

JERILDERIE SHIRE COUNCIL

NOTES

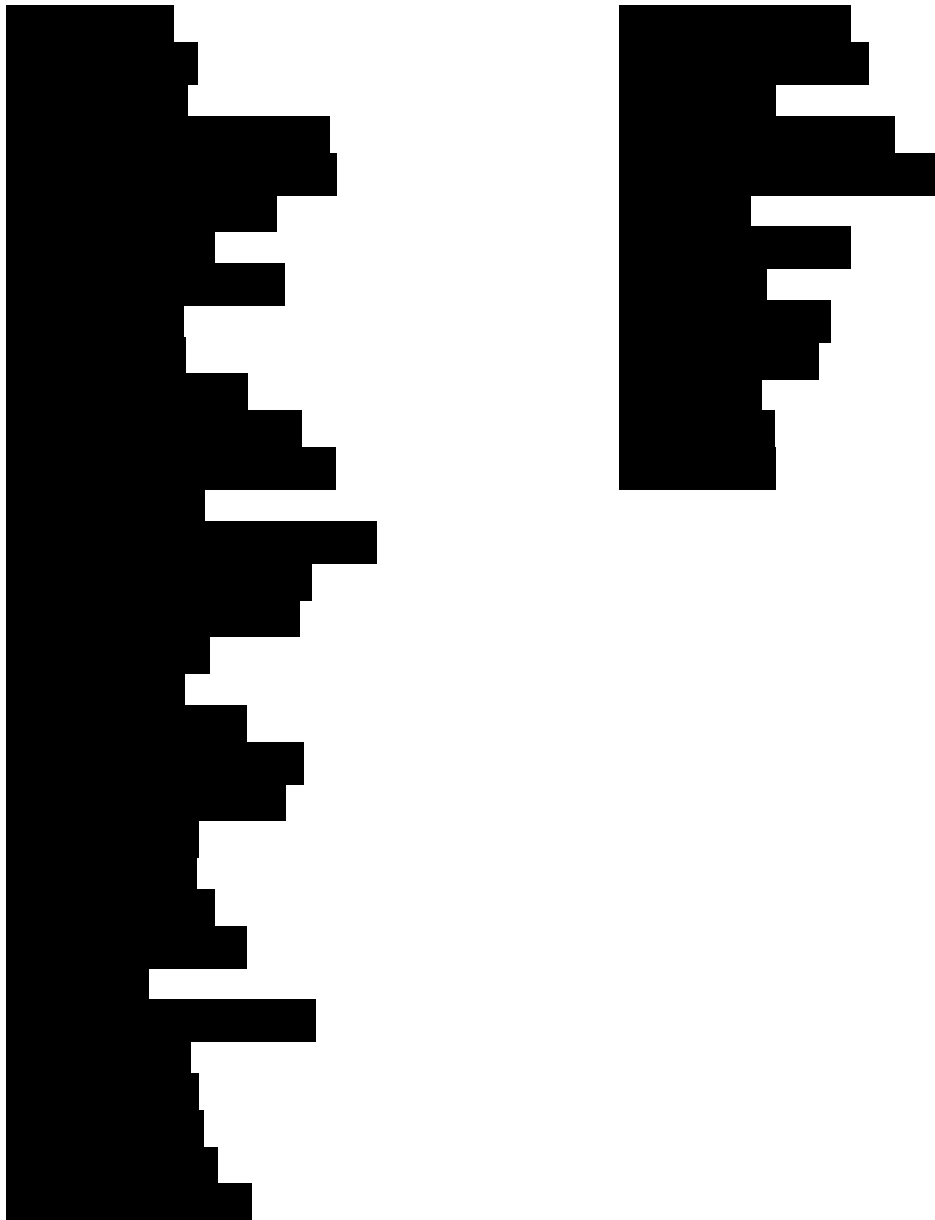
AND

POWERPOINT PRESENTATION

PUBLIC MEETING
10 JUNE 2015

**PUBLIC MEETING 10 JUNE 2015
IAN GILBERT ROOM, JERILDERIE
COMMENCING 7.00PM**

Present: Cr Ruth McRae
Cr John Hudson
Cr Laurie Henery
Cr Faith Bryce
Cr Gaila Smith
Cr Terry Hogan
Craig Moffitt
David Tamlyn
Susan Appleyard
Vicki Sutton
Bob Adamson
Julie Conn



Presentation on Fit for the Future

Councillor McRae opened the meeting at 7.03pm and welcomed attendees.

