

The meeting commenced at 9.57am.

PRESENT

Cr D Palmer, Cr G Armstrong, Cr B Callow, Cr D McCann, Cr L McGlynn, Cr K Morris, Cr M Stadtmiller, Cr G Sinclair.

ALSO IN ATTENDANCE

Mr P Rudd (General Manager), Mr G Veneris (Acting Engineering Manager), Mr T Goodyer (Operations Manager), Mr S Baldry (Acting Production and Services Manager), Mrs A Coleman (Executive Assistant).

1. LEAVE OF ABSENCE/APOLOGIES

Nil

2. ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Wiradjuri people who are the Traditional Custodians of the Land. I would also like to pay respect to their people both past and present and extend that respect to other Aboriginal Australians who are present.

3. PRESENTATIONS

Graham Dooley, Chief Executive Officer & Director from Water Utilities Australia is providing a presentation to the Board.

17/087 RESOLVED on the motion of Crs McCann and Sinclair that Council move into CONFIDENTIAL SESSION.

This item is classified CONFIDENTIAL under section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

- (d) commercial information of a confidential nature that would if disclosed:*
- (i) prejudice the commercial position of the person who supplied it.*

17/088 RESOLVED on the motion of Crs McCann and Armstrong that Council revert back to Open Session.

4. DECLARATION OF PECUNIARY INTERESTS

The General Manager declared a pecuniary interest in matter 11.2.1 Purchase of 155 Kitchener Road Temora. Mr Rudd will leave the meeting for this item.

5. DECLARATION OF NON PECUNIARY INTERESTS

Nil

6. CONFIRMATION OF MINUTES OF MEETINGS HELD ON 16 NOVEMBER 2017

17/089 RESOLVED on the motion of Crs Sinclair and Morris that the minutes of the meetings held on the 16 November 2017 having been circulated and read by members be confirmed.

7. BUSINESS ARISING FROM MINUTES

Nil

8. ADMISSION OF LATE REPORTS

Nil

9. NOTICES OF MOTION / RESCISSION MOTIONS

Nil

10. CHAIRPERSON'S MINUTE

The Chairperson provided the following minute:

Goldenfields Water undoubtedly recorded some of its most significant achievements during 2017.

From new technology and fresh solutions through to innovative planning and improved customer service, the past year has seen Goldenfields Water embark on a new era of providing quality and reliable drinking water for the community.

The year commenced with the adoption of the organisation's first set of core values. Then in March, Goldenfields Water became the first NSW water utility to provide its customers with access to the free, online MyH2O service. Shortly after in May, the organisation's first major makeover in two decades was completed, with a new logo, brand and website.

As part of Goldenfields Water's 20-year anniversary celebrations, in June the modern, purpose-built Peter 'Scruff' McNuff workshop building and John B McGregor Memorial Garden were officially opened at its Temora works depot.

During the final six months of 2017, Goldenfields Water has:

- *Adopted a new four-year delivery program and 12-month operational plan*
- *Implemented its first formal community engagement strategy*
- *Donated an additional eight free drinking water refill stations to its constituent councils*
- *Secured \$100,000 in Australian Government funding towards developing a new MyH2O smart phone app*
- *Formed a brand new Engineering Business Unit*

Finally, in November construction started on the long-awaited, \$10.9 million Mandamah Rural Water Supply Scheme.

The Board, Leadership Team and, most importantly, the hard-working and dedicated staff of Goldenfields Water are to be congratulated for these and many other extraordinary accomplishments over the course of 2017.

Unfortunately, the year ended on a bittersweet note with the decision of the General Manager, Mr Phillip Rudd, to leave Goldenfields Water after almost two years leading the organisation. Mr Rudd has accepted a new leadership role in local government based on the NSW Far North Coast.

In leading the organisation out of a challenging period, Mr Rudd has provided the clear and strong direction needed to deliver the region's vital drinking water supply services. Under his guidance, Goldenfields Water has established itself as a water industry leader, focused on ensuring the many communities that depend on it receive the level of service they deserve.

