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Acknowledgement to Country

Shellharbour City Council acknowledges the Traditional Owners and Custodians of the Land on which we are meeting.

1. Apologies / Leave of Absence

1a. Pecuniary Interest

Note: Councillors who declare a Pecuniary Interest at the Council Meeting are also required to complete a Pecuniary Interest Declaration form.

2. Confidential Business (Committee of the Whole)

In accordance with the *Local Government Act 1993*, and the *Local Government (General) Regulation 2005*, in the opinion of the General Manager, the following business is of a kind as referred to in Section 10A(2) of the Act, and should be dealt with in a Confidential Session of the Council meeting closed to the press and public.

Set out below is Section 10A(2) of the Local Government Act 1993, in relation to Confidential Business:

10A(2) Which parts of a meeting can be closed to the public? The matters and information are the following:

- (a) personnel matters concerning particular individuals;
- (b) the personal hardship of any resident or ratepayer;
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business;
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law;
- (f) matters affecting the security of the council, councillors, council staff or council property;
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.

CONFIDENTIAL ITEMS**2.1 Proposed Road Closure - Part Lamerton Crescent (8748491)****Reason for Confidentiality**

This item is classified CONFIDENTIAL under the provisions of Section 10A(2)(c) and 10a(2)(d)(i) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following:

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
- (d) commercial information of a confidential nature that would if disclosed:
 - (i) prejudice the commercial position of the person who supplied it.

This item, if discussed in the Open Meeting of Council, would be contrary to the public interest because it is premature at this time. The appropriate time for its full release such that the commercial position of the person who supplied it is not prejudiced, would be when the development application is lodged by the person supplying the information.

RECOMMENDATION:

1. That Council resolve into Committee of the Whole to consider the above business as listed, together with any late reports tabled at the meeting.
2. That pursuant to Section 10A(1-3) of the *Local Government Act 1993*, the press and public be excluded from the proceedings on the basis that the business to be considered is classified confidential under the provisions of Section 10A(2)(c) and 10a(2)(d)(i) of the *Local Government Act 1993*, as outlined above.
3. That the correspondence and reports relevant to the subject business be withheld from access to the press and public in accordance with Section 11(2) of the *Local Government Act 1993*.

2a. Recommendations from Committee of the Whole

3. General Manager's Office

3.1 2007-2010 Management Plan (8747699)

To the Mayor and Councillors

Division: General Manager's Division

Department: Executive Office

Manager: Brian Weir – General Manager

Author: Paul Henderson – Manager Financial Services, Peggy Macquire – Management Accountant

Summary

Section 406 of the *Local Government Act 1993*, requires that before the end of each year, Council must adopt a Management Plan for the following year after it has been prepared and exhibited for a period not less than 28 days. In deciding on the final plan to be adopted, Council must take into consideration any submissions that have been made concerning the Draft Management Plan.

This report presents the Draft Management Plan and 2007/08 Budget to Council, along with any public submissions and changes that have been made since the Extraordinary Meeting on 15 May 2007. The report also reviews the works to be carried over to the next budget year and formally makes the annual rates and charges for the 2007/2008 financial year.

It should be noted that a complete set of new Draft Management Plan attachments have been included with this report due to the amendments and other new information that has been received since the original documents were reported to Council on 15 May 2007.

Recommendation

- 1. That Council resolves to increase rates by 3.4% as determined by the Minister for Local Government.**
- 2. That Council adopt:-**
 - **The Management Plan**
 - **The Strategic Plan**
 - **The Operational, Balance Sheet, Capital Works and Asset Maintenance/Replacement Budgets**
 - **The Revenue Policy**
 - **The Fees and Charges**
 - **The Statutory New Items totalling \$232,000**
 - **The Essential "A" New Items totalling \$359,375**
 - **The Donations Working Party allocation be increased by \$8,500 (total \$20,000)**
 - **The Southern Stars contribution be increased by \$2,000 (total \$10,000)**

- A one off allocation of \$5,000 towards the 40th Anniversary of the 1967 Referendum
- A one off allocation of \$5,000 towards the 50th Anniversary of NAIDOC
- A \$50,000 allocation towards Council's 150th Anniversary

as set on 15 May 2007, plus the following changes:

- The amendments to the Capital Works and Asset Maintenance/Replacement programs as detailed later in this report.
- The amendments to the Fees and Charges document as detailed later in this report.
- Additional rating income of \$125,398 associated with - adopting the maximum ratepegging percentage (3.4%) as set by the Minister and additional land values received from the Valuer General, which have been added to Council's rate base.
- The National Poetry Week Grant (\$1,500), as reported to Council on 17 April 2007.
- The Warilla Out of Hours Youth Project grant (\$70,000), as reported to Council on 12 June 2007.
- Councillor fees to increase by 4% to \$14,540 per annum from 1 July 2007, as recommended by the Local Government Remuneration Tribunal.
- The Mayoral fee to increase by 4% to \$31,740 per annum from 1 July 2007, as recommended by the Local Government Remuneration Tribunal.

This will result in an overall unrestricted cash deficit of \$74,251.

3. That the works (\$54,000) and sportsfield (\$90,000) ward funds be allocated by a ward basis in this budget.
4. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point three two eight five eight cents in the dollar (0.32858) and a Base Amount of two hundred and twenty seven dollars and forty cents (\$227.40) per assessment in accordance with section 537 of the Local Government Act 1993 on all rateable land in the City of Shellharbour categorised as "RESIDENTIAL" in accordance with Section 516 of the *Local Government Act 1993* be now made for the period 1 July 2007 to 30 June 2008 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "RESIDENTIAL".

Further that the percentage of the base amount, pursuant to Section 500 of the *Local Government Act 1993* is twenty five percent (25%) of the total amount payable by the levying of the rate.

5. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two six six four zero cents in the dollar (0.26640) per assessment on all rateable land in the City of Shellharbour categorised as "FARMLAND" in accordance with Section 515 of the *Local Government Act 1993* be now made for the period 1 July 2007 to 30 June 2008 and in accordance with section 543(1) of the *Local Government Act*, this rate be named "FARMLAND".
6. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two five nine nine three cents in the dollar (0.25993) per assessment on all rateable land in the City of Shellharbour categorised as "BUSINESS" in accordance with Section 518 of the *Local Government Act 1993* except all rateable land in the City of Shellharbour determined to be in the business sub-category "GENERAL" be now made for the

period 1 July 2007 to 30 June 2008 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "NON-URBAN".

7. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point six nine six eight five cents in the dollar (0.69685) per assessment on all rateable land in the City of Shellharbour used or zoned for professional/commercial trade or industrial purposes and determined to be a centre of activity and categorised as "BUSINESS" in accordance with Section 518, sub category "GENERAL" in accordance with section 529(1) of the *Local Government Act 1993* be now made for the period 1 July 2007 to 30 June 2008 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "BUSINESS GENERAL".
8. That a Domestic Waste Service Charge and a Business Waste Service Charge of:
 - i) \$205.00 per annum per 240 litre bin per fortnightly service;
 - ii) \$300.00 per annum per 240 litre bin per weekly service;
 - iii) \$160.00 per annum per 120 litre bin per fortnightly service;
 - iv) \$235.00 per annum per 120 litre bin per weekly service, and;
 - v) \$55.00 per available service (vacant land)be now made for the period 1 July 2007 to 30 June 2008 in accordance with Section 496 of the *Local Government Act 1993*.
9. That a high-density bulk recycling (weekly) service charge of one hundred and seven dollars and fifty cents (\$107.50) per bin per annum be now made in accordance with section 501 of the *Local Government Act 1993*.
10. That a high-density bulk recycling (fortnightly) service charge of fifty four dollars (\$54.00) per bin per annum be now made in accordance with section 501 of the *Local Government Act 1993*.
11. That a high-density bulk waste (weekly) service charge of one hundred and seventy dollars (\$170.00) per bin per annum be now made in accordance with section 501 of the *Local Government Act 1993*.
12. That a Stormwater Management Service Charge of:
 - i) \$25 per residential assessment per annum
 - ii) \$12.50 per residential strata unit per annum
 - iii) \$25 per 350m² (or part thereof) per business assessment per annum capped at a maximum charge of \$150
 - iv) Business Strata Lots – pro rata per unit of business calculation per annum be now made for the period 1 July 2007 to 30 June 2008 in accordance with section 496A of the *Local Government Act 1993*.
13. That a rate of ten percent per annum (10% p.a.) accruing daily on rates and charges that remain unpaid after they become due and payable be now set for the period 1 July 2007 to 30 June 2008 in accordance with Section 566 of the *Local Government Act 1993*.
14. That the amount of new loan borrowing application be \$1,000,000 with \$1,000,000 to be borrowed if required from recognised banking institutions secured by a mortgage over Council's consolidated fund income.

15. That Council adopt the projects to be carried over as detailed in the report and listed on Attachment 1 totalling \$4,793,249.
16. That the public submissions made, be received taken into consideration and noted.

Background

At its Extraordinary Council meeting held on 15 May 2007, Council decided to place its Draft Management Plan and 2007/08 Budget on public exhibition. The period of public exhibition commenced on Monday 21 May 2007 and concluded at the close of business on Tuesday 19 June 2007. It is a requirement of the *Local Government Act* that Councils place their Draft Management Plans on exhibition for at least 28 days.

Public Submissions

Council has received a total of 5 written submissions and 1 by delegation regarding the 2007/10 Management Plan. One written submission and the delegation were received during the exhibition period, whilst the remainder were received prior to the exhibition period. Copies of the 5 written submissions received have been included as attachments to this report.

1. Shellharbour Streetscape

2 letters have been received regarding the Shellharbour Streetscape project. 1 letter was received during the exhibition period discussing strong opposition regarding any diversion of funding for this project to any other project in the 2007/08 budget.

The recommendation in this report does not include any change to the proposed allocation for the Shellharbour Streetscape project in the 2007/08 Capital Works budget.

The second letter, which was received before the commencement of the exhibition period, discusses the importance of the streetscape funding in Shellharbour Village. Included in the letter are examples of what works the funding could be used for.

2. Rating Structure

A letter was received prior to the Draft Management Plan exhibition period requesting Council consider changing the current rating structure, primarily, the level of the base rate. The letter discusses how an increase in the base rate up to 50% would help offset large increases in land valuations that have occurred in certain areas of our City over recent years.

A response has been sent advising that an increase in the base rate from its current level would result in the higher valued properties in our City contributing proportionately less to the overall rating income received by Council, whilst the lower valued properties would contribute a higher proportion. It was also detailed in the response that the level of rating income received by Council doesn't vary when the base rate is changed, however the final decision on the level of the base rate rests with Council.

3. Warilla Neighbourhood Centre

The Warilla Information and Neighbourhood Centre Committee have submitted a letter requesting consideration be given to increasing Council's annual donation to their organisation. The current donation is \$12,000, which the centre utilises for the employment of an Assistant

Youth Worker plus other administration costs. An increase of 10% in this donation has been requested which would take the annual figure to \$13,200.

The Group Manager, Community Services & Development has made the following comment regarding this request, " The Warilla Information and Neighbourhood Centre is the only centre in our City that receives direct funding for youth initiatives from Council. It is hard to recommend an increase in Council's annual donation to this centre, when other centres in our City operate without any assistance from Council."

4. Australian Volunteer Coast Guard Association

The Australian Volunteer Coast Guard Association have submitted a letter requesting funding of \$3,000 per year which would be put towards offsetting their annual fuel costs.

5. Illawarra Pipe Band

The Illawarra Pipe Band tendered a letter and a delegation in support of the band's request for assistance with hire of a Council venue for their practice meetings. The band has offered to provide performances for several Council functions each year, as part payment in kind. The nett value of fee - relief assistance requested by the band is estimated at \$2,600 per year.

Fees and Charges

1. Deposited Plan Printing and 88B Instrument Printing

Page 85 of the original Draft Fees and Charges document gave the fee charged for Deposited Plan Printing as \$6.00 (GST inclusive) and the fee charged for 88B Instrument Printing as \$6.00 (GST inclusive). Council has just received confirmation that we are no longer able to sell Deposited Plans or 88B Instruments to the public. Council's Corporate Solicitor has advised that the documents primarily belong to the Land and Property Information Service (LPI) and, therefore, the public will need to seek copies of these from the LPI.