GM spoke to powerpoint presentation on Fit for the Future

Re the FFTF Criteria – Benchmarking slide, [REDACTED] asked how do Shires go with :

Efficiency

A decrease in Real Operating Expenditure per capita over time

Increasing

GM advised that Local Government areas with increasing population like Albury and Murray will tick the box (✓ = decreasing). However he believes Jerilderie will never be able to show a decrease.

Cr Henery: JSC has tried to discuss with surrounding Councils shared GM's. However it is legislated that all Councils must have their own GM.

GM: Jerilderie put forward a proposal to share a GM with Murrumbidgee Shire for a 2 year trial, and we believe this would have been approved by the Minister for Local Government.

Cr Henery: On first look at draft Business Plan for merger with Murrumbidgee it looks like a big saving. However when you look at it more closely a money saving is what is spent per km of road in JSC as compared to Murrumbidgee Shires lower \$ rate per km-the lower standard has been accepted ie less \$ per km/road. A new Council would not adopt the lower standard hence no saving.

[REDACTED]: How many towns does Murrumbidgee Shire have?

GM: 2 towns-Darlington Point and Coleambally. Murrumbidgee Shire has a slightly larger population and area.

Cr Hogan: spoke re how Murrumbidgee Shire borders its service centre ie Griffith.

GM called for a show of hands for following options (as a preferred option):

Merger with Murrumbidgee	1 vote
Rural Council	43 votes
Neither proposal	3 votes
Did not Vote	13 votes

[REDACTED]: asked if admin services are reduced what happens? Where does work go?

GM spoke about not replacing computer systems, etc and service delivery through JO's.

██████████: Mergers mean that little towns miss out. He has been involved in areas where mergers have happened and many people are unhappy.

██████████: What has been the outcome of the merger proposal with Corowa, Berrigan, Urana and Jerilderie Shires.

GM advised Berrigan and Urana not willing to participate .

██████████: Asked for clarification on JO's, which GM provided.

SERVICE CENTRES

GM spoke about preferred Service Centre in future, and asked for show of hands:

Shepparton	9 votes
Albury	38 votes
Wagga	3 votes
Griffith	0 votes
Deniliquin	2 votes

Then a show of hands for preferred Local Government Service Centre:

Albury	43 votes
Wagga	5 votes
Griffith	1 vote
Deniliquin	5 votes

██████████: Corowa, Urana, Berrigan and Jerilderie Shire Merger-Urana and Berrigan not interested-Can Minister force Urana and Berrigan to be involved in the merger.

GM advised if the Minister likes the proposal he can tell Councils to go away and have another think about it – Not forced, but a “suggestion”.

Cr Hogan: No recurrent funding following merger, and explained by GM the money provided by Government for a merger is insufficient anyway. Local Government is under resourced by the NSW Government. Years ago Local Government used to get around 2% of Federal income, today it receives only a fraction of that %. Without recurrent funding there will be problems.

Presentation on Fit For The Future concluded.

Presentation on Budget Highlights commenced

GM advised the budget for 2015/16 would be adopted at Council's meeting of 23 June 2015. Please let us know if you have a problem prior to that date.

██████████: Advised the world economy is in a mess and wages are too inflated. Jerilderie suffering from a lack of population and less children in primary schools etc is affecting our community.

The Mayor and GM responded.

██████████ spoke on behalf of the Yanco Creek and Tributaries Advisory Committee. He advised how it is all to do with environmental flow changes - \$50 million to be spent, which it is said will make huge water savings. YACTAC disputes this.