Mr Rudd's know-how, vision and passion will be sorely missed, and Goldenfields Water wishes him all the best for the future.

A suitable locum General Manager will now be engaged as an interim measure until a new General Manager can be permanently recruited.

Despite this major change to its leadership, Goldenfields Water remains focused to successfully complete the many projects, programs and other initiatives planned over the next four years, as well as improve the water services customers depend on today.

In 2018, the Board look forward to working with the interim General Manager, other Leadership Team members and staff to further enhance the legacy Goldenfields Water has built over the last 12 months.

11. PUBLIC PARTICIPATION CONFIDENTIAL SESSION

In accordance with the Local Government Act 1993 and the Local Government (General) Regulations 2005, in the opinion of the General Manager the following business is of a kind as referred to in section 10A(2) of the Act and should be dealt with in part of the meeting closed to the media and public.

17/090 RESOLVED on the motion of Crs Sinclair and Morris that Council move into CONFIDENTIAL SESSION.

11.1 MATTERS SUBMITTED BY ACTING ENGINEERING MANAGER

11.1.1 MANDAMAH WATER SUPPLY SCHEME (G95259511)

Report prepared by Acting Engineering Manager

This item is classified CONFIDENTIAL under section 10A(2)(c) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

17/091 RESOLVED on the motion of Crs McCann and Callow that Council:

1. Note the information provided within this report
2. Accept commencement date of constructions as of 27th November 2017
3. Approve detailed designs for stages 2, 3 & 4
4. Approve staff to issue all remaining customers for stages 2, 3 & 4, land access and connection agreements with a requirement of 10% deposit as discussed within the body of the report.

11.2 MATTERS SUBMITTED BY CORPORATE SERVICES MANAGER

11.2.1 PURCHASE OF 155 KITCHENER ROAD TEMORA (G35507005)

10.43am The General Manager having declared a pecuniary interest in this matter left the meeting

Report prepared by Administration Coordinator

This item is classified CONFIDENTIAL under section 10A(2)(a) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

- (a) *Personnel matters concerning particular individuals.*

17/092 RESOLVED on the motion of Crs McGlynn and McCann

1. That Council proceed with the purchase of 155 Kitchener Road, Temora being Lot 1 DP 505449.
2. Delegate the Acting Manager Engineering to offer and negotiate as per the confidential report.
3. If accepted, the Acting Manager Engineering be delegated to take the necessary steps to complete the purchase.

10.51am The General Manager returned to the meeting.

11.3 MATTERS SUBMITTED BY GENERAL MANAGER

11.3.1 WATER UTILITIES AUSTRALIA (L65055010)

Report prepared by General Manager

This item is classified CONFIDENTIAL under section 10A(2)(d) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

- (d) Commercial information of a confidential nature that would, if disclosed:*

- (i) Prejudice the commercial position of the person who supplied it.*

17/093 RESOLVED on the motion of Crs McCann and McGlynn that Council:

1. Note the presentation by Water Utilities Australia and information within this report.
2. Does not want to proceed with the proposal in its current and any possible future forms from Water Utilities Australia, as it is not in the benefit of the Goldenfields Water community and customers.
3. Instructs the General Manager to write to Water Utilities Australia advising that Council will not be proceeding any further with the proposal in its current and any possible future forms.
4. Instructs the General Manager to write to constituent councils advising of the proposal and councils decision of not proceeding.

17/094 RESOLVED on the motion of Crs Sinclair and Callow that Council revert back to Open Session and that the resolutions made in Confidential Session be made public.

12. MATTERS TO BE SUBMITTED TO OPEN COUNCIL

12.1 MATTERS TO BE SUBMITTED BY CORPORATE SERVICES MANAGER

12.1.1 COUNCIL INVESTMENTS (G35507005)

17/095 RESOLVED on the motion of Crs Callow and McGlynn that the report detailing Council Investments at 30 November 2017 be received and noted.

Report prepared by Accountant

BACKGROUND

A report on Council’s Investments is required to be presented for Council’s consideration In accordance with clause 212 of the Local Government (General) Regulation 2005.

