

## SPECIAL COUNCIL MEETING AGENDA – 29.06.10

***Mission Statement:***

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

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**TO BE HELD:** Tuesday 29 June 2010 at 4pm

**LOCATION:** The Shed, Yackandandah

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**REQUIRED TO ATTEND:**

Councillors:	Senior Management/Officers
Bernard Gaffney – Mayor	Brendan McGrath – CEO
Ali Pockley – Deputy Mayor	Andre M Kompler
Peter Croucher	Mark Crouch
Larry Goldsworthy	Mark Florence
Vic Issell	SMG as required
Barbara Murdoch	
Peter Graham	

**APOLOGIES:**

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***Vision Statement:***

***INDIGO – A great place to live, work and visit.***

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- 1.0 WELCOME**
- 2.0 OPENING PRAYER & ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND**
- 3.0 APOLOGIES AND LEAVE OF ABSENCE**
- 4.0 DECLARATION OF CONFLICT OF INTEREST**
- 5.0 OPEN FORUM**
- 6.0 CONDOLENCES**
- 7.0 CONFIRMATION OF MINUTES FROM PREVIOUS MEETING –**
- 8.0 BUSINESS ARISING FROM PREVIOUS MINUTES**
- 9.0 DEPUTATIONS AND PETITIONS**

**10.0 CORPORATE SERVICES**

**10.1 CONSIDER SUBMISSIONS MADE TO THE 2010/11 DRAFT BUDGET  
File No: 09/646 – Frank Bonacci – Manager Finance**

For Decision

**RECOMMENDATION**

**That Council:**

**Consider each of the submissions marked BS1 to BS9 as appended to this Report, in relation to the draft 2010/11 Budget and make a determination on each of those submissions pursuant to Section 129, 130 and 223 of the Local Government Act 1989.**

**INTRODUCTION**

As explained in the BACKGROUND section below, any person has the right to make a submission on the draft Budget under section 223 LGA 1989 and any such submission must be considered by Council prior to formal adoption of the Budget.

At the date of preparation of this report, nine submissions have been received by Council and summary details and the actual submissions are contained in the two attachments to this report.

The formal Sec 223 LGA 1989 submission period for the draft 2010/11 Budget close at 9am on 28<sup>th</sup> June 2010 and any additional submissions received will be distributed to Councillors prior to the Special Council meeting on 29<sup>th</sup> June 2010.

Persons making submissions can request to be heard at the Council meeting when submissions are considered by Council. A maximum time of five (5) minutes has been set aside for each presenter who has indicated that they seek to be heard. As at 22<sup>nd</sup> June 2010, those requesting to be formally heard are:

Beechworth Hockey Club

**BACKGROUND**

**Section 129 of Local Government Act 1989 states that:**

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 subsection (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-

(i) the Council office and any district offices; and

(ii) any other place required by the regulations.

4. A copy of the budget or revised budget must be displayed at the places specified under subsection (3)(b).

**Local Government Act 1989 – SECT 130 Adoption of budget or revised budget**

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 subsection (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 subsection (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 subsection (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.

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### FINANCIAL IMPLICATION

Financial implications will vary and be dependant upon when considering each of the draft 2010/11 Budget submissions.

### CONCLUSION

Council is scheduled to formally adopt the 2010/11 Budget at the Ordinary Meeting of Council to be convened Tuesday July 13th 2010.

In order for Indigo Shire to comply with the Act in relation to adoption of the draft 2010/11 Budget, each of the Budget submissions must be consider prior to formal adoption of the Budget.

Attachments:  
Budget Submission Summary  
Budget Submission Detail

**10.2 RUTHERGLEN WINE EXPERIENCE AND WINE CENTRE BOARD**  
**File No: 09/491 – Stuart Perry – Economic Development Officer**

Report for Decision

**RECOMMENDATION**

**That Council**

- 1. Revise the membership of the Council Section 86 special committee Rutherglen Wine Centre Board (RWCB), as detailed in 2. below, and that the changes take effect July 1 2010.**
- 2. Revise the membership of the Rutherglen Wine Centre Board to comprise:**
  - One Councillor of the Indigo Shire**
  - One representative nominated by the Wine Makers of Rutherglen (WOR)**  
**Michael Murtagh**
  - Five representatives nominated by the proposed Destination Rutherglen Inc:**  
**Pru Campbell**  
**Marion Hansford**  
**Darren Smith**  
**Peter Meade**  
**John Lloyd**
- 3. Review the Council Section 86 special committee RWCB within a period of six months from July 1 2010. Such review to consider the Incorporated Association Destination Rutherglen Inc (DR) undertaking direct management of the Rutherglen Wine Centre.**

**INTRODUCTION**

Following a decision late last calendar year by the Winemakers of Rutherglen (WOR) to withdraw from direct operational involvement of the Rutherglen Wine Experience, a number of alternative structures have been explored to potentially operate the Rutherglen Visitor Information Centre and the Rutherglen Wine Experience (RWE) operations.

Council staff have assisted the various parties, including the Rutherglen Wine Region Tourism (RWRT) and the WOR to examine and workshop various alternative business models to continue the operations of the RWE and Rutherglen Visitor Information Centre. Discussions were predicated on the Rutherglen Visitors Centre continuing to operate and provide a level of service acceptable to both the Council and the Rutherglen tourism operators.

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To ensure continuity of service delivery, there is a need to ensure a smooth transition of business and employment of staff from the current structure to whichever model is agreed. While it is preferable to make the transition at the start of the new financial year, it is more important the best model be adopted even if this means that a revised structure is further considered and advanced at a later time. It is intended that further discussions and agreement be sought between the DR Inc and WOR, working with Council staff, to finalise a new structure that can be considered further by Council during 2010/11.

