

Mission Statement:

To support and develop a sustainable, thriving and resilient Community through leadership and partnership.

DATE HELD: 2nd June, 2009 at 4.00pm
LOCATION: The Shed, Yackandandah
CHAIR: Mayor

PRESENT:	<u>Councillors:</u>	<u>Senior Management/Officers</u>
	Peter Graham – Mayor	Brendan McGrath – CEO
	Bernard Gaffney – Deputy Mayor	Mark Crouch
	Peter Croucher	Mark Florence
	Larry Goldsworthy	Sally McCarron
	Vic Issell	David Montgomery
	Barbara Murdoch	Frank Bonacci
	Ali Pockley	Susan Cheetham

APOLOGIES: Phil Prior Stuart Perry Colin Haldane Robert Uebergang Alex Showers

	ITEM	ACTION
1.0	Welcome The Mayor welcomed and thanked all those in attendance.	
2.0	Apologies and Leave of Absence Nil.	
3.0	Declaration of Pecuniary Interest and Conflict of Interest Nil.	
4.0	Open Forum Nil.	

	ITEM	ACTION
5.0	Condolences Nil.	
6.0	Business Arising from previous Minutes Nil.	
7.0	Consideration of the Draft Indigo Shire Council Budget 2009/10 pursuant to Sections 127 & 128 of the Local Government Act 1989. (File no: M064.12 - CEO).	

Note: Council Report on item 7.0 above has been appended to this special meeting agenda.

RECOMMENDATION

That:

1. The 2009/10 Proposed Budget annexed to this Agenda be the Budget prepared by Council for the purposes of Section 127(1) of the Local Government Act 1989.
2. The Chief Executive Officer be authorised to:
 - give public notice of the preparation of such Budget, in accordance with Section 129 (1) of the Local Government Act 1989;
 - make available for public inspection the information required to be made available in accordance with the Local Government (Finance and Reporting) Regulations 2004 No 30;
3. That Council consider any:-
 - a) Submission on any proposal contained in such budget made in accordance with sections 129 and 223 of the Act, with such submissions closing July 6 2009; and
 - b) Should any person wish to be heard in support of their submission to the proposed budget, that they be heard by Council on a date to be confirmed; and
 - c) Recommendation or Notice of Motion to adopt such Budget at a Special meeting of Council on a date to be conformed.
4. That the Strategic Resource Plan 2009-2012 form part of the Council Plan 2009-2012, and that the Chief Executive Officer be authorised to give public notice in accordance with S125 and S223 of the Local Government Act 1989.

ITEM

ACTION

**Moved Cr Larry Goldsworthy
Seconded Cr Ali Pockley**

That:

- 1. The 2009/10 Proposed Budget annexed to this Agenda be the Budget prepared by Council for the purposes of Section 127(1) of the Local Government Act 1989.**
- 2. The Chief Executive Officer be authorised to:**
 - **give public notice of the preparation of such Budget, in accordance with Section 129 (1) of the Local Government Act 1989;**
 - **make available for public inspection the information required to be made available in accordance with the Local Government (Finance and Reporting) Regulations 2004 No 30;**
- 3. That Council consider any:-**
 - a) Submission on any proposal contained in such budget made in accordance with sections 129 and 223 of the Act, with such submissions closing July 6 2009; and**
 - b) Should any person wish to be heard in support of their submission to the proposed budget, that they be heard by Council on a date to be confirmed; and**
 - c) Recommendation or Notice of Motion to adopt such Budget at a Special meeting of Council on a date to be conformed.**
- 4. That the Strategic Resource Plan 2009-2012 form part of the Council Plan 2009-2012, and that the Chief Executive Officer be authorised to give public notice in accordance with S125 and S223 of the Local Government Act 1989.**

CARRIED

INTRODUCTION

A draft Budget for 2009/10 has been prepared and distributed to Councillors. Refer attached Draft Budget 2009/10.

Council has prepared a budget for the 2009/10 financial year which seeks to maintain the financial sustainability of Council. The budget is being prepared in difficult economic times with a range of uncertainties impacting on Council.

