



**Murrindindi**  
Shire Council

# Scheduled Meeting of Council

## Agenda

Wednesday 5 April 2023  
Alexandra Council Chambers  
Perkins Street  
5:00 PM

## ORDER OF BUSINESS

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## **1 ACKNOWLEDGEMENT OF COUNTRY AND COUNCILLORS' PLEDGE**

### **1.1 Acknowledgement of Country**

The meeting will be opened with the Mayor reading the following on behalf of the Murrindindi Shire Council:

“Murrindindi Shire Council is proud to acknowledge the Taungurung and Wurundjeri people as the traditional custodians of the land we now call Murrindindi Shire.

We pay our respects to their Elders past, present and emerging, who are the keepers of history, traditions, knowledge and culture of this land.”

### **1.2 Councillors' Pledge**

“The Councillors, democratically elected to represent our community as the Murrindindi Shire Council, are committed to working together in the best interests of the people who live in our municipality, those who conduct business here and those who visit.”

## **2 PROCEDURAL MATTERS**

### **2.1 Privacy Note**

This public meeting is being streamed live via our Facebook page and website. A recording of the meeting along with the official Minutes of the meeting will also be published on our website.

### **2.2 Apologies and Request for Planned Leave**

### **2.3 Disclosure of Interest or Conflict of Interest**

In accordance with section 130 (1)(a) of the *Local Government Act 2020* Councillors are required to disclose any “conflict of interest” in respect of a matter to be considered at a Council Meeting.

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

### 3 REPORTS - CORPORATE & SHARED SERVICES DIRECTORATE

#### 3.1 Draft Annual Budget 2023/24

Attachment(s)	Attachment 1 - Draft Annual Budget 2023/24 [3.1.1 - 102 pages]
Presenter	C Nickels-Beattie, Manager Business Services
Approved by	Acting Director Corporate & Shared Services
Purpose	For decision

#### Executive Summary

This report seeks Council's endorsement of the draft Annual Budget 2023/24 (draft Budget) for the purpose of a public exhibition and submission process in accordance with section 96 (1) of the *Local Government Act 2020* (the Act).

#### RECOMMENDATION

##### That Council:

1. note that the draft Annual Budget 2023/24 in Attachment 3.1.1 has been prepared by Council in accordance with Section 94(1) of the *Local Government Act 2020* (the Act)
2. release the draft Annual Budget 2023/24 for public exhibition, closing midnight 30 April 2023
3. request the Chief Executive Officer to give public notice of the draft Annual Budget 2023/24 and submission process
4. advise that a copy of the draft Annual Budget 2023/24 will be made available on Council's website – [www.murrindindi.vic.gov.au](http://www.murrindindi.vic.gov.au)
5. advise that submissions can be made in the following ways-
  - a) lodged via Council's engagement platform, Dindi - In the Loop
  - b) directly to [governance@murrindindi.vic.gov.au](mailto:governance@murrindindi.vic.gov.au)
  - c) in written form submitted to a Council office or by post
  - d) verbally as part of Public Participation time at Council's 26 April 2023 Scheduled Meeting (6 pm at the Yea Council Chambers)
6. note that following consideration of all written and verbal submissions, the Annual Budget 2023/24 will be presented for adoption at Council's 24 May 2023 Scheduled Meeting.

#### Background

The development of the Draft Budget is part of an integrated process that occurs to ensure appropriate resource allocations are made to service Council's short and long-term activities and initiatives.

The Community Vision, Council Plan, Asset Plan and Financial Plan and their underpinning strategies inform the budget development process. The draft Budget considers Council Plan initiatives, external influences and any proposed new initiatives.

The draft Budget attached to this report outlines the financial implications of the strategic objectives and initiatives planned by Council, focusing on the coming financial year.

The draft Budget balances the need to deliver infrastructure and services while also providing the best possible value for residents and ensuring careful ongoing financial management.

It is noted that Section 4.1 - rates and Valuation information is based on Stage 3 preliminary property valuation data. The information in this section may change as a result of the finalisation of Stage 4 property valuation data from the Valuer-General Victoria.

### Discussion

The draft Budget details the resource requirements and project priorities that are in accordance with the key strategic objectives that have been set in the *Council Plan 2021-2025*.

The draft Budget has been prepared on the principles of responsible financial management to achieve an operating result that ensures and maintains Council's long term financial sustainability while delivering services to the community.

The draft Budget key results and indicators are:

- 2023/24 operating surplus of \$1.17 million, includes capital income.
- 2023/24 underlying deficit of \$3.1 million.
- 30 June 2024 budgeted cash balance of \$28.9 million includes -
  - reserves \$12.5 million.
  - provisions \$3.8 million.
  - trusts and deposits \$1.3 million.
  - grants (unearned income) \$2.0 million
- 2023/24 working capital is 358%.

