

COBAR SHIRE COUNCIL



FINANCE & POLICY COMMITTEE MEETING AGENDA

THURSDAY 11 JUNE 2015

~ ORDER OF BUSINESS ~

Business for the meeting will be as follows:

1. Apologies
 2. Declaration of Interests
 3. General Manager's Report – Part A (Action)
 4. General Manager's Report – Part B (Information)
 5. Matters of Urgency
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REPORT 1A – BATHURST STREET RESERVE LICENCE AGREEMENT

FILE: P1-2-2

AOP REFERENCE: 3.3.4.2

ATTACHMENT: NO

AUTHOR: *Land Management Officer, Heather Holder*

Purpose

The purpose of this Report is to recommend a new temporary licence arrangement for the user of Bathurst Street Reserve from 1 July 2015 to 30 June 2016.

Background

The current 12 month temporary licence for the Cobar Tennis Club expires on 30 June 2015 and needs to be renewed.

Issues

Council acting as Trust Manager for the Reserve needs to renew the above licence for the period 1 July 2015 to 30 June 2016.

In accordance with Ministerial instructions, licences of 12 months or less do not require Ministerial consent on renewal.

Fees payable for the licence will be as per Council's 2015/2016 fees and charges.

RECOMMENDATION

- 1. That Council acting as Trust Manager for the Bathurst Street Reserve Trust, resolve to issue a 12 month temporary licence agreement for the Cobar Tennis Club to cover the period 1 July 2015 to 30 June 2016;**
- 2. That Council acting as Trust Manager for the Bathurst Street Reserve Trust, resolve to affix the Trusts seal to the 12 month temporary licence agreement for the Cobar Tennis Club to cover the period 1 July 2015 to 30 June 2016.**

REPORT 2A – DALTON PARK HORSE COMPLEX LICENCE AGREEMENTS

FILE: P1-4-3

AOP REFERENCE: 3.3.4.2

ATTACHMENT: NO

AUTHOR: *Land Management Officer, Heather Holder*

Purpose

The purpose of this Report is to recommend new temporary licence arrangements for users of Dalton Park Horse Complex from 1 July 2015 to 30 June 2016.

Background

The current 12 month temporary licences for the following groups and people expires on 30 June 2015 and need to be renewed:

- Cobar Pony Club;
- Cobar Miners Race Club;
- Mr S Griffiths and Mrs C Griffiths;
- Ms Sharon Whitehurst.

Please note that the Cobar Rodeo Committee, no longer have a committee and have advised Council that they are in recess and at this stage will not be seeking a licence renewal.

Issues

Council acting as Trust Manager for the Reserve needs to renew the 12 month temporary licences for the period 1 July 2015 to 30 June 2016.

In accordance with Ministerial instructions, licences of 12 months or less do not require Ministerial consent on renewal.

Fees payable for the licences will be as per Council's 2015/2016 Fees and Charges.

RECOMMENDATION

1. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to issue 12 month temporary licence agreements for the following organisations and individuals to cover the period 1 July 2015 to 30 June 2016:

- **Mr & Mrs S & C Griffiths;**
- **Ms Sharon Whitehurst;**
- **Cobar Pony Club;**
- **Cobar Miners Race Club.**

2. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to affix the Trusts seal to the 12 month temporary licence agreements for the following organisations and individuals to cover the period 1 July 2015 to 30 June 2016:

- **Mr S & C Griffiths;**
- **Ms Sharon Whitehurst;**
- **Cobar Pony Club;**
- **Cobar Miners Race Club.**

REPORT 3A – COMMUNITY SERVICES COST REDUCTION

FILE: G1-2 AOP REFERENCE: 4.2.1.2 ATTACHMENT: YES (PAGE 29-30)

AUTHOR: *Director Corporate and Community Services, Kym Miller*

Purpose

To respond to the Council Resolution 71.05.2015 (24FP.05.2015) from the May 2015 Ordinary Council Meeting regarding investigating the potential cost savings for community services provided by Cobar Shire Council.

Background

A Notice of Motion was introduced to the Chamber by Councillor Peter Yench at the May 2015 Finance and Policy Committee Meeting. It was subsequently resolved by Council on 28 May 2015 as follows:

That investigations and reporting on various options (income increase and cost reductions) be undertaken to determine how the budgeted deficits for the following Council Community Services can be reduced by 10% in the 2015/2016 Budget:

- *Cobar Shire & TAFE Library;*
- *Cobar Memorial Swimming Pool;*
- *Cobar Youth and Fitness Centre;*
- *Great Cobar Heritage & Information Centre.*

Issues

It is to be noted that in the debate it was pointed out the covenant given to the community during the Special Rate Variation process in 2012/2013 that on balance services would not be cut or reduced. This commitment was given as a result of the message rate payers gave Council at the time.

It is also to be noted that the Chamber was advised that recent workshops had examined the community service units in detail and at the time saw no opportunity to make significant cost adjustments.

Since the 2010/2011 operational deficit, some service level cuts have been implemented and a 'mean and lean' approach has been implemented in day to day management. For example, until recently, the Cobar Youth and Fitness Centre has not opened on Sundays and Public Holidays. The activity in the area generated by the skate park development has driven a community need to open for limited hours on Sundays. This will be reviewed in September. Similarly, the Manager Library Services reduced staffing levels of 0.6 FTEs after a similar request was made by Council in late 2011.

Despite the view that these sections are being run cost effectively, the opportunity has been taken to seek operating cost reductions and have a robust 'inwards look'.

General Comment

On balance in Councils Australia wide, community services are funded by untied income such as rates and Financial Assistance Grants. Swimming pools and libraries in particular require massive financial support. Risk compliancy is a major cost driver at swimming pools. The term 'cost' is more appropriate than surplus/deficit.

