

MINUTES

TUESDAY, 26 JUNE 2018
MANSFIELD SHIRE OFFICE
33 Highett Street, Mansfield
4.00PM

Unconfirmed

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1. OPENING OF THE MEETING

The Mayor, Cr Volkering, opened the meeting at 4.00 pm

Councillors:

Marg Attley	<i>Tolmie Ward</i>
Paul Sladdin	<i>Bonnie Doon Ward</i>
Paul Volkering	<i>Mansfield Ward</i>
Harry Westendorp	<i>Bonnie Doon Ward</i>

Chief Executive Officer:

Alex Green

Finance Manager:

Mandy Kynnersley

Governance & Strategy Coordinator:

Dawn Bray

2. STATEMENT OF COMMITMENT

The Councillors affirmed the following Statement of Commitment:

“As Councillors of Mansfield Shire we are committed to ensuring our behaviour meets the standards set by the Mansfield Shire Councillor Code of Conduct and Councillor Charter. We will, at all times, faithfully represent and uphold the trust placed in us by the community.”

3. ACKNOWLEDGEMENT OF COUNTRY

The Councillors affirmed the “Acknowledgement of Country” for the Mansfield Shire Council:

“Mansfield Shire Council recognises that indigenous people have been custodians of this area for generations. We acknowledge the living culture and unique role of Taungurung people in our region.”

4. APOLOGIES

Cr Peter Olver, Mansfield Ward

5. DISCLOSURE OF CONFLICT OF INTERESTS

Nil

6. DEPUTATIONS

Nil



7. PRESENTATION OF REPORTS

7.1 Adoption of the Revised Mansfield Shire Council Plan 2017-21 and Updated Strategic Resource Plan 2018-22

File Number: E4397

Responsible Officer: Dawn Bray, Strategy & Governance Coordinator

Disclosure of Conflicts of Interest

The author of this report and officers providing advice in relation to this report do not have a direct or indirect interest in this matter, as provided in accordance with the *Local Government Act 1989*.

Introduction

This report requests Council to adopt the revised Mansfield Shire Council Plan 2017-21, which includes the updated Mansfield Shire Strategic Resource Plan 2018-22 following the public exhibition of the draft Plan for a period of 28 days in accordance with Sections 126, 126 and 223 of the *Local Government Act 1989* (the Act).

Minor changes have been made to the Plan to update population statistics and the organisational structure, as well as minor amendments to the strategies to be employed to deliver the strategic objectives of the Plan. Responsibilities for the delivery of the strategies have also been made to reflect the new organisational structure.

The updated Strategic Resource Plan 2018-22 outlines the allocation of financial and non-financial resources over the next four years, as required by Section 126 of the Act, to support the implementation of the revised Council Plan.

In accordance with sections 125(3) and 223 of the Act, members of the public have had an opportunity to review the revised Council Plan and Strategic Resource Plan and make a written submission to Council. No submissions were received in relation to the revised Council Plan itself, however changes have been made post exhibition to the Strategic Resource Plan component following the receipt and consideration of submissions to the proposed 2018-19 budget.

It is recommended that the revised Council Plan 2017-21 and Strategic Resource Plan 2018-22 be adopted by Council.

Background

The Act requires Council to review the current Council Plan at least once during each financial year.

This process is commonly undertaken at the time the next financial year's budget is being prepared, so that amendments to the Strategic Resource Plan (SRP) can be made and to ensure the initiatives to be delivered by Council in the forthcoming year are relevant and current.

7.1 Adoption of the Revised Mansfield Shire Council Plan 2017-21 and Updated Strategic Resource Plan 2018-22 Cont.

The original Mansfield Shire Council Plan 2017-21 was adopted at a Special meeting of Council on 27 June 2017. Section 125 of the Act states that a Council Plan must include:

- (a) *the strategic objectives of the Council;*
- (b) *strategies for achieving the objectives for at least the next 4 years;*
- (c) *strategic indicators for monitoring the achievement of the objectives;*
- (d) *a Strategic Resource Plan containing the matters specified in Section 126;*
- (e) *any other matters which are prescribed by the regulations.*

Section 126 of the Act outlines the requirements for a SRP. The SRP must include financial statements describing the financial and non-financial resources, including human resources, required to achieve the Council Plan's strategic objectives.

