



# **Agenda**

## **Special Meeting of Council**

Wednesday 6 April 2011 at 7:00pm

Uniting Church  
Cnr Stokes and Hesse Street, Queenscliff

### **Distribution**

#### **Councillors**

Cr. Bob Merriman (Mayor)

Cr. Helene Butler

Cr. Lloyd Davies

Cr. David Mitchell

Cr. John Burgess

#### **Officers**

Lenny Jenner - Chief Executive Officer

Ev Wuchatsch - General Manager Governance & Community

Karen Hose - General Manager Planning & Places

Information contained in this Agenda is for the CONFIDENTIAL and PRIVILEGED use of Councillors until 5:00pm on the Friday before the meeting.

**THIS MATERIAL DOES NOT NECESSARILY REFLECT THE VIEWS OF COUNCIL**



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## Appendices

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Appendix 2	Draft Budget 2011-12	Under separate cover

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**1. OPENING OF MEETING**

**2. PRESENT & APOLOGIES**

**3. PECUNIARY INTEREST & CONFLICT OF INTEREST DISCLOSURES**

Councillors:

Officers:

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#### **4. GOVERNANCE, FINANCE & EXTERNAL RELATIONS**

##### **4.1. Draft Council Plan 2010-2013, including the 2011/12 Business Plan Priority Actions**

**File:** QG054-01-01

**Responsible Officer:** Chief Executive Officer

#### **Introduction**

I present the Borough of Queenscliffe Council Plan including the 2011/12 Business Plan priority actions for consideration pursuant to section 125 of the Local Government Act 1989 (**Appendix 1**).

#### **Background**

The legislative requirements relating to Council Plans are contained in Section 125 of the Local Government Act 1989 (Act). Section 125 (2) of the Act specifies as follows:

*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.*

#### **Statutory Requirements**

In June 2010 the Borough of Queenscliffe Council approved the 2010-2013 Council Plan, incorporating the Municipal Public Health Plan. Under section 125 of the Local Government Act 1989, at least once in every financial year, a Council must consider whether the current Council Plan requires any adjustment in respect of the remaining period of the Plan.

Should the initial plan be adjusted it is required to be advertised for public submissions in accordance with section 223 of the Act. Council is then required under section 125 (10) to advise the Minister for Local Government of the details of the adjustments to the Council Plan.

Council has determined to make a number of adjustments to its Council Plan, namely:

- Including risk management and reconciliation related strategies in the Council Plan;
  - Including the 2011/12 Business Plan priority actions.
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## Council Plan

The Council Plan includes the 2011/12 Business Plan priority actions framed around five key Strategic Directions:

- Governance, Finance & External Relations
- Sustainability & Local Environment
- Business & Tourism
- Community Development
- Planning, Heritage & Community Assets

The final Plan continues to reflect the medium term needs and aspirations and the short term priorities of the Borough community and the important relationship with and leadership role of Council.

The draft plan has been presented to a combined meeting of the Council's Portfolio Reference Groups. The Plan includes the Business Plan priority actions for 2011/12. The priority actions that will particularly focus the attention and energies of Council and staff include:

- Maximise state and federal grant revenue for community and Council Plan priorities
- Continue to implement Council's Asset Management Plan
- Promote volunteerism through Council's Recognition Awards and ceremonies
- Support local community organisations, civic events and arts, cultural and sporting activities in the Borough
- Progress the review of the Borough of Queenscliffe Planning Scheme
- Implement the Council's Tree Management Strategy
- Work with local traders, Queenscliff Lonsdale Tourism and Bellarine Tourism to maximise tourism opportunities in the Borough of Queenscliffe
- Implement Council's Environmental Sustainability Plan
- Advocate for improved public transport with regional organisations and State and Federal Government
- Determine Council policy on future camping on Coastal Crown Land
- Increase residents' access to information and services through upgrading the Council's website.

In 2011/12 emphasis will also be placed on undertaking capital works designed to improve the amenity and assets in the local community. The capital works program is provided in detail in the 2011/12 Budget document.

