



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 1

Prepared by **Sandra Cannon**
 Chief Executive Officer

Adoption of Business Plan

Purpose of Report

Adoption of Shire Plan.

Background

The Shire Plan has been developed over the past 12 months and consultation has occurred with many stake holders. The second version of the Shire Plan was publicly advertised in May 2007. The Shire Plan outlines the strategies and objectives for the coming years for the Victoria Daly Shire Council. It includes service delivery plans, organisational structure and a financial plan.

Recommendation

That the Council adopt the Victoria Daly Shire Plan.



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 2

Prepared by **Greg Arnott**
 Director Corporate and Community Services

Adoption of 2008/09 Financial Year Annual Budget

Purpose of Report

To adopt the 2008/2009 Financial Year Budget.

Background

In accordance with section 127 of the Local Government Act 2008, Council must adopt its budget for that particular financial year by the 31 July of that year.

The Victoria Daly Shire Council is responsible for the delivery of a broad and unique range of services to its communities, with different communities within the Shire having their own different priorities.

The Victoria Daly Shire is responsible for:

- Delivering Core Services
- Providing Corporate Governance
- Providing Advice and Advocacy
- Ensuring Legislative Compliance
- Facilitating Local Education and Training

and managing the following resources:

- Financial Resources
- Human Resources
- Physical Resources
- Information Resources
- External Resources (Suppliers and Contractors)
- Partnerships and Relationships

The Victoria Daly Shire Councils objectives for the 2008/09 financial year are:

Objective 1: Effective leadership, strong and transparent governance, good management of strategic relationships, and effective advocacy

Measures to achieve Objective 1

- Strengthening of governance and leadership skills and capacities for current and future community leaders
- Development of strategic and organisational directions for the Shire
- Effective and two-way communication between the Shire, residents and the general public
- Formal and informal mechanisms for community consultation on key issues and input into Shire decision making
- Ongoing liaison and cooperation with external organisations to develop and implement mutually beneficial regional strategies, service delivery models, advocacy, lobbying and resource sharing

Performance Indicators

- Effective leadership and open and transparent governance and management.
- Community's participation in the Councils through their Local Boards and Committees.
- The formation of partnerships with government agencies, other Shire and Municipal Councils, and the private sector.

Objective 2: Promotion of local employment and a strong local economy

Measures to achieve Objective 2

- Maximisation of relevant education and training opportunities for current and potential employees
- Support the delivery of training and work experience programs in conjunction and partnership with local industries
- Practical encouragement of employment of local people, especially Indigenous people in the Shire workforce
- Pro-active and practical support for community-based economic and employment opportunities that are compatible with communities' ways of life
- Targeted financial management support for community members in the Shire
- Advocacy and support for the presence of Northern Territory and Australian governments and private sector services in communities

Performance Indicators

- A dynamic and committed Shire Council workforce
- Increased employment of local people in the Shire Council workforce
- Local community economies that are viable and growing

- Access to non-Council services that maximise benefit for local people, businesses and employment

Objective 3: High quality service delivery with well maintained and managed physical assets, natural resources and country

Measures to achieve Objective 3

- Technical management of council assets to ensure they are well maintained, appropriate for service delivery aims and replaced when necessary
- Effective coordination of technical services
- Provide electricity, water supply and sewerage infrastructure services on a commercial contract basis
- Development and implementation of a safe, effective and integrated approach to waste management
- Development and implementation of plans to improve and economise year round transport access into and within communities
- Local preparedness with appropriate emergency response efforts in all communities
- Provision of coordinated and appropriate housing services in all communities
- Effective animal welfare and control practices
- Well maintained and managed public spaces and natural reserves in and around Communities
- Support for coordinated and regionally focused land, sea and river management
- Effective natural resource management, including weeds and fire control, in and around communities
- Coordination and provision of core Shire services to designated outstations and homelands

Performance Indicators

- Effective construction, management and maintenance of physical infrastructure, facilities and utilities
- Effective management and maintenance of essential services
- Reliable, innovative and environmentally responsible waste management practices
- Improved transport access into and around communities
- Adequate and appropriate housing for all residents
- Functional, clean and tidy public spaces
- Sustainable, innovative and culturally appropriate environmental management practices
- Effective and adequate Shire Council services to designated outstations and homelands

Objective 4: Strong, safe and healthy communities that respect their culture and heritage