The attached budget papers needs to be read in conjunction with the Council Plan which contains the Strategic Resource Plan. The Council Plan has been developed following extensive consultation and examination by the council. The proposed Council Plan has been used as the basis for the Council budget. The proposed Council plan establishes the medium term perspective in relation to Council planning and sustainability.

SPECIAL COUNCIL MEETING MINUTES

Rates and Charges revenue for 2009/10 is budgeted at \$9.809 million. The Forecast Actual 2008/09 is \$9.009 million.

The expected operating result for 2009/10 is a surplus of \$5.874 million. The underlying result when the gain / loss on disposal of property, capital grants and capital contributions are excluded is a \$2.378 deficit.

Council seeks to minimise any underlying deficit.

The capital works program for the 2009/10 year is expected to be \$13.12 million. This includes a forecast carry forward of capital works totalling \$3.55 million. The total capital works program includes major capital works proposed to be funded by capital grants of \$6.88 million.

A high level Strategic Resource Plan (SRP) has been developed for the years 2009/10 to 2012/13. This will assist council in adopting budgets which provide for prudent expenditure and revenue to assist in council's goals of financial sustainability.

The SRP provides analysis and review of all aspects of Council's financial position.

The annual budget is designed to enable council to achieve its key strategic activities as contained in the Council Plan.

BACKGROUND

An extensive program of consultation was conducted by Council in the preparation of the Council Plan. The community needed to be enrolled into the vision so they would take action to make it happen.

A number of groups were consulted in the preparation of the plan. Other processes utilised were; dinner conversations, community survey and a planning day. A representative group of community organisations, along with Council staff, designed the format for community think tanks. Five sessions were held in each region of the Shire and the attendance at these sessions far exceeded expectations.

The Council Plan that has been formulated from processes including the above consultation processes has formed a strong basis of the Budget 2009/10.

The Strategic Resource Plan (SRP) forms part of the Council Plan and has been compiled as part of this process and in the preparation of the Council Budget 2009/10. The SRP has been finalised and has been forwarded to all Councillors. This Plan should be reviewed in accordance with the Act, with persons having a right to make a submission under S223 of the Local Government Act 1989 (LGA89). This process will be carried out during the same timelines as the Budget 2009/10 is placed on display.

KEY IMPLICATIONS – LEGISLATIVE REQUIREMENTS

Local Government Act 1989:

S 127. Council must prepare a budget

1. A Council must prepare a budget for each financial year.
2. The Council must ensure that the budget contains—
 - (a) the standard statements in the form and containing the matters required by the regulations;
 - (b) a description of the activities and initiatives to be funded in the budget;
 - (c) a statement as to how the activities and initiatives described under paragraph (b) will contribute to achieving the strategic objectives specified in the Council Plan;
 - (d) separately identified Key Strategic Activities to be undertaken during the financial year and performance targets and measures in relation to each Key Strategic Activity;
 - (e) any other details required by the regulations.
3. The Council must ensure that the budget also contains:
 - (a) the information the Council is required to declare under section 158(1);
 - (b) if the Council intends to declare a differential rate under section 161, the details listed in section 161 (2)
 - (c) if the Council intends to declare a differential rate under section 161A, the details listed in section 161(2).

S 129. Public notice

1. As soon as practicable after a Council has prepared a budget or revised budget, the Council must give public notice.
2. A person has a right to make a submission under section 223 on any proposal contained in the budget or revised budget.
3. In addition to any other requirements specified by this Act, the notice referred to in sub-section (1) must:
 - (a) contain any details required by the regulations; and
 - (b) advise that copies of the budget or revised budget are available for inspection for at least 14 days after the publication of the notice at:
 - the Council office and any district offices; and
 - any other place required by the regulations.
4. A copy of the budget or revised budget must be displayed at the places specified under sub-section (3)(b).

S 130. Adoption of budget or revised budget

1. A Council may adopt a budget or revised budget if it has complied with all of the relevant requirements of this Act relating to budgets and revised budgets.
2. The Council must give public notice of its decision under sub-section (1).
3. The Council must adopt the budget by 31 August each year.
4. The Council must submit a copy of the budget to the Minister by 31 August each year.