REPORT

Council’s investment portfolio decreased by \$200,000 to \$47.9 million during October and November. The profile of Council’s investments held at 30 November 2017 is detailed below:

	Rating	Market Value (\$)	Term (days)	Rate	Purchase Date	Maturity Date
Long Term Deposits		41,000,000.00				
B&A Bank	A1-	1,000,000.00	548	3.00%	1/06/16	1/12/17
National Australia Bank	A1+	3,000,000.00	1,097	3.70%	3/12/14	4/12/17
Bank of Queensland	A2	3,000,000.00	1,098	3.60%	3/12/14	5/12/17
AMP	A1/A	3,000,000.00	1,097	3.40%	18/12/14	19/12/17
National Australia Bank	A1+	3,000,000.00	1,096	3.57%	8/01/15	8/01/18
National Australia Bank	A1+	3,000,000.00	1,096	3.36%	12/02/15	12/02/18
CBA	A1+	3,000,000.00	1,096	3.11%	17/03/15	17/03/18
CBA	A1+	3,000,000.00	1,096	3.06%	20/04/15	20/04/18
Westpac Banking Corporation	A1+	3,000,000.00	1,097	3.04%	24/06/15	25/06/18
Bank of Queensland	A2	3,000,000.00	1,096	3.00%	29/10/15	29/10/18

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General Manager.....Chairperson.....

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2017

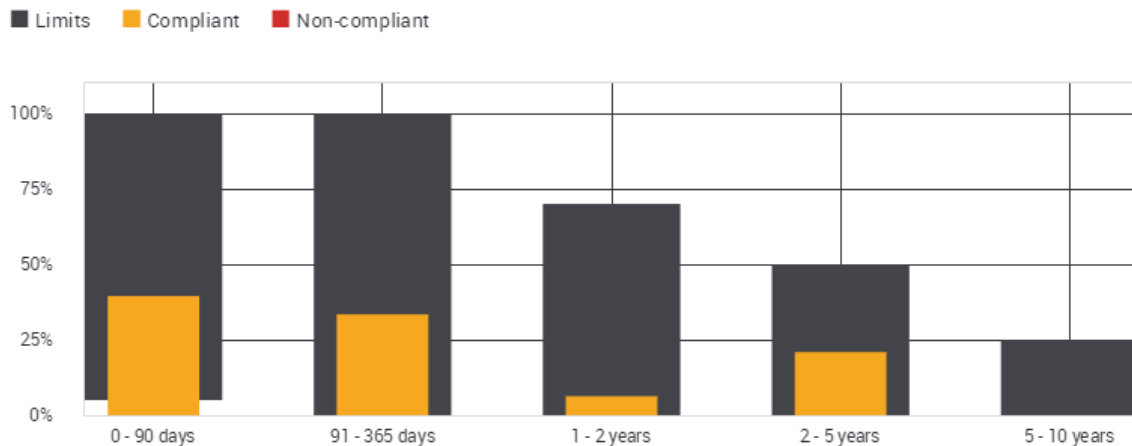
ING Direct	A-	3,000,000.00	1,097	3.18%	18/03/16	20/03/19
Newcastle Permanent	BBB	2,000,000.00	1,096	3.08%	8/06/17	8/06/20
Westpac Banking Corporation	A1+	2,000,000.00	1,097	3.01%	12/07/17	13/07/20
Bank of Queensland	A2	3,000,000.00	1,096	3.00%	07/11/17	19/11/20
Bank of Queensland	A2	2,000,000.00	1,462	3.45%	12/07/17	13/07/21
Westpac Banking Corporation	AA-	1,000,000.00	1,099	3.06%	25/09/17	28/09/20
Short Term Deposits	A1+	4,000,000.00				
B & A Bank	A1-	1,000,000.00	365	2.57%	10/08/17	10/08/18
Australian Military Bank	NR	1,000,000.00	365	2.85%	28/03/17	28/03/18
Auswide Bank	BBB-	1,000,000.00	365	2.82%	20/06/17	20/06/18
Bank of Queensland	A2	1,000,000.00	365	2.70%	12/07/17	12/07/18
At Call Deposits		2,900,180.00				
Commonwealth Bank At Call A/c	N/A	1,900,000.00	At Call	1.45%	N/A	N/A
AMP Bank At Call A/c	N/A	1,000,180.00	At Call	2.55%	N/A	N/A
Total Value of Investment Funds		47,900,180.00				

