



AGENDA

SPECIAL MEETING OF COUNCIL

Tuesday, 23 June 2015

To be held at the
Swan Hill Town Hall Council Chambers
McCallum Street, Swan Hill
Commencing at 1:00 PM

COUNCIL:

Cr CM Adamson – Mayor

Cr JN Katis

Cr GW Norton

Cr GI Cruickshank

Cr JA Kiley

Cr LT McPhee

Cr JB Crowe

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SECTION A – PROCEDURAL MATTERS

- **Open**

- **Acknowledgement to Country**

- **Prayer**

- **Apologies**

- **Declarations of Conflict of Interest**

SECTION B – REPORTS

B.15.45 ADOPTION OF 2015/16 BUDGET

Responsible Officer: Director Corporate Services
File Number: 42-09-72
Attachments: Nil

Declarations of Interest: Officer

David Lenton - as the responsible officer, I declare that I have no disclosable interests in this matter.

Summary

Following the statutory advertising period the 2015/16 Budget is ready for adoption. The Budget is the primary source of financial control across Council operations, and expresses the nature and level of Council's service and infrastructure provision in financial terms for the 2015/16 financial year.

Discussion

Councillors have been involved in the preparation of the Budget and are well informed as to its content however; highlights and significant issues are as follows:

1. Rating Strategy

No changes to the differential rate types applied in 2014/15 are proposed. The 2015/16 budget proposes an increase on the 2014/15 Rates in the dollar of 2.38%. This follows last year's 3% increase in rate revenue. A 1% early payment discount will apply if rates instalments are paid in full by 30 September 2015.

The 2015/16 Budget proposes funding for a full review of Council's Rating Strategy. The outcomes of the review will be implemented in 2016/17.

2. Waste Management

The budget reflects increased waste management charges at land fill sites in line with State Government policy changes and general cost increases. The fee for a 120 litre garbage bin will be \$275 (an increase of \$10) and a 240 litre bin \$418 (an increase of \$13). The optional green waste charge has been reduced by \$15 to \$110.

3. Capital Works

The Budget proposes \$13.5 million capital works program focussing on infrastructure replacement. This is dependent on receiving \$6.7 million in external funding. Some of the major works to be undertaken include \$4.7 million for roadworks, \$1.7 million for the implementation of the Swan Hill Riverfront Master Plan, \$0.1 million for solar energy on Council buildings, \$0.2 million to replace and improve footpaths, \$0.05 million for bus shelters, \$50 thousand for implementing Community Plans and \$0.3 million for improvement to soccer and tennis facilities at Ken Harrison Sporting Complex.

4. Asset Management

The Budget is clearly focussed on asset management issues and the need to fund infrastructure replacement. \$8.4 million will be spent replacing Council assets, primarily roads, footpaths and drains.

5. Other Operational Initiatives

The budget recognises further savings of \$0.2 million from the organisational restructure that was completed in June 2014. Savings are also expected in home care services due to the progressive phasing in of the Federal Government's Aged care reform. The new Heartbeat of the Murray laser light show is expected to improve the Pioneer Settlement's result by at least \$0.1 million in the first year.

Operational efficiency will be further improved through continued investment in technology and internal process improvements.

6. Financial Management

The Budget predicts an operating surplus of \$6.5 million and an underlying surplus of \$2.1 million. Net debt will decrease by \$0.3 million. Net assets are budgeted to increase by \$17 million due mainly to asset revaluations and capital expenditure. Cash and investments will increase slightly to \$11.3 million.

Consultation

The Draft Budget was presented at community information sessions in Robinvale and Swan Hill.

A formal advertising and submission process has taken place. No submissions were received. Suggestions for projects and programs from the community were received throughout the year and considered as part of the Budget preparation process.

Financial Implications

Adoption of the 2015/16 Budget authorises Council officers to expend Council funds and raise revenue to implement the budgeted programs and projects.

Social Implications

Council's budget covers all aspects of Council operations and therefore impacts economic, social and environmental outcomes.

Economic Implications

As above

Environmental Implications

As above

Risk Management Implications

Setting a budget is a vital control that enables the organisation to track financial performance.

Council Plan Strategy Addressed

Governance and Leadership - Effective and efficient utilisation of resources.

Options

1. Adopt the 2015/16 Budget as suggested.
2. Adopt the 2015/16 Budget with minor amendments.

Recommendations

That Council:

1. **Adopt the budget as advertised.**
2. **Declare that \$21,824,000 be raised in rates for the 2015/16 financial year.**
3. **Declare a Differential Rate of 0.841756 cents in the dollar of Capital Improved Value for rateable Commercial properties within Residential 1, Business or Industrial zones of the Swan Hill Planning Scheme in the townships of Swan Hill and Robinvale.**
4. **Declare a Differential Rate of 0.673405 cents in the dollar of Capital Improved Value for rateable Residential and Industrial properties within the drainage districts Swan Hill and Robinvale townships.**
5. **Declare a Differential Rate of 1.346810 cents in the dollar of Capital Improved Value for rateable Vacant Residential land within the townships of Swan Hill and Robinvale that has remained as vacant land for a minimum of 5 years since it was last zoned as residential land or 3 years after its sale as a residential allotment, whichever is the latter.**
6. **Declare a Differential Rate of 0.582754 cents in the dollar of Capital Improved Value for rateable farming properties without access to irrigation water infrastructure and which are primarily used for broad acre grain/sheep production and are allocated an Australian Valuation Property Classification Code of 510, 520, 523, 524 or 530.**

7. **Declare a Differential Rate of 0.647504 cents in the dollar of Capital Improved Value for all other rateable land within the municipality.**
8. **Declare a Garbage Service Charge of \$275 for a 120 litre bin service and \$418 for a 240 litre bin service for residential properties within the declared garbage service areas of the Municipality, for the year commencing 1 July 2015.**
9. **Declare an optional Green Waste Garbage Service Charge of \$110 for a 240 litre bin service for Residential properties within the declared garbage service area of Swan Hill City (collection area number 20) for the year commencing 1 July 2015.**
10. **Authorise borrowing of up to \$500,000 for capital works in 2015/16.**
11. **Provide a payment equivalent to 50% of the applicable rates for Not-For-Profit recreational properties which would have been previously entitled to the lower Recreational Differential Rate.**
12. **Provide a payment equivalent to 50% of the difference between the Commercial Rate and Urban Rate in Swan Hill and Robinvale for Commercial properties in Common Occupancy with a residence.**