

MINUTES OF THE SPECIAL BUDGET MEETING OF MARANOA REGIONAL COUNCIL HELD AT ROMA ADMINISTRATION CENTRE ON 27 JULY 2016 COMMENCING AT 9.00AM

ATTENDANCE

Mayor Cr. T D Golder chaired the meeting with Deputy Mayor Cr. J L Chambers, Cr. R Bryant, Cr. N H Chandler, Cr. C J O'Neil, Cr. G B McMullen, Cr. D J Scheffe, Cr. J M Stanford, Chief Executive Officer – Julie Reitano, Coordinator Communications – Jane Frith and Minutes Officer – Lauren Owen in attendance.

AS REQUIRED

Director Infrastructure Services – Cameron Castles, Director Development, Facilities & Environmental Services – Rob Hayward, Director Corporate, Community & Commercial Services – Sharon Frank, Manager Strategic Asset Management & Planning – Kym Downey, Manager Economic & Community Development – Ed Sims, Specialist Finance Systems Support – Michael Chow and Coordinator Libraries, Arts & Culture – Michelle Blair.

GUESTS

Gallery members were in attendance at the meeting.

WELCOME

The Mayor welcomed all present and declared the meeting open at 9.04am.

APOLOGIES

Moved Cr Chambers

Seconded Cr O'Neil

That apologies be received and leave of absence granted for Cr. Flynn for this meeting due to him representing Council at the Australian Livestock Markets Association meeting and Saleyards conference.

CARRIED

8/0

ADDRESS FROM THE MAYOR

The Mayor presented an address to the meeting introducing key aspects of the proposed 2016/17 budget. The Mayor's Budget Message was as follows:

It is with great pleasure that I present the 2016/17 Budget – the first of this Council's term. Totalling \$138.7 million, this budget provides a strong financial plan for the coming year. To continue to advance our region, our focus this year is on the maintenance of our roads, facilities, services and infrastructure.

This year's budget minimum general rate, cent in the dollar rate and services increase is 3.5%. As we continue to improve efficiencies across the board, I will be working with the Councillors to keep rate increases to a minimum in the coming years.

We have already made steps towards this, as we are now in a position of no new borrowings. A fantastic achievement for us as a Council – over the next 12 months we will pay \$1.6 million off our debt; putting us in good stead for the future.

Council has been sure to look after the region's pensioners, with a rebate of 50% off the minimum general rate being kept. With a saving of up to a maximum \$282.50 available; when added to the State Government's rebate of \$200, Maranoa's pensioners could potentially receive up to \$482.50 off their annual bill – this is a significant saving. Also, pensioners' gas reticulation network access charge has been halved – going from \$66 - \$33.

Our rural road network has been one of the biggest winners of this budget with \$10.51 million put aside for the upgrade of our roads. With renewal and upgrades prioritised, Council has worked hard to put those roads requiring work in the program for this year. Gravel resheeting work will be a big task for our teams over the next 12 months with over \$4.8 million set aside, as well as widening and seal works with over \$1.6 million allocated.

A few highlights from our rural roads program include:

- Injune's Westgrove Road gravel resheet - \$1.4 million
- Mitchell's Redford Road rehabilitation - \$1.2 million
- Surat's Maranoa Road shoulder widen and seal - \$720,000
- Roma's Orallo Road realignment - \$670,000
- Yuleba's Fernleigh Wyena Road gravel resheet - \$171,120.

Another commitment for our road network includes the hiring of additional Rural Road Maintenance Coordinators. These new roles, will see three coordinators look after central/north, south/east and west rural roads. An exciting initiative for Council, these staff members will be locally based and 'in-the-know' about all the roads in their area.

Implementation of Mitchell's Master Drainage Study will continue progressing this year, with \$550,000 set aside for the replacement of stormwater infrastructure (as recommended by the study). A significant step forward in this project, once complete, the improvements to Mitchell's drainage infrastructure will increase drainage capacity & improve flow paths during rain events.