For the month of November, the deposit portfolio provided a solid return of +0.27% (actual), outperforming the benchmark AusBond Bank Bill Index return of +0.13% (actual). The strong performance continues to be driven by those deposits still yielding above 3½% p.a.

Over the year to November, the deposit portfolio returned +3.25% p.a., outperforming bank bills by 1.50% p.a. This has been very strong given deposit rates reached their all-time lows and margins have generally contracted over the past 18 months.

TERM TO MATURITY

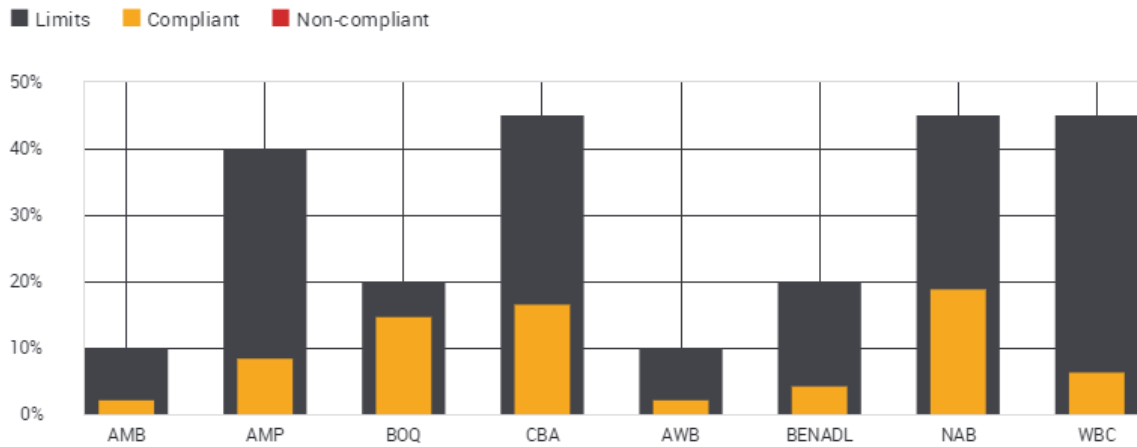
The percentage of investments maturing over the next ten years is detailed in the graph below.



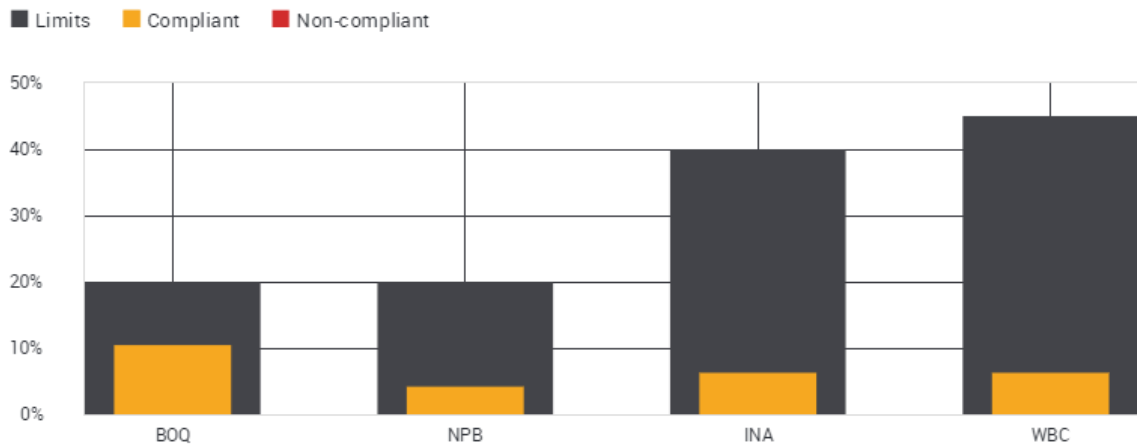
COUNTER PARTY COMPLIANCE

The below graphs compare investments with each financial institution to the limits included in Council’s Investment Policy.