Measures to achieve Objective 4

- Encouragement of participation in Indigenous cultural ceremonies and celebrations
- Encouragement and support of measures to preserve and promote local culture and language knowledge
- Promote community access to literacy, knowledge and communication tools.
- Encouragement and development of community media services
- Promotion of community information campaigns
- Facilitation of access to relevant community services provided by the Shire and external providers
- Development of facilities and programs for the enjoyment and participation of youth
- Support the provision of adequate and appropriate child-minding support in communities
- Increased participation and training in team sports and recreational activities
- Support the provision of appropriate services for elderly and disabled people
- Encouragement of social harmony in communities
- In collaboration with strategic partners and government agencies, develop appropriate services to address community safety

Performance Indicators

- Celebration, preservation and promotion of local knowledge, heritage, culture and language
- Quality community information media services
- Provision of appropriate community services
- A positive living environment for our children and youth
- Increased opportunities for sport and recreation, in particular for young people
- Provision of quality services for the aged and disabled
- Communities that work towards improved harmony and social wellbeing

Objective 5: Effective and transparent administration and management

Measures to achieve Objective 5

- Efficiency, transparency and effectiveness through appropriate administrative and financial planning processes and control measures

Performance Indicators

- Effective and efficient management practices

Overview of Revenue and Expenditure for the Financial Year 2008/09

	Income	Expenditure
Local Infrastructure	-\$2,733,211.00	\$ 6,799,009.22
Maintenance and upgrade Parks	\$	\$650,708.93
Build Facilities and fixed Assets	\$	\$400,000.00
Cemeteries	\$	\$40,000.00
Street and Public Lighting	\$	\$22,000.00
Local Roads Upgrade	-\$1,339,095.00	\$1,339,095.00
Local Roads Maintenance	-\$1,192,708.00	\$2,002,654.37
Traffic Management	-\$40,000.00	\$40,000.00
Community Management	-\$161,408.00	\$2,004,550.92
Plant and Fleet	\$	\$29,717.00
Core Services - Local Environment	-\$252,182.00	\$684,577.07
Waste Management	-\$172,182.00	\$564,577.07
Weed Control and Fire Hazard	\$	\$40,000.00
Animal Welfare	-\$80,000.00	\$80,000.00
Core Services - Local Civic	-\$316,389.00	\$343,389.00
Library and Cultural Heritage	-\$265,389.00	\$256,389.00
Civic, Cultural and Sporting	-\$51,000.00	\$47,000.00
Local Emergency Services	\$	\$40,000.00
Community Engagement	-\$100,000.00	\$3,289,058.26
Training and Employment	\$	\$100,681.79
Admin of Local Laws	\$	\$20,000.00
Public and Corp Relations	\$	\$22,292.00
Customer Relation Management	\$	\$50,000.00
Governance	-\$100,000.00	\$2,564,484.47
Local Boards	\$	\$60,000.00

	Advocacy and Representation	\$	\$22,200.00
	Member Services	\$	\$449,400.00
LG Administration		-\$5,912,132.00	\$1,257,133.69
	Financial Management	\$	\$524,133.69
	Revenue Growth	-\$5,912,132.00	\$
	Human Resources	\$	\$134,000.00
	Asset Management	\$	\$119,000.00
	Records Management	\$	\$60,000.00
	Risk Management	\$	\$50,000.00
	Council Planning and Report	\$	\$70,000.00
	It and Communication	\$	\$300,000.00
Agency Services		-\$17,716,281.48	\$15,037,618.48
	Sport and Recreation	-\$700,423.60	\$779,120.72
	Aged and Disability Services	-\$2,483,000.84	\$2,190,133.19
	Family	-\$588,695.54	\$615,029.33
	Arts and Culture	\$	\$
	Community Safety	-\$2,545,200.00	\$
	Environmental Health	-\$66,560.00	\$66,560.00
	Community Media	-\$66,560.00	\$96,588.05
	Youth	\$	\$
	Airstrips	-\$246,130.00	\$173,065.00
	Outstations and Homelands	-\$ 997,826.00	\$997,826.00
	Natural Resources	\$	\$
	CentreLink	-\$586,588.00	\$590,498.69
	Economic Development	\$	\$100,000.00
	Barge Landings and Boat Ramps	-\$35,000.00	\$28,500.00
	CDEP	-\$9,400,297.50	\$9,400,297.50

Commercial		-\$9,148,876.29	\$8,296,321.12
	Community Stores	-\$1,730,700.00	\$1,674,008.65
	Horticulture	\$	\$
	Housing and Infrastructure	-\$ 4,878,779.57	\$4,642,992.19
	Non Council Roads	-\$600,000.00	\$465,000.00
	Post Office Agency	-\$19,734.72	\$
	Power and Water	-\$949,662.00	\$544,320.27
	Visitor Accommodation	-\$20,000.00	\$20,000.00
	Community Workshops	-\$950,000.00	\$950,000.00
Other			\$191,101.31
	Swimming Pools	0	\$191101.3129
	Total	-\$ 36,179,071.77	\$35,898,208.16

