

**PYRENEES**  
— S H I R E —



## **AGENDA**

**Special Meeting of Council**

**6:00pm Tuesday 14 May 2019**

**Council Chambers  
BEAUFORT**

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## **WELCOME MEMBERS OF PUBLIC**

### **OPENING PRAYER**

Heavenly Father, we ask you to give your blessing to this Council, direct and prosper its deliberations to the advancement of your glory, and the true welfare of the people of the Pyrenees Shire.

Amen

### **ACKNOWLEDGEMENT OF COUNTRY**

We acknowledge the people past and present of the Wadawurrung, Dja Dja Wurrung, and Djab Wurrung tribes, whose land forms the Pyrenees Shire.

We pay our respect to the customs, traditions and stewardship of the land by the elders and people of these tribes, on whose land we meet today.

### **APOLOGIES**

### **NOTICE OF DISCLOSURE OF INTEREST BY COUNCILLORS AND OFFICERS**

## ITEMS FOR DECISION

### CORPORATE AND COMMUNITY SERVICES

#### 1. DRAFT 2019/20 BUDGET

**Kathy Bramwell – Director Corporate and Community Services**

**Declaration of Interest:** As author of this report I have no disclosable interest in this item.

**File No:** 32/26/04

#### PURPOSE

The purpose of this report is for Council to consider the Proposed Budget for 2019/20.

#### BACKGROUND

Section 127 of the Local Government Act 1989 (the Act) requires Council to prepare a budget for each financial year and provide the opportunity for people to make a submission under section 223 of the Act on any proposal contained in the budget.

The Proposed Budget for 2019/20 has been prepared by Councillors and Council Officers and guided by Community Action Plans and Strategies.

Council is required to give public notice that copies of the Proposed Budget are available for inspection for a minimum period of 28 days and invite submissions.

The Council Budget is the tool which guides Council's operations throughout a twelve month period. The Proposed Budget has been drawn up after significant discussion with Council staff and Councillors and contains information as to how Council will direct its financial resources during the next twelve months.

The Proposed Budget document sets out the reasoning behind the many decisions Council has made in order to arrive at this point of its Budget. Council must now seek further community input before determining its Budget.

#### ISSUE / DISCUSSION

The Budget for 2019/20 has been prepared by Councillors and Council officers. As part of the budget process the community was invited to community workshops held in Beaufort and Avoca. Council also undertook an online engagement process using OurSay. The community was asked to complete a survey on priority services.

The budget includes a rate increase of 2.50%, which is the rate cap set by the Minister for Local Government under the Fair Go Rates System.

Rate revenue from rate increases above rate cap in the previous 3 years has been quarantined specifically for capital expenditure on renewing Council's road infrastructure assets. In order to balance the remainder of the budget, Council has continued to pursue operational savings and efficiencies which has enabled it to deliver high quality, responsive and accessible services to the community.

The 2019/20 budget has been prepared in line with the Rating Strategy adopted in January 2019.

As part of the new Rating Strategy, vacant land has been reclassified i.e. vacant land two hectares or more has been split into:

- Vacant Land between two and forty hectares; and
- Vacant Land greater than forty hectares.

A new category called Undevelopable Land has been created to capture land deemed not suitable for residential, commercial or industrial purposes due to Council's Planning Scheme.

The primary changes to rating differentials are:

- Farming differential has been reduced from 80% to 76.28% of the general rate.
- Commercial and Industrial differential has been increased from 100% to 110% of the general rate.

The new proposal took into account the feedback received from the industrial / commercial sector during the community consultation whilst at the same time considering an increase in farming discount.

Budgeted Capital Works expenditure will decrease from \$13.743 million in 2018/19 to \$8.614 million in 2019/20, as a result of a reduction in capital grant income of \$1.401 million. 2018/19 forecast also includes carry forward works from 2017/18 and new grants received post adoption of the 2018/19 budget including the Local Roads to Market grant funding. The Capital Works Program will be funded by \$3.505 million of external grants, \$1.205 million from asset sales (land sales and plant/motor vehicle trade-ins) and the balance of \$3.874 million from Council rates.

Highlights of the 2019/20 major projects include:

- Gravel Roads \$1.042 million
- Reseals at various locations \$875,000
- Roads to Recovery funded works of \$1.39 million
- Avoca Inclusive Playspace \$238,000
- Snake Valley Linear Park \$375,000

Council is also seeking funding under the Fixing Country Roads program and the Bridges Renewal Program for road and bridge works.

Significant budgeted capital roads and bridges projects, some of which are subject to funding under the above programs, include:

- Raglan Elmhurst Road 1.68km reconstruction
- Langi Kal Kal Road 1.75km reconstruction
- Eurambeen Streatham Road reconstruction 780 mts
- Bridge 12 - Beaufort Carngham Road
- Bridge 59 - Eurambeen Streatham Road

In addition to the above new projects, Council will be commencing delivery of the following projects initiated in 2018/19:

- Lexton Community Hub
- Activate Avoca projects
- Carngham Recreation Reserve Female Friendly Facilities

Expenditure on the following project included in the Capital Works Program will be recouped in future budget periods as the land is sold:

- Development of Stage 4 & 5 of Beaufort Residential Estate - \$993,000

Council's waste management service is fully funded by waste service and user charges. Since 2017/18, Landsborough Transfer Station is manned like other transfer stations across the Shire. From 1 July 2019, the Victorian Government is banning e-waste from landfills. Council will be collecting E-Waste from 1 July 2019. In preparation for this service, Council is currently building e-waste sheds at Beaufort, Avoca & Snake Valley. Waste service charges will increase on average by 6% in order to meet the increased costs of e-waste and the additional cost associated in managing recyclables that has arisen as a result of China's ban on the importation of waste materials from countries such as Australia. Since September 2018, the cost per tonne of waste deposited into landfills has increased 34% due to costs associated with environmental compliance.

