

MAYORAL MESSAGE

The Draft Management Plan has been prepared was adopted at the Ordinary Council meeting held on 18 June 2009. Public submissions that were received by 18 June 2009 were tabled at that June Council meeting.

Upper Lachlan Shire Council has adopted an operating budget deficit for 2009/2010 of -\$287,169, with a total cash flow surplus from all activities of \$399,795. The operational budget deficit is a result of the global economic crisis and its direct impacts are being spread widely throughout the Australian economy. The economic outlook looks bleak with Australia currently experiencing a recession. This will adversely impact on investment income, with an estimated reduction of income by \$280,000, which is due to lower interest rates on Council's cash and investment portfolio.

Another significant contributing factor to the operating budget deficit is the notice received from the Local Government Superannuation Scheme advising that employer contribution rates to the "defined benefit scheme" will increase by 100% commencing on 1 July 2009. This increased contribution payable by Council will amount to an estimated additional \$390,000 annually for possibly the next ten years if investment markets do not improve.

This is the first year that Upper Lachlan Shire Council has projected a deficit budget and senior management will continue to work hard throughout the year to identify efficiencies and operational cost savings wherever appropriate.

However, the budget is not all doom and gloom and Councillors have tried to address the needs and demands from all cross-sections of the community. Council has reviewed all pre-management plan submissions and incorporated some of those requests into the budget wherever possible.

Upper Lachlan Shire Council has prepared a comprehensive capital works program for the shire totalling \$14.58 million in 2009/2010. The single largest capital project will be the construction and implementation of the Taralga sewerage scheme. Construction has already commenced and the estimated project cost is \$6.61 million. The other highlights of the Draft Management Plan have been summarised below.

Clr John Shaw
Mayor

SUMMARY: UPPER LACHLAN SHIRE COUNCIL MANAGEMENT PLAN 2009/2010 - 2011/2012

- Council has prepared an \$18.8 million operating budget for 2009/2010 and the projected operating budget deficit is -\$287,169.

General Rates

- The Ordinary (General) Rate pegging maximum increase is 3.50% as set by the Department of Local Government. Council has adopted the increase to the Ordinary Rates by this percentage, which amounts to \$182,000 increase in rates income. However this does not mean rates will increase by the same percentage; there will be varying rates increases for each individual rating category.
- The average Residential property general rates will increase by around \$20 per annum. The average Business property general rates will increase by around \$55 per annum. Note: These charges do not include water, domestic waste, commercial waste and sewerage charges price increases and decreases.
- An average Farmland property rates and charges will increase by \$35 per annum and an average Residential – Non Urban property rates and charges will increase by \$30. Note: These charges do not include the rural waste charge increase.

Waste (Garbage) Charges

- The Domestic Waste/Recycling Management Charges for the Shire will increase by \$20; the charge will be \$305 per annum per service. The Domestic Waste service will continue to be a weekly 120 litre bin pick up and a recycling fortnightly pick up of a 240 litre bin. The Commercial Waste Charge for Businesses will increase by \$24 to now be \$361 per annum per service.
- The Rural Waste Charge will increase by \$4 and will be \$110 per Assessment for properties that do not have a Domestic Waste Service. The Rural Waste Charge entitles these ratepayers to dispose of one standard garbage bin (120 litre bin) of waste per week at no cost at any rubbish tip in the Shire. Disposal of sorted recyclable materials will be accepted free of charge at all rubbish tips.

Sewerage Charges

- Council utilises the Sewerage Best Practice Pricing Structure. For Non-Residential properties the charge will be not less than the Annual Residential Sewerage Access Charge. The sewer charges are now standardised for Crookwell and Gunning towns. The Sewerage Access Annual Charges will not increase in Gunning - remaining at \$600 per Residential property and in Crookwell the charge will increase by \$30 to \$600 per Residential property.
- There will be a new Taralga sewerage charge of \$390. The sewerage charge is to allow for sufficient funds to be raised offsetting the cost of works, services, facilities provided by the Council as part of the construction project.

Water Supply Charges

- The Water Supply Access Charges for Dalton, Crookwell, Gunning and Taralga are now standardised and will be \$320 per annum per 20mm connection. The water supply charge for Dalton, Crookwell and Taralga will decrease by \$110. However, the Gunning water supply charge will increase by \$40.
- The standardised water consumption user-pays charges for the towns of Crookwell, Gunning, Dalton and Taralga will be increased considerably to meet Department of Water and Energy (DWE) Guidelines. DWE regulations now require 50% income from user pay charges. There will be an estimated 30% increase in average water use bills to offset the 26% reduction in water supply access charges.

