



Ararat Rural City

# AGENDA

## SPECIAL MEETING OF COUNCIL

**Tuesday 7 May 2019**

To be held in the Council Chamber  
Shire Hall, 233-239 Barkly Street, Ararat

Commencing at 6.00pm

Council:

Cr Peter Beales (Mayor)

Cr Gwenda Allgood

Cr Jo Armstrong

Cr Bill Braithwaite

Cr Frank Deutsch

Cr Fay Hull

Cr David Pettman

### **Our Vision**

Our communities, our opportunities

### **Our Mission Statement**

We will demonstrate leadership through social responsibility, openness and transparency by actively working with our community to achieve shared goals.

### **Our Values**

- Respect** - Respect for each other and the wider community.
- Excellence** - Striving for ongoing professionalism and organisational excellence.
- Passion** - Passion for our people, community and services.

A recording of this meeting is being made for the purpose of verifying the accuracy of the minutes of the Council Meeting and Special Council Meeting.

The recording is being streamed live via Facebook, to improve transparency between council and the community and give more people the opportunity to view what decisions are being made.

Recordings of Council Meetings and Special Council Meetings (excluding closed sessions) are made available on Council's website.

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## SECTION 1 – PROCEDURAL MATTERS

### 1.1 LIVE STREAMING

Council is keen to engage with members of the community and now live streams the formal Council Meetings to make them accessible. The stream will be available to view on Ararat Rural City Council's Facebook page from 6pm and on Council's website, [www.ararat.vic.gov.au](http://www.ararat.vic.gov.au) from Wednesday morning following the Council Meeting.

You do not require a Facebook account to watch the live broadcast, simply enter [www.facebook.com/aratruralcitycouncil](http://www.facebook.com/aratruralcitycouncil) into your address bar.

### 1.2 TRADITIONAL ACKNOWLEDGEMENT/OPENING PRAYER/COUNCILLORS PLEDGE

#### *Traditional acknowledgement*

We acknowledge the traditional owners of the land on which we meet today, and pay our respects to their elders, past, present and emerging.

#### *Opening Prayer*

Almighty God, we humbly ask you to help us, as elected Councillors of the Ararat Rural City Council. Guide our deliberations. Prosper what is your will for us, to your honour and glory and for the welfare and benefit of the people whom we serve in the Ararat Rural City.

#### *Councillors Pledge*

We will undertake the duties of the office of Councillor in the best interests of the people of the municipal district of the Ararat Rural City Council and faithfully and impartially carry out the functions, powers, authorities and discretions vested in us under the local government act 1989 or any other act to the best of our skill and judgment.

### 1.3 APOLOGIES

#### RECOMMENDATION (if required)

That the apology of **(Name)** be accepted.

## 1.5 DECLARATION OF DISCLOSURE OF INTERESTS

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

*Local Government Act 1989 Section 79 (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 paragraph (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.

*Local Government Act 1989 Section 80C)* A person who is providing advice or a report to a meeting of the Council or a special committee, and who has a conflict of interest in a matter to which the advice or report relates, must disclose the constituting the conflict of interest when providing the advice or report and before the advice or report is considered by the Council or the committee.

## SECTION 2 – REPORTS REQUIRING COUNCIL DECISION

### 2.1 PROPOSED AMENDMENT TO GENERAL LOCAL LAW 2012

**RESPONSIBLE OFFICER:** EMERGENCY MANAGEMENT  
& COMMUNITY SAFETY COORDINATOR  
**DEPARTMENT:** PLANNING, COMMUNITY AND COMPLIANCE  
**REFERENCE:** 18100600

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Under Section 80C of the *Local Government Act 1989* officers providing advice to Council must disclose any interests, including the type of interest.

No person involved in the preparation of this report has a direct or indirect interest requiring disclosure.