A draft budget has been placed on public exhibition. Should consideration of this motion recommend material variations it would be a transparency requirement to advise the public prior to the budget being considered for formal adoption. This is particularly important as changes will have service level consequences.

Attached is a copy of the Community Services Sectors Comparison Table.

It is important to note the following:

1. 2005/2006 figures are used as the base as there are clearly anomalies with the 2004/2005 figures in the table. Anecdotal advice is that Council experienced employee leave entitlements accounting issues in that period.
2. Indexation in the period was 26.98%.
3. The museum and tourism modules should be combined due to the common management and common site of both units.
4. That the large increase in the cost of the swimming pool is part due to its reconstruction and compliance requirements that have now become a standard part of the operating landscape. An 'uncontrollable' item of depreciation accounts for \$146,000 of the operating cost. Safety compliance requirements have increased the number of personnel required to be on site at all municipal and public pools. It appears that no prudential analysis, including whole of life costs, was undertaken at the time of resolving to upgrade the pool. Such a report would have indicated costs such as those currently being experienced.

In the recent public comment on the budget there is some sentiment toward reducing entry fees to the swimming pool. If this proceeds it is likely that revenue may fall, thereby increasing the cost of the pool.

Specific Considerations

Tourism/Museum

The tourism budget provides a number of services which include the promotion of Cobar Shires active participation in the Kidman Way Promotional Committee, Outback NSW Tourism Committee and Inland NSW Tourism Committee, the development and printing of promotional brochures, the maintenance of the Welcome to Cobar Shire and town entry signs, running and organising the Festival of the Miners Ghost Festival and Australia Day celebrations. This is the lifeblood of Council's marketing to the Australian Holidaying public.

The museum budget covers management of the museum, curatorial activities, collection management, maintenance of the historic building and surrounds and the shop operations. This year two grants were obtained which allowed the museum

curator to collate, produce and print two local history books. The Anzac Centenary grant allowed the curator to develop a travelling exhibition which has been displayed at the three local schools, Cobar Library and the Cobar Show. The exhibition will be moved around many public buildings and places over the next four years. It is to be noted that many extra hours are worked and not charged for.

The tourism and museum budgets have separate line item but a 10% cut to both areas to the projected 2015/ 2016 deficits is approximately \$42,800 – Museum \$22,000 and Tourism \$20,800.

Reductions to the tourism budget might be found in signage removal - \$7,000. The consequences of that would mean that the Shire entry signs, town entry signs and general tourism signs will fall into disrepair giving locals and visitors an image of a town without care or pride. Visitors could be inclined to keep going to the next town. They have only recently been upgraded after spending a period in poor state.

Reductions in the advertising budget of \$22,900 would see the Shire suffer a greater downturn in motel and caravan park occupancies which would have a negative effect on the local visitor economy. This could be as much as \$2m per annum.

There could be cuts made to the Festival of the Miners Ghost budget and the Australia Day budget. Reductions in these areas would prove unpopular in the Cobar community. The festival budget was cut by 70% in 2010/2011 which provided limited funds to run the event. The Committee has increased sponsorship support in recent years and are committed to seeking further sponsorship support.

The museum has almost no room for a reduction to the current operating budget. The museum and visitor information desk is operated by one person. The museum revenue for 2013/2014 was \$120,000. 5,000 visitors went through the museum and 21,000 were seeking information.

The operating hours of the Great Cobar Heritage Centre could be reduced. This however would put the accreditation at risk. It is to be noted that tourism is a 7 day a week cycle and the service needs on all days are the same.

The reduction of any service level does not account in a 'one for one' saving as on some days the shop and museum revenue exceeds the wages cost. It is a very difficult scenario to model.

Community Centre (Youth & Fitness Centre)

The 'Youthie' is a community centre offering three squash courts, gym, sauna, games room that operates as a drop in centre (including table tennis, pool tables, Wii games etc), canteen, indoor basketball stadium used for a wide range of sports (basketball, wheelchair basketball, junior and senior soccer, various games, badminton, walking groups). Upstairs has a dance studio room and aerobics equipment from the gym. Adjacent to the Centre is the skate park and outdoor basketball courts/tennis courts. The Centre also hosts parties and social gatherings. A recent focus has been on increasing the use of the Centre by disability clients and older residents with the introduction of new activities and equipment. Over 80 children visit the centre for

Friday night's activities which the Manager supervises on her own. It should be noted that many free hours are given by the Manager.

A summary of use is in the table below:

	2013/2014	2014/2015 - YTD
Squash courts	939	1,059
Games area	6,833	7,679
Basketball stadium	4,104	3,010
Skate park	2,982	10,079
Dance studio area	967	1,048
Gym	10,526	3,020
Playgroups	1,121	776

The skate park provides significant flow over to drop in patronage. The use of the skate park has increased from 2,982 uses last year to 10,000 so far this financial year.

During the last round of cuts, the Centre closed Sundays and Public Holidays to save \$12,000 per annum. Due to public demand, Council recently reopened the Centre on Sundays at an annual cost of around \$7,000.

Cost reductions to the Community Centre is very difficult to achieve. The building needs significant investment and has high maintenance demands.

Labour levels are kept to a minimum and it is to be noted that many hours are worked and not charged. A drastic service cut could be made such as only opening from 3pm – the usage figures indicated a strong social need to maintain the presence the Centre currently has.

Cobar Shire and TAFE Library

There are 367 Public Libraries in NSW, with a further 34 satellite locations and 20 mobile libraries servicing small and isolated communities (as at March 2015).

