



**Brighton
Council**

**MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE BRIGHTON COUNCIL HELD IN THE
COUNCIL CHAMBERS, COUNCIL OFFICES, OLD BEACH
AT 5.15 P.M. ON TUESDAY,
14 DECEMBER 2021**

PRESENT: Cr Gray (Chairperson); Cr Curran (Deputy Chair); Cr De La Torre; Cr Garlick; Cr Geard; Cr Jeffries; Cr Murtagh and Cr Owen.

IN ATTENDANCE: Mr J Dryburgh (General Manager); Mr G Davoren (Deputy General Manager) and Mrs J Banks (Governance Manager)

1. Acknowledgement of Country

2. Apologies

Cr Whelan was an apology.

3. Public Question Time and Deputations

There was no requirement for public question time.

4. 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 2015, 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 2015.

There were no declarations of interest.

5. Business

5.1 Monthly Finance Report as at 30 November 2021

Author: Deputy General Manager (G Davoren)

Background

The finance reports were submitted for consideration.

They compromised the summarised financial position and revenue and expenses of the Council for the first five months of the 2021/22 financial year.

Consultation

Nil.

Risk Implications

Nil.

Financial Implications

Not Applicable.

Strategic Plan

Not Applicable.

Social Implications

Not Applicable.

Environmental or Climate Change Implications

Not Applicable.

Economic Implications

Not Applicable.

Other Issues

Nil.

Assessment

Nil.

Options

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

RECOMMENDATION:

That the reports be received.

DECISION:

Cr Owen moved, Cr Garlick seconded that the report be received.

CARRIED

VOTING RECORD

In favour

Against

Cr Curran
Cr De La Torre
Cr Garlick
Cr Geard
Cr Gray
Cr Jeffries
Cr Murtagh
Cr Owen

5.2 Complete Set of Financial Statements 2020/21

Author: Deputy General Manager (G Davoren)

Background

The complete set of financial statements for the year ending 2020/21 are formally submitted for consideration.

The Tasmanian Audit Office has given its opinion that the Financial Report of Brighton Council and its subsidiaries presents fairly, in all material respects, the group's financial position as at 30 June 2021, and of its financial performance and its cash flows for the year then ended. The report is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

The Financial Statements have again been passed without any qualifications by the Tasmanian Audit Office.

The Tasmanian Audit Office is responsible for the report to be completed in accordance with section 84(3) of the Local Government Act 1993. This year Wise Lord & Fergusson undertook the audit on behalf of the Tasmanian Audit Office.

The report format also complies with the Australian Equivalent to International Reporting Standards (AIFRS). A summary has been provided below.

Interestingly, Brighton Council was established in 1863. In the financial year ending June 2007, I made comment that the Council had finally reached a total equity of over \$100,000,000. This year ending June 2021, Council equity has surpassed \$200,000,000.

Highlights of the General-Purpose Financial Report include:

Consolidated Statement of Comprehensive Income (P/L)

- Unqualified Audit Opinion by the Tasmanian Audit Office for Brighton Council including Microwise Australia Pty Ltd.
- Recurrent Income of \$15,558,232 up from \$14,65,536 last financial year. The increased income was generally across most areas reflecting both community growth and CPI. Recurrent grant revenue also increased, up \$431,364 from the previous year. The investment revenue from TasWater is again down significantly from the previous \$924,000 for the year ending 6/2018, to just \$308,000 for the second year following the board's decision to reduce dividends.
- Total Income \$23,090,064. This includes capital income added to the recurrent income such as \$7,618,800 of capital grant revenue for new or up graded assets which was up substantially from just \$340,861 from the previous year. Non-monetary asset contributions were down however, by \$1,110,168 from last year as no roads were included to \$42,000 being land from a subdivision.
- Other Comprehensive Income that contributed to our overall comprehensive result was positive \$8,168,467. This included a net asset revaluation increment of \$4,822,391 for Brighton Council Assets and a net asset revaluation increment of \$3,346,076 on equity invested assets being our share of TasWater.
- Total expenses from continuing operations were \$16,414,347, an increase from \$15,765,012 last year. Expenditure includes: \$3,461,668 in depreciation. The increase in expenditure was dominated by higher employee expenditure.
- A significant positive net result for the year again from continuing operations of \$7,367,039. This profit was heavily influenced by the \$7,616,800 capital grants. The expenditure of capital grants is identified as an increase in assets and not an expense in accordance with accounting standards.
- The total comprehensive result was up from a negative (\$4,999,942) last year to a positive \$15,535,506. An increase of \$20,535,448 from the previous year. The substantial variance relates to Brighton Council's portion of the TasWater revaluations. Down \$12,502,285 for year ending 6/20 to up \$3,346,076 for year ending 6/21. The increase in capital grants predominately making up the difference.

