

Kingborough

PUBLIC AGENDA

This Agenda is provided for the
assistance and information of members
of the public.

AGENDA

Special Meeting of Council

NOTICE is hereby given that a Special Meeting of the
Kingborough Council will be held at the
Civic Centre, 15 Channel Highway, Kingston on
Monday, 30 April 2018 at 5.30pm



Back (L – R): Cr Paul Chatterton, Cr Mike Percy, Cr Sue Bastone, Cr Dean Winter, Cr Richard Atkinson
Front (L – R): Cr Dr Graham Bury, Cr Flora Fox, Mayor Cr Steve Wass, Deputy Mayor Cr Paula Wriedt, Cr David Grace

QUALIFIED PERSONS

In accordance with Section 65 of the *Local Government Act 1993*, I confirm that the reports contained in Special Council Meeting Agenda No. 9 to be held on Monday, 30 April 2018 contain advice, information and recommendations given by a person who has the qualifications or experience necessary to give such advice, information or recommendations.



Gary Arnold
GENERAL MANAGER

24 April 2018

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AGENDA of a Special Meeting of Council to be held at the Kingborough Civic Centre, 15 Channel Highway, Kingston on Monday, 30 April 2018 at 5.30pm.

	From	To	Time Occupied
Open Council	5.30pm		
TOTAL TIME OCCUPIED			

AUDIO RECORDING

The Chairperson is to direct commencement of the recording.

Declare meeting open (time), welcome all in attendance and read:

“All persons in attendance are advised that it is Council policy to record Council Meetings.

The audio recording of this meeting will be made available to the public on Council’s website.

In accordance with Council Policy, I now ask staff to confirm that the audio recording has commenced.”

ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

I acknowledge and pay respect to the Tasmanian Aboriginal Community as the traditional and original owners and continuing custodians of the land on which we now meet, and acknowledge elders past and present.

ATTENDEES

Councillors:

Mayor Councillor S Wass	
Deputy Mayor Councillor P Wriedt	
Councillor S Bastone	
Councillor Dr G Bury	
Councillor P Chatterton	
Councillor F Fox	
Councillor D Grace	
Councillor M Percey	
Councillor D Winter	

Staff:

TITLE	NAME

APOLOGIES

Cr Atkinson

DECLARATIONS OF INTEREST

In accordance with Regulation 8 of the *Local Government (Meeting Procedures) Regulations 2015* and Council's adopted Code of Conduct, the Mayor requests Councillors to indicate whether they have, or are likely to have, a pecuniary interest (any pecuniary benefits or pecuniary detriment) or conflict of interest in any item on the Agenda.

OFFICERS REPORTS TO COUNCIL

FILE NO 10.47
DATE 30 APRIL 2018
OFFICER GARY ARNOLD – GENERAL MANAGER

RELEASE OF DRAFT BUDGET 2018-2019

1 PURPOSE

Strategic Plan Reference

Key Priority Area	6.0	A well administered organisation
Strategic Outcome	6.1	Internal financial and governance arrangements are maintained to a high standard
Strategy	6.1.5	Ensure a long term strategic focus drives financial policy and decisions

1.1 The purpose of this report is to consider the approval and release of the Draft Budget 2018-2019 for public comment.

2 BACKGROUND

2.1 Council has for some considerable time discussed various proposed methods of engaging the community during the budget process.

2.2 Council has held two recent workshops to discuss the formulation of the Draft Budget 2018-2019.

2.3 This Special Council meeting is being held to consider the approval and release of the Draft Budget 2018-2019 for public comment.

3 STATUTORY REQUIREMENTS

3.1 Under the provisions of Section 82 of the *Local Government Act 1993* the estimates for a financial year must not be adopted more than one month before the start of that financial year.

4 DISCUSSION

4.1 Following two recent Council workshops Council has now reached a point where it can consider the approval and release of the Draft Budget 2018-2019 (refer attached) for public comment.

4.2 Council's Draft Budget 2018-2019 has been prepared in the context of addressing the usual funding challenges, plus the following:

- Reduction of \$600,000 in the TasWater dividend that Council receives annually;
- The \$135,000 expected cost to Council for Local Government Elections scheduled to be held in October 2018

- The \$133,000 cost of staffing the new Community Hub building.
- Significant residential subdivision activity anticipated, as indicated by 500 development applications already received in 2018.
- Likely cost increases associated with a new waste and recycling contract and in implementing Council's recently adopted Waste Management Strategy.

4.3 In order to address these challenges the Draft Budget proposes a 4% rate increase and a \$40 increase in the garbage collection charge. This effectively pushes the Long Term Financial Plan out by 12 months before an underlying surplus is achieved in 2021.