Jerilderie Shire Council water supply will be affected, as well as farmers and their viability.

Need a groundswell of Jerilderie people to protest these actions.

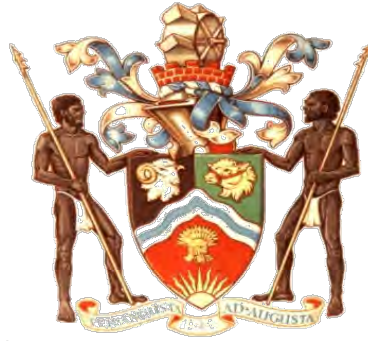
Cr McRae: Community voice will have an impact, and JSC will support YACTAC

██████████: Federal Government set aside \$30million for loss of production in irrigation areas. Has Council made any effort to access these funds?

GM: advised Council was aware of the funds available.

Once Council's Fit For The Future Submission is submitted, it will be put on website.

The meeting closed at 9.05pm



JERILDERIE SHIRE COUNCIL

**FIT FOR THE FUTURE
PUBLIC MEETING**

10 JUNE 2015



Fit for the Future

2011

2012

2013

2014

Today



Destination 2036

Councils came together to plan how Local Government could meet the challenges of the future.

T Corp Sustainability Review

Conducted a comprehensive, independent analysis into the financial sustainability of every Council in NSW.

Local Government Infrastructure Audit

Provided information in relation to the infrastructure backlog in NSW and identified infrastructure needs by area and asset type

Independent Local Government Review

Conducted wide consultation to develop key recommendations regarding Local Government structures, governance models and boundary changes

Local Government Acts Taskforce

Looked at ways to modernise legislation to ensure that it would meet the future needs of Councils and communities

Fit for the Future-Local Government

Will lay the foundations for a stronger system of Local Government and stronger local communities



Fit for the Future





Fit for the Future

REVITALISING LOCAL GOVERNMENT

October 2013 - Final Report of the NSW
Independent Local Government Review Panel

Options indicated in Report:

- Merge with Berrigan Shire Council (preferred)
- Rural Council in Mid Murray Joint Organisation

(Reference Table 11 – page 114)



Proposed Joint Organisation boundaries within State Regional boundaries





Fit for the Future





Fit for the Future

CRITERIA RESULTS

Benchmark-2011/12 to 2013/14

Result	Meets FFTF Benchmark
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Sustainability

•Operating Performance ratio (greater or equal to break-even over 3 yrs)	-0.178	x
•Own Source Revenue Ratio (greater than 60% average over 3 years)	69.15	✓
•Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)	84.41%	x

Effective Infrastructure & Service Management

•Infrastructure Backlog Ratio (less than 2%)	2.81%	x
•Asset Maintenance Ratio (greater than 100% average over 3 years)	110.78%	✓
•Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)	2.59%	✓

Efficiency

A decrease in Real Operating Expenditure per capita over time	Increasing	x
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OVERALL RESULT Council does not meet all 7 of the Fit for the Future criteria



Fit for the Future

CRITERIA RESULTS

Benchmark- 2015/16 to 2017/18

Result	Meets FFTF Benchmark
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Sustainability

•Operating Performance ratio (greater or equal to break-even over 3 yrs)	-0.117	x
•Own Source Revenue Ratio (greater than 60% average over 3 years)	74.45%	✓
•Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)	108.53%	✓

Effective Infrastructure & Service Management

•Infrastructure Backlog Ratio (less than 2%)	1.73%	✓
•Asset Maintenance Ratio (greater than 100% average over 3 years)	106.74%	✓
•Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)	1.86%	✓

Efficiency

A decrease in Real Operating Expenditure per capita over time	Increasing	x
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OVERALL RESULT Council does not meet all 7 of the Fit for the Future criteria



Fit for the Future

OPTIONS IDENTIFIED BY COUNCIL-

- Rural Council
- Merge with neighbouring Council(s)

Berrigan

Murrumbidgee

Berrigan, Urana, Corowa



Fit for the Future

RURAL COUNCIL

Features:

- A strong community identity, sense of place and social capital;
- Effective local representation at all levels of Council responsibility;
- Meaningful financial autonomy (in setting budgets, rates, fees and charges);
- Local priorities to inform service delivery with local oversight;
- Capacity to deliver local 'core' Council services and infrastructure with local oversight;
- Capacity to deliver State or Federal services on an agency basis;
- Local employment maximised in the Local Government area through Council activities.