Cobar Shire and TAFE Library is an independent public library serving the whole of Cobar Shire (including Nymagee and Euabalong). Other independent library services with similar-sized populations are Oberon, Guyra and Wakool. Cobar Shire & TAFE Library is a main library building and service at 39 Marshall Street, open Monday-Friday 10:00am-5:30pm, Saturday 9:00am-1:00pm, a service point in Nymagee Hall open 5 hours every Wednesday; and a service point in the Old School Building, Euabalong open 5 hours every Thursday.

Some statistics from 2012/2013 (most recent statistics compiled & released by State Library of NSW) for our library:

- 2,628 members
- 24,523 books and 9,003 DVDs and other items available for loan
- 26,290 loans
- 7,190 hours of public computer use

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- 34,929 visits in person to all library services in the Shire (recorded on a digital people counter)
 - 2,756 new items were acquired at a cost of \$26,416 (an average cost of \$9.58 per item – the LOWEST average cost of all libraries in NSW)

Services provided to the Cobar Shire community and visitors include:

- Free loans of library materials for library members
 - includes ebooks, novels, magazines, DVDs, music CDs, information and textbooks
- Free access to wireless and library computers for library members
 - 10 computers (including 4 provided by TAFE)
 - 1 flat-bed scanner (provided by TAFE)
- Photocopying and printing (charges apply)
- Sending and receiving faxes (charges apply)
- Access to wireless and library computers for visitors (charges apply)
- Personal interaction for socially isolated people (VERY IMPORTANT)
- Safe communal meeting and relaxation space
 - Including local and national newspapers
- Weekly Storytime, rhyme and craft sessions (free and all welcome)
 - aims to develop love of reading in children
- Weekly computer classes 'keyboards and cursors' (free, all welcome, but numbers limited)
 - aims to improve confidence and provide basic skills
- School holiday activities provided by library staff, volunteers and local professionals (charges apply)
- Participation in regular local and national events e.g. Cobar Festival of the Miner's Ghost, Cobar Show, Cobar Paint the Town Read, National Simultaneous Storytime, Drug Action Week, Summer Reading Club and Library Lovers Day

Any restriction of the library budget would have negative consequences for Cobar Shire residents:

- Reduced access to only public internet in Cobar Shire - This internet access is especially important for those people who come to Cobar for work and use the internet to make banking transactions as well as keep in contact with their family and friends both in Australia and overseas.
- Reduced access to interaction for socially isolated people (including aged & infirm).
- Reduced access to recreational reading (a proven aid to positive mental health as well as a practical tool for improving junior & adult literacy).
- Reduced access to information & textbooks (important for personal development and professional study).
- Less Storytime sessions and school holiday activities (well-used and appreciated by wives and children of mine workers).
- Less computer instruction sessions (vital for improving basic skills and confidence with computers).

Like all cost cutting considerations, the key line item to achieve any material impact is wages cost. Councillors could resolve to cease the satellite operations at a cost saving of say \$15,000 per annum per site.

Swimming Pool

Council has previously considered and workshopped the impact of varying the length of the season and upon consideration there was little merit in undertaking any changes. The pool has a high element of fixed costs such as depreciation, management fees and to a certain extent even electricity is a fixed cost due to the need to keep plant running all year round. Depreciation of \$146,000 per annum accounts for a large portion of the cost. The management contract is currently under consideration. The outcome of this may see a cost reduction, however it is too early to advise on this.

Other options for reduction will occur in the maintenance area, however on balance a reasonable amount is required to be expended each year on an asset worth \$6 million.

General Conclusion

Unless service level reductions are used as the vehicle for cost reductions, no significant opportunities exist in the community service units with the possible exception of the swimming pool. The management contract may present a cost reduction. It may however see a cost increase.

Service level reductions need to be drastic to have an impact as small reductions are overpowered by fixed costs.

If Council wishes to impose major service level reductions to achieve savings of 10% of the yearly deficit it could for example:

1. Close the village Libraries.
2. Open the community centre for a few hours a day, noting there would be costs to achieving this.
3. Not heat the swimming pool.
4. Cease supporting tourism. This was considered in 2012.

Legal Situation

There are issues to consider when reducing staffing levels, depending on the employment arrangements in each case.

Policy Implications

Council has previously told ratepayers that there will be no reduction in service level provision (as per discussion during the Special Rate Variation where around 10% of the community attended sessions and inputted into the process).

Financial Implications

These have been outlined.

Risk Implication

There are risks with each decision and an overall risk of Council's reputation in the community particularly with the commitments given for the no future services reduction in regard to the Special Rate Variation.

RECOMMENDATION

- 1. That the report investigating potential community services cost reductions be received and noted for no further action.**
- 2. That any recommended alterations to the draft budget which was placed on public exhibition be further considered at the June 2015 Ordinary Meeting of Council along with other public feedback.**
- 3. That any recommended alterations to the draft budget which was placed on public exhibition be communicated to the public with a press release and an entry on Council's Website and Facebook Pages.**

REPORT 4A – DALTON PARK HORSE COMPLEX – EXPRESSIONS OF INTEREST AND NEW LICENCE AGREEMENT/S

FILE: P1-4-3 AOP REFERENCE: 3.3.4.2 ATTACHMENT: YES (PAGE 31-42)

