



Southern Grampians
SHIRE COUNCIL

Council Meeting Minutes

Special Meeting

27 June 2018

Held at 5.30pm in the Council
Chambers at 5 Market Place, Hamilton

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The Meeting opened at 5.30pm

1. Present

Councillors

Cr Mary-Ann Brown – Mayor
Cr Chris Sharples – Deputy Mayor
Cr Cathy Armstrong
Cr Greg McAdam
Cr Katrina Rainsford

Officers

Mr Michael Tudball – Chief Executive Officer
Ms Evelyn Arnold – Director Community and Corporate Services
Mr Michael McCarthy - Director Shire Futures
Mr David Moloney – Director Shire Infrastructure
Ms Megan Kruger – Governance Coordinator
Ms Belinda Johnson – Manager Finance

2. Acknowledgement of Country

The Mayor, Cr Brown, read the acknowledgement of country –

“Our meeting is being held on the traditional lands of the Gunditjmarra, Tjap Wurrung and Bunganditj people.

I would like to pay my respects to their Elders, past and present, and the Elders from other communities who may be here today.”

3. Prayer

Cr Sharples led the meeting in a prayer.

4. Apologies

Cr Albert Calvano and Cr Colin Dunkley.

5. Declaration of Interest

Cr Rainsford declared an indirect conflict of interest in Item 6.1, but due to section 79C(2) of the Local Government Act 1989 was not required to leave the Chambers or abstain from voting on the Item.

6. Management Reports

6.1 Adoption of 2018/19 Budget

Directorate: Michael Tudball, Chief Executive Officer
Author: Belinda Johnson, Manager Finance
Attachments: 1. Strategic Resource Plan, 2. Annual Budget & 3. Council Services Pricing Register

Executive Summary

The Draft Budget for 2018/19 and Strategic Resource Plan 2018/19 to 2021/22 have generally been prepared in the form of the model budget template recommended as the best practice for reporting local government budgets in Victoria. The reports contain the statutory information required under the Local Government Act 1989 and the associated Regulations. The draft Annual Budget has been developed within the overall planning framework, which guides the Council in identifying community needs and aspirations over the medium to long term (Council Plan) and short term (Annual Budget) objectives, strategies, initiatives, activities and resource requirements.

Discussion

The Draft Budget for 2018/19 has been prepared under the provisions of the Local Government Act 1989 and in accordance with the associated Regulations and the relevant International and Australian Accounting Standards. The budget document contains:

- Overview and Budget Highlights
- Analysis of operating and capital budgets, cash position, budget financial position and rating structure
- Standard Income Statement, Balance Sheet, Cash Flow Statement, Capital Works Statement and a Summary of Rates and Charges

The Draft 2018/19 Budget presented in the report has been developed through a process of consultation and review with Council and Council officers.

The Draft 2018/19 Operating Budget forecasts an operating surplus of \$13.839 million and Council anticipates to hold \$7.451 million cash at 30 June 2019.

The Draft Budget provides for capital expenditure in 2018/19 of \$32.946 million comprising which includes flood restoration works of \$15.682 million.

The Draft Budget proposes an increase in the general rate of 2.25% for the year. This rate cap has been set at 2.25% by the Minister for Local Government.

The municipal charge will increase from \$192 to \$195 (this is a 1.6% increase bringing the total collected to 10% of rate revenue)

General rates and municipal charges are levied in accordance with Council's Rating Strategy Policy.

The service charge will increase from \$257 to \$263 for all improved residential properties in the Hamilton, Balmoral, Branxholme, Byaduk, Byaduk North, Cavendish, Coleraine, Dunkeld, Glenthompson, Penshurst and Tarrington urban areas and "refuse collection areas" for the collection and disposal of refuse and recycling.

An elective organic waste collection and disposal service is available for improved residential properties in the Hamilton and Tarrington urban areas. The service charge for this service will increase from \$93 to \$95.

The garbage collection and disposal service will again only be provided to commercial and industrial properties within the Shire on request.

It is not proposed to borrow funds in 2018/19 year.

It is proposed to continue to offer as an incentive for prompt payment, a discount of two per cent in accordance with Section 168 of the Local Government Act 1989 where all four instalments of rates and charges declared for the current year (less the discount) are paid on or before 30 September, excluding any arrears of rates and charges outstanding from previous years.

