

AGENDA

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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

2. Pecuniary Interest

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

3. General Manager's Office

3.1 2008/2011 Draft Management Plan (8935564)

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 2008/09 Budget to Council, along with any public submissions and changes that have been made since the Extraordinary Meeting on 13 May 2008. 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 2008/2009 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 13 May 2008.

Recommendation

1. 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 New Items categorised as “Statutory” totalling \$95,000**
- **The New Items categorised as “Essential” totalling \$467,760**
- **New Item No. 89 - Increased funding for Tourism Shellharbour - \$25,000**

- **New Item No. 91 - Demountable kit form office for the use by the Illawarra Koori Men's Support Group - \$20,000**
- **New Item No. 25 - Ageing in Place Consultancy – investigation of additional aged care facilities - \$15,000**

as set on 13 May 2008, plus the following changes:

- **The amendments to the Capital Works program as detailed later in this report.**
- **The amendments to the Fees and Charges document as detailed later in this report.**
- **The amendments to the Revenue Policy document as detailed later in this report.**
- **Councillor fees to increase by 4% to \$15,120 per annum from 1 July 2008, as recommended by the Local Government Remuneration Tribunal.**
- **The Mayoral fee to increase by 4% to \$33,010 per annum from 1 July 2008, as recommended by the Local Government Remuneration Tribunal.**
- **The following adjustments relating to the withdrawal of the QantasLink RPT passenger service:**
 - i) **\$13,900 saving - Airport Routine Operations Wages**
 - ii) **\$8,000 loss - Airport Routine Operations Secure Car Parking Income**
 - iii) **\$180,000 loss - Airport Runway RPT Passenger Fees Income (this item does not affect the unrestricted cash deficit position as previous income estimate was restricted for repayment of internal loan – further details provided later in report).**

This will result in an overall unrestricted cash deficit of \$45,268.

2. **That an ordinary rate, consisting of an Ad-Valorem Rate of zero point three four zero one six cents in the dollar (0.34016) and a Base Amount of two hundred and thirty three dollars and eighty cents (\$233.80) 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 2008 to 30 June 2009 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.

3. **That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two seven seven one four cents in the dollar (0.27714) 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 2008 to 30 June 2009 and in accordance with section 543(1) of the *Local Government Act*, this rate be named “FARMLAND”.**

4. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two six eight two five cents in the dollar (0.26825) 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 2008 to 30 June 2009 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named “NON-URBAN”.

5. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point seven one nine one four cents in the dollar (0.71914) 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 2008 to 30 June 2009 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named “BUSINESS GENERAL”.

6. That a Domestic Waste Service Charge of:

- i) \$242.00 per annum per 240 litre bin per fortnightly service;
- ii) \$190.00 per annum per 120/140 litre bin per fortnightly service; and
- iii) \$57.00 per available service (vacant land)

be now made for the period 1 July 2008 to 30 June 2009 in accordance with Section 496 of the *Local Government Act 1993*.

7. That a Business Waste Service Charge of:

- i) \$250.00 per annum per fortnightly service (garbage, recycling & green waste);
- ii) \$205.00 per annum per fortnightly service (garbage only);
- iii) \$65.00 per annum per fortnightly service (recycling only);
- iv) \$240.00 per annum per fortnightly service (garbage and recycling only);
- and
- v) \$115.00 per annum per fortnightly service (two recycling bins only)

be now made for the period 1 July 2008 to 30 June 2009 in accordance with Section 501 of the *Local Government Act 1993*.

8. 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 2008 to 30 June 2009 in accordance with section 496A of the *Local Government Act 1993*.
9. 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 2008 to 30 June 2009 in accordance with Section 566 of the *Local Government Act 1993*.
10. That the amount of new loan borrowing application be \$1,400,000 with \$1,400,000 to be borrowed if required from recognised banking institutions or government authorities and secured by a mortgage over Council's consolidated fund income and that this loan be utilised for capital works at the Shellharbour Beachside Tourist Park.
11. That Council adopt the projects to be carried over as detailed in the report and listed on Attachment 1 totalling \$10,368,757.
12. That the public submissions made, be received, taken into consideration and noted.
13. That the following items be considered during the September Quarter Budget Review of the 2008/09 Budget:
- i) Item No. 43 - Warilla Pool Security Fence Surrounding Pool Complex \$120,000
 - ii) That Council's voluntary pensioner rebate be increased from \$90.00 to \$100.00.

Background

At its Extraordinary Council meeting held on 13 May 2008, Council decided to place its Draft Management Plan and 2008/09 Budget on public exhibition. The period of public exhibition commenced on Monday 19 May 2008 and concluded at the close of business on Monday 16 June 2008. 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 regarding the 2008/11 Management Plan. Copies of the 5 written submissions received have been included as attachments to this report. One submission was received prior to the commencement of the exhibition period, whilst the remainder were received during the exhibition period. One submission focussed on the Illawarra Sustainability Roadmap project, another focussed on the RYDA programme for driver training, another focussed on the Australian Aerial Patrol's beach safety programme while one of the remaining two submissions raised the need for an internal audit function at Council. These latter two submissions also detailed

complaints about Council, of which those judged to be legitimate complaints will be investigated and remedied as soon as possible.

1. Australian Aerial Patrol

The Australian Aerial Patrol have submitted a letter seeking Council's continued support to its organisation to ensure aerial beach and community operations are maintained over our region in 2008/09.

The recommendation in this report does include financial assistance to the value of \$13,000 for this organisation in the 2008/09 budget.

2. RYDA Aust Ltd

A letter has been received from RYDA Aust Ltd, who are a community based initiative of Rotary Clubs. RYDA run an annual road safety education program aimed at 16 & 17 year olds. The organisation have requested that consideration be given to Council providing financial assistance equal to 75% of the cost to utilise Shellharbour City Stadium. The hire cost for their last use of the stadium in October/November 2007 for this program was \$8440.