2. Rates

Council's valuation register has now been finalised with all new land values being added. After factoring in a 3.4% ratepegging increase as determined by the Minister, the following rates will apply.

Rate Category	Base Rate (25%)	Ad-Valorem Amount
Residential	\$227.40	0.32858 cents in the \$
Business	n/a	0.69685 cents in the \$
Non – Urban	n/a	0.25993 cents in the \$
Farmland	n/a	0.26640 cents in the \$

A large number of new land values were received from the Valuer General recently, which have been added to Council's rate base since Council met on 15 May 2007 to consider the Draft Management Plan. These additional rateable properties have resulted in an increase in the rate yield for next year. When combined with the extra 0.1% (3.3% rate increase originally factored into Draft Management Plan), an additional \$125,398 of rate income has been added to our operational budget.

Page 86 of the fees and charges document contains all information including the above table on the proposed rates for 2007/08.

3. Overdue Rates

Page 86 of the Draft Fees and Charges document gives the interest rate charged on overdue rates as 9.0 per cent per annum. Council has received notification that the amount by which interest on overdue rates shall be increased for the 2007/08 year in accordance with the provisions of Section 566(3) of the Local Government Act, 1993 is **10.0 per cent** per annum.

Old Fee	New Fee
9.0%	10.0%

4. Kerb and Guttering

Page 61 of the Draft Fees and Charges document outlines the fees for Kerb and Guttering resident contributions. A further review of the calculations for the construction of Kerb and Gutter works has resulted in the costs being adjusted down to \$135 per linear metre. The amount in the fees and charges for kerb and gutter equating to 50% of the construction costs should be changed from \$102 per linear metre to \$67.50 per linear metre.

A review of the construction costs for a 100mm thick concrete footpath has resulted in a downward adjustment to the expected cost to \$62 per square metre. The amount in the fees and charges for 100 mm thick footpath equating to 50% of the construction costs should be changed from \$83 per square metre to \$31 per square metre.

	Old Fee (incl GST)	Proposed New Fee (incl GST)
Kerb and Guttering -		
Fees equate to 50% of total construction cost		
Concrete kerbing and guttering-straight-per metre	\$102.00	\$67.50
Concrete kerbing and guttering-returns-per metre	\$102.00	\$67.50
Concrete mountable type kerbing 450mm wide at Vehicular crossing –per metre	\$102.00	\$67.50
Concrete perambulator ramp-per metre	\$102.00	\$67.50
Footpaths -		
Fees equate to 50% of total construction cost		
100mm. Concrete footpaths-per square metre	\$83.00	\$31.00

Operational Budget

The Operational Budget paper has been amended to include the following changes as detailed in the recommendation of this report:

- The Donations Working Party allocation be increased by \$8,500 (total \$20,000)
- The Southern Stars contribution be increased by \$2,000 (total \$10,000)
- A one off allocation of \$5,000 towards the 40th Anniversary of the 1967 Referendum
- A one off allocation of \$5,000 towards the 50th Anniversary of NAIDOC
- A \$50,000 allocation towards Council's 150th Anniversary

- Additional rating income of \$125,398 associated with adopting the maximum ratepegging percentage (3.4%) as set by the Minister and additional land values received from the Valuer General, which have been added to Council's rate base.
- The National Poetry Week Grant (\$1,500), as reported to Council on 17 April 2007.
- The Warilla Out of Hours Youth Project grant (\$70,000), as reported to Council on 12 June 2007.
- Councillor fees to increase by 4% to \$14,540 per annum from 1 July 2007, as recommended by the Local Government Remuneration Tribunal.
- The Mayoral fee to increase by 4% to \$31,740 per annum from 1 July 2007, as recommended by the Local Government Remuneration Tribunal.

There have been also further refinements carried out in the coding of the Key Activities in the Operational Budget document. In Key Activity Area 1 – Environment, “Environmental Enhancement Projects” has been replaced with “Environmental Management”. “Drainage and Stormwater Management” has been renamed “Drainage Management” and new key activity codes of “ Stormwater Management” and “Sustainability” have been added.

In Key Activity Area 3 – Economy, new key activity codes have been set up for “Shellharbour Beachside Tourist Park” and “Classified Roads”.

There have been some minor movements in the totals of the effected Key Activity Codes in the Operational Budget as a result of these changes.

An updated Operational Budget is included as an attachment to this report.

Capital Works Budget

There have been some changes to the Capital Works budget with respect to the Stormwater Service Charge program. The Pur Pur Bay Swimming Area allocation has been increased by \$25,000 because it was determined that additional maintenance is required after the formulation of the draft program. A reassessment of priorities has also identified additional works to be carried out at Myimbarr. These inclusions have been offset with the deletion of the Madigan Boulevard and Industrial Road Stormwater Improvements works originally listed. The overall funding total of the Capital works budget has not changed. An updated Capital Works budget is included as an attachment to this report.

Asset Maintenance / Replacement Program

The Asset Maintenance / Replacement Program has increased by \$1,251 to \$1,293,717 as a result of the recommendation of this report to take the maximum rate increase percentage as allowed by the Minister, that is, 3.4% into our budget. There have also been some changes to the works listed in the program. This has occurred as Council's Conquest Asset Management system is constantly being updated with fresh field data including any maintenance and capital expenditure along with condition ratings on individual assets. This results in the changing of priorities for works to be completed. An updated Asset Maintenance/Replacement program is included as an attachment to this report.

Works to be carried over

Each year there are projects that overlap the June 30 financial year-end. Some projects are work in progress, whilst others are deferred for specific reasons beyond Council's control.

Listed below are Council approved projects that will be carried over and finalised in the next financial year. Most of these projects are fully funded by either grants, Section 94 contributions, or restricted assets and some are funded by general revenue. Both the funding and the obligation to complete the work, are carried over to the new year.