The Pricing Register has been amended to include:

- Motion of Council on 9 May 2018 with regard to family day care fees,
- Minor fee changes in the library schedule,
- Statutory fees relating to penalty units in the planning schedule,
- Animal registration concession amounts, and
- Changes to the Livestock Agents fees.

Financial and Resource Implications

Council is required to implement the principles of sound financial management detailed in Section 136 of the Local Government Act 1989.

Legislation, Council Plan and Policy Impacts

The 2018/19 Annual Budget includes the key activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan 2017-2021. The Strategic Resource Plan looks at financial assumptions over the medium to longer term required to implement the Council Plan.

The Council Plan establishes that we will:

- Support our Community
- Develop our Regional Economy and Businesses
- Plan for our Built Environment
- Promote our Natural Environment, and
- Provide Governance and Leadership

Risk Management

In developing the Draft Budget and Draft Strategic Resource Plan, Council considers relevant financial risks to ensure it can achieve its Council Plan objectives within a longer term prudent financial framework.

Environmental and Sustainability Considerations

The Annual Budget provides the funding for the Council to undertake its social, economic and environmental initiatives outlined in the Council Plan 2017-2021.

Community Consultation and Communication

The Draft Budget 2018/19 was advertised for public inspection and comment on 12 May 2018 in the Hamilton Spectator Newspaper. The Draft Budget was available for public inspection at Councils Customer Service Centre, 111 Brown Street Hamilton and at licensed Post Offices (excluding Hamilton) within the Shire and Council's website www.sthgrampians.vic.gov.au. Copies were also distributed to the local Development Associations. Submissions closed on 12 June 2018 and were heard at a Special Council Meeting on 21 June 2018.

Following adoption of the Draft Budget 2018/19, public notice will be given of the adoption and the Minister for Local Government will be advised.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That having considered all submissions received, Council resolve as follows:

1. Budget submissions acknowledgement:

- 1.1. That Council acknowledges and thanks all submitters to the budget process for their input; and
- 1.2. That Council Formally writes to all submitters with responses and outcomes of their submissions.

2. Adoption of 2018/2019 Budget

- 2.1. That the Budget for the year ending 30 June 2019 as presented at the Council meeting held on 12 May 2018 be adopted;
- 2.2. That based upon the submissions Council wishes to prioritise the following projects into the 2018/19 works plan:
 - a) Hamilton Showgrounds Masterplan;
 - b) D-Force Project;
 - c) Cavendish Recreation Reserve Toilet & Amenities Facility.

With officers providing a report of how this can be achieved provided to the August Ordinary Meeting of Council.

- 2.3. That public notice of the adoption of the Budget be given in accordance with Section 130 of the Local Government Act 1989.

3. Declaration of Rates and Charges for 2018/2019

That the following rates and charges be declared for the financial period commencing on 1 July 2018 and ending on 30 June 2019 -

A. AMOUNT INTENDED TO BE RAISED

That the amount of \$19,946,990 be declared as the amount which Council intends to raise by general rates, special rates, municipal charges and service charges which amount is calculated as follows –

General Rates	\$16,345,768
Municipal Charge	\$ 1,821,105
Service Charge	\$ 1,775,895
Special Rate	<u>\$ 4,222</u>
	\$19,946,990

B. GENERAL RATE

1. A general rate be declared for the period commencing on 1 July 2018 and ending on 30 June 2019.
2. It be further declared that, subject to paragraph 4 of this Part, the general rate be raised by the application of differential rates.
3. It is confirmed that the general rate for all rateable land within the municipal district be determined by multiplying the Capital Improved Value of each rateable land by the relevant differential rate as specified in paragraph 5 of this Part.
4. It be recorded that Council considers that the application of the differential rates will contribute to the equitable and efficient carrying out of Council's function and that the purpose of levying differential general rates is to recognise the following factors:
 - The different standard of municipal services provided to the residents and ratepayers in different areas of the Shire;
 - The different range of municipal services available to the residents and ratepayers in different areas of the Shire;
 - Differences in the accessibility to municipal services for the residents and ratepayers in different areas of the Shire.
5. That differential rates be declared as specified below:
 - i. on all rateable land in the parishes of North Hamilton and South Hamilton, excluding farm land (as defined by Section 2 (1) of the Valuation of Land Act 1960) comprising all or part of a single farm enterprise (as defined by Section 159 (4) of the Local Government Act 1989) with an area of 40 hectares or more, a differential general rate of 0.5237 per cent or 0.5237 cents of each dollar of the Capital Improved Value;
 - ii. on all rateable farm land (as defined by Section 2 (1) of the Valuation of Land Act 1960) in the parishes of North Hamilton and South Hamilton comprising a single farm enterprise (as defined by Section 159 (4) of the Local Government Act 1989) with an area of 40 hectares or more, a differential general rate of 0.4190 per cent or 0.4190 cents of each dollar of the Capital Improved Value.
 - iii. on all other rateable land in the Shire, a differential general rate of 0.4190 per cent or 0.4190 cents of each dollar of Capital Improved Value.
6. It be confirmed that no amount is fixed as a minimum amount payable by way of general rate in respect of each rateable land within the municipal district.

