



MINUTES ORDINARY MEETING

GWYDIR SHIRE COUNCIL

THURSDAY 23 NOVEMBER 2017

COMMENCING AT 2PM

BINGARA OFFICE COUNCIL CHAMBERS

Present:

Councillors: Cr. John Coulton (Mayor), Cr. Catherine Egan (Deputy Mayor), Cr. Stuart Dick, Cr Marilyn Dixon OAM, Cr. Jim Moore, Cr. Geoff Smith, Cr. David Coulton, Cr Tiffany Galvin and Cr Frances Young.

Staff: Max Eastcott (General Manager), Leeah Daley (Deputy General Manager), Richard Jane (Director Technical Services), Helen Thomas (Manager, Finance) and Duncan Thain (Circular Economy Manager)

Public: Ms Nancy Capel (*Bingara Advocate*)

Visitor: Mr. Paul Cornall (Representing the Audit Office) for item 2– Audit Report.

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Chairman

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OFFICIAL OPENING AND WELCOME – MAYOR

APOLOGIES All present

CONFIRMATION OF THE MINUTES

COUNCIL RESOLUTION:

MINUTE 367/17

THAT the Minutes of the previous Council Meeting held on Thursday 26 October 2017 as circulated be taken as read and CONFIRMED.

(Moved Cr Egan, seconded Cr Smith)

PRESENTATION – Audit Office – see attached

CALL FOR THE DECLARATIONS OF INTERESTS AND CONFLICTS OF INTEREST - Nil

ADDITIONAL/LATE ITEMS

COUNCIL RESOLUTION:

MINUTE 368/17

THAT the following items, namely:

- 1. 3 Bowen Street Bingara (Confidential)**
- 2. Operational Plan Progress Report for the period 1 July 2017 to 30 September 2017**
- 3. Proposed Greenhouse Development**
- 4. Quarterly Budget Review Statement**

are accepted as late items onto this Agenda for discussion.

(Moved Cr D Coulton, seconded Cr Egan)

COMMITTEE OF THE WHOLE – CONFIDENTIAL ITEMS

COUNCIL RESOLUTION:

MINUTE 369/17

THAT the Council resolve into Confidential Session, Committee of the Whole and that in the public interest and in accordance with Section 10A(2)(a) of the Local Government Act, 1993, the public and press be excluded from the meeting to consider the items listed on the agenda.

(Moved Cr Smith, seconded Cr Galvin)

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Chairman

**ADOPTION OF THE RECOMMENDATIONS OF THE CONFIDENTIAL
SESSION**

**COUNCIL RESOLUTION:
MINUTE 370/17**

THAT the recommendations of the Confidential Session, namely:

**Confidential Organisation and Community Development
Report - October 2017**

**THAT the Confidential Organisation and Community report for
October 2017 be received (Ref: 371/17).**

3 Bowen Street Bingara (Ref: 372/17)

THAT Council accept the offer of \$330,000

FURTHER that Council staff facilitate the sale of the property.

Councillors' Reports

THAT the following Councillors' reports are noted:

Cranky Rock (Ref: 373/17); and;

Roxy Café (Ref: 374/17).

Roxy Café (Ref: 375/17)

**THAT the General Manager is authorised to seek applications
for employment at the Roxy Café.**

are adopted.

(Moved Cr D Coulton, seconded Cr Galvin)



The Audit Office and its New Mandate

- Local Government Amendment (Governance and Planning) Act 2016 appointed the Auditor-General the auditor of local government from 1 July 2016
- The new mandate provides an opportunity for the Audit Office to offer insights to the local government sector to improve outcomes for citizens
- First Report to Parliament on Local Government
- Consistent and quality financial reporting for 140 councils
- Performance Audit (Funded by Treasury)



Income Statement and Balance Sheet

	2017	2016	Variation
	\$m	\$m	\$m
INCOME STATEMENT			
Total revenue	28.1	28.6	(0.5)
Total expense	25.0	35.7	(10.7)
Operating result	3.1	(7.1)	10.2
BALANCE SHEET			
Total assets	433.9	433.0	0.9
Total liabilities	(17.8)	(20.3)	(2.5)
Net assets	416.1	412.7	3.4

Presentation on the 30 June 2017 Audit to Councillors

Gwydir Shire Council

Presented by:

Paul Cornall

Partner, Forsyths

Contract Audit Agent for the Audit Office

Thursday, 23 November 2017



Audit Result for the Council

- Clean Independent Auditor's Reports
 - General purpose financial statements
 - Special purpose financial statements
- Financial statements complied with
 - Australian Accounting Standards
 - Local Government Act 1993
- The Council
 - Maintained proper accounting records
 - Provided relevant information to audit



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Chairman



Balance Sheet

- Total assets remained stable due to:
 - Rise in cash and investments of \$1 million
 - Infrastructure assets remained stable – additions and rehabilitation asset adjustments offset by disposals and depreciation
- Total liabilities decreased due to
 - Decrease in provisions of \$1.9 million
 - Decrease in borrowings of \$0.9 million



Income Statement

- Total revenue remained stable
 - Rates and annual charges increased by \$1.0 million and grants revenue increased by \$0.08 million, while User fees and charges and Other revenue decreased by \$2.3 million
- Total operating expenses decreased
 - \$1.5 million decrease in Materials and contracts expenses, \$5.6 million decrease in other expenses, lower net losses on disposal of assets of \$1.4 million and credit expenditure for rehabilitation provision adjustment of \$3.3 million.
- Net result was higher due to increase in revenue and decrease in expenses

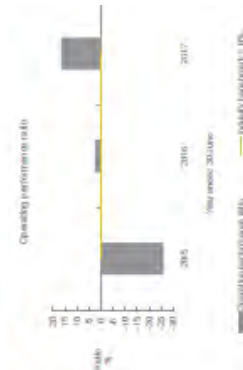


Operating Performance Ratio

- Council exceeded the benchmark of greater than zero per cent.
- This ratio increased by 13.95 per cent from previous year due to early receipt of the 2017-18 Financial Assistance Grant and reinstatement of landfill and quarry rehabilitate balances.

The operating performance ratio is measured by operating result divided by operating revenue.

The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.



Cash and Investments

Cash and Investments	2017	2016	Commentary
Externally restricted	\$5.5	\$6.2	Cash and investments increased by \$1.0 million in line with decreased infrastructure purchases.
Internally restricted	\$3.9	\$3.5	The ratios of restricted and unrestricted cash and investments has remained consistent year on year.
Unrestricted	\$0.1	-\$1.2	Externally restricted funds include: <ul style="list-style-type: none"> water and sewer fund \$3.8 million, domestic waste \$1.2 million, other specific purpose funds \$0.5 million.
Total Cash and Investments	\$9.5	\$8.5	Internally restricted funds include: <ul style="list-style-type: none"> Working capital \$2.1 million, employee leave entitlements fund \$0.8 million, other waste \$0.8 million.

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Unrestricted Current Ratio



- Council exceeded the benchmark of 1.5 times.
 - Council has sufficient liquid assets to meet its liabilities as and when they fall due.
- The 'unrestricted current ratio' is measured by current assets less externally restricted assets divided by current liabilities.
- The benchmark set by OLG is greater than 1.5 times.



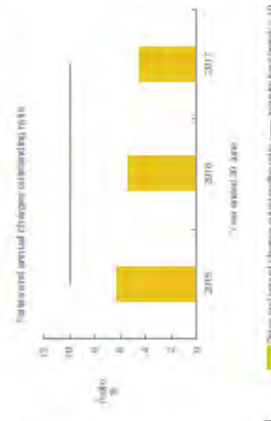
Own Source Operating Revenue Ratio



- Council's own source operating revenue ratio was below the benchmark.
 - The ratio was unfavourably impacted by the early receipt of the 2017-18 Financial Assistance Grant.
- The 'own source operating revenue ratio' is measured by operating revenue less grants divided by operating revenue.
- The benchmark set by OLG is greater than 60 per cent.



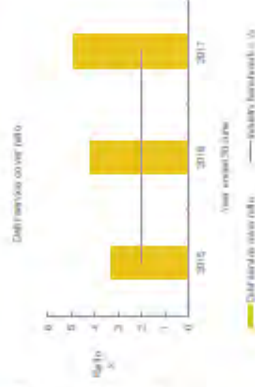
Rates and Annual Charges Outstanding Ratio



- Council continues to achieve the benchmark for outstanding rates and annual charges.
 - The ratio indicates that Council has been effective in collecting outstanding debts.
- The 'rates and annual charges outstanding ratio' assesses the percentage of unpaid rates.
- The benchmark set by OLG is less than 10 per cent for rural councils.



Debt Service Cover Ratio

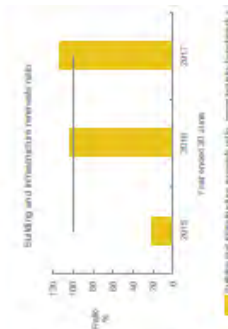


- Council exceeded the benchmark of greater than two times.
- The 'debt service cover ratio' is measured by the operating result before interest, depreciation and impairment divided by principal repayments plus borrowing cost.
- The benchmark set by OLG is greater than two times.



Building and infrastructure renewals ratio

- Council exceeded the benchmark of 100 per cent this year.
- The ratio moved up significantly due to Council increasing its asset renewal expenditure.



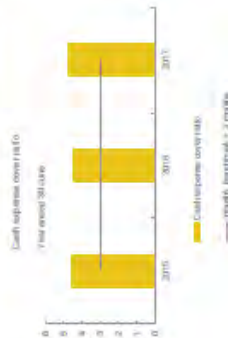
The building and infrastructure renewals ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating.

The benchmark set by OLG is greater than 100 per cent.



Cash Expense Cover Ratio

- Council exceeded the benchmark of greater than three months.



This liquidity ratio is measured by cash assets divided by payments from cash flows from operating and financing activities.

The benchmark set by OLG is greater than three months.



Common Observations Across Councils 2017

- Varied IT general controls
- Different governance arrangements
- Opportunity for improving internal controls
- Uncovering additional assets
- Differing valuation of community land and land under roads
- Rural Fire Service assets not always recognised



Generating insights for better local government

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Item 1 Councillor Activity Report for November 2017

DELIVERY PROGRAM

GOAL: 4. Proactive Regional and Local Leadership

OUTCOME: 4.1 WE ARE AN ENGAGED & CONNECTED COMMUNITY

STRATEGY: 4.1.2 Enable broad, rich and meaningful engagement to occur - GM - external

The Councillors' activity schedule for November 2017 commitments are outlined below:

November 2017		
Councillor	Event	Date
Cr J Coulton (Mayor)	Country Mayors Meeting - Sydney	3 rd November
	Local Roads & Transport Congress Albany W.A	6 th -9 th November
	Meeting – FTA AusTrade representatives - Tamworth	14 th November
	Meeting – Deputy Premier-Sydney	16 th November
	BROC meeting - Moree	17 th November
	Ordinary Council Meeting – Bingara	23 rd November
	New England JO meeting - Inverell	24 th November
Cr Catherine Egan (Deputy Mayor)	Special Events Meeting - Bingara	1 st November
	Event Bright – Bingara RSL	3 rd November
	Library Meeting - Tamworth	8 th November
	BCS years 3 -12 Presentation night	8 th November
	Redevelopment Stakeholder meeting – Bingara Civic Centre	14 th November
	Showground Management meeting	14 th November
	CHSP Advisory Committee meeting	21 st November
	Brainstorming session Roxy Cafe	22 nd November
	Ordinary Council Meeting – Bingara	23 rd November
	Commemorative Birth Certificates Ceremony – Bingara Toy Library	30 th November
Cr D Coulton	Local Roads & Transport Congress Albany W.A	6 th -9 th November
	LEMC Meeting - Warialda	14 th November
	Ordinary Council Meeting - Bingara	23 rd November

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Cr S Dick	Tourism Meeting	9 th November
	LEMC Meeting - Warialda	14 th November
	RFS support meeting – Stonefield	14 th November
	Historical Society Meeting & Dinner	16 th November
	Ordinary Council Meeting – Bingara	23 rd November
Cr M Dixon	Special Events Meeting - Bingara	1 st November
	Remembrance Day Ceremony - Bingara	11 th November
	Redevelopment Stakeholder meeting – Bingara Civic Centre	14 th November
Cr T Galvin	Community Business Awards - Warialda	16 th November
	Redevelopment Stakeholder meeting Bingara Civic Centre	14 th November
	CHSP Advisory Committee meeting	21 st November
	Brainstorming Session – Roxy Cafe	22 nd November
	Ordinary Council Meeting	23 rd November
Cr J Moore	Year 12 Farewell Dinner – Warialda Bowling Club	10 th November
	Ordinary Council Meeting	23 rd November
Cr G Smith	Remembrance Day Warialda	11 th November
	Ordinary Council Meeting	23 rd November
Cr F Young	NENW Landcare AGM Armidale	9 th November
	Remembrance Day Bingara	11 th November
	ANW Planning & Governance Gotomeeting	13 th November
	LEMC meeting Warialda	14 th November
	BROC meeting and AGM – Moree	17 th November
	Meeting re Living Classroom 9am Brainstorming Session Roxy Café – 12.30pm	22 nd November
	Ordinary Council Meeting Arts NW Meeting - Armidale	23 rd November 27 th November

OFFICER RECOMMENDATION

THAT the Councillor Activity Report for November 2017 be received

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Chairman

**COUNCIL RESOLUTION:
MINUTE 376/17**

**THAT the Councillor Activity Report for November 2017 be
received.**

(Moved Cr Young, seconded Cr Galvin)

Item 2 Auditors' Report

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.1 Financial management and accountability systems -
CFO - internal

AUTHOR Manager, Finance

DATE 15 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

The Council's Auditor, Mr. Paul Cornall from Forsyths, will be attending the meeting to present the Council's Financial Statements for the year ending 30th June 2017.

BACKGROUND

The Council's Financial Statements, available on the Councillors' Hub, are currently on exhibition for public comment and any comments received will be tabled at the meeting.

OFFICER RECOMMENDATION

THAT the Auditor, Mr. Paul Cornall, is thanked for his presentation

ATTACHMENTS

There are no attachments for this report.

COUNCIL RESOLUTION:

MINUTE 377/17

THAT the Auditor, Mr. Paul Cornall, is thanked for his presentation.

FURTHER that Mrs. Thomas and her team are commended on the completion of the financial statements on time and in particular Ms. Tracy Newby is acknowledged for her excellent work in debt recovery especially considering the substantial increase in the Council's rates (Ref: 378/17).

(Moved Cr Egan, seconded Cr Galvin)

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Item 3 Executive Monthly Report for October 2017

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.3 Administrative functions - GM - internal

AUTHOR General Manager

DATE 13 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report outlines the activities undertaken within the Executive Division of the Council for the month of October 2017.

COMMENT

DEVELOPMENT AND BUILDING

The following Development (D/A)/Complying Development (CDC) and Development Modification (s96) applications have been approved for the month of October 2017.

No.	Property Description	Development/ Work	\$	D/A	S96	CDC
1/2017	Lot D DP 387658 88 Maitland Street Bingara	Modification of Consent – Commercial Buildings being Storage Units and Shop Front	-	-	✓	-
40/2017	Lot F DP 39279 66-68 Maitland Street Bingara	Commercial Buildings – Launderette & 27,000 water tank	\$10,000	✓	-	-

The following Development (D/A)/Complying Development (CDC) and Development Modification (s96) applications remain outstanding for the month of October 2017.

No	Property Description and Description of Work	Reason	D/A	S96	CDC
35/2015	3533 Copeton Dam Road Copeton - Extension of existing Caravan & Camping Facilities	Request Additional Information from Applicant	✓	-	-
49/2016	1470 North Star Road Warialda - Continued Occupation/Use of Worker Accommodation	Approved in Principal awaiting additional information	✓	-	-
23/2017	118 Stephen Street Warialda - Workers Accommodation	Report to Council – October 2017	✓	-	-
24/2017	1004 Adams Scrub Road Delungra - Quarry	Being Assessed	✓	-	-

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31/2017	2199 Buckie Road Croppa Creek - New Main Dwelling & Conversion of Existing Dwelling to Rural Workers Cottage	Being Assessed	✓	-	-
33/2017	Oregon Road Warialda - Operate 4 Wheel Drive & Motorcycle Off-road Business	Request Additional Information from Applicant	✓	-	-
38/2017	756 Gineroi Road Gineroi - 1000 Head Feedlot	Being Notified & Advertised	✓	-	-
39/2017	Old Bora Road Bingara - Shipping Container	Being Assessed	✓	-	-
41/2017	19 Kulaba Avenue Warialda - Shed	Current	✓	-	-
42/2017	3949 Elcombe Road Bingara - Shed	Current	✓	-	-

There were no Development (D/A)/Complying Development (CDC) or Development Modification (s96) applications approved and not previously reported to Council for the month of October 2017.

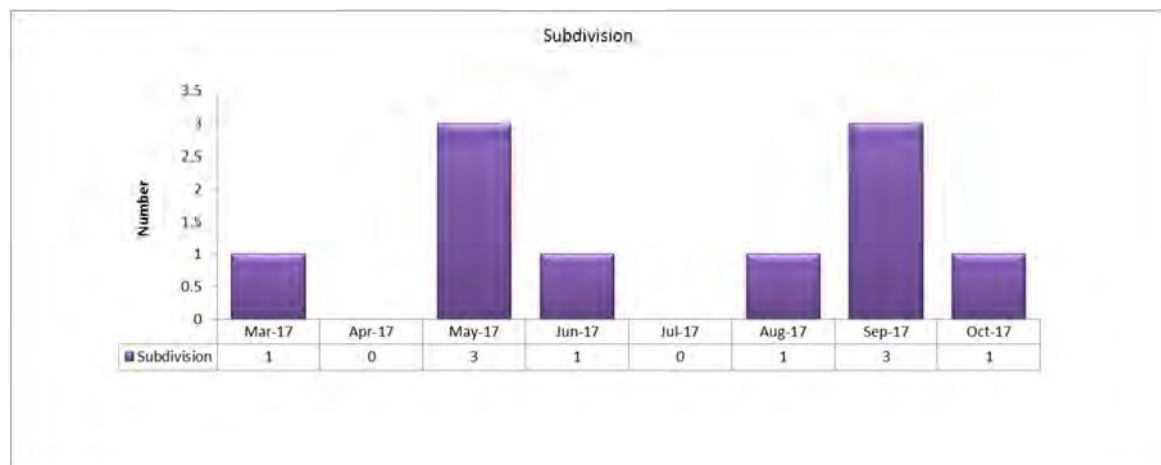
The following Development (D/A)/Complying Development (CDC) and Development Modification (s96) applications were refused(R)/ withdrawn (W)/ Cancelled (C) in the month of October 2017.

No.	Property Description	Development/ Work	\$	D/A	S96	CDC
23/2017	Lot 3 DP 849040 118 Stephen Street Warialda	Demountable Living Quarters for Workers at the Commercial/ Industrial Premises	\$6,000	✓	-	-

There were no Complying Development (CDC) applications approved by Private Certifiers and lodged with Council for the month of October 2017.

There were no Development (D/A) and Complying Development (CDC) applications determined where there has been a variation in standards under SEPP 1 or clause 4.6 of Gwydir Local Environmental Plan 2013 for the month of October 2017.

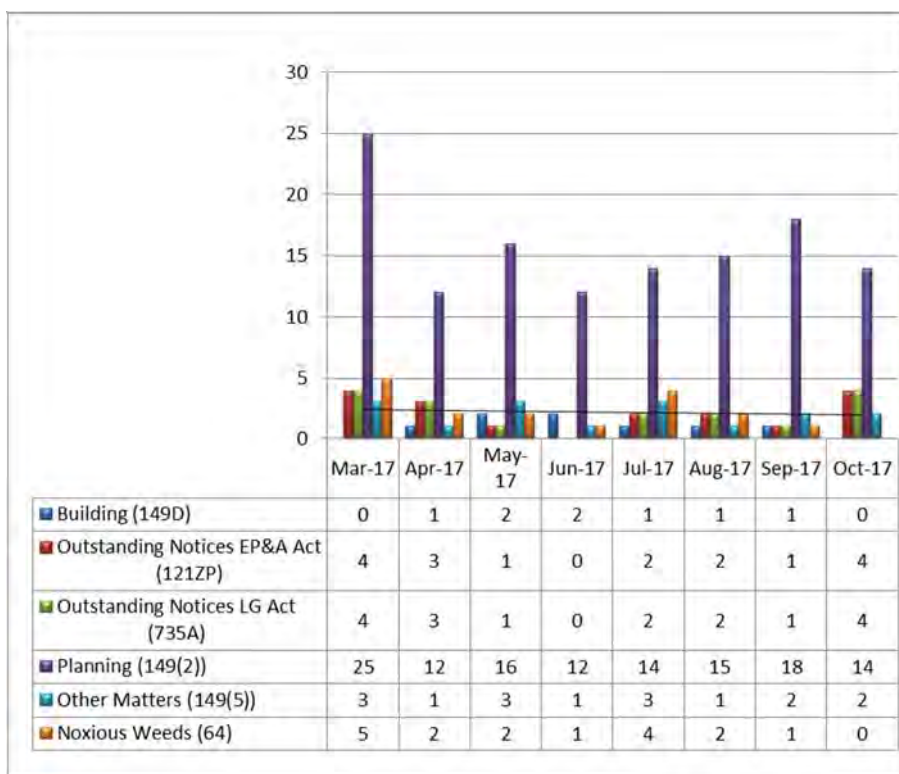
The following graph shows Subdivision Certificates issued for October compared to the previous four (4) months.



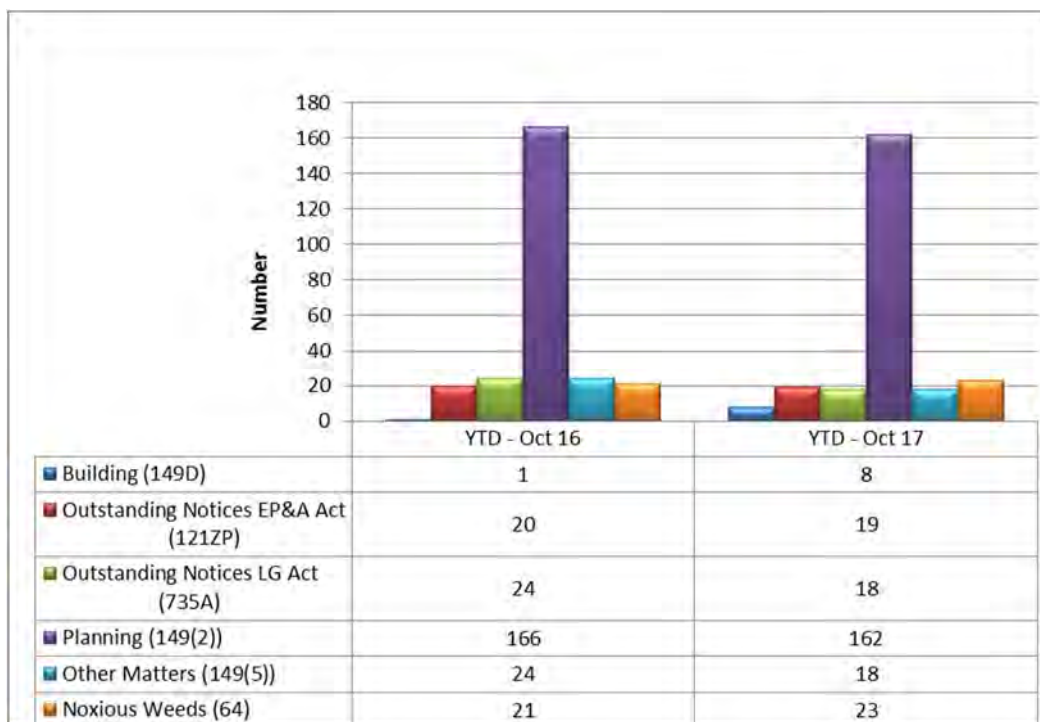
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The following graph shows Conveyancing Certificates issued for October compared to the previous four (4) months.



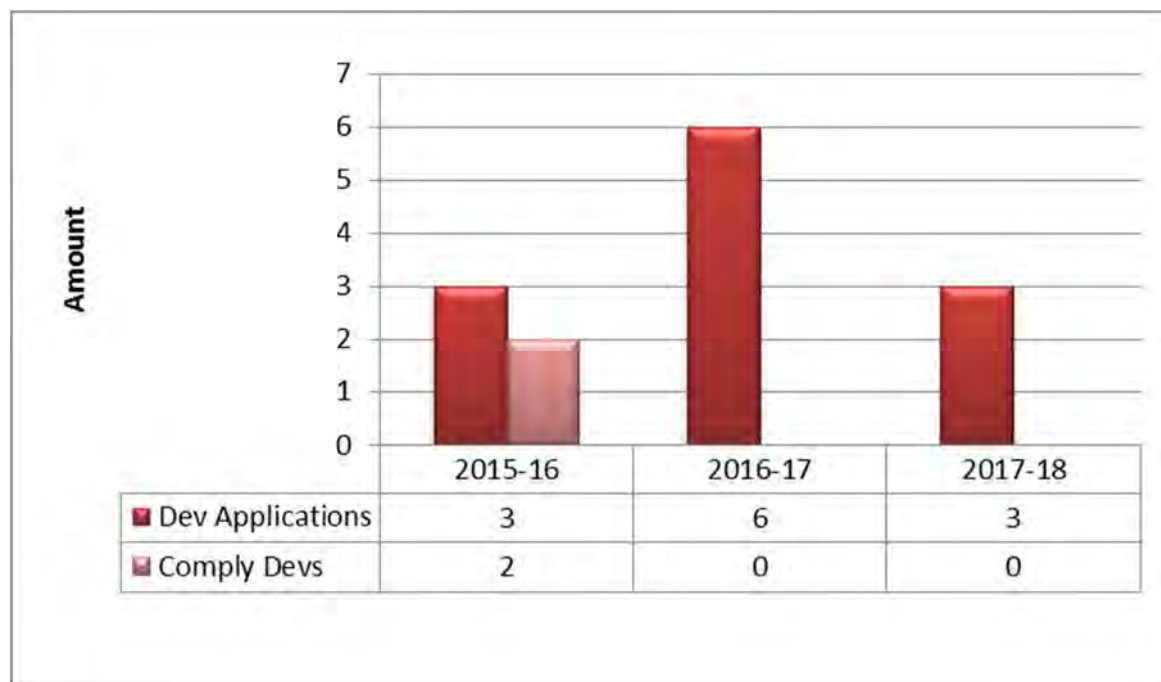
The following graph shows the number of Conveyancing Certificates issued up to and including the month of October 2017 compared with the same period in 2016.



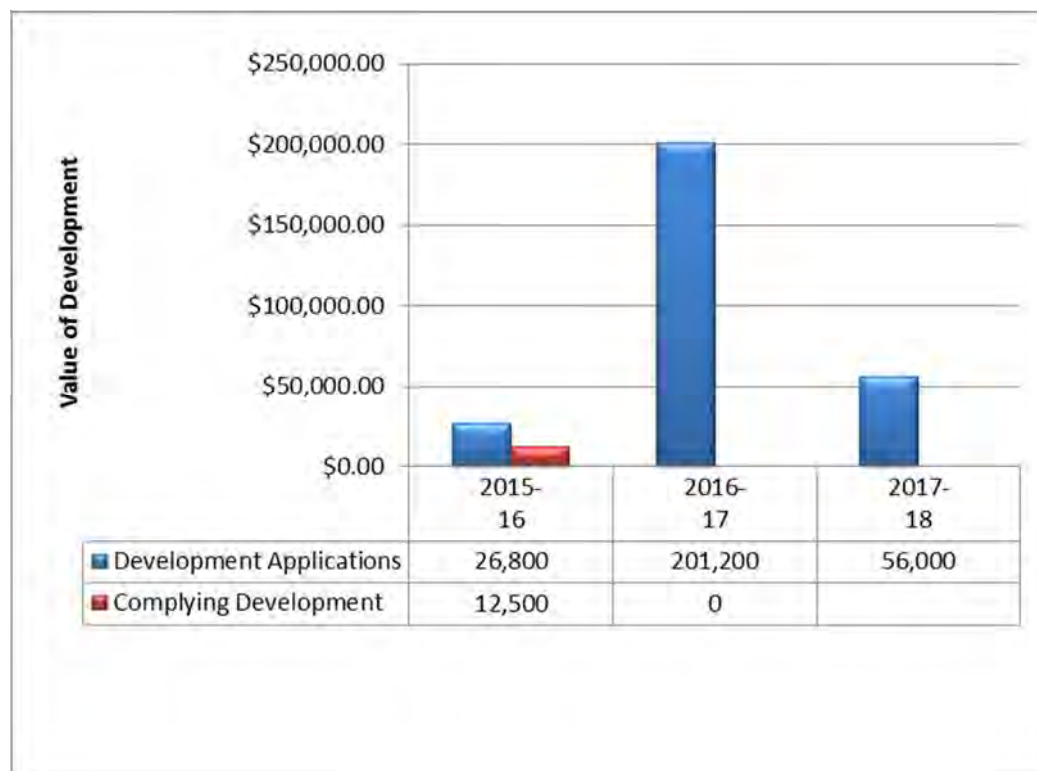
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The table below shows a comparison between total applications lodged for the month of October 2017 compared to the last two years (excluding private certifier lodged applications).



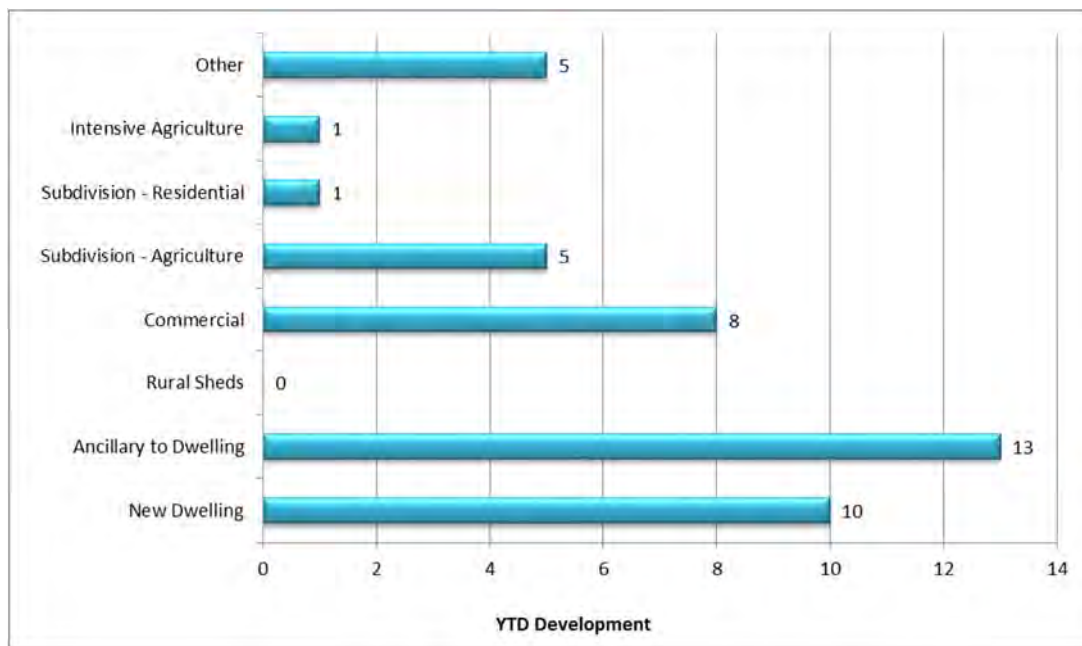
The table below shows a comparison between total applications lodged for the month of October 2017 compared to the last two years (excluding private certifier lodged applications).