Development and Maintenance of Infrastructure

Local Infrastructure	Income	Expenditure
Total	-\$2,733,211.00	\$ 6,799,009.22
Maintenance and upgrade Parks	\$	\$650,708.93
Build Facilities and fixed Assets	\$	\$400,000.00
Cemeteries	\$	\$40,000.00
Street and Public Lighting	\$	\$22,000.00
Local Roads Upgrade	-\$1,339,095.00	\$1,339,095.00
Local Roads Maintenance	-\$1,192,708.00	\$2,002,654.37
Traffic Management	-\$40,000.00	\$40,000.00
Community Management	-\$161,408.00	\$2,004,550.92
Plant and Fleet	\$	\$300,000

Rates and Garbage Charges proposed for 2008/2009

The Northern Territory Government has determined that in the 2008/2009 financial year that the rating policy of council will be capped and that only CPI increases can apply to parcels of land that previously were rateable.

Council will adopt the unimproved capital value as it appears on the Valuation Roll prepared by the Office of the Valuer General in accordance with the Valuation of Land Act as its method of calculating the assessed value of all rateable land in the Council area, excepting each parcel of land within former Pine Creek Community Government Council area and each parcel of land in the former Timber Creek Community Government Area, for the year ending 30 June 2009.

The amount that Council intends to raise by way of rates, pursuant to section 155 of the Local Government Act 2008, in Pine Creek is \$31,066.00. The amount that Council intends to raise by way of charges, pursuant to section 157 of the Local Government Act 2008, in Pine Creek is \$32,145

The amount that Council intends to raise by way of rates pursuant to section 155 of the Local Government Act 2008 in Timber Creek is \$5,845.00. The amount that Council intends to raise by way of charges, pursuant to section 157 of the Local Government Act 2008, in Timber Creek is \$17,030

The amount that Council intends to raise by way of rates from residential properties in communities and other areas within the Shire excluding Pine Creek and Timber Creek is \$396,900.00

The total rates from mining tenements in the Shire are estimated to be \$34,221 in 2008/2009.

The total rates from Pastoral Leases and Commercial Agricultural Properties is estimated at \$58,287 in 2008/2009.

The total rates from commercial properties (not otherwise classified above) in the shire is estimated at \$59,640

Assessment of the social and economic effects of Councils rating policy

An assessment of the social and economic effects of the Victoria Daly Shire Councils rating policy has not been undertaken as the Northern Territory Government has determined that in the 2008/2009 financial year that the rating policy of council will be capped and that only CPI increases can apply to parcels of land that previously were rateable.

Assumptions and Notes

- A significant number of funding from government agencies for Agency Services had not been finalised. This funding will have a major impact on the annual budget. Accordingly, revisions to this budget will need to be made as agency funding is finalised.
- Further, until the 2007-08 end-of-year financial reports and audits for incorporated councils are completed, and until a comprehensive asset audit has been undertaken, the Shire will not be able to accurately estimate its depreciation budget, unrestricted cash holdings, and the value of other assets and liabilities.

FINANCIAL ITEM	ASSUMPTIONS
Operating Expenditure	
Ongoing operations	<ul style="list-style-type: none"> • Ongoing base operational expenditure has been developed for each service from first principles and compared with existing 2007-08 budget details where possible. • Operational income and expenditure has been expressed in 2008-09 values to facilitate development of detailed budgets for the first year of operation of the new Shire. • The Victoria Daly Shire will honour the Employee Relations Principles established by the Department of Local Government, Housing and Sport and the Local Government Association of the Northern Territory. Under these Principles, all efforts are to be made to offer all existing staff the same or similar positions under the Shire, and all employees are to have their existing employment terms and conditions matched until at least July 2009. If new positions are created under the reform, incorporated council staff are to be preferred for selection. Adherence to these Principles will lead to abnormal operational expenditure during the 2008-09 period. • An attempt has been made to allocate significant labour costs across most program areas. This allocation will be refined as the year progresses, and as more detailed data is available to accurately determine labour allocation. • FaHCSIA will provide \$10,000 per annum for vet clinics in each community.
Road Maintenance	<ul style="list-style-type: none"> • The incorporated communities general purpose road grant funding has been used as the basis for establishing the initial road maintenance budget. This will be reviewed once actual road maintenance needs have been determined • A provision of \$1,009,000 has been allocated for the road maintenance program in 2008-09. • No provision has been made for the transfer of Department of Planning and Infrastructure (DPI)-managed roads in 2008-09. • Local community civil works teams will continue to undertake relevant DPI road maintenance activities under contract, unless or until otherwise negotiated.
Waste Management	<ul style="list-style-type: none"> • No provision has been made for waste management-related capital works, on the assumption that these works are being undertaken during the current year as part of the Federal Government's intervention strategy. • No allowance has been made in this budget for provision of additional household bins. This may be revised in the coming months.