C. MUNICIPAL CHARGE

1. A municipal charge be declared for the period commencing on 1 July 2018 and ending on 30 June 2019.
2. The municipal charge be declared for the purpose of covering some of the administrative costs of Council.
3. The municipal charge be in the sum of \$195.00 for each rateable land (or part) in respect of which a municipal charge may be levied; and
4. It be confirmed that the municipal charge is declared in respect of all rateable land within the municipal district in respect of which a municipal charge may be levied.

D. SERVICE CHARGES

1. Service charges be declared for the period commencing on 1 July 2018 and ending 30 June 2019.
2. The service charges be declared for each rateable land (or part) in respect of which service charges may be levied.
3. A service charge of \$263.00 be made on all improved properties within, Balmoral, Branxholme, Byaduk, Byaduk North, Cavendish, Coleraine, Dunkeld, Glenthompson, Hamilton, Penshurst and Tarrington urban areas and other areas as defined within the "refuse collection areas" for the collection and disposal of refuse, excluding all commercial and industrial properties where such service is provided only upon request and for payment of the said charge.
4. That an organic waste collection service charge of \$95 be made on improved properties within the Hamilton and Tarrington urban areas, (if the ratepayers for individual properties elect to receive the service).

E. SPECIAL RATE (YATCHAW DRAINAGE AREA):

1. A special rate be declared for the period commencing on 1 July 2018 and ending on 30 June 2019.
2. The special rate be declared on all rateable land within the Yatchaw Drainage Area for the purpose of defraying the costs of drainage in that area.
3. The Council is of the opinion that the purpose for which the special rate is being declared will be of special benefit to the persons required to pay the special rate.
4. The special rate of 0.0363 per cent or 0.0363 cents of each dollar be declared and levied on each dollar of the Capital Improved Value of all rateable land in the Yatchaw Drainage Area.

F. EXEMPTION FROM MUNICIPAL CHARGE:

That Council accept applications for exemptions from the requirements to pay the Municipal Charge under the provisions of Section 159 of the Local Government Act 1989 throughout the year.

G. INCENTIVE FOR PROMPT PAYMENT:

That as an incentive for prompt payment a discount of two per cent be allowed in accordance with Section 168 of the Local Government Act 1989 where all four instalments of rates and charges declared for the current year (less the

discount) are paid on or before 30 September 2018 excluding any arrears of rates and charges outstanding from previous years.

H. INTEREST ON UNPAID RATES AND CHARGES:

That interest at the rate prescribed by Section 172(2)(a) of the Local Government Act 1989 be payable in respect of any of the aforesaid rates and charges which are not paid by the dates fixed pursuant to Section 167(2) of the Local Government Act 1989.

I. AUTHORISATION TO LEVY AND RECOVER:

That the Chief Executive Officer of the Council be authorised to levy and recover the aforesaid rates and charges in accordance with the Local Government Act 1989.

4. Adoption of the Strategic Resource Plan 2018/19 – 2022/2023

That the Strategic Resource Plan 2018/19 - 2022/23 be adopted.

5. Pricing Register for 2018/19

5.1 That Council's Pricing Register for 2018/19 be adopted, and

5.2 That the Chief Executive Officer be authorised to approve minor amendments and inclusions to the Pricing Register throughout the year.

COUNCIL RESOLUTION

MOVED: Cr McAdam

SECONDED: Cr Sharples

That having considered all submissions received, Council resolve as follows:

1. Budget submissions acknowledgement:

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1.2. That Council Formally writes to all submitters with responses and outcomes of their submissions.