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#### EXECUTIVE SUMMARY

A change to the General Local Law 2012, section 32 Camping – sub section (1), has been identified. Pursuant to section 119 and 223 of the Local Government Act 1989 (the Act) Council proposes to amend its General Local Law 2012 by making an amendment to the Local Law pursuant to Part 5 of the Act.

From time to time the establishment of new or refined Council systems may require the amendment of General Local Law 2012 to ensure future effectiveness and equity within the community.

Council's interest in promoting Green Hill Lake and (other) sites as a temporary (donation only) camping and recreation destination for "bona-fide" travellers has demanded a broad analysis of supporting and conflicting (existing) General Local Law in addition to Council's risk appetite and legal liability.

Council adopted an amendment to General Local Law 2012 Section 32 Camping at the February 2019 Council Meeting. A further refinement to the General Local Law 2012 has been identified and is required to support and ensure the effectiveness of a new camping permit system for Council nominated camping areas.

#### DISCUSSION

In order for Council officers to enter into a Permit enforcement process, existing General Local Law 2012 Section 32 Camping, subsection (1) must be amended.

The purpose and general purport of the Proposed Amendment to the Local Law is to provide clarity on the application of the Local Law pertaining to Camping Permits and address any perceived conflict as it applies to the requirement for Permits not only at Green Hill Lake but also at other Ararat Rural City Council assets where similar recreational activities are undertaken.

The objective of the permit system will be to;

- Provide camping equity to all.
- Maintain the social and recreational amenity of the location.
- Guide social and recreationally responsible behaviour of campers.
- Transfer Council's liability.

Council officers have undertaken a risk based permit design which requires campers to;

- Obtain a cost free permit for stays longer than 5 days/nights.
- Apply for a cost free permit after 5 days/nights for a maximum period of 28 days in any calendar year.
- Indemnify Ararat Rural City Council for any liability.
- Commit to the reasonable conditions contained within the permit.

In order for Council officers to enter into a permit enforcement process, existing General Local Law 2012 Section 32 Camping, sub-section (1), must be amended.

The purpose and general purport of the Proposed Amendment to the Local Law is to provide clarity to all stakeholders on the application of the Local Law pertaining to Camping Permits and address any perceived conflict as it applies to the requirement for Permits not only at Green Hill Lake, but also at other Ararat Rural City Council assets where similar recreational activities are undertaken.

The wording of the current and proposed section of the Local Laws are as follows:

#### Existing Wording

**General Local Law 32 Camping (1)** *A person must not, without a permit, camp or live on council land, public land or camping areas nominated by Council resolution, in a tent, caravan or any other temporary or makeshift structure unless they are within a Caravan Park registered and operated under any State Act.*

**Analysis** – The current wording is ambiguous and does not provide sufficient interpretation to inform “travellers” as to the requirement to obtain a Permit.

#### Proposed Wording

**General Local Law 32 Camping (1)** *A person must not, without a permit, camp in, occupy or leave a tent, swag, motor vehicle, campervan or trailer, caravan, motorhome or any other temporary or makeshift structure on Council or Public Land unless they are within a registered Caravan Park.*

*(a) The requirements of Section 1 shall not apply to those “bona fide” travellers whose period of occupancy is less than 5 days/nights.*

*(b) A Permit issued under this section shall allow a maximum period of occupancy not exceeding 28 days in any calendar year.*

Any person may make a written submission on the Proposed Amendment to the General Local Law to Council. All submissions received on or before Friday 7 June 2019 will be considered by Council in accordance with section 223 of the Local Government Act 1989.

If a person wishes to be heard in support of their submission they must include the request to be heard in the written submission and this will entitle them to appear in person, or by a person acting on their behalf at the Special Council Meeting scheduled on Tuesday 11 June 2019 commencing at 6.00pm.

Written submissions should be marked for the attention of the Chief Executive Officer and can either be lodged at Council’s Municipal Office, 59 Vincent Street, Ararat or mailed to Council at PO Box 246, Ararat 3377.

