



UNSCHEDULED COUNCIL MEETING AGENDA – 27 JUNE 2022

WEST WIMMERA SHIRE COUNCIL

TO BE HELD: Monday 27 June 2022

LOCATION: Microsoft Teams

COMMENCEMENT: 10:00am

PUBLIC ACCESS: Live Streaming from Council's website
www.westwimmera.vic.gov.au

REQUIRED TO ATTEND:

Councillors	Executive Leadership Group
Bruce Meyer OAM, Mayor Jodie Pretlove, Deputy Mayor Trevor Domaschenz Tom Houlihan Tim Meyer	David Bezuidenhout Chief Executive Officer (CEO) James Bentley Director, Corporate & Community Services (DCCS) Ram Upadhyaya Director, Infrastructure Development & Works (DIDW)
	<hr/> Senior Leadership Group Katie Frost Governance Manager Melanie Jordan Chief Financial Officer

*The West Wimmera Shire Council Governance Rules
set out the meeting procedure rules for this Council Meeting.*

*Members of the public are reminded that they are required to
remain silent during this meeting.*

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

ACKNOWLEDGEMENT:

The West Wimmera Shire Council acknowledges the traditional custodians of the land on which we meet, and pays respect to their elders, past, present and emerging.

2.0 OPENING PRAYER – CEO

Almighty God, we humbly ask your blessing upon this Council. Guide and prosper our decisions to the advancement of Your Glory and the true welfare of the people of West Wimmera Shire. Amen.

3.0 APOLOGIES, LEAVE OF ABSENCE, DECLARATION OF CONFLICT OF INTEREST

3.1 APOLOGIES

3.2 LEAVE OF ABSENCE

3.3 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 2020 with regard to Conflict of Interest disclosures.



4.0 CORPORATE & COMMUNITY SERVICES

4.1 ADOPTION OF WEST WIMMERA SHIRE COUNCIL 2022/23 BUDGET

FILE NUMBER: FM0055

REPORT AUTHOR: MELANIE JORDAN, CHIEF FINANCIAL OFFICER

FOR DECISION

Introduction

This report presents West Wimmera Shire Council (Council) with the final proposed 2022/23 Budget for adoption.

Declaration of Interests

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.

Background

Section 94 of the *Local Government Act 2020* (the Act) requires that Council prepare a budget for each financial year and the subsequent 3 financial years. Section 94 (1)(a) of the Act requires that Council must adopt its annual budget by 30 June each year.

Under section 55(d) of the *Local Government Act 2020* (the Act), Council is required to apply its Community Engagement Policy to the Annual Budget Development. Council resolved at its meeting held 18 May 2022 to publicly advertise the Proposed 2022/23 Budget and receive public feedback up until 5.00pm Tuesday 14th June 2022.

Annual Plan

The Annual Plan sets out the activities that Council will undertake during the year to deliver the outcomes of the Council Plan 2021-2025. The annual plan works in conjunction with the Annual Report and the Budget for financial year 2021-22. The Chief Executive Officer must present a written quarterly progress report to Council outlining progress towards implementing the Annual Plan. Council may amend the Annual Plan during the year by resolution. The proposed budget provides allocations and resourcing for the achievement of all initiatives outlined in the Annual Plan.

Proposed Budget

The overall operating result budgeted for 2022/23 is a balanced budget. Given Council's very strong cash position, this budget reflects a drawdown of cash reserves of \$3.32 million



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in order to provide maximum benefit to the community, whilst still maintaining a strong working capital level and cash position. This cash deficit is reflective of several factors, including a significant capital works program of \$11.27 million. Additionally, the forecast actual cash position at 30 June 2022 has increased by just over \$2 million due to the receipt of 75% 2022-23 allocation from the Victorian Grants Commission in April 2022.

Council recognises the importance of community and volunteer assistance, particularly as the recovery from the Covid-19 pandemic is still underway. As such, Council has committed several measures to conduct a review and implement improved community grant programs.

As external grants are of vast importance to Council's sustainability, Council has committed \$5.95 million to provide matching funds for grant opportunities for several projects including Apsley netball & tennis courts, Edenhope equine facility, Harrow netball & tennis courts, cabins at 5 caravan parks in the shire and tourism projects at Harrow and Serviceton. In addition to this, Council has committed an allocation of \$0.27 million to a shovel-ready projects fund focusing on scoping around 15 projects to assess viability and assist in the ability to apply for all available funding opportunities as they arise.

