



# West Wimmera Shire Council

## MINUTES

### UNSCHEDULED COUNCIL MEETING

Friday 9 August 2024  
12:00 pm

Microsoft Teams





## Councillors and Shire Map



**MAYOR**  
**Cr. Tim Meyer**



**DEPUTY  
MAYOR**  
**Cr. Tom  
Houlihan**



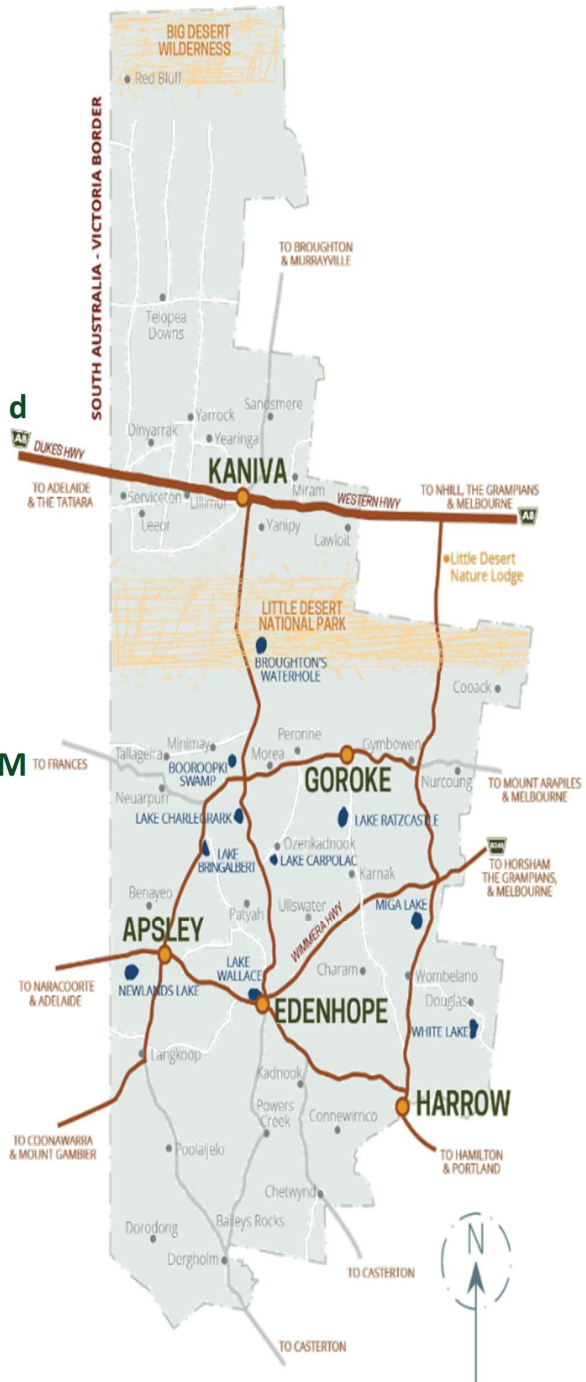
**Cr. Richard  
Hicks**



**Cr. Bruce  
Meyer OAM**



**Cr. Jodie  
Pretlove**





## COUNCIL VISION

**Our West Wimmera community is healthy, thriving, diverse, harmonious, prosperous, and self-sustaining, with regional and global connectivity.**

## OUR VALUES

**INNOVATIVE** – We will proactively respond to change, are optimistic about our future and pursue continuous improvement in everything that we do.

**ACCOUNTABLE** – We will be responsible, take ownership of our actions and are committed to good governance, excellence, transparency, achievement of goals and advocating for our community

**UNITED** – We will do everything within our ability to encourage and form trusting relationships, to work together as one team to achieve our goals and advocate for ‘One West Wimmera’.

**COLLABORATIVE** – We will actively and openly consult with you and work constructively with community organisations, agencies, the business community and other levels of government to our community’s benefit.

## OUR GOALS





### **Purpose of Council meetings**

- (1) Council holds scheduled meetings and, when required, unscheduled meetings to conduct the business of Council.
- (2) Council is committed to transparency in decision making and, in accordance with the Local Government Act 2020, Council and Delegated Committee meetings are open to the public and the community are able to attend.
- (3) Meetings will only be closed to members of the public, in accordance with section 66 of the Act, if:
  - (a) there are clear reasons for particular matters to remain confidential; or
  - (b) a meeting is required to be closed for security reasons; or
  - (c) it is necessary to enable the meeting to proceed in an ordinary manner.
- (4) A meeting closed to the public for the reasons outlined in sub-rule 3(b) or 3(c) will continue to be livestreamed. In the event a livestream is not available:
  - (a) the meeting may be adjourned; or
  - (b) a recording of the proceedings may be available on the Council website

The West Wimmera Shire Council Governance Rules set out the meeting procedure rules for this Council Meeting.