Submissions are not confidential and will be incorporated in full into the agenda and minutes of the Council Meeting at which they are considered.

A copy of the Proposed Amendment to the General Local Law can be obtained from Council's Municipal Offices, 59 Vincent Street, Ararat.

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

- 1.3 Community Safety - Support the Community in emergency management planning, response, recovery and in the prevention and mitigation of risks.

### *Budget Implications*

The amendment does not commit Council to any additional funding or resources.

### *Policy/Legal/Statutory*

By endorsing the amendment Council complies with best practices and legislative requirements.

### *Risk Assessment*

By implementing the amendment, Council will be able to leverage a liability transfer approach to insulate against the conduct of campers and recreational visitors to Council nominated camping areas.

### *Stakeholder Consultation and Communication*

The amendment is a technical correction to support extensive consultation and collaboration with the Green Hill Development Board and (other) similar sites and committees.

## CONCLUSION

The Amendment to the General Local Law will aid the enforcement of breaches to a permit system, it does not preclude the establishment of a permit system without such an amendment.

## RECOMMENDATION

### That Council:

- 1 Receive the proposed amendment to General Local Law 2012, as attached; and
- 2 Authorise the commencement of the statutory process for the making of the proposed amendment to the Local Law, in accordance with Part 5 of the Local Government Act 1989, by giving public notice of its intention to make the proposed amendment to the Local Law and inviting submissions under section 223 of the Act.

## ATTACHMENTS

- 1 Proposed Amendment to the General Local Law 2012.

## 2.2 DRAFT COUNCIL PLAN 2017-2021 INCORPORATING THE STRATEGIC RESOURCE PLAN

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** EXECUTIVE SERVICES  
**REFERENCE:** 13041955

### Officer's Declaration of Interest

Under Section 80C of the *Local Government Act 1989* officers providing advice to Council must disclose any interests, including the type of interest.

No person involved in the preparation of this report has a direct or indirect interest requiring disclosure.

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### **EXECUTIVE SUMMARY**

The draft Council Plan 2017-2021 incorporating the Strategic Resource Plan (SRP) is presented to Council for proposal to the community.

The draft Council Plan includes the strategic objectives for the next year, including the strategic actions and indicators for monitoring the achievement of these objectives.

The SRP is a plan of the resources required to achieve the Council's strategic objectives expressed in the Council Plan. It also facilitates the commencement of the Budget 2019-20 which follows as an annual resource plan to implement the third year of the Council Plan. The SRP also assists Council maintain a financially sustainable organisation into the long term.

The statutory requirements prescribed under Sections 125 and 126 of the Local Government Act 1989 require Council to consider whether the current Council Plan requires any adjustment in respect to the remaining period of the Council Plan at least once in each financial year.

Council is required to advertise the draft Council Plan/SRP for a period of 28 days in accordance with section 223 of the Local Government Act 1989. During this period, community members are encouraged to scrutinise and review the Council Plan to ensure it expresses their view of the Council's intended future direction.

### **DISCUSSION**

The draft Council Plan sets the direction for Council for the next year. As Council's role is to support the community through leadership and service provision, it is ultimately a plan for the community.

The statutory process over the next 28 days, calls for submissions that Council must consider in accordance with Section 223 of the Local Government Act 1989.

## Report

### **1. Council Plan**

Over the past three months the Council and Chief Executive Officer have reviewed the Council Plan 2017-2021. The Council Plan has been developed with an emphasis on providing services to the community. It has been developed with a strong understanding of the key physical and strategic issues facing Council. The actions out of the Council Plan will fulfil Council's role of fostering future growth and development for the Municipality's residents.

It defines the strategies Council will employ in endeavouring to meet these challenges and ensure continued growth and prosperity for the municipality.

The proposed Council 2017-2021 Plan (Year 3) has significant changes in form and content to align with Council's current direction, priorities and initiatives.

The design changes to the Council Plan are aimed to produce an accessible series of documents, which present Council's 4 year and annual plan to the community, government and other stakeholders in an accessible and coherent manner.

