



COFFS HARBOUR CITY COUNCIL
ORDINARY MEETING
COUNCIL CHAMBERS
COUNCIL ADMINISTRATION BUILDING
COFF AND CASTLE STREETS, COFFS HARBOUR
24 MAY 2012

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COFFS HARBOUR CITY COUNCIL

ORDINARY MEETING

24 MAY 2012

Mayor and Councillors

GENERAL MANAGER'S REPORT

GM12/15 OPERATIONAL PLAN REPORTING FOR THE QUARTER ENDED 31 MARCH 2012

Purpose:

To report on the progress of implementation of Council's 2011/2012 Operational Plan.

Description of Item:

Under the Integrated Planning and Reporting (IPR) framework, Council developed an Operational Plan for the 2011/2012 financial year to guide operational activity and to monitor performance.

This report addresses the progress of that activity from 1 January 2012 to 31 March 2012.

The performance of individual projects and services is recorded in detail in Council's *Performance Planning* system, a software tool designed to assist the organisation to monitor progress at an operational level. The system generates a summary report, tracking the performance of Council's 57 Budget Programs as well as the major projects within each Program.

A printed copy of the report - titled *2011/2012 Quarterly Operational Report – January to March 2012* - is available in the Councillors' Room. The report will also be posted on Council's website.

A list of significant achievements for the quarter is provided as an Attachment to this report.

Sustainability Assessment:

This report monitors performance against measures applied to Council's projects and services, as set out in the 2011/2012 Operational Plan. The individual projects and services are aligned (through Council's Budget Programs) with the Quadruple Bottom Line objectives of the *Coffs Harbour 2030 Community Strategic Plan*. Their performance measure assessments are based on social, environmental, economic, and civic leadership principles. Accordingly, an overall assessment is not required for the tabling of the report.

Consultation:

Managers from all Council departments have submitted performance reports for operational activities within their areas of responsibility.

Statutory Requirements:

Sections 404 and 405 of the *Local Government Act 1993* detail a council's obligations in regard to its Delivery Program and Operational Plan.

There is no legislative or policy requirement for Council to report quarterly on the operational performance measures within the 2011/2012 Operational Plan. However it is considered prudent management practice to monitor these measures to ensure that targets are being met and that the delivery of Council works and services is consistent with community expectations.

Issues:

The booklet entitled *2011/2012 Quarterly Operational Report – January to March 2012* is generated from Council's *Performance Planning* software package. It shows the current status of each of Council's 57 Budget Programs, using a percentage progress figure and summary comments from the officers responsible for each Program. Where a Program includes significant projects – either Capital Projects or Major Operating Projects – a progress report on those projects is also included.

In general, Council aims at achieving a 100% result as the expected level of achievement for each Budget Program at the conclusion of each quarter of the 2011/2012 year. The percentage achievement figure is an aggregate of the progress scores for the individual projects and services within each Program.

Council's 2011/2012 Operational Plan identifies 208 projects in progress during the December quarter. Projects are classified as 'one-off' activities, often with set start and finish dates and individual budgets. The Operational Plan also identifies 144 services – these are ongoing activities carried out as the day-to-day business of Council. The delivery of services is measured through the use of Key Performance Indicators (KPIs) which generally compare achievements against set targets or timeframes.

The *Performance Planning* software utilizes "traffic lights" to indicate the progress towards completion of performance measures. A green light indicates that the measure is either "on track" or achieved. An amber light indicates the status is "manageable", and a red light indicates the activity is "at risk".

Of Council's 57 Budget Programs, 53 are reported as being "on track" for the March quarter; three are reported as "manageable" and one is reported as "at risk", with the comments below provided as background.

GM12/15 - Operational Plan Reporting for the Quarter Ended 31 March 2012 (Cont'd)

Program	March 2012 Status
270 (Non Domestic Waste Management)	<p>97% (Manageable)</p> <p>Biomass will be back on line in July, so diversion rates will improve after that time, and gas collection field repairs are also scheduled for late 2012 which will improve recovery rates.</p>
512 (Asset Systems)	<p>50% (At Risk)</p> <p>Focus for asset system is currently in the revaluation of water and sewer and in association with this, the cleansing and migrating of data into the asset system. Work on the integration with Finance one has been put on hold due to resourcing issues (Staff absences and resignations). As a result no development of a work order system has yet commenced.</p> <p>A meeting was held recently with a key staff to discuss the progress of implementation of the asset system. A number of issues were identified which need to be actioned prior to the 'Go Live' date for the implementation of the Asset System and in particular the integration with Finance one and the establishment of a Work Order System. A list of action items, responsible staff and milestone dates has been prepared for the identified issues and the Manager Asset Systems has been asked to report on the progress of these items on a fortnightly basis.</p>
545 (Drainage)	<p>91% (Manageable)</p> <p>The operational drainage program has seen significant pressure placed on it with the occurrence of two natural disasters in June 2011 and January 2012, in order to facilitate drainage repairs and open drain maintenance. This pressure has seen the Drainage M&R March Quarter Expenditure arrive close to the Total Budget. It is anticipated that the drainage M&R allocation to be marginally over-expent.</p> <p>Within the March quarter a total of 145 customer requests were received for General Drains Maintenance of which 126 were completed within the quarter. ie 86.9%.</p> <p>52 customer requests were received for Blocked Drain - Flooding of which 45 were completed within the quarter. ie 86.5%.</p>

<p>CPS (Caravan Parks and State Park)</p>	<p>100% (Manageable)</p> <p>Business performance is of a concern in light of several key areas including:</p> <ul style="list-style-type: none"> • Room nights sold have declined due to economic concerns and prolonged weather events at strategic times • Trading profits are suffering due to increased wage costs associated with: • Labour Hire Employees change to Local Government Award which is not equipped to cater for hospitality spread of hours and weekend work • Implementation of Reservations Call Centre - costs are current but majority of commensurate revenue will be realised into the future through improved selling techniques, improved customer service at point of reservation and registration, and improved staff stress levels. • Utility costs are increasing significantly, especially with regards to electricity, water, sewer and waste management - longer term strategies to combat include hot water upgrades at Park Beach and Sawtell, guest education programs regarding water consumption and waste management and retendering for the parks waste service contract <p>Business requires close monitoring to ensure its financial viability and continue to provide funds for use within the Coffs Coast State Park and Woolgoolga Beach Reserve Trusts.</p>
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Council's electronic records management system provides data related to completion of tasks assigned across the organisation. A total of 5,555 tasks were recorded in the system for the March quarter with 5,254 tasks (86.8%) being attended to within the required timeframe. This compares to 82.4% in the December quarter, and 84.7% in the March quarter in 2011.

The quarterly performance reporting process includes an ongoing review of Key Performance Indicators to ensure that measures provide an accurate and meaningful assessment of the effectiveness of Council's operational activities.

Implementation Date / Priority:

Management will continue to monitor the organisation's performance with a view to improving service delivery.

Recommendation:

That Council:

- 1. Notes the operational status of Budget Programs for the quarter ended 31 March 2012, as outlined in the body of this report.**
- 2. Continues to monitor its performance with a view to improving service delivery.**

Attachments:

Significant Achievements March Quarter 2012-05-11

- Development of \$5M airport upgrade program.
- Commencement of an \$85,500 program of environmental and recreational improvements to a 17-hectare area of Boambee Creek near the Rex Hardaker Oval on Hogbin Drive.
- Community Survey initiated to evaluate customer satisfaction and community priorities regarding Council services
- Water and energy efficiency upgrade of Sportz Central under the State Government's Climate Change Fund Public Facilities Program.
- Coffs Harbour Regional Gallery exhibitions included "Collectie", "Linear" and "Veni, Vidi, Vici". Recitals included works composed by Dvorak and a performance by International tenor Mark Fowler.
- The Coffs Coast Growers Market hosted a North Coast Health Promotion on lunchbox nutrition for schoolchildren.
- Successful Australia Day ceremony (despite atrocious weather) including a Citizenship ceremony for 55 people from 19 countries
- Bunker Cartoon Gallery exhibitions included waveAction and retrospectives by local artists Liz Scobie and Frances Larder.
- 2012 NRL pre-season match between the South Sydney Rabbitohs and New Zealand Warriors at BCU International Stadium on Saturday, February 11.
- Council selected to participate in the NSW Electronic Housing Code project (proposing online approvals for new homes)
- Coffs Harbour Regional Museum volunteers secured a Volunteer Initiated Museum (VIM) Grant scheme towards an historic photograph conservation project.
- Council lifeguards launch beach safety awareness sessions for migrants under a partnership program with Northcoast Settlement Services.
- Community Grants Program launched to help support community-driven sports, cultural, community infrastructure and city beautification works.
- Community consultation initiated to assist the second stage of the development of a draft Coastal Zone Management Plan.
- The Jetty Memorial Theatre officially launched the 2012 Community Theatre Season Showcase.
- Council worked with the NSW Police in mounting the Watch Your Speed Campaign in a bid to cut the number of crashes occurring on local roads.
- The Multicultural Harmony Festival – a family event that celebrates our success as a culturally-diverse community – was staged at the Botanic Garden.
- A survey was launched to help improve the services and facilities offered by Council's local libraries as a first step in developing a strategic plan for the whole Coffs Harbour library service.
- An online forum was opened as part of a wider community engagement process to assist the development of a Draft Cultural Policy.

GM12/16 2012/2016 DELIVERY PROGRAM AND 2012/2013 OPERATIONAL PLAN

Purpose:

To present Council's final Draft 2012/2016 Delivery Program, 2012/2013 Operational Plan, Program Budgets 2012/2016 and Fees and Charges 2012/2013. This report recommends the reviewed documents be adopted and implemented from 1 July 2012.

Description of Item:

As part of the Integrated Planning and Reporting Framework (introduced in 2010), Council is required to prepare and implement a Delivery Program (to cover a four-year period) and an Operational Plan for each financial year. These documents outline the principal activities, budgets, works schedules, and fees and charges structure that Council proposes to pursue to help implement the strategies and achieve the objectives set out in the *Coffs Harbour 2030 Community Strategic Plan*.

The Draft 2012/2016 Delivery Program, Draft 2012/2013 Operational Plan, Draft Program Budgets 2012/2016 and Draft Fees and Charges 2012/2013 were adopted by Council on 12 April 2012 and placed on public exhibition for 29 days. A total of 22 community submissions were received and considered by Council; eight sought additional funding allocations within the budget to accommodate specific capital works. (A lack of Council resources means that some of the submitted projects must remain unfunded into the foreseeable future.) The remainder raised issues regarding the proposed Fees and Charges for 2012/2013, including 12 submissions voiced objections to the proposed increase in charges associated with the upgrading of waste services in the former Pristine Waters sections of the Local Government Area.

A separate community engagement strategy was implemented in regard to a joint Council/business sector proposal to extend the term of the CBD Special Rate. That application is being considered by the Independent Pricing and Regulatory Tribunal (IPART). The application process requires Council to adopt its 2012/2013 Budget prior to 1 June 2012. IPART is expected to announce its determination by 6 June 2012.

The revised budget documents presented to Council with this report allow for two scenarios: one incorporating an ongoing CBD Special Rate, the other without the CBD Special Rate. It is proposed that Council adopt the budget with both scenarios in place. Once IPART's determination is known, the redundant scenario can be rescinded at the next available Council meeting.

Following the review of the draft documents, the proposed 2012/2013 budget represents a projected deficit of \$308,365 with an undertaking by Council to work to deliver a balanced result by the end of the financial year, ie, 30 June 2013.

Sustainability Assessment:

The Delivery Program and Operational Plan models stem from statewide planning reforms that are based on Sustainability and Quadruple Bottom Line (QBL) principles. That is, there is a requirement that each component identifies and addresses social, environmental, economic and civic leadership issues.

- **Environment**

The adoption and implementation of the documents will have no environmental impacts apart from those associated with printing and energy use. Consistent with Council policy, these impacts will be kept to a minimum. Environmental issues relating to Council and the city are identified and addressed in a number of strategies encompassed by the Delivery Program and Operational Plan.

- **Social**

Community engagement has played an integral part in the finalisation of the Delivery Program and Operational Plan. Consistent with the *Coffs Harbour 2030 Plan*, the documents include a range of strategies to enhance the social development of Coffs Harbour.

- **Civic Leadership**

The Delivery Program and Operational Plan create the platform for Council to provide works and services aimed at achieving the objectives of the *Coffs Harbour 2030 Community Strategic Plan*. This is consistent with the 2030 Plan strategy LC2.2.1: *Enable and support all levels of government to serve the local community*.

- **Economic**

Broader Economic Implications

The Delivery Program and Operational Plan include a number of strategies to assist and contribute to the economic development of Coffs Harbour. As one of the city's major businesses and employers, Council is an important contributor to the local economy; the implementation of planning, reporting and budgeting structures assists the management of the organization as a secure and stable enterprise.

Delivery Program/Operational Plan Implications

Council's annual budget allows for the development and review of the Delivery Program and the Operational Plan. This expenditure is monitored through Council's monthly and quarterly budget reviews.

Consultation:

Councillors have had the opportunity to participate in a number of workshops to review Council's strategic objectives and budgetary priorities as part of the development and review of the Draft Delivery Program and Draft Operational Plan. Staff have also had extensive input into this process, with particular involvement in the review of the operational content of the draft documents.

The Draft 2012/2016 Delivery Program, Draft 2012/2013 Operational Plan, Draft Program Budgets 2012/2016 and Draft Fees and Charges 2012/2013 were adopted by Council on 12 April 2012 and placed on public exhibition for 29 days (Monday, 16 April to Monday, 14 May 2012).

The draft documents could be accessed on Council's website: www.coffsharbour.nsw.gov.au. Printed copies were also displayed at Council's Administrative Centre, at the three branches of the City Library (Coffs Harbour, Woolgoolga and Toormina), at General Stores and Post Offices in Karangi, Coramba, Nana Glen, Lowanna, Ulong, Corindi and Red Rock and at the Coffs Harbour Visitor Information Centre.

The public exhibition process was promoted on Council's website and in the media. All promotional material encouraged the community to consider the draft documents and provide feedback to Council. Community submissions could be made online or by mail.

In the course of the display period (and to close of business, Tuesday 15 May), Council received a total of 22 submissions on the draft documents (including 13 that were tendered by email). During 2011/2012, a number of separate funding requests (4) were referred for processing as community submissions to the Draft 2012/2013 Budget. Each community submission was registered, acknowledged (by letter or email) and referred to relevant staff for comment to assist in the consideration of the points raised.

A summary of submissions was presented to Councillors on 16 May 2012 (see attachment). The submissions included 8 requests for funding in the budget for specific works. The nominated projects included improvements to roads, sports facilities, reserves and community venues. Additionally, 12 submissions objected to proposed increases in charges associated with the upgrading of waste services for the Red Rock and Corindi areas.

Council has been able to fund \$53,500 of requests through savings in this year's budget. These requests will be dealt with as part of the normal budget review process.

The amounts cover:

Ulong Showground slashing \$2,000
Ulong Hall and Showgrounds Bollards \$4,500
Coffs Harbour Criterion Track urgent repairs \$15,000
Friends of the Park Pilot Program \$17,000
Boambee East Community Centre Maintenance and Repairs \$15,000

A separate community engagement strategy was implemented earlier in the year in regard to a proposal to extend the Business City Centre Special Rate to fund a new stage of the successful city centre revitalization program. This was a tightly focused consultation process – targeting business city centre property-owners. The engagement strategy showed that there was considerable support for the proposal, a finding that was incorporated in Council's application to IPART.

Related Policy and / or Precedents:

This is the third year that Council has considered the adoption of a Delivery Program and Operational Plan, prepared under the Local Government Amendment (Planning and Reporting) Act 2009.

Statutory Requirements:

Sections 404 and 405 of the Local Government Act 1993 detail requirements in relation to a council's Delivery Program and Operational Plan.

Additional requirements for the Operational Plan are set out in Local Government (General) Regulation 2005 – Clause 201 (relating to the content of Council's annual statement of revenue policy) and Clause 203 (relating to reporting requirements for budget review statements and estimates revisions).

Issues:

- ***Final Draft Delivery Program and Operational Plan***

Despite the budget constraints, Council is able to proceed with a range of important initiatives in 2012/2013, including:

- Coramba Water Main development (\$750,000)
- Reclaimed Water Pipeline Stage 2 (\$4 million)
- 2012 Election Expenses (\$380,000)
- Public Amenities Upgrade (\$300,000)
- Bonville Rural Residential Environmental Studies (\$300,000)
- LEP Review (\$127,336)
- Parks & Streets Litter Bin Contract (\$336,900)
- Community Village Operations (\$368,700) offset by revenue (\$283,200)
- Runway Overlay Stage 1 (\$100,000) (\$5.5 million project over 2 financial years of which \$5 million loan funded)
- Sports Facilities Ovals Maintenance (\$475,000) offset by Sports Facilities Ovals Hire Income (\$76,600).
- CBD Masterplan Works (Special Rate Variation (\$668,900)
- Insurance Costs (\$1,098,660)
- Payroll HR System (\$260,000)
- Fibre Optic Cabling (\$71,225)
- Library Resources (\$131,500)
- Jetty Theatre Operating Costs (\$568,194) offset by revenue (\$166,000)
- Botanic Gardens – Completion Stage 1 Japanese Garden Dev (\$10,000)
- Local Sealed Roads Rehabilitation (\$1,646,265) (includes \$896,265 Roads to Recovery grant funding)
- Regional Roads Repair Program (\$480,000 - 50% grant funded)
- Bridge Major Repairs (\$785,330)
- Street Cleaning (\$378,100)
- Public Toilet Cleaning (\$285,500)
- Boat Ramp Dredging (\$59,900)
- Historical Jetty Routine Maintenance (\$79,000)
- Street Lighting Operating Costs (\$767,800).

- **Business City Centre Special Rate Application**

Council has applied to IPART to continue the Business City Centre Special Rate for a further ten-year period.

IPART has already approved a state wide 'Rate Pegging' increase of 3.6% for 2012/2013. On top of this, Council is seeking a further 2.04% increase in 'General Income' (income from ordinary and special rates) - a total increase of 5.64%. This additional income (above the rate pegging limit) represents the proposed continuation of the Business City Centre Special Rate.

The application for additional rate revenue only impacts on Business properties within the Coffs Harbour CBD.

If Council's application is successful, the first step will be the development of a City Centre Masterplan in conjunction with a CBD Masterplan committee.

This Masterplan will develop a program of works to be funded with the proposed Business City Centre Special Rate.

If the Special Rate is continued for 2012/2013 the average ordinary rate for a Business City Centre property will increase from approximately \$7,000.89 in 2011/2012 to \$7,092.12 for 2012/2013. This represents an average increase of approximately \$91.23 or 1.3%.

- **Impact on Residential Ratepayers**

Should Council not be successful with the proposed special rate variation (being the continuation of the Business City Centre Special Rate), the Draft 2012/2013 Operational Plan allows for the implementation of a 3.6% increase in 'General Income' (income from ordinary and special rates), announced for 2012/2013 by IPART under Local Government 'Rate Pegging' legislation.

With a 3.6% rate variation, a typical residential ratepayer can expect a total rate increase (including annual and usage charges) of approximately \$166.95 per annum (or \$3.21 per week), which is a 6% increase from 2011/2012.

- **Impact on Farmland and Business Ratepayers**

With the 3.6% rate peg variation, the average farmland and business ratepayer can expect an increase to the ordinary rate component of their rate account as shown in the table below:

Ordinary Rate Component	2011/2012	2012/2013	Increase	
	(\$)	(\$)	Amount (\$)	%
Farmland Ordinary Rate	1,520.70	1,666.66	145.96	9.6*
Business Ordinary Rate	3,189.13	3,282.25	93.12	2.9

* The increase in the farmland ordinary rate is due to above average land valuation increases within this category for 2012/2013.

- **2012/2016 Financial Estimates**

- **General Fund**

The final draft four year Estimates each return deficit results as set out below:

Year	Financial Estimate (\$)	
2012/2013	308,365	(Deficit)
2013/2014	299,434	(Deficit)
2014/2015	924,649	(Deficit)
2015/2016	1,557,043	(Deficit)

Operational incomes and expenditures are tightly budgeted and have been subject to constant scrutiny in recent years.

There is little revenue-funded capital expenditure (excluding loan principle repayments), apart from asset renewal and rehabilitation programs which are not at sufficient levels to meet requirements and reduce backlogs. There are significant capital works planned which are funded from rate variations, trading operations, grants, loans, S94 contributions, reserves etc.

Council's annual forecast budgets are not meeting appropriate expenditure levels in relation to operations, asset renewals and capital works. While it would appear that future rate variations will be part of the solution to this issue, management has been exploring other initiatives - including the service review process and alternative revenue streams – aimed at securing a sustainable balance between income and expenditure.

- **Water and Sewerage Funds**

Both the Water and Sewerage Funds have undertaken massive programs of capital works in recent years. Expenditure has been in excess of \$300M. These works have been essential to maintain the viability of our city. Work is in progress on the final project: the decommissioning of the Sawtell Sewerage Treatment Plant and the construction of a sewerage trunk main from Sawtell to Coffs Harbour.

This unprecedented program has been funded by a combination of loan funds, developer contributions, reserve funds and grants. Loan funds have been the major source, with \$221M borrowed.

Rates and annual charges have been held to reasonable increases in recent years, despite the large increase in loan repayments. This has been achieved by using the cash reserves of each fund to meet annual deficits.

The final draft Delivery Program provides for the deficits to decrease over the four years, as set out below:

Year	Water (\$)		Sewerage (\$)	
2012/2013	4,397,830	(Deficit)	3,542,337	(Deficit)
2013/2014	4,115,977	(Deficit)	2,921,413	(Deficit)
2014/2015	1,951,118	(Deficit)	2,217,449	(Deficit)
2015/2016	(192,535)	(Surplus)	921,051	(Deficit)

The decrease in deficits is achieved due to growth in assessments, increased developer contributions, annual rates and charges increases and reducing loan repayments.

It is anticipated that the Water Fund will have a budgeted surplus in 2015/2016. It is anticipated that the Sewerage Fund's deficits will cease in 2016/2017 with a large loan being repaid that year.

The viability of both funds is assured in future years.

- ***Borrowings***

A total of \$7,750,000 in proposed borrowings is included in the budget for 2012/2013. This comprises:

- \$5,000,000 for pavement upgrade works at the Airport;
- \$250,000 for a loan to Hockey Coffs Coast to replace the synthetic grass surface of their oval; and
- \$2,500,000 towards open space land acquisitions funded from S94 Contributions.

None of the borrowings should have an impact on Council's General Fund budgetary position as loan repayments all have a funding source.

Council has approved the \$5,000,000 borrowing for the Airport; this was necessary to meet timeframes in relation to an application submitted for a government interest subsidy.

- ***Fees and Charges 2012/2013***

A review of the Draft Fees and Charges 2012/2013 has resulted in the following recommended changes:

1. Page 45. Property and Commercial Services– Fee for Certificate as to Classification of Land under Section 54 of the Local Government Act - (New fee) \$40.00
2. Page 89. Water Services – Electronic/Remote Read Meter Kits – by Quotation.
3. Page 64. Community Facilities – Woolgoolga Community Village Hall – all fees non-inclusive of GST.
4. Page 67. Community Facilities – Sportz Central Stage Hire (New fees) – see below.

Stage Hire	Unit	Proposed Fee or Charge 2012/13	Pricing Policy	GST Included
Non Profit Community Use		\$100.00	D	Y
Commercial Use	First Day	\$500.00	D	Y
	Subsequent Day	\$250.00	D	Y
Stage Hire Bond – Compulsory		\$500.00	D	N

5. Page 69. Community Facilities – Nana Glen Sports, Recreation & Equestrian Centre – see below.

Ground Hire for Non Members	Unit	Fee or Charge 2011/12	Proposed Fee or Charge 2012/13	Pricing Policy	GST Included
Equestrian Club ≥10 horses	Daily	\$150.00 + \$10 levy/horse	\$160.00 + horse fee	B	N
Equestrian Club < 10 horses	Daily	\$10.00 per person + \$10 levy/horse	\$10.00 per person + horse fee	B	N

6. Page 74. Community Services – Jetty Theatre – Rehearsals – Commercial (New fee); Ticketing (New fees); Projector (New fee); additional Condition Hire for members of ACCTS - see below.

GM12/16 - 2012/2016 Delivery Program and 2012/2013 Operational Plan (Cont'd)

Jetty Theatre	Unit	Fee or Charge 2011/12	Proposed Fee or Charge 2012/13	Pricing Policy	GST Included
Rehearsals					
Not For Profit (NFP)	Hour	\$30.00	\$35.00	B	Y
Commercial		-	\$77.00	-	Y
Ticketing					
NFP (With Theatre Booking)					
- Full Price	Ticket	\$1/ Ticket	\$1 / Ticket		Y
- Complimentary	Ticket	\$0.35/ Ticket	\$0.45 / Ticket		Y
Commercial (With Theatre Booking)					
- Full Price	Ticket	\$2/ Ticket	\$2.50 / Ticket		Y
- Complimentary	Ticket	\$0.35/ Ticket	\$1.00 / Ticket		Y
NFP (No Theatre Booking)					
- Setup Fee & Re-Editing	Hour	-	\$50		Y
- All Tickets	Ticket		\$2 / Ticket		Y
- Web Listing			\$50		Y
Commercial (No Theatre Booking)					
- Setup Fee & Re-Editing	Hour		\$100		Y
- All Tickets	Ticket		\$3.50		Y
- Web Listing			\$100		Y
Sundry					
Projector	Hour		\$20		Y
Conditions of Hire					
5. In recognition of Local Amateur Theatre Groups contribution to the Jetty Memorial Theatre, Members of ACCTS are entitled to inclusions in accordance with the Theatre Charter.					

Implementation Date / Priority:

Subject to Council approval, the 2012/2016 Delivery Program, 2012/2013 Operational Plan, Program Budgets 2012/2016 and Fees and Charges 2012/2013 will be implemented on 1 July 2012.

Recommendation:

That Council:

- 1. Adopt the 2012/2016 Delivery Program, 2012/2013 Operational Plan, Program Budgets 2012/2016 and Fees and Charges 2012/2013.**
- 2. Note that the documents are adopted with two budget scenarios in place (one including the CBD Special Rate and one without) and that, following IPART's determination of the special variation application, Council meet as soon as practicable to rescind the redundant scenario.**
- 3. Note that the adopted 2012/2013 Budget is based on a projected deficit of \$308,365 with an undertaking by Council to work to deliver a balanced result by the end of the period.**
- 4. Respond to all who made community submissions, advising them of the outcome of their requests and thanking them for their input.**

**Steve McGrath
General Manager**

CORPORATE BUSINESS DEPARTMENT REPORTS

CB12/37 2012/2013 ENVIRONMENTAL LEVY PROJECTS SCHEDULE

Purpose:

To provide Council with the recommended program of works for the 2012/2013 Environmental Levy Program for inclusion in the 2012/2013 Draft Delivery Program.

Description of Item:

Council invited submissions for funding from the 2012/2013 Environmental Levy from Thursday 1 March 2012 until Friday 13 April 2012.

A total of 44 submissions were received. A booklet containing all submissions is available in the Councillors' Room for inspection.

The recommended program is included with this report.

Sustainability Assessment:

- **Environment**

The Environmental Levy Program is designed to ensure that environmental priorities (as outlined within Council's State of Environment Report) are addressed. All projects recommended for funding will result in beneficial outcomes for the environment of the Coffs Harbour Local Government Area (LGA).

- **Social**

Determination of successful projects is based on assessment criteria which includes the following:

- Generate a community benefit;
- Be community based; and
- Improved aesthetic quality of our natural environment and amenity.

Fourteen community groups / individuals applied for nineteen projects to be funded from the 2012/2013 Environmental Levy, with fifteen projects being recommended for receipt of some funding. In addition, the broader community benefits from the completion of high priority environmental management projects funded by the Environmental Levy.

- **Civic Leadership**

Council's Environmental Levy Program provides funding for a variety of environmental initiatives. Many projects involve direct interaction between community groups, schools and council staff. Through these processes Council exhibits significant leadership in environmental issues and outcomes.

- **Economic**

It is estimated that \$1,280,140 income will be available for the Environmental Levy projects in 2012/2013. This includes income from the 2012/13 Environmental Levy and a contribution from the Water Fund of \$50,000 towards the Orara River works. Forty-four submissions were received requesting a total of \$1,767,200 and therefore all submissions are unable to be funded.

