



SPECIAL COUNCIL MEETING

MINUTES

Monday 20 May 2024

Commencing at 5:00 PM

via Zoom

**Wayne O'Toole
Chief Executive Officer
Buloke Shire Council**

Minutes of the Meeting held on Monday, 20 May 2024 commencing at 5:17 PM via Zoom**PRESENT****CHAIRPERSON:**

Cr Alan Getley Mallee Ward

COUNCILLORS:

Cr Bernadette Hogan	Mallee Ward
Cr David Pollard	Lower Avoca Ward
Cr Graeme Milne	Mount Jeffcott Ward
Cr Bronwyn Simpson	Mount Jeffcott Ward

OFFICERS:

Wayne O'Toole	Chief Executive Officer
Daniel McLoughlan	Director Infrastructure and Delivery
Anthony Smith	Acting Director Community Development
Jenna Allan	Director Corporate and Organisational Performance

AGENDA**1. COUNCIL WELCOME****WELCOME**

The Mayor Cr Alan Getley welcomed all in attendance.

STATEMENT OF ACKNOWLEDGEMENT

We acknowledge the traditional owners of the land on which we are meeting. We pay our respects to their Elders and to the Elders from other communities who may be here today.

2. RECEIPT OF APOLOGIES

Cr Daryl Warren	Mount Jeffcott Ward
Cr Carolyn Stewart	Lower Avoca Ward

3. REQUESTS FOR LEAVE OF ABSENCE

Nil

4. DECLARATION OF PECUNIARY AND CONFLICTS OF INTEREST

There were no declarations of interest.

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6. MEETING CLOSE**5:26PM****NEXT MEETING**

THE NEXT COUNCIL MEETING WILL BE HELD IN WYCHEPROOF SUPPER ROOM, 367 BROADWAY, WYCHEPROOF ON WEDNESDAY, 12 JUNE 2024 AT 7:00PM.

Wayne O'Toole
CHIEF EXECUTIVE OFFICER

5. ORGANISATIONAL REPORTS

5.1 DRAFT 2024/25 BUDGET

Author's Title: Acting Manager Finance

Department: Corporate and Organisational Performance **File No:** FM/05/02

Relevance to Council Plan 2021 - 2025

Strategic Objective: Our Council and Community Leadership

PURPOSE

The purpose of this report is to propose that Council endorse the Draft 2024/25 Budget (incorporating the four (4) year Budget) and commence the community engagement and public submission process in accordance with Council's Community Engagement Policy as defined by the *Local Government Act 2020*.

SUMMARY

The Draft 2024/25 Budget (draft Budget) has been developed and is reflective of Council's priorities as outlined in Council's Long Term Community Vision and Council Plan 2021-2025.

The purpose of this report is to present Council's draft Budget for endorsement for public exhibition.

The draft Budget continues to deliver services and capital works to the community within the 2.75 per cent rate cap set by the State Government.

The surplus for the year in the 2024/25 draft Budget is proposed to be \$2.5M. This can be compared to an audited surplus for the year in 2022/23 of \$9.0M and a forecast surplus for 2023/24 of \$927M.

The total capital works program equates to \$20.4M, including an estimated \$7.6M of carry forward projects. Further explanation around various items within the draft Budget have been outlined in the table below.

In accordance with Council's Community Engagement Policy, community engagement will be undertaken on the draft Budget prior to Council's final consideration of the 2024/25 Budget in June. It is proposed that this engagement period commences following Council's endorsement of the Draft Budget, and concludes at 5.00PM Tuesday, 11 June 2024.

An invitation will also be extended to people making a submission to present those submissions at a meeting to be held Wednesday, 19 June 2024.