New operating initiatives	<ul style="list-style-type: none"> No new operating initiatives have been included in this draft. However, for some services (such as Community Development Employment Projects (CDEP) and night patrol) there has been a significant expansion in operations. Similarly, many services will from 1 July 2008 be defined as 'core' services, which the Shire will be obliged to deliver. This may entail additional service activities in some communities (for example, for weeds and fire control, and cemetery management).
Depreciation	<ul style="list-style-type: none"> Depreciation has not been included, as the value of assets will need to be determined on transfer along with the level of assets impairment.
Interest on borrowings	<ul style="list-style-type: none"> No loan borrowings have been provided for.
Operating Income	
Rates	<ul style="list-style-type: none"> This plan is been prepared in 2008-09 values.
Fees and Charges, Interest Earnings and Other Income	<ul style="list-style-type: none"> Current levels sourced from the 2007-08 budgets where available. Assumed to increase by the Consumer Price Index (CPI) rate.
General Purpose and Road Grants	<ul style="list-style-type: none"> Grant estimates for 2008-09 were provided by the Department of Local Government, Housing and Sport.
Goods and Services Tax (GST)	<ul style="list-style-type: none"> GST offsets have not been included in the budget estimates.
Balance Sheet Items	
Road Upgrade and Construction	<ul style="list-style-type: none"> No provision has been made for Black Spot funding. Additional funding will be added when there is greater certainty about road construction priorities and carry-over Black Spot funding from 2007-08.
Vehicles, Plant and Equipment	<ul style="list-style-type: none"> All other new vehicles, plant and equipment will be purchased, not leased. There is likely to be a significant requirement to replace key plant and equipment during the first year of operations
Borrowings	<ul style="list-style-type: none"> No loan borrowings are proposed.
Valuation of Fixed Assets	<ul style="list-style-type: none"> Issues relating to fixed asset ownership, valuation and related depreciation expenses will be addressed once a detailed asset audit has been completed, and an asset management and valuation plan has been prepared.
Unrestricted Cash and Unrestricted Current Ratio	<ul style="list-style-type: none"> The general lack of balance sheet information has prevented an assessment of unrestricted cash. This will not be determined until completion of the 2007-08 financial statements for each of the existing organisations that will form the new Shire

Maximum Council Member Allowances

Council member allowances must be set with the budget and may not be altered during the financial year. The amounts detailed below may be increased at the 1st of January each year at the same percentage as the increase in salaries for Darwin based Members of the Northern Territory Legislative Assembly.

	Base Allowance	Electoral Allowance	Professional Development Allowance	Extra Meeting Allowance per meeting	Max extra meeting allowance	Daily Rate	Maximum Claimable	Total Claimable
Principal Member	\$41,389	\$10,894	\$3,102	Not applicable	Not applicable	Not applicable	Not applicable	\$55,385
Deputy Principal Member	\$15,305	\$2,724	\$3,102	Not applicable	Not applicable	Not applicable	Not applicable	\$21,131
Acting Principal Member	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	\$144	\$12,924	Not applicable
Ordinary Council Member	\$7,444	\$2,724	\$3,102	\$63	\$4,963	Not applicable	Not applicable	\$18,233

Options

The Council must adopt a budget.

Identification of relevant legislation, Council policy and plans

The budget attached is in accordance with the following:

- Local Government Act 2008, Pat 10.5 sections 127 and 128;
- Local Government (Accounting) Regulations 2008
- Shire Business Plan, Section 9 – Financial Plan.

Consultation

The draft Shire Business Plan (including section 9. 2008/09 Financial Plan Policy) has been available for public consultation since May 2008.

Pursuant to 128 (3) of the Local Government Act 2008 the Victoria Daly Shire Council as soon as practicable after adopting its budget, or an amendment to its budget, for a particular financial year, must:

- (a) publish the budget or the amendment as adopted on the council's website; and
- (b) notify the Agency in writing of the adoption of the budget or amendment; and
- (c) publish a notice in a newspaper circulating generally in the area informing the public that copies of the budget or amendment may be

downloaded from the council's website or obtained from the council's public office.

Other Considerations

Not applicable.

Conclusions

The new Shire will have a high dependency on revenues from fully funded agency services

The financial analysis highlights that under the proposed Shire structure the Council will have annual revenues totalling at approximately \$36.2 million. A number of additional agency and commercial contracts are expected to be added to the Shire's planned operations.

