

**LODDON SHIRE COUNCIL**

Notice of an Ordinary Meeting of the Loddon Shire Council to be held in the Council Offices, Wedderburn on Tuesday 11 October 2016 at 3pm.

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**1. APOLOGIES**

Nil

**2. PREVIOUS MINUTES**

**2.1 CONFIRMATION OF MINUTES**

**SUMMARY**

Seeking approval of the unconfirmed minutes of the previous Council Forum and Meetings.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 8: Compliance

File No: 02/01/001

Attachment: Nil

**RECOMMENDATION**

*That Council confirm:*

1. *the minutes of the Council Briefing of 13 September 2016*
2. *the minutes of the Ordinary Council Meeting of 13 September 2016*
3. *The minutes of the Council Forum of 27 September 2016*

**2.2 REVIEW OF ACTION SHEET**

**SUMMARY**

Notation of Action Sheet.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 8: Compliance

File No: 02/01/001

Attachment: 2.2 Action Sheet

**RECOMMENDATION**

*That Council receive and note the Action Sheet.*

**3. COUNCILLORS' REPORTS**

**3.1 MAYORAL REPORT**

**SUMMARY**

Approval of the Mayoral Report.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 1: Leadership

File No: 02/01/001

Attachment: Nil

**RECOMMENDATION**

*That Council receive and note the Mayoral Report.*

**3.2 COUNCILLORS' REPORT**

**SUMMARY**

Approval of Councillors' Reports.

Author: Phil Pinyon, Chief Executive Officer

Council Plan ref: Core business 1: Leadership

File No: 02/01/001

Attachment: Nil

**RECOMMENDATION**

*That Council receive and note the Councillors' Report.*

**4. DECISION REPORTS**

**4.1 FINANCE REPORT FOR THE PERIOD ENDING 31 AUGUST 2016**

**SUMMARY**

This report provides Council with financial information for the period ending 31 August 2016.

Author	Deanne Caserta, Manager Financial Services
Council Plan ref:	Strategic enabler: Sound financial management protocols
File no:	08/06/001
Attachment:	Finance Report for Period Ending 31 August 2016

**RECOMMENDATION**

*That Council:*

1. *receives and notes the 'Finance report for the period ending 31 August 2016'*
2. *approves budget revisions included in the report for internal reporting purposes only*
3. *approves the supplementary valuations of rateable and non-rateable properties in respect of the 2016/17 financial year, as returned by the Shire Valuer, LG Valuations Pty Ltd, and endorses them being incorporated into the Register of Rateable and Non Rateable Properties and Rate Book for 2016/17.*

**CONFLICT OF INTEREST**

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No
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If yes, the following details identify the conflict of interest.

<b>Officer name</b>	<b>Nature of interest</b>	<b>Reason for conflict</b>
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

**PREVIOUS COUNCIL DISCUSSION**

Council is provided with Finance Reports on a monthly basis with the exception of when changes to the Council meeting timetable resulted in the Council meeting occurring before the completion of the end of month finance procedures.

**BACKGROUND**

The Finance Report for the period ended 31 August 2016 includes standard monthly information about budget variations, cash, investments, interest, debtors and creditors, and provides a comparison of year-to-date actual results to year-to-date budget (by dollars and percentage) and total revised budget (by percentage).

The information is in the format provided in the 2016/17 Budget, and includes operating results, capital expenditure and funding sources.

This Finance Report also includes supplementary valuations. Each year Council makes a number of additions, subtractions and alterations to the valuations contained in the annual rate book.

These changes arise from various sources including:

- splitting of parcels into new rateable assessments
- development of vacant or unproductive land (urban and rural)
- consolidation of separate rateable assessments into one assessment
- re-assessment of property valuations arising from objections to the initial valuation
- additions and cancellations of licences (grazing and water frontages)
- change of use
- covenant on Title
- area amendment
- change of Australian Valuation Property Classification Code (AVPCC)
- supplementary valuation corrections.

