



Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 16 March 2009*

Time: *6.00pm*

Outline of Meeting Protocol & Procedure:

- The Chairperson will call the Meeting to order and ask the Committee/Staff to present apologies or late correspondence.
- The Chairperson will commence the Order of Business as shown in the Index to the Agenda.
- At the beginning of each item the Chairperson will ask whether a member(s) of the public wish to address the Committee.
- If person(s) wish to address the Committee, they are allowed four (4) minutes in which to do so. Please direct comments to the issues at hand.
- If there are persons representing both sides of a matter (eg applicant/objector), the person(s) against the recommendation speak first.
- At the conclusion of the allotted four (4) minutes, the speaker resumes his/her seat and takes no further part in the debate unless specifically called to do so by the Chairperson.
- If there is more than one (1) person wishing to address the Committee from the same side of the debate, the Chairperson will request that where possible a spokesperson be nominated to represent the parties.
- The Chairperson has the discretion whether to continue to accept speakers from the floor.
- After considering any submissions the Committee will debate the matter (if necessary), and arrive at a recommendation (R items which proceed to Full Council) or a resolution (D items for which the Committee has delegated authority).

Delegated Authority (“D” Items):

- General financial and corporate management of the Council, except those specifically excluded by statute, by Council direction or delegated specifically to another Committee.
- Note: This not to limit the discretions of nominated staff members exercising Delegated Authorities granted by the Council.
- Quarterly review of Council's Management Plan.
- Finance Regulations, including:-
 - Authorisation of expenditures within budgetary provisions where not delegated;
 - Quarterly review of Budget Review Statements;
 - Quarterly and other reports on Works and Services provision; and
 - Writing off of rates, fees and charges because of non-rateability, bad debts, and impracticality of collection.
- Auditing.
- Property Management.
- Asset Management.
- Traffic Management - Works Implementation.
- Works and Services - Monitoring and Implementations.
- Legal Matters and Legal Register.
- Parks and Reserves Management.
- Infrastructure Management, Design and Investigation.
- To require such investigations, reports or actions as considered necessary in respect of matters contained within the Business Agenda (and as may be limited by specific Council resolution).
- Confirmation of Minutes of its Meeting.
- Any other matter falling within the responsibility of the Corporate and Works Committee and not restricted by the Local Government Act or required to be a Recommendation to Full Council as listed below.

Recommendation only to the Full Council (“R” Items):

- Such matters as are specified in Section 377 and within the ambit of the Committee considerations.
- The voting of money for expenditure on works, services and operations.
- Rates, Fees and Charges.
- Donations
- Matters which involve broad strategic or policy initiatives within responsibilities of the Committee.
- Matters not within the specified functions of the Committee.
- Asset Rationalisation.
- Corporate Operations:-
 - Statutory Reporting; - Delegations.
 - Adoption of Council's Management Plans; - Policies.
 - Quality Service/Communications; - Tenders as per Regulation requirements.
 - Leases.
 - Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes

Committee Membership:

6 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

12 March 2009

To: His Worship The Mayor, Councillor Andrew Petrie ex-officio
Councillors Greg Medcraft (Chair)
Anthony Boskovitz
Peter Cavanagh (Deputy)
Nicola Grieve
Ian Plater
Isabelle Shapiro

Dear Councillors

Corporate & Works Committee Meeting – 16 March 2009

In accordance with the provisions of the Local Government Act 1993, I request your attendance at a Meeting of the Council's **Corporate and Works Committee** to be held in the **Council Chambers, 536 New South Head Road, Double Bay, on Monday 16 March 2009 at 6.00pm.**

Gary James
General Manager

Additional Information Relating to Committee Matters

Site Inspection

Other Matters

Meeting Agenda

Item	Subject	Pages
1	Leave of Absence and Apologies	
2	Late Correspondence	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

D1	Confirmation of Minutes of Meeting held on 16 February 2009	1
D2	Options for Council to obtain equipment through the Local Government Procurement Service (LGP) – 269.G	2
D3	Monthly Financial Report – February 2009 – 349G	7
D4	Draft Fees & Charges Schedule for 2009/2010 – 331G 2009/2010	14

Items to be Submitted to the Council for Decision with Recommendations from this Committee

R1	2009/2010 Rating Structure – 87G 2010 & 331G 2009/2010	58
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Item No: D1 Delegated to Committee
Subject: Confirmation of minutes of meeting held on 16 February 2009
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 16 February 2009 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

Recommendation:

That the Minutes of the Corporate and Works Committee Meeting of 16 February 2009 be taken as read and confirmed.

Les Windle
Manager - Governance

Item No: D2 Delegated to Committee
Subject: Options For Council To Obtain Equipment Through The Local Government Procurement Service (LGP)
Author: Kelley Ambrose – Purchasing Coordinator
File No: 269.G
Reason for Report: To submit a report on the options for Council to obtain equipment through the tendering of the Local Government Procurement service associated with the Local Government Association, as per Council resolution on 9 February 2009.

Recommendation:

1. That Council continues to participate in SSROC service and supply agreements where such agreements are based on the committed volumes of participating Councils.
2. That where there are no suitable SSROC agreements, all LGP and Department of Commerce agreements be considered as an alternative to tendering.
3. That LGP and Strategic Purchasing tender services be assessed with view to potential savings in future equipment and service acquisitions.

Background:

Council, at its meeting of 9 February 2009, resolved that a contract be entered into with MacDonald Johnson Pty Ltd for a street sweeper and that a report be submitted to the Corporate & Works Committee on the options for Council to obtain equipment through the Local Government Procurement service (LGP) of the Local Government Association.

The Local Government Act 1993 – Sect 55 (3) requires tenders to be called above a prescribed threshold value, which is currently set at \$150,000 (inclusive of GST). A procedural limit is set at \$120,000 (inclusive of GST) as a control measure to allow for variations. Sect 55 (3) of the Act lists certain exemptions to the tender requirement, including acquisitions made through State or Federal Government “whole of government” agency agreements or persons prescribed by the Regulations.

Tenders and quotations are usually only called for Council’s equipment and services requirements if there are greater cost benefits in doing so than would be otherwise obtained through existing agency agreements.

The Department of Commerce is a prescribed organisation under Sect 55 (3). As a result of the Local Government Amendment Bill of 2003, the Act was amended to include the Local Government Association’s trading enterprise Local Government Procurement (LGP) as a prescribed body. Both agencies have supply and service agreements that are available to Council

There are also numerous agreements available through the Southern Sydney Regional Organisation of Councils (SSROC). The SSROC is not a prescribed body under the Act, and compliance is achieved by appointing a host Council to act as tendering agent on behalf of the participating Councils. The SSROC agreements offer the advantages of reduced tender administration, other than for the host Council, and advertising costs are borne by SSROC. Risk assessment is done by the host Council, with support from SSROC evaluation team members.