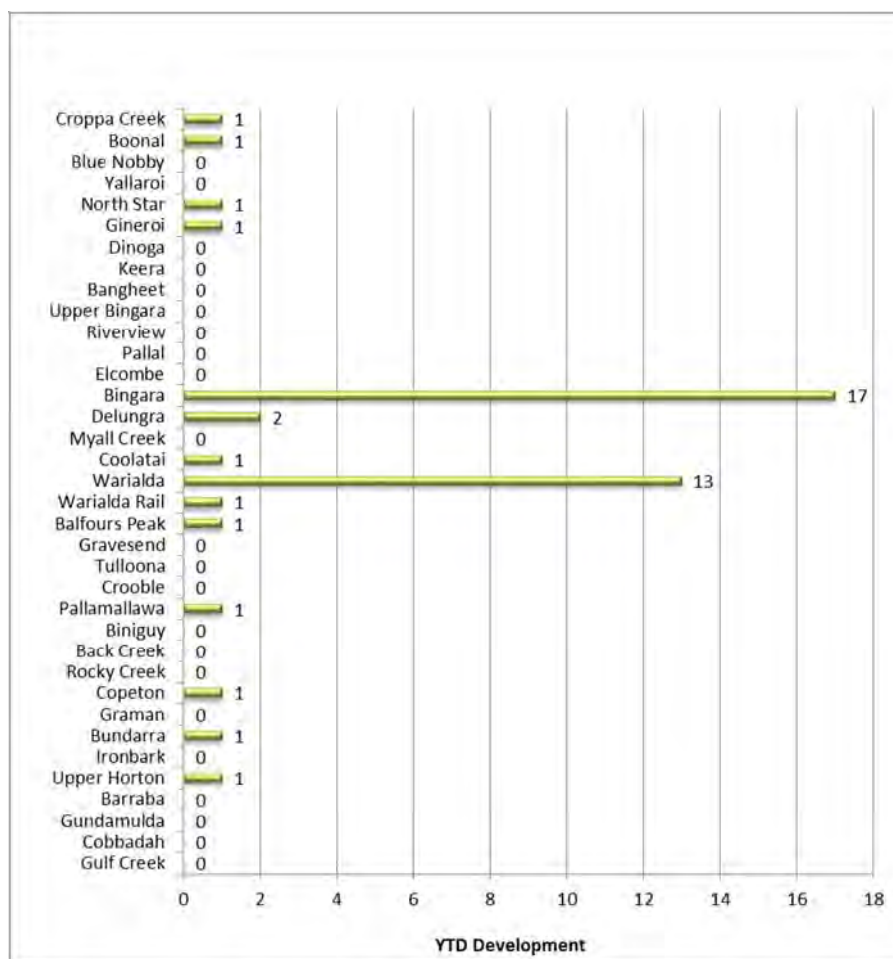
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Development Applications received for the year by type - October 2017



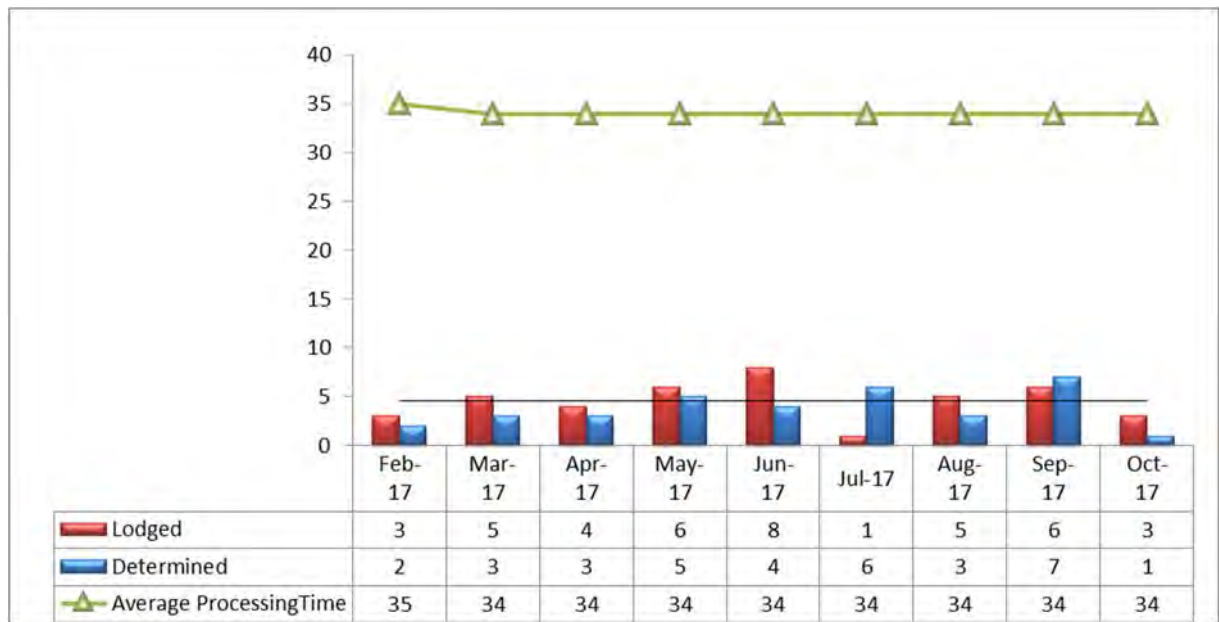
Development Applications Received for the year by locality - October 2017 (includes private certifier lodged applications)



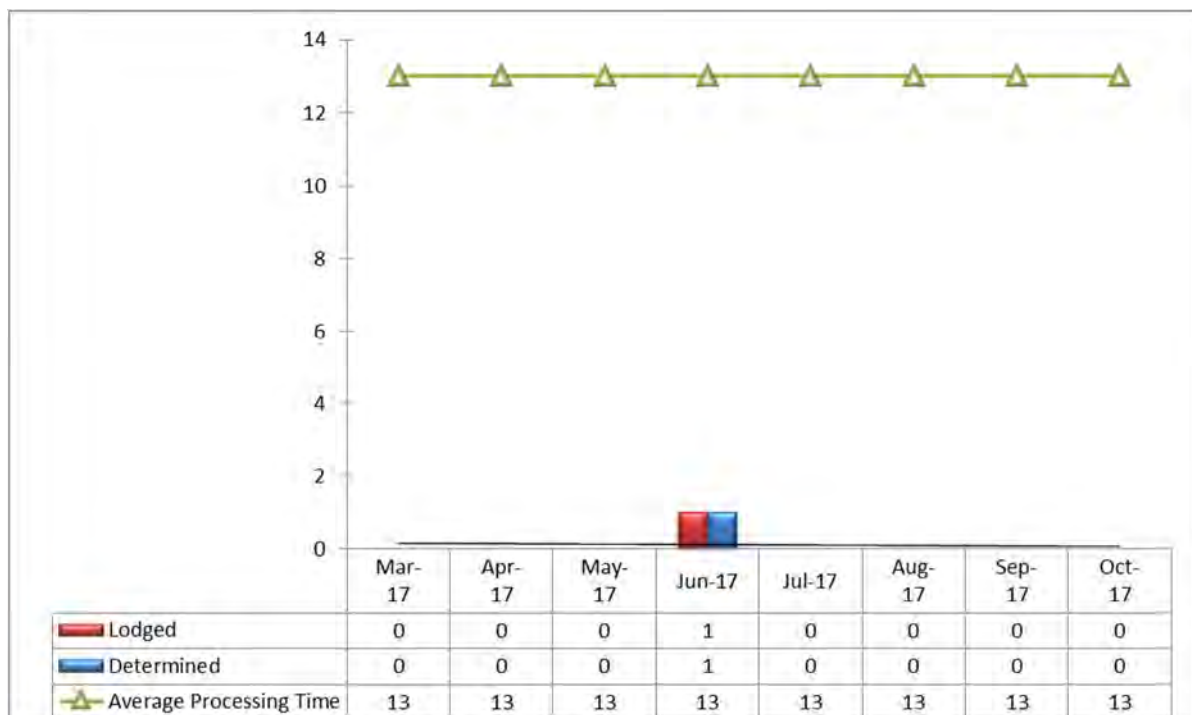
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Development Applications – nine (9) months



Complying Development Applications – nine (9) months (excludes private certifier lodged and approved applications)



CRM – Planning and Development

Older	Current	Actioned	Unactioned
2	-	-	2

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THE CIRCULAR ECONOMY

Behind the Meter Scheme

The initial project for the Gwydir Shire Council Behind the Meter Scheme is to reduce Council's electricity costs through the installation of solar panels on Council's major facilities. Cost reductions will greatly assist Council's ongoing work to remain financially 'Fit' and continue to demonstrate that small independent councils can survive in a challenging political and financial environment.

The Naroo Aged Care facility in Warialda, Council's Works Depot and Administration Centre in Warialda, Council's Administration Centre and the Roxy Theatre in Bingara are the first five building to receive Solar Installations.

After a thorough tendering process, the contract for the solar installations was awarded to Solgen Energy. Solgen has subcontracted the actual installations to the EdiSun Group.

Council has also progressed and received quotations to install solar systems on its Water and Sewer Treatment plants, however these decisions are pending.

Work is currently underway at Naroo and the Bingara Council Office. It is anticipated that with favourable weather, all work on the first five facilities will be completed by mid-November.

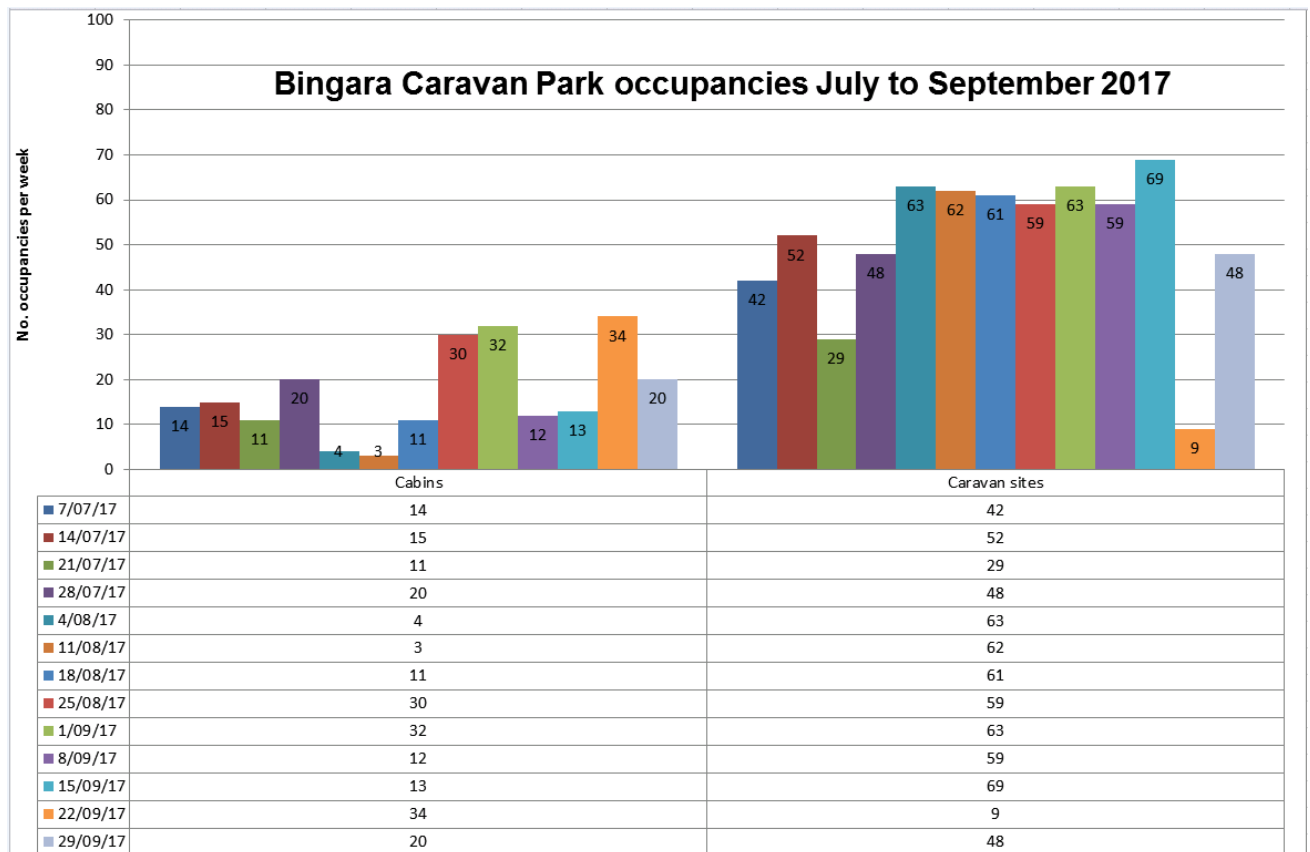
CARAVAN PARKS

The information provided in this report is for the first quarter of the 2016/17 financial year.

Bingara

Bingara Caravan Park made a net operating loss of \$6,171 as shown in the diagram below. These figures do not include depreciation, journaled amounts or oncosts.

The Caravan Park continues to be maintained by permanent part time Council staff with the following occupancies:



Bingara Caravan Park - Operating Income and Expenses	July	August	September	1st Quarter Totals
Income				
Camping Fees Collected : Long Term Rental (5.5%) Income	\$0	\$0	\$0	
Camping Fees Collected : On Site Cabins Income	-\$4,441	-\$5,241	-\$6,877	
Camping Fees Collected : Site Hire Income	-\$4,871	-\$6,483	-\$8,991	
Camping Fees Collected : Washing Machine Income	-\$241	-\$367	-\$434	
Lease/Rent Fees Received : Long Term Rental (5.5%) Income	-\$6,741	-\$5,766	-\$6,093	
Reimbursements Other : Long Term Electricity Reimbursement Inc	-\$625	-\$434	-\$328	
Other Sundry Income : Other Revenues Income	-\$36	-\$91	\$0	
Total Income	-\$16,955	-\$18,382	-\$22,723	-\$58,060
Expenses				
Other Employee Costs : Administration	\$425	\$0	\$0	
Contractors : Administration	\$1,803	\$0	\$0	
Consultants Other : Administration	\$3,780	\$0	\$0	
Food & Catering Costs : Consumables	\$151	\$0	\$0	
Salaries & Wages : Cleaning	\$13,734	\$9,079	\$8,083	
Salaries & Wages : Grounds Maintenance	\$2,056	\$1,198	\$1,198	
Salaries & Wages : Repairs & Maintenance (R&M)	\$47	\$0	\$995	
Contractors : Repairs & Maintenance (R&M)	\$0	\$497	\$0	
Contractors : Pest Control - External	\$0	\$0	\$693	
Materials Purchased : Cleaning	\$0	\$1,684	\$0	
Materials Purchased : Other Works	\$15	\$0	\$0	
Materials Purchased : Repairs & Maintenance (R&M)	\$75	\$192	\$0	
Electricity : Electricity	\$0	\$7,103	\$0	
Gas Charges : Gas	\$0	\$432	\$0	
Plant Hire - Internal Usage : Cleaning	\$481	\$651	\$651	
Plant Hire - Internal Usage : Grounds Maintenance	\$901	\$382	\$382	
Internal Rates : Gwydir Rates	\$0	\$7,543	\$0	
Total Expenses	\$23,468	\$28,761	\$12,002	\$64,231
Net operating loss				\$6,171
These figures do not include depreciation, journalled amounts or oncosts				

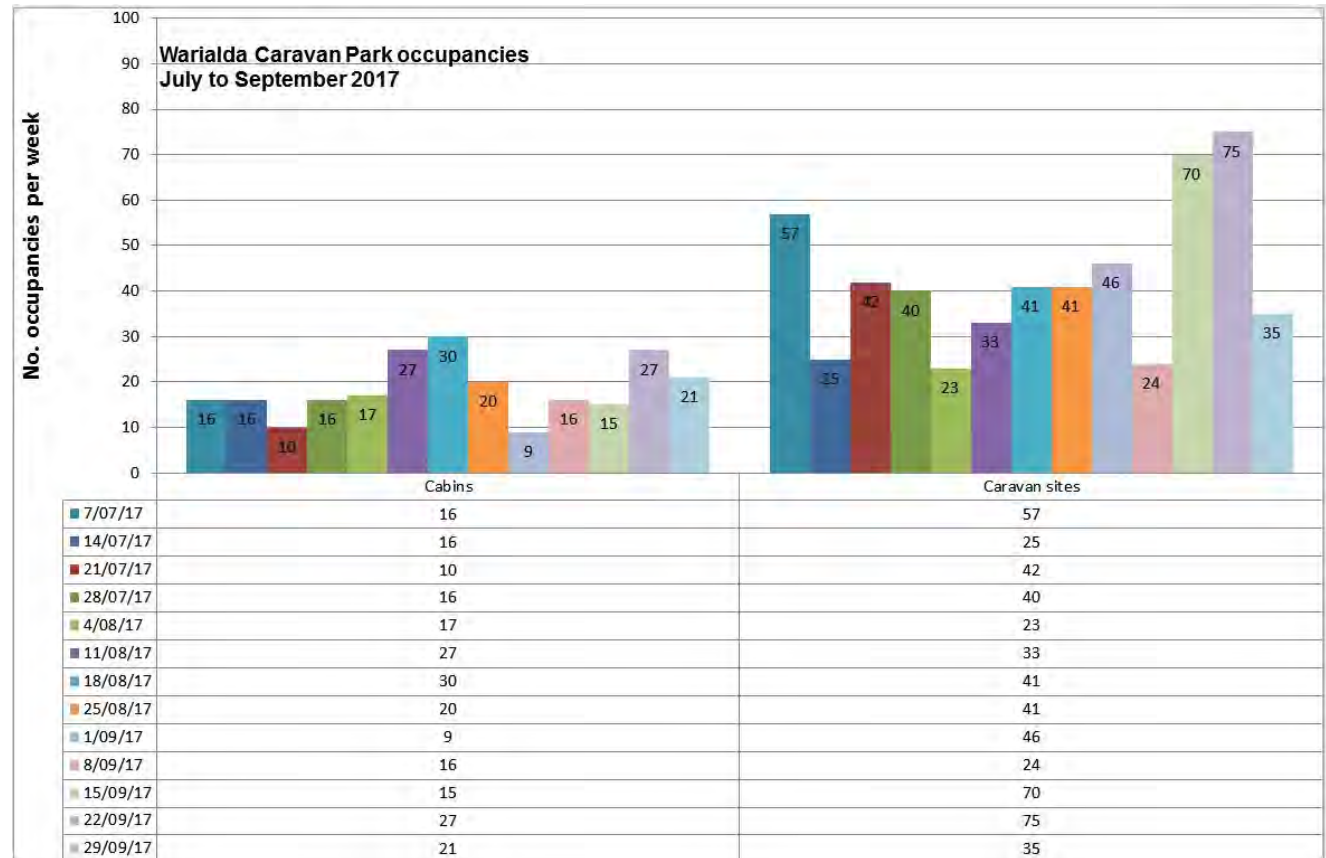
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Warialda

Warialda Caravan Park made a net operating loss of \$993 as shown in the diagram below. Please note that these figures include the amount recorded in the Warialda Visitor Information Centre monthly report. Further, these figures do not include depreciation or oncosts.

The Caravan Park continues to be maintained by Council's Parks and Gardens staff with the following occupancies:



Warialda Caravan Park - Operating Income and Expenses	July	August	September	Ist Quarter Totals
Income				
Camping Fees Collected : On Site Cabins Income	-\$3,106	-\$7,587	-\$7,274	
Camping Fees Collected : Site Hire Income	-\$4,011	-\$3,852	-\$5,524	
Sales - Other General : Site Hire Income	\$0	-\$2	\$0	
Sales - Other General : Washing Machine Income	-\$524	-\$387	-\$200	
Total Income	-\$7,641	-\$11,829	-\$12,998	-\$32,468
Expenses				
Cleaning	\$2,905	\$1,447	\$1,929	
Overtime : Cleaning	\$865	\$600	\$527	
Contractors : Cleaning	\$22	\$0	\$43	
Inventory Issued From Store : Cleaning	\$72	\$16	\$3	
Electricity	\$0	\$4,614	\$0	
Gas Charges : Gas	\$0	\$186	\$0	
Plant Hire - Internal Usage : Cleaning	\$563	\$148	\$120	
Internal Rates : Gwydir Rates	\$0	\$6,640	\$0	
Salaries & Wages : Cleaning	\$2,311	\$1,718	\$1,631	
Salaries & Wages : Grounds Maintenance	\$223	\$0	\$120	
Contractors : Cleaning	\$324	\$0	\$0	
Contractors : Pest Control - External	\$0	\$0	\$346	
Contractors : Administration	\$1,803	\$0	\$0	
Consultants Other : Administration	\$0	\$3,240	\$0	
Materials Purchased : Cleaning	\$31	\$141	\$78	
Materials Purchased : Repairs & Maintenance (R&M)	\$0	\$0	\$46	
Inventory Issued From Store : Cleaning	\$37	\$35	\$60	
Other Sundry Expenses : Administration	\$0	\$0	\$103	
Food & Catering Costs : Consumables	\$178	\$0	\$0	
Plant Hire - Internal Usage : Cleaning	\$209	\$38	\$14	
Plant Hire - Internal Usage : Grounds Maintenance	\$57	\$0	\$18	
Total Expenses	\$9,600	\$18,823	\$5,038	\$33,461
				\$993
Net operating loss				
These figures do not include depreciation or oncosts				

North Star

North Star Caravan Park made a net operating loss of \$6,107 as shown in the diagram below. This figure does not include depreciation, or oncosts.

Currently Council leases the North Star Caravan Park. There are no statistics available to Council as to occupancy.

North Star Caravan Park - Operating Income and Expenses	July	August	September	Ist Quarter Totals
Income	\$0	\$0	\$0	
Expenses				
Electricity	\$0	\$377	\$0	
Internal Rates : Gwydir Rates	\$0	\$5,730	\$0	
Total Expenses	\$0	\$6,107	\$0	
Net operating loss				\$6,107

Comments

Council requested that a site sign be erected at the Bingara caravan park. Currently Council's Technical Services staff are mapping the park and undertaking signage design works.

Management of the Council Caravan Parks has been restructured within the recent Organisational changes and cost saving initiatives are being investigated.

This is page number 22 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

OFFICER RECOMMENDATION

THAT the monthly Executive report for October 2017 be received

ATTACHMENTS

There are no attachments for this report.

**COUNCIL RESOLUTION:
MINUTE 379/17**

THAT the monthly Executive report for October 2017 be received.

FURTHER that a review of the salaries and wages for the period in the report for the Bingara Caravan Park be undertaken to ensure that all the costs are included (Ref: 380/17).

(Moved Cr Egan, seconded Cr Smith)

Item 4 Monthly Organisation and Community Development Report for October 2017

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.3 Administrative functions - GM - internal

AUTHOR Organisation Development Director

DATE 15 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

The monthly Organisation and Community Development report details the activities carried out by the Department during the month of September 2017.

BACKGROUND

The monthly Organisation and Community Development report forms part of a regular reporting regime. The purpose of the report is to inform Council of the activities carried out within the Department.

COMMENT

INCIDENT REPORTING

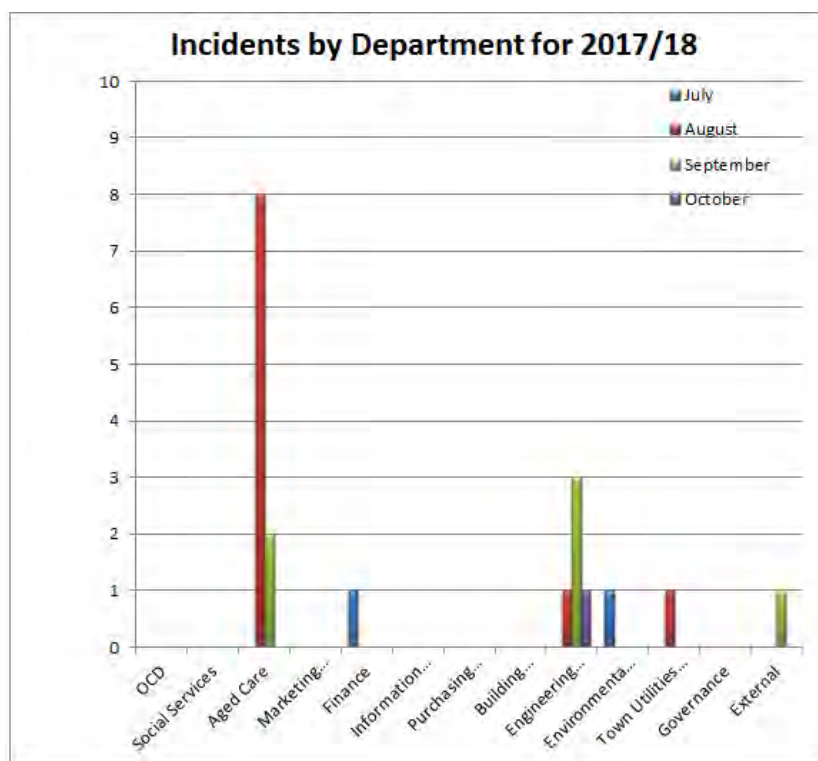
September and October 2017

There were 6 incidents reported during September 2017:

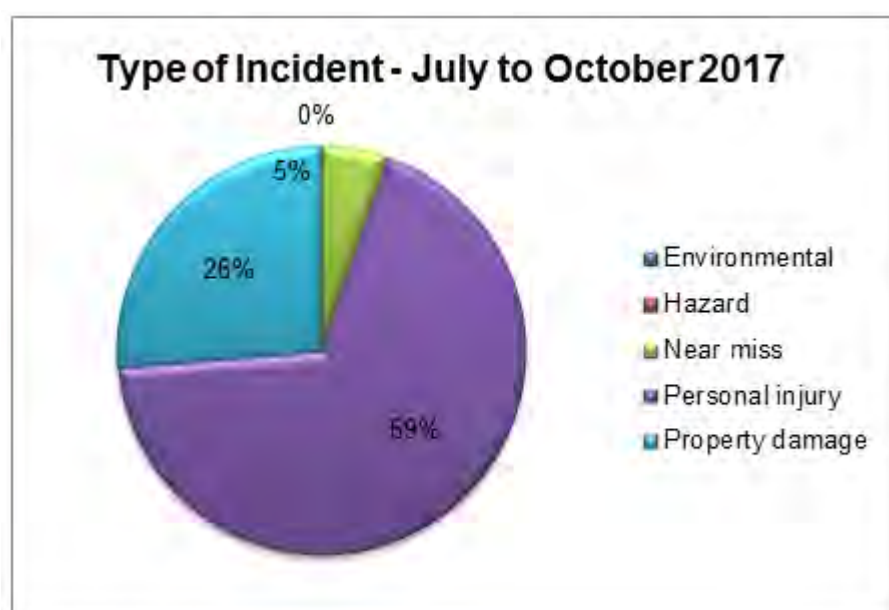
- 4 in Warialda, 1 in Bingara, 1 in North Star
- 5 incidents were internal, 1 was external

There was 1 incident reported during October 2017.

- 1 internal incident in Warialda



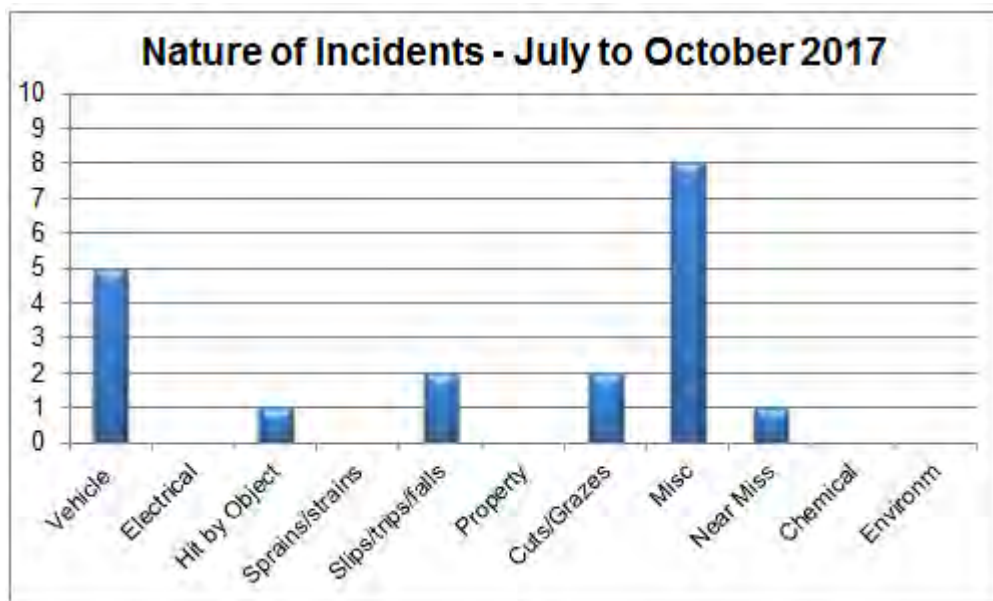
Council's Incident/Accident report form breaks up the type of incident into five categories:



This is page number 25 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

The nature of incidents reported has been broken down into 11 categories:



ECONOMIC DEVELOPMENT

The Warialda Honey Festival

This year's annual Warialda Honey Festival that was scheduled to take place on Saturday 21st October was postponed until 10th of March 2018 due to bad weather.

Fortunately the Honey Festival Committee had the foresight to make this call early in the week and was able to reschedule all pre-arranged hire equipment and activities without incurring any fees.

Initially there was some back lash from the community, however when Warialda received a large amount of rain on the Saturday as anticipated, these complaints were for the most part silenced.

The committee feels that this incident was in fact a blessing, and have been hoping to move the festival to autumn for some time in order to avoid clashing with other events such as the Warialda Off Road Racing event, school holidays, harvest, bad weather and the heat.

Australian Caravanning Club of Australia Rally

Bingara recently played host to the Australian Caravanning Clubs National Muster which saw approximately 180 caravans and 330 participants camping on the Bingara Showground.

The week-long event was hailed a huge success by club Chairman Tom Smith who expressed gratitude to the staff of Gwydir Shire Council who made

This is page number 26 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

the event possible by assisting with event logistics, event planning and promotion, and to the community of Bingara for being so welcoming.

The event was a great boost for Bingara businesses and community groups, with the muster injecting several thousands of dollars into the local economy.

It is estimated that during the week-long event \$150,000 was spent by the caravanners on living expenses such as food, alcohol and fuel. In addition, approximately \$40,000 was raised by local community groups who catered for several functions throughout the week.

The effects of the event were still being felt a week after the event, as many of the participants stayed on in Bingara to recover from the muster.



The official opening of the ACC's 2017 National Muster at Bingara with Cr Stuart Dick and Deputy General Manager Ms Leah Daley of the Gwydir Shire Council, Stephen Prichard, District Officer, Namoi/Gwydir Team, NSW Rural Fire Service, Club Deputy Chairman Tom Smith and Club Chairman Craig Humphrey. Master of Ceremonies was Ralph Jordan.

This is page number 27 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman



Aerial view of the Muster by taken by Bingara Central School student Lachlan Starr.

The Roxy Complex

- **Theatre**
- Saturday 7th October – Black Dog Ball – 170 people
- Saturday 14th October – Wedding – 75 people
- Saturday 21st October – Wedding – 120 people
- Sunday 29th October – Film club movie and cocktail party – 47 people
- Tuesday 31st October – Film Club – Movie - The Waler – 40
- **Roxy Conference Room**
- Friday 13th October – Pink Yoga – 10 people
- Friday 27th October – Meeting – 12 people
- Thursday 16th October – Meeting - 5 people
- Saturday 28th October – Meeting – 12 people
- **Roxy Café**
- Friday the 13th October – Pink Breakfast – 180 people
- Friday the 27th October – CWA Morning Tea – 57 people
- Friday the 27th October – Private function – 30 people

This is page number 28 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

TOURISM

Warialda Visitor Information Centre

August 2017	September 2017	October 2017
Opening hrs = 172.5	Opening hrs = 157.5	Opening hrs = 165
Volunteer hrs = 23.25	Volunteer hrs = 29.5	Volunteer hrs = 29.75

Bingara Visitor Information Centre

August 2017	September 2017	October 2017
Opening hrs = 181.5	Opening hrs = 164.5	Opening hrs = 136.5
Volunteer hrs = 32	Volunteer hrs = 28	Volunteer hrs = 36

Income – Warialda VIC	\$ Aug	\$ Sept	\$ Oct
Caravan Park	2,684.00	2,390.00	2,217.00
Plants of Gwydir Shire / Cunningham's Track	45.00	30.00	0.00
NSW Trainlink sales	522.40	448.51	535.05
Centre hire	10.00	140.00	10.00
Merchandise sales	1,861.20	2498.65	2,210.20
Goods on Consignment sales	22.00	35.00	115.00
2017 Warialda Honey Festival – Stall/Sponsor	330.00	50.00	490.00
2017 Gwydir Business Awards	-	-	650.00
Subtotal	\$5,474.60	\$5,592.16	\$6,227.25
Less Caravan Park money banked	2,684.00	2,390.00	2,217.00
Less Payment to NSW Trainlink	522.40	448.51	535.05
Total Monthly Income Warialda VIC	\$2,268.20	\$2,753.65	\$3,475.20

Income – Bingara VIC	\$ Aug	\$ Sept	\$ Oct
Products on consignment	16.00	67.00	50.00
Merchandise	785.70	826.35	1,337.05
Subtotal	\$801.70	\$893.35	\$1,387.05
Less payments to consignees	10.68	40.80	35.03
Total Merchandise sales/income	\$791.02	\$852.55	\$1,352.02
Roxy tour income	\$374.10	\$385.00	\$1,575.00

Cranky Rock Sites	Aug	Sept	Oct
Powered sites	47	48	45
Unpowered sites	12	27	13
Camping sites	0	1	0
Total	59*	76	58

*Record from 1st August to 21st August 2017 due to Cranky Rock Caretaker illness.

