DPI HP VSS Fire Trails									1,737	1,737	1,737	0.00
Agency Commissions									-	-	-	0.00
Sale of Parts etc									-	-	-	0.00
Private Works - Total	111,444	53,391					53,391	327	22,634	22,961	- 30,430	1.42
												22,961
												22,961

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Other Income									
Plant Income	120,000	140,000						15,25	
Profit on sale of plant	10,908	-						0,00	
Const Council Advances	130,908	140,000						0,00	
Other Income - Total	1,073,839	1,040,658						15,25	1,010,228
Revenue Income - Total								2,45	1,010,228
EXPENDITURE									
Administration Costs									
General Manager's Salary	22,583	25,000						16,67	
Clerical Assistance								0,00	
Commission on auction sale								0,00	
Contract Administrative Support	35,000	35,875						0,00	
MVWAC - Project Officer Costs	5,446	5,446						0,00	
Orange CC - Weeds Coord cont	20,610	21,125						0,00	
IPR Costs	318	328						0,00	
Regional Meeting Expenses	6,842	2,500						42,44	
BioSecurity Info Expenses								0,00	
Travelling	2,000	2,000						0,00	
Audit Fees	10,500	10,815						0,00	
Advertising	3,990	2,814						63,40	
Printing & Stationary	2,575	2,652						164,52	
Postage & Freight	1,083	1,115						0,00	
Storage Rental	2,800	2,884						0,00	
Telephone	8,280	8,528						11,80	
Bank Charges	600	619						23,91	
Legal Expenses	530	546						0,00	
Sundry Expenses								0,00	
Computer Bio Security System	10,691	11,012						0,00	
security services								0,00	
office cleaning	2,500	2,500						0,00	
sundry admin expenses	1,500	1,500						0,00	
web site costs	2,758	2,841						3,52	
Subscription - Shires Assoc								9,01	
Administration Costs - Total	140,606	140,101						140,101	140,101
Insurance Costs									
Fidelity Guarantee	1,435	1,478						100,00	
Public Liability & Prof Indemnity	24,900	25,647						100,00	
Accumulated Sick Leave	830							100,00	
Property Insurance	4,975	5,124						100,00	
State Cover Capital Levy	1,343	1,383						0,00	
Personal Accident	1,946	2,004						127	
Councillor's and Officers' liability	9,808	10,102						100,00	
Motor vehicle liability	7,510	7,735						100,00	
Insurance Costs - Total	52,747	53,474						97,50	55,281
Governance Costs									55,281
Chairperson's Allowance	3,686	2,427						0,00	
Councillors' Meeting Fees	20,455	11,333						0,00	
Councillors' Travelling	4,774	4,917						0,00	
Councillors' Subsistence - CMCC Mtgs	4,624	4,751						4,04	
CMCC Meeting Expenses	2,245	2,313						10,29	
Insurance Members Accident								0,00	
Governance Costs - Total	35,784	25,741						1,67	25,741