When the Council Plan and SRP are updated through the annual review process, the draft amended Plans must be publically advertised for a period not less than 28 days and comment sought in accordance with the requirements of section 223 of the Act. This means submitters can request the opportunity to make a verbal presentation to Council in support of their written submission.

Once this consultation process has been undertaken, and the documents adopted by Council, the Minister for Local Government must be advised that adjustments have been made to the Council Plan and SRP within 30 days of its adoption.

Council Plan

The Council Plan is the key strategic document that outlines the agenda for the term of this Council. It is a four year strategic document which outlines how Council will deliver initiatives that address issues facing the municipality and respond to community priorities.

Five Strategic Directions underpin the Plan, which are:

- Strategic Direction One: Participation and Partnerships
- Strategic Direction Two: Financial Sustainability
- Strategic Direction Three: Community Resilience & Connectivity
- Strategic Direction Four: Enhanced Livability
- Strategic Direction Five: Responsible Leadership.

Financial

The SRP drives the allocation of resources and development of both short and medium term financial strategies. The SRP outlines how resources will be allocated over a four year period, whilst the supporting annual budget provides much greater detail as to how resources will be used to deliver the Council Plan over the next twelve month period.



7.1 Adoption of the Revised Mansfield Shire Council Plan 2017-21 and Updated Strategic Resource Plan 2018-22 Cont.

The Council Plan provides for a range of Strategic Objectives and Strategies relating to sound financial management such as the preparation of a long term financial plan, completion of service reviews across the organisation, review of asset management practices and maximising the use of shared services with other councils of a similar profile to reduce recurrent expenditure. These strategies are all addressed in the 2018-2022 SRP.

The SRP consolidates on the service reviews and organisational restructure undertaken in 2017-18 that identified operational savings of \$694,000. These recurrent savings have been re-directed toward asset renewal, and projects to improve service delivery to the community.

The SRP predicts that by the end of 2021-22 Council will have closed the renewal gap, maintained cash reserves above the determined floor of \$3 million, and returned consistent operating surpluses.

Social

The Council Plan is one of the key means through which Council is able to identify community issues and aspirations and outlines how Council will work in partnership with the community to achieve its goals.

Strategic Direction One relates to Participation and Partnerships, while Strategic Direction Three relates to Community Resilience and Connectivity. Under both of these key themes sit a number of Strategic Objectives and strategies to support the participation and inclusion of all our community in decision making, improved community resilience and connections. Several strategies relate to the development of strategic plans relating to active ageing and youth, supported by the provision of infrastructure to reflect changing community needs.

Environmental

Strategic Direction One relates to Participation and Partnerships and includes a Strategy relating to supporting the work undertaken by local environmental groups as well as advocating to other levels of government on environment related issues that relate to our community.

Strategic Direction Four relates to Enhanced Livability and outlines strategies to support the protection and enhancement of our environment, including the preparation of a Waste Management Strategy and review of the Environment Strategy in partnership with the community. Supporting the work of Landcare is another important strategy included within the Plan.



7.1 Adoption of the Revised Mansfield Shire Council Plan 2017-21 and Updated Strategic Resource Plan 2018-22 Cont.

Risk Management

The updated Council Plan meets all statutory requirements.

Strategic Direction Five relates to Responsible Leadership and outlines strategies relating to risk management including the completion of three internal audits per year, provision of quarterly updates on the progress of the Council Plan, undertaking an annual review of the Corporate Risk Register and ensuring the Audit and Risk Advisory Committee oversees the implementation of Council's risk management strategy and corporate risk register.

Community Engagement

The original Council Plan adopted in 2017 was shaped by community input and consultation including a community survey, discussions at a series of community discussions and through written and verbal submissions to Council.

The Council Plan is reviewed each year by Councillors and senior officers prior to being placed on public exhibition for a period of 28 days.

Council's draft budget was put on public exhibition beginning 18 April for a period of 28 days.

No submissions were received in relation to the Council Plan per se, however comments were received in relation to the proposed 2018-19 budget and the SRP component of the Council Plan. Written and verbal submissions were received and heard at a Special Meeting on 29 May 2018 in accordance with the Act.