2. Adoption of 2018/2019 Budget

2.1. That the Budget for the year ending 30 June 2019 as presented at the Council meeting held on 12 May 2018 be adopted;

2.2. That based upon the submissions Council wishes to prioritise the following projects into the 2018/19 works plan:

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b) D-Force Project;

c) Cavendish Recreation Reserve Toilet & Amenities Facility.

With officers providing a report of how this can be achieved provided to the August Ordinary Meeting of Council.

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 - v. on all rateable farm land (as defined by Section 2 (1) of the Valuation of Land Act 1960) in the parishes of North Hamilton and South Hamilton comprising a single farm

enterprise (as defined by Section 159 (4) of the Local Government Act 1989) with an area of 40 hectares or more, a differential general rate of 0.4190 per cent or 0.4190 cents of each dollar of the Capital Improved Value.

- vi. on all other rateable land in the Shire, a differential general rate of 0.4190 per cent or 0.4190 cents of each dollar of Capital Improved Value.
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3. The Council is of the opinion that the purpose for which the special rate is being declared will be of special benefit to the persons required to pay the special rate.

4. The special rate of 0.0363 per cent or 0.0363 cents of each dollar be declared and levied on each dollar of the Capital Improved Value of all rateable land in the Yatchaw Drainage Area.

F. EXEMPTION FROM MUNICIPAL CHARGE:

That Council accept applications for exemptions from the requirements to pay the Municipal Charge under the provisions of Section 159 of the Local Government Act 1989 throughout the year.

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H. INTEREST ON UNPAID RATES AND CHARGES:

That interest at the rate prescribed by Section 172(2)(a) of the Local Government Act 1989 be payable in respect of any of the aforesaid rates and charges which are not paid by the dates fixed pursuant to Section 167(2) of the Local Government Act 1989.

I. AUTHORISATION TO LEVY AND RECOVER:

That the Chief Executive Officer of the Council be authorised to levy and recover the aforesaid rates and charges in accordance with the Local Government Act 1989.

4. Adoption of the Strategic Resource Plan 2018/19 – 2022/2023

That the Strategic Resource Plan 2018/19 - 2022/23 be adopted.

5. Pricing Register for 2018/19

5.1 That Council's Pricing Register for 2018/19 be adopted, and

5.2 That the Chief Executive Officer be authorised to approve minor amendments and inclusions to the Pricing Register throughout the year.

CARRIED

6.2 Inclusion of Additional Items of Business

Directorate: Michael Tudball, Chief Executive Office
Author: Megan Kruger, Governance Coordinator
Attachments: 4 Council Report – Contract 9-18, 5 Council Report – Contract 7-18

Executive Summary

It is recommended that two additional items of business be added to the Agenda of tonight's Special Meeting, which were not listed when the Special Meeting was called:

1. Contract 9-18 Major Culverts and Bridges not requiring design – Flood Related
2. Contract 7-18 Minor Culverts – Flood Related

Discussion

This Special Meeting was called by resolution at the Council Meeting on 8 November 2017 for the purpose of adopting the 2018/2019 budget. No other items of business were listed at that time.

Only the business specified in the notice or resolution calling a Special Meeting of Council can be conducted at the Special Meeting, unless all Councillors are present and unanimously agree to consider other matters.

Following the calling of this Special Meeting, two additional items of business are recommended to be considered at this Meeting:

1. Contract 9-18 Major Culverts and Bridges not requiring design – Flood Related
2. Contract 7-18 Minor Culverts – Flood Related

It is recommended that Council agree to deal with these additional items of business at tonight's Special Meeting.

Legislation, Council Plan and Policy Impacts

Section 84(4) of the Local Government Act 1989 states that "unless all Councillors are present and unanimously agree to deal with another matter, only the business specified in the notice or resolution is to be transacted."

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That the following two Council Reports be included in tonight's Council Meeting as additional items:

1. Contract 9-18 Major Culverts and Bridges not requiring design – Flood Related
2. Contract 7-18 Minor Culverts – Flood Related

This Report was withdrawn by the Chief Executive Officer as not all Councillors were present, and was not consider by Council. .

7. Close of Meeting

This concludes the business of the meeting.

Meeting closed at 5:41 pm.

Confirmed by resolution 11 July 2018.

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Chairman