- Microwise operations were discontinued at the end of the 6/2021 financial year. The company paid \$801,994 last financial year to Brighton Council by way of consultancy and fees compared to \$446,539 in the previous year. Brighton Council paid Microwise \$30,405 by way of software licence fees compared to \$30,914 in the previous year. Microwise Australia increased its external revenue from \$1,075,709 to \$1,279,788. External expenditure increased from \$419,647 to \$588,466. This represents an external profit of \$691,322 for the financial year ending June 2021. Brighton Council's total equity in Microwise Australia at for the year ending 6/2021 was \$2,657,211 which will be transferred to Brighton Council.
- Other commercial activities included Professional Service, which supports other Councils providing a revenue stream of \$426,525 and rental income of \$76,125.

Consolidated Statement of Financial Position (Balance Sheet)

All our key economic indicators are in sound shape. The following balance sheet statistics provide an excellent overall picture of our financial position at year end.

- Our total assets have increased from \$199,812,047 to \$216,825,360 mainly from an increase in \$10,574,593 for property, infrastructure, plant, and equipment. In addition, an increase in our ownership of TasWater of \$3,346,076 as discussed earlier under comprehensive income and an increase of \$2,160,425 for trade and other receivables, mainly from grant income owed.
- Our total liabilities have increased from \$3,818,437 to \$5,296,245. Predominately from an increase in trade and other payables.
- Our total equity has increased from \$195,993,610 to \$211,529,115 during the financial year. This equity increase reflects the comments provided that relate to the movement in total assets and total liabilities. Interestingly, Brighton Council was established
- Our total cash held at the end of the year including investments increased from \$6,580,560 to \$6,822,787. A flat financial year from a cash flow perspective with a movement up of just \$242,227.

In summary, the report outlines a strong position for the key financial management indicators of Brighton Council.

I thank Councillors for their support and long-term financial vision to place Brighton Council in such a strong financial position.

Consultation

Wise Lord & Fergusson, Tasmanian Audit Office, Corporate Executive.

Risk Implications

Nil.

Financial Implications

As stated.

Strategic Plan

Relates to our Goal 4: Ensure a stable organisation.

Social Implications

Not applicable.

Environmental or Climate Change Implications

Not applicable.

Economic Implications

Not applicable.

Other Issues

Nil.

Assessment

Not applicable.

Options

1. As per the recommendation.
2. That Council does not receive the report.

RECOMMENDATION:

That the report be received.

DECISION:

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

CARRIED

VOTING RECORD**In favour****Against**

Cr Curran
Cr De La Torre
Cr Garlick
Cr Geard
Cr Gray
Cr Jeffries
Cr Murtagh
Cr Owen

5.3 The *Kutalayna* Collective: SummerFest Request for Support

Author: Executive Officer (M Braslin)

Approved: General Manager (J Dryburgh)

Background

The *Kutalayna* Collective Community Working Group is currently finalising plans for the SummerFest event on Friday 21 January 2022 to be held at Botanical, Eddington Street Bridgewater.

The event is expected to cost around \$9,500 with Connected Beginnings funding the major proportion of the cost with Mona also supporting the event.

The *Kutalayna* Collective are seeking a contribution from Council of \$1,500 towards the community event to demonstrate Council's continued support to the Bridgewater community and the *Kutalayna* Collective.

Consultation

The *Kutalayna* Collective and Senior Management Team.

Risk Implications

Nil.

Financial Implications

Council contributes \$1,500 towards the SummerFest event from its Community Development Budget. In Council's ambitions to have more and better community activities, supporting other organisations to run events represents a great opportunity, and is more cost-effective than pursuing council-run community events.

Strategic Plan

Relates to our Goal 1: *To strengthen our communities.*

S1.1 - *Understand/Improve Health and Wellbeing.*

Social Implications

The event will have a focus on food and family entertainment and aims to bring the community together in a relaxed environment to help develop stronger community networks and pride.

Environmental or Climate Change Implications

Nil.

Economic Implications

Nil.

Other Issues

Nil.

Assessment

It is important for council to support the *Kutalayna* Collective Community working group in producing this SummerFest event as they endeavour to grow stronger community networks and pride, as well as creating a positive health and wellbeing impact in the Brighton Municipality and surrounding areas.