The tables show the various Department of Commerce, LGP and SSROC agreements that Council currently uses:

1. Department of Commerce

Supplier	Description	Contract reference
BP	Diesel and unleaded fuel	366
Ford, Hino, Subaru, Hyundai	Passenger vehicles and trucks	653
AGL	Electricity – small sites (25% Green Power)	776
Energy Australia	Electricity – large sites (6% Green Power)	777

2. Local Government Procurement (LGP):

Supplier	Description	Contract reference
Sulo Pty Ltd	120 and 240 litre rubbish bins	LGP 206
Leonard Holt Robb	Advertising for recruitment and tenders	LGP 406
Stihl, Aust Hammer Supplies, GYC, Victa Lawncare, Briggs & Stratton	Small plant and outdoor equipment	LGP508
Reece Plumbing Centres	Pipes and fittings	LGP 908

3. South Sydney Regional Organisation of Councils (SSROC):

Supplier	Description	Contract reference
Pioneer Asphalt/Boral/Metropolitan Demolitions	Civil construction materials	2006/04

A E Baker/Blackwoods	Hardware and tools	2008/02
Hepworths/ Defender Safety	Footwear and safety equipment	2006/02 and 2006/03
Ambassador	Work wear (outside staff)	2008/03
Concrete P/L	Concrete	2007/01
Road Marking Systems (RMS)	Signs and road marking equipment	2006/09
BSB Brushes	Brushes for road sweepers	2006/01
Menai Linemarking	Road and pathway line marking	2007/05
Globe Chemicals	Weedicide and pesticides	2007/09
Harrisons Timber	Wood for carpentry work	2007/02
Bridgestone	Tyre supply, fitting and repairs	2007/07
Corporate Express	Stationery and toner cartridges	2007/03 and 2007/04
Complete Office Supplies	Copy paper (new agreement under evaluation)	2006/06
Cement Australia	Cement (bagged)	2008/01

Comments:

The underlying principle in the SSROC tendering process is that member Councils identify opportunities for cost savings, develop tenders based on aggregation of their expenditure and commit to participate for the contract period. The leveraging ability of large Councils such as City of Sydney and Sutherland Shire are passed on to the smaller member Councils and a number of the agreements are aligned to the broader strategic SSROC shared service initiatives.

The committed volumes of participating Councils provide vendors with some certainty to base their prices on, which is reflected in the competitive pricing of the SSROC agreements.

The LGP contract development is slightly different in that input is sought from member Councils of the LGA during contract development; however volume commitment is not sought. In some respects, this is less certain for vendors in terms of individual Council expenditure, but can be balanced against the buying power of the 73 member Councils in the LGA, even if they participate in the agreements to varying degrees. Approved Not for Profit (NFP) groups have recently been given access to the agreements, which will add to the buying power of the LGP.

The LGP is currently the only agency with agreements for mobile garbage bins and small plant, and these agreements give pricing advantages to Council that would not be obtained through calling of its own tenders. The LGP was finalising agreements for road sweepers and other heavy plant when the Council tender was called for a new road sweeper in 2008, however the LGP agreements will be considered for future heavy plant acquisitions.

At a strategic level, the LGP provides 'whole of local government' agreements, and the SSROC provides 'whole of region' agreements. Despite their different objectives, each agency has been actively seeking out new business opportunities and as a result there are now several similar equipment and service agreements that are available to Council. Price checks show that the SSROC agreements for stationery, protective clothing and turf chemicals give the best outcome for Council and the LGP agreement for advertising of recruitment and tender notices gives the best outcome.

The LGP and SSROC now both have panel agreements in place for temporary staff, each of which is being assessed.

The LGP has new agreements for play ground equipment and library supplies and these are also being assessed. The SSROC does not have comparable similar agreements at this time, but is currently tendering for library supplies. The SSROC is also developing a regional vehicle tender, and that will be assessed in due course.

Participation in Department of Commerce agreements is discretionary for local government, however there price advantages based on the mandatory participation of state government departments. The Department of Commerce is currently the only agency with agreements in place for passenger vehicles, fuel and electricity and at this time, the agreements are more time and cost effective for Council. Participation in future Department of Commerce electricity agreements is currently being reviewed and will be reported separately.

In addition to the 'whole of local government' agreements, LGP provides fee based tendering services for sourcing of equipment, services and evaluating of civil works projects. The MAPS Group Ltd, trading as Strategic Purchasing, offers a similar service, as well as committed volume agreements. Strategic Purchasing is based in Victoria and its majority shareholder is the City of Melbourne. It is prescribed in Victoria in the same manner as LGP, but is not currently prescribed in NSW and operates along similar lines to SSROC in that it can act as a tendering agent in order to provide the committed volume agreements. The 'fee for service' tendering services may achieve savings in some areas of equipment and service acquisition. Internal tendering of civil works projects provides the best response to local issues.

Conclusion:

A significant amount of Council acquisitions are covered by SSROC committed volume agreements. Where there are no SSROC agreements in place, the Department of Commerce and LGP agreements are assessed against the cost benefits of Council calling its own tenders or quotations, with the result that Council currently receives price benefits by participating in a number of SSROC, LGP and Department of Commerce agreements. These are reviewed periodically to ensure that the best outcomes for Council are obtained.

Tendering agents such as LGP and Strategic Purchasing may achieve savings in some equipment and service acquisitions.

Recommendation:

1. That Council continues to participate in SSROC service and supply agreements where such agreements are based on the committed volumes of participating Councils.
2. That where there are no suitable SSROC agreements, all LGP and Department of Commerce agreements be considered as an alternative to tendering.
3. That LGP and Strategic Purchasing tender services be assessed with view to potential savings in future equipment and service acquisitions.

Kelley Ambrose
Purchasing Coordinator

Warwick Hatton
Director Technical Services

Item No: D3 Delegated to Committee
Subject: Monthly Financial Report – February 2009
Author: Don Johnston, Manager Finance
File No:
Reason for Report: To present the monthly financial report for February 2009

Recommendation:

A. THAT the monthly financial report for February 2009 be received and noted.

Background:

The monthly financial report for February 2009 is submitted to the Committee for consideration.

The monthly report includes the following:

- Summary of Receipts, Payments and Bank Balance
- Summary of Investments
- Details of Investment Portfolio
- Weighted Average Maturity and Weighted Average Returns Charts
- Maturity Profile Chart

Don Johnston
Manager Finance

ANNEXURES:

Nil.

Summary of Receipts, Payments and Bank Balance

Cash Book Balance as at 31 January 2009 -350,810.97

Receipts

Rates 4,569,918.88
Other 5,520,280.68 10,090,199.56

Total Receipts

Description	Amount
Sundry Debtors Control	-386,235.51
Financial Assistance Grant	-336,410.25
Parking Fines	-335,556.31
Car Park Leases	-266,687.20
Deposits & Bonds Control Account	-214,425.00
GST Clearing Balance Account	-168,029.00
Trade Waste Debtors Control	-131,762.33
Other Developer Contributions	-117,539.40
Build/Construction LS Levy Clearing	-60,116.65
Disposal (Asset) Clearing A/C	-42,471.36

Payments - Cheque

Cheque Payments -1,396,827.21
Cancelled Cheques 16,997.08

Total Cheque Payments for period

-1,379,830.13

Cheque No	Cheque Date	Payee	Description	Amount
202773	13/02/2009	Withheld	Refund of security deposit	-266,000.00
202775	13/02/2009	Withheld	Refund of security deposit	-159,700.00
202727	12/02/2009	Energy Australia	Street lighting - Jan 09	-87,594.12
202774	13/02/2009	Withheld	Refund of security deposit	-61,410.00
202798	19/02/2009	City Ford, Mascot	Fleet purchases	-57,037.50
202728	12/02/2009	Girvan Waugh Pty Ltd	General works - WMC Kindergarten	-43,648.00
202783	18/02/2009	Withheld	Refund of security deposit	-41,920.70
202722	12/02/2009	City Ford, Mascot	Fleet purchases	-27,693.25
202799	19/02/2009	City of Sydney Council	Fleet purchases	-23,996.30
202806	19/02/2009	Energy Australia	Street lighting - Jan 09	-21,400.25

