

## Response to feedback session questions

### 2020/21 Draft Budget

#### **Can you describe what is in 'other corporate'?**

Other corporate includes all the costs (and when we say all the costs – we mean everything staffing costs, election costs, councillor allowances, audit fees, information technology service contracts and more) associated with the following departments:

- Finance
- ICT
- Records
- Communications
- Customer Service
- Councillors
- Executive Management, and
- Governance.

This is separate from the cost associated with 'organisation' which covers human resources and risk, including insurances and staff training.

#### **What can Council do to raise funds for coronavirus initiatives other than a rate rise?**

Council is watching every grant opportunity very closely and will work hard to secure as much funding as possible to support our community.

We were excited to recently secure almost \$1.5 million in funding for road and infrastructure projects. As you heard in our presentation, we manage more than 2200km of roads (1469km unsealed and 735km sealed), 520 bridges and culverts and 405 buildings and structures so financial assistance from the Federal Government to help us do this is always welcomed.

During our Draft Budget online feedback sessions, we're also heard our community wants us to reprioritise projects during this challenging time for our community.

*Councillors are now considering this and will provide more information as soon as we can.*

#### **Is it true ratepayers in Elloura get a concession and if so why?**

When the development was proposed some years ago an agreement was reached whereby the developer provided infrastructure and services in return for a temporary rate rebate. This agreement is commercial in confidence, which means we are unable to provide more detail. The rebate will expire next year (2021).

#### **Can you provide more detail on the large capital item (water park) for Nagambie?**

In 2018 Council endorsed the Community Pools Strategy that identified a potential water play / splash park development in Nagambie near the lake, rather than a traditional pool.

During March this year, Council engaged with the community in several different ways (online, in person, on social media and via email) on further detail of this water play / splash park development.

We received some really positive feedback and Council will be considering the feasibility study prepared by @Leisure Planners in coming months.

#### **How much for the expansion of urban tree cover?**

Council has an ongoing program of tree replacement and it has identified community tree planting as one of the areas to work on as part of the Working for Victoria initiative. Through this initiative we will have staff available to support the community and about \$40,000 in funding for trees.

We're impressed by the community's drive on this project and are looking forward to seeing more action in this space.

## How do swimming pools stack up?

Council's four aquatic facilities have run at a net cost to Council of an average \$330,000 per year. This does not include provisions for progressive improvements through the capital works program.

At the Council meeting on May 19 this year, Councillors voted to outsource the management and operations of our aquatic facilities via an open public tender process. We will also form an Aquatic Facilities Reference Group to ensure community input into the implementation and ongoing reviews of the Strathbogrie Community Pools Strategy 2019/20.

The decision to outsource management of the pools is a sound financial decision. The pools are expensive to run and maintain and attendances are dropping year on year.

Engagement of a professional operator will also assist in managing Council's risks.

The tables below outline attendance at each pool and expenditure, and we have provided a third table outlining cost when pools were outsourced in the past.

**Table 1: Attendance at Council pools.**

Pool	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Avenel	3,189	4,890	4,404	4,815	3,679	3,308
Euroa	10,757	16,509	15,306	16,108	17,325	9,328
Nagambie	3,429	2,589	2,891	3,034	3,424	2,209
Violet Town	13,680	19,422	16,163	12,154	6,468	4995
Attendance (Total)	31,055	43,410	38,764	36,111	30,896	18,834

**Table 2: Income and expenditure on Council pools.**

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Income</b>	-\$5,442	-\$7,527	-\$4,996	-\$6,321	-\$16,415	-\$13,702
<b>Expenditure</b>	\$281,723	\$327,537	\$346,648	\$358,894	\$275,354*	\$452,474
<b>Net Result (Exp.)</b>	\$276,281	\$320,010	\$341,652	\$352,573	\$258,939	\$438,772

**Table 3. Costs of past contractors.**

Contractor Payments	2016/17	2017/18
Euroa Pool	\$98,016	\$105,884
Nagambie Pool	\$47,286	\$49,375
Violet Town Pool	\$56,792	\$62,164
Avenel Pool	\$50,276	\$54,342
Total	\$252,370	\$271,766



## What opportunities is there to divert more waste from landfill?

Councils average diversion rate from landfill is 70 per cent, which is significantly higher than the state average of 46 per cent. This is because of all the great work our residents do in separating out their recycling and organics to prevent them from going to landfill.