The new 'suite' of Council Plan documents exists in three parts:

- Council Plan (Year 3) as required by the Local Government Act 1989, including the Strategic Resource Plan
- Council Plan Snapshot providing a brief and accessible version of the Council Plan to promote Council's four-year plan (2017-2021)
- Annual Work Plan is a simple one-page document, which serves as the annual work plan for the organisation to achieve the annual requirements of the Council Plan.

### **2. Strategic Resource Plan (SRP)**

The SRP is a rolling plan of at least four years and forms part of the Council Plan. The Plan outlines the resources Council requires to achieve the objectives described in the Council plan, and includes the standard statements as prescribed by the regulation to outline the financial and non-financial resources required.

The SRP has been developed to assist Council in adopting a budget within a longer term prudent financial framework.

The key objective of this plan is financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives in the Council Plan.

The key financial policies detailed below are supported in the separate sections of the SRP document included in the Council Plan.

Council has developed these in the context of the long term financial sustainability of the municipality and in assisting frame the 2019/20 Budget.

The key policy outcomes include:

### Rating Strategy

Council reviewed the 2018 Rating Strategy last financial year and resolved on 26 June 2018 *“that the current differential rate ratios apply for 2018/19, 2019/20 and 2020/21 to allow a reasonable degree of stability in the level of rates burden as required under the Act”*.

The differential rates for 2019/20 are:

Differential	2019/20 Budget
General	100%
Commercial	125% of General
Industrial	125% of General
Farm	55% of General
Municipal Charge	\$94

### Fees & Charges

Council provides a range of services. The main sources of income are Rates and Charges and Government Grants. Costing services is complex. The full cost of delivering services or providing a facility includes the direct cost, such as the cost of labour which could include part of the supervisors wage, materials and plant hire to provide that service, and indirect costs such as a range of “back office” operations that are not directly tied to the service, such as payroll processing, information technology costs, etc.

Pricing services is also complex as Council provides numerous “public” services (e.g public parks) as well as “private” services (e.g waste collection, leisure centres and pools). Ideally full cost recovery should be applied to “private” services. In reality recipients of the service may not be able to afford the full cost recovery. As full cost recovery is not possible for a number of services, Council is required to use rate income and other sources of income, such as the Victorian Grants Commission general assistance grant, to subsidise the cost of providing these services.

Council reviews the income generated from fees and charges every year as part of the budget process. Council recognises statutory fees are set by legislation/regulation but attempts to maximise the amount of income generated from other user fees.

A list of fees and charges which will be charged in respect to various goods and services provided during the 2018/19 is included in the budget as an appendix. Statutory fees and charges may be subject to change during 2019/20.

PRICING BASIS	
(Z) Zero Cost Recovery	This good/service is provided at no cost. The costs are met entirely from rates and general purpose income. Generally, where there is no fee or charge, the service provided is not mentioned in the fees and charges list.
(P) Partial Cost Recovery	The price for this good/service is set to make a significant contribution towards the cost of service provision. The remainder of the costs are met from rate and general purpose income.
(F) Full Cost Recovery	The price for this good/service is set to recover the cost of service provision.

(R) Regulatory	The price for this good/service is a statutory charge set by government regulation.
(M) Market Price	The price for this good/service is set by reference to prices charged for similar goods/services by like Councils or competitors.

### Asset Review Process

That Council continues to review assets that no longer meet the needs of the community with the aim to rationalise assets wherever possible.

### Borrowing Strategy

That Ararat Rural City Council, based on compliance with the State Government Prudential Guidelines, borrows funds for capital expansion projects that provide inter-generational equity.

The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2018.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2018/19	1,000	25	112	3,028
2019/20	0	159	128	2,869
2020/21	0	134	118	2,735
2021/22	0	2,138	114	597
2022/23	0	142	17	455

### Human Resources

Council currently has 132.1 Equivalent Full Time staff factored into the 2019/20 budget.