Counterparty compliance: short-term holdings

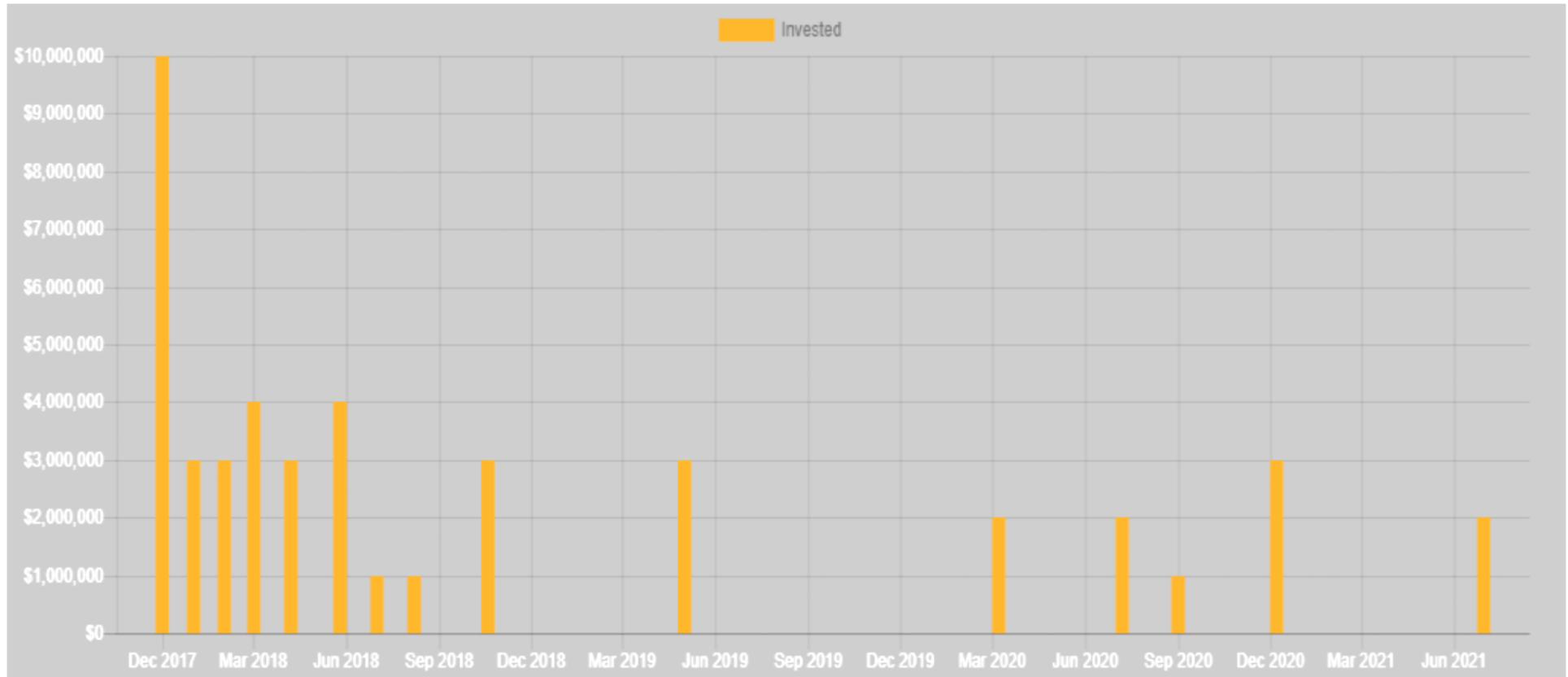


Counterparty compliance: long-term holdings



CASHFLOW ANALYSIS - MATURITIES

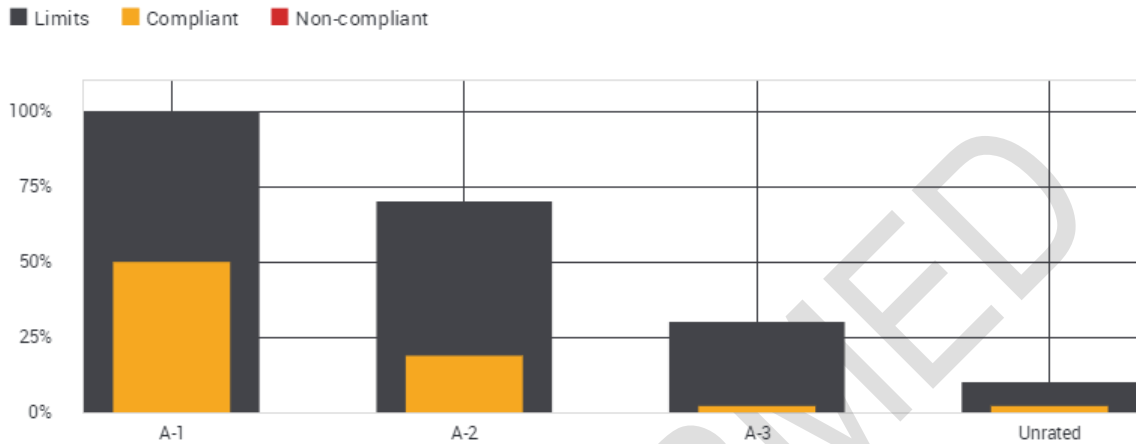
Investments maturities are detailed in the graph below.



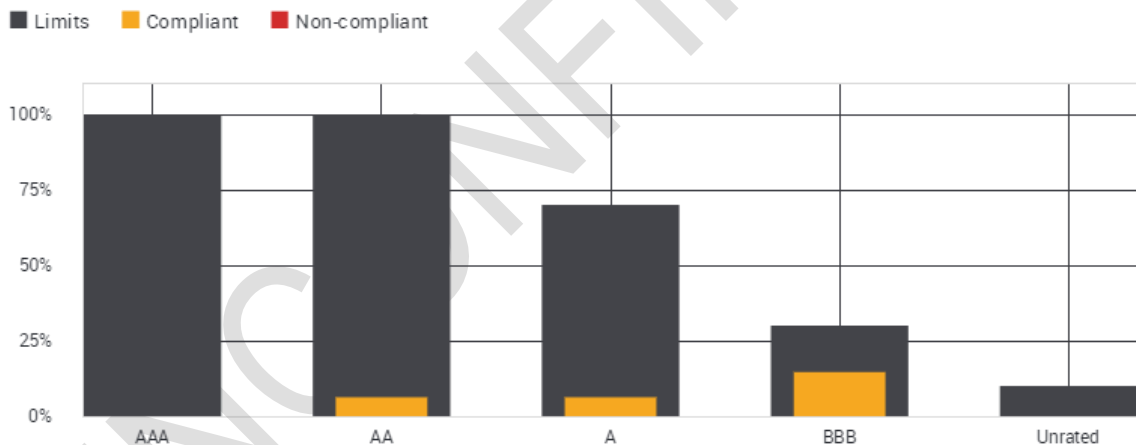
CREDIT QUALITY COMPLIANCE

The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy.

Credit quality compliance: short-term holdings



Credit quality compliance: long-term holdings



Attachments: Nil

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 December 2017**

12.1.2 CAPITAL WORKS PROGRESS (G35201005)

17/096 RESOLVED on the motion of Crs McCann and Sinclair that the report detailing Council's capital works program as at 30 November 2017 be received and noted.

Report prepared by Accountant

BACKGROUND

Capital Works represents an important part of Council's activities and expenditure. This report details progress year to date on programmed and emergent capital works. Water mains are a significant part of the annual program and are also reported in more detail.