Consultation:

The Environmental Levy Working Group, which includes five community representatives, three Councillors and three staff members is an advisory committee of Council. The Environmental Levy Working Group met on 2 May 2012 to consider submissions and State of the Environment Report priorities and to recommend a program of works. The recommended program is included in this report and the minutes of the Working Group's meeting are provided as an Attachment.

Where appropriate, discussions were held with Council staff with a specific area of expertise to obtain advice on works proposed in submissions.

Related Policy and / or Precedents:

Each year the Environmental Levy Program is formulated concurrent with the preparation of Council's Draft Delivery Program. This allows community input and Environmental Levy Working Group discussion before the program of works is finalised. Assessment of submissions is undertaken in accordance with an adopted Council policy, which states that submissions must meet the following criteria to be eligible for funding:

- address an identified priority or priorities in Coffs Harbour City Council's most recent State of Environment Report;
- protect and enhance the natural environment;
- provide potential to attract outside funding sources;
- generate a community benefit and be community-based;
- meet a critical environmental need;
- improve aesthetic quality of our natural environment and amenity;
- works on private land must prove a "public benefit" rather than only benefiting an individual or group.

Issues:

The Environmental Levy Working Group's recommended 2012/2013 Environmental Levy Program is shown below:

Submissions included in the recommended program address a priority issue in Council's State of Environment Report. Several submissions are recommended with a reduced level of funding, such as Supporting Community Action in the Coffs Harbour LGA and the Orara River Rehabilitation Project.

Details of all recommended projects are as follows, and a schedule of funding sources and summary of projects is included.

CB12/37 - 2012-2013 Environmental Levy Projects Schedule (Cont'd)

Project	Amount Requested	Recommended Amount
Environmental Levy Co-ordination	62,375.00	62,375.00
Biodiversity Officers	198,790.00	198,790.00
Bush Regeneration	195,700.00	195,700.00
Weed Eradication	100,000.00	100,000.00
Supporting Community Action in the Coffs Harbour LGA	130,820.00	119,820.00
Yarrowarra Giriin Team - Bush Regeneration	19,862.00	17,862.00
Coffs Harbour Community Seedbank Network	9,945.00	9,945.00
Boambee Beach bush Regeneration - North of Deep Sea release Pipeline	19,992.00	19,992.00
Orara River Rehabilitation Project	194,500.00	174,500.00
Coffs Jetty Foreshore Reserve Follow-up Chemical Weeding	19,992.00	19,992.00
Darrunda Wajaarr Repair to country high Priority Sites	21,150.00	19,150.00
Monitoring birds within Community icon Areas on the Coffs Coast	7,850.00	7,850.00
Remote Camera Surveys for Medium-sized Ground Mammals For Coffs Harbours Coast and Hinterland	19,300.00	19,300.00
Building a Collaborative Management regime for the Coffs-Boambee Coastal corridor	27,914.00	25,914.00
Woolgoolga Flying Fox camp restoration - Target Weed Maintenance	20,000.00	18,000.00
Coffs Harbour Class 5 Vegetation Map Validation	15,000.00	15,000.00
Building an Information Base at multiple scales of the Eucalypts of the Coffs Harbour region	22,800.00	22,800.00
Coffs Harbour comprehensive Koala Plan of Management Review of Koala populations in the southern and western precincts	80,000.00	75,000.00
Moonee Reserve Amenity Improvement Project	5,400.00	5,400.00
Education Officer Botanic Garden	15,000.00	15,000.00
Impacts on Fresh Water Systems	2,000.00	2,000.00
Coffs Creek Northern Reach Restoration 2030 Project	20,000.00	18,000.00
Buluunggal (Coffs Creek) Interpretive bush Tucker Trail	9,900.00	9,900.00
Equipment to Help our Native Wildlife	7,800.00	7,800.00
Implementation of the Vertebrate Pests Management Strategy	8,650.00	8,650.00
Green Schools Sustainability Fund	16,500.00	16,500.00
Blueberries don't have to make the catchment Blue - Hearnes Lake Fish Friendly Farms	14,332.00	11,000.00
Our Living Coast Sustainable Living Festival	28,900.00	28,900.00
Coffs Ambassadors Interpretive Tours	30,280.00	20,000.00
Korora Lagoons Aquatic Weed Control Program	10,000.00	10,000.00
Aquatic biodiversity Survey and baseline Mapping of freshwater crayfish and aquatic species of the Mid North Coast	5,000.00	5,000.00
	\$1,339,752	\$1,280,140

CB12/37 - 2012-2013 Environmental Levy Projects Schedule (Cont'd)

Projects not recommended	Amount Requested
Mackays Road to Joyce Street Shared Pathway	45,400.00
Clean Waterways for our community	71,740.00
Estuarine Biodiversity Discovery - Corindi River Wetlands	33,822.00
Southern Bank Regeneration	8,568.00
Stormwater Drain Stencilling	1,500.00
Coffs Harbour City Council Bike Plan	20,275.00
Coffs Harbour Coastal Zone Management Plan	15,604.00
Plant Donations for Community Groups and Individuals	20,000.00
Our Living Coast - Solitary Islands Coastal Walk	80,000.00
Connecting Fern Tree Creek's Corridors	19,284.00
Children & Artists Clean Up Coffs Creek	6,050.00
Wash Water Treatment System and Wash Bay	95,205.00
Boambee Headland	10,000.00
Total Amount Requested for Projects Not Recommended	\$427,448.00

Funding Sources

	\$
Environmental Rate Levy	1,089,347
Water fund contribution	50,000
EL Reserve	140,793
Total Funds	<u>1,280,140</u>

At a Council meeting on 14 July 2011 it was resolved that Coffs Harbour City Council conducts a review of the Environmental Levy Program. This review was considered by Council at its meeting of 23 February 2012. The adopted review included ten resolutions. One of those resolutions was "that the Council projects of Environmental Levy Administration, Biodiversity, Bush Regeneration and Weeds Control be funded directly from the Environmental Levy and that these funds be deducted from the fund prior to the consideration of the committee". Budgets have been suggested for 2012/2013 based on previous years or an average of the past few years' applications via the Directors.

1. Environmental Levy Coordination

On 1 July 2006 the program support section of the finance branch became responsible for the administration of the Environmental Levy Program. To supplement resources to undertake the additional workload, a trainee was appointed. With the review of the Environmental Levy Program the position was also reviewed and an upgrade eventuated. Continued funding of the additional resources is required to enable the administration to be effectively delivered.

It is recommended that \$62,375 is allocated from the 2012/2013 Environmental Levy Program for Environmental Levy Coordination.

2. Conservation and Sustainable Management of Biodiversity in the Coffs Harbour Local Government Area

Historically, activities for the positions of Senior Biodiversity Officer and Biodiversity Officer have been guided by the Planning Framework outlined under the *Biodiversity Action Strategy 2002*. It is proposed that the future activities will be guided under the *Biodiversity Action Strategy 2012-2030* which is currently on public exhibition.

Key projects are: Finalise Coffs Harbour Class 5 Vegetation Mapping; Derive core koala habitat, high valued habitats, corridors footprint layer and Biodiversity Assets layer; Deal with vegetation and habitat assessments; Prepare five Biodiversity Guidelines.

It is recommended that \$198,790 is allocated from the 2012/2013 Environmental Levy Program for Conservation and Sustainable Management of Biodiversity in the Coffs Harbour Local Government Area.

3. Bushland Regeneration

Last year \$190,000 was allocated to the Bush Regeneration Program. This year Council requested an amount of \$195,700 for the Bushland Regeneration Program which is a 3% increase. Specifically, this is to fund one bush regeneration team leader, one officer and one assistant. Works are undertaken in accordance with an established program, details of which are included in the list supplied to the Environmental Levy Coordinator.

It is recommended that \$195,700 is allocated from the 2012/2013 Environmental Levy Program for Bushland Regeneration.

4. Environmental Weed Control Program

This project is a key component of natural area management within the local government area. Since 1998 it has integrated with the Bush Regeneration, Weed Services Control, Department of Environment and Climate Change and Coffs Harbour Regional Landcare programs across the LGA. This program specifically targets and reduces the impacts of environmental weeds on the biodiversity and natural heritage of the area.

It is recommended that \$100,000 be allocated from the 2012/2013 Environmental Levy Program for Environmental Weed Control Program.

Summary of Recommended Projects:

5. Supporting Community Action In The Coffs Harbour LGA

Coffs Harbour Regional Landcare (CHRL) is an incorporated body which provides coordination and support to Landcare and other environmental groups and individuals who work voluntarily in rehabilitating degraded natural ecosystems. In 2012/2013 this project will support over 300 Landcare volunteers through the provision of insurance, bush regeneration training, tools and materials and administration support. They will also rehabilitate and revegetate approximately 275 Hectares of vegetation across 19 volunteer work-sites. Due to funding limitations the Working Group recommends that \$119,820 of the \$130,820 requested be allocated to the project.

It is recommended that \$119,820 be allocated from the 2012/2013 Environmental Levy Program for Supporting Community Action in the Coffs Harbour LGA.

6. Yarrowarra Giriin Team – Bush Regeneration

EnviTE Environment is currently working with the Yarrowarra Aboriginal cooperation on a NSW Environmental Trust project at Red Rock training four workers in bush regeneration. This project will allow EnviTE Environment to support the Giriin Team outside Red Rock regenerating lands considered of having important cultural significance to the Yarrowarra mob within the Gumbaynggirr Nation. Due to funding limitations the Working Group recommends that \$17,862 of the \$19,862 requested be allocated to the project.

It is recommended that \$17,862 be allocated from the 2012/2013 Environmental Levy Program for Yarrowarra Giriin Team – Bush Regeneration.

7. Coffs Harbour Community Seedbank Network

This project, managed by EnviTE, will allow a range of local seed to be collected and distributed amongst community groups, community nurseries, schools, Landcare groups and council. The native seeds will be collected, processed, stored and distributed at no cost to the community.

It is recommended that \$9,945 be allocated from the 2012/2013 Environmental Levy Program for Coffs Harbour Community Seedbank Network.

8. Boambee Beach Bush Regeneration - North of Deep Sea Release Pipeline

A bush regeneration contractor and the Jetty Dunecare group members will continue to undertake regeneration and weed control works of 24 Hectares at Boambee Beach. Fox den fumigation will also be undertaken in conjunction with NPWS.

It is recommended that \$19,992 be allocated from the 2012/2013 Environmental Levy Program for Boambee Beach Bush Regeneration.

9. Orara River Rehabilitation Project

This project has been continuing since 1999 when local Landcare groups commenced rehabilitation of the river through erosion control works, exclusion of stock from the riparian zone, extensive weed control and revegetation works. This project continues in 2012/2013 and will re-establish and maintain a healthy, stable river system with a riparian zone free of weeds and inhabited by native flora and fauna, including aquatic species. Due to funding limitations the Working Group recommends that \$174,500 of the \$194,500 requested be allocated to the project.

It is recommended that \$174,500 be allocated from the 2012/2013 Environmental Levy Program for Orara River Rehabilitation Project. This includes an amount of \$50,000 from Coffs Coast Water, which is available subject to works receiving prior approval from Executive Manager, Operations – Coffs Coast Water.

10. Coffs Jetty Foreshore Reserve Follow-Up Chemical Weeding

The Jetty Dunecare Group has requested \$19,992 for the engagement of a qualified bush regeneration contractor to continue chemical weed eradication control along the 18 Hectare area of the Jetty Foreshores. Fox den fumigation will also be undertaken in conjunction with NPWS.

It is recommended that \$19,992 be allocated from the 2012/2013 Environmental Levy Program for Coffs Jetty Foreshore Reserve Follow-up Chemical Weeding.

11. Darrunda Wajaarr Repair to Country High Priority Sites

The Coffs Harbour Local Aboriginal Lands Council has requested \$21,150 to train Aboriginal bush regenerators and undertake regeneration work on specific high priority Aboriginal sites principally along the coastal strip in the Coffs Harbour LGA from Sawtell to Arrawarra. Due to funding limitations the Working Group recommends that \$19,150 of the \$21,150 requested be allocated to the project.

It is recommended that \$19,150 be allocated from the 2012/2013 Environmental Levy Program for Darrunda Wajaarr Repair to Country High Priority Sites.

12. Monitoring Birds Within Community Icon Areas on the Coffs Coast

This project seeks to complement the broader CHCC biodiversity monitoring program by continuing seasonal monitoring of birds within three community icon reference areas allowing completion of a two year, baseline bird monitoring data set for the three areas.

It is recommended that \$7,850 be allocated from the 2012/2013 Environmental Levy Program for Monitoring Birds within Community Icon Areas on the Coffs Coast.

13. Remote Camera Surveys for Medium-Sized Ground Mammals for Coffs Harbours Coast and Hinterland

This project will select, establish and initiate long term fauna monitoring sites on the Coffs Harbour coast and hinterland. Information collected will provide information to aid the development and promotion of biodiversity conservation policies and practices.

It is recommended that \$19,300 be allocated from the 2012/2013 Environmental Levy Program for Remote Camera Surveys for Medium-sized Ground Mammals for Coffs Harbours Coast and Hinterland.

14. Building a Collaborative Management Regime for the Coffs-Boambee Coastal Corridor

This program will seek to build a collaborative management model across the lands from the Racecourse to Toormina along both sides of Hogbin Drive. It will take a coordination role in identifying issues and threats across the landscape, developing options for best practice management. It will also seek cash funding to deliver protection and restoration of natural values. Due to funding limitations the Working Group recommends that \$25,914 of the \$27,914 requested be allocated to the project.

It is recommended that \$25,914 be allocated from the 2012/2013 Environmental Levy Program for Building a Collaborative Management Regime for the Coffs-Boambee Coastal Corridor.

15. Woolgoolga Flying Fox Camp Restoration – Target Weed Maintenance

This project received \$50,000 grant funds to complete initial works programs which is due to be completed in October 2012. Funds from the Environmental Levy are mainly required to conduct follow up weed control once the grant is finalised. Due to funding limitations the Working Group recommends that \$18,000 of the \$20,000 requested be allocated to the project.

It is recommended that \$18,000 be allocated from the 2012/2013 Environmental Levy Program for Woolgoolga Flying Fox Camp Restoration – Target Weed Maintenance.

16. Coffs Harbour Class 5 Vegetation Map Validation

The Coffs Harbour Class 5 Vegetation project commenced in 2007 and looked at refining vegetation community mapping across the Coffs Harbour Local Government Area. Nearing completion, the project will be delivered in May 2012. The purpose of this project is to conduct an independent validation of the map to ensure end users of the accuracy and overall quality of the maps.

It is recommended that \$15,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Harbour Class 5 Vegetation Map Validation.

17. Building an Information Base at Multiple Scales of the Eucalypts of the Coffs Harbour Region

This project aims to collect key information for planning, education and interpretation of the most diverse tall eucalypt forests in the world on the Coffs Harbour coast and hinterland. Run by NSW National Parks Association; Coffs – Bellingen Branch this project aims to inform Council on possible visitor centres or interpretation sites in the Bongil Bongil NP and the Bruxner Park Flora Reserve / Ulidarra NP; provide planning, conservation, management and interpretation in the Coffs Harbour Local Government Area; and acquire information within half a days travel of Coffs Harbour to support tourism based in Coffs Harbour. The Working Group stipulated that all works be carried out exclusively within the Coffs Harbour Local Government Area.

It is recommended that \$22,800 be allocated from the 2012/2013 Environmental Levy Program for Building an Information Base at Multiple Scales of the Eucalypts of the Coffs Harbour Region subject to studies being carried out exclusively within the Coffs Harbour Local Government Area.

18. Coffs Harbour Comprehensive Koala Plan of Management Review of Koala Populations in the Southern and Western Precincts

The project will assess koala populations, resource use and identify habitat in the Southern and Western Precincts of the Local Government Area. The result will be a review of the Koala Habitat spatial layers that underpin the Coffs Harbour Comprehensive Koala Plan of Management. Due to funding limitations the Working Group recommends that \$75,000 of the \$80,000 requested be allocated to the project.

It is recommended that \$75,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Harbour Comprehensive Koala Plan of Management Review of Koala Populations in the Southern and Western Precincts.

19. Moonee Reserve Amenity Improvement Project

This project will manage the spread of weeds along the riparian zone of the Green Bluff Reserve at Moonee Beach. It will also improve the awareness of attitudes and behaviour of local and visiting dog owners to take more responsibility for reducing the negative impact they currently have on the site.

It is recommended that \$5,400 be allocated from the 2012/2013 Environmental Levy Program for Moonee Reserve Amenity Improvement Project.

20. Education Officer Botanic Garden

The Botanic Garden provides learning experiences in areas such as Biodiversity, Ecology and Ecosystems, Botany, Fauna, Aboriginal Studies, Art and Cultural Studies. The objective is to continue employment of the Education Officer to further develop both school based education programs and a range of free to public events promoting Biodiversity in the Region.

It is recommended that \$15,000 be allocated from the 2012/2013 Environmental Levy Program for Education Officer Botanic Garden.

21. Impacts on Fresh Water Systems

This project will complete a ten year study on the impacts of land clearing, flood and restoration on Coffs Creek and the Orara Valley, ending June 2014. The following year will be taken up in analysing the data and reporting the findings to Council.

It is recommended that \$2,000 be allocated from the 2012/2013 Environmental Levy Program for Impacts on Fresh Water Systems.

22. Coffs Creek Northern Reach Restoration 2030 Project

This project looks at the restoration of a section of high profile coastal dune system at the mouth of Coffs Creek. It will involve extensive weed removal, infill planting, rubbish removal and the establishment of a bin system. Due to funding limitations the Working Group recommends that \$18,000 of the \$20,000 requested be allocated to the project.

It is recommended that \$18,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Creek Northern Reach Restoration 2030 Project.

23. Buluunggal (Coffs Creek) Interpretive Bush Tucker Trail

This project will provide an entrance sign at the Botanic Gardens end of the Bush Tucker Trail which runs along Coffs Creek from the Showground to the Botanic Gardens. Three additional interpretative signs highlighting the value and benefits for protecting the estuary will also be designed and installed.

It is recommended that \$9,900 be allocated from the 2012/2013 Environmental Levy Program for Buluunggal (Coffs Creek) Interpretive Bush Tucker Trail.

24. Equipment to Help Our Native Wildlife

MNC Wires, comprised of local community volunteers, provides an invaluable service which helps ensure the continued existence of native wildlife in our area. The project is the purchase of small equipment which would increase the number of animals which could be rescued and cared for, as well as improve the quality of that care.

It is recommended that \$7,800 be allocated from the 2012/2013 Environmental Levy Program for Equipment to help our Native Wildlife.

25. Implementation of the Vertebrate Pests Management Strategy

There are currently four Draft Vertebrate Pest Management Operational Plans. This project will allow a further three plans to be completed in 2013 as well as continued support of the Indian Myna control program and the regional wild horse program.

It is recommended that \$8,650 be allocated from the 2012/2013 Environmental Levy Program for Implementation of the Vertebrate Pests Management Strategy.

26. Green Schools Sustainability Fund

The Green Schools Sustainability Fund provides financial and in-kind support to Coffs Harbour schools, to enable them to undertake actions from their school environment management plans. This project helps to build our school community's capacity to undertake sustainability projects, as not only are students and teachers involved, but also the wider school community of parent and school committees such as the P & C.

It is recommended that \$16,500 be allocated from the 2012/2013 Environmental Levy Program for Green Schools Sustainability Fund.

27. Blueberries do not have to Make the Catchment Blue – Hearnes Lake Fish Friendly Farms

This project tackles improving farm management practices in the Hearnes Lake catchment by funding some education and demonstration projects. Due to funding limitations the Working Group recommends that \$11,000 of the \$14,332 requested be allocated to the project.

It is recommended that \$11,000 be allocated from the 2012/2013 Environmental Levy Program for Blueberries don't have to make the Catchment Blue – Hearnes Lake Fish Friendly Farms.

28. Our Living Coast Sustainable Living Festival

This project has been operating for four years and has been previously funded from grants. From a one day event it has expanded into a week of activities. This year's event will have a strong focus on sustainability for rural and rural residential households through the Landcare Learn program as well as targeting the traditional urban residential household group.

It is recommended that \$28,900 be allocated from the 2012/2013 Environmental Levy Program for Our Living Coast Sustainable Living Festival.

29. Coffs Ambassadors Interpretive Tours

This program involves community volunteers running short interpretive tours within the Local Government Area that the volunteers develop themselves on themes that interest them. Volunteers receive training from NPWS Discovery Rangers in tour interpretation, design and Aboriginal cultural awareness. Volunteers are then mentored by a Ranger and Council staff member to help plan their tour. In 2012-2013 it is anticipated there will be twenty volunteers offering twenty unique tours. In 2011/2012 \$15,000 was allocated to this project and remains unspent as at the end of April. Due to funding limitations the Working Group recommends that \$20,000 of the \$30,280 requested be allocated to the project

It is recommended that \$20,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Ambassadors Interpretive Tours.

30. Korora Lagoons Aquatic Weed Control Program

In 2011 Council undertook chemical treatment of Lagoon One at Korora. This project involves treating the remaining three Lagoons. Also a community education campaign and monitoring program to support the long term strategy for the Lagoons will be completed.

It is recommended that \$10,000 be allocated from the 2012/2013 Environmental Levy Program for Korora Lagoons Aquatic Weed Control Program.

31. Aquatic Biodiversity Survey and Baseline Mapping of Freshwater Crayfish and Aquatic Species of the Mid North Coast

The aim of this joint research project is to conduct a baseline survey of freshwater habitats in coastal catchments in the Coffs Harbour Local Government Area with the emphasis on swamps and ephemeral streams. The distribution of one species of crayfish will be of priority interest however the habitat preference of all crayfish species will be collated along with information of all other aquatic species as part of a long term monitoring strategy.

It is recommended that \$5,000 be allocated from the 2012/2013 Environmental Levy Program for Aquatic Biodiversity Survey and Baseline Mapping of Freshwater Crayfish and Aquatic Species of the Mid North Coast.

Projects Not Recommended:

Mackays Road to Joyce Street Shared Pathway

This project is to construct a shared pathway from Mackays Rd to Joyce St for children walking / riding to school and adults exercising.

Clean Waterways for Our Community

This project will conduct an audit of major industrial areas backing onto creeks and include an education program for best practice procedures. Sampling creeks at downstream points from the industrial areas will provide a baseline data for future studies.

Estuarine Biodiversity Discovery – Corindi River Wetlands

This project will design and construct ten interpretive signs to be located at key positions along the Corindi River boardwalk. It will also develop an outdoor wetland biodiversity education kit tailored for local primary school children and implement two guided walks during holiday time.

Southern Bank Regeneration

This project aims to beautify the west and southern banks of the Fishing Club with low growing native plants, remove weeds and peg down weed matting. Stabilise steep banks by planting Lomandras and employ a bush regeneration contractor.

Stormwater Drain Stenciling

This project involves labelling storm drain inlets with painted messages directing the community not to dump pollutants into the drain. It would include designing and creating the stencils and painting the drains.

Coffs Harbour City Council Bike Plan

This project will collate existing data and conduct a recreational survey to provide baseline data for future projects.

Coffs Harbour Coastal Zone Management Plan

This project will link Council's coastal zone management plan with other planning processes in the coastal zone to facilitate integrated coastal zone management.

Plant Donations for Community Groups and Individuals

This project was to continue funding donated plants which were previously funded by Council surplus budgets. Plant donations are made to schools and charities for various projects as well as Council's Parks and Maintenance projects to replace vandalised, diseased or dead trees.

Our Living Coast - Solitary Islands Coastal Walk (SICW)

The Solitary Islands Coastal Walk (SICW) originated as a community initiative to plan and develop a coastal walk from Sawtell to Arrawarra. Funding this year will allow the walkway on Ocean View Headland to be upgraded.

Connecting Fern Tree Creek's Corridors

This project aims to regenerate and rehabilitate areas affected by invasive weeds and human access activities to support native vegetation and biodiversity.

Children and Artists Clean Up Coffs Creek

Casuarina Steiner School applied for funds to clean-up a site along Coffs Creek including children from the school with their families on Clean Up Australia Day 2013.

Wash Water Treatment System and Wash Bay

This project will replace the interim method for cleaning plant equipment with the installation of a wash bay that naturally converts wastes into harmless water and carbon dioxide.

Boambee Headland

This project will employ a Bush Regenerator to remove weeds allowing for regeneration to occur.

Other Departments Comments:

Council staff and members of the Environmental Working Group were consulted in the preparation of this report.

Recommendation:

1. It is recommended that \$62,375 is allocated from the 2012/2013 Environmental Levy Program for Environmental Levy Coordination.
2. It is recommended that \$198,790 is allocated from the 2012/2013 Environmental Levy Program for Conservation and Sustainable Management of Biodiversity in the Coffs Harbour Local Government Area.
3. It is recommended that \$195,700 is allocated from the 2012/2013 Environmental Levy Program for Bushland Regeneration.
4. It is recommended that \$100,000 be allocated from the 2012/2013 Environmental Levy Program for Environmental Weed Control Program.
5. It is recommended that \$119,820 be allocated from the 2012/2013 Environmental Levy Program for Supporting Community Action in the Coffs Harbour LGA.
6. It is recommended that \$17,862 be allocated from the 2012/2013 Environmental Levy Program for Yarrowarra Giriin Team – Bush Regeneration.

7. It is recommended that \$9,945 be allocated from the 2012/2013 Environmental Levy Program for Coffs Harbour Community Seedbank Network.
8. It is recommended that \$19,992 be allocated from the 2012/2013 Environmental Levy Program for Boambee Beach Bush Regeneration.
9. It is recommended that \$174,500 be allocated from the 2012/2013 Environmental Levy Program for Orara River Rehabilitation Project. This includes an amount of \$50,000 from Coffs Coast Water, which is available subject to works receiving prior approval from Executive Manager, Operations – Coffs Coast Water.
10. It is recommended that \$19,992 be allocated from the 2012/2013 Environmental Levy Program for Coffs Jetty Foreshore Reserve Follow-up Chemical Weeding.
11. It is recommended that \$19,150 be allocated from the 2012/2013 Environmental Levy Program for Darrunda Wajaarr Repair to Country High Priority Sites.
12. It is recommended that \$7,850 be allocated from the 2012/2013 Environmental Levy Program for Monitoring Birds within Community Icon Areas on the Coffs Coast.
13. It is recommended that \$19,300 be allocated from the 2012/2013 Environmental Levy Program for Remote Camera Surveys for Medium-sized Ground Mammals for Coffs Harbours Coast and Hinterland.
14. It is recommended that \$25,914 be allocated from the 2012/2013 Environmental Levy Program for Building a Collaborative Management Regime for the Coffs-Boambee Coastal Corridor.
15. It is recommended that \$18,000 be allocated from the 2012/2013 Environmental Levy Program for Woolgoolga Flying Fox Camp Restoration – Target Weed Maintenance.
16. It is recommended that \$15,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Harbour Class 5 Vegetation Map Validation.
17. It is recommended that \$22,800 be allocated from the 2012/2013 Environmental Levy Program for Building an Information Base at Multiple Scales of the Eucalypts of the Coffs Harbour Region subject to studies being carried out exclusively within the Coffs Harbour Local Government Area.
18. It is recommended that \$75,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Harbour Comprehensive Koala Plan of Management Review of Koala Populations in the Southern and Western Precincts.
19. It is recommended that \$5,400 be allocated from the 2012/2013 Environmental Levy Program for Moonee Reserve Amenity Improvement Project.
20. It is recommended that \$15,000 be allocated from the 2012/2013 Environmental Levy Program for Education Officer Botanic Garden.
21. It is recommended that \$2,000 be allocated from the 2012/2013 Environmental Levy Program for Impacts on Fresh Water Systems.
22. It is recommended that \$18,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Creek Northern Reach Restoration 2030 Project.
23. It is recommended that \$9,900 be allocated from the 2012/2013 Environmental Levy Program for Buluunggal (Coffs Creek) Interpretive Bush Tucker Trail.