Payments - EFT

EFT Payments -7,454,976.95
Returned EFT Payments 654.93

Total EFT Payments for period

-7,454,322.02

Reference	EFT Date	Payee	Description	Amount
20312	26/02/2009	StateCover Mutual Limited	2009 W/comp premium 3rd instalment	-444,640.16
20225	19/02/2009	Sam The Paving Man	General works - Cross Street upgrade	-199,673.20
20287	26/02/2009	Local Govt Super Scheme-Div.A	Employer/employee super contribs Feb'09	-168,491.85
20056	05/02/2009	Power Serve Pty Ltd	General Works - D'Bay Multi Function Poles	-145,332.99
20069	05/02/2009	Sydney Civil Pty Ltd	General works - Bradley Av, Bellevue Hill	-136,064.23
20029	05/02/2009	Veolia Environmental Services	Waste collection - Dec 08	-128,873.03
20068	05/02/2009	Statewide Civil Pty Ltd	General works - Magney/Icasia/Tindale Lanes	-122,222.93
20075	05/02/2009	WSN Environmental Solutions	Waste/domestic tipping charges - 1-14/12/08	-117,361.31
230209	25/02/2009	Australian Taxation Office	PAYG WK35	-108,829.74
040209	04/02/2009	Australian Taxation Office	PAYG WK32	-97,330.14

Payments - Direct Debits From Bank A/c

Payroll -1,364,432.62
Bank Charges -6,123.03
Credit Cards 0.00
Councillors' fees -37,149.90
Council Rates 0.00
Total Direct Debits for period -1,407,705.55

Total Payments

-10,241,857.70

Cash Book Balance as at 28 February 2009

-502,469.11

Unpresented Cheques No. of Cheques: 220 225,999.71

Outstanding Deposits & Miscellaneous Items 452,104.82

Reconciled Cash Book Balance as at 28 February 2009 175,635.42

Bank A/c Balance as at 28 February 2009 175,635.42

Unpresented Cheques > \$30,000.00

Cheque No.	Cheque Date	Payee	Amount
		Nil	0.00

INVESTMENTS AS AT 28 FEBRUARY 2009

CATEGORY	FACE VALUE \$	BOOK VALUE \$
<u>1. LEHMAN BROTHERS (formerly Grange Securities Ltd)</u>		
Funds under management	17,911,989	10,562,615
<u>2. OAKVALE CAPITAL Limited</u>		
Funds under management	6,247,114	3,974,800

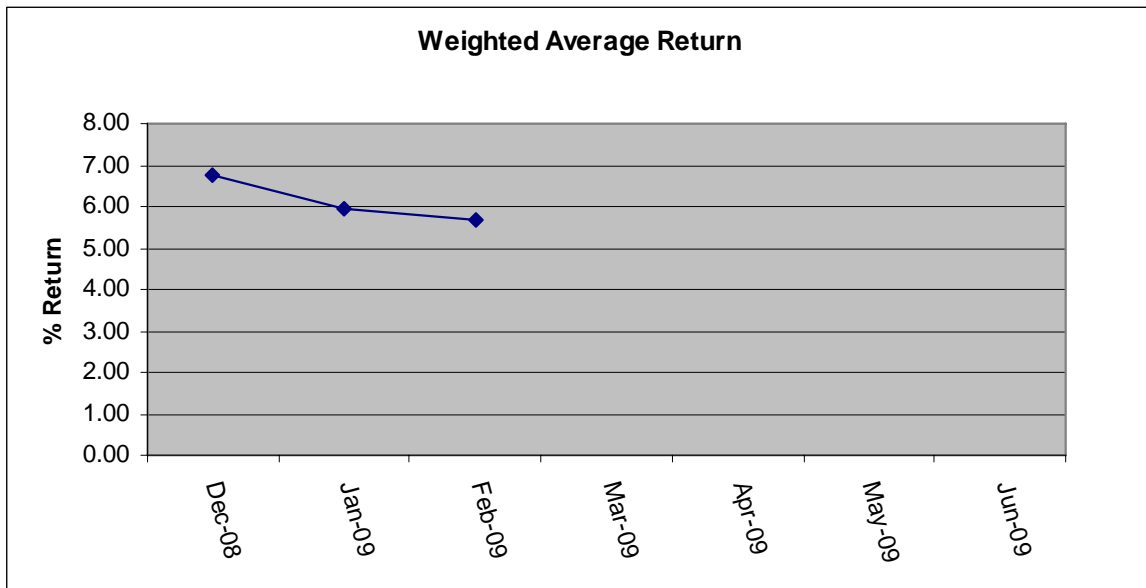
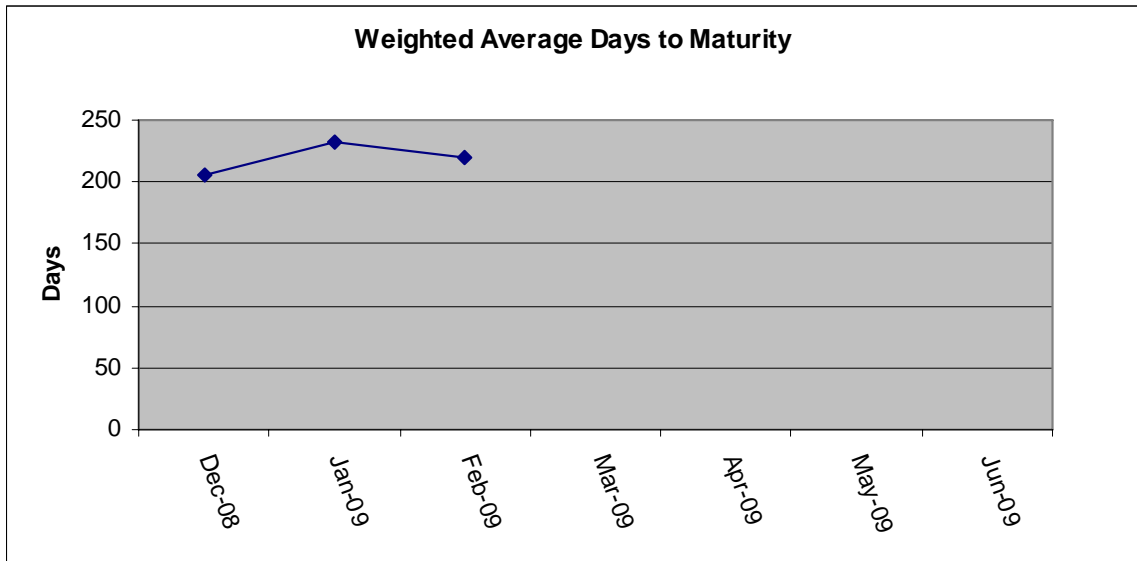
RATING	CATEGORY	PURCHASE DATE	MATURITY DATE	TOTAL TERM (DAYS)	REMAINING DAYS TO MATURITY	%	FACE VALUE \$	BOOK VALUE \$	GOV'T GUARANTEE
<u>3. WMC DIRECT INVESTMENTS</u>									
AA	<u>ST GEORGE BANK LIMITED</u> TERM DEPOSIT	22/01/2009	19/06/2009	148	111	3.64	1,000,000	1,000,000	Guaranteed
NR	<u>SAVINGS & LOANS CREDIT UNION</u> TERM DEPOSIT	28/10/2008	27/03/2009	150	27	6.80	1,500,000	1,500,000	Guaranteed
	TERM DEPOSIT	10/12/2008	10/12/2010	730	650	5.15	1,000,000	1,000,000	Guaranteed
NR	<u>POLICE & NURSES CREDIT SOCIETY</u> TERM DEPOSIT	05/01/2009	15/04/2009	100	46	5.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>POLICE CREDIT UNION (STH AUST)</u> TERM DEPOSIT	18/12/2008	17/04/2009	120	48	5.58	1,000,000	1,000,000	Guaranteed
AAA*	<u>QLD POLICE CREDIT UNION</u> TERM DEPOSIT	03/12/2008	31/03/2009	118	31	6.00	1,000,000	1,000,000	Guaranteed
AA	<u>NATIONAL AUSTRALIA BANK</u> TERM DEPOSIT	04/09/2008	04/03/2009	181	4	8.00	2,000,000	2,000,000	
BBB	<u>IMB LTD</u> TERM DEPOSIT	27/11/2008	27/11/2009	365	272	5.00	1,000,000	1,000,000	Guaranteed
	TERM DEPOSIT	02/12/2008	02/12/2009	365	277	5.00	1,000,000	1,000,000	Guaranteed
AAA*	<u>MACQUARIE BANK</u> TERM DEPOSIT	04/11/2008	04/05/2009	181	65	7.00	1,000,000	1,000,000	Guaranteed
	TERM DEPOSIT	02/02/2009	04/05/2009	91	65	5.00	1,500,000	1,500,000	Guaranteed
AAA*	<u>ELDERS RURAL BANK</u> TERM DEPOSIT	24/11/2008	24/11/2009	365	269	6.55	1,000,000	1,000,000	Guaranteed
AAA*	<u>BANK WEST</u> TERM DEPOSIT	27/11/2008	27/11/2009	365	272	5.00	1,000,000	1,000,000	Guaranteed
NR	<u>AUSTRALIAN DEFENCE CREDIT UNION</u> TERM DEPOSIT	03/12/2008	13/03/2009	100	13	6.63	1,000,000	1,000,000	Guaranteed
AAA*	<u>INVESTEC BANK</u> TERM DEPOSIT	28/11/2008	26/11/2009	363	271	5.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>ARAB BANK</u> TERM DEPOSIT	10/12/2008	10/12/2010	730	650	5.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>CREDIT UNION AUSTRALIA</u> TERM DEPOSIT	28/01/2009	28/07/2009	181	150	4.30	1,000,000	1,000,000	Guaranteed
AAA*	<u>BENDIGO BANK</u> TERM DEPOSIT	21/01/2009	16/10/2009	268	230	4.65	1,000,000	1,000,000	Guaranteed
AAA*	<u>VICTORIA TEACHERS CREDIT UNION</u> TERM DEPOSIT	21/01/2009	21/12/2009	334	296	4.25	1,000,000	1,000,000	Guaranteed
AA	<u>COMMONWEALTH BANK</u> TERM DEPOSIT	16/12/2008	16/12/2011	1095	1021	6.03	1,000,000	1,000,000	
	ONLINE SAVER A/C						4,011,174	4,011,174	
	Total WMC Direct Investments						<u>26,011,174</u>	<u>26,011,174</u>	
	Weighted Average Days to Maturity of WMC Direct Investments				219.00				
	Weighted Average Return of WMC Direct Investments (excluding CBA floating rate deposit)					5.70			
	% Government Guarantee of WMC Direct Investments								73%
PORTFOLIO TOTALS							<u>50,170,277</u>	<u>40,548,589</u>	