MOTION:

That Council:

1. Endorses the draft 2024/25 Budget (incorporating the 4-year Budget) at Attachment 1 to this report, amended to include additional explanatory comments in the Introduction and Section 2 – Services, initiatives and service performance indicators, for community consultation;
2. Gives public notice of the draft 2024/25 Budget on Council's website and invites written submissions from Tuesday, 21 May 2024 until Tuesday, 11 June 2024;
3. Notes that in accordance with Section 93 and 96(1)(b) of the *Local Government Act 2020*, consultation will be undertaken in accordance with Council's Community Engagement Policy;
4. Notes that any person who makes a written submission in relation to the draft 2024/25 Budget may

be heard by Council on Wednesday, 19 June 2024; and

5. Notes that the 2024/25 Budget (incorporating the 4-year Budget) will be considered for adoption at the Special Council Meeting to be held Wednesday, 26 June 2024 at 7.00pm.

MOVED: CR BERNADETTE HOGAN

SECONDED: CR DAVID POLLARD

CARRIED.

(R063/24)

- Attachments:**
- 1 Draft 2024/25 Budget
 - 2 Amended Commentary - Introduction
 - 3 Amended Commentary - Section 2

DISCUSSION

Item	Commentary
Rates charges	<ul style="list-style-type: none"> The general rates and municipal charge is proposed to increase by 2.75 per cent. The waste charge per service is proposed to remain unchanged at \$422. There has been large increases in the draft Capital Improved Value (CIV) of properties. Most notably the farming category which has increased by 31% (2023/24 41%). There is a proposed change to the differentials with the aim to evenly distribute the rate increase in 2024/25. The differentials are proposed as: <ul style="list-style-type: none"> Residential - 100% of general rates Commercial and industrial – 115% of general rates Farming – 42% of general rates (from 53%) The proposed rate increase is compliant with the Fair Go Rates System.
Capital grants	<ul style="list-style-type: none"> There is \$8.9M of capital grants budgeted for in 2024/25. The Roads to Recovery program has been extended for a further five (5) years.
Employee costs	<ul style="list-style-type: none"> Total FTE including capitalised labour and grant funded positions is proposed to be 125 FTE, including: <ul style="list-style-type: none"> 119 FTE establishment staff 2 FTE grant funded positions 3 FTE capitalised labour 1 FTE long term leave replacement The EBA negotiations are close to finalisation and it is anticipated to be completed by 30 June 2024.
Materials and services	<ul style="list-style-type: none"> Expenditure in this area is expected to remain fairly consistent over the four (4) year period.
Cash balance projection	<ul style="list-style-type: none"> Cash is projected to decline across the next four years, mainly due to capital grants budgeted conservatively in the projected three years. Council expects to see non-recurrent grant income remain fairly consistent over the four (4) year period.
Property, infrastructure, plant & equipment	<ul style="list-style-type: none"> Condition assessments and revaluation of Councils Property, infrastructure, plant & equipment will occur in accordance with the frequency of revaluations by asset class.

Provisions	<ul style="list-style-type: none"> • This includes provisions for the following: <ul style="list-style-type: none"> ○ Employee ○ Landfill restoration ○ Gravel pit restoration
Lease liability	<ul style="list-style-type: none"> • Council has no interest-bearing liabilities (loans). • Council has lease liabilities for light fleet operating leases. These leases are expected to remain consistent.
Reserves	<ul style="list-style-type: none"> • Reserves are currently held for: <ul style="list-style-type: none"> ○ Defined Benefits Superannuation ○ Sustainability Fund ○ Unspent Grants ○ Grant Opportunity ○ Capital Project Initiations ○ Waste
Capital works program	<ul style="list-style-type: none"> • The capital works program total equates to \$20.4M, including \$7.6M of carry forward projects, consisting of: <ul style="list-style-type: none"> ○ \$6.5 New ○ \$13.3M Renewal ○ \$0.4M Upgrade ○ \$0.2M Expansion • Funding for the capital works program consisting of: <ul style="list-style-type: none"> ○ \$8.9M Grants ○ \$0.6M Contributions ○ \$10.9M Council Cash
Flood recovery	<ul style="list-style-type: none"> • Council does not proactively budget for such events and associated costs. These events are expected to be substantially full cost recovery. The eligibility of flood recovery costs continues to be analysed on a frequent basis.
Targeted performance indicators	<ul style="list-style-type: none"> • This was a new requirement in the 2023/24 budget. • Performance indicators included in the draft 2024/25 Budget.
Fees and charges	<ul style="list-style-type: none"> • Fees and Charges have been increased by approximately 3.5% across most areas. • New fees have been included for the provision of emergency fencing where that responsibility falls to Council. • Building fees and charges have been reviewed and new fees for alterations, additions, sheds, carports and garages as well as dwellings, developments and residential and commercial works have been implemented. These new fees mostly represent a substantial reduction from previous charges and bring Council into alignment with neighbouring councils. • There are other fees that are set by statute and charged by Council in addition to this listing. These are statutory fees and are made in accordance with legislative requirements. These fees are updated as of 1 July 2024 and will be reflected on Council's website.

