

PYRENEES
— S H I R E —



AGENDA

Special Meeting of Council

6:00pm Tuesday 25 June 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. ADOPTION OF THE PROPOSED BUDGET 2019/20 AND DECLARATION OF RATES AND CHARGES

Shana Johnny – Manager Finance

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 the 2019/20 financial year and to declare the rates and charges for that year.

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 at its Special Meeting held on the 14th May 2019 adopted the Proposed Budget 2019/20 for community consultation in accordance with section 223 of the Act. Council gave notice in accordance with the Act, and provided 28 days for submissions on the budget which were to be received by 5.00pm on Friday 14th June 2019.

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.

Council gave notice of its intention to hear any submitters wishing to be heard in relation to their submission to occur from 4pm on Tuesday 25 June 2019.

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 have 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 (decreasing over a four year period by .93% annually).
- Commercial and Industrial differential has been increased from 100% to 110% of the general rate (increasing over a four year period by 2.5% annually).

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

At the time of preparing the draft budget, Council was also seeking funding under the Fixing Country Roads program and the Bridges Renewal Program for road and bridge works. On 8 May 2019, Council was advised by Regional Roads Victoria of successful funding applications valued at \$1,499,917 under the Fixing Country Roads Program.

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:

Beaufort Residential Estate - 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 recycling and 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.

Post adoption of the budget 2019/20 in Principle by the Council at the Special Meeting held on 14th May 2019, the following have occurred –

1. Final Valuations

- Council has received final valuations from the Valuer General certified by the Minister. The Draft Budget had been prepared based on the information available in March 2019. The variance between the preliminary and final valuations have been assessed and considered immaterial with minor changes to the differentials.
- The rates in the dollar has been reassessed factoring in the final valuations and rate cap compliances. Details of the movement are in Attachment 2 and have been assessed as immaterial.

2. Submission received –

- Council has received three submissions. Refer Attachment 3

3. OurSay results –

- Council also undertook an online engagement process using OurSay. The survey on Our Say was launched to coincide with the budget community consultation on 11th April 2019. The survey was closed before the Draft Budget was presented to Council for Adoption in Principle on 14th May 2019. There were 7 responses to this survey. The results are part of Attachment 4.

4. Minor Amendments

- Fees & Charges section has been amended to reflect Disabled parking permit = \$7. This fee had been duplicated in the Draft Budget.

- Failure to apply to register a dog or cat is 2 penalty units (from 1 July 2019 the value of 1 penalty unit is \$165.22).
- Rates & Charges has reduced by \$5,000 as part of final valuations and rate cap compliance.

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 (*circulated separately*)
- 1.2 – Changes to the differential rate (*circulated separately*)
- 1.3 – Public Budget Submissions 2019-20 (*circulated separately*)
- 1.4 – OurSay Results (*circulated separately*)

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 having considered submissions to the 2019/20 Proposed Budget:

1. Adopts the Budget, being the Budget prepared for the 2019/20 Financial Year for the purposes of Section 127 of the Local Government Act 1989.
2. Authorises the Chief Executive Office to give public notice of this decision to adopt such Budget, in accordance with Section 130(2) of the Local Government Act 1989.
3. Acknowledges the contribution of submitters to the budget process and thanks them for their contribution.
4. Authorises officers to provide a formal response to each submitter.
5. That the following details are provided in relation to the 2019/20 budget

The proposed Budget as prepared by Council:

1. Discloses that as at 30th June 2019 the total amount borrowed by the Council will be \$Nil.
2. There are no new borrowings proposed for the 2019/20 financial year.
3. Having considered the final valuations certified by the Minister, the proposed rate in the dollar for each type of rate to be levied for the period 1st July 2019 to 30th June 2020 is as follows:

Type of Rate	Cents/\$CIV
Vacant Land under 2 Hectares	0.012645
Vacant Land between 2 and 40 Hectares	0.009484
Houses, Flats etc.	0.003998
Commercial	0.004098
Industrial	0.004098
Farms	0.003161
Recreational and Cultural	0.001999
Vacant Land greater than 40 Hectares	0.006322
Undevelopable	0.003998