Officer's Comments

The updated SRP for 2018-22 has been prepared in parallel with the 2018-19 budget and preparation of the ten year Long Term Financial Plan. Changes have been made to the SRP on the basis of changes made to the 2018-19 budget following the consideration of written and verbal submissions.

No changes have been made post exhibition to the Council Plan given the lack of submissions around its content.

It is recommended that Council adopt the revised Council Plan, which incorporates an updated Strategic Resource Plan following public input into the 2018-19 budget. The Minister for Local Government must be provided with a copy of the updated Plan within 30 days of adoption and that the updated plan be available for inspection at the Council office and on our website.



7.1 Adoption of the Revised Mansfield Shire Council Plan 2017-21 and Updated Strategic Resource Plan 2018-22 Cont.

Councillors Westendorp/Attley:

That Council:

- 1. Having exhibited the revised Mansfield Shire Council Plan 2017-21 and having considered written and verbal submissions relevant to the Strategic Resource Plan pursuant to Section 223 of the *Local Government Act 1989*, adopt the revised Mansfield Shire Council Plan 2017-21 (as attached), incorporating the updated Strategic Resource Plan 2018-22.**
- 2. Notify the community of the adoption of the revised Council Plan through
 - a) notices in the Mansfield Courier;
 - b) a notice on the Shire's website; and,
 - c) posts on the Shire's social media page.**
- 3. Provide a copy of the revised Mansfield Shire Council Plan 2017-21 to the Minister for Local Government in accordance with section 125(10) of the *Local Government Act 1989*.**
- 4. Make a copy of the revised Mansfield Shire Council Plan 2017-21 available for public inspection at its municipal office and on its website at all times in accordance with section 125(11) of the *Local Government Act 1989*.**

Carried



7.2 Adoption of the Mansfield Shire Council Budget 2018-19

File Number: E5026
Responsible Officer: Finance Manager, Mandy Kynnersley

Disclosure of Conflicts of Interest

The author of this report and officers providing advice in relation to this report do not have a direct or indirect interest in this matter, as provided in accordance with the *Local Government Act 1989*.

Introduction

The Budget 2018-19 (the Budget) and the Strategic Resource Plan 2018-22 (SRP) were made available for public submissions on 18 April 2018 for the statutory period of 28 days.

Submissions received were heard and considered at a Special Meeting on 29 May 2018.

The Budget is now required to be formally adopted by Council.

A few minor changes have been made to the Budget and the SRP since the documents went on public exhibition. The details of the changes are shown below.

The changes have been made in the Budget and SRP documents presented to Council for adoption at the Special Meeting today, 26 June 2018.

Background

The following changes have been made to the Budget since it was approved by Council for public exhibition at the Special Council Meeting on 17 April 2018:

Financial Assistance Grants (FAGs)

FAGs is a federally funded grant, distributed via the Victorian Grants Commission (VGC) to local government. FAGs comprises a Roads and a General component and is calculated based on data submitted by each council to the VGC annually.

The Commonwealth recently announced they will pay 50% of the 2018-19 funding allocation in June of 2017. Australian Accounting Standards require this grant income to be recognized when it is received and therefore this brings forward \$1.4m in income into the 2017-18 financial year.

The early payment of the FAGs has become a consistent trend across recent years. Therefore the budget assumes this will continue throughout the future years of the budget. This has the effect of increasing total cash over the period of the budget by \$1.4m, but is purely a timing change.

Minerva Street

Council resolved not to proceed with the intention to sell Minerva Street land at the Council Meeting 17 April 2018. The \$900k indicative proceeds from the proposed sale has therefore been removed from the budgeted statement of cashflows, and the land asset reinstated on the balance sheet. There was no profit included on the sale in the budget and therefore the net impact on the income statement is nil.



7.2 Adoption of the Mansfield Shire Council Budget 2018-19 Cont.

Kinder and Mechanics Institute Masterplan

\$13,750 has been allocated to fund a consultant to prepare a Masterplan for the possible redevelopment of the Mansfield Kindergarten and the Mechanics Institute buildings. Any decision to fund capital development of these facilities will be made in future budget cycles, after the masterplan has been completed.