Members of the public are reminded that they are required to remain silent during this meeting, except during Section 5 Questions from the Gallery.

This Council meeting will be recorded for live streaming.

### **Councillors pledge**

*As Councillors of West Wimmera Shire Council, we solemnly and sincerely declare and affirm that we will consider each item on this agenda in the best interests of the whole municipal community.*



**In Attendance:**

**Councillors:**

Tim Meyer, Mayor  
Tom Houlihan, Deputy Mayor  
Richard Hicks  
Bruce Meyer OAM  
Jodie Pretlove

**Executive Leadership Team:**

David Bezuidenhout - Chief Executive Officer (CEO)  
James Bentley - Director Corporate & Community Services (DCCS)  
Brendan Pearce - Director Infrastructure Development & Works (DIDW)

**Officers:**

Abbas Mehr - Chief Financial Officer  
Katie Frost - Governance Manager  
Leanne Lucas - Finance and Rating Coordinator



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## 1 Welcome

The Mayor declared the meeting open at 12:10pm

## 2 Acknowledgement of Country

### Acknowledgment of Country:

The West Wimmera Shire Council acknowledges the traditional custodians of the land on which we meet, and pays respect to their elders, past, present and emerging.

## 3 Opening Prayer

### Opening Prayer:

Almighty God, we humbly ask your blessing upon this Council. Guide and prosper our decisions to the advancement of Your Glory and the true welfare of the people of West Wimmera Shire. Amen.

## 4 Apologies, Leave of Absences, Declaration of Conflict of Interest

### 4.1 Apologies

Nil

### 4.2 Leave of Absence

Nil

### 4.3 Declaration of Conflict of Interest

None Declared



## 5 Corporate and Community Services

### 5.1 Audit of Financial Statements and Performance Statement 2022/23

*Directorate:* Corporate and Community Services

*Report Author:* Chief Financial Officer

*Report Purpose:* For Decision

#### **Purpose**

The Annual Report comprising the Financial Statements and the Performance Statement 2022/23 was adopted by Council on 31 October 2024 pending final approval from the Victorian Auditor-General's Office (VAGO). Council received the final management letter (see attached) from VAGO's Audit Service Provider, Crowe Australasia on 6 August 2024. Council is now required to adopt in principle the 2022/23 Financial Statements and Performance Statement.

#### **OFFICER RECOMMENDATION:**

##### **That Council:**

- 1. Adopt in principle the attached 2022-23 Annual Report including the audited Financial Statements and Performance Statement in accordance with s100 of the *Local Government Act 2020* pending any recommendations from the Victorian Auditor-General's Office.**
- 2. Authorise the Chief Executive Officer to include any recommendations from the Victorian Auditor-General's Office into the Annual Report.**
- 3. Nominate Councillor Tim Meyer, Councillor Jodie Pretlove and the Chief Executive Officer to sign and authorise the 2022/23 Annual Financial Statements and Performance Statement.**





**Moved:** Cr Bruce Meyer

**Seconded:** Cr Jodie Pretlove

**That Council:**

- 1. Adopt in principle the attached 2022-23 Annual Report including the audited Financial Statements and Performance Statement in accordance with s100 of the *Local Government Act 2020* pending any recommendations from the Victorian Auditor-General's Office.**
- 2. Authorise the Chief Executive Officer to include any recommendations from the Victorian Auditor-General's Office into the Annual Report.**
- 3. Nominate Councillor Tim Meyer, Councillor Jodie Pretlove and the Chief Executive Officer to sign and authorise the 2022/23 Annual Financial Statements and Performance Statement.**

**CARRIED UNANIMOUSLY (5 / 0)**

### **Declaration of Interest**

No officer declared an interest under the Local Government Act 2020 (LGA 2020) in the preparation of this report.