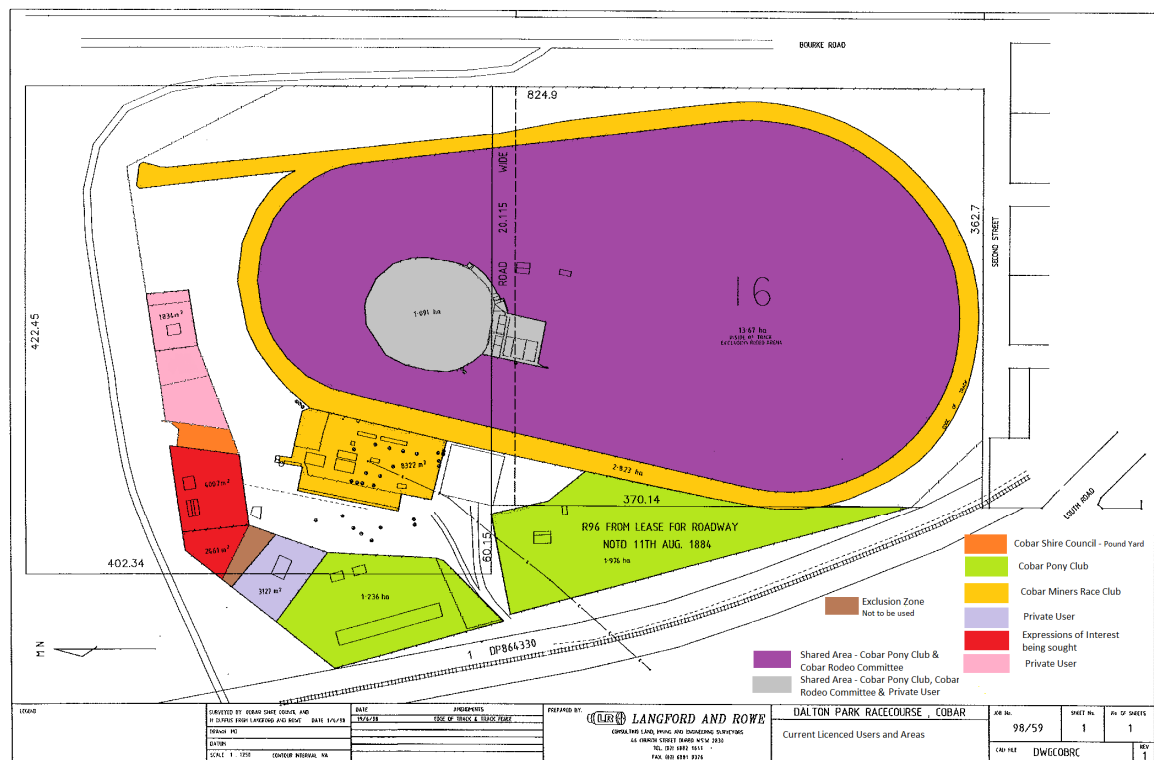
AUTHOR: *Land Management Officer, Heather Holder*

Purpose

The purpose of this report is to provide information to Council about the expression of interest process for the Dalton Park Horse Complex and to provide an outline of the expressions of interest received, so that Council can make an informed decision about the issuing of any new temporary licence agreement or agreements.

Background

The Cobar Miners Race Club decided that they no longer wish to have the two stable buildings and the surrounding land including the day yards as part of their licence. The Cobar Miners Race Club have had two tenants utilising this area. The two tenants of the Cobar Miners Race Club are firstly Mr and Mrs Wheeler, Ms Wheeler and Mr Turton, jointly and secondly Mr Prisk.



The Land Management Officer has been advised by Mr Turton that in the last approximately two years, they have had no written agreement with the Cobar Miners Race Club for use of the area, but for the 6 years (approximately) previous to that, they have had written agreements with the Cobar Miners Race Club. It is assumed that as Mr Prisk has provided no statement or documentation that there is also no written agreement between himself and the Cobar Miners Race Club either. The lack of agreements has caused uncertainty, angst and friction between the two tenants, as neither tenant is aware of what agreement/s verbal, changed or otherwise.

As per their expression of interest, Mr and Mrs Wheeler, Ms Wheeler and Mr Turton have utilised the stable building comprising 8 stables for the past 8 years and Mr Prisk makes no statement about the length of time he has utilised the area, however the expression of interest by Mr and Mrs Wheeler, Ms Wheeler and Mr Turton, advises that they have been sharing the 8 stable building with Mr Prisk for approximately the previous 12-18 months.

As per his expression of interest, Mr Prisk advises he is currently utilising 12 stables. Mr Prisk also states that the stables were built by the Cobar Miners Race Club and volunteers for use of local trainers many years ago.

Although the building of the stables was undertaken by the Cobar Miners Race Club and volunteers many years ago, the stables are effectively in Council's possession. All tenants past and present should be aware that the licence agreement they sign states that they may build new infrastructure with the correct permissions and approvals, but at the end of their licence period any fixed infrastructure asset they have constructed become the property of the Crown and become an asset that Council either has to manage or find a new licensee for.

Although Council should not concern themselves about what agreements the Cobar Miners Race Club may or may not have had in place, it is important to know and understand some of the history of use of the facilities for which we have sought expressions of interests.

Once the Cobar Miners Race Club advised that they no longer wished to have this area as part of their licenced area, the facilities come back to Council's control and as per the below resolution, Council sought expressions of interest for their use.

At the Council meeting held on the 26th March 2015, Council made the following resolution.

28.03.2015 RESOLVED:

3. *That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, note that expressions of interest will be sought from the community for the stable area now vacated by the Cobar Miners Race Club and seek expressions of interest from any other person who may wish to undertake development or use of Dalton Park Horse Complex.*

Clr Yench /Clr Sinclair

CARRIED

Expressions of Interest were sought and closed on the 29th April 2015. All interested persons were asked to contact Council and were provided with the attached Expressions of Interest page and map.

Council received 3 expressions of interests (attached) from the following individuals listed below by the closing date of 29th April 2015, and these are summarised below:

- Kym and Sue Miller;
- Kevin, Maree and Christie Wheeler and Geoff Turton;
- Wayne Allan Prisk (WAP).

Please note personal details such as addresses and phone numbers have been removed from the copies of the expressions of interest provided. Expressions of Interest are provided in the date order they were received and filed.

