

WANGARATTA RURAL CITY COUNCIL



MINUTES OF THE SPECIAL MEETING
OF THE WANGARATTA RURAL CITY COUNCIL, HELD
IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES,
62-68 OVENS STREET, WANGARATTA
ON **TUESDAY, 22 DECEMBER 2014** AT 4.00PM

Brendan McGrath
CHIEF EXECUTIVE OFFICER

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1. ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

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

2. OPENING PRAYER

Almighty God, we humbly ask thee to bless and guide this council in its deliberations so that we may truly preserve the welfare of the people whom we serve. Amen

3. PRESENT

Administrators:

Ms Ailsa Fox, Chair; Mr Rod Roscholler.

Officers Present:

Mr Brendan McGrath, Chief Executive Officer; Ms Ruth Kneebone, Director Corporate Services; Mr Alan Clark, Director Infrastructure Services; Mr Barry Green, Director Development Services;

4. ABSENT

Ms Irene Grant, Ms Jaime Carroll, Director Community Wellbeing.

5. ACCEPTANCE OF APOLOGIES & GRANTING OF LEAVE OF ABSENCE

Nil.

ORDER OF BUSINESS

6. CONFLICT OF INTEREST DISCLOSURE

In accordance with sections 77A, 77B, 78 and 79 of the *Local Government Act 1989* Councillors are required to disclose a 'conflict of interest' in a decision if they would receive, or could reasonably be perceived as receiving, a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

Disclosure must occur immediately before the matter is considered or discussed.

7. BUSINESS

7.1 2014/15 BUDGET REVIEW

| | |
|---------------------------------|---------------------------------------|
| Meeting Type: | Special Council Meeting |
| Date of Meeting: | 22 December 2014 |
| Author (name and title): | Donald Mace, Manager – Finance |
| File Name: | 2014/15 Budget Review |
| File No.: | 51.060.021 |

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council to provide an update of Council's full year reforecast financial position compared to Budget for 2014/15.

RECOMMENDATION:

(Moved: Administrator A Fox/ Administrator R Roscholler)

That Council adopt the 2014/15 Budget Review.

Carried.

Background

Council officers have undertaken a thorough revision of projected income and expenditure for the 2014/15 financial year. The revised targets will become the benchmark for future budget reporting.

It is Council's practice to undertake a budget reassessment midway through each financial year. To this end, a comprehensive review of Council's 2014/15 financial position has been undertaken having regard to the following matters:

- The requirement under the *Local Government Act 1989* to establish and maintain a budgeting and reporting framework that is consistent with the principles of sound financial management
- Council's audited financial position at 2013/14 year end
- Projects and works carried forward from the 2013/14 financial year
- Income received in 2013/14 in relation to 2014/15 financial year
- Outcomes of funding applications
- Unbudgeted works undertaken in response to opportunities
- Known adjustments to income and expenditure.

An explanation of movements since the adopted budget to the revised budget are provided for:

1. Rates Budget surplus (deficit) brought forward
2. Net Operating Result
3. Capital Expenditure

Implications

Policy Considerations

There are no specific Council policies or strategies that relate to this report.

Financial Implications

Full Year 2014/15 Summary

| | Full Year Revised Budget \$'000 | Full Year Budget \$'000 | Variance Fav (unfav) \$'000 |
|-----------------------------------|--|--|--|
| Rates Budget Surplus (Deficit) | (200) | (200) | 0 |
| Operating Statement | | | |
| Income | 56,223 | 54,912 | 1,291 |
| Expenses | (52,332) | (50,781) | (1,551) |
| Surplus (Deficit) | 3,871 | 4,131 | (260) |
| Capital Works Expenses | 22,460 | 20,539 | (1,921) |

Rates Budget Surplus (Deficit)

A Rates Budget is prepared in order to determine Council's net result in relation to its cash position. It takes into consideration all revenue and expenses items from all sources, both Capital and Operating.

The net rates position remains unchanged. The Shared pathway - Warby Range Rd extension additional expenditure \$130,000 approved at Council's ordinary meeting on 21 October 2014, has been absorbed from other savings. This project is also expected to be completed for \$30,000 less than anticipated.

Income Statement

Below are some of the key / material changes made to the revised budget.

