

COUNCIL MEETING MINUTES - 22 OCTOBER 2024

Vision:

Indigo Shire - leading sustainable growth, community and cultural diversity, and climate action

HELD: Tuesday, 22 October 2024 at 6.30pm

LOCATION: Council Chambers, 2 Kurrajong Way, Beechworth, and livestreamed on Council's website

ATTENDEES:	NAME	TITLE
	Cr Sophie Price	Mayor
	Cr Bernard Gaffney	Deputy Mayor
	Cr Peter Croucher	Councillor
	Cr Sue Gold	Councillor
	Cr Roberta Horne	Councillor
	Cr Diane Shepheard	Councillor
	Cr Emmerick Teissl	Councillor
	Trevor Ierino	Chief Executive Officer
	Ian Ellett	Director Infrastructure Services
	James Turner	Acting Director Planning & Corporate Services
	Sally Rice	Director Community & Economic Development
	Annabel Harding	Governance Coordinator
APOLOGIES:	Greg Pinkerton	Director Planning & Corporate Services

These Minutes are not a verbatim transcript of the discussions in the Council meeting; a recording of this meeting can be found on Council's webpage.

Responses given by Councillors and Council Staff are the opinion of the individual responders, and accurate at the time of response, to the best of their knowledge.

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At the start of the meeting, the Mayor read out the following statement:

ELECTION PERIOD STATEMENT

Before this meeting begins, I would like to recognise that Council is currently in the Election Period, otherwise known as 'caretaker period'. This means that, under the *Local Government Act 2020*, we are prohibited from doing certain things, such as making major decisions, using Council resources to affect the result of the election, and publishing or distributing electoral matter.

In the year of a general election, the Act also requires us to meet during the Election Period to consider the annual report. Accordingly, the discussion during this meeting cannot contain any content that could be regarded as overt electioneering or promotion of individual Councillors. The Annual Report 2023/2024 has been certified by the CEO and does not contain any electoral matter.

1. WELCOME

The Mayor welcomed all to this additional meeting of Council and noted that it would be live streamed and recorded, and the voices and images of those participating in the meeting, and in the gallery, captured as part of the recording.

2. ACKNOWLEDGEMENT OF THE TRADITIONAL OWNERS OF THE LAND

The Mayor acknowledged on behalf of the Council the original custodians of these lands. The people of the rivers and the hills have walked these lands for thousands of years as well as today, and we pay respect to the elders of the past and present.

The Mayor noted that Councillors have all taken an oath to carry out their duties in the best interests of the people of Indigo Shire and to do this in a fair and impartial manner. They are all committed to exercising the Council's powers and functions to the best of their skills and judgement.

3. APOLOGIES AND LEAVE OF ABSENCE

Greg Pinkerton – Director Planning & Corporate Services

4. DECLARATION OF CONFLICT OF INTEREST

Nil

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5. EXECUTIVE MANAGEMENT

5.1 ANNUAL REPORT 2023/2024

File No: 2024/912

Melinda Collis - Executive Manager Customer Experience & Engagement Executive Management

For Decision

RECOMMENDATION

That Council receives the Indigo Shire Council Annual Report 2023/24.

RESOLUTION

That Council receives the Indigo Shire Council Annual Report 2023/24.

Moved: Cr Gold

Seconded: Cr Croucher

For: Crs Peter Croucher, Bernard Gaffney, Sue Gold, Roberta Horne, Sophie Price, Diane Shephard and Emmerick Teissl

Against: Nil

CARRIED

PURPOSE OF REPORT

The report is to present to Council the Annual Report 2023/24 as required under Section 100 of the *Local Government Act 2020*.

BACKGROUND

Council is committed to transparent reporting and accountability to the community and the Annual Report is the primary means of advising our community about council's operations and performance during the previous financial year.

It should be noted that due to the reporting falling during caretaker period, there is no Mayoral message, Councillor images or details about which committees the councillors have been a member of during the 2023/24 year.

DISCUSSION

Indigo Shire's financial position at the end of 2023/24 is provided in the attached report with both a summary of the overall performance as well as detailed financial statements. The financial statements and performance statement has been prepared by Council's Finance team, reviewed by the external auditor, and approved by the Valuer General (VAGO). In addition, these statements have been reviewed by Council's Finance Committee as well as the Audit & Risk Committee.

Highlights of the year include:

- Completed \$1M Beechworth Courthouse Kelly Trials Exhibition
- Completed Kergunyah Hall upgrade
- Completed Chiltern Netball and Tennis Courts upgrade

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- Completed Barnawartha Tennis Courts upgrade
- Completed construction of Indigo Shire’s first Changing Places Facility in Yackandandah
- Completed Barnawartha Cricket Net upgrade
- Completed Bells Flat Road repairs following storm events in 2022
- Completed construction of 700m footpath on Traton Street, Wahgunyah
- Completed Baarmutha Park public toilet replacement
- Introduced 24/7 Cat Curfew
- Adopted Public Art Policy
- Completed construction of pump tracks in Wahgunyah and Tangambalanga
- Developed masterplans for Barkly Park Rutherglen, Allans Flat Waterhole, Yackandandah Sports Park and Coulston Park in Tangambalanga
- Completed review of Council’s Planning Scheme
- Commenced construction of \$5.1M Rutherglen Loops
- Installed seven EV chargers for Council’s fleet of Electric Vehicles
- Planted 500 street and park trees
- Introduced online building platform to streamline building application process

Options

Under section 100 of the Local Government Act 2020, Council’s Annual Report must be presented by the Mayor at a meeting of council open to the public by no later than Tuesday 31 October 2024. There is no provision for an extension or alteration of this deadline. Failure to comply with this deadline may result in a breach of the Act.