The carry over from one financial year to the next is purely a matter of construction program timing. All allocations for jobs to be carried over which are funded from general revenue will be restricted as at 30 June 2007 and brought into the 2007/08 Budget as a restricted asset at the September Quarter Budget Review, once the 2006/07 financial year is closed and final project balances determined. This ensures that the year-end result for this year is not positively inflated due to these unexpended carry over works. When the jobs are revoted next year there will also be no effect to the bottom line with the funding coming from restricted assets.

Therefore additional funds are not being sought and the inclusion of these projects will not be detrimental to Council's overall financial position at the end of 2008.

A total of one hundred and nineteen projects from all sections of Council will need to be carried over from this financial year to the 2007/08 year. These have been identified along with comments on the following list. Attachment 1 also lists these projects including their funding sources.

Group Manager Development and Technical Services

- | | | |
|----------|--|----------------|
| 1 | Road Safety Back To School Program | \$7,329 |
| | This is an ongoing RTA grant funded program. Unexpended grant funds need to be carried forward to the new budget year. | |
| 2 | Road Safety Strategic Plan | \$5,056 |
| | This is an ongoing IPWEA grant funded program. Unexpended grant funds need to be carried forward to the new budget year. | |
| 3 | Koori Mentoring Program | \$4,244 |
| | This relates to unexpended grant funds that will be spent in the next financial year. | |
| 4 | Bike Week Road Safety Program | \$857 |
| | This relates to unexpended RTA grant funds that will be spent in the next financial year. | |
| 5 | Graduated Licencing Scheme Workshops | \$1,073 |
| | This relates to unexpended RTA grant funds that will be spent in the next financial year. | |
| 6 | Log Book Run Road Safety Program | \$514 |
| | This relates to unexpended RTA grant funds that will be spent in the next financial year. | |

7 Shellharbour Motorised Wheelchair Guide \$2,000

This relates to unexpended RTA grant funds that will be spent in the next financial year.

8 Senior Motorised Wheelchair Workshop \$2,000

This relates to unexpended RTA grant funds that will be spent in the next financial year.

9 Senior Road Safety Strategy Grant \$5,000

This relates to unexpended RTA grant funds that will be spent in the next financial year.

Group Manager Works and Services**10 Shellharbour Streetscape \$74,035**

This work is ongoing and any residues from this year's program will have to be rolled over into the 2007/08 Works Program.

11 Lake Illawarra Foreshore – Stage 1 Pur Pur Bay \$24,867

This is a Section 94 project. These funds were set aside to cover material costs associated with the relocation of the Reddall Reserve Cycleway away from the Norfolk Pine Trees using an L.I.A. Work for the Dole Scheme. Due to concerns re possible congestion on the recreational cycleway on the foreshore, the traffic section is investigating an on-road cycleway along this section of Reddall Parade. The project has been delayed as a result of a Councillor site visit.

12 Ward C Traffic Facility – Various \$12,506

This allocation remains uncommitted at this stage and will be used to match future RTA grants for new traffic facilities in Ward C.

13 Barrack Point Shared Use Path \$5,092

The completion of several gaps in stage 1A of the Barrack Point cycleway has been delayed while several developments are finalised at these locations. These missing links will be completed in conjunction with the Barrack Point Shared Use Path Stage 2 project. The project has also been delayed as a result of the Foreshore Management Plan Public Exhibition.

- 14 Fence Culvert at Beverley Avenue** **\$8,000**
- This project is still under investigation and due to a lack of design resources to evaluate flood impacts, this project will need to be rolled over into the next financial year.
- 15 John Street Drainage Works** **\$96,905**
- This project was delayed to enable the R.T.A. funded traffic facility projects that were approved at the Council Meeting on the 22 May 2007 to be completed by the end of the financial year in accordance with the grant conditions. The delay was also a result of the lack of design resources.
- 16 Glider Avenue / Parma Way Roundabout** **\$29,825**
- This work is reliant on R.T.A. funding. At this stage, no R.T.A. funding has been offered to match Council's funds. There is also a lack of 2006/07 matching funds available in Ward F.
- 17 Pur Pur Bay Swimming Area Stormwater Improvement Program** **\$3,767**
- This project is exclusive to the Stormwater Management Service Charge Program and any funds remaining should be carried over to next year's program. This work is programmed to commence prior to 30 June and work on the installation of the new gross pollutant traps will be ongoing into the next financial year.
- 18 Andrew Park Amenities Building** **\$85,000**
- Development consent has recently been given to this project but the construction work will be ongoing into the next financial year. The project has been delayed as a result of a lack of design resources.
- 19 Terry Street / Church Street, Albion Park Intersection** **\$141,162**
- This project is being part funded from the 2006/07 and the 2007/08 budgets. Work on the water main relocation has been delayed due to the unavailability of fittings. At this stage, this component of the work is programmed to be completed in the July school holidays.
- 20 Entry Threshold Leawarra Avenue Warilla** **\$16,297**
- This project is scheduled to be completed in the July school holidays due to the requirement of the temporary road closure of Leawarra Avenue to facilitate the construction of a concrete threshold at this location.

21	Princes Highway Albion Park Rail – Drainage & Kerb & Gutter (Kimbeth)	\$41,769
	<p>This project is being part funded from the 2006/07 and the 2007/08 budgets. Work on the drainage augmentation work will begin in June and will be substantially completed by 30 June. Some funds will have to be rolled over into the 2007/08 program.</p>	
22	Barrack Point Shared Use Path Stage 2	\$150,000
	<p>This stage of the Barrack Point Cycleway has been delayed to enable the consultation process for the Shellharbour City Foreshore Landscape Master Plan to be completed. Work on this section of the cycleway will commence early in the next financial year.</p>	
23	Roads To Recovery – Calderwood Road	\$13,000
	<p>This funding was set aside to fund the land acquisition costs associated with the realignment of a section of Calderwood Road. This process is under way but the funding will not be required until next financial year.</p>	
24	Ward Grant Matching	\$21,650
	<p>The residue funds in this allocation will need to be transferred into the new financial year.</p>	
25	Ward Fund Allocations-Works & Sportsfields	\$242,868
	<p>Council has not approved projects that might be funded from these allocations. The residue funds in each ward will need to be transferred into the 2007/08 Budget.</p>	
26	Komatsu WA250 Loader	\$59,000
	<p>The remaining balance on this item is required to be carried over to the next budget year to fund the purchase of other associated plant.</p>	
	<u>Manager Assets</u>	
27	Albion Park Streetscape	\$433,366
	<p>This job has been delayed to allow finalisation of various design constraints. Further work is proposed early in the new financial year.</p>	
28	Oak Flats Streetscape	\$267,770
	<p>This project has been ongoing. Further work is programmed in</p>	

the new financial year once design details are available.