The region's sporting community can expect exciting times ahead, with a \$1.268 million netball complex at Bassett Park featuring in the Budget. Including eight new netball courts, four team shelters, change rooms, amenities, lighting, clubhouse (with servery) and car parking. A jointly funded project, the State Government has provided \$850,000 and Council \$425,000.

As the current runway at the Roma Airport is approaching the end of its useful life due to high usage in recent years, funds have been allocated from airport revenue towards a new runway overlay. While the project will cost \$5.283 million, we will continue to pursue external funding opportunities for the project.

During deliberations, investment into our community once again featured as a priority. Over the next twelve months Council will be supporting the community by making available over \$441,000 in support of projects and activities that enrich the life of residents within the Maranoa.

This year, Council will also be contributing \$70,000 to the new Wallumbilla State Emergency Service / Rural Fire Brigade Shed. With emergency services, including road crash recovery on the Warrego Highway, often needed by residents from across the Maranoa and beyond, this is an essential investment.

As the first budget for the new term of Council, I'd like to thank the Councillors and the staff for the time and effort they have put in during the budget deliberations.

With a new financial year of Council projects, initiatives and work ahead, I am looking forward to working with our community and Councillors to make our region the best place to visit, live, work and raise a family. Thank you.

BUSINESS
Item Number: 3.1 **File Number:** D16/50714

SUBJECT HEADING: **PRESENTATION OF DRAFT BUDGET 2016/17 AND DRAFT FORWARD ESTIMATES FROM 2017/18 TO 2025/26**
Officer's Title: **Specialist - Strategic Finance**
Executive Summary:

In accordance with 107A of the Local Government Act 2009, it was formally requested that Council consider the budget material that was presented to Councillors on 13 July 2016, in conjunction with any amendments proposed.

By way of background, and as previously advised, the preliminary draft inclusions for the 2016/17 budget were collated by management and staff using the budget parameters as presented to and discussed with Councillors. The Executive Management Team reviewed the draft budget submissions and then presented the information to a series of workshops with Councillors.

Councillors reviewed both operational and capital budget submissions for 2016/17, the proposed fees and charges and policies as required by legislation, e.g. Revenue Policy.

Sections 169 to 171 of the Local Government Regulation 2012 prescribe the requirements for the adoption of Council's budget. The information that was presented complies with the disclosure requirements for the adoption of Council's budget.

- *Statement of Comprehensive Income (Income & Expenditure)*
- *Statement of Financial Position*
- *Statement of Changes in Equity*
- *Cash Flow Statement*
- *Sustainability Ratios (Relevant Measures of Financial Sustainability)*
- *Change in Rates and Utility Charges*
- *Long Term Financial Forecast*

In addition to the legislative requirements for budget, the following items were included in Section 3, 4 and 5 of the Operational Plan (Work Program) and Budget document:

- *Projects (Section 3)*
- *Directorate Budgets (Section 5)*
- *Statement by Business Unit (Section 4)*
- *Statement by Fund (Section 4)*
- *Reserves Budget (Section 4)*

Some key highlights for the 2016/17 budget are:

- *Budget total \$138.7 million*
- *Capital works program \$43.5 million*
- *Repayment of debt of \$1.6 million*
- *General rates (cent in the dollar and minimum general rate) and utility/service charges increase of 3.5%*

Moved Cr Chambers
Seconded Cr McMullen
That the budget and accompanying material be received and Council consider each section individually.
CARRIED
8/0
Responsible Officer
Specialist - Strategic Finance

Item Number: 3.2 **File Number:** D16/50715

SUBJECT HEADING: RE-ADOPTION OF REVENUE POLICY

Officer's Title: Specialist - Strategic Finance

Executive Summary:

Council considered the matter of the Revenue Policy at its meeting on 27 April 2016.

In accordance with s 169 (2) (c) of the Local Government Regulation 2012, the budget must include the Revenue Policy. The policy was submitted for Council's re-adoption.

