

**MINUTES OF THE FINANCE COMMITTEE MEETING
OF BALLINA SHIRE COUNCIL
HELD IN THE COUNCIL CHAMBERS, BALLINA, ON
17/3/11 AT 4.00 PM**

Attendance

Cr P W Silver (Mayor - in the chair), S L Cadwallader, B C Smith, K H Johnson, R A Hordern, D E Wright and S M Meehan.

Paul Hickey (General Manager), John Truman (Civil Services Group Manager), Steve Barnier (Strategic Services Group Manager), Peter Morgan (Manager Finance & Governance) and Sandra Bailey (Secretary) were in attendance.

There was one person in the gallery at this time.

1. Apologies

Apologies were received from Cr Brown, Cr J Johnson and Cr Moore.

RESOLVED

(Cr Sharon Cadwallader /Cr David Wright)

That such apologies be accepted.

FOR VOTE - All Councillors voted unanimously.

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

2. Declarations of Interest

Nil

3. Deputations

Nil

4. Committee Reports

4.1 Newlog - Operating Budget - 2011/12

RECOMMENDATIONS

(Cr David Wright/Cr Ben Smith)

That Council notes the contents of the report and endorses the North East Weight of Loads draft operating budget, as attached to the report.

FOR VOTE - All Councillors voted unanimously.

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

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4.2 Water Charges - Pricing Options - 2011/12

RECOMMENDATIONS

(Cr Keith Johnson/Cr Ben Smith)

1. That Council, based on the information outlined in this report, endorses a 9.9% increase for water annual and consumption charges, for the purposes of the draft 2011/12 Operational Plan.
2. That Council approves variations to the 2010/11 operating and capital budget for water based on the latest figures included in the two attachments to this report.

FOR VOTE - Cr Silver, Cr Cadwallader, Cr K Johnson, Cr Smith, Cr Meehan

AGAINST VOTE - Cr Hordern, Cr Wright

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

4.3 Sewer Charges - Pricing Options - 2011/12

A **Motion** was moved by Cr Keith Johnson and seconded by Cr Ben Smith.

1. That Council, based on the information outlined in this report, endorses a 9.5% increase for sewer annual and consumption charges, for the purposes of the draft 2011/12 Operational Plan.
2. That Council approves variations to the 2010/11 operating and capital budget for sewer based on the latest figures included in the attachments to this report.
3. That Council approves the calling of expressions of interest / tenders for loan funds of \$4 million for 2010/11, \$45 million for 2011/12 and \$7 million for 2012/13 to assist with the financing of the sewer capital works program.

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

FOR VOTE - Cr K Johnson, Cr Smith

AGAINST VOTE - Cr Silver, Cr Cadwallader, Cr Hordern, Cr Wright, Cr Meehan

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

RECOMMENDATION

(Cr Robyn Hordern/Cr David Wright)

1. That Council endorses a 15% price increase for sewer annual and consumption charges, as presented to the February 2011 Finance Committee meeting, for the purposes of the draft 2011/12 Operational Plan.

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2. That Council approves variations to the 2010/11 operating and capital budget for sewer based on the latest figures included in the attachments to this report.
3. That Council approves the calling of expressions of interest / tenders for loan funds of \$4 million for 2010/11, \$45 million for 2011/12 and \$7 million for 2012/13 to assist with the financing of the sewer capital works program.

FOR VOTE - Cr Silver, Cr Cadwallader, Cr Smith, Cr Hordern, Cr Wright, Cr Meehan

AGAINST VOTE - Cr K Johnson

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

4.4 Fees and Charges - 2011/12

RECOMMENDATIONS

(Cr David Wright/Cr Keith Johnson)

1. That Council approves the draft schedule of fees and charges for inclusion in the draft 2011/12 Operational Plan, as attached to this report, including any adjustments resulting from this meeting.
2. That Council approves the amended Refund Procedures for the Flat Rock Tent Park, as outlined within this report.
3. That the General Manager review the bus shelter advertising fees to determine whether there are any benefits in providing a greater incentive in respect to annual fees and consideration of installation fees.
4. That the General Manager investigate the benefits of advertising on the Burns Point Ferry.

FOR VOTE - All Councillors voted unanimously.

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

4.5 General Fund - Operating Budget - 2011/12

RECOMMENDATIONS

(Cr Keith Johnson/Cr Susan Meehan)

1. That Council endorses the draft operating budget, as attached, for inclusion in the draft 2010/11 Operational Plan, including any adjustments resulting from this meeting.