Kym and Sue Miller's expression of interest

Mr and Mrs Miller have expressed an interest in four of the eight stables in the stable complex comprising 8 stables and have suggested that a fence (at their expense) be erected to divide the stable building of 6 and 8 stables but including the horse wash area for use of Mr Prisk. Mrs Miller is a registered horse trainer and holds the appropriate licences and insurances of \$20 million dollars public liability.

They have also expressed the need for Council to ensure that an additional water meter is installed to allow for separate water bills for each of the stable blocks.

Mr & Mrs Miller also note that Mr Prisk has use of the Council pound yards and request similar consideration for their use.

Kevin, Maree and Christie Wheeler and Geoff Turton's expression of interest

Mr and Mrs Wheeler, Ms Wheeler and Mr Turton have expressed an interest in four of the eight stables in the stable complex comprising 8 stables. As per their expression of interest, this is the same stable complex for which they have had an agreement with the Cobar Miners Race Club for the past 8 years and are now seeking only 4 of these stables. They have suggested that a fence (at their expense) be erected to divide the stable building of 6 and 8 stables, but including the horse wash area for use of Mr Prisk (please refer to the map attached to their expression of interest). They have been using the stables for the past 8 years, have a shipping container onsite and over the years have undertaken maintenance and improvement works to the stable area. They have for the past 4 to 6 years also been the Clerk of Course for the Cobar Races and represent Cobar when competing at various horse events. They hold the appropriate insurances of \$20 million dollars public liability.

They have also expressed the need for Council to ensure that an additional water meter is installed to allow for separate water bills for each of the stable blocks.

Wayne Prisk's (WAP) expression of interest

Mr Prisk has expressed an interest in the entire area comprising a total of 14 stables and the associated surrounding area, including day yards. Mr Prisk as per his expression of interest is utilising 12 of these stables. Mr Prisk is a registered horse trainer and is operating his personal business from the current facilities and holds the appropriate insurances of \$20 million dollars public liability. As a registered trainer, Mr Prisk is required to abide by the rules and regulations as set out in the "Rules of Racing NSW". This requires the following:

- The trainer is obligated to restrict or control access of any person, vehicle or service to any stable premises under the trainer's control and penalties can apply to anyone entering the facilities;

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- The trainer is obligated to restrict or control access of any unvaccinated horse to any stable premises under the trainer's control;
 - The trainer is subject to audits of stabling areas under his control to ensure that they meet the Work, Health and Safety obligations and the Welfare Guidelines for Australian Thoroughbred Horse Racing.

Mr Prisk cannot have his horses sharing a stable building with other horses that are not his or not being trained by him, or under his control.

Issues

In discussions with other licenced users of the Dalton Park Horse Complex about expressions of interest and any potential impacts on their use, Council received two responses:

- Ms Whitehurst, the current licensee of the stable and area next door, has requested that the stallion exclusion area be reinstated. This exclusion zone has not existed for several years due to there being no registered horse trainer who may potentially have stallions. The idea of the stallion exclusion area is to ensure that a stallion cannot fight with another horse across the fence. It is suggested that this area be at a width of 10m, however the exact distance would be a final negotiation between, Council, Ms Whitehurst and the new licensee;
- The Cobar Miners Race Club has requested that they were happy for the racetrack to be utilised by Mr Prisk, however they wished to maintain management rights over the racetrack. It is assumed that given Mr & Mrs Wheeler, Ms Wheeler and Mr Turton currently also use the racetrack and Mr & Mrs Miller may also be using the racetrack if successful with their expression of interest, that the Cobar Miners Race Club would be happy for them to use the racetrack as well;
- It is suggested that as a condition of any licence agreement for any of the three expressions of interest, it will state that they have shared use of the racetrack, and that the Cobar Miners Race Club is responsible for all management decisions, including maintenance of the racetrack.

The Land Management Officer has spoken to two of the interested parties who have expressed an interest in Dalton Park Horse Complex and has suggested an alternative arrangement to the one proposed by Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr & Mrs Miller. The suggested change will still include the erecting of a fence between the two stable complexes, however instead of utilising the stable building comprising 8 stables, and was suggested that they use the stable building of 6 between them. This allows Mr Prisk to utilise the larger stable building and the larger land area. This suggestion would also require some modification of the horse wash area to allow access on the western side, instead of the current eastern access.

Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr & Mrs Miller were all willing to compromise and were willing to discuss utilising the stable building of 6 stables instead of the 8 they initially expressed an interest in.

As per his expression of interest, Mr Prisk, who has expressed an interest in obtaining a licence for the whole area, is naturally concerned about the impact a reduction in the

number of stables may have on his business operations and the potential cost to his business if he is required to build new stables and relocate.

Currently, as long as someone adheres to the planning regulations and obtains relevant approvals, licensees can build at Dalton Park Horse Complex with permission from the Crown and Council, which would not be unreasonably withheld by either party.

Mr & Mrs Miller also commented that Mr Prisk is utilising the Council pound yards for his business operations. There is no licence agreement in place to allow this. Council's Ranger has agreed verbally to allow Mr Prisk to utilise this area, however he must vacate the area entirely when requested by the Council's Ranger or when there is an event on at Dalton Park Horse Complex in case it needs to be utilised for impoundment of animals. If this verbal agreement is to be continued, it should be part of Mr Prisk's written licence agreement. As per Mr Prisk's expression of interest, he has advised that he cannot share areas with other horse owners as he needs to have complete control over the area where any horses he owns, trains or that are under his control are kept.

Legal Situation

All users of Dalton Park Horse Complex should have a licence agreement that covers their use of the facility.

Financial Implications

For each licence issued Council will charge the fee payable as per Council's 2015/2016 fees and charges.