Visitors at Bingara VIC	Aug	Sept	Oct
	526	672	967

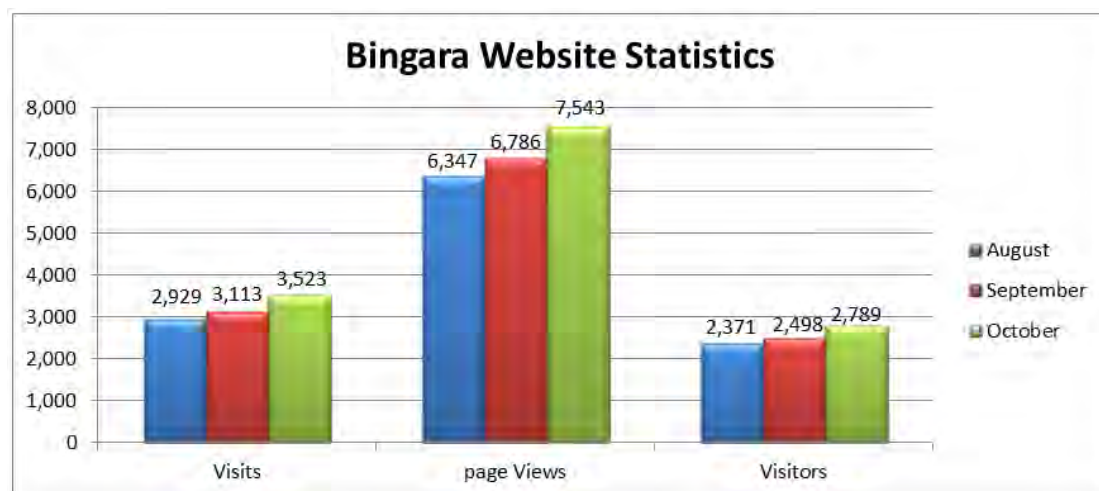
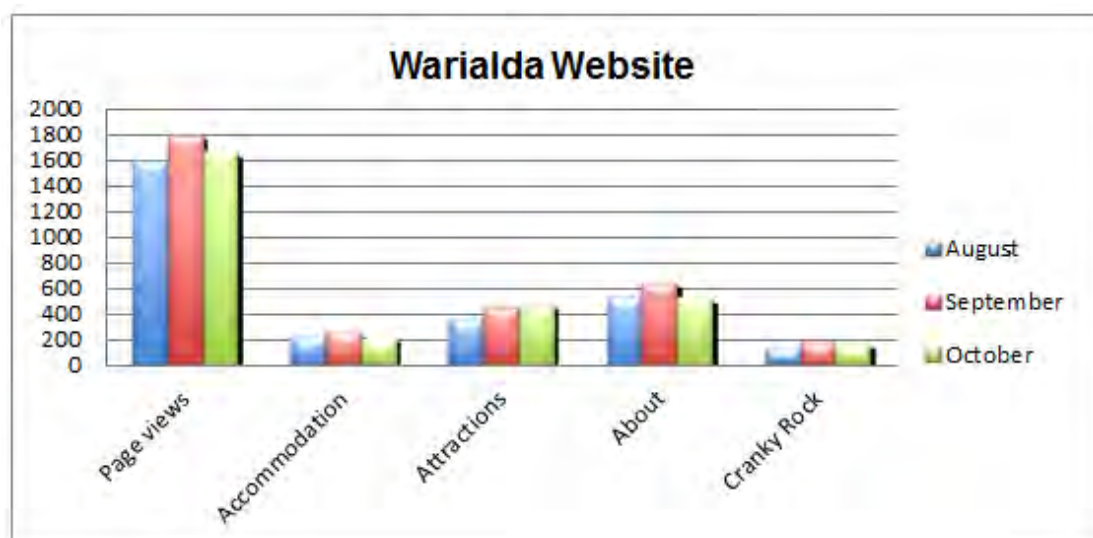
The spiked increase in Visitors to Bingara and Roxy Tours was due to the large number of visitors in Bingara for the Caravan Rally.

Visitors at Warialda VIC	Aug	Sept	Oct
Visitors	636	352	479
RMS clients	297	298	263
Cafe	259	432	457
Total Warialda VIC	1,192	1,272	1,199

Facebook Stats Warialda	Aug	Sept	Oct
New Likes	23	23	2
Overall Reach	17,772	20,083	10,461
Post Reactions/Comments/Shares	818	353	135
Post Clicks	1,423	933	294

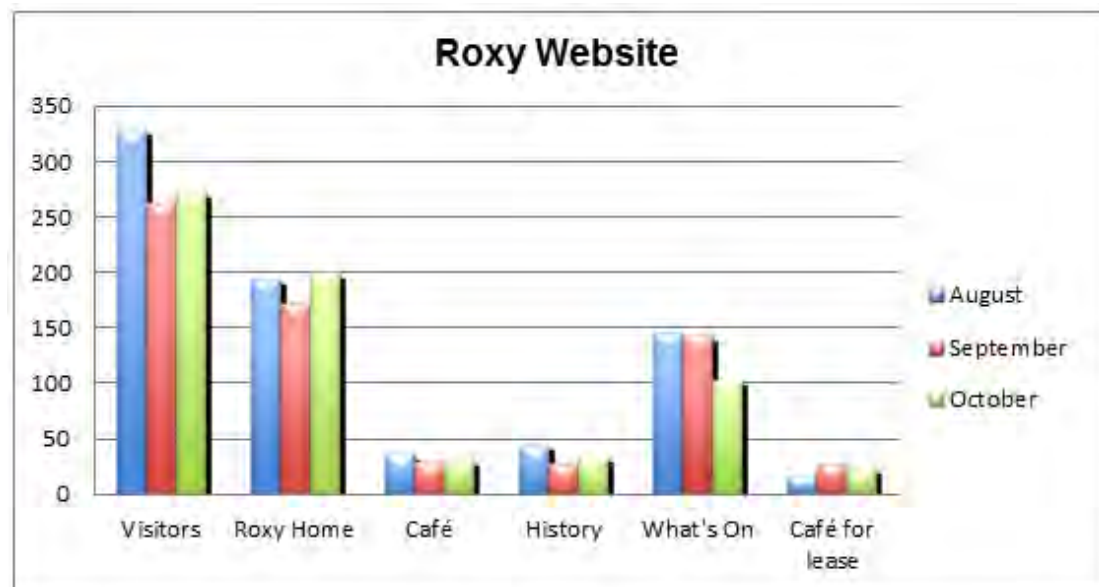
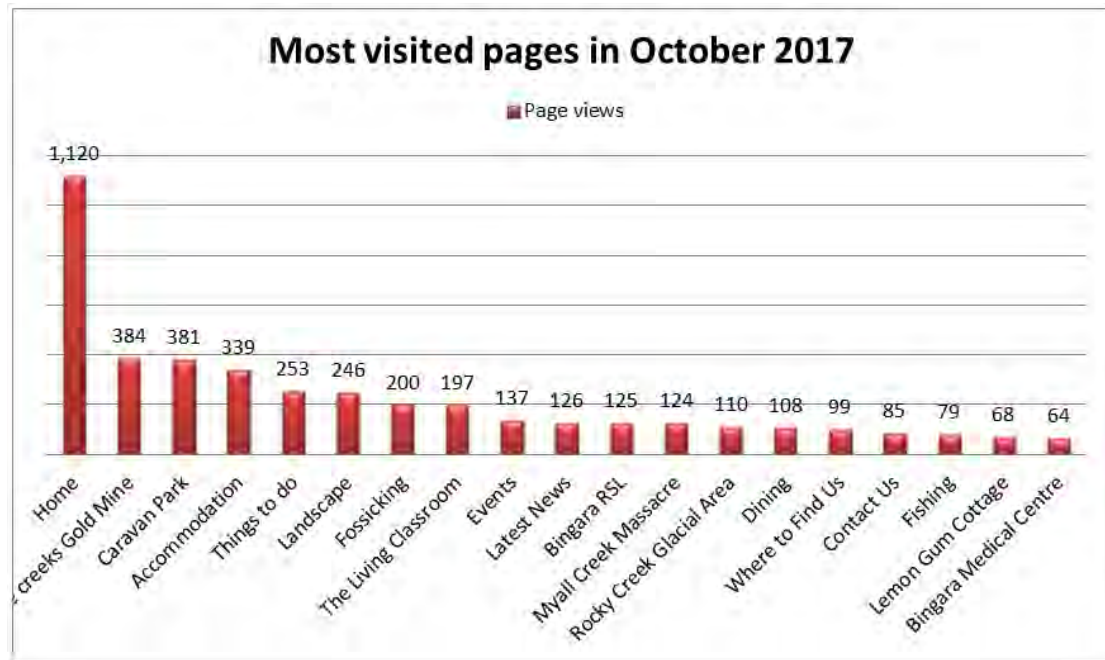
Facebook Statistics Bingara	Aug	Sept	Oct
New Likes	79	23	10
Overall Reach	45,129	27,931	15,573
Post Reactions/Comments/Shares	2,109	1,236	1,418
Post Clicks	4,083	2,655	340

WEBSITE STATISTICS



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Chairman



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Chairman

COMMONWEALTH HOME SUPPORT PROGRAM - October

OCTOBER 2017	BINGARA	DELUNGRA	WARIALDA
DAY CENTRE			
Total active clients	200	25	108
Clients receiving service	81	10	61
Meals	40	27	185
Hours Clients Receive in Centre	382	101	552
SOCIAL SUPPORT			
No of Clients	53	10	61
Individual Hrs	154	8	44
Group Hrs	228	93	508
Total Hours Received	382	101	552
FOOD SERVICE (Meals on Wheels)			
Clients	3	0	5
Meals	51	0	57
TRANSPORT			
Number of Clients	35	4	23
Number of Trips	120	16	104
TRANSPORT - YOUTH			
Number of Clients	0		
Number of Trips	0		
ACCESS BUS - INVERELL			
Number of Clients	7	2	6
Number of Trips (per month)	14	4	12
VOLUNTEERS			
No. of Volunteers	39	5	54
Hours	198	50	175
ACCOMMODATION UNITS FOR AGED			
Occupancy	6/6	0/0	12/13

This is page number 33 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

CONCLUSION

The activities carried out by the Organisation and Community Development Department are in line with the 2017/2018 Operational Plan and otherwise as directed.

CONSULTATION

Consultation has occurred within the Organisation and Community Development Directorate.

POLICY IMPLICATIONS

Policy implications are those relating to the 2017/2018 Operational Plan and the Policies of Gwydir Shire Council.

FINANCIAL, ECONOMIC and RESOURCE IMPLICATIONS (including Asset Management)

The activities carried out by the Organisation and Community Development Department are in line with the 2017/2018 Operational Plan.

SUSTAINABILITY IMPLICATIONS (Social and Environment)

The activities undertaken by the Organisation and Community Development Department regarding social and environmental factors are targeted in line with the 2017/2018 Operational Plan.

OFFICER RECOMMENDATION

THAT the monthly Organisation and Community Development report for October 2017 be received

ATTACHMENTS

There are no attachments for this report.

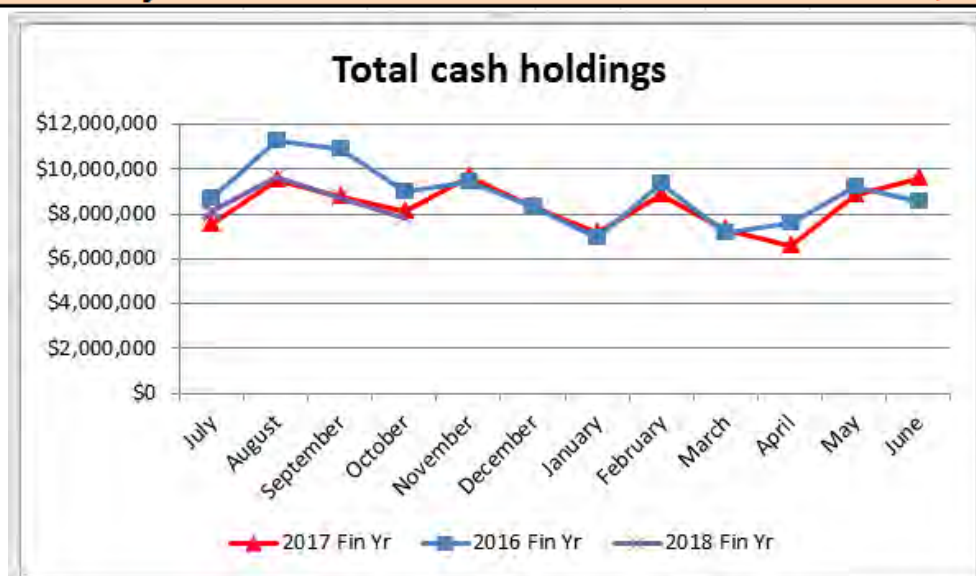
COUNCIL RESOLUTION: MINUTE 381/17

THAT the monthly Organisation and Community Development report for October 2017 be received.

(Moved Cr D Coulton, seconded Cr Young)

Chairman

Cash and Investments	
Total Investments	
Direct Investments	\$3,000,000.00
Managed Funds	\$4,203,631.92
Grand Total Investments	\$7,203,631.92
Total Cash and Investments	
Investments	\$7,203,631.92
Cash at bank	\$ 625,015.29
Grand Total Cash and Investments	\$7,828,647.21
General Fund Cash	
Total cash and investments	\$7,828,647.21
LESS:	
Water fund*	-\$1,028,070.12
Sewer fund*	-\$3,172,941.27
Waste fund*	-\$2,164,420.23
Other restrictions:	
Employee leave entitlements*	-\$420,000.00
Carry over works in progress*	\$0.00
Asset replacement*	\$0.00
Bonds and deposits	-\$391,000.00
Unexpended grants*	-\$387,000.00
Developer contributions	-\$316,000.00
*These figures may change with end of year processing	
Discretionary General Fund Cash	-\$50,784.41



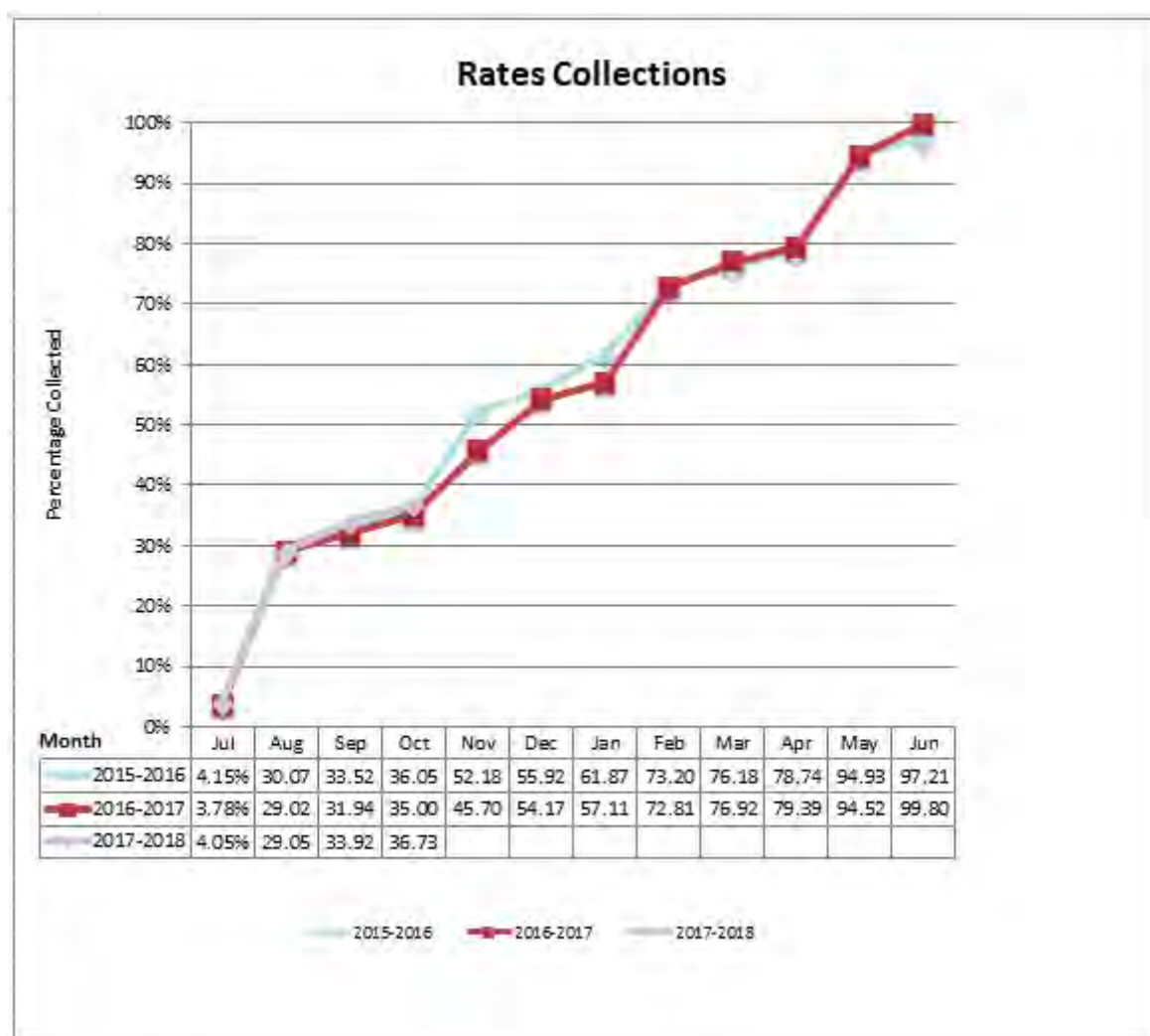
This is page number 36 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

I, Helen Thomas, Finance Manager and Responsible Accounting Officer for Gwydir Shire Council, certify that the Council's investments have been made in accordance with the Local Government Act 1993, Local Government (General) Regulation 2005 and Council's Investment Policy (F.01.03), as amended.

RATES COLLECTIONS

The graph below represents a comparative of the percentage collections for the current year against the two previous rating years. The current years collections are up to 31st October 2017.



OFFICER RECOMMENDATION

THAT the monthly Investment and Rates Collection report for October 2017 be received

This is page number 37 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

ATTACHMENTS

There are no attachments for this report.

**COUNCIL RESOLUTION:
MINUTE 382/17**

**THAT the monthly Investment and Rates Collection report for
October 2017 be received.**

(Moved Cr Egan, seconded Cr Galvin)

**Item 6 Minutes of the Country Mayors Association of NSW
meetings held in Sydney on 3rd November 2017**

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 4. Proactive Regional and Local Leadership

OUTCOME: 4.1 WE ARE AN ENGAGED & CONNECTED COMMUNITY

STRATEGY: 4.1.2 Enable broad, rich and meaningful engagement to occur - GM - external

AUTHOR General Manager

DATE 15 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

The report is for reception only of the unconfirmed minutes of the Country Mayors Association of NSW Annual General Meeting and Ordinary meeting held in Sydney on 3rd November 2017.

OFFICER RECOMMENDATION

THAT the Minutes from the Country Mayors Association of NSW Meetings held in Sydney on 3rd November be received and noted

ATTACHMENTS

AT- Country Mayors AGM - 3 November 2017

AT- Country Mayors Ordinary Meeting - 3 November 2017

**COUNCIL RESOLUTION:
MINUTE 383/17**

THAT the Minutes from the Country Mayors Association of NSW Meetings held in Sydney on 3rd November be received and noted.

(Moved Cr Young, seconded Cr Dixon OAM)



Country Mayors Association of NEW SOUTH WALES

Chairperson: Cr Katrina Humphries
PO Box 420 Moree NSW 2400
02 6757 3222
ABN 92 803 490 533

AGM MINUTES

ANNUAL GENERAL MEETING

FRIDAY, 3 NOVEMBER 2017, JUBILEE ROOM, PARLIAMENT HOUSE, SYDNEY

The meeting opened at 9.02 a.m.

1. ATTENDANCE:

Albury City Council, Mr Frank Zaknich, General Manager
Armidale Regional Council, Cr Simon Murray, Mayor
Armidale Regional Council, Mr Peter Dennis, CEO
Bathurst Regional Council, Cr Graeme Hanger, Mayor
Bathurst Regional Council, Mr David Sherley, General Manager
Bega Valley Shire Council, Cr Kristy McBain, Mayor
Bega Valley Shire Council, Ms Leanne Barnes, General Manager
Bellingen Shire Council, Cr Dominic King, Mayor
Bland Shire Council, Cr Tony Lord, Mayor
Broken Hill City Council, Cr Darriea Turley, Mayor
Carrathool Shire Council, Cr Peter Laird, Mayor
Carrathool Shire Council, Ms Joanne Treacy, General Manager
Coffs Harbour City Council, Cr Denise Knight, Mayor
Coonamble Shire Council, Cr Michael Webb, Mayor
Dubbo Regional Council, Cr Ben Shields, Mayor
Dubbo Regional Council, Mr Mark Riley, General Manager
Dungog Shire Council, Cr Tracey Norman, Mayor
Federation Council, Cr Patrick Bourke, Mayor
Federation Council, Mr Peter Gall, Acting General Manager
Forbes Shire Council, Cr Graeme Miller, Mayor
Forbes Shire Council, Mr Max Kershaw, Acting General Manager
Gulgandra Shire Council, Cr Doug Batten, Mayor
Gulgandra Shire Council, Mr David Neeves, General Manager
Glen Innes Shire Council, Cr Steve Toms, Mayor
Goulburn Mulwaree Council, Cr Bob Kirk, Mayor
Goulburn Mulwaree Council, Mr Warrick Bennett, General Manager
Gunnedah Shire Council, Cr Jamie Chaffey, Mayor
Gunnedah Shire Council, Mr Eric Groth, General Manager
Gwydir Shire Council, Cr John Coulton, Mayor
Gwydir Shire Council, Mr Max Eastcott, General Manager

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Chairman

Inverell Shire Council, Cr Paul Harmon, Mayor
Kempsey Shire Council, Cr Liz Campbell, Mayor
Kempsey Shire Council, Mr Daryl Hagger, Acting General Manager
Leeton Shire Council, Cr Paul Maytom, Mayor
Leeton Shire Council, Ms Jackie Kruger, General Manager
Lithgow City Council, Cr Stephen Lesslie, Mayor
Mid-Western/Mudgee Regional Council, Mr Brad Cam, General Manager
Moree Plains Shire Council, Cr Katrina Humphries, Mayor
Moree Plains Shire Council, Ms Libby Carter, Acting General Manager
Murray River Council, Cr Christopher Bilkey, Mayor
Murray River Council, Mr Des Bilske, General Manager
Murrumbidgee Council, Mr Craig Moffitt, General Manager
Narrabri Shire Council, Cr Catherine Redding, Mayor
Narrandera Shire Council, Cr Neville Kschenka, Mayor
Narrandera Shire Council, Mr George Cowan, General Manager
Narromine Shire Council, Cr Craig Davies, Mayor
Oberon Shire Council, Cr Kathy Sajowitz, Mayor
Oberon Shire Council, Mr Garry Wallace, General Manager
Parkes Shire Council, Cr Ken Keith, Mayor
Parkes Shire Council, Mr Kent Boyd, General Manager
Queanbeyan-Palerang Regional Council, Mr Tim Overall, Administrator
Shellharbour City Council, Cr John Murray
Shoalhaven City Council, Cr Amanda Findley, Mayor
Shoalhaven City Council, Mr Russell Pigg, General Manager
Singleton Council, Cr Sue Moore, Mayor
Snowy Monaro Regional Council, Cr John Rooney, Mayor
Snowy Monaro Regional Council, Mr Peter Cannizzaro, Acting General Manager
Snowy Valleys Council, Cr James Hayes, Mayor
Tamworth Regional Council, Cr Col Murray, Mayor
Tamworth Regional Council, Mr Paul Bennett, General Manager
Temora Shire Council, Cr Rick Firman, Mayor
Temora Shire Council, Mr Gary Lavelle, General Manager
Tenterfield Shire Council, Cr Peter Petty, Mayor
Upper Lachlan Shire Council, Cr Brian McCormack, Mayor
Upper Lachlan Shire Council, Mr John Bell, General Manager
Uralla Shire Council, Cr Michael Pearce, Mayor
Wagga Wagga City Council, Cr Greg Conkey, Mayor
Wagga Wagga City Council, Mr James Bolton, General Manager
Walcha Council, Cr Eric Noakes, Mayor
Walcha Council, Mr Jack O'Hara, General Manager
Warren Shire Council, Cr Rex Wilson, Mayor
Warren Shire Council, Mr Glen Wilcox, General Manager
Warrumbungle Shire Council, Ms Leeanne Ryan, Acting General Manager
Yass Valley Council, Mr David Rowe, General Manager
LGNSW, Cr Lindsay Brown, Vice President
Australian Stock and Property, Mr Steve Loane

APOLOGIES:

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This is page number 41 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

As read

2. ADOPTION OF MINUTES OF PREVIOUS MEETING:

RESOLVED that the minutes of the Annual General Meeting held on 4 November 2016 be accepted as a true and accurate record (Tenterfield Shire Council / Coonamble Shire Council).

3. Chairman's Report

RESOLVED That the Chairman's report be received and noted (Moree Plains Shire Council / Uralla Shire Council)

4. FINANCIAL REPORT

RESOLVED That the financial reports for the 2016/17 year as tabled be accepted (Leeton Shire Council / Parkes Shire Council)

5. Election of Office Bearers

5.1 Returning Officer

RESOLVED That the returning Officer for the conduct of the elections be Mr Allan Burgess (Temora Shire Council / Singleton Council)

The Chairperson Cr Katrina Humphries Vacated the chair

5.2 Chairman

The Returning Officer advised that he had received only one nominations in writing. Cr Katrina Humphries, Mayor, Moree Plains Shire Council, was nominated by Narrabri Shire Council and Lithgow City Council. The Returning Officer called for any further nominations for the position of Chairperson. No other nominations were received. As there was only one nomination the Returning Officer declared Cr Katrina Humphries elected Chairperson for the 2018/19 year

5.5 Vice Chairman

The Returning Officer advised that he had received one nomination in writing. Cr Michael Pearce, Mayor, Uralla Shire Council was nominated by Moree Plains Shire Council and Narrabri Shire Council. The Returning Officer called for any further nominations for the position of Vice Chairperson. No other nominations were received. As there was only one nomination the Returning Officer declared Cr Michael Pearce elected Vice Chairman for the 2018/19 year.

5.4 Executive

Nominations for the six positions on the Executive were called for. Nominations were received for Cr Kirsty McBain, Bega Valley Shire Council, Cr John Seymour, Coolamon Shire Council, Cr Jamie Chaffey, Gunnedah Shire Council, Cr Liz Campbell, Kempsey Shire Council, Cr Catherine Redding, Narrabri Shire Council,

Page 4

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Chairman

Cr Kathy Sajowwitz, Oberon Council and Cr Peter Petty, Tenterfield Shire Council.
As there were more nominations than positions an election was required

RESOLVED That the election be by Ordinary Ballot (Temora Shire Council / Inverell Shire Council

As a result of the ballot the following delegates were elected to the executive for the 2018/19 year

- Cr Kirsty McBain, Bega Valley Shire Council
- Cr Jamie Chaffey, Gunnedah Shire Council
- Cr Liz Campbell, Kempsey Shire Council
- Cr Catherine Redding, Narrabri Shire Council
- Cr Kathy Sajowwitz, Oberon Council
- Cr Peter Petty, Tenterfield Shire Council.

The Chairperson Cr Katrina Humphries resumed the chairpersonship

6. Secretary/Public Officer

RESOLVED That Mr Lester Rodgers General Manager, Moree Plains Shire Council, be appointed Secretary/Public Officer (Oberon Council / Uralla Shire Council)

7. SETTING OF ANNUAL MEMBERSHIP FEES

RESOLVED That the fees for the 2017/18 year remain at \$750 for Councils with a population of 10,000 and over, and Councils with a population of less than 10,000 paying 75% \$562.50 (Upper Lachlan Shire Council / Gunnedah Shire Council)

8. Secretariat

RESOLVED That Allan Burgess trading as Alkanat Consulting be appointed the Secretariat (Gilgandra Shire Council / Narrabri Shire Council)

9. Meeting dates for 2018

RESOLVED that the meeting dates for 2018 be 2 March, 1 June, 3 August and 2 November (Parkes Shire Council / Temora Shire Council)

There being no further business the meeting closed at 9.35 am.

Cr Katrina Humphries
Chair – Country Mayor's Association of NSW



Country Mayors Association of NEW SOUTH WALES

Chairperson: Cr Katrina Humphries
PO Box 420 Moree NSW 2400
02 6757 3222
ABN 92 803 490 533

MINUTES

GENERAL MEETING

FRIDAY, 3 NOVEMBER 2017 JUBILEE ROOM, PARLIAMENT HOUSE, SYDNEY

The meeting opened at 9.35 a.m.

1. ATTENDANCE:

Albury City Council, Mr Frank Zaknich, General Manager
Armidale Regional Council, Cr Simon Murray, Mayor
Armidale Regional Council, Mr Peter Dennis, CEO
Bathurst Regional Council, Cr Graeme Hanger, Mayor
Bathurst Regional Council, Mr David Sherley, General Manager
Bega Valley Shire Council, Cr Kristy McBain, Mayor
Bega Valley Shire Council, Ms Leanne Barnes, General Manager
Bellingen Shire Council, Cr Dominic King, Mayor
Bland Shire Council, Cr Tony Lord, Mayor
Broken Hill City Council, Cr Darriea Turley, Mayor
Carrathool Shire Council, Cr Peter Laird, Mayor
Carrathool Shire Council, Ms Joanne Treacy, General Manager
Coffs Harbour City Council, Cr Denise Knight, Mayor
Coonamble Shire Council, Cr Michael Webb, Mayor
Dubbo Regional Council, Cr Ben Shields, Mayor
Dubbo Regional Council, Mr Mark Riley, General Manager
Dungog Shire Council, Cr Tracey Norman, Mayor
Federation Council, Cr Patrick Bourke, Mayor
Federation Council, Mr Peter Gall, Acting General Manager
Forbes Shire Council, Cr Graeme Miller, Mayor
Forbes Shire Council, Mr Max Kershaw, Acting General Manager
Gulgandra Shire Council, Cr Doug Batten, Mayor
Gulgandra Shire Council, Mr David Neeves, General Manager
Glen Innes Shire Council, Cr Steve Toms, Mayor
Goulburn Mulwaree Council, Cr Bob Kirk, Mayor
Goulburn Mulwaree Council, Mr Warrick Bennett, General Manager
Gunnedah Shire Council, Cr Jamie Chaffey, Mayor
Gunnedah Shire Council, Mr Eric Groth, General Manager
Gwydir Shire Council, Cr John Coulton, Mayor

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Chairman

Gwydir Shire Council, Mr Max Eastcott, General Manager
Inverell Shire Council, Cr Paul Harmon, Mayor
Kempsey Shire Council, Cr Liz Campbell, Mayor
Kempsey Shire Council, Mr Daryl Hagger, Acting General Manager
Leeton Shire Council, Cr Paul Maytom, Mayor
Leeton Shire Council, Ms Jackie Kruger, General Manager
Lithgow City Council, Cr Stephen Lesslie, Mayor
Mid-Western/Mudgee Regional Council, Mr Brad Cam, General Manager
Moree Plains Shire Council, Cr Katrina Humphries, Mayor
Moree Plains Shire Council, Ms Libby Carter, Acting General Manager
Murray River Council, Cr Christopher Bilkey, Mayor
Murray River Council, Mr Des Bilske, General Manager
Murrumbidgee Council, Mr Craig Moffitt, General Manager
Narrabri Shire Council, Cr Catherine Redding, Mayor
Narrandera Shire Council, Cr Neville Kschenka, Mayor
Narrandera Shire Council, Mr George Cowan, General Manager
Narromine Shire Council, Cr Craig Davies, Mayor
Oberon Shire Council, Cr Kathy Sajowitz, Mayor
Oberon Shire Council, Mr Garry Wallace, General Manager
Parkes Shire Council, Cr Ken Keith, Mayor
Parkes Shire Council, Mr Kent Boyd, General Manager
Queanbeyan-Palerang Regional Council, Mr Tim Overall, Administrator
Shellharbour City Council, Cr John Murray
Shoalhaven City Council, Cr Amanda Findley, Mayor
Shoalhaven City Council, Mr Russell Pigg, General Manager
Singleton Council, Cr Sue Moore, Mayor
Snowy Monaro Regional Council, Cr John Rooney, Mayor
Snowy Monaro Regional Council, Mr Peter Cannizzaro, Acting General Manager
Snowy Valleys Council, Cr James Hayes, Mayor
Tamworth Regional Council, Cr Col Murray, Mayor
Tamworth Regional Council, Mr Paul Bennett, General Manager
Temora Shire Council, Cr Rick Firman, Mayor
Temora Shire Council, Mr Gary Lavelle, General Manager
Tenterfield Shire Council, Cr Peter Petty, Mayor
Upper Lachlan Shire Council, Cr Brian McCormack, Mayor
Upper Lachlan Shire Council, Mr John Bell, General Manager
Uralla Shire Council, Cr Michael Pearce, Mayor
Wagga Wagga City Council, Cr Greg Conkey, Mayor
Wagga Wagga City Council, Mr James Bolton, General Manager
Walcha Council, Cr Eric Noakes, Mayor
Walcha Council, Mr Jack O'Hara, General Manager
Warren Shire Council, Cr Rex Wilson, Mayor
Warren Shire Council, Mr Glen Wilcox, General Manager
Warrumbungle Shire Council, Ms Leeanne Ryan, Acting General Manager
Yass Valley Council, Mr David Rowe, General Manager
LGNSW, Cr Lindsay Brown, Vice President
Australian Stock and Property, Mr Steve Loane

APOLOGIES:

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Chairman

As submitted

SPECIAL GUESTS:

- Hon John Barilaro MP, Deputy Premier, Minister for Regional NSW, Minister for Skills and Minister for Small Business
- Hon Melinda Pavey MP, Minister for Roads and Maritime and Freight
- A Team from The Auditor General's Office - Margaret Crawford, Auditor-General of NSW, Rod Longford, Principal Analyst Performance Audit, Caroline Karakatsanis-Director, Financial Audit
- Commissioner Mark Smethurst, NSW State Emergency Service

2. ADOPTION OF MINUTES OF PREVIOUS MEETING:

RESOLVED that the minutes of the General Meeting held on 11 August 2017 be accepted as a true and accurate record (Uralla Shire Council / Gilgandra Shire Council).