RELEVANT LAW

The draft Budget has been prepared in accordance with relevant statutory requirements, including the *Local Government Act 2020* (the Act) and *Local Government (Planning and Reporting) Regulations 2014*.

RELATED COUNCIL DECISIONS

Not applicable.

SUSTAINABILITY IMPLICATIONS

There are no direct sustainability implications associated with this report, however the Draft Budget does include planned resource allocations toward sustainability, social and environmental services and projects.

COMMUNITY ENGAGEMENT

The Draft Budget engagement process will comprise media information across print, social and radio. A copy of the Draft Budget will be made available to community forums and be placed on the Council's website. Council invites written submissions from the 21 May 2024 until 14 June 2024.

The process of community engagement is consistent with the Council's community engagement policy.

INNOVATION AND CONTINUOUS IMPROVEMENT

There are no direct innovation and continuous improvement activities associated with this report.

COLLABORATION

Not applicable.

FINANCIAL VIABILITY

The Draft Budget is for the financial year 1 July 2024 to 30 June 2025, and contains financial statements including a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash flows, Statement of Capital Works and Statement of Human Resources.

These statements have been prepared for the year ending 30 June 2025 in accord with the Act and Regulations. They are consistent with the annual financial statements prepared in accord with the Australian Accounting Standards.

The Draft Budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other information Council requires in order to make an informed decision about the adoption of the Budget.

Valuations for council rates and fire services property levy are made annually in accordance with the *Valuation of Land Act 1960*. They are undertaken, or overseen, by the Valuer-General. Rating valuations are used to apportion (fairly distribute) council rates to ratepayers.

Council for the 2024/25 financial year has reduced the differential for farm land to 42.5% (previously 52.5%). This reduction is in accordance with the parameters established in the Revenue and Rating Plan that a review is required when the rate burden for any differential rate category changes by +/- 5% or greater following a general revaluation of properties.

This applies following the general revaluation of properties on 1 January 2024 (effective from 1 July 2024) that saw an average increase in the valuation of farm land by 31% compared to approximately 6% for residential and commercial and industrial properties.

Council recognises the importance of the farming sector to the Buloke community and agrees that rates should be increased proportionally across all categories to provide some relief to those farm properties whose valuations have significantly increased.

REGIONAL, STATE AND NATIONAL PLANS AND POLICIES

Consideration has been given to other regional, state and national plans and policies as required throughout the preparation of this budget.

COUNCIL PLANS AND POLICIES

The Draft Budget provides resourcing to enable continued implementation of Council's current plans and strategies.

TRANSPARENCY OF COUNCIL DECISIONS

Council's engagement approach provides for receipt and consideration of submissions to the Draft Budget at a hearing to be held Wednesday, 19 June 2024.

CONFLICTS OF INTEREST

No officer involved in the preparation of this report had a conflict of interest.

6. MEETING CLOSE

5:26PM