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Employee Overheads												
Redundancy - Termination Pay										0.00		
Redundancy - Annual Leave										0.00		
Redundancy - Long Service Leave										0.00		
Provision for ELE - retirement										0.00		
Annual Leave	55,000	30,176	30,176	30,176	30,176	30,176	30,176	30,176	30,176	0.00		
Long Service Leave	30,745	10,678	10,678	10,678	10,678	10,678	10,678	10,678	10,678	0.00		
Sick Leave	9,399	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	0.00		
compassionate leave	12,828	762		561						0.00		
Union Picnic Day	762									0.00		
Public Holidays NEI	512									0.00		
Jury Duty	13,061	13,453	13,453	256	13,197	13,453				1.90		
Superannuation										0.00		
Workers Compensation	45,851	34,000	34,000	5,442	28,558	34,000	34,000	34,000	34,000	16.01		
Staff Medical expenses	10,500	10,500	10,500		10,500	10,500	10,500	10,500	10,500	0.00		
Protective Clothing										0.00		
Allowances Disability/Climatic	1,350	1,074	1,074	224	850	1,074	1,074	1,074	1,074	20.86		
Staff Training	1,549	1,588	1,588	154	1,434	1,588	1,588	1,588	1,588	9.70		
	20,603	15,000	15,000	6,009	8,991	15,000	15,000	15,000	15,000	40.06		
Sub - Total - Employee Overheads	202,160	128,968	128,968	116,646	116,322	128,968	128,968	128,968	128,968	9.81		
Sub Total Administrative Overheads	431,297	348,285	348,285	79,603	268,682	348,285	348,285	348,285	348,285	22.86		
On-cost Recovery										348,285		
Employee Overheads - Total												
Destruction of Weeds												
Supervision of Weeds Officers	79,950	7,654	7,654	2,170	5,484	7,654	7,654	7,654	7,654	28.35		
Property Inspections	88,150	80,000	80,000	26,122	53,878	80,000	80,000	80,000	80,000	32.65		
Other Costs - Council Roads	205,000	165,000	165,000	8,556	76,444	85,000	85,000	85,000	85,000	10.07		
WAP 1520 Grant expenses	5,000	165,000	165,000	21,323	142,677	165,000	165,000	165,000	165,000	13.53		
H P Taskforce Administration	40,000	50,000	50,000		50,000	50,000	50,000	50,000	50,000	0.00		
Casual/Contract Spraying										0.00		
Fruit Fly Control										0.00		
Mesquite Control Program	562									0.00		
Parthenium Weed Control	1,025									0.00		
Parkinsonia Weed Control	22,636	18,000	18,000		18,000	18,000	18,000	18,000	18,000	0.00		
	8,216	7,000	7,000	1,733	5,267	7,000	7,000	7,000	7,000	24.76		
Pasture Trials										0.00		
Destruction of Weeds - Total	450,539	412,654	412,654	60,904	351,750	412,654	412,654	412,654	412,654	14.76		
Private Works												
Cost of Private Works										0.00		
Bre Shire - Private Works										0.00		
Sundry Private Works										0.00		
Warumbungle Shire - Cost of Private Works	1,533									0.00		
Gilgandra Shire - Cost of Private Works	3,138									0.00		
Walgett Shire - Cost of Private Works	18,962			104		104	104	104	104	100.00		
Coonamble - Private Works	750									0.00		
Warren Shire - Cost of Private Works	60			396		396	396	396	396	100.00		
Walgett Shire - HP										0.00		
North West LLS - Promotional Pamphlet										0.00		
North West LLS - Parkinsonia Project					7,500	7,500	7,500	7,500	7,500	0.00		
North West LLS - Bio Control Project					7,500	7,500	7,500	7,500	7,500	0.00		
Western LLS (HP) Control Pgmes					4,545	4,545	4,545	4,545	4,545	0.00		
DLWC - 5 ways	8,488	1,000	1,000							0.00		
DPI HP PRMF Project VSS	7,091									0.00		
DPI HP PRMF Project 7623 LR	5,455	39,207	39,207							0.00		
DPI HP PRMF Project R7623 Chh	5,000	14,184	14,184							0.00		
Agency Expenses										0.00		
Cost for the Sale of Parts etc	3,329	1,500	1,500							0.00		
Private Works -Total	53,806	55,891	55,891	500	21,045	1,500	21,545	34,346	21,545	2.32		
Other Expenses												
Depot Expenses	10,000	6,435	6,435	3,591	2,844	6,435	6,435	6,435	6,435	55.80		
Plant Expenses	52,103	52,500	52,500	10,090	42,410	52,500	52,500	52,500	52,500	19.22		
Depreciation	30,000	45,000	45,000		45,000	45,000	45,000	45,000	45,000	0.00		
Refund - Const Council Advances										0.00		
Other Expenses -Total	92,103	103,935	103,935	13,681	90,254	103,935	103,935	103,935	103,935	13.16		
Revenue Expenses - Total	1,027,745	920,765	920,765	154,688	731,731	886,419	886,419	886,419	886,419	17.45		
Net Operating Surplus/(Deficit) after Deprec	46,094	119,894	119,894	- 129,920	253,730	123,810	123,810	3,916	123,810	123,810		

