



DISTRICT COUNCIL OF
ORROROO/CARRIETON
Southern Flinders Ranges • Established 1997

AGENDA

Special Council Meeting

Wednesday 19th June 2019

Commencing at 11.00am

District Council of Orroroo Carrieton

Notice is hereby given pursuant to Section 83 of the Local Government Act 1999, that a Special Council Meeting of Council will be held in the Council Chambers, 17 Second Street Orroroo SA, on Wednesday 19th June 2019 commencing at 11.00am.

The purpose of the Special Council Meeting is to consider the following reports:

- Draft 2019/2020 Annual Business Plan And Budget
- Review of Fees & Charges for 2019/2020
- Capital Works – Council House 46 Sixth Street Orroroo

Dylan Strong
Chief Executive Officer

14th June 2019

THE DISTRICT COUNCIL OF ORROROO CARRIETON
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THE DISTRICT COUNCIL OF ORROROO CARRIETON
AGENDA FOR A SPECIAL COUNCIL MEETING OF COUNCIL TO BE HELD ON
WEDNESDAY 19TH JUNE 2019 COMMENCING AT 11.00AM
IN THE COUNCIL CHAMBERS, SECOND STREET ORROROO

Opening

1: PRESENT:

2: APOLOGIES: Cr Lorna Schmidt

3: DECLARATION OF CONFLICT OF INTERESTS

Elected Members are reminded of the requirements for disclosure by Members of a conflict of interest (whether a material conflict of interest under section 73 of the Act or an actual or perceived conflict of interest under section 75 of the Act) in items listed for consideration on the Agenda.

Sections 74 and 75A of the Local Government Act 1999 respectively require that Elected Members declare any material conflict of interest and any actual or perceived conflict of interest and provide details of the nature of the interest to the Council prior to consideration of that item on the Agenda. In relation to an actual or perceived conflict of interest, Elected Members must also explain how they intend to deal with that interest.

Each Member of a Council has a duty to vote at all meetings unless exempted by legislation.

The major exemption being where a Member has a conflict of interest.

4: BUSINESS OF MEETING

4.1 DRAFT 2019/2020 ANNUAL BUSINESS PLAN AND BUDGET

MEETING: SPECIAL COUNCIL MEETING
DATE: 19TH June 2019

SECTION: BUSINESS OF MEETING
AUTHOR: CHIEF EXECUTIVE OFFICER



Timeframe	Current	For the period ending	14 th June 2019
Budget Impact	Yes		
Risk Assessment	Level	High	Comments and controls: Quarterly review of annual budget Quarterly financial report to Council Regular monitoring of financial indicators
File Reference			

STRATEGIC LINKAGE

STRATEGIC AND COMMUNITY PLAN 2017-22		
Governance, Finance and Advocacy		4
Achieve and maintain long term financial sustainability by implementing sound financial management policies, controls, reporting and management plans, and timely asset replacement		4.1
Achieve and maintain legislative compliance via sound policy and procedures		4.2
Ensure sound governance, leadership, advocacy and organisational development via sound and researched decision making, policies and procedures; training and development, and WHS and risk management		4.3
FUNCTIONAL OBJECTIVES	Link	Priority
Governance, Finance and Asset Management		
Achieve and maintain Long Term Financial Sustainability	4.1, 4.3	High
Maintain sound governance, legislative compliance and financial management	4.2, 4.3	High

RECOMMENDATION

That the 2019/2020 Draft Annual Business Plan and Budget be released for Public Consultation in accordance with the consultation strategy included within the Plan that incorporates two public forums held at Carrieton and Orroroo.

EXECUTIVE SUMMARY:

Highlights of this report include:

- An operating deficit of \$48k is being forecast for 2019/20.
- Revenue in 2019/20 includes \$1,158k proposed to be raised from general and other rates. This is based on an increase of 1.3%, equivalent to local government indexation (March '19).
- The operating surplus ratio from the proposed 19/20 budgeted activity for the year is (2%).
- The forecast Asset Sustainability Ratio is 43% which indicates that proposed replacement of assets in the 2019/20 financial year is below the desired level.
- The Net Liabilities Ratio of 1% indicates that Council has a manageable level of Net Financial Liabilities.
- The calculated financial ratios indicate that the proposed Annual Business Plan and the associated Budget that underpins it, is financially sustainable over the following 12 months is in accordance with the Long Term Financial Management Plan and Strategy.
- Review of the Asset Management Plan which informs the Business Plan & Budget has been completed and is attached in this agenda in a separate report.
- Review of the Long Term Financial Plan to accompany the Business Plan and Budget had not been completed at the time of preparing this report.

