

**MINUTES OF THE FINANCE COMMITTEE MEETING  
OF BALLINA SHIRE COUNCIL  
HELD IN THE COUNCIL CHAMBERS, BALLINA, ON  
17/2/11 AT 4.00 PM**

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**Attendance**

Cr P W Silver (Mayor - in the chair), B C Smith (arrived at 4.16 pm) , K H Johnson, R A Hordern, D E Wright, A J Brown and S M Meehan (arrived at 4.09 pm).

Paul Hickey (General Manager), Rod Dawson (Manager, Water, Sewer & Waste, Civil Services Group), Steve Barnier (Strategic Services Group Manager), Peter Morgan (Finance & Governance Manager), Graeme Flanagan (Accountant) and Sandra Bailey (Secretary) were in attendance.

There were no people in the gallery at this time.

**1. Apologies**

Apologies were received from Cr Cadwallader, Cr Jeff Johnson and Cr Moore.

Cr Smith indicated that he would be late to the meeting.

**RESOLVED**

(Cr Keith Johnson/Cr David Wright)

That such apologies be accepted.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Smith, Cr Moore, Cr J Johnson

**2. Declarations of Interest**

Nil

**3. Deputations**

Nil

**4. Committee Reports**

**4.1 Water Charges - 2011/12**

A **Motion** was moved by Cr Keith Johnson and seconded by Cr Robyn Hordern.

That Council, based on the current financial information available, endorses the inclusion of increases of 9% in the water charging structure in the draft 2011/12 Delivery Plan.

Cr Smith arrived at 04:16 PM

The **Motion** was **LOST**.

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FOR VOTE - Cr K Johnson, Cr Smith, Cr Brown  
AGAINST VOTE - Cr Silver, Cr Hordern, Cr Wright, Cr Meehan  
ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

**RECOMMENDATION**

(Cr David Wright/Cr Robyn Hordern)

1. That Council, based on the current financial information available, endorses the inclusion of the following water charging structure in the draft 2011/12 Delivery Plan.

Charge Type	2010/11 Charge (\$)	2011/12	% Increase
Water Access Charge 20mm meter (1)	142	163	15
Water Consumption under 350kl	1.52	1.75	15
Water Consumption over 350kl	2.28	2.62	15
Vacant Land Charge	142	163	15

FOR VOTE - Cr Silver, Cr Hordern, Cr Wright, Cr Meehan  
AGAINST VOTE - Cr K Johnson, Cr Smith, Cr Brown  
ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

**4.2 Waste Charges - 2011/12**

**RECOMMENDATION**

(Cr David Wright/Cr Ben Smith)

1. That Council, based on the current financial information available, endorses the inclusion of the following Commercial Waste charging structure in the draft 2011/12 Operational Plan.

Charge Type	2010/11 Charge \$	Proposed 2011/12 Charge \$	% Increase
Commercial Mixed waste (annual)	255	268	5
Commercial recycling (annual)	126	132	5
DWM Gate fee mixed waste	222/tonne	222/tonne	0
DWM Gate fee recyclates	200/tonne	200/tinne	0
All other Gate fees	Various	Various+ 3%	3

2. That Council, based on the current financial information available, endorses the inclusion of the following Domestic Waste charging structure in the draft 2011/12 Operational Plan.

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<b>Charge Type</b>	<b>2010/11 Charge \$</b>	<b>Proposed 2011/12 Charge \$</b>	<b>% Increase</b>
DWM - Rural	306	321	5
DWM –Rural (no collection)	250	263	5
DWM - Urban	306	360	17.6
Additional Domestic Recycling	124	130	5
DWM – Vacant Land	30	32	5

FOR VOTE - All Councillors voted unanimously.  
ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

**4.3 Sewer Charges - 2011/12**

**RECOMMENDATION**

(Cr Keith Johnson/Cr Susan Meehan)

1. That a dynamic model be developed and used to assess sewerage charges where 9.5% is set as the maximum increase per year and lower reserve balances are permitted.
2. That the results of this model be presented at another workshop to assess the feasibility of the 9.5% lower reserve balances approach.
3. A specific debt reduction and debt management strategy be developed to cover the entire life of the loans.