Friends of Venilale

An annual donation of \$2,000 has been allocated to support Friends of Venilale.

Township Reserves

\$6,000 per annum has been allocated to fund the management of Council's township reserves. A policy that determines the best use of these funds and the manner in which they are allocated across the various reserves will be determined by Council prior to these funds being spent.

Subsequent implications

Given each of the adjustments identified above affect cash, there is a subsequent impact to interest income.

Fees and Charges

Fees at the Resource Recovery Centre for the disposal of Commercial Cardboard have been amended to \$14 per cubic metre.

Statutory Requirements

S127 of the *Local Government Act 1989* (the Act) requires Council to prepare a budget.

S128 of the Act requires Council to prepare a revised budget if circumstances arise which cause a material change in the budget.

S129 requires Council to make the budget or revised budget available for inspection for a period of 28 days, and receive and hear submissions in relation to the budget.

Council's draft budget was put on public exhibition beginning 18 April for a period of 28 days. Submissions were received and heard at a Special Meeting on 29 May 2018.

The changes proposed in this paper are not considered to be material for the purposes of s128 and s129 and therefore the modified budget is not required to undergo a further public consultation process.

Council Plan

The Budget and SRP are prepared in conjunction with the Council Plan.



7.2 Adoption of the Mansfield Shire Council Budget 2018-19 Cont.

Financial

Summary of changes to the Financial Statements within the Budget and the SRP are shown below:

Forecast 2017-18

Income Statement -	Profit increased \$1.424m
Statement of Cashflows -	Cash increased \$1.424m

Budget 2018-19

Income Statement -	Profit decreased \$0.022m
Statement of Cashflows -	Cash increased \$0.502m
Balance Sheet -	PPE increased \$0.900m

Budget 2019-20

Income Statement -	Profit increased \$0.005m
Statement of Cashflows -	Cash increased \$0.507m
Balance Sheet -	PPE increased \$0.900m

Budget 2020-21

Income Statement -	Profit increased \$0.005m
Statement of Cashflows -	Cash increased \$0.512m
Balance Sheet -	PPE increased \$0.900m

Budget 2021-22

Income Statement -	Profit increased \$0.004m
Statement of Cashflows -	Cash increased \$0.516m
Balance Sheet -	PPE increased \$0.900m

Social

Social issues have been taken into account during the budget process

Environmental

Environmental issues have been taken into account during the budget process

Economic

Economic issues have been taken into account during the budget process

Risk Management

Risk Management issues have been taken into account during the budget process

Community Engagement

The draft budget and SRP were made available for public comment for the statutory period of 28 days from 18 April 2018.

Submissions received were heard and considered at a Special Meeting on 29 May 2018.

There has been no further community engagement in relation to the proposed amendments due to the nature of the amendments.



7.2 Adoption of the Mansfield Shire Council Budget 2018-19 Cont.

Officer's Comments

Nothing further to report.

Councillors Sladdin/Westendorp:

That Council:

- 1) Having considered written and verbal submissions pursuant to Section 223 of the *Local Government Act 1989*, adopt the 2018-19 Budget (as attached), including the Schedule of Fees and Charges, for the financial year ending 30 June 2019, including the following amendments:
 - a) An increase of \$1.424m in forecast grant income in 2017-18 due to a change in timing of Financial Assistance Grants.
 - b) Removal of \$900k cash proceeds for sale of Minerva Street land in 2018-19, and reinstatement of the land asset on the balance sheet for the same amount.
 - c) An additional \$13,750 operating expenditure to fund a masterplan for the redevelopment of the Mansfield Kindergarten and Mechanics Institute buildings in 2018-19.
 - d) An additional \$2,000 per annum in recurrent operating expenditure as a donation to Friends of Venilale.
 - e) An additional \$6,000 per annum in recurrent operating expenditure to fund the management of the Mansfield Shire township reserves, in accordance with a policy to be determined by Council.
 - f) Revised fees for disposal of commercial cardboard at the Resource Recovery Centre to \$14 per cubic metre.
- 2) Formally declare the following rates and charges for the 2018-19 rating year:
 - a) MUNICIPAL CHARGE
 - i) Pursuant to the provisions of Section 159 of the *Local Government Act 1989* a municipal charge be declared in respect of the 2018-19 financial year.
 - ii) The municipal charge be declared for the purpose of covering some of the administrative costs to Council.
 - iii) The municipal charge in the sum of \$276.70 for each rateable land (or part) in respect of which a municipal charge may be levied is declared in respect of the 2018-19 financial year.