Despite an increase in the rating base of the Council there remains a significant reliance on grant funding. Under the proposed model rate revenue comprises approximately two per cent of total revenue. The Northern Territory Government has determined that rates will be capped for three years, therefore this reliance on grant funding will not change in the near future.

Agency dependency will grow as additional contracts are finalised. It will be important to ensure that all agency contacts are negotiated and operated on a commercial basis.

Road funding will be a key driver of the new Shire's future Financial Plans

Funding of road infrastructure is likely to be the biggest risk to the Shire over the coming years. Assuming that the Shire will progressively take over maintenance of some of the road network previously undertaken by the Department of Planning and Infrastructure (DPI), the financing the ongoing improvement and maintenance of the roads will be a major ongoing service delivery issue. It will require the development of road asset management plans and long term prioritisation of the work required under those plans. However, there are no plans to negotiate the transfer of DPI-managed roads in the near future, and no financial provision has been made for any transfers in 2008-09.

There is no provision for new borrowings under the proposed Financial Plan

The use of debt is a legitimate means of financing major new or replacement infrastructure projects. Further discussion and analysis needs to be undertaken as to the appropriateness of utilising borrowings for financing long term capital works and asset refurbishment, and the future capacity of the Shire to service debt.

The Shire's liquidity position is unknown

The 2007-08 annual financial statements and end-of-year audits of incorporated local government councils were not available at the time of preparing this budget report, therefore no accurate information can be provided on estimated cash balances for 2008-09.

There is a need to resolve issues relating to Shire assets

The asset registers of incorporated councils and further asset information collected by DLGHS over the last twelve months has formed the basis of the asset analysis. However the following issues need to be addressed by the council:

- The accuracy of incorporated council asset registers, in particular the inclusion of assets that are obsolete or unable to be located leading to an overstatement of assets in the Shire's balance sheet.
- Inadequate valuation of gifted assets
- The likely condition of assets when the shire took formal possession on 1st July 2008
- The ownership (and liability) in relation to fixed assets, given that many were built on Aboriginal Land without leases from the relevant Land Trust.
- The impact of the Australian Government 'intervention' leasing arrangements; and the move to a public housing model in respect to Indigenous housing.
- The ongoing responsibility (and management authority), if any, of the Victoria Daly Shire in relation to fixed assets that will be used by third party providers to deliver services previously delivered by local government

It is intended that Shire assets will be re-valued as necessary. Currently, DLGHS officers are conducting a comprehensive local government asset check. This will assist in the Shire's asset revaluation process.

Recommendation

That the Council adopts the budget as presented for the financial year 2008/09.



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 3

Prepared by **Greg Arnott**
Director Corporate and Community Services

Declaration of Rates

Purpose of Report

To declare Council's Rates and charges for 2008/09 financial year.

Background

In accordance with section 155 of the Local Government Act 2008, Council must declare its rates and charges by the 31 July each year. Council needs to declare that the general rates will be raised by the application of rate or charge, which will be applicable to all rateable land within its boundaries.

For the first time, certain land in the Victoria Daly Shire will be subject to annual rates, other than land within the Pine Creek and Timber Creek town boundaries. The purpose of rates is for Council to raise sufficient funds to ensure effective service delivery in the Shire.

Pine Creek Community Government Council and Timber Creek Community Government Council have in the past charged rates for land and garbage collection. This will continue in accordance with Council's rates policy outlined in section 8 of the Shire Business Plan and the rates will change from those declared in 2007/08 by 3.9% (based on the Consumer Price Index).

Victoria Daly Shire Council also needs to ensure that adequate funding is available for service provision in communities and have developed a rate for unit of accommodation or habitable dwelling for \$600.00. In instances of community housing, this cost will be born by Territory Housing.

Other charges established are for garbage collection in communities and rates for mining leases, pastoral leases and commercial properties within the Shire.

Options

Council has the option of accepting and declaring the rates and charges as outlined below:

Rates and Garbage Charges proposed for 2008/2009

The Northern Territory Government has determined that in the 2008/2009 financial year that the rating policy of council will be capped and that only CPI increases can apply to parcels of land that previously were rateable.

Council will adopt the unimproved capital value as it appears on the Valuation Roll prepared by the Office of the Valuer General in accordance with the Valuation of Land Act as its method of calculating the assessed value of all rateable land in the Council area, excepting each parcel of land within former Pine Creek Community Government Council area and each parcel of land in the former Timber Creek Community Government Area, for the year ending 30 June 2009.