Moved Cr O'Neil	Seconded Cr Bryant
That the Revenue Policy for 2016/17 be re-adopted.	
CARRIED	8/0

Responsible Officer	Specialist - Strategic Finance
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Item Number: 3.3 **File Number:** D16/50716

SUBJECT HEADING: REVENUE STATEMENT 2016/17

Officer's Title: Specialist - Strategic Finance

Executive Summary:

Section 169 (2) (b) of Local Government Regulation 2012 requires Council to include a Revenue Statement in the Annual Budget. The Revenue Statement is an explanatory statement, detailing the revenue measures applied in the annual budget.

Section 172 of the Local Government Regulation 2012 details what must be contained in the Revenue Statement and Section 193(2) states that the guidelines for preparing the Revenue Statement may be included in the Revenue Policy.

The key inclusions in the Revenue Statement (Section 7 of Operational Plan (Work Program) and Budget document) for residential properties were:

- *General rates – cent in the dollar increased by 3.5%*
- *Minimum general rate increased by 3.5%*
- *Service (water, sewerage, waste) charges increased by 3.5%*
- *Special charges (rural fire brigade levy and Levy for wild dog management and state government precept) increased by 3.5%*
- *Special charges 1 and 2 for the Beaumont Drive cross over improvement program. This is only applicable for 2016/17 financial year*
- *Continuation of the standard pensioner concessions and other concessions.*
- *Continuation of the early payment discount of 10% applicable on general rates only, and if no arrears exist.*

Moved Cr Chambers

Seconded Cr Stanford

That Council:

1. Receive and note the document titled 'Revenue Statement 2016/17' (Section 7 of the Operational Plan (Work Program) and Budget document).
2. Pursuant to Section 81 of the Local Government Regulation 2012 determine that for the purpose of levying differential general rates for the 2016/17 financial year the different categories of rateable land and a description of those categories is included in Attachment 1 of the Revenue Statement "Administration and Differential General Rates".
3. Adopt the Revenue Statement 2016/17 (Section 7 of the Operational Plan (Work Program) and Budget document) in accordance with Section 169 (2) (b) of the Local Government Regulation 2012 and also adopts pursuant to Section 94 of the Local Government Regulation 2012 the overall plans for the following special charges appearing in the Revenue Statement and Attachment 3 "Overall Plan – Beaumont Drive Cross Over Improvement Program Special Charge", namely:
 - Wild Dog Management and State Government Precept
 - Rural Fire Brigade
 - Beaumont Drive cross over improvement program – Special Charges 1 and 2
4. Levy differential general rates, special rates and charges for those properties identified in the Overall Plan relevant to their area and utility charges for the 2016/17 financial year pursuant to Section 94 of the *Local Government Act 2009* at the rates included within the Revenue Statement.
5. Determine, pursuant to Section 118 of the *Local Government Regulation 2012*, those rates and charges must be paid within 30 calendar days after the notice has been issued.
6. Determine to allow a discount for the payment of rates and charges pursuant to Section 130 of the *Local Government Regulation 2012* in accordance with the Revenue Statement.
7. Determine to allow payment of certain rates or charges by arrangements and concessions to certain classes of ratepayer pursuant to Section 129 and Section 119 of the *Local Government Regulation 2012* in accordance with the Revenue Statement.

CARRIED

8/0

Responsible Officer

Specialist - Strategic Finance

Item Number:

3.4

File Number: D16/50717

SUBJECT HEADING:

PENSIONER RATE CONCESSION POLICY

Officer's Title:

Specialist - Strategic Finance

Executive Summary:

Tabling an updated policy for Council's consideration, to enable rate concessions to be granted to eligible pensioners. The policy, which draws on the same criteria as the State Government, will also provide clarity for officers who administer the pensioner subsidy program.