The following key points are provided to assist the Council and the community in analysing the draft Budget:

- The draft Budget is prepared based on a 3.5% increase in overall rates and charges, in line with the increase in rates permissible under the Fair Go Rates System for 2022/23 and the rate cap set by the State Government. This increase is less than the forecast CPI (Consumer Price Index) increase of 4%.
- Waste charges are set to rise by 3.5%. Waste charges are based on a cost recovery model which includes the increases in Government Landfill Levy imposed on Council and increasing costs of processing waste.
- User fees and charges have again been benchmarked against our neighbouring councils. Some fees have been adjusted to reflect the cost of service provision, rather than rate payers subsidising these 'user-pay' services. All other non-statutory user fee increases have been limited to a 3.5% increase.
- Investment of \$55.2 million to deliver services and improve infrastructure.
- \$39 million in services and facility operating costs to ensure ongoing service provision and delivery on the Council Plan initiatives. This includes increases in costs of superannuation, materials, imposed levies and contracted services.
- CPI increased by 7.8% over the 12 months to December 2022. Council's budgeted expenditure has been maintained well below this CPI increase.
- Capital works program of \$15.9 million (including \$7.8 million carry forward capital works) to new, renew, upgrade and expansion of Council assets.
- Potential for new borrowings in 2023/24 to fund additional capital works projects (if required).

## New initiatives

New initiatives included in the draft Budget to support the achievement of our goals under the *Council Plan 2021-2025* are:

- implementation of Council's Reconciliation Action Plan (\$30,000)
- public health and wellbeing initiatives, including community mental health first aid training, active footpaths project, vaping awareness and women in sport initiative (\$10,000)
- meeting Council's statutory obligations under the *Child Wellbeing and Safety Act 2005* (\$17,000)
- oval maintenance to support community's recreation enjoyment and safety (\$30,000)
- combined Rapid Road and Tree Maintenance Response Team to improve Council's responsiveness to Community requests (\$202,000)
- additional road material to improve unsealed road maintenance and address service standards (\$150,000)
- implement SpendMap, an online economic analysis tool to support the implementation and evaluation of economic development strategies (\$10,800)
- conduct a feasibility assessment for developing vacant Council owned land to support housing affordability and availability (\$20,000)
- progress Council's carbon offsetting project at Flat Lead Road, Yea (\$35,000)
- strengthen Council's cyber security (\$20,000)
- improve Council's data connectivity (\$20,000)
- implement the Office of the Victorian Information Commissioner (OVIC) Protected Data Security Plan, year 3 actions (\$10,000)
- upgrade Council's website as part of the Communications and Social Media Strategy (\$50,000)
- implementation of social media archiving software as part of the Communications and Social Media Strategy - governance standards (\$10,000)

## Capital Works Program

Highlights of the Capital Works Program are:

- roads, footpaths and cycleways (\$3.7 million) including -
  - resheeting program (\$1.9 million)
  - resealing program (\$961,000)
  - flood recovery works - Council contribution to support potential grant funding (\$200,000)
- bridges (\$370,000) in addition to flood recovery projects including Smiths Bridge stage 2 replacement (\$170,000)
- building renewal program (\$410,000) including -
  - Rotary Park, Alexandra, toilet block (\$120,000)
  - Yea Saleyards water tank, septic tank upgrade and additional toilets (\$115,000)
- recreational facilities (\$2 million) including the Council contribution to the Eildon Splash Park project (\$1.8 million)
- waste management in Alexandra, Marysville and Flowerdale (\$240,000)
- drainage in Buxton, Yea and Alexandra (\$200,000)
- street tree program (\$120,000)
- plant and equipment, including climate control initiatives, renewal of plant and fleet, IT equipment and library books (\$1.1 million)
- capital works projects carried forward from the 2023/24 Capital Budget (\$7.6 million), including -
  - building renewal and upgrades
  - digitalisation transformation project (collaboration with Benalla, Mansfield & Strathbogie Councils)

- Snobs Creek road upgrade
- swimming pool upgrades – Eildon, Marysville and Yea
- landfill rehabilitation and cell construction.

In addition, funding has been received for Local Roads and Community Infrastructure Round 4 program of \$1million to fund infrastructure projects yet to be determined.

### Borrowings

Council is forecast to hold no debt from loan borrowings at 30 June 2023. This represents the lowest level of absolute debt Council has held in more than a decade. Council has continued to fund the operating budget and capital works program from rates, fees, and grant revenue.

Under the *Local Government Act 2020* Section 104, Council is declaring an interest in the potential to borrow to fund any unplanned urgent capital works in 2023/24. These borrowings are included in the budget as \$1 million over a term of 10 years at 5% interest. If borrowings are required, Council will undertake the necessary governance steps including the required procurement process and a resolution of Council to borrow to fund specific capital expenditure. If no borrowings are required, this will not be undertaken.