Options

Option 1 – If Council resolves to issue one (1) licence to Mr Prisk then the following recommendations would be relevant:

1. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to issue a 12 month temporary licence agreement to Mr Wayne Prisk to allow for the stabling and training of racehorses and associated activities to cover the period 1 July 2015 to 30 June 2016.
2. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to require Mr Prisk to reinstate the stallion exclusion area at a distance of 10m or other such appropriate distance as negotiated between Council, Ms Whitehurst and Mr Prisk. The fence to be reinstated at Mr Prisk's cost and to a standard equal to or better than the new perimeter fence.
3. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to advise Mr Prisk that as part of his licence he can utilise the racetrack, however decisions about the management of the racetrack, including maintenance are the responsibility of the Cobbar Miners Race Club. This is to be listed as a condition on the licence agreement.

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4. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to advise Mr Prisk that he has three (3) months to discontinue the use of the Council pound yards. If Mr & Mrs Wheeler, Ms Wheeler and Mr Turton have not vacated the premises after three (3) months, and Mr Prisk still requires the use of the Council pound yards, a further three (3) months may be granted. No further extension of time will be granted.
 5. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to advise Mr & Mrs Wheeler, Ms Wheeler and Mr Turton that they have three (3) months to remove their belongings and horses from the area. If after three (3) months their belongings and horses have not been removed from the area but sufficient effort has been made to complete this, a further three (3) months may be granted. No further extension of time will be granted.
 6. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to affix the Trusts seal to the 12 month temporary licence agreement for Mr Wayne Prisk to cover the period 1 July 2015 to 30 June 2016.

Matters to be considered (negative and positive) if Option 1 is selected:

- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton who have been utilising the stables for 8 years, will be evicted;
- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton would need time to relocate their personal belongings, namely a 20ft shipping container and horses.
- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton may be impacted financially in regards to removal of their personal belongings and horses and any costs associated with locating and establishing and/or building a new site for their horses;
- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton's ability to prepare their horses for shows, rodeos, race club meetings and polocrosse events may be impacted, in particular their ability to provide horses and services as Clerk of Course for the Cobar Races annual event, which Mr Turton has done for the previous 4 years and Ms Wheeler has done for the previous 6 years;
- Mrs Miller is a register horse trainer, so Cobar may miss an opportunity to have a second registered trainer at the Dalton Park Horse Complex.
- Mr Prisk will be evicted from the Council pound yard;
- Mr Prisk will be required to erect the fence for the stallion exclusion area.
- With an increase of stables and area, Mr Prisk may be able to increase his personal business;
- An increase in Mr Prisk's personal business may have a positive impact on the Cobar Miners Race Club;
- With sole use of the entire facilities, Mr Prisk may meet the Racing Stewards standards for security and non-sharing of facilities;
- Council will receive the income from one licence which as per the draft fees and charges will be \$520 including GST

Option 2 - If Council resolves to issue three (3) licences to Mr Prisk, Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr & Mrs Miller then the following recommendations would be relevant:

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1. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to issue a 12 month temporary licence agreement for the stabling building comprising 8 stables and the surrounding area as defined on the attached map to Mr Wayne Prisk to allow for the stabling and training of racehorses and associated activities to cover the period 1 July 2015 to 30 June 2016.
 2. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to require Mr Prisk to reinstate the stallion exclusion area at a distance of 10m or other such appropriate distance as negotiated between Council, Ms Whitehurst and Mr Prisk. The fence to be reinstated at Mr Prisk's cost and to a standard equal to or better than the new perimeter fence.
 3. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to offer a 12 month temporary licence agreement for the sharing of the stable building comprising 6 stables and the surrounding area as defined on the attached map to Mr & Mrs Wheeler, Ms Wheeler and Mr Turton for the stabling and training of horses for the period of 1 July 2015 to 30 June 2016.
 4. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to offer a 12 month temporary licence agreement for the sharing of the stable building comprising 6 stables and the surrounding area as defined on the attached map to Mr and Mrs Miller for the stabling and training of racehorses for the period of 1 July 2015 to 30 June 2016.
 5. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to advise Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr and Mrs Miller that the fence to be erected between the two stable buildings is to be undertaken at their cost and to a standard equal to or better than the new perimeter fence.
 6. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to advise Mr Prisk, Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr & Mrs Miller that as part of their licence they can utilise the racetrack, however decisions about the management of the racetrack, including maintenance are the responsibility of the Cobar Miners Race Club. This is to be listed as a condition on the licence agreements.
 7. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to advise Mr Prisk that he has three (3) months to discontinue the use of the Council pound yards. If after three (3) months Mr Prisk still requires the use of the Council pound yards a further three (3) months may be granted.
 8. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to place a condition on the licence agreements that allows all parties three (3) months to undertake the necessary fencing, movement of stock and belongings.

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9. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to install an additional water meter to allow for separate water bills for each of the stable buildings. The installation is to be at the cost to the licensee of the stable building for which it is required to be installed.
 10. That Council acting as Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust, resolve to affix the Trusts seal to the 12 month temporary licence agreements for Mr Prisk, Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr & Mrs Miller to cover the period 1 July 2015 to 30 June 2016.