Rates and Garbage Charges Applicable to Pine Creek

The amount that Council intends to raise by way of rates, pursuant to section 155 of the Local Government Act 2008, in Pine Creek is \$31,066.00

The amount that Council intends to raise by way of charges, pursuant to section 157 of the Local Government Act 2008, in Pine Creek is \$32,145

The flat rate for each parcel of land within former Pine Creek Community Government Council area will be \$238.00.

and in relation to the Council's function of sanitation & garbage, Council provides, or is willing and able to provide, a regular garbage service in relation to land within the Pine Creek Town Boundary, pursuant to Section 157 of the Local Government Act 2008, Council declares:

(i) in respect of commercial land, the garbage service shall consist of one service per week with a maximum of four (4) 240-litre bins per service whether or not the collection service is utilised and the charge for such service shall be \$540.00 per annum; and

(ii) in respect of non commercial land, the garbage service shall consist of one service per week with a maximum of one (1) 240-litre wheelie bin per service for each residential unit and the charge for such service shall be \$134.00 per annum for each residential unit.

Rates and Garbage Charges Applicable to Timber Creek

The amount that Council intends to raise by way of rates pursuant to section 155 of the Local Government Act 2008 in Timber Creek is \$5,845.00

The amount that Council intends to raise by way of charges, pursuant to section 157 of the Local Government Act 2008, in Timber Creek is \$17,030

The flat rate for each parcel of land in the former Timber Creek Community Government Area will be \$157.00.

and in relation to the Council's function of sanitation & garbage, Council provides, or is willing and able to provide, a regular garbage service in relation to land within the Timber Creek Town Boundary, pursuant to Section 157 of the Local Government Act 2008, Council declares:

- (i) A charge of \$171.36 per annum for one service per week for the former Timber Creek Ward with the exception of non residential parcels
- (ii) A charge of \$100.00 for each additional bin per parcel in the former Timber Creek Ward
- (iii) A charge of \$3428.60 for one service per week for all houses in the former Naringman Ward
- (iv) A charge of \$613.00 for one service per week for all houses in the former Gilwi Ward

Rates Applicable to Communities and other areas in the Shire

Minimum rate for residential properties within the Shire boundaries excluding Pine Creek and Timber Creek will be \$600.00 per dwelling. The amount that Council intends to raise by way of rates from residential properties in the Shire (Pine Creek and Timber Creek) is \$396,900.00

The amount that Council intends to raise by way of Garbage Charges in Daguragu, Kalkaringi, Nauiyu, Palumpa, Peppimenarti, Wadeye and Yarralin townships is \$150.00 per unit of accommodation.

Active Mining, Extractive and Petroleum leases

Minimum rate for active mining, extractive and petroleum leases is \$710.00. The guideline rate for mining, extractive and petroleum leased land is to be the same as the guideline rate for 'commercial non-agricultural' below, calculated by multiplying the assessed value by

0.00284. The total rate from mining tenements in the Shire are estimated to be \$34,221 in 2008/2009.

Pastoral Leases and Commercial Agricultural Properties

Minimum rate for pastoral leases and commercial agricultural properties is \$300.00. In 2008/09 the rate for pastoral leases and commercial agricultural properties will be calculated by multiplying the unimproved capital value (UCV) by 0.00060. Accordingly, all properties with a UCV of less than \$500,000 will pay \$300.00 per annum. The total revenue from this sector is estimated at \$58,287 in 2008/2009.

Commercial Properties

The minimum rate or service charge for commercial properties (not otherwise classified above) will be \$710.00 per operational location or, where the commercial property is on rateable title with a UCV in excess of \$250,000.00, an amount calculated by multiplying the unimproved capital value by 0.00284. It is estimated that the total rates from this sector in the shire will be \$59,640.

Payment

That pursuant to section 159 of the Local Government Act 2008, rates and charges shall, for the financial year ending 30th June 2009 are payable annually on the expiration of 28 days after the date on which the notice pursuant to section 155 and section 157 of the Local Government Act 2008 in relation to rates and charges is served on a person liable to pay them.

Instalments

Victoria Daly Shire has not resolved that the payment of rates and charges be by instalments.

Interest on unpaid rates

That pursuant to Section 162 of the Local Government Act 2008, if rates are not paid by the due date, interest accrues on the amount outstanding on a daily basis from the date on which the payment was due and payable until the date payment is made in full, and the amount payable and interest shall be rounded to the nearest dollar.

That pursuant to 162 (3) of the Local Government Act, the council determines that the relevant interest rate is fixed at 17.00% per annum.

Recovery of Outstanding Rates and Charges

A ratepayer who fails to pay rates and charges on the due date may be subject to legal action for the recovery of the principle amount of the rates and charges, interest accrued on the principle amount and costs reasonably incurred by the Victoria Daly Shire Council in recovering or attempting to recover the rates and charges.