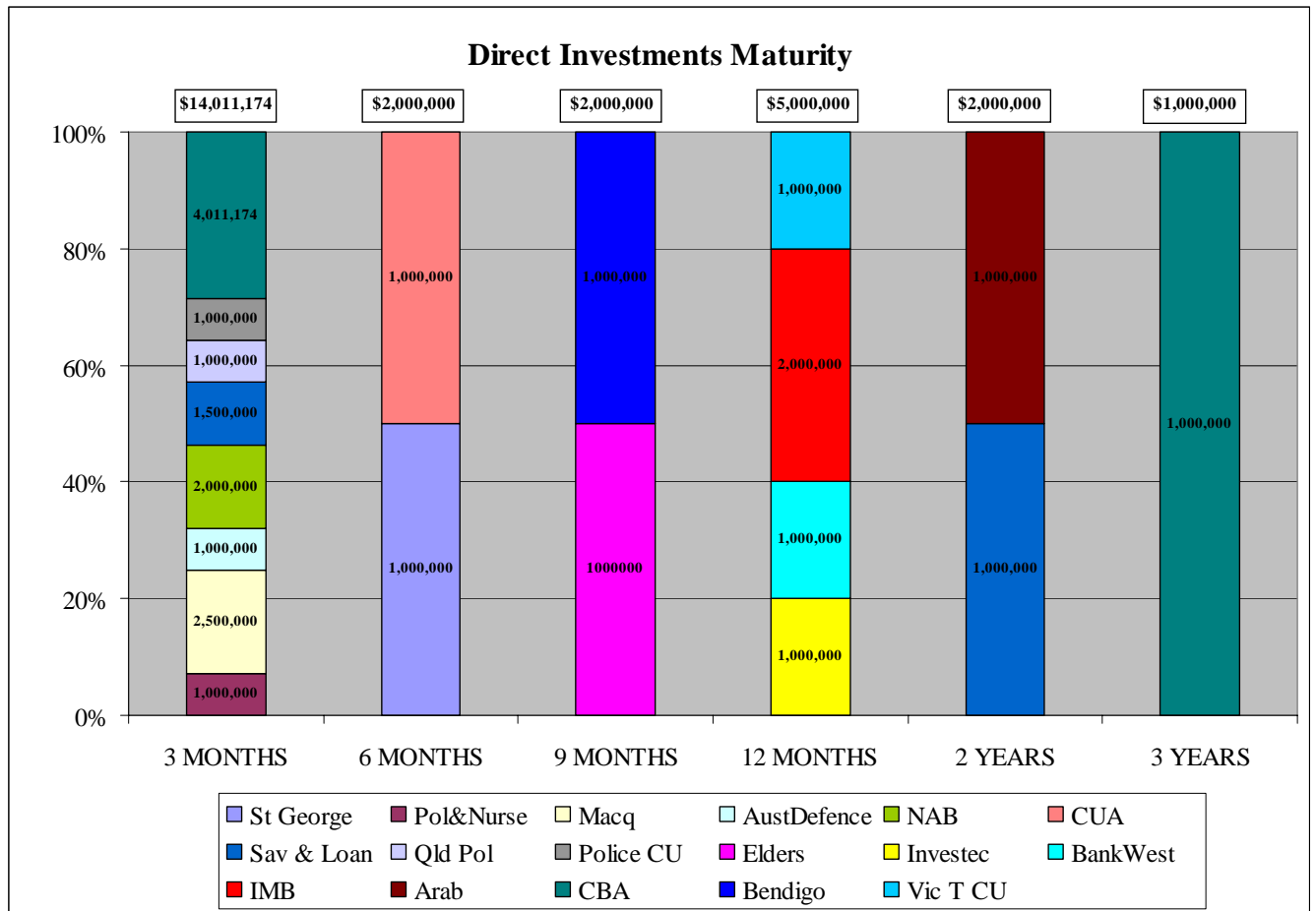
I hereby certify that the above investments have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's investment policy.

