



Alpine Shire

**SPECIAL COUNCIL MEETING
AGENDA**

**SPM6 – 23 June 2015
Bright Council Chambers
5:00pm**



Notice is hereby given that the next **Special Meeting** of the **Alpine Shire Council** will be held in the Council Chambers, Great Alpine Road, Bright on **23 June 2015** commencing at **5:00pm**.

AGENDA

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1 ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS, RECOGNITION OF ALL PEOPLE AND OPENING PRAYER

The Chief Executive Officer will read the acknowledgement of the traditional custodians, recognition of all people and opening prayer.

2 APOLOGIES

3 DECLARATIONS BY COUNCILLORS OF CONFLICT OF INTEREST



4 PRESENTATION OF REPORTS BY OFFICERS

4.1 DIRECTOR CORPORATE PERFORMANCE – TREVOR BRITTEN

4.1.1 Draft Budget 2015/16 - Submissions

File Number: 0910.22

INTRODUCTION

The purpose of this report is to consider the submissions received under section 223 of the *Local Government Act 1989* (the Act), relating to the draft 2015/16 budget.

RECOMMENDATIONS

That the:

- 1. Written and verbal submissions received pursuant to Sections 129, 130 and 223 of the Local Government Act 1989, be considered in relation to the 2015/16 Budget.*
- 2. Following amendments (resulting from submissions 1, 2, 3, 7, 9, and 12) be made to the Alpine Shire Council Budget 2015-16:*

<i>Reference</i>	<i>Page</i>	<i>Clause</i>	<i>Submission/amendment</i>	<i>Value</i>
<i>Submission 1</i>	<i>20</i>	<i>2.4</i>	<i>Remove the Economic Development service performance outcome indicators.</i>	<i>\$0</i>
<i>Submission 2</i>	<i>76</i>	<i>Appendices B and D,</i>	<i>Amend the 'Aluminum, cardboard, steel cans, plastic bottles and containers' fee by removing the \$5 min charge and reinstating the 'first ¼ cubic metre for free'.</i>	<i>minimal</i>
	<i>76</i>		<i>Amend the 'Green Organic Mulch sales' fee by replacing the \$10/m3 sale price with 'available for pick up for free'.</i>	<i>minimal</i>
	<i>61</i>		<i>Reduce the 'weekly recycling bin collection' charge from \$180.00 to \$151.60 (double that of the fortnightly collection charge)</i>	<i>\$4,100 estimated lost income</i>



<i>Reference</i>	<i>Page</i>	<i>Clause</i>	<i>Submission/amendment</i>	<i>Value</i>
<i>Submission 3</i>	<i>54 + various</i>	<i>Appendix A</i>	<i>Reinstate Community and Economic Development expenditure with an additional \$25,000 to better accommodate the community grants program, and \$6,500 for event logistics (based on 2014-15 events)</i>	<i>\$31,500</i>
<i>Submission 7</i>	<i>68 + various</i>	<i>Appendix C</i>	<i>Carry forward the following capital works projects, which have been commenced but not completed:</i>	
			<i>Railway Ave/Mill Rd/Church St</i>	<i>\$20,000</i>
			<i>Kerb and channel construction</i>	<i>\$25,000</i>
			<i>Footpath Renewal</i>	<i>\$31,738</i>
			<i>Tracks trails and footpaths</i>	<i>\$10,000</i>
			<i>Harrietville shared path</i>	<i>\$27,000</i>
			<i>Gapsted hall refurbishment</i>	<i>\$10,680</i>
<i>Submission 7</i>	<i>68 + various</i>	<i>Appendix C</i>	<i>Walking/cycling signage</i>	<i>\$10,000</i>
			<i>Safer streets program</i>	<i>\$54,370</i>
			<i>Sun smart shade sail construction</i>	<i>\$12,500</i>
<i>Submission 9</i>	<i>80</i>	<i>Appendix D</i>	<i>Reduce the 'land information certificate (within 7 days)' fee from \$21 to \$20, and amend the regulated column to read 'yes' instead of 'no'</i>	<i>minimal</i>
<i>Submission 12</i>	<i>54 + various</i>	<i>Appendix A</i>	<i>Increase expenditure to satisfy North East Catchment Management Authority grant requirements</i>	<i>\$9,000</i>
<i>Total increase to cash expenditure of recommended funds (\$201,288 relates to cash allocated from 2014/15) =</i>				<i>\$245,869</i>



