

CONFIRMATION OF COUNCIL'S ORDINARY MEETING MINUTES

At the Council Meeting held 6 May 2014 the following Council minutes were adopted:

There being no further business at the meeting of 8 April 2014, the meeting closed at 8.03pm.

Confirmed by Chairperson:



There being no further business at the meeting of 29 April 2014, the meeting closed at 7.19pm.

Confirmed by Chairperson:



Minutes Summary

Extraordinary Meeting held at 7.00pm on Tuesday, 29 April 2014.

APOLOGIES

DECLARATIONS OF INTEREST

Pecuniary Interests

Non Pecuniary – Significant Interests

Non Pecuniary – Less than Significant Interests

ITEM	TITLE	PAGE
1.	BUSINESS: REPORT OF THE DIRECTOR BUSINESS SERVICES	3
1.1	Draft 2014-2015 Operational Plan, Budget, Fees and Charges, and 2013-2017 Delivery Program	3

Minutes of the Extraordinary Meeting of the Campbelltown City Council held on 29 April 2014

Present His Worship the Mayor, Councillor C Mead
Councillor F Borg
Councillor G Brticevic
Councillor S Dobson
Councillor W Glynn
Councillor G Greiss
Councillor P Hawker
Councillor R Kolkman
Councillor P Lake
Councillor D Lound
Councillor A Matheson
Councillor M Oates
Councillor T Rowell
Councillor R Thompson

Apology Nil

Note: Councillor A Chanthivong has been granted a leave of absence from Council, incorporating all formal Council and Committee meetings until Tuesday 12 August 2014.

Acknowledgement of Land

An Acknowledgement of Land was presented by the Chairperson Councillor Mead.

DECLARATIONS OF INTEREST

There were no Declarations of Interest at this meeting.

EXTRAORDINARY MEETING OF THE CAMPBELLTOWN CITY COUNCIL TO BE HELD ON TUESDAY 29 APRIL 2014

1. BUSINESS: REPORT OF THE DIRECTOR BUSINESS SERVICES

1.1 Draft 2014-2015 Operational Plan, Budget, Fees and Charges, and 2013-2017 Delivery Program

Attachments

1. 2014-2015 Draft Operational Plan (hard copy previously distributed under separate cover and available via the web link below)
2. 2014-2015 Draft Fees and Charges (hard copy previously distributed under separate cover and available via the web link below)
3. 2014-2018 Draft Delivery Program (distributed under separate cover due to size of document)

Note: All of the above attachments are available via this web link:

<http://www.campbelltown.nsw.gov.au/IntegratedPlanningandReportingPublicExhibition>

History

The Integrated Planning and Reporting Framework for NSW local government was introduced in 2009 and replaces the former Management Plan, Budget and Social Plan. The integration of these documents includes the requirement to prepare a long term Community Strategic Plan, Delivery Program, Operational Plan and Resourcing Strategy.

Council is required to review Integrated Planning and Reporting documents before 30 June following an ordinary election of Councillors. This requirement is in accordance with the *Local Government Act 1993*.

On 11 February 2014, Council resolved to apply to the Independent Pricing and Regulatory Tribunal (IPART) for a 508(2) Special Rates Variation of 11%. This 11% Special Rates Variation has been incorporated into the Draft 2014-2015 Operational Plan.

The 2014-2015 Draft Operational Plan including 2014-2015 Draft Fees and Charges were distributed to Councillors on 8 April 2014 in conjunction with a briefing night held on 15 April 2014.

Report

In accordance with Section 404 and 405 of the *Local Government Act 1993*, Council's Draft Operational Plan incorporating the Budget and Draft Fees and Charges, and the Draft Delivery Program are required to be publicly exhibited for a period of at least 28 days. A summary of the content included in each of the documents is provided in this report.

Operational Plan

Supporting the Delivery Program is the annual Operational Plan. This document features the individual services, functions, programs and activities that will be undertaken in the 2014-2015 year to achieve the commitments made in the Delivery Program.

Council's financial framework focuses on continuing to ensure that the financial parameters, principles and objectives applied in developing the Budget achieve a balance between financial stability, asset maintenance, construction and the provision of services to the community. The financial plan relies on additional loan funding through the Local Infrastructure Renewal Scheme (LIRS) and a Special Rate Variation (SRV) of 11% which, if approved and endorsed by IPART and Council in June 2014, will replace the rate peg, 2.3% for the 2014-2015 financial year.