Fit for the Future

RURAL COUNCIL

Characteristics (defined by Fit For The Future):

1. Small and static or declining population spread over a large area ✓
2. Local economies that are based on agricultural/resource industries ✓
3. High operating costs associated with a dispersed population and large area ✓
4. High importance of retaining local identity, social capital, and capacity for service delivery ✓
5. Low-rate base and high grant reliance ✓
6. Difficulty in attracting and retaining skilled and experienced staff ✓
7. Risk in ongoing financial sustainability and provision of adequate services and infrastructure ✓
8. Long distance to a major (or sub) regional centre ✓
9. Limited options for mergers ✓



Fit for the Future

RURAL COUNCIL

Options:

Option 1 Resource sharing

Either with neighbouring councils or via a Regional Joint Organisation

Option 2 Shared administration

Agreements with neighbouring councils

Option 3 Specialty services

Marketing specialist services to other councils eg via a Centre of Excellence

Option 4 Streamlined governance

Reducing the number of Councillors or formal council meetings, making greater use of committee structures

Option 5 Streamlined planning, regulation & reporting

Exploring flexibility under current legislative provisions, as well as adopting new options following legislative review

Option 6 Service review

Exploring options for improved cost recovery in service provision, or optional service delivery methods





Fit for the Future

MERGERS

Berrigan Shire Council (the preference recommended in the Independent Local Government Review Panel Report).

Business case completed by Berrigan Shire Council

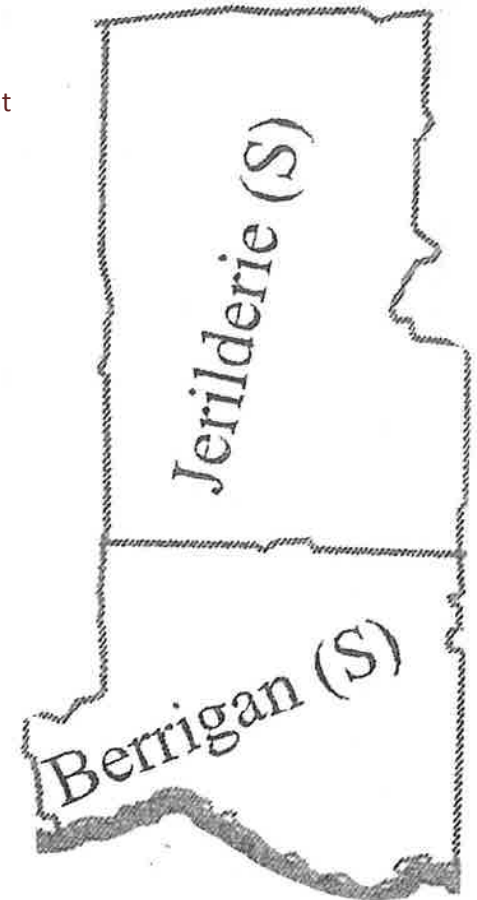
Benefits

- Increased capacity for (strategic) service improvement
- Possibly more Council jobs in Berrigan
- Increased long term sustainability
- Growing rate base

Costs/Risks

- Merger and transition costs larger than provisions made by State Government
- Possible transfer of jobs out of Jerilderie (long term)
- Different workforce cultures
- Increased rates for some categories
- Competition between towns

This option is unable to be pursued, as Berrigan Shire Council has resolved to present a stand alone proposal.



