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Agenda



For a special meeting of the seventh Campaspe Shire Council to be held on Tuesday 4 June 2019, commencing at 5:00pm at the Echuca Civic Centre.

Opening Prayer

We pray to Almighty God that our decisions as a Council be in the best interest of the people, culture and the environment of the Shire of Campaspe.

Amen

The Campaspe Shire Council acknowledges the traditional owners of the land upon which we meet and pay our respect to their elders both past and present.

Meeting Procedures

Please ensure that all electronic devices are turned off or switched to silent.

Council meetings are broadcast live via the internet. During the meeting, members of the public may be recorded, particularly those speaking to an item. By attending this meeting, you are consenting to the possibility that your image may also be broadcast to the public. Any personal and health information voluntarily disclosed by any person at Council meetings may be broadcast live, held by Council and made available to the public for later viewing.

Those people who have requested to speak to an item will be allowed five minutes to address Council. Speakers will be notified with a bell when there is 60 seconds remaining. Speakers must only speak in relation to the subject stated on their application and shall not debate the issue with Councillors and officers. Councillors are able to ask questions of the speaker on points of clarification.

Speakers are advised that they do not enjoy any special protection from defamation arising from comments made during their presentation to Council and should refrain from voicing defamatory remarks or personal defamatory statements against any individual. Speakers will be treated with respect when addressing Council. I ask that the same respect is extended to Councillors and officers.

Business

1. Apologies

2. Declaration of Interests

Disclosure of Conflict of Interests are to be made immediately prior to any relevant item being discussed.

Local Government Act 1989 Section 79

- (1) If a Councillor or member of a special committee has a conflict of interest in a matter which is to be considered or discussed at a meeting of the Council or the special committee, the Councillor or member must, if he or she is attending the meeting, disclose the conflict of interest in accordance with subsection (2).
- (2) A Councillor or member of a special committee who has a conflict of interest and is attending the meeting of the Council or special committee must make a full disclosure of that interest:
 - (a) by either
 - (i) advising the Council or special committee at the meeting of the details required under paragraphs (b) and (c) immediately before the matter is considered at the meeting; or
 - (ii) advising the Chief Executive Officer in writing of the details required under paragraphs (b) and (c) before the meeting; and
 - (b) classifying the type of interest that has given rise to the conflict as either:
 - (i) a direct interest; or
 - (ii) an indirect interest and specifying the particular kind of indirect interest under section 78, 78A, 78B, 78C, 78D or 78E; and
 - (c) describing the nature of the interest; and
 - (d) if the Councillor or member advised the Chief Executive Officer of the details under paragraph (a)(ii), the Councillor or member must make a disclosure of the class of interest only to the meeting immediately before the matter is considered at the meeting.

3. Adoption of the 2019-20 Budget

Author:

Ailsa Box, Finance Manager

Attachments:

- 3.1. 2019-20 Budget and Strategic Resource Plan
 - 3.2 Summary of Public Submissions
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1. Purpose

To adopt the 2019-20 Shire of Campaspe Budget and Strategic Resource Plan.