New Projects

There has been \$0.83 million of additional operating projects where income is matched to expenditure and therefore there is a zero impact on the Operating Surplus (Deficit) result:

- Victorian Adaptation and Sustainability Partnership (VASP) Resilient Facilities \$230K and Local Community Capacity \$40K
- Energy Efficient street light changeover income received of \$313K which will be used to acquit other Councils costs
- Resilient Community Program \$36K
- Edi Community Hall Upgrade funding \$12K
- New project of Youth inclusion \$35K
- Hume Strategy Partnership group project carry over from 13/14 \$105K
- New project Small Business Wangaratta campaign \$10K
- North East Regional Development Scheme (NERDs) salary income nets off against salary expenses \$48K.

Income

Favourable:

- Rates revenue greater due to large volume of supplementary rates valuations processed \$225K
- Saleyard roofing project grant income \$897.8K from State government \$500K and \$397.8K from Living Victoria Fund for the water reuse and reticulation
- Additional Financial Assistance Grants revenue for Roads To Recovery \$53K, General purpose grant \$41K
- Wangaratta Childcare additional grants from more users offset by addition expenditure required \$29K

Unfavourable:

- Department of Human Services grant will not be received (\$25K) for allied health
- Vulnerable persons project grant not received and to be funded by Council (\$28K)
- Community halls upgrade program deferred to 15/16 -\$70K, Everton Hall upgrade (\$300K)
- Reduced proceeds from land sales (\$160K) and plant replacement (\$350K)
- Family day care users fluctuating down from last year. Revenue & expense offsetting each other (\$46K)

Expenses

Favourable:

- Savings due to vacancies not filled \$210K
- Works Compensation Insurance premium saving of \$46K
- Software maintenance savings \$56K
- Interest savings \$38K as we apply for MAV funding vehicle
- Salary on-cost savings \$254K

Unfavourable:

- Redundancies due to Organisation Restructure (\$114K)
- Additional casual fill and Band adjustments -\$73K
- Operational projects carried forward from 2013/14 (\$289K) including:
 - Strategic Planning projects \$168K
 - Plume Positive projects \$46K
 - Aquatic Facility strategy \$45K
 - Waterway Action Plan S1 \$23K
- Wangaratta freight and Land Use Study (\$25K)
- Final stages of valuation contract not taken up as expenditure in 2014 - \$112K
- Depreciation recalculation based on 13/14 revaluation of infrastructure assets \$660K

Capital Works Result

- Additional Carry-over of projects from 2013/14 of \$2.0M including:
 - Plant replacement \$119K
 - Ovens River / Faithful St Precinct \$330K
 - Barr # 1 Oval Lighting and Drainage \$93K

- Building renewal \$82K
- Kerbing renewal \$335K
- Road Construction and Major Patching \$297K
- Kerbing \$370K
- Eldorado shared path and toilet block \$188K
- Wangaratta and townships Streetscapes \$160K

- Additional Spend or redirection of funds \$0.4M
 - Whorouly Football/Netball Club change rooms \$129K
 - Recreation Parklands Masterplan Traffic Management \$157K
 - Shared pathway - Warby Range Rd extension \$100K

- Projects deferred -\$0.5M
 - Everton Hall and precinct redevelopment project will be substantially completed in the 2015/16 financial year (\$385K)
 - Electronic Document Management System Upgrade with (\$100K) moving into 2015/16 as project delivery crosses into 2 financial years

Legal/Statutory

In accordance with s127 of the *Local Government Act 1989* (the Act), Council must prepare a budget for each financial year. Additionally, s136 of the Act requires Council to apply principles of sound Financial Management. S138 of the Act requires the Chief Executive Officer to prepare a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date and to present this report to Council.

Social

A number of social benefits will occur as a result of the projects funded through the 2014/15 budget.

Environmental/Sustainability Impacts

A number of environmental/ sustainability benefits will occur as a result of the projects funded through the 2014/15 budget.

Economic Impacts

The economic impacts associated with sound financial management are positive for Council's ratepayers, the community and future generations.

Council Plan-Key Strategic Activity/Action

Council's Plan 2013-2017 contains a Key Strategic Activity to '*provide responsible financial practices ensuring Council's annual financial viability*'.

Strategic Links

The 2014/15 Budget Review supports the objectives and aspirations of the Rural City of Wangaratta 2030 Community Vision.