- 24. It is recommended that \$7,800 be allocated from the 2012/2013 Environmental Levy Program for Equipment to help our Native Wildlife.**
- 25. It is recommended that \$8,650 be allocated from the 2012/2013 Environmental Levy Program for Implementation of the Vertebrate Pests Management Strategy.**
- 26. It is recommended that \$16,500 be allocated from the 2012/2013 Environmental Levy Program for Green Schools Sustainability Fund.**
- 27. It is recommended that \$11,000 be allocated from the 2012/2013 Environmental Levy Program for Blueberries don't have to make the Catchment Blue – Hearn's Lake Fish Friendly Farms.**
- 28. It is recommended that \$28,900 be allocated from the 2012/2013 Environmental Levy Program for Our Living Coast Sustainable Living Festival.**
- 29. It is recommended that \$20,000 be allocated from the 2012/2013 Environmental Levy Program for Coffs Ambassadors Interpretive Tours.**
- 30. It is recommended that \$10,000 be allocated from the 2012/2013 Environmental Levy Program for Korora Lagoons Aquatic Weed Control Program.**
- 31. It is recommended that \$5,000 be allocated from the 2012/2013 Environmental Levy Program for Aquatic Biodiversity Survey and Baseline Mapping of Freshwater Crayfish and Aquatic Species of the Mid North Coast.**

Attachments:

ENVIRONMENTAL LEVY WORKING GROUP
Wednesday, 2 May 2012
Council Chambers

Attendees:	Craig Milburn (Chairman)	Justin Couper
	Cr Rodney Degens	Adrian Maloney
	Cr Mark Graham	Nigel Cotsell
	Garry Dew	George Stulle
	Rod McKelvey	Katrina O'Connell
	Jane Ireland	

Apologies: Mayor Keith Rhoades

MINUTES

Meeting Opened – 4 pm

1. Adoption of minutes from previous meeting

The last meeting was 15 February 2011, as working group members could not recall them it was agreed that the Environmental Levy Coordinator would resend them for adoption via email. Minutes were moved by Rod McKelvey and seconded by Nigel Cotsell.

2. Disclosure of Interests

Apart from obvious disclosures of interest from Working Group members of their connections with Applicants Craig Milburn also advised that any staff member who has allocations within their section must also disclose an interest. All disclosures to be recorded in score sheet.

3. Current Status of Environmental Levy Program 2011/2012

Katrina O'Connell stated that the program is progressing well. A lot of the older funds have been spent or returned to the reserve.

Craig Milburn addressed the group regarding the Environmental Levy Review that was conducted this year. Everyone was generally happy with the results. Some of the outcomes included: it shows funds were being utilised towards public and private projects on an 80/20 basis; improvements to the internal system by increased monitoring by the Coordinator; projects over \$20,000 require an external auditor; and Council projects of Environmental Levy Administration, Biodiversity, Bush Regeneration and Weeds Control are to be funded from the Environmental Levy prior to consideration of other submissions. Budgets have been suggested for 2012/2013 based on previous years or an average of the past few years' applications.

4. Discuss amount available for submissions

Submissions totalling \$1,767,200 were received including the above four Council projects. A total of \$1,280,140 is available for submissions; after the Council pre-allocated projects of \$556,865 are deducted \$723,275 is available for the remaining submissions.

5. Assessment and Prioritisation of 2012/2013 Applications

Pecuniary and non-pecuniary interests were noted as follows:

Submission No.	Pecuniary Interest	Non-Pecuniary Interest
44		Rod McKelvey
23		Justin Couper
24		Justin Couper
15		Jane Ireland
10		Rod McKelvey, Garry Dew & Nigel Cotsell
14		Jane Ireland
26		Rod McKelvey
41		Nigel Cotsell
38		Nigel Cotsell
32		Nigel Cotsell
9		George Stulle
33		Jane Ireland & Nigel Cotsell
13		Rod McKelvey
34		Nigel Cotsell
35		Nigel Cotsell
18		George Stulle
39		Nigel Cotsell
40		Nigel Cotsell
8		George Stulle
37		Nigel Cotsell

➤ Rod McKelvey was concerned with the "Work on private land for public benefit" column on the score sheet. He suggested changing it to "Public verse Private benefit" The assessment criteria form that was sent out with the submissions was an old form that didn't include scores for this column; accordingly some members did not score this column. It was agreed to remove any scores from this column to ensure equality. **It is noted that the criteria is part of a Council Policy and therefore can't be altered by the Working Group. As part of the Environmental Levy Review Council resolved to redraft the Environmental Levy Policy and criteria so this will be addressed in the redraft.**

➤ Councillor Graham expressed concern regarding submission 20 (Connecting Fern Tree Creek's Corridors), it was confirmed that these works are in Council's weed control program and submission 43 (Boambee Headland) is duplicated by another submission, the working group agreed to exclude them from scoring.

➤ Garry Dew expressed concern regarding submission 25 (Plant Donations for Community Groups and Individuals) Councillor Degens was happy with the submission. It was decided to leave it in the scoring process.

➤ Rod McKelvey advised submission 18 (Blueberries don't have to make the catchment Blue - Hearn's Lake Fish Friendly Farms) has existing funding from CMCA. George Stulle replied Council is in partnership with CMCA who requested Council apply for additional funds to match the grant, this application is 50% of total cost as per detailed budget in the application.

- The Working Group were concerned submission 30 (Children & Artists Clean Up Coffs Creek) should be removed from the selection process as it was part of Clean Up Australia Day and they didn't want to set a precedent using Environmental Levy funds for Clean Up Australia Day projects. Rod McKelvey recommended they apply for Green Schools funding, it was agreed to include this recommendation in their letter.
- Scoring and Ranking of Submissions took place. Submissions were then ranked, according to Average Scores. The committee then discussed and allocated funding amounts to form the 2012/13 Environmental Levy Draft Program. The Working Group agreed to decrease some of the approved amounts to allow other worthwhile submissions to be included.

6. Other issues / general business

- Jane Ireland expressed concerns regarding the scoring; she believes more weight should be given to community or private applications compared to Council applications which involved high wages. Garry Dew agreed with Jane regarding Council wages but thought the scoring was ok. Rod McKelvey advised other organisations did online scoring where score sheets and Google maps were available online and scores were emailed in prior to the meeting allowing collation thus saving meeting time for discussions of the scores. Rod will provide more information to Council.
- There was general discussion regarding the poor quality of the maps in the booklet, saying they were all black and a waste of money. Many maps provided were in colour but the booklet was in black and white, it was suggested to photo copy the maps in colour alternatively Mark Graham suggested on disc.
- Justin Couper queried changing scoring to set a maximum amount. Craig Milburn replied it was covered in the review; the outcome was not to set a maximum as it could stop good applications from being considered, if there is no maximum it is up to the committee who can decrease the amount recommended for approval.
- Garry Dew was concerned regarding some of the scoring, he used submission 19 (Equipment to Help our Native Wildlife) as an example. It was given 24 by a member, as this is the maximum score available it must have received four for "attracting other funding" however there were not any matching grant funds approved. He was generally concerned regarding scoring of projects where scores varied considerably.
- There was general concern from the Working Group regarding submission 36 (Building an Information Base at multiple scales of the Eucalypts of the Coffs Harbour Region) as the wording implied money could be used outside the Coffs Harbour Local Government Area. It was agreed to recommend the project subject to all works to be carried out exclusively within the Coffs Harbour Local Government Area.
- Garry Dew pointed out a lot of submissions were not signed. Katrina O'Connell replied most were received electronically.

- Adrian Maloney suggested the application include wording that applicants must contact the Land Manager and get their written acknowledgement / approval to do work on the land if it is now owned by the applicant. There was general consensus of the idea from the Working Group.

Katrina thanked everyone for their time and coming to the meeting.

Meeting Closed – 6 pm

CB12/38 QUARTERLY BUDGET REVIEW STATEMENT FOR MARCH 2012

Purpose:

To provide the quarterly budget review statement and report on the estimated budget position as at 31 March 2012.

The following attachments are included with this report:

Attachment A - Budget Review Income and Expenses Statement by Program

Attachment B - Budget Review Capital Budget

Attachment C - Budget Review Cash and Investments position

Attachment D - Budget Review Key Performance Indicators

Attachment E - Budget Review Contracts and Other Expenses.

Description of Item:

As part of the new Integrated Planning and Reporting (IP&R) framework for local government, the Division of Local Government has developed a minimum set of budget reports to assist Council in meeting their legislative requirements. These documents are collectively known as the Quarterly Budget Review Statement (QBRs) and form part of the framework of Clause 203 of the Local Government (General) Regulation 2005. This regulation requires a council's Responsible Accounting Officer to submit quarterly budget review statements to the governing body of Council. These minimum statements are contained within Attachments A through E of this report. The table below summarises this quarter's budget variations.

Estimated Budget Position as at 31 March 2012:

	General Account \$	Water Account \$	Sewer Account \$
Original Budget adopted 23 June 2011	182,220 (D)	4,897,205 (D)	3,591,600 (D)
Approved Variations to 31 Dec 2011	(196,026) (S)	Nil	Nil
Recommended variations for quarter ending 31 March 2012	7,210 (D)	73,794 (D)	80,000 (D)
Estimated result 2011/12 as at 31 March 2012	<u>(6,596) (S)</u>	<u>4,970,999 (D)</u>	<u>3,671,600 (D)</u>
General Account			Deficit/ (Surplus)
National Digital Economy Strategy per council extraordinary meeting resolution 16/1/12 (CS12/1)			80,000 (D)
Additional ordinary rates income above budget forecast			(6,987) (S)
Actual pensioner rate subsidy income to be received will not meet forecasted budget estimate			2,284 (D)
Income from extra charges interest are trending higher than estimated			(11,067) (S)

CB12/38 - Quarterly Budget Review Statement for March 2012 (Cont'd)

IT staff costs surplus from long term vacancies in GIS Coordinator and Records Managers positions	(65,000) (S)
Bring sale of information products budget into line with projected actual	7,000 (D)
Bring copying and enquiry fees budget into line with projected actual	15,000 (D)
Finance staff costs surplus from staff on extended leave plus staff working reducing hours	(60,000) (S)
Bring telephone charges budget into line with projected actual	7,500 (D)
Agency costs being now substantially offset by credit card surcharge income	(38,000) (S)
Realign Development/Construction Certificate fees income to expected level of activity to end of June 2012	108,000 (D)
Economic Development Plan projected cost	20,000 (D)
National Economic Strategy funds redistributed to Economic Development Plan and also offset other Council projects	(51,520) (S)
Property & Commercial staff costs surplus from long term sick leave	(25,000) (S)
Boambee East Community Village landscaping works to improve traffic safety and reduce opportunity for vandalism	5,000 (D)
Community Village roadworks upgrade. Use of heavy vehicles during Coles building phase has further deteriorated state of service road. Potholes and increased traffic along service road has impacted usage by elderly and mentally disabled clients of the Village.	60,000 (D)
Information Management System (IMS) staff costs surplus due to long term vacancy	(41,495) (S)
Corporate Governance staff cost savings	(22,000) (S)
Administration & Legal staff cost savings	(15,000) (S)
Revised Legal Expenses likely costs to year end	78,495 (D)
Domestic Sewage System Supervision cost savings due to long term staff vacancy	(70,000) (S)
Jetty Theatre Business Plan to be undertaken with similar scope to that undertaken at Bunker Cartoon Gallery	30,000 (D)
Total	<u>7,210 (D)</u>
Water Account	
Growth in property numbers is not matching forecasted growth resulting in reduced residential water access charges	73,794 (D)
Total	<u>73,794 (D)</u>

Sewer Account

Growth in property numbers is not matching forecasted growth resulting in reduced residential sewer access charges	80,000 (D)
Total	<u>80,000 (D)</u>

Sustainability Assessment:

This report is one of procedure only.

- **Environment**

There are no perceived short or long-term environmental impacts.

- **Social**

There are no perceived short or long term social impacts.

- **Civic Leadership**

Council strives to reach a balanced budget position by June 30 each year in conjunction with meeting its short term priorities.

- **Economic**

Delivery Program/Operational Plan Implications

The Original budget for the General Account adopted on 23 June 2011 provided for a deficit of \$182,220.

For substantial budget adjustments the associated Council reports have addressed the triple bottom line factors independently in 2011/12.

Consultation:

Managers and their relevant staff have been provided with electronic budget reports for each program on a monthly basis. Requested variations and variations adopted by Council have been included in the report.

Statutory Requirements:

As discussed above, under local government regulations the Responsible Accounting Officer is required to submit a quarterly budget review to Council. There is no obligation to provide monthly reviews but it has been recommended they be completed as part of prudent financial management.

Responsible Accounting Officers Statement

The Responsible Accounting Officer believes the Quarterly Budget Review Statement indicates the financial position of the Council is satisfactory, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Recommendation:

1. The Quarterly Budget Review Statements be noted.
2. That the budget adjustments be approved and the current budget position be noted.

Estimated Budget Position as at 31 March 2012:

	General Account \$	Water Account \$	Sewer Account \$
Original Budget adopted 23 June 2011	182,220 (D)	4,897,205 (D)	3,591,600 (D)
Approved variations to December 2011	(196,026) (S)	Nil	Nil
Recommended variations for quarter ending 31 March 2012	7,210 (D)	73,794 (D)	80,000 (D)
Estimated result 2011/12 as at 31 March 2012	<u>(6,596) (S)</u>	<u>4,970,999 (D)</u>	<u>3,671,600 (D)</u>

ATTACHMENT A

**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
INCOME & EXPENSES BY PROGRAM - GENERAL FUND**

	ORIGINAL Budget 2011/12	APPROVED BUDGET 2011/12	REVISSED BUDGET 2011/12	REVISSED BUDGET 2011/12	REVISSED BUDGET 2011/12	REVISSED BUDGET 2011/12	ACTUAL 2011/12	ACTUAL 2011/12
INCOME								
Community Facilities	2,370,450	1,309,234	300,000	-	3,979,684	(535,570)	3,444,114	3,444,114
Civic Management	6,600	128,340	-	-	132,940	(740)	132,200	128,600
Coffs Coast Marketing	755,500	50,936	128,774	87,500	1,022,710	423,420	1,446,130	961,555
Land Use Planning	170,300	355,405	(84,000)	-	441,705	1,730	443,435	299,968
Land Use Assessment & Management	1,794,920	44,178	61,073	(100,000)	1,800,171	(117,800)	1,682,371	1,321,972
Environmental Management	271,920	2,722,242	10,650	110,000	3,114,812	45,446	3,160,258	2,947,855
Public Health & Safety	230,030	35,554	21,045	-	286,629	10,470	297,099	246,640
Ranger Services	412,130	-	-	-	412,130	1,235	413,365	329,447
Domestic Resource Recovery	12,344,872	21,361	(227,272)	(227,272)	12,138,961	1,434,381	13,573,352	13,462,661
Non-Domestic Resource Recovery	6,736,968	179,546	(102,479)	(102,479)	6,814,435	(2,311,717)	4,502,718	3,954,321
Property & Commercial	529,526	204,724	2,425	3,700	740,375	(29,775)	710,600	662,933
Leasing & Asset Management	1,551,680	209,666	70,000	-	1,831,226	(179,540)	1,651,686	1,356,938
Swimming Pools	65,100	-	-	-	65,100	(6,630)	58,470	56,088
Airport	7,038,305	98,957	(329,000)	(329,000)	6,808,262	143,480	6,951,752	5,678,067
Sports Development	1,221,356	234,691	(187,276)	-	1,310,771	(6,990)	1,303,781	1,296,535
Admin & Corp Governance	5,043,012	241,848	11,000	28,022	5,323,982	(7,781)	5,316,201	4,066,958
Governance & Legal Services	87,500	58,979	-	-	151,529	(6,000)	155,529	155,528
Rural Fire Services	2,865,133	303,684	(1,110,164)	(1,110,164)	1,859,633	(51,000)	1,808,633	1,222,138
Information Services	820,700	542,577	(31,100)	-	1,332,177	143,717	1,475,894	1,469,670
Technology Group	680,400	-	9,350	288,500	979,250	-	979,250	472,058
Finance	982,196	12,919	-	(27,000)	948,115	9,090	957,205	882,460
Plant	10,496,423	733,700	24,966	-	11,257,089	165,280	11,423,369	9,051,860
Program Support	108,781	51,519	-	-	160,300	-	160,300	83,275
HR & Organisational Development	54,420	100	-	-	54,520	4,095	58,615	44,185
City Services Support	188,700	-	-	-	188,700	37,670	226,370	226,370
Assets Systems								
Library Services	338,085	105,897	890	890	444,872	10,920	455,792	433,920
Community Development	1,093,050	84,351	(287,097)	(287,097)	923,566	111,881	1,035,457	828,162
Economic Development	259,600	102,995	11,270	-	373,965	(27,137)	346,728	318,093
Environmental Lab	680,000	70,887	-	-	750,887	-	750,887	709,380
City Works	111,000	1,972	5,500	-	118,472	10,000	128,472	47,084
Recreational Services	8,350,150	629,072	9,680	440,820	9,429,722	(5,819,795)	3,609,927	2,231,711
Regional Roads	2,026,000	259,095	(1,938)	(1,938)	2,283,155	599,726	2,882,881	2,544,358
Local Roads	12,632,820	2,174,190	18,180	360,534	15,205,724	4,321,653	19,527,377	19,131,971
Bridges	1,093,300	227,113	210,830	210,830	1,531,243	198,570	1,729,813	1,528,983
Footpaths, Cycleways & Bus Shelters	243,700	773,468	9,683	146,214	1,173,065	369,860	1,542,915	1,462,915
Parking	64,850	757,617	105,187	-	938,060	647,630	1,586,690	1,586,690
Quarries	201,700	-	-	-	201,700	-	201,700	60,908
Street & Toilet Cleaning	4,320,355	12,616,243	-	-	19,098,598	113,140	19,211,738	16,344,040
Drainage	19,000	47,863	16,820	-	83,483	760	84,243	29,088
Harbour & Jetty	354,190	146,326	4,818	-	505,334	-	505,334	1,928,640
CityWorks - Private Works	920,936	4,020,672	56,066	140,443	5,146,317	(686,532)	4,459,785	3,653,663
Survey & Design	148,000	21,344	-	-	169,344	-	169,344	34,162
Street Lighting	101,100	-	-	(27,900)	73,200	-	73,200	37,942
Subdivisions & Contracts	41,941,764	-	(1,588,832)	58,790	40,410,722	15,770	40,426,492	35,729,322
United Funding								
TOTAL INCOME	131,515,554	29,578,843	-1,046,451	1,978,589	162,027,535	(966,063)	161,061,472	142,515,330

This document forms part of Coffs Harbour City Council's Quarterly Budget Review Statement for the quarter ended 31/03/12 and should be read in conjunction with other documents in the QBRS

**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
INCOME & EXPENSES BY PROGRAM - GENERAL FUND**

	ORIGINAL Budget 2011/12		REVISED Budget 2011/12		PROJECTED Budget 2011/12		ACTUAL YTD	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
EXPENSES								
Community Facilities	2,370,460	1,309,234	300,000	0	3,979,684	(535,571)	3,444,113	1,518,266
Civic Management	1,327,023	126,340	586	1000	1,454,949	(741)	1,454,208	1,045,717
Coffs Coast Marketing	2,001,780	50,938	128,774	87500	2,268,980	430,987	2,698,977	1,840,367
Land Use Planning	1,146,298	355,405	(84,000)	-	1,417,703	11,730	1,429,433	892,663
Land Use Assessment & Management	2,125,039	44,178	61,073	-	2,230,290	(9,800)	2,220,480	1,622,324
Environmental Management	1,194,611	2,722,242	10,660	110,000	4,037,503	(54,100)	3,983,403	1,542,118
Public Health & Safety	1,150,904	35,554	20,460	-	1,206,916	10,468	1,217,368	937,689
Ranger Services	851,833	-	-	-	851,833	1,236	853,068	603,830
Domestic Resource Recovery	12,344,872	21,361	-	227,272	12,138,961	1,434,391	13,573,352	11,139,021
Non-Domestic Resource Recovery	6,736,968	179,946	-	102,478	6,814,435	(2,311,717)	4,502,718	1,989,251
Property & Commercial	984,037	204,724	-	26,300	1,162,461	(54,775)	1,107,686	480,452
Leasing & Asset Management	2,624,675	209,566	4,000	20,000	2,858,241	(114,540)	2,743,701	1,860,784
Swimming Pools	821,915	-	-	821,915	821,915	(6,830)	615,285	603,478
Airport	7,036,305	98,957	-	329,000	6,906,262	143,490	6,951,752	4,562,783
Sports Development	2,736,365	234,691	(187,278)	42,000	2,825,768	(6,990)	2,818,778	2,064,288
Admin & Corp Governance	1,418,584	241,948	11,000	-	1,622,894	(37,347)	1,585,547	1,101,961
Governance & Legal Services	1,610,249	58,979	88,380	48,648	1,757,618	57,485	1,815,113	1,545,793
Rural Fire Service	2,877,369	303,864	-	1,212,790	2,068,243	(51,000)	2,017,243	1,102,049
Information Services	4,198,320	542,577	-	19,100	4,721,797	90,717	4,812,514	3,196,201
Technology Group	788,868	-	9,360	289,500	1,067,518	-	1,067,518	1,388,451
Finance	4,150,790	12,919	-	11,366	4,152,343	(81,407)	4,070,936	2,846,361
Plant	10,496,423	733,700	24,966	-	11,257,089	166,280	11,423,369	8,150,815
Program Support	369,164	51,519	-	-	420,683	60,456	481,139	322,750
HR & Organisational Development	1,297,816	100	-	-	1,297,916	(37,400)	1,260,516	928,076
City Services Support	845,739	-	-	-	845,739	37,670	883,409	680,530
Assets Systems	339,158	-	-	-	339,158	-	339,158	222,201
Library Services	1,864,466	105,897	-	78	2,070,306	10,820	2,081,225	1,358,343
Community Development	2,876,574	84,351	33,262	287,129	2,707,058	141,891	2,848,949	2,147,520
Economic Development	1,028,073	102,995	-	-	1,142,278	21,343	1,163,621	851,003
Environmental Lab	680,000	70,887	-	-	750,887	-	750,887	459,231
City Works	992,131	1,972	5,500	-	999,603	10,000	1,009,603	736,022
Recreational Services	12,003,487	629,072	9,680	455,820	13,098,059	(5,941,215)	7,256,844	4,707,156
Regional Roads	2,130,865	259,093	-	1,938	2,388,010	595,726	2,987,736	2,019,944
Local Roads	17,891,920	2,174,190	25,680	380,534	20,472,324	4,321,653	24,793,977	17,532,105
Bridges	1,191,900	227,113	-	210,630	1,629,643	196,570	1,826,413	896,419
Footpaths, Cycleways & Bus Shelters	586,910	773,468	2,183	148,214	1,508,775	369,850	1,878,625	783,227
Parking	620,001	757,617	108,187	10,406	1,484,211	647,630	2,141,841	1,141,718
Quarries	201,700	-	-	-	201,700	-	201,700	152,385
Street & Toilet Cleaning	791,900	-	-	-	791,900	-	791,900	589,811
Drainage	4,593,555	12,618,243	-	2,160,000	19,371,788	113,140	19,484,938	4,043,277
Harbour & Jetty	179,200	47,863	-	17,675	244,738	780	245,498	153,091
CityWorks - Private Works	354,190	146,326	4,818	-	505,334	-	505,334	1,634,600
Survey & Design	3,395,026	4,020,872	58,066	139,368	7,813,352	(696,022)	6,917,330	2,994,028
Street Lighting	737,700	21,344	-	-	759,044	-	759,044	480,600
Subdivisions & Contracts	501,628	-	-	4,500	487,128	-	487,128	345,414
Unfied Funding	5,247,242	-	(1,709,771)	1,000	3,538,471	-	3,538,471	3,538,471
TOTAL EXPENSES	131,697,773	29,579,843	- 1,164,814	1,900,927	162,013,729	(958,853)	161,054,876	100,751,986
NET OPERATING RESULT SURPLUS/(DEFICIT)	(182,219)	-	118,363	13,806	6,586	(7,210)	41,763,342	-

This document forms part of Coffs Harbour City Council's Quarterly Budget Review Statement for the quarter ended 31/03/12 and should be read in conjunction with other documents in the QBRS

COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
INCOME & EXPENSES BY PROGRAM - GENERAL FUND

Add Back:									
Capital Expenses	27,885,836	24,622,477	427,752	555,795	53,301,880	(8,651,838)	44,650,022	13,863,257	
Less:									
Transfers to & from Reserves	27,561,312	26,040,637	149,866	1,469,426	55,221,231	1,371,934	56,593,165	56,593,165	
Loan Drawdowns									
Advance Repayments	40,419				40,419		40,419	29,474	
Asset Sales	958,200		2,425		960,625		960,625	611,634	
NET OPERATING RESULT FROM CONTINUING OPERATIONS	(1,046,314)	(1,418,160)	393,834	(913,631)	(2,906,609)	(10,030,982)	(12,937,591)	(1,607,674)	
Less:									
Capital Grants	2,671,763		14,200	1,092,160	3,749,723	114,725	3,634,998	1,835,458	
Capital Contributions	4,423,000		19,033	168,682	4,600,715	51,200	4,651,915	4,487,661	
NET OPERATING RESULT BEFORE CAPITAL ITEMS	(8,141,077)	(1,418,160)	389,001	(2,164,473)	(11,257,047)	(9,967,457)	(21,224,504)	(7,930,663)	

Note
ORIGINAL BUDGET +/- approved budget changes in previous quarters = REVISED Budget
REVISED BUDGET +/- recommended budget changes this quarter = PROJECTED Budget
Recommended Changes for March
The detail of what recommended changes are requested are included in the Description of Item section in the report

**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
INCOME & EXPENSES BY PROGRAM - WATER FUND**

	ORIGINAL BUDGET 2011/12	REVISED BUDGET 2011/12	ACTUAL 2011/12	PROJECTED 2011/12	ACTUAL 2011/12
	(\$)	(\$)	(\$)	(\$)	(\$)
INCOME					
Management Expenses	3,000	65,750	-	68,750	67,503
Maintenance & Operating	4,977,750	449,865	-	6,215,995	6,189,816
Miscellaneous	-	2,697	-	2,697	2,697
Capital Expenses	7,114,700	2,594,644	-	9,709,344	6,599,337
Regional Water Supply	-	513,124	-	513,124	513,124
Unfunded Funding	17,626,998	-	-	17,553,204	11,965,642
TOTAL INCOME	29,722,448	3,626,080	-	33,348,528	25,328,119

	ORIGINAL BUDGET 2011/12	REVISED BUDGET 2011/12	ACTUAL 2011/12	PROJECTED 2011/12	ACTUAL 2011/12
	(\$)	(\$)	(\$)	(\$)	(\$)
EXPENSES					
Management Expenses	3,336,414	65,750	-	3,402,164	2,639,425
Maintenance & Operating	10,286,566	449,865	-	10,736,431	7,862,485
Miscellaneous	13,236,973	2,697	-	13,239,670	4,593,914
Capital Expenses	7,114,700	2,594,644	-	9,709,344	5,289,158
Regional Water Supply	-	513,124	-	513,124	-
Unfunded Funding	645,000	-	-	645,000	645,000
TOTAL EXPENSES	34,619,653	3,626,080	-	38,245,733	20,819,982

NET OPERATING RESULT SURPLUS/(DEFICIT)	(4,897,205)	-	-	(4,897,205)	4,508,137
Add Back:					
Capital Expenses	10,431,364	3,107,768	-	13,539,132	7,011,670
Less:					
Transfers to & from Reserves	5,073,900	3,626,080	-	8,699,980	9,488,360
Loan Drawdowns	-	-	-	-	-
Advance Repayments	-	-	-	-	-
Asset Sales	-	-	-	-	60,464
NET OPERATING RESULT FROM CONTINUING OPERATIONS	460,259	(518,312)	-	(58,053)	1,970,983
Less:					
Capital Grants	-	-	-	-	-
Capital Contributions	3,114,000	-	-	3,114,000	3,114,000
NET OPERATING RESULT BEFORE CAPITAL ITEMS	(2,653,741)	(518,312)	-	(3,172,053)	(1,143,017)

NET OPERATING RESULT FROM CONTINUING OPERATIONS	460,259	(518,312)	-	(58,053)	1,970,983
Less:					
Capital Grants	-	-	-	-	-
Capital Contributions	3,114,000	-	-	3,114,000	3,114,000
NET OPERATING RESULT BEFORE CAPITAL ITEMS	(2,653,741)	(518,312)	-	(3,172,053)	(1,143,017)

Note
ORIGINAL BUDGET +/- approved budget changes in previous quarters = REVISED Budget
REVISED BUDGET +/- recommended budget changes this quarter = PROJECTED Budget
Recommended Changes for March
The detail of what recommended changes are requested are included in the Description of Item section in the report

**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
INCOME & EXPENSES BY PROGRAM - SEWER FUND**

	ORIGINAL Budget 2011/12	APPROVED BUDGET 2011/12	REVISSED Budget 2011/12	RECOMMENDED BUDGET 2011/12	ACTUAL 2011/12
INCOME					
Management Expenses	1,030	-	29,699	-	29,699
Maintenance & Operating	6,925,299	378,907	7,305,206	428,790	7,733,986
Miscellaneous	-	29,693	29,693	-	29,693
Capital Expenses	33,996,300	9,083,623	43,079,923	-	43,079,923
United Funding	24,545,021	-	24,545,021	80,000	24,465,021
TOTAL INCOME	65,468,650	9,520,892	74,989,542	348,790	75,338,332