2. Recommendation**That Council:**

1. **Adopt the 2019-20 Budget provided in Attachment 3.1, noting that it is the Proposed 2019-20 Budget endorsed and released for public comment by Council on the 2 April 2019, inclusive of the following amendments:**
 - a) **Rates tables 5.1.1 (a), (b), (c), (d), (f) and (h) have been updated after receiving certification of the 2019 general property valuation from the Victorian Valuer General. This has resulted in a minor change in the rate in the dollar from what was published in the proposed budget document.**
 - b) **Update the document to correct minor spelling, grammar and formatting errors.**
 - c) **At 1.3 Strategic objectives, update the number of activities and services Council delivers to reflect the reviewed classification of services which is reflected throughout the document.**
 - d) **Correct the Statement of Human Resources, second table, to reflect the correct cost against causal and temporary expenditure and add two additional tables to show human resource projected costs and employee numbers for the forecast years, by division as required in the Strategic Resource Plan.**
 - e) **Correct the opening balance in 5.1.3 Statement of Borrowings, as no borrowings will be undertaken in 2018-19 the closing balance from 2018-19 will not be the opening balance in 2019-20.**
 - f) **Correct the classification of employee costs in table 5.1.6 for the 2018-19 budget comparison.**
 2. **Note the submissions received in response to the Proposed 2019-20 Budget, thank the submitters and provide a written response notifying submitters of the decision and the reason for the decision as outlined in Attachment 3.2, in accordance with Section 223(1)(d) of the *Local Government Act 1989*.**
 3. **Authorise the Chief Executive Officer to give public notice of this decision in accordance with section 130(2) of the *Local Government Act 1989*.**
 4. **Submit a copy of the adopted 2019-20 Budget to the Minister for Local Government in accordance with section 130(4) of the *Local Government Act 1989*.**
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5. **Declare the Rates, Municipal Charge and Annual Service Charges for the 2019-20 financial year as set out within the 2019-20 Budget document on pages 29-35.**
 6. **Declare the Fees and Charges for the 2019-20 financial year contained as Appendix A of the 2019-20 Budget document, excluding Paddle Steamer fees and charges.**
 7. **Having reviewed the Strategic Resource Plan, as contained within the 2019-20 Budget, in accordance with Section 126(3) of the Local Government Act 1989 determines to update the financial and non-financial resources requirements in line with the Local Government (Planning and Reporting) Regulations 2014 for the four year period to achieve the strategic objectives contained in the Council Plan and determines that the Plan, to be known as the Strategic Resource Plan 2019-20, is appropriate for the remaining period of the Council Plan or until it is replaced with a new Council Plan.**
 8. **Authorise the Mayor to advise the Minister of Local Government that the Strategic Resource Plan 2019-20 has been adopted.**
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3. Conflict of Interest

In accordance with Section 80B of the *Local Government Act 1989* (the Act), the officer preparing this report declares no conflict of interest in regard to this matter.

4. Charter of Human Rights

This report has considered and complies with the Human Rights and Responsibilities contained in the Victorian *Charter of Human Rights and Responsibilities Act 2006*.

5. Instrument of Delegation

This report has considered and complies with the Instrument of Sub-Delegation by the Chief Executive Officer in so far as this report is not contrary to the existing policy or strategy previously adopted by Council.

6. Background

The Proposed 2019-20 Council Budget was endorsed on 4 April 2019 and released for public comment until 9 May 2019. Seven (7) submissions were received and a submissions hearing was held on 14 May 2019. Of the seven (7) submissions received four Submitters requested to speak to their submission.

Council reviewed and discussed the submissions post the submission hearing, responses will be communicated to those who made a submission, as outlined in Attachment 3.2.

The *Local Government Act 1989 section 127* requires that Council prepares a budget for the year and the *Local Government (Planning and Reporting) Regulations 2014* specify the information required for public display.

Sections 136 of the Act requires that Council implement the principles of sound financial management. The principles are identified in the Act as:

(1) *A Council must implement the principles of sound financial management*

(2) *The principles of sound financial management are the Council must:*

(a) *manage financial risks faced by the Council prudently, having regard to economic circumstances;*

(b) *pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden;*

(c) *ensure that decisions are made and actions are taken having regard to their financial effects on future generations;*

(d) *ensure full, accurate and timely disclosures of financial information relating to the Council.*

(3) *The risks referred to in sub-section (2)(a) include risks relating to:*

(a) *the level of Council debt;*

(b) *the commercial or entrepreneurial activities of the Council;*

(c) *the management and maintenance of assets;*

(d) *the management of current and future liabilities;*

(e) *changes in the structure of the rates and charges base.*

Further to these principles defined in the *Local Government Act 1989*, Council adopted additional financial principles on 19 February 2019 to guide the development of the 2019-20 Proposed Budget. These principles are:

- Council to effectively and efficiently use its resources to deliver the best outcomes for the community whilst ensuring ongoing future financial sustainability.
- Council to maintain an operating surplus over a four year period (current year and three forward years).
- Council to meet current service levels prior to the allocation of resources for new or expanded service levels or one off operating projects.
- Council will consider the use of borrowings to fund significant capital projects where there is a demonstrated benefit to future generations and council has the capacity to service the debt.
- Council seek a balance between service delivery and a cost recovery model having regard to capacity to pay.
- Council to consider the financial resources required for the implementation of the endorsed Council Plan and other strategic plans of council.
- Before approving new or upgrade capital projects or the acquisition of new assets, council will consider its asset renewal obligations.
- Before approving the acquisition of new assets, council will have regard to the financial and social impacts along with service needs of the community.
- Council will not seek a rate cap variation while it maintains a sustainable financial position

Rates

Council believes differential rates contribute to the equitable and efficient distribution of the rate burden to rate payers.