In 2008/2009 water use charges were \$1.50 per kilolitre for consumption less than 200 kilolitres and \$2.00 for every kilolitre above 200. In 2009/2010 the water usage charges will increase to \$1.95 per kilolitre for consumption less than 200 kilolitres and \$2.60 for every kilolitre above 200.

Stormwater Charges

- The Stormwater Annual Charge will continue to be levied for the towns of Crookwell, Gunning, Collector and Taralga. This levy will remain at \$25 for Residential properties and \$50 for Businesses. This is to assist in the planning and implementation of stormwater projects in these towns.

Loans

- The loan borrowings to be utilised in 2009/2010 totals \$1,841,000 and includes the following projects:-
 - \$410,000 for Taralga Subsidised Water Supply Upgrade.
 - \$1,431,000 for Timber Bridge Replacement Program on Regional and Local Roads.

Capital Works Projects

- Plant Replacements (including fleet vehicles) totalling an estimated net purchase cost of \$950,000 - includes the replacement of heavy plant equipment; including a grader, prime mover and roller.
- Implementation of Upper Lachlan Shire Council 2020 Strategy / LEP expenditure \$100,000
- Improvements to Crookwell landfill / rubbish tips \$20,000
- Crookwell and Gunning swimming pool improvements \$17,000
- Tourism Signage throughout the Upper Lachlan Shire Council \$15,000
- Crookwell and Collector Stormwater management projects \$50,000
- Breadalbane Park and Hall construction \$325,000

- Roads and Bridges budgeted expenditure in 2009/2010 is as follows. The Plan also includes a five year capital budget:-
 - Council will be undertaking a large bridge replacement program. The total cost of bridge replacement works is \$2.01 million for Burwood Creek bridge, Woolshed Creek bridge, Commissioners Creek bridge and Wowagin Creek bridge. This bridge program will be financed from borrowings of \$1.43 million and \$580,000 in RTA grant funding.
 - Sealing works on Crookwell to Taralga Road (Main Road 248E) \$541,000
 - Gravel Resheeting Program on Local Roads (throughout the Shire) \$600,000
 - Bitumen Resealing - Regional Roads funded (throughout the Shire) \$250,000
 - Bitumen Resealing - Urban Sealed Roads (throughout the Shire) \$88,000
 - Bitumen Resealing - Rural Sealed Roads (throughout the Shire) \$385,000
 - Nation Building Program reconstruction and resealing works on Gundaroo Road MR52 \$500,000
 - Roads to Recovery - Collector Bridge improvements \$220,000
 - PAMP Cycleway Program \$26,000
 - Gunning & Taralga Main Street Improvement Program \$40,000

- Water Funds Capital Improvements at a total cost of \$1,746,010, which includes the following:-
 - \$820,000 for Taralga Water Supply upgrade (50% grant funded and 50% funded by Council borrowings).
 - \$50,000 for Dalton Water Supply replacing reservoir roof & inlet structure.
 - \$300,000 for Dalton Water Supply Augmentation (50% grant funded and 50% by reserve funds)
 - \$55,000 for Gunning Water Supply replacing reservoir roof
 - \$300,000 for Crookwell Water Supply emergency drought works; and
 - \$100,000 for Crookwell Water Supply Treatment Plant works.

- Sewerage Fund Capital Improvements at a total cost of \$5,647,335, which includes the following:-
 - \$5.36 million for Taralga sewer scheme construction and implementation and
 - \$155,000 on Gunning sewer mains and pumping station improvements.

- Contribution to NSW Rural Fire Fighting Fund of \$217,300.
- Contribution to SES of \$32,500
- Contribution to NSW Fire Brigade of \$26,100

- Council Section 355 Committees and community group's contributions totalling \$40,062.

- Funding for community improvements:-
 - \$5,000 – Pye Cottage capital improvements.
 - \$3,000 – Crookwell Historical Society capital improvements.
 - \$2,000 – Taralga Memorial Hall capital improvements.
 - \$5,500 – Other Sport & Recreation works in all villages.
 - \$5,000 – Kiamma Creek concept plan.