Income

Rates and charges revenue for 2022-23 is budgeted at \$8.24 million. This represents a 1.75% increase as per the rate cap under the 'Fair Go Rates System.' The preliminary valuations have shown an overall increase to property values of around 50%. Due to this reason, the rate in the dollar (RID) is budgeted to decrease from \$0.192000 in 2021-22 to \$0.127950 in 2022-23, a decrease of 33.36%.

Council continues to maintain a low rate base when compared to other like Councils. Rates charged as a percentage of property values within the municipality has fallen to 0.15% across the 2022-23 proposed budget, which is significantly under the average for small rural councils at 0.6% (source: KnowYourCouncil.vic.gov.au).

Overall budgeted average rates and charges payable for 2022-23 will be \$1,603.32, including general rates and municipal charge. This represents an increase of \$27.59 in the base average rate over the previous year.

Statutory fees and fines show a small increase in line with marginal fee increases. User fees are budgeted to increase around 44% due to the inclusion of Kinder fees, which have been covered by the Government free Kinder initiative for the prior period, and also estimated Childcare fees. These are pending the pilot program completion and subsequent establishment of Edenhope Childcare Service.

Operating grants are budgeted to increase by \$5.25 million overall for 2022-23. Federal recurrent financial assistance grants are budgeted to increase by \$0.54 million, with non-recurrent operating grants expected to increase by \$4.33 million. This funding is for several different projects and are all subject to successful funding applications.

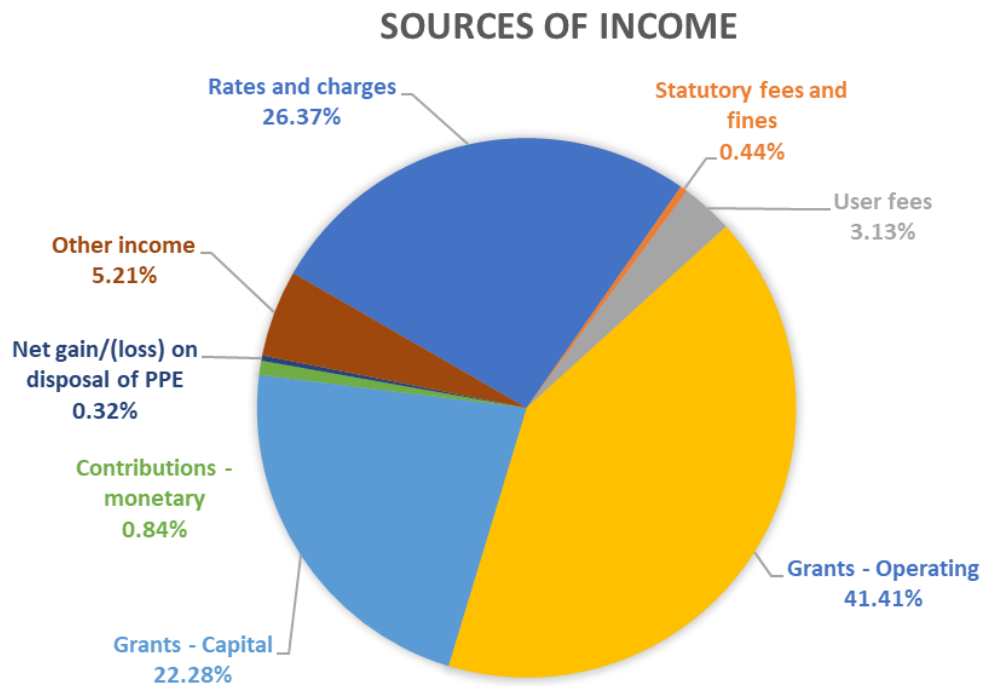


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Capital grants are budgeted to increase by \$3.27 million overall to a total of \$6.97 million. Local Roads and Community Infrastructure (LRCIP) phase 3 will generate \$3.06 million, with Roads to Recovery budgeted to remain the same at \$1.53 million. Non-recurrent capital grants are expected to be \$2.38 million and include several projects which are subject to successful funding applications.