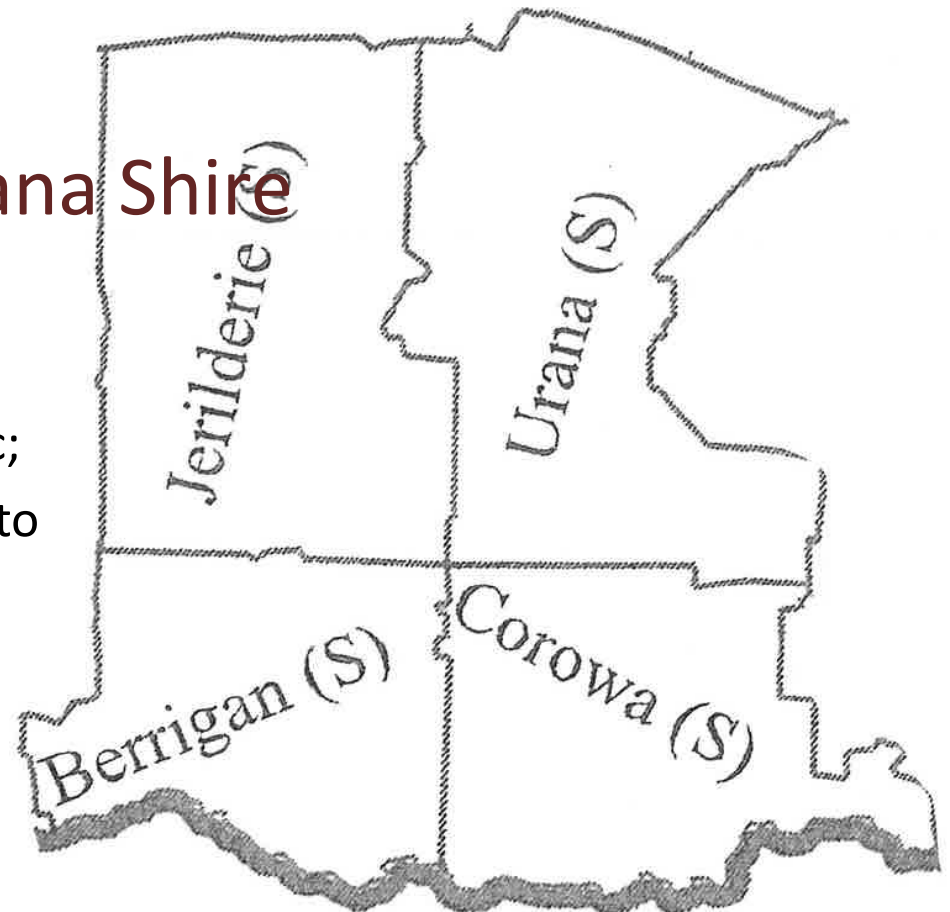


Fit for the Future

MERGERS

Berrigan, Corowa, Urana Shire Councils

- Corowa willing and enthusiastic;
- Berrigan and Urana not willing to progress as an option