The current economic and financial environment presents challenges for Council, all levels of government, businesses and the community as a whole. The 2014-2015 budget is being delivered within these limitations. Despite these constraints, along with the cost of materials and the provision of services increasing well above the Consumer Price Index (CPI), Council remains in a strong financial position through a conservative and responsible approach to financial management.

The continual escalation of non-discretionary costs that have a direct impact on Council services, include the increase in public utilities, domestic waste landfill levy, and agency charges, coupled with downward pressure on revenue streams. However, Council will continue to maintain its current level of investment in core public and community services and provide a value for money operation, as well as addressing the declining condition of existing infrastructure assets and reducing the infrastructure backlog.

As reported in previous years, the financial objective has been to budget a surplus to improve Council's liquidity ratio. The liquidity ratio has improved significantly and reached a satisfactory level and, as such, a balanced budget is proposed for the 2014-2015 financial year.

The proposed Capital Expenditure Program for the 2014-2015 year amounts to \$29.44m. This year's program contains a number of major projects including bridge/culvert construction, cycleway construction, sport and recreation projects, as well as roads and footpath construction/reconstruction.

In this budget, there has been more emphasis placed on the funding of asset maintenance and renewal in an attempt to upgrade Council's infrastructure. The additional revenue provided by the SRV and the LIRS will address the shortfall in the funding required to maintain all Council assets at a "good" level in accordance with the Office of Local Government's Asset Condition Benchmarking Standard. This budget focuses on improving safety, quality and range of infrastructure, community facilities and open space and is demonstrated in the Capital Works and Asset Maintenance Programs.

Domestic Waste Management

Domestic Waste Management Service Charge is subject to many factors, and is mostly impacted by collection and disposal costs. The processing and disposal charges of domestic waste are also affected by the State Government Waste Levy which is estimated to increase by 12.5% on 1 July 2014. This results in Council not being able to deliver the service for any less than the proposed annual Domestic Waste Management Service Charge of \$311.40, as there can be no cross-subsidisation between the Domestic Waste Management Service and the General Fund. The proposed Domestic Waste Management Availability Charge for vacant land will increase by \$1.80 per annum to \$33.70.

Rating Structure

After extensive community consultation, Council resolved to submit an application to IPART to vary rates by 11%, the Operational Plan comprises this increase. The increase allowed under the rate pegging limit as determined by IPART under delegation by the Minister for Local Government was 2.3%. In November 2013, IPART announced the percentage variation using the Local Government Cost Index to be 2.8%, from which a 0.2% productivity factor and 0.3% carbon tax advance was deducted.

Stormwater Management Charge

The Stormwater Management Charge assists Council to undertake works that will provide improved quality of stormwater being discharged into waterways. The charge is proposed to remain the same as the previous year, which yielded Council approximately \$897,000 towards new stormwater initiatives. The proposed charge and associated works are clearly defined within Council's Revenue Pricing Policy, appendix one of the Operational Plan. It is proposed that the Stormwater Management Charge remain at \$20 per annum for residential properties and \$10 per annum for residential strata properties.

Delivery Program

The 2014-2018 Draft Delivery Program details the services, functions and programs of works including activities that Council will undertake within the resources available under the Resourcing Strategy, to implement the objectives and strategies established by the Community Strategic Plan. The Delivery Program also includes a method of assessment to determine the effectiveness of each program of work in implementing the strategies and achieving the strategic objectives at which the principal activity is directed.

Summary

The 2014-2015 Operational Plan shows the commitment to responsible and proactive governance. It demonstrates sound management of the community's assets and aims to develop a sustainable city which is responsive to community needs, while providing value to ratepayers.

1.1 Draft 2014-2015 Operational Plan, Budget, Fees And Charges, And 2013-2017 Delivery Program

The 2014-2018 Delivery Program and 2014-2015 Operational Plan provides for the continued delivery and maintenance of services. This budget is the first year of a 10 year strategy to significantly address the asset maintenance and renewal backlog with \$10m loans, \$5.4m rates and the additional \$1m reserve funds redirected towards assets.

Council is also delivering a number of major projects through the allocation of Capital Expenditure and Asset Maintenance funding as detailed earlier in this report and highlighted within the Draft Operational Plan.