3. Internal Auditor

A letter has been received requesting New Item No. 59 – "Internal Auditor", be included in the new items to be funded in the 2008/09 budget. This letter also makes complaints about difficulties in contacting Council and obtaining information. These complaints will be followed up. It is important to note that Council is not obligated to deadlines in respect of enquiries made under Section 12 of the Local Government Act.

Council staff have long been aware of the need for an internal audit function. Staff have sought in previous Management Plans to include an Internal Audit appointment within the new items requests, but the item has not been recommended for approval, on funding priority grounds. Other priorities have consistently displaced internal audit, in the final stages of budget preparation. Last year, Council called tenders for an indication of the cost of retaining an external audit firm to conduct the internal audit function. Again, the pricing of these services at the time could not be accommodated within Council's budget.

At this stage this item is again not included for funding in the recommendation of this report.

4. Various Issues in 2008/09 Budget

A letter has been received as a submission against the budget. This letter includes abusive and inflammatory comment which does not indicate a high level of understanding of the challenges facing council. However, as a formal submission which

offers strong opposition regarding a number of areas in the draft 2008/09 budget, it is included for consideration in this report.

5. Wollongong City Council

Wollongong City Council have made a submission to Council as a part of the Illawarra Sustainability Roadmap Project. Where possible we have included indicators identified in the Sustainability Roadmap project where it is practical for this Council to be able to collect the necessary data to enable analysis and reporting to occur. In fact, some of the measures have already been contained in our management plan for some time already.

These indicators are included at various points in the management plan rather than placing them in the strategic plan, at this point in time. The management plan is this Council's main repository for keeping data on our key performance indicators. Council will in the near future need to commence work on the Integrated Planning and Reporting Project that has been foreshadowed by the Department of Local Government. The indicators contained in the Illawarra Sustainability Roadmap will be important in informing any longer term strategic planning exercise.

Revenue Policy

1. Shellharbour Links Golf Facility

The following has been added to Council's 2008/09 Draft Revenue Policy document:

"Council is obliged to manage and operate the Shellharbour Links Golf facility, until such time as a competent alternative arrangement can be made for the facility. The management strategy for this facility necessarily includes a marketing strategy and budget. This budget, comprising both revenues and expenditures, is incorporated within the draft budget being submitted to this meeting of Council.

The Shellharbour Links Marketing strategy and budget, includes non-cash components commonly incorporated in budgets for this type of facility. Specifically, this programme allows for marketing incentives, prizes, inducements and goodwill generation through the use of complementary invitations to use facilities. Complementary golf rounds, use of carts and club facilities may be included as part of Council's strategy for building the business.

For the purposes of section 356 of the Local Government Act 1993, Council will account for all complementary use of facilities, so that a value can be placed upon this form of promotion."

Fees and Charges

1. Rates

Council's valuation register has now been finalised with all new land values being added since the extraordinary meeting on 13 May 2008. The following rates will now apply.

Rate Category	Base Rate (25%)	Ad-Valorem Amount
Residential	\$233.80	0.34016 cents in the \$
Business	n/a	0.71914 cents in the \$
Non – Urban	n/a	0.26825 cents in the \$
Farmland	n/a	0.27714 cents in the \$

Pages 87 and 88 of the fees and charges document contains all information in the above table on the proposed rates for 2008/09.

2. Provision of Weekly Garbage on Compassionate Grounds

The Policy for the provision of weekly garbage services on compassionate grounds was adopted by Council on 20 May 2008 (minute 170). This has been included in the 2008/09 Fees and Charges document (refer page 88).

Proposed New Fee (including GST)

Weekly Service for Special Needs Households (*conditions apply*) \$347.00

Operational Budget

Councillor and Mayoral Fee

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

- Councillor fees to increase by 4% to \$15,120 per annum from 1 July 2008, as recommended by the Local Government Remuneration Tribunal.
- The Mayoral fee to increase by 4% to \$33,010 per annum from 1 July 2008, as recommended by the Local Government Remuneration Tribunal.

Illawarra Regional Airport

The recently announced withdrawal of QantasLink passenger services from the Illawarra Regional Airport as at 18 July 2008, will require amendments to the 2008/09 Operational Budget paper. The following adjustments have been made:

- Airport Routine Operations Wages \$13,900 – saving in wages associated with required daily inspections

- Airport Routine Operations Fees and Charges \$8,000 – loss of income from passenger secure car parking fees and charges
- Airport Runway RPT Passenger Fees \$180,000 – loss of income from passenger fee charges

It should be noted that the \$180,000 of income associated with the passenger fees does not have an impact on Council's unrestricted cash position, as this income was previously restricted in the draft 2008/09 operational budget to repay a loan from Council's Entrepreneurial Fund. This internal loan was resolved by Council at its meeting on 08 March 2005, and was for the reconstruction of the north/south runway. The initial loan to be repaid back to Council's Entrepreneurial Fund was for an amount of \$950,000. The amount outstanding has been reduced down to \$427,000 as at the end of May 2008. The remaining balance of the loan once the passenger service ends and all available passenger fee income has been applied, will be absorbed by the Entrepreneurial Fund until a future RPT passenger income source can be identified for the airport.

The final adjustment to Council's unrestricted cash position in the 2008/09 operational budget associated with the QantasLink withdrawal is a reduction in the deficit of \$5,900 (ie \$13,900 - \$8,000).

Councillor Development Strategy

The Department of Local Government recently issued a Circular 08/22, "Councillor Development Strategy". The circular is to notify Councils about a Councillor Development Strategy that is being put together to assist Councillors elected at the upcoming Local Government elections. Once the strategy is finalised, a Practice Note will be issued by the Department providing encouragement and guidance to Councils on induction and on-going professional development for elected Councillors. The circular has also requested that all Councils ensure their management plans for 2008/09 makes adequate provision for the development and implementation of such programs.