Matters to be considered (negative and positive) if Option 2 is selected:

- Mr Prisk will be evicted from the Council pound yard;
- Mr Prisk will be evicted from the stable building comprising 6 stables, however will have a licence for the stable building comprising of 8 stables;
- A reduction in the stables currently utilised by Mr Prisk may have an impact on his personal business and ability to earn an income;
- A reduction in the stables currently utilised by Mr Prisk may require him to extend the stable building comprising 8 stables or even build an additional stable building. This may have an impact on his personal business and require investment in additional assets to undertake his business;
- With the suggested sharing of the facilities and erection of a fence, Mr Prisk may meet the Racing Stewards standards for security and non-sharing of facilities;
- A reduction in Mr Prisk's personal business may have a negative impact on the Cobar Miner Race Club;
- Mr Prisk will be required to erect the fence for the stallion exclusion area;
- It is currently not known by the Land Management Officer, where the water meters are located as to who may be responsible for the cost of installation which would be approximately \$2,000 to \$3,000 depending on how far an extension would have to be run;
- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton and Mr & Mrs Miller will be required to erect the new internal boundary fence to provide separate licenced areas;
- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton's will be evicted from the stable building comprising of 8 stables, however will have a shared licence for the stable building comprising 6 stables;
- Mr & Mrs Wheeler, Ms Wheeler and Mr Turton's ability to prepare their horses for shows, rodeos, race club meetings and polocrosse events will be able to continue, in particular their ability to provide horses and services as Clerk of Course for the Cobar Races annual event, which Mr Turton has done for the previous 4 years and Ms Wheeler has done for the previous 6 years;
- Mrs Miller is a register horse trainer, so Cobar would have a second registered trainer at the Dalton Park Horse Complex;
- Council will receive the income from three licences which as per the draft Fees and charges will be \$520 including GST per licence so a total of \$1,560 including GST.

RECOMMENDATION

That Council as the Trust Manager for the Dalton Park Racecourse (R630019) Reserve Trust resolve to accept either Option 1 or Option 2 after consideration of both options and matters to be considered.

**REPORT 1B – BANK RECONCILIATION, CASH FLOW & LOAN FACILITY
SUMMARIES AS AT 31 MAY 2015**

FILE: B2-7 AOP REFERENCE: 3.1.1.5 ATTACHMENT: NO
AUTHOR: *Manager Finance & Administration, Neil Mitchell*

Purpose

Council has requested that the following financial information be presented to each meeting of Council: reconciled bank balance, cash flow statement, and loan facility.

Bank Reconciliation

Balance as per Bank Statement – 31 May 2015	-
Add: Outstanding deposits	21,438
Deduct: Unpresented Cheques	(1,120)

BALANCE AS PER CASH BOOK 31 May 2015	20,318
---------------------------------------------	---------------

In accordance with the requirements of the Local Government Act, 1993, I hereby certify that the Cash Book has been reconciled with the appropriate Bank Statements on a daily basis, during the month of May 2015 and that the reconciliations have been recorded.



Manager Finance & Administration

Summary of Total Funds Available at Month End for the Last 12 Months

Jun-14	6,333,238	78,599	6,411,837
Jul-14	6,093,147	229,986	6,323,133
Aug-14	8,314,265	156,366	8,470,631
Sep-14	8,198,204	57,627	8,255,831
Oct-14	8,199,632	52,044	8,251,676
Nov-14	8,379,663	268,158	8,647,821
Dec-14	8,950,731	33,005	8,983,736
Jan-15	8,279,456	247,174	8,526,630
Feb-15	9,182,594	122,149	9,304,743
Mar-15	9,310,753	92,176	9,402,929
Apr-15	9,182,594	36,235	9,218,829
May-15	11,606,935	20,318	11,627,253

*12 month average of cash held: \$8,618,754
The amount restricted in the Financial Accounts for Employee Leave Entitlements is
\$313,647.*

Cash Flow

Forecast	Actual	Description	Forecast
May-15	May-15		Jun-15
36,235	36,235	Bank Balance Forward	20,318
403,500	403,500	Regional Roads Block Grant	-
	1,217,578	FAG	-
60,000	-	Major Project Revenue <i>(estimate only)</i>	215,000
	760,000	Roads to Recovery	-
1,257,223	1,290,287	RMS – Ordered Works	250,000
26,400	25,420	RMS Agency <i>(April & May fees received in May)</i>	13,200
665,000	941,328	Rates /Water/User Charges	450,000
50,000	95,819	Private Works/Debtors	50,000
150,000	118,423	Non s67 Debtors <i>(incl. CWB & Capital Grants)</i>	150,000
220,000	200,364	LBV – Residents Fees & Grant	220,000
90,000	131,168	Child Care/In Home Care	90,000
		Net Transfer from ‘At Call’ Account	1,175,747
25,000	33,420	Sundry	25,000
		Plant Sales	15,000
165,000	206,136	GST <i>(Difference due to Creditors cut-off as at 15th of the month)</i>	18,000
		<i>Less</i>	
(2,000,000)	(1,926,773)	Creditors	(2,000,000)
(670,000)	(1,086,990)	Wages & Salaries	(670,000)
(406,093)	(2,403,332)	Net Transfer to At Call Account	
(22,265)	(22,265)	Loan Repayment	(22,265)
50,000	20,318	Closing Reconciled Bank Balance Cr/(Dr)	-

COUNCIL'S LOAN FACILITIES as at 31 MAY 2015

Working Capital Loan (4.285%)	(\$500,000)
Refinanced NECU Loan (6.22%)	(\$1,759,534)
Closing Balance 31 May 2015	(\$2,259,534)

RECOMMENDATION

That Council receive and note the Bank Reconciliation, Cash Flow and Loan Facility Report as at 31 May 2015.

REPORT 2B – RATES RECONCILIATION REPORT AS AT 31 MAY 2015**FILE: R2-1****AOP REFERENCE: 3.1.1.6****ATTACHMENT: YES (PAGE 43-44)****AUTHOR: Rates Officer, Jo-Louise Brown****Purpose**

To provide Council details of the Rate Reconciliation as at 31 May 2015.