29 Ward F Playground Equipment \$30,000

The preferred location of new playground equipment in Ward F has not been finalised. An overall review of playground locations within our city is being considered as part of the Cultural and Recreational facilities review of our Section 94 Contributions Plan.

30 Mount Warrigal Reserve \$51,610

This project was delayed to allow preparation of the Bushfire Management Plan for the reserve. This was completed and adopted by Council in December 2006. A draft plan of the proposed work has been prepared and is currently being reviewed. Final design plans will be available to allow construction in the new financial year.

31 Passive Recreation Embellishment Works \$86,172

This is a Section 94 project. A concept of works has been prepared which will allow final design works to be prepared. Construction will commence early in the new financial year.

Manager Design

32 Elliott Lake Floodplain Management Study \$95,306

This project is partly grant funded. Funds are required on an ongoing basis.

33 Horsley Creek Flood Study \$50,000

This project is partly grant funded. Funds are required on an ongoing basis.

34 Macquarie Rivulet Flood Study \$50,000

This project is partly grant funded. The funding is required to continue the Macquarie Rivulet flood study. Council has a statutory responsibility to plan and manage flood prone land in accordance with its flood susceptibility and the NSW Government's flood prone land policy. The flood study is required to ensure Council complies with its statutory responsibilities.

35 Horsley Creek Floodplain Risk Management Study \$15,000

This project is partly grant funded. The funding is required to continue the Horsley Creek Floodplain Risk Management

study. Council has a statutory responsibility to plan and manage flood prone land in accordance with its flood susceptibility and the NSW Government's flood prone land policy. The floodplain risk management study is required to ensure Council complies with its statutory responsibilities.

36 Bensons / Tongarra Creek Flood Study \$7,559

This project is partly grant funded. The funding is required to continue the Bensons / Tongarra Creek Flood Study. Council has a statutory responsibility to plan and manage flood prone land in accordance with its flood susceptibility and the NSW Government's flood prone land policy. The flood study is required to ensure Council complies with its statutory responsibilities.

Group Manager Customer & Environmental Services

37 Waste Depot Site Management Plan Revision \$84,894

The Waste Depot Site Management Plan Revision project has \$84,894 remaining from the original \$100,000 budget allocation. It is requested that the full remaining balance be carried over to next financial year to allow for the completion of the review. The SMP revision is a staged process requiring multiple interdependent consultancies. The first of these consultancies is nearing completion and the information gained will be used to prepare the revised SMP in the new financial year. This item is funded 40% from the Domestic Waste Management Restriction and 60% from General Revenue.

38 Centenary Field Multi-Purpose Indoor Facility \$70,643

This allocation is Council's contribution to the building extensions, which are being carried out by the Albion Park RLFC. Construction has not been completed and residue funds will have to be carried over to the next financial year.

39 Amenities Building – Village Green, Flinders \$2,034

This project is partly funded from Section 94 contributions. Residue funds will have to be carried over to the next financial year.

Group Manager Corporate Services

40 Software Development & Consultancy \$23,720

This annual allocation for the development of Council's software systems will be partly unspent as at June 30. It is

recommended that \$23,720 be carried over to partly fund the development of software systems next financial year.

Group Manager Planning Services

- | | | |
|-----------|---|------------------|
| 41 | Forward Planning – Consultants | \$47,945 |
| | These funds will be used to progress the development of a new Comprehensive LEP as required by NSW Department of Planning. Consultants have been appointed and invoice payments may be made prior to the end of the financial year. | |
| 42 | Urban LEP & DCP – Consultants | \$5,272 |
| | These funds will be used to progress the development of a new Comprehensive LEP as required by the NSW Department of Planning. Consultants have been appointed and invoice payments may be made prior to the end of the financial year. | |
| 43 | LEP Review & Consolidation | \$112,000 |
| | This money has been received from Department of Planning to assist in the preparation of a new Comprehensive LEP as required by the NSW Department of Planning. The full amount will have to be rolled over into next year's budget. | |
| 44 | Retail, Commercial & Employment Lands Review | \$34,500 |
| | This money has been received from Department of Planning to assist in the preparation of a new Comprehensive LEP. Consultants have been appointed and invoice payments may be made prior to the end of the financial year. | |
| 45 | Shellharbour City Heritage Study – Consultants | \$20,335 |
| | Council has engaged an independent consultant to undertake a comprehensive heritage study of the LGA. The study has progressed well but will continue into the next financial year. | |
| 46 | Urban Fringe LEP – Consultants | \$5,556 |
| | This allocation is used to pay consultants undertaking work for the LES. The project has progressed well but will continue into the next financial year. | |
| 47 | Urban Fringe LEP – Contributions / Donations | \$17,150 |
| | This allocation was provided to Council by individual landowners and is to be rolled over to next year's budget to be used to finalise the development of the Urban Fringe LES. | |

48 Transport Planning \$3,796

This allocation is required to be carried over to next year's budget as it has been committed to pay consultants who have been engaged.

49 City Centre Urban Design / DCP Studies \$4,750

These funds have been allocated to review the City Centre DCP. Consultants have been appointed and invoice payments may be made prior to the end of the financial year.

50 S117(2) State Significant Minerals Review \$19,254

This money has been received from Department of Planning and is needed to continue funding the review of state significant mineral resources extraction boundaries. Shellharbour City Council, Department of Planning and Kiama Municipal Council are all involved in this project.

51 City Centre Improvement Works \$90 450

These funds have been received from Department of Planning and are to be used to complete improvement works in the City Centre in accordance with the City Centre Entry Master Plan. This Master Plan is currently under review. Work on this project cannot commence until the City Master Plan Review has been finalised.

Manager Environment & Recreation**52 Environmental Projects Support \$2,990**

Council is waiting on delivery of rainwater tanks before this funding can be finalised.