Council's draft operational budget that has been on exhibition currently contains an expenditure budget for the training and development of all Councillors. Any additional allocations required during the 2008/09 budget year for this training and development, can be included at one of the quarterly budget reviews.

Updated Operational Budget papers have been included as attachments to this report.

Capital Works Budget

12 Month Temporary Project Management Officer

A request has been received after the date of the Draft Management Plan meeting for the appointment of a 12 month temporary Project Management Officer within Council's Project & Contracts team. This position would assist with the project management functions associated with specific projects in Council's 2008/09 Capital Works Budget. These identified projects all have a "project management" component built into the

estimate of these works and therefore the funding for this new temporary position is covered within the 2008/09 Capital Works Budget.

The estimated cost of this position including associated on-costs is \$67,000, which will be funded from the existing estimates in the 2008/09 Capital Works budget.

Stormwater Service Charge Program

There have been some changes to the Capital Works budget with respect to the Stormwater Service Charge program which was exhibited. It has been necessary to alter the program as priorities for works has changed due to funding becoming available for some works by the Lake Illawarra Authority.

The Shellharbour War Memorial Park Gross Pollutant Trap (GPT) allocation has decreased from \$363,000 to \$42,750. The project's construction phase has been deferred in the 3-year program to accommodate a GPT proposed near the intersection of Reddall Parade and Trumper Street, Lake Illawarra.

The Warilla Bowls Club Pit Inlets allocation has increased from \$20,750 to \$51,000. This allocation combines the two partial allocations originally proposed in the draft 3-year program. The larger budget was made possible with the deferral of the construction phase for the 'Shellharbour War Memorial Park GPT' project allowing installation to occur over a shorter period of time.

A new budget allocation of \$30,000 is proposed for Shellharbour Boat Harbour Stormwater Treatment Device – Preliminary Investigation and Design. Consultant reports have recommended suitable stormwater treatment measures throughout the Elliot Lake and Lake Illawarra South catchments. Since receipt of the recommendations, a review of the preliminary remaining catchment within the LGA has occurred. Resulting from the review, the Shellharbour Boat Harbour has been identified as the top priority for stormwater treatment outside of the Elliot Lake and Lake Illawarra South catchments. The allocation would allow for preliminary investigation and design to proceed with the construction proposed in the 2009/10 financial year.

A new budget allocation of \$230,000 is proposed for Trumper Street and Reddall Parade Intersection GPT. A list of priority projects along the Lake Illawarra foreshore from Council's Forward Capital Works Program was provided to the Lake Illawarra Authority (LIA) when formulating the 2008/09 LIA Works Program. Due to the project's priority, the LIA included the project into the 2008/09 Program subject to Council's adoption of the 2008/09 Stormwater Management Service Charge Program. The project's inclusion in the 2008/09 Stormwater Management Service Charge Program will ensure that expenditure will be incorporated into the net financial position between the Council and the LIA.

A new budget allocation of \$30,000 is proposed for a Waste Drying Facility. The Waste Drying Facility is required to allow the drying of materials removed from stormwater devices prior to disposal at a landfill facility. Through the use of a Drying Facility, all water can be removed prior to disposal, which will dramatically reduce waste disposal

costs that are calculated by weight. The savings created will enable more funds to be expended on cleaning Council's open drains and waterways.

The overall funding total of the Capital Works Budget has not changed.

An updated Capital Works budget paper 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 2008 and brought into the 2008/09 Budget as a restricted asset at the September Quarter Budget Review, once the 2007/08 financial year is closed and final project balances have been determined. The "restriction" of funding for carried over works 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 be no effect to the "bottom line" for 2008 /2009, because the funding for the carried over works is coming from restricted cash.

The result is that no additional funds are being sought and the inclusion of these carried over projects will not be detrimental to Council's overall financial position at the end of 2009.

Council has a limited discretion in considering these "carried over" projects. Some will be partially completed as at July 1 and arguably should proceed to completion. Others are linked to external funding, for example grants or Section 94 developer contributions, and must be spent in accordance with the conditions of the grant funding, or in the case of Section 94, as per Council's adopted Section 94 Contributions Plan. Some projects may be discretionary allocations from the previous budget, the works for some reason still not commenced. These funds and projects are technically available to the Council at this time to be reallocated, but there are strong reasons to not interfere with their progress. The main reason to leave these carry overs to be completed, is that these works have previously been identified as high priorities for funding and the next level of priorities should be in the new works programme.

A total of one hundred and fifty two projects from all sections of Council will need to be carried over from this financial year to the 2008/09 year. These have been identified along with comments on the following list. Attachment 1 also lists these projects including their funding sources.

Manager Media and Communications**1 Council's 150th Anniversary \$50,000**

This \$50,000 allocation towards Council's 150th Anniversary will be spent next financial year.

Group Manager Development and Technical Services**2 Road Safety Back To School Program \$4,000**

This is an ongoing RTA grant funded program. Unexpended grant funds need to be carried forward to the new budget year. Funding will be used to upgrade and modernise artwork for the annual Back to School Challenge.

3 Koori Mentoring Program \$3,721

Unexpended grant funds need to be carried forward to the new budget year. This project enabled the Shellharbour Aboriginal Community Youth Association (SACYA) to attract Federal funding of \$136,000 to be spent over three years ending 2009 on a Koori Learner Driver Mentoring Program. Council's unexpended grant funds will support SACYA in the promotion of the project.

4 Bike Week Road Safety Program \$857

This relates to unexpended RTA grant funds that will be spent in the next financial year. A new strategy for Bike Week is currently being developed.

5 Graduated Licencing Scheme Workshops \$224

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

6 Log Book Run Road Safety Program \$1,334

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

7 Speed Detection Device \$4,031

These funds will be used to support the maintenance of the Speed Detection Device.

