

# Corporate & Works Committee Minutes

Monday 24 January 2011

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# Corporate & Works Committee Minutes

**Minutes of the Meeting held on  
Monday 24 January 2011 at 6.00pm**

Present: Councillors Andrew Petrie (Chair)  
Susan Jarnason  
David Shoebridge  
Isabelle Shapiro

Staff: Stephen Dunshea (Director – Corporate Services)  
Gary James (General Manager)  
Don Johnston (Manager Finance)  
Tom O’Hanlon (Director – Technical Services)

Also in Attendance: Nil

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## **Leave of Absence**

Leave of Absence previously granted by Council: Councillors Carmichael & Medcraft

Apologies: Apologies were received and accepted from Councillors Boskovitz & Plater and Leave of Absence granted.

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## **Late Correspondence**

Late correspondence was submitted to the committee in relation to Items: Nil

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## **Declarations of Interest**

Nil

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**Items Decided by this Committee using its Delegated Authority (Items D1 to D3)**

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**Item No:** D1 Delegated to Committee  
**Subject:** **Confirmation of Minutes of Meeting held on 6 December 2010**  
**Author:** Les Windle, Manager – Governance  
**File No:** See Council Minutes  
**Reason for Report:** The Minutes of the Meeting of Monday 6 December 2010 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

**(Shoebridge/Jarnason)**

**Resolved:**

That the Minutes of the Corporate and Works Committee Meeting of 6 December 2010 be taken as read and confirmed.

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**Item No:** D2 Delegated to Committee  
**Subject:** **Monthly Financial Report – December 2010**  
**Author:** Don Johnston, Manager Finance  
**File No:** 349G  
**Reason for Report:** To present the monthly financial report for December 2010

**(Shoebridge/Jarnason)**

**Resolved:**

- A. That the monthly financial report for December 2010 be received and noted.
- B. That Council consider allocating the \$400,000 proceeds from the maturity of the Quartz CDO to the Property Reserve at the December Quarterly Budget Review.

**Item No:** D3 Delegated to Committee  
**Subject:** **Disclosure of Interest Returns submitted by Designated Employees during the period October to December 2010**  
**Author:** Les Windle – Manager Governance  
**File No:** 169.G  
**Reason for Report:** To table the disclosure of interest returns that have been lodged by new designated employees during the period October to December 2010

(Shapiro/Shoebridge)

**Resolved:**

- A. That the Disclosure of Interest Return of the new designated person who was required to submit a Primary Return during the period October to December 2010 be tabled.
- B. That Council notes that the Primary Disclosure of Interest Return has been submitted in accordance with the requirements of the Local Government Act 1993.

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**Items with Recommendations from this Committee  
Submitted to the Council for Decision (Item R1)**

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**Item No:** R1 Recommendation to Council  
**Subject:** **Budget Strategy for 2011/2012 and Special Rate Variation Application for 2011/2012**  
**Author:** Don Johnston, Manager Finance  
Stephen Dunshea, Director Corporate Services  
**File No:** 331.G 2011/12 and 87.G SRV  
**Reason for Report:** To report back to the Committee following consideration of the 2011/12 Budget discussion paper in December 2010

(Shapiro/Petrie)

**Recommendation:**

That Council:

- A. Note the principal strategy for the preparation of the draft 2011/12 Operational Plan (which supports the four year adopted Delivery Program) is to provide sufficient funding for all continuing services, essential service expansions, infrastructure renewal and capital improvements at similar budget levels and ratios, and maintenance of an adequate working capital balance, subject to the completion of management's comprehensive budget review process.
- B. Endorse the following economic parameters around which the draft 2011/12 Budget will be prepared:

1. That Council adopt a balanced budget for 2011/12.
  2. That the Draft 2011/12 Budget be prepared on the basis of no new loan borrowings.
  3. That no transfers from the Property Reserve, other than for the Kiaora Lands project, be proposed in the Draft 2011/12 Budget and any transfers to and from other Reserves be clearly shown.
  4. Retention of Council's Environmental & Infrastructure Renewal Levy through a successful S508A Special Rate Variation Application submitted under the new IPART assessment and approval process.
  5. That fees and charges be increased by at least CPI where practical unless it would have an adverse impact on forecast revenue or users' capacity to pay.
  6. That the 2011/2012 draft Budget be prepared on the basis of a 5% vacancy rate.
  7. That the 2011/2012 budget be prepared on the basis of the continuation of higher employer contributions to the defined benefits superannuation scheme as notified by the scheme.
- C. Note that in respect of Recommendation 'B (4)' above, Council is required to prepare a budget scenario and rating structure for 2011/12 that does not include the Special Rate Variation.
- D. Note the *Review Today* recommendation that Council's Special Rate Variation Application for 2011/12 comprise retention of the Environmental & Infrastructure Renewal Works Levy and recovery of recent years' extraordinary increases in the Emergency Management Contribution.
- E. Note that having regard to the Council's Resolution of 22 March 2010 to advise of its intention to apply for a Section 508A SRV for 2011/12, and further noting IPART's requirement to be notified of Council's intention to apply for a Special Rate Variation by 28 January 2011, IPART was notified of Council's intention following the Corporate & Works Committee meeting on 24 January 2011.
- F. Note that the notification provided to IPART referred to in 'E' above, included reference to the notification being subject to full Council endorsement at its meeting to be held on 31 January 2011.
- G. The advice to IPART in respect of 'F' above was of Council's intention to apply for a Section 508A Special Rate Variation for 2011/12 in the following terms:
1. in 2011/12, retention of \$1.8m (6.1%) to continue the Environmental & Infrastructure Renewal Levy expiring that year on a permanent basis and an additional \$350k pa (1.1%) to recover an initial proportion of recent years extraordinary annual increases in the State Government imposed Emergency Management Levy); and
  2. in 2012/13, retention of \$1.9m (6.1%) to continue the Environmental & Infrastructure Renewal Levy expiring in that year on a permanent basis and an additional \$350k (1.1%) to recover the balance of recent years extraordinary annual increases in the State Government imposed Emergency Management Levy).
- H. Note the requirement for Council's to formally lodge its Special Rate Variation Application with IPART by 25 March 2011.

- I. Note that in lodging the Application by 25 March 2011, Council must also supply a copy of the Council resolution to adopt the draft Community Strategic Plan, the Draft Delivery Program and the Draft Operational Plan.
- J. Note the stringent timetable for the preparation of Council's draft Delivery Program 2009 to 2013 and Operational Plan 2011/12 resulting from the requirement to supply a copy of the resolution referred to in 'I' above with Council's Special Rate Variation Application.
- K. Note that the results of the detailed analysis of Council's Long Term Financial Plan and Asset Management Plans being undertaken by *Review Today Pty Ltd* will be presented to the Corporate & Works Committee for review prior to the lodgement of Council's Special Rate Variation Application by 25 March 2011.
- L. Immediately commence the community consultation program in relation to the Special Rate Variation as outlined in the Report.
- M. Receives further progress reports in relation to the preparation of Council's 2011/12 Operational Plan and Budget at future Corporate & Works Committee Meetings in order to meet the 25 March 2011 deadline.

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There being no further business the meeting concluded at 6.47 pm.

***We certify that the pages numbered 1 to 7 inclusive are the Minutes of the Corporate & Works Committee Meeting held on 24 January 2011 and confirmed by the Corporate & Works Committee on 7 February 2011 as correct.***

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**Chairperson**

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**Secretary of Committee**