



Pyrenees
Shire Council

Minutes

Special Meeting of Council

6:00 pm Tuesday 24 September 2024

Virtual

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1. WELCOME

Mayor Cr Robert Vance welcomed all to the meeting.

PRESENT

Mayor: Cr Robert Vance

Councillors: Tanya Kehoe, David Clark, Ron Eason, Damian Ferrari

Chief Executive Officer: Jim Nolan

Director Asset and Development Services: Douglas Gowans

EA to CEO and Councillors: Chantelle Sandlant (minutes)

Communications Officer: Leah Heinrich

2. STREAMING PREAMBLE

Mayor Cr Robert Vance read the livestream preamble.

3. ACKNOWLEDGEMENT OF COUNTRY

The Mayor acknowledged the people past and present of the Wadawurrung, Dja Dja Wurrung, Eastern Maar and Wotjobaluk tribes, whose land forms the Pyrenees Shire. We pay our respect to the customs, traditions and stewardship of the land by the elders and people of these tribes on whose land we meet today.

4. APOLOGIES

Kathy Bramwell, Director Corporate & Community Services

On behalf of Council, Cr Vance passed on sincere condolences to Kathy and her family on the passing of Bob.

5. NOTICE OF DISCLOSURE OF INTEREST BY COUNCILLORS AND OFFICERS

There were no conflicts of interest declared.

6. ITEMS FOR DECISION

6.1. CORPORATE AND COMMUNITY SERVICES

6.1.1. ADOPTION OF 2023/24 FINANCIAL STATEMENT AND 2023/24 PERFORMANCE STATEMENT

Presenter: Jim Nolan – Chief Executive Officer

Declaration of Interest: As presenter of this report, I have no disclosable interest in this item.

Report Author: Glenn Kallio – Manager Finance

Declaration of Interest: As author of this report, I have no disclosable interest in this item.

File No: 32/08/30

The recommended decision has been approved by the Chief Executive Officer as one that could not be reasonably deferred until the next Council is in place.

PURPOSE

The purpose of this report is to present the 2023/24 Financial Statements and Performance Statement to Council for adoption “in principle” and authorisation of two Councillors, being the Councillor members of the Audit and Risk Committee, to sign the audited statements, before being submitted to the Auditor-General for certification.

BACKGROUND

The Local Government Act 2020 requires that the Council complete the following at the end of each financial year regarding producing an Annual Report.

S. 98 Annual report

1. A Council must prepare an annual report in respect of each financial year.
2. An annual report must contain the following —
 - a. a report of operations of the Council;
 - b. an audited performance statement;
 - c. audited financial statements;
 - d. a copy of the auditor's report on the performance statement;
 - e. a copy of the auditor's report on the financial statements under Part 3 of the Audit Act 1994;
 - f. any other matter required by the regulations.
1. The financial statements must —
 - a. include any other information prescribed by the regulations; and
 - b. be prepared in accordance with the regulations.

S. 99 Preparation of annual report

1. As soon as practicable after the end of the financial year, a Council must cause to be prepared in accordance with section 98, the performance statement and financial statements of the Council for the financial year.
2. The Council, after passing a resolution giving its approval in principle to the performance statement and financial statements, must submit the statements to the auditor for reporting on the audit.

3. The Council must ensure that the performance statement and financial statements, in their final form after any changes recommended or agreed by the auditor have been made, are certified in accordance with the regulations by —
 - a. two Councillors authorised by the Council for the purposes of this subsection; and
 - b. any other persons prescribed by the regulations for the purposes of this subsection.
2. The auditor must prepare a report on the performance statement.
Note: The auditor is required under Part 3 of the Audit Act 1994 to prepare a report on the financial statements.
3. The auditor must not sign a report under subsection (4) or under Part 3 of the Audit Act 1994 unless the performance statement or the financial statements (as applicable) have been certified under subsection (3).
4. The auditor must provide the Minister and the Council with a copy of the report on the performance statement as soon as is reasonably practicable.
Note: The auditor is required under Part 3 of the Audit Act 1994 to report on the financial statements to the Council within 4 weeks and to give a copy of the report to the Minister.