	ORIGINAL Budget 2011/12	APPROVED BUDGET 2011/12	REVISSED Budget 2011/12	RECOMMENDED BUDGET 2011/12	ACTUAL 2011/12
EXPENSES					
Management Expenses	3,979,611	29,699	4,008,280	-	4,008,280
Maintenance & Operating	14,194,070	378,907	14,572,977	428,790	15,001,767
Miscellaneous	15,955,289	29,693	15,984,982	-	15,984,982
Capital Expenses	33,996,300	9,083,623	43,079,923	-	43,079,923
United Funding	935,000	-	935,000	-	935,000
TOTAL EXPENSES	69,060,250	9,520,892	78,581,142	428,790	79,009,932

NET OPERATING RESULT SURPLUS/(DEFICIT)	(3,591,600)	-	(3,591,600)	80,000	(3,671,600)
Add Back:					
Capital Expenses	38,643,789	9,083,623	47,727,412	-	47,727,412
Less:					
Transfers to & from Reserves	29,991,100	9,520,892	39,511,992	428,790	39,940,782
Loan Drawdowns	-	-	-	-	-
Advance Repayments	-	-	-	-	-
Asset Sales	-	-	-	-	-
NET OPERATING RESULT FROM CONTINUING OPERATIONS	5,061,089	(437,269)	4,623,820	508,790	4,115,030

Less:					
Capital Grants	3,146,000	-	3,146,000	-	3,146,000
Capital Contributions	3,286,300	-	3,286,300	-	3,286,300
NET OPERATING RESULT BEFORE CAPITAL ITEMS	(1,371,211)	(437,269)	(1,808,480)	508,790	(2,317,270)

Note
 ORIGINAL BUDGET +/- approved budget changes in previous quarters = REVISED Budget
 REVISED BUDGET +/- recommended budget changes this quarter = PROJECTED Budget
 Recommended Changes for March
 The detail of what recommended changes are requested are included in the Description of Item section in the report

**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
CAPITAL BUDGET - GENERAL FUND**

	ORIGINAL Budget 2011/12	Original Budget 2011/12	Actual 2011/12	Revised Budget 2011/12	Revised Budget 2011/12	Revised Budget 2011/12	Revised Budget 2011/12	Actual 2011/12
	Budget	Expenditure	Expenditure	Budget	Budget	Expenditure	Budget	Actual
CAPITAL FUNDING								
Rates and other Unified Funding	7,671,121	1,688,866	7,500	195,327	9,562,834	314,769	9,877,603	4,756,448
Internal Restrictions								
- Airport	1,022,000	63,409	-	150,000	935,409	-	935,409	49,075
- Bldg Maint Resv	-	121,387	-	-	121,387	-	121,387	120,244
- Non-Domestic Waste Management	470,000	-	-	223,844	246,156	-	124,059	36,344
- Community Facilities Reserve	336,054	107,367	-	42,000	485,421	-	485,421	205,673
- Car Parking Upgrade	-	-	38,000	-	38,000	-	38,000	6,623
- Environmental Levy	80,000	113,990	-	110,000	83,990	-	83,990	1,866
- Future Fund	-	600,000	-	-	600,000	-	600,000	411,656
- Jetty Maint Reserve	-	-	-	-	-	-	-	-
- Phe Creek Reserve	1,022,396	-	-	-	1,022,396	-	1,022,396	456
- Environmental Laboratory	50,000	70,887	-	-	120,887	-	120,887	19,768
- Grant in Advance	-	1,404,808	-	6,828	1,397,980	6,828	1,404,808	115,237
- Plant	1,241,020	382,000	-	-	1,623,020	-	1,623,020	1,280,837
- Private Works	-	-	300,000	-	300,000	-	300,000	292
- Land Sale Reserve	-	134,147	-	-	134,147	-	134,147	-
- Open Space Resv	425,000	8,805	-	-	433,805	-	433,805	23,004
- RFS Reserve	-	-	-	-	-	-	-	-
- EDP Reserve	54,000	284,577	-	-	338,577	-	247,779	247,779
External Restrictions								
- Domestic Waste Management	360,000	-	-	193,843	166,157	127,103	293,260	17,302
- S94	8,542,000	3,016,085	83,187	85,894	11,555,378	8,959,800	2,595,578	211,089
- S94 - Inkind	2,600,000	-	-	-	2,600,000	-	2,600,000	2,600,000
- Contribution	118,000	213,363	37,543	10,002	378,908	9,683	369,225	124,395
- Grant	2,688,865	2,757,598	(38,478)	1,078,875	6,466,860	95,368	6,582,228	2,620,635
- Sales Income	1,015,380	351,700	-	-	1,367,080	-	1,367,080	-
- Loan	-	13,303,468	-	-	13,303,468	-	13,289,940	1,014,704
New Loans	-	-	-	-	-	-	-	-
Income from Sale of Assets	-	-	-	-	-	-	-	-
TOTAL CAPITAL FUNDING	27,695,836	24,622,477	427,752	555,795	53,301,850	8,651,838	44,650,022	13,863,257

This document forms part of Coffs Harbour City Council's Quarterly Budget Review Statements for the quarter ended 31/03/12 and should be read in conjunction with other documents in the QBRS

**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
CAPITAL BUDGET - GENERAL FUND**

	ORIGINAL Budget 2011/12	Approved Changes 2011/12	REVISIED Budget 2011/12	Recommended Changes 2011/12	PROJECTED Budget 2011/12	ACTUAL 2011/12
CAPITAL EXPENDITURE						
Loan Repayments (Principal)	3,529,288	-	3,529,288	-	3,529,288	2,268,156
New Assets						
Buildings	1,115,000	267,594	803,501	-	803,501	86,878
Furniture & Fittings	17,000	1,042	18,042	-	18,042	4,708
Land Improvements	200,000	-	200,000	-	-	-
Land - Operational	6,850,000	178,626	7,032,326	6,950,000	82,326	5,000
Community Land	-	-	-	-	-	-
Bulk Earthworks (non-depreciable)	-	59,618	59,618	-	59,618	254
Library Books	-	-	-	-	-	-
Office Equipment	261,000	545,503	840,863	159,202	1,000,065	405,144
Other Assets	1,038,948	526,803	1,543,343	43,604	1,499,739	288,957
Other Structures	506,000	1,377,701	1,775,701	221,000	1,554,701	85,391
Plant & Equipment	3,468,120	804,567	3,470,427	13,500	3,483,927	1,455,974
Water Supply Network	-	-	-	-	-	-
Roads, Bridges & Footpaths	5,209,396	1,982,982	7,439,957	1,066,181	6,373,676	3,610,272
Stormwater Drainage	1,089,914	14,946,513	18,044,149	48,586	18,092,735	1,518,357
Renewals (Replacement)						
Buildings	-	37,944	38,850	-	38,850	5,086
Furniture & Fittings	-	221,452	221,452	-	221,452	176,156
Land Improvements	-	67,547	92,227	37,000	129,227	31,989
Land - Operational	-	-	-	-	-	-
Community Land	-	-	-	-	-	-
Bulk Earthworks (non-depreciable)	-	-	-	-	-	-
Library Books	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Other Structures	34,205	1,318,927	1,619,727	1,543	1,618,184	877,870
Plant & Equipment	-	135,270	135,270	-	135,270	146
Water Supply Network	-	72,774	72,774	-	72,774	44,399
Roads, Bridges & Footpaths	4,376,965	2,031,011	6,517,862	627,798	5,890,064	2,994,046
Stormwater Drainage	-	46,583	46,583	-	46,583	2,143
TOTAL CAPITAL EXPENDITURE	27,695,836	24,622,477	53,301,860	-	44,650,022	13,663,257

Note

ORIGINAL BUDGET +/- approved budget changes in previous quarters = REVISED Budget
 REVISED BUDGET +/- recommended budget changes this quarter = PROJECTED Budget

Recommended Changes for March

The detail of what recommended changes are requested are included in the Description of Item section in the report

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**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
CAPITAL BUDGET - WATER FUND**

	ORIGINAL Budget 2011/12	Approved Changes to Mar 2011/12	REVISSED Budget 2011/12	Recommended Changes to Mar 2011/12	PROJECTED Budget 2011/12	ACTUAL YTD
CAPITAL FUNDING						
Water Fund	6,190,664	-	6,190,664	-	6,190,664	4,675,458
External Restrictions	2,500,700	3,107,768	5,608,468	-	5,608,468	2,336,212
Unexpended Loan S64	1,740,000	-	1,740,000	-	1,740,000	-
TOTAL CAPITAL FUNDING	10,431,364	3,107,768	13,539,132	-	13,539,132	7,011,670

	ORIGINAL Budget 2011/12	Approved Changes to Mar 2011/12	REVISSED Budget 2011/12	Recommended Changes to Mar 2011/12	PROJECTED Budget 2011/12	ACTUAL YTD
CAPITAL EXPENDITURE						
Loan Repayments (Principal)	6,183,248	-	6,183,248	-	6,183,248	4,593,914
New Assets	7,416	-	7,416	-	7,416	2,599
Office Equipment	3,150,700	978,441	4,069,141	-	4,069,141	500,970
Water Supply Network	95,000	58,252	153,252	-	153,252	58,740
Plant & Equipment	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Renewals (Replacement)	-	-	-	-	-	-
Office Equipment	995,000	2,071,075	3,126,075	-	3,126,075	1,776,502
Water Supply Network	-	60,000	60,000	-	60,000	78,945
Plant & Equipment	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE	10,431,364	3,107,768	13,539,132	-	13,539,132	7,011,670

Note
ORIGINAL BUDGET +/- approved budget changes in previous quarters = REVISED Budget
REVISED BUDGET +/- recommended budget changes this quarter = PROJECTED Budget

Recommended Changes for March
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**COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
CAPITAL BUDGET - SEWER FUND**

	ORIGINAL Budget 2011/12	Approved Changes 2011/12	Debit Rev	Credit Rev	Revised Budget	Revised Budget	Revised Budget	Projected Budget 2011/12	Actual YTD
CAPITAL FUNDING									
Sewer Fund	7,348,789	-	7,348,789	-	14,697,578	-	14,697,578	5,435,734	
External Restrictions	30,710,000	9,064,630	-	30,710,000	70,484,630	-	70,484,630	6,688,450	
Unexpended Loan	585,000	-	585,000	-	1,170,000	-	1,170,000	-	
SG4	-	18,993	-	-	18,993	-	18,993	-	
Grant	-	-	-	-	-	-	-	-	
TOTAL CAPITAL FUNDING	38,643,789	9,083,623	-	38,643,789	86,371,201	-	86,371,201	12,124,184	

	ORIGINAL Budget 2011/12	Approved Changes 2011/12	Debit Rev	Credit Rev	Revised Budget	Revised Budget	Revised Budget	Projected Budget 2011/12	Actual YTD
CAPITAL EXPENDITURE									
Loan Repayments (Principal)	7,343,789	-	-	-	7,343,789	-	7,343,789	5,433,143	
New Assets	55,000	-	-	-	55,000	-	55,000	2,591	
Office Equipment	27,205,000	8,104,772	-	-	35,309,772	-	35,309,772	5,753,625	
Sewer Network	40,000	-	-	-	40,000	-	40,000	69,889	
Plant & Equipment	-	-	-	-	-	-	-	-	
Renewals (Replacement)	-	-	-	-	-	-	-	-	
Office Equipment	4,000,000	978,851	-	-	4,978,851	-	4,978,851	676,171	
Sewer Network	-	-	-	-	-	-	-	-	
Plant & Equipment	-	-	-	-	-	-	-	188,765	
TOTAL CAPITAL EXPENDITURE	38,643,789	9,083,623	-	38,643,789	47,727,412	-	47,727,412	12,124,184	

Note
ORIGINAL BUDGET +/- approved budget changes in previous quarters = REVISED Budget
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Recommended Changes for March
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COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
CASH AND INVESTMENTS

	2011/12	2012/13	2012/13	2012/13	2012/13	2012/13	2012/13	2012/13	2012/13	2012/13
Total Cash and Investments	171,816,000	-	-	-	-	171,816,000	-	171,816,000	171,816,000	167,581,453
attributable to:										
External Restrictions (see below)	129,965,000	(32,833,442)	(16,163,925)	614,662	330,376	1,985,996	83,898,667	6,629,692	90,528,359	128,501,086
Internal Restrictions (see below)	38,837,000	(1,242,543)	(9,433,201)	1,943,102	(1,799,802)	1,202,441	29,404,019	(190,919)	29,213,100	39,499,555
Unrestricted	3,014,000	34,075,985	25,597,126	(2,557,764)	1,469,426	(3,188,437)	58,513,314	(6,438,773)	52,074,541	(419,188)
	171,816,000	-	-	-	-	-	171,816,000	-	171,816,000	167,581,453
External Restrictions										
General:										
Developer Contributions (S94)	12,967,000	(8,242,000)	(3,014,585)	(83,187)	85,894	-	1,613,122	8,791,000	10,404,122	1,269,144
Domestic Waste	1,524,000	1,194,251	(21,361)	-	244,482	26,640	2,968,012	(2,161,308)	806,704	48,645
Stormwater Management Levy	511,000	-	-	-	-	22,024	-	-	533,024	670,582
Other	38,000	-	-	-	-	-	38,000	-	38,000	-
Water:										
Unexpended Loans	25,529,000	(877,700)	(3,107,768)	-	-	-	21,543,532	-	21,543,532	24,070,602
Unexpended Grants	-	-	-	-	-	-	-	-	-	-
Developer Contributions	257,000	-	-	343,391	-	-	600,391	-	600,391	1,209,650
Water Supplies (Revenue)	16,019,000	-	(518,312)	-	-	1,087,328	16,588,016	-	16,588,016	30,818,384
Sewer:										
Unexpended Loans	50,656,000	(24,889,000)	(9,064,630)	-	-	-	16,702,370	-	16,702,370	45,327,133
Unexpended Grants	19,000	(18,993)	-	-	-	-	7	-	7	-
Developer Contributions	58,000	-	-	354,458	-	-	412,458	-	412,458	995,081
Sewer Services (Revenue)	22,487,000	-	(437,269)	-	-	850,004	22,899,735	-	22,899,735	24,091,865
Total External Restrictions	129,965,000	(32,833,442)	(16,163,925)	614,662	330,376	1,985,996	83,898,667	6,629,692	90,528,359	128,501,086
Internal Restrictions										
Airport	727,000	145,298	(98,857)	-	(28,000)	44,811	789,152	-	789,152	1,810,931
Asset Replacement & Maintenance	229,000	34,213	(121,387)	-	-	5,415	147,241	-	147,241	159,483
Community Facilities	207,000	72,400	(136,630)	-	-	32,544	175,314	-	175,314	985,869
EDP Equipment	443,000	(54,000)	(284,577)	-	-	11,614	116,037	-	116,037	153,951
Unexpended Contributions	213,000	-	(213,080)	-	-	-	(80)	-	(80)	20,517
Historical Jetty R & M	189,000	-	-	-	-	6,908	195,908	-	195,908	195,798
Future Fund	736,000	348,174	(619,857)	38,060	-	24,094	526,471	(10,450)	516,021	585,049
Business Development	739,000	50,000	(59,562)	94,189	-	28,076	851,703	(31,366)	820,337	831,195
Project Contingency	636,000	90,000	(59,562)	114,189	-	25,014	805,641	(31,366)	774,275	769,556
Private Works - General Fund Reserve	673,000	-	(59,562)	114,189	-	25,268	752,895	(331,366)	421,529	739,057
Non Domestic Waste	1,485,000	(1,029,869)	(37,551)	1,000,000	(1,773,695)	62,611	(293,504)	137,622	(155,882)	2,573,978
Employees Leave Entitlement	2,202,000	133,103	-	-	-	104,892	2,439,995	-	2,439,995	3,760,774
Unexpended Grants	6,243,000	-	(4,712,867)	-	1,893	-	1,532,026	1,824	1,533,850	1,555,436
Open Space Land	317,000	(330,000)	(8,805)	-	-	7,574	(14,231)	-	(14,231)	76,442
Lab Equipment Replacement	169,000	30,648	(70,887)	-	-	8,278	137,039	-	137,039	386,535
Rural Fire Service	14,000	-	(21,169)	-	-	496	(6,673)	-	(6,673)	14,055
Plant Replacement	2,876,000	381,952	(382,000)	620,475	-	119,716	3,616,143	-	3,616,143	3,886,694
Environmental Levy	546,000	-	(461,909)	-	-	1,000	17,887	60,455	60,455	466,513
RTA Pine Creek Handover (Operating)	35,000	(35,000)	-	-	-	-	-	-	-	-
RTA Pine Creek Handover (Capital)	2,896,000	(1,022,396)	-	-	-	106,778	1,980,382	-	1,980,382	3,017,252
RTA - SH10 Garden Works	229,000	(57,066)	-	-	-	7,882	179,816	-	179,816	198,800
Moonee Beach Rd Upgrade	153,000	-	(134,147)	-	-	5,598	24,451	-	24,451	158,674
Unexpended Loan Funds	13,438,000	-	(1,950,692)	(38,000)	-	-	11,449,308	13,528	11,462,836	13,078,404
Car Parking Upgrade	2,015,000	-	-	-	-	73,676	2,088,676	-	2,088,676	2,088,208
Future Road Network	877,000	-	-	-	-	33,309	910,309	-	910,309	985,982
Flood Mitigation Works	850,000	-	-	-	-	450,000	1,000,000	-	1,000,000	1,000,402
	38,837,000	(1,242,543)	(9,433,201)	1,943,102	(1,799,802)	1,202,441	29,404,019	(190,919)	29,213,100	39,499,555

Investments

Per Council's monthly Bank Balances and Investments report the RAO provides a statement that Council's investments have been made in accordance with the Local Government Act 1993, Regulations and Council's investment policy

Reconciliation

Per Council's monthly Bank Balances and Investments report the total Cash and investments have been reconciled with funds invested and cash at bank

Cash

The last bank reconciliation was to the period ended 31/03/12 and was completed 18/04/12

Note

Opening Balances for Unexpended grants, Unexpended loans and unexpended contributions were extracted from Closing Balance at 30/6/11 per Note 6(c) of financial statements

COFFS HARBOUR CITY COUNCIL
BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
KEY PERFORMANCE INDICATORS STATEMENT

ATTACHMENT D

RATIO	DESCRIPTION	2011/12	2010/11	SUSTAINABLE TARGET
Sources of Revenue Ratio (Consolidated)	Own source revenue (all income excluding grants and contributions) divided by total income from continuing operations	74.84%		> 65%
Rates and Annual Charges Coverage Ratio (General Fund)	Rates and annual charges from continuing operations divided by income	52.20%		55% to 75%
Building & Infrastructure Renewals Ratio	Asset Renewals (Building & Infrastructure) divided by Depreciation, Amortisation & Impairment (Building & Infrastructure)	13.63%		>100% sustainable <100% unsustainable
Debt Service Ratio (Consolidated)	Debt service cost divided by income from continuing operations excluding capital items and grants and contributions	31.22%		< 10% Sustainable 10% to 15% Satisfactory > 15% Unsustainable
Rates and Annual Charges Outstanding (Consolidated)	Rates and annual charges outstanding divided by rates and annual charges collectable	7.24%		7%

This document forms part of Coffs Harbour City Council's Quarterly Budget Review Statement for the quarter ended 31/03/12 and should be read in conjunction with other documents in the QBRS

ATTACHMENT E

COFFS HARBOUR CITY COUNCIL
 BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012
 PART A - CONTRACTS LISTING

CONTRACTOR	CONTRACT ID	NAME & PURPOSE	ESTIMATED COST	START DATE	COMPLETION DATE	BUDGETED
AECOM Australia Pty Ltd		Architectural Services, Visitor Centre Sealy Lookout Bruxner Flora Reserve	53,622	21/02/2012	30/06/2012	Y
Coffey Geotechnics Pty Ltd		Detailed design and Dam Safety Committee approval, Spagnolos Rd Detention Basin	104,610	3/01/2012	13/07/2012	Y
Robert Shone Constructions Pty Ltd		Upgrade of Northern Amenities Building, Coffs Harbour Jetty Foreshores	108,514	10/02/2012	19/04/2012	Y
Musco Lighting Pty Ltd		Installation of Floodlighting at Fitzroy Oval	221,500	30/01/2012	16/05/2012	Y

Notes

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser
2. Contracts to be listed are those entered into during the quarter and have yet to be fully performed, excluding contractors that are on Council's preferred supplier list
3. Contracts for employment are not required to be included

This document forms part of Coffs Harbour City Council's Quarterly Budget Review Statement for the quarter ended 31/03/12 and should be read in conjunction with other documents in the OBRS.

COFFS HARBOUR CITY COUNCIL

ATTACHMENT E

BUDGET REVIEW FOR THE QUARTER ENDED 31 MARCH 2012**PART B - CONSULTANCY AND LEGAL EXPENSES**

EXPENSE	EXPENDITURE YTD	BUDGETED Y/N
Consultancies	761,698	Y
Legal Fees	327,740	Y

Definition of Consultant

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

This document forms part of Coffs Harbour City Council's Quarterly Budget Review Statement for the quarter ended 31/03/12 and should be read in conjunction with the other documents in the QBRS.

Purpose:

To advise Council of a determination by the Local Government Remuneration Tribunal of fees for councillors and mayors for 2012/13.

Description of Item:

Each year, pursuant to Section 241 of the *Local Government Act 1993*, the Local Government Remuneration Tribunal receives submissions and determines the categories for councils, county councils and mayoral offices and the maximum and minimum amounts of fees to be paid during the period 1 July to 30 June of the following year to mayors and councillors as well as chairpersons and members of county councils.

Coffs Harbour City Council has been classed as a Category - Regional Rural Council by the Tribunal. The Categories of Councils were initially determined in 1995 and are due for review every three years.

The Tribunal has made a determination on fees for 2012/13.

Sustainability Assessment:

Sustainability has now become a part of the Council's decision making process.

- **Economic**

Delivery Program/Operational Plan Implications

The impact on the 2012/13 budget will be an increase of \$4,690 over the 2011/12 allocation.

Consultation:

The Tribunal's process is to take formal submissions and to consult with councils and the Local Government and Shires Association.

Council did not make a submission with respect to the fee.

Related Policy and / or Precedents:

Council has for many years maintained its fee structure at the maximum level based on the workload, commitment and broad nature of Council's operations.

Statutory Requirements:

Section 239 of the *Local Government Act* established the Tribunal.

Section 241 of the *Local Government Act* provides for the Tribunal to determine fees.

Section 248 of the *Local Government Act* provides for Council to pay all Councillors an annual fee of at least the minimum as determined by the Remuneration Tribunal.

CB12/39 - Local Government Remuneration Tribunal (Cont'd)

Section 249 of the *Local Government Act* provides for the Council to pay the Mayor an annual fee of at least the minimum as determined by the Remuneration Tribunal. The Council may pay the Deputy Mayor a fee but it must be deducted from the Mayor's annual fee.

Issues:

The fees recommended by the Tribunal provide for a 2.5% increase in 2012/13 from 2011/12.

With respect to the level of fees payable to the Mayor and Councillors it will be recommended that Council set the fees at the maximum level.

With regard to categorisation of councils, the Tribunal is required by Section 239 to determine categories at least once every three (3) years. It is preferable and more equitable for changes in categories to be considered in a general inquiry. The Tribunal also feels it relevant for councils to keep it advised of changes in their activities annually so that proper consideration can be given to maximum scale of fees for each category.

A review of categories was conducted in 2012, with no changes to categorisation of Councils being approved by the Tribunal.

Council is a Category - Regional Rural Council and the movement of fees is as follows:

	2010/11		2011/12		2012/13	
	Maximum \$	Minimum \$	Maximum \$	Minimum \$	Maximum \$	Minimum \$
Mayors (additional)	34,860	15,430	36,320	16,080	37,230	16,480
Councillors	15,970	7,250	16,640	7,550	17,060	7,740

Implementation Date / Priority:

The new fees are payable from 1 July 2012.

This increase has been allowed for in the 2012/13 Delivery Program and Operations Plan.

Recommendation:

1. That pursuant to the provisions of Sections 248 and 249 of the *Local Government Act 1993*, the annual fee for Councillors be fixed at \$17,060 for the 2012/13 financial year.
2. That an additional annual fee for the position of Mayor be set at \$37,230 for the 2012/13 financial year.

CB12/40 BANK BALANCES AND INVESTMENTS FOR DECEMBER 2011 AND JANUARY 2012

Purpose:

To list Council's Bank Balances and Investments as at 31 December 2011 and 31 January 2012.

Description of Item:

A copy of the state of Bank Balances and Investments as at 31 December 2011 and 31 January 2012. are attached.

It should be noted that Council is required to account for investments in accordance with the Australian International Financial Reporting Standards. As such the ledger balances at the end of each month reflect market value movements which would be inclusive of accrued interest.

Interest when paid, say quarterly, would result in reductions in the market value of the investments.

The Investment Report reflects the above requirements and reflects the interest earned (or accrued) on each investment, based on the acquisition price.

A monthly commentary provided by CPG Research & Advisory Pty Ltd (Council's investment portfolio advisors) which examines economic and financial markets data for December 2011 and January 2012 is attached.

The portfolio has performed above benchmark for the period ended 31 December 2011 having generated an annualised return of 5.49% which is 64 bps (or 0.64%) above the UBS 90 day bank bill index (the required performance benchmark) of 4.85% as at 31 December 2011. The portfolio has performed above benchmark for the period ended 31 January 2012 having generated an annualised return of 5.48% which is 80 bps (or 0.80%) above the UBS 90 day bank bill index (the required performance benchmark) of 4.68% as at 31 January 2012.

Sustainability Assessment:

- **Environment**

There are no perceived current or future environmental impacts.

- **Social**

There are no perceived current or future social impacts.

- **Civic Leadership**

Council invests surplus funds to maximize investment income and preserve capital to assist with funding requirements for projects listed under the Coffs Harbour 2030 Community Strategic Plan.

- **Economic**

Broader Economic Implications

Council's investments are held according to the requirements stated within Council's investments policy and the returns are acceptable in relation thereto. In the long term earnings from investments can vary due to economic conditions and financial markets. Council constructs its investment portfolio with consideration of current conditions and to comply with the DLG investment policy guidelines.

Delivery Program/Operational Plan Implications

For December 2011 it is noted that after deducting, from the total bank and investment balances of \$168,857,547 the estimated restricted General, Trust, Water and Sewerage cash and investments (\$168,077,032), the Unrestricted Cash is \$780,515.

For January 2012 it is noted that after deducting, from the total bank and investment balances of \$167,042,845 the estimated restricted General, Trust, Water and Sewerage cash and investments (\$166,326,560), the Unrestricted Cash is \$716,285.

Further details are provided as a note on the attachment.

Recommendation:

1. That the bank balances and investments totalling (from loans, Section 94 and other avenues that form the restricted accounts and are committed for future works) one hundred and sixty eight million, eighteen hundred and fifty seven thousand, five hundred and forty seven dollars (\$168,857,547) as at 31 December 2011 be noted.
2. That the general fund unrestricted cash and investments totalling seven hundred and eighty thousand, five hundred and fifteen dollars (\$780,515) as at 31 December 2011 be noted.
3. That the bank balances and investments totalling (from loans, Section 94 and other avenues that form the restricted accounts and are committed for future works) one hundred and sixty seven million, forty two thousand, eight hundred and forty five dollars (\$167,042,845) as at 31 January 2012 be noted.
4. That the general fund unrestricted cash and investments totalling seven hundred and sixteen thousand, two hundred and eighty five dollars (\$716,285) as at 31 January 2012 be noted.