BACKGROUND

The Draft Annual Business Plan and Budget 2019/2020 has been prepared in accordance with the legislative requirements contained in Section 123 of the Local Government Act 1999 and the Local Government (Financial Management) Regulations.

DISCUSSION

The 2019/2020 Draft Annual Business Plan and Budget has been prepared in conjunction with the Strategic and Community Management Plan 2017–2022, Long Term Financial Management Plan and Asset Management Plan.

The following summarises the draft Plan:

Statement of Comprehensive Income

The Statement of comprehensive income illustrates the following:

Base line Operating Deficit (before capital and additional grant funding) of (\$48,000) being a ratio of deficit (2%)

Income

The following summarises the income:

- Total income \$2,989,000
- General Rates increase of 1.3% - \$1,014,084
- NRM Levy Increase of 8.72% to \$38,852
- Grants Commission General Purpose Grant to remain at \$934,000 (this will be adjusted when final advice of the allocation is received)
- Waste Collection Levy - \$144,074

- Grants Commission Formula Funding \$265,876
- Roads to Recovery Funding \$259,000
- Private Works \$20,000
- Other income \$323,114

Expenditure - Operating

The following summaries the expenditure

- Total expenditure \$3,038,000
- Wages and Salaries \$932,000
- Materials, Contractors & Other Expenses \$1,131,000
- Depreciation \$948,000
- Finance Charges \$26,000

Capital Expenditure

Projects included in the budget with the projects totalling \$738,000.

Audit Committee Consideration

The Audit Committee will meet June 19 (following the Special Meeting) to consider the Annual Business Plan and Budget and provide recommendations to Council for consideration prior to final adoption.

Public Consultation

The Public Consultation of the Draft 2019/2020 Annual Business Plan and Budget includes the following:

Consultation commences on Thursday 20th June 2019 and will conclude on Friday 12th July 2019 at 5.00pm, with the consultation process including two public forums held at:

- Carrieton Recreation Clubrooms, Carrieton – Tuesday 2nd July 2019 commencing at 6.30pm
- Orroroo Memorial Hall, Orroroo – Wednesday 3rd July 2019 commencing at 6.30pm

The Draft Annual Business Plan and Budget 2019/2020 consultation and submission process will be advertised in the Flinders News and in Council's Goyder Line Gazette publication.

Copies of the Draft Annual Business Plan and Budget will be available at:

- Council Office 17 Second Street, Orroroo
- Carrieton General Store, Carrieton
- Council's website

Submissions are invited to be made in the following ways:

- Delivered to the Council Office, 17 Second Street, Orroroo
- Posted to DC of Orroroo Carrieton PO Box 3, Orroroo, SA, 5431
- Emailed to council@orroroo.sa.gov.au

A copy of the 2019/2020 Draft Annual Business Plan and Budget is enclosed with this report.

ATTACHMENT: YES

4.2 REVIEW OF FEES & CHARGES FOR 2019/2020

MEETING: SPECIAL COUNCIL MEETING
DATE: 19TH June 2019

SECTION: BUSINESS OF MEETING
AUTHOR: MANAGER OF CORPORATE & COMMUNITY SERVICES



Timeframe	Current	For the period ending	14 th June 2019
Budget Impact	Yes		
Risk Assessment	Level	Medium	Comments and controls:
File Reference			

STRATEGIC LINKAGE		
STRATEGIC AND COMMUNITY PLAN 2017-22		
Governance, Finance and Advocacy		4
Achieve and maintain long term financial sustainability by implementing sound financial management policies, controls, reporting and management plans, and timely asset replacement		4.1
Achieve and maintain legislative compliance via sound policy and procedures		4.2
Ensure sound governance, leadership, advocacy and organisational development via sound and researched decision making, policies and procedures; training and development, and WHS and risk management		4.3
FUNCTIONAL OBJECTIVES	Link	Priority
Governance, Finance and Asset Management		
Achieve and maintain Long Term Financial Sustainability	4.1, 4.3	High
Maintain sound governance, legislative compliance and financial management	4.2, 4.3	High

RECOMMENDATION
That the draft Fees and Charges Policy for 2019/2020 be released for public consultation from Monday 3 rd July 2017 to Monday 24 th July 2017 in accordance with Council's Public Consultation Policy.

BACKGROUND

Pursuant to Section 188 of the Local Government Act 1999 Council must adopted fees and charges applicable to services its provides. Councils are to review and adopt its Fees and Charges annually.

DISCUSSION

Staff have conducted a thorough review of fees and charges with adjustments made where necessary and to correct abnormalities.

A copy of the Draft Fees and Charges for 2019/2020 is enclosed to this report.