7. Proposes to apply a 50% rebate to all properties classified as Cultural and Recreational Land.
 8. Proposes NOT to raise a Municipal Charge.
 9. Proposes to levy a Waste Facilities/Disposal Charge of \$217.00 for the period 1st July 2019 to 30th June, 2020 on improved properties, and a Waste Facilities Levy of \$61.00 for the period 1st July 2019 to 30th June 2020 on unimproved properties. Owners of “farm rated” properties will pay a maximum of three “unimproved charges” for farm rate properties upon application.
 10. Proposes to levy a Kerbside Garbage, Recycling and Green Waste collection service of \$377.00 on those properties receiving a service in the Beaufort and Avoca garbage districts for the period 1st July 2019 to 30th June, 2020.
 11. Proposes to levy a Kerbside Garbage and Recycling collection service and a Green Waste Voucher service of \$377.00 in the other urban townships and rural areas for the period 1st July 2019 to 30th June 2020.
6. That the general rates and service charges referred to in this resolution shall be levied by the service of a notice on each person liable to pay such rate or charge in accordance with Section 158 of the Local Government Act 1989.
 7. That in accordance with Section 167 of the Local Government Act 1989, the rates and charges declared by the Council for the 2019/20 financial year must be paid as follows:
 - a. by four instalments made on or before the following dates:
Instalment 1 – 30 September 2019
Instalment 2 – 30 November 2019
Instalment 3 – 29 February 2020
Instalment 4 – 31 May 2020

or;
 - b. by a lump sum payment made on or before 15 February 2020.
 8. That the Chief Executive Officer be authorised to levy and recover the general rates and annual service charges in accordance with the Local Government Act 1989.

CHIEF EXECUTIVE OFFICER

2. ADOPTION OF REVISED 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 consider any submissions on the adjustments to the Council Plan 2017-2021, and to adopt the revised Council Plan including the Strategic Resource Plan.

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 to the Council Plan. Having considered that only minor changes were needed, the document was amended for further consideration at the Council Briefing on 14 May 2019. As part of its review of the Council Plan, Council also undertook a review of the Strategic Resource Plan in accordance with section 126 of the Act. A copy of the draft revised Council Plan document has been circulated to Councillors.

At the Special Council Meeting on 14 May 2019, Council resolved that 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.

A public notice was placed in the Pyrenees Advocate on Friday 17 May 2019, Ballarat Courier on Wednesday 15 May 2019 and on Council’s website advising that Council had undertaken the review of the Council Plan (including the Strategic Resource Plan), and invited any person wishing to do so could make a submission in writing to the Chief Executive Officer, and that any submission must be received up until 5.00pm on Friday 14th June 2019.

The notice also advised that copies of the revised Council Plan 2017-2021 could be viewed at the Avoca and Beaufort Community Resource Centres, Beaufort Shire Office, Lexton Community Centre and on the Council’s website.

At the time of preparing this report, no submissions on the revised Council Plan have been received. Should any submissions be received up until 4pm on Tuesday 25 June 2019, it is intended that Council consider those prior to deciding on the adoption of the revised Council Plan.

ISSUE / DISCUSSION

The minor changes to the Council 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. No changes have been made to the Objectives, Measures or Strategies.

Having considered the changes, and submissions (if any) in accordance with section 125 (8) and (9) of the Act, and given public notice in accordance with section 125 and 223 of the Act, it is proposed that Council adopts the revised Council Plan 2017-2021 including the Strategic Resource Plan.

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).*
- (10) *If a Council makes an adjustment to the Council Plan, the Council must within 30 days of making the adjustment advise the Minister of the details of the adjustment to the Council Plan.*
- (11) *A copy of the current Council 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.*

Section 126 of the Local Government Act 1989 requires that:

- (3) *A Council must—*
 - (a) *review the Strategic Resource Plan during the preparation of the Council Plan; and*
 - (b) *adopt the Strategic Resource Plan not later than 30 June each year, or such other date fixed by the Minister by notice published in the Government Gazette.*

ATTACHMENTS

- 2.1 Council Plan 2017-2021 containing proposed adjustments and including the Strategic Resource Plan (*circulated separately*)

FINANCIAL / RISK IMPLICATIONS

The proposed adjustments to the Council Plan have been considered in the draft 2019/20 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 Strategic Resource Plan in accordance with section 125 and 126 of the Local Government Act, having determined that minor adjustments were needed, and having given public notice and considered any submissions in accordance with section 125 and 223 of the Local Government Act:

1. Adopts the revised Council Plan 2017-2021 and the Strategic Resource Plan;
2. Places a copy of the current Council Plan 2017-2021 (including the Strategic Resource Plan) on Council's website, and makes them available for inspection at the Council Offices in accordance with section 125 (11) and 126 (4) of the Act; and
3. Provides a copy of the revised Council Plan 2017-2021 and Strategic Resources plan to the Minister in accordance with section 125(10).



CLOSE OF MEETING

Meeting closed at

Minutes of the meeting confirmed

2019

Mayor