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CAPITAL BUDGET FOR 2018/19 as at 31 August, 2018

	revised estimate 2017/18	adopted budget 2018/19	Amendments			Revised Budget	YTD	remainder of year	projected for year	further variance	%
			01-07-18	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
Capital Income		15,000						15,000	15,000	-	
Sale/Trade in of Plant Assets											
Sale of Depot Facilities (Coonamble, Coon'bran)	3,000										
Profit on sale of surplus assets (Equipment)	10,000										
Transfer from Plant Reserve	11,174										
Transfer from ELE	55,000										
Capital Income - Total	79,174	15,000						15,000	15,000	-	
Capital Expenditure											
Office Equipment	5,000										
Minor Building Improvements		4,000						4,000	4,000		
Provision for Depot facility - Coonamble		20,000						20,000	20,000		
New Vehicles - Nett	64,174	41,250						41,250	41,250		
Small Plant, Tools, Radios	2,000	3,000						3,000	3,000		
Transfer to ELE Reserve	9,399	9,634						9,634	9,634		
Transfer to Plant Reserve	12,614	12,904						12,904	12,904		
Capital Expenditure - Total	93,187	90,788						90,788	90,788		
Net Capital Surplus/(Deficit)	- 14,013	- 75,788						(75,788)	- 75,788		

Estimated Budget Results as at 30 June, 2019

Total Income	1,153,013	1,055,658	1,055,658	24,768	1,000,460	1,025,228	- 30,430	1,025,228	1,025,228		
Total Expenditure	1,120,933	1,011,553	1,011,553	154,688	822,519	977,207	- 34,346	977,207	977,207		
Net Total Surplus/(Deficit)	32,080	44,106	44,106	- 129,920	177,942	48,022	3,916	48,022	48,022		
% of Income	2.78	4.18	4.18			4.68		4.68			
check	32,080	44,106	44,106			48,022	3,916	48,022	48,022		

Estimated Budget Results for Ten Year Plant - Reserves as at 30 June, 2019

Retained Earnings/Asset Reval Res	
% retained earning to total Inc.	
ELE Reserve	
Plant Reserve	

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Statement of Cash Flows as at 30 June 2018

	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Estimate 2019
Cash Flows from Operating Activities						
<u>Receipts</u>						
User Fees and Charges	10	15	29	38	61	23
Investment and Interest Revenue	5	6	6	6	7	4
Grants and Contributions	1013	940	823	878	867	827
Bonds, Deposits and Retention amounts	-	-				
Other	201	132	120	101	99	156
<u>Payments</u>						
Employee Benefits and Oncosts	-1037	-900	-626	-591	-591	-679
Materials and Contracts	-89	-78	-26	-27	-32	-26
Other	-221	-198	-226	-220	-168	-136
Net Cash provided/used in Operating Activities	-118	-83	100	185	243	169
Cash Flows from Investing Activities						
<u>Receipts</u>						
Sale of Infrastructure, Property, Plant and Equipment	2	414	16	5	11	15
<u>Payments</u>						
Purchase of Infrastructure, Property, Plant and Equipment	-	9	-69	-64	-66	-54
Investments	-	-				
Net Cash provided/used in Investing Activities	2	423	-53	-59	-55	-39
Cash Flows from Financing Activities						
<u>Receipts</u>						
Proceeds from Borrowings and Advances	250	-	0	-	0	
Transfer from Plant Reserve						
<u>Payments</u>						
Repayment of Borrowings and Advances	-	-100	-100	-50	0	
Net Cash Flow provided/used in Financing Activities	250	-100	-100	-50	0	
Net Increase/(Decrease) in Cash and Cash Equivalents	134	240	-53	76	188	130
add Cash and Cash Equivalents - beginning of year	17	151	391	338	414	602
Cash and Cash Equivalents - end of year	151	391	338	414	602	732
Investments on hand - end of year	-	-				
Total Cash, Cash Equivalents and Investments	151	391	338	414	602	

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ITEM 7.6 REVIEW OF COUNCIL'S INSURANCES 2018/2019

REPORTING SECTION: Castlereagh Macquarie County Council

AUTHOR: Don Ramsland – General Manager

FILE NUMBER: 09/47-03

Summary:

To endorse the action taken in reviewing and renewing Council insurances for the year ending 30 June, 2019.