### **Background**

The Annual Report which includes the Financial Statements 2022/23 and Performance Statement 2022/23 were presented to Council on the 31 October 2023 where Council resolved the following:

- 1. That Council adopt the 2022/23 Annual Report including the audited Financial Statements and Performance Statement in accordance with s100 of the Local Government Act 2020 pending any recommendations by VAGO.*
- 2. That the CEO be authorised to include any recommendations from VAGO into the Annual Report.*

On 2 October 2024 Council approved in principle the 2022/23 Financial Statements and Performance Statement. In order to comply with the Local Government Act 2020, this documentation was submitted to Crowe Australasia in their capacity as audit service provider for VAGO. Due to internal administrative issues, the progress of the audit was significantly delayed. Council is now required to adopt in principle the 2022/23 Financial Statements and Performance Statement.



## Financial Statements for FY 2022-23

This report outlines the Financial Statements 2022/23 which will be presented to the Audit & Risk Committee at its Special Meeting scheduled for 8 August 2024 and the following summary of financial results is accordingly presented to Council.

### Income / Revenue

Council's total income for the year aggregated to \$33.196 million against the budgeted \$31.257 for this period reflecting 6.20% positive earnings. The following table provides an insight into budgeted and actual results against various reportable components.

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Rates & Charges	8,241	8,242	-
Statutory Fees & Fines	137	156	13.87%
User Fees	977	696	-40.37%
Grants - Operating	12,945	14,624	12.97%
Grants - Capital	6,965	6,360	-8.68%
Contributions - Monetary	264	126	-52.27%
Contributions – non-monetary	-	0	0
Gain / (Loss) on Disposal of Assets	100	174	74.00%
Other Income	1,628	2,951	81.26%
Share of net profits / (loss) - Associates and Joint Ventures	-	(133)	-100.00%
	<b>31,257</b>	<b>33,196</b>	<b>6.20%</b>

Council received some operating grants to fund its infrastructure renewals which resulted in higher than budgeted income for the year. The allocation of capital grants was more than double the previous year's total of \$2.903 million but remained slightly lower than the budgeted amount. However, Council was able to deliver a higher proportion of its budgeted capital works (Budget: \$11.273 million) due to improved results in operational grants.

The road maintenance contracts and other reimbursable works for VicRoads provided improved earnings as reported in other income. Council has invested in capacity-building of the Infrastructure Development & Works directorate, as well as plant and equipment to mitigate the impact the reduced availability of contractors servicing rural areas.



## Expenses

The expenses tracked within operating levels achieved during the year. The higher cost of delivering essential services throughout the Shire presents resourcing challenges.

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	<i>\$ '000</i>	<i>\$ '000</i>	<i>\$ '000</i>
Employee Costs	9,776	9,919	1.46%
Materials and Services	13,269	9,277	30.08%
Depreciation	7,864	10,661	35.57%
Other Expenses	348	453	30.17%
	<b>31,257</b>	<b>30,310</b>	<b>3.03%</b>

The most adverse impact resulted from additional depreciation included in the financial statements for the year, amid desktop revaluation based on indicative current unit rates – as recommended by the auditors. The actual revaluation has now been completed and there will be minimal impact of these revaluations in the financial year 2023-24. However, in accordance with the best industry standards and provisions of the Australian Accounting Standards, this revaluation has provided better reflection of Council's critical asset value in this year's financial statements.

## Operating Surplus / (Deficit) for the Year

Council's operational results for this financial year present a \$2.886 million surplus against a presented balanced budget indicative of a break-even position at the end of this financial year.

## Asset Revaluation

The Council has applied an internally assessed desktop valuation based on current average unit rates for different classes and components of our critical infrastructure assets in accordance with the industry standards and provisions of Australian Accounting Standards. The application of revised unit rates was thoroughly examined by the auditors and an agreed



revaluation has been included in the financial statements. A formal revaluation by a licensed valuation consultant has been completed in September 2023 and will be incorporated in the financial year 2023-24 and there will be a minor impact on asset valuation in FY 2023-24.

As a result of this revaluation, there was an additional impact on depreciation posted to the financials for this year. The net result of this revaluation is a \$36.329 million surplus which has been built into the Asset Revaluation Reserve.

### **Comprehensive Result**

The Council's 2022-23 budget projected a balanced budgetary position. However, the surplus arising out of operations worth \$2.886 million, coupled with the additional revaluation surplus of \$36.329 million, has resulted in total comprehensive income of \$39.215 million.

### **Prior Year Adjustments**

During the finalisation of this year's financial statements, it was observed that there were some variations in actual values as compared to the previous year's audited financial statements. These variations were investigated and were considered important to be factored in and reported as part of the audit process. After thorough discussions and deliberations, the auditors conducted an audit into these items and in accordance with Australian Accounting Standards and guidance received from the Victorian Auditor General's Office (VAGO), there are items in the previous year's financial statements which have been restated to accurately reflect the Council's financial position.