3. Matters Arising from the Minutes

NIL

4. Hon John Barilaro MP, Deputy Premier, Minister for Regional NSW, Minister for Skills and Minister for Small Business

Wants to settle down the relationship between the State Government and Local Government and have a vibrant stronger sector in Local Government. A new funding formula is required which will require a change in the constitution. The State Government is investing heavily in infrastructure with \$73 billion over 4 years. Business confidence is at an all time high. Hospitals are recipients of major funding, as is safe and secure water which has been allocated over \$500 million. Councils re identifying projects under the Regional Growth Funds Social Amenities. Everybody shares not just the larger regional centres. \$50 million has been allocated to Councils affected by mining and a further \$50 million is being spent on telco blackspots. There will be an announcement shortly on Joint Organisational Structures allowing Councils voluntary membership as well as associate membership of an organization if they are a full member of another Joint Organisation Structure

5. Hon Melinda Pavey MP, Minister for Roads and Maritime and Freight

The relationship between the RMS and Local Government can be improved. It needs to work more corroboratory with local government to get work done. There will be an announcement at the end of November. 65% of increase in road funds goes to regional areas. The State Government is concentrating on east/west road improvements as well as the traditional major highways

6. A Team from The Auditor General's Office - Margaret Crawford, Auditor-General of NSW, Rod Longford, Principal Analyst Performance Audit, Caroline Karakatsanis- Director, Financial Audit

Margaret has been Auditor General for 18 months and has worked in all three levels of Government. Her term of appointment is 8 years from 1 October 2016 and she

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reports directly to the Parliament of NSW. The Audit Office undertakes financial and performance audits as well as special reviews and compliance engagements. The Auditor General does not comment on the merits of council or government policy or develop policy or guidelines for state or local government agencies. Its local government mandate is to financial audit NSW councils, perform performance audits and to report to parliament on the results of the audits. This will provide greater consistency in financial reporting and auditing, value assets, and have an increased focus on IT controls. The performance audits will examine efficiency, effectiveness, economy and compliance and will be funded by the NSW Government.

7. Commissioner Mark Smethurst, NSW State Emergency Service

The current emphasis is to go from the old vision to the new vision. The old vision had 17 regions, antiquated training, individual budgets, and a short sighted approach. There is now an organizational transformation, individual management model, program budget approach and a training overhaul. Currently there are 8,300 volunteers with 200 staff. The SES is working towards 20,000 volunteers to include corporate volunteers, spontaneous volunteers and community volunteers. The SES state headquarters has enhanced operational surge capacity, operational improvement (radio replacement, improved warning systems etc) with opportunities of command and control review, greater cooperation between councils, SES, RFS and less duplication, community engagement and a flood data access program.

8. Membership

RESOLVED That Narrandera Shire Council and Narromine Shire Council be admitted as members of the Association (Inverell Shire Council / Uralla Shire Council)

9. CORRESPONDENCE

Outward

- (a) Local Government NSW regarding the distribution of Local Government Procurements management fee income
- (b) Local Government Procurement regarding the distribution of Local Government Procurements management fee income
- (c) Shellharbour City Council advising that the Council has been admitted as a member of the Association
- (d) The Hon Troy Grant MP, Minister for Police and Minister for Emergency Services thanking him for his presentation to the 11 August meeting
- (e) Mr Richard Colbran, Chief Executive Officer, NSW rural Doctors Network thanking him for his presentation to the 11 August meeting
- (f) Mr Duncan Taylor, Chief Executive Officer, Country Universities Centre thanking him for his presentation to the 11 August meeting
- (g) The Hon Adam Marshall MP, Minister for Tourism and Major Events and Assistant Minister for Skills thanking him for his presentation to the 11 August meeting
- (h) Local Government NSW expressing disappointment that this years conference dinner is scheduled to be held on the last night of the conference
- (i) The Hon Brad Hazzard MP, Minister for Health and Minister for Medical Research expressing concern of a perceived trend towards the downgrading of services in regional hospitals

NOTED

10. FINANCIAL REPORT

RESOLVED That the financial reports for the last quarter were tabled and accepted
(Moree Plains Shire Council / Lithgow City Council)

11. General Business

(a) Minister for Local Government

RESOLVED That the Premier be requested to recognize Local Government through the appointment of a Minister for Local Government that only has Local Government responsibilities (Yass Valley Council / Singleton Council)

(b) National Parks and Wildlife

RESOLVED That the Association write to the Minister for Regional New South Wales outlining the unnecessary practice of the NPWS to purchase whole properties of large productive lands that contains some ecologically important land considered for purchase and the Minister be asked to reinforce the Upper House Enquiry into the use of Productive Land and the issue of buyer security offsets of mining land (Carrathool Shire Council / Tenterfield Shire Council)

(c) Truck Washes

RESOLVED That the Country Mayors Association of NSW requests the State Government to provide additional funding to fund Truck wash facilities around the State of NSW that will allow these much needed developments to occur in the best interest of bio-security, the environment and traffic safety (Goulburn Mulwaree Council / Yass Valley Council)

(d) Red Gum Forestry Industry

That NSW Country Mayors Association lobby the State and Federal Governments to make the legislative and regulatory amendments as are necessary to enable the re-establishment of a sustainable red gum forestry industry in the recently proclaimed National Park forests especially in the Murray River Council and adjacent Council areas. (Murray River Council / Carrathool Shire Council)

(e) Recycling

RESOLVED That the Association seek urgent advice from the Minister for Local Government to the suggested emerging market crisis for the recycling industry that China is not an option for buying recycled products and the issues for NSW (Singleton Council / Gilgandra Shire Council)

(f) Transport Strategy 2056

RESOLVED That the Association request the Minister for Transport and Infrastructure to extend to February 18 2018 the closing date for the Transport Strategy 2056 as there has been minimal consultation and there is a need for input from associated plans such as the Ports Plan and Tourism Plan (Yass Valley Council / Parkes Shire Council)

(g) FAG Grants

Lithgow City Council would like listed at the next meeting the reduction in the per capita component of the grant being reduced from 30% to 14%

(h) Forestry Corp Unrateable Land

A meeting of rural mayors are meeting in collaboration with LGNSW with the State Government this afternoon Oberon Shire Council will report back to the next meeting

There being no further business the meeting closed at 12.50pm

Cr Katrina Humphries

Chair – Country Mayor's Association of NSW

Item 7 Disclosure Returns for the 2016-2017 year

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.5 Provide responsible internal governance - GM - internal

AUTHOR General Manager

DATE 16 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

The Local Government Act provides that the completed Disclosure of Interest Returns be tabled at a Council Meeting.

COMMENT

The Disclosure of Interest Returns for the following:

Cr John Coulton
Cr Catherine Egan
Cr Frances Young
Cr Tiffany Galvin
Cr David Coulton
Cr Geoff Smith
Cr Marilyn Dixon
Cr Stuart Dick
Cr James Moore

Max Eastcott
Leeah Daley
Richard Jane

are available for inspection upon request.

STATUTORY ENVIRONMENT

The Local Government Act provides:

450A Register and tabling of returns

- (1) The general manager must keep a register of returns required to be lodged with the general manager under section 449.

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Chairman

- (2) Returns required to be lodged with the general manager under section 449 must be tabled at a meeting of the council, being:
 - (a) in the case of a return lodged in accordance with section 449 (1)-the first meeting held after the last day for lodgement under that subsection, or
 - (b) in the case of a return lodged in accordance with section 449 (3)-the first meeting held after the last day for lodgement under that subsection, or
 - (c) in the case of a return otherwise lodged with the general manager-the first meeting after lodgement.

OFFICER RECOMMENDATION

THAT the Disclosure Returns for the 2016-2017 year report be received

ATTACHMENTS

There are no attachments for this report.

**COUNCIL RESOLUTION:
MINUTE 384/17**

THAT the Disclosure Returns for the 2016-2017 year report be received.

(Moved Cr Galvin, seconded Cr Moore)

Item 8 Electoral Commission NSW Declarations of Disclosure for the 2016-2017 year

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.5 Provide responsible internal governance - GM - internal

AUTHOR General Manager

DATE 16 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

The official agent of an elected member is required to lodge a declarations of disclosure with the Electoral Commission NSW on behalf of the elected member on an annual basis.

The disclosure requirement applies to an elected member each year until there is a financial year where that person is no longer an elected member.

Each annual disclosure is to cover the period 1 July to 30 June.

Elected members are required to disclose:

- political donations made by the elected member to a political party or to another elected member, candidate, group of candidates or third-party campaigner;
- political donations received by the elected member from a political party or from another elected member, candidate, group of candidates, third-party campaigner or political donor, and
- electoral expenditure incurred by the elected member.

As Gwydir Shire Council held an election on 10 September 2016, the official agent of the elected members was required to lodge two declarations of disclosure. The first for the elected member as a candidate and a second, for that person as an elected member.

Please note, upon election, the elected member can act as his/her own official agent.

COMMENT

Over the month of September 2017 the following declarations of disclosure were lodged with the Electoral Commission NSW. *(All documentation was lodged before the due date being 22 September 2017):*

Cr John Coulton

Cr Catherine Egan

Cr Stuart Dick

Cr Tiffany Galvin

Cr Frances Young

Cr Dave Coulton

Cr Marilyn Dixon

Cr James Moore

Cr Peter Pankhurst (Councillor only – did not seek re-election)

Cr Kerry McDonald (Councillor only – did not seek re-election)

Council did not lodge a declaration of disclosure for Angela Doering.

These declarations of disclosure are currently being processed by the Electoral Commission NSW and should be available on their website www.office.nsw.gov.au early December 2017. When the documentation is on this website a link will be established on Council's website.

OFFICER RECOMMENDATION

THAT the Electoral Commission NSW Declarations of Disclosure for the 2016-2017 year report be received

ATTACHMENTS

There are no attachments for this report.

COUNCIL RESOLUTION: MINUTE 385/17

THAT the Electoral Commission NSW Declarations of Disclosure for the 2016-2017 year report be received.

(Moved Cr Galvin, seconded Cr Moore)

GWYDIR SHIRE COUNCIL - MONTHLY BREACH BREAKDOWN REPORT - FY2017/2018													
Minor Risk	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
Substantial Risk		3											
Severe Risk			2	2									
Off Route	1												
Refusal To Stop													
TOTAL BREACHES	1	3	2	2	0	0	0	0	0	0	0	0	8
TOTAL FINE REVENUE	\$ 648	\$ 1,944	\$ 1,296	\$ 1,296									\$ 5,194

GWYDIR SHIRE COUNCIL - MONTHLY INTERCEPT BREAKDOWN REPORT													
1 - Aggregate/Gravel	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Load Type Total
2 - Bricks/ Tiles	0	3	3	1									7
3 - Cement	1	0	0										1
4 - Concrete	0	1	0										1
5 - Fuel	1	0	2	1									4
6 - General	8	5	2	1									16
7 - Machinery	3	2	0	3									8
8 - Livestock	15	3	6	2									27
9 - Wool	0	0	0										0
10 - Cotton	1	0	0										1
11 - Grain	18	3	6	11									38
12 - Primary Produce	5	4	4	1									14
13 - Perishable Goods	0	0	0										0
14 - Refrigerated Goods	3	1	0										4
15 - Steel	1	1	1	1									4
16 - Timber	0	0	0										0
17 - Logs	0	0	0										0
18 - Empty	0	0	1	3									4
TOTAL	57	23	25	24	0	0	0	0	0	0	0	0	129

GWYDIR SHIRE COUNCIL - ESTIMATED V'S ACTUAL HOURS POLICED ON SHIRE AND STATE ROADS																							
ACT	Jul-17	ACT	Aug-17	ACT	Sep-17	ACT	Oct-17	ACT	Nov-17	ACT	Dec-17	ACT	Jan-18	ACT	Feb-18	ACT	Mar-18	ACT	Apr-18	ACT	May-18	ACT	Jun-18
Shire	32		19		19.5		13.5																
State	23		20		18.5		16																
Agreed Hours	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
TOTAL	55	39	39	38	29.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

VEHICLES INTERCEPTED					
Shire Roads	Jul-17	30	27	57	TOTAL
State Roads	Aug-17	13	10	23	
	Sep-17	16	9	25	
	Oct-17	16	8	24	
	Nov-17			0	
	Dec-17			0	
	Jan-18			0	
	Feb-18			0	
	Mar-18			0	
	Apr-18			0	
	May-18			0	
	Jun-18			0	
Roads Policed					
YETMAN RD	EDWARD ST				
CROPPA MOORE RD	18 BORE RD				
NORTH STAR RD	STEPHEN ST				
BRUNNER WAY	BARRABA RD				
GWYDIR HWY	FOSSICKERS WAY				

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Chairman



1.2 Emergency Services

A Local Emergency Management Meeting was held on the Tuesday 14th November. Minutes will be available in the next report.

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Chairman

2. ENGINEERING SERVICES

2.1 Construction/ Rehabilitation – Regional and Local Roads

Elcombe Road – Lovers Lane

Construction has finished on the Lovers Lane section of Elcombe Rd.



Figure 1 - Elcombe Road- Lovers Lane section has been sealed

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Chairman

North Star Road Heavy Patching



Figure 2 - Stabilising on RR7705 North Star Road at Gardiners

2.2 Works – Local, Regional and State Roads

Maintenance Grading

SR10 Yallaroi Rd Patch Grade
SR255 Crooble Rd
SR40 Blue Nobby Road
SR234 Bonanza Road
SR42 Mungle Road
SR9 I.B Bore Road – Sections
SR33 Forest Creek Road
SR119 Woodburn Emello Road
SR16 Trevallyn Road
SR117 Bundaleer Road
SR19 Whitlow Road

Gravel Resheeting

SR9 I.B Bore Road
SR117 Bundaleer Road
SR92 Killarney Road

Heavy Patching

RR7705 Heavy Patching, HW12 Gwydir Highway, MR63 Allan Cunningham Road

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Bitumen Patching

RR63 Warialda Road, HW12 Gwydir Highway, RR7705 North Star Road

Vegetation Control

HW12 Gwydir Highway SR38 Adams Scrub Road, MR462 Bruxner Way

Miscellaneous Work

Installation of Guard Rail on MR133 at Pallal Creek Bridge

Replace damaged guard rail between the Bridges in Bingara

Repair pipe culvert on MR133 Killarney Gap Road

Slashing

HW12 Gwydir Highway, SR11 Horton Road, Warialda Airstrip, RR63 Warialda Road, MR63 Allan Cunningham Road, MR133 Killarney Gap Road

Private Works for Councillors and Staff

Nil Report

Self Help Program

Nil Report

2.3 Roads Maintenance Council Contract – Works Orders issued by RMS

All Work Orders issued by RMS are quality assurance schedule of rates projects carried out by Council staff under the Roads Maintenance Council Contract with Roads and Maritimes Services.

Heavy patching works have now been completed on HW12 Gwydir Highway and MR63 Fossickers Way. Seal designs for reseal segments have now been completed and Proposals are currently being processed by the RMS.

Resealing works will be undertaken by Fulton Hogan this year, who provided a very competitive tender through LGP's Vendor Panel. These works will be a full service bitumen spray sealing contract programmed to be completed late in November. Minor reseal preparation has also been underway this month throughout our reseal segments, repairing edge breaks and preparing stockpile sites for stone. Other ordered works may include some guardrail replacement works, for which investigations and proposals are currently underway.

2.4 Rural Roads 2017-2018 Capital Works Program

Attachment 1

2.5 Other Services

2.5.1 Street services continued to be maintained for vehicular, pedestrian and public conveniences.

2.5.2 Storm water drainage facilities continue to be maintained.

2.5.3 Aerodromes at Warialda and Bingara continue to be maintained and inspections are done monthly.

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2.5.4 Existing quarry sources are continually being utilised and future sources are being investigated as time permits with other competing projects.

2.5.5 The radio and television towers continued to be maintained.

3. DESIGN AND ASSET SERVICES

Survey, design and soil testing is continuing for the 2017-2018 works programs. Progress is as follows:

Spring Street – Drainage

Different options are being investigated for the drainage issue occurring on Spring Street in Bingara. Survey has been completed and multiple different design options are being investigated.

North Star Road – Gardiners

Survey and design has been completed for the Gardiners, 34.5km and 35.8km from Warialda Road, rehabilitation project. The base station has been set up and localisation has been completed, with construction is ready to commence when weather permits

Warialda High Productivity Vehicle Bypass

Plan sets are being finalised, with negotiations ongoing with RMS regarding the HW12 and Warialda Road intersections. All other aspects of the design have been completed.

Elcombe Road – Lovers Lane

The centreline was spotted, ready for the spray seal.

4. FINANCIAL REPORT – Nil Report

5. TOWN SERVICES

Water and Sewerage

Water and sewerage systems are being maintained. During October eleven water main breaks, seven service line repairs and 3 sewer blocks were attended. Irrigation work was undertaken on the Maitland street gardens. The Bingara showground was prepared for the Australian caravan club rally. The 31st of October was the end of the reporting period for the two sewerage treatment works. Council is required to submit annual returns and annual reports for the two licenses before 22nd December 2017. Two operators attended a Water Industry Operator Association interest held at Quirindi on the 26th October, the day was hosted by Liverpool Plains Shire Council and sponsored by Xylem water.

Water meters will be read first and second week of December 2017.

Plant and Workshop

Major items repaired in the workshop during October;

- Plant 1471 – trailer fit roll over tarp
- Plant 1436 – light truck – replace clutch

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- Plant 1783 – ute – replace timing belt
- Plant 1732 – slasher replacement of clutch
- Plant 1723 – tractor major service
- Plant 1665 – bobcat –air-conditioning repairs
- Plant 1737 – mower replace drive belt and blades
- Plant 1081 – tractor major service
- Fabrication of reservoir hatches
- Drawbar on grid roller

Overhead cranes in Warialda and Bingara workshops had their 10 year inspections and service.

Parks and Gardens

Parks and gardens staff carried out routine maintenance jobs during October, mowing, weeding, watering of Bingara, Warialda, Warialda Rail, Gravesend, Coolatai, Myall Creek, Glacial area, Upper Horton.

Bingara Showground

Bingara showground is being maintained. Several events held in September were annual pony camp and the Pony club Jamboree to be held the first week of October. Following the Jamboree the Australian Caravan Club held the national rally from Monday 16th to Monday 23rd October.



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6. DEVELOPMENT AND BUILDING SERVICES

DEVELOPMENT

The Department continues to receive enquiries and provide advice on a range of planning and building matters including:

- Minor structure construction e.g. sheds
- Commercial opportunities and construction
- Basix (Building Sustainability Index)
- Bushfire requirements
- Building construction standards and requirements
- Stormwater
- Licensing and owner builder requirements
- Fees and charges

The following Construction Certificate (C/C), Building Certificate (B/C) and S68 applications have been approved for the month.

No.	Property Description	Development/ Work	\$	C/C	B/C	S68
34/2017	6 Plunkett Street Warialda	3 Bay open shed & retaining wall	15,000	✓		
36/2017	42 Gragin Road Warialda	Garage with attached carport	14,000	✓		
40/2017	66-68 Maitland Street Bingara	Additions to existing commercial building to accommodate new laundromat & 4 rainwater tanks	10,000	✓		
18/2017	66-68 Maitland Street Bingara	Laundromat				✓

The following Construction Certificate (C/C) applications were approved by a Private Certifier and lodged with Council during the month.

No.	Property Description	Development/ Work	\$	C/C
Nil				

ILLEGAL ACTIVITY

ACTIVITY	No	ACTION TAKEN					
		Inspected	Notice Sent	Application/ Certificate Lodged	Penalty Notice	Legal Action	Refer to Council
Building/Plumbing/ Drainage	Nil						

BUILDING MAINTENANCE

The Department continues to receive requests to carry out minor maintenance and these are generally dealt with in a timely manner. Otherwise the works are scheduled into maintenance staff building activities including new works for attention.

Projects Worked on during October 2017

Staff worked on the following projects during October:

- Plunkett St Warialda Water Reservoir – Repairs and maintenance.
- Bingara Landfill – Fencing.
- Heavy Vehicle Bypass land acquisition – Fencing.
- Croppa Creek Hall – Painting tea room.
- Bingara Swimming Pool – Repairs and maintenance.
- Holden Street Aged Unit – Concreted pathway to clothesline.
- Crooble Hall - Install stairs and hand rail. Paint doors and fascia
- Mayor's Office Warialda – Paint
- Naroo Hostel – Repairs and maintenance
- Carinda House – External painting
- Bingara Civic Centre – Paint windows and doors

7. ENVIRONMENTAL SERVICES

ILLEGAL ACTIVITY

ACTIVITY	No	ACTION TAKEN					
		Inspected	Notice Sent	Application/ Certificate Lodged	Penalty Notice	Legal Action	Refer to Council
Health/Animals	12	12	12		3		
Environment	2	2	2				

HEALTH

The Department continues to receive enquiries and provide advice on a range of health matters including

- Design and installation of on-site sewerage management systems
- Overgrown properties
- Food premises design and fit-out
- Food handling practices
- Mobile food vendors
- Licensing
- Water carting
- Plumbing and drainage - design and installation

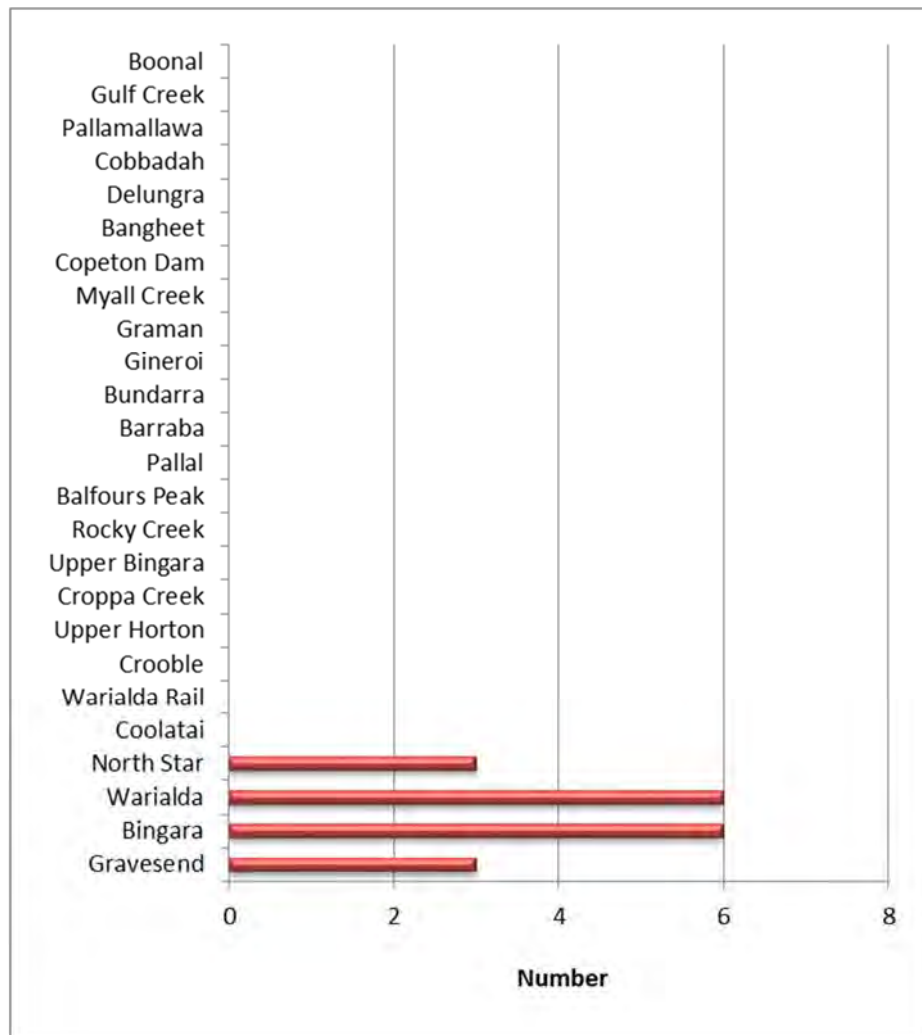
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Water Surveillance

The Department continues to carry out routine weekly microbiological sampling of the water supply in the towns of Warialda and Bingara, fortnightly sampling of Gravesend and monthly sampling at North Star.

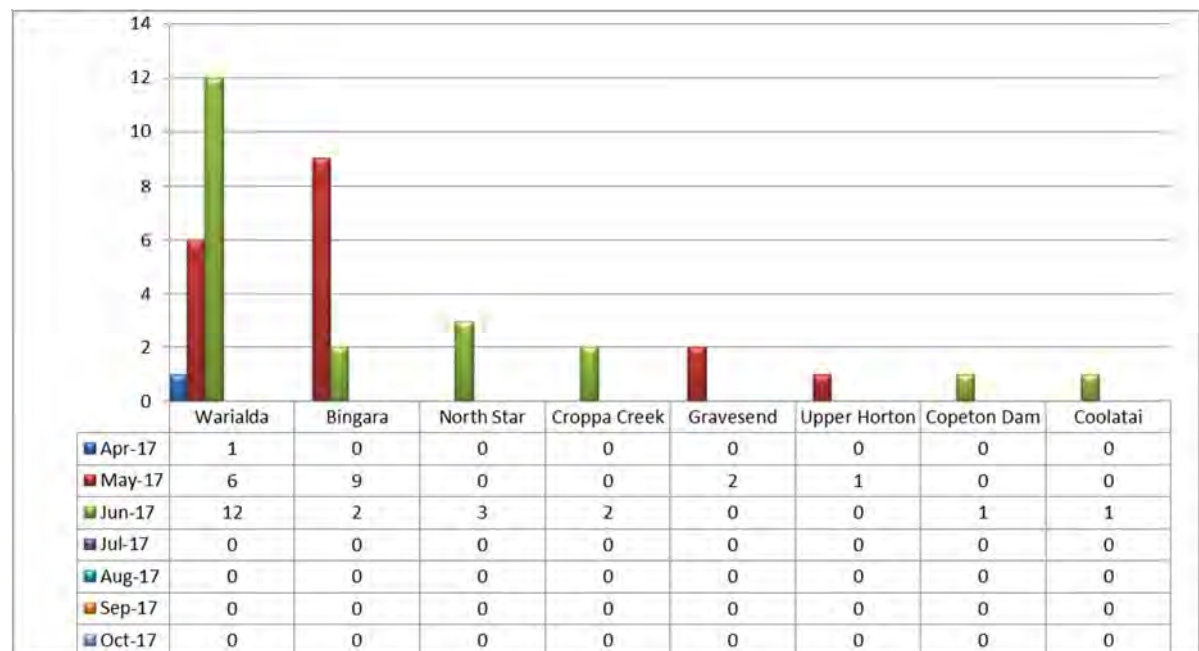
Health Related Inspections for October 2017



Cemeteries

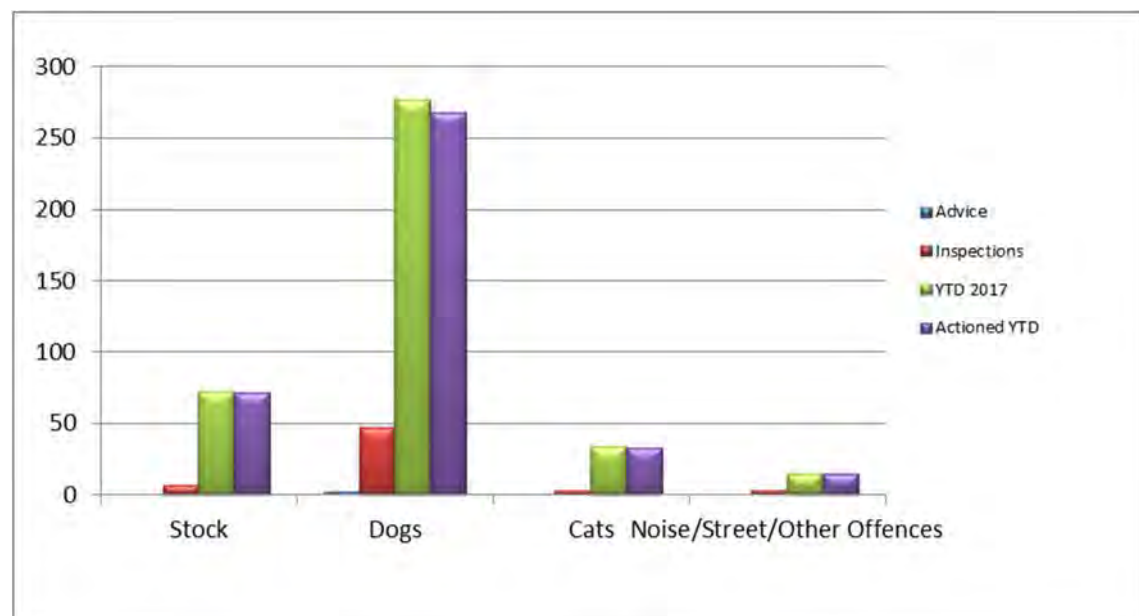
Both Warialda and Bingara Cemeteries continued to be maintained.

Food Premise Inspections/Re-inspections



Compliance and Regulatory Control

Council received complaints regarding roaming stock and dogs, noise, the keeping of animals and other concerns during the month of October 2017. These are investigated and actioned as necessary and are detailed in the following table including year to date and actioned totals:



ENVIRONMENTAL

The Department continues to receive enquiries and provide advice on a range of environmental matters including:

- Air and water pollution
- Noise pollution
- Littering
- Legislation

Waste Services

Scheduled kerbside collection of waste, recycling and green waste was carried out throughout the Shire. There were no incidents or complaints for this period.

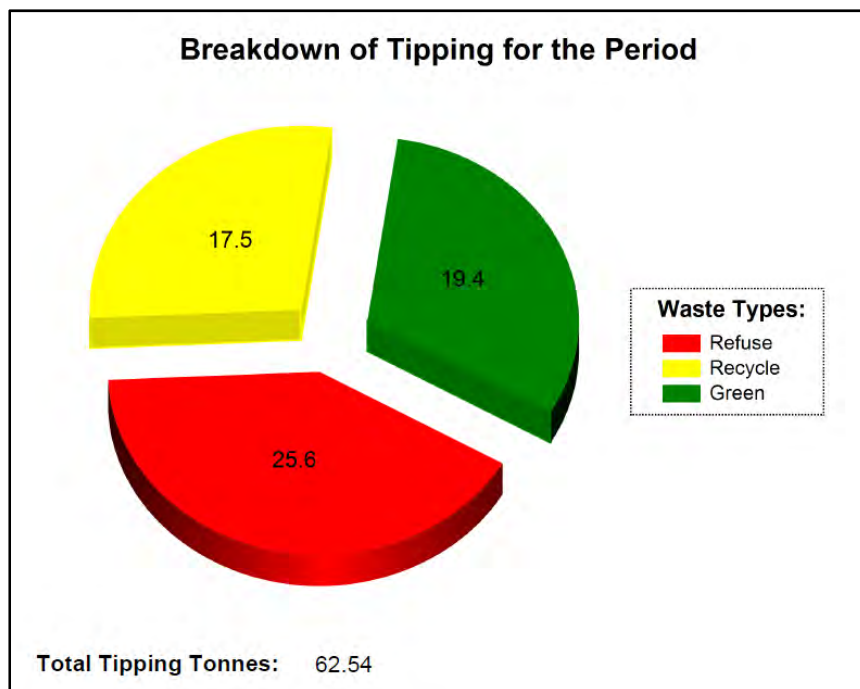
All Waste Recovery Centres in the Shire continue to be supervised/monitored and maintained. Staff continues to make changes to the site layout and signage to improve onsite operation and access for residents unloading waste and recyclable materials.

There was no in house chipping for the month.

Council is continuing to supply mulch from chipped green waste to residents.

Steel continues to be stockpiled for collection at the Bingara and Warialda Waste Recovery Centre.