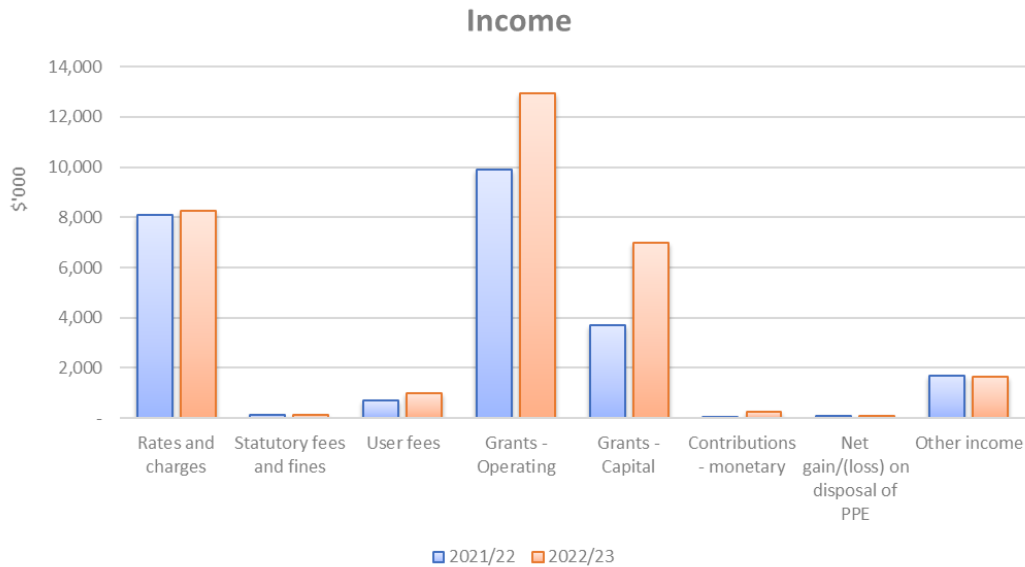
Contributions are budgeted to be \$0.26 million, comprising mainly contributions from community groups towards proposed projects, which will be completed subject to successful funding applications.

Income sources and comparisons to the projected result for 2022-23 are summarised in the below chart and Comprehensive Income Statement in the attached proposed budget document. Total revenue is \$31.26 million, an increase of \$6.97 million on 2021-22 projections.