Council has the option to do nothing, resulting in the councils inability to levy any rates or charges for 2008/2009.

Identification of relevant legislation, Council policy and plans

The rates outlined in the declaration are in accordance with the following:

- Local Government Act 2008, Part 11, particularly s155;
- Local Government Act 2008 Guidelines particularly section 3.1 in relation to conditional rating of mining tenements and section 3.2 in relation to conditional rating of pastoral leases; and
- Shire Business Plan, Section 8 – Rating Policy.

In the Shire Business Plan, the following assumptions have also been identified in relation to rates:

Rates This plan has been prepared in 2008/09 values but it should be recognised that rates will need to be increased by CPI over the next three years to match costs that increase by CPI

Consultation

The draft Shire Business Plan (including section 8. Rate Policy) has been available for public consultation since May 2008.

In accordance with s158 of the Local Government Act, Council must also publish a public notice within 21 days after declaring the rates on Council's website and also within a newspaper circulated generally in the Council's area.

Other Considerations

Not applicable.

Funding Implications

The application of rate charges in Victoria Daly Shire Council will ensure that Council has the adequate financial resources to deliver services in the Shire.

For Council's information, the following land is exempt from rating under s144 of the Local Government Act 2008:

- Crown Land – occupied by the Territory or land owned by the Commonwealth other than for industrial or commercial purposes;
- Community Land – reserves, parks, sports grounds, gardens, cemeteries or roads, which are a public place;
- Land owned by Religious bodies – churches, manses, teaching buildings etc.
- Public Hospitals;
- Land used for a Public Benevolent Institution or Public Charity;

- Educational Institutions – schools, universities, tertiary education, youth centres.
- Libraries or museums;
- Land exempted under other Acts.

Conclusion

In 2008/09 Council will rely on income from rates and charges and it will have the ability to charge rates on some land that has never been subject to rates before.

Council needs to declare the rates outlined above to ensure that there is sufficient income for Council to operate and provide services and that it is compliant with the Local Government Act 2008.

Recommendation

That the Council declares the rates and charges for the period from the 1 July 2008 to 30 June 2009.



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 4

Prepared by **Sandra Cannon**
 Chief Executive Officer

Variation to program funding for Night Patrol, Regional Cultural festivals & RIBS

Purpose of Report

Variation to program funding for Night Patrol, Regional Cultural Festivals & RIBS

Background

The Attorney General is offering the Shire the unspent funds from 2007/08 in line with budget items.

Recommendation

That the Council accepts the offer by the Australian Government contained in program funding agreement No. 87441 and affix the Common Seal to that agreement.



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 5

Prepared by **Greg Arnott**
 Director of Corporate & Community Services

Public Library Funding Agreement (Document ID 4000)

Purpose of Report

Variation to Public Library Funding Agreement

Background

The Minister for Local Government, Mr Rob Knight, is offering the Shire the Library Operational Grant for the 2008/09 financial year.

Recommendation

That the Council accepts the offer by the Minister and affix the Common Seal to that agreement.



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 6

Prepared by **Sandra Cannon**
 Chief Executive Officer

To provide a nomination to CouncilBiz

Purpose of Report

To provide a nomination to CouncilBiz.

Background

The attached letter from the Acting CEO, Vicki Wright, indicates that a Council nomination is required. The constitution stated "to nominate in writing one person, being the CEO or other senior officer.

Recommendation

That the Council nominate the CEO as the representative for the Victoria Daly Shire Council.



VICTORIA DALY SHIRE COUNCIL
FOR THE MEETING 31st OF JULY 2008

Report for Agenda Item No 7

Prepared by **Sandra Cannon**
 Chief Executive Officer

Formation of a Committee to carry out financial functions

Purpose of Report

Formation of a Committee to carry out financial functions

Background

The Local Government Accounting Regulations section 11 indicates a finance committee must be appointed if Council is not meeting monthly and delegate the powers to carry out financial functions of the Council in the months Council does not hold a meeting..

Recommendation

CEO & Director of Corporate & Community Services by the interim committee to be reviewed after the elections.



MINUTES

Prospective Victoria Daly Shire Council Special Council Meeting

12:15pm Thursday 31st July 2008

NRETA Conference Room, Katherine

Present: John de Koning, Shire Manager

1) Shire Business for resolution

Motion: According to section 60 of the Local Government Act a special meeting can only conduct other business if all members agree. It is recommended that members agree to discuss all agenda items.

Resolution: Passed

2) Adoption of Business Plan

Motion: That Council adopt the Victoria Daly Shire Plan.

Resolution: Passed

3) Adoption of 2008/2009 Budget

Motion: That council adopt the 2008/2009 budget for the Victoria Daly Shire.