Attachments:

Fund/Account	BALANCE SHEET AS AT 31/12/21				Income Statement		Profit/Loss	
	31/12/21	31/12/20	31/12/21	31/12/20	31/12/21	31/12/20	31/12/21	
	5,203,253	3,613,760	10,120,652	2,766,020	3,522,799	0	792	
TOTAL OF ALL BANK ACCOUNTS		6,503,811	13,814,320	18,120,818	3,157,256			

BANK BALANCES AND INVESTMENTS AS AT 31/12/21

STATEMENT OF BANK BALANCES AS AT 31/12/21

INVESTMENT REPORT 31/12/21

PRINCIPAL BALANCES/INTEREST EARNED

Credit Rating of Issue Date	Credit Rating	Acquisition Date	Legal Security	Acquisition Price	Monthly Measurement in Market Value		Financial Year to Date Movement in Market Value		Income Earned Net of Financial Commitment 2021	Administrative Fee/ Coupon	Risk of Capital Returned
					Increases/Decreases in Capital Value at 31/12/21	Increases/Decreases in Interest/Dividends/Retirements	Increases/Decreases in Capital Value at 31/12/21	Increases/Decreases in Capital Value			
AAA	AAA	05/05/2011		5,053,811	10,414	(2,487,050)	(18,749)	598,104	(100,789)	0,000	4.10
AAA	AAA	27/21		105,715	3,829,918	(869)	(3,749)	3,749,918	(4,079)	1,153	3.90
BBB	BBB	22/09		100	-	-	628	-	100	628	6.10
AA	AA	05/09/17		50,897	209	(5,173,360)	-	12,818	(2,000,000)	259	5.10
AA	AA	22/09/13		5,285,413	22,632	(5,173,360)	-	749,333	749,333	259	6.50
A	A	15/03/15		15,432	15,432	-	-	30,300	30,300	30,300	4.95
A	A	30/08/16		500,567	2	-	-	598	598	598	4.28
AA	AA	12/11/2008		12,410,080	46,079	(4,033,041)	(80,307)	69,464	(3,000,000)	69,464	5.10
AA	AA							201,960	(111,470)	109,690	
BENCHMARK RATE - 11 AM INDICATIVE CASH RATE											
OTHER FUNDS:											
A	A	06/03/17		41,278	4,000,000	-	-	29,858	(4,000,000)	41,278	9.70
A	A	06/03/17		41,278	4,000,000	-	-	29,858	(4,000,000)	41,278	9.70
BENCHMARK RATE - IBS BANK BILL INDEX											
BBB+	BBB+	15/05/2011		8,000,000	61,163	-	-	303,178	-	61,163	7.00
BBB+	BBB+	20/06/2011		2,000,000	1,531,222	-	-	37,057	-	1,531,222	7.47
BBB+	BBB+	01/01/2011		1,000,000	1,028,940	-	-	54,064	-	1,028,940	7.21
BBB+	BBB+	05/05/2011		2,000,000	1,400,000	-	-	69,449	-	1,400,000	6.69
BBB	BBB	01/03/11		1,000,000	1,000,000	-	-	40,986	-	1,000,000	6.20
BBB	BBB	01/03/11		2,000,000	2,038,068	-	-	46,986	-	2,038,068	6.20
BBB	BBB	23/08/2011		2,000,000	2,033,999	-	-	44,148	-	2,033,999	6.18
AA	AA	24/05/2011		5,000,000	5,192,359	-	-	182,369	-	5,192,359	7.35
AA	AA	27/08/2011		1,000,000	1,013,113	-	-	30,333	-	1,013,113	6.60
AA	AA	27/08/2011		1,000,000	1,015,862	-	-	32,524	-	1,015,862	6.60
AA	AA	19/06/2010		2,000,000	2,004,394	-	-	69,574	-	2,004,394	6.61
AA	AA	15/08/2011		2,000,000	2,010,751	-	-	57,804	-	2,010,751	6.84
A	A	16/05/2011		2,000,000	2,000,000	-	-	54,330	-	2,000,000	6.59
A	A	14/02/11		1,000,000	1,000,000	-	-	54,330	-	1,000,000	6.59
BBB	BBB	20/05/2011		1,500,000	1,517,036	-	-	63,913	-	1,517,036	7.05
BBB	BBB	31/08/2011		2,700,000	2,741,026	-	-	54,068	-	2,741,026	6.84
BBB	BBB	15/05/2011		1,000,000	1,024,030	-	-	54,068	-	1,024,030	6.84
BBB	BBB	15/05/2011		1,000,000	1,024,030	-	-	54,068	-	1,024,030	6.84
BBB	BBB	15/05/2011		1,000,000	1,024,030	-	-	54,068	-	1,024,030	6.84
AA	AA	27/08/2011		2,000,000	2,032,000	-	-	61,907	-	2,032,000	6.10
AA	AA	15/09/2011		3,000,000	3,030,034	-	-	53,999	-	3,030,034	6.05
BBB+	BBB+	27/05/2012		2,000,000	2,033,338	-	-	65,000	-	2,033,338	6.60
A	A	11/08/2011		1,000,000	1,022,445	-	-	64,989	-	1,022,445	6.18
A	A	11/08/2011		1,000,000	1,022,445	-	-	64,989	-	1,022,445	6.18
BBB+	BBB+	11/08/2011		3,000,000	3,067,888	-	-	64,989	-	3,067,888	6.30
A	A	25/11/2011		1,500,000	1,501,462	-	-	6,000	-	1,501,462	6.05
A	A	12/01/2011		1,500,000	1,527,445	-	-	6,000	-	1,527,445	6.05
A	A	01/08/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.30
A	A	11/08/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.30
BBB	BBB	11/01/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
BBB	BBB	01/03/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AAA	AAA	11/01/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AAA	AAA	11/01/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AAA	AAA	11/01/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AAA	AAA	11/01/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AA	AA	01/03/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AA	AA	01/03/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
BBB	BBB	28/07/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
BBB	BBB	28/07/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
BBB+	BBB+	01/03/2011		1,000,000	1,000,000	-	-	6,000	-	1,000,000	6.10
AA	AA	20/08/2009		5,001,843	5,001,843	-	-	48,213	-	5,001,843	4.97
Total				55,303,448	57,186,035			2,467,431		67,655,818	

INVESTMENTS REPORT - 31/12/11
PROFIT AND LOSS ACCOUNTS EARNED

Credit Rating at Issue Date	Credit Rating @ 31/12/11	Acquisition Date	Legal Maturity	Acquisition Price	Market Value as at 31/12/11	Monthly Movement in Market Value			Financial Year to Date Movement in Market Value			Admitted Rating	Risk of Capital returned				
						Increase/Decrease in Capital Value	Interest/Dividends Received	Amplification/Reductions	Increase/Decrease in Capital Value	Interest/Dividends Received	Amplification/Reductions						
FRSE (Retail Base Index)																	
Available for Sale Accounting - movements through profit & loss																	
Sub Total																	
AA	AA	06/02/2006	31/05/2013	452,720	452,720	0,300	2,428	-	1,792	2,428	-	1,420	2,248	6.71	LOW		
AA	AA	08/01/11		697,717	697,717	0	670	-	670	1,007,082	-	6,932	20,681	31/7/2011	6.81	LOW	
AA	AA	04/03/08		2,000,000	2,000,000	1,860	1,219	-	3,000	61,264	-	15,210	50,132	31/7/2011	4.70	LOW	
AA	AA	21/02/08		1,868,176	1,868,176	1,710	6,120	-	3,800	56,193	-	7,892	41,763	31/7/2011	4.98	LOW	
AA	AA	21/02/08		1,466,978	1,466,978	780	6,300	-	6,905	59,749	-	6,900	43,654	31/7/2011	4.98	LOW	
AA	AA	10/05/10		501,126	496,376	1,051	2,474	-	16,159	5,715	-	2,744	25,470	31/7/2011	6.83	LOW	
AA	AA	18/05/10		1,000,200	995,230	2,800	4,832	-	170,210	29,913	-	2,642	69,671	31/7/2011	6.70	LOW	
AA	AA	13/05/10		1,500,000	1,446,975	2,761	7,319	-	67,709	48,579	-	10,693	133,219	31/7/2011	6.73	LOW	
AA	AA	13/05/10		1,500,000	1,452,753	1,305	6,076	-	71,059	69,713	-	8,311	21,729	31/7/2011	6.83	LOW	
AA	AA	17/06/08		1,500,000	1,512,698	1,890	6,328	-	1,000,628	41,633	-	5,348	31,693	31/7/2011	7.30	LOW	
AA	AA	27/06/10		1,500,256	1,483,997	1,800	6,592	-	164,129	68,222	-	11,382	10,067	31/7/2011	7.30	LOW	
AA	AA	13/03/11		5,000,000	4,972,645	4,930	29,138	-	185,609	174,498	-	25,635	25,129	31/7/2011	6.81	LOW	
AA	AA	15/03/11		1,500,000	1,498,330	1,320	3,441	-	1,000,628	41,633	-	5,348	31,693	31/7/2011	7.30	LOW	
AA	AA	05/02/11		1,500,000	1,484,238	2,220	7,441	-	1,691,454	62,938	-	7,216	21,361	31/7/2011	6.83	LOW	
AA	AA	25/03/11		5,481,000	5,114,792	90,750	690,530	-	156,959	67,288	-	30,260	11,309	31/7/2011	6.81	LOW	
AA	AA	20/02/10		1,978,500	1,978,650	2,000	17,220	-	6,400	28,920	-	19,220	20,550	31/7/2011	6.79	LOW	
A	A	17/10/10		500,000	496,102	1,685	2,100	-	660,687	2,631,470	-	3,669	14,332	31/7/2011	4.56	LOW	
AA	BBB+	17/11/09		2,901,100	2,954,338	1,885	10,340	-	75,000	64,485	-	10,340	10,545	31/7/2011	4.98	LOW	
Sub Total				37,746,440	37,158,026	69,650	110,958	-	618,647	1,001,542	-	210,516	692,695				
Total				38,943,316	37,697,738	69,934	113,692	-	618,693	1,003,607	8,456,425	-	230,716	691,542			

Credit Rating at Issue Date	Credit Rating at 3/1/21	Acquisition Date	Legal Maturity	Acquisition Price	Market Value at 1/31/21	Monthly Movement in Market Value			Fiscal Year to Date Movement in Market Value			Income Earned From 1/1 to 3/31/21	Income Earned From 1/1 to 3/31/2021	Capital Price Date	Accrued Monthly Rate (Merged Pairs) Coupon	Risk of Capital Returned
						Increase/(Decrease) in Capital Value	Interest/Dividend Reinvested	Acquisition/(Redemptions)	Fees Deducted	Market Value at 3/31/21	Increase/(Decrease) in Capital Value					
AA	D	20/02/2014	20/02/2014	500,000	55,654	-	-	-	-	-	-	-	-	3/1/2021	0.00	High
AAA	D	20/02/2013	20/02/2013	500,000	57,295	(7,896)	861	-	-	-	-	-	-	3/1/2021	6.73	High
AAA	D	20/02/2013	20/02/2013	500,000	268,569	(2,981)	268,569	-	-	-	-	-	-	3/1/2021	6.58	High
AA	D	20/02/2017	20/02/2017	500,000	9,071	85	(2,981)	-	-	-	-	-	-	3/1/2021	0.00	High
AAA	D	17/07/2014	20/02/2014	500,000	339,717	-	500,000	-	-	-	-	-	-	3/1/2021	0.00	High
AAA	D	20/02/2014	20/02/2014	2,000,000	262,735	-	262,735	-	-	-	-	-	-	3/1/2021	0.00	High
AAA	D	20/02/2013	20/02/2013	500,000	53,654	(7,430)	12,281	-	-	-	-	-	-	3/1/2021	6.73	High
AA	CCC	18/07/2014	20/02/2012	2,068,460	1,977,888	-	10,639	-	-	-	-	-	-	3/1/2021	6.83	High
AA	D	18/07/2014	20/02/2017	500,000	6,071	-	6,071	-	-	-	-	-	-	3/1/2021	0.00	High
				7,097,456	2,847,234	(15,611)	27,867	-	-	-	-	-	-	281,153	0.00	High

INVESTMENTS REPORT - 31/12/2011
 MUNICIPAL BALANCE - INTEREST EARNED

Credit Rating at Acquisition Date	Acquisition Date	Legal Maturity	Acquisition Price	Monthly Movement in Market Value			Financial Year to Date Movement in Market Value			Income Earned of Fees Received	Income Earned of Fees Received	Capital Price Valuation Date	Amalgamated Monthly (Managed Funds) / Capital Price Valuation Date	Risk of Capital (not being returned)
				Market Value as at 31/12/2011	Increases/Decreases in Capital Value	Interest/ Distributions Received	Repayments (Redemptions)	Fees Deducted	Market Value as at 31/12/2011					
Floating Rate Transferrable Certificates of Deposit														
AA	16/07/2010	15/07/2013	1,000,000	1,010,531	(209)	4,085	-	28,992	-	4,655	29,092	31/12/2011	6.81	Low
AA	26/10/2011	26/10/2011	1,000,000	1,000,000	-	2,430	-	2,430	-	2,430	31/12/2011	6.71	Low	
AA	26/10/2011	26/10/2011	1,000,000	1,018,681	(181)	2,344	-	26,428	-	3,674	26,528	31/12/2011	6.71	Low
AA	06/09/2010	06/09/2013	2,000,000	2,055,660	-	8,673	-	58,732	-	8,673	58,732	31/12/2011	6.31	Low
AA	06/09/2010	06/09/2013	2,000,000	2,025,650	-	8,673	-	58,732	-	8,673	58,732	31/12/2011	6.31	Low
BBB+	14/05/2010	14/05/2012	2,000,000	2,072,353	-	11,211	-	66,542	-	11,211	66,542	31/12/2011	6.00	Low
AA	13/07/2011	13/07/2014	2,000,000	2,000,000	-	1,830	-	1,830	-	1,830	31/12/2011	7.00	Low	
AA	23/06/2010	23/06/2013	1,000,000	1,019,084	-	1,830	-	1,830	-	1,830	31/12/2011	7.00	Low	
AA	23/06/2010	23/06/2013	3,000,000	3,012,752	-	10,000	-	143,820	-	10,000	143,820	31/12/2011	7.00	Low
Securities No Longer Held (excluding Expenses & CCD switched to Expenses & CCD (Municipal MP) Expenses & CCD (Municipal MP) Expenses & CCD (Municipal MP))														
AA	13/07/2011	13/07/2014	2,000,000	2,000,000	-	1,830	-	1,830	-	1,830	31/12/2011	7.00	Low	
AA	23/06/2010	23/06/2013	1,000,000	1,019,084	-	1,830	-	1,830	-	1,830	31/12/2011	7.00	Low	
AA	23/06/2010	23/06/2013	3,000,000	3,012,752	-	10,000	-	143,820	-	10,000	143,820	31/12/2011	7.00	Low
GRAND TOTAL (before fees)				176,255,679	224,334	747,860	(20,207)	150,657,647	(20,207)	150,657,647	(11,470)	150,657,647	6.81	
GRAND TOTAL				176,255,679	224,334	747,860	(20,207)	150,657,647	(20,207)	150,657,647	(11,470)	150,657,647	6.81	

Bank of Cypriot is rated by Fitch. The process of the market for FRNs, CDOs and other funds in the local market. The first call dates for FRNs & first bonds are the likely date of maturity because the treatment case is severely penalized if market is not indicated by the FRN. The date of maturity for FRNs & first bonds are the likely date of maturity because the treatment case is severely penalized if market is not indicated by the FRN. The date of maturity for FRNs & first bonds are the likely date of maturity because the treatment case is severely penalized if market is not indicated by the FRN.

Less: Unrealised Capital Gains/Losses for Available For Sale Investments	116,184
Income to Profit & Loss	
Original Budgeted Income	
Variance to Original Budget	
TOTAL CASH & INVESTMENTS AS AT 31 DECEMBER 2011	116,184
LESS ESTIMATED RESTRICTED EQUITY FOR WATER & SEWER FUNDS	
Water Fund	\$ 39,462,463
Sewer Fund	\$ 67,696,070
	\$ 107,158,533
GENERAL FUND CASH & INVESTMENTS	\$ 188,857,647
LESS TRUST FUND BALANCES AS AT 31 DECEMBER 2011	
Developer Contributions, Grants, Reserves etc)	\$ 1,679,317
	\$ 187,178,330
ESTIMATED GENERAL FUND UNRESTRICTED CASH & INVESTMENTS AS AT 31 DECEMBER 2011:	
Unrestricted Cash & Investments as at 30 June 2011	\$ 3,014,688
2011/2012 Revenue Reverses	\$ (2,247,977)
Accumulated Cash & Investments as at 30 June 2011	\$ 786,709
Estimated Cash & Investments as at 31 December 2011 - to be audited 23 February 2012	\$ 280,516
Estimated Unrestricted Cash as at 31 December 2011	\$ 3,833,936

Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
 Accumulated Cash & Investments as at 30 June 2011
 Estimated Cash & Investments as at 31 December 2011 - to be audited 23 February 2012
 Estimated Unrestricted Cash as at 31 December 2011

Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
 Accumulated Cash & Investments as at 30 June 2011
 Estimated Cash & Investments as at 31 December 2011 - to be audited 23 February 2012
 Estimated Unrestricted Cash as at 31 December 2011

Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
 Accumulated Cash & Investments as at 30 June 2011
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 Estimated Unrestricted Cash as at 31 December 2011

Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
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Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
 Accumulated Cash & Investments as at 30 June 2011
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 Estimated Unrestricted Cash as at 31 December 2011

Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
 Accumulated Cash & Investments as at 30 June 2011
 Estimated Cash & Investments as at 31 December 2011 - to be audited 23 February 2012
 Estimated Unrestricted Cash as at 31 December 2011

Unrestricted Cash & Investments as at 30 June 2011
 2011/2012 Revenue Reverses
 Accumulated Cash & Investments as at 30 June 2011
 Estimated Cash & Investments as at 31 December 2011 - to be audited 23 February 2012
 Estimated Unrestricted Cash as at 31 December 2011

BANK CRISES

During the month, reports emerged (half-heartedly denied) about banks preparing for an economic catastrophe. Is this the end? How should investors react to the alarming headlines?

APRA Stress Tests

Like banking regulators around the world, APRA requires ADIs to a range of extreme scenarios (stress tests). Typically, this examines losses – testing that they have enough capital to remain solvent when faced with extreme losses.

This month, APRA may, or may not have run a stress test. The Financial Review reported specifics of a test required at short notice, including a 30% property crash (40% for commercial property) and a 12% unemployment rate. Bizarrely, ANZ denied the report the next day – in oddly specific terms (“We’re not aware of any request to complete a review *on that basis* within a week.”) Strange that we know of some busy bankers during December!

Currency Scenarios

One scenario of interest to regulators, even though it is almost too horrendous to contemplate, is a **Eurozone breakup**. Systems are being no doubt being developed to deal with the possibility that new currencies appear overnight that have not existed for many years – starting with the Greek drachma. But systems are the least of the issues for a global bank.

The legal issues are enormous. What contracts are written under Greek law (and therefore likely to become re-denominated in drachma)? Not that the ones under, for example, UK or US law in euro are safe – they are likely to be overridden and result in dispute.

Then a crisis scenario test will turn to the effects on economies, counterparties and liquidity.

Recession Scenario

The first thing we note is just how severe the reported stress tests were (as well as others run by rating agencies and stockmarket analysts). **By comparison, the GFC was a bad day.**

- Unemployment rising from 5% to 12% (compared to 4% becoming 6% in the GFC)
- Property prices falling 30% (they actually rose sharply in the GFC due to low interest rates compounded by over-stimulus through various concessions)
- Commercial property down 40% (well in excess of US falls, and about double the GFC domestically)

A really severe stress test is essential for credibility, as opposed to the US and EU ones.

In terms of eroding bank capital, the GFC was a non-event in Australia. Likewise, because we never experienced a bank solveny crisis, we did not have what is more correctly called the “Great North Atlantic Recession.” Sorry Mr Swan, it wasn’t our brilliant policy responses (which were exactly the same as everyone else’s); nor was it our miners (mineral prices and mining profitability lagged the recovery rather than caused it). It was Jim Laker’s people to thank.

Where the GFC was different from other mild slowdowns or even recessions was the extreme crisis of confidence, and failure of liquidity.

Counterparties and Liquidity

The big problem is not that our banks will run out of capital – **they will literally be the last solvent banks on earth, if it came to that.** But having a well-capitalised bank is not much use if they cannot open the doors.

The European bank stress tests did more harm than good – initially assuming sovereign default was impossible and that Greek bonds would certainly repay at maturity. With that test discredited, the second round test was more realistic, but the “well capitalised” Dexia was nationalised just weeks after a strong pass. **Everybody knows that a sovereign debt haircut will see a lot of banks needing capital** – unless a solution is found, almost every European bank will need capital. Italy’s UniCredito has just halved its share price with a massive rights issue. Many more will follow, and if no private capital is available then it’s a process of nationalisation.

We assume there will be no Lehmans. A systemically important bank will not be allowed to default – at least, not in countries that have any sort of future. Bear Stearns was the cheapest \$29bn the Fed ever spent, and allowing Lehman to fail an unprecedented policy disaster. The Europeans have come out in the strongest possible terms with Dexia and other guarantees.

Unfortunately, banks cannot make that assumption. The excess return from overnight interbank lending, as opposed to depositing with the central bank, is about 0.001%. If there is the slightest doubt, financial markets stop functioning. Governments and central banks will then always intervene to provide liquidity. We saw a range of extraordinary measures developed in the GFC, including use of the Future Fund in Australia.

The situation strongly resembles 2008. Everybody knows losses will be inevitable (Greece, Spanish real estate, Irish construction etc playing the role of sub-prime). Everybody knows the banks have insufficient capital to absorb them. And everybody knows it ends with the public sector bearing much of the cost, and banks shrinking their balance sheets – which means years of after-effects.

What needs to be demonstrated in 2012 is a path from June 2008 straight to March 2009, using the lessons of 2008 to avoid some outcomes of 2008.

What to Do

A low interest rate environment is here. Invest within that reality. That’s beneficial for many assets.

Believe neither the extreme good or bad news. The truth is, as usual, in the middle. Banks are testing outrageously extreme scenarios, not because they are inevitable but because they are not. Preparedness for the events coming is necessary for dealing with them.

Don’t be spooked by central banks doing their job. Inflammatory headlines abound suggesting our banks “were rescued” as they “borrowed billions from the Fed” in “secret bailouts.” So they should have! It was there, it was cheap (at ¼% p.a.), and it was entirely appropriate to boost cash levels at a time when depositors were feeling particularly nervous. **Be worried if central banks are not being lenders of last resort.**

Focus less on the events than on the responses. The strongest rally in 2011 came when Dexia failed and was nationalised.

Institutional investors, be ready for opportunities. The safest investments of 2009 came from the PPIP (Public-Private Investment Partnership), not bonds – and this is a likely model for Europe in 2012. **The best assets are bought from forced sellers** (banks shrinking their books, governments selling assets they inherited unwillingly).

International Markets

The Dow Jones and S&P 500 Index closed up 1.43% and 0.86% respectively in December. UK's FTSE 100 Index was up 1.22%, France's CAC 40 rose 0.16% while Germany's DAX was down -3.13%. Ireland's Index (ISEQ) gained 5.56% as well as Spain's stock Index (IBEX) up 1.38%.

In Hong Kong, the Hang Seng rose 2.47% and Japan's Nikkei Index ended up 0.25%. China's Shanghai Composite Index closed another -5.74% lower.

The MSCI World Index ex-Australia, a broad measure of global stocks, declined 0.11% in local currency terms.

US 10 year bonds struggled to hold the 2% level through the month, before closing at 1.87% - but credit firmed slightly.

Other highlights:

Standard & Poor's put 14 Eurozone countries including France (AAA) on negative ratings watch. German Chancellor Merkel and French President Sarkozy announced a "comprehensive" agreement pertaining to new rules to enforce fiscal discipline among members of the Eurozone.

Of the 27 nations that make up the European Union (EU), 26 agreed to fiscal union or would put it to parliaments. Britain objected to the possibility EU regulators would not be able over-rule financial regulators of the UK. With unanimous approval needed, the UK veto defeated it.

The Purchasing Managers' Indexes (PMI) of major economies – Euro zone, China, South Korea, Brazil, Japan, Taiwan, and United Kingdom – all posted declines in factory activity during November.

Construction spending in the US increased 0.8% in October. Retail sales increased 0.2% in November after +0.6% in October.

The Consumer Price Index (CPI) held steady in November after a 0.1% drop in October, with lower commodity prices taking any pressure off the Fed.

Unemployment eased to 8.6% in November from 9.1% in October, aided by a decline in participation. Initial jobless claims were below 375,000 for the first since post-GFC. Hiring intentions remain positive.

US households have paid down debt at a record rate – indeed, it is only since the GFC that they have ever reduced debt.

The ECB lowered the policy rate by 25bps to 1.00%. It also expanded the range of eligible collateral for loans to banks, increased the maturity of loans to 3 years (from 13 months), and lowered reserve requirements to 1.0% from 2.0%.

Domestic Markets

The Reserve Bank of Australia (RBA) cut the cash rate by another 25bps earlier in the month to 4.25% citing Europe's accelerating debt crisis as the major factor in its decision to slash the official interest rate. Commentary is now less about "insurance" against adverse global events, and more accepting of the inevitability. The downside case is now a more extreme scenario.

Unemployment rate rose from 5.2% to 5.3%, but with a massive loss of 40,000 full time jobs offset by some casualisation. Dwelling approvals collapsed another -10.9% to be down -30% on the year.

Ours was one of the negative indices in the month (-1.35%), due to the Asian region and weaker commodities. Credit firmed to 185bp on the iTraxx AUS, from 215bp.

Currency & Commodities

The Australian dollar dipped below parity during December on global economic weakness and falling commodities before closing at US101.56c.

RBA Deputy Governor Ric Battellino forecast that the Australian dollar would decline if India and China slowed and commodities declined, effectively flagging that the RBA would not intervene.

Gold fell -1.2% to \$US1,536.70/ounce. Earlier in the month it hit a low of \$US1,521.94, the weakest since July. Silver fell -0.3% to \$US26.96/ounce (down from a high of \$48).

Copper has fallen around 23% this year, after a 30% gain in 2010 and a 140% jump in 2009. The Eurozone debt crisis combined with the end of the Chinese construction boom to hit demand, while speculative buyers returned to the \$US "safe haven."

KEY FINANCIAL MARKET DATA – As At 31 DECEMBER 2011 (UNLESS SPECIFIED)**Interest Rate Markets**

Index Performance	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
UBS Aust. Bank Bill Index	0.40%	1.22%	2.47%	5.00%	4.83%	4.38%

Key Rates	Dec-11	Nov-11	Dec-10
Australian Cash Rate	4.25%	4.50%	4.75%
90 day BBSW	4.48%	4.40%	5.04%
3 Yr Commonwealth Bonds	3.14%	3.16%	5.19%
10 Yr Commonwealth Bonds	3.73%	3.93%	5.56%
iTraxx Australia 5 Yr CDS	181bp	215bp	103bp
US Fed Funds Rate	0-0.25%	0-0.25%	0-0.25%
CDX North American 5 Yr CDS	120bp	128bp	85bp

Equity Markets

Domestic	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
S&P/ASX 200 Acc. Index	-1.35%	2.12%	-9.71%	-0.07%	6.41%	13.60%
A-REIT 200 Acc. Index	-2.65%	3.71%	-4.60%	-1.48%	-0.94%	1.93%

International	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
US: S&P 500 (\$US)	0.85%	11.15%	-4.77%	0.00%	6.20%	11.66%
US: NASDAQ (\$US)	-0.58%	7.86%	-6.07%	-1.80%	7.15%	18.21%
MSCI World Acc. (Local Currency)	0.59%	7.79%	-8.17%	-5.49%	1.97%	9.34%
MSCI World Acc. (AUD)	0.15%	2.00%	-6.31%	-5.55%	-3.77%	-2.28%
FTSE (£)	1.21%	8.65%	-6.28%	-5.55%	1.46%	7.91%
MSCI Emerging Markets Acc. (\$US)	-1.29%	4.08%	-20.05%	-20.41%	-3.76%	17.35%

Fixed Interest Markets

Bonds	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
BarCap Global Agg Acc.	1.90%	2.04%	6.41%	10.51%	9.89%	9.27%
UBSA Composite Bond Acc.	0.78%	1.94%	6.66%	11.37%	8.68%	6.31%

Data*	Current Period		Previous Period	
<i>Employment Data</i>				
Employment Growth	Nov	11457	Oct	11462
Unemployment Rate	Nov	5.3%	Oct	5.2%
Participation Rate	Nov	65.5%	Oct	65.6%
<i>Lending Finance</i>				
Housing Finance	Oct	-1.2%	Sep	0.7%
Personal Finance	Oct	5.2%	Sep	-2.5%
Commercial Finance	Oct	16.5%	Sep	-10.0%
Lease Finance	Oct	-2.4%	Sep	1.3%
<i>Other</i>				
Balance on goods and services	Oct	1,595m	Sep	2,564m
Retail Sales	Oct	+0.2%	Sep	+0.4%
Building Approvals	Oct	-10.7%	Sep	-13.6%

*All data is seasonally-adjusted.

