



Brighton Council

MINUTES OF THE **FINANCE COMMITTEE MEETING**
OF THE BRIGHTON COUNCIL HELD
IN THE COUNCIL CHAMBER, COUNCIL OFFICES
OLD BEACH AT 5.15 P.M. ON TUESDAY,
13TH DECEMBER, 2016

PRESENT: Cr Foster (Chairperson); Cr Curran; Cr Garlick; Cr Gray; Cr Jeffries and Cr Owen.

IN ATTENDANCE: Cr Geard; Cr Higgins; Cr Williams; Mr G Davoren (Deputy General Manager); Mrs J Banks (Governance Manager); Mr H Macpherson (Municipal Engineer); Mr J Dryburgh (Manager Development Services) and Ms J Evans (Senior Rates Officer)

1. APOLOGIES:

All members were present.

2. QUESTION TIME & DEPUTATIONS:

There was no requirement for question time.

3. DECLARATION OF INTEREST:

In accordance with Part 5, Section 48 of the *Local Government Act 1993*, the Chairman of a meeting is to request Councillors to indicate whether they have, or are likely to have an interest in any item on the agenda; and

Part 2 Regulation 8 (7) of the *Local Government (Meeting Procedures) Regulations 2005*, the Chairman of a meeting is to request Councillors to indicate whether they have, or are likely to have, a pecuniary interest in any item on the agenda.

Accordingly, Councillors are requested to advise of any interest they may have in respect to any matter appearing on the agenda, or any supplementary item to the

agenda, which the Council has resolved to deal with, in accordance with Part 2 Regulation 8 (6) of the Local Government (Meeting Procedures) Regulations 2005.

There were no declarations of interest.

4. BUSINESS:

4.1 MONTHLY FINANCE REPORT AS AT 30 NOVEMBER 2016:

AUTHOR: Deputy General Manager
(Mr G Davoren)

Background:

The finance reports were submitted for consideration.

They comprised the summarised financial position and revenue and expenses of the Council for the first five months of the 2016/17 financial year.

Consultation:

Nil

Risk Implications:

Nil

Financial Implications:

Not Applicable

Other Issues:

Nil

Assessment:

Nil

Options:

1. As per the recommendation.
 2. Not receive the reports.
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RECOMMENDATION:

That the reports be received.

DECISION:

Cr Curran moved, Cr Jeffries seconded that the report be received.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr Foster	
Cr Garlick	
Cr Gray	
Cr Jeffries	
Cr Owen	

4.2 PRE BUDGET RATING REVIEW:

AUTHOR: Deputy General Manager
(Mr G Davoren)

Background:

Councillors have expressed interest in reviewing rating option to offset the expected loss in TasWater dividends.

TasWater have stated that from July 2018 they will further reduce the proposed dividend distribution to Tasmanian Councils annually from \$30 million to \$20 million over 7 years, as well as placing a freeze over any inflationary increase over that time. The effective result of this decision will impact the revenue stream of Tasmanian Council by an estimated further \$150,000,000 over and above the current accepted revenue reductions. The expected figure over this period for Brighton Council is \$4,620,000.

Council has previously maintained a principle of keeping rates at CPI.

Consultation:

Nil

Risk Implications:

Nil

Financial Implications:

As attached

Other Issues:

Nil

Assessment:

The compounding nature of the TasWater distribution shortfall will require either, or both, a permanent expenditure reduction and a replacement revenue stream that is subject to growth.

Expenditure will be addressed during the budgetary process. It is more practical however to provide direction and address revenue options prior to the budgetary process.

As the impact of the TasWater distribution shortfall is incremental, so too should be the fix to address the issue. The impact will begin to take affect from July 2018 with an initial revenue reduction of \$308,000. It may well be prudent to begin steps to address this impending shortfall from July 2017.

Council's Senior Rates Officer – Ms Julie Evans has prepared a discussion paper (attached) and she will be available to elaborate at the meeting

A summary of rating options for Council consideration outside the CPI and growth increase may include:

- (A) Increasing the rate on all non-vacant land by \$50
 - Return - \$339,000
- (B) Increasing the rate on all non-vacant land by \$100
 - Return - \$678,000
- (C) Increasing the rate on all vacant land by \$50
 - Return - \$30,200
- (D) Increasing the rate on all vacant land by \$100
 - Return - \$60,400
- (E) Provide mandatory residential garbage collection to remaining 200 opt out residents. Revenue less variable expense.
 - Return - \$17,211
- (F) Increase garbage charge extra \$20
 - Return - \$123,060
 - Return - \$127,060 (includes opt out residents)

Options:

1. As per the recommendation.
2. Do not recommend any rating changes.

RECOMMENDATION:

Accept the pre-budget rating review and provide direction for budget preparation.

DECISION:

Cr Jeffries moved, Cr Garlick seconded that the recommendation be adopted.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr Foster	
Cr Garlick	
Cr Gray	
Cr Jeffries	
Cr Owen	

The meeting closed at 5.50p.m.

Confirmed:

(Mayor)

Date:

20th December 2016