8 Mobility Vehicle Workshop \$2,691

This is an ongoing project delivered annually and is funded 100% by the RTA.

9 Fleet Safety Shellharbour City Council \$493

This is an ongoing project and is funded 100% by the RTA.

10 Taxi Voucher Scheme \$409

This is an ongoing budget and is funded 100% by the RTA.

11 Road Safety Light Trucks Project \$3,000

This is an ongoing project and is funded 100% by the RTA.

12 Bicycles – Share The Track Project \$1,130

This is an ongoing project and is funded 100% by the RTA.

13 Vehicle Restraints (Seatbelts) Project \$490

This is an ongoing project and is funded 100% by the RTA.

Group Manager Works and Services**14 Transfer of Construction and Demolition Waste to \$60,000
Huntley**

The negotiation of waste tracking and record keeping requirements with the DECC delayed commencement of the waste transfers. It is recommended that \$60,000 be carried over to next financial year.

15 Shellharbour Streetscape \$9,000

This work is ongoing and any residues from this year's program will have to be rolled over into the 2008/09 Works Program. The planting of cabbage tree palms have been delayed until spring due to this being the optimal

period for their establishment.

16 Lake Illawarra Foreshore – Stage 1 Pur Pur Bay \$24,550

This is a Section 94 project. These funds have been set aside to cover material costs associated with improvement works at the Lake Illawarra Foreshore carried out by the L.I.A. sponsored “Work for the Dole” Scheme. A new scheme is expected to commence early in the new financial year.

17 Barrack Point Shared Use Path \$83,763

Delays have been encountered due to the need to complete the community consultation process for the installation of pedestrian barrier fencing around Barrack Point. It is expected that the barrier fence will be completed early in the next financial year.

18 Albion Park Cycleway \$66,440

This is a Section 94 project. Following the community consultation process, amendments were required to the design of the shared cycle path. Work is currently underway and the current stage will be completed early next financial year.

19 Roads to Recovery – Calderwood Road Realignment \$66,116

This grant funding is set aside to cover the necessary land acquisition costs associated with the realignment of a section of Calderwood Road. This process is still to be finalised and the funding will not be required until the next financial year.

20 Myimbarr Wetlands – Installation of Temporary Stormwater Measures \$94,250

This project is funded under the Stormwater Service Charge. This project is for a number of treatment measures to be retrofitted to drainage lines entering Myimbarr wetlands. It has been necessary to investigate a number of alternative methods of capturing pollutants and this study and the design are now complete. The treatment measures will be installed in the 2008-2009 financial year.

The residual funds need to be carried over to the next financial year for the work to be completed.

21 Barrack Point Shared Use Path Stage 2 \$260,258

This project was delayed to enable community consultation to be completed regarding traffic management issues associated with the Draft Shellharbour City Foreshore Landscape Master Plan. Work has commenced but will not be completed until early in the next financial year.

22 Rock Hammer Attachment for Council's Backhoe \$12,000

This plant replacement purchase has been delayed due to the need to assess alternative "Rock" Hammers that may satisfy our specific work requirements.

23 Addison Street / Mary Street Roundabout, 4 Refuges \$27,500

Currently the design is being reviewed by the RTA. The commencement of this project is dependent on the provision of funding from the RTA.

24 Shellharbour Water Ski Clubhouse Repair \$17,656

This project has been delayed due to the unavailability of donated roof sheeting from the supplier.

25 Waste Depot Separation of Properties \$190,000

The final design and associated licence amendments for the site separation are currently being discussed with the Department of Environment and Climate Change. Once licence amendments have been finalised, works will commence.

26 Falcon Street Footpath \$10,909

This project is developer funded. Work cannot proceed until the majority of building works are completed adjacent to the proposed footpath. It is anticipated that these works will be completed within the next six months.

27 Myimbarr Wetlands – Provision of Gross Pollutant Trap at Parklands Drive \$250,000

This project is for a new gross pollutant trap upstream of Myimbarr wetlands. It is part funded by the Stormwater Service Charge and part funded from a grant provided by the DECC. The grant was accepted by Council on 29

April 2008. Design activities have commenced and the project will be completed in 2008-2009 financial year

The residual funds need to be carried over to the next financial year for the work to be completed.

28 Barrack Point Shared Use Path Stage 3 \$247,500

This funding was accepted by Council on 29 April 2008. It was resolved that matching funds would be considered in the 2008/09 budget process. Work on the project will commence once Council's matching funds are available.

29 Ward Grant Matching \$15,150

The residue funds in this allocation will need to be transferred into the new financial year.

30 Ward Fund Allocations-Works & Sportsfields \$263,113

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 2008/09 Budget.

Manager Assets

31 Oak Flats Pool Maintenance – Repairs to Filters \$20,000

This item needs to be carried over as we are still awaiting quotation for the work which will require further funding from our 2008/09 Asset Improvement Program for the work to be completed.

32 Asset Protection Zone – Falcon Street \$40,345

This allocation represents funding paid by a developer to maintain an Asset Protection Zone in the public reserve off Falcon Street, Blackbutt. This work is ongoing to ensure the requirements of the APZ are complied with.

33 Albion Park Streetscape \$532,209

This project has been ongoing over recent years. Work has been delayed to allow finalisation of various design constraints. Further work is proposed in the new financial year.