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Expenditure

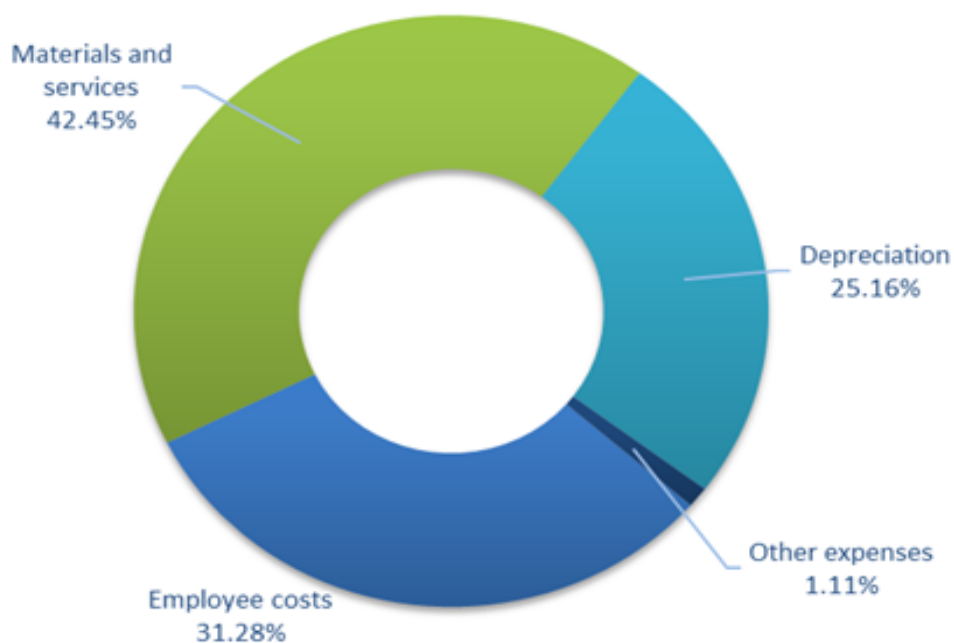
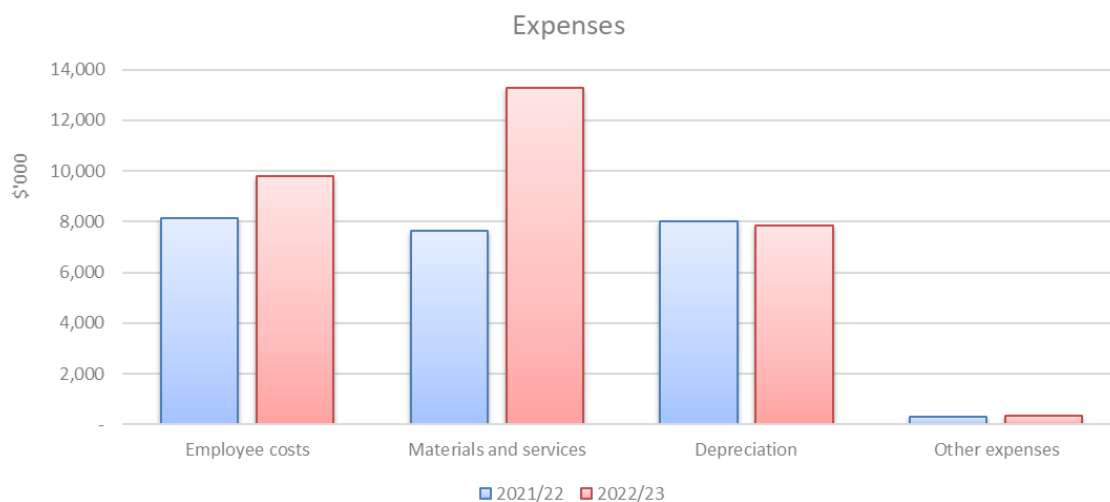
Employee operating costs for 2022-23 are budgeted at \$9.78 million. This represents a \$1.62 million or 19.92% increase over the forecasted amount for 2021-22. This budget includes additional resourcing for the proposed Edenhope Childcare service, pending successful completion of the pilot program. Additionally, new resourcing will be sourced in the Project Management area in order to deliver the extensive proposed capital works schedule and community projects planned to be completed in 2022/23. The Superannuation Guarantee Contribution is increasing from 10% to 10.5% in 2022/23 per Government requirements.

Materials and services are budgeted to increase by \$7.27 million in 2022/23, with the main increase of \$6.38 million noted in the contractor's area. This budget includes contractor works required to complete various community projects as noted throughout this document and are pending successful funding applications. Similarly, Council are committing increased funds within the consultants area for 'shovel-ready' initiatives, in order to plan projects and improve future funding opportunities. Information technology is anticipated to increase by \$0.29 million as Council transforms its current IT programs and environment, including moving to a cloud-based records system and introducing a new Project Management system.

Other expenses are expected to increase by 17.19% overall for 2022/23, including allocation for an additional internal audit following implementation of the new finance and rating system. Additionally, Councillor allowances were increased by the Victorian Independent Remuneration Tribunal from 18 December 2021.



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Council proposes no new borrowings for the 2022-23 year.

Capital Expenditure

Council's capital works program for the 2022-23 year is budgeted to be \$11.27 million, an increase of \$3.20 million from the prior year. This amount will include \$8.23 million in renewal expenditure. The capital works program will be funded by capital grants of \$6.62 million, the sale of redundant or obsolete assets and community contributions of \$0.45 million, whilst \$4.21 million will be funded from Council operations. Included in the Proposed Budget document is a detailed schedule of capital works.



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Risk Management Implications

The provision of an annual budget form central planks in Council's internal control mechanisms.

The annual budget allows 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

Local Government Act 1989:

- Sections 154 – 181 – Rates and charges

Local Government Act 2020:

- Section 94 – The budget
- Section 95 – Revised budget
- Section 96 – Preparation of budget or revised budget

Local Government (Planning and Reporting) Regulations 2020:

- Regulation 7 – The financial statements
- Regulation 8 – Other information to be included

Local Government Amendment (Fair Go Rates) Act 2015

- Capped rate increase

Valuation of Land Act 1960

- Valuation of all properties within the Shire

Under section 55(d) of the *Local Government Act 2020* (the Act), Council is required to apply its Community Engagement Policy to the Annual Budget Development. Members of the public are entitled to make a submission to the budget under section 94 of the Act.