7.2 Adoption of the Mansfield Shire Council Budget 2018-19 Cont.

iv) It be confirmed that the municipal charge is declared in respect of all rateable land within the municipal district in respect of which a municipal charge may be levied.

b) GENERAL RATES

Pursuant to the provisions of Section 161 of the *Local Government Act 1989* the following differential rates be declared for the 2018-19 financial year:

- A general rate of 0.2514 cents in the dollar of CIV for all rateable residential properties.
- A general rate of 0.3545 cents in the dollar of CIV for all rateable commercial properties.
- A general rate of 0.3494 cents in the dollar of CIV for all rateable vacant land.
- A general rate of 0.2338 cents in the dollar of CIV for all rateable rural residential properties.
- A general rate of 0.1810 cents in the dollar of CIV for all rateable farmland properties

i) It be recorded that Council believes each differential rate will contribute to the equitable and efficient carrying out of Council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out in 4.1.1 of the attached 2018-19 Budget document.

ii) In accordance with the *Cultural and Recreational Lands Act 1963* the cultural and recreational charges, in lieu of rates in respect of the 2018-19 financial year, be applied to all land to which that Act applies.

iii) Pursuant to Section 169 (1)(a) of the *Local Government Act 1989* Council grant a rebate to the not-for-profit Beolite Retirement Village with respect to the community benefit derived from the Community Centre facility that is available for use by members of the Mansfield Shire community.

c) ANNUAL SERVICE CHARGE

i) Pursuant to the provisions of Section 162 of the *Local Government Act 1989* an annual service charge relating to waste management be declared for the 2018-19 financial year for each rateable property as follows:

Kerbside rubbish collection 80 litre bin \$165.22
Kerbside rubbish collection 120 litre bin \$293.26
Kerbside rubbish collection 240 litre bin \$489.43
Kerbside recycling collection 240 litre bin \$199.52
Kerbside recycling collection 240 litre additional bin \$157.51
Community waste \$116.01



7.2 Adoption of the Mansfield Shire Council Budget 2018-19 Cont.

- ii) Pursuant to the provisions of Section 221 of the *Local Government Act 1989* an annual service charge relating to waste management be declared for the 2018-19 financial year on each non-rateable property where the service is provided.

Kerbside rubbish collection 80 litre bin \$165.22
Kerbside rubbish collection 120 litre bin \$293.26
Kerbside rubbish collection 240 litre bin \$489.43
Kerbside recycling collection 240 litre bin \$199.52
Kerbside recycling collection 240 litre additional bin \$157.51

3) Rate Payments

Rates are payable in four instalments due by:

First instalment	30 September
Second instalment	30 November
Third instalment	28 February
Fourth instalment	31 May

- 4) Thank all submitters for their participation in the budget development process and advise them in writing of the reasons for the adoption of the 2018-19 Budget as per section 223(1) d(ii) of the *Local Government Act 1989*.
- 5) Give public notice of its decision to adopt the 2018-19 Budget in accordance with section 130(2) of the *Local Government Act 1989*.
- 6) Provide a copy of the 2018-19 Budget to the Minister for Local Government in accordance with section 130(4) of the *Local Government Act 1989*.
- 7) Make a copy of the adopted budget available for public inspection at its municipal office and on its website at all times in accordance with section 130(9) of the *Local Government Act 1989*.
- 8) Request the preparation of an options paper outlining funding strategies that will assist Council in its decision making process in relation to a dual court stadium

Carried



8.3 Such Other Business Admitted by the Unanimous Resolution of the Council

Nil

8. MEETING CLOSURE

There being no further business the meeting concluded at 4.29 pm

CONFIRMED this **seventeenth** day of **July** 2018.

Mayor