Median Fund Manager Returns (Morningstar)	1 month	3 month	6 month	1 year	2 year p.a.	3 year p.a.
Australian Equity Large Cap	-1.41%	1.95%	-10.27%	-11.42%	-5.97%	6.88%
Australian Equity Small Cap	-3.56%	-0.07%	-10.43%	-13.94%	-0.32%	17.03%
Global Equity Large Cap	-0.29%	1.55%	-7.36%	-6.86%	-4.53%	-2.30%
Global Equity Small Cap	-0.37%	2.24%	-11.50%	-12.08%	-2.23%	1.48%
Australian Fixed Income	0.46%	1.29%	2.37%	5.28%	5.88%	5.86%
Global Fixed Income	1.14%	0.97%	1.52%	3.36%	4.41%	5.05%
Australian Listed Property	-2.41%	3.68%	-5.05%	-1.98%	-1.43%	2.31%
Conservative ¹	0.40%	1.64%	1.49%	3.89%	4.28%	5.30%
Moderate ²	0.28%	1.85%	-0.04%	2.44%	3.43%	5.77%
Balanced ³	-0.04%	2.06%	-2.62%	-0.85%	1.78%	5.66%
Growth ⁴	-0.29%	2.37%	-4.85%	-3.85%	-0.62%	5.16%
Aggressive ⁵	-0.55%	2.52%	-7.22%	-6.78%	-1.78%	6.07%

¹ Growth Assets 0% - 20%

² Growth Assets 20% - 40%

³ Growth Assets 40% - 60%

⁴ Growth Assets 60% - 80%

⁵ Growth Assets 80% - 100%

We take the opportunity to wish clients a very safe, happy and prosperous 2012.

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BANK BALANCES AND INVESTMENTS AS AT 31/1/12
STATEMENT OF BANK BALANCES AS AT 31/1/12
COPPS HARBOUR CITY COUNCIL

	Balance at 31/1/12	Receipts to 31/1/12	Payments to 31/1/12	Balance at 31/1/12
GENERAL FUND - MAIN	4,784,528	21,532,120	22,627,639	4,308,909
GENERAL FUND - WESTPAC	792	0	2,670,792	4,034,310
TRUST FUNDS	589,035	1,231	181	590,685
TOTAL OF ALL BANK ACCOUNTS	3,147,935	21,332,851	22,898,612	1,751,965

INVESTMENTS REPORT - 31/1/12
PRINCIPAL BALANCES/INTEREST EARNED

Maturity Date	Credit Rating at Issue Date	Acquisition Date	Legal Maturity	Acquisition Price	Market Value as at 31/1/12		Monthly Movement in Market Value		Financial Year to Date Movement in Market Value		Income Earned Net of Fees - January to 31/1/12	Income Earned Financial Yr to Date	Capital Price Valuation Date	Actuarial Monthly Payout/Dividend/Current Coupon	Risk of Capital Not being Returned		
					Market Value at 31/1/12	Acquisition Price	Increase/(Decrease) in Market Value	Distributions Received	Increase/(Decrease) in Capital Value	Intervest/Dividends Received						Acquisition/(Redemptions)	Fees Deducted
					\$	\$	\$	\$	\$	\$						\$	
GOVERNMENT FUNDS:																	
Bank - Full Value investments through central bank																	
AA	AA			3,147,935	3,147,935	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.10	
AAA	AAA			3,757,282	3,757,282	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			3.39	
BBB	BBB			24,005	24,005	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			6.30	
AAA	AAA			61,159	61,159	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.68	
NR	NR			465,709	465,709	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.68	
NR	NR			54,993	54,993	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.48	
NR	NR			11,159	11,159	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.48	
AA	AA			506,372	506,372	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			5.10	
AA	AA			8,641,899	8,641,899	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			5.10	
Total																	
BENCHMARK RATE - 11 AM INDICATIVE CASR RATE																	
OTHER FUNDS																	
Enhanced Income Funds - Full Value investments through central bank																	
A	A			6,000,001	6,000,001	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			7.41	
NR	NR			6,000,001	6,000,001	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			7.41	
Total																	
BENCHMARK RATE - US BANK BILL INDEX																	
Term Deposits - Full Value investments through central bank																	
BBB+	BBB+	1/31/2011	3/31/2011	10,000,000	10,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1,000,000	1,000,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.89	
BBB+	BBB+	1/31/2011	3/31/2011	1													

INVESTMENTS REPORT - 31/12/12
PRINCIPAL BALANCE/INTERESTS EARNED

Credit Rating at Issue Date	Credit Rating at 31/12/12	Acquisition Date	Legal Maturity	Acquisition Price	Market Value as at 1/1/12	Market Value as at 31/12/12	Monthly Movement in Market Value		Financial Year to Date Movement in Market Value				Income Earned Net of Financial Year 2012	Income Earned Financial Year to Date	Capital Rise/Redemption Date	Anticipated Return (Managed Fund) / Redemption Coupon	Risk of Issuer/ Underlying
							Increase/Decrease in Capital Value	Increase/Decrease in Redemption	Accumulated (Redemptions)	Fees Deducted	Increase/Decrease in Capital Value	Increase/Decrease in Redemption					
					503,170	475,290	6,263	2,690	8,024	10,028	-	-	8,800	18,049	31/01/2012	8.33	Low
				503,170	475,290	475,290	2,690	-	8,024	10,028	-	-	8,800	18,049			
				5,000,000	4,958,747	4,958,747	4,195	-	19,420	24,775	-	-	19,420	39,645	31/01/2012	6.81	Low
				4,958,747	4,958,747	4,958,747	4,195	-	19,420	24,775	-	-	19,420	39,645			
				1,800,000	1,798,386	1,798,386	1,620	-	5,480	6,744	-	-	5,480	10,924	31/01/2012	4.70	Low
				1,798,386	1,798,386	1,798,386	1,620	-	5,480	6,744	-	-	5,480	10,924			
				1,429,790	1,429,020	1,429,020	2,397	-	7,950	9,883	-	-	7,950	15,933	31/01/2012	6.25	Low
				1,429,020	1,429,020	1,429,020	2,397	-	7,950	9,883	-	-	7,950	15,933			
				607,795	607,291	607,291	2,937	-	8,440	10,477	-	-	8,440	16,917	31/01/2012	6.83	Low
				607,291	607,291	607,291	2,937	-	8,440	10,477	-	-	8,440	16,917			
				1,000,230	1,000,135	1,000,135	1,170	-	4,640	5,810	-	-	4,640	9,450	31/01/2012	5.73	Low
				1,000,135	1,000,135	1,000,135	1,170	-	4,640	5,810	-	-	4,640	9,450			
				1,429,000	1,429,144	1,429,144	1,050	-	8,073	9,997	-	-	8,073	16,170	31/01/2012	6.83	Low
				1,429,144	1,429,144	1,429,144	1,050	-	8,073	9,997	-	-	8,073	16,170			
				1,000,430	1,000,129	1,000,129	2,290	-	10,540	13,136	-	-	10,540	21,776	31/01/2012	7.30	Low
				1,000,129	1,000,129	1,000,129	2,290	-	10,540	13,136	-	-	10,540	21,776			
				1,628,299	1,621,759	1,621,759	6,529	-	43,740	74,751	-	-	43,740	88,491	31/01/2012	7.49	Low
				1,621,759	1,621,759	1,621,759	6,529	-	43,740	74,751	-	-	43,740	88,491			
				5,000,000	4,815,482	4,815,482	29,500	-	148,000	290,184	-	-	148,000	300,184	31/01/2012	6.81	Low
				4,815,482	4,815,482	4,815,482	29,500	-	148,000	290,184	-	-	148,000	300,184			
				1,000,000	1,000,000	1,000,000	7,422	-	34,900	65,032	-	-	34,900	70,332	31/01/2012	5.77	Low
				1,000,000	1,000,000	1,000,000	7,422	-	34,900	65,032	-	-	34,900	70,332			
				5,439,500	5,445,984	5,445,984	29,950	-	158,100	305,216	-	-	158,100	325,516	31/01/2012	6.81	Low
				5,445,984	5,445,984	5,445,984	29,950	-	158,100	305,216	-	-	158,100	325,516			
				1,978,500	1,898,040	1,898,040	27,500	-	134,700	264,200	-	-	134,700	298,900	31/01/2012	5.79	Low
				1,898,040	1,898,040	1,898,040	27,500	-	134,700	264,200	-	-	134,700	298,900			
				2,026,400	2,007,980	2,007,980	7,200	-	39,500	78,718	-	-	39,500	78,718	31/01/2012	6.08	Low
				2,007,980	2,007,980	2,007,980	7,200	-	39,500	78,718	-	-	39,500	78,718			
				2,621,100	2,604,877	2,604,877	13,300	-	75,500	151,517	-	-	75,500	151,517	31/01/2012	4.97	Low
				2,604,877	2,604,877	2,604,877	13,300	-	75,500	151,517	-	-	75,500	151,517			
				38,200,735	38,813,467	38,813,467	142,150	-	785,862	1,397,944	-	-	785,862	1,540,806			
				38,813,467	38,813,467	38,813,467	142,150	-	785,862	1,397,944	-	-	785,862	1,540,806			
				38,709,335	38,608,792	38,608,792	133,692	-	789,429	1,377,682	-	-	789,429	1,541,900			
				38,608,792	38,608,792	38,608,792	133,692	-	789,429	1,377,682	-	-	789,429	1,541,900			

ENRICH CAPITAL (UK) BOLTON
 Accounts for all the Group's investments in the form of:
 Subsidiary
 Fair Value Through Profit & Loss Accounting - investments in the form of:
 NAB 2/10/12
 NAB 3/1/2012
 Wells Fargo Bank
 Credit Suisse
 Royal Bank of Canada
 BNP 18/03/15
 BNP 12/01/15
 Barclays
 Bank of Montreal
 Royal Bank of Scotland 2/01/12
 Royal Bank of Scotland 2/08/13
 Royal Bank of Scotland 10/01/14
 ANZ Bank
 ANZ 28/02/11
 CBA FRN 24/12/15
 CBA FRN 20/01/16
 M&P FRN Bank
 Royal Bank of Scotland 1/12/12*
 Sub Total
 Total

INVESTMENTS REPORT - 3/31/12															
PRINCIPAL BALANCES/INTEREST EARNED															
CDOs - (Notes Constant Portfolio Protection (Guaranteed))	Credit Rating at Inset Date	Acquisition Date	Legal Maturity	Acquisition Price	Monthly Movement in Market Value			Financial Year to Date Movement in Market Value			Accumulated Net Return (Manager's Fee) / Coupon	Risk of Not Being Returned			
					Market Value as of 3/31/12	Increase/Decrease in Market Value	Acquisitions/Redemptions	Fees Deducted	Market Value as of 3/31/12	Increase/Decrease in Market Value			Acquisitions/Redemptions	Fees Deducted	
GPDOs (Notes Constant Portfolio Protection (Guaranteed))															
Available for Sale - Accounting - movement through OCI															
Longreach Series 21 #	AA	2/21/2006	2/21/2012	1,000,000	867,300	20,500	51,600	3,000	57,400	3,000	57,400	3,000	57,400	0.00	LOW
Longreach Series 21 #	AA	2/21/2006	2/21/2012	1,000,000	867,300	3,000	51,600	3,000	57,400	3,000	57,400	3,000	57,400	0.00	LOW
Longreach Series 23 #	AA+	2/21/2007	10/02/2012	1,000,000	1,285,700	(4,900)	16,200	13,196	16,200	(4,900)	28,376	3,000	28,376	2.88	LOW
Longreach Series 24 # (low ZCB)	AA+	1/17/2008	1/17/2013	7,500,000	1,923,600	5,000	22,200	5,000	22,200	5,000	22,200	5,000	22,200	0.00	LOW
Longreach Series 24 # (low ZCB)	AA+	1/17/2008	1/17/2013	7,500,000	1,923,600	5,000	22,200	5,000	22,200	5,000	22,200	5,000	22,200	0.00	LOW
Korff # (low ZCB)	BBB	2/05/2008	2/05/2013	1,000,000	1,068,600	3,800	48,800	3,800	48,800	3,800	48,800	3,800	48,800	0.00	LOW
Korff # (low ZCB)	AAA	2/05/2008	2/05/2013	1,000,000	1,068,600	3,800	48,800	3,800	48,800	3,800	48,800	3,800	48,800	0.00	LOW
Sub Total				7,500,000	7,387,500	43,850	261,720	13,196	261,720	43,850	274,676	43,850	274,676	0.00	LOW
FHY (Notes Through Profit & Loss Accounting - movement through Profit & Loss)															
Longreach Series 33 #	AA	2/11/2011	2/11/2014	5,000,000	2,485,100	36,300	763,600	17,000	780,600	36,300	780,600	17,000	780,600	0.00	LOW
Longreach Series 33 #	AA	2/11/2011	2/11/2014	5,000,000	2,485,100	36,300	763,600	17,000	780,600	36,300	780,600	17,000	780,600	0.00	LOW
Dorchester # (low ZCB)	AA	1/11/2007	2/17/2012	1,000,000	917,800	4,300	36,300	36,300	36,300	4,300	36,300	4,300	36,300	0.00	LOW
Latham #	AA+	1/30/2007	1/30/2009	500,000	500,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	0.00	High
Latham #	AA+	1/30/2007	1/30/2009	500,000	500,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	0.00	High
Sub Total				8,000,000	10,282,400	97,200	1,141,500	131,196	1,141,500	97,200	1,141,500	97,200	1,141,500	0.00	High
Total				17,500,000	17,464,750	101,450	1,403,220	131,196	1,403,220	101,450	1,403,220	101,450	1,403,220	0.00	High
GPDOs (Unrated/Committed - Calculations)															
CARGO	B	2/03/2007	2/03/2012	987,450	1,000,500	6,364	73,200	42,108	73,200	6,364	115,328	6,364	115,328	8.00	Medium
Sub Total				987,450	1,000,500	6,364	73,200	42,108	73,200	6,364	115,328	6,364	115,328	8.00	Medium

CDO/COFINANCE/DEBT COLLATERAL	Credit Rating at Issue Date	Credit Rating at 31/12	Legal Maturity	Acquisition Price	Monthly Movement in Market Value			Financial Year to Date Movement in Market Value			Amortised Yield Return (Net of Capital Gains/ Losses)	Rate of Return (Net of Capital Gains/ Losses)			
					Market Value as at 1/12	Increase/Decrease in Capital Value	Interest Distributions Reinvested	Acquisition/ (Redemptions)	Market Value as at 31/12	Increase/Decrease in Capital Value			Interest Distributions Reinvested	Increase/(Decrease) in Financial Yr to Date	
															Fee Deducted
AAA CDO Finance 2001	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Experience 1	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Finance 2009	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Tosny 2009	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Miami 2001B	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Bov Global Bank 2001(10-13)	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA CDO Finance 2001A	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Experience 1 *	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Finance 2009P	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
AAA Miami 2001P *	D	AAA	2002/01/14	500,000	55,894	-	-	-	-	-	-	31/12/2008	0.00	High	
Total				7,000,000	1,125,540	18,350	14,663	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

INVESTMENTS REPORT - 3/31/12
PRINCIPAL BALANCES/INTEREST EARNED

Investment Description	Credit Rating at Issue Date	Acquisition Date	Legal Maturity	Acquisition Price	Market Value as of 3/31/12	Monthly Movement in Market Value			Fees Incurred	Market Value as of 3/31/12	Funds Year to Date Movement in Market Value			Income Earned Financial Yr to Date	Acquisitions/Redemptions	Price Valuation Date	Annualized Return Based on Current Coupon	Risk of Capital not being returned
						Increase/(Decrease) in Capital Value	Interest/Dividends/Reinvested	Acquisitions/Redemptions			Increase/(Decrease) in Capital Value	Interest/Dividends/Reinvested	Acquisitions/Redemptions					
Fixed Rate Municipal Securities																		
AAZ 2/17/13	AA	10/27/2010	12/07/2013	1,000,000	1,015,000	500	4,640	33,048	5,160	26,148	3,160	30,172	5.37	Low				
AAZ 2/14/15	AA	2/10/2011	2/10/2015	500,000	505,541	4,210	2,867	500,000	(1,655)	500,000	5,160	30,172	5.71	Low				
Total				1,500,000	1,520,541	(2,890)	7,507	830,000	3,505	77,264	8,320	60,344						
Municipal Rate Term Deposits																		
AA 8/10/2010	AA	8/10/2010	8/10/2013	2,000,000	2,000,001	-	9,311	66,043	9,311	86,043	9,311	66,043	5.31	Low				
Total				2,000,000	2,000,001	-	9,311	66,043	9,311	86,043	9,311	66,043						
Municipal Certificates of Deposit																		
BBB+ 1/10/2013	BBB+	1/10/2013	1/10/2012	2,000,000	2,000,640	-	11,311	2,084,351	2,084,351	11,311	77,263	77,263	6.10	Low				
Total				2,000,000	2,000,640	-	11,311	2,084,351	2,084,351	11,311	77,263	77,263						
Fixed Coupon Bonds																		
AA 1/25/2011	A	1/25/2011	1/25/2011	2,000,000	2,000,000	-	17,750	17,750	17,750	17,750	17,750	17,750	7.89	Low				
AA 2/15/2010	A	2/15/2010	2/15/2015	1,000,000	1,007,332	7,332	8,000	2,000,000	5,160	2,005,160	5,160	30,172	7.48	Low				
Total				3,000,000	3,007,332	7,332	25,750	3,000,000	10,320	3,010,320	10,320	47,922						
Variable Rate Convertible Bonds																		
AAA 2/27/2012	AAA	2/27/2012	2/27/2017	2,000,000	2,000,000	-	2,000	2,000,000	2,000	2,002,000	2,000	2,000,000	6.10	Low				
Total				2,000,000	2,000,000	-	2,000	2,000,000	2,000	2,002,000	2,000	2,000,000						
Securities No Longer Held (excluding Managed Funds)																		
BBB 3/30/2011	BBB	3/30/2011	3/31/2012	1,000,000	1,026,640	26,640	4,528	1,000,000	15,750	1,015,250	15,750	1,000,000	6.00	Low				
BBB+ 1/10/2011	BBB+	1/10/2011	1/10/2012	1,000,000	1,017,763	17,763	5,073	1,000,000	19,293	1,019,293	19,293	1,000,000	6.00	Low				
AA 2/10/2008	AA	2/10/2008	2/10/2017	1,450,075	1,512,865	62,790	3,698	1,450,075	42,436	1,492,511	42,436	1,450,075	6.89	Low				
BBB+ 2/17/2011	BBB+	2/17/2011	2/17/2012	2,000,000	2,000,000	-	17,837	2,000,000	17,837	2,017,837	17,837	2,000,000	6.89	Low				
GRAND TOTAL (before fees)				10,887,527	10,887,527	26,028	732,331	10,887,527	83,331	10,970,858	83,331	10,887,527						
LESS: Portfolio Fees (Aetna & Salary)																		
GRAND TOTAL				10,887,527	10,887,527	26,028	732,331	10,887,527	83,331	10,970,858	83,331	10,887,527						

* Ex Infrastructure IMT
 Bank of Cyprus is rated by Fitch
 The credit rating for the bonds in this report is the product of Fitch, Moody's and Standard & Poor's and is not a recommendation of the Council. We do not guarantee the accuracy of the information provided in this report. We do not warrant that the information provided in this report is complete or that it reflects the current market conditions. We do not warrant that the information provided in this report is accurate or that it reflects the current market conditions. We do not warrant that the information provided in this report is accurate or that it reflects the current market conditions.

TOTAL CASH & INVESTMENTS AS AT 31 JANUARY 2012	342,846
LESS ESTIMATED RESTRICTED EQUITY FOR WATER & SEWER FUNDS	
Water Fund	\$ 39,764,058
Sewer Fund	\$ 80,919,100
	\$ 120,683,158
GENERAL FUND CASH & INVESTMENTS	\$ 80,999,087
LESS TRUST FUND BALANCES AS AT 31 JANUARY 2012	\$ 1,569,634
LESS ESTIMATED RESTRICTED EQUITY FOR GENERAL FUND (developer contributions, grants, reserves etc.)	\$ 80,664,188
ESTIMATED GENERAL FUND UNRESTRICTED CASH & INVESTMENTS AS AT 31 DECEMBER 2011:	\$ 107,042,840
Unrestricted Cash & Investments as at 30 June 2011	\$ 3,014,898
2011/2012 Revenue Reverses	\$ 62,567,872
Actual Unrestricted Cash & Investments as at 30 June 2011	\$ 785,709
2011/2012 Forecast Budget Deficit (Budget Review - 31 January 2012 - to be adopted 5 March 2012)	\$ (50,454)
Estimated Unrestricted Cash as at 31 January 2012	\$ 776,255

I hereby certify that the Council's investments have been made in accordance with the Local Government Act 1982, Regulations and Council's Investment Policy.

Responsible Accounting Officer: 

"RISK ASSETS" GAIN, AS CREDIT LEADS

January was a strong month on stockmarkets around the world. While this is easily dismissed as another in the random string of good and bad months, this time it appears more based and fundamentally driven.

We examine some of the causes and the more "exotic" markets participating in this rally.

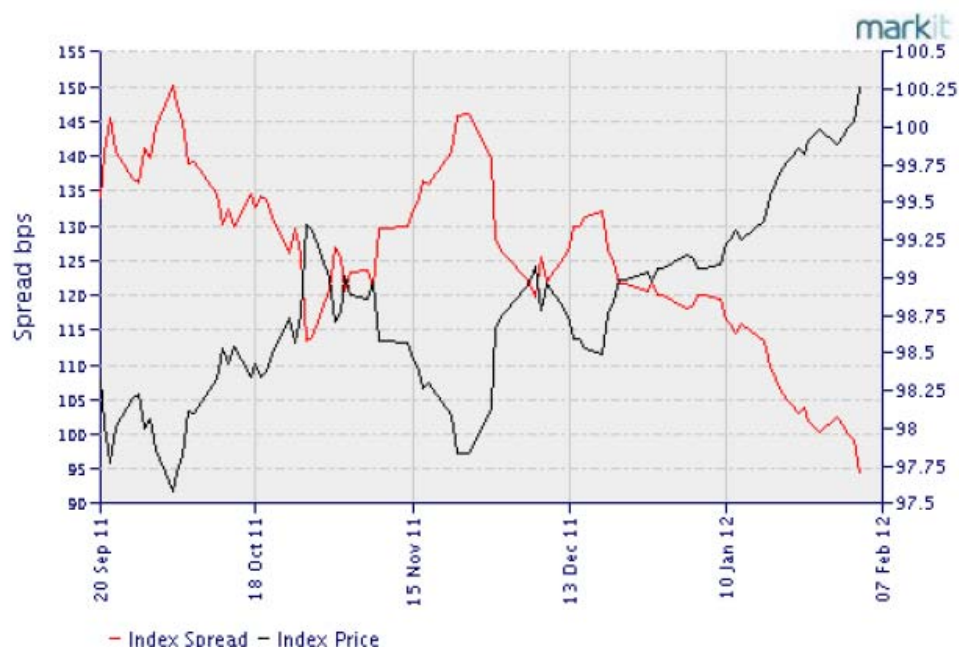
Fundamental Causes

There has been positive newsflow from the US – GDP is up (although in the traditional strongest Q4), and employment finally responding to the astronomical stimulus and borrowing costs. Property prices do look to have tentatively stabilised. Meanwhile, Europe taken strong steps to protect the banks and provide on the order of EUR1tr of funding.

This is not just liquidity-driven, although of course central bank action has been a key market driver in recent years. The US has put together a number of upside surprises in a row, and the market is receptive when a double-dip recession was conventional wisdom just 6 months ago.

Credit Markets

Credit conspicuously ignored October's stockmarket excitement – joining in late in the month but after early weakness, whereas stocks bottomed on October 4th and gained most of the month. This time other markets believed it too, and a **broad credit-led rally has a chance of being sustainable** (no guarantees!). Sectors shown are *investment grade credit*



(There is no EU bank credit being issued – why bother when the ECB lends at 1%?)

Speculative-grade loans:

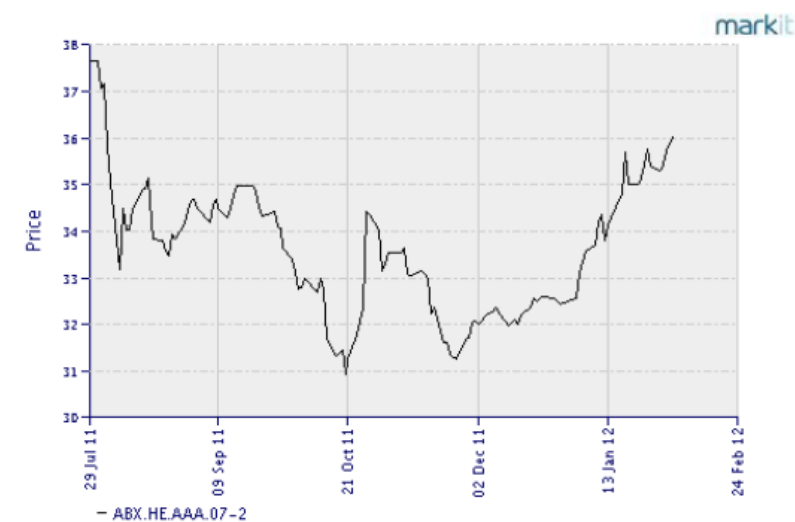
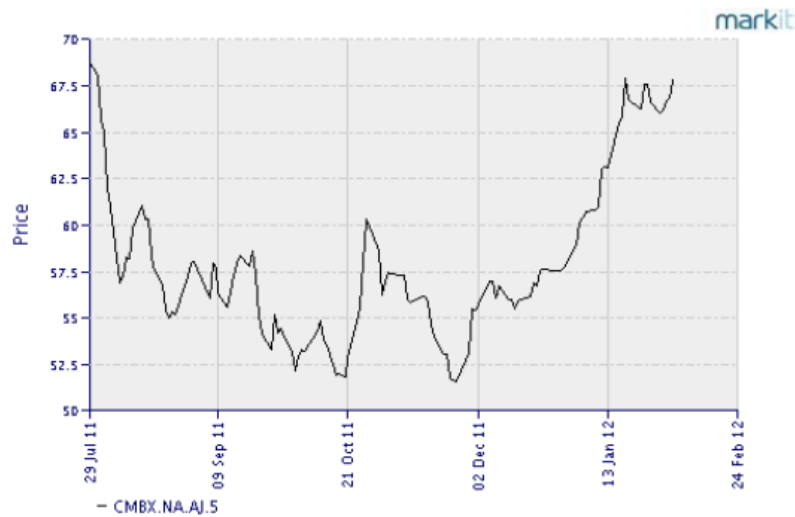
Average institutional flow-name loan bid



Source: Standard & Poor's LCD, Markit

(Again, balance sheet shrinkage is less an issue given ECB support.)

Commercial mortgages (2007 vintage junior AAA) and Sub-prime (2007 vintage junior AAA):



(Boosted by better signs in US property - likely government support, and valuation.)

International Markets

The Dow Jones and S&P 500 Index rose 3.40% and 4.36% respectively. Germany's DAX jumped 9.50%, France's CAC40 4.39% and UK's FTSE ended up 1.96%.

In Hong Kong, the Hang Seng surged 10.61%, China's Shanghai Composite Index was up 4.24% and Japan's Nikkei Index rose 4.11%.

The MSCI World Index ex-Australia, a broad measure of global stocks, rose 4.78% in local currency terms.

US 10 year Bonds were fairly resilient, ending the month at 1.80%.

Other Highlights:

US unemployment fell to 8.5% in December, down from 8.7% in November. 200,000 jobs added in December was double November's. Initial jobless claims (352,000) were the lowest since March 2008.

The Consumer Price Index (CPI) was flat in November and December ahead of a likely spike on oil prices in January.

Inflation is projected to be below the Fed's target of 2% until 2014, implying a link to their 2014 0.25% interest rate forecast.

Retail sales rose only 0.1% in December, after a 0.4% jump in November. The strong performance of retail sales in November and December has given a lift to total retail sales in the fourth quarter.

US property prices rebounded +2.3% in December, but distressed (foreclosure) volumes are rising and contracts often failing on valuations. Still, new construction is again rising.

The Producer Price Index of Finished Goods fell in December, putting the year-to-year gain at 4.8% vs. 3.8% in 2010.

The curbing trend of inflation gives the Fed freedom to ease monetary policy if economic activity shows signs of fading in the months ahead.

The European Central Bank (ECB) paused at 1.0%, after two rate cuts.

Imports of China slowed to a 10.7% year-over-year growth in December 2011, the smallest increase since late-2009. Imports of China from Germany, the driver of economic growth in Europe, have posted a significant slowdown, with the December increase amounting to a low 4.2%.