Don Johnston
Manager Finance

INVESTMENTS PORTFOLIO AS AT 28 FEBRUARY 2008							
Security	Classification	Purchase Date	Final Maturity Date	Face Value (FV)	Total Purchase Price	Current Book Value	Notes
1. LEHMAN BROTHERES (formerly GRANGE SECURITIES)							
Issued by non-ADIs							
Lehman Global Property Note	Other	13/06/2007	15/06/2009	60,000	60,000	5,000	1
Herald Limited (Quartz AA)	CDO	04/07/2007	20/12/2010	400,000	403,644	221,624	1
BELO (Kalgoorlie AA+)	Other	27/02/2007	27/02/2012	500,000	500,000	357,830	1
Magnolia (Flinders AA)	CDO	08/06/2007	20/03/2012	500,000	513,670	324,180	1
Omega (Henley AAA)	CDO	20/12/2006	22/06/2012	450,000	450,000	140,018	1
Helium (Esperance AA+)	CDO	04/07/2007	20/03/2013	500,000	501,565	110,825	1
Zircon (Merimbula AA)	CDO	06/06/2007	20/06/2013	250,000	250,000	37,105	1
Corsair (Torquay AA)	CDO	04/07/2007	20/06/2013	500,000	501,860	91,945	1
Start (Blue Gum AA-)	CDO	08/01/2007	22/06/2013	400,000	402,768	118,832	1
Corsair (Kakadu AA)	CDO	22/01/2007	20/03/2014	500,000	503,300	83,725	1
Helium (Scarborough AA)	CDO	17/01/2007	23/06/2014	400,000	402,620	80,456	1
Helium (Scarborough AA)	CDO	04/07/2007	23/06/2014	500,000	502,270	100,570	1
Helium (Scarborough AA)	CDO	23/07/2007	23/06/2014	500,000	503,810	100,570	1
Zircon (Coolangatta AA)	CDO	20/03/2007	20/09/2014	500,000	500,000	61,100	1
Beryl (AAA Global Bank Note)	Other	03/04/2007	20/09/2014	100,000	100,000	57,151	1
Zircon (Coolangatta AA)	CDO	04/07/2007	20/09/2014	500,000	501,430	61,100	1
Beryl (AAA Global Bank Note)	Other	04/07/2007	20/09/2014	350,000	350,917	200,029	1
Aphex (Glenelg AA-)	CDO	10/01/2007	22/12/2014	500,000	501,960	125,745	1
Aphex (Glenelg AA-)	CDO	04/07/2007	22/12/2014	500,000	501,405	125,745	1
MAS6-7 (Parkes IIA 'AA-')	CDO	13/06/2007	20/06/2015	450,000	461,687	32,117	1
MAS6-7 (Parkes IIA 'AA-')	CDO	04/07/2007	20/06/2015	500,000	504,315	35,685	1
Zircon (Miami AA)	CDO	16/04/2007	20/03/2017	50,000	50,137	7,546	1
				8,910,000	8,967,358	2,478,896	
Issued by ADIs							
Home Building Society FRN (BBB+)	FRN	10/01/2007	17/08/2009	500,000	511,820	453,835	1
Home Building Society FRN (BBB+)	FRN	11/01/2007	17/08/2009	500,000	511,920	453,835	1
Royal Bank of Scotland (AA)	FRN	04/07/2007	28/10/2009	500,000	508,290	466,345	1
Elders Rural Bank Sub Debt (BBB-)	FRN	04/07/2007	23/03/2010	500,000	504,780	428,445	1
NM Rothschild FRSD (unrated)	FRN	09/07/2007	10/08/2010	1,000,000	1,013,290	789,560	1
HSBC Sub Debt (AA-)	FRN	04/07/2007	20/05/2011	500,000	503,915	437,220	1
Suncorp Metway Sub Debt (A)	FRN	19/01/2007	22/06/2011	500,000	503,285	451,250	1
St George Bank Sub Debt (A+)	FRN	10/01/2007	26/07/2011	1,000,000	1,014,990	905,830	1
HSBC FRN (AA-)	FRN	07/02/2007	22/09/2011	500,000	505,470	456,615	1
CBA FRN (AA)	FRN	19/01/2007	28/09/2011	500,000	503,640	479,285	1
CBA FRN (AA)	FRN	31/01/2007	28/09/2011	500,000	504,785	479,285	1
CBA FRN (AA)	FRN	04/07/2007	28/09/2011	500,000	502,360	479,285	1
Westpac FR Sub Debt (AA)	FRN	07/02/2007	24/01/2012	500,000	501,590	455,330	1
Royal Bank of Scotland (AA)	FRN	31/01/2007	17/02/2012	1,000,000	1,014,560	865,130	1
Adelaide Bank FRN (BBB+)	FRN	04/07/2007	28/03/2012	500,000	501,445	480,480	1
				9,000,000	9,106,140	8,081,730	
Macquarie Cash Trust (AAA)	Cash			1,989	1,989	1,989	4
				1,989	1,989	1,989	
Total Lehman Brothers				17,911,989	18,075,486	10,562,615	
2. OAKVALE CAPITAL							
Emeral Reverse Mortgage Series 2007-1 Class B	Mortgage Backed	06/07/2007	06/07/2011	1,000,000	1,000,000	945,200	1
Momentum (Calyon Nickel) Credit Linked Note	CDO	15/05/2007	30/06/2012	1,000,000	1,000,000	0	3
Aramis (Merrill Lynch) Clear 40 - ABS	CDO	02/04/2007	20/12/2012	1,000,000	1,000,000	0	3
Blackrock (Merrill Lynch) Diversified Credit Fund	Managed Fund	05/01/2007		3,247,114	3,247,114	3,029,600	1
Total Oakvale Capital				6,247,114	6,247,114	3,974,800	