FUND	LEVY 2014-2015	Pensioner Rebates	Abandoned Levy	Additional Levies	Sub Total 2014- 2015	Arrears 30th Jun 14	Payments	Total Outstanding	Total Outstanding Previous Year	% Outstanding of Sub Total Plus Arrears
Business	361,810.49	328.33	1,313.40	500.00	360,668.76	21,537.58	337,833.61	44,372.73	33,371.14	11.61%
Farmland	618,372.00	2,750.00	-	3,201.76	618,823.76	41,751.70	589,334.15	71,241.31	66,995.91	10.78%
Mining	1,534,980.69		12,233.20	-	1,522,747.49	129,765.55	1,512,811.00	139,702.04	135,794.77	8.45%
Residential	1,099,583.83	50,662.30	502.25	-	1,048,419.28	158,054.45	996,207.50	210,266.23	194,087.06	17.43%
Overpayments					-	-95,748.40	- 948.16	-94,800.24	-88,178.83	99.01%
Legal Costs			-	32,681.52	32,681.52	19,842.63	16,464.85	36,059.30	18,272.55	68.65%
Interest			-	12,627.46	12,627.46	58,224.43	13,885.48	56,966.41	44,118.49	80.40%
General Rates	3,614,747.01	53,740.63	14,048.85	49,010.74	3,595,968.27	333,427.94	3,465,588.43	463,807.78	404,461.09	11.80%
Domestic Waste	534,703.00	18,695.87	11,262.09	832.00	505,577.04	24,871.02	483,723.11	46,724.95	42,603.93	8.81%
Sewerage	619,440.00	20,431.25	1,480.00	27,033.71	624,562.46	33,661.10	608,110.27	50,113.29	51,117.65	7.61%
Cobar Water	597,105.00	21,831.25	804.00	1,014.00	575,483.75	22,627.79	552,513.89	45,597.65	41,745.11	7.62%
Nymagee Water	25,060.00	612.50	209.91	-	24,237.59	5,203.55	22,615.86	6,825.28	6,657.47	23.18%
Euabalong Water	36,405.00	1,137.50	-	-	35,267.50	8,951.87	33,985.51	10,233.86	9,487.09	23.14%
Euab West Water	22,575.00	612.50	-	-	21,962.50	4,534.19	20,539.86	5,956.83	5,971.20	22.48%
Mt Hope Water	4,620.00	-	-	-	4,620.00	0.00	3,299.11	1,320.89	163.75	28.59%
Water Access	685,765.00	24,193.75	1,013.91	1,014.00	661,571.34	41,317.40	632,954.23	69,934.51	64,024.62	9.95%
Water Usage	1,566,119.85		9,474.90	-	1,556,644.95	436,760.89	1,931,127.36	62,278.48	141,577.36	3.12%
TOTAL	7,020,774.86	117,061.50	37,279.75	77,890.45	6,944,324.06	870,038.35	7,121,503.40	692,859.01	703,784.65	8.87%

RECOMMENDATION**That the Rates Reconciliation Report as at the 31 May 2015 be received and noted.**

REPORT 3B – GRANT FUNDING

FILE: G4-17

AOP REFERENCE: 3.1.1.4

ATTACHMENT: NO

AUTHOR: *Special Projects Officer, Angela Shepherd***Grant Update**

Grant and Department	Activity	Amount Applied For	Successful?	Council Funding Required	Deadline for Project
Grants Applied for					
Heavy Vehicle Safety and Productivity Program	New Truckwash	\$90,000	Pending	\$90,000 budgeted	
Youth Opportunities	Range of confidence building, reliance and transition programs for 11-14 year olds.	\$15,000	Pending	Project Administration	For projects between February and December 2015.
Restart NSW Regional Tourism Infrastructure Fund: Airports	Construct a new terminal building at the airport and install a permanent self-serve refuelling station.	\$1.11745m	EOI submitted.	Nil committed	If EOI successful, a full application will be sought. EOI was to be announced end of May.
NSW Sport and Recreation	Installation of accessible toilet facility, storage for wheelchair basketball chairs and rails in toilets.	\$26,750	Pending	Matching funds of \$26,750 to come from matching grants contribution	
EPA Environmental Education Grants	To undertake an education program on water quality and stormwater into the Newey involving the schools in Cobar.	\$48,000	Pending	Nil	
Community Support Program	Fund the administration of Family Day Care	Continuation of current funding	pending	Nil	1 July 2015

Grant and Department	Activity	Amount Applied For	Successful?	Council Funding Required	Comment
Grants Announced					
National Stronger Regions Fund	Revitalisation of the Cobar Youth and Fitness Centre (entrance, kitchen, eating/social area, multipurpose room)	\$250,000	Unsuccessful	\$197,000 Council S94 funds \$40,000 Peak \$20,000 CSA	Must be completed by December 2019
EPA – Illegal Dumping	Purchase of more cameras etc to reduce illegal dumping around Cobar, in conjunction with the Netwaste Councils	\$20,000	Successful	Nil	
Sport Disability Grant	Purchase of two disability sports kits and one wheelchair for wheelchair basketball	\$6,000	Successful	Nil	

Current Grant Opportunities:

The second round of the National Stronger Regions Fund is open, due July 2015. Council is working with partners to look at resubmitting the application for the Cobar Youth and Fitness Centre.

RECOMMENDATION

That the information contained in the grant funding report detailing grants applied for, grants announced and grants available be received and noted.

ATTACHMENTS



FINANCE & POLICY COMMITTEE MEETING AGENDA

THURSDAY 11 JUNE 2015

~ REFERENCE TO ATTACHMENTS ~

PART A – ACTION

Report 3A – Community Services Cost Reduction..... 29-30

Report 4A – Dalton Park Horse Complex – Expressions of Interest and New Licence Agreement/s 31-42

PART B – INFORMATION

Report 2B – Rates Reconciliation Report as at 31 May 2015 43-44