



***HEPBURN SHIRE COUNCIL
MINUTES
SPECIAL MEETING OF
COUNCIL***

***TUESDAY 26 MAY 2009, 7PM
SENIOR CITIZENS ROOM
Rear 76 VINCENT ST, DAYLESFORD***

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Special Meeting of Council***

MINUTES

**TUESDAY 26 MAY 2009
Senior Citizens Room
Rear 76 Vincent Street, Daylesford
Commencing 7pm**

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1. WELCOME TO COUNTRY

We would like to acknowledge we are meeting on Jaara people country, of which members and elders of the Dja Dja Wurrung community and their forebears have been custodians for many centuries.

On this land the Jaara people have performed age old ceremonies of celebration, initiation and renewal.

We acknowledge their living culture and their unique role in the life of this region.

2. OPENING OF MEETING: 7.04PM

PRESENT: Mayor, Cr Bill McClenaghan; Deputy Mayor, Cr Janine Booth; Councillors Jon Barrell, Tim Hayes, Don Henderson and Sebastian Klein

IN ATTENDANCE: Chief Executive Officer Kaylene Conrick; Manager Finance John Traill; Manager Governance and Information Matthew Morgan.

STATEMENT OF COMMITMENT

“WE THE COUNCILLORS OF HEPBURN SHIRE
DECLARE THAT WE WILL UNDERTAKE ON EVERY OCCASION
TO CARRY OUT OUR DUTIES IN THE BEST INTERESTS OF THE
COMMUNITY
AND THAT OUR CONDUCT SHALL MAINTAIN THE STANDARDS OF THE
CODE OF GOOD GOVERNANCE
SO THAT WE MAY FAITHFULLY REPRESENT
AND UPHOLD THE TRUST PLACED IN THIS COUNCIL BY THE
PEOPLE OF HEPBURN SHIRE”

3. APOLOGIES: Cr Rod May

4. DECLARATION OF CONFLICTS OF INTEREST: Nil

5. BUDGET FOR THE FINANCIAL YEAR 2009/2010

(A/O – Manager Finance)

File Ref: 30/08/18

Introduction

A report on the proposed 2009/2010 budget has been tabled for Council's consideration.

The report is in the form of the model budget template recommended as best practice for reporting local government budgets in Victoria. The report contains the necessary statutory information required under the Local Government Act 1989 and Local Government Regulations 2004.

The recommendations below are the formal resolutions to be passed by Council to prepare the budget, which will be on public display until Thursday 25 June 2009.

Submissions on the budget can be made until 5.00pm on Thursday 25 June 2009. It is proposed that Council meets to consider any submissions on Monday 29 June 2009 and to adopt the budget at a Special meeting scheduled for Thursday 30 June 2009.

Report

The draft budget provides for an operating surplus with the assistance of some one off grants for capital projects. It has been particularly difficult for Council to achieve breakeven or surplus operating budgets over past years. The annual depreciation costs on roads, buildings, drains and other infrastructure has previously put even a breakeven result out of reach.

The draft budget proposes expenditure on capital projects of just over \$9.4 million and also makes provision for a loan of \$300,000 for the Council contribution to the Doug Lindsay Reserve Multi Purpose Facility project to be taken out during 2009/10.

Some of the initiatives included in this budget are:-

- Doug Lindsay Reserve Multi Purpose Facility (\$3,105,900)
- Construction of Rotunda Collins Place Clunes (\$120,000)
- Refurbishment Drummond Hall Tennis Courts (\$20,000)
- Increased funding to Libraries (\$70,000)
- Development of asset management plans for roads, bridges and Council buildings (\$85,000)
- Planning Scheme and Municipal Strategic Statement review \$180,000 over three years (\$60,000) in 2009/10
- Construction of two low income housing units in Clunes (\$250,000)
- Allocation for Carbon negative initiatives (\$50,000)
- Playground equipment replacement. (\$20,000)

- A real increase (i.e. above inflation) in infrastructure renewal (\$250,000)

The budget papers which will be circulated separately to this report have been prepared based on the “Victorian City Council Model Budget 2009/10” best practice guide and contain details of the operational budget and the capital works to be undertaken in 2009/2010. The budget papers contain the necessary statutory information required under the Local government Act 1989 and Local Government Regulations 2004.

The 2009/2010 budget has been prepared on the basis of an overall 8.3% increase in rates and municipal charges. This budget continues the existing practice of applying rate differentials.

This year was scheduled to be the last year of a five year program to phase out the municipal charge which would see it reduce from \$22 in 2008/2009 to \$0 for 2009/2010. However to allow time for the new Council to undertake a review of the existing rating structure including the municipal charge it is proposed to retain the municipal charge at its present level for the 2009/10 budget.

The Rate Differentials and Municipal Charge that will be applied are as follows:-

	2008/09	2009/10
Rate Differentials		
General	1.00	1.00
Commercial	1.10	1.10
Farmland	0.70	0.70
Industrial	1.10	1.10
Mixed Use	1.10	1.10
Recreational Land	0.50	0.50
Trust for Nature	0.50	0.50
Vacant Land	1.25	1.25
Municipal Charge	\$22	\$22

The budget proposes to raise \$10.7 million from rates and municipal charges. The waste management charge on all properties will increase by \$10 to \$90.00. The garbage collection and disposal charge will increase by \$3 to \$76.00 and the recycling charge will increase by \$7 to \$66.00. These charges will raise a total of \$1.58 million.

The recommendations that appear at the end of this report are the formal resolutions to be passed by Council to prepare the budget, which will be on public display until Thursday, 18 June 2009.

Submissions on the budget can be made until 5.00pm on 18 June 2009. It is proposed that Council meets to consider any submissions on Monday, 22 June 2009 and at a Special meeting on Thursday, 25 June 2009 to adopt the budget.