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2. That Council approves the inclusion of the TRIM document Management System in the draft operating budget, as per the information outlined in this report.
3. That Council approves the employment of an additional Workcover Accredited Occupational Health and Safety Trainer, with the cost of this position to be totally offset by savings in monies currently paid to external trainers.
4. That Council approves funding of approximately \$162,000, sourced from Council's property reserves, to upgrade Council's street lighting network with the most energy efficient lighting that is currently available and which is compliant with relevant standards. The savings from this changeover are to be immediately reimbursed to the property reserves and this is expected to occur in less than one year.
5. That a further report be submitted on options to fund the following items:

Alstonville and Ballina CBD street cleaning - \$38,000 recurrent cost
Annual tree planting program- \$15,000 recurrent cost
6. That Council receive a report on the long term viability of the Flat Rock Tent Park.
7. That Council receive further information outlining the benefits to be received through the implementation of the TRIM electronic data management system.

FOR VOTE - All Councillors voted unanimously.

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

4.6 Capital Works - Recurrent - 2011/12 to 2014/15

RECOMMENDATIONS

(Cr Ben Smith/Cr Susan Meehan)

That Council approves the draft Capital Works - Forward Plans, as outlined in this report, for inclusion in the draft 2011/12 Operational Plan, including any adjustments resulting from this meeting, along with the adjustments to the 2010/11 budget as outlined in the report.

FOR VOTE - All Councillors voted unanimously.

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

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4.7 Capital Works - Non-recurrent - 2011/12 to 2014/15

RECOMMENDATIONS

(Cr Ben Smith/Cr David Wright)

1. That Council approves the inclusion of the forward financial plans for Council's property reserves, as per Tables Three, Five and Six as amended, and as outlined below, in the Draft 2011/12 Operational Plan.
2. That Council approves amendments to the 2010/11 budget to reflect the latest financial information as per Tables Three, Five and Six as amended, and as outlined below.

Table Three - Community Infrastructure Reserve - 2009/10 to 2014/15

Item	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Opening Balance	6,751,600	5,904,100	2,879,900	291,300	235,900	829,400
Add: Revenues						
Interest Accrued	333,000	178,000	72,000	7,300	5,900	20,700
Rental - 89 Tamar Street (100%)	648,400	658,000	675,500	695,600	716,300	737,700
Rental - ARC (50%)	0	128,000	157,000	161,700	166,600	171,600
Rental - Fawcett Café (100%)	75,000	79,000	83,500	86,000	88,600	91,300
Loan Income - 89 Tamar Street	0	0	1,500,000	0	0	0
Loan Income - ARC	0	0	0	0	0	0
Loan Income - Fawcett Park Café	0	0	500,000	0	0	0
Internal Loan - Commercial Opps	0	0	2,500,000	0	0	0
Sales - Harvey Norman Dividend	0	2,158,000	0	0	0	0
Sales - Southern Cross	0	730,000	580,000	580,000	0	0
Sales - Adjoining BP (50%)	0	0	0	582,400	0	0
Sales - Balance ARC Site (50%)	0	0	0	1,081,500	0	0
Insurance Claim - L.H.C.C.	0	0	0	800,000	0	0
Rate Cont to Roundabout (30%)	0	0	308,000	0	0	0
Sec 94 Road - Roundabouts (70%)	0	0	0	1,344,000	0	0
Sec 94 Recouped - Comm Fac	0	940,000	325,000	334,800	344,800	355,100
Sub Total	1,056,400	4,871,000	6,701,000	5,673,300	1,322,200	1,376,400
Less: Expenditure						
Loans Repaid (existing) - 89 Tamar	429,700	429,700	429,700	429,700	429,700	429,700
Loan Repaid (new) - 89 Tamar	0	0	0	224,000	224,000	224,000
Loan Repaid (new) - ARC	0	0	0	0	0	0
Loan Repaid (new) - Fawcett Pk	0	0	0	75,000	75,000	75,000
Loan Repaid- Commercial Opps	0	0	0	2,500,000	0	0
Legals	22,500	0	0	0	0	0
Capital - Lennox Hd Comm Cent	0	5,446,000	0	0	0	0
Capital - Tintenbar Hall	25,000	0	0	0	0	0
Capital - Coastal Shared Path	0	200,000	83,500	236,900	0	0
Capital - Coastal Walk	0	0	216,400	563,100	0	0
Capital - Coastguard Tower	26,700	0	0	1,700,000	0	0
Capital - Hockey	400,000	0	0	0	0	0
Capital - Main Street - Alstonville	0	1,300,000	0	0	0	0
Capital - Main Street - Ballina	0	0	5,300,000	0	0	0
Capital - Main St - Cap Cook Pk	0	0	60,000	0	0	0
Capital - Main Street - Wardell	1,000,000	0	0	0	0	0
Capital - Regional Sports Centre	0	450,000	0	0	0	0

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Capital - Surf Club - Ballina	0	0	3,200,000	0	0	0
Capital - Surf Club - Lennox	0	30,000	0	0	0	0
Capital - Ballina Library Expand	0	0	0	0	0	0
Capital - Other Projects	0	39,500	0	0	0	0
Sub Total	1,903,900	7,895,200	9,289,600	5,728,700	728,700	728,700
Closing Balance	5,904,100	2,879,900	291,300	235,900	829,400	1,477,100

