

# MINUTES

FOR THE  
GREATER SHEPPARTON CITY COUNCIL

## SPECIAL COUNCIL MEETING

HELD ON  
TUESDAY 22 SEPTEMBER, 2015  
AT 5.30PM

IN THE COUNCIL BOARDROOM

**COUNCILLORS:**

Cr Dennis Patterson (Mayor)  
Cr Fern Summer (Deputy Mayor)  
Cr Dinny Adem  
Cr Chris Hazelman  
Cr Jenny Houlihan  
Cr Les Oroszvary  
Cr Kevin Ryan

***VISION***

***GREATER SHEPPARTON, GREATER FUTURE***  
A THRIVING ECONOMY IN THE FOODBOWL OF VICTORIA WITH  
EXCELLENT LIFESTYLES, INNOVATIVE AGRICULTURE, A DIVERSE  
COMMUNITY AND ABUNDANT OPPORTUNITIES



**M I N U T E S  
FOR THE  
SPECIAL COUNCIL MEETING  
HELD ON  
TUESDAY 22 SEPTEMBER, 2015 AT 5.30PM**

**CHAIR  
CR DENNIS PATTERSON**

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## RISK LEVEL MATRIX LEGEND

**Note: A number of reports in this agenda include a section on “risk management implications”. The following table shows the legend to the codes used in the reports.**

Likelihood	Consequences				
	Negligible (5)	Minor (4)	Moderate (3)	Major (2)	Catastrophic (1)
<b>Almost Certain (A)</b> Event expected to occur several times per year (i.e. Weekly)	Low	Moderate	High	Extreme	Extreme
<b>Likely (B)</b> Will probably occur at some stage based on evidence of previous incidents (i.e. Monthly)	Low	Moderate	Moderate	High	Extreme
<b>Possible (C)</b> Not generally expected to occur but may under specific circumstances (i.e. Yearly)	Low	Low	Moderate	High	High
<b>Unlikely (D)</b> Conceivable but not likely to occur under normal operations (i.e. 5-10 year period)	Insignificant	Low	Moderate	Moderate	High
<b>Rare (E)</b> Only ever occurs under exceptional circumstances (i.e. +10 years)	Insignificant	Insignificant	Low	Moderate	High

**Extreme** CEO’s attention immediately required. Possibly avoid undertaking the activity OR implement new controls

**High** Director’s attention required. Consider suspending or ending activity OR implement additional controls

**Moderate** Manager’s attention required. Ensure that controls are in place and operating and management responsibility is agreed

**Low** Operational, manage through usual procedures and accountabilities

**Insignificant** Operational, add treatments where appropriate

**PRESENT: Councillors Dennis Patterson, Fern Summer, Dinny Adem, Jenny Houlihan, Les Oroszvary, Chris Hazelman and Kevin Ryan.**

**OFFICERS: Johann Rajaratnam – Acting Chief Executive Officer  
Colin Kalms – Acting Director Sustainable Development  
Kaye Thomson – Director Community  
Michael Dwyer – Team Leader Accounting  
Rebecca Bertone – Official Minute Taker  
Stephanie Giankos – Deputy Minute Taker**

## **1. ACKNOWLEDGEMENT**

“We the Greater Shepparton City Council, begin today’s meeting by acknowledging the traditional owners of the land which now comprises Greater Shepparton. We pay respect to their tribal elders, we celebrate their continuing culture, and we acknowledge the memory of their ancestors.”

## **2. APOLOGIES**

Nil.

## **3. DECLARATIONS OF CONFLICT OF INTEREST**

In accordance with sections 77A, 77B, 78 and 79 of the *Local Government Act 1989* Councillors are required to disclose a “conflict of interest” in a decision if they would receive, or could reasonably be perceived as receiving a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

**Disclosure must occur immediately before the matter is considered or discussed.**

## 4. BUSINESS DIRECTORATE

### 4.1 Financial Statements and Performance Statement for Year Ended 30 June 2015

#### **Disclosures of conflicts of interest in relation to advice provided in this report**

Under section 80C of the *Local Government Act 1989* officers and persons engaged under a contract providing advice to Council must disclose any conflicts of interests, including the type and nature of interest.

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

#### **Council Officers involved in producing this report**

**Author: Manager Finance and Rates**

**Proof Reader: Manager Finance and Rates**

**Approved by: Acting Director Business**

#### **Executive Summary**

The report presents the final financial statements and performance statement for the financial year ending 30 June 2015 for in principle approval by the Council prior to submission to the Victorian Auditor-General and the Minister in accordance with the *Local Government Act 1989*.