In particular, over the past several years, Council has made significant gains in improving the financial position and working towards achieving long term financial and community objectives detailed within the Community Strategic Plan. Prudent fiscal management decisions have resulted in Council being well placed to deal with the financial challenges in the short to medium term.

It is recommended that Council adopt the 2014-2015 Draft Operational Plan including the 2014-2015 Draft Fees and Charges, and the 2014-2018 Draft Delivery Program. These documents be placed on public exhibition for a period of at least 28 days in accordance with Sections 404 and 405 of the *Local Government Act 1993*. During this period, public submissions are invited and will be considered when Council considers formal adoption of the documents at the Extraordinary Meeting to be held on 10 June 2014.

Officer's Recommendation

1. That the 2014-2015 Draft Operational Plan incorporating the 2014-2015 Draft Fees and Charges and Revenue Pricing Policy, 2014-2018 Draft Delivery Program be placed on public exhibition for a period no less than 28 days.
2. That a report be submitted to Council on any submissions received in regard to the Draft documents prior to consideration of the formal adoption of the documents for the 2014-2015 financial year.

Council Meeting 29 April 2014 (Borg/Thompson)

1. That the 2014-2015 Draft Operational Plan incorporating the 2014-2015 Draft Fees and Charges and Revenue Pricing Policy, 2013-2017 Draft Delivery Program be placed on public exhibition for a period no less than 28 days.
 2. That a report be submitted to Council on any submissions received in regard to the Draft documents prior to consideration of the formal adoption of the documents for the 2014-2015 financial year.
-

Amendment: (Mead/Greiss)

1. That the 2014-2015 Draft Operational Plan incorporating the 2014-2015 Draft Fees and Charges and Revenue Pricing Policy, 2013-2017 Draft Delivery Program be placed on public exhibition for a period of no less than 28 days with the following amendments:
 - That the rate increase be restricted to the original 2.3% IPART allowed variation
 - That the budget for "1.1.2: Provision of environmental education" be reduced by at least 25% in 2014-2015 and 50% in 2015-2016 and beyond
 - That Council no longer operate the Tourism Information Centre after February 2015, and the remainder of expenditure in "2.3.1: Encouraging Tourism" be reduced by at least 25% in 2014-2015 and 50% in 2015-2016 and beyond
 - That Council immediately call for expressions of interest from suitably qualified organisations to operate existing Council run childcare facilities, with the view to reducing the ratepayer subsidy to childcare
 - That Council immediately call for expressions of interest from suitably qualified organisations to operate existing Council run leisure centres, with the view to reducing the ratepayer subsidy to leisure centres
 - That Council phase out operating Glenquarie library over the next 2 years
 - That the Campbelltown Arts Centre operations budget is reduced by 10% in 2014-2015, 30% in 2015-2016 and 50% in 2016-2017 and beyond
 - Council commit to infrastructure maintenance works in the current budget, and ensure that the infrastructure backlog does not continue to grow. Any further savings required for this should be found in the operational budget.
2. That a report be submitted to Council on any submissions received in regard to the Draft documents as amended prior to consideration of the formal adoption of the amended documents for the 2014-2015 financial year.

LOST

A **Division** was called in regard to the Amendment for Item 1.1 - Draft 2014-2015 Operational Plan, Budget, Fees and Charges and 2013-2017 Delivery Program with those voting for the Amendment being Councillor Mead.

Voting against the Amendment were Councillors Borg, Brticevic, Dobson, Glynn, Greiss, Hawker, Kolkman, Lake, Lound, Matheson, Oates, Rowell and Thompson.

The Motion on being Put was **CARRIED**.

Council Resolution Minute Number 55

1. That the 2014-2015 Draft Operational Plan incorporating the 2014-2015 Draft Fees and Charges and Revenue Pricing Policy, 2013-2017 Draft Delivery Program be placed on public exhibition for a period no less than 28 days.
2. That a report be submitted to Council on any submissions received in regard to the Draft documents prior to consideration of the formal adoption of the documents for the 2014-2015 financial year.

Councillor Mead asked for his name to be recorded in opposition to the resolution for Item 1.1 – Draft 2014-2015 Operational Plan, Budget, Fees and Charges, and 2013-2017 Delivery Program.

There being no further business the meeting closed at 7.19pm.

Confirmed by Council on

..... General Manager Chairperson