53 Oak Flats High School Environmental Project \$1,132

This project has not been implemented by the school. Funds have been reallocated as part of Council's contribution towards the Department of Natural Resources' grant for Bass Point and Shallows reserve upgrade. This grant was accepted by Council on 22 May 2007.

54 Grey Street Community Reserve Care Group \$1,401

This project has been completed under budget. Funds have been reallocated as part of Council's contribution towards the Department of Natural Resources' grant for Bass Point and Shallows reserve upgrade. This grant was accepted by Council on 22 May 2007.

55	Shellharbour Reserve Management Plan	\$40,996
	This project is part grant funded. Council is awaiting approval of an updated Foreshore Management Plan by the Department of Environment and Climate Change (DECC). \$10,100 is to be reallocated as part of Council's contribution to the Department of Natural Resources' grant for Little Park Reserve Lighting. This grant was accepted by Council on 22 May 2007.	
56	Elliot Lake – Floatable Litter Study	\$3,500
	These are unexpended grant funds. The project will be finished next financial year.	
57	Elliot Lake – Design Stormwater Treatment	\$10,000
	This is a grant funded project. Council is awaiting study results before being able to identify the highest priority project.	
58	Elliot Lake – DCP For Bank Stabilisation	\$20,000
	This is 50% grant funded. Council is waiting on the consultant's report.	
59	Lake Illawarra Stormwater Management Plan	\$70,775
	Council is waiting on consultant's studies before further implementation work can proceed.	
60	Elliot Lake – Geotechnical Analysis of Fill	\$18,464
	This is a part grant funded project. The project is unable to be completed as further grant matching funds are to be obtained in the 2007/08 budget.	
61	Elliot Lake – Vegetation Management Plan	\$7,500
	This is a part grant funded project. The project is unable to be completed as further grant matching funds are to be obtained in the 2007/08 budget.	
62	Minnamurra Estuary Management Committee	\$2,000
	These funds are to be carried over and reallocated next financial year to match grant funds for the Bass Point and Shallows project.	
63	Environmental Control – Consultants	\$13,417
	Consultant studies have been commenced but due to unforeseen delays final reports will not be submitted until at least August 2007. Funds to be rolled over are \$13,417.	

64	Environmental Control – General Expenses	\$1,156
	These funds are to be carried over and reallocated next financial year as part of Council's contribution towards the Department of Natural Resources' grant for the Bass Point and Shallows reserve upgrade. The grant was accepted by Council on 22 May 2007.	
65	Environmental Control – Materials	\$5,059
	Calico bags have been ordered however production and delivery have been delayed. Bags are expected to be delivered in August 2007. Funds to be rolled over are \$5,059.	
66	Bushfire Management Planning Project	\$4,312
	This project is part grant funded. These funds are to be carried over and reallocated next financial year as part of Council's contribution towards the Department of Natural Resources' grant for the Bass Point and Shallows reserve upgrade. The grant was accepted by Council on 22 May 2007.	
67	Management of Zieria Granulata – Shell Cove	\$10,000
	This project is grant funded. Funds are required for on ground works. A consultant is currently preparing a management plan.	
68	Bensons Creek Bank Stabilisation	\$14,875
	This project is due for completion by 30 June 2008.	
69	Bush Regeneration Training	\$28,406
	This project is due for completion by 30 June 2008.	
70	Landcare Coordinator	\$2,500
	These funds are to be carried over and reallocated next financial year as part of Council's contribution towards the Department of Natural Resources' grant for the Bass Point and Shallows reserve upgrade. The grant was accepted by Council on 22 May 2007.	
71	Landcare Illawarra Resource Centre Project	\$2,500
	These funds are to be carried over and reallocated next financial year as part of Council's contribution towards the Department of Natural Resources' grant for the Bass Point and Shallows reserve upgrade. The grant was accepted by Council on 22 May 2007.	

- 72 Stormwater Management – Public Education \$16,500**
- Resources have been focused on completing a catchment study of Lake Illawarra Catchments and developing a comprehensive Water Quality strategy for the city. This has meant that only preliminary discussions have been held with consultants to develop a comprehensive Stormwater Education Strategy. A suitable consultant is yet to be engaged. Stormwater education has however been delivered throughout the year utilising school visits, displays and community workshops that have been funded from other allocations. A comprehensive education strategy and resources program will be developed in the 2007/08 financial year.
- 73 Stormwater Management – Stormwater Monitoring \$9,588**
- The sampling program has been developed. The automatic monitoring equipment has been purchased and should be installed by July 2007.
- 74 Upgrade Fire Trail Croom Reserve \$2,000**
- This project is funded from the Department of Transport and Regional Services. Work can only be conducted between November and March each year. Work has been scheduled for completion by December 2007.
- 75 Croom Voluntary Conservation Area \$43,756**
- Work is unable to be commenced until amendments are made to the VCA and Plan of Management (POM). The Bushfire Management Plan recommended actions that were inconsistent with the VCA and POM. The amended documents are currently with DEC for approval.
- 76 Elliot Lake Bank Stabilisation \$116,336**
- This project was originally delayed pending completion of work on extending the rock groyne. Council is currently waiting on the design for stabilisation work from the consultant. Once the design is received, Integrated Development Consent is required prior to commencement of work.
- 77 Environmental Quality Monitoring Equipment \$3,170**
- This is a Section 94 project. Automatic water quality monitoring equipment has been purchased and delivered to Council. Enclosures for the equipment have been ordered but are not expected to be received until August 2007. Funds to be rolled over are \$3,170.

78 Water Savings Plan Implementation \$13,266

Funds have been fully allocated to projects, however unexpected delays have been encountered in the delivery of rainwater tanks. Tanks have been ordered but delivery is not expected until July 2007. Funds to be rolled over are \$13,266.

79 Elliot Lake Groyne Extension \$41,245

This project was completed under budget. The balance of funds are to be carried over and reallocated to stabilisation works in the estuary. This project is partly grant funded.

80 Nursery 48,000 Litre Rainwater Tank \$7,000

Funds have been fully allocated, however unexpected delays have been encountered in the delivery of rainwater tanks. Tanks have been ordered but delivery is not expected until July 2007. Funds to be rolled over are \$7,000.