Allowances

Council resolved at the statutory meeting held on 3 December 2008 to acknowledge the rise in amount for the Councillor and Mayoral allowances in accordance with the Order in Council which was published in the Victorian Government Gazette on 27 November 2008. Council also resolved to formally review the Councillor and Mayoral allowances as part of the 2009/2010 budget process in accordance with Section 74(1) of the Local Government Act 1989 (Act).

The allowances as set by the November Order in Council are currently \$16,125.60 for Councillors and \$29,563.60 for the Mayor, with the inclusion of an additional 9% allowance on top of these amounts in lieu of superannuation.

It is proposed that Council fix the allowance amounts for Councillors at the current level of \$17,658 (includes allowance of 9%) and the amount for the Mayor to be fixed at three times the Councillor level, at \$52,974 (includes allowance of 9%).

Council is required to place these proposed amounts on public exhibition in accordance with Section 223 of the Act along with the 2009 / 2010 budget.

Strategic Resource Plan

Council is required to develop a Strategic Resource Plan in accordance with Section 126 of the Local Government Act 1989 (Act) as part of the development of the Council Plan and in conjunction with the annual budget process. The Strategic Resource Plan is a document which specifies which financial and non-financial resources are required in order for Council to complete the objectives identified in the Council Plan for the next four years.

The Draft Strategic Resource Plan 2009 - 2013 has been developed and will be placed on public exhibition with the Council Budget. Submissions will be invited in accordance with Section 223 of the Act.

It is anticipated that Council will be in a position at the end of June to adopt, the 2009/2010 Budget, the Council Plan 2009-2013 and the Strategic Resource Plan at the same meeting.

Community / Engagement / Communication / Consultation

The Draft Budget will be publicly advertised in the local newspapers seeking submissions from interested parties in accordance with Section 223 of the Local Government Act 1989 and community information evenings will be run during the submission period across the shire.

Relevant Policies / Council Plan Objectives

Local Government Act 1989 - Council has a statutory responsibility to prepare a budget and advertise it for public comment.

Financial & Resource Implications Initial & Ongoing

The budget setting process is necessary to ensure that funds are set aside to achieve the most important objectives as prioritised by Council after consulting the community.

Motion

That having complied with the procedures enunciated within the Local Government Act 1989 and Local Government Regulations 2004 regarding the method of preparation and content of the budget for the 2009/2010 financial year:

11.4.1 The Hepburn Shire Council hereby determine that the budget for the 2009/2010 year as presented to this meeting be prepared.

11.4.2 That the following details are provided in relation to the 2009/2010 Hepburn Shire Council budget, which commences on 1 July 2009.

- As at 30 June 2009 the total amount borrowed by Council will be \$3,611,750.*
- There will be new borrowings of \$300,000 during the financial year.*
- The total amount of borrowings projected to be redeemed during the year will be \$418,600.*
- The total amount of borrowings at 30 June 2010 is projected to be \$3,493,160.*
- The expected cost of servicing the borrowings during the financial year is \$222,850.*
- It provides for 6 Councillor allowances of \$17,576.90 each.*
- It provides a Mayoral allowance of \$35,153.80*
- It be recorded that Council considers that differential rates will contribute to the equitable and efficient carrying out of Council functions. The respective types or classes of land which are subject to each differential rate are those defined in the schedule to this recommendation.*
- Council proposes the following rate in the dollar for each type of rate to be levied for the period 1 July 2009 to 30 June 2010.*

Category	Rate Cents in \$
<i>Uniform (General)</i>	<i>0.3823</i>
<i>Commercial</i>	<i>0.4205</i>
<i>Farmland</i>	<i>0.2676</i>
<i>Industrial</i>	<i>0.4205</i>
<i>Recreational</i>	<i>0.1912</i>
<i>Mixed Use</i>	<i>0.4205</i>
<i>Vacant Land</i>	<i>0.4779</i>
<i>Trust for Nature</i>	<i>0.1912</i>

- Council proposes that a Municipal Charge be declared for the purpose of covering some of the administrative cost to Council. For the 2009/2010 financial year the municipal charge be \$22 for each rateable land (or Part) in respect of which a municipal charge may be levied.
- Council proposes to levy a Waste Management Charge of \$90 for the period 1 July 2009 to 30 June 2010 on all properties. Owners of 'farm rated' properties will pay only one charge for farm rated properties.
- Council proposes to levy a Garbage Collection Charge of \$76 on those properties receiving a service for the period 1 July 2009 to 30 June 2010.
- Council proposes to levy a Recycling Collection Charge of \$66 for each property receiving the fortnightly recyclables collection service for the period 1 July 2009 to 30 June 2010.

- 11.4.3 That Council give public notice in the Ballarat Courier and Hepburn Advocate of the preparation of the budget for 2009 – 2010, the Strategic Resource Plan 2009 – 2013, proposed Councillor and Mayoral allowances.
The proposed budget will be available for inspection at the Hepburn Shire offices in Vincent St Daylesford, Duke St Daylesford, Albert Street Creswick, at Branch Libraries at Creswick Daylesford and Clunes, Trentham newsagency and on Council's website during the inspection period.
Any person may make a written submission up until 5.00pm twenty eight days from the first publication of such notice, addressed to the Chief Executive Officer.
Council intends to meet on Monday, 29 June 2009 in order to consider submissions received.
Council intends to meet on Tuesday, 30 June 2009 to consider and determine upon the adoption of the 2009/2010 budget, Strategic Resource Plan, Councillor and Mayoral allowances.
- 11.4.4 That public information evenings be conducted during the exhibition period across the shire.

Moved: Cr Tim Hayes
Seconded Cr Janine Booth
Carried

6. CLOSE OF MEETING: 7.22PM