- 34 Oak Flats Streetscape \$109,442**
- This project has been ongoing over recent years. Work is progressing on the current stage between Hopetoun and Kingston Streets. This section will be completed early in the new financial year.
- 35 Mount Warrigal Reserve \$35,273**
- This project was delayed pending finalisation of the Bushfire Management Plan and licence details due to the location of endangered species within the reserve. Work is due to commence shortly and will be completed early in the new financial year.
- 36 Passive Recreation Embellishment Works \$36,042**
- This is a Section 94 project. Work has commenced on the installation of various facilities within the reserve off Jarrah Way and Wilson Memorial Park. Further work is programmed for July / August to complete this project.
- 37 Shellharbour Stadium – Roof Guttering Rectification \$19,802**
- This work is linked to the Stadium Roof Rectification Works. Work has been delayed awaiting the outcome of a consultant's report and recommendations to resolve the current problems with the roof. It is anticipated that this work will be completed during the 2008/09 financial year.
- 38 Stadium Roof Rectification Works \$104,010**
- This work has been delayed pending the outcome of a consultant's report and recommendations to resolve the current problems with the roof. This allocation also includes funding received to repair the section of the sports floor that was damaged by water. This work cannot be carried out until the roof is repaired.
- 39 Tree Planting – Grand Pacific Tourist Drive \$29,035**
- This allocation is to fund tree planting / landscaping works along Shellharbour Road / Reddall Parade. The project has been delayed awaiting approval from the RTA. It is anticipated that the work will be completed in August / September.

Manager Design**40 Elliott Lake Floodplain Management Study \$102,806**

This project is partly grant funded. The brief for the study is almost complete. It is anticipated that the allocation will be expended from September 2008.

41 Horsley Creek Flood Study \$54,271

This project is partly grant funded. The project is pending the city wide study which is due shortly. Council cannot commit to the Horsley Creek Flood Study without this information.

42 Macquarie Rivulet Flood Study \$87,500

This project is partly grant funded. The brief and tender for the study is in progress. Once the tender has been awarded, it is anticipated that a consultant will be able to commence in August 2008.

43 Horsley Creek Floodplain Risk Management Study \$22,500

This project is partly grant funded. Progress cannot be made until the Horsley Creek Flood Study is completed. It is anticipated that a brief can be prepared in July 2008.

44 Bensons / Tongarra Creek Flood Study \$7,491

This project is partly grant funded. Progress is dependent on the completion of the Elliott Lake Floodplain Management Study.

45 Rivulet Crescent Extension – Design Costs \$17,327

Funds are required to finalise the design for the project in conjunction with the Section 94 Review.

46 Koon Bay Shared Use Path – Investigations \$31,019

Further approvals are to be sought and investigations are continuing during July 2008.

Group Manager Customer & Environmental Services**47 Waste Education and Community Consultation \$44,000**

The funds to be rolled over are to cover the costs of materials that will assist us in the implementation of our Community Waste Education Strategy. The expenditure of these funds experienced delays as we awaited the completion of a corporate logo / branding for the new waste service. Now complete, it is intended that the new branding will be used across all educational materials relating to the new waste service. This item is totally funded from the Domestic Waste Management Restriction.

48 Waste Depot Site Management Plan Revision \$72,145

The Waste Depot Site Management Plan Revision project has \$72,145 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. A concept plan for the future development and management of the site was completed in December 2007. The concept plan involves separating the existing site into two separate licenced areas:

1. a landfill / sand mine
2. a small vehicle transfer station and resource recovery centre.

The final concept design and associated licence amendments for the site separation are in the final stages of negotiation with the NSW DECC. Once the licence amendments have been finalised, the site management plan revision can be completed. This item is funded 40% from the Domestic Waste Management Restriction.

**49- Myimbarr Community Park Active Recreational \$1,025,346
55 Facilities**

The development of the sportsfields and associated facilities at Myimbarr Community Park is a project funded from Section 94 contributions.

The work comprises a number of stages which are interdependent with some activities being undertaken concurrently. Much of the work has been completed with the fields constructed and the access road and car park under construction.

The works to be completed during the 2008/09 financial year include:

- completion of the access road, the car park and footpaths,
- construction of the amenities (design has been completed and DA approved),
- finalisation of services (water, stormwater, sewer and power) including connection to the amenities,
- installation of lighting to the access ways and car park, and
- construction of a formal entrance and landscaping along Wattle Road.

The residual funds need to be carried over to the next financial year for the work to be completed.

56 Myimbarr Community Park Passive Open Space \$23,033

This project provides for partial landscaping of the passive areas of Myimbarr Community Park and is funded from Section 94 contributions. The balance of work will be undertaken once the construction of the sportsfields amenities and underground services is completed. The residual funds need to be carried over to the next financial year for the work to be completed.

57 Council Administration Offices \$20,392

Council is awaiting the outcome of proposed amendments to the Shellharbour City Centre Master Plan. A revised Master Plan is currently being developed and it is prudent to await the Master Plan adoption before progressing. This project is funded from Section 94 contributions. Residue funds will have to be carried over to the next financial year so that the project can continue.

58 Emergency Operations Centre (EOC) Computer and Communications Fitout \$54,100

These are unexpended grant funds that need to be carried over to the next financial year to provide the necessary computer and communications equipment to convert the training room in the new Illawarra Fire Service Control Centre to an Emergency Operations Centre.

59 RFS Control Centre – Subdivision Works \$67,148

Residue funds for the subdivision works of the RFS Control Centre will have to be carried over to the next

financial year so that the project can continue.

60 Illawarra Rural Fire Service Control Centre \$2,217,221

This allocation is for the new Illawarra Rural Fire Service Control Centre which is being built within the Illawarra Regional Airport commercial precinct. Residue funds will have to be carried over to the next financial year so that the project can continue.

61 RFS Control Centre – Project Management \$12,867

This allocation is Council's contribution to the Project Management Costs for the construction of the Control Centre at the Illawarra Regional Airport for the Illawarra Rural Fire Service in accordance with the Project Agreement agreed to by Council at its meeting on 4th September 2007. Residue funds will have to be carried over to the next financial year so that the project can continue.