**Table 4. Strathbogie Shire diversions rates.**

	2014/15 (%)	2015/16 (%)	2016/17 (%)	2017/18 (%)	2018/19 (%)	2019/20 (%)
<b>July</b>		66.91	67.57	68.11	66.92	66.97
<b>August</b>		67.03	69.34	68.17	68.34	68.48
<b>September</b>		68.34	71.34	69.66	72.01	72.87
<b>October</b>		70.23	74.48	73.24	72.29	73.01
<b>November</b>		69.53	72.00	72.29	72.00	71.42
<b>December</b>		68.62	71.34	71.89	71.30	68.06
<b>January</b>		70.24	70.97	69.51	68.41	67.95
<b>February</b>		69.86	70.13	70.06	68.72	70.22
<b>March</b>		65.19	67.85	67.25	66.92	69.43
<b>April</b>	33.44	67.01	68.21	68.98	67.77	72.10
<b>May</b>	29.03	67.95	69.26	68.33	67.62	71.52
<b>June</b>	29.03	67.19	69.33	67.91	69.31	
<b>Average</b>		<b>68.18</b>	<b>70.15</b>	<b>69.62</b>	<b>69.30</b>	<b>70.18%</b>

## Why is funding for the tennis and croquet club so high?

There is \$100,000 outlined for a new septic system at the Euroa Tennis Club. This is to replace a failed system, connections to the sewer are also being considered.

This is an example of a project we could fund through the \$1.5 million in Federal Government funding.

At the Euroa Croquet Club, the \$17,000 is allocated to paint works, this is part of Council's cyclical maintenance program.

## Are these clubs free and accessible for ratepayers?

Membership fees, or court hire fees, apply to both clubs. You can find out more on the Euroa Lawn Tennis Club's [website](#) and the Croquet Victoria [website](#).

## Can Council commit to continuing the community street tree planting?

As we mentioned earlier we have outlined staff to help through the Victorian Government funded Working for Victoria project and have allocated \$40,000 for trees.

## Can capital works be deferred with money going to help people who are struggling?

As we said above, reprioritising projects was a message we heard during our Draft Budget online feedback sessions.

*Councillors are now considering this and will provide more information as soon as we can.*

## How will additional rate funds be allocated?

*Councillors are now considering this and will provide more information as soon as we can.*

We can say, we will work with our community to understand the best way to provide support. We

# Fact Sheet



understand community engagement hasn't always been perfect in the past, and we may not get it right every time in the future.

But we're committed to a change in this area – to involve the community at the very start and to make better decisions together.

## **I know last year a phenomenal amount was saved for council assessing electricity providers. How much does it cost to run aging and inefficient buildings?**

Council is constantly reviewing not only electricity usage, but water usage as well, in an effort to improve the sustainability of our facilities and recreational spaces.

Projects include continual review of power purchasing arrangements, alternative sources of water for the ovals and programmed maintenance of buildings.

We also keep an eye out for grants to install solar panels and water tanks for all our community buildings.

## **Are councillors getting a pay increase?**

Councillor allowances are set by the Victorian Local Government Minister based on categories of Council size. Our Council fits into Category 1.

Allowances are subject to annual automatic adjustments that are announced in the Victoria Government Gazette by the Minister.

Councils are also required to review allowance levels by June 30 in the year following a general election. You can learn more about Councillor remuneration on the Know Your Council [website](#).

## **Can you please explain your method in community consultation when arriving at your decision for a 1.9% rate increase to be included in the Draft Budget?**

Council's long-term financial plan sets high level targets for expenditure and revenue, including rates, which are subject to Victorian Government rate capping legislation.

While future projections are in the order of two per cent for rate increases, Council makes this decision on an annual basis considering the service needs of the community, asset

management requirements and other considerations.