4.4 It is proposed that the community information and feedback process for the Draft Budget 2018-2019 is as follows:

30 April 2018 Council resolve to approve and release the Draft Budget for a two week period for comment.

30 April 2018 Council resolve to approve an online community engagement forum inviting our community to submit their priorities for future investment. This will remain open until 31 July 2018.

14 May 2018 Submissions for Draft Budget close at 5.00pm.

21 May 2018 Submissions will be presented to Councillors for consideration.

4 June 2018 Council adopts Budget.

4.5 The approach outlined above will provide Councillors with feedback on the Draft Budget 2018-2019. In addition it will also commence the community engagement process for the preparation of the 2019-2020 Budget by obtaining feedback on community priorities for future investment by Council.

5 FINANCE

5.1 The Draft Budget 2018-2019 proposes an underlying deficit of \$598,000.

6 ENVIRONMENT

6.1 Not applicable to this matter.

7 COMMUNICATION AND CONSULTATION

7.1 A communications plan has been prepared for the proposed release of the Draft Budget 2018-2019 and includes:

- A media release will be issued following Council's determination, noting that the release will not be published in the Kingborough Chronicle until one week later. The Bruny Island News will not be able to publish the release during the proposed timeframe.
- Notifications will be sent to Council's email subscribers, posted to social media and published on the Council's website.

8 RISK

- 8.1 There appears to be little reputational risk associated with the proposed release of Council's Draft Budget 2018-2019 in itself.
- 8.2 However, there is the potential for reputational risk associated with the short feedback process. The limited feedback period may affect the ability for the public to provide meaningful feedback. This may attract criticism and adverse publicity.
- 8.3 Council's engagement practices may lose credibility if the feedback received is not considered and/or adopted following the public consultation period.

9 CONCLUSION

- 9.1 Council has for some considerable time discussed various proposed methods of engaging the community during the budget process.
- 9.2 Council is sufficiently advanced on this occasion to consider approval and release of the Draft Budget 2018-2019. On balance it is considered that despite the tight timelines and the risks identified the positives of seeking community feedback outweigh the negatives.
- 9.3 It is recommended that Council approve and release the Draft Budget 2018-2019 for public comment.

10 RECOMMENDATION

MOVED
SECONDED

That Council puts out the 2018-2019 draft budget for public consultation and recommends that this be in a similar format to that adopted by the City of Launceston.

Name	For	Against	Name	For	Against
Cr Bastone			Cr Percey		
Cr Dr Bury			Cr Wass		
Cr Chatterton			Cr Winter		
Cr Fox			Cr Wriedt		
Cr Grace					



Kingborough

KINGBOROUGH COUNCIL

**DRAFT BUDGET
FOR THE YEAR ENDING
30 JUNE 2019**

KINGBOROUGH COUNCIL

Draft Budget 2018/19

Operating Statement

	Budget 2018/19 \$'000	Forecast 2017/18 \$'000
Income		
Rates	27,035,000	25,312,500
Levies	1,605,000	1,485,000
Contributions	635,200	602,693
Grants	2,974,000	2,107,398
Other Income	919,200	902,000
Reimbursements	1,174,000	1,106,000
User Charges	3,025,820	2,984,950
Internal Transfers & Oncosts	268,000	551,000
Total Income	37,636,220	35,051,540
Expenses		
Employee Costs	14,520,871	13,737,278
Levies	1,605,000	1,485,000
Loan Interest	200,000	40,000
Materials and Contracts	9,107,664	8,550,391
Other Expenses	3,874,140	3,546,052
Internal Transfers & Oncosts	268,000	550,900
Total Expenses	29,575,676	27,909,621
Net Operating Surplus/(Deficit) before:	8,060,544	7,141,919
Depreciation	9,766,240	9,644,160
Carrying Amount of Assets Retired	500,000	940,000
Net Operating Surplus/(Deficit) before:	(2,205,696)	(3,442,241)
Interest	168,000	184,000
Dividends	1,240,000	1,848,000
Share of Profit/(Loss) on Invt in Assoc	100,000	100,000
Investment Return Copping	100,000	100,000
Grant Received in Advance in 2016/17	0	1,050,000
Net Underlying Surplus/(Deficit)	(597,696)	(160,241)
Grants - Capital	1,400,000	2,200,000
Contributions - Capital	200,000	200,000
Proceeds of Sale of Assets	0	0
Non-Cash Contributions	0	0
NET SURPLUS/(DEFICIT)	1,002,304	1,189,759

