



Ordinary Meeting

24 March 2009

Addendum to Item 3

ITEM NO: ITEM 3 - ADDENDUM

SUBJECT: DRAFT 2009-2010 MANGEMENT PLAN AND FINANCIAL SUPPLEMENT – PLACEMENT ON PUBLIC EXHIBITION

FILE NO: F04896 / F04875

Recommendations:

1. *That the following recommendations 2 and 3 be added to the recommendations in the Business Paper.*
 2. *That the Council notes the information on the 2009-2010 budget regarding superannuation.*
 3. *That public information sessions on the Draft 2009-2010 Management Plan be held as follows:*
 - *8 April 2009, 6.30pm to 8.30pm, Springwood Library, Macquarie Road, Springwood;*
 - *9 April 2009, 10am to 12 midday, Function Room, Lawson Bowling Club, Loftus Street, Lawson; and*
 - *9 April 2009, 6.30pm to 8.30pm, Council Chambers, 2 Civic Place, Katoomba.*
-

Report by Group Manager, Community and Corporate:

This report is an addendum to Item 3 of the Business Paper (the 'main report') for the Ordinary Meeting of 24 March 2009. The following information is additional information that was not available prior to the final business paper deadlines.

2009-2010 Budget in Summary

Local Government Superannuation

On 9 March 2009, the Council received notification from the Local Government Superannuation Scheme (LGSS) that as a result of impacts from the global financial crisis all NSW Council Superannuation Scheme contribution requirements are to substantially increase.

The contribution rates required from all Councils for the coming financial year are as follows:

- Division B members
4.56 times member's defined contribution Up from 1.90 times in 2008/09
- Division C members
6% of Superable Salary Up from 2.5% in 2008/09

The potential financial implication on the 2009-2010 Budget is an additional funding requirement of approximately \$900,000 to \$1 million and if implemented by the LGSS future budgets would require similar annual amounts. Suffice to say, notice from the LGSS is late and the Council does not have any unallocated funds to fund such an impost.

The General Manager has attended urgent meetings convened with the LGSS with a view to obtaining reasons for the increase and considering viable alternatives. The Presidents of both the Local Government Association of NSW and Shires Association of NSW have also met with the LGSS and expressed their deep concerns to the Minister of Local Government. The LGSS Board is scheduled to meet on 26 March 2009 to discuss the current state of affairs.

As a result of the additional superannuation contribution requirements the Draft Management Plan will more than likely require amendments and it is possible that some services and operations may be impacted. Councillors will be updated as the situation develops.

External Consultation

In addition to the proposed process that is outlined in the 'main report' the following public information sessions have been planned:

- *8 April 2009, 6.30pm to 8.30pm, Springwood Library, Macquarie Road, Springwood;*
- *9 April 2009, 10am to 12 midday, Function Room, Lawson Bowling Club, Loftus Street, Lawson; and*
- *9 April 2009, 6.30pm to 8.30pm, Council Chambers, 2 Civic Place, Katoomba.*

It is planned that these information sessions will be a 'drop-in' style format where residents can view display material and ask staff questions. Council staff will be present at these information sessions. Councillors are also invited to attend.

The information sessions have been scheduled to occur before the school holidays and also to allow for a 3 week promotion period, including advertisement of the sessions in the 25 March, 1 April and 8 April Gazette.

* * * * *