

**GENERAL MANAGER'S REPORTS TO COUNCIL MEETING  
TO BE HELD TUESDAY 26 JANUARY 2016**

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..... General Manager ..... Mayor

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## ITEMS FOR DECISION

**ITEM NO. 1 - FIT FOR THE FUTURE**  
**FILE: 03.13.06**  
**FROM: GENERAL MANAGER**

At a special urgent meeting of Council held on Tuesday 19 January 2016, it was resolved that:

**01/01/16**

- *a proposal be prepared to merge the Shire Councils of Jerilderie and Murrumbidgee.*
- *the support of Murrumbidgee and Berrigan Shire Councils be formally requested for the proposal.*
- *the support of the State Member for Albury, Greg Aplin and the State Member for Murray, Adrian Piccoli, be formally requested for the proposal.*
- *the merger proposal be presented to the Minister for Local Government under Section 218 (E) of the Local Government Act 1993 requesting that it be dealt with concurrently with the Minister's proposals for Jerilderie Shire Council.*

As the Council has a total of seven (7) Councillors and only three (3) Councillors were personally (physically) present at the meeting on 19 January, the motion requires revisiting at this meeting to remove the potential for a challenge.

Notwithstanding that the remaining four (4) Councillors participated in the meeting by teleconference, s235 of the *Local Government (General) Regulation 2005* (the Regulations") provides that a councillor cannot participate in a meeting unless personally present:

***"235 Presence at council meetings***

*A councillor cannot participate in a meeting of a council unless personally present at the meeting."*

As only 3 out of 7 Councillors were personally present, the quorum requirements at s368 of the Act were not satisfied, and if challenged, the decision will be found to be invalid. Section 368 provides:

***"368 What is the quorum for a meeting?***

- (1) The quorum for a meeting of the council is a majority of the councillors of the council who hold office for the time being and are not suspended from office.*
- (2) This section does not apply if the quorum is required to be determined in accordance with directions of the Minister in a performance improvement order issued in respect of the council."*

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..... General Manager .....Mayor

As you may be aware, s729 of the *Local Government Act 1993* (the “Act”) can be used to overcome procedural deficiencies with meetings/motions, however, in my opinion, the non-attendance of a Councillor at a council meeting (notwithstanding participation by teleconference) is not a “procedural” matter and therefore, the deficiency in not having a quorum cannot be cured by s729.

In short, there needs to be four (4) Councillors present at the meeting to have a quorum.

The urgent meeting placed the Mayor and I in a position to meet with neighbouring Councils and local members with the full support of Council, however to avoid any challenge later, Council will need to adopt this proposal at this meeting.

The Mayor and I attended meetings with the local state member Greg Aplin, at which he gave his support for this proposal. We have now met with Berrigan Shire Council Mayor, Deputy Mayor and General Manager, confirmation has been received that their Council have resolved to support the Jerilderie proposal. The Mayor of Murrumbidgee Shire Council advises that his council have discussed the matter at a strategic planning workshop where support was given to seek the community input to the proposal before any formal response will be made from Murrumbidgee. To that end plans for public meetings in Coleambally and Darling Point where we will present the Jerilderie proposal are being discussed.

The member for Murray, Adrian Piccoli, has encouraged council to place the full merger proposal with the Minister as soon as possible.

## **RECOMMENDATION**

That:

- a proposal be prepared to merge the Shire Councils of Jerilderie and Murrumbidgee.
- the support of Murrumbidgee and Berrigan Shire Councils be formally requested for the proposal.
- the support of the State Member for Albury, Greg Aplin and the State Member for Murray, Adrian Piccoli, be formally requested for the proposal.
- the merger proposal be presented to the Minister for Local Government under Section 218 (E) of the Local Government Act 1993 requesting that it be dealt with concurrently with the Minister’s proposals for Jerilderie Shire Council.