Background:

In accordance with standard procedure, Council's various insurances were reviewed as at 30 June, 2018 and appropriate action taken to renew the existing policies to ensure Council's interests were properly covered.

Current Position:

Council's Insurance Brokers, JLT Pty Ltd, have placed the following cover for the twelve months commencing 1 July, 2018.

Date	Inv. No.	Class	Inception	Amount Due
02/07/2018	099-144607	<i>Public Liability – Professional Indemnity</i>	30/6/2018	\$27,257.84
02/07/2018	099-144601	<i>Councillors and Officers Liability</i>	30/6/2018	\$10,735.93
02/07/2018	099-144602	<i>Crime</i>	30/6/2018	\$1,570.91
02/07/2018	099-144603/4	<i>Motor Vehicle – Renewal</i>	30/6/2018	\$9,737.92
02/07/2018	099-144605/6	<i>Property - Renewal</i>	30/6/2018	\$6,544.21
02/07/2018	025-609605	<i>Personal Accident</i>	30/6/2018	\$2,131.80
03/07/2018	025-609957	<i>Accumulated Sick leave</i>	30/06/2018	\$ 996.38
Total				\$58,974.99

By using insurance brokers, Council is able to effect the most appropriate cover at the most economical rates.

Relevant Reference Documents:

Relevant insurance policies

Business Activity Strategic Plan Link:

Council's 2017/2022 Delivery Plan and Business Activity Strategy

Delivery Plan Link:

Council's 2018/2022 Delivery Plan and Business Activity Strategy

Operational Plan/Budget Link:

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2018/2019 Operational Plan and Budget provisions

Stakeholders:

Castlereagh Macquarie County Council
Constituent Councils

Governance Issues:

None identified

Environmental Issues:

None identified

Financial Implications:

The premiums for 2018/19 totalling \$ 58,974.99 have increased by \$5,221.03 when compared with the 2017/18 premiums paid of \$53,753.96

Legal Issues:

None identified

Alternatives/Options:

Operate without appropriate insurance coverage

Conclusion:

That the action taken to review and renew Council's insurance policies be endorsed and appropriate adjustments made to Council's budget where required

Review of Council's Insurances 2017/2018

Recommendation:

That the action taken to renew Council's insurance policies for 2018/19 be endorsed and appropriate adjustment made to Council's budget where required.

Seconded:

Moved:

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ITEM 7.7 CMCC WORK HEALTH & SAFETY (WH&S) FOR 2018/19

REPORTING SECTION: Castlereagh Macquarie County Council

AUTHOR: Don Ramsland – General Manager

FILE NUMBER: 09/47-03

Summary:

To endorse the action taken to participate in the Annual StateCover self-audit programme

Background:

StateCover provides an annual WHS self-audit to assist clients in assessing the structure and implementation of their WHS management system. The analysis of these results is presented in a report that includes:

- The areas of strength and weakness of your WHS management system and hazard management practices
- A comparison of your WHS performance against other Councils
- A comparison of your results against previous years
- Suggestions on ways to improve WHS areas that are scored below average
- A customised action plan template highlighting key areas for improvement

These results enable Council to proactively address issues that can cause injuries, increase Council's operational costs and potentially expose individuals and Council to prosecution under WHS legislation.

Current Position:

Reducing the number of injuries in a Council can significantly decrease the Council's workers compensation premiums. It also provides indirect cost saving by eliminating the need for claims management and return to work activities, whilst increasing productivity and improving employee morale.