The focus for the next year is to continue to deliver on the projects and services that make the Shire a great place to live, work and invest in, and respond to the challenges we are currently facing.

These challenges include:

- Rate capping
- State government cost shifting
- Maintaining our road infrastructure
- Climate change impacts

Property revaluations are now done annually and, although Council's rate increase is 2.50%, actual rate increases of individual properties are impacted by changes in property valuations with individual rate increases dependent on relativity to average valuation increases across the municipality. This means that if your property value increased by more than the average property value increase for the Shire, then your rates will increase by more than 2.50%; however, if your property value increased by less than the average property value increase for the Shire, your rates will increase by less than 2.50% and may in fact reduce from the previous year.

### **COUNCIL PLAN / LEGISLATIVE COMPLIANCE**

Under Section 127 of the Local Government Act 1989, Council must prepare a Budget for each financial year. There are stipulations as to what must be included in the Budget and the Budget document meets those requirements. Any person has the right to make a submission on any proposal contained in the Budget. Following completion of the statutory obligations Council may adopt the Budget.

### **ATTACHMENTS**

- 1.1 Proposed Budget 2019-20 – 2.50% rate rise

### **FINANCIAL / RISK IMPLICATIONS**

All financial implications associated with this report have been accounted for within the 2019/20 Proposed Budget.

## CONCLUSION

The Proposed Budget 2019/20 has been developed in alignment with the Revised Council Plan 2017 to 2021. The proposed 2019/20 budget as tabled provides guidance on how Council intends to deliver its strategic objectives over the next twelve months.

## OFFICERS RECOMMENDATION

That Council:

1. Endorses the 2019/20 Proposed Budget for advertising and that Council gives public notice of its preparation and invites public submissions to be received up until 5.00 PM Friday 14 June 2019.
2. Releases the Proposed Budget documents to the public on Wednesday 15 May 2019.
3. Meets to hear any submissions in person from 4.00pm on Tuesday 25 June 2019 in the Council Chambers, Beaufort Council Offices, 5 Lawrence Street, Beaufort.
4. At its Special Meeting on Tuesday 25 June 2019, considers submissions received and considers the adoption with or without amendments of the 2019/20 Budget.

## CHIEF EXECUTIVE OFFICER

### 2. REVIEW OF COUNCIL PLAN 2017-2021

Jim Nolan – Chief Executive Officer

**Declaration of Interest:** As author of this report I have no disclosable interest in this item.

**File No:** 68/10/08

#### PURPOSE

The purpose of this report is for Council to endorse minor adjustments be made to the Council Plan 2017-2021 following a recent review of the plan, and resolve to give public notice and invite submissions be made on the adjustments.

#### BACKGROUND

Section 125 (7) of the Local Government Act 1989 requires that “*at least once in each financial year, a Council must consider whether the current Council Plan requires any adjustment in respect of the remaining period of the Council Plan*”

In October 2018, Councillors participated in a planning workshop, and considered whether any adjustments were necessary. Having considered that only minor changes were needed, the document was amended for further consideration at the Council Briefing on 14 May 2019. A copy of the draft revised Council Plan document has been circulated to Councillors.

#### ISSUE / DISCUSSION

The minor changes to the plan include:

- Changes to some initiatives in respect of timing, to remove completed activities and to insert a number of new initiatives relevant to achieving the existing objectives

Having considered the changes, and in accordance with section 125 (8) and (9) of the Act, Council must give public notice in accordance with section 223 and invite submissions on the proposed adjustments to the Council Plan document.

#### COUNCIL PLAN / LEGISLATIVE COMPLIANCE

Strategic Objective 4 - Financially Sustainable, High-performing Organisation. Our organisation will respond to community needs, attend to our core business, and strive for excellence in service delivery in an ethical and financially responsible manner.

Section 125 of the Local Government Act 1989 requires that:

- (7) *At least once in each financial year, a Council must consider whether the current Council Plan requires any adjustment in respect of the remaining period of the Council Plan.*
- (8) *Subject to subsections (9) and (10), a Council may make any adjustment it considers necessary to the Council Plan.*
- (9) *A person has a right to make a submission under section 223 on a proposed adjustment to a Council Plan which relates to a matter specified under subsection (2)(a), (2)(b) or (2)(c).*



## **ATTACHMENTS**

2.1 Council Plan 2017-2021 containing proposed adjustments

## **FINANCIAL / RISK IMPLICATIONS**

The proposed adjustments to the Council have been considered in the draft 2019-2020 Council budget.

## **CONCLUSION**

Having considered that the Council Plan 2017-2021 requires minor changes be made, and in accordance with the provisions of the Local Government Act 1989, the following recommendation is made.

## **OFFICER RECOMMENDATION**

That Council, having reviewed the Council Plan 2017-2021, and determined that minor adjustments are needed,

1. gives public notice in accordance with section 223 of the Local Government Act and invites submissions to be made on the adjustments to the Council Plan 2017-2021 to be received up until 5.00pm on Friday 14 June 2019;
2. meets to hear any persons wishing to be heard in respect of their submission from 4pm on Tuesday 25 June 2019; and
3. considers any submissions at a Special Council Meeting on 25 June 2019 and considers the adoption with or without amendments of the revised Council Plan 2017-2021.



**CLOSE OF MEETING**

Meeting closed at

Minutes of the meeting confirmed .....

2019

Mayor