The Act also requires that the Council authorise two Councillors to certify the financial statements and to approve the performance statement in their final form, after any changes recommended, or agreed to, by the auditor have been made.

It should be noted that the Manager Finance and Rates will be signatory to the financial statements as Principal Accounting Officer.

#### **Moved by Cr Houlihan Seconded by Cr Oroszvary**

That the Council:

1. approve in principle the financial statements and performance statement for the financial year ended 30 June 2015
2. authorise the Mayor, Cr Dennis Patterson and the Deputy Mayor, Cr Fern Summer, to certify the financial statements and to certify the performance statement in their final form after any changes recommended or agreed to by the auditor, have been made.

**CARRIED.**

#### **Background**

In accordance with the *Local Government Act 1989* (the Act), the Council is required to prepare financial statements and a performance statement at the end of each financial year.

The Act requires Council to approve in principle the final financial statements and performance statement prior to submission to the Victorian Auditor-General and the Minister.

## 4. BUSINESS DIRECTORATE

### 4.1 Financial Statements and Performance Statement for Year Ended 30 June 2015 (continued)

The Act also requires that the Council authorise two Councillors to certify the financial statements and to certify the performance statement in their final form, after any changes recommended, or agreed to, by the auditor have been made.

At its special meeting on 15 September 2015 the Council's Audit and Risk Management Committee reviewed the statements in conjunction with the Victorian Auditor-General's Appointed Auditor and formally recommended that the Council approve in principle the financial statements and performance statement for the financial year ended 30 June 2015.

#### **Council Plan/Key Strategic Activity**

The report is consistent with the governance principle contained in Goal 5 of the Council Plan 2013-2017, "High Performing Organisation (Leadership and Governance)".

#### **Risk Management**

Council has addressed any risks associated with the preparation of the reports by applying accepted accounting standards, where applicable.

Risks	Likelihood	Consequence	Rating	Mitigation Action
Risk of material misstatement	Possible	Major	High	Strong internal controls and external audit by LD Assurance.
Council does not approve the Statements in principle	Rare	Major	Moderate	Statements also reviewed by Council's Audit and Risk Management Committee
Signed Statements not submitted to the Minister by 30 September 2014	Unlikely	Major	Moderate	Established process to ensure target date is achieved

#### **Policy Considerations**

The Financial Statements have been prepared in accordance with accounting policies as detailed in note 1 of the Financial Statements.

#### **Financial Implications**

The financial implications are detailed within the financial statements and performance statement for the year ended 30 June 2015.

	2014/15 Approved Budget \$000's	2014/15 Actual \$000's	Variance to Approved Budget \$000's	Comments
Revenue	119,112	134,588	15,476	Favourable
Expense	109,868	127,007	(17,139)	Unfavourable
Net Result	9,244	7,581	(1,663)	Unfavourable

## 4. BUSINESS DIRECTORATE

### 4.1 Financial Statements and Performance Statement for Year Ended 30 June 2015 (continued)

It is important to note that the variance is mainly due to the early receipt of 50% of the 2015/2016 Federal Financial Assistance Grant funding (\$5.5m) and over \$8m in the additional write-off of infrastructure assets from a review of Council's asset register. Further analysis is included with note 2 of the financial statements.

#### **Legal/Statutory Implications**

This proposal is consistent with sections 131 and 132 of the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 Part 4 Divisions 2 and 3.

#### **Environmental/Sustainability Impacts**

No environmental or sustainability impacts have been identified.

#### **Social Implications**

No social implications have been identified.

#### **Economic Impacts**

No economic impacts have been identified.

#### **Consultation**

Officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

Level of public participation	Promises to the public/stakeholders	
Inform	Keep informed	Council's Annual Report

#### **Strategic Links**

No Strategic Links have been identified in relation to this report.

#### **Options for Consideration**

1. Approve in principle the financial statements and performance statement for submission to the auditor, ensuring compliance with the *Local Government Act 1989*. Recommended.
2. Not approve in principle the financial statements and performance statement. Not recommended. This option would lead to Council not complying with the *Local Government Act 1989*.

#### **Conclusion**

The report presents the final financial statements and performance statement for the financial year ending 30 June 2015 for in principle approval prior to submission to the Victorian Auditor-General and the Minister in accordance with the *Local Government Act 1989*.

#### **Attachments**

1. Greater Shepparton City Council Financial Statements year ended 30 June 2015
2. Greater Shepparton City Council Performance Statement year ended 30 June 2015