In addition, Councils that successfully complete the self-audit and subsequent audit verification are eligible for a StateCover rebate equal to 0.3% of payroll costs, up to a maximum of \$60,000.

Relevant Reference Documents:

2018 StateCover WHS Self-Audit Programme

Business Activity Strategic Plan Link:

Council's 2018/2022 Delivery Plan and Business Activity Strategy

Delivery Plan Link:

Council's 2018/2021 Delivery Plan and Business Activity Strategy

Operational Plan/Budget Link:

2018/2019 Operational Plan and Budget provisions

Stakeholders:

Castlereagh Macquarie County Council

Constituent Councils

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Governance Issues:

The self-audit process provides an opportunity to also review various operational policies and procedures

Environmental Issues:

Consideration of environmental issues that affect employees can be reviewed as part of the process.

Financial Implications:

The financial rewards from improved WHS performance could run into many thousands of dollars by way of rebate

Legal Issues:

Councils are constantly exposed to legal action and fines through WHS breaches and this programme actively works to minimise such exposure through an education process.

Alternatives/Options:

Do nothing

Conclusion:

This report is prepared primarily for Council's information and comment

Work Health & Safety (WH&S) for 2018/2019

Recommendation:

That the General Manager's report in respect of the StateCover self-audit process be received and noted.

Seconded:

Moved:

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**7.8 MATTERS FOR BRIEF MENTION OR GENERALLY FOR
INFORMATION ONLY – SEPTEMBER, 2018**

REPORTING SECTION: General Manager
AUTHOR: Don Ramsland – General Manager
FILE NUMBER: 000/00/00/00

Summary:

The following matters are listed for brief mention or information only.

1. 2017/18 Financial Statements – Audit Timetable

Council's Auditor's will be commencing their audit of Council's 2017/18 Statements of Account during the week commencing 11 September, 2018 and it is envisaged that the audited accounts will be presented to Council's November, 2018 meeting.

2. Hudson pear Taskforce

As Council would be aware, the next Hudson pear Taskforce meeting has now been set down for Wednesday 19 September, 2018 at Lightning Ridge following Council's September meeting. At the conclusion of the Taskforce meeting an inspection is being arranged to acquaint Councillors with the extent of the Hudson pear problem and to see the impacts of recently introduced bio-control agents.

3. NSW Local Land Services - Additional \$10,000 2017/18 WAP Funding

The preparation of a local Biosecurity "Information for Residents" pamphlet has been carried over into 2018/19 and a draft is currently being laid out.

It is proposed that the pamphlet would target specific priority weeds in each constituent council area and also provide advice with regards the treatment of other weeds prevalent in our area.

4. Chairpersonship of Hudson pear Taskforce

The North West LLS have advised that they don't have sufficient funding available in their current budget to continue funding the position of an independent Chairperson for the Hudson pear Taskforce. An alternative is for Council to fund this position from its 2018/19 WAP funding allocation.

The matter was discussed with the Chair and Deputy Chair of the CMCC and it was agreed to put this approach forward to the North West LLS because of the advantages of having a level of independence in overseeing the activities of the various representatives who compose the Taskforce.

Depending on the number of meeting held, the costs involved would be in the order of \$2,500/\$3,000 p.a.

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5. CMCC Meeting Dates and Venues – 2018/19.

It is proposed that meeting dates and venues for the Castlereagh Macquarie County Council for 2018/19 be as follows:

Date:

Wednesday, 19 September, 2018

Monday, 19 November, 2018

Monday, 18 March, 2019

Monday, 17 June, 2019

Monday, 19 August, 2019

Monday, 18 November, 2019

Venue:

Walgett (Lightning Ridge Bowling Club)

Coonamble

Gilgandra

Warren

Coonabarabran

Coonamble

Matters for Brief Mention or Information Only – September 2018

Recommendation:

That the above issues for brief mention or information only as detailed in the General Manager's report to the September, 2018 meeting be received and noted.