Options

1. As per the recommendation.
2. Do not approve the \$1,500 Council contribution towards the event.

RECOMMENDATION:

That Council approve the \$1,500 contribution to the SummerFest Event. This donation to be funded from the Community Development Budget.

DECISION:

Cr Jeffries moved, Cr De La Torre seconded that the recommendation be adopted.

CARRIED

VOTING RECORD

In favour

Against

Cr Curran
Cr De La Torre
Cr Garlick
Cr Geard
Cr Gray
Cr Jeffries
Cr Murtagh
Cr Owen

5.4 Support for Tasmanian Association of Tourist Railways Inc.

Author: Deputy General Manager (G Davoren)

Background

The president of the Tasmanian Association of Tourist Railways Inc (TATRail), Mr. Tony Cohen and a representative of TATRail Mr. Paul Jones recently met with the mayor to discuss the future transport requirements for commuter and tourist rail travel. In particular the rail crossing of River Derwent at Bridgewater and connection to the rail network.

TATRail would like to join with Council to investigate a combined approach from all of the southern city and regional councils, stakeholders and railway groups to encourage and lobby government for rail reconnection and train use of the current Bridgewater bridge.

Consultation

General Manager, Mayor.

Risk Implications

Council is capable of supporting TATRail's endeavour but would not enter a formal partnership.

Financial Implications

Not applicable.

Strategic Plan

Relates to our Goal 1 to Strengthen our communities.

Social Implications

Not applicable.

Environmental or Climate Change Implications

Rail is an environmentally friendly form of travel.

Economic Implications

The economic benefits to the Brighton Municipality would be considerable if rail was extended to Bridgewater and beyond.

Other Issues

Nil.

Assessment

Brighton Council would typically take a lead role in seeking any rail infrastructure extension across the River Derwent. It would be appropriate to support TATRail in their endeavour to seek the same.

Options

1. As per the recommendation.
2. Do not support TATRail's endeavour to lobby government for rail reconnection across the River Derwent.

RECOMMENDATION:

That Council supports TATRail's endeavour to lobby government for rail reconnection across the River Derwent.

DECISION:

Cr Geard moved, Cr Murtagh seconded that the recommendation be adopted.

CARRIED

VOTING RECORD

In favour

Against

Cr Curran
Cr De La Torre
Cr Garlick
Cr Geard
Cr Gray
Cr Jeffries
Cr Murtagh
Cr Owen

5.5 Founding Partner - Friends of Bonorong

Author: Deputy General Manager (G Davoren)

Background

Bonorong Wildlife Sanctuary director, Mr Greg Irons has written to invite Council to become a founding partner of Friends of Bonorong, by way of a \$2,000 contribution.

Bonorong has the state's first and only 24-hour wildlife rescue service. This service spans all of Tasmania. Bonorong has also established the 'Bonorong Wildlife

Hospital', which is open 4 days per week with a trained team of specialised wildlife veterinarians dedicated to the treatment of injured and orphaned native wildlife.

The aim of Friends of Bonorong is to fundraise for particular projects through business partnerships, and donations. The Friends of Bonorong board consists of people who are committed to animal welfare.

Consultation

General Manager.

Risk Implications

Not applicable.

Financial Implications

Bonorong are seeking a \$2000 contribution. This contribution has not been budgeted for in the current financial year.

Strategic Plan

Relates to our Goal 1 to Strengthen our communities.

Social Implications

Not applicable.

Environmental or Climate Change Implications

Not applicable

Economic Implications

Bonorong Wildlife Sanctuary is a significant long-term business within our municipality offering many employment and volunteering opportunities.

Other Issues

Nil.

Assessment

A contribution of \$2,000 from Council towards this Bonorong initiative, would enhance their opportunity to gather the desired 100 Friends of Bonorong founding members.

Options

1. As per the recommendation.
2. Do not approve a donation of \$2,000 to become a Founding Member of The Friends of Bonorong.

RECOMMENDATION:

That Council approve a donation of \$2,000 to become a founding member of The Friends of Bonorong. Donation to be funded from the Grants and Donations budget.

DECISION:

Cr Owen moved, Cr Curran seconded that the recommendation be adopted.

CARRIED**VOTING RECORD****In favour****Against**

Cr Curran
Cr De La Torre
Cr Garlick
Cr Geard
Cr Gray
Cr Jeffries
Cr Murtagh
Cr Owen

The meeting closed 5.30pm

Confirmed:

(Mayor)

Date:

21st December, 2021