Group Manager Planning Services

62 Forward Planning – Advertising \$2,741

These funds will be needed in addition to the 2008/09 advertising budget allocation to advertise the adoption of the Local Environmental Plan and Development Control Plan for the LGA.

63 Forward Planning – Consultants \$14,000

This allocation will be used to progress the development of a new Comprehensive LEP as required by NSW Department of Planning. Consultants have been appointed, however payments may not be made until next financial year.

64 LEP Review and Consolidation \$103,125

These funds have been received from the Department of Planning to assist in the preparation of a new Comprehensive LEP as required by NSW DOP. Consultants have been appointed, however payments may not be made until next financial year.

65 Retail, Commercial and Employment Lands Review \$10,300

This project has now been finalised. It is requested that

remaining funds be transferred to the LEP and DCP project. The anticipated magnitude of the strategic projects required to achieve State Government targets in relation to the preparation of a comprehensive Local Environmental Plan and Development Control Plan for the LGA warrants the roll over of unexpended funds into this project.

66 LEP and DCP – Consultants \$78,000

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, however payments may not be made until next financial year.

67 Heritage Advisor - Consultants \$10,300

These funds were not spent owing to the unavailability of the consultant during periods of the year. However, this has created a backlog of work, which can be addressed through the City Heritage Study. It is therefore recommended that the funds be transferred to the Shellharbour City Heritage Study Project to supplement the funds.

68 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.

69 Urban Fringe LEP – Contributions / Donations \$1,756

These funds were provided to Council by individual landowners and are to be rolled over to next year's budget to be used to finalise the development of the Urban Fringe LES.

70 City Centre Improvement Works \$90,450

These funds have been received from the 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.

Manager Environment & Recreation**71 Shellharbour Reserve Management Plan \$39,261**

This allocation will be used to fund improvements for this section of the foreshore. Details are included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.

72 DECC Grant – Warilla Beach Sea Wall \$38,035

This project is 50% grant funded. Additional areas for reinforcement are currently being identified.

73 Elliot Lake – Floatable Litter Study \$3,500

This project is partly grant funded. The balance of funds are to be redirected to another project in the Elliot Lake Catchment.

74 Elliot Lake – Design Stormwater Treatment \$20,000

This project is unable to be commenced until the study on bank stabilisation is completed in September 2008.

75 Elliot Lake – DCP for Bank Stabilisation \$16,538

We are awaiting completion of the study by the consultant.

76 Lake Illawarra Stormwater Management Plan \$43,504

Designs are being prepared for additional stormwater treatment measures. Further audits are required for remaining catchments.

77 Elliot Lake – Geotechnical Analysis of Fill \$44,964

Delays have been experienced with contractors. The project is not expected to be completed until 2009.

78 Elliot Lake – Vegetation Management Plan \$6,778

Delays have been experienced with the consultant. We are awaiting receipt of the final report.

79 Blackbutt Reserve Weed Removal \$3,492

This project has been delayed due to weather conditions

and limited staff resources. The project will not be completed until September 2008.

80 Croom VCA Weed Removal & Bush Regeneration \$11,035

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008.

81 Elizabeth Brownlee Reserve Weed Removal \$3,093

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008.

82 Horsley Creek Weed Removal & Bush Regeneration \$5,584

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008.

83 Abercrombie Reserve Weed Removal & Regeneration \$9,302

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008.

84 Alex Hoffman Park Weed Removal & Regeneration \$3,010

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008.

85 Management of Zieria Granulata – Shell Cove \$8,517

The management plan has been prepared. We are awaiting on written approval to commence work.

86 Energy Conservation Plan \$10,853

The order has been placed for lighting upgrades at Flinders and Oak Flats Library, however, the contractor is unable to complete the upgrade until 4 July 2008. The electrician is unable to complete the upgrade of Lamerton House until August 2008.

87 Community Partnerships Program \$28,274

This project is 50% grant funded. Materials have been prepared. Workshops are to be held in October 2008.

**88 Bushfire Management Plan Implementation – \$47,155
Blackbutt Reserve**

This project is partly grant funded. It is expected that the project will be completed in July or August 2008. Delays have been experienced owing to the wet weather.

**89 Bushfire Management Plan Implementation – Croom \$45,300
Reserve**

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008. The project is partly grant funded.

90 Bushfire Management – Elizabeth Brownlee Reserve \$8,920

This project is partly grant funded. It is expected to be completed in July or August 2008.

91 Shellharbour Coastline Hazard Analysis \$60,000

Discussions are continuing with DECC regarding approved methodology for study.

92 Bushfire Management – Alex Hoffman Park \$13,380

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008. The project is partly grant funded.

93 Blackbutt Riparian Rehabilitation \$1,102

This project has been delayed due to weather conditions and limited staff resources. The project will not be completed until September 2008. The project is partly grant funded.

94 Oak Flats Pool Backwash Re-use Project \$7,054

This grant was accepted in April 2008. Funds are required to be carried over to the 2008/09 financial year.

95 Oak Flats Depot Truckwash Reuse Project \$10,353

This grant was accepted in April 2008. Funds are required to be carried over to the 2008/09 financial year

96 Illawarra Climate Change Risk Planning \$50,000

This grant was accepted by Council on 10th June 2008. A consultant is still to be engaged to complete both the risk assessment and development of the Climate Change Action Plan.

97 Stormwater Management – Public Education \$19,874

This project is funded from the Stormwater Management Service Charge. These funds are required to be carried over to next financial year to partly fund a temporary education officer position.

98 Stormwater Management – Stormwater Monitoring \$14,841

This project is funded from the Stormwater Management Service Charge. These funds are required to be carried over to next financial year to implement the automatic monitoring system recently installed.

99 Bensons Creek Stormwater Improvements \$100,000

This project is funded 50% from a grant from the Southern Rivers Catchment Management Authority and 50% from the Stormwater Management Service Charge. Funds are required to be carried over to next financial year as we are awaiting design and construction details from the Design Section before work can be completed.