Environmental Implications

Not commented on

Financial and Budgetary Implications

The adoption of the Council Budget annually are the fundamental building blocks in Council's financial management framework.

The budget sets 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.



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Policy Implications

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

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

Council Plan Implications

This report supports the following section/s of the West Wimmera Shire Council Plan 2021-2025:

- Goal 1: Liveable and Healthy Community
- Goal 2: Diverse and Prosperous Economy
- Goal 3: Sustainable Environment
- Goal 4: Good Governance
- Goal 5: Our Commitment

Communication Implications

In accordance with section 96(1)(b) of the Act, Council has undertaken community engagement on the proposed 2022-23 Budget in accordance with its Community Engagement Policy. The level of community engagement called for in the policy for preparation of the annual budget is participatory engagement.

The proposed 2022/23 Budget has been displayed at Council's service centres in Edenhope and Kaniva and also on Council's website. Public advertisements were conducted in newspapers, on Council's social media and displayed on public notice boards

Once adopted, copies of the adopted 2022/23 Budget will be made available 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.



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Gender Equality

A Gender Impact Assessment (as defined in the Gender Equality Act 2020) has been completed.

Conclusion

Council is required under the Act to prepare and adopt a Budget each year, following public consideration consistent with Council's Community Engagement Policy.

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 proposed budget as presented fulfils all of these requirements.

OFFICER RECOMMENDATION:

That Council:

- 1. Adopt the 2022/23 Budget, and**
- 2. Adopt the 2022/23 Annual Plan, and**
- 3. As per the budget document, raise a total amount of rates and charges of \$8,241,428 for the 2022/23 financial year; and**
- 4. That in accordance with Section 158 of the Local Government Act 1989 declare a General Rate of 0.12795 cents in the dollar of the Capital Improved Value within the municipal district for all rateable land for the rating period commencing 1 July 2022 and ending 30 June 2023, and**
- 5. That Council notes that the General Rate of 0.12795 in the dollar of the Capital Improved Value as noted in recommendation 3 is subject to confirmation from the Valuer General of Victoria of the valuations within West Wimmera Shire and the issuance of a Certificate 7A under the Valuation of Land Act 1960. Should valuations change materially, there will be a requirement to amend the General Rate in the dollar in order to ensure compliance with the Local Government Amendment (Fair Go Rates) Act 2015. However, this will have no impact on the total rates revenue raised, and**
- 6. That Council proposes that all rates for rateable land be determined by multiplying the Capital Improved Value of the rateable land by the relevant General Rate indicated at recommendation 3 above, and**



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7. That in accordance Section 167 (1) of the Local Government Act 1989, the general rates and service charges be payable by:
 - a. Four instalments for which the gazetted instalment dates as fixed by the Minister are as follows: 30 September 2022, 30 November 2022, 28 February 2023 and 31 May 2023; or,
 - b. Lump sum by 15 February 2023, and
8. That in accordance with Section 159 of the Local Government Act 1989, a municipal charge of \$160.58 will be levied against any rateable land on which a municipal charge may be levied for the rating period commencing on 1 July 2022 and ending on 30 June 2023, and
9. That in accordance with Section 162 of the Local Government Act 1989, the following an annual waste management service charges will be declared for the period commencing 1 July 2022 and ending 30 June 2023:
 - Urban 120 litre bin collection: \$336 per service
 - Rural 120 litre bin collection: \$324 per service
 - Commercial 240 litre bin collection: \$436 per service, and
10. Public Notice of the adoption of the budget be made; and
11. Advise any person(s) making a submission as to the outcome of that submission; and
12. Make copies of the adopted 2022/23 Budget available for public perusal at Council's Customer Service Centres in Edenhope and Kaniva, and also on Council's website.

Attachments:

No.	Name	RecFind Ref
4.1.1	WWSC Budget 2022-23_for adoption	
4.1.2	WWSC Annual Plan 22-23	

MEETING CONCLUDED: