

**City of Kingston
Special Council Meeting**

Minutes

16 June 2009

A Special Meeting of the Kingston City Council was scheduled for 6.00pm at 1230 Nepean Highway Cheltenham on Tuesday 16 June 2009.

Business was as follows:

- 1. Apologies**
- 2. Declaration by Councillors or Officers of any conflict of interest.**
- 3. Reports by Officers**
L 79 Adoption of 2009/10 Annual Budget and 2009 -2013 Council Plan
- 4. Urgent Business**
- 5. Confidential Items in Camera**

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Minutes of the Special Meeting of the Kingston City Council held at 1230 Nepean Highway Cheltenham, on Tuesday 16 June 2009 at 6.20pm.

Present: Cr Arthur Athanasopoulos (Mayor)
Cr Donna Bauer
Cr Ron Brownlees
Cr Paul Peulich
Cr John Ronke
Cr Trevor Shewan
Cr Steve Staikos
Cr Lewis Dundas
Cr Rosemary West OAM

In Attendance: John Nevins – Chief Executive Officer
Mauro Bolin – General Manager Community Sustainability
Tony Rijs – General Manager Environmental Sustainability
Elaine Sowerby – General Manager, Organisational
Development & Governance
Bernard Byrden – Manager Financial Services
Michael Petit – Manager Communications & Promotions
Jason Stubbs – Manager Governance & Performance Planning
Michael Fry – Team Leader Council Business

Business will be as follows:

1. Apologies

Nil.

2. Declaration by Councillors or Officers of any conflict of interest.

Nil.

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Submitter	Issue Raised	Officer Comment
	<ul style="list-style-type: none"> • Requested further information on many aspects on how the budget was formulated including: details of employee and salary calculations; what CPI was used; how was the \$20 increase in the Council rebate funded; employee costs increased 8.8%, what salary rise is built in? 	<p>\$20 increase in the Council rebate was funded by a combination of expenditure constraint and ongoing financial efficiency opportunities.</p> <p>Employee costs have not increased by 8.8%. Council, in 2009/10, due to global environmental crisis, is expecting a reduced staff turnover rate ie less vacant positions and for a shorter time.</p>
	<p>In summary, Mr Stanhope thought that Councillors hadn't considered the state of the economy by increasing rates above 2.5%.</p>	<p>Council has expended considerable effort in developing the budget incorporating a \$1.0m reduction in budget income due to the global economic crisis, whilst still maintaining all services and its commitment to closing the asset renewal gap.</p>
<p>Mr Brian Edgar</p>	<p>Issues raised include:</p> <ul style="list-style-type: none"> • Rate increase of 5.75% is too high and is actually 6.23% on the rate in the dollar and 6.76% on 2008/09. • Employee costs are up 8.82% with the EBA (Enterprise Bargaining increase of 4.4%, is this likely? <p>In summary, Council needs to find ways to prune the budget so that they can reduce the rate increase.</p>	<p>Council states that total rates and charges revenue will be increasing by 5.75% from the annualised rate base.</p>
<p>Mr Tony Hammond</p>	<p>Pending Rate increase is several times the rate of inflation and that the advertised rate increase of 5.75% is actually 6.3%. Council should become more efficient and limit increases to no more than CPI increases.</p>	<p>Council states that total rates and charges revenue will be increasing by 5.75% from the annualised rate base.</p>
<p>Mr Neil Hamilton</p>	<p>Rate increase published of 5.75% is misleading and is actually an increase of 6.1%</p>	<p>Council states that total rates and charges revenue will be increasing by 5.75% from the annualised rate base.</p>

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A detailed response from the Finance Manager will be provided to the submitters following the adoption of the Budget.

Having received no submissions for the Council Plan it is now considered appropriate to adopt the 2009-2013 Council Plan. The Council Plan must be submitted to the Minister by 30 June 2009.

The Budget that was presented to the Community requires minor amendment to account for the current status of the capital works program which has been adjusted for some capital carry forward projects and revenue adjusted for payments brought forward to June 2009 for Capital Grants, Tip Income and the Victorian Grants Commission that was planned for 2009/10 that is anticipated to now be received in 2008/09.

A summary of the adjustments to the Draft 2009/10 Budget on the Statement of Cash Flows are as follows:

Item		Forecast 2008/09 \$'000		Budget 2009/10 \$'000		Net Effect 30 June 2010 \$'000
Carry Forwards Capital (See Attachment C for Details)	-	1,812	+	1,812		Nil
Grants Commission Income	+	915	-	915		Nil
New Capital Projects *(Fully Funded)			+	3580	+	3,580
New Capital Grants	+	2101	+	1479	-	3,580
Tip Income	+	216	-	187	+	29
Net Cashflow movement					+	29

* (Federal Grants funding received for Chelsea Cycling & Walking Project \$54k, Kingston Heath Soccer Facilities \$2,926k and North Aspendale Renourishment Project \$600k).

Copies of the adjusted budget attachments (attachment A, Financial Statements, attachment B, Statutory Disclosures, attachment C, Capital Works Program, attachment D, Departmental Annual Business Plans & Output Indicators, attachment E, Fees & Charges and attachment F, Key Strategic Activity Indicators) proposed to be adopted are attached to the agenda papers. Further copies of the attachments are available in the public gallery foyer for perusal by interested members of the public gallery.

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Recommendation

That:-

1. Council adopt the 2009/10 Budget and Statutory Information (including fees and charges) as presented;
2. In respect of Rates and Charges:-
 - a) Declare a General Rate of 0.21011 cents in the dollar for all rateable properties;
 - b) A Municipal Charge of \$106 per rateable property; and
 - c) Waste Service Charges as follows:-

Service Choice A - 120 litre garbage, 240 litre recycling and 240 litre green waste bins	\$172 pa
Service Choice B – 80 litre garbage, 240 litre recycling and 240 litre green waste bins	\$135 pa
Service Choice C – 120 litre garbage, 240 litre recycling and 120 litre green waste bins	\$160 pa
Service Choice D – 80 litre garbage, 240 litre recycling and 120 litre green waste bins	\$124 pa
Service Choice E – 120 litre garbage and 240 litre recycling bins	\$120 pa
Service Choice F – 80 litre garbage and 240 litre recycling bins	\$96 pa
Service Choice G – 240 x 2 Share Garbage, 240 Recycle	\$94 pa
Service Choice H – 240 x 3 Share Garbage, 240 Recycle	\$83 pa
Service Choice I – 240 x 4 Share Garbage, 240 Recycle	\$73 pa
Service Choice P – 120 x 2 Share Garbage, 240 Recycle	\$74 pa
Service Choice W – Additional 120 Green Waste Bin	\$36 pa
Service Choice X – Additional 240 Green Waste Bin	\$45 pa
Service Choice Y – Additional 240 Garbage Bin	\$86 pa
Service Choice Z – Additional 120 Garbage Bin	\$86 pa

3. It be recorded that Council will grant a waiver of \$60.00 of general rates for the property subject to the State Government Municipal Rates Concession pursuant to Section 171 of the Local Government Act 1989.
4. In addition to payment annually or four (4) times yearly on the dates specified in the Local Government Act 1989, namely:-
 - a) in a lump sum on or, before 15 February 2010; or
 - b) by four approximately equal instalments paid on or before 30 September 2009; 30 November 2009, 28 February 2010 and 31 May 2010.

Council may, by further recommendation, specify further options for the manner in which the general rates, municipal charge and annual service charges may be paid.

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5. No incentive be declared for early payment of general rates, municipal charge and waste service charge.
6. The Chief Executive Officer of Council be authorised to give public notice of the adoption of the Budget and Statutory Information in accordance with Sections 130(2) of the Local Government Act 1989.
7. It be recorded that Council requires any person to pay interest on any amounts of rates and charges which:-
 - a) that person is liable to pay; and
 - b) have not been paid by the dates specified for their payment.
8. The interest for the 2009/10 rating year is to be calculated at the rate fixed under Section 2 of the Penalty Rate Act 1983 that is applicable at 1 July 2009 pursuant to Section 172(2) of the Local Government Act 1989 as amended by the Local Government (Further Amendment) Act 1997.
9. The Manager, Finance be authorised to levy and recover the general rates, municipal charge and annual service charges in accordance with the Local Government Act 1989.
10. Council adopt the 2009/2013 Council Plan.

Motion:

Crs Staikos/Brownlees

That the recommendation contained in the report be adopted.

Amendment:

Crs Peulich/Dundas

That the adoption of the budget be deferred pending Council officers finding efficiencies and / or savings.

Formal Motion:

Cr Staikos

That the amendment be now put.

The formal motion to put the amendment was **put and carried**.

The amendment was **put and lost**.

A division was called.

Formal Motion: Suspension of Standing Orders

Crs Staikos/Brownlees

That standing orders be suspended to provide for the clarification of certain matters associated with the intent of the amendment.

The formal motion to suspend standing orders was **put and carried**.

Cr Shewan left the meeting at 7.03pm and returned at 7.05pm.

Formal Motion: Resumption of Standing Orders

Crs Staikos/West

That standing orders be resumed.

The formal motion to resume standing orders was **put and carried**.

The division was conducted.

Division

For

Cr Dundas
Cr Peulich
Cr Shewan
Cr West

Against

Mayor Cr Athanasopoulos
Cr Bauer
Cr Brownlees
Cr Ronke
Cr Staikos

The Chairperson declared that the amendment was **lost**.

The motion was **put and carried**.

A division was called.

Division

For

Mayor Cr Athanasopoulos
Cr Bauer
Cr Brownlees
Cr Ronke
Cr Staikos

Against

Cr Dundas
Cr Peulich
Cr Shewan
Cr West

The Chairperson declared that the motion was **carried**.

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4. Urgent Business

There were no items of urgent business.

5. Confidential Items in Camera

There were no items in camera.

The meeting closed at 7.52pm.

Confirmed.....His Worship The Mayor 29 June 2009.