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..... General Manager .....Mayor

**ITEM NO. 2 - LEAVE WITHOUT PAY - R PURCELL**  
**FILE: 05.23 / PERSONNEL**  
**FROM: GENERAL MANAGER**

Council employee, Mr Ross Purcell, has made application to Council for leave without pay for the period 1 February 2016 to 30 June 2016.

Ross is concerned about the current NSW Government proposal to split and merge Jerilderie Shire Council with Berrigan and Murrumbidgee Shire Councils. He feels that he is unable to make a decision on his future until the future of Council has been decided upon.

Ross is a valued employee of Council, with 44 years service. He is currently employed as a Truck Driver, and has also taken on the role of acting Overseer when required.

**RECOMMENDATION**

That Council employee Ross Purcell be granted leave without pay for the period 1 February 2016 to 30 June 2016.

**ITEM NO. 3 - MID MURRAY ZONE QUARTERLY REPORT**  
**FILE: 05.03**  
**FROM: GENERAL MANAGER**

The NSW Rural Fire Service Mid Murray Zone Report on Rural Fire Activities 1 October – 31 December 2015 (attachment # 1) has been provided for Council's information.

The Report gives a general overview of activities for the quarter.

**RECOMMENDATION**

That the NSW Rural Fire Service Mid Murray Zone Report on Rural Fire Activities, 1 October to 31 December 2015, be adopted.

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..... General Manager .....Mayor

**ITEM NO: 4 - QUARTERLY BUDGET REVIEW**  
**FILE NO: 05.13**  
**FROM: FINANCE MANAGER**

Attached is a summary of the quarterly budget review (attachment # 2) for the period to 31 December 2015, including a statement of financial performance, an income and expenditure statement by function, a forecast capital budget review by function, a statement of cash flows for each fund and a variation report.

Attached also are a budget review of the cash and investment position, a budget review of key performance indicators, a budget review of contracts and other expenses and a budget review of consultancy and legal expenses, as required by the updated Code of Accounting Practice and Financial Reporting in accordance with clause 203 (3) of the Regulations.

The forecast statement of cash flows for the General Fund indicates a decrease in cash held of \$792,641, an improvement from the previous quarter of \$73,664.

The Sewer Fund cash flows indicate expenditure over income of \$366,394, an increase from the previous quarter of \$168,214.

The Water Fund cash flow indicates expenditure over income of \$773,247, being an increase of \$2,827 from the previous quarter.

The Statement of Financial Performance indicates a surplus of \$889,058 compared to the previous quarter surplus amount of \$2,014,781. This is summarised as General Fund \$962,827 surplus, Water Fund a deficit of \$67,566 and Sewer Fund a deficit of \$6,203.

After careful consideration of the impacts of the proposed merger, several projects and replacement programmes have been reassessed. A review of the plant replacement programme finds that the remaining heavy plant replacement programme is unnecessary at this point in time, and that the proposed savings in this area could be reallocated to the Wunnamurra Estate development, to enable the entire works to be undertaken.

This also necessitates additional funding from both the Water and Sewer Funds to enable completion of the entire Stage 2 Development. Increases of \$110,000 from the Sewer Fund and \$100,000 from Water Fund have been included for approval.

It is also proposed that the current Ricegrowers shares be offered for sale on the National Stock Exchange and the proceeds be redirected to the above project.

Restoration and cleanup work required at "The Willows" have been estimated to cost approximately \$35,000. It is proposed to utilise the funds held from the disbanded Jerilderie Historical Society in the amount of \$27,321, together with funds held in the Infrastructure Reserve.

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..... General Manager .....Mayor

Given the Minister's proposal to merge with two neighbouring Councils, the following is a list of projects that are proposed to be deferred:

○ Upgrade of computer system	\$ 50,000
○ Upgrade of noxious weeds computer	1,296
○ Landscaping of old tennis court area	5,000
○ Restoration of swimming pool	900,000
○ Purchase of new quarry	50,000
○ Bridge replacement	110,000
○ Public works plant replacement	690,557
○ Official Visitors Guide publication	10,000
○ Water Telemetry System	120,000

Additional projects for consideration with the budget review are:

○ Additional costs of footpath maintenance	\$ 12,240
○ Increased costs for sewer pump replacements	32,000
○ Increased costs for sewer rising main replacements	20,000

The full list of the variances to the budgeted figures can be viewed at pages 30-36 of the attachment.