A disclosure of these restatements and their impact has been provided and relates to restatement of cash and cash equivalents, adjustments made to materials & services to accurately reflect the value of accrued liabilities for FY 2021-22. The auditors are satisfied that this restatement has accurately clarified all prior year discrepancies.

### **Risk Management Implications**

Risk identified: Financial risk

Information risk

Regulatory risk

Reputation risk

Strategic risk

### **Legislative Implications**

The report complies with the requirements of the:  
Local Government Act 2020



### **Environmental Implications**

Not applicable

### **Financial and Budgetary Implications**

The financial risk rating has been assessed as: Low

### **Policy Implications**

This report is supported by the following West Wimmera Shire Council Policy/s:

Not applicable

### **Council Plan Implications**

This report supports the following sections of the West Wimmera Shire Council Plan 2021 – 2025:

#### ***Goal 4 – Good Governance***

- 4.1 Ensure long term financial sustainability.
- 4.4 Develop a high performing accountable organisation.

### **Communication Implications**

No Communication Implications

### **Gender Equality**

No Equal Impact Assessment is required

### **Conclusion**

Following receipt of the final management letter from VAGO's Audit Service Provider, Crowe Australasia, on 6 August 2024, Council is now required to adopt in principle the 2022/23 Financial Statements and Performance Statement.

### **Attachments**

1. FINAL Annual Report 2022-2023 v 9 1\_ [5.1.1 - 52 pages]
2. CONFIDENTIAL - WWSC Financial Statements 2022-23 25072024 [5.1.2 - 54 pages]
3. CONFIDENTIAL - WWSC Performance Statement 2022-23 24072024 [5.1.3 - 10 pages]
4. C.7 a Final management letter with observations 6.8.24 [5.1.4 - 10 pages]



## 5.2 Adjustment to 2024-25 Municipal Charge and Rate in the Dollar

*Directorate: Corporate and Community Services*

*Report Author: Chief Financial Officer*

*Report Purpose: For Decision*

### **Purpose**

The 2024-25 budget was adopted by Council on 19 June 2024. The purpose of this report is to adjust the rate in the dollar and municipal charge to ensure compliance with the *Local Government Amendment (Fair Go Rates) Act 2015*. This adjustment has no effect on the total rates and charges levied for the financial year 2024-25.

### **OFFICER RECOMMENDATION:**

That Council:

1. Revoke Parts 3, 4 and 7 of the resolution made on 19 June 2024 as follows:
  3. *Declare, in accordance with, Section 158 of the Local Government Act 1989, a General Rate of 0.12219 cents in the dollar of the Capital Improved Value within the municipal district for all rateable land for the rating period commencing 1 July 2024 and ending 30 June 2025.*
  4. *Note the General Rate of \$0.12219 cents in the dollar of the Capital Improved Value as noted in recommendation 3, is subject to confirmation from the Valuer General of Victoria of the valuations within West Wimmera Shire and the issuance of a Certificate 7A under the Valuation of Land Act 1960. Should valuations change materially, there will be a requirement to amend the General Rate in the dollar in order to ensure compliance with the Local Government Amendment (Fair Go Rates) Act 2015. This will have no impact on the total rates revenue raised.*
  7. *Declare, in accordance with Section 159 of the Local Government Act 1989, a municipal charge of \$170.55 will be levied against any rateable land on which a municipal charge may be levied for the rating period commencing on 1 July 2024 and ending on 30 June 2025.*
2. Declare, in accordance with, Section 158 of the Local Government Act 1989, a General Rate of 0.12217 cents in the dollar of the Capital Improved Value within the municipal district for all rateable land for the rating period commencing 1 July 2024 and ending 30 June 2025.



3. Note the General Rate of \$0.12217 cents in the dollar of the Capital Improved Value, is subject to confirmation from the Valuer General of Victoria of the valuations within West Wimmera Shire Council and the issuance of a Certificate 7A under the Valuation of Land Act 1960. Should valuations change materially, there will be a requirement to amend the General Rate in the dollar in order to ensure compliance with the Local Government Amendment (Fair Go Rates) Act 2015. This will have no impact on the total rates revenue raised.
  