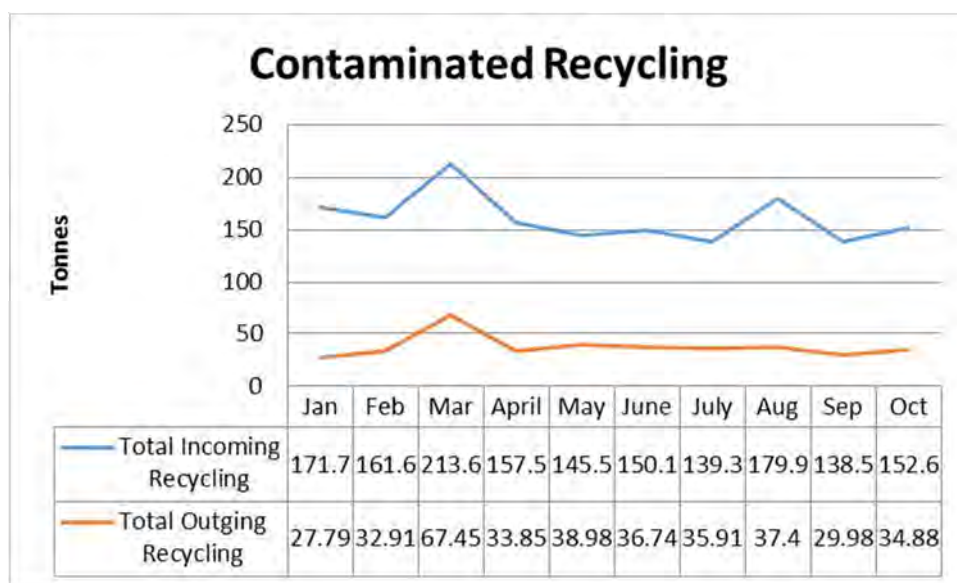
Breakdown of Waste Collection for October 2017



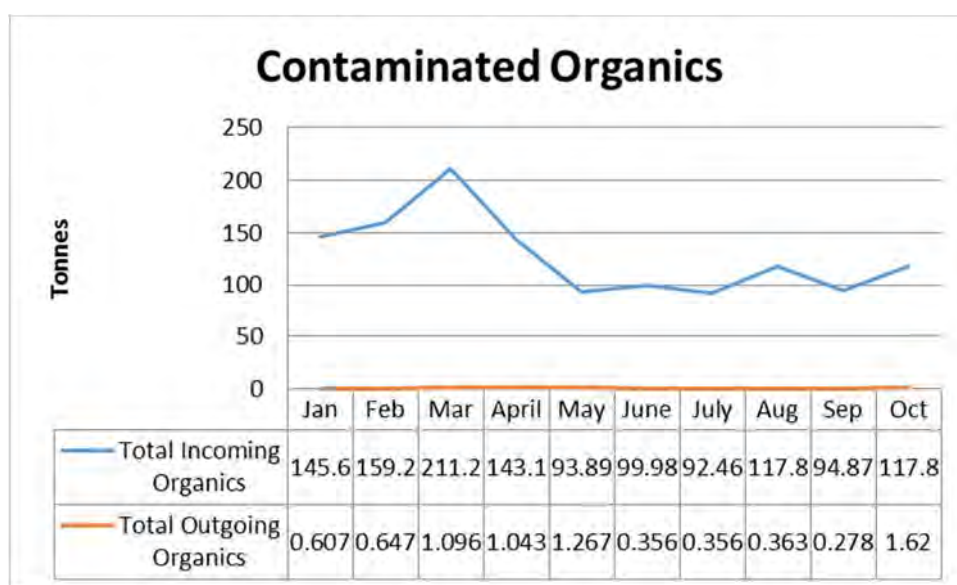
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Recycling Contamination October 2017



Organics Contamination October 2017



NOXIOUS WEEDS CONTROL

Property Inspection Program

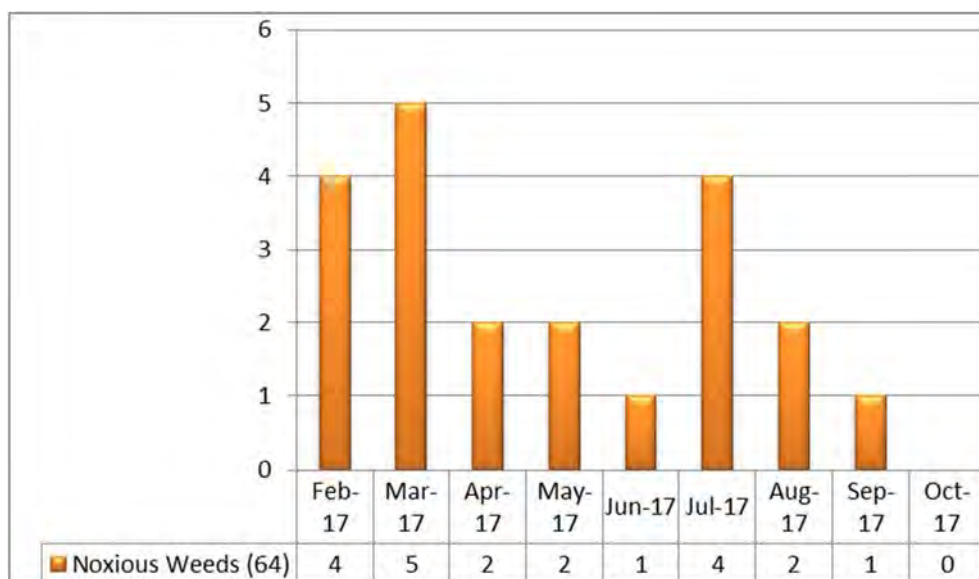
Staff continues to assist farmers and the community with:

- Funding advice
- Noxious weeds advice
- Property inspections
- Spraying of noxious weeds

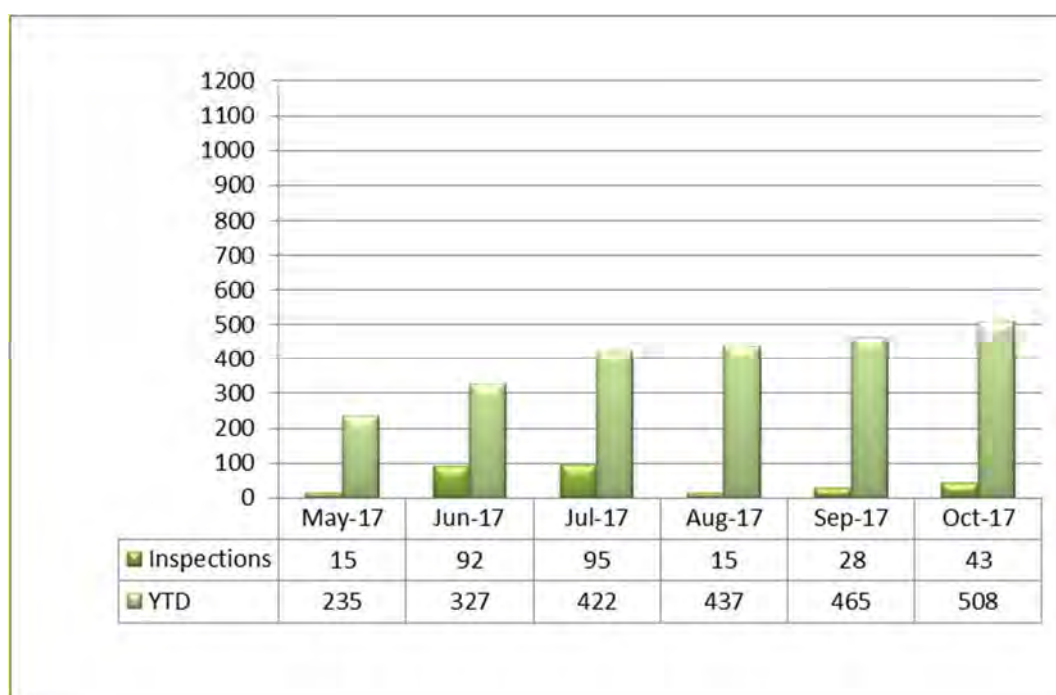
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Chairman

The following noxious weeds certificates were issued during October 2017 compared to the previous eight (8) months.



The following graph shows the noxious weeds inspections carried out in October 2017 compared to the previous five (5) months.



Noxious weeds - Inspections during October 2017

<i>Areas Inspected</i>	<i>No.</i>	<i>Ha</i>	<i>Rd km</i>	<i>Weeds Present</i>
Private Property High Risk areas	-	-	-	-
Private Property High Risk Re-inspection	-	-	-	-
Roadside Inspections High Risk	8	1256.2	628	Feral Trees, Harissa Cactus, Mimosa Bush, Mother of Millions, Parthenium, Sweet Briar, St John's Wort and Tree Pear
Waterways High Risk	-	-	-	-
Private Property	6	36.376	-	African Boxthorn, Common Pear, Mother of Millions, Paterson's Curse and Tree Pear
Private Property Re-inspections	1	14.77	-	St John's Wort
Private Property Waterways	-	-	-	-
Roadside Inspections	15	818.58	409	African Boxthorn, Harissa Cactus, Mother of Millions, St John's Wort and Tree Pear
Other Council Lands	3	21.078	-	African Boxthorn, Mother of Millions and Tree Pear
Nurseries	-	-	-	-
Rural Outlets	-	-	-	-
ARTC	-	-	-	-
Other Weekend Markets	-	-	-	-
Dept of Lands	5	47.942	-	African Boxthorn, Galvanised Burr, Mimosa Bush, Paterson's Curse, St John's Wort and Tiger Pear
National Parks/ Nature Reserves	-	-	-	-
NWLLS Reserves	25	110.324	-	African Boxthorn, Mimosa Bush, Sweet Briar, St John's Wort and Tree Pear
Gravel Quarries	-	-	-	-
Machinery Dealers	-	-	-	-
Grain Handling Sites	-	-	-	-
Recreational Areas	-	-	-	-
Saleyards	-	-	-	-
Machinery wash down bays	-	-	-	-
Truck Stops	-	-	-	-
Other	-	-	-	-

Noxious weeds control works for October 2017

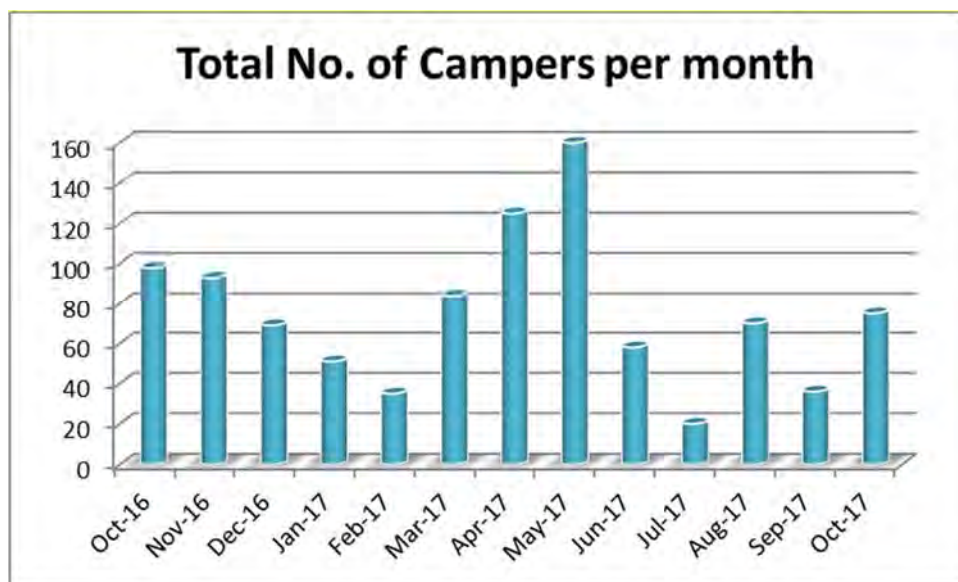
Road/Property	Locality	Weed Code	Area Ha	Road km	High Risk Road	Council Road	Other
Blueberry Hill 84 Whitlow Road	Bingara	Mother of Millions	82.6				1
Delungra Rd	Delungra	Sweet Briar	40.5	20.25		1	-
Gwydir Highway	Delungra	Sweet Briar	115.94	57.97		1	-
Reserve Creek Rd	Delungra	Sweet Briar	20.64	10.32		1	-
Sheep Station Creek Rd	Delungra	Sweet Briar	21.8	10.9		1	-
Delungra Rd Travelling Stock Route	Delungra	Sweet Briar	40.5	20.25		1	-
Adams Scrub Rd	Bingara	Sweet Briar	45.82	22.91		1	-
Yammacoona Estate Rd	Bingara	Sweet Briar	7.66	3.83		1	-
Mitchells Lane	Bingara	Sweet Briar	21.84	10.92		1	-
Flemmings Rd	Bingara	Sweet Briar	4.24	2.12		1	-
Upper Whitlow Rd	Bingara	Sweet Briar	15.92	7.96		1	-
Whitlow Rd	Bingara	Sweet Briar	46.76	23.38		1	-
Travelling Stock Route	Bingara	Sweet Briar	5				1

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RIVERSIDE CAMPING

Council's Compliance Officer carries out weekly checks along the river to ensure that camping is being conducted in a safe and hygienic manner. The number of campers is detailed in the following graph.



Swimming Centres

The Warialda and Bingara Swimming Pool are open for the summer season.

CONCLUSION

The activities carried out by the Technical Services Department are in line with the 2017/2018 Management Plan and otherwise as directed.

CONSULTATION

Consultation is carried out within the Technical Services Department during the monthly Technical Services team meetings and other relevant persons.

POLICY IMPLICATIONS Policy implications are those relating to the 2017/2018 Management Plan and the Technical Services Policies of Gwydir Shire Council.

FINANCIAL IMPLICATIONS The activities carried out by the Technical Services Department are in line with the 2017/2018 Management Plan.

OFFICER RECOMMENDATION

THAT the monthly Technical Services report for October 2017 be received

ATTACHMENTS

AT- 2017-18 Shire Roads Capital Works Program

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Chairman

**COUNCIL RESOLUTION:
MINUTE 386/17**

THAT the monthly Technical Services report for October 2017 be received.

(Moved Cr Egan, seconded Cr Smith)

2017-18 Shire Roads Capital Works Program 15th Nov 2017

Income :	FAGS	\$1,789,591
	Internal	\$1,339,988
	R2R	\$1,840,877
	S94	\$145,828
	Total	\$ 5,116,284
	HVSPP	\$2,998,350
	FCR	\$3,043,200
	FCTW	\$364,900
	Total	\$ 6,406,450

Target %age 40.4%

Normal R2R Reference Rate
\$1,071,990

	Budget	YTD Expenditure
Administration	139960	\$ 56,522
Shire Roads Maintenance Budget	1572205	\$ 688,367 43.8%
Shire Roads Capital Works Budget	3544079	\$ 1,769,661 49.9%
	5256244	\$ 2,514,550 47.8%

Work Order	Job Description	Road Name	Road Class	Length (km)	BUDGET	YTD EXPENDITURE	PROGRESS STATUS
5732	R2R	Resheeting	Adams Scrub Road	Collector	7.0	\$126,000	15874 Preliminary Works
5733	R2R	Resheeting	Eulourie Road	Local	4.8	\$91,118	91118 Complete
5735	R2R	Resheeting	Trevallyn Road	Collector	4.7	\$84,600	12080 Preliminary Works
5736	R2R	Resheeting	Getta Getta Road	Arterial	2.2	\$37,388	37388 Complete
5737	R2R	Resheeting	Peates Road	Minor	3.0	\$56,554	56554 Complete
5738	R2R	Resheeting	I B Bore Road	Arterial	12.7	\$279,988	279988 Complete
5739	R2R	Resheeting	Kirewa Road	Minor	7.0	\$137,252	12935 Preliminary Works
5740	R2R	Resheeting	County Boundary Road	Arterial	5.2	\$123,600	Not Started
5741	R2R	Resheeting	Gil Gil Creek Road	Collector	5.6	\$105,600	Not Started
5747	R2R	Resheeting	Killarney Road	Minor	5.1	\$95,551	605 Not Started
5742	R2R	Rehab Program	Elcombe Road	Arterial	0.9	\$349,618	349618 Complete
5743	R2R	Rehab Program	Elcombe Road	Arterial	1.1	\$217,608	145266 60% Complete
5744	R2R	Rehab Program	Horton Road	Arterial	0.7	\$136,000	0 Not Started
				0.0	\$1,840,877	\$1,001,425	

					Estimate (\$)		
4972		Resheeting	- Oakey Creek Road - Segment 020 - USRR2015/		492	492	Complete
5146	Internal	Resheeting	T - Roads to Recovery BUDGET and INCOME for 2		131	131	Complete
5299	Internal	Resheeting	Collector - SR038 - Adams Scrub Rd - 0.6		9407	9407	Complete
5316	Internal	Heavy Patching	ial - SR004 - Baroma Downs Road - 6.8km to 9		1246	1246	Complete
5329	Internal	Resealing	SED . . . Urban - Faithful Street & Bingara - Bo		-3480	-3480	Complete
5354	Internal	Resealing	lrbn - Laneways Bingara - URBAN 2016/20		12126	12126	Complete
5623		Rehab Program	1 - Bingara - Cunningham Street - Road Shoulde		15900	15900	Complete
5745	Internal	Rehab Program	Arterial - SR4 - Baroma Downs Road - Hea		43048	43048	Complete
5436	Internal	Urban	an - Bingara - White Street - Realignment from		16796	16796	Complete
5895	Internal	Resheeting	Minor - SR223 - Dunollie Road - SELF HEL		196	196	Preliminary Works
5746	Internal	Resheeting	Bundaleer Road	Minor	1.9	\$34,740	9990 20% Complete
5734	Internal	Resheeting	Whitlow Road	Local	1.6	\$28,800	141 Not Started
5748	Internal	Resheeting	Towarra Road	Local	5.1	\$92,520	29711 Not Started
5749	Internal	Resheeting	Back Creek Road	Local	2.0	\$36,000	1181 Not Started

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5750	Internal	Resheeting	Kywarra Road	Local	1.3	\$20,714	20714	Complete
5751	Internal	Resheeting	Kellys Gully Road	Local	1.1	\$27,120		Not Started
5752	Internal	Resheeting	Munsies Road	Local	4.5	\$106,800		Not Started
5753	Internal	Resheeting	Allandale Road	Local	7.9	\$189,840	12912	20% Complete
5865	Internal	Resheeting	Bingara Airstrip Road			\$12,696	12696	Complete
5730	Internal	Resheeting	Kywarra Road			\$5,458	5458	Not Started
5881	Internal	Resheeting	Cracknells Road			\$11,770	11939	Complete
5754	Internal	Rehab Program	Baroma Downs Road	Arterial	1.9	\$419,504	419843	Complete
5755	Internal	Rural Resealing	Copeton Dam Road	Arterial	7.2	\$249,168		Not Started
5756	Internal	Urban Reseal	West Street, Bingara	Urban	0.6	\$33,147		Not Started
5757	Internal	Urban Reseal	Frazer St	Urban	0.2	\$16,639		Not Started
5758	Internal	Urban Reseal	Nicholson St, Warialda	Urban	0.2	\$5,481		Not Started
5759	Internal	Urban Reseal	Water Street, Warialda	Urban	0.2	\$8,178		Not Started
							\$619,952	
5011	Internal	Rehab Program	Warialda High Productivity Vehicle Route			\$250,000	138074	Preliminary Works
5860	Internal	Rehab Program	Truck Wash			\$50,000	9718	
						\$8,765		Not Started
						\$1,607,340	147792	
						\$3,544,079	1769661	

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1. Community Strategic Plan 2017 - 2027
2. Delivery Program 2017 - 2021
3. Operational Plan 2017 - 2018
4. Resourcing Strategy 2017 - 2027

The attached report includes updates of actions included in the Delivery Program and Operational Plan.

COMMENT

A copy of the report generated from Interplan covering the first quarter of this financial year is attached for information. Staff present at the meeting will be able to expand on the comments included in the report.

Please refer to the progress comments and status updates for each of the actions. Please ignore the traffic light indicators. There is a glitch in the system that is impacting on the traffic light symbol and they are not reflective of the actual status of the action. This should be resolved before the next report to Council.

CONCLUSION

There is no requirement for this information to be placed on public display. Updates to Council will be provided on a quarterly basis with the final report on the actions being included as part of the 2017/2018 Annual Report, which is required to be completed and received by the Office of Local Government on or before 30 November, 2017.

CONSULTATION

Consultation for the production of this report has been undertaken with all senior managers. Consultation for the establishment of the actions included in the report was undertaken with the general public, Councillors, Executive and Senior Managers.

OFFICER RECOMMENDATION

THAT the Operational Plan Progress Report for the period 1 July to 30 September 2017 be received

ATTACHMENTS

AT- Action and Task Progress Report

COUNCIL RESOLUTION: MINUTE 387/17

THAT the Operational Plan Progress Report for the period 1 July to 30 September 2017 be received.

(Moved Cr Young, seconded Cr Egan)

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Chairman

Item 11 Proposed Greenhouse Development

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 2. Building the business base

OUTCOME: 2.1 OUR ECONOMY IS GROWING AND SUPPORTED

STRATEGY: 2.1.2 Support the growth of our business community -
OCD - external

AUTHOR General Manager

DATE 20 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends moving forward with the proposed greenhouse development to the next stage.

TABLED ITEMS Two emails attached.

BACKGROUND

Report from the stakeholders' meeting held on Monday 13th November 2017 (prepared by Mr. Duncan Thain):

On November 13 Mayor John Coulton, Deputy GM Leeah Daley, Andrew Cooper and Duncan Thain met with the stakeholders involved in the proposed Organic Aqua Culture Glasshouse Project.

The two stakeholders involve an R & D Contract Grower and a Major Supplier to the retail fruit and vegetable market. At this point in the project, both stakeholders wish their names not to be mentioned in any official statements concerning the project. Once finance for stage one has been determined and contracts signed there will be a combined public launch for the project.

The Mayor informed the meeting that he and the General Manager are confident significant grant funding can be secured for Stage One. Stage One will be leased to the Contract Grower. The Contract Grower will have an off take agreement with The Retailer to purchase all product grown under agreement. The Retailer indicated that in addition to tomatoes, they are considering blue berries, raspberries and capsicum as possible crops.

Andrew Cooper and Duncan Thain reassured the meeting that utilities water, power and gas will be available.

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The ambition for the combined meeting was to confirm the arrangements for completion of the Development Application and agree on a governance process to ensure transparency.

It was agreed that because the DA (specifically the Organic Certification process) cannot progress without land, the Mayor would discuss the purchase of selected properties with Council.

Progression of the DA will be funded equally by the three stakeholders.

The completed DA needs to be submitted by GSC. A pre DA meeting with a third party council will be required as soon as possible. The Mayor has established that Tamworth Council are prepared to assist. Hawes and Swan Planning will chair the pre DA meeting. The GM is liaising with Tamworth Council to set a date for this meeting.

The meeting agreed to form a Project Committee to oversee the governance of the project. This Committee will oversee the developmental stages and finance approvals. The Mayor stressed the proprietary obligations placed upon the Shire for public accountability.

The Project Committee will be chaired by Gwydir Shire Council.

The Project Manager will be appointed by the Contract Grower and establish a first line of communication with the Gwydir Shire Manager.

The Contract Grower holds the Intellectual Property for the Project. The actual construction will take place as a result of mutual agreement between the GSC Manager and the Project Manager as tabled to the Project Committee.

The Contract Grower informed the meeting that the Project Manager would be instructed to utilise GSC engineering and utility services wherever possible and that local contractors are also to be employed as far as it is practical to do so.

The meeting was informed that there currently exists a 12 month waiting list for the actual Glasshouse construction so it is imperative that this project places itself on the waiting list ASAP.

The meeting closed prior to a site inspection of the land selected for stage one. The 'next step' arrangements were listed as:

Proceed to the DA

Organise the Pre DA meeting as a matter of importance

Enable land purchase

Begin the Organic Management Plan

Secure utility services

Initiate the Aquaculture Licence process.

COMMENT

The Mayor and General Manager met with the Deputy Premier, The Hon. John Barilaro, and the Shire's local State Member, The Hon. Adam Marshall,

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at Parliament House on Thursday 16th November 2017 to discuss several matters including this development. It's very true to say that the Deputy Premier was enthusiastic about this initiative and stated that it was the type of thing other Councils should explore. The Deputy Premier's portfolio responsibilities include regional development.

Next Tuesday 28th November 2017, Mr. Chris Hanger, Executive Director Office of Regional Development, will be visiting the Shire accompanied by Mr. Darren Keegan, the Council's direct contact for the Office of Regional Development. Mr. Hanger co-ordinates the various regional growth funds available. The Council will be making a presentation to Mr. Hanger on that evening and every Councillor will be invited to attend.

The Council has also been liaising with the office of the Federal Minister for Regional Development and the proposal has received similar enthusiastic support. The relevant funding program has not, as yet, been released but the Council has been assured that the funding guidelines have been written to allow this type of proposal to be eligible for funding.

The best outcome that the Council could expect is for the project to be funded 50/50 by the State and Federal Governments, although a more realistic outcome would be a funding outcome where the cost is shared equally between State, Federal and Gwydir Shire. This would still be an excellent result as the lower equity contribution required by the Council would result in additional lease income, which is based upon the total cost of the project, being available for allocation to the Council's general revenue.

The Capital Expenditure Analysis undertaken by Regional Development Australia, Northern Inland NSW, is attached for your information.

As outlined in the notes from the recent stakeholders' meeting, the Council needs to now consider if it progresses to the production and lodgment of the Development Application for Stage 1 of the proposal. The stakeholders involved will be sharing the DA cost equally.

The organic status required for the site can only be applied for after the Council secures the properties required. Finalisation of the purchase of the two properties required should now occur.

CONCLUSION

Any final decision to move forward on the actual construction of the facility is conditional on the following issues being completed:

An approval of the Development Application, which will be undertaken on behalf of the Council by Tamworth Regional Council with the determining authority being the Regional Planning Panel; and;

Securing sufficient grant funding to ensure the financial viability of the project.

Interestingly UTS, on behalf of Council, has recently conducted a survey regarding the service levels on the Council's road network with 184 responses. The survey also asked a series of questions relevant in a general sense to this project and the responses are enlightening:

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How important are each of the following to you?

Job opportunities -..85% either very or extremely important

A positive economic outlook - 81% either very or extremely important

How important is it to you that your council provides and/or maintains each of the following?

Planning for the future - 71% either very or extremely important

Economic development - 74% either very or extremely important

What do you think Council's investment in these areas should be?

Supporting the local economy - 64% answered 'more'

OFFICER RECOMMENDATION

THAT the report be received.

FURTHER that the development application be prepared and lodged.

FURTHER that the purchase of the properties required be finalized and that the funding for these purchases be from a loan from the Water Fund repayable over 10 years.

ATTACHMENTS

AT- RDA Report

COUNCIL RESOLUTION: MINUTE 388/17

THAT the report be received.

FURTHER that the development application be prepared and lodged.

FURTHER that the purchase of the properties required be finalized and that the funding for these purchases be from a loan from the Water Fund repayable over 10 years.

FURTHER that a Project Team be formed consisting of representation from the external stakeholders and Council (Ref: 389/17)

(Moved Cr Egan, seconded Cr Dixon OAM)

**Upon being put to the meeting, the motion was declared carried.
For the Motion were Crs Dick, Dixon OAM, Egan, C Coulton, Moore, Smith, Galvin, D Coulton and Young Total (9).
Against the Motion was Nil Total (0).**

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Chairman



Gwydir Circular Economy - Capital Expenditure Analysis

1. Executive Summary

Background

The Gwydir Shire has embraced the Circular Economy as a key component of its socioeconomic development under the Council's Community Strategic Plan 2014-2024. Community priorities outlined in the plan include improved health outcomes for residents, strong and purposeful social cohesion, environmentally responsible resource stewardship, and development of assets and infrastructure for increased business investment, partnerships and economic development. Council proposes that the Gwydir Circular Economy will be established on three guiding principles in which:

1. Resource use is optimised via recycling and 'Material Flow Management' systems;
2. Competitive advantage is strengthened, based on the region's abundant natural, agricultural and agri-industrial resources; and
3. Locally-based, efficient renewable energy sources will be developed and implemented to power local value-adding initiatives.

In pursuit of these objectives, the Gwydir Shire Council (GSC) is currently negotiating with potential investors and other parties to develop a vertically integrated agri-industrial system across a number of centres within the Shire. The system will utilise world best practices and will be strategically located across various parts of the Shire to maximise production efficiencies. The main precinct will be situated in Wialda, and at full-development the Gwydir Circular Economy will comprise:

- A 20ha glasshouse facility with associated fish-farming at Wialda (Stage 1 is 5ha);
- A bioenergy plant producing electricity, heat and gas (and possible transport fuels) utilising local and environmentally-sound energy sources such as cypress pine and straw;
- A 50M bird poultry breeding/growing cluster in the Bingara and Wialda areas;
- A poultry processing plant for 50M birds at Wialda;
- The development of a cypress pine chicken-bedding manufacturing operation at Bingara.



Stage 1 (5ha) of the glasshouse component alone requires a capital investment of around \$37M. The completed 20ha glasshouse facility will represent a total capital investment of \$148M.

The initial focus, and the key financial focus for this report is the Stage 1 glasshouse which will be an investment of \$10M by GSC in a 5ha glasshouse costing \$37M. The remaining \$27M will be raised from external sources (grants and/or other investors)

It is expected capital investment for the entire project (glasshouse, poultry, bioenergy) at full development would exceed \$400M, generating over \$600M additional gross revenue for the region per annum, and up to 1,000 new direct jobs.

Scope of the Project

RDANI have been tasked with conducting a Capital Expenditure Review, as per the NSW Government Department of Premier and Cabinet Division of Local Government guidelines (2010) to ensure that a council's evaluation of the proposed capital expenditure is consistent and rigorous, the merits of projects can be compared and resource allocation can be made on an informed basis. The scope includes.

- Describe the entire Circular Economy project outline as originally defined (which included a glasshouse, poultry cluster, and bioenergy plant);
- Examining the project business case including:
 - How the project fits community and council plans and expectations;
 - Examine the financial implications for council – capital and operating costs, impact on council financials;
 - Examine wider community benefits;
 - State the analysis assumptions;
 - Examine risk;
 - Discuss the unique selling proposition;
 - Discuss possible governance models.
- Examine the capacity of council to engage in/manage the project;
- Investigate public consultation for the project;
- What are the alternatives to the project?

It is important to note **this analysis only applies to the potential investment by Gwydir Shire Council (GSC)** for the Gwydir Circular Economy Project. The council is proposing to buy land specifically for this project, and perhaps invest in some of the infrastructure at the Warialda agri-industrial precinct.



The report does not assess the financial performance of the private investment by other companies in the project activities (greenhouse, bioenergy, poultry processing) to be located on that land. It is expected that type of due-diligence work will be largely undertaken by the private investors themselves.

The analysis does however consider the regional benefits (economic and otherwise) that may also flow from those private and public investments in the Gwydir local government area.

Strategic Imperatives for the Project

- Loss of youth and key working age people from the Gwydir population;
- Heavy dependence upon agricultural commodities with minimal local value-adding;
- Ageing population;
- Increasing dependency ratio (fewer working people to support non-working people);
- High youth (18%) and indigenous (25%) unemployment;
- Access to local residues (agriculture, forestry) and potentially purpose-grown crops to produce bioenergy;
- Availability of land for both an agri-industrial precinct and for producing agricultural/forestry crops and residues for bioenergy.

Project Overview at Full Development

Full development of the project involves:

- A 20ha glasshouse facility (Stage 1 analysed here is 5ha) with associated fish-farming at Warialda. At present, the proposal is that GSC part-finance Stage 1 (5ha) with a \$10M loan;
- A bioenergy plant producing electricity, heat and gas (and possible transport fuels);
- A poultry processing plant for 50M birds at Warialda (with possible GSC financing);
- The development of a cypress pine chicken-bedding manufacturing operation at Bingara;

GSC Investment Principles

In assessing the performance of alternative investment scenarios by GSC, several guiding investment principles were considered:

1. The **impact on GSC financial position**. Being a small rural council, it is preferable that the mature, fully developed investment would produce a positive net cash position (i.e. revenues exceed costs).



2. **Community impact.** The potential for the project to increase local employment, education and wealth creation opportunities for GSC (including population growth).
3. **Environmental impact.** The potential for the project to help meet environmental objectives in the Gwydir Shire.

Stage 1 Glasshouse GSC Investment Scenarios

In undertaking the analysis, two GSC investment scenarios have been examined:

- **Scenario 1**, GSC only invests in the land for the glasshouse and agri-industrial precinct and rents the land to the agri-industrial tenants.
- **Scenario 2**, GSC invests in the land for the glasshouse and agri-industrial precinct and the Stage 1 glasshouse (5ha, total cost \$37M of which the GSC investment is \$10M), obtaining finance over a 20 year term from TCorp or similar, and renting the land and glasshouse to agri-industrial tenants.

Stage 1 Glasshouse Financial Outcomes for GSC

The annual financial outcomes from these two scenarios, plus key assumptions are summarised in Table i below. Both produce small positive net financial benefits for GSC.

Table i. Scenario Annual Financial Outcomes

	Scenario 1 (\$M)	Scenario 2 (\$M)
Annual financial benefit	0.039	0.839
Annual financial cost	0.0015	0.737
Total Annual Benefit/Loss	0.038 (\$37,700)	0.102 (\$101,900)

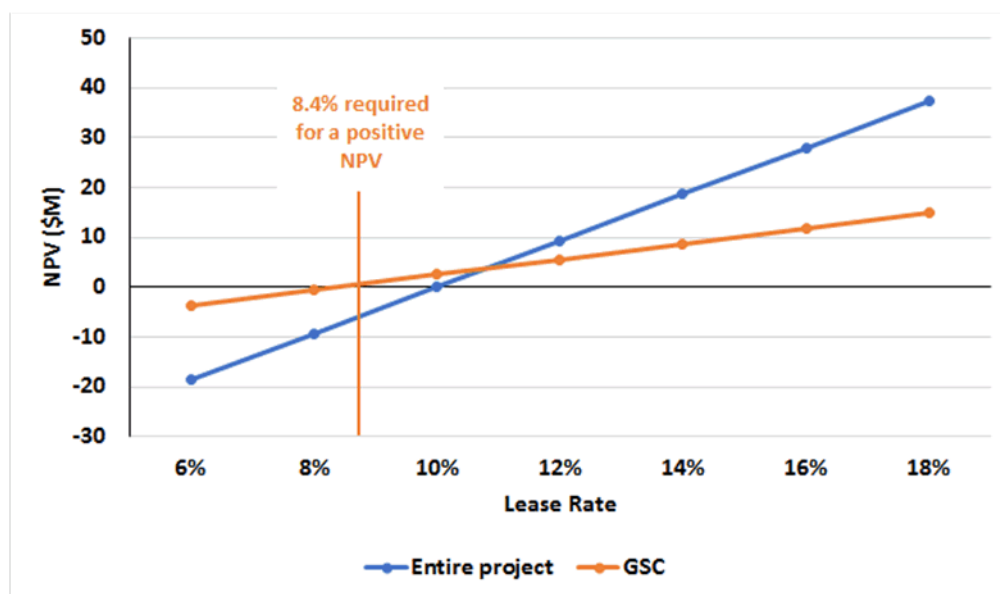
Key assumptions:

1. Average cost of funds (interest rate) on GSC loans is 4%;
2. Lease returns on land & glasshouse are set at 8% of their opening capital value (that is, 4% above the cost of funds for GSC);
3. Annual finance payments are a simple straight-line principal and interest calculation. In reality, annual payments would progressively decline as the principal amount reduces.