### **Report by Responsible Accounting Officer**

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 Jerilderie Shire Council for the quarter ended 31 December 2015 indicates that Council's projected financial position at 30 June 2016 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

\_\_\_\_\_  
Vicki Sutton  
Responsible Accounting Officer  
Jerilderie Shire Council

\_\_\_\_\_  
Date

### **RECOMMENDATION**

That the Report be adopted and variances to the budgets as outlined in the attachment be approved.

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..... General Manager .....Mayor

**ITEM NO: 5 - NSW SENIORS WEEK 2016**  
**FILE NO: 02.22**  
**FROM: FINANCE MANAGER**

NSW Seniors Week celebrations are to take place during the period 1 April to 8 April 2016, and once again we are planning to host a luncheon at the Wunnamurra Hall for the benefit of our residents.

Councillor Tim Sheed and Christine Middleton have once again offered to provide entertainment on the day, and in order to accommodate their travel plans it is envisaged that the luncheon take place on Friday 18 March 2016.

Jerilderie Shire residents aged 60 years and over are invited to attend this function which will be provided free of charge.

**RECOMMENDATION**

That the Report be adopted and Councillors and senior residents of the Shire be encouraged to attend.



## ITEMS FOR INFORMATION

ITEM NO. 6 - STATEMENT OF BANK BALANCES & SCHEDULE OF INVESTMENT

FILE: 05.13

FROM: FINANCE MANAGER

<u>STATEMENT OF BANK BALANCES</u>	2015-16	2014-15
<b>Cash Book 30 NOVEMBER 2015</b>	<b>991,102.91</b>	<b>690,915.19</b>
ADD - Receipts - DECEMBER	437,565.64	1,083,328.17
ADD - Receipts - Bendigo Bank	856.03	1,106.44
ADD - Cancelled	0.00	103.00
ADD - Adjustments	0.00	0.00
LESS - Cheques - DECEMBER	-15,267.79	-14,100.95
LESS - Autopay	-593,654.84	-572,631.79
LESS - Bank Charges	-7,615.33	-5,709.28
LESS - Loans	-26,890.42	-26,890.42
LESS - Investments	-300,000.00	-700,000.00
<b>CASH AT BANK 31 DECEMBER 2015</b>	<b>486,096.20</b>	<b>456,120.36</b>
Bank Statement 31 DECEMBER 2015	457,277.41	430,545.70
Bank Statement - Bendigo Bank	38,933.94	27,647.40
PLUS Outstanding Deposits	0.00	0.00
LESS Unpresented Cheques	-10,115.15	-2,072.74
LESS Outstanding Autopay	0.00	0.00
LESS Reverse Autopay	0.00	0.00
<b>CASH AT BANK 31 DECEMBER 2015</b>	<b>486,096.20</b>	<b>456,120.36</b>
Add Investments	5,897,160.77	5,727,572.53
<b>Total Cash and Investments</b>	<b>6,383,256.97</b>	<b>6,183,692.89</b>
<b>Represented by:-</b>		
Trust Account	11,659.09	18,298.00
Water Fund	417,948.00	1,021,315.30
Sewer Fund	1,923,123.10	1,858,362.45
Domestic Waste Management	99,722.00	105,000.00
Unexpended Grant Funds	27,466.48	50,217.83
Plant Reserve	114,305.00	1,000,000.00
Employee Leave Entitlement Reserve	733,120.00	700,000.00
Infrastructure Reserve	279,503.00	400,279.00
Residential Housing Reserve	0.00	0.00
General Fund	<b>2,776,410.30</b>	<b>1,030,220.31</b>

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..... General Manager ..... Mayor

