



SPECIAL MEETING OF COUNCIL MINUTES – 25 AUGUST 2017 WEST WIMMERA SHIRE COUNCIL

HELD: Friday 25 August 2017

LOCATION: Edenhope Council Chamber

COMMENCEMENT: 10:00am

IN ATTENDANCE:	
Councillors	Senior Management Group
Bruce Meyer, Mayor Trevor Domaschenz	David Leahy Chief Executive Officer
Richard Hicks Tom Houlihan Jodie Pretlove	Ashley Roberts Director Corporate & Community Services

Vision Statement:

*Our Wimmera Shire communities are healthy, thriving, diverse, harmonious,
prosperous and self-sustaining, with regional and global connectivity*



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1.0 WELCOME

Note: the West Wimmera Advocate representative was not permitted to audio record the meeting

2.0 OPENING PRAYER

The CEO read the opening prayer

3.0 APOLOGIES AND LEAVE OF ABSENCE

Apology: Robyn Evans, Director Infrastructure Development & Works

4.0 DECLARATION OF CONFLICT OF INTEREST

All councillors have a personal responsibility to ensure they are aware of the provisions mandated in the Local Government Act 1989 with regard Conflict of Interest disclosures. The Conflict of Interest – A Guide for Councillors (October 2012) has been made available to all Councillors in hard copy form and is available via docs on tap.

None declared



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5.0 ADOPTION OF WEST WIMMERA SHIRE COUNCIL 2017/18 BUDGET AND 2017/18 – 2020/21 STRATEGIC RESOURCE PLAN

FILE NUMBER: FM0055

**REPORT AUTHOR: ASHLEY ROBERTS, DIRECTOR CORPORATE AND
COMMUNITY SERVICES**

FOR DECISION

Introduction

This report presents West Wimmera Shire Council (Council) with the final draft 2017/18 Budget and 2017/18-2020/21 Strategic Resource Plan for adoption.

Declaration of Interests

No officer declared an interest under the *Local Government Act 1989* in the preparation of this report.

Background

Section 127 of the *Local Government Act 1989 (the Act)* requires that Council prepare a budget for each financial year, and that such budget be in the form of and containing the information required by the regulations (currently the *Local Government (Planning and Reporting) Regulations 2014 (the Regulations)*). Council's 2017-2018 budget as presented complies with these requirements of the Act and the Regulations.

Section 130 (3) of the Act requires that Council must adopt its annual budget by 30 June each year. However, an extension on this timeline was granted by the Minister for Local Government to 31 August for the 2017/18 budget year. This extension was granted to all Councils and was as a result of new Council Plans being required in this year and potential rate cap variations being assessed.

As per Section 129 of the Act, Council resolved at its Special Meeting held 5 July 2017 to consult with the community and receive submissions (in accordance with Section 223 of the Act) on the draft budget up to 5.00pm Friday 4 August 2017. Council held a special meeting to consider the submission received on 9 August 2017.

The attached draft 2017/18 budget and draft 2017/18–2020/21 Strategic Resource Plan as presented is inclusive of any changes made as part of the consultation period.



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Council has made application to the Essential Services Commission (ESC) to vary the rate increase cap for the 2017/18, 2018/19, 2019/20 and 2020/21 years. Council applied for the ESC to allow Council to increase rates by up to 3.5% for each of these years.

Council has been informed by the ESC that its application has been approved, meaning that Council has the option of increasing rates by up to 3.5% for each of these 4 years.

Given the fact that the allowed rate increase is significantly higher than the advertised cap, Council may opt to adopt a rate increase lower than 3.5%. This would lower the impact on ratepayers. However, it also reduces the amount of revenue Council can put towards asset renewal and negatively impact Council's financial sustainability. It is suggested a rate increase of 3.25% for 2017/18 be a suitable compromise.

The attached draft 2017/18 budget and draft 2017/18-2020/21 Strategic Resource Plan include rate increases of 3.25% for 2017/18 and 3.5 for each of the 2018/19, 2019/20 and 2020/21 years.

Risk Management Implications

The provision of an annual budget and medium term Strategic Resource Plan form central planks in Council's internal control mechanisms.

The annual budget and Strategic Resource Plan allow Council to have a baseline for measuring its financial performance and sustainability, and also allow Council to control and allocate its resources forming a strong mitigation to financial, fraud, operational and reputational risk to Council.

Legislative Implications

Council is required under the Act to prepare and adopt a budget for each financial year.

Extracts Local Government act 1989:

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) financial statements in the form and containing the information required by the regulations;
 - (b) a description of the services and initiatives to be funded in the budget;
 - (c) a statement as to how the services and initiatives described under paragraph (b) will contribute to achieving the strategic objectives specified in the Council Plan;
 - (d) Major Initiatives, being initiatives identified by the Council as priorities, to be undertaken during the financial year;
 - (da) for services to be funded in the budget, the prescribed indicators of service performance that are required to be reported against in the performance statement under section 131;
 - (db) the prescribed measures relating to those indicators;



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- (e) any other information 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 information listed in section 161(2);
 - (c) if the Council intends to declare a differential rate under section 161A, the information listed in section 161(2).
- (4) The Council must ensure that, if applicable, the budget also contains a statement—
 - (a) that the Council intends to apply for a special Order to increase the Council's average Rate cap for the financial year under section 185E; or
 - (b) that the Council has made an application to the Essential Services Commission for a special Order under section 185E and is waiting for the outcome of the application; or
 - (c) that a special Order has been made in respect of the Council and a higher cap applies for the financial year.