KINGBOROUGH COUNCIL
STATEMENT OF CASH FLOWS
Year ended 30 June 2019

	Budget 2018/19 \$'000	Forecast 2017/18 \$'000
	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES		
Rates & Fire Levies	28,640	26,798
Statutory Fees and Fines	0	0
User Fees	3,026	2,985
Grants	2,974	2,107
Other Cash Inflows (Incl. Reimbursements)	2,093	2,008
Dividend Revenue	1,240	1,848
Interest	168	184
Payment to Suppliers	(12,982)	(12,096)
Payment to Employees	(14,521)	(13,737)
Finance Costs	(200)	(40)
Payment of Fire Levy	(1,605)	(1,485)
Net Cash Flow from Operating Activities	8,833	8,571
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property, Infrastructure, Plant & Equipment	250	300
Developers Contribution	635	603
Payment for Property, Infrastructure, Plant & Equipment	(21,800)	(19,500)
Net Cash Flow used in Investing Activities	(20,915)	(18,597)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Community Organisation Loans	30	40
Capital Grants	1,400	2,200
Receipt/Payment of Interest Bearing Loans and Borrowings	10,000	7,500
Net Cash Flow from Financing Activities	11,430	9,740
NET (DECREASE)/INCREASE IN CASH HELD	-651	(286)
Cash at the Beginning of the Year	10,271	10,557
CASH AT THE END OF THE YEAR	9,619	10,271

Draft 2018/19 Capital Budget

Projects

\$'000

OTHER PROJECTS

New depot entry	300,000
Plant Replacement Program 2018/19 - Minor Plant	31,000
Plant Replacement Program 2018/19 - Major Plant	927,000
Plant Replacement Program 2018/19 - Light Vehicle	350,000
Barretta Green Waste facility investigation and design	25,000
Multi-function device IT	70,000
Design/survey for future works	100,000

TOTAL

1,803,000

ROADS, BRIDGES AND JETTIES

Taroona Cycle and Pedestrian Safety Upgrade design	20,000
Parish Lane Upgrade	180,000
Summerleas Road Asphalt Bridge Approaches	25,000
Barretta Waste transfer station - Asphalt road access to main shop area	22,000
Barretta Waste transfer station- Asphalt access to main shop area (around shed)	11,500
Brightwater Road renewal plus stormwater	500,000
Missionary Road Retaining Wall Reconstruction-design	20,000
Pelverata Road	250,000
Tinderbox Reserve carpark upgrades	120,000
2018/19 Resealing Program	1,059,000
2018/19 Resheeting Program	900,000
Adventure Bay Road upgrades-design	60,000
Geotechnical investigation for future works	25,000
Works necessitated by development	30,000
Access ramps	10,000
Gormley Drive Extension /Spring Farm link road masterplan design	100,000
Channel Highway Kingston Reconstruction	1,310,000

TOTAL

4,642,500

PROPERTY

KSC Water Services Upgrade Stage 2	35,000
Mountain Bike Park Upgrade Stage 2	70,000
Margate to Snug Cycleway -stage 2	250,000
Kettering Hall Floor Reseal	10,000
Kelvedon Park Changerooms/Clubrooms	150,000
Playground Renewal	50,000
Kingston Beach Oval Cricket Net Replacement	40,000
Snug Oval Play Space Fence	28,000
Boundary Fencing Between Dog Exercise Area and MTB Park	12,500
Ongoing Street Furniture Upgrade/Replacement	16,000
Osborne Esplanade toilet block replacement	470,000
Blackmans Bay BBQ Shelter Demolition	11,000

TOTAL	1,142,500
STORMWATER	
Pit Lid Upgrade	31,500
Stormwater CCTV Camera	7,000
Beach Road Kingston Stormwater Upgrade	141,000
Woodbridge Hill Road Stormwater Upgrade	99,000
Hinsby Road (vic 35) Taroona	56,000
Ritchie Street (vic 43-45) Alonnah	63,000
Kingston Wetlands GPT Replacement	160,000
Taronga Road Stormwater Upgrade	50,000
Stormwater master drainage scheme - study	100,000
Channel Highway (vic 157) Kingston	94,000
Beach Road Middleton Stormwater Upgrade	45,000
Davies Road Widening and Stormwater Upgrade-design	30,000
Bundalla Road Culvert Renewal	39,000
Garnett Street Stormwater Upgrade	30,000
Coxs Road Creek Stabilisation	16,000
Tabors Road (vic 58) Stormwater Upgrade	19,000
Works necessitated by development	50,000
Blackmans Bay stormwater outlet quality control	50,000
TOTAL	1,080,500
Grand Total	8,668,500

CLOSURE

There being no further business, the Chairperson declared the meeting closed at

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(Confirmed)

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(Date)