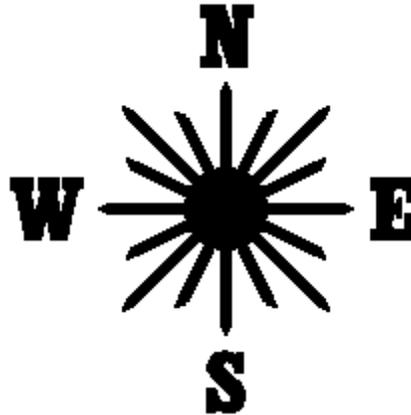


Mission Statement

To promote the Central Darling Shire area by encouraging development through effective leadership, community involvement and facilitation of services

CENTRAL DARLING



SHIRE COUNCIL

Agenda

For the Extraordinary Meeting

10:30am Monday 27th May 2013

at

Wilcannia

Council dedicated to serving its Communities.

Any public discussion of Council or Committee reports and recommendations is on the basis that such reports or recommendations do not have effect until adopted by a full meeting of Council.

The above-mentioned Meeting of Council will be held in the Council Chambers, Wilcannia on Monday 27th May 2013 commencing at 10:30am.

A Light Lunch is be served at 12:30pm, And will be served in the Council Chambers Wilcannia.

ORDER OF BUSINESS

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SECTION 1. RECEIPT OF APOLOGIES AND THE GRANTING OF LEAVE OF ABSENCE

RECOMMENDATION

That the apologies be received and noted and leave of absence be granted.

SECTION 2. PUBLIC ACCESS – QUESTIONS AND COMMENTS FROM THE PUBLIC

Council's policy in regards to public access to Council Meetings states:

- Public access to meetings of the Central Darling Shire Council are to be listed on the agenda following the Mayoral Minute.
- Each member of the public who wishes to address Council is to register with Management prior to the commencement of the meeting, listing their name and the general topic or topics they wish to raise. Those who register will have precedence.
- Each address will be limited to five (5) minutes at the discretion of the Chair.
- All matters raised by members of the public will be recorded and actioned within one month of the meeting.

SECTION 3. REPORTS

3.1 DRAFT OPERATIONAL PLAN AND BUDGET 2013-2014, DRAFT DELIVERY PLAN AND DRAFT COMMUNITY STRATEGIC PLAN

Summary

The purpose of this report is to present to Council the Draft Operational Plan and Budget for the 2013-2014 financial year and request they be adopted and approved for public exhibition for a period of 28 days.

Commentary

In accordance with the Local Government Act 1993 and the NSW Division of Local Government Integrated Planning and Reporting requirements, Council must review and exhibit for at least 28 days and adopt by June 30 its :

- Annual Operating Plan 2013-2014
- Four Year Delivery Program 2013-2017, and,
- Ten Year Resourcing Strategy 2013-2023.

The draft Annual Operating Plan 2013-2014 incorporating the 4 year Delivery Plan, as attached, meets the general requirements of the Local Government Act in that it is a 1-year plan that outlines the activities Council will undertake in the upcoming year, as part of its delivery program. The Plan includes :

- Financial Summary and commentary of actions to be undertaken in the next 12 months.
- Council's Revenue and Charging policies.
- Council's Draft Fees and Charges
- Council's Annual Budget and,
- Details of the Annual Capital Works Program

The draft Annual Operating Plan 2013-2014 incorporating the 4 year Delivery Plan meets the essential elements of the Integrated Planning and Reporting Manual for Local Government in NSW In that it :

- Includes a detailed budget and Statement of Council's Revenue Policy.
- Is a sub plan of the Delivery Program and,
- Addresses and assigns responsibility for the actions described in the Delivery program and the activities that Council will undertake in the next 12 months.

In accordance with the requirements of the Integrated Planning and Reporting timetable, as a Group 3 Council, there is no requirement for Council to review its Resourcing Strategy until the 2014-2015 financial year and accordingly no documents have been prepared for exhibition.

Draft Community Strategic Plan

A review of Council's Community Strategic Plan has been undertaken. Satisfaction surveys were made available for each community to complete and return to Council, with minimal responses

received. Comments made by community members were cross-referenced with the Draft Community Strategic Plan and in all cases identified as already included under the goals. On this basis, minimal changes have been made to the Draft Community Strategic Plan apart from changes in formatting to link the plan to the Draft Delivery and Operational Plan.

Draft Budget 2013-2014

The overall financial outcomes of the budget include :

- Operating Surplus of \$590,000
- Operating Deficit, excluding Capital Income, of \$3,493,000
- Net cash outflow of \$850,000
- Net funding Result of \$ 0.
- Capital Works program of \$4,083,000 wholly funded by grants.
- No new loan borrowings.

In relation to income and expenses the following comments are made.

Income

- Rates increase of 3.4% (maximum allowed under rate peg)
- Domestic Waste Charges increase of \$50 per service
- Annual water charge increase of 6.8%
- Water usage charges increased by 15%
- Total operating income of \$15.1m a reduction of \$2.5m due to finalisation of flood works.

Expenses

- Employee costs increase of 7.8% (2012/13, 9.7%) due to award increases and increase in superannuation contribution rate.
- Energy cost increased by 5%
- Reduction in contractor costs of \$680,000
- Reduction in raw materials and consumables of \$250,000
- Total operating expenses of \$14.5m held at 2012/13 level.

Generally existing service levels are projected to be maintained but this may need to be reviewed after determination of the actual result for the current financial year.

In accordance with sound and financially responsible principles, and in the absence of any reasonable certainty as to how to fund a deficit budget, significant cuts have had to be made in capital works and a number of new initiatives deferred.

At the Councillor workshop held earlier this month, a number of necessary projects spread throughout the Shire were proposed for inclusion in the draft budget. These items, along with scheduled plant replacements and other capital works were originally included in the draft budget but due to the inability to provide \$1.7 m in funding from operations or other sources, they have been eliminated from the final draft budget.

Whilst asset management plans are currently being reviewed and an updated 10 year strategic financial plan prepared, based on the existing plans, there is a significant and growing gap between what should be spent on infrastructure maintenance and what Council can currently afford to spend.

Recent reviews of Council particularly by the Independent Local Government Review Panel and TCorp, have highlighted a number of structural issues which are impacting not only on community perceptions of Council's performance and its medium to long term financial sustainability, but more importantly on its immediate to short term financial viability.

The Operating Plan and Budget for the 2013-2014 year has been prepared on the basis of living within the means currently available to Council but cannot be regarded as a budget that delivers outcomes for the satisfactory maintenance of infrastructure and the future economic, social and community development, well- being and sustainability of the Shire.

Councillors should be aware that discussions have been held with the NSW Division of Local Government regarding Council's budgetary position and although unable to offer any direct financial assistance, have given an undertaking to work with Council over the coming months to see what options can be developed to assist resolve the current position.

RECOMMENDATION

That Council:

- 1. Adopt the 2013-2014 draft Operational Plan and Draft Community Strategic Plan and endorse it for public exhibition for a period of 28 days.***
- 2. Adopt the 3.4% rate pegging limit increase for the 2013-2014 financial year.***
- 3. At the conclusion of the public exhibition period a meeting of Council is held to consider any submissions made concerning the Draft Plans and adopt the final Operational Plan and Community Strategic Plan.***
- 4. The General Manager be authorised to make any minor changes if required.***

SECTION 4. DATE AND VENUE FOR NEXT MEETING

The next meeting of Council will be held on the 25th June 2013 in Wilcannia commencing at 9:00am.
