



Council Budget Meeting

MINUTES

19 MAY 2015

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

MINUTES OF THE COUNCIL MEETING HELD IN THE CUMMINS COUNCIL CHAMBERS, RAILWAY TERRACE, CUMMINS, ON TUESDAY 19 MAY 2015 COMMENCING AT 9.00 AM.

PRESENT: COUNCILLORS J K LOW (MAYOR), D B MILLARD, (DEPUTY MAYOR), W HOLMAN, D L LAUBE, P L MITCHELL, AND J QUIGLEY.

MESSRS R W PEARSON (CEO), A DOUGLAS (DIRECTOR WORKS & INFRASTRUCTURE), T SMITH (ACCOUNTANT), B ROGERS (AIRPORT MANAGER) AND L P BLACKER (DEVELOPMENT MANAGER).

C154 WELCOME AND APOLOGIES

Mayor Low welcomed Councillors and staff to the Council budget meeting.

Mayor Low noted that Cr Quigley would be arriving at approximately 9.30 am.

Apology received from G C BAYLY,

C155 CORRESPONDENCE

The following items were presented as late items.

(1) COMMUNITY BUS

The following is an extract from the late agenda item provided to the Council meeting.

The provision of a Community Bus service has been the subject of several meetings with representatives of the Cummins Community Bank staff and board members after the Bank Board identified the project for a \$90,000 grant following its Cummins Community Funding Forum in August last year.

(continued)

C155 CORRESPONDENCE

cont'd:

(1) COMMUNITY BUS

cont'd:

Preliminary discussions with the Bank Board started on the premise provided in the September 2014 Community Bus Discussion Paper with the following suggestions:

- *Bank Board funds the capital purchase of the bus;*
- *Bank Board budget for the depreciation and future replacement of the bus;*
- *Council manage day-to-day operation and maintenance costs;*
- *Operating expenses could be covered by charge-out-rates;*
- *Consideration of subsidisation by Council and Bank Board for trip costs for communities outside of Cummins, and for charitable purposes; and*
- *District Council fund construction of shedding estimated to be \$35,000.*

Further discussions with Board members during April have provided additional models including the possibility of a partnership between the Bank Board and a commercial operator to provide a community bus service with disabled access.

These discussions are still preliminary in nature. For the purpose of the 2015/16 budget the provision of funds for shedding, at \$35,000, has been included funded by a Strategic Objective rate rise of 0.7%.

A subsidisation of \$2,000 may also be required from Council based on \$1.22/km charge (rate of estimated cost recovery excluding depreciation and fuel expenses) for approximately 13 trips of 126km to commence trips from areas away from the base location in Cummins.

(continued)

C155 CORRESPONDENCE

cont'd:

(1) COMMUNITY BUS

cont'd:

Item	Cost Centre	Fixed Annual cost	Per km rate (\$) (annual kilometres)			
			5,000km	7,500km	10,000km	15,000km
1	Registration	\$1,200	0.24	0.16	0.12	0.08
2	Insurance	\$1,000	0.20	0.13	0.10	0.07
3	Services	\$2,000	0.40	0.27	0.20	0.13
4	Inspections	\$1,200	0.24	0.16	0.12	0.08
5	External cleaning	\$450	0.09	0.06	0.05	0.03
6	Depreciation (10yrs)	\$11,340	2.27	1.51	1.13	0.76

		Fixed km rate				
7	Tyres (\$1,800 per 40,000km)	\$0.05	0.05	0.05	0.05	0.05
8	Fuel (at \$1.60 per Litre)	\$0.32	0.32	0.32	0.32	0.32
	All Costs included	Total A	3.81	2.66	2.09	1.52
	Costs - excl fuel	Total B	3.49	2.34	1.77	1.2
	Costs - excl fuel & Dep'n	Total C	1.22	0.83	0.64	0.44

Noted.

(2) MORTLOCK STREET SEALING, CUMMINS

The following is an extract from the late agenda item provided to the Council meeting.

Correspondence received from Ms J Hughes requesting Council seal Mortlock Street in Cummins.

Ms Hughes notes that their residence is inundated with dust during the summer months and also has issues with water pooling during Winter.

As the road is currently unsealed within the township Ms Hughes believes this attracts hoon drivers who do burnouts and slide down the road.

This road was scheduled to be sealed in the 2014/15 year however it was deferred to bring forward the sealing of Haigh Drive. It is currently included in the draft budget at a cost of \$195,000.

Noted.

C155 CORRESPONDENCE

cont'd:

(3) GILES ROAD, COFFIN BAY

The following is an extract from the late agenda item provided to the Council meeting.

Correspondence received from Mr G Schmidt requesting Council clean up the footpath and roadside on Giles Road in Coffin Bay due to the many small bushes and trees that have broken off and have been lying on the ground for a number of years.

Mr Schmidt believes that the footpath, kerbing and stormwater issues on Giles Road have been a very low priority for Council and would like to see them given urgent attention.

QUIGLEY/HOLMAN

That the upgrade of footpaths, kerbing and stormwater on Giles Road be considered in the next review of Council's Strategic Plan to be conducted in the 2015/16 year.

Carried.

(4) COMMUNITY HALLS INSURANCE CONTRIBUTION

The following is an extract from the late agenda item provided to the Council meeting.

Information has been received from Mr G Naulty, Divisional Manager, Local Community Insurance Services (LCIS) setting out insurance costs applicable to community halls.

The following summary has been provided by LCIS;

The District Council of Lower Eyre Peninsula is seeking costs on insurance options for Community Halls located within Council's district.

This document provides an outline of legal liability, property and personal accident insurance covers which may apply to Community Hall management committees.

The costings provided in the table below are indicative and will require completion of an application form.

All insurance policies are subject to a number of terms, conditions, endorsements and exclusions which impact on the extent of cover provided. Specimen insurance policies are provided as supplements to the Summary.

(continued)

C155 CORRESPONDENCE

cont'd:

(4) COMMUNITY HALLS INSURANCE CONTRIBUTION

cont'd:

All insurance policies are subject to a number of terms, conditions, endorsements and exclusions which impact on the extent of cover provided. Specimen insurance policies are provided as supplements to the Summary.

To assist Community Hall management committees in understanding the scope of cover under each type of policy we have provided a broad explanation of the various policies and specimen policy schedules which will allow them to better understand the insurances discussed.

It is important to recognise that there is no obligation to take any or all of the policies outlined, they are reported on to provide a background which will then allow an informed decision to be made.

The information provided in this document does not replace, override or extend cover as per the policy document. Contact LCIS if you require clarification on the policies discussed.

POLICIES & PREMIUMS

The costs below do not include of our administration fee, this is \$110 per policy.

The premiums shown are annual and include government taxes (being GST 10% & stamp duty 11%).

As noted earlier these costs are indicative and a declaration of underwriting information via an Application Form may amend the premiums shown.

(continued)

C155 CORRESPONDENCE

cont'd:

(4) COMMUNITY HALLS INSURANCE CONTRIBUTION

cont'd:

<i>TYPE OF POLICY</i>	<i>BASIS OF COST</i>
<i>Business Pack</i>	<i>Fire & Insured Perils \$249 per \$100,000 of assets at the location Burglary/Theft \$365 per \$10,000 of assets at the location Money cover – on premises, in transit, at home \$88 per \$1,000 of insured value Glass breakage Flat cost \$200 per location</i>
<i>Association Liability</i>	<i>Cover limit \$2,000,000 any one claim and in the aggregate in the policy year \$305 per Committee</i>
<i>General & Products Liability</i>	<i>Cover limit \$10,000,000 \$488 per Committee</i>
<i>Personal Accident – Volunteer Workers</i>	<i>For cover limits refer section starting page 22 \$396 per Committee</i>

The following groups have been identified as Hall owners with low revenue producing ability that could be subject to assistance by Council:

- *Kapinnie Hall Committee*
- *Yeelanna Memorial Association*
- *Karkoo Hall Committee*
- *Mount Hope Soldiers Memorial Hall*
- *Vanilla Progress Association*
- *Coffin Bay Progress Association*
- *Coulta Memorial Hall Association*
- *Edillilie Memorial Progress Association*
- *White Flat Community Hall*
- *Trustees North Shields Hall*

Staff will liaise with the hall owners to compare their current insurance premium being paid and advise them of the offer provided by LCIS. A further report will be presented to Council at the ordinary June meeting for a potential budget consideration.