### **ISSUES/DISCUSSION**

**Budgeted Surplus** - Council's budgeted cash surplus has increased by \$70K from \$412,254 to \$482,225. This can be largely attributed to an increase in operating revenue of \$68K as a result of increased funding from the Victoria Grants Commission, which has now been confirmed.

**Income Statement (Revenue)** - Council's year to date (YTD) operating revenue is at 99% compared to YTD budget. Just over \$12M was raised in August. HACC user fees are behind budget due to decreased demand. Health licence fees are ahead of budget. Reimbursements are behind budget. Interest income is ahead of budget.

**Income Statement (Expenditure)** - Council's operating expenditure is at 92% compared to YTD budget. Labour currently has \$151K in savings. Materials, services and contractors are behind budget due to timing of vehicle related purchases and major road maintenance. Utilities are behind budget due to varying bill cycles. Payments for this month totalled just over \$1.8M.

**Capital Works** - The revised budget for capital works is \$19.66M. Expenditure is at 65% or \$434K behind YTD budget and is 4% completed in financial terms. Council is currently working towards measuring % practical completion. Asset types with major variations (10% or \$10K) include roadworks which are behind budget and recreation, leisure and community facilities which are ahead of budget.

**Balance Sheet** - Council has a \$16.9M cash total with \$2M in general accounts. Debtors are nearly \$12M due to rates notices being issued of almost \$11M which includes 2016/17 fire services property levy charges. Sundry debtors total \$660K with outstanding for 60 or more days including community wellbeing debtors and local community groups totalling over \$70K.

**Rates** – There were 39 supplementary valuations resulting in a \$5M increase to the total Capital Improved Value (CIV).

### **COSTS/BENEFITS**

The benefit to Council and the community is that accurate and regular financial reporting is being disclosed, along with an accurate representation of property valuations being reflected in Council's rating system and the distribution of rate notices for the year 2016/17.

Provision of financial reports on at least a quarterly basis is a requirement of the Local Government Act.

### **RISK ANALYSIS**

The provision of regular and accurate finance reports to Council minimises the risk of Council not delivering projects within the approved budget. Council's risk exposure is also increased if the rating system does not reflect the valuation changes associated with supplementary valuations as Council will not be aware of the changes, which can alter the rate revenue in the current year and in future rating years.

### **CONSULTATION AND ENGAGEMENT**

There has been considerable consultation internally with respective managers in understanding their budget responsibilities and keeping within budgetary constraints.

Consultation with ratepayers and authorities that act on behalf of ratepayers occurs when a change to a property is required or occurs by virtue of a sale.

External engagement with the community was undertaken during the submission period of the budget, and regular reporting provides a mechanism of monitoring the financial outcomes of Council against that expectation.

**4.2 ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2016**

**SUMMARY**

This report seeks Council's approval of the Annual Report for the year ended 30 June 2016

Author	Sharon Morrison, Director Corporate Services
Council Plan ref:	Core business 8: Compliance
File no:	06/01/001
Attachment:	Annual Report for the year ended 30 June 2016

**RECOMMENDATION**

*That Council:*

1. *approves the Annual Report for the year ended 30 June 2016*
2. *circulate copies of the Annual Report for the year ended 30 June 2016 to adjoining municipalities and other appropriate bodies*

**CONFLICT OF INTEREST**

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

Choose an item.

If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

**PREVIOUS COUNCIL DISCUSSION**

Nil

**BACKGROUND**

In accordance with Section 131 of the Local Government Act 1989 (Act), Council must prepare an Annual Report each financial year that includes a report of its operations, an audited Performance Statement, audited Financial Statements, a copy of the auditor's report on the performance statement, prepared under Section 132, a copy of the auditor's report on the financial statements under Part 3 of the Audit Act 1994, and any other matter required by the regulations.

Under Section 134 of the Act Council must consider the Annual Report at a meeting of the Council, as soon as practicable after the Annual Report has been sent to the Minister.

The Minister was provided with a copy of the Annual Report on 22 September 2016, in accordance with Section 133(1)(a) of the Act, which states that the Annual Report must be submitted to the Minister within 3 months of the end of each financial year.