ISSUE / DISCUSSION

The 2023/24 Financial Statements and Performance Statement have been prepared in accordance with the requirements of the Local Government Act 2020, Local Government (Planning and Reporting) Regulations 2020 and Australian Accounting Standards.

In accordance with Council's Governance protocols, the reports will be presented to Council's Audit and Risk Committee for review and recommendation to Council for adoption "in principle" and authorisation of two Councillors, being the Councillor members of the Audit and Risk Committee, to sign the audited statements. This will be done prior to the Special Meeting of Council and verbal confirmation provided by officers at the meeting.

- In preparation of the 2023/24 Financial Statements, the following items to be noted:
 - Operating deficit \$3.571 million
 - Cash and investments \$9.202 million
 - Working Capital 193%
 - Council assets valuations were not indexed in 2023/24 as it was considered the index rates were not significant.
- The major factors impacting the operations during 2023/24 were:
 - The usual receipt of the following year's financial assistance grants in June of the financial year did not occur. The funds were delayed until July 2024. This had a negative financial impact on Councils operating result and cash balance as at June 30 of \$6.1 million dollars.

- The financial impact of both the recent fire and flood events has been a downward effect on both the operating result and cash balance as at 30 June 2024 of \$2.149 million.

COUNCIL PLAN / LEGISLATIVE COMPLIANCE

Enabling Principles

- b. Provide transparency and accountability

ATTACHMENTS

1. PSC Performance Statement 2023-2024 Final V 1.6 [6.1.1.1 - 19 pages]
2. Pyrenees Shire Council Annual Statement 23-24 [6.1.1.2 - 65 pages]

FINANCIAL / RISK IMPLICATIONS

The financial statements detail the Council's financial performance and position for 2023/24. They demonstrate that over time the Council has steadily improved its financial position but indicate that there are still numerous financial challenges lying ahead that will require responsible fiscal stewardship.

CONCLUSION

The attached Financial Statements and Performance Statement for 2023/24 were prepared according to the Local Government Act 2020 requirements. The Council's Audit and Risk Committee will review the statements at its September 2024 meeting (prior to this meeting) and the Statements will be submitted to the Auditor-General for certification. Pursuant to the Local Government Act, authorisation of two Councillors is required to sign the statements on behalf of the Council.

It is standard practice for the Councillor members of the Audit and Risk Committee to sign the certified statements on behalf of Council.

Cr David Clark / Cr Tanya Kehoe

That Council:

1. Adopts in principle and submits the 2023/24 Financial Statements and Performance Statement to the Auditor-General for certification subject to recommendation of the Audit and Risk Committee.
2. Authorises Council's Audit & Risk Committee representatives, Councillor Ferrari and Councillor Eason, to certify the 2023/24 Financial and Performance Statements in their final form, after any changes recommended, or agreed to by the Auditor, have been made.

CARRIED

6.1.2. ANNUAL REPORT 2024

Presenter: Jim Nolan – Chief Executive Officer

Declaration of Interest: As presenter of this report, I have no disclosable interest in this item.

Report Author: Kathy Bramwell – Director Corporate and Community Services

Declaration of Interest: As author of this report, I have no disclosable interest in this item.

File No: 16/17/02

The recommended decision has been approved by the Chief Executive Officer as one that could not be reasonably deferred until the next Council is in place.

PURPOSE

On behalf of the Pyrenees Shire Council Mayor, this report presents the 2024 Pyrenees Shire Council Annual Report.

BACKGROUND

Section 100 of the Local Government Act 2020 provides for the Council receiving an annual report.

The Mayor must report on the implementation of the Council Plan by presenting the annual report of a Council meeting open to the public. The Council meeting must be held, in the year of a general election, on a day not later than the day before election day. For 2024, which is a year of a general election, the report must be presented on or before 25 October 2024.