4. Declare, in accordance with Section 159 of the Local Government Act 1989, a municipal charge of \$170.50 will be levied against any rateable land on which a municipal charge may be levied for the rating period commencing on 1 July 2024 to 30 June 2025

**Moved:** Cr Jodie Pretlove

**Seconded:** Cr Richard Hicks

**OFFICER RECOMMENDATION:**

**That Council:**

1. Revoke Parts 3, 4 and 7 of the resolution made on 19 June 2024 as follows:
  3. *Declare, in accordance with, Section 158 of the Local Government Act 1989, a General Rate of 0.12219 cents in the dollar of the Capital Improved Value within the municipal district for all rateable land for the rating period commencing 1 July 2024 and ending 30 June 2025.*
  
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  7. *Declare, in accordance with Section 159 of the Local Government Act 1989, a municipal charge of \$170.55 will be levied against any rateable land on which a municipal charge may be levied for the rating period commencing on 1 July 2024 and ending on 30 June 2025.*



2. Declare, in accordance with, Section 158 of the Local Government Act 1989, a General Rate of 0.12217 cents in the dollar of the Capital Improved Value within the municipal district for all rateable land for the rating period commencing 1 July 2024 and ending 30 June 2025.
3. Note the General Rate of \$0.12217 cents in the dollar of the Capital Improved Value, is subject to confirmation from the Valuer General of Victoria of the valuations within West Wimmera Shire Council and the issuance of a Certificate 7A under the Valuation of Land Act 1960. Should valuations change materially, there will be a requirement to amend the General Rate in the dollar in order to ensure compliance with the Local Government Amendment (Fair Go Rates) Act 2015. This will have no impact on the total rates revenue raised.
4. Declare, in accordance with Section 159 of the Local Government Act 1989, a municipal charge of \$170.50 will be levied against any rateable land on which a municipal charge may be levied for the rating period commencing on 1 July 2024 to 30 June 2025

**CARRIED UNANIMOUSLY (5 / 0)**

### **Declaration of Interest**

No officer declared an interest under the Local Government Act 2020 (LGA 2020) in the preparation of this report.

### **Background**

Following the adoption of the 2024-25 budget by Council at its meeting on 19 June 2024, the number of properties subject to the municipal charge was understated by eight assessments due to late supplementary levy activity. The number of properties subject to the charge is 2,957.

The increase in the number of assessments subject to the municipal charge resulted in an increase to Council's rate income in excess of the rate cap limits.

Accordingly, in order to ensure compliance with the rate cap, the following adjustments have been made:





- the value of the municipal charge has been reduced from \$170.55 to \$170.50 per assessment
- the rate in the dollar has been reduced from \$0.0012219 to \$0.0012217

These adjustments ensure that the additional income generated by the increased number of municipal charges is offset exactly by a concomitant reduction in the rate in the dollar, thereby ensuring full compliance with the *Local Government Amendment (Fair Go Rates) Act 2015*.

### **Risk Management Implications**

Risk identified: Financial risk

Regulatory risk

### **Legislative Implications**

The report complies with the requirements of the:  
Local Government Act 2020

### **Environmental Implications**

Not applicable

### **Financial and Budgetary Implications**

The financial risk rating has been assessed as: Low

### **Policy Implications**

This report is supported by the following West Wimmera Shire Council Policy/s:

Not applicable

### **Council Plan Implications**

This report supports the following sections of the West Wimmera Shire Council Plan 2021 – 2025:

#### ***Goal 4 – Good Governance***

4.4 Develop a high performing accountable organisation.

4.5 Maintain a rigorous risk management framework.

### **Communication Implications**

No Communication Implications



## Gender Equality

No Equal Impact Assessment is required

## Conclusion

Council levies the municipal charge and the ad valorem rate in the dollar on properties in accordance with its obligations with under the *Local Government Act 1989*. One of those obligations is to ensure compliance with rate cap legislation. Following Council's adoption of the municipal charge and rate in the dollar for the financial year 2024-25, supplementary levy calculations resulted in an increased number of assessments upon which the municipal charge must be levied. To account for the increased revenue generated by these assessments, it is necessary to adjust the value of the municipal charge and the value of the rate in the dollar to ensure compliance with the *Local Government Amendment (Fair Go Rates) Act 2015*. Because the municipal charge and the rate in the dollar were adopted by Council, this proposed adjustment requires revocation of parts of the previous resolution made by Council on 19 June 2024.

## Attachments

Nil



## 6 Infrastructure Development and Works

No Reports

## 7 Close of Meeting

### Meeting closed:

The Unscheduled Council Meeting - 9 August 2024 was declared closed at 12:23pm

Mayor's Signature

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