**ISSUES/DISCUSSION**

Nil

**COSTS/BENEFITS**

Although it is a legislative requirement, preparation of the Annual Report provides Council with an opportunity to formally document the achievements of the financial year at an organisation level and by individual staff.

**RISK ANALYSIS**

Timely preparation and approval of the Annual Report ensures that Council complies with legislative requirements outlined in the Act.

**CONSULTATION AND ENGAGEMENT**

In accordance with Section 133(2) of the Act, public notice in the Loddon Times and Bendigo Advertiser has been given that the Annual Report has been prepared and is available for inspection at Council's offices in Wedderburn and Serpentine, and on Council's website.

**4.3 SPECIAL MEETING OF COUNCIL**

**SUMMARY**

Report seeking approval of scheduling a special meeting of Council.

Author	Lynne Habner, A/Manager Executive and Commercial Services
Council Plan ref:	Core business 1: Leadership
File no:	02/01/002
Attachment:	Nil

**RECOMMENDATION**

*That Council schedule a special meeting on 11 November 2016 at 7pm for the purposes of councillors taking the Oath of Office, making a written declaration to abide by the Councillor Code of Conduct, electing the Mayor and election of councillors to committees.*

**CONFLICT OF INTEREST**

Are there any conflicts of interest for any council staff involved in writing this report, or involved in the subject matter of the report?

No
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If yes, the following details identify the conflict of interest.

Officer name	Nature of interest	Reason for conflict
Click here to enter text.	Choose an item. If indirect, the type of indirect interest is: Choose an item.	[Explain the specific circumstances of this person's conflict of interest.]

*[Refer to the Staff and Contractors Code of Conduct for definitions of conflict of interest.]*

**PREVIOUS COUNCIL DISCUSSION**

Council discussed the date for a special meeting at its September 2016 Council Forum.

**BACKGROUND**

Each year, there is a special meeting of Council held to elect the Mayor and decide on election of councillors to committees. In this general election year, the special meeting will also incorporate all councillors taking the Oath of Office and making a written declaration to abide by the Councillor Code of Conduct.

**ISSUES/DISCUSSION**

Recent changes to the Local Government Act mean that a special meeting must be scheduled either in advance by a resolution of Council prior to the election date, or by the Chief Executive Officer within 14 days of the declaration of the results of the election.

As the processes to be conducted at the special meeting must take place before elected councillors are capable of acting as councillors in accordance with the Local Government Act, it is important that the meeting take place as soon as possible, allowing for arrangements to be made, such as advertising the meeting, deciding its location, and event organisation.

Friday 11 November was considered to be a suitable date for the special meeting to be held for the purposes of councillors taking the Oath of Office, making a written declaration to abide by the Councillor Code of Conduct, electing the Mayor and election of councillors to committees.

**COSTS/BENEFITS**

There are costs associated with this recommendation related to venue hire and catering which can be accommodated within existing budget allocations.

**RISK ANALYSIS**

There are no significant risks identified with this recommendation.

**CONSULTATION AND ENGAGEMENT**

This matter was discussed by councillors and senior staff.

**5. INFORMATION REPORTS**

**5.1 INWARDS CORRESPONDENCE**

**SUMMARY**

Relevant correspondence received by Council since previous meeting.

Author:	Phil Pinyon, Chief Executive Officer
Council Plan ref:	Strategic enabler: Transparent communication
File No:	various
Attachment:	Copies of inwards correspondence

**RECOMMENDATION**

*That Council receives and notes the Inwards Correspondence.*

<b>Date</b>	<b>From</b>	<b>Subject</b>
22/8/16	Municipal Association of Victoria	Fireplug Advocacy
24/8/16	Hon Lisa Neville MP Minister for Water Victoria State Government	Reticulated water and sewerage supply to Newbridge

**6. COMPLIANCE REPORTS**

Nil

**7. GENERAL BUSINESS**

**8. CONFIDENTIAL ITEMS**

Closing of Meeting to the Public

**RECOMMENDATION**

*That the meeting be closed to the public.*

**NEXT MEETING**

The next Ordinary Meeting of Council will be held on 22 November at Serpentine commencing at 3pm.