Resolution: Passed

4) Declaration of rates

4.1) Rates and Garbage Charges proposed for 2008/2009

Motion: That council adopt the unimproved capital value as it appears on the Valuation Roll prepared by the Office of the Valuer General in accordance with the Valuation of Land Act as its method of calculating the assessed value of all rateable land in the Council area, excepting each parcel of land within former Pine Creek & Timber Creek Community Government Council's area.

Resolution: Passed

4.2) Rates and Garbage Charges Applicable to Pine Creek

Motion: The flat rate for each parcel of land within former Pine Creek Community Government Council area will be \$238.00
In respect to commercial land, the garbage service shall consist of one service per week and shall be \$540.00 per annum.
In respect to non-commercial land, the garbage service shall consist of one service per week and shall be \$134.00 per annum.

Resolution: Passed

4.3) Rates and Garbage Charges Applicable to Timber Creek

Motion: The flat rate for each parcel of land in the former Timber Creek Community Government Area will be \$157.00.

And in relation to the Council's function of sanitation & garbage, Council provides, or is willing and able to provide, a regular garbage service in relation to land within the Timber Creek Town Boundary, pursuant to Section 157 of the Local Government Act 2008, Council declares:

- (i) A charge of \$171.36 per annum for one service per week for the former Timber Creek Ward with the exception of non residential parcels
- (ii) A charge of \$100.00 for each additional bin per parcel in the former Timber Creek Ward
- (iii) A charge of \$3428.60 for one service per week for all houses in the former Naringman Ward
- (iv) A charge of \$613.00 for one service per week for all houses in the former Gilwi Ward

Resolution: Passed

4.4) Rates applicable to Communities and other areas in the Shire

Motion: Minimum rate for residential properties within the Shire boundaries excluding Pine Creek and Timber Creek will be \$600.00 per dwelling. The amount that Council intends to raise by way of rates from residential properties in the Shire (Pine Creek and Timber Creek) is \$396,900.00

The amount that Council intends to raise by way of Garbage Charges in Daguragu, Kalkaringi, Nauiyu, Palumpa, Peppimenarti, Wadeye and Yarralin townships is \$150.00 per unit of accommodation.

Resolution: Passed

4.5) Active Mining, Extractive and Petroleum leases

Motion: Minimum rate for active mining, extractive and petroleum leases is \$710.00. The guideline rate for mining, extractive and petroleum leased land is to be the same as the guideline rate for 'commercial non-agricultural' below, calculated by multiplying the assessed value by 0.00284. The total rate from mining tenements in the Shire are estimated to be \$34,221 in 2008/2009.

Resolution: Passed

4.6) Pastoral Leases and Commercial Agricultural Properties

Motion: Minimum rate for pastoral leases and commercial agricultural properties is \$300.00. In 2008/09 the rate for pastoral leases and commercial agricultural properties will be calculated by multiplying the unimproved capital value (UCV) by 0.00060. Accordingly, all properties with a UCV of less than \$500,000 will pay \$300.00 per annum. The total revenue from this sector is estimated at \$58,287 in 2008/2009.

Resolution: Passed

4.7) Commercial Properties

Motion: The minimum rate or service charge for commercial properties (not otherwise classified above) will be \$710.00 per operational location or, where the commercial property is on rateable title with a UCV in excess of \$250,000.00, an amount calculated by multiplying the unimproved capital value by 0.00284. It is estimated that the total rates from this sector in the shire will be \$59,640.

Resolution: Passed

5) Variation to program funding for the Night Patrol, Regional Cultural Festivals & RIBS

Motion: That the Council accepts the offer by the Australian Government contained in program funding agreement No. 87441 and affix the Common Seal to that agreement.

Resolution: Passed

6) Public Library Funding Agreement

Motion: That the council accepts the offer by the Minister and affix the Common Seal to that agreement.

Resolution: Passed

7) To provide a nomination to CouncilBiz

Motion: That the Council nominate the CEO as the representative for the Victoria Daly Shire Council.

Resolution: Passed

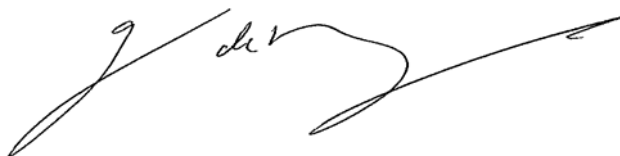
8) Formation of a Committee to carry out financial functions

Motion: That the CEO & DCCS be the interim committee to be reviewed after the elections.

Resolution: Passed

9) Closure

Meeting closed at 12:30pm.

A handwritten signature in black ink, appearing to be 'J. de V.', written in a cursive style.

05/08/2008