Table Five - Commercial Opportunities Reserve - 2009/10 to 2014/15

Item	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Opening Balance	11,355,600	10,838,200	6,653,400	400,900	93,900	3,278,900
Add: Revenues						
Interest Accrued	502,000	400,000	640,000	10,000	2,000	82,000
Sales - Skennars Head	0	0	0	400,000	0	0
Sale - Russellton Courts	0	0	0	0	2,000,000	0
Sales - WUEA	0	0	0	0	2,000,000	2,000,000
Sales - Lennox Head	0	0	0	0	2,000,000	2,000,000
Int Loan Repaid - Indust	0	0	2,000,000	2,000,000	800,000	200,000
Int Loan Repaid - Comm	0	0	0	2,500,000	0	0
Int Loan Repaid - Airport	0	268,900	24,500	0	0	0
Int Loan Repaid - Plant	33,800	33,800	33,500	33,500	33,500	0
Int Loan Repaid - Flat Rock	0	49,500	49,500	49,500	49,500	49,500
Sub Total	535,800	752,200	2,747,500	4,993,000	6,885,000	4,331,500
Less: Expenditure						
Purchase - North Ballina	403,000	0	0	0	0	0
Dividends - General Fund	159,200	0	0	0	0	0
Loan Funding - Flat Rock	92,000	0	0	0	0	0
Sports Fields - Wollongbar	0	1,666,000	500,000	1,000,000	0	0
Sports Fields - Skennars Hd	145,000	1,271,000	0	0	0	0
Land Purchase - Lennox Hd	0	0	4,000,000	0	0	0
Internal Loan - Airport	254,000	0	0	0	0	0
Internal Loan - Indust Land	0	2,000,000	2,000,000	800,000	200,000	0
Internal Loan - Comm Infras	0	0	2,500,000	0	0	0
Development - WUEA	0	0	0	2,000,000	2,000,000	1,000,000
Development - Lennox Head	0	0	0	1,500,000	1,500,000	1,500,000
Sub Total	1,053,200	4,937,000	9,000,000	5,300,000	3,700,000	2,500,000
Closing Balance	10,838,200	6,653,400	400,900	93,900	3,278,900	5,110,400

Table Six - Industrial Land Development Reserve - 2009/10 to 2014/15

Item	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Opening Balance	2,255,500	(1,933,500)	259,800	86,200	137,700	187,300
Add: Revenues						
Interest Accrued	0	0	6,000	2,000	3,000	5,000
Rental - Norfolk Homes	98,000	101,000	133,000	137,000	141,200	145,500
Rental Income - ARC (50%)	0	128,000	155,500	161,700	166,600	171,600
Int Loan Repaid - Waste	335,900	288,400	288,400	0	0	0
Int Loan Repaid - Comm Opps	0	2,000,000	2,000,000	800,000	200,000	0
Sales - Harvey Norman	0	3,842,000	0	0	0	0
Sales - Southern Cross	0	0	0	0	1,000,000	1,000,000
Sales - Russellton	0	0	0	0	0	0
Sales - Land Adjoin BP (50%)	0	0	0	582,400	0	0
Sales - Bal ARC Site (50%)	0	0	0	1,081,500	0	0

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Sub Total	433,900	6,359,400	2,582,900	2,764,600	1,510,800	1,322,100
Less: Expenditure						
WUEA - Operating Expenses	0	10,000	10,000	10,800	11,100	11,400
Southern Cross - Op Exps	14,000	31,500	32,600	33,900	34,900	35,900
Southern Cross - Overheads	137,000	128,000	150,400	136,900	141,000	145,200
Russellton - Operating Exps	18,000	7,500	7,800	8,100	8,300	8,500
Russellton - Overheads	61,000	60,000	105,700	62,000	63,900	65,800
Property Investigations	15,000	26,000	0	0	0	0
General Fund - Dividends	90,900	273,100	250,000	161,400	402,000	409,400
Internal Loan - Comm Opps	0	0	2,000,000	2,000,000	800,000	200,000
Sthn Cross - Cessna Drive	640,000	560,000	0	0	0	0
Sthn Cross - ARC	1,611,000	770,000	0	0	0	0
Sthn Cross - Harvey Norman	1,642,000	2,200,000	0	0	0	0
Sthn Cross - Residue (APN)	284,000	100,000	0	0	0	0
Russellton - Development	0	0	200,000	300,000	0	0
Legal Expenses	110,000	0	0	0	0	0
Sub Total	4,622,900	4,166,100	2,756,500	2,713,100	1,461,200	876,200
Closing Balance	(1,933,500)	259,800	86,200	137,700	187,300	633,200

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

MEETING CLOSURE

5.58 pm