81 Department of Natural Resources – Coastal Management Program \$209,300

At the Ordinary Council Meeting dated 22 May 2007, Council resolved to accept a Coastal Management Program Grant of \$209,300 from the Department of Natural Resources and amend the budget accordingly. These unexpended grant funds will have to be carried over to the next financial year.

Manager Compliance**82 Dog Pound \$247,374**

This is a Section 94 project. Council has an agreement with the RSPCA which is due to be finalised in the 2007/08 financial year.

Manager LGIS**83 Geographic Information System \$8,500**

These funds were provided to Council by the NSW Department of Planning. Work on the reporting mechanism that the department requires is not yet completed and may require funding if we need to get external consultants to produce the report.

Group Manager Community Services & Development**84 Aboriginal Heritage Interpretation Project \$42,706**

The unexpended grant funds for the Aboriginal Heritage Interpretation Project is required to be carried over to the 2007/08 financial year. A staff vacancy has delayed the completion of this project.

85 Looking Back Moving Forward Project \$2,179

The unexpended grant for the Looking Back Moving Forward Project is required to be carried over to the 2007/08 financial year. The grant funding year does not correspond to the financial year so unexpended funds need to be rolled over.

86 Communities For Children \$79,811

This is a three year project grant. Unexpended funds are required to be carried over to the 2007/08 financial year.

87 Social Planner \$4,900

Salary savings are required to be carried over as consultants will be needed to undertake specialised work in 2007/08.

88 Community Worker Shell Cove Community Centre \$7,191

This represents unexpended contributions from Australand for the Community Worker at Shell Cove Community Centre. Unexpended funds are required to be carried over to the 2007/08 financial year.

89 Shell Cove Day In The Park \$446

This project is fully funded by community contributions. Unexpended funds are required to be carried over to the 2007/08 financial year.

90 Illawarra Community Safety Week \$3,678

These are unexpended contributions for Illawarra Safety Week that are required to be carried over to the 2007/08 financial year. Funds are being held on behalf of donating Councils.

91 Illawarra Regional Community Drug Action Team \$500

These are unexpended funds required to be carried over to the 2007/08 financial year. Council manages these funds on behalf of the Illawarra Regional Community Drug Action Team.

92	Safer City – Koori Tracks Project	\$286
	This represents unexpended grant funds from the NSW Attorney General's Department Safer Communities Compact. The funds are required to be carried over to the 2007/08 financial year to fund the Koori Tracks Project.	
93	Never Again Anti-Burglary Program	\$8,080
	The unexpended grant for the Never Again Anti-Burglary Program is required to be carried over to the 2007/08 financial year. This is an ongoing program funded by NRMA Insurance.	
94	Good Neighbour Scheme	\$22,495
	The unexpended grant for the Good Neighbour Scheme is required to be carried over to the 2007/08 financial year. This is an ongoing program funded by NRMA Insurance.	
95	Good Sports Program	\$7,169
	The unexpended grant for the Good Sports Program is required to be carried over to the 2007/08 financial year. This is an ongoing program funded by the Australian Drug Foundation and Kiama Council.	
96	Shellharbour City Liquor Accord	\$2,849
	Unexpended funds are income from Accord members' subscriptions and are required to be carried over to the 2007/08 financial year to be applied to the operation of the Accord.	
97	Warilla Youth Connect	\$2,253
	The unexpended grant for the Warilla Youth Connect Program is required to be carried over to the 2007/08 financial year. These are grant funds from the Federal Government used to run the program.	
98	Albion Park Enhancement	\$5,569
	These funds were allocated at the Ordinary Council Meeting dated 28 November 2006 for remedial measures to be undertaken by Community Services and Development to achieve a continuously safe environment for all users of the precinct. The project has not been completed so funds need to be carried over to the 2007/08 financial year.	

Manager Youth Services**99 Youth Program Specific Projects \$12,109**

The unexpended grant funds for the Better Futures Youth Program need to be rolled over to the 2007/08 financial year.

100 Warilla Youth Network After Hours Extension \$7,493

The unexpended grant funds for this project need to be rolled over to the 2007/08 financial year. Because of the timing of the initial funding approval, the project commenced later than expected and did not correspond with the financial year.

Manager HACC Services and Development**101 Disability Advisory Committee \$3,745**

Unexpended funds are required to be carried over for the Disability Advisory Committee expenses and for staff training for 2007/08.

102 Disabilities Strategic Plan \$11,612

This money needs to be carried over because it is committed for expenditure in the next financial year according to the Disabilities Strategic Plan. The priority list for action is being progressed.

103 Dementia Program – Capital Replacement \$3,306

Depreciation amount is required to be rolled over for capital replacement as per DADHC instructions.

104 Dementia Program – Furniture and Fittings \$2,313

Unexpended grant funds are required to be carried over to next financial year for the purchase of furniture and fittings.

105 HACC Neighbour Aid – Capital Replacement \$6,000

Depreciation amount is required to be rolled over for capital replacement as per DADHC instructions.

106 HACC Respite Worker – Capital Replacement \$4,000

Depreciation amount is required to be rolled over for capital replacement as per DADHC instructions.

Manager Community Transport**107 Community Transport Brokerage – Families First Program \$4,452**

The unexpended grant funds from the Community Transport Brokerage – Families First Program are required to be carried over to the 2007/08 financial year.

108 Community Transport Volunteer Training Grant \$1,866

The unexpended grant funds from this Volunteer Training Grant are required to be carried over to the 2007/08 financial year.

109 Warilla Bowls Contribution – Brokerage Scheme \$6,098

This is an unexpended contribution that is required to be carried over to next financial year to be spent on signage on the Community Transport buses.

110 Provision Secure Vehicle Garaging \$8,000

These are unexpended grant funds from the Department of Transport. Funds will be used next financial year for the relocation of the Community Transport buses.

Group Manager Organisational Development**111 Recognition and Rewards \$30,210**

Funds remaining in the Recognition and Rewards Program are required to be carried over to next year's budget.