Items to be covered include:-

- Getting best terms to begin with ie
    - Rate
    - Term
    - Ability to prepay in part or full
    - Tranche arrangements
  - Managing reserve to prepay as much as possible, as early as possible
  - Strong control of operating costs and cash flows.
4. That a Debt Reduction & Debt Management Sub-Committee be formed to pursue all opportunities to achieve rapid paydown of sewerage debt. This sub-committee to be formed of 2 councillors, 3 staff and chaired by the General Manager.

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Cr Silver left the meeting at 04:41 PM. Cr Meehan, Deputy Mayor assumed the Chair.

FOR VOTE - Cr K Johnson, Cr Smith, Cr Hordern, Cr Brown, Cr Meehan  
AGAINST VOTE - Cr Wright  
ABSENT. DID NOT VOTE - Cr Silver, Cr Cadwallader, Cr Moore, Cr J Johnson

**4.4 Rating Structure - 2011/2012**

**RECOMMENDATION**

(Cr Ben Smith/Cr Alan Brown)

1. That Council, for the 2011/12 Draft Operation Plan, include a rating structure based on the following principles:
  - a) approximately 50% of the rate income for the residential category of properties being from the base charge
  - b) business and farmland categories having the same base charge as the residential base charge amount
  - c) a total of 20% income from the total rate income to be sourced from the business category properties.
2. Indicative figures for this rating structure for 2011/12, are as tables two and three within this report and as outlined below:

**Table Two: Proposed 2011/12 Rating Structure**

Rate Category	6.1% Increase	
	Base Charge	Rate in Dollar
Residential	375	0.140691
Business	375	0.503185
Farmland	375	0.117311

**Table Three: Proposed 2011/12 Income per Category at 6.1%**

Rate Category	2010/2011			2011/2012		
	6.2% increase	% of total	Ave Rate	6.1% increase	% of total	Ave Rate
Residential	10,462,667	71.91	710	11,177,367.83	72.34	752.94
Business	2,902,360	20.00	2,341	3,061,638.52	19.81	2,471.17
Farmland	1,146,842	8.09	1,080	1,213,071.58	7.85	1,145.56
<b>Total</b>	<b>14,511,869</b>	<b>100.00</b>	<b>852</b>	<b>15,452,077.92</b>	<b>100.0</b>	<b>901.38</b>

Cr Silver returned at 04:55 PM

FOR VOTE - All Councillors voted unanimously.  
ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

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Cr Silver resumed the Chair

**4.5 Lennox Head Community Centre - Management**

**RECOMMENDATION**

(Cr David Wright/Cr Alan Brown)

1. That Council approves the implementation of an interim staffing structure for the Lennox Head Community Centre based on the financial summary attached to this report.
2. This interim staffing structure is to be subject to a further report to Council after three months to allow Council to assess the effectiveness of this structure and to consider whether it should be extended or alternatively whether tenders should be called for the contract management of the facility.
3. That Council approves the exhibition of the proposed fee schedule for the Lennox Head Community Centre, as included in Option B of the third attachment to this report, for a minimum period of 28 days, as per Section 610F(3) of the Local Government Act.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

**4.6 Ballina Naval and Maritime Museum and associated timber vessels**

**RECOMMENDATION**

(Cr Phillip Silver /Cr Robyn Hordern)

That Council notes the contents of this report regarding the on-going need for preservation and expansion of the Ballina Naval Museum and Associated Timber Vessels.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

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**4.7 Policy - Financial Planning (Draft)**

**RECOMMENDATION**

(Cr David Wright/Cr Robyn Hordern)

1. That approves the exhibition of the Draft Financial Planning Policy, as attached to this report.
2. That Council receive a further report on the implications of creating a 'Budget Shocks' reserve of \$1 million sourced equally from the Community Infrastructure and Commercial Opportunities reserves.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Cadwallader, Cr Moore, Cr J Johnson

**MEETING CLOSURE**

5.46 pm