A more detailed financial analysis over a 20-year period indicates that GSC would need to charge a lease rate of at least 8.4% to make a positive return on their \$10M investment (see Figure i below).

Figure i. Net Present Value Outcomes as Lease Rate Changes



At full development, potential regional economic benefits are likely to be significant for the Gwydir Shire.

Based on the analysis in this report, more than 1,000 additional jobs may be generated across the various components of the Gwydir Circular Economy. If achieved, this would represent a 39% increase in the number of full-time jobs in the LGA. There are also likely to be significant flow-on impacts to the Gwydir economy, even if only some components of the proposal come to fruition (Figure ii).

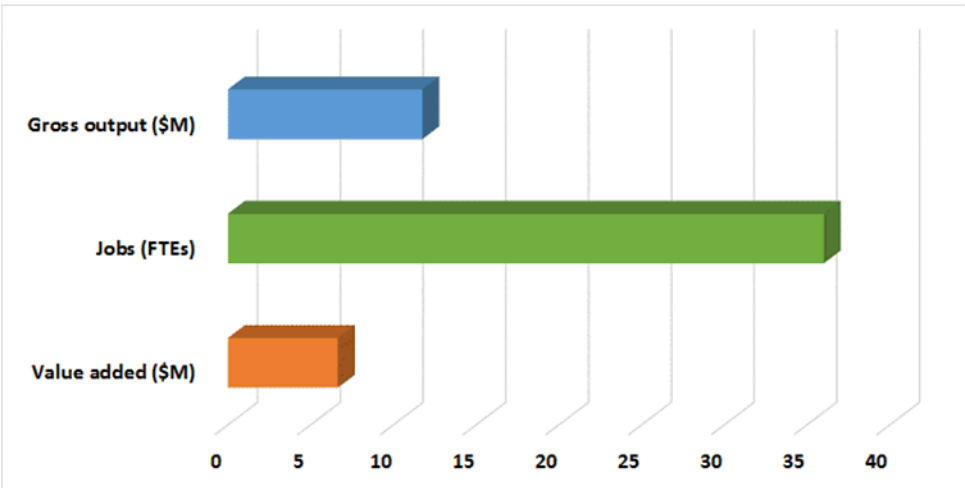
It is envisaged that the Stage 1, 5ha glasshouse development would generate around 36 additional jobs and \$11.74M in additional gross output (Figure iii).



Figure ii. Economic Impacts at Full Development



Figure iii. Economic Impacts from Stage 1 5ha Glasshouse



Conclusions and Future Work

Stage 1 GSC investment in the land for the Gwydir Circular Economy precinct and up to \$10M in the 5ha glasshouse development may be justified based on the investment



principles outlined above. However, it is probable that GSC will need to charge a higher lease rate than 8% to the glasshouse operators to generate a satisfactory rate of return and to meet its investment principles.

A higher rate of return than 8% will also be required to attract sufficient external investment funds to complete Stage 1 of the glasshouse precinct. Depending on the average cost of these funds, higher lease rates may be required to meet the potentially higher benchmark rates of return for private investors (Figure i).

To progress this project, several more detailed pieces of information/work are needed, including:

- Ascertaining the likelihood of a small rural council being able to borrow money from TCorp (or other agencies), as well as the terms and average cost of these funds. Note that during the course of the project, it was indicated the TCorp interest rate was as low as 0.5% (not the 4% assumed in the analysis). This needs to be confirmed, as a lower cost of funds would radically alter the project's feasibility, and the lease rate required by GSC for break-even returns;
- Conducting sensitivity analyses to ascertain a range of lease rates at which the GSC may achieve acceptable rates of return;
- Determining agreed methodologies for distributing risk, based on co-investor's hurdle rates. This is likely to require a more in-depth understanding of the leasing entities' capacity to pay, based on their preferred business models, and economic efficiencies to be gained by joint operations on the Gwydir Circular Economy precinct;
- Exploring and setting up notional decision making financial metrics for GSC, such as the number of jobs created per \$1M invested.

Disclaimer

Nothing contained in the Gwydir Circular Economy - Capital Expenditure Analysis constitutes investment, legal, business, tax or other advice. In particular, the information in the Gwydir Circular Economy - Capital Expenditure Analysis does not take into account your investment objectives, financial situation or particular needs. In making an investment decision, you must rely on your own examination, including the merits and risks involved. You should consult your professional adviser for legal, business or tax advice. While every effort has been made to ensure that the information in this publication is reliable and accurate at the date of printing, RDA Northern Inland give no warranty regarding the accuracy of such information and will not be responsible for any consequence resulting from errors contained herein. A reference within this document to any third party does not necessarily represent an endorsement by RDA Northern Inland of the services of that third party nor is it intended to influence any decision to engage the services of that third party.



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2. Project Outline

The Gwydir Shire Council (GSC) Circular Economy Project in its entirety is illustrated in Figure 1. The key components are:




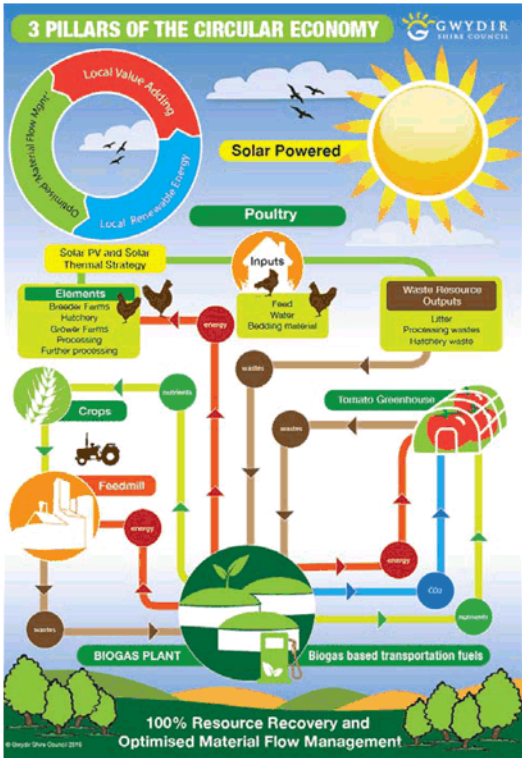
-  A new 20ha greenhouse operation growing tomatoes, but also potentially leafy green vegetables and berries, and perhaps co-located with fish farming aquaculture - located at Warialda;
-  A bioenergy plant using waste from horticulture/forestry/poultry processing/value-adding activities to produce energy and inputs (methane, electricity, CO₂, nutrients) for agricultural processing and potentially the GSC vehicle fleet (methane) and others uses - located at Warialda;
-  A poultry breeding/hatching facility (probably located in Bingara) to support poultry growing and processing facilities along with a feed mill - at/around Warialda.

Figure 1. Overview of Circular Economy Project





This will generate benefits/outputs for the Gwydir Shire including:



External investment in the region (\$400M+ at full development);



New agricultural industries (protected horticulture, fish farming, poultry, cypress pine thinning for poultry bedding) which build upon the competitive advantage of the area (land, soils, water, forests, agricultural know-how, competitive labour and industrial land costs);



Capturing the economic benefits of value-adding (via further processing) of agricultural commodities;



Reduce population decline;



Assist in retaining/attracting working-age people into the region;



A significant boost in employment (1,000 direct jobs at full development);



A new renewable energy industry;



Will complement the proposed residential/business solar project;



Reduce the flow of energy dollars out of the community, boosting potential for more local expenditure;

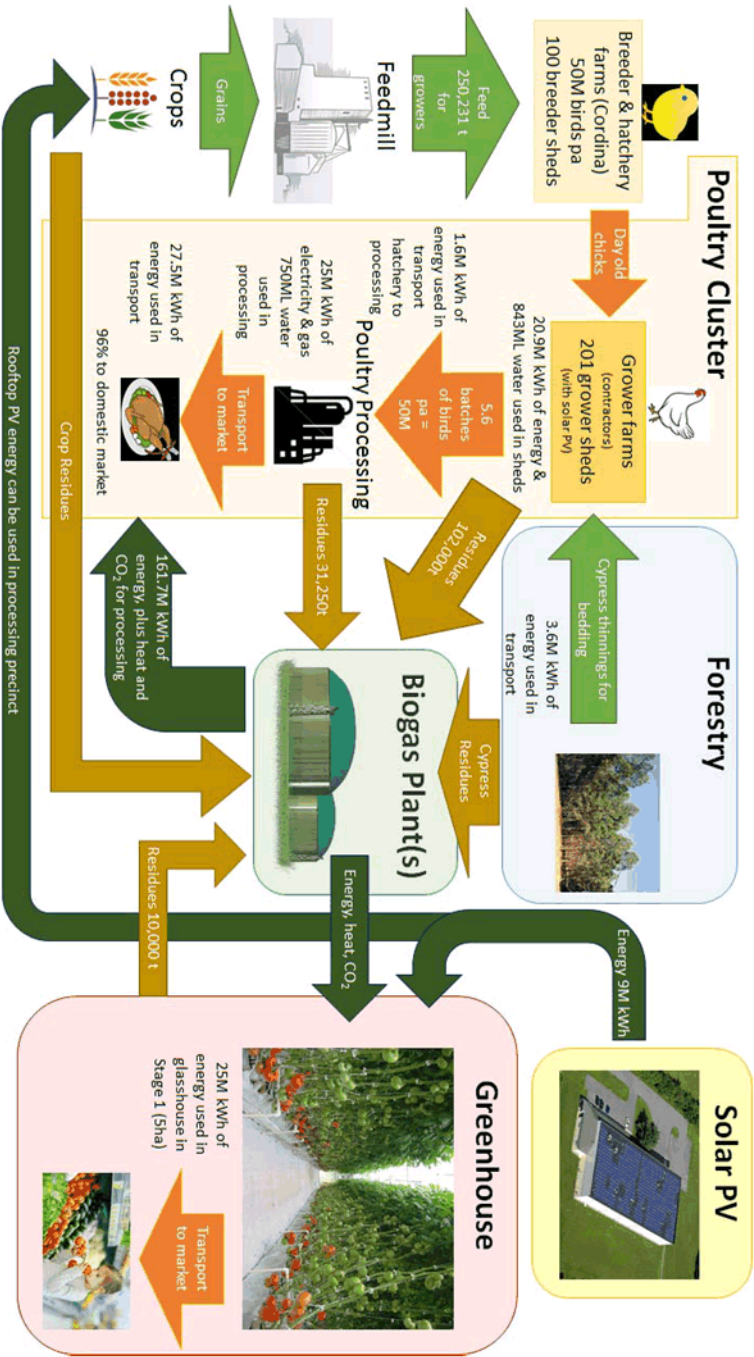


Reduce council costs through the generation of methane for council vehicles.

More detail is provided in Figure 2 and Figure 3, showing the links between the various elements of the project, and how residues can be used to generate energy.

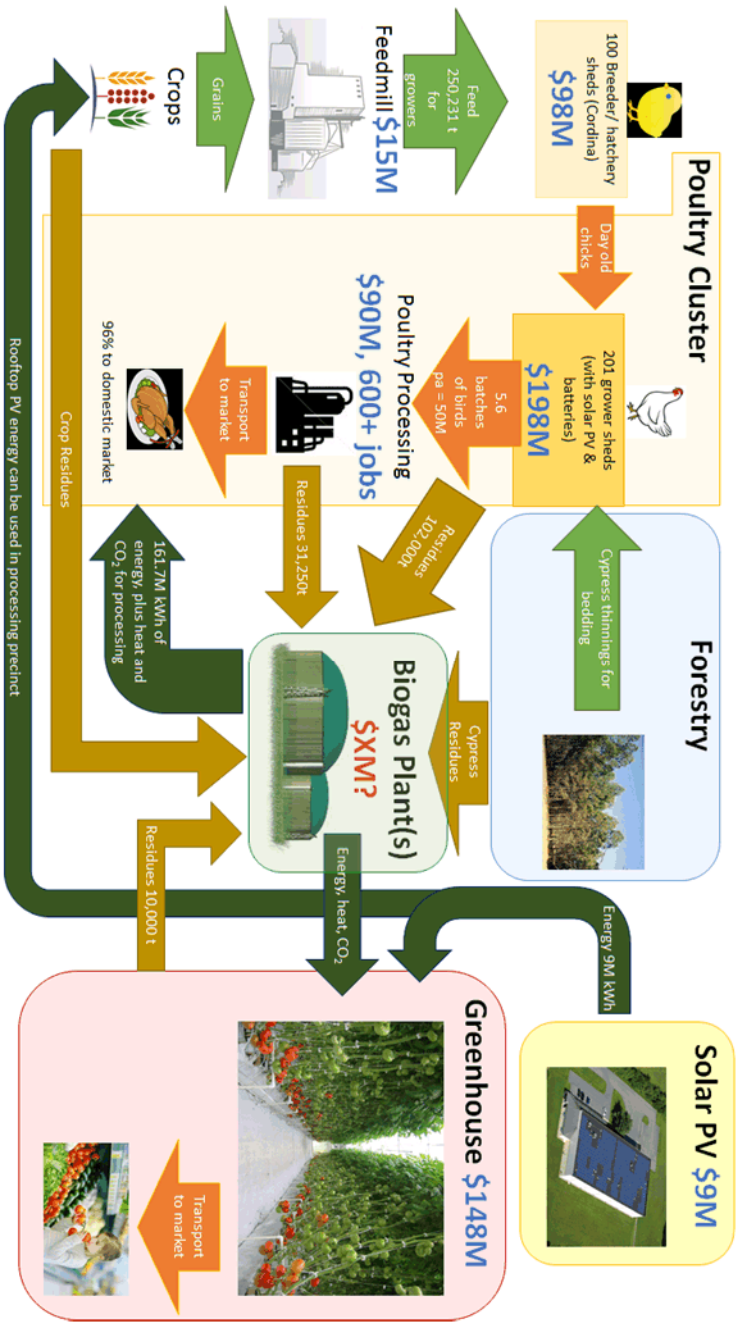
The level of council investment in these various elements could range from simply owning the land on which the glasshouse and agri-industrial components (glasshouse, poultry processing and feed mill) are located, through to investment in some larger elements of the project (e.g. the glasshouse and poultry processing structures and perhaps the bioenergy plant). The implications of some of these options are explained further in sections 4.5 and 4.6 below.

Figure 2. Material Flows and Energy Use



Sources: Ken Dawey, Godfrey Dol, Louise Cordina personal communication 2017, DPI 2015

Figure 3. Estimated Capital Investments



Sources: Ken Dawey, Godfrey Dol, Louise Cordina personal communication 2017, DPI 2015



3. Project Justification

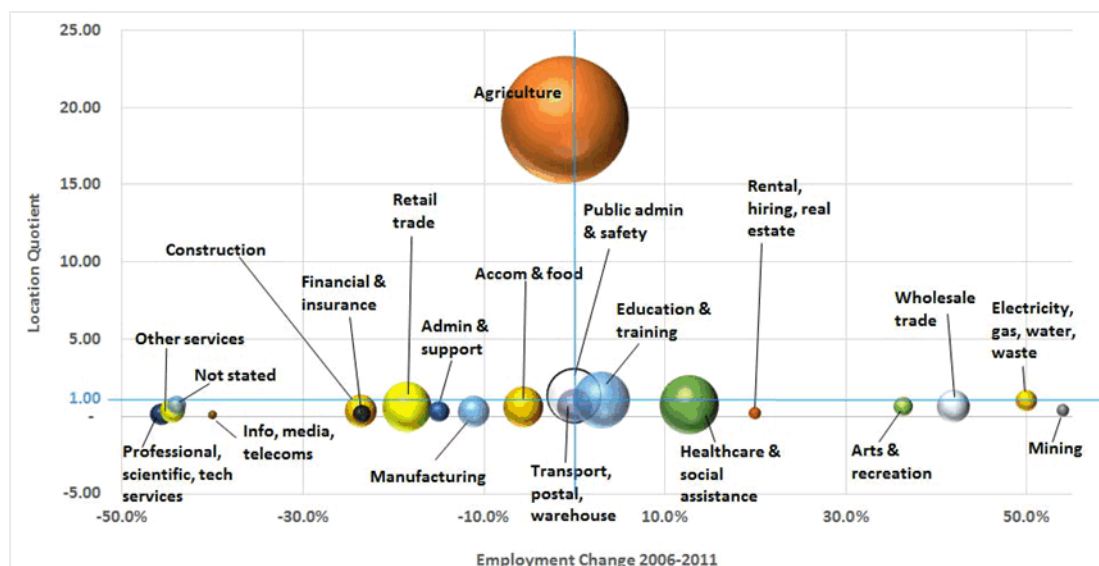
In general terms, the Gwydir Shire Council area is similar to many rural/regional areas where their historical focus on agriculture is leading to a decline in population, employment and ultimately services, as agriculture modernises and becomes more capital intensive.

Figure 4 illustrates the structure of the Gwydir economy in terms of employment by industry sector, including changes which have occurred between 2006 and 2011 (the last Census data available).

To interpret Figure 4:

- The size of each bubble shows the relative size of the industry measured by employment;
- The position on the vertical axis (Location Quotient) shows the concentration of employment in that industry relative to NSW as a whole. A high position on the vertical axis means the Gwydir economy is specialised in that industry sector. A position below 1.0 means the proportion of employment in that industry is less than the state average (i.e. the economy is under-represented in that industry).
- The position on the horizontal axis (Employment Change) shows if employment in that industry has decreased (negative change) or increased (positive change) between 2006 and 2011.

Figure 4. Gwydir Location Quotient, Industry Growth & Industry Size



Source: ABS (2011)



The key points from Figure 4 are:

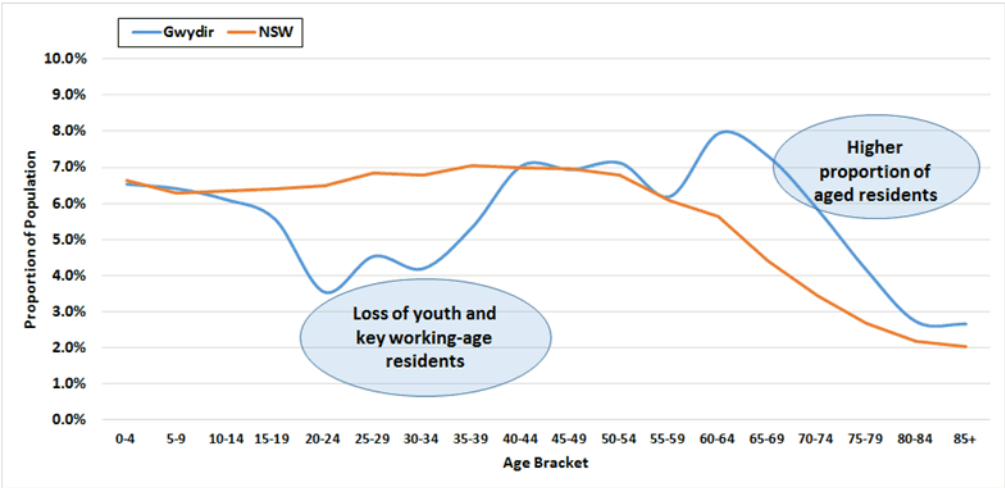
- The Gwydir economy is highly specialised and dependent on agriculture. While agriculture is a strength built upon the natural and human capital of the area, it is also a weakness leaving the economy vulnerable to the vagaries of climate and international commodity markets. Lack of local value-adding in agriculture is also a weakness in terms of diversifying the Gwydir economy.
- A growing (12.7% growth) and relatively large healthcare and social assistance sector is an indication of an ageing population.
- Business support services (other services, professional-scientific-technical services, financial & insurance services) have a location quotient of less than 1.0 and are contracting in terms of employment. This is not conducive to business growth/attraction.
- The public administration sector is a large employer, indicating a lack of business employment opportunities;
- The education and training sector is also a large employer and has grown 3% between 2006 and 2011 which is a positive factor for skills development.

Figure 5 and



Figure 6 reveals the relative deficit in working age residents, and bias toward older residents in the Gwydir Shire relative to the NSW average situation.

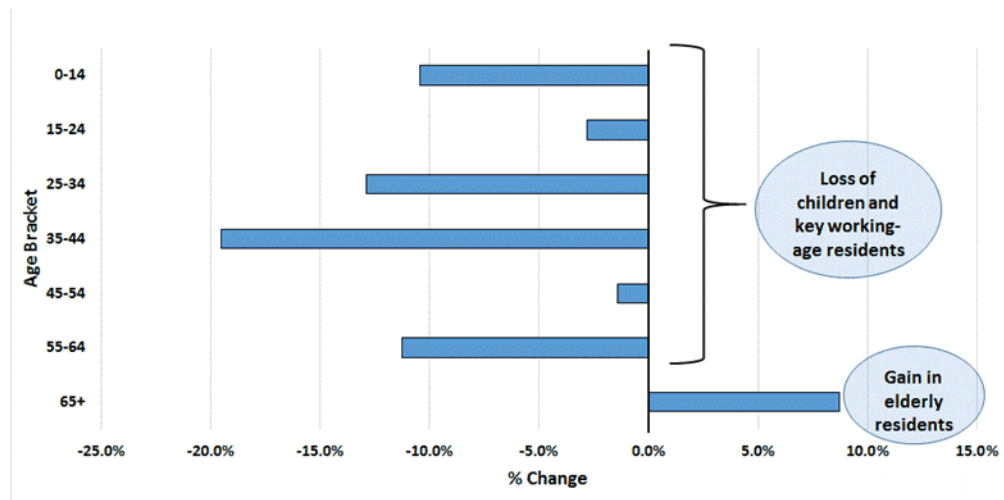
Figure 5. Gwydir vs NSW Age Profile



Source: ABS (2011)



Figure 6. Gwydir Population Change 2006 to 2011



Source: ABS (2011)

- 5.0% of Gwydir LGA residents identify as Aboriginal or Torres Strait Islander, compared to 2.6% in NSW (Dept Infrastructure and Regional Development, 2017);
- The unemployment rate in the Gwydir LGA is currently 6.0% (Department of Employment, 2017), with youth unemployment around 18% (Brotherhood of St Laurence, 2016)
- The Indigenous unemployment rate for the Gwydir Shire is approximately 25% (DEEWR Labour Market Research 2013);
- The Gwydir Circular Economy has a strong focus on generating significant unskilled labour opportunities for the Gwydir Shire and neighbouring LGAs within commuting distance.



In summary

The Gwydir economy has a heavy dependence on primary agricultural production, and requires diversification to grow employment, and hence the population and services.

It also requires a mechanism to retain/attract youth and younger working-age people to the region.

The Gwydir Circular Economy Project is justified in this regard as it addresses the following issues:

- Economic diversification through the development of new businesses (bioenergy, protected horticulture, poultry production and processing = value-adding);
- Significant new employment opportunities;
- Reduced leakage of energy dollars out of the region;
- An economic use for agricultural residues (using residues for energy via the bioenergy plant); and
- Building skills in an emerging new industry (renewable energy).

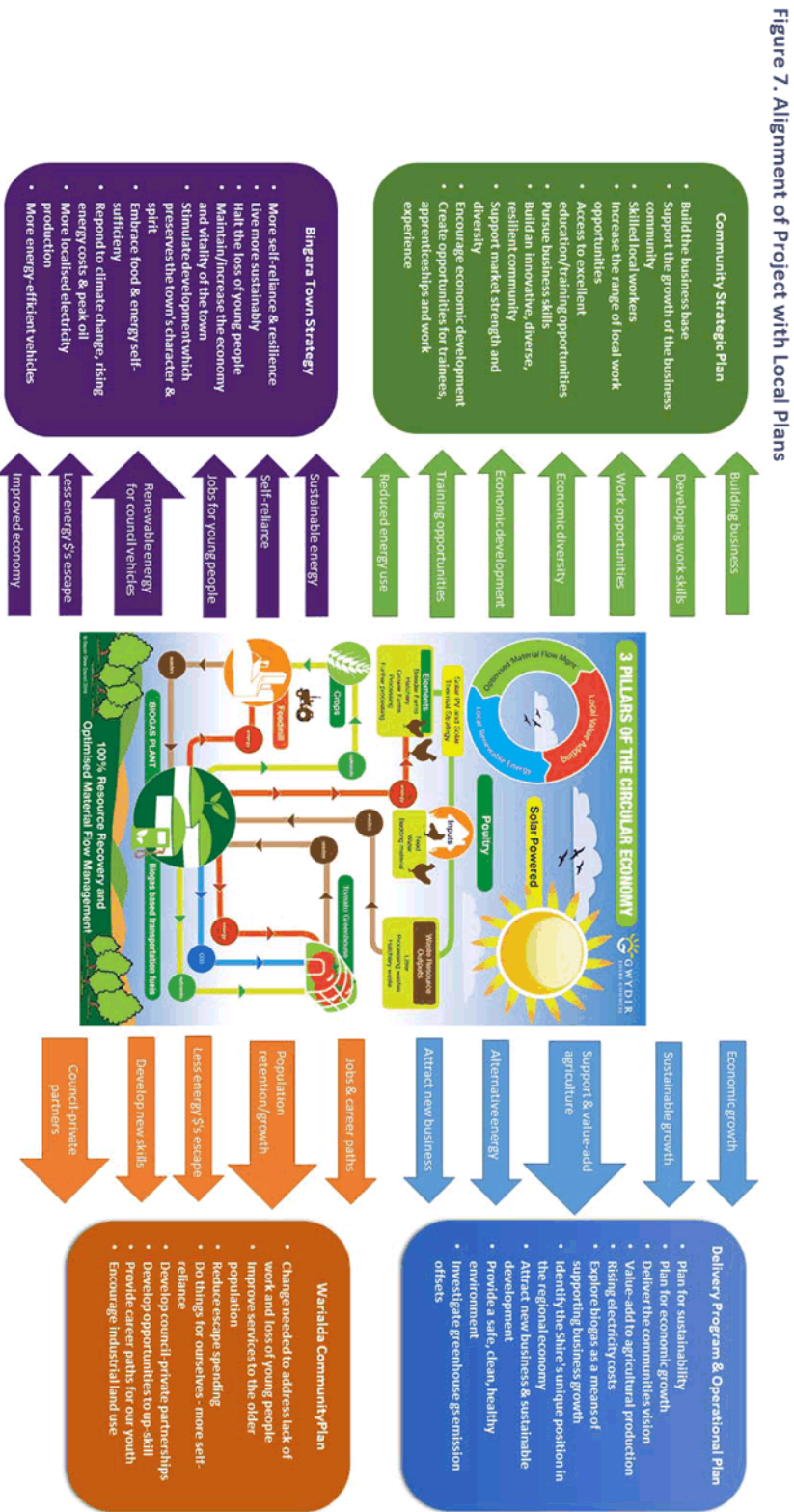
3.1 Alignment with Council/Community Plans

Figure 7 illustrates how council investment in the land to initiate the Gwydir Circular Economy Project has a close fit with the economic, social and environmental objectives of the various council and community plans.

It also aligns well with the realisation that council-private partnerships are likely to be essential to deliver the economic growth objectives which Gwydir Shire Council seek. Investment in the land and associated headworks infrastructure will make it more attractive for private businesses to establish at the site.

In summary

The Circular Economy Project has a strong alignment with council and community plans. It will address economic, social and environmental issues which feature prominently in the four key council/community planning documents.



Sources: Gwydir Shire Council (2008, 2011, 2016a, 2016b, 2016c)



3.2 Business Case

The business case in the context of this report refers to the justification of Gwydir Shire Council making an investment in the Gwydir Circular Economy Project. Key elements of the business case are:

- The costs and returns for council – will the investments made by council be justified by the financial returns to council?;
- The costs and returns for the Gwydir community – are the costs incurred by council (funded by ratepayers) justified by the socio-economic benefits gained by the community?;
- Does the project match council and community plans and expectations?

These aspects of the business case are set out in more detail in sections 4.5, 4.6, 4.7 and 4.8 below.

3.3 Community Needs & Expectations

It is clear from the three community planning documents reviewed (Gwydir Shire Council 2008, 2001, 2016a) that the key community needs and expectations of Gwydir Shire Council are:

- Help provide job opportunities and career paths which keep young people in the community;
- Ensure economic development is sustainable and compatible with the character and spirit of local communities;
- Embrace sustainability and renewable energy;
- Use public-private partnerships to stimulate investment and economic growth;
- Put in place mechanisms which allow the community to become more self-sufficient and resilient;
- Provide more services for an ageing population.

As summarised above in Figure 7, the Project directly addresses the first five of these needs. The sixth need relating to aged services will be met indirectly through improved retention/growth of youth and the local population. Service provision (both from public and private sources) is inevitably driven by population, and reversing the population decline in the Gwydir Shire by increasing employment will be essential for improving local services.



4. Preliminary Business Case/Feasibility Study

4.1 High Level Objectives

Primary objectives of the project are:

1. Economic growth delivering employment and skills training opportunities to retain/expand the number of young people in the Gwydir Shire;
2. Capitalising on the competitive advantage the Shire has in agricultural resources;
3. Reducing the amount of expenditure (particularly on energy) which is leaving the Shire;
4. Diversifying the local economy;
5. Moving away from a dependence on agricultural commodities and moving further down the supply chain by value-adding to commodities and processing agricultural residues;
6. Improving the self-reliance and resilience of Gwydir communities.

4.2 Possible Alternatives

The Gwydir Circular Economy project is a novel and innovative project for which there are no real comparative alternatives. While there are certainly a myriad of other economic development initiatives GSC could pursue, none are comparable to this project.

Given declining social and economic parameters as well as population, a 'do nothing' scenario may not be an option for GSC.

4.3 Risks

As part of Gwydir Shire Council's quality procedures system, A Risk Management Plan has been developed. The Risk Management Strategy provides the foundation for the comprehensive integration of risk management into Gwydir Shire Council policies, processes and activities.

Council will utilise the International Standard for Risk Management, Standard ISO 3100:2010 to manage risks. This is a structured and proactive approach that can be applied Council-wide to support management of strategic, operational, financial and/or regulatory risks. Under this approach, there are five key stages to the risk management process.



1. Communicate and consult - with internal and external stakeholders.
2. Establish context - the boundaries.
3. Risk Assessment - identify, analyse and evaluate risks.
4. Treat Risks – implement and assess controls to address risk.
5. Monitoring and review – risk reviews and audit.

Investment/Planning Risk

Investment/planning risk relates to the quality of the planning that has contributed to the investment proposal. It can help to identify critical issues that may not have been considered as part of the planning process or potential costs and benefits that have been incorrectly estimated. There is also the risk that community needs have been misunderstood or that the services to be delivered by the project will not meet needs or expectations.

Design Risk

Design risk relates to the level of complexity of the project, the extent to which proven technology will be used to achieve the projects aims and the realism associated with the time-period estimated for completion

External approvals risk relates to issues associated with obtaining approval for the proposal to proceed including public consultation, planning approval, environmental approvals, heritage approvals, etc.

Demand/Market Risk

The demand or market risk relates to whether there is sufficient demand for the proposed project in order for it to succeed, or that the proposed fees and charges will adversely affect demand.

Management/Operations Risk

Management risk relates to the role management plays in ensuring that the investment delivers the expected outcomes. Where the management team named in the proposal has no experience in dealing with similar projects, this increases the risk and lessens the likelihood of success. Operations risk relates to the operational problems that may occur if the project is not planned and managed correctly.

As part of the assessment of operations risk, council should also consider whether it has adequate insurance coverage for the project, and whether it has obtained adequate legal advice for the project to be delivered.

Reputation Risk

Reputation risk looks at issues relating to council's reputation being affected if the project is not completed or does not meet its targets or the expectation of the community. Other issues to be



considered as part of this analysis could include such things as cost overrun, time over run, impractical designs and looking closely at council's community consultation to ensure the project is supported by the community and wider public.

Compliance Risk

Compliance risk relates to the risk that the project fails to comply with any relevant regulations, legislation or policies, e.g. planning, heritage or environmental.

Completion/Construction Risk

The completion/construction risk relates to the risk that the proposed project will not be completed in accordance with the specifications and within the stipulated timeframe and/or budget. In assessing such a risk, consideration will need to be given to the potential external and financial impacts of such outcomes.

Environmental Risk

Environmental risk refers to the impact of the proposal on the environment and will encompass the criteria previously considered.

Occupational Health and Safety Risk

All occupation health and safety issues need to be considered such as construction material, noise and site safety.

Other Risks

Any other proposal implementation risk not identified under the above headings should be documented and assessed.

Councils should also consider what actions will be undertaken if the project is not meeting and or achieving milestones or costs, e.g. cost blowouts, builder insolvency, unexpected economical situations, unexpected excavation costs.