	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2018/19	2019/20	2020/21	2021/22	2022/23
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs	12,085	11,551	11,150	11,373	11,600
Total staff expenditure	12,085	11,551	11,150	11,373	11,600
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees	136.3	132.1	127.2	127.2	127.2
Total staff numbers	136.3	132.1	127.2	127.2	127.2

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objections*

- 5.1 Good Governance through leadership
- 5.2 Services and infrastructure that meets the municipality's existing and future needs
- 5.5 Sustainable, long term financial management

### *Budget Implications*

The implications of the Council Plan 2017-2021 have been considered in the 2018/19 Budget, and the Strategic Resource Plan.

More detailed information is contained in the Strategic Resource Plan and Budget document.

### *Risk Assessment*

The primary objective of Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions. The proposed Council Plan and Strategic Resource Plan manages the financial risks faced by Council, ensuring that decisions are made and actions taken having regard to their financial effects on future generations.

### *Statutory Implications*

In accordance with Section 125 of the Local Government Act 1989 Council must consider whether the current Council Plan requires any adjustment in respect to the remaining period of the Council Plan at least once in each financial year.

### *Community Implications*

It is expected the community will benefit from activities and initiatives funded in the Council Plan.

### *Environmental Implications*

Environmental, social and economic impacts of the Council Plan 2017-21 have been considered in the development of a balanced future plan

### *Internal/external consultation*

Internal - Councillors, Executive Leadership Group and Management Group.

### **Conclusion**

There remain a number of strategic challenges ahead, including the renewal of Council's asset base, the continuation of an appropriate range and level of services, the maintenance of a sound financial position under Rate Capping and the protection of our natural environment.

The pillars, key strategies, activities and initiatives in the Council Plan aim to meet these needs and continue to deliver on Council's vision, mission and values.

The Council Plan incorporating the SRP will be put on public display for a period of 28 days in accordance with section 223 of the Local Government Act 1989. If requests to be heard are received under section 223 Council will convene to consider these submissions.

## RECOMMENDATION

### That Council:

- 1 Having revised the draft Council Plan 2017-2021, incorporating the Strategic Resource Plan, in accordance with Section 125 and 126 of the Local Government Act 1989 adopt the draft document;
- 2 Under Section 223 of the Local Government Act 1989 make the draft Council Plan 2017-2021 incorporating the Strategic Resource Plan available for public exhibition;
- 3 Invite interested persons to make a written submission relating to the revised Council Plan 2017-2021 with written submissions to be received at the Municipal Offices, Ararat Rural City Council, 59 Vincent Street, Ararat not later than 5.15pm on Friday 7 June 2019;
- 4 Authorise the Chief Executive Officer to administer the Section 223 process; and
- 5 Should any person wish to be heard in support of their written submission, that they be heard by Council at a Special Council Meeting to be held at 6.00pm on Tuesday 11 June 2019.

### Attachments

- 1 Proposed Council Plan 2017-2021 (Year 3).
- 2 Draft Council Plan Snapshot.
- 3 Draft Annual Work Plan.

### 2.3 DRAFT BUDGET 2019/2020

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** EXECUTIVE SERVICES  
**REFERENCE:** 19104570

#### Officer's Declaration of Interest

Under Section 80C of the *Local Government Act 1989* officers providing advice to Council must disclose any interests, including the type of interest.

No person involved in the preparation of this report has a direct or indirect interest requiring disclosure.

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#### **EXECUTIVE SUMMARY**

In accordance with Section 127 of the Local Government Act 1989, Council is required 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.

#### **DISCUSSION**

A proposed Ararat Rural City Council Budget 2019/2020 based on the Rating Strategy adopted 26 June 2018 is included as an attachment to this report and contains all the information and statutory requirements under the Local Government Act 1989.