Security	Classification	Purchase Date	Final Maturity Date	Face Value (FV)	Total Purchase Price	Current Book Value	Notes
3. WMC INVESTMENTS							
NAB Term Deposit (8.00% 181 days)	TD	04/09/2008	04/03/2009	2,000,000	2,000,000	2,000,000	4
Aust Defence Credit Union (6.63% 100 days)	TD	03/12/2008	13/03/2009	1,000,000	1,000,000	1,000,000	4
Savings & Loans CU (6.80% 150 days)	TD	28/10/2008	27/03/2009	1,500,000	1,500,000	1,500,000	4
Qld Police CU (6.00% 118 days)	TD	03/12/2008	31/03/2009	1,000,000	1,000,000	1,000,000	4
Police & Nurses CU (5.65% 100 days)	TD	05/01/2009	15/04/2009	1,000,000	1,000,000	1,000,000	4
Police CU Ltd SA (5.58% 120 days)	TD	18/12/2008	17/04/2009	1,000,000	1,000,000	1,000,000	4
Macquarie Bank (5.0% 91 days)	TD	02/02/2009	04/05/2009	1,500,000	1,500,000	1,500,000	4
Macquarie Bank (7.0% 181 days)	TD	04/11/2008	04/05/2009	1,000,000	1,000,000	1,000,000	4
St George (3.64% 148 days)	TD	22/01/2009	19/06/2009	1,000,000	1,000,000	1,000,000	4
Credit Union Australia (4.3% 181 days)	TD	28/01/2009	28/07/2009	1,000,000	1,000,000	1,000,000	4
Bendigo Bank (4.65% 268 days)	TD	21/01/2009	16/10/2009	1,000,000	1,000,000	1,000,000	4
Elders Rural Term Deposit (6.55% 365days)	TD	24/11/2008	24/11/2009	1,000,000	1,000,000	1,000,000	4
Investec Aust Ltd (5.65% 363 days)	TD	28/11/2008	26/11/2009	1,000,000	1,000,000	1,000,000	4
Bank West Term Deposit (5.00% 365 days)	TD	27/11/2008	27/11/2009	1,000,000	1,000,000	1,000,000	4
IMB Term Deposit (5.00% 365 days)	TD	27/11/2008	27/11/2009	1,000,000	1,000,000	1,000,000	4
IMB Term Deposit (5.00% 365 days)	TD	02/12/2008	02/12/2009	1,000,000	1,000,000	1,000,000	4
Victoria Teachers CU (4.25% 334 days)	TD	21/01/2009	21/12/2009	1,000,000	1,000,000	1,000,000	4
Arab Bank Ltd (5.65% 730 days)	TD	10/12/2008	10/12/2010	1,000,000	1,000,000	1,000,000	4
Savings & Loans CU (5.15% 730 days)	TD	10/12/2008	10/12/2010	1,000,000	1,000,000	1,000,000	4
CBA TCD (90 day BBSW + 1.60% - 3 yrs)	TD	16/12/2008	16/12/2011	1,000,000	1,000,000	1,000,000	4
CBA Online Saver	Cash			4,011,174	4,011,174	4,011,174	4
Total Direct Investments				26,011,174	26,011,174	26,011,174	
Total Portfolio				50,170,277	50,333,775	40,548,589	
PORTFOLIO SUMMARISED BY CLASSIFICATION							
CDO				9,900,000	9,956,441	1,858,887	
FRN				9,000,000	9,106,140	8,081,730	
Mortgage Backed				1,000,000	1,000,000	945,200	
Managed Fund				3,247,114	3,247,114	3,029,600	
TD				22,000,000	22,000,000	22,000,000	
Cash				4,013,163	4,013,163	4,013,163	
Other				1,010,000	1,010,917	620,010	
				50,170,277	50,333,775	40,548,589	
1. Book Value (Fair Value) as at 30 June 2008							
2. Matured 17 October 08 repaying full \$100,000 principal							
3. Defaulted							
4. Face value of deposit / bank bill							
CDO - Collateralised Debt Obligation							
CDOs are constructed from a portfolio of assets. These assets are divided by the issuer into different tranches: senior tranches (rated AAA), mezzanine tranches (AA to BB), and equity tranches (unrated). Losses are applied in reverse order of seniority and so junior tranches offer higher coupons (interest rates) to compensate for the added default risk.							
FRN - Floating Rate Note							
Floating rate notes (FRNs) are bonds that have a variable coupon, equal to a money market reference rate, plus a spread. The spread is a rate that remains constant. Almost all FRNs have quarterly coupons, i.e. they pay out interest every three months.							
Managed Fund							
Managed Funds are a way of investing money with other people to participate in a wider range of investments than those feasible for most individual investors, and to share the costs of doing so.							
Mortgage Backed Security							
A mortgage-backed security is an asset-backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Payments are typically made monthly over the lifetime of the underlying loans.							
Term Deposit							
Term Deposit is a money deposit at an approved deposit taking (ADI) institution for a fixed term at a fixed interest rate. When the term is over it can be withdrawn or it can be held for another term.							





Item No: D4 Delegated to Committee
Subject: Draft Fees & Charges Schedule for 2009/2010
Author: Tracey Walker, Systems and Management Accountant
File No: 331G 2009/2010
Reason for Report: To provide the draft Schedule of Fees & Charges to the Committee for formal consideration for inclusion in the Draft Management Plan for the purposes of public exhibition.

Recommendation:

THAT the Draft Fees & Charges Schedule for 2009/2010 attached as Annexure A to this report be included in the Draft Management Plan for the purposes of public exhibition.

Background:

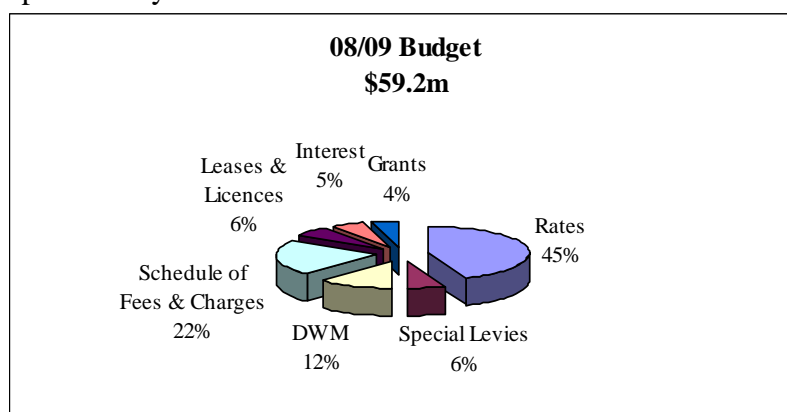
Each year Council is required to set its fees and charges as part of its consideration and adoption of the Management Plan. The schedule of fees and charges forms part of the Management Plan and therefore goes through the same public exhibition process prior to final adoption.

Discussion:

The Draft Fees & Charges Schedule for 2009/2010 is attached as **ANNEXURE A**. The annexure also provides the following information:

- Comparative fees and charges for 2008/2009 and 2009/2010;
- Supplementary information, where applicable, about the fee or charge;
- The percentage increase or decrease from 2008/2009 to 2009/2010;
- New fees and charges;
- Deleted fees and charges; and
- Commentary, where applicable, to explain, for example, no increase, minimal increases or material increases or, indeed, a reduction in the proposed fee or charge

It is opportune to remind the Committee of what fees and charges contributes to Council's overall revenue base. The graph below shows how Council's income in the 2008/2009 Original Budget is made up. Half of it comes from Rates including Special Levies and the Stormwater Management Charge (\$29.6m), with a further 12% (\$7.3m) coming from the Domestic Waste Management Charge. Another 15% (\$9.6m) comes from grants, interest and leases & licences combined. The remaining 22% (\$12.7m) is generated from the various fees and charges set out in the Schedule of Fees & Charges adopted each year.



Fees & charges contributed around \$12.7m to Council's total revenue in the 2008/2009 Original Budget. Of this, \$5.7m was made up of fees and charges limited by statute which, as a consequence, cannot be altered by Council. The remaining \$6.9m is set by Council. The major sources of income that made up some 75% of the \$6.9m are shown in the table below, along with the current forecast for 2008/2009 and the new forecast made for the 2009/2010 preliminary draft budget:

Income Source	08/09 Original Budget	08/09 Current Forecast	09/10 Preliminary Draft Budget
Parking Meter Charges	1,290,000	1,300,000	1,393,000
Trade Waste Charges	1,070,000	1,070,000	1,080,000
Restoration Charges	560,000	1,877,403	1,291,000
Kindergarten Fees	551,040	551,040	632,700
Work Zone Charges	450,000	500,000	512,000
Residential Parking Permits	300,000	300,000	300,000
Compliance Levy	260,000	260,000	260,000
Additional Waste Service	207,450	207,450	230,400
Advertising Fees	180,000	180,000	190,000
Sportsfield Lease	180,000	205,000	210,000
PCA Service Fees	120,000	50,000	70,000
Construction Certificate Applications	110,000	60,000	70,000
	5,278,490	6,560,893	6,239,100

There is very limited scope for Council to raise any significant additional revenue from these activities. While there is additional revenue forecast for Restoration Charges, this arises from additional works being undertaken and, consequently, additional expenditure being incurred.