4.4 Sustainability Issues

Environmental sustainability is a foundation of the Gwydir Circular Economy Project. This is evidenced through the following aspects of the project:

- Utilising fish farm wastes as a fertiliser for glasshouse crops;
- Use of agricultural and poultry waste to generate bioenergy (electricity, heat and CO₂) for the glasshouse and poultry processing plant;
- The project will also assist other poultry processing operations in the region by utilising their poultry litter as a feedstock for bioenergy;
- Potential use of cypress pine residues for poultry litter;
- Potential use of methane to replace diesel in Council vehicles, plant and equipment.



4.5 Council Project Costs

As indicated above in section 3.2, council investment in the project could range from:

- A small investment in land to house the glasshouse and agri-industrial precinct (the poultry processing plant, the feed mill), through to;
- A much larger investment, whereby in addition to the land, council invest in and own the part of the glasshouse and perhaps other structures in the agri-business precinct.

At this stage of the analysis, GSC wish to examine borrowings of \$10M or less, and thus concentrate on the Stage 1 glasshouse investment, so investment in further infrastructure (e.g. the bioenergy or poultry processing facilities) is not considered. It is also assumed that the additional land required for the glasshouse can be purchased without borrowing the \$490,000 required for Lots 1, 224 and 270.

Two scenarios have been examined:

Scenario 1 – Low Cost

- Purchase of Lot 1 (DP 518254, 29ha, \$350,000) by GSC for Stage 1 glasshouse;
- Purchase of nearby land Lots 224 & 270 (DP 751137, 42ha, \$140,000) by GSC for the glasshouse Stages 2 onwards.

The costs associated with this investment are shown in Table 1.

Table 1. Scenario 1 Council Costs

Cost item	Cost/Value (\$)
Purchase cost for Lots 1, 224, 270	490,000
Total capital cost	\$490,000
Annual operating costs of Lots 1, 224, 270,	1,500
Total annual operating cost	\$1,500



Sources: Gwydir Shire Council, personal communication 2017

Scenario 2 – Moderate Cost

- Purchase of Lot 1 (DP 518254, 29ha, \$350,000) by GSC for Stage 1 glasshouse;
- Purchase of nearby land Lots 224 & 270 (DP 751137, 42ha, \$140,000) by GSC for the glasshouse Stages 2 onwards;
- Fund \$10M capital (of a total \$37M) of Stage 1 of the glasshouse shell (5ha) via a loan from TCorp (or similar) and lease to a horticulture operator. There are no operating costs paid by GSC for the glasshouse shell or equipment.

The costs associated with this investment are shown in Table 2.

Table 2. Scenario 2 Council Costs

Cost item	Cost/Value (\$)
Purchase cost for Lots 1, 224, 270	490,000
Investment in glasshouse shell	10M
Total capital cost	\$10.49M
Annual operating costs of Lots 1, 224, 270,	1,500
Finance costs principal + interest pa (TCorp)	0.736M
Total annual operating cost	\$0.737M

Sources: Gwydir Shire Council, personal communication 2017, Green Camel, personal communication 2017, Ken Davey, personal communication 2017, DPI (2015).

Note: Operating costs for the glasshouse are paid by the glasshouse operator, not the GSC.

In summary

Two options for GSC investment in the Circular Economy Project have been established to limit their borrowing to \$10M or less.

The low cost option (\$490,000 CAPEX, \$1,500 OPEX, no borrowing) simply involves purchasing and providing land for the glasshouse and agri-industrial precinct (bioenergy plant, poultry processing). The moderate cost option (\$10.49M CAPEX of which \$10M is borrowed, \$0.737M OPEX) involves purchasing/providing the land and a share in the glasshouse, and financing the \$10M glasshouse investment through a 20-year loan from TCorp. The remaining \$27M for the Stage 1 glasshouse investment would be raised by grants and/or external investors.



4.6 Council Project Benefits

There are three main streams of council benefits to be considered:

1. **Financial Benefits to GSC** – these refer to actual revenue flows to the GSC as a result of their investment in the project. These revenues will offset the costs they have incurred by investing in the project and are essential to council's financial performance;
2. **Economic Benefits to GSC** – these refer to the broader economic benefits the project will bring to the Gwydir LGA in terms of increased economic activity, jobs etc. While some of these issues will have a direct impact on the financial bottom line for GSC, others are more about benefits accruing to the wider community which the GSC serves. These are detailed in section 0.
3. **Environmental Benefits to GSC and the Gwydir Shire** – using agricultural/forestry residues for renewable energy will reduce greenhouse gas emissions into the atmosphere. These have not been detailed in this report, as GSC investment in the bioenergy plant is unclear at the time of writing.

4.6.1. Financial Benefits to GSC

Broad estimates for total capital investment in various elements of the project are illustrated above in Figure 3, and in section 4.5, two investment options for GSC were outlined. The financial benefits that will accrue to the GSC are summarised in Table 3.

Table 3. Financial Benefits from GSC Investment Options

Benefit	Scenario 1 (\$M)	Scenario 2 (\$M)
Land rent ¹	0.039	0.039
Glasshouse shell rent ¹		0.8
Total Financial Benefit	0.039	0.839

Notes:

1. Based on an 8% return on capital value.
2. Note that any additional rates revenue from potential population growth was not included as it was assumed the cost of extra services needed to support that growth would use up any additional rates income.



4.7 Net Financial Positions for GSC

Annual council project costs are deducted from annual council financial benefits to arrive at the net annual financial position. This is not strictly a cash-flow analysis (this has been conducted in section 4.8) as it does not account for the ramping-up of the project over several years as it is developed. Rather, it gives an indication of the financial impacts for council at full development (Table 4).

Table 4. Net Annual Financial Benefit/Loss to GSC

	Scenario 1 (\$M)	Scenario 2 (\$M)
Annual financial benefit	0.039	0.839
Annual financial cost	0.0015	0.737
Total Annual Benefit/Loss	0.038 (\$37,700)	0.102 (\$101,900)

In summary

Table 4 indicates that both scenarios 1 and 2 produce small net financial gains when the lease rate charged on those project assets (land & glasshouse share) is 8%. While this is a positive result, it indicates that investment of \$10M in the glasshouse under Scenario 2 is a somewhat marginal proposition unless a higher lease rate can be charged, and/or the average cost of funds can be reduced. This is explored further in Section 4.8 below by conducting a cashflow investment analysis over 20 years.

4.8 More Detailed Analysis of Glasshouse Investment Stage 1 – IRR and Lease Rates

The analysis in section 4.7 indicated the GSC investment in the glasshouse may be feasible from a financial perspective, producing a very small net operational surplus. This has been investigated further by undertaking an internal rate of return (IRR) analysis over a 20-year period.

Two types of IRR have been calculated:



1. Project IRR (IRR) which does not take into account the cost of any borrowing for the project;
2. Equity IRR (EIRR) which does account for the cost of borrowing. Here, it was assumed GSC borrowed \$10M for the glasshouse, with grants and/or external investors providing the remaining \$27M.

The assumptions are provided in Table 5.

A key variable under GSC control is the lease rate they charge the glasshouse operator, so a range of lease rates of between 6% and 18% of the initial capital investment value (\$37M) have been examined.

Table 5. Financial Modelling Assumptions

Parameter	Assumption
Glasshouse size	5 ha
Capital cost (CAPEX)	\$37M
Assumed GSC initial equity in glasshouse	\$0M (i.e. all borrowed by GSC and outside investor contributions)
Assumed GSC share of borrowings	\$10M
Loan term	20 years
Loan interest rate	4%
Glasshouse sold at	20 years
Depreciation rate	5% per year
Interest rate earned on any reinvested positive cash-flow	2%
Discount rate = hurdle rate = opportunity cost of any equity capital	4%
Lease rate to glasshouse operator charged by GSC as a % of \$37M	Have tested a range of 6-18%

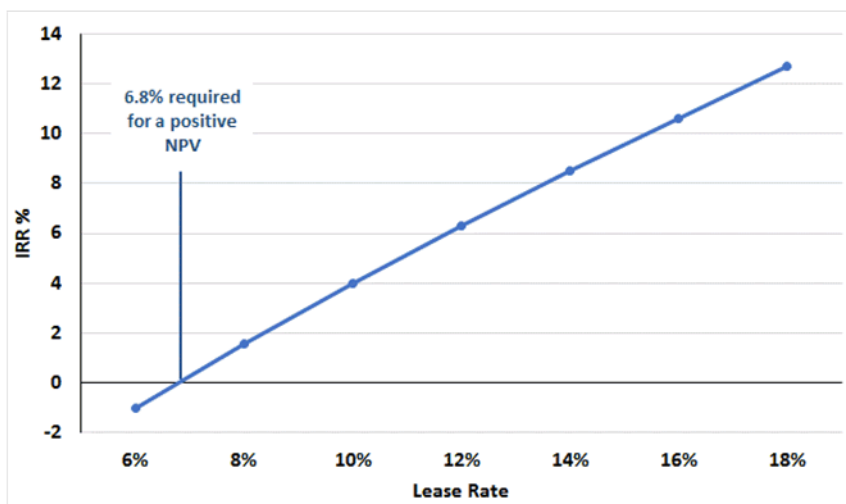
The results with an explanation are provided in



Figure 8, Figure 9 and Figure 10.

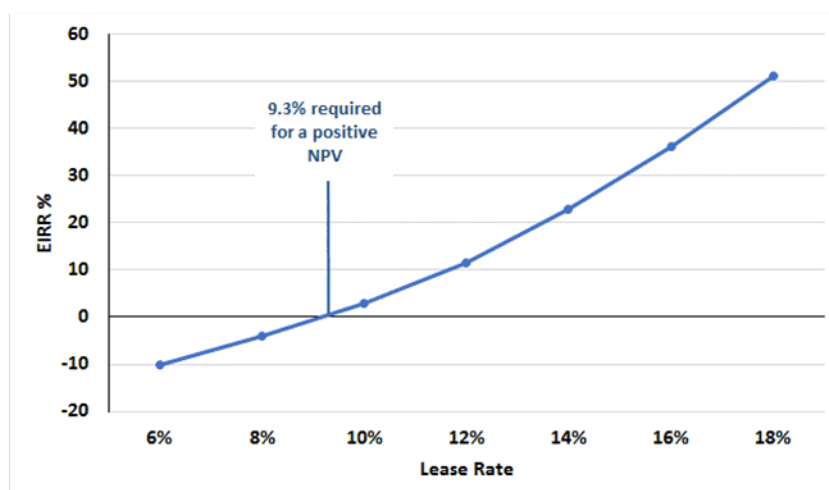


Figure 8. Internal Rate of Return (IRR)



Internal rate of return is the return to the glasshouse investors over and above what they could earn in alternative investments (assumed to be a low 4% here – their hurdle rate), without considering any borrowing costs. As shown in the chart, the lease rate charged must be at least 6.8% to obtain a positive IRR, and many external investors would probably be looking for an IRR of at least 12%, which would require a 17.3% lease rate. Note that IRR is the same for the GSC share of the capital (\$10M) as for the entire \$37M project, as all parties share the costs and revenues in the same proportions based on their proportion of the total investment.

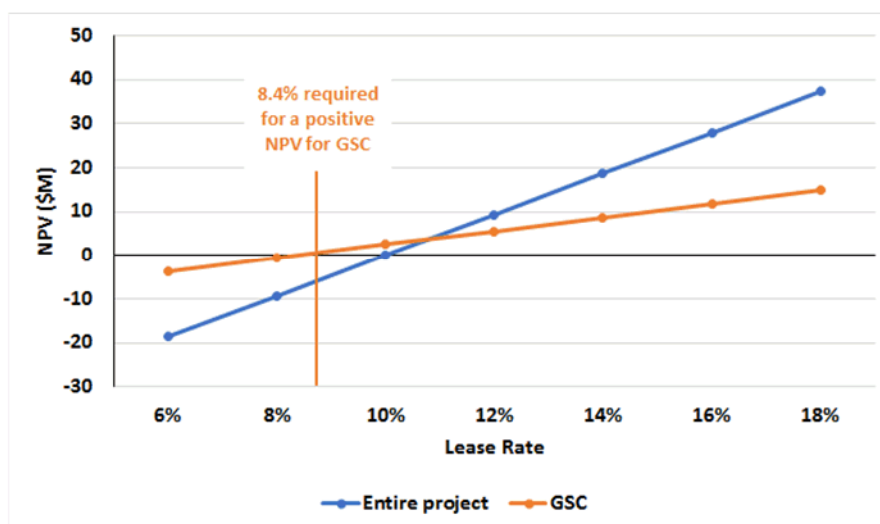
Figure 9. Equity Internal Rate of Return (EIRR)





Equity internal rate of return is similar to IRR, but it takes into account the cost of borrowing (principal and interest costs). In this example, the entire \$37M was assumed to be borrowed by a combination of GSC (\$10M) and outside investors (\$27M). As shown in the chart, the lease rate charged must be at least 9.3% to obtain a positive EIRR – higher than required for IRR because of the additional costs of borrowing. Again, note that EIRR is the same for the GSC share of the capital (\$10M) as for the entire \$37M project, and that many external investors would probably be looking for an EIRR of at least 12%, which would require a 12.1%+lease rate.

Figure 10. Net Present Value (NPV)



NPV is perhaps the most important financial measure to consider (Figure 10). It shows if the return on the investment meets the 'hurdle' (or required) rate of return required to go ahead and invest. This hurdle rate is also referred to as the 'discount rate' in some analyses.

In this analysis, we have set the hurdle rate for GSC quite low at just 4% - most investors would require a much higher return. This is saying that the investors can get a 4% return from alternative investments, so if the NPV calculates as a negative number, that hurdle rate is not being met.



It is clear from the chart that NPV is in fact negative for GSC until the lease rate charged is around 8.4% for the GSC \$10M investment, and 10% for the entire \$37M investment. The NPV for the GSC \$10M component and the entire project as a whole at \$37M are different in this case because the GSC cash flows are different to the cash flows from the entire project.

In summary

It appears that GSC must charge the glasshouse operator a lease rate of at least 8.4% of the capital cost to generate a positive return (positive NPV) on the investment at their low return hurdle rate of 4%. Other external investors are likely to require a higher lease rate (12%+) to meet their hurdle rates of return.

4.9 Economic Benefits for the Gwydir LGA at Full Development

Economic benefits to the Gwydir LGA have been estimated using the REMPLAN software which captures the structure of the Gwydir economy. The value of the additional gross revenue generated (Table 6) by the Circular Economy components was used to calculate the broader effects on the local economy. These effects include:

- The direct effect (i.e. new enterprises – glasshouse horticulture, poultry, bioenergy - will mean more local expenditure on inputs);
- Production-induced effect – more purchases of local inputs mean the input businesses (e.g. the farm supply business) will spend more on their inputs;
- Consumption-induced effect – more local expenditure equals more local wages/business profits leading to increases consumption (e.g. more sales at the local supermarket).

Table 6. Additional Gross Revenue from Circular Economy Components at Full Development

Component	Extra Gross Revenue (\$M)
Poultry grower sheds	35.0 ¹
Poultry processing	530.0 ²
Glasshouse production (20ha)	39.0 ³
Bioenergy production	0.32 ⁴
Total	604.3



Notes:

1. Assume grower contract rate of \$0.70/bird (DPI 2015) and 50M birds pa.
2. Assume 50M birds processed pa, and gross revenue of \$10.60/bird (based on Ingham's 2016).
3. Assume on a 20ha glasshouse growing tomatoes, 600t/ha (Australian Food News 2012) @ \$3.25/kg (Godfrey Dol, personal communication 2017).
4. Based on biogas production and energy flow calculations for 50M birds – 17.34M m³ of biogas from poultry litter/mortalities, 6.25M m³ of biogas from offal, 5.8M m³ of biogas from glasshouse waste = 29.48M m³ biogas in total, less 4.5M m³ supplied to poultry processing free of charge in exchange for litter = 24.98M m³ for sale (Ken Davey, personal communication 2017), assume biogas worth 1.27c/ m³ (Ken Davey, personal communication 2012).

\$604.3 of additional gross revenue is a massive increase for the Gwydir economy. It would more than double the current economic gross output of \$443.4M (REMPAN 2016) to \$1.079B.

The additional gross revenues for each of these economic sectors were used as input in the REMPLAN Impacts module to calculate the flow-on effects to the rest of the Gwydir economy from having this extra production taking place in the region. The results are shown in Table 7.

Table 7. Direct and Indirect Economic Impacts to Gwydir LGA – Full Development.

	Direct Impacts (\$M)	Industrial Impacts (\$M)	Consumption Impacts (\$M)	Total Impacts (\$M)
Poultry Grower Sheds (50M birds)				
Gross output	35.0	5.9	1.9	42.8
Jobs	99	19	5	123
Value added	19.9	2.5	1.2	23.6
Poultry Processing (50M birds)				
Gross output	530	345.2	51.4	926.6
Jobs	896	1202	158	2346
Value added	119.5	146.3	33.1	299
Glasshouse production (20ha tomatoes)				
Gross output	39	5.4	2.5	46.9
Jobs	121	15	8	144
Value added	22.8	2.1	1.6	26.6
Bioenergy production (29.48M m3 of biogas)¹				
Gross output	0.3	0.15	0.046	0.518
Jobs	1	0	0	1
Value added	0.12	0.06	0.026	0.214
Totals				
Gross output	604.3	356.7	55.8	1016.8
Jobs	1117	1236	171	2614
Value added	162.3	151.0	35.9	349.4

Source: REMPLAN 2016

Notes:

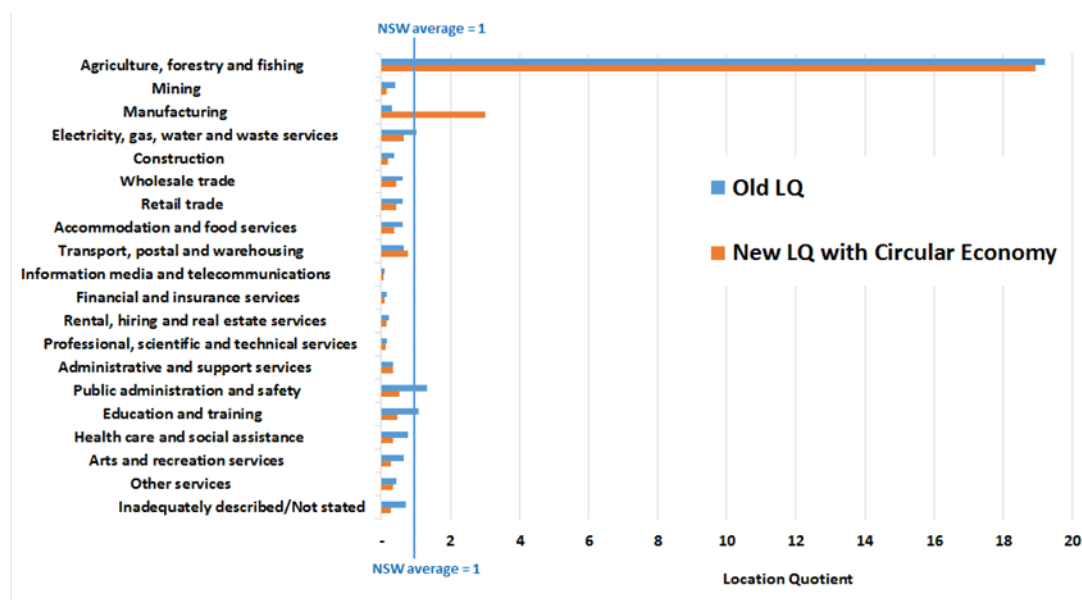
1. The Tamworth economy was used to calculate the biogas impacts, as no other LGA in the Northern Inland region has a gas supply sector, so the multipliers did not exist in REMPLAN for the Gwydir LGA.



The structure of the Gwydir economy has now also changed, as described by location quotients which show the proportion of employment in sectors of the Gwydir economy compared to the entire state of NSW.

As shown in Figure 11, the main difference is a higher concentration of employment in the manufacturing sector, in this case food manufacturing with meat (poultry) processing. This has diversified the economy away from agriculture, though only slightly. There are also proportionately more people working in the transport, postal and warehousing sector, and proportionately less in public administration, education and training and healthcare and social assistance. Overall, employment in the Gwydir economy is more reliant upon the private, rather than the public sector.

Figure 11. Change in Gwydir Location Quotients with Circular Economy



Sources: REMPLAN 2016, ABS (2011)

In summary

The Circular Economy Project at full development has the capacity to transform and diversify the Gwydir economy, increasing employment by over 2,700 jobs once the flow-on effects are included, and providing greater reliance on the private sector.



4.10 Economic Benefits for the Gwydir LGA of Stage 1 (5ha) Glasshouse Operation

REMPPLAN has also been used to estimate the economic impacts of the Stage 1 glasshouse development. It has been assumed that the 5ha glasshouse is growing tomatoes and producing 600t/ha (Australian Food News 2012) at a farm gate price of \$3.25/kg (Godfrey Dol, personal communication 2017). This generates a gross output of \$9.75M per year.

Results from this analysis are provide in Table 8. This first stage would generate approximately 36 additional jobs in the Gwydir economy once all flow-on impacts are considered.

Table 8. Direct and Indirect Economic Impacts to Gwydir LGA – Glasshouse Stage 1

	Direct Impacts (\$M)	Industrial Impacts (\$M)	Consumption Impacts (\$M)	Total Impacts (\$M)
Glasshouse production (Stage 1)				
Gross output	9.75	1.35	0.63	11.74
Jobs	30	4	2	36
Value added	5.7	0.53	0.41	6.64

4.11 Unique Selling Proposition – Why Warialda?

- The Gwydir Circular Economy project shows indicatively high economic, social and environmental returns for the Gwydir Shire over the next 20+ years (see section 4.1).
- Warialda is strategically located on the Gwydir Highway, about equal distance from Inverell (62 kms to the east) and Moree (78 kms to the west). The agri-industrial hub of Tamworth is located 190kms to the south, along Fossickers Way. Warialda is also located about 4 hours' drive (313 kms) from Toowoomba's Wellcamp Airport to the north-east, providing direct cargo-flight services for agricultural produce into Asia.
- In addition to the above, Warialda has close proximity to the proposed bypass which provides a route to SE Qld and the North Coast of NSW.
- The project will also be close to Tamworth for distribution and further processing of produce (if required). This includes infrastructure and support services in association with the \$100m+ poultry industry (principally Baiada) which is already established and expanding in Tamworth.
- A 'can do' Gwydir Shire Council. Keen on possibilities, collaborative investment models. GSC has demonstrated its preparedness to invest significantly into land and infrastructure, as well as provision of in-kind and costed OPEX, based on prudent estimates of financial,



economic, social and environmental returns for the people of the Gwydir Shire. Proposed investments in relation to the Gwydir Circular Economy will include GSC's leadership via formation of appropriate governance structures to ensure the project's delivery of sustainable, socially responsible, balanced returns for both investors and community.

- Both Wialda and Bingara are investigating access to secure water for the proposed project needs and GSC will oversee the supply of both quality and quantity of supply via additional investments as required.
- Wialda, and the Namoi region of which it is a part, has strong links to agricultural support services such as:
 - Australian Centre for Agricultural Health and Safety (Moree);
 - University of New England (Armidale) SMART Farm, research and the Poultry CRC;
 - DPI Industry Research Station (Tamworth);
 - IA Watson Grain and Research Centre (Narrabri);
 - Australian Cotton Research Institute (Narrabri);
 - Cotton Research & Development Corporation (Narrabri); and
 - Numerous Agricultural Consulting Services within the region.
- Wialda has high (8-9 hours) daily (harvestable) sunshine suitable for solar energy on a commercial scale for the GCE Precinct.
- Readily available, well priced accommodation for young people who may wish to work seasonally in the Gwydir Circular Economy greenhouse and other enterprises.

Other Key Value Proposition messages for Corporate and Government Investors include:

- Consider an investor prospectus document (along the same lines as the Namoi Investment Prospectus, prepared by RDA Northern Inland).

Commercial value propositions

- Commercial (for private and public equity funding) based around 'efficiencies' of the Circular Economy model. Corporate Social Responsibility and branding 'rub off' for large investors and equity partners.
- Aiming at 20% + IRR.
- Potential carbon offsets.

Economic value propositions

- **Public good** outcomes – GSC rate income, National GRP, local and national employment, flow on investments, economic multipliers;
- **Employment growth;**
- **Increased population** with improved efficiency of government services; and
- **Demographic needs** – marginal socioeconomic benefits are greatest in regions such as Gwydir – commencing with a low base.



Social value propositions

- **Employment**, additional services based around critical mass – schools, hospitals etc, with potential long term positive effects on wellbeing for shire residents;
- **Training and Education** pathways, mentoring, on-the-job training. Return pathways for local kids to 'come home' and contribute;
- **Intellectual and cultural** impacts. An Australian first. Connections with universities (domestic and international) and the Institute for Applied Material Flow Management (IfaS);
- **Indigenous employment and training** opportunities – enduring wealth models based around this investment to be designed from the outset – with Corporate Social Responsibility and other 'returns' factored in for investors.

Environmental value

- CO_{2e} benefits (including N₂O with 300x CO_{2e} from fertilizer replacement, recycled CO₂, and use of CH₄), energy cycles, circular economy. Dealing with agricultural waste issues;
- The building of a Gwydir Carbon economy, based around reduced CO_{2e} and possible sale of carbon offsets.

4.12 Governance Model, Internal Controls, Team

Possible Options for governance models:

1. Incorporated limited guarantee, not-for-profit company, with membership drawn from community, industry and equity stakeholder groups (corporate, community and GSC). Unitary membership – not skewed toward one group or another. High skill, high profile Board members – with country and city connections. Appointment of highly skilled, well remunerated executive, perhaps with clear performance based incentives.
2. Cooperative models (membership based) in which people of GSC 'invest' into the development
3. Straight commercial company (for profit) with GSC as a shareholder (under same principles as (1) above).
4. GSC as coordinator of the development (on a fee for service basis, paid by investors as part of a body corporate arrangement, or as part of joint venture agreements), with/without models above, or with contracted services (project manager, consultants etc). Would need a steering committee along the same lines as 'board' outlined in (1).



5. Joint venture (either incorporated or unincorporated) between GSC and other investors. JV could include entities involved in the various operations (greenhouse, poultry, bioenergy etc.), as well as 'silent' investors such as superannuation funds, banks, and/or community stakeholder groups such as cooperatives.

Suggested Governance Guidelines

- Strong recommendation for GSC to seek appropriately qualified and specialised legal advice. This should be done in parallel with, or immediately following the clarification of the preferred business model(s) proposed.
- Note that the governance structure will ideally reflect the mission and strategy for the project. For instance, if a more 'community-driven' investment model is preferred by GSC, more cooperative forms of governance may be more appropriate. Key Questions: *"Why are we doing this, how will it look in 20 years' time? What about 50 years? What forms of governance will most likely serve us best, and endure over the time to see these outcomes delivered?"*
- Depending on the nature of commercial relationships and legal structures involved, it may be appropriate for GSC to establish an 'arms-length' legal entity through which to establish and operate the Circular Economy Precinct (see section 5.5). This entity could be funded by management fees paid under agreement by participating partners (or JV entities). Terms of reference for this entity, its objects, governance structure and operational budget to cover the employment of a small, highly skilled executive team and consultants (where required), could form part of the scope of additional and more detailed business planning over the next few months.



5. Capacity of Gwydir Council

5.1 Council Management/Skills Base

- GSC currently has adequate skill sets and managerial experience for the provision of operational functions and services across the Shire. These services and skillsets include:
 - Environmental Services;
 - Planning and Building;
 - Social & Disability Services;
 - Finance Department;
 - Tourism and development;
 - Technical services.

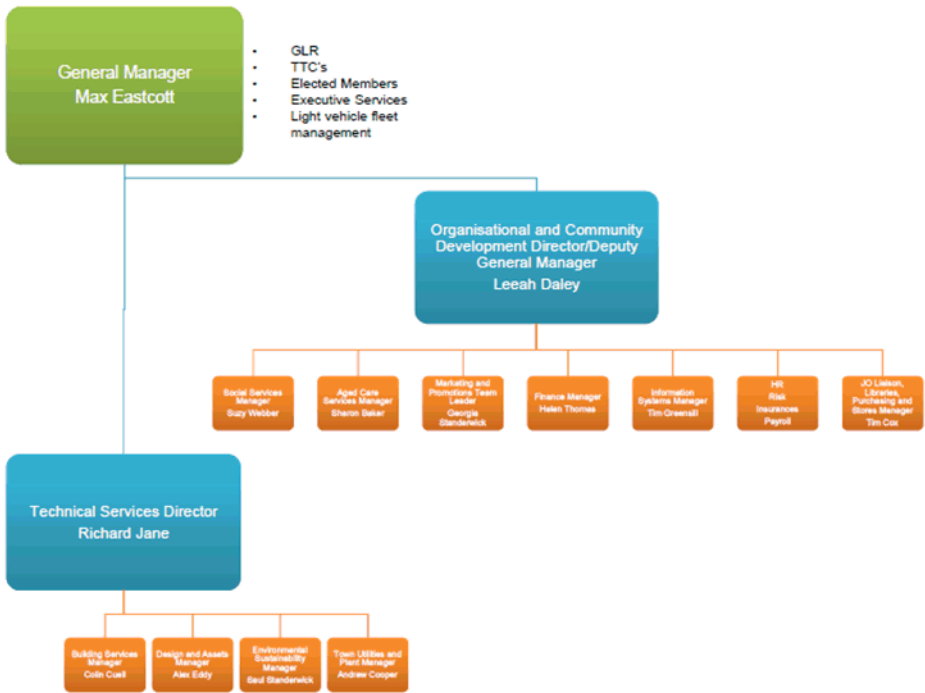
A schematic representation of the current Shire Structure (based on the UTS Gwydir Background Report, 2015) is provided in

Figure 12.

Figure 12. GSC Structure



Gwydir Shire Council Organisation Structure June 2017



While existing skill sets may be adequate for routine Shire operations, the complexity and scale of the proposed project, coupled with the Gwydir Shire’s aging workforce in which a significant number of more senior staff will reach retirement age over the next ten years, may have an impact on the Shire’s capacity to effectively manage the project ‘in house’ over the coming years.

A possible solution to this issue will be the development of a business model which generates sufficient revenue to fund a small, highly skilled executive team (backed by outsourced expertise when required) for ongoing management of the project. This team could be employed at ‘arms-length’ to the Shire through the new management entity proposed in section 5.5 below.

Other considerations:

- Sourcing of skills will require strategic links with governance model(s) and consideration of other issues above (e.g., contracted supply of skills, vs ‘in house’ supply of expertise).
- Capacity issues now. Does GSC have sufficient expertise and resources (in house) to successfully launch the project? What additional resources may be required over the next 12 months to get the ball rolling?



- Governance - does GSC have the financial capacity to seed-fund the project, particularly for business planning and establishment of governance models (outlined above)?
- Political will (Council, NSW and Federal Governments, and community).

5.2 Council Responsibility Over Life of Project

The scope and degree of GSC's ongoing responsibility for the Project will be determined to a large extent by the governance and business models chosen. An overriding objective for the GCE Project will be Gwydir Shire Council's oversight for delivery of enduring, triple bottom line returns for Shire residents and the Namoi Region.

In pursuing these objectives, the Gwydir Shire Council will act as both catalytic contributor and beneficiary of the proposed investments. A primary focus for GSC will be the delivery of strong economic and social 'value added' outcomes for the Gwydir Shire and Namoi Region. Metrics for these outcomes are likely to centre around the Project's capacity to grow employment within the Shire, and add to the value of gross regional product each year via project outputs. It would be envisaged that as far as possible, the project and commercial relationships should be designed with a view to increasing regional economic growth and employment, as well as their associated multipliers by:

- addressing economic 'leakages' (such as the importation of energy from other regions), and;
- by building a regionally based value chain (e.g., biomass and poultry slaughter-works) in association with project material outputs.

Depending on the business model(s) selected to achieve these outcomes, it may be in the interests of the GSC and its constituents to adopt 'whole of life' managerial responsibility for the Project. A proposed governance structure for the provision of these managerial functions is outlined in section 5.5 of this report.

5.3 Risk Assessment – How to Minimise Risk

Gwydir Shire Council's Risk Management Policies will identify major risks associated with the project. The Shire's risk management approach is based on a risk probability and potential impact framework.

Key considerations for the GSC's Risk Management Plans are:

- Council will mitigate, to the extent possible, any identified risks through established processes.



- Council will, in collaboration with project investors, follow its procurement process to engage suitably qualified contractors and undertake required construction works, ensuring that these contractors have the capacity to undertake the works within set timeframes and deliver to agreed specifications.
- Should GSC elect Investment Scenario 2 (see p.4), a significant risk attached to the Gwydir Circular Economy Project will relate to the Shire's capacity to service and amortise proposed borrowings of \$10M, as part of its 25% stake in the initial 5 ha greenhouse complex. The Gwydir Shire Council proposes to source these borrowings from a mix of NSW TCorp and other funds, at interest rates yet to be determined (preferably at or below the NSW Treasury bond rates). It is proposed that the average cost of these borrowed funds will be offset by net property lease revenues from commercial tenancies over the life of the project. The extent to which the Gwydir Shire Council can guarantee these rental returns at commercial rates of return, thereby enabling amortisation of proposed borrowings over agreed investment timeframes, will be a crucial factor in determining the commercial feasibility of the project over the coming months. A further factor will be the Shire's assurance of the commercial capacity of co-investors (which under Scenario 2, comprises 75% of the value of funds invested), to also achieve satisfactory rates of return, and commit to their investment over agreed timeframes for full cost recovery.
- The GSC's capacity to match tenancy contracts with investment maturity dates will also be a key consideration for the assessment of financial risk. In seeking to mitigate this risk, it would be advisable for the GSC to consider inclusion of sunset clauses for premature severance of tenancy agreements, such that outstanding principal, interest and borrowing costs can be repaid where tenancy agreements do not (for whatever reason) run their full course.