## SCHEDULE OF INVESTMENTS

<u>Institution</u>	<u>Amount</u>	<u>Rate</u>	<u>Matures</u>	<u>NO.</u>
IMB Ltd	511,366.21	2.75	08/02/16	20
IMB Ltd	300,000.00	2.80	23/03/16	24
ANZ	400,000.00	3.00	16/01/16	26
Bendigo	400,000.00	2.80	11/01/16	28
ANZ	518,979.86	3.00	14/03/16	29
ANZ	433,873.55	2.90	13/02/16	30
Bendigo	313,125.40	2.45	07/03/16	31
Bendigo	446,701.80	2.55	27/02/16	34
ANZ	519,654.68	2.75	01/02/16	36
Bendigo	311,912.45	2.60	13/01/16	38
ANZ	658,972.76	2.90	20/02/16	41
Bendigo	565,232.43	2.45	03/01/16	43
IMB Ltd	517,341.63	2.75	06/01/16	44

**Total Investments**                      **5,897,160.77**

Average Interest Rates	2013/14	3.51%
	2014/15	3.18%
	2015/16	2.75%

### PERCENTAGE OF FUNDS HELD

ANZ	2,531,480.85	42.93%
BENDIGO	2,036,972.08	34.54%
IMB LTD	1,328,707.84	22.53%

**5,897,160.77**

- I hereby certify that:
- 1) the cash book was reconciled with the bank balance as shown by the bank statements as at 31 December 2015
  - 2) the investments have been invested in accordance with the Local Government Act, Regulations and Council's policies.

### RECOMMENDATION

That the Statements of Bank Balances and Schedules of Investments as at 31 December 2015 be noted and adopted.

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Vicki Sutton  
**RESPONSIBLE ACCOUNTING OFFICER**

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..... General Manager ..... Mayor

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**ITEM NO: 7 - LOAN BORROWINGS INFORMATION AS AT 31/12/15**  
**FILE NO: 05.14**  
**FROM : FINANCE MANAGER**

The following table of information regarding loan borrowings is provided for Council's information:

Loan No	Original Amount	Purpose	Outstanding At 31/12/15	Interest Rate	Repayment Per Annum	Maturity Date
159	\$350,000	Streetscape	\$ 69,150.10	7.00%	\$48,979.40	4.6.2017
160	\$200,000	Streetscape	\$ 88,119.31	7.90%	\$29,141.88	12.6.2019
161	\$200,000	Streetscape	\$104,857.17	8.14%	\$29,440.40	15.3.2020
162	\$295,000	Streetscape/ Cenotaph	\$190,236.96	7.922%	\$43,015.96	27.5.2021
Internal Loan	\$285,000	Library	\$ 92,625.00	Variable	\$28,500.00 plus interest	31.3.2019
Internal Loan	\$250,000	Real Estate Development	\$206,249.00	Variable	\$25,000.00 plus interest	1.4.2024

The above shows outstanding loan balances at 31 December 2015 of \$751,237.54, including internal loans from the Sewer Fund totalling \$298,874.00

Interest repayments on the internal loans are calculated on the average interest earnings of Council's external investments each month.

**RECOMMENDATION**

That the Report be adopted.

**ITEM NO. 8 - NOXIOUS WEEDS / SALEYARDS / TRUCKWASH / STOCK CONTROL**  
**FILE: 04.21**  
**FROM: DIRECTOR OF TECHNICAL SERVICES**

**Weeds**

Various infestations of Spiny Burr sites have been treated throughout Council's network (Spiny Burr has been very active).

Ant nests throughout the town area have been treated. Fleabane, Khaki Weed, Silver Leaf Nightshade and Bathurst Burr have now been treated on rural road shoulders, town and cemetery areas. Follow up treatments will continue and property inspections are ongoing.

**Saleyards**

No issues, normal maintenance in progress.

**Truck Wash**

Working well, no issues.