3. Submissions 4, 5, 6, part of 7, 8,10 and 11 not be incorporated into the Alpine Shire Council Budget 2015-16 for the stated reasons:

Reference	Submission	Value	Comment
Submission 4	<i>Request to include costs for scoping and preparatory spraying of blackberries for the Pebble Beach walk extension to Damms Rd.</i>	<i>Not determined</i>	<i>Identified as a high priority trail. High priority trails will be scoped and scheduled in 2015-16 and external funding sought; with a view to possible delivery in 2016-17.</i>
Submission 5	<i>Review the Mafeking Square project due to its potential effect on businesses within the precinct and to ensure that the benefits outweigh the costs</i>	<i>\$100,000 (and \$850,000 in 2016/17)</i>	<i>Retain Mafeking Square in the budget and finally deliver it (as expected by the community majority). Road and drainage infrastructure must be renewed anyway (at significant cost), this project will improve the amenity at the same time.</i>
Submission 6	<i>Allocate budget expenditure for the Alpine Events Centre.</i>	<i>\$250,000</i>	<i>The funding application has not yet been signed and the project milestones are not yet confirmed. 2015-16 expenditure for this project will be determined and included as an unbudgeted item in Quarter 2.</i>
Submission 7	<i>Carry forward the following capital works projects, which have been commenced but not completed.</i>	<i>\$14,999</i>	<i>Still requires subdivision of land before project can progress.</i>



<i>Reference</i>	<i>Submission</i>	<i>Value</i>	<i>Comment</i>
<i>Submission 8</i>	<i>Foodshare needs community support to remain sustainable and are seeking a financial contribution from Council, they wish to collaborate strategically to leverage funds and maximize their impact. The submission also points out that strategic Council documents do not mention access to affordable food.</i>	<i>Not specified</i>	<i>Refer Foodshare to Council's Community grants program. "Access to affordable food" is consistent with the high level objectives of Council's Strategic documents.</i>
<i>Submission 10</i>	<i>Request to fund Stage 2 of the Lakeview Children's Centre, regardless of the grant funding decision made by Regional Development Victoria.</i>	<i>\$77,000</i>	<i>Not incorporated into the 2015/16 Budget as grant funding has not been confirmed. Council will continue to liaise directly with Alpine Children's Services and submit a funding application in 2015-16 when applications open. A Council report recommending an alternative strategy will be prepared if the grant is unsuccessful.</i>
<i>Submission 11</i>	<i>Request to fund stage 1 of a 2 stage project to insulate and line the storeroom of the Bright Art Gallery to properly preserve the valuable collection.</i>	<i>\$22,000</i>	<i>Not incorporated in the 2015-16 Budget. But Council will aim to schedule the work in 2016-17, subject to the Bright Art Gallery and Cultural Centre contributing \$7,000 (\$15,000 from Council).</i>

4. Submission authors be notified of the outcome of their submissions.



BACKGROUND

Council is pleased to have prepared a fiscally responsible Budget for the 2015/16 financial year that offers residents and ratepayers the lowest rate increase in 15 years and new and improved benefits including:

- Reduced 360 litre recycle bin charge in order to encourage greater recycling;
- Early bird family seasons pass of just \$99; and
- Simplified community hall hire fee structure of just \$15 per hour up to a maximum of \$150 per day regardless of use.

Council prepares a balanced budget each year to ensure financial sustainability into the future is maintained. As part of preparing a balanced budget and ensure that projects are delivered, projects are only included on the basis that they have been adequately scoped and costed and any grant applications relating to the project have been approved. If Council is yet to receive final approval regarding any grant then that project is omitted from the budget, and instead considered for the following year's budget.