### **Council Plan/Strategies/Policies**

This report supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “ensure Council remains financially sustainable through sound management, forward planning, innovative service delivery and asset consolidation as appropriate”.

### **Relevant Legislation**

*Local Government Act 2020.*

### **Financial Implications and Risk**

The proposed draft Budget is fiscally responsible in its scope of discretionary spending. The draft Budget details how Council can manage its requirement to keep average rate increases within the rate cap of 3.5% legislated by the State Government for 2022/23, whilst providing a responsible and viable financial plan for the ensuing year.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

Following Council’s consideration of the draft Budget it is intended that it is released to the public for consideration and that submissions be encouraged. The submission period will be up to midnight on 30 April 2023, submissions can be made via the following means:

- a) lodged via Council’s engagement platform, Dindi - In the Loop
- b) directly to [governance@murrindindi.vic.gov.au](mailto:governance@murrindindi.vic.gov.au)
- c) written form submitted to a Council office or by post
- d) verbally as part of Public Participation time at Council’s 26 April 2023 Scheduled Meeting (6 pm at the Yea Council Chambers)

Council will publicly advertise the release of the draft Budget and submission process and will make the draft Budget available on Council’s website.

All submissions (verbal and written) will be considered by Council and it is intended to present the Annual Budget 2023/24 for formal adoption to Council at its 24 May 2023 Scheduled Meeting.

## 3.2 Instrument of Delegation to the Chief Executive Officer

Attachment(s)	Attachment 1 - S 5. Instrument of Delegation to the CEO (April 2023) [3.2.1 - 4 pages]
Presenter	T Carter, Acting Director Corporate & Shared Services
Approved by	Acting Director Corporate & Shared Services
Purpose	For decision

### Executive Summary

Under Section 11 of the *Local Government Act 2020* (the Act) Council can delegate its powers to the Chief Executive Officer. It is important to ensure that Council has properly delegated its powers, duties and functions, in order to avoid any issues arising regarding the legality of a decision or an action purportedly made or taken on behalf of the council. The intention of the report is to seek Council's endorsement of the reviewed Delegation to the Chief Executive Officer.

### RECOMMENDATION

**That Council in the exercise of the power conferred by s 11(1)(b) of the *Local Government Act 2020* (the Act), RESOLVES THAT –**

- 1. There be delegated to the person holding the position, or acting in or performing the duties, of Chief Executive Officer the powers, duties and functions set out in the attached *Instrument of Delegation to the Chief Executive Officer*, subject to the conditions and limitations specified in that Instrument**
- 2. The instrument comes into force immediately upon this resolution being made and common seal of Council is to be affixed**
- 3. On the coming into force of the instrument all previous delegations to the Chief Executive Officer are revoked.**
- 4. The duties and functions set out in the instrument must be performed, and the powers set out in the instruments must be executed, in accordance with any guidelines or policies of Council that it may from time to time adopt.**

### Background

The S5. Delegation to the Chief Executive Officer allows for the Powers of the Council to be undertaken by the CEO, then under s 47 of the *Local Government Act 2020* -

“(1) The Chief Executive Officer may by instrument of delegation delegate any power, duty or function of the Council that has been delegated to the Chief Executive Officer by the Council to:

1. a member of Council staff; or
2. the members of a Community Asset Committee.”

Council last endorsed the delegation of the CEO at its September 2021 Scheduled Meeting.

### Discussion

It is good governance to review the Delegations to the CEO and Staff on a regular basis and therefore this review has occurred. There have not been any legislative changes that have impacted this instrument of delegation, therefore the delegation remains relatively unchanged.



There has been one alteration has been made under the conditions and limitations at item 1.2. The Chief Executive Officer is delegated to authorise expenditure up to \$300,000 plus GST, however there are charges that are imposed on Council that are legislated and are not considered to be discretionary in nature which exceed this delegated amount. Therefore, the condition has been adjusted to include that where expenditure is required by legislation in the performance of a statutory function, delegation is unlimited.

### **Council Plan/Strategies/Policies**

This report supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “maintain transparent, inclusive and accountable governance practices”.

### **Relevant Legislation**

The *Local Government Act 2020* section 11 provides for Council to delegate its powers to the Chief Executive Officer.

### **Financial Implications and Risk**

Effective and efficient functioning of Local Government would not be possible without formal delegations to Council officers. Instruments of Delegation enable Council to minimise risk in exercising authorised and delegated powers.

The proposed addition to allow for expenditure required by legislation in the performance of a statutory function to be approved by the Chief Executive Officer is very limited in its scope and the risk of not making the payment on time is higher than the risk of the Chief Executive Officer approving. An example of this type of expenditure is State Government imposed fees such as the payment of the Fire Services Levy on a quarterly basis.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

No external community or stakeholder consultation was required for this matter.