The proposed budget includes \$0.067m of rate-funded new initiatives as well as some major Capital Works projects totalling \$1.674m.

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Key highlights of the new initiatives and capital works program include:

- Annual asset renewal program (\$1,145,890 cost with \$649,790 of this to be funded by external grants, the Asset Replacement Reserve and asset sales)
- Hesse Street revitalisation and Point Lonsdale Main Street improvement (\$295,000 cost with \$250,000 of this to be funded by external grants)
- Footpath and road treatment plan for the Borough (\$40,000) and improved pedestrian safety works in Point Lonsdale and Queenscliff (\$46,000)
- Queenscliff Sports Club Enhancement project (commencing 2010/11, completion expected 2011/12) Council funding \$205,790 from reserved funds
- Power upgrade at Queenscliff Recreation Reserve and Victoria Park (\$120,000) and investigating the undergrounding of power in Point Lonsdale Road (\$5,000)
- Detailed master plan for Shortlands Bluff tourism development project (\$25,000)
- Increase in governance support to local Community groups Committees of Management (\$10,000)

In framing the capital works program Council is very aware of the challenges facing State and Federal Governments associated with global economic conditions and significant weather events that will place substantial pressure on local governments' access to external funding sources.

### **Concluding Comments**

Council has spent considerable time reviewing priorities and crafting this draft Plan following significant feedback and submissions from residents and local community groups.

The Borough and its community continues to both inspire and drive Council's vision and priorities for the future. As Chief Executive Officer I look forward to the next year of working with the highly motivated and committed Councillors and the small and agile, dedicated and skilled staff team to achieve what is an exciting and challenging plan.

### **Recommendation:**

**Having complied with procedures enunciated in the Local Government Act 1989 that Council:**

- 1. Endorses the contents of the draft Council Plan.**
- 2. Gives public notice by way of newspaper advertisements that Council has prepared the Council Plan, and calls for public submissions by no later than 12 noon on Monday 9 May 2011 in accordance with Section 223 of the Local Government Act 1989.**
- 3. Presents the draft Council Plan at two public information session to be held at 7:00pm on Thursday 14 April 2011 at the Uniting Church, Queenscliff and at 7:30pm on Monday 18 April 2011 at the Hawthorn Town Hall.**



## **4.2. 2011/12 Draft Budget**

**File:** QG054-01-01

**Responsible Officer:** General Manager Governance and Community

### **Introduction**

The Borough of Queenscliffe 2011/12 draft Budget is presented to Council for consideration pursuant to section 127 of the Local Government Act 1989. The Strategic Resource Plan is also presented as part of the Budget pursuant to section 126 of the Local Government Act 1989.

A copy of the 2011/12 Budget including the Strategic Resource Plan is located at **Appendix 2**.

### **Statutory Requirements**

The Local Government Act 1989 requires Council to prepare a budget for each financial year and provide the opportunity for people to make a submission under section 223 of the Act on any proposal contained in the budget.

Legislative requirements relating to 4 year Strategic Resource Plans are contained in section 126 of the Local Government Act 1989. Section 126 specifies that:

*A Council must—*

- (a) review the Strategic Resource Plan during the preparation of the Council Plan; and*
- (b) adopt the Strategic Resource Plan not later than 30 June each year.*

### **Council Plan**

The 2010-2013 Council Plan, including the 2011/12 Business Plan priorities, has been prepared around five key Strategic Directions:

- Governance, Finance & External Relations
- Sustainability & Local Environment
- Business & Tourism
- Community Development
- Planning, Heritage & Community Assets

This plan has directly informed the development of the 2011/12 draft budget.

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## **2011/12 Budget including Strategic Resource Plan**

The Council budget that has been prepared for the 2011/12 financial year seeks to balance the demand for services and infrastructure with the community's capacity to pay.