A number of options have been considered over recent months:

RWRT, now in the process of being structured as Destination Rutherglen Inc replacing Winemakers of Rutherglen as the employer of retail and visitor centre staff and undertaking the responsibility for the day to day operational activities but still answerable to a S86 Committee of Council. Council would maintain the existing funding budget allocation to the S86 special committee.

The proposed Incorporated Association Destination Rutherglen Inc to take over all operational activities of the RWE, with the existing S86 special committee being dissolved. Council would maintain the existing funding budget allocation to Destination Rutherglen Inc.

The staffing of the Rutherglen Visitors Centre be directly controlled and staffed under the Beechworth VIC staffing structure.

Further discussions took place with the various parties at Rutherglen on June 7 2010. At this meeting there was support for a proposed Destination Rutherglen Inc model taking direct management of the RWC. Legal advice had been sought by both Council and the proposed Destination Rutherglen Inc on various aspects of a proposed model and entity establishment. There were conflicting elements within the advice provided to Council and Destination Rutherglen Inc. There was also recognition that further discussions and agreement was required between the proposed Destination Rutherglen Inc and WOR to settle on a new model that could be considered further by Council. There was recognition that any new model needed to be financially sustainable in the longer term, and that the interests of the Destination Rutherglen Inc, WOR and Council needed to be satisfied.

The June 7 2010 discussions canvassed an interim arrangement being the existing RWC operation being governed by the existing S86 committee of council with an altered membership comprising a seven person board as detailed in the above recommendation.

The WOR is the body currently employing staff at the RWC, and this will continue in the interim. Once the proposed Destination Rutherglen Inc board has established themselves, Destination Rutherglen Inc will take over the fiscal and staffing responsibilities and be reimbursed by the RWCB.

The proposed Destination Rutherglen Inc board will have automatic representation from WOR and Indigo Shire Council and 5 other members elected from the financial membership of Destination Rutherglen Inc.

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The WOR future involvement in the operations at the RWC will be through Rutherglen Wine Centre Board Representation and through Destination Rutherglen Inc membership by the WOR members. WOR will also continue to occupy office space in the building and their Executive officer will be based at the centre.

The Council budget 2010/11 (yet to be adopted) proposes a small increase in the budget to RWCB for the coming financial year. Funding to RWCB from the members of Destination Rutherglen Inc remains intact and Winemakers of Rutherglen have committed to maintain a substantial cash contribution.

The WOR budget allocation in previous years has been solely for event management (\$30,000 allocated over 3 events) and through membership contributions for marketing projects. The proposed structure is premised on WOR contributing an additional \$20,000 in sponsorship to the operational activities of the centre, \$8,000 for WOR exposure on website and Official Visitors Guide (OVG) as well as the \$5,000 for WOR membership to Destination Rutherglen Inc. All of the event management is being handled by the WOR executive Officer. Commitment from the WOR members for the Visitor Guide and website is expected to remain at around the current \$18,000 expenditure.

The former RWRT made an allocation to RWCB for the 2009/10 year of \$13,500 which is determined by their constitution as 75% of annual subscriptions. The proposed Destination Rutherglen Inc membership revenue has been forecast to rise to \$18,750 and 100% of the membership will be paid to the RWCB. The members of the tourism organisation contributed \$58,000 to the last Visitor Guide and are forecast to contribute \$65,000 to the next guide and website.

The event management of the Winery Walkabout, Winery Christmas and the Tastes of Rutherglen will be the responsibility of the Executive Officer of WOR.

#### FINANCIAL IMPLICATIONS

The Council contribution in the 2009/10 year to RWCB has been \$84,780 and the draft budget reflects an allocation of \$90,000 for 2010/11. A submission has been received from the RWCB for an increase in the allocation of \$20,000 over the current budget. I.e. the request is to raise the allocation from the existing 2009/10 \$84,780 to \$104,780 which will be considered by Council as part of the final adoption of the Council budget 2010/11.

#### POLICY IMPLICATIONS

There will be a requirement for council to agree to the changes to the RWCB Section 86 committee.

There is a requirement to sign a Memorandum of Understanding (MOU) between Destination Rutherglen Inc, the WOR and Indigo Shire Council covering the operational structure of Destination Rutherglen Inc and the commitment of funds and services from the three parties.

There is a need for a new MOU between WOR and the Indigo Shire Council confirming the new arrangement between the two parties as joint owners of the building.

#### CONCLUSION

The new structure will effectively run as it has in the past but with Destination Rutherglen Inc taking staffing responsibilities from WOR, and working in conjunction with a revised RWCB S86 committee. It is proposed that after a period of 6 months, the operation will be reviewed and consideration will be given to the dissolution of the RWCB S86 special committee and the full responsibilities of the RWE will move to Destination Rutherglen Inc.

#### Attachments:

Revised Rutherglen Wine Centre Board Instrument of Delegation

DR Structure Draft

Memorandum of Understanding

Winemakers of Rutherglen Correspondence



11.0 SUSTAINABLE COMMUNITIES



**12.0 MAJOR PROJECTS AND PROGRAMS**



13.0 GOVERNANCE



14.0 NOTICES OF MOTION



**15.0 COMMITTEE AND DELEGATES REPORTS (ALL ARE FOR INFORMATION ONLY)**



16.0 GENERAL BUSINESS



**17.0 CONFIDENTIAL**

**17.1 UPPER MURRAY REGIONAL LIBRARY**

**File No: Mark Florence - General Manager Sustainable Communities**