Notwithstanding the limited scope for raising additional revenue from fees and charges, part of the budget process is to review our Schedule of Fees & Charges. Council's strategy is to increase fees and charges by at least the CPI where practical. Any opportunities for additional fees and charges have also been proposed.

Conclusion:

Council is required to adopt its fees and charges each year as part of its Management Plan. The Draft 2009/2010 Fees & Charges Schedule is recommended for inclusion in the Draft Management Plan for the purposes of public exhibition.

Tracey Walker
Systems and Management Accountant

Don Johnston
Manager Finance

Annexures:

- A. Draft Fees & Charges Schedule for 2009/2010

Item No: R1 Recommendation to Council
Subject: 2009/2010 Rating Structure
Author: Don Johnston, Manager Finance
File No: 87G 2010 & 331G 2009/2010
Reason for Report: To provide an overview of Council's Rating Structure and to consider a Rating Structure and special variation application for inclusion in the Draft 2009-2012 Management Plan

Recommendation:

- A. That the following rating structure be included in the draft 2009-12 Management Plan:
1. An increase in the Residential and Business general rates and the Environmental & Infrastructure Renewal Levy special rate of 3.5% as forecast in the 2009/2010 Draft Budget as the permissible increase has not yet been determined by the Minister for Local Government;
 2. Retention of the current rating structure while increasing the yield from each sub-category of rates by 3.5%, subject to announcement of the permissible increase;
 3. Continuation of the Council pensioner rebate of 100% of the Environmental & Infrastructure Renewal Levy for all eligible pensioners
- B. That, should the Minister announce a permissible increase of other than 3.5%, the rating structure be amended to take up the full amount of that increase and a further report be presented to the Corporate & Works Committee on any subsequent changes to the draft budget.
- C. That Council make application under Section 508(2) of the Local Government Act 1993 for an ongoing special rate variation of 2.55% above the permissible increase to offset the impost of substantial increases in its contribution to the NSW Fire Brigades and Streetlighting Charges in the amount of \$754,000 to restore its financial capacity for service delivery.
- D. That a further report be presented to the Corporate & Works Committee on any subsequent changes to the draft budget in the event the special variation application under Section 508(2) is not approved.
- E. That, in making the above special variation application, Council also apply to increase its minimum business rate by the permissible increase plus 2.55%.
- F. That it be noted that the proposed special variation will result in an average increase per rateable property of less than \$30 per annum and an average increase in total rates of less than \$70 per annum, or \$1.30 per week (assuming a 3.5% permissible increase).
-

Existing Rating Structure

Council's current rating structure was adopted following consideration by the Corporate & Works Committee of reports on a review of the commercial (business) rating structure in December 2002 and on the distribution of rates between the various categories in May 2003. It was reaffirmed for the 2008/2009 financial year when the yield from each sub-category of rates was increased by 3.2%, in line with the permissible increase announced by the Minister for Local Government that year.

The current structure is comprised of one residential sub-category, fourteen business sub-categories and one special rate for the Environmental & Infrastructure Renewal Levy. Rates in the residential sub-category and the Environmental & Infrastructure Renewal Levy special rate are levied on the basis of collecting 50% of the yield through a base amount and 50% on an ad valorem basis (land value multiplied by a rate in the dollar).

All business sub-categories are levied on an ad valorem basis, subject to a minimum rate. The business sub-categories are based on business centres and a general sub-category that contains all business rated properties that do not fall into one of the business centres, for example, corner shops.

The table below outlines the notional yield for 2008/2009:

Name of sub-category	Number of Assessments	Ad Valorem Rate in \$	\$ Minimum (M)/ Base Amount (B)	\$ 2008/09 Notional Yield
<i>General Rates</i>				
Residential	24,128	0.05458	461.10 (B)	22,248,948
Car Spaces	191	0.05458		1,949
Business Rates:				
General	399	0.3044	473.65 (M)	1,126,610
Double Bay	243	0.4280	473.65 (M)	1,329,758
Oxford Street	213	0.4101	473.65 (M)	671,146
Rose Bay	81	0.4208	473.65 (M)	226,926
Edgecliff	145	0.4116	473.65 (M)	295,412
Bellevue Hill	35	0.2735	473.65 (M)	32,467
Edgecliff/ Grosvenor	37	0.3604	473.65 (M)	70,080
Five Ways	30	0.3281	473.65 (M)	57,916
New South Head Rd, Vaucluse	26	0.2760	473.65 (M)	37,392
Old South Head Rd, Rose Bay	22	0.2787	473.65 (M)	54,480
Old South Head Road, Vaucluse	19	0.1755	473.65 (M)	14,460
Plumer Road	3	0.2375	473.65 (M)	9,632
Queen Street	70	0.2879	473.65 (M)	171,027
Watsons Bay	19	0.2291	473.65 (M)	63,486
<i>Total General Rates</i>	<i>25,661</i>			<i>26,411,689</i>
<i>Special Rate</i>				
Environmental & Infrastructure Levy	25,661	.07746	62.57 (B)	3,209,476
Total Rates Revenue				29,621,165

NOTE: The number of assessments and notional yield may vary slightly between now and final adoption of the 2009-12 Management Plan due to routine changes to Council's rating base.

No Changes to Land Valuations

Council last received a general land revaluation early in 2007 with a base date of 1 July 2006 which was used as the basis for 2008/2009 rating. These same land values will be used for the 2009/2010 rates levy.

The next general revaluation for the Woollahra municipality is anticipated to be received early in 2010, with a base date of 1 July 2009, with the new valuations to be used for Council to determine its rating structure 2010/ 2012.

Legislative Framework

The Local Government Act (LGA) permits four categories of rates. The categories of ordinary rates are farmland, residential, mining and business rates.

Council's current rating structure has two categories, residential and business. The proportions of rates collected from each category are:

Category	\$ Yield	%
Residential	22,250,898	84.25
Business	4,160,791	15.75
	26,411,689	100.00

The spread of land values across the two categories is:

Category	\$ Land Values *	%
Residential	20,358,431,557	94.69
Business	1,141,122,940	5.31
	21,499,554,497	100.00

* Land values have a base date of 1 July 2006.

The LGA also provides for 'special rates' to be levied where a council is of the opinion that an area benefits, or will benefit, from particular works, services, facilities or activities. Council utilises these provisions for its Environmental & Infrastructure Renewal Levy.

There are no changes to categories, sub-categories or the bases for calculating our rates proposed for 2009/2010. However, information on categorisation, sub-categorisation, the bases for calculating rates and special rates are provided in **ANNEXURE 1** for the Committee's information.

Proposed General Rate Structure for 2009/2010

At the time of writing this report the Minister for Local Government had not announced the permissible increase for 2009/2010. For the purposes of putting Council's draft 2009-12 Management Plan on public exhibition, and meeting the statutory timeframes, it is proposed that the 3.5% rate increase assumed in the draft budget be carried through to the rating structure. A footnote to this effect will be provided in the draft Management Plan.

Within the overall limitation of increasing rates by no more than the percentage set by the Minister, Council is able to determine the mix between sub-categories within its rating structure and the basis upon which rates are calculated.

In setting the rates for 2008/2009 it was ultimately decided to increase the yield from each of the sub-categories by the then 3.2% permissible increase. This approach has again been recommended for the 2009/2010 rating year, that is, to increase the yield from each of the sub-categories by the rate pegging limit estimated at this stage to be 3.5%.