In China, reported annual GDP growth slowed to 8.9% per year from 9.1% (which we believe understates the reality and will

be revised down). Net exports detracted from growth due to the European slowdown and Asian trade interruptions.

Domestic Markets

The RBA board didn't meet in January 2012, but is forecast by the market to lower the cash rate at its February meeting.

Quarterly CPI was flat, with food and health cheaper. Underlying yearly inflation stood at 2.60% (from a revised 2.55% in the year to Q3) and remains within the RBA's 2% to 3% target while headline inflation eased from 3.6% to 3.1%. Producer prices (especially imported commodity inputs which were up 12.7%) surged over the year.

The RBA's annual credit growth measure slowed to 3.5%. It has been as high as 15%! Car sales fell 2.9% seasonally adjusted. The credit slowdown has contributed to, but does not fully explain, private unit building approvals collapsing nearly 40%. Property prices also contributed - down 4.8% YoY in the 8 capitals (Melbourne, Brisbane and Adelaide all more than 6%).

There were 29,000 jobs lost in December continuing a recent pattern of falling employment (especially full-time) disguised by falling participation. The population is growing by 260,000 p.a. - employment is not growing at all and vacancies fell 0.8% QoQ.

Australian credit markets firmed in January with the Markit iTraxx Index spread tightening by 23 bps to 158 bps. Credit markets have been strong globally.

Currency & Commodities

Gold climbed above \$1750 per ounce, while silver continued its strong run in January, now up 22.14% from its lows. Copper gained 9.5%, indicating "China slowdown" fears were overdone. M2 (money supply) increased dramatically in November, as did consumer credit.

The Australian dollar rose sharply against other major currencies in January, gaining 4.1% against the USD and trading between \$1.0170 and \$1.0637. This continued to be driven by inflows into the unique combination of a AAA sovereign bond and (by world standards) high yield (more than 2% above US bonds) as well as its commodity links. However, it continues to pressure import-competing industries, tourism and agriculture.

KEY FINANCIAL MARKET DATA – As At 31 JANUARY 2012 (UNLESS SPECIFIED)**Interest Rate Markets**

Index Performance	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
UBS Aust. Bank Bill Index	0.39%	1.19%	2.44%	4.96%	4.85%	4.37%

Key Rates	Jan-12	Dec-11	Jan-11
Australian Cash Rate	4.25%	4.25%	4.75%
90 day BBSW	4.34%	4.48%	4.92%
3 Yr Commonwealth Bonds	3.17%	3.14%	5.01%
10 Yr Commonwealth Bonds	3.77%	3.73%	5.52%
iTraxx Australia 5 Yr CDS	161bp	181bp	114bp
US Fed Funds Rate	0-0.25%	0-0.25%	0-0.25%
CDX North American 5 Yr CDS	101bp	120bp	84bp

Equity Markets

Domestic	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
S&P/ASX 200 Acc. Index	5.08%	0.06%	-1.20%	-6.58%	0.88%	11.21%
A-REIT 200 Acc. Index	5.41%	5.33%	7.66%	0.97%	3.20%	7.33%

International	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
US: S&P 500 (\$US)	4.36%	4.72%	1.56%	2.04%	10.55%	16.69%
US: NASDAQ (\$US)	8.01%	4.82%	2.08%	4.21%	14.47%	23.98%
MSCI World Acc. (Local Currency)	4.33%	3.59%	-1.51%	-3.27%	6.09%	13.65%
MSCI World Acc. (AUD)	1.31%	2.22%	-0.82%	-8.99%	-1.65%	-1.86%
FTSE (£)	1.96%	2.48%	-2.30%	-3.09%	4.64%	11.04%
MSCI Emerging Markets Acc. (\$US)	11.24%	2.39%	-10.40%	-8.91%	4.49%	24.40%

Fixed Interest Markets

Bonds	1 month	3 months	6 months	1 year	2 year p.a.	3 year p.a.
BarCap Global Agg Acc.	1.33%	3.05%	6.24%	11.89%	9.88%	9.98%
UBSA Composite Bond Acc.	0.14%	2.67%	5.05%	10.51%	8.02%	5.86%

Data*	Current Period		Previous Period	
<i>Employment Data</i>				
Employment Growth	Dec	11421	Nov	11457
Unemployment Rate	Dec	5.2%	Nov	5.3%
Participation Rate	Dec	65.2%	Nov	65.5%
<i>Lending Finance</i>				
Housing Finance	Nov	2.2%	Oct	-1.2%
Personal Finance	Nov	-7.8%	Oct	5.2%
Commercial Finance	Nov	-9.6%	Oct	16.5%
Lease Finance	Nov	15.1%	Oct	-2.4%
<i>Other</i>				
Balance on goods and services	Oct	1,595m	Sep	2,564m
Retail Sales	Oct	+0.2%	Sep	+0.4%
Building Approvals	Oct	-10.7%	Sep	-13.6%

*All data is seasonally-adjusted.

Median Fund Manager Returns (Morningstar)	1 month	3 month	6 month	1 year	2 year p.a.	3 year p.a.
Australian Equity Large Cap	4.99%	-0.23%	-1.54%	-7.06%	-0.42%	10.35%
Australian Equity Small Cap	6.50%	-0.96%	-5.12%	-9.19%	5.30%	21.93%
Global Equity Large Cap	1.89%	1.85%	-1.40%	-9.03%	-2.03%	-1.63%
Global Equity Small Cap	3.03%	1.81%	-3.62%	-12.25%	-0.46%	3.76%
Australian Fixed Income	0.37%	1.34%	2.41%	5.47%	5.89%	5.56%
Global Fixed Income	1.23%	1.63%	1.92%	5.03%	4.83%	5.77%
Australian Listed Property	5.35%	5.25%	6.73%	1.01%	2.85%	7.48%
Conservative ¹	1.05%	1.84%	2.91%	4.56%	4.96%	6.44%
Moderate ²	1.56%	1.69%	2.09%	3.14%	4.70%	6.47%
Balanced ³	2.23%	1.46%	1.23%	0.65%	3.90%	7.05%
Growth ⁴	2.84%	1.55%	0.15%	-2.21%	2.50%	7.32%
Aggressive ⁵	3.52%	1.23%	-1.27%	-5.20%	1.83%	8.84%

¹ Growth Assets 0% - 20%

² Growth Assets 20% - 40%

³ Growth Assets 40% - 60%

⁴ Growth Assets 60% - 80%

⁵ Growth Assets 80% - 100%

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CB12/41 ACQUISITION OF COUNCIL LAND BY ROADS & MARITIME SERVICES

Purpose:

The purpose of this report is to obtain approval to accept the compensation offered by the Roads & Maritime Services (RMS) for the compulsory acquisition of three Council parcels of land.

Description of Item:

The upgrading of the Pacific Highway by the RMS from Sapphire to Mullaway has been progressing. As part of the project, road widening has been required to accommodate the works. Three Council properties have been affected by the road widening and are described as Lot 18 DP 1169460, Lot 12 DP 733077 and Lot 72 DP 788215 at Emerald Heights. Attached to this report is a plan showing the location of the land parcels.

Lots 12, 18 and 72 are approximately one metre in width and located on the western side of the existing Pacific Highway along the rear boundaries of approximately thirteen rural residential properties on Emerald Heights Drive and along the rear and side boundaries of three rural residential properties on Casuarina Court.

Lot 12 extends from the south-eastern rear corner of 73 Emerald Heights Drive for approximately 1,172 metres to the north-eastern rear corner of 5 Emerald Heights Drive.

Lot 72 is 1 metre wide and approximately 30 metres in length, extending from the northern end of Lot 12 along the rear boundary of 1 Emerald Heights Drive.

The southern portion of Lot 18 is located at the rear south-eastern corner of 6 Casuarina Court and runs along the rear boundary of 8 Casuarina Court and along the eastern side boundary of 9 Casuarina Court. The area of the lots is as follows:-

Area	Lot 12 Deposited Plan 733077	1,172.0 square metres
	Lot 18 Deposited Plan 1169460	306.6 square metres
	Lot 72 Deposited Plan 788215	29.67 square metres
	TOTAL	1,508.27 square metres

Lots 12, 18 and 72 are currently zoned 7B – Environmental Protection – Scenic Buffer under Coffs Harbour Local Environmental Plan 2000.

The acquisition by the RMS of Lots 12, 18 and 72 was completed by Compulsory Acquisition and the matter was gazetted on 9 March 2012.

The RMS have commissioned valuations on the above land which have been completed by Land & Property Information Valuation Services. The valuation assessments for the three lots is \$4,600.

In line with the above valuations, the RMS have offered Council the above amount as compensation for the acquisition of this land. There is no GST assessable.

Sustainability Assessment:

- **Environment**

There are no issues related to the land being disposed of.

- **Social**

There are no issues related to the land being disposed of.

- **Civic Leadership**

There are no issues related to the land being disposed of.

- **Economic**

Broader Economic Implications

There will be no impact on the broader economy.

Delivery Program/Operational Plan Implications

The funds received from the disposal of the land parcels will be put to General Revenue.

Issues:

The amounts offered as compensation for these three small parcels of land are considered by Council's Senior Valuer to be fair and reasonable and acceptance is recommended.

Implementation Date / Priority:

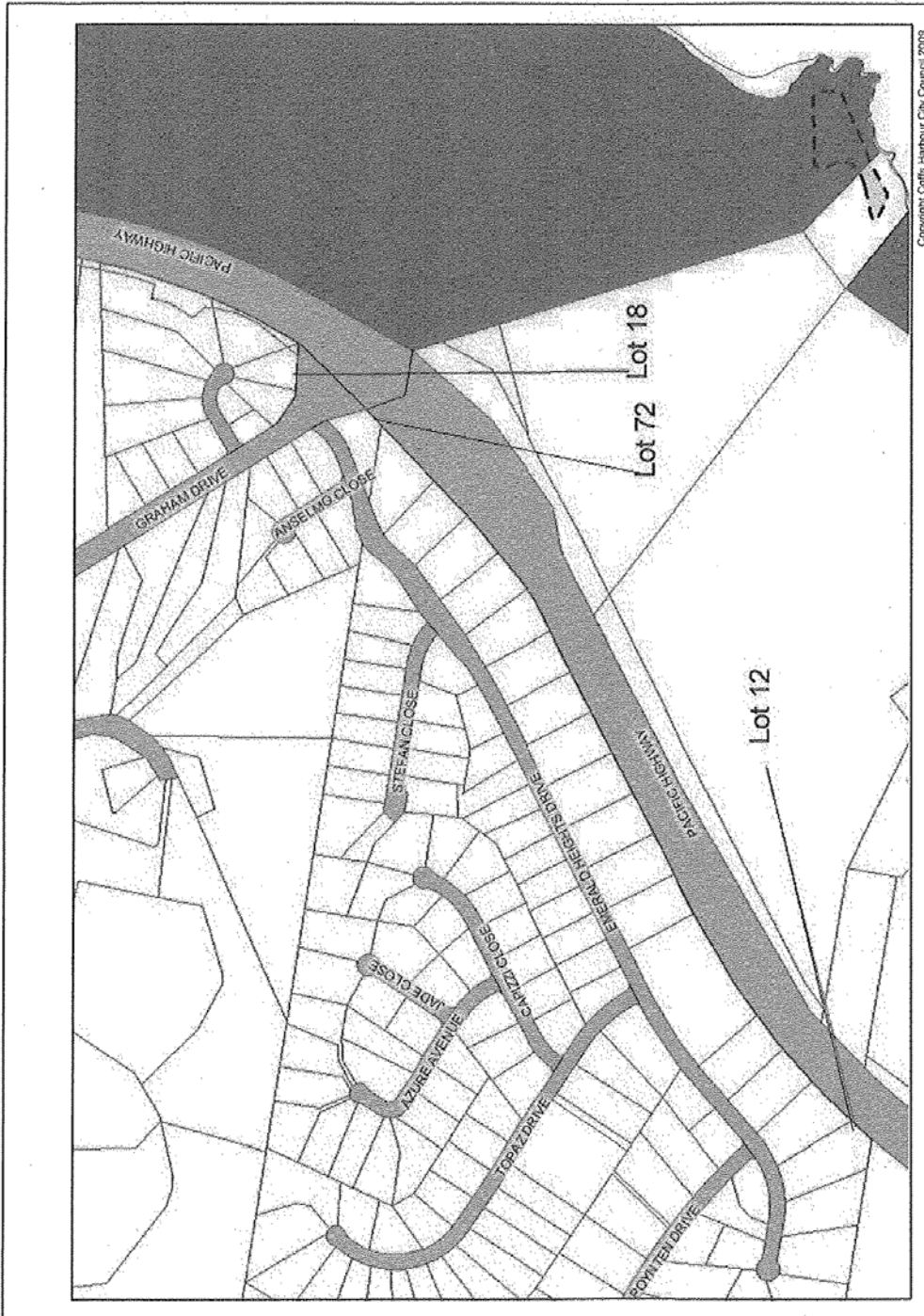
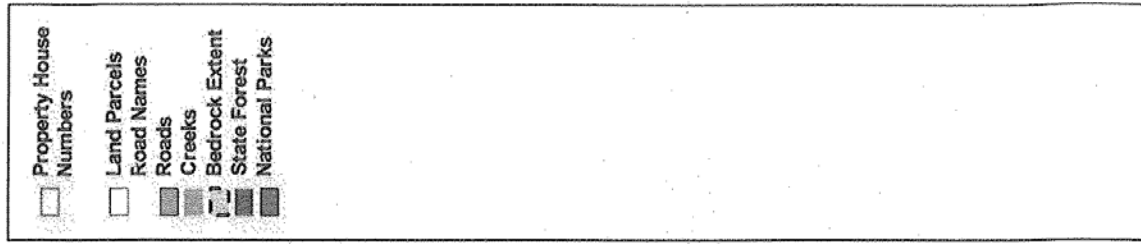
The matter will be actioned immediately.

Recommendation:

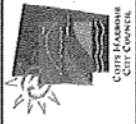
1. That Council accept the amount of \$4,600 as full and final compensation for the transfer of Lots 12 DP 733077, Lot 18 DP 1169460 and Lot 72 DP 788215 to the RMS.
2. That Council execute under seal all necessary documents associated with this matter.

Craig Milburn
Director, Corporate Business

Attachments:



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Projected Coordinate System - GDA 1994, MGA Zone 56



CITY SERVICES DEPARTMENT REPORTS

CS12/19 COMMITTEE MEMBERSHIP

Purpose:

To recommend to Council appointment of a community member to a facility management committee.

Description of Item:

This report seeks approval from Council for appointments to the following committees:

- Bayldon Community Centre Management Committee

Sustainability Assessment:

- **Environment**

There are no environmental issues associated with this report.

- **Social**

The valuable contribution made by community members in the various roles of management and advisory committees adds to the significant social capital and sense of connectedness, while also providing a service Council would otherwise be unable to provide.

- **Civic Leadership**

This approach is addressed in Coffs Harbour 2030 through:

LC1 We are healthy and strong

LC1.3 We live in a safe, caring and inclusive community

LC1.3.2 Build community structures based on the values of care, inclusion and connectedness

LC1.3.3 Promote the importance of being party of a community

- **Economic**

Broader Economic Implications

There are no economic implications of the recommendations in this report.

Delivery Program/Operational Plan Implications

There are no delivery program or operational plan implications of the recommendations in this report.

Consultation:

Consultation has been undertaken with the existing members of the relevant committee.

Related Policy and / or Precedents:

This process is in line with precedents set in the past.

Statutory Requirements:

This addresses requirements under the Local Government Act.

Issues:

The following community member has expressed interest in participating on the below committee. This nomination has been approved for recommendation to Council at a relevant committee meeting:

- Bayldon Community Centre Management Committee
Mr Graham Campbell

Implementation Date / Priority:

The relevant committee and prospective member will be notified immediately following Council's decision.

Recommendation:

That the following committee member nomination be appointed to the relevant committee:

- **Bayldon Community Centre Management Committee
Mr Graham Campbell**

Purpose:

To seek approval from Council to appoint the Aboriginal Community Development Officer as an official voting member of the Yandaarra Aboriginal Consultative Committee.

Description of Item:

Coffs Harbour City Council originally created an Aboriginal Consultative Committee in the late 1990's to provide a mechanism for an ongoing and productive working relationship between Coffs Harbour City Council and the local Aboriginal community. This committee provides a platform for facilitating advice and policy development relating to Aboriginal issues within the Coffs Harbour City Council Local Government Area.

Currently Yandaarra has 13 members which consist of eight community members and five Council representatives consisting of Councillors and staff.

Sustainability Assessment:

- **Environment**

There are no environmental impacts associated with this report.

- **Social**

The Yandaarra Aboriginal Consultative Committee is a valuable consultation mechanism which assists in strengthening the relationship between Council and the Aboriginal community. To appoint the Aboriginal Community Development Officer as an official member is a positive strategy to build on the capacity of the Yandaarra and Council's liaison role.

- **Civic Leadership**

This committee contributes towards achieving the outcomes of the 2030 Plan and is directly connected to the "Looking After Our Community" theme and assisting with Aboriginal community connection and engagement.

- **Economic**

Broader Economic Implications

There are no associated budgetary implications.

Delivery Program/Operational Plan Implications

This proposal does not require any changes to Council's Delivery Program/Operational Plan.

Consultation:

Consultation occurred at the Yandaarra Consultative Committee meeting held on 8 May 2012. It was agreed and minutes that a recommendation be forwarded to Council to seek approval for the Aboriginal Community Development Officer to be an official member.

Related Policy and / or Precedents:

The other Council staff members on Yandaarra are official voting members.

Statutory Requirements:

There are no statutory requirements to be considered.

Issues:

Having the Aboriginal Community Development Officer as an official voting member will also assist Yandaarra with achieving a regular quorum and allow for the provision of ongoing assistance to the committee.

Implementation Date / Priority:

It is anticipated that the Aboriginal Community Development Officer be appointed as an official member prior to the next Yandaarra meeting which is scheduled for 26 June 2012.

Recommendation:

That Council's Aboriginal Community Development Officer be appointed as an official voting member of the Yandaarra Aboriginal Consultative Committee.

**Jenni Eakins
Acting Director, City Services**

LAND USE HEALTH & DEVELOPMENT DEPARTMENT REPORT

L12/16 DEVELOPMENT APPLICATION 602/12 – SUBDIVISION (BOUNDARY ADJUSTMENT) – LOT 46, DP 833588 AND LOT 441, DP 805307 NO. 386A AND 410 GLENIFFER ROAD, BONVILLE

Purpose:

This report describes Development Application 602/12 for a boundary adjustment.

The properties the subject of the proposed development are Lot 46, DP 833588, No. 386A Gleniffer Road and Lot 441, DP 805307, No. 410 Gleniffer Road, Bonville. Conditional approval of the application is recommended. The following map details the existing lot configuration.



Description of Item:

The subject lots are located on Gleniffer Road, Bonville. Each lot contains an existing dwelling house and ancillary structures. Both lots are presently used for agricultural purposes.

These lots adjoin small rural holdings primarily used for rural living or agricultural purposes.

Lots 441 and 46 are currently 9.9 hectares and 8.35 hectares in size respectively.

The purpose of the proposed boundary adjustment is to provide existing Lot 441 with additional land to allow for the expansion of grazing area and to provide a more functional property boundary for each of the lots to the centreline of the creek traversing Lot 46.

The proposal will change the lot areas to 11.9 hectares and 6.35 hectares in size. Both lots will continue to gain access via existing arrangements.

A copy of the proposed subdivision is included in this report as Appendix B.

The Development Application file, including the application (and all supporting documents) and plans will be available in the Councillor's room for perusal prior to consideration by Council and also at the Council meeting.

Sustainability Assessment:

- **Environment**

The proposed boundary adjustment will provide existing Lot 441 with additional land to allow for the expansion of grazing area and to provide a more functional property boundary for each of the lots to the centreline of the creek traversing existing Lot 46.

Both existing Lots 441 and 46 contain areas of secondary koala habitat. Much of this vegetation is contained within an Environmental Protection 7A Habitat and Catchment Zone, any vegetation removal within this area would require development approval in accordance with Council's Tree Preservation Order. The applicant has advised that the proposed subdivision will not incorporate vegetation removal.

The proposal is supported by Council's Biodiversity section.

The proposal is not likely to result in any significant environmental impacts.

- **Social**

The proposed development is not expected to result in any significant adverse social or economic impacts in the locality.

- **Civic Leadership**

The proposed development has been assessed in accordance with the provisions of the Environmental Planning and Assessment Act 1979 and all relevant Council controls and policies.

- **Economic**

Broader Economic Implications

There are no broader economic implications resulting from the proposal.

Delivery Program/Operational Plan Implications

There are no implications for Council's Delivery Program/adopted Operational Plan.

Consultation:

The application was notified to one adjoining landowner (No. 408 Gleniffer Road). This property is bordered by the lots the subject of the boundary adjustment. No submission was received in relation to the application. It is considered that the proposed development is unlikely to result in any adverse impacts in the locality.

The application has been reviewed by the NSW Rural Fire Service and an unconditional Bushfire Safety Authority has been issued.

The application has been reviewed by the NSW Department of Planning & Infrastructure who has issued their concurrence to vary the development standard in this instance.

Related Policy and / or Precedents:

The application is reported to Council for determination as required by the Department of Planning Circular PS08-014 of 14 November 2008 "Reporting Variations to Development Standards".

Statutory Requirements:

- **Planning Circular PS 08-014 – Reporting Variations to Development Standards**

In November 2008 the then Department of Planning (DoP) issued a Planning Circular outlining new requirements in relation to the determination and reporting of development applications involving variations to development standards under State Environmental Planning Policy No.1 – Development Standards (SEPP No.1). This circular requires that all applications where there has been a variation greater than 10% in standards under State Environmental Planning Policy No.1 – Development Standards be determined by full Council rather than under delegated authority.

Clause 18 (5A) (c) of LEP 2000 provides that Council may grant consent to the subdivision of land that comprises a boundary adjustment only if each proposed allotment comprises an area of at least 10 hectares. As outlined above, the proposed boundary adjustment seeks to create lots 11.9 hectares and 6.35 hectares in size.

As the proposal will result in lots that do not meet the required standard the applicant has submitted an objection pursuant to SEPP No.1 in support of the proposal. The SEPP No.1 objection is considered in detail in the Section 79C assessment appended to this report.

Given that the proposal involves a variation of greater than 10% to the required standard the application is referred to Council for determination, as per the requirements of the Circular.

• **Section 79C Evaluation:**

Section 79C of the Environmental Planning and Assessment 1979, specifies the matters which a consent authority must consider when determining a development application. The consideration of matters is limited in so far as they must be of relevance to the particular application being examined.

The Section 79C evaluation is appended to this report and provides a detailed assessment of the application.

• **Relevant Statutory Instruments:**

- North Coast Regional Environmental Plan (deemed State Environmental Planning Policy);
- State Environmental Planning Policy No. 1 – Development Standards;
- State Environmental Planning Policy (Rural Lands) 2008;
- Coffs Harbour City Local Environmental Plan 2000;
- Rural Lands Development Control Plan; and
- Subdivision Development Control Plan.

Each of these statutory instruments is considered in detail in the Section 79C assessment appended to this report.

Issues:

This application proposes a variation to a development standard. The proposed boundary adjustment will not result in any additional allotments or dwelling entitlements. The proposal meets the objectives of the 1A Agriculture zone and will support agricultural pursuits in the area. The lots created via the boundary adjustment are compatible with the rural locality.

Implementation Date / Priority:

The Development Consent is valid for five years from the date of issue. The consent may or may not be acted upon. The consent may be acted upon immediately following issue date or delayed until closer to the expiry date of the consent. When the consent is acted upon is a matter of the discretion of the property owner/developer.

Recommendation:

1. **That the objections under SEPP No. 1 - Development Standards for the variation to the minimum allotment size under Clause 18(5A) of Coffs Harbour Local Environmental Plan 2000 be supported in this particular case.**
2. **That Development Application 602/12 for Boundary Adjustment at Lot 46, DP 833588, No. 386A Gleniffer Road and Lot 441, DP 805307, No. 410 Gleniffer Road, Bonville be approved subject to conditions appended to this report (Appendix C).**

**Section 79C Evaluation
Development Application 602/12**

a. the provisions of,

i. any environmental planning instrument, and

- ***State Environmental Planning Policy - North Coast Regional Environmental Plan***

The North Coast Regional Environmental Plan is a deemed State Environmental Planning Policy. The proposal is considered to be consistent with the aims and objectives of the Plan. There are no provisions of the Plan that are of particular relevance to the current application.

- ***State Environmental Planning Policy No.1 – Development Standards***

State Environmental Planning Policy No.1 (SEPP No.1) aims to provide for flexibility in the application of planning controls and provides a mechanism by which a development standard may be varied where it can be shown that: strict compliance with the standard is unreasonable or unnecessary; the proposed development satisfies state, regional or local planning objectives; and the proposed development is consistent with the underlying objective of the standard. Where Council is satisfied that the objection is well founded, having regard to the above considerations, consent may be granted to a development that does not meet the relevant development standard.

The applicant has submitted an objection to Clause 18(5A) (c) of the Coffs Harbour Local Environmental Plan 2000 (LEP), pursuant to SEPP No.1. Clause 18 (5A) (c) of the LEP specifies that consent may be granted to a boundary adjustment involving land zoned 1A Agriculture and 7A Environmental Protection where both allotments comprise an area of at least 10 hectares. The proposed boundary adjustment will result in lots which will be 11.9 hectares and 6.35 hectares in size.

In support of the proposal the applicant contends that the proposed boundary adjustment will support agricultural activities on each of the lots and provide a more functional property boundary for each lot to the centreline of the creek traversing Lot 46.

It is considered that the proposal and accompanying objection satisfy the requirements of SEPP No.1 and that the objection is well founded.

As per the concurrence arrangements for boundary adjustments issued by the Department of Planning (under Circular No.B1) the subject application was referred to the Department of Planning and Infrastructure seeking concurrence to vary the standard contained in Clause 18(5A)(c) of the Coffs Harbour Local Environmental Plan 2000. The Department has issued their concurrence in this instance.

- ***Planning Circular PS 08-014 – Reporting Variations to Development Standards***

In November 2008 the then Department of Planning (DoP) issued a Planning Circular outlining new requirements in relation to the determination and reporting of development applications involving variations to development standards under State Environmental Planning Policy No.1 – Development Standards (SEPP No.1). This circular requires that all applications where there has been a variation greater than

10% in standards under State Environmental Planning Policy No.1 – Development Standards be determined by full Council rather than under delegated authority.

Clause 18 (5A) (c) of the LEP 2000 provides that Council may grant consent to the subdivision of land that comprises a boundary adjustment only if each proposed allotment comprises an area of at least 10 hectares. As outlined above, the proposed boundary adjustment seeks to create lots 11.9 hectares and 6.35 hectares in size.

As the proposal will result in lots that do not meet the required standard the applicant has submitted an objection pursuant to SEPP No.1 in support of the proposal. The SEPP No.1 objection is considered in detail above. It is considered that the proposal and accompanying objection satisfy the requirements of SEPP No.1 and that the objection is well founded

Given that the proposal involves a variation of greater than 10% to the required standard the application is referred to Council for determination, as per the requirements of the Circular.

- ***State Environmental Planning Policy – Rural Lands***

The proposal is considered to be consistent with the aims and planning principles outlined in the Plan. As outlined above, the proposed boundary adjustment will allow for the expansion of agricultural practices on Lot 441 and will retain sufficient land area for continued use of Lot 46 for agricultural pursuits. Clause 10 of the SEPP includes the matters which Council is required to take into consideration in determining development applications for rural subdivisions or rural dwellings. Clause 10 matters have been taken into consideration in the assessment of the proposed development. The proposed subdivision will have no adverse impact on existing and approved uses in the vicinity of the development.

- ***Mid North Coast Regional Strategy***

The Mid North Coast Regional Strategy provides regional parameters for future strategic planning and complements and informs other relevant State planning instruments. The proposed subdivision is consistent with the objectives of the Strategy.

- ***Coffs Harbour City Local Environmental Plan (LEP) 2000***

Zoning

The subject lots are zoned Rural 1A Agriculture and partially Environmental Protection 7A Habitat and Catchment. The proposed development is defined as ‘subdivision of land’, which is identified as permissible with consent in both the 1A and 7A zone.

Clause 12 - Koala Habitat

Parts of both lots are mapped as secondary koala habitat. The proposed development does not require the removal of any vegetation. The application has been supported by Council’s Biodiversity Section. The proposal is not expected to have any significant impacts on koala habitat and is considered to satisfy the requirements of Council’s Koala Plan of Management relating to secondary koala habitat areas.