Council has undertaken considerable assessment and review to arrive at a Draft Budget which will deliver the vast range of services and projects the community expects in as efficient manner as is possible. Council is aware of the financial pressures that currently exist in the community but also has to be fiscally responsible to achieve financial sustainability.

Budgets are always difficult to prepare when Council is faced with the challenge of providing regional type facilities with a relatively small rates base. Budgets require establishing a fine balance between:

1. Service delivery and capital works.
2. Rating levels
3. Choices between services and projects.
4. Future needs vs. present desires.

This Budget endeavours to balance the complex needs of our community whilst preparing for financial sustainability.

The Budget 2019/2020 is intended to act as a standalone document explaining all aspects of the budget and highlighting the significant proposals contained within the budget. Notwithstanding the above statement, the budget should be read in conjunction with the Council Plan 2017-2021.

The Budget Report 2019/2020 includes Initiatives to be resourced and undertaken in 2019/2020 in order to contribute to achieving the Strategic Objectives and 4 Year Strategies specified in the Council Plan.

#### **Budget Summary**

The 2019/20 proposed budget includes an increase in revenue raised from rates and municipal charges of 2.5%. This is in line with the new Fair Go Rates System (FGRS) introduced by the State Government.

The waste collection charge and recycle collection charge will increase by approximately 2.5%. These charges have been increased to cover the increasing costs of waste management services, including the levy charged by the State Government and the price paid to deposit waste at the Landfill site.

The budgeted operating result for 2019/20 is a surplus of \$3.214 million, as compared to a forecasted result of \$0.700 million deficit in 2018/19. Council has undertaken an extensive review of the expenses and identified \$0.534 million savings in employee costs and \$1.172 million reduction in materials and services. Council is expecting to receive an additional \$0.407 million in Roads to recovery funding and an extra \$0.2 million in Financial Assistance Grants (Grants Commission).

The budgeted cash flow statement indicates a decrease in cash & cash equivalents of \$2.777 million. There is a net transfer from reserves totalling \$2.785 million to assist with the additional capital works.

### Major Influences

In preparing the 2019/20 budget a number of external and internal influences have been taken into consideration:

1. Rate capping, set at 2.5% for 2019/20;
2. Funding renewal of existing infrastructure assets;
3. Increasing recurrent costs in providing regional type services such as the Performing Arts Centre, Regional Art Gallery, Chinese Heritage Museum, Alexandra Oval Community and Recreation Centre, botanical gardens, indoor and outdoor pools;
4. Deriving rate revenue from a small rural base;
5. User charges are not a significant source of income which increases the reliance on rate revenue to fund services;
6. Reliance on expected community contributions and State Government Grants to part fund Council's capital works program;
7. Continued cost shifting from State and Federal Governments with increases in government grants not covering increases in the cost of providing services;
8. Council's enterprise agreement an allowance of 1.25% has been factored in to the budget for wage increases;
9. Increased debt servicing costs as a result of new borrowings;

### Rating Strategy

Council reviewed the 2018 Rating Strategy last financial year and resolved on 26 June 2018 *"that the current differential rate ratios apply for 2018/19, 2019/20 and 2020/21 to allow a reasonable degree of stability in the level of rates burden as required under the Act"*.

The differential rates for 2019/20 are:

Differential	2019/20 Budget
General	100%
Commercial	125% of General
Industrial	125% of General
Farm	55% of General
Municipal Charge	\$94

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

- 5.1 Good Governance through leadership.
- 5.5 Sustainable, long term financial management.

### *Budget Implications*

The Draft Budget has been prepared within the following parameters:

- Retaining the differential rates adopted on 28 June 2018. - general rate – 100%, commercial and industrial rate – 125% of the general rate and farm rate – 55% of the general rate;
- An increase of 2.5% in the total amount received from general rates and charges;
- An increase in the Municipal Charge from \$92 per rateable property in 2018/19 to \$94 per rateable property in 2019/20;
- An increase of approximately 2.5% for recycle collection and other waste management charges;
- A balanced budget in terms of a cash result and an operating surplus of \$3.214 million in terms of an accrual accounting result;
- A net decrease in cash and cash equivalents of \$2.777 million;
- A capital works program of \$14.689 million;
- No new loan borrowings;
- Capital budgets have been prepared in accordance with good asset management principles.

