

**Minutes of the Extraordinary Meeting
of Shellharbour City Council**

**held at the Council Administration Centre, Shellharbour City Centre
on Tuesday 30 June 2009 commencing at 7.33 pm**

Present

Administrator

Mr D Jesson

In attendance

General Manager

Director of Operations & Services

Director of Community Planning & Strategies

Director Shell Cove Business Unit

Group Manager Corporate Planning

Group Manager Cust & Environmental Services

Group Manager Works & Services

Group Manager Development & Tech Services

Group Manager Corporate Services

Manager Executive Offices

Manager Media & Communications

Manager Financial Services

Senior Development Assessment Officer

Senior Development Assessment Officer

Executive Assistant

B A Weir

A Webster

P O'Rourke

P Woodcock

P Masterson

G Standen

C Watt

M Boenisch

T Gearon

F MastroDomenico

N East

P Henderson

C Bern

G Meredith

D Arney

1. Acknowledgement to Country

Shellharbour City Council acknowledges the Traditional Owners and Custodians of the Land on which we are meeting.

2. Apologies / Leave of Absence

Nil.

3. Pecuniary Interest

Nil.

4. Addresses to Council

Agenda Item No & Title	Name
8.1 2009/2012 Draft Management Plan	Joan Vinton Bob Parsons Geoff Rose Susan Moran Robert Cusack John Zelvis Jackie Moulton Peter O'Driscoll Ray Clay Max Clay Peter Moran Diane Quinlin Sonya McKay

5. Adjournment – Consideration of Addresses to Council

Meeting adjourned at 8.52 pm

Meeting resumed at 10.26 pm

6. Administrator's Statements / Reports / Presentations

Nil.

7. Administrator's Minutes

Nil.

8. Reports

8.1 2009/2012 Draft Management Plan (9125613)

114 RESOLVED:

1. That Council adopt:

- The Management Plan
- The Strategic Plan
- The Operational, Balance Sheet, Capital Works and Asset Maintenance/Replacement Budgets
- The Revenue Policy
- The Fees and Charges
- The New Items categorised as "Statutory" totalling \$55,500 (net)
- The New Items categorised as "Essential" totalling \$198,000 (net)

as set on 21 May 2009, plus the following changes:

- The amendments to the Fees and Charges document as detailed later in this report.
- The amendments to the Revenue Policy document as detailed later in this report.

This will result in an overall unrestricted cash deficit of \$4,004.

2. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point three two nine two four cents in the dollar (0.32924) and a Base Amount of two hundred and eighty nine dollars and fifteen cents (\$289.15) per assessment in accordance with section 537 of the Local Government Act 1993 on all rateable land in the City of Shellharbour categorised as "RESIDENTIAL" in accordance with Section 516 of the Local Government Act 1993 be now made for the period 1 July 2009 to 30 June 2010 and in accordance with section 543(1) of the Local Government Act 1993, this rate be named "RESIDENTIAL".

Further that the percentage of the base amount, pursuant to Section 500 of the Local Government Act 1993 is thirty percent (30%) of the total amount payable by the levying of the rate.

3. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point three zero two six two cents in the dollar (0.30262) per assessment on all rateable land in the City of Shellharbour categorised as "FARMLAND" in accordance with Section 515 of the *Local Government Act 1993* be now made for the period 1 July 2009 to 30 June 2010 and in accordance with section 543(1) of the *Local Government Act*, this rate be named "FARMLAND".
4. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point two seven seven six four cents in the dollar (0.27764) per assessment on all rateable land in the City of Shellharbour categorised as "BUSINESS" in accordance with Section 518 of the *Local Government Act 1993* except all rateable land in the City of Shellharbour determined to be in the business sub-category "GENERAL" be now made for the period 1 July 2009 to 30 June 2010 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "NON-URBAN".
5. That an ordinary rate, consisting of an Ad-Valorem Rate of zero point seven four eight zero nine cents in the dollar (0.74809) per assessment on all rateable land in the City of Shellharbour used or zoned for professional/commercial trade or industrial purposes and determined to be a centre of activity and categorised as "BUSINESS" in accordance with Section 518, sub category "GENERAL" in accordance with section 529(1) of the *Local Government Act 1993* be now made for the period 1 July 2009 to 30 June 2010 and in accordance with section 543(1) of the *Local Government Act 1993*, this rate be named "BUSINESS GENERAL".
6. That a Domestic Waste Service Charge of:
 - i) \$259.00 per annum per 240 litre bin per fortnightly service;
 - ii) \$205.00 per annum per 120/140 litre bin per fortnightly service; and
 - iii) \$60.00 per available service (vacant land)

be now made for the period 1 July 2009 to 30 June 2010 in accordance with Section 496 of the *Local Government Act 1993*.

7. That a Business Waste Service Charge of:
 - i) \$267.00 per annum per fortnightly service (garbage, recycling & green waste);
 - ii) \$218.00 per annum per fortnightly service (garbage only);
 - iii) \$65.00 per annum per fortnightly service (recycling only);
 - iv) \$257.00 per annum per fortnightly service (garbage and recycling only);
 - v) \$80.00 per annum per fortnightly service (green waste only); and
 - vi) \$120.00 per annum per fortnightly service (two recycling bins only)

be now made for the period 1 July 2009 to 30 June 2010 in accordance with Section 501 of the *Local Government Act 1993*.

8. That a Stormwater Management Service Charge of:
- i) \$25 per residential assessment per annum
 - ii) \$12.50 per residential strata unit per annum
 - iii) \$25 per 350m² (or part thereof) per business assessment per annum capped at a maximum charge of \$150
 - iv) Business Strata Lots – pro rata per unit of business calculation per annum

be now made for the period 1 July 2009 to 30 June 2010 in accordance with section 496A of the *Local Government Act 1993*.

9. That a rate of nine percent per annum (9% p.a.) accruing daily on rates and charges that remain unpaid after they become due and payable be now set for the period 1 July 2009 to 30 June 2010 in accordance with Section 566 of the *Local Government Act 1993*.
10. a) That Council's voluntary Pensioner rebate be reduced from \$90 to \$60 from the 2009/10 budget year; and
- b) That Council's voluntary Pensioner rebate be restricted to those pensioners registered with Council and eligible for the rebate in 2008/2009, as at 30 June 2009 and that no further pensioners be included in Council's voluntary rebate scheme after 30 June 2009.
11. That the amount of new loan borrowing application be \$1,400,000 with \$1,400,000 to be borrowed if required from recognised banking institutions or government authorities and secured by a mortgage over Council's consolidated fund income and that this loan be utilised for capital works at the Shellharbour Beachside Tourist Park.
12. That the existing Works and Sportsfields ward fund balances plus all future allocations, be categorised and distributed on a city wide priority basis.
13. That Council adopt the projects to be carried over as detailed in the report and also listed in the attachments totalling \$9,690,400.
14. That the public submissions made, be received, taken into consideration and noted.

Further that:

15. That the Management Plan and Budget for 2010/11 be the subject of a level 3 process under the Council's Community Engagement Policy.

16. That in response to the submissions received regarding the Management Plan and Budget that the General Manager write to the Local Government & Shires Association seeking to have it pursue with the State Government an increase to the pensioner rate rebate scheme to a level which reflects the present day value of the maximum of \$250 per annum established in 1989 and for that sum to in turn be increased annually by a CPI Index and further that the Council note that this course is generally in keeping with previous decisions of the Council.
17. That the General Manager report to the Administrator during February 2010 on options (including preferred options) on the matters of Council's base rate, voluntary pensioner rate rebate and impact of the revaluation of properties to be effective from 2010/11.
18. That having already lodged an application that the General Manager continue to pursue the suggestion made by the Member for Throsby to have the extension of Poplar Avenue funded under the Federal Government's "black spot" program and further that the Council's priority for this project be reassessed providing for a factor reflecting the unacceptable high level of risk associated with the current Princes Highway intersection lay out.
19. That in relation to the proposal in the 2009/10 Management Plan and Budget regarding public swimming pools that Council staff:
 - (a) invite representatives from each of the swimming club user groups and Mr Peter O'Driscoll, a community member, to form a working group with Council staff, the results of which are to be reported back to Council as a matter of urgency.
 - (b) that any report produce a recommendation which generally equates to the same net cost for the operation of public swimming pools as provided in the 2009/10 Management Plan and Budget
20. That reports be presented to the Council during August 2009 regarding:
 - The establishment of an Independent Hearing & Assessment Panel to serve the Shellharbour Local Government area;
 - The formation and selection of the panel under the Council's Code of Conduct;
 - The status and arrangements to date for the constitutional referendum to determine the future structure of the elected council;
 - The establishment of an internal audit function within the Council's organisational structure.