Fit for the Future

MERGERS

Murrumbidgee Shire Council

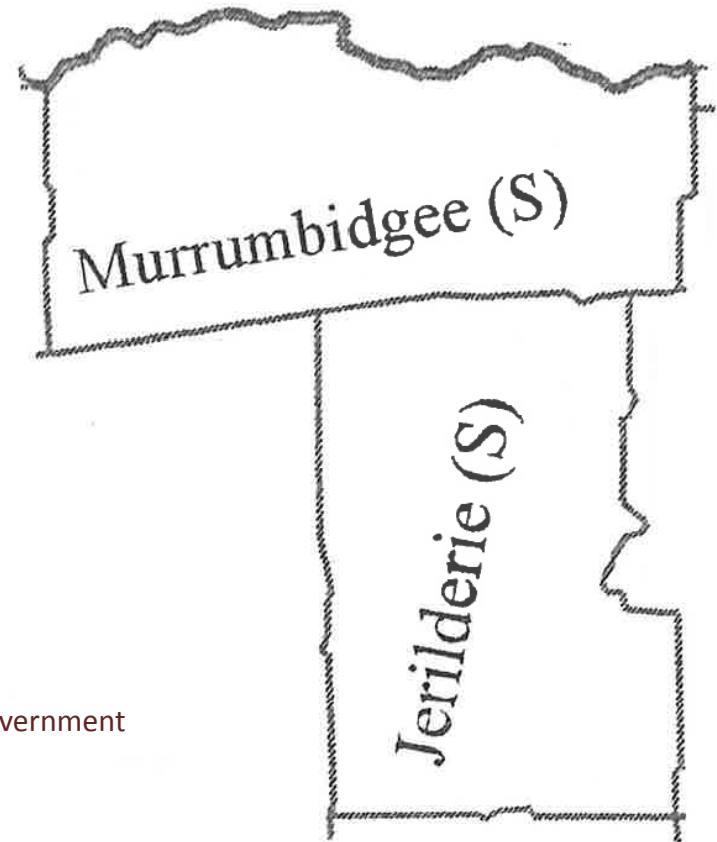
Business Case was expected to be completed last week.

Benefits

- Reduced number of Councillors
- Small employment savings at Management level
- Increasing own source revenue from expanded private works
- Enhanced strategic capacity
- Functional specialisation

Costs/Risks

- Merger and transition costs larger than provisions made by State Government
- Small scale result
- Different workforce cultures
- Increased rates for some categories
- Competition between towns





Fit for the Future

TWO OPTIONS REMAINING:

- Rural Council

	<u>Votes</u>
For
Against
- Merger with Murrumbidgee Shire Council

	<u>Votes</u>
For
Against



Fit for the Future

NEWSLETTER and QUESTIONNAIRE

A newsletter has been circulated to all residents and ratepayers last week.

Your response to this questionnaire is valued.

Copies are available for completion at front desk



Fit for the Future

JOINT ORGANISATION

Features:

Joint Organisations will provide a forum for local Councils and the State to work together to deliver regional priorities, such as jobs, education, housing, roads and transport. They will help to connect local priorities from local Councils' Community Strategic Plans with regional planning for growth, infrastructure and economic development and provide a means of delivering projects across Council boundaries.

The Minister for Local Government has announced that it is compulsory for all Councils outside the Sydney Basin to be members of a Joint Organisation.

What Will Joint Organisations do?

Regional Joint Organisations will have three core functions:

- Regional strategic planning
- Working with State Government
- Regional leadership and advocacy

They may also decide to undertake optional functions such as:

- Regional service delivery
- Sharing skills and best practice



Fit for the Future

JOINT ORGANISATIONS

What do we consider can be sourced through a JO?

- Library
- Waste management and strategic planning
- Rural Fire Service
- Water and sewerage management and strategic planning
- Animal control
- Emergency services
- Medical services
- Noxious plants

What do we think we can offer a JO?

- RMCC management
- Roads maintenance and construction
- Planning professional
- Building maintenance and construction
- RFS heavy vehicle maintenance and construction



Fit for the Future





Fit for the Future

Future dominant Service Centre for Jerilderie?

Votes

- Shepparton
- Albury
- Wagga Wagga
- Griffith
- Deniliquin



Fit for the Future Workshop

COMMENTS / QUESTIONS



2015-2016 Budget Highlights

Snapshot

- Operating Budget \$ 8.8m
- Capital renewals & upgrades \$ 4.7m
- Income from rates & annual charges (including water, sewer and garbage) \$ 2.5m
- Income from grants & contributions \$ 5.5m
- Income from user fees & charges \$ 1.9m



2015-2016 Budget Highlights

Major Projects – Funded

- Wunnamurra Estate Stage 2 \$333,000
(General \$235,000; Water \$22,000; Sewer \$76,000)
- North Jerilderie sewerage extension
- Water towers and telemetry
- RSL Hall demolition

Major Projects (yet to be funded by grants)