While there are numerous options available to Council for changing the current structure, which range from abandoning the current 50/50 base amount/ad valorem structure of the residential rate in favour of a different mix, or the re-introduction of a minimum rate to introducing a 50/50 base amount/ad valorem structure into one or all of the business sub-categories, it is recommended that we retain the existing rating structure and mix.

Proposed Environmental & Infrastructure Renewal Levy Structure for 2009/2010

It is proposed that we continue the structure of a 50% base amount and 50% ad valorem structure for the Environmental & Infrastructure Renewal Levy special rate. It is also proposed that eligible pensioners will continue to receive a 100% rebate of the levy at a cost of some \$89,000 for 2009/2010.

An Opportunity to Apply for a Special Rate Variation

The pressures that Council is facing in preparing its 2009/2010 budget were presented to the Corporate & Works Committee on 16 February 2009 in the Budget Strategy report. Among these are the substantial increases in Council's contribution to the NSW Fire Brigades and street lighting charges. Increases in these items since 2003/2004 are shown in the table below.

Year	\$ Fire Brigades Cont'n	% Increase	\$ Street Lighting Charges	% Increase	Approved Rate Increase
03/04	1,418,894		790,168		
04/05	1,419,961	0.1%	807,137	2.1%	3.5%
05/06	1,465,761	3.2%	883,275	9.4%	3.5%
06/07	1,527,222	4.2%	962,490	9.0%	3.6%
07/08	1,692,964	10.9%	1,044,653	8.5%	3.4%
08/09	1,871,938	10.6%	1,149,000	10.0%	3.2%
09/10 *	2,060,000	10.0%	1,401,780	22.0%	3.5%

- * For the preliminary draft 2009/2010 budget we are forecasting a further 10% increase in our Fire Brigades contribution and have been advised of an average 22% increase (awarded by the Independent Pricing & Regulatory Tribunal) in street lighting charges.

Increases in both payments in recent years have been in excess of the permissible rate increase granted by the Minister for Local Government each year. If the permissible increases in rates are applied to the Fire Brigades Contribution and street lighting charges, the extent to which they exceed the rate pegging limit can be clearly seen. This is shown in the table below.

Year	\$ Fire Brigades Cont'n	\$ Street Lighting Charges	\$ Total	% Approved Rate Increase	\$ 03/04 Total Indexed by Rate Increase
03/04	1,418,894	790,168	2,209,062		
04/05	1,419,961	807,137	2,227,098	3.5%	2,286,379
05/06	1,465,761	883,275	2,349,036	3.5%	2,366,402
06/07	1,527,222	962,490	2,489,712	3.6%	2,451,593
07/08	1,692,964	1,044,653	2,737,617	3.4%	2,534,947
08/09	1,871,938	1,149,000	3,020,938	3.2%	2,616,065
09/10	2,060,000	1,401,780	3,461,780	3.5%	2,707,628

In the 2009/2010 preliminary draft budget it is anticipated that Council will pay some \$754,000 more than the 2003/2004 payments indexed by permissible rate increases (\$3,461,780 - \$2,707,628). This is having a marked impact on our service delivery financial capacity on its own. When combined with the other pressures on our 2009/2010 budget (loss of interest revenue from the global financial crisis for example) increases in State Government charges beyond the rate pegging increase limit can no longer be absorbed without impacting on service delivery.

It is important to remind the Committee of Council's long held view and numerous submissions on the inherent inequity in distributing the NSW Fire Brigades contributions across councils based on land value. **ANNEXURE 2** provides a table comparing Woollahra's contribution with those made by much larger Councils and other inner metropolitan Councils.

There is an opportunity to restore Council's service delivery financial capacity through a special rate variation. In the *Guidelines for the Preparation of an Application for a Special Variation to General Income* recently issued by the Department of Local Government, substantial increases in Government contributions or charges are considered to be circumstances that are considered to be appropriate reasons for applying for a special variation. Specifically, the guidelines state:

The following circumstances are considered to be appropriate reasons for applying for a section 508(2) special variation:

- *Where additional income is necessary to finance a project that has regional significance or a demonstrable regional economic benefit. Regional significance and/or benefit would be demonstrated by:

 - *joint participation by several councils in planning and/or execution of the project; or State/Commonwealth participation in planning or contribution of funds towards the project; or*
 - *demonstrated consistency with a relevant regional management plan (e.g. a Catchment Blueprint) endorsed by the State Government.**
- *Where additional income is necessary to finance new or enhanced local government services or facilities specified in a comprehensive principal activity statement in the council's draft management plan. Proposals may include infrastructure maintenance or replacement programs and services related to sustainable natural resource management, waste management, environmental protection, pollution control and protection of public health.*
- *Where additional income is necessary to meet substantial increases in Government contributions or charges, for example: variation of charges by the Valuer General, State Electoral Commission, NSW Fire Levy or Rural Fire Contribution.*

Any such application would need to be made by 31 March 2009 or within two weeks of the announcement of the permissible increase, whichever is later.

Recovery of the \$754,000 would result in an increase in total rates of less than 2.6%. On average, this is an increase of less than \$30 per annum across Council's 25,661 assessments. Combined with the forecast 3.5% permissible increase in rates, the total average increase in rates would be less than \$70 per annum, or an increase of just over \$1.30 per week.

It has been recommended that Council apply for a special variation in the amount of \$754,000 (2.55%) to recover the substantial increases in both the NSW Fire Brigades Contributions and street lighting charges. The community's response to the proposed increase will be ascertained through the public exhibition of the draft 2009-12 Management Plan.

Exhibition of the Rating Structure

For the purposes of public exhibition, Council has to incorporate details of its rating structure in the Draft Management Plan. If Council adopts the recommendation to apply for a special variation it will need to prepare two scenarios, one with the special variation and one with just the permissible increase. For 2009/2010, subject to the announcement of the permissible increase by the Minister for Local Government, we will include a rating structure incorporating a 3.5% increase for each sub category of general rate and a 3.5% increase in the Environmental & Infrastructure Renewal Levy special rate. If the Minister announces an increase of other than 3.5% it is proposed that the rating structure be adjusted accordingly to take up the full amount of the increase. The proposed rating structure for this scenario is attached as **ANNEXURE 3**. The second scenario, including the \$754,000, or 2.55% special variation application is attached as **ANNEXURE 4**.

Conclusion:

The proposed 2009/2010 Rating Structure retains the overall mix between the various sub-categories of rates and provides for the 3.5% increase based on our budget estimate while we await the Ministerial determination (Scenario 1) and an increase of just under 6.1% (Scenario 2) to restore Council's service delivery financial capacity following substantial increases in recent years in its Fire Brigades contributions and street lighting charges. The community's response to the proposed special variation will be gauged through the public exhibition of the draft 2009-12 Management Plan. Should the Minister determine an increase of other than 3.5% it is recommended that the rating structure be amended to take up the full amount of the increase and that a further report be prepared on any subsequent changes to the draft budget. Should Council determine to make an application for a special variation and it is not approved a further report will also be provided on subsequent changes to the budget.

Don Johnston
Manager Finance

Stephen Dunshea
Director Corporate Services

Annexures:

1. Information on the Categorisation of Rateable Land and Rate Calculation Options
2. Major and Inner Metropolitan Councils NSW Fire Brigades Contributions
3. Rating Structure for 2009/2010 – Forecast Permissible Increase of 3.5%
4. Rating Structure for 2009/2010 – Special Variation Application of 2.55%

**POLITICAL DONATIONS DECISION MAKING FLOWCHART
FOR THE INFORMATION OF COUNCILLORS**