Item 6.3 (b) of Council's Election Period Policy 2024 states that:

b) A Council meeting will be held during the election period of 2024 to enable the Mayor to present the Pyrenees Shire Council Annual Report 2024. This must be held prior to 25 October 2024.

At its meeting on 10 September 2024, the Council resolved to hold a Special Council Meeting in October to enable the presentation of the 2024 Annual Report.

ISSUE / DISCUSSION

The Annual Report has been prepared in accordance with section 98 of the Local Government Act 2020 and details the operational and financial activities and outcomes of the Pyrenees Shire Council for the 2023-24 financial year.

The Annual Report contains a range of matters, including:

- A report of the operations of the Council
- An audited performance statement
- Audited financial statements
- A copy of the auditor's report on the performance and financial statements

The Annual Report 2024 provides an insight into Council's operations and fulfils its statutory obligations in this regard.

In 2024, a year of a local government general election, as the Annual Report is published and promoted by the current Council during a designated election period, care has been taken not to include any material within this version of the Annual Report that could be considered electioneering on behalf of existing Councillors.

Initially, the report provides a factual overview of the 2023-2024 financial year, including statistical performance and financial information, information on the capital projects started and completed, and information on the economic status of the shire.

The Council administration delivers more than 150 services, from family and children's services, open space and passive recreation, active recreation facilities, waste management, local roads maintenance and reconstruction, and community facilities; to matters concerning business and tourism support and development, community development and support, planning for appropriate development and housing, and ensuring accountability for budget and financial sustainability.

This broad range of community services and infrastructure for residents supports the wellbeing and prosperity of our community and performance is measured by a set of service performance indicators and measures which are reported against in the Annual Report.

This year saw economic and operational challenges arising from inflation / cost of living pressures and impact from natural disaster with the Bayindeen Rocky Road bushfire impacting the shire on top of ongoing flood impacts and recovery efforts.

The financial year ended with a negative financial result resulting from flood recovery expenditure not yet reimbursed through government disaster funding arrangements, and the timing of receipt of Federal Financial Assistance Grants which were received for the year outside of the accounting period.

A digital pdf copy of the draft Annual Report has been provided in accordance with the election period obligations. Final copies of the full version will be provided when printed. The limited version of the report will be made available on the Council website, replaced by full copies after the election and printed copies of the full report will be made available at front counters or available upon request.

The full report will assist in increasing the visibility of Council operations, services, and its officers, aiming to improve transparency and understanding of what the organisation does and the services it delivers to the community. It will be produced after the end of the caretaker period and will replace the current pdf version for public distribution.

COUNCIL PLAN / LEGISLATIVE COMPLIANCE

Priority 1 - People

1d. Promote health, wellbeing, engagement and connection.

Enabling Principles

b. Provide transparency and accountability

COMMUNITY ENGAGEMENT / CONSULTATION OUTCOMES

Widespread promotion of the 2024 Annual Report will be provided to our community and made available in digital or hard copy format as requested.

ATTACHMENTS

1. PSC Annual Report election period V 1 [6.1.2.1 - 111 pages]

FINANCIAL / RISK IMPLICATIONS

All financial and risk implications have been discussed in this report or the Annual Report itself.

CONCLUSION

The 2024 Annual Report of the Pyrenees Shire Council was prepared in accordance with legislation and considering the need to mitigate any material that could be seen as election materials. This report allows the Mayor to present the Annual Report to the Council and its Community.

Cr Damian Ferrari / Cr Ron Eason

That the Council accepts the Pyrenees Shire Council Annual Report 2024 as presented by the Mayor.

CARRIED

7. CLOSE OF MEETING

The Special Meeting of Council - 24 September 2024 closed at 6:19 pm.

Minutes of the Meeting confirmed _____

2024 Mayor Cr Robert Vance