## **Specifically what methods did you use to gather feedback from a statistically significant sample of ward residents, businesses and farmers and how many people did you speak to and receive feedback from (prior to the release of the Draft Budget)?**

Strathbogie Shire engaged with its residents to develop the Council Plan in 2016 for the term of this Council. We did this through 'Let's Talk' a series of conversation cafes – where Councillors visited areas right across the Shire to gather our community's thoughts, feedback and advice.

This Council Plan is then used to inform each year's Budget. Once Council has developed its Draft Budget it was released for consultation and our community could provide their thoughts through:

- A written submission
- An online form
- By attending an online feedback session

This consultation period has resulted in 89 submissions being received and 19 people wanting their submissions to be heard, all of which will be considered by Councillors before making their final decision.

Councillors are also always out-and-about in their communities asking questions and seeking feedback. While this may not be seen as planned Engagement – it certainly helps Councillors with their decision making.

When it comes to community engagement – we're committed to doing it better. To bring the community in at the start – the planning phase and moving higher along the engagement spectrum than 'consult'. We know we can make better decisions together.

We also know the online sessions we ran weren't perfect, but we hope our community sees it as a proactive change – given the current coronavirus restrictions.

There's no way we'll get it right every time. But we'll be open, honest and we'll certainly try!

# Fact Sheet

The report provided to Councillors on the feedback to the Draft Budget will be made available to the public and we'll let you know when this happens.

## **Is there money set aside for a cultural change program for council staff?**

No, but we have a new CEO and leadership team that's passionate about this community, about change and about doing better.

## **Rate rises have been reported in the Stock and Land of nearly 10 per cent. How is that justified with grain and wool prices over 50 and 80 per cent reductions?**

The Stock and Land story is referring to the impacts of valuations on rates. Property valuations are not conducted by Strathbogrie Shire. It is a process conducted independently and annually by the Valuer-General in accordance with Victorian Government legislation. Rate outcomes on individual properties will always be affected by movements in valuation.

Over the past two years Council has reduced the farm rate differential from 85 per cent of the residential rate to 80 per cent while also reducing the municipal charge.

Council understands the effects of the Valuer-General's annual valuations and have proactively made changes to our differential rating structure in an effort to provide our farmers more relief.

## **What's the justification that new people moving to the area get a rate freeze while current ratepayers who contribute and are part of the community get nothing but rate rises?**

The two-year rate exemption for eligible first home buyers was initiated in 2017 after council's 'Let's Talk' community conversation program. The two-year rate exemption was part of a plan to reinvigorate our Shire through the attraction of new residents and industry.

## **What's the plan for the new \$1.2 million grant received?**

We secured almost \$1.5 million in funding for road and infrastructure projects. However, it's a little too early to say how it will be spent – we're

committed to sound financial management so we need to make sure we get the very best bang for our buck.

The funding can be used for road and community infrastructure projects and council will consider potential projects very soon.

## **How will you direct the Council to spend the \$320,000 collected from the 1.9 per cent increase to base rates. It is not included in the draft budget as an allocated expense. Will there be an established, transparent decision-making process on expenditure. Is there a selection criteria, and who will make this decision?**

*This is another decision Councillors are considering based on the significant feedback received on the Draft Budget – we will keep you informed with more information provided ASAP.*

## **Why did Council not seek Federal Government drought funding?**

Council received two allocations of \$1 million (total \$2 million) as recognition of being affected by drought. Projects under this funding are now being rolled out. Just some examples of these are (but not limited to):

- Improved water infrastructure for community facilities (tanks, generators etc)
- Improvements to tracks and trails
- Footpath projects
- Work on the Nagambie Regatta Centre

## **Following the VAGO report how can Council say a rate increase shows a change of culture?**

Independent of the rate increase Council has:

- Strengthened the audit committee
- Reviewed a number of processes
- Improved reporting to Council Audit Committee
- Eliminated processes that were subject to criticism by VAGO.

All our actions can be found in our VAGO Action Plan on our [website](#).