REPORT

This report is presented for information on the progress of Council's Capital Works Program as at 30 November 2017.

Goldenfields Water County Council CAPITAL WORKS PROGRESS			
	2017/18 ESTIMATE	COSTING AT 30/11/2017	COMMITTED
CAPITAL INCOME			
Proceeds Funding			
Sale of Plant	630,000	428,545	-
Total Proceeds Funding	630,000	428,545	-
Total Income	630,000	428,545	-
CAPITAL EXPENDITURE			
New System Assets			
Plant & Equipment	755,000	774,773	-
Future Capital Project Investigations	100,000	-	-
Developer Paid Mains	40,000	66,649	-
Mains	220,000	21,009	-
Mandamah	3,590,000	53,391	165,000
Reservoirs	-	-	-
Pumping Stations	-	-	-
Treatment	62,000	28,895	-
Bores	170,000	27,992	-
Service Meters	200,000	273,665	-
Backflow Devices	750,000	249,650	122,800
Intangibles	944,500	362,079	-
Land & Buildings	280,000	186,302	-
Total New System Assets	7,111,500	2,044,405	287,800
Renewals			
Mains	810,500	89,950	231,511
Reservoirs	360,000	21,725	263,845
Pumping Stations	2,336,600	658,697	-
Treatment	40,000	107,824	-
Bores	-	133,697	-
Service Meters	145,000	35,440	-
Land & Buildings	85,000	27,431	-
Total New System Assets	3,777,100	1,074,764	495,356
Total Expenditure	10,888,600	3,119,169	783,156

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 December 2017**

Goldenfields Water County Council			
CAPITAL WORKS PROGRESS			
		2017/18 ESTIMATE	COSTING AT 30/11/2017
NEW MAINS & RENEWALS			
Developer Paid			
Annual Budget		40,000	
<i>Developer Paid Design</i>			1,143
<i>Barellan Bendee Street</i>			7,040
<i>Temora Spitfire</i>			33,397
<i>Wyalong Wooten Street</i>			3,362
<i>Plemmings Subdivision</i>			22,756
<i>Junee Abatoirs</i>			527
			68,225
New System Asset Mains			
Annual Budget		220,000	
<i>Uley Lane Stage 2</i>			18,248
<i>Orr to Booth Street Coolamon</i>			2,762
			21,010
Mandamah			
Annual Budget		3,590,000	53,391
			53,391
Renewal Mains			
Annual Budget		810,500	
<i>Fishers Land</i>			7,254
<i>Rosehill</i>			49,858
<i>Cootamundra Temora Road</i>			-
<i>Valve Replacement</i>			32,838
			89,950
Total Expenditure		4,660,500	232,576

Attachments: Nil.

Tabled Items: Nil.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

12.1.3 DEBT RECOVERY UPDATE (G40350505)

17/097 RESOLVED on the motion of Crs Callow and Sinclair that the update on Council's debt recovery process be noted.

Report prepared by Corporate Services Manager

BACKGROUND

Council has been using the services of an external debt collection company, Outstanding Collections, since June 2017 to assist in the recovery of monies that are overdue for water related fees, charges and other debts in line with Council's Debt Recovery & Financial Hardship Policy.

REPORT

Since engaged, 320 accounts with a total debt of \$433,022 have been referred to Outstanding Collections for further recovery action. These customers exceeded the allowable Final Notice timeframe to make payment or put a payment arrangement in place.

At the 30 November 2017 Council has recovered \$194,796. Furthermore, 45 customers with a total debt of \$108,111 have current payment arrangements in place with Council.

The overall result for Council is a debt recovery performance (debt either paid in full or under a payment plan) of 70% up to 30th November 2017.