Council also has a Strategic Project Pipeline (SPP) which sets out all identified projects within the Alpine Shire by residents and Councillors. These projects are prioritised based on a number of criteria which includes demand, available grant funding and cost. These projects are then mapped out over the life of the Long Term Financial Plan. The SPP is hoped to be available on Council's website in future to ensure greater transparency and clarity around the timing of identified projects.

Budget submissions are an important and valuable process to ensuring Council are meeting the needs of the community. Submissions also need to be considered within the budget preparation framework outlined in this report to ensure that only adequately scoped and costed submissions are included to avoid funds being allocated that won't be spent.

Council Officers also have the opportunity to make an internal submission. The purpose of an internal submission is to ensure relevant information which arises after the budget has been placed on exhibition for public comment is considered by Council for inclusion in the final budget. Internal submissions must be endorsed by Council under the same process as external submissions.

FINANCIAL AND RESOURCE IMPLICATIONS

The submissions received for the 2015/16 budget can be categorised into the following areas:

- Operating expenditure (submissions 3, 8, 11 and 12)
- New capital expenditure (submissions 4, 5, 6, and 10)
- Carried forward capital expenditure (submission 7)
- Reduced income (submissions 2 and 9); and
- No cash impact (submission 1).



Inclusion of operating expenditure has the impact of increasing operational expenditure in the year in which it is incurred. New capital expenditure, which has not already been factored into the Long Term Financial Plan, has additional capital expenditure incurred in the year in which it occurs as well as increases Council's depreciation expenditure in subsequent years. It is worth noting that submission 6 (Alpine Events Centre) has been incorporated into Council's Long Term Financial Plan in 2016/17 to 2018/19. Carried forward capital expenditure does not have an additional impact on Council's cash or depreciation as this was already budgeted to occur in 2014/15 and has simply been delayed. A reduction in any income item has a reoccurring impact on revenue in the budget year and subsequent years. In relation to submission 2, there has only been minimal income budgeted for these fees due to insufficient data being available on the number of sales. This data is expected to be obtained in 2015/16 with the new point of sale system, VEND. Submission 9 can actually not be increased as it is a statutory fee and not set by Council.

Inclusion of the recommended submissions has a net increase of \$245,869 on Council's cash in 2015/16. \$201,288 relates to funds budgeted in 2014/15, resulting in a favourable cash balance of this value in 2014/15.

POLICY IMPLICATIONS

The Budget is prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014. The following requirements are set out:

Local Government Act 1989

Section 127 - Council must prepare a budget

Section 129 - Public notice

Section 130 - Adoption of budget

Section 223 – Right to make a submission

Local Government (Planning and Reporting) Regulations 2014

Regulation 9 - The Financial Statements

Regulation 10 - Other information to be included

Regulation 11 - Public notice of proposed budget or revised budget

CONCLUSION

The submissions were reviewed by Council's Executive prior to being heard by Council. This report reflects the Officer's recommendations to Council and is based on the budget preparation framework which includes only incorporating submissions that have been adequately planned, scoped and costed to ensure they are successfully delivered. Consideration of any submission needs to incorporate any additional resources of Council to deliver a project and not just the core cost.



DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate Performance
- Chief Executive Officer

Under Section 77A of the *Local Government Act 1989*, the following Officer declares a direct interest in providing this report:

- Manager Corporate Services – as a Board Member of Alpine Children’s Service Incorporated

ATTACHMENT(S)

- Nil



4.1.2 Budget 2015/16

File Number: 0910.22

INTRODUCTION

The purpose of this report is to adopt the 2015/16 budget, incorporating the:

- Long Term Financial Plan;
- rates and charges for the 2015/16 financial year.