A summary of the changes are as follows:

Plant & Machinery

- 2% increase with exception for Grader and Loader which will remain the same
- Portable toilet hire – deleted

Aggregate & Sand

- Increase of royalties payment from \$0.20 to \$0.30

Goyder's Line Gazette

- Increase annual subscription to \$40
- Advertising charges increased by 10%

Dog Registrations

- As per adopted fees by Council in March 2019.

Carrieton Water Supply

- Increase of fees by 1.6% (\$5 each)

ATTACHMENT: YES

4.3 CAPITAL WORKS – COUNCIL HOUSE 46 SIXTH STREET ORROROO

MEETING: SPECIAL MEETING
DATE: 19th June 2019



DISTRICT COUNCIL OF
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SECTION: INFRASTRUCTURE REPORTS
AUTHOR: CHIEF EXECUTIVE OFFICER

Timeframe	Current	For the period ending	N/A
Budget Impact	YES	Est. 25,000 2018/19 FY	
Risk Assessment	Level	Medium	Comments and controls: Quarterly review of annual budget Quarterly financial report to Council Regular monitoring of financial indicators
File Reference			

STRATEGIC LINKAGE	
STRATEGIC AND COMMUNITY PLAN 2017-22	
Social and Community	2
Maintain infrastructure, facilities and services to ensure and support accessibility to essential services and community living options that support community well being	2.2
Governance, Finance and Advocacy	4
Achieve and maintain long term financial sustainability by implementing sound financial management policies, controls, reporting and management plans, and timely asset replacement	4.1

RECOMMENDATION

1. That pursuant to section 90 (2) of the Local Government Act 1999 the public be excluded from attendance at the meeting with the exception of the Chief Executive Officer and the Manager Corporate and Community Services to allow the matter related to house extension tenders to be considered in confidence.
2. Council is satisfied that pursuant to section 90 (3)(k) of the Act, the information to be received, discussed or considered involves tenders for the supply of goods, the provisions of services or the carrying out of works, and the need for confidentiality outweighs the public interest.
3. That Council accept the quotation by CDP Builders Pty Ltd for proposed work at the Council house, 46 Sixth Street Orroroo, a cost of \$57,299 inc GST as per the specifications provided and that any necessary budget amendments including a 5% contingency be reflected in 2019/20 budget.
4. That pursuant to section 91(7) of the Local Government Act 1999, the matter be retained in confidence until the purchase has been confirmed and a purchase order has been placed.

EXECUTIVE SUMMARY:

Highlights of this report include:

- Works including dishwasher, cupboards and ceiling fan installation have been completed.
- DE & WE Wauchope Designers (Stirling North) prepared plans and specifications for the proposed house extension.
- Three quotes were received from local contractors to undertake the proposed house extension ranging from 57,000 – 89,000.

BACKGROUND

The following is an update on the capital works for the Council owned house at 46 Sixth Street Orroroo.

In the past five years, the house has been utilised for short-term, week-day accommodation for one or two people. Now that the property is tenanted fulltime, a number of upgrades to the home have been explored, in addition to necessary repair and maintenance works.

The CEO last reported on the capital works planned for the Council house at the Ordinary Meeting 23 January 2019. Council resolved as follows:

MOTION: (015/0119)**That Council:**

1. *Obtain quote for extension of house with ensuite and WIR to the relocated main bedroom.*
2. *Obtain quote and proceed with installation of dishwasher and overhead cupboards.*
3. *Install shower screen for \$269.*
4. *Obtain quote to enclose back yard (carport to southern boundary fence) and complete fence on southern boundary (shed to rear fence).*
5. *Install ceiling fans at a cost of \$1,930.39.*

Cr Ford / Cr Schmidt **CARRIED**

DISCUSSION

Since the last report was presented the installation of a dishwasher, overhead cupboards and ceiling fans have been completed and a shower screen ordered. Materials for the southern boundary fence have been ordered and will be installed by Council staff prior during June. Further fencing work from carport to southern boundary has been postponed pending direction regarding the proposed house extension.

Plans for the proposed home extension were prepared by as per DE & WE Wauchope Designers plans including new ensuite with standard fixtures and fittings (see Attachment 1). Three tenders were received per specifications (see Attachment 2), and are summarised below:

- Hotondo Homes, Port Pirie - \$89,800.00 inc GST
- CDP Builders Pty Ltd, Wilmington - \$57,299.00 inc GST
- Benton General Builders Pty Ltd - \$58,563.64 inc GST

The tender received CDP Builders Pty Ltd offers the most competitive value. CDP have also confirmed they are able to complete works in the preferred timeframe.

ATTACHMENT: YES

5: MEETING CLOSURE