Attachments: Nil

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

12.1.4 BAD DEBT POLICY (G403050505)

17/098 RESOLVED on the motion of Crs McGlynn and Callow that it is recommended that Council:

1. Adopt the Draft PP025 Bad Debt Policy
2. Delegate the General Manager and their delegates to;
 - a) Vary the provision for doubtful debts to such an amount as is required; and
 - b) Write off bad debts against the provision for doubtful debts up to a value of \$1,000 in an individual case, and \$5,000 in aggregate per financial year

Report prepared by Corporate Services Manager

BACKGROUND

Council undertakes legal recovery actions for outstanding debtor accounts. Once all legal avenues have been exhausted and payment of the outstanding debt has not been achieved, Council has little recourse other than to write the debt off.

REPORT

The purpose of this policy is to ensure that the principles and procedures for writing off irrecoverable debts are formalised in accordance with the *Local Government (General) Regulation 2005*.

Attachments: PP025 Bad Debt Policy

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

12.1.5 INTERNAL AUDIT FUNCTION (G35051005)

17/099 RESOLVED on the motion of Crs Armstrong and Sinclair that Council approve an increase in the 2017/18 operational budget of \$25,000 for internal audit services.

Report prepared by Corporate Services Manager

BACKGROUND

In 2008 pursuant to section 23A of the Local Government Act 1993, the Department released Internal Audit Guidelines for local government in NSW via Circular number 08-64. The guidelines were revised in September 2010 via Circular number 10-22. Proposed amendments to the Local Government Act include a mandatory requirement for councils to have an internal audit function.

REPORT

Management recognises the relevance of strengthening governance and control systems through the establishment of an efficient and effective internal audit function. The role of the internal audit function is to provide independent audit services in the review of Council's risks, internal controls, governance, performance and compliance.

Management wishes to engage an internal auditor and is currently requesting quotations for the supply and delivery of Internal Audit Services for Council. In order to facilitate the engagement in early 2018, the Board is requested to approve an operational budget increase of \$25,000 for internal audit services the current 2017/18 year.

Attachments: Nil

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation will increase Council's 2017/18 budgeted operational expenditure by \$25,000.

RECOMMENDATION

Recommendation made was adopted.

12.2 MATTERS TO BE SUBMITTED BY THE GENERAL MANAGER

12.2.1 PECUNIARY INTEREST RETURNS (G40203005)

17/100 RESOLVED on the motion of Crs Sinclair and Callow that Council note the tabling of the Pecuniary Interest Returns.

Report prepared by General Manager

BACKGROUND

Under section 450A of the Local Government Act 1993 and the Local Government (General) Regulation 2005, councillors and designated persons (staff) must provide a declaration of pecuniary interest as contained in the prescribed form.

REPORT

Declaration of Pecuniary interest returns must be completed and lodged with the General Manager within three (3) months after becoming a councillor or designated person, or alternatively a councillor or designated person holding that position at 30 June is required to lodge their pecuniary interest return with the General Manager by 30 September each year.

Returns must be tabled at the first meeting held after the required lodgement date.

Attachments: Nil

Tabled Items: Pecuniary Interest Returns – Cr Armstrong and Cr Stadtmiller.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

13. NEXT MEETING

The next ordinary meeting of Council is scheduled to be held on Thursday 22 February 2018 at 1.00pm.

14. QUESTIONS & STATEMENTS

Cr Armstrong supported the statements made in the Chairpersons Minute regarding the performance of the General Manager. Cr Armstrong noted that the General Manager has been approachable and certainly up to the job. He wished the General Manager well.

Cr Stadtmiller echoed the statements made by Cr Armstrong and that his departure is a great loss.

Cr McGlynn congratulated the General Manager on his new role and thanked him for his efforts. Cr McGlynn also thanked the staff for everything they do for all Goldenfields Water customers. Cr McGlynn wished everyone a happy Christmas and prosperous new year.

Cr Sinclair wished the General Manager all the best, noting how he has turned the business around in the last two years.

Cr McCann noted that a major break in Marrar was circulated through social media and asked when the Community Education and Engagement Officer will be starting in order for these items to be responded to. The General Manager replied that the Community Education and Engagement Officer will be commencing on 22 January 2018.

Cr McCann thanked the General Manager for his dedication.

15. CLOSE OF BUSINESS

There being no further business requiring the attention of Council the meeting was closed at 11.20am.