100 Croom Voluntary Conservation Area \$22,370

Additional fencing and track work is still required to be completed. Delays have been experienced gaining approval for modification of the management plan for the VCA.

101 Elliot Lake Bank Stabilisation Works \$118,110

A Development Application has been lodged. However, DECC has required amendments and additional details. It is expected that the DA will be finalised and DA consent issued in the 2008/09 financial year.

102 Bass Point and Shallows Reserve \$90,000

The landscaping design and costings are now complete. We are awaiting receipt of car parking design plans so that project works may commence.

103 Warilla Beach Public Access \$89,333

Work has commenced with the construction of several stairways. However, one major access way remains. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.

104 Little Park Reserve Lighting Improvement \$35,890

This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.

105 Amenities Headland Parade Barrack Point \$89,950

The Development Application has been submitted. Council has requested an alternative location be considered for the amenities which requires readvertising. Works are unable to commence until the DA consent is granted.

106 Car Parks Headland Parade Barrack Point \$55,421

The design has been prepared, however, work cannot commence until the location of the amenities block is finalised.

107 Amenities / Grandstand Ron Costello Oval \$28,994

In 2007/08 the club was unsuccessful in securing grant funds for this project. The club is preparing a further application for funding to the NSW Department of Sport and Recreation. If the application is successful, these funds will be contributed towards the total cost of the project.

108 Warilla Pool Stormwater Reuse \$23,073

This grant was accepted in April 2008. The unexpended grant funds are required to be carried over to next financial year.

109 Albion Park Pool Stormwater Reuse \$22,616

This grant was accepted in April 2008. The unexpended grant funds are required to be carried over to next

financial year.

- 110 Cowrie Island Slipway Design \$20,000**
- This grant was accepted by Council on 26 February 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 111 Barrack Point Car Parking and Landscaping \$188,000**
- This grant was accepted by Council on 26 February 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 112 Grey Park Amenity Improvements \$112,000**
- This grant was accepted by Council on 26 February 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 113 Blacks Beach Amenity Improvements \$219,000**
- This grant was accepted by Council on 26 February 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 114 Elliot Park Amenity Improvements \$88,000**
- This grant was accepted by Council on 29 April 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 115 South Warilla Beach Amenity Improvements \$218,000**
- This grant was accepted by Council on 29 April 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 116 North Warilla Beach Amenity Improvements \$180,000**
- This grant was accepted by Council on 29 April 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.
- 117 Bardsley Park Amenity Improvements \$56,000**
- This grant was accepted by Council on 29 April 2008. This work will be included in the consultant's brief with other foreshore projects. Tenders will close in July 2008.

Manager Compliance**118 Dog Pound \$41,440**

This represents Council's contribution to the RSPCA management fees. These are Section 94 funds and residue funds have to be carried over to next financial year.

Manager Youth Services**119 Youth Program Specific Projects \$5,320**

The unexpended grant funds for the Better Futures Youth Program need to be rolled over to the 2008/09 financial year.

120 Warilla Youth Network After Hours Extension \$11,676

The unexpended grant funds for this project need to be rolled over to the 2008/09 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**121 Disability Advisory Committee \$7,982**

Unexpended funds are required to be carried over for the Disability Advisory Committee expenses as per the Committee Resolution.

122 Medications in the Community Project \$10,484

Unexpended funds are required to be carried over to be used for improvement projects next financial year.

123 Disabilities Strategic Plan \$69,513

This money needs to be carried over (as per the Committee Resolution) 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.

124 Dementia Program – Capital Replacement \$3,306

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

125 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.

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

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

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

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

Manager Children's Services**128 WCCC Parent Committee \$729**

These funds need to be carried over to next financial year as the income was raised from families to assist with the purchase of new equipment for the Warilla Child Care Centre.

Manager Community Transport**129 Community Transport Brokerage – Families First Program \$13,085**

The unexpended grant funds from the Community Transport Brokerage - Families First Program are required to be carried over to the 2008/09 financial year. The project has the capacity to provide additional services.

130 Community Transport Volunteer Training Grant \$1,786

The unexpended grant funds from this Volunteer Training Grant are required to be carried over to the 2008/09 financial year. The training grant funds have been used

as economically as possible over a number of years – hence the need to roll over the funds to next year's budget.

131 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 next brokered bus acquired as the current brokered bus will shortly be replaced.

132 Provision Secure Vehicle Garaging \$6,664

These are unexpended grant funds from the Department of Transport. Funds will be used next financial year for the new Bus Depot construction at Albion Park Showground.

Manager Library and Customer Services

133 Local Priority Project \$40,385

The unexpended grant funds for the Local Priority Project are required to be carried over to next financial year. Appropriate capital improvements could not be accommodated by the supplier this financial year.

Manager Community Development

134 Families NSW Picnics \$3,000

The unexpended grant funds for the Families NSW Picnics need to be rolled over to the 2008/09 financial year.

135 Community Worker Shell Cove Community Centre \$7,103

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 2008/09 financial year.

136 Shell Cove Day In The Park \$439

This project is fully funded by community contributions. Unexpended funds are required to be carried over to the 2008/09 financial year.

137 Good Neighbour Scheme \$21,698

The unexpended grant for the Good Neighbour Scheme is required to be carried over to the 2008/09 financial year. This is an ongoing program funded by NRMA Insurance.

138 Shellharbour City Liquor Accord \$3,222

Unexpended funds are income from Accord members' subscriptions and are required to be carried over to the 2008/09 financial year to be applied to the operation of the Accord.

139 Women's Craft Cooperative Grant \$5,511

Council received a \$9,000 grant from Regional Arts NSW to assist in the development of a Shellharbour Village Women's Craft Cooperative. Unexpended grant funds are required to be rolled over to next financial year so that the project can be completed.