5.4 Compliance Requirements

Considerations for GSC statutory compliance are likely to include:

- Competition and consumer law;
- Governance and financial;
- Employment law;
- Corporations law;
- Anti-bribery and corruption provision;
- Environmental law and EPA provisions;
- Privacy and data protection provisions; and
- Taxation/GST considerations.



Legislative background:

Governance & Financial

- Local Government Act (1993) NSW (as amended);
- Public Authorities (Financial Arrangements) Act 1987.

Environmental

- Protection of the Environment Legislation Amendment Act (2011);
- Protection of the Environment Operations Act 1997;
- Contaminated Land Management Act 1997;
- Dangerous Goods (Road and Rail Transport) Act 2008;
- Environmentally Hazardous Chemicals Act 1985;
- National Environment Protection Council (New South Wales) Act 1995;
- Ozone Protection Act 1989;
- Pesticides Act 1999;
- Protection of the Environment Administration Act 1991;
- Protection of the Environment Operations Act 1997;
- Radiation Control Act 1990;
- Waste Avoidance and Resource Recovery Act 2001.

5.5 Governance Structure

- Governance structure(s) for the project will require further consideration, assisted by GSC's legal advisors, in consultation with community and investment stakeholders, and guided by comprehensive business plans when these are finalised. The community consultation process (outlined in section 7 below) will provide valuable input for shaping project governance, and the nature of ongoing community involvement in the project through these structures.
- The period of GSC's involvement in the project is likely to depend on business models and payback periods determined in relation to GSC Project debt. Apart from these commercial considerations, ongoing involvement of the GSC over the entire life of the project is likely to be conducive to the delivery of social, regional economic and environmental outcomes nascent for the project.
- It could be argued that profit and public good outcomes from the project may best be aligned and achieved by all parties entering into an agreement, in which they vest overall management of the project to an 'arms-length' governance entity. This new entity could be given, as the basis of its charter, responsibility for coordination and management of all commercial parties involved in the project. A further aim for this new entity would be to maximise overall material and economic efficiencies latent within the project business



model. The new entity could be shaped by a representative governance model incorporating significant investors and community stakeholder groups. Arguably, the Gwydir Shire Council would be best placed to provide this overarching governance and management role, for which all parties might also agree to pay a management fee, in order to achieve synergies and maximise economic efficiencies during the life of the project.

- The legal nature and structure of this new entity would require further consideration by GSC and investment partners, informed by legal advice and community consultation. An example of a possible structure is included below for further deliberation.

Figure 13 Proposed Governance GCEP Model



6. Project Priorities

6.1 Impact on Other Council Projects/Finances

With operating income of \$28.6m and operating expenses of \$35.6m in 2015/16, it is worth noting that scenario 2 only represents around 0.4% of total annual expenses for Gwydir Shire Council.

A framework for assessing the impact of the project on Gwydir Shire Council projects and finances is included below. Key concerns for implementation are likely to include:



1. GSC's borrowing capacity based on current debt levels; statutory limitations on borrowings; political support for the project; possible government funding (including TCorp), and other balance sheet considerations.
2. GSC's budgeted / actual liquidity ratios, and capacity to service additional borrowings, based on additional revenue streams and detailed project business plans.
3. The capacity and skillsets of existing Gwydir Shire personnel, and/or the Shire's corporate nominees (see 5.5 above), to manage the project finances and business.
4. Assessment of any potential conflict with other investment priorities, operational demands for the Shire set out in its 10-year plan, as well as conflicts of interest for Shire employees.

Proposed Impact Assessment

- Identify current state of play – past P&Ls (3 years) for GSC. Current balance sheet and asset considerations.
- Identify priorities already in the pipeline and approved. What CAPEX commitments for 2018 and beyond?
- What additional CAPEX and OPEX are likely to be required for the project? (noting that this will depend on investment and business models decided, based on yield x risk weighted return calculations for each option).
- Financial risk considerations – cash flow projections, ratio analyses etc.

6.2 Alignment with Community/Council Plans

The Gwydir Circular Economy Project will be designed to conform with the Gwydir Shire Council's 2016-20 suite of Integrated Planning and Reporting documents, shaped in consultation with the Gwydir Shire community. These documents have been shaped around four key themes:

- **Social outcomes: A healthy and cohesive community**
 - International labour sources (requires attention and more detailed planning, should the project proceed);
 - Redressing the inverted population pyramid;
 - Growing the service based economy;
 - Strong social inclusion and justice;



- Indigenous investment and business models.
- **Economic outcomes: Building the business base**
 - Determine metrics & milestones;
 - Key metrics: Jobs per sector over time, GRP (per sector and in total), project investment levels, affiliated (value added) industry, broadening the economic base through growth and integration of the regional value chain;
 - Determine the extent of value adding, based on existing strategic advantages and ongoing assessment of baseline data.
- **Environmental Outcomes: Key practices, metrics and messages for an environmentally responsible shire**
 - CO_{2e} (reduction from baseline figures), establishment of carbon offsets and sequestration, world leading AgTech, digitally based, low waste, the next economy;
 - Sustainably produced food security;
 - Informed local action for global solutions (environmental stewardship, food security, renewable energy, resource efficiency).
- **Organisation: Proactive regional and local leadership**
 - Strong, inclusive and transparent governance models;
 - Collaborative business frameworks;
 - Reversing the bush brain-drain, bringing young people home, providing educational pathways, employment opportunities, and hope;
 - Creation and coordination of deliberate synergies through deliberate, well-governed and world-class circular economy model (1+1 = 5!).

These themes provide the framework into which the Delivery Program priorities and Operational Plan activities have been incorporated.

Key Documents

- 2015 GSC Community Engagement Strategy.
- 2015 GSC Strategic-Plan (Amended 2016).
- 2016-2020 GSC Delivery Program, and Operational Plan & Budget 2016-2017.
- 2017-17 Gwydir Shire Council Workforce Plan.



- 2016-2017 Long Term Financial Plan.
- 2015 GSC Transport Asset Management Plan.
- 2015 GSC Water Supply Asset Management Plan.
- 2014 GSC Building Asset Management Plan.

6.3 Impact on Other Council Assets

Key considerations:

- Transport infrastructure development requirements associated with the project;
- GSC Personnel and HR considerations;
- Financial resources to fund OPEX requirements, particularly during in the first few years while cash flows are being established – further and more detailed business planning required;
- Site security?
- Biosecurity, public health and public amenity considerations;
- Environmental amenities - Lighting, drainage, sewerage, water supply considerations;
- Emergency health, fire and disaster planning arrangements.

7. Public Consultation

- Public consultation will be guided by the 2015 GSC Community Engagement Strategy;
- A community consultation process based on the UTS Centre for Local Government “Fit for the Future” (2015) methodology, is outlined below for consideration. It comprises two parts:

1. Community Engagement

- Focus Group Meetings and Community Consultations.
- Community Survey.
- Letters to all Rate Payers to inform about Community Survey Process.
- Mayoral Column re. the nature and scope of the project.
- Advertisement – Message from the Mayor.
- Time line for community consultation and proposed first stage implementation of



the project.

2. Community Feedback

- Collated feedback - Key findings from Community Focus Group sessions.
- Presentation of preliminary results.
- Reframe / review of key findings and the consultation process.
- Stage two community meetings/consensus building as required (repeat (1) above).

7.1 Suggested Areas of focus for Community Consultations

- Determination of key priorities project deliverables, based on community requirements and previous recorded perspectives.
- Indigenous consultation, business opportunities, and securing enduring value from the project.
- Youth councils and other key constituency groups? How to incorporate these into 'formal' governance arrangements.
- Balanced Community representation – how to achieve this through governance?
- Meet the investors (part of the consultation process).
- Community site tours, planning reviews.
- Key issue, what will GSC and other investors need to do over the life of the project to maintain and build social license?



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Questions submitted by Mr. Ted Stubbins in black, Council responses in blue.

1. WATER SUPPLIES

* Will the project impact on existing town supplies?

No the Council has sufficient water under the existing licence for the normal operation of the proposed 5 hectare greenhouse. The Council has also put in an expression of interest under the State Government's current grant scheme for infrastructure to expand the existing licence.

* Will the project impact on future demand for supplies to the town?

No for the reason given above.

* Will there be enough water for the project to grow and not impact on town supplies?

This proposal relates solely to a 5 hectare greenhouse. It is, however, not expected that any growth in the future will impact upon the town supply as this would be an impediment to any further extension of the greenhouse, if it was to be the case.

* With what degree of certainty can any of the above questions be answered?

As certain as can reasonably be expected.

* As there is a river running through the Shire with a major storage dam upstream, why is this source not being actively considered?

The Warialda option is considered to be the most appropriate location and forms a component of an overall plan.

2. DEMAND FOR ORGANIC PRODUCE

* What are the sources of information which suggest that there is currently a growing actual demand for organic food in Australia [as opposed to a warm feeling in support of organically produced foods held by many people]?

* Are these sources in any way supporters of the project and would they draw advantage [or experience] from the project if it proceeds?

The source is from the off-take stakeholder who is in constant contact with the retailer and endeavouring to meet the demands of his customers.

The stakeholder grower already has 'experience' in developing organic greenhouse product, which includes leading edge technology.

This is page number 210 of the minutes of the Ordinary Meeting held on Thursday 23 November 2017

Chairman

As they believe that there is a market premium price it is reasonable to assume that they expect some 'advantage'.

Globally, year on year sales of organic produce are experiencing strong growth. In the US alone, organic sales continued to grow with a 23% increase year on year (USA Certified Organic Survey 2016).

The organic market in Europe is also experiencing strong growth with all major markets enjoying double digit growth (Fibl Organic 2017).

Consistent growth is a global trend for the organic industry.

Some facts recently published about the Australian Organic Market are as follows (Australian Organic Market Report 2017):

- More than two out of three Australian households (63%) purchased one organic product in the past year.
- The top perceived benefits of buying organic include: chemical and additive free, environmentally friendly, free-range and non-GMO.
- Production factors including origin and traceability of food are increasingly important to Australian consumers. Impacts on the environment was a key motivation for 41% of shoppers to start buying organic.
- Woolworths remains the largest retailer of organic produce with >60% of the market share.
- One of the key demographics actively incorporating organic food into their diet are Millennials/Gen Y (people aged between 18 –29).
- Popular organic categories include fresh fruit and veg, followed by dairy, home-cooking ingredients and eggs.
- Growth of sales in organic packaged food & beverages in 2017 is predicted to be 4.3%, this is strong growth for the sector and well above population growth and growth in the conventional market.
- The awareness of organic certification continues to increase, with two-thirds of shoppers noting that an organic certification mark increases their confidence in purchasing an authentic product.

Organic fresh produce in Australian has been and continues to be characterised by:

- Poor quality

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Chairman

- **Lack of reliable, high quality organic supply**
- **Unmet consumer demand**
- **A strong desire from retailers to meet consumer demand**

* If the demand from China is indeed as certain as reported, why isn't the opportunity being explored and quantified now by independent people experienced in trade issues? Would this not strengthen the case for establishing purpose built infrastructure using very precious capital?

The off-take product is for the domestic Australian market. It's unclear where the China option has been mooted for the product.

The Mayor is joining the Namoi Councils' delegation to China in March 2018 but the likely investment proposals being put forward during this visit will revolve around the potential poultry processing plant and bioenergy facility.

3. FINANCIAL

* Given TCorp's assessment of Gwydir's financial position, outlook and history [as presented to Council's March 2017 meeting], what is TCorp's likely response to an application to borrow funds?

TCorp would treat any loan application in the same manner as any other financial institution. The application would have to be well documented and supported by a strong business case.

Access to TCorp doesn't mean instant loan approval and, in fact, the prudential requirements are likely to be more onerous.

* What are the possible forward impacts on Shire rates of Council accepting further liabilities if lease arrangements founder or lessor responsibilities multiply?

The proposal will not proceed without all the appropriate approvals and finance in place underpinned by an acceptable contract.

The Council has undertaken a due diligence process to establish the *bona fides* of the stakeholders.

* What would be the impact on the independence of the Shire if this project fell over after development expenditure had been incurred?

This is a hypothetical question that could be asked about any activity.

The Council will continue to take every step reasonable and consistent with its fiduciary responsibilities to ensure success.

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Chairman

The stakeholders involved are well established businesses with long experience in the agricultural industry.

4. MARKETING

* What challenges are emerging to Australia's supermarket duopoly and what impact could these challenges have on these businesses which produce for them?

* Is it true that new competition is arriving from Aldi which may be seeking to strengthen its share of the fresh food market by discounting fruit and vegetables?

* Are other European supermarkets showing interest in entering the Australian Markets?

* Have you noted that Wesfarmers' [Coles' parent company] stock price fell 3% last week?

Have you also noted that the company's value, based on the present share price of \$42.24, is equivalent to the break-up value of the company and if maintained for a prolonged period, the company would be in danger of being a target for being broken up?

Although interesting reading the thrust of these questions are not really relevant to the matter under consideration.

The stakeholder responsible for the off-take product will source the outlet.

5. MANAGEMENT

Is it wise that considerable precious capital would be invested in a purpose built infrastructure and then leased out to an operator for a five year term?

If the investment is considered prudent, profitable and assists in creating economic activity within the Shire then it could be considered 'wise'.

The Councillors are elected to make these types of decisions on behalf of their community. Often they are in possession of considerably more detailed information than those not directly involved. The Councillors will then make an informed decision based upon the best advice available to them at the time.

In the case of this project the pathway has been quite long and every action taken and decision made has been based upon reasonable grounds and there is no reason to think that this prudent based approach will not continue to be the guiding principle.

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Chairman

These are all pertinent questions that deserve Council's close attention.

Additional email from Mr Stubbins.

Max Eastcott

From: Marilyn Stubbins <marilyn.stubbins@gmail.com>
Sent: Thursday, 23 November 2017 7:39 AM
To: Max Eastcott; Cr John Coulton; Cr Geoff Smith; Cr Stuart Dick; Cr Marilyn Dixon; Cr Jim Moore; Cr David Coulton; Cr Tiffany Galvin; Cr Frances Young; Cr Catherine Egan
Subject: Continuing concerns re Greenhouse Development

Mr Max Eastcott
General Manager
Gwydir Shire Council
Dear Mr Eastcott,

Thank you for your timely response to my letter of Monday 20th, which was of short notice. As time is now even shorter, please excuse this uncouth reply. I do respect Council's efforts and intentions; it is unintended consequences which concern me.

1. EMPLOYMENT AND BUSINESS OPPORTUNITIES

If we should lose the Shire we will lose business and employment opportunities AND the capacity to mount major projects in the interest of the Shire's communities.

2. LOAN ARRANGEMENTS

I question the wisdom of borrowing money for the project at, at least 4% interest over 20 years, when income from the project could be lost after five years. I am concerned that the infrastructure would be built for purpose and may be difficult to sell in a distressed sale and could rapidly deteriorate in those circumstances.

3. COUNCIL'S NEED TO KNOW

It is entirely relevant that Council take a deep interest in changes occurring in the ways that fresh fruit and vegetables are sold and distributed and are likely to change a lot more. Responsibility for these developments cannot be "farmed out" to other stakeholders however well informed and experienced.

4. MILLENNIALS AND ORGANICS

Thank you for noting that people aged 18-29 are a key group buying organic food. These people have never experienced a recession. If and when they do, many may alter their patterns of consumption.

5. WATER ISSUES

The more successful this project would be, the more water will be used at the site AND in the town. More people means more water usage. Water restrictions would be a damaging development if they became necessary.

6. THE GWYDIR OPTION

Using water supply from the river which is supported by a major upstream storage dam, deserves consideration. This would allow the project [and others that Council is considering] space and resources to grow.

If the Chinese were to be involved, it would reduce/eliminate Council's exposure to debt and would increase marketing opportunities exponentially. Staff commuting to work from Gwydir towns and villages is not a new phenomenon. There would still be beneficial impact on the Shire's economy and the residential population would at least stabilize and probably grow. Plans are good; being prepared to change plans is also good.

TO CONCLUDE

Because of time constraints, I have taken the liberty of sending this direct to Councillors. However, I would be much obliged if you could include it in today's meeting.

Yours sincerely and with salutations,
Ted Stubbins

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Chairman

Item 12 Quarterly Budget Review Statement

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.1 Financial management and accountability systems - CFO - internal

AUTHOR Manager, Finance

DATE 21 November 2017

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends that the September Quarter Budget Review Statement be noted and that the September Quarter budget adjustments be approved.

TABLED ITEMS	Nil
---------------------	-----

BACKGROUND

This report is required under the Local Government Act and associated Regulations.

COMMENT

The commentary in this report is directed at overall results. The impact on individual business units and by implication the associated service levels has not been assessed - this is the responsibility of individual directors and managers.

There has been a significant reduction in RMS works income that has impacted Council's budget results. This reduction was partly offset by an increase in the Domestic Waste charge income.

Overall, the change to the budgeted result has been detrimentally affected by including expenditure items where the offsetting income was received during the last financial year – this accounts for just over \$300,000 of additional expenditure.

The advance payment (50%) from the Federal Government of the Financial Assistance Grant has resulted in an income reduction in government grants. This income was internally restricted at 30th June 2017.

However, there have been challenges in returning an acceptable balanced reduction in expenditures as the focus of the staff is to return at least a

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\$300,000 surplus for this year's operations, and Council will need to be diligent in finding other reductions of expenditure to ensure the year end result is in line with this notional budgeted result.

It remains preferable for cash to continue to grow to ensure an adequate buffer is developed in General Fund and there will be further work to improve on this result for the December and March quarter budget reviews.

This reinforces the need for tight budget control, effective cash flow management and a bias towards improving the bottom line will need to remain until General Fund has sufficient cash reserves to act as an adequate buffer.

CONCLUSION

Tight financial control must be maintained given the low cash reserves in General Fund.

Further budget improvements will be a staff priority during the remainder of this financial year.

STATUTORY ENVIRONMENT

Local Government Act 1993 and associated regulations. A quarterly budget review is due within 2 months of the end of each quarter under the requirements of Clause 203 of the Local Government (General)

Regulation 2005:

203 Budget review statements and revision of estimates

- (1) Not later than 2 months after the end of each quarter, the responsible accounting officer of a council must prepare and submit to the council a budget review statement that shows, by reference to the estimate of income and expenditure set out in the management plan that the council has adopted for the relevant year, a revised estimate of the income and expenditure for that year.
- (2) A budget review statement must include or be accompanied by:
 - (a) a report as to whether or not the responsible accounting officer believes that the statement indicates that the financial position of the council is satisfactory, having regard to the original estimate of income and expenditure, and
 - (b) if that position is unsatisfactory, recommendations for remedial action.
- (3) A budget review statement must also include any information required by the Code to be included in such a statement.

POLICY IMPLICATIONS - N/A

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FINANCIAL, ECONOMIC AND RESOURCE IMPLICATIONS (including Asset Management)

Council must work towards tight controls to achieve the budgeted end of year result.

STRATEGIC IMPLICATIONS - N/A

SUSTAINABILITY IMPLICATIONS (Social & Environmental)

Sustainability has largely been addressed as a result of the Special Rate Variation being approved. Further work is required to ensure bottom line budget and cash results are achieved.

OFFICER RECOMMENDATION

THAT the September Quarter Budget Review Statement be noted.

FURTHER that the September Quarter budget adjustments be approved.

ATTACHMENTS

AT- Quarterly Budget Review Statement

**COUNCIL RESOLUTION:
MINUTE 390/17**

THAT the September Quarter Budget Review Statement be noted.

FURTHER that the September Quarter budget adjustments be approved.

(Moved Cr D Coulton, seconded Cr Young)

Gwydir Shire Council
September, 2017 Quarterly Budget Review

<u>Page</u>	<u>Contents</u>
1	Responsible Accounting Officer Statement
2	Revised Income Statement
3	Recommended Changes
4	Revised Summary by Division
5	Revised Capital Funding Statement with Variations
6	Revised Cash and Investments
7	Contracts Awarded During Quarter
8	Legal and Consultants Expenditure

Gwydir Shire Council
Operational Plan for year ended 30 June 2018

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 Gwydir Shire Council for the quarter ended 30/9/17 indicates that Council's projected financial position at 30/6/18 will be unsatisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

For Council to reach a satisfactory budget it will need to continually focus on reducing expenditure and finding sources of additional income

Signed: Helen Thomas date: 21/11/17

Helen Thomas
Responsible Accounting Officer, Gwydir Shire Council

Gwydir Shire Council
Budgeted Income Statement - Consolidated

2016/17 Prior Year Actual

2016/17		2017/18				
Prior Year Actual	Original Annual Budget	Revotes	Revised	Rec changes for Council Approval	Revised Annual Forecast	Actual 30 September 2017
Income from continuing operations						
9,538,000	10,000,917	-	10,000,917	303,998	10,304,915	10,316,79
3,123,000	3,124,000	-	3,124,000	(774,982)	2,349,018	330,47
196,000	225,990	-	225,990	20	226,010	49,42
12,937,000	10,607,531	-	10,607,531	(1,886,054)	8,721,477	2,191,94
541,000	456,147	-	456,147	-	456,147	18,36
1,745,000	1,409,625	-	1,409,625	(9,261)	1,400,364	457,86
-	-	-	-	-	-	-
28,080,000	25,824,210	-	25,824,210	(2,366,279)	23,457,931	13,364,86
Expenses from continuing operations						
11,423,000	10,504,815	-	10,504,815	34,154	10,538,969	3,274,30
856,000	635,991	-	635,991	-	635,991	14,01
4,869,000	6,147,496	306,000	6,453,496	144,103	6,597,599	1,462,92
6,693,000	6,272,178	-	6,272,178	-	6,272,178	-
2,470,000	2,620,885	-	2,620,885	(125,309)	2,495,576	1,134,20
3,321,000	-	-	-	-	-	-
1,957,000	-	-	-	-	-	-
24,947,000	26,181,365	306,000	26,487,365	52,948	26,540,313	5,885,44
3,133,000	(357,155)	(306,000)	(663,155)	(2,419,227)	(3,082,382)	7,479,42
2,592,000	(813,302)	(306,000)	(1,119,302)	(2,419,227)	(3,538,529)	7,461,05

This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRS.

Gwydir Shire Council

Budgeted Income Statement - Consolidated

Recommended Changes to 2017/18 Original Budget

\$

REVENUE

Rates and Annual Charges

Waste Charges increases

303,998

303,998

User Charges and Fees

Reduction in RMS works

(787,638)

Miscellaneous reductions

12,656

(774,982)

Interest and Investment Income

Corp Interest

20

20

Operating Grants and Contributions

Barrowongga

60,424

Reschool

97,000

FS

49,000

Early payment of 50% of FAGS Grant

(2,092,478)

(1,886,054)

Other Revenue

Miscellaneous Reductions

(9,261)

(9,261)

Total income variations

(2,366,279)

EXPENDITURE

Employee Costs

Miscellaneous reductions

34,154

34,154

Materials and Contracts

Regular Economy

(74,520)

aged and Disability Services

(8,795)

Emergency Services

98,407

Building Services

17,000

Roads

77,119

Parks & Urban Spaces

61,665

Compliance & Urban Spaces

5,306

Miscellaneous

(32,079)

144,103

Other Expenses

Emergency Services levy overpayment 2017 FY

(125,309)

(125,309)

Total expenditure variations

52,948

Net variations

\$ (2,419,227)

This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRS.

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Chairman

summary by Division

	2017/18					Actual 30 September 2017
	Original Annual Budget	Revotes	Revised	Rec changes for Council Approval	Revised Annual Forecast	
Revenues	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Corporate Services	11,929,465		11,929,465	(2,092,478)	9,836,987	8,133,570
Development and Environmental Services	588,866		588,866	12,649	601,515	194,267
Governance, Town Utilities and Plant	180,038		180,038	(80,500)	99,538	21,581
Organisational and Community Development	3,910,906		3,910,906	153,248	4,064,154	1,276,078
Technical Services	5,705,593		5,705,593	(666,484)	5,039,109	849,636
Total Revenue:	22,314,868	-	22,314,868	(2,673,565)	19,641,303	10,475,132
Expenses						
Corporate Services	1,187,655		1,187,655	-	1,187,655	582,052
Development and Environmental Services	3,356,915		3,356,915	91,545	3,448,460	673,629
Governance, Town Utilities and Plant	4,797,840		4,797,840	20,588	4,818,428	983,865
Organisational and Community Development	6,461,527	306,000	6,767,527	(56,150)	6,711,377	2,142,842
Technical Services	7,401,801		7,401,801	(8,916)	7,392,885	941,951
Total Expenditure:	23,205,738	306,000	23,511,738	47,067	23,558,805	5,324,339
Profit/(Loss) on Sale of Assets	-	-	-	-	-	-
Net General Fund Recurrent Surplus / (Deficit):	(890,870)	(306,000)	(1,196,870)	(2,720,632)	(3,917,502)	5,150,793
Waste Management						
Revenue	1,182,088		1,182,088	304,000	1,486,088	1,384,547
Expenses	987,508		987,508	-	987,508	243,695
Net Recurrent Surplus / (Deficit):	194,580	-	194,580	304,000	498,580	1,140,852
Water						
Revenue	1,503,343		1,503,343	3,286	1,506,629	829,766
Expenses	1,387,733		1,387,733	2,845	1,390,578	202,145
Net Recurrent Surplus / (Deficit):	115,610	-	115,610	441	116,051	627,621
Sewerage						
Revenue	823,911		823,911	-	823,911	675,428
Expenses	600,386		600,386	3,036	603,422	115,271
Net Recurrent Surplus / (Deficit):	223,525	-	223,525	(3,036)	220,489	560,157
Consolidated Net Recurrent Surplus / (Deficit):	(357,155)	(306,000)	(663,155)	(2,419,227)	(3,082,382)	7,479,423

This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRs.

Gwydir Shire Council
Operational Plan for year ended 30 June 2018
Cash & Investments

	2016/17 Prior Actual Annual	Original Annual Budget	Adjustments	Revotes	Sept Review	Dec Review	Mar Review	Revised Annual Forecast	Revised Annual Forecast	Actual 30 September 2017
Externally Restricted										
Aged Care Bonds	290,000	290,000	-	-	-	-	-	290,000	290,000	391,000
RTA Contributions	-	-	-	-	-	-	-	-	-	-
Specific Purpose Unexpended Grants	22,700	22,700	-	-	-	-	-	22,700	22,700	387,000
Water	787,000	787,000	-	-	-	-	-	787,000	787,000	1,104,000
Sewerage	3,018,000	3,018,000	-	-	-	-	-	3,018,000	3,018,000	3,170,000
Domestic Waste Management	1,219,000	1,219,000	-	-	-	-	-	1,219,000	1,219,000	2,240,000
Developer Contributions	-	-	-	-	-	-	-	-	-	-
Total Externally Restricted	5,336,700	5,336,700	-	-	-	-	-	5,336,700	5,336,700	7,292,000
Internally Restricted										
Employee Leave Entitlements	849,000	849,000	-	-	-	-	-	849,000	849,000	420,000
Asset Renewal	-	-	-	-	-	-	-	-	-	-
Building reserves	-	-	-	-	-	-	-	-	-	-
Plant Replacement	-	-	-	-	-	-	-	-	-	-
Carry Over Works	-	-	-	-	-	-	-	-	-	-
Deposits and Bonds	97,000	97,000	-	-	-	-	-	97,000	97,000	-
Working Capital	2,130,000	2,130,000	-	-	-	-	-	2,130,000	2,130,000	-
Other Waste	813,000	813,000	-	-	-	-	-	813,000	813,000	-
Total Internally Restricted	3,889,000	3,889,000	-	-	-	-	-	3,889,000	3,889,000	420,000
Total Restricted	9,225,700	9,225,700	-	-	-	-	-	9,225,700	9,225,700	7,712,000
Unrestricted	(9,225,700)	(9,225,700)	-	-	-	-	-	(9,225,700)	(9,225,700)	969,940
Total Restricted & Unrestricted Cash & Investments	-	-	-	-	-	-	-	-	-	8,681,940
Cash & Investments										
Cash at Bank	1,500,000	1,500,000	-	-	-	-	-	1,500,000	1,500,000	1,286,262
Investments & Deposits at Call	7,000,000	7,000,000	-	-	-	-	-	7,000,000	7,000,000	7,393,678
Total	8,500,000	8,500,000	-	-	-	-	-	8,500,000	8,500,000	8,681,940
Investments										
Investments have been invested in accordance with Council's Investment Policy										
Cash										
The Cash at Bank amount has been reconciled back to Council's physical Bank Statements.										
The date of completion of the latest Reconciliation is 20th November 2017.										
Reconciliation										
The YTD total Cash and Investments is to be reconciled with funds invested and cash at bank.										
This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRs.										

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Chairman

Gwydir Shire Council
Capital Expenditure Funding Source and
Asset Classification

	Original Annual Budget	Revotes	Sept Review	Dec Review	Mar Review	Revised	Rec changes for Council Approval	Revised Annual Forecast	Actual 30 September 2017
Capital Funding Source									
Rates and other unutilised funding	5,572,743					5,572,743		5,572,743	
Capital Grants & Contributions	456,147					456,147		456,147	
Internal Restrictions									
External Restrictions									
- Special purposes unexpended loans									
- Unexpended grants & contributions									
- stormwater levy									
- sale of assets	450,000								
- water supply	186,000					450,000		450,000	
- sewerage services	764,169					186,000		186,000	
- waste	267,500					764,169		764,169	
Loans									
Total Capital Funding	7,696,559					7,429,059		7,429,059	
Capital Expenditure									
New assets									
- office equipment									
- plant & equipment									
- land & buildings									
- parks, gardens & recreation									
- roads bridges & footpaths									
- waste									
- water supply									
- sewerage services									
Renewals (replacements)									
- plant & equipment	1,164,926					1,164,926		1,164,926	
- land & buildings	543,151					543,151		395,606	136,927
- parks, gardens & recreation	21,830					21,830	(147,545)	21,830	28,326
- roads bridges & footpaths	4,748,983					4,748,983	(51,044)	4,697,939	2,116,354
- water supply	186,000					186,000	52,465	238,465	106,524
- sewerage services	764,169					764,169	16,037	780,206	25,983
- waste	267,500					267,500		267,500	32,904
Loan repayments (principal)									
Total Capital Expenditure	7,696,559					7,696,559	(130,087)	7,566,472	2,447,018

This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRs.

Gwydir Shire Council Budget Review for Quarter Ended 30 September , 2017				
<u>Contracts</u>				
<u>Contractor</u>	<u>Contract detail & purpose</u>	<u>Contract value (excluding GST)</u>	<u>Commencement date</u>	<u>Duration of contract</u>
				<u>Budgeted (Y/N)</u>
		N/A		

This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRs.

This statement forms part of Council's Quarterly Budget Review Statement (QBRs) for the quarter ended 30/09/2017 and should be read in conjunction with the total QBRs report

Gwydir Shire Council Consultancy & Legal Costs for Quarter Ended 30 September , 2017			
Expense	Expenditure YTD	Budgeted Y/N	
Consultancies			
Development and Environmental Services	\$ 36,072	Y	
Organisational & Community Development	\$ 7,020	Y	
Technical Services	\$ 594		
Legal Expenses			
			N/A

This document forms part of Gwydir Shire Council's Quarterly Budget Review Statement for the quarter ended 30/09/17 and should be read in conjunction with other documents in the QBRs.

Cr Frances Young

Various Issues (Ref: 391/17)

Cr Young advised the meeting that she attended the NSW Landcare Awards in Albury and that Gwydir Shire Council was selected as the State Grand Champion Nominee to the National Awards for Partnerships for Landcare.

Cr Young also advised the meeting that she completed her LGNSW training in the Elected Members Executive Certificate and will be presented with the Certificate during the LGNSW Conference. This achievement was acknowledged by the meeting.

Cr David Coulton

Roads and Transport Congress (Ref: 392/17)

Cr Coulton thanked the meeting for allowing him to attend this meeting in Albany WA, which was very worthwhile.

Cr Catherine Egan

Former Local Federal Member (Ref: 393/17)

Cr Egan advised the meeting that she attended the recent meet the candidate night for the upcoming Federal by-election and had the opportunity to speak to Mr Joyce about the problems of getting suitably qualified doctors for this area. One option being considered is to make the provider numbers belonging to the towns in rural areas not the individual doctors. This approach may well have merit.

Cr Jim Moore

Various Issues

Captain Cook Park (Ref: 394/17) – Cr Moore asked if the playground furniture had been ordered as yet for this area. The meeting was advised that the information will be sought and advised to Cr Moore.

Warialda Swimming Pool (Ref: 395/17) – Cr Moore requested if a further quotation could be sought for fencing in another location other than around the child's pool as the quote received was too much. The meeting was advised that the matter will be followed up with the pool supervisor.

General Manager

Road Service Level Review

The General Manager distributed the preliminary phone survey data as part of the service level review of the Shire’s road network by UTS.

Meeting closed 5.23 pm