Risk Management

| Risks | Likelihood | Consequence | Rating | Mitigation Action |
|-------------------------------|------------|-------------|--------|---|
| Inaccurate 2014/15 Reforecast | L | M | M | Regular monitoring and reporting of budget position |

Consultation/Communication

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Conclusion

Council has reviewed its 2014/15 Budget in the light of its current financial position. This review has resulted in Council re-establishing its adopted budget position for 2014/15 despite additional expenditure undertaken in the 2013/14 financial year. These additional costs required Council to find savings to re-establish its previous budgeted deficit of \$200,000. Council officers have worked diligently to reduce expenditure and maximise income. Reforecasts for the 2013/14 financial year confirm that Council's operating surplus is predicted to decrease by a margin of \$0.3K to a surplus of \$3.9M. Capital Works expenditure is expected to increase by \$1.9M to a total of \$22.5M. The 2014/15 Budget Review is the outcome of a revision of all budget items and takes into account grants and projects carried over from the 2013/14 financial year.

Attachments

1. Financial Report Budget Review December 2014-15

Gallery Questions

Nil.

7.2 [ADOPTION OF RCOW MUNICIPAL EMERGENCY MANAGEMENT PLAN 2014](#)

Meeting Type: Special Council Meeting
Date of Meeting: 22 December 2014
Author (name and title): Jamie McCaffrey, Emergency Management Project Coordinator
File Name: Emergency Management
File No.: 77.010.001

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council to accompany the revised Municipal Emergency Management Plan 2014.

Councils are required to have and maintain a Municipal Emergency Management Plan (MEMP) under the *Environment Protection Act 1983*. A MEMP is a multi-agency plan for the municipal district that incorporates State, regional and local information to assist all agencies to prepare, respond and recover from emergency incidents that may impact the municipal area.

The MEMP was last subject to review and adoption by Council in 2011. The current plan expires at the end of 2014 and the new plan is required to be adopted by Council before the end of the current calendar year.

The MEMP 2014 has been extensively revised, subject to review by the Municipal Emergency Management Strategy Group and was recommended to Council for adoption by the Municipal Emergency Management Planning Committee at its meeting on the 3rd of December 2014.

RECOMMENDATION:

(Moved: Administrator R Roscholler/ Administrator A Fox)

That Council resolves to adopt the Municipal Emergency Management Plan 2014.

Carried.

Background

The Municipal Emergency Management Plan has been extensively revised to reflect changes in emergency management in Victoria, particularly the inception of Emergency Management Victoria, recent changes to the Emergency Management Manual of Victoria (including revised State Emergency Response and State Emergency Relief and Recovery Plans) and changes to regional and municipal emergency management arrangements.

Further change is expected as Emergency Management Victoria has indicated that emergency management responsibilities for municipalities are likely to change next year, hence the MEMP is best considered as an interim management document until these changes are made.

Implications

Policy Considerations

There are no specific policy considerations identified for the subject matter of this report.

Financial Implications

There are no financial implications in the adoption of the revised MEMP 2014.

Legal/Statutory

Council has a number of statutory responsibilities for emergency management and adoption of the revised MEMP meets these obligations.

Social

There are no social impacts identified for the subject of this report.

Environmental/Sustainability Impacts

There are no environmental/ sustainability impacts identified for this subject of this report.

Economic Impacts

There are no economic impacts identified for the subject of this report.

Council Plan-Key Strategic Activity/Action

Adoption of the MEMP 2014 satisfies the following action in the 2013-2017 Council Plan:

2.2.1.1 Work with other agencies to develop and implement approaches to enhance and strengthen community resilience and safety.

Strategic Links

a) Rural City of Wangaratta 2030 Community Vision

N/A

b) Other strategic links

N/A

Consultation/Communication

The review of the MEMP has included extensive consultation with all relevant agencies which concluded with the Municipal Emergency Management Strategy Group recommending adoption.

| Level of public participation | Promises to the public/stakeholders | Tools/Techniques |
|-------------------------------|---|------------------------------|
| Inform | <p>The public will be informed via website of the revised MEMP. The document will be available on the website and as hard copy on request.</p> <p>All relevant stakeholders will be provided with copies.</p> | Meetings, email and website. |

Options for Consideration

The MEMP is now ready for Council adoption.

Conclusion

Adoption of the MEMP 2014 meets Council's statutory obligations under the *Emergency Management Act 1986*. The municipality's ability to prepare, respond and recover from emergencies is enhanced as the revised MEMP contains up to date information.

Attachments

1. MEMP 2014

Gallery Questions

Nil.

8. CLOSURE OF MEETING

The meeting closed at 4.10pm.