RECOMMENDATIONS

That:

- 1. total rates and charges of \$16,437,820 be raised in the 2015/16 financial year and 'the rate in the dollar' and 'charges' be set as follows:*
 - a. General (residential) rate 0.004968*
 - b. General (residential) rate Dinner Plain 0.004968*
 - c. Commercial/Industrial differential rate 0.007097*
 - d. Farm differential rate 0.003519*
 - e. Special rate for rateable Dinner Plain properties 0.004007*
 - f. Waste – 80 litre bin (weekly) \$230.00*
 - g. Waste – 240 litre bin (weekly) \$510.00*
 - h. Waste – 240 litre bin (fortnightly) \$230.00*
 - i. Recycling – 140 litre bin (fortnightly) \$75.80*
 - j. Recycling – 240 litre bin (fortnightly) \$75.80*
 - k. Recycling – 360 litre bin (fortnightly) \$75.80*
 - l. Recycling – 240 litre bin (weekly) \$151.60*
 - m. Recycling – 360 litre bin (weekly) \$151.60*
 - n. Dinner Plain standard waste service \$770.50*
 - o. Dinner Plain commercial waste service \$1,622.25*
 - p. Landfill rehabilitation and development charge \$96.00*
- 2. the Alpine Shire Council Draft Budget 2015-16, incorporating the Strategic Resource Plan and Long Term Financial Plan (attachment 1), incorporating the amendments adopted by Council in the submissions report (agenda item 4.1.1 of this Special Council Meeting) be adopted.*
- 3. public notice of the adoption of the Budget be given.*
- 4. rates and charges must be paid:*
 - a. In a lump sum on or before 15 February 2016; or*



- b. By four instalments on or before 30 September 2015, 30 November 2015, 28 February 2016 and 31 May 2016; in accordance with Section 167 of the Local Government Act 1989.*
- 5. the ability to make editorial amendments (including Mayor and CEO introductions) and typographical corrections to the budget document be delegated to the Mayor and CEO.*
- 6. the Chief Executive Officer be authorised to give public notice of adoption of the 2015/16 Budget and forward a copy to the Minister in accordance with section 130 of the Local Government Act 1989.*

BACKGROUND

Council has undertaken a rigorous budget development process over the last 5 months to ensure a fiscally responsible budget is prepared that provides improved benefits to residents and ratepayers. The focus has been on developing a robust capital works budget that can be delivered on time, within budget and with good community engagement. The main capital projects this year include completing the:

- Design phase of the Alpine Better Places project.
- Mount Beauty CBD and Foreshore redevelopment projects.
- Mount Beauty library redevelopment.
- Myrtleford Skate Park upgrade.

Other significant achievements in the 2015/16 budget are:

- Lowest rate increase by the Alpine Shire Council in 15 years
- Reduced 360 litre recycle bin charge in order to encourage greater recycling;
- Early bird family seasons pass to seasonal swimming pools of just \$99;
- Simplified community hall hire fee structure of just \$15 per hour up to a maximum of \$150 per day regardless of use; and
- Paying out Council's loan borrowings in full of nearly \$1 million.

Financial projections for four years are included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. Council has also chosen to continue to include the Long Term Financial Plan as part of their budget which is a projection for the next 10 years. This is a key document to assist Council with long term decision making such as resourcing and capital works programs.

FINANCIAL AND RESOURCE IMPLICATIONS

A key principle in developing the budget is to achieve a balanced cash budget each year. Adoption of the budget is the most important document affecting Council's operations. It details how Council's strategic priorities and capital projects will be funded in the coming year and the subsequent 10 years through the Long Term Financial Plan.



This report also declares the rates that will be charged to ratepayers and the total rates and charges to be raised in revenue.

POLICY IMPLICATIONS

The Budget is prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. The following requirements are set out:

Local Government Act 1989

- Section 126 - Strategic resource plan
- Section 127 - Council must prepare a budget
- Section 129 - Public notice
- Section 130 - Adoption of budget
- Section 158 – Declaring rates and charges
- Section 161 – Differential rates
- Section 162 – Service rate and service charge
- Section 163 – Special rate and special charge
- Section 223 – Right to make a submission

Local Government (Planning and Reporting) Regulations 2014

- Regulation 9 - The financial statements
- Regulation 10 - Other information to be included
- Regulation 11 - Public notice of proposed budget or revised budget

CONCLUSION

The 2015/16 Budget has been prepared in accordance with Alpine Shire Council's Council Plan 2013-17 (Review 2015), its strategic themes and the *Local Government Act 1989*.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Manager Corporate Services
- Director Corporate Performance
- Chief Executive Officer

ATTACHMENT(S)

- 4.2.2 Draft Budget 2015/16



4.1.3 Alpine Shire Council Plan 2013-2017 (review 2015)

File Number: 600.03

INTRODUCTION

The purpose of this report is to adopt the Alpine Shire Council Plan 2013-2017 (review 2015), incorporating any required amendments to the Strategic Resource Plan 2016-2019.