(continued)

C155 CORRESPONDENCE

cont'd:

(4) COMMUNITY HALLS INSURANCE CONTRIBUTION

cont'd:

MILLARD/LAUBE

That Council write to the following owners of community halls seeking expressions of interest in accepting an offer from Local Community Insurance Services to provide hall insurance cover:

- Kapinnie Hall Committee
- Yeelanna Memorial Association
- Karkoo Hall Committee
- Mount Hope Soldiers Memorial Hall
- Wanilla Progress Association
- Coffin Bay Progress Association
- Couлта Memorial Hall Association
- Edillilie Memorial Progress Association
- White Flat Community Hall
- Trustees North Shields Hall.

Carried.

Cr Quigley entered the meeting at 9.42 am.

C156 LONG TERM FINANCIAL PLAN AND ASSET & INFRASTRUCTURE MANAGEMENT PLAN

LAUBE/MITCHELL

That the updated Long Term Financial Plan and Asset and Infrastructure Management Plan be adopted by Council; and

That the Long Term Financial Plan and Asset and Infrastructure Management Plan as adopted be provided on the Council Website.

Carried.

C157 ITEMS NOT INCLUDED IN THE BUDGET

Significant discussion ensued in relation to the preparation of the draft budget, including:

- Sleaford Bay Progress Association requests as part of a deputation to the February Council meeting. The items were noted for consideration in the budget.
- Armistice Community Group are discussing the possibility of installing a walkway/staircase at Gallipoli Beach.
- Reduce Council office Civic display budget
- Financial position of the Cummins Homes
- CWMS desludging program
- Public convenience maintenance
- Community Bus
- Lack of site identification for Cummins skate park
- Brinkworth Reserve financial contributions
- Flinders Highway grant applications
- Port Lincoln Airport income streams
- Funding for the Port Lincoln Visitor Information Centre
- Southern Eyre Peninsula Subsidiary ownership of bull dozer
- Cemetery Fees
- Sleaford Bay Tourist Signs
- Coffin Bay Stormwater Management
- Stamford Industrial Area Access

Noted.

C158 MOTIONS TO CONSIDER ITEMS IN THE BUDGET

Noted.

C159 BUDGET DOCUMENTS

LAUBE/MITCHELL

That Staff amend the draft budget documents to reflect the following changes:

<u>NEW ITEM / ADJUSTMENT / DELETION</u>	<u>ACCOUNT</u>	<u>\$ WAS</u>	<u>\$ NOW</u>	<u>\$ CHANGE</u>	<u>SURPLUS</u>
BALANCED BUDGET 19/05/15					-
Council Office fit out	8046	16,000	8,000	8,000	8,000
Community Bus Subsidy	8756	0	2,000	(2,000)	6,000
Brinkworth Reserve Contribution	8786	2,500	5,000	(2,500)	3,500
Reduce Mortlock Street cost	10008	195,000	180,000	15,000	18,500
Reduce Mortlock Street loan borrowings	20901	195,000	180,000	(15,000)	3,500
Increase Airport passenger levy \$7.80 to \$8.80	21002	1,462,500	1,555,000	92,500	96,000
Increase Airport other income \$500 to \$8,500	21013	500	8,500	8,000	104,000
Remove Airport borrowings	21007	150,000	0	(150,000)	(46,000)
Remove PL VIC Contribution	15601	5,000	0	5,000	(41,000)
Adjust Airport reserve movement		3,800	50,800	47,000	6,000
Include NRM Stormwater Grant	20542	0	10,000	10,000	16,000
Include Federal Stormwater Grant	20542	10,000	20,000	10,000	26,000
Increase Stormwater study cost	8621	10,000	30,000	(20,000)	6,000
Surplus carried forward				-	6,000

, and

That the amended draft documents, be made available to the public for comment in accordance with Council's resolution, Agenda Item F33 FN/22/15, March 2015.

Carried.

C160 GENERAL BUSINESS

Nil

MEETING CLOSED AT 1.46 PM

MINUTES CONFIRMED:

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(CHIEF EXECUTIVE OFFICER)

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(MAYOR)

DATED: 19 JUNE 2015