The differential rate ratios are as follows:

- General Land (100% of the general rate in the dollar);
- Farm Land (90% of the general rate in the dollar);
- Commercial Land (116% of the general rate in the dollar);
- Industrial Land (116% of the general rate in the dollar); and
- Cultural and Recreation (50% of the general rate in the dollar).

The Fair Go Rate cap increase of 2.50% has been complied with in setting the differential rate in the dollar.

The rates in the dollar to be applied for the 2019-20 year are as follows.

Type or class of land	2019-20 cents/\$CIV*
General land	0.42985
Farm land	0.38686
Commercial land	0.49862
Industrial land	0.49862
Cultural and recreation	0.21493

7. Content

Council should note that the Proposed 2019-20 Budget was extensively publicised in all local papers; double page advertisements were also placed in local papers; the Proposed 2019-20 Budget was available on Council's website along with an online submission form; budget information was included in our regular half page Campaspe Shire advertisement, included in the community newsletter and posted on Council's Facebook page.

The Budget is required to be advertised for a minimum of 28 days, this requirement has been met. The Budget is further required to be adopted prior to 30 June 2018. Council then needs to issue a public notice that the Budget has been adopted, which staff will do once Council has adopted the 2019-20 Budget.

8. Issues and Risk Management

Issues:

In considering the development of the budget Council has identified that the long term sustainability of council will need to be monitored. The adjusted underlying result for the forward three year period shows an operating deficit. To ensure ongoing financial sustainability, council will continue to review the services it delivers to the community as part of its Service Planning program.

Risk:

Risk management has been considered in the preparation of this report and no risks with a high or extreme rating have been identified in this process.

9. Strategic Planning Environments

Strong and Engaged Communities:	The budget provides services to improve the health, wellbeing and safety of our community.
Resilient Economy:	Programs and initiatives within this budget will support economic growth, investment opportunities and community development.
Healthy Environment:	The budget will assist in the delivery of initiatives to support the health of our communities' environment and promotes environmentally sustainable practices.
Balanced Services and Infrastructure:	The budget continues to finance maintenance and renewal of existing assets, as well as providing some funding to support creation of new infrastructure.
Responsible Management:	The budget has been built based on the principles of sound financial management.

10. Consultation

Public comment on the budget and fees and charges has been sought by advertising for submissions from members of the public in accordance with section 223 of the Act. Section 223 of the Act provides for people to make written submissions and allows for anyone who makes a submission to address the Council in support of that submission. A submissions hearing was held on 14 May 2019 at the Echuca Headquarters Function room, where four people spoke to their submissions.

The proposed budget was advertised in the Riverine Herald, Campaspe News and Kyabram Free Press. Throughout the public advertisement period Council issued many media releases and published a double page advertisement in all local papers providing details on the budget. The Proposed Budget document was available to the public via our website and at our Service Centres as well as locations in other townships.

Consultation also included discussions with the Executive Management Group, the Leadership Group, Finance Section and Councillors during workshops and briefing sessions.

11. Officer Comment

The budget has been built with a view to maintaining a zero increase to expense where possible and a full cost recovery model where it is deemed appropriate. Council officers have paid particular attention to being able to deliver the services expected and needed by the community within the confines of a rate capping environment and to meet the principles adopted by Council at the 19 February 2019 Council meeting.

4. 2019-20 Fees and Charges – Paddle Steamers

Author:

Ailsa Box, Finance Manager

Attachments:

4. 2019-20 Fees and Charges – Paddle Steamers
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1. Purpose

To adopt the 2019-20 Campaspe Shire Council Fees and Charges for Paddle Steamers.

2. Recommendation

That Council:

1. **Declare the Fees and Charges for the 2019-20 financial year contained in Attachment 4 for Paddle Steamers.**
 2. **Authorise the Chief Executive Officer to give public notice of this decision in accordance with section 130(2) of the *Local Government Act 1989*.**
 3. **Submit a copy of the adopted 2019-20 fees and charges for Paddle Steamers to the Minister for Local Government in accordance with section 130(4) of the *Local Government Act 1989*.**
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3. Conflict of Interest

In accordance with Section 80B of the *Local Government Act 1989* (the Act), the officer preparing this report declares no conflict of interest regarding this matter.