RECOMMENDATIONS

That the:

- 1. Alpine Shire Council Plan 2013-2017 (review 2015), incorporating the updated Strategic Resource Plan 2016-2019, be adopted; and*
- 2. Committee of Councillors CEO and Directors formed on 5 May 2015 for the purpose of hearing S223 submissions in relation to the proposed Alpine Shire Council Plan 2013-2017 (review 2015) be disbanded.*

BACKGROUND

The Alpine Shire Council Plan 2013-2017 (review 2015) identifies Council's direction for the remaining term of the council plan, as well as Council's key strategic objectives, strategies and indicators. It is supported by an annual action plan, which is an appendix to the Council Plan. It also contains a strategic resource plan, covering the resources required over the next four years.

ISSUES

Alpine Shire Council Plan 2013-2017 (review 2015)

The 2015 review provided the opportunity to include reference to the Council resolution made on 3 June 2014: *"that the Chief Executive Officer be directed to save an annualised amount of \$1 million to \$1.5 million within the recurring operating budget by 31 December 2014 and that the savings be used to ensure Councils future financial sustainability to help minimise future rate rises and build, maintain and enhance the community infrastructure".*

Features of the 2015 revision include:

- Further focus on improving efficiency and productivity;
- Improved customer service;
- Development of a 10-year strategic projects pipeline (maximising external funding and featuring a catalogue of 'shovel ready' projects, equitable prioritisation across the municipality, and clarity for the community);
- Delivery of the capital works program on time and on budget; and
- Improved internal and external communication.



Submissions

No submissions were received in relation to the Council Plan, however one budget submission pointed out that 'access to affordable food' is not specifically featured in either the Council Plan, nor in any of Council's other key strategic documents.

Access to affordable food is consistent with the Council Plan theme of 'Strengthening the Community' and the related strategic objective of 'Supporting the health and wellbeing of communities'. Access to affordable food is not a direct Council responsibility, but in the context of the Council Plan, it seems appropriate to refer the author of the submission to Council's annual Community Grants Program (Submission 8 in item 4.1.1 of this meeting).

Strategic Resource Plan

The Strategic Resource Plan (SRP) details the resources required to achieve the strategic objectives within the council plan. It contains statements describing the financial and non-financial resources, and must take into account services and initiatives contained in any plan adopted by the Council, as it relates to the period of the council plan.

The Strategic Resource Plan 2016-2019 (amended as part of the budget process in item 4.1.2 of this report) forms part of the Alpine Shire Council Plan 2013-2017 (review 2015).

POLICY IMPLICATIONS

The Council Plan is prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*. The following requirements are set out:

Local Government Act 1989

Section 125 - Council Plan

Section 126 - Strategic Resource Plan

Local Government (Planning and Reporting) Regulations 2014

Regulation 6 - The financial statements

Regulation 7 - Other information to be included

FINANCIAL AND RESOURCE IMPLICATIONS

Major initiatives identified in the annual action plan are identified in the 2015/16 Budget. Longer term initiatives are taken into account in the Strategic Resource Plan 2016-2019.

CONSULTATION

The adjustments made in the 2015 review of the Council Plan were made available for public comment in line with the requirements of section 223 of the *Local Government Act 1989*.



An advertisement was placed in the locally circulating newspapers (Alpine Observer / Myrtleford Times) on Wednesday 13 May. Submissions closed 28 days later on Wednesday 10 June.

CONCLUSION

Council's commitments for the remainder of the Council Plan period have been updated to reflect the renewed direction and cost saving initiatives. These can now be endorsed by adopting the Alpine Shire Council Plan 2013-2017 (review 2015).

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Director Corporate Performance
- Governance Officer

ATTACHMENT(S)

- 4.2.3 Alpine Shire Council Plan 2013-2017 (review 2015)