1. Council receives the Annual Report 2023/24 (recommended)
2. Council does not receive the Annual Report and seeks further changes (not recommended)

STRATEGIC CONTEXT

COUNCIL PLAN 2021 – 2025	
Theme	5. Accountability
Strategic Objective	5.1 Our financial management is sound, responsible and effective.
Strategic Action	5.1.4 Maintain sound financial practices by completing the Annual Financial Statements and receive audit clearance by the legislated timeframe each year

SOCIAL/COMMUNITY IMPLICATIONS

There are a wide range of social/community achievements identified in the Annual Report 2023/24.

ENVIRONMENTAL IMPLICATIONS

The Annual Report identifies a number of achievements in the Environment and Sustainability area including:

- Installation of energy efficiency projects, including solar PV and battery system at Kiewa Tangambalanga Lions Den, with funding support from Sustainability Victoria.

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- Worked with private sector to install a further 3 public EV fast chargers in Beechworth, Chiltern and Rutherglen.
- Installation of 7 EV chargers for Council's electric vehicles, with funding support from the Victorian Government.
- Developed a Draft Urban Tree Canopy Strategy.
- Supported five community initiatives via Council's Community Sustainability Grant Program.
- Planted 500 street and park trees in our towns, with funding support from Emergency Management Victoria under the Naturally Cooler Indigo Project.
- Completed transition to a new kerbside waste recycling waste collection contract.
- Completed our annual program of noxious weed and pest control on Council's roadsides and reserves, with funding support from the Victorian Government.
- Cat curfew introduced.

FINANCIAL IMPLICATIONS

Operating Position

Indigo Shire Council's operating position at the end of 2023/24 was a deficit of \$5.138 million. This result was a combination of a \$6.460 million reduction in operating grant receipts compared to the previous year (due to the later payment of the Financial Assistance Grant), an increase in staffing cost of \$1.573 million (due to a reduction in staff vacancies), and an increase of \$1.901 million in material and services (mostly due to flood recover works that will be recouped in the 2024/25 financial year).

Liquidity

The total cash and cash equivalents of \$2.526 million is a reduction of \$6.217 million from the balance at the end of the previous financial year. This is mainly due to the delayed payment of the Financial Assistance Grant. This, in turn, reduced Council's liquidity ratio from 1.78 times at the end of 2022/23 to 0.93 times at the end of 2023/24. It is important to note that liquidity increased dramatically at the start of the 2024/25 financial year when the Financial Assistance Grant payment was received. This will be further bolstered by the reimbursement of the flood recovery expenditure that was spent in the 2023/24 year, but not reimbursed by the end of the financial year. Financial Summary Barnawartha Tennis and Netball Courts Obligations Council aims to ensure that it has the ability to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge this infrastructure gap, Council invested a total of \$11.5 million during the 2023/24 financial year. Council's assets renewal and upgrade ratio, which is a measure of Council's capacity to invest in asset renewal and investments has increased from 67.72% in the previous financial year to 96.13% in 2023/24, indicating Council's resolve achieve sustainable growth in this area. At the end of 2023/24 financial year, Council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, increased from the previous year's 7.27% to 10.06% due to the completion of a new loan in 2023/24 to cover the past purchase of the Chiltern land, and the master-planning process.

Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants, and contributions. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, increased from 50.62% to 60.60% in 2023/24. This was caused by the changed payment timing for the Financial Assistance Grants, and therefore this ratio it is expected to return to the usual mid-50% range next year, and for the foreseeable future. Council's average rate per property assessment, which measures the sum of general rate and municipal charge revenue divided by number of

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property assessments was \$1,810.42 for the 2023/24 financial year, slightly up from the previous year's \$1,676.97.

The annual financial statements are an important part of Council's planning and reporting cycle and provide a closure to the 2023/24 financial year. They will also provide a basis for the 2024/25 financial year as well as a starting point for the upcoming 2025/26 budget build.

LEGISLATIVE IMPLICATIONS

Section 100 of the *Local Government Act 2020* requires Council to meet to consider the Annual Report and this report and the attached designed document fulfil our legislative requirements.

RISK & OPPORTUNITY MANAGEMENT

The Annual Report 2023/24 provides a full account of Council's progress against a range of required measures and forms part of the Council's annual governance framework. Council has achieved good results against these measures. These results and transparent reporting mitigate any reputational risk.

COMMUNITY ENGAGEMENT

Engagement undertaken

Nil

Engagement outcomes

Nil

Engagement proposed

To keep the public informed by placing the Annual Report on Council's website.

CONCLUSION

The financial results were impacted by some delayed income (for the Financial Assistance Grants as well as project funding and natural disaster reimbursements), and this resulted in a reduced operating result compared to the previous year. These variances will be resolved in the new financial year as the income is received.

Council's asset base increased in 2023/24, due in a large part to the increased valuation of land under roads. Whilst important from an accounting perspective, the resulting surplus should not be confused with the underlying operating result.

Council successfully provided a range of services, initiatives and infrastructure in the financial year 2023/24, and the Local Government Performance Reporting Framework indicators continue to show solid performance for the Indigo Shire community.

DECLARATION OF CONFLICT OF INTEREST

Under section 130(2) of the *Local Government Act 2020* and Governance Rule 24, the following officers declare that they have no interests to disclose in providing this report:

- Trevor Ierino – Chief Executive Officer

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- Greg Pinkerton – Director Planning and Corporate Services
- Melinda Collis – Executive Manager Customer Experience and Engagement
- Melissah Watson – Engagement and Communications Advisor

Attachments

1. Indigo Shire Annual Report 2023/2024

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Meeting Concluded: 6.36pm

Next Meeting: Tuesday, 19 November 2024 at 6.30pm (Statutory Meeting)
Tuesday 10 December 2024 at 6.30pm (Scheduled Meeting)