- Swimming Pool replacement
- Waste Depot upgrade
- Recycling facilities at Waste Depot



2015-2016 Budget Highlights

Footpath / Cycleways Construction \$148,100

- South side of Jerilderie Street - Betts Street to O'Neill Street
- South side of Mahonga Street (80m) - Brown Street to the west
- North side of Mahonga Street (50 m) - Brown Street to the east (to Doctor Surgery)
- South side of Mahonga Street (50m) Brown Street to the east (Anglican Church)
- Kerb Ramps - Intersection Brown Street and Coreen Street
- Kerb Ramps - Intersection Coreen Street and Betts Street



2015-2016 Budget Highlights

Bitumen Resealing Program for Rural & Regional Roads \$457,500

- **Regional Roads Resealing**

- Conargo Road
- Urana Road
- Berrigan / Oaklands Road

- **Local Roads Resealing**

- Bridge Road 2.09km)
- McDonald Road 2.00km) 6.61km
- Thurrowa Road 2.52km)



2015-2016 Budget Highlights

Reconstruction Rural and Regional Roads

\$450,494

- Lloyd Road 1.50km
- Oaklands Road shoulder widening 4.00km

Rural Roads – Gravel Resheeting

\$195,700

- Hams Road 2.40km
- Gala Vale Road 3.20km
- Kyalla Lane 0.88km
- Lucas Road 1.05km
- Mercer Road 0.80km
- Woodside Lane 8.00km

(Total 16.33km average approximately \$12,000 per km)



2015-2016 Budget Highlights

Roads to Recovery Program

\$897,492

- Lloyd Road Reconstruction 1.70km
- Resealing Local Roads
 - Broughshane Lane 8.20km
 - Lignum Lane 4.20km
- Town Streets sealing (5 sections)
- Kerb and guttering Nowranie Street adjacent to Monash Park
- Resheeting Cadell Road and selected bus routes (5.00km)



2015-2016 Budget Highlights

Local, Regional and State Road Maintenance \$2,077,643

Local Roads Maintenance

Regional Road maintenance:

- Conargo Road, Urana Road, Berrigan Road, Oaklands Road,
- Morundah Road and Berrigan/Oaklands Road

State Roads maintenance:

- Kidman Way and Newell Highway

Rural Gravel Roads:

- Grader Maintenance, signs, slashing, guideposts, firebreaking, drainage maintenance

Town Streets:

- Drainage, bitumen patching, tree maintenance, street sweeping,
- rubbish collection, kerb and gutter maintenance, street lighting, airstrip maintenance and footpath maintenance



2015-2016 Budget Highlights

Fleet and Construction Plant Purchases Net \$770,000

Vehicle replacements – various

- Small vehicles
- Construction transport

Gravel Truck

Large Plant

- Backhoe
- Tractor
- Low loader
- Dog Trailer

Various small plant



2015-2016 Budget Highlights

Water Supply Upgrade / Replacement \$67,000

- Mains replacement
- Raw water tower coating
- Test equipment (turbidity metre)
- Sprinkler system (Elliott Park)

Sewerage Works Upgrade / Replacement \$92,000

- Rising Main
- Sewer pumps



2015-2016 Budget Highlights

Recreational Services Operating and Upgrade Expenditure

\$759,000

- Parks and Gardens
- Sports Fields
- Heritage
- Library
- Pool
- Halls
- Sports Centre

Fire Control and Emergency Services

\$289,256

- Animal Control
- Emergency Services
- Fire Control

Waste and Environmental Control

\$179,000

- Noxious Weeds
- Waste
- Health
- Medical
- Environmental Protection



2015-2016 Budget Highlights

Additional Rate Income

Year 1 - \$128,000

Spend:

- Rural road reconstruction \$94,000
- Gravel road resheeting \$34,000

Year 2 - \$261,000

Spend:

- Rural road bitumen reseals \$80,000
- Rural road reconstruction \$97,000
- Gravel road resheeting \$34,000
- Urban road reseals \$50,000