Moved Cr McMullen	Seconded Cr O'Neil
That Council adopt the Pensioner Rates Concession Policy.	
CARRIED	8/0

Responsible Officer	Specialist - Strategic Finance
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Item Number: 3.5 **File Number:** D16/50718

SUBJECT HEADING: DEBT (BORROWINGS) POLICY

Officer's Title: Specialist - Strategic Finance

Executive Summary:

It is a requirement of the Local Government Regulation 2012 (Section 192) that a local government prepare and adopt a debt policy for a financial year. The section defines what should be included in the policy – i.e.:

- (a) the new borrowings planned for the current financial year and the next 9 financial years; and*
- (b) the period over which the local government plans to repay existing and new borrowings.*

Moved Cr Chambers	Seconded Cr Schefe
That the Debt (Borrowings) Policy incorporated in Section 8 of the Operational Plan (Work Program) and Budget document be adopted.	
CARRIED	8/0

Responsible Officer	Specialist - Strategic Finance
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Item Number: 3.6 **File Number:** D16/50719

SUBJECT HEADING: INVESTMENT POLICY

Officer's Title: Specialist - Strategic Finance

Executive Summary:

Local Government Act 2009 (Section 101 and Section 104 (5) (c) (i)) and Local Government Regulation 2012 (Section 191) state that a local government must prepare and adopt an investment policy.

Council has a number of responsibilities when investing funds. These responsibilities were outlined in Section 47 and Section 48 of the Statutory Bodies Financial Arrangements Act 1982.

Moved Cr Schefe	Seconded Cr Stanford
That the Investment Policy incorporated in Section 10 of the Operational Plan (Work Program) and Budget document be adopted.	
CARRIED	8/0

Responsible Officer	Specialist - Strategic Finance
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Item Number: 3.7 **File Number:** D16/50720
SUBJECT HEADING: FEES & CHARGES 2016/17
Officer's Title: Specialist - Strategic Finance

Executive Summary:

Council initially considered and adopted the schedule of Fees & Charges at its meeting on 8 June 2016. The full schedule was presented to Council for re-adoption. The main changes were:

- Stock agents' selling permit – from minimum charge \$4,000 plus \$0.15 per head to \$4,000 including GST
- Change fee description - from Saleyard Capital Upgrade (Reserve) Fee to Agents Operating Fee
- Change fee description – from Post Sale Buyers Service Fee to Post Sale Handling and Transfer Fee (includes NLIS)

Moved Cr Bryant	Seconded Cr Stanford
That Council:	
<ol style="list-style-type: none"> 1. Adopt the fees in Section 11 of the Operational Plan (Work Program) and Budget document presented. 2. Resolve that, in relation to those cost-recovery fees to which Section 97 of the <i>Local Government Act 2009</i> applies: <ol style="list-style-type: none"> (i) the applicant is the person liable to pay these fees; and (ii) the fee must be paid at or before the time the application is lodged; and 3. Delegate to the Chief Executive Officer the power to amend commercial charges to which section 262 (3) (c) of the <i>Local Government Act 2009</i> applies. 4. Approve a rebate of \$0.17 including GST per day, to domestic gas customers who are currently in receipt of the Department of Communities, Child Safety and Disability Services – Reticulated Natural Gas Rebate and update the 2016/17 Schedule of Fees and Charges accordingly. 	
CARRIED	8/0

Responsible Officer	Specialist - Strategic Finance
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NOTE: At a Special Meeting held on 11 November 2016, Council resolved to amend the Special Budget Meeting Resolution with respect to the Fees & Charges 2016/17 as follows:

Resolution No. SM/11.2016/01

Moved Cr Chambers

Seconded Cr Bryant

That Council:

Amend Special Budget Meeting Resolution – 27 July 2016

That the Post Sale Handling and Transfer Fee (including NLIS) be removed from the 2016/17 Fees & charges Schedule and refunds be provided to those who have paid.

CARRIED

9/0

Item Number: 3.8 **File Number:** D16/50721

SUBJECT HEADING: **ADOPTION OF BUDGET 2016/17 & FORWARD ESTIMATES 2017/18 TO 2025/26**

Officer's Title: **Specialist - Strategic Finance**

Executive Summary:

In accordance with Section 107A of the Local Government Act 2009, it was formally requested that Council adopt the tabled budget material, containing information presented to Councillors on the 13 July 2016, and any amendments that Council may resolve to make.