**Stock Control**

Police advised stock (sheep) on the Newell Highway 10km north of Jerilderie, no stock were found on arrival (16.1.16). 7 head of cattle on the Newell Highway 35km north were returned to the paddock (19.1.16).

**RECOMMENDATION**

That the Noxious Weeds, Saleyards, Truckwash and Stock Control Report be accepted.

**ITEM NO. 9 - WORKS IN PROGRESS 7/12/2015 to 17/1/2016**  
**FILE: 03.16.04**  
**FROM: DIRECTOR OF TECHNICAL SERVICES**

<p>Regional Roads  RR552 – Conargo Road  RR564 – Berrigan Road  RR323 – Oaklands Road   RR59 – Urana Road  RR596 – Morundah Road  RR356 – Berrigan/Oaklands Road</p>	<p>Guide post maintenance, shoulder slashing  Bitumen patching, guide post maintenance  Road base patching, guide post maintenance, shoulder slashing  Bitumen patching, guide post maintenance  Bitumen patching</p>
<p>MR321 – Kidman Way</p>	<p>Bitumen patching, edge patching, guide post maintenance, rubbish collection, asset inspection</p>
<p>H17 – Newell Highway</p>	<p>Sign maintenance, bitumen patching, correct surface shape patching, work orders for RMS for heavy patching work on Segment 106, shoulder slashing</p>
<p>Shire Road Maintenance</p>	<p><i>Bitumen Patching</i>  Lloyd Road, South Coree Road, Cape Road, Broughshane Lane, Willows Road.  <i>Edge Patching</i>  Harris Lane, Wilson Road, Willawa Lane, Willows Road, Wunnamurra Road.  <i>Weed Spraying</i>  Mayrung Road, Willows Road, Willawa Lane, various local roads (Silverleaf).  <i>Grader Maintenance</i>  Daenke Lane, Innes Bridge Road.  <i>Gravel Resheeting</i>  Anthonys Lane 9.50km  Hams Road 2.40km  <i>Shoulder Slashing</i></p>
<p>Roads to Recovery</p>	<p>Glenn Road to start by end of January 2016.  Lloyd Road final seal start February 2016.  Town Streets February 2016.  Broughshane Lane and Lignum Lane resealing completed.</p>
<p>Cycleways / PAMPs Program</p>	<p>PAMPs Program- corner of Brown and Coreen Streets completed.  Cycleways in Jerilderie Street from Betts Street to O'Neill Street (south side) start February 2016.</p>

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..... General Manager .....Mayor

Water & Sewerage	New pumps to be installed at No 2 Sewerage Pump Station. Main raw water pump maintenance. New filtered water storage to be constructed starting February 2016.
Wunnamurra Estate	Water pipes and fittings purchased and in store for construction of raw and filtered water lines. All blocks marked for road works, sewerage design completed, power and Telstra estimates to be sought.
Parks and Gardens	Tree trimming in progress. Parks maintained. "The Willows" – one garden removed and historical equipment moved to the Shire Depot as requested.
Repair Program RR323	Final seal on road widening to be completed February 2016.
Private Works	Minor gravel / road base carting. Grader work minor at present. New recycling shed at waste depot completed by Council staff. Bolton Fire Brigade shed near completion, electrical works in progress.

### **RECOMMENDATION**

The Works in Progress Report be adopted.

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..... General Manager .....Mayor

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## **CONFIDENTIAL ITEMS**

**ITEM NO. 10 - WUNNAMURRA ESTATE STAGE 2 DEVELOPMENT**  
**FILE: 04.15.02**  
**FROM: GENERAL MANAGER**

### **RECOMMENDATION**

That this item be referred to the confidential section of the Council meeting which is closed to the public. This items is classified as confidential under sections 2(d) (i) (ii) and 2(f) of the Local Government Act 1993. The contents of the report is of a commercial nature that would, if disclosed, prejudice the commercial position of the person(s) who supplied the information or confer a commercial advantage to a competitor of the Council and may affect the security of Council property.

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..... General Manager .....Mayor