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—
 - (i) the Council office and any district offices; and
 - (ii) any other place required by the regulations; and
 - (c) advise that the proposed budget or revised budget is published on the Council's Internet websitefor at least 28 days after the publication of the notice.
- (4) A copy of the budget or revised budget must be displayed at the places specified under sub-section (3)(b) and (c).

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 30 June each year, or such a date fixed by the Minister by notice published in the Government Gazette.
- (4) The Council must submit a copy of the budget or revised budget to the Minister within 28 days after adopting the budget under subsection (3) or adopting the revised budget under subsection (1).
- (5) The Minister may extend the period within which a Council must comply with sub-section



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- (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.

As mentioned earlier, the Minister for Local Government varied the adoption date of the budget from the usual 30 June to 31 August.

Environmental Implications

Not commented on

Financial and Budgetary Implications

The adoption of the Council Budget annually and the four year Strategic Resource Plan are the fundamental building blocks in Council's financial management framework.

The budget set the basis for which Council Officers implement Council's strategic direction, as contained within the Council Plan, and to ensure the prudent and equitable allocation of Council's resources, whilst the Strategic Resource Plan allows Council to provide short/medium term planning to ensure efficient and sustainable resource allocation.

Policy Implications

This report is supported by the following West Wimmera Shire Council Policy:

Advocacy Policy
Asset Capitalisation Policy
Asset Management Policy
Borrowings Policy
Communications Policy
Community Engagement Policy
Fraud Control Policy
Investment Policy
Procurement Policy



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Council Plan Implications

This report supports all section/s of the West Wimmera Shire Council Plan 2017-2021:

- Strategic Objective 1: A proactive, well governed, professional and financially sustainable organisation that encourages community participation.
- Strategic Objective 2: Meaningful partnerships to support advocacy priorities and service provision.
- Strategic Objective 3: Quality sustainable community services and infrastructure.
- Strategic Objective 4: Building on our agricultural and business strengths and supporting economic development.
- Strategic Objective 5: Thriving, safe and diverse local communities.
- Strategic Objective 6: Participating in activities that address health and wellbeing issues.
- Strategic Objective 7: Providing access to and promoting the natural environment.

Communication Implications

Highlights of the draft Budget 2017/2018 and draft Strategic Resource Plan 2017/18-2020/21 as prepared have been advertised and communicated pursuant to the above detailed legislative provisions.

This includes advertising and publishing details of the draft budget in local papers and Council's website. Copies of the draft documents have also been available at Council's Customer Service Centres at Edenhope and Kaniva and also on Council's website.

Once adopted copies of the adopted Budget and Strategic Resource Plan will be placed in Council's customer service centres and on Council's website. Copies of each document will also be forwarded to the Minister for Local Government and the State Library.

Conclusion

Council is required under the Act to prepare, and after a suitable public submission period and considering any submissions made, adopt a budget each year.

This activity also forms the most fundamental building block in Council's financial management framework and is of critical importance in providing for effective financial management.

The draft budget as presented fulfils all of these requirements.



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OFFICER RECOMMENDATION:

That Council:

- 1. Adopt the 2017/18 Budget and forward projections as set out within the Strategic Resource Plan contained within the budget papers, along with any adopted amendments resultant from any public submissions received and considered by Council; and**
- 2. As per the budget document, raise a total amount of rates and charges of \$7,125,012 for the 2017/18 financial year; and**
- 3. That Council declare the following rates and charges:**
 - General rate \$0.3557 cents in the dollar of CIV**
 - Municipal Charge \$142.45**
 - Waste Collection Charge \$285.41 per unit; and**
- 4. Public Notice of the adoption of the budget be made; and**
- 5. Advise any person(s) making a submission as to the outcome of that submission; and**
- 6. Forward a copy of the adopted 2017/18 Budget to the Minister for Local Government, and make copies of the adopted 2017/18 Budget available for public perusal at Council's Customer Service Centres in Edenhope and Kaniva, and also on Council's website.**



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Moved: Cr Richard Hicks

Seconded: Cr Tom Houlihan

That Council:

- 1. Adopt the 2017/18 Budget inclusive of a 3.25% rate increase and forward projections as set out within the Strategic Resource Plan contained within the budget papers, along with any adopted amendments resultant from any public submissions received and considered by Council; and**
- 2. As per the budget document, raise a total amount of rates and charges of \$7,125,012 for the 2017/18 financial year; and**
- 3. That Council declare the following rates and charges:**
 - General rate \$0.3557 cents in the dollar of CIV**
 - Municipal Charge \$142.45**
 - Waste Collection Charge \$285.41 per unit; and**
- 4. Public Notice of the adoption of the budget be made; and**
- 5. Advise any person(s) making a submission as to the outcome of that submission; and**
- 6. Forward a copy of the adopted 2017/18 Budget to the Minister for Local Government, and make copies of the adopted 2017/18 Budget available for public perusal at Council's Customer Service Centres in Edenhope and Kaniva, and also on Council's website**

Carried (4/1)

Moved: Cr Richard Hicks

Seconded: Cr Trevor Domaschenz

When the reconciliation of the 2016/17 Budget is produced and made public, that specific reference be made to the \$351,000 loan made by West Wimmera Shire to the responsible authority for the Kaniva Community Hub noting the ten six-monthly repayment figures.

Carried (4/1)



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Attachments:

No.	Name	RecFind Ref
5.1	Draft 2017/18 Budget 3.25% rate increase	17/003281
5.2	Draft 2017/18 – 2020/21 Strategic Resource Plan	17/003281

MEETING CONCLUDED: 10.48 AM