

3.2 ADOPTION OF 2008/2009 BUDGET (FIN18: DW)

Responsible Director: Marilyn Kearney

RECOMMENDATION

That Council, having prepared and given public notice of the proposed budget for 2008/09 in accordance with Section 129 of the Local Government Act 1989, resolves:

- 1. That the 2008/2009 budget be adopted in accordance with Section 130 of the Local Government Act 1989;*
- 2. To increase the Grants & Contribution budget to reflect the increase in income for Victorian Grants Commission and Department of Education and Early Childhood Pre-School funding; and*
- 3. To give public notice of its decision to adopt the 2008/2009 budget in accordance with Section 130 (2) of the Local Government Act 1989.*

BACKGROUND

Council, at its meeting on Tuesday 3 June 2008, approved the proposed 2008/09 Budget for the purposes of giving public notice.

In accordance with Section 129 of the Local Government Act 1989 (The Act), public notice of the proposed Budget for 2008/09 was published in 'The Age' newspaper on Thursday 5 June 2008, the 'Waverley Leader' and 'Oakleigh/Monash Leader' on Tuesday 10 June 2008 as well as advertised in the Council's 'Bulletin' distributed to all residences in Monash.

A copy of the proposed budget was put on display at seven locations throughout the municipality, and made available for public inspection between Thursday 5 and Wednesday 19 June 2008 (both dates inclusive). The document was also made available on the Council's web site, www.monash.vic.gov.au

SUBMISSIONS RECEIVED THROUGH THE COMMUNITY CONSULTATION PROCESS

Council received only one written submission, from Mr Theo Zographos of Clayton (previously circulated and considered by Councillors) in response to the budget advertised for community comment. Mr Zographos did not request to make a verbal presentation to the Council in support of his submission. Questions/comments contained in Mr Zographos's submission and Council's response, following consideration by Council at its meeting under S223 of the Local Government Act on Thursday 19 June at 7pm are:

- Mr Zographos' submission made the following comments and request for Council's consideration:

1. That Council reconsider the 6% rate increase for 2008/09 and

following years as Monash residents & families are already struggling with other price increases; and

2. That a detailed description of the increase in budget allocations for the Oakleigh Offices and the Clarinda Centre be provided.

Council response:

Council acknowledges the pressures and constraints families in the community may need to manage in the current economic climate, however the proposed 2008/09 Budget has been prepared on the basis of the Strategic Resource Plan (SRP) developed by Council. The purpose of the SRP is to ensure that Council is financially responsible and well positioned to meet both its short and long-term responsibilities and challenges. To achieve these goals and to respond to external cost pressures, the SRP reflects a rate increase of 6% in 2008/09 and in each of the following three years.

The Oakleigh Office budget (Oakleigh Office and Federation/Heritage Centre) has increased by \$11,000 (5.4%). The increase in operating costs for the Oakleigh Offices represent the cost of maintaining customer service levels to the public, including the maintenance of the library service.

The Clarinda Centre expenditure budget has increased by \$149,000 (8.7%). The operating costs for 2008/09 are largely offset by increased operating income (7%) for the Centre from Commonwealth funding, fees and charges. Greater than CPI increases for contracted services has contributed to the increased operating costs of 9%.

AMENDMENTS TO PROPOSED BUDGET

Since the proposed Budget was adopted for public exhibition Council has been advised of the following changes to funding:

- The Victorian Grants Commission (VGC) have advised that the General Purpose Grant will be higher than the budgeted amount by \$143,378 and the Local Roads Funding component an additional \$63,755. The additional Local Roads funding has been added to the Base Capital Works program for Local Roads Reconstruction. The additional General Purpose funding component has not been allocated against specific account lines, however there is a high probability that fuel costs may exceed the current estimates and therefore it would be prudent to retain the VGC amount for this contingency.
- With the pending change in the employment arrangements of the State Government Employed Preschool Field Officer (PSFO) for the Council, the Department of Education and Early Childhood Development has provided funding to Council for the direct provision of this service. Monash was the last Council to have a State employed PSFO. The impact of this funding advice will be a net saving to Council of \$8,307

The Budget documents will also be amended to reflect a Divisional name change from Customer Services to Community Services to better reflect the nature of activities within the Division.

CONCLUSION

The comments and issues raised in the submission regarding the budget for 2008/09 have been received and considered by the Council. It is therefore appropriate that the budget for the 2008/2009 year be adopted.