More detailed information is contained in the Budget document.

### *Policy/Legal/Statutory*

Council is required under Section 127 of the local Government Act to prepare a budget for each financial year. The budget contains the Financial Statements, a description of services and initiatives to be funded in the budget, service outcome indicators, and major initiatives to be undertaken during the financial year and the performance measures in relation to each major initiative.

### *Risk Assessment*

Council must implement the principles of sound financial management, which includes managing financial risks faced by Council and ensuring that decisions are made and actions taken having regard to their financial effects on future generations. The increases in rates and charges are considered necessary if Council is to strive for long term financial sustainability.

### *Stakeholder Consultation and Communication*

It is expected the community will benefit from the services funded in the budget. The budget for 2019/20 has been developed over a number of months after a thorough and comprehensive review process. All departments have analysed both financial and non-financial information to develop the draft budget. In releasing the budget for public consideration, Council encourages comments and submissions on any matters contained within the Budget document.

### Conclusion

The Draft Budget 2019/2020 has been prepared over a considerable period of time, with significant input from Council officers and Councillors. The Draft Budget will allow Council to increase the level of capital works and continue to deliver a wide range of services to ratepayers and residents. The Budget is a balanced budget and will constitute the public document that will be put on public display for a period of 28 days in accordance with section 223 of the Local Government Act 1989. If requests to be heard are received under section 223 Council will convene to consider these submissions.

## RECOMMENDATION

That:

- 1 The Ararat Rural City Council Budget Report 2019/2020 attached to this report be the Budget prepared by Council (in respect of the 2019/2020 Financial Year) for the purpose of Section 127(1) of the Local Government Act 1989 as amended ("the Act"). The attached Budget report is based on the Council adopted Rating Strategy 2018 (Commercial rate being 125% of the general rate, Industrial rate being 125% of the general rate, Farm rate being 55% of the general rate and a municipal charge of \$94 per rateable assessment);
- 2 The Chief Executive be authorised to:
  - a) Give public notice of the preparation of this Budget in accordance with Section 129 of the Act;
  - b) Invite interested persons to make a written submission relating to the budget, with written submissions to be received at the Municipal Offices, Ararat Rural City Council, 59 Vincent Street, Ararat not later than 5.15pm Friday 7 June 2019. Any person who requests to be heard in support of his or her written submission will be so heard at a Special Council meeting (if required) to be held at 6pm, Tuesday 11 June 2019;
  - c) Make available for public inspection the information required to be made available by the Local Government (Planning and Reporting) Regulations 2014;
- 3 Council consider any:
  - a) Submissions on any proposals contained in such Budget made in accordance with Sections 129 and 223 of the Act;
  - b) Recommendations to adopt the 2018/19 Budget (with or without amendments), and declare rates and charges at the Ordinary Meeting of Council to be held at 6pm, Tuesday 25 June 2019 in the Council Chamber, Shire Hall, 233-239 Barkly Street, Ararat;
- 4 The payment of rates and charges shall be by lump sum or by instalments on the dates specified by the Minister for Local Government under Section 167 of the Act. In addition, Council notes that 30 September 2019, 30 November 2019, 29 February 2020 and 31 May 2020 are the dates on which payment by four instalments of the rates or charges are payable, and 15 February 2020 is the date on which payment by lump sum of the rates and charges are payable; and
- 5 Council note that the due date in the 2019/2020 financial year for dog and cat registrations under the Domestic (Feral and Nuisance) Animals Act 1994 is on 10 April 2020.

### Attachments

The Draft Budget 2019/2020 is included as Attachment 2.3.