4. Charter of Human Rights

This report has considered and complies with the Human Rights and Responsibilities contained in the Victorian *Charter of Human Rights and Responsibilities Act 2006*.

5. Instrument of Delegation

This report has considered and complies with the Instrument of Sub-Delegation by the Chief Executive Officer in so far as this report is not contrary to the existing policy or strategy previously adopted by Council.

6. Background

The *Local Government Act 1989* section 127 requires that Council prepares a budget for the year and the *Local Government (Planning and Reporting) Regulations 2014* specify the information required for public display.

Sections 136 of the Act requires that Council implement the principles of sound financial management. The principles are identified in the Act as:

(1) *A Council must implement the principles of sound financial management*

(2) *The principles of sound financial management are the Council must:*

- (e) *manage financial risks faced by the Council prudently, having regard to economic circumstances;*
 - (f) *pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden;*
 - (g) *ensure that decisions are made and actions are taken having regard to their financial effects on future generations;*
 - (h) *ensure full, accurate and timely disclosures of financial information relating to the Council.*
- (3) *The risks referred to in sub-section (2)(a) include risks relating to:*
- (f) *the level of Council debt;*
 - (g) *the commercial or entrepreneurial activities of the Council;*
 - (h) *the management and maintenance of assets;*
 - (i) *the management of current and future liabilities;*
 - (j) *changes in the structure of the rates and charges base.*

Further to these principles defined in the *Local Government Act 1989*, Council adopted additional financial principles on 19 February 2019 to guide the development of the 2019-20 Proposed Budget. These principles are:

- Council to effectively and efficiently use its resources to deliver the best outcomes for the community whilst ensuring ongoing future financial sustainability.
- Council to maintain an operating surplus over a four year period (current year and three forward years).
- Council to meet current service levels prior to the allocation of resources for new or expanded service levels or one off operating projects.
- Council will consider the use of borrowings to fund significant capital projects where there is a demonstrated benefit to future generations and council has the capacity to service the debt.
- Council seek a balance between service delivery and a cost recovery model having regard to capacity to pay.
- Council to consider the financial resources required for the implementation of the endorsed Council Plan and other strategic plans of council.
- Before approving new or upgrade capital projects or the acquisition of new assets, council will consider its asset renewal obligations.
- Before approving the acquisition of new assets, council will have regard to the financial and social impacts along with service needs of the community.
- Council will not seek a rate cap variation while it maintains a sustainable financial position

Service managers have considered full cost recovery, capacity to pay and industry benchmarking in the setting of the fees and charges.

Statutory fees and charges are determined by State and Federal Government. Local Government is required to apply the charge determined. Council has no power to alter these charges.

7. Issues and Risk Management

Issues:

Nil

Risk:

Risk management has been considered in the preparation of this report and no risks with a high or extreme rating have been identified in this process.

8. Strategic Planning Environments

Strong and Engaged Communities: Income from the fees and charges will provides services to improve the health, wellbeing and safety of our community.

Resilient Economy: Income from the fees and charges will support economic growth, investment opportunities and community development

Healthy Environment: Income from the fees and charges will help deliver services to support the health of our communities' environment and promotes environmentally sustainable practices.

Balanced Services and Infrastructure: Income from the fees and charges will assist in the maintenance and renewal of existing assets, as well as providing some funding to support creation of new infrastructure.

Responsible Management: The fees and charges have been based on the principles of sound financial management.

9. Consultation

Public comment on the fees and charges has been sought by advertising for submissions from members of the public in accordance with section 223 of the Act. Section 223 of the Act provides for people to make written submissions and allows for anyone who made a submission to address the Council in support of that submission. A submissions hearing was held on 14 May 2019 at the Echuca Headquarters Function room. No submissions were received in relation to Council's proposed fees and charges.

The proposed fees and charges were advertised in the Riverine Herald, Campaspe News and Kyabram Free Press. The Proposed Budget document, which contained all fees and charges, was available to the public via our website and at our Service Centres as well as locations in other townships.

Consultation in the preparation of the fees and charges has included discussions with the Executive Management Team, the Leadership Group, Finance and Councillors during workshops and briefing sessions.

5. Meeting Close

Ray Burton

Acting Chief Executive Officer