Moved:

Seconded:

Attachments:

Nil

Section 2

Senior Weeds Officer's Report

CASTLEREAGH MACQUARIE COUNTY COUNCIL

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ITEM 8.1:

CMCC Senior Weeds report September 2018

MVWAC recently purchased a drone for use by members. Andrew Cole and Chris Jackson held a training session in Narromine, twenty six members attended including CMCC Weed Officers. The drone weighs less than two kilograms allowing each member to fly without a license, there are however standard operating conditions including notifying CASA 5 business days before flying.

While attending the MVWAC meeting in Narromine August 7, the Tom Knowles Memorial award was presented to Castlereagh Macquarie County Council. This is the second time we have held the award; John Unwin also awarded this achievement in 2014.



Castlereagh Macquarie County Council has secured a site in Lightning Ridge for mass rearing the Hudson Pear Cochineal. Thankyou to Mat Savage a rearing house has been built and is now operational with infected cladodes breeding. DPI funded the materials and labour. It is crucial we build the breeding population, to get out in the field.

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Parkinsonia – We now have infestations of Parkinsonia data based and treated on the Namoi and Narran Rivers. No infestations have been found on the Barwon, however there is one more area to inspect along the Barwon River, south of the township of Mungindi. Monitoring these areas will be required for many years to come as the seed pods can lay dormant in the ground for up to 18 years.

There are no new weed incursions to report, however we are all on alert and prepared to find many after good rain.

Upcoming training – October 23rd and 24th staff will attend compulsory Compliance Training. This training is part of the Government Investigations course and equips authorised weed officers in the field with legal requirements. The introduction of the Bio security act has brought many changes to how the once known OLD WEEDOS performed their duties. Officers have adapted well, I appreciate their efforts.

Hoping you will all be available to attend a field site excursion at approximately 3pm after the Hudson Pear Taskforce meeting.

Best regards, Andy

Andrea Fletcher, Senior Weeds Officer Castlereagh Macquarie County Council

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The Council of the
SHIRE OF BREWARRINA



All communications to be addressed to the General Manager

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BREWARRINA NSW 2839
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Email: breshire@brewarrina.nsw.gov.au

OUR REF:
YOUR REF:

The Secretary,
Macquarie Valley Weeds Advisory Committee,
P.O. Box 35,
Orange. NSW.

Tom Knowles Award Nomination.

I would like to nominate **Andrea Fletcher** for the Tom Knowles Award. Andrea is the Senior Weeds Officer for the Castlereagh Macquarie County Council and although Andrea has only been in the job for approximately two years, she has in my opinion, met the challenges with an enthusiasm to get the job done as quickly and efficiently as she can.

Andy, as she likes to be known, has the added burden of dealing with two (2) Local Land Service regions, the Central West and Western. This in itself must be very time consuming, as each region would pose its own set of challenges, competing priorities and protocols to deal with.

In addition to this Andy deals with five (5) different Local Government areas within the Castlereagh Macquarie County Council which again would offer greater challenges, particularly dealing with each individuals priorities. These being the Walgett, Coonamble, Warren, Gilgandra and Warrumbungles Shire Councils, which would add to the difficulties associated with having control of over 60,000km², or just short of 8% of N.S.W.

The time taken to deal with all the procedures that we all face would in itself be a workload, without the time taken to organise her own staff, and her own field time.

Andy is also dealing with Parkinsonia infestations that stretch for many kilometres, on both the Narran and Namoi Rivers, as well as a large infestation of Madeira vine at Coonabarabran.

As well she is actively engaged, with trying to stop the spread of Hudson's Pear which covers large areas around Lightning Ridge and Cumborah.

All through this , Andy always presents a pleasant and upbeat attitude about the outcome of these problems.

In closing Andy has an area of 60,238 square kilometres to oversee and does so to the best of her ability and with little fuss, but a lot of dedication.

I wish her well with this nomination and in the future.

Peter Hutchinson
Biosecurity Officer (Weeds)
Brewarrina Shire Council.