

Extraordinary Council Meeting

Business Paper

Maclean - 16 May 2024 - 1:30 PM



AGENDA

Page

01 OPENING OF EXTRAORDINARY MEETING

- Affirmation/Prayer
- Acknowledgement of Country
- Announcement – Recording of Meeting

02 APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE

03 DISCLOSURES AND DECLARATIONS OF INTEREST

05 MAYORAL MINUTES

Nil

06 NOTICE OF MOTIONS

Nil

07 REPORTS

OFFICE OF THE GENERAL MANAGER

Nil

ENVIRONMENT & PLANNING

Nil

CORPORATE & COMMUNITY

07.24.067 2023/24 Loan Borrowings - Quotations

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WORKS & CIVIL

Nil

08 CONFIDENTIAL BUSINESS

09 LATE ITEMS OF BUSINESS AND MATTERS ARISING

10 CLOSE OF EXTRAORDINARY MEETING

5. MAYORAL MINUTES

Nil

6. NOTICES OF MOTION

Nil

7. REPORTS

OFFICE OF THE GENERAL MANAGER

Nil

ENVIRONMENT & PLANNING

Nil

CORPORATE & COMMUNITY**ITEM 07.24.067 2023/24 LOAN BORROWINGS - QUOTATIONS**

Meeting	Extraordinary Council	16 May 2024
Directorate	Corporate & Community	
Prepared by	Financial Accountant, Nick Harvey	
Reviewed by	Director Corporate & Community, Alex Moar	
Attachments	Nil	

SUMMARY

This report references Council Resolution 07.24.038 and considers quotes received from Financial Institutions.

OFFICER RECOMMENDATION

That Council:

1. close the meeting to the public to consider a confidential attachment that will be tabled at the meeting regarding the offers provided by lending institutions, under section: 14.1(d)(i) commercial information of a confidential nature that would if disclosed, prejudice the commercial position of the person who supplied it.
2. consider responses to loan negotiations and accept the most cost-effective loan for the General Fund borrowings .
3. affix Council's Seal to the loan agreement in accordance with the Affixing Council Seal Policy.

LINKAGE TO OUR COMMUNITY PLAN

Theme Leadership

Objective We will have a strong, accountable and representative Government

KEY ISSUES

Financial institutions will only hold interest rates for a limited time. It is therefore recommended that Council select the most cost-effective loan based on the following loan term options:

1. 15 years principal and interest; or
2. 20 years principal and interest; or
3. 5 years interest only, refinanced at end of term to 20 years principal and interest.

Despite earlier advice, towards the end of the Expression of Interest deadline, NSW Treasury Corporation advised it is unable to review all documents provided in time for their monthly credit meeting.

Loan offers are anticipated at 11am on Thursday 16 May and will only be available to accept for a specified period. A confidential attachment including details of offers will be tabled for the consideration of Council at the meeting.

BACKGROUND

During the March meeting council resolved (07.24.038) to hold an extraordinary meeting to consider responses to loan negotiations when received, before accepting the loan borrowings and to affix the Council's Seal to the loan agreement.

COUNCIL IMPLICATIONS**Budget/Financial**

While Council's 2023/2024 Revenue Policy proposes that the General Fund borrow up to \$10 million during 2023/2024 for upgrade of the Regional Aquatic Facility, at its Ordinary Council Meeting, Council approved funding strategies that incorporated current required borrowings for the Regional Aquatic Centre and Yamba Community Precinct projects.

The total loan borrowings required to complete these projects is \$24.720 million - Regional Aquatic Facility - \$19.747 million (07.23.184) and Yamba Community Precinct - \$4.973 million (07.23.183).

Asset Management

The redevelopment of Yamba Community Precinct and The Regional Aquatic Facility will involve the construction of new facilities (new assets). The existing assets will be disposed of, and the new assets will be included in Council's Asset Management Plan.

Policy and Regulation

Borrowing Policy, Section 377 Local Government Act

Consultation

Ernst & Young – Capital and Debt Advisory Services

Legal and Risk Management

The purpose of this report is to comply with Council's legislative obligations with respect to borrowing of money. Council is required to formally resolve to borrow funds and in accordance with Section 377 of the Local Government Act is unable to delegate this function.

In accordance with the Loan Borrowing Order issued by the Minister for Local Government on 13th May 2009 Council *"shall not borrow from any source outside the Commonwealth of Australia nor in any other currency other than Australian currency"*.

Climate Change

N/A

WORKS & CIVIL

Nil

8. CONFIDENTIAL BUSINESS

9. CLOSE OF EXTRAORDINARY MEETING