Clause 18 (5A) – Subdivision of Land (Boundary Adjustments)

Clause 18 (5A) specifies that Council may grant consent to a boundary adjustment involving land zoned 1A Agriculture where it can be demonstrated that:

- (a) The development will not result in the creation of any additional allotments or dwelling entitlements; and
- (b) Each proposed allotment contains only one of the existing dwellings; and
- (c) Each proposed allotment comprises an area of at least 10 hectares; and
- (d) If the land is within the 1A zone and part of the land is in the 7A zone that the long-term management of the 7A land will be assisted.

The proposed boundary adjustment is considered to meet the requirements of Clause 18 (5A). The proposal will not result in any additional lots or dwelling entitlements. It is considered the long-term management of the 7A zoned land will be assisted by the proposed boundary adjustment.

Clause 23 – Environmental Hazards

The site is identified as bushfire prone. The proposed development, therefore, constitutes 'integrated development' and was referred to the NSW Rural Fire Service (RFS) for general terms of approval. The RFS has issued an unconditional Bushfire Safety Authority for the development.

Clause 23A – Development on flood prone land

Parts of the subject lots are identified as flood prone land. Further investigations in relation to flooding have not been undertaken for the proposed development, the proposal is for boundary adjustment only.

ii. The provisions of any draft environmental planning instrument

There are no draft environmental planning instruments applicable to this application.

iii. any Development Control Plan (DCP)

• Subdivision DCP

The proposed boundary adjustment is considered to be consistent with the provisions of the Plan. The proposal is consistent with the rural character of the locality and provides for appropriate access for both proposed lots.

• Rural Lands DCP

The proposal is considered to be consistent with the provisions of the Plan. The proposal encourages the use of existing agricultural land for the expansion of agricultural activities.

iv. the regulations (to the extent that may prescribe matters for the purposes of this paragraph), that apply to the land to which the development application relates,

Clause 92 of the Environmental Planning and Assessment Regulations 2000 requires that the NSW Coastal Policy 1997, be considered in the determination of development applications. As the subject site is not located within the coastal zone, the provisions of the Policy do not apply.

b. the likely impacts of that development, including environmental impacts, on both the natural and built environments, and social and economic impacts in the locality,

1. The Natural Environment

Both existing Lots 441 and 46 contain areas of secondary koala habitat. Much of this vegetation is contained within an Environmental Protection 7A Habitat and Catchment Zone, any vegetation removal within this area would require subsequent Council approval in accordance with Council's Tree Preservation Order. The applicant has advised that the proposed subdivision will not require or incorporate vegetation removal.

The proposal is supported by Council's Biodiversity section.

The proposal is not likely to result in any significant environmental impacts.

2. Social and Economic Impacts

The proposed development is not expected to result in any significant adverse social or economic impacts in the locality.

c. the suitability of the site for the development,

It is considered that the attributes of the site are conducive to the proposed development. The proposal will result in lots that are 11.9 hectares and 6.35 hectares in size. The proposed boundary adjustment will provide a more functional common "creek" boundary.

d. any submissions made in accordance with this Act or the regulations,

The application was reviewed by the NSW Rural Fire Service (RFS). The RFS has issued an unconditional Bushfire Safety Authority.

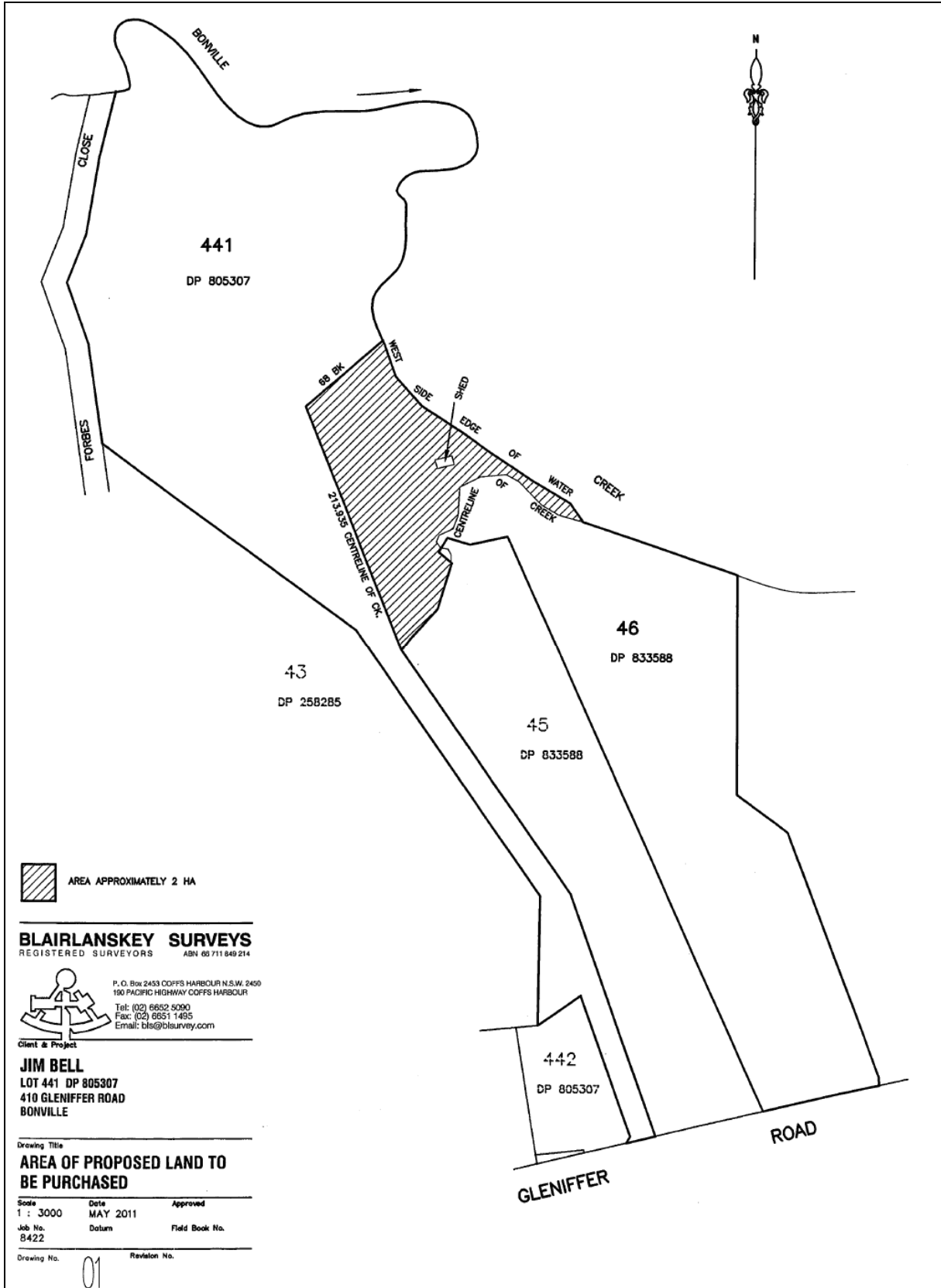
e. the public interest:

The proposed development does not present any issues that are contrary to the public interest.

Boundary Adjustment Policy (Department of Planning)

The Boundary Adjustment Policy adopted by the Department of Planning and Infrastructure (then Department of Infrastructure, Planning and Natural Resources) aims to facilitate sustainable farm adjustments in rural areas and contains five principles. The proposal satisfies the requirements of the Policy. Specifically, the proposal will not result in a net increase of lots or dwelling entitlements, and the proposal meets the objectives of the Rural 1A Agriculture zone. Further, the proposed adjustment is consistent with character of the surrounding locality, which includes a combination of rural living and agricultural activities. The proposal is not expected to result in any rural land use conflicts.

Proposed Subdivision Configuration
Development Application 602/12



Proposed Conditions of Development Consent

ADMINISTRATIVE CONDITIONS

Development Description:

1. Development consent is granted only to carrying out the development described in detail below:
 - *Subdivision (Boundary Adjustment)*

Prescribed Conditions:

2. The proponent shall comply with the prescribed conditions of development approval under Clauses 97A, 98, 98A - E of Environmental Planning and Assessment Regulation 2000 as are of relevance to this development.

Development is to be in accordance with approved plans:

3. The development is to be implemented in accordance with the plans and supporting documents set out in the following table except where modified by any conditions of this consent (Development Consent No. 602/12).

Plan No. / Supporting Document(s)	Dated
Plan No. 01, prepared by Blairlanskey Surveys	May 2011

In the event of any inconsistency between conditions of this development consent and the plans/supporting documents referred to above, the conditions of this development consent prevail.

The approved plans and supporting documents endorsed with the Council stamp and authorised signature must be kept on site at all times while work is being undertaken.

Purpose:

The purpose of this report is to:

1. Present the draft Coffs Harbour Development Control Plan (DCP) 2012 (to accompany the draft Coffs Harbour Local Environmental Plan (LEP) 2012) to Council to enable exhibition; and
2. To identify issues where additional strategic work and resource allocation is required.

The draft DCP 2012 will be the sole DCP to apply to the entire local government area (LGA), repealing all existing DCPs, upon gazettal of draft LEP 2012.

The report recommends Council adopt the draft DCP 2012 for public exhibition purposes for a period of six weeks concurrent with draft LEP 2012.

A copy of draft DCP 2012 has been separately made available for perusal by Councillors and is separately appended to this report.

The report provides Council with a list of matters that require additional (future) resourcing to find appropriate solutions and future integration into Council's strategic planning framework.

Description of Item:

The Environmental Planning and Assessment (EP&A) (Infrastructure and other Planning Reform) Act 2005 amended the requirements for DCPs under the EP&A Act and introduced a requirement that only one DCP (per planning authority) may apply to the same land.

Council has prepared its draft LEP 2012, in accordance with the State Government's Standard Instrument (LEPs) Order 2006 and several Council resolutions; has progressed to seek approval from NSW Planning and Infrastructure (P&I) to publicly exhibit the draft LEP 2012.

It is appropriate to progress the LGA wide draft DCP 2012 to allow its concurrent exhibition with the LGA wide draft LEP 2012.

The draft DCP 2012 is essentially a transition from the current multiple DCPs, integrated into a single document to accord with the Standard LEP Orders. Some modification to the provisions and controls of the DCP has been integrated based on new legal requirements, State Government determinations, Council resolution or new Council policy.

Sustainability Assessment:

Any amendment to a DCP has to consider the environmental, social and economic sustainability criteria. In order to provide appropriate controls to assess development, the proposed land uses under each zone were considered with the preparation of draft LEP 2012.

- **Environment**

Many of Council's existing DCPs have been prepared using basic fauna and flora analysis; soil erosion and sediment control analysis; soil contamination analysis; archaeological reports; bushfire analysis; traffic reports; flood assessment and visual assessment.

Since the preparation of the existing DCPs, further assessment work has been carried out during:

- (i) the preparation of the Industrial Lands Strategy;
- (ii) the preparation of the Employment Lands Strategy;
- (iii) the preparation of several Local Environmental Studies accompanying LEP amendments; and
- (iv) numerous statements of environmental effects prepared for developments, including Environmental Impact Statements (EISs) and comprehensive Environmental Assessment Reviews for Major Projects.

This work has been considered and incorporated into proposed changes to the DCP where appropriate and practicable.

- **Social**

The draft DCP 2012 seeks to promote and improve the equitable provision of social services, health and safety for residents, and to protect and enhance the character and amenity of our communities.

- **Civic Leadership**

The preparation of the draft DCP 2012 will implement appropriate and relevant actions of the Coffs Harbour 2030 Plan to achieve the following outcomes:

- a strong and diverse local economy underpinned by sustainable business and industry;
- a lively and diverse City where people live, work and play;
- sustainable living by using best practice urban design and infrastructure development to create attractive buildings;
- a diverse range of housing options that are affordable and adaptable for all the community;
- urban spaces that are functional, accessible and useable by all the community;
- a vibrant rural community where our unique villages are revitalized and maintained whilst supporting local tourism based on local produce, arts, culture and nature;
- integrated, accessible, eco focused transport system achieved by implementing plans and policies with cycleways, walking tracks and footpaths; and
- a transport system and road network that is well maintained safe and functional.

By implementing these community endorsed actions, through appropriate objectives and controls in the draft DCP 2012, Council demonstrates a decision making process that is integrated and transparent.

- **Economic**

Broader Economic Implications

The draft DCP 2012 aims to improve our LGA as a place to live, work and play. The controls seek to improve educational and employment opportunities; foster business and industry opportunities to provide improved and more efficient use of current and future infrastructure resulting from new development.

Delivery Program/Operational Plan Implications

The preparation of the draft DCP 2012 is a component of the draft LEP 2012. This project is endorsed under Council's adopted Delivery Program and Operational Plan.

The draft document has been primarily prepared "in-house" using existing skills and staff resources, thus ensuring costs to Council were kept to a minimum.

Consultation:

Preparation of the draft DCP 2012 has been coordinated by Land Use Planning with consultation and liaison with relevant branches of Council.

This process included the formation of an internal working group (IWG) to guide the project.

External liaison with relevant government agencies has assisted in finalising the draft DCP 2012. Matters raised by Government agencies and Council branches have been included in the draft DCP 2012.

A draft community engagement plan has been prepared for draft LEP 2012 and will be updated and finalized once approval has been received to exhibit the draft Plan.

Councillor briefing sessions have been carried out.

It is proposed to place the draft DCP 2012 on public exhibition for a period of six weeks concurrent with the draft LEP 2012 to gain community feedback. Community information sessions will be held during the public exhibition process to assist to inform the community.

Upon completion of the public exhibition phase, a further report will be prepared for Council consideration. That report will address submissions received and issues raised and will provide feedback and recommendations to enable Council to adopt a final version of the DCP 2012.

The draft DCP 2012, once adopted by Council, will be enforceable upon gazettal of draft LEP 2012.

Related Policy and / or Precedents:

The draft DCP 2012 is consistent with the following:

- The Mid North Coast Regional Strategy;
- State Environmental Planning Policies;
- The Coffs Harbour 2030 Plan;
- The Our Living City Settlement Strategy;
- The Industrial Lands Strategy;
- The Rural Residential Strategy;
- The Employment Lands Strategy; and
- Planning Practice Notes issued by the NSW Planning and Infrastructure.

Statutory Requirements:

In preparing draft DCP 2012, Council is required to ensure it is consistent with the provisions of Division 6 of the EP&A Act 1979; Part 3 of the EP&A Regulations 2000; Ministerial directions and planning practice notes.

The draft DCP 2012 complies with this requirement.

Issues:

- **DCP Revision**

Council currently has a set of 32 DCPs, 17 of which are locality specific and 15 that are issue or development based.

Council's primary task is to revise these DCPs and to prepare a single DCP to apply throughout the LGA in accordance with legislative requirements.

The revision process involved consultation with the IWG to essentially guide what DCPs are used; which ones need revision; and what could be improved.

The draft DCP 2012 presented has been prepared as an outcome of this revision process.

- **Draft DCP Format**

While the general format of a DCP is a matter for the discretion of the Council, Division 6 of the EP&A Regulations provides details of what matter can be contained within a DCP.

The format of the draft DCP 2012 has been prepared to:

- (i) provide an easily understood document detailing Council's requirements in regard to development applications; and
- (ii) provide a new/different approach to information conveyed so that it is clear the DCP relates to draft LEP 2012 and is not applicable to LEP 2000.

- **Project Timing**

The draft DCP 2012 must be endorsed by Council so that it can be enforced upon gazettal of draft LEP 2012.

- **Administrative Matters**

The draft DCP 2012 is a revised document with some new criteria and/or requirements. As such, fact sheets using plain English have been prepared to accompany the public exhibition document for use by the general public, Council staff and consultants to assist with education of the new document/process.

The draft DCP 2012 will be readily available on Council's website for community access.

The draft DCP 2012 will be on public exhibition with draft LEP 2012.

- **Issues Identified During DCP Preparation Process Needing Further Attention**

1. **South Coffs Release Area**

The relevant controls contained in the (existing) South Coffs DCP have been rolled over into the draft DCP 2012 document. However a number of issues still exist that are relevant to the South Coffs release area. These issues include:

- Lack of specific controls for the lands zoned B6 Enterprise Corridor under draft LEP 2012, located adjacent to east of the Pacific Highway. Whilst generic controls exist for these lands, it is considered that more site specific controls are appropriate and should be investigated.
- Lack of specific controls for the lands zoned IN1 General Industry under draft LEP 2012, located adjacent to west of the Pacific Highway. Again, whilst generic controls exist for these lands, it is considered that more site specific controls are appropriate and should also be investigated.

2. **Moonee Release Area and Estuary Management Plans**

The following issues that are relevant to the Moonee release area require action by Council:

- Council needs to take a firm position on the recommendations contained in the Moonee Creek Estuary Management Plan (MCEMP), specifically the buffer to Skinners Creek. The MCEMP was prepared after the Moonee Beach DCP. The current Moonee DCP specifies a riparian buffer of 50m to Skinners Creek, contrary to the recommendations of the MCEMP. A review of the buffer to Skinners Creek should be undertaken as it will impact on the provisions of the DCP.

It should also be noted that the preparation of the Coastal Zone Management Plan (CZMP) and any future Estuary Management Plans (EMP) will also need to trigger a concurrent DCP review to establish the most appropriate DCP controls to meet the objectives of the CZMP and EMP(s).

Council will also be aware of the ongoing issues surrounding the rezoning of lands in the Moonee Beach area adjacent to Skinners Creek, and the complications surrounding the provision of open space lands. Council also needs to establish which lands zoned for open space are to be dedicated to Council, and at what cost.

This matter forms a component of a future Section 94 Contribution Plan review process.

3. Former Environment Protection 7B Scenic Buffer Zone

The aim of the 7B zone, under LEP 2000, is *to protect the scenic qualities of the Pacific Highway*. The zone, under LEP 2000, is a 20 metre wide strip that intermittently runs the length of the Pacific Highway from the southern border of the Coffs Harbour LGA to the northern border of the LGA. The 20 metre wide zone is effectively a development setback that excludes structures from being built within 20 metres of the Pacific Highway. However, changes to the alignment of the highway to the south of Coffs Harbour have meant that the zone sits adjacent to Pine Creek Way. Changes to the alignment of the highway to the north of Coffs Harbour will also affect the application of the zone in those areas. The zone has been excluded from some individual properties in both urban and rural locations where topography or other locational issues have necessitated such exclusion.

The Standard Instrument LEP does not contain an equivalent zone, and therefore the draft LEP 2012 will not address the issue of a development setback area for the Pacific Highway. The draft DCP 2012, within Component E13 contains equivalent controls, being a 20 metre setback from the boundaries of the Pacific Highway which seeks the exclusion of any buildings. This has been inserted into the draft DCP 2012 on a "like for like" basis, with appropriate mapping reflecting this.

However, with the upgrading of the Pacific Highway, in both north and south directions, the need for such a setback, at least with regard to rural properties is questionable. The wider carriageway and boundaries of the upgraded highway may serve the same "buffer" purpose as the originally applied 7B zone. An eventual bypass of Coffs Harbour itself will further reduce its effectiveness, when considering the original intention of the zone.

Council, at some future time, will need to commission an investigation into the effectiveness of the 20 metre development setback area, and determine its future application.

4. Rural Character Statements and Place Management Strategies

The current DCPs included a number of locality based plans seeking to define and enhance the character of the rural and hinterland locations within the Coffs Harbour LGA. Nana Glen/Bucca, Coramba/Karangie /Upper Orara and the coastal and hinterland rural lands all have fairly broad place management strategies (including character statements). These documents have been retained as "character statement information sheets" only as they provide a broad summary of the character, and the future character of the localities, rather than direct controls to be observed.

Some works identified in the place management strategies have been carried out (e.g. Coramba Streetscape works). Some place management strategies are brief statements that are very broad and outdated. These locations would benefit from a review using today's legislative framework and best practice.

5. Biodiversity Guidelines

Development Applications lodged over lands containing ecological constraints often require the preparation of ecological (flora / fauna) reports. Similarly, many of these development applications, e.g. subdivision of rural residential lands, require the submission of a vegetation management plan which may require compensatory planting. Council currently uses biodiversity guidelines, available to view on Council's web site, as a guide for document preparation by the industry.

The draft DCP 2012 includes Component B8 relating to "biodiversity" requirements. This component provides controls on ecological reports and vegetation management plans etc, and under what circumstances they will be required. These guidelines are appendices to component B8, where they will become matters for consideration under the DCP.

6. Tourist Residential Development in R1 General Residential Zones

LEP 2000 includes a "tourist residential" zone, which has requirements for "tourist residential" types of development ie. motels etc. A tourist residential DCP currently applies, with location specific character statements and development controls for all tourist residential zoned lands.

The Standard Instrument LEP does not contain an equivalent tourist residential zone. These lands have been zoned R1 – General Residential and the zone tailored for tourist residential. The controls from the current tourist residential DCP have been incorporated into the draft DCP 2012.

Some of the character statement information requires review and therefore Council will need to in the future re-examine the character statements, and site specific controls for these areas, and provide recommendations that consider current best practice.

7. Rural Land Use Conflict Issues

The review of existing DCPs has revealed a need for stronger controls addressing incompatible land uses locating adjacent to each other e.g. intensive agricultural activities (horticulture and/or animal husbandry) adjacent to (within 500 metres of) an urban expansion area. Some of the existing locality based DCPs have broad statements that address the need for a buffer (both vegetated and non-vegetated) and prescribe a buffer distance between such uses. However a detailed investigation into the issue will enable the formulation of more specific controls in areas that are likely to face such pressure.

8. Notification of Dwelling Houses

The draft DCP 2012 proposes to notify all development applications for dwelling houses.

This matter needs monitoring and review to ensure better development outcomes result from additional resource allocation.

Recommendation:

1. That Council adopt the draft Coffs Harbour Development Control Plan 2012 as separately appended.
2. That Council in accordance with the provisions of the Environmental Planning and Assessment Act 1979 and Environmental Planning and Assessment Act Regulations 2000, publicly exhibit the draft Coffs Harbour Development Control Plan 2012 for a period of six weeks, concurrent with draft Coffs Harbour Local Environmental Plan 2012.
3. That Council notes that the following matters have been identified during the preparation of draft Coffs Harbour Development Control Plan 2012 and require further investigation:
 - The creation of site specific controls for the lands zoned B6 Enterprise Corridor under draft Coffs Harbour Local Environmental Plan 2012, located (east) adjacent to the Pacific Highway within the South Coffs urban release area.
 - The creation of site specific controls for the lands zoned IN1 General Industry under draft Coffs Harbour Local Environmental Plan 2012, located (west) adjacent to the Pacific Highway within the South Coffs urban release area.
 - A detailed investigation into the effectiveness of the Local Environmental Plan 2000 Environmental Protection 7B Scenic Buffer zone and determine its future status/application.
 - A review of the application of the place management strategies and character statements for Nana Glen/Bucca, Coramba/Karangji/ Upper Orara, Bonville, Lowanna/Ulong and the Coastal and Hinterland Rural Lands.
 - A detailed examination of the existing character statements, and development of appropriate site specific controls for the draft Coffs Harbour Local Environmental Plan 2012 R1 General Residential zoned lands within the local government area.
 - A review of the Moonee Creek Estuary Management Plan, and application to the Moonee Beach Development Control Plan provisions, including but not limited to the buffer requirements for Skinners Creek.
 - That any future Coastal Zone Management Plans and Estuary Management Plans be accompanied by a concurrent Development Control Plan review to establish the most appropriate Development Control Plan controls to meet the objectives of the Plans.
 - A review of Section 94 Contributions Plans be undertaken to establish which lands zoned for open space are to be dedicated to Council, and at what cost, and to liaise with appropriate landowners and State Government authorities.
 - A detailed investigation to establish specific controls that address potential land use conflicts in rural areas.

Chris Chapman
Director
Land Use, Health & Development

QUESTIONS ON NOTICE

QON12/3 ECONOMIC DEVELOPMENT STRATEGY

Purpose:

Councillor K Hines asked the following questions:

At a previous council meeting I asked if we had a long term Economic Development strategy or plan and was horrified to find out that we don't and haven't had one for some years. This has raised a number of questions, particularly in the business community, and I would now like to put these questions:

Why hasn't there been a long term economic development strategy in place over the past five years?

What has been the return on Councils funding for the economic development unit over the past 5 years? I believe we have spent approximately \$1m per year in this area over the past 5 or more years? What has been achieved?

Who is responsible for the attraction of investment in infrastructure, events, tourism development, business etc at Council? What has been the outcomes over the last 5 years? What are their key performance indicators? What plans have they been working to, and what plans do they have for the future?

Why is Council still supporting events that are not self-sufficient after five years?

Is council concerned about the increasing number of frustrated business owners and ratepayers forming splinter groups designed expressly to stimulate economic activity in our area?

What local businesses have been developed and helped in the past 5 years? What statistics can be provided that shows the growth of their business etc and how this has been helped by the role of the EDU?

Rationale

With the local retail and tourism sectors in particular under more stress than ever, Council's EDU should be the key body offering solutions, strategies and vision. Instead, it appears to have focused entirely on the NBN roll-out which incidentally, does not appear to have shown any signs of tangible economic benefit either in the form of new or enhanced business opportunities.

Council has been funding the Economic Development Unit for many years. The general feeling is that there has been very little achieved and the area of economic development lacks any real direction or leadership. In fact the business community is generally totally disengaged with the EDU, which is appalling.

As evidenced by a recent survey of residents satisfaction with Council services, one of the major concerns for residents was economic development of our area and I feel that we need to develop a strong plan that will re-assure residents and businesses alike that Council is driving the economic development of our region.

Staff Comment:

The questions posed are of significant interest to the Community, Councillors and a number of sections of the staff. The depth and variety of questions raised here will require a comprehensive report to be provided to Council which will take some time to prepare and will be presented to Council at the first meeting in June. In the interim the following information is provided as a brief response where possible.

Why hasn't there been a long term economic development strategy in place over the past five years?

There was a plan which came to an end in 2010, since that time a range of strategies have driven economic development and a new inclusive economic development strategy is currently under development and will be reported to Council when drafted.

What has been the return on Councils funding for the economic development unit over the past 5 years?

Economic development is not only undertaken by the Economic Development Unit (EDU) and so the detail for this will take a little time to ensure it is comprehensive in its response.

I believe we have spent approximately \$1m per year in this area over the past 5 or more years? What has been achieved?

The Economic Development Unit staff have contributed in a number of areas and while the exact return on investment is difficult to quantify the following examples are provided.

- Public Sector Investment
- Private Sector Investment
- Investment Attraction Materials and Activities

The details of the above and the exact nature of the role of the EDU will be contained in the proposed report to Council.

Who is responsible for the attraction of investment in infrastructure, events, tourism development, business etc at Council?

A range of different sections including the EDU, Sports Unit, Coffs Coast Marketing, the Airport, Caravan Parks and others

What has been the outcomes over the last 5 years? What are their key performance indicators? What plans have they been working to, and what plans do they have for the future?

In some areas this is fairly easy to quantify, for example for some sporting events and other events however to comprehensively answer this, the detailed report will be required.

Why is Council still supporting events that are not self-sufficient after five years?

Sometimes a longer than five year timeframe is required for specific events.

Is council concerned about the increasing number of frustrated business owners and ratepayers forming splinter groups designed expressly to stimulate economic activity in our area?

Yes, although it could be argued that in a vibrant location such as Coffs Harbour it is a positive development that a range of groups take action to assist with addressing economic development. This creates an opportunity to develop a strong clear platform for collaboration and partnerships.

What local businesses have been developed and helped in the past 5 years? What statistics can be provided that shows the growth of their business etc and how this has been helped by the role of the EDU?

These questions will be covered in detail in a report to Council. The best indicator of how Coffs Harbour is tracking is provided by the economic statistics which indicate a solid trend of growth over the long term:

QON12/4 COFFS HARBOUR CITY CENTRE PLAN - ECONOMIC IMPACT STUDIES

Purpose:

Councillor Rodney Degens asked the following question:

As part of the process leading to the adoption of the City Centre Masterplan, did CHCC conduct studies to determine the economic impact on the LGA as a whole (City Wide) of re determining the CBD to include Park Beach Plaza, the Jetty, linking corridors, together with the existing CBD?

Staff Comment:

No.

(It is understood that in 2009, the then Department of Planning engaged a consultant firm to undertake a 'Feasibility and Capacity Analysis for the Coffs Harbour City Centre Study Area'. It is unclear if this body of work was finalised and how it informed the preparation of the City Centre Plan.)