It is proposed that general rates increase by 4.5% for the 2011/12 financial year, a decrease from 5.5% in the 2010/11 year. While the Strategic Resource Plan indicates 4.5% rate increases from 2012/13 to 2014/15 this will need to be reviewed each year, particularly as Council considers more details regarding the challenges of providing services and meeting the costs associated with asset renewal.

The 4.5% rate increase in 2011/12 will raise total rates of \$5.343m, including \$0.010m generated from supplementary rates. The increase will go toward maintaining service levels and towards capital works including funds to address the asset renewal needs of the Borough.

The expected operating result for the 2011/12 year is a surplus of \$0.990m, which is a decrease of \$0.418m over 2010/11. The reduced operating result is due mainly to reductions in operating and capital grants budgeted for 2011/12. The underlying result, which excludes items such as capital grants and contributions, the proceeds from asset sales and any other non-operating abnormal item, is a budgeted surplus of \$0.341m, an increase of \$0.253m on the estimated year end forecast for 2010/11 of \$0.088m surplus.

Services are delivered in a range of programs to meet community needs and achieve Council's strategic objectives. The 2011/12 year estimates have been provided on the basis that the majority of operational programs continue at the same service levels, but, with some programs increasing the level of service in response to government funding initiatives. Where this is occurring recurrent government funding is being provided. (example: Aged Care Services)

New projects included in the 2011/12 budget are the result of significant community participation through Council's Portfolio Reference Groups and feedback and submissions from residents and community organisations.

Assessment of the contributions from the community were then evaluated on priority and funding availability. This process has underlined the challenges going forward including the capacity of Council to finance and support a range of community driven initiatives designed to improve social, sporting and historical facilities.

The proposed budget includes \$0.067m of rate-funded new initiatives as well as some major Capital Works projects totalling \$1.674m.

The capital works program of \$1.674m is funded by \$0.488m from Council operations, \$0.654m from external grants, \$0.286m from the Crown Land Reserve, \$0.206m from the Asset Replacement Reserve and \$0.040m from asset sales (vehicle trade-ins for annual rollover program).

This year's program of new initiatives and capital works includes \$0.286m for Caravan Park/Crown Land projects predominantly for park development and annual replacement of foreshore assets.



\$1.454m has been allocated for rate funded projects including the annual asset renewal program and Hesse Street revitalisation and Point Lonsdale Main Street Development projects.

Net assets (net worth) are expected to increase by \$0.990m to \$57.560m although net current assets (working capital) will increase by only \$0.009m as at 30 June 2012. This is mainly due to Council progressively using cash reserves to fund the capital works program as well as debt servicing and redemption costs.

A high level Strategic Resource Plan (SRP) for the years 2011/12 to 2014/15 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. A key objective of the SRP is financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives as specified in the Council Plan. The SRP forecasts that Council's operating result will be in surplus, including the underlying result (that is, net of capital income and abnormal items).

### **Concluding Comments**

Council's commitment to responsible financial management has resulted in the presentation of a Budget for 2011/12 which provides not only a positive picture in terms of operational results but also a substantial capital works program of \$1.674m.

The rate increase is considered to be a responsible response to the challenges facing the Borough into the future particularly in terms of asset management. Recognition of the longer term financial impacts has been paramount in determining this annual budget.

The 2011/12 draft Budget report and financial statements are presented to Council for endorsement in preparation for the public submission process.

### **Recommendation:**

**Having complied with procedures enunciated in the Local Government Act 1989, that Council:**

- 1. Accepts the 2011/12 draft Budget including the Strategic Resource Plan as presented**
- 2. Gives public notice by way of newspaper advertisements that Council has prepared the 2011/12 Budget including the Strategic Resource Plan and calls for public submissions by no later than 12 noon on Monday 9 May 2011 in accordance with Section 129 of the Local Government Act.**
- 3. Presents the draft 2011/12 budget at two public information sessions to be held at 7:00pm on Thursday 14 April 2011 at the Uniting Church, Queenscliff and at 7:30pm on Monday 18 April 2011 at the Hawthorn Town Hall.**



**5. CLOSE OF MEETING**

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