Strategic Planner (Social and Section 94)**140 Communities For Children Project \$47,193**

This is a three year project grant. Unexpended funds are required to be carried over to the 2008/09 financial year.

Manager Information Services**141 Information Technology – Lease Expenses \$210,000**

Savings have been obtained in the I.T. lease expenses budget due to the previous payout of some operating leases at the end of their contractual term. This has resulted in lower lease expenses this financial year. These savings are required to be carried over to next financial year to partly fund the I.T. replacement program.

Manager Financial Services**142 Financial Services – Consultants \$15,000**

This allocation, essential to the funding of Council's financial software system upgrade, is required to be carried over to 2008/09 because Council's current I/T hardware does not support the new software. Council is currently in the process of seeking replacement of its I/T hardware.

Group Manager Organisational Development

143 Recognition and Rewards \$56,663

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

Manager Risk Management Services

144 Risk Management Performance Bonus \$30,000

This funding is required to be carried over to next financial year to fund any issues, works or reports which may arise from a recent Workcover investigation.

145 Asbestos Testing of Council Buildings \$65,000

The local contractor has not performed to a satisfactory standard and payments have not been made. An alternative consultant / contractor may have to be engaged next financial year.

Group Manager Corporate Services

146 Miscellaneous Donations \$7,103

Unexpended funds are required to be carried over as per Council Resolution. The donations Working Party met on June 16th to allocate the majority of available funds. The Working Party recommendations will be presented to the July 1 meeting.

147 Software Development and Consultancy \$48,820

This annual allocation for the development of Council's software systems will be partly unspent as at June 30. It is recommended that \$48,820 be carried over to fund the

development of software systems next financial year.

Group Manager Corporate Planning

148 Economic Gardening Project \$46,000

This is an ongoing project and unexpended grant funds are required to be carried over to next financial year so that the project can be completed.

149 Outcome Manager – Training and Education \$6,000

A decision has yet to be made as to whether to stay with the iPlatinum version of Outcome Manager or to migrate to the Technology One version. Training will not take place until that decision is made.

Manager Property Services

150 Tullimbar Residential Subdivision \$55,649

This project will be continuing in 2008/09. The Tullimbar property is classified as operational land, which has been approved for residential subdivision. There has been no resolution of Council to develop the land, however, these funds are required to undertake reports and studies, to enable various development-related issues to be pursued and to eliminate any impediments to future development of the land, to the benefit of Council's asset.

151 Upgrade Air Conditioning System – Lamerton House \$78,500

This was a New Item in the 2007/08 budget to replace the cooling tower and extend the fresh air intake. The works have not been carried out due to competing demands for organisational resources and the unresolved issue of whether and for how long Council will retain the building.

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

This budget allocation needs to be carried over to next financial year. Council, in April 2008, re-entered the Shellharbour Links facility and assumed management control. Council's priorities are now on management of the existing facility and not on expansion or major development. There will, however, be a need to

investigate all alternative Practice facility options in the future.

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	(4,520,645)	
Balance Sheet Budget	3,001,087	
Capital Works Budget	10,832,633	
Asset Maintenance & Replacement Program	1,335,116	<u>10,648,191</u>
<i>Less</i>		
Non Cash items	5,933,000	
Section 94 funded items	8,237,440	
Restricted Assets	(433,949)	
Loan Funded Items	0	<u>13,736,491</u>
<i>Add</i>		
Section 94 surplus	2,095,968	
Land Sale (60:40 policy)	(715,000)	
Domestic Waste Surplus	916,047	
Community Transport Surplus	213,793	<u>2,510,808</u>
Surplus before new items		<u>(577,492)</u>
Recommended New Items		<u>622,760</u>
<i>Deficit</i>		<u>45,268</u>
<i>It should be noted that the above deficit does not include the carry over projects. These</i>		

<i>will be included in the 2008/09 budget at the September Quarter Budget Review once the 2007/08 financial year is closed and final project balances determined.</i>		
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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

Compliance has been achieved with all legal requirements of the *Local Government Act*.

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 2008/09 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 issue of legal fees warrants comment in this budget. The amount provided for legal fees only includes an estimate of Council's own legal costs for the year. It does not include amounts arising from the recent Land and Environment Court case and it does not speculate on amounts for costs awarded by the court against Council to other litigants, nor does it include allowances for any amounts which may be awarded by the courts against litigants, or amounts which might possibly be recovered via any application by Council, for assistance from the Local Government and Shires Associations. These amounts, once confirmed, will be included in future quarterly budget reviews.

The 2008/09 budget year will be the third 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 some of the funding shortfall that has existed in these two areas for some time.

This budget is presented within the context of previous budgets, in that Council has still not found a sustainable way to address instances of the duplication of assets across the city and the consequential disparity between accumulating asset depreciation and Council's ability to fund that depreciation and replace ageing infrastructure. Shellharbour City started out 149 years ago, as a collection of separate village communities. The growth and infill which has occurred since, has been accompanied by asset development, and some duplication, which now must be maintained or rationalised. The special variation on rates which was first applied in 2006/2007, has provided some funding directly to infrastructure asset maintenance, but this is a fraction of what is required. Work will continue on strategies to address this problem.

The advertised Draft Management Plan and 2008/09 Budget, now presented for adoption, includes over \$70 million in expenditure for 2008/09 with this figure increasing to over \$80 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 fully planned and sustainable development, whilst Council still remains in a satisfactory 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 2008-2011
4. Draft Strategic Plan 2008-2018
5. Draft Income Statement
6. Draft Operational Budget
7. Draft Balance Sheet Budget
8. Draft Capital Works Budget
9. Draft Asset Maintenance / Replacement Program
10. Draft Revenue Policy 2008/09
11. Draft Fees and Charges 2008/09
12. Draft New Items for 2008/2009