Sections 169 to 171 of the Local Government Regulation 2012 prescribes the requirements for the adoption of Council's budget. The information that was presented complies with the disclosure requirements for the adoption of Council's budget.

- *Statement of Comprehensive Income (Income and Expenditure)*
- *Statement of Financial Position*
- *Statement of Changes in Equity*
- *Cash Flow Statement*
- *Sustainability Ratios (Relevant Measures of Financial Sustainability)*
- *Change in Rates and Utility Charges*
- *Long Term Financial Forecast*

In addition to the legislative requirements for budget, the following items have been included in Section 3, 4 and 5 of the Operational Plan (Work Program) and Budget document:

- *Projects (Section 3)*
- *Directorate Budgets (Section 5)*
- *Statement by Business Unit (Section 4)*
- *Statement by Fund (Section 4)*
- *Reserves Budget (Section 4)*

Moved Cr O'Neil

Seconded Cr Chandler

That Council:

1. Receive and note the change in rates and utility charges for 2016/17 (Section 4).
2. Receive and note the 2016/17 capital works program and one off special projects and funding sources (Section 3).
3. Receive and note the Directorate budgets 2016/17 (Section 5).
4. Receive and note the relevant measures of financial sustainability (Section 4).
5. Receive and note the financial summaries for Council's business units and funds (Section 4).
6. Receive and note the budgeted financial statements and the long term financial forecast (Section 4):
 - Statement of Comprehensive Income (Income and Expenditure)
 - Statement of Financial Position
 - Statement of Changes in Equity
 - Budget Cash Flow Statement
 - Long Term Financial Forecast
7. Receive and note the budgeted reserves 2016/17 (Section 4).
8. Adopt the 2016/17 Budget and Forward Estimates to 2025/26 (Sections 3, 4 and 5).

CARRIED

8/0

Responsible Officer

Specialist - Strategic Finance

Item Number:

3.9

File Number: D16/63734

SUBJECT HEADING:

OPERATIONAL PLAN 2016/17

Officer's Title:

Director - Corporate, Community & Commercial Services

Executive Summary:

Under Section 104 (5)(a)(v) of the Local Government Act 2009, Council's financial management systems must incorporate an annual operational plan. Under Section 174 of the Local Government Regulation 2012, a local government may adopt the annual operational plan for a financial year at the same time the local government adopts its budget for the financial year. The contents of the annual operational plan are detailed in section 175 of the Local Government Regulation 2012.

The Local Government may, by resolution, amend its annual operational plan at any time before the

end of the financial year.

Moved Cr Chambers	Seconded Cr Scheffe
That Council:	
1. Receive and note the information included in the report.	
2. Adopt the Operational Plan (Work Program) for 2016/17 incorporating: <ul style="list-style-type: none"> • Work Program (and Budget) Highlights 2016/17 (Corporate Plan Linkages) • Sections 1, 2, 3 and 13 of the Work Program and Budget document. 	
CARRIED	8/0

Responsible Officer	Director - Corporate, Community & Commercial Services
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Item Number: 3.10 **File Number:** D16/55033

SUBJECT HEADING: CATEGORISATION OF LAND FOR DIFFERENTIAL GENERAL RATES

Officer's Title: Specialist - Strategic Finance

Executive Summary:

The report tabled a listing of all parcels of land within the region, and detailed the proposed categorisation for the purposes of calculating the differential general rates.

Moved Cr Bryant	Seconded Cr Stanford
That Council adopt the categorisation of land parcels in accordance with the requirements of Section 81 of the <i>Local Government Regulation 2012</i>.	
CARRIED	8/0

Responsible Officer	Specialist - Strategic Finance
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CLOSURE

There being no further business, the Mayor thanked Council for their attendance and declared the meeting closed at 9.22am.

These Minutes are to be confirmed at the next General Meeting of Council to be held on 10 August 2016, at Roma Administration Centre.

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Mayor

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Date