Group Manager Corporate Planning**112 Economic Gardening Project \$104,323**

The Economic Gardening Project is being funded by an AusIndustry grant of \$123,150, Kiama Council contribution of \$10,000 and Shellharbour City Council's contribution of \$41,900 this financial year and \$10,000 in 2007/08. This project is continuing and an evaluation of the project's status will result in estimated expenditure at 30 June 2007 of \$70,727. Unexpended funds of \$104,323 are required to be carried over to next financial year so that the project can be completed.

113 IRIS Survey \$45,000

The IRIS Community Survey project was put on hold once we became aware that the Department of Local Government was

suggesting new strategic planning reporting requirements. Now that these requirements are known and Council has been advised, IRIS has completed the survey design but we are awaiting a date suitable to consult with the Councillors prior to survey field work commencing.

114 Illawarra Regional Airport Marketing \$61,000

This project was first brought onto Council's budget at the Council Meeting of 28 November 2006 (Minute No. 581 refers) following a successful grant application being made to the NSW Department of State and Regional Development (DSRD). The project was funded by a \$45,000 grant from DSRD, a \$10,000 contribution from Shellharbour Tourism and a \$35,000 allocation from grant matching funds. Expenditure to 30 June is anticipated to be approximately \$29,000 so \$61,000 is required to be carried over to next financial year so that the project can be completed.

115 Council Administration Offices \$332,000

This Section 94 project is continuing and, following discussions with the Group Manager Customer and Environmental Services, expenditure for the year ended 30 June 2007 is estimated to be \$126,000. \$332,000 is required to be rolled over to the 2007/08 budget year. Further reports on the full cost of this project and funding options will be presented to Council next financial year.

Manager Records and Document Management

116 Lamerton House Basement Refurbishment \$28,000

This project has been delayed to ensure that competitive quotes are obtained.

Manager Property Services

117 Tullimbar Residential Subdivision \$55,649

This project will be continuing in 2007/08. The Tullimbar property is an Operational-classified land parcel of Council which has been approved for residential subdivision. There has been no resolution of Council to develop the land, however, the money is required to undertake reports and studies and the like, to enable various development-related issues to be pursued and eliminate any impediments to future development of the land, to the benefit of Council's asset.

118 Bass Point Access Steps \$362

This allocation is unexpended funds received by Council under the Coastcare Program. Funds are required to be carried over to next financial year for repairs and maintenance to existing access steps, notably at Bushrangers Bay where the provided steps represent the only access down to the bay itself.

119 Shellharbour Links Development of Driving Range \$213,683

This budget allocation needs to be carried over to next financial year. It was not possible to start any works this year due mainly to the time the temporary Killalea access road was closed, not providing sufficient time to organise this work program.

Consultations**Internal**

Councillors
Directors
All Budget Responsible Officers

External

Placed on public exhibition as required by the *Local Government Act*.

Considerations**Financial/resources implications**

Operating Budget	-4,897,135	
Balance Sheet Budget	3,034,434	
Capital Works Budget	2,206,080	
Asset Maintenance & Replacement Program	1,293,717	<u>1,637,096</u>
<i>Less</i>		
Non Cash items	5,818,000	
Section 94 funded items	0	
Restricted Assets	(527,177)	
Loan Funded Items	0	<u>5,290,823</u>
<i>Add</i>		

Section 94 surplus	2,195,122	
Land Sale (60:40 policy)	0	
Domestic Waste Surplus	806,490	
Community Transport Surplus	134,991	3,136,603
Surplus before new items		(517,124)
Recommended New Items		591,375
Deficit		74,251
<i>It should be noted that the above deficit does not include the carry over projects. These will be included in the 2007/08 budget at the September Quarter Budget Review once the 2006/07 financial year is closed and final project balances determined.</i>		

The Management Plan and Budget are Council's major planning documents for the next 12 months. They determine the type and extent of services that we are to provide to the community.

Legal & policy implications

All legal requirements of the *Local Government Act* have been complied with.

Public/social impact

The Draft Management Plan was placed on public exhibition for a period of not less than 28 days as required by the *Local Government Act*.

Options

1. That Council adopt the recommendation.
2. That Council adopt some other recommendation.

Conclusions

The Management Plan and Budget are the culmination of many months' work. They represent our plans for the forthcoming financial year and the benchmark by which our performance will be measured.

The outstanding works to be carried over to the 2007/08 financial year are a direct result of the large number of projects being attempted across the City during the current year. Whilst every effort will be made to complete the outstanding works as quickly as possible, nonetheless it must be recognised that there are very valid reasons why the works have not been completed, as outlined in the earlier section of this report.

The 2007/08 budget year will be the second year of both our Asset Maintenance/Replacement program and Stormwater Service Charge program. The additional funding raised for both of these areas in the current budget year has enabled Council to address the funding shortfall that

has existed in these two areas for some time. Deteriorating asset infrastructure is an industry wide problem which all NSW Councils are currently facing. Council's recurrent annual program which is \$1.3 million next year, will help address our long term objective which is to bring all our infrastructure assets up to a satisfactory condition. The new State Government legislation introduced in the current budget year that allows Councils to raise charges to fund new or additional stormwater management services will see a further \$500k spent in this area in 2007/08.

The advertised Draft Management Plan and 2007/08 Budget, now presented for adoption, represents the combined efforts of Council staff and the Council in consultation with the community over several months. The result has been the formulation of a budget with not only next year, but also the next several years in mind. The recommendation in this report includes over \$56 million in expenditure for 2007/08. This figure will increase to over \$60 million once the final balances on carry-over works are determined. The adoption of the recommendation in this report I believe will see the continuation of this City's exciting, fully planned and sustainable development, whilst Council still remains in a sound financial position.

I commend the Management Plan and Budget for adoption.

Approved for Council's consideration:



Attachments All Under Separate Cover

1. Works to be carried over
2. Public Submissions
3. Draft Management Plan 2007-2010
4. Strategic Plan 2007-2018
5. Income Statement
6. Operational Budget
7. Balance Sheet Budget
8. Capital Works Budget
9. Asset Maintenance / Replacement Program
10. Draft Revenue Policy 2007/08
11. Fees and Charges 2007/08
12. New Items for 2007/2008

4. Late Items of Business / Urgent Business (as introduced by the Chairperson)