21. That Council note the provisions in the 2009/10 budget relating to the implementation of the recommendations made in the report of the Public Inquiry:

- Half the cost of the constitutional referendum to determine the future structure of the elected council – estimated costs mandated by the State Electoral Office and costs of consultation of \$300,000 spread over two financial years \$150,000
- Full operational costs of an internal audit function for the last half of the 2009/10 financial year \$60,000
- Audio and visual recording of all council meetings \$20,000

And further that Council also note that normal operational budgets should accommodate needs for advice to the Council or the Administrator regarding other elements of the Public Inquiry's recommendations.

22. That arrangements be undertaken immediately to explore with representatives from Shellharbour Sharks/Dragons Rugby League Football Club the provision of modern facilities in the eastern area of the City, including Ron Costello Oval and Myimbarr Sporting Fields.

23. That the Shellharbour Village and Oak Flats streetscape projects be referred for inclusion in the 2010/11 Capital Works Program which is to be reported to the Council in the first quarter of 2010.

24. That the Council note the following documented and factual information:

- ↗ that the Council affirmed or directed (by resolution) action at all major stages of proceedings in relation to the leaking of confidential information from the point where the initial investigation was launched and when costs incurred had been at a very modest sum.
- ↗ that all costs incurred to date have been brought to account and paid for from revenue.
- ↗ that costs awarded against the Council will be brought to account and paid after the detailed assessment process between the parties has been completed.
- ↗ that the net operating cost of the Council owned golf course at Shell Cove for 2009/10 is estimated at \$82,846 a reduction of \$131,089 from the project net costs for 2008/09 forecast at the March budget review.

- ↗ that a report will be prepared and presented to Council during April 2010 commenting on a preferred operational structure and implementation timeframe for the golf course.
- that the \$17 increase in the waste charge for 2009/10 is made up of:
 - \$7 or 41.2% is represented by the increase in the State Waste Levy. The State levy is designed to provide a financial incentive to those in the waste industry to reduce the volume of waste to landfill and increase the volume of waste to recycling both of which are laudable objectives. The waste levy is paid into state consolidated revenue and not directed in total to fund state, regional or local recycling projects which would be an equally laudable objective and provide greater equity and incentive in further reducing waste and increasing recycling.
 - \$6.10 or 35.8% is represented by increases under the rise and fall contract.
- that in terms of its financial management the Shellharbour City Council performs favourably in all categories when compared with other Councils in its group category under the Department of Local Government's "Comparative Data of all NSW Councils".
- that salary costs in the 2009/10 budget reflect real terms reductions in the order of \$220,000 over 2008/09.
- that recent media reports attributed to a former Councillor that the Council for "*the first three years I was in the Council we were in a surplus every year*" and "*In 2007/08 we were \$75,000 in debt. Since then, the million dollar deficit is all the administration's doing...not sure why Mr Weir continues to blame past Councillors*" and further that blaming former Councillors was "*disgraceful*" are not supported by Council's audited financial statements which show:
 - Year 1 (of the term of the last Council): an opening budget surplus of \$136,000 became a \$30,000 deficit;
 - Year 2: an estimated deficit of \$330,000 became a \$694,000 deficit;
 - Year 3: an estimated \$42,000 deficit became a deficit of \$705,000;
 - Year 4: an estimated \$76,000 deficit became an actual deficit of \$1,715,000 just 12 months ago;
 - That over the term of the last Council its unrestricted reserves balance was reduced from \$8.9M to \$5.8M or a reduction in

unrestricted reserves of \$3.1M or \$64,580 a month for each of the 48 months it held office;

and further that the Council contrast this performance with the decisiveness demonstrated by Council's management team in addressing a projected deficit of \$2.3M at the six month budget review to December 2008, which was directly attributable to the reduction in interest earned on investments, with a revised deficit of less than \$1M at the nine month budget review – a commendable result of appropriate financial discipline and rigour in the face of the worst global economic crisis since the Great Depression.

25. That the General Manager and other Council staff brief the Administrator on Council's revenue and rating policies during the fourth quarter of 2009.
26. That Council staff develop and report to the Council a timetable for the staged implementation of the biodiversity policy.
27. That the authors of submissions seeking detailed financial information and data as part of their comments on the 2009/10 Management Plan and Budget be invited to discuss requests with appropriate Council staff on a one-to-one basis.

9. Urgent Business

Nil.

Meeting closed 11.13 pm