5. The Minister may extend the period within which a Council must comply with sub-section (4).
6. If a Council fails to submit a copy of the budget to the Minister within the time allowed, the Secretary must ensure that details of the failure are published in the annual report of the Department.
7. A Council must give the Minister any details concerning its budget or revised budget that the Minister requests.
8. A Council must comply with sub-section (7):
 - (a) within 14 days of receiving a request in writing for the details from the Minister; or
 - (b) within any longer period specified by the Minister in the request.
9. A copy of the budget or revised budget must be available for inspection by the public at:
 - (a) the Council office and any district offices; and
 - (b) any other place required by the regulations.

Local Government (Finance and Reporting) Regulations 2004 No. 30

PART 3—BUDGETS

R 8. Other matters to be included

For the purposes of sections 127(2)(e) and 128(3) of the Act, the budget and any revised budget must contain the following information for the financial year to which the budget or revised budget relates:

- (a) the total amount proposed to be borrowed, other than borrowings to refinance existing loans;
- (b) the proposed total amount of debt redemption;
- (c) in the case of the proposed budget—
 - the proposed rate in the dollar for each type of rate to be levied;
 - the estimated amount to be raised by each type of rate to be levied;
 - the estimated total amount to be raised by rates;
 - the proposed percentage change in the rate in the dollar for each type of rate to be levied compared to that of the previous financial year;
 - the number of assessments for each type of rate to be levied compared with the previous year;
 - the total number of assessments;
 - the basis of valuation to be used;
 - the estimated total value of land in respect of which each type of rate is to be levied compared with the previous year;
 - the proposed municipal charge, if any;
 - the proposed rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act;
 - the estimated amount to be raised by each type of charge to be levied compared with the previous year;
 - the estimated total amount to be raised by rates and charges;
 - any significant changes that may affect the estimated amounts to be raised;

- (d) in the case of a revised budget, those matters referred to in paragraph (c) as applicable to any additional rates and charges to be levied.

R 9. Public notice of proposed budget or revised Budget

For the purposes of section 129 of the Act, the following information must be included in the public notice of the preparation of a proposed budget or revised budget—

- (a) the date on which Council will meet to adopt its budget or revised budget;
- (b) the total amount borrowed as at 30 June of the previous financial year;
- (c) the total amount proposed to be borrowed during the financial year or the total amount borrowed immediately before the preparation of the revised budget, other than borrowings to refinance existing loans;
- (d) the total amount projected to be redeemed during the financial year;
- (e) the projected total amount of borrowings as at 30 June of the financial year;
- (f) the projected cost of servicing the borrowings during the financial year;
- (g) the proposed rate in the dollar for each type of rate to be levied;
- (h) the proposed municipal charge, if any;
- (i) the proposed rate or unit amount for each type of service rate or charge to be levied under section 162 of the Act;
- (j) in the case of a revised budget, a summary of reasons for the preparation of the revised budget.

126. Strategic Resource Plan

1. The Strategic Resource Plan is a resource plan of the resources required to achieve the strategic objectives.
2. The Strategic Resource Plan must include in respect of at least the next 4 financial years—
 - (a) the standard statements describing the required
 - (b) financial resources in the form and containing the
 - (c) information required by the regulations;
 - (d) statements describing the required non-financial
 - (e) resources, including human resources.
3. A Council must:
 - (a) review the Strategic Resource Plan during the
 - (b) preparation of the Council Plan; and
 - (c) adopt the Strategic Resource Plan not later than
 - (d) 30 June each year.
4. A copy of the current Strategic Resource Plan must be available for inspection by the public at:
 - (a) the Council office and any district offices; and
 - (b) any other place required by the regulations.

FINANCIAL IMPLICATIONS

As detailed in this report and the Budget 2009/10 attached.

POLICY IMPLICATIONS

Not applicable.

CONCLUSION

To reduce waste and minimise the impact on the environment, council will provide a display copy of the Council Plan, incorporating the Strategic Resource Plan, and Annual Budget at its Council Offices and service centres.

The documents will also be available to be downloaded from the Council website at www.indigoshire.vic.gov.au.

Alternatively a printed or electronic copy will be made available upon request.