

minutes

Annual General Meeting
of Electors



The Annual General Meeting of Electors was held at **6:00pm** on Tuesday **19 December 2017** in the Council Chambers, Administration Centre at 99 Shepperton Road, Victoria Park

A handwritten signature in black ink, appearing to read "A. Vuleta".

MR ANTHONY VULETA
CHIEF EXECUTIVE OFFICER

20 December 2017

1. OPENING

Deputy Mayor Vicki Potter welcomed all those present, declared the meeting opened at 6:00pm and made an Acknowledgement to Country.

Acknowledgement of Country

I acknowledge the traditional custodians of this land on which we are meeting, the Whadjuk People of the Noongar Nation and pay my respects to the past and present Elders for they hold the memories, the traditions, the culture and hopes of Indigenous Australians

2. ATTENDANCE AND APOLOGIES

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|---------------------------|--|
| Deputy Mayor: | Cr Vicki Potter |
| Chief Executive Officer: | Mr A (Anthony) Vuleta |
| Director Business Life: | Mr N (Nathan) Cain |
| Chief Operations Officer: | Mr B (Ben) Killigrew |
| Senior Governance Officer | Mrs T (Towela) Mbirimi |
| Minute Secretary: | Mrs A (Alison) Podmore |
| Electors: | Cr Jennifer Ammons Noble Cr Brian Oliver Cr Claire Anderson Cr Karen Vernon Cr Bronwyn Ife Cr Ronhhda Potter Mr Sam Zammit Mr Vince Maxwell |
| Apologies: | Mayor Trevor Vaughan Cr Julian Jacobs |

3. PRESENTATION OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

3.1 MAYOR AND CEO'S REPORT

The Deputy Mayor, Cr Vicki Potter, referred to the Mayor and CEO's report in the Annual Report and welcomed community members to read them in that report. Cr Potter introduced the Director Business Life, Mr Nathan Cain to present the Financial Statement and Audit report.

3.2 FINANCIAL STATEMENTS AND AUDITORS REPORT.

Mr Nathan Cain presented the Financial Statement and Audit report for 2016/2017 Financial Year.

I am pleased to present the Financial Statements, as included in the Annual Report, for the year ended 30 June 2017.

The Financial Statements, and the Supporting Notes, contained in the Report have been compiled by the administration in accordance with the relevant Australian Accounting Standards in order to comply with the provisions of the *Local Government Act 1995* and associated Regulations.

By way of a brief summary of the Financial Statements, the following observations are made:

- Rate revenue of \$41.6 million was levied across 16,862 rateable assessments, which is up from \$39.2 million from 16,680 rateable assessments last year.
- Rates comprised approximately 71% of the operating revenue of the Town, just marginally down from 72% last year.
- Only 2% of rates remained outstanding as at 30 June 2017.
- Capital works and purchases totalling \$10.8 million occurred during the year, significantly up from last year at \$8.3 million.
- Council's property and infrastructure assets have a current carrying value of \$903 million.
- Grants to assist in funding the development of assets and infrastructure totalled \$1.6 million, up from \$1.5 million the previous year.
- The balance of loans outstanding at 30 June reduced from \$11.0 million in 2016 to \$8.8 million in 2017.
- Of concern is the asset sustainability ratio of 0.61. Although improved from last year at 0.28, the ratio indicates that the Town is not replacing capital items as they reach the end of their useful lives, and points to an ageing pool of assets and infrastructure.

Joint ventures with the Mindarie Regional Council and the Tamala Park Regional Council had a net existing worth of \$8.9 million as at the reporting date. The future value to the Town for these joint ventures, which is not held in the Annual Financial Statements, continues to be valued in excess of \$25 million.

In closing, the Financial Statements, as presented, were audited by Macri Partners. In their opinion the Financial Statements:

- Give a true and fair view of the financial position of the Town as at 30 June 2017 and of the financial performance for the 2016-2017 financial year;
- Fully comply with the Local Government Act 1995 and associated Regulations; and
- Do not lead them to qualify the Audit for any reason.

3.3 PROGRAM AREA OVERVIEW

The Deputy Mayor, Cr Vicki Potter, advised that there is an overview of each Program Area in the Annual Report and invited community members to read them in that report. Cr Potter added that the 2016-17 year was the year in which the Council brought about the Strategic Community Plan. That is a very important document for our Council as it is the blue print for the Town going forward for the next 15 years. We're very pleased that we had a lot of community support and that we have been able to finalise that in the 2016-17 years

4. GENERAL BUSINESS

Sam Zammit

For quite some time, I have been trying very diligently in many ways to ask the Town to consider putting a levy on new building sites. I did take the time to go to about eight (8) building sites with the Mayor to show him the damage that contractors are doing to infrastructure. Unfortunately, the Town keeps getting billed for the repair and the money is paid from our rates. Nothing has been done about it; the excuse was that it would cost more in Administration to charge the builder and for us to put the effort in taking photos of our infrastructure, be it the road or the kerbing. I don't think anything would come into consideration, before or after, if there is any damage, you give the builder the option to repair it themselves or we do it and we charge them, and when we're satisfied when the building is finished, we give him back his money. I don't see a problem with that and I've rung around and it is pretty standard with most Councils.

Question:

Would you take that on board and give it due consideration?

Response:

The Chief Executive Officer, Mr Anthony Vuleta said that he will get the staff to look at the effectiveness of what is currently being done and will get them to do a report for the Town's Executive to see what the costs are currently in terms of reinstatements, so there is some evidence of what is happening at the moment. If that shows cause for concern, then the Administration will look at all options of implementing something that will improve the situation. Mr Vuleta said we would look at it internally to see what the cause and effect is on actually happening out there at the moment with the builders.

Question

Do you think there would be a cost involved to the Administration to administer this levy?

Response:

The Chief Executive Officer, Mr Anthony Vuleta said he recalled when the original bonds were charged. The second CEO at that time stopped the process of charging bonds because the cost at that time for the Administration of the organisation was higher than the actual damage rate and any reinstatements that were needed out in the community, so they stopped the process. It's been a long time, there was other processes in the meantime to look at that internally to deal with these issues. The Administration does get onto builders and the Town shouldn't be paying anything for reinstatement, it should actually go back to the builders. Mr Vuleta said he thought it was about time to have a review of that and see if it is as effective as it was and if it is not, then the Administration will look at other options, perhaps the one you suggest, to stop the issue from occurring.

Vince Maxwell:

Question:

The Director, Nathan Cain, mentioned about the sustainability ratios and wondered if anything has been done to address our over jealous depreciation rates that actually make that sustainability ratio look a lot worse than what it really is?

Response

The Director Business Life, Mr Nathan Cain advised that the Administration generally don't use depreciation rates anymore because it runs an annual valuation system which provides the Town with the valuation at the time. The depreciation that is used in the Town's values is built from those valuations themselves, so whatever rate is used throughout the year are counteracted or amended at the end of year adjustments as of the 30th of June. The depreciation rates used for the purpose of the calculation are actually determined by the valuer that does the asset valuation.

Question:

Are you saying that the sustainability ratios that you are working on now, that the actual the loss of value is a market rate that a valuer has actually determined on all of those assets?

Response

The Director Business Life, Mr Nathan Cain said yes. The value that is there is impacted by the valuation that is received by the valuer. The valuer is giving the market value of that property and what is the appropriate carry value for the written down value that the Town should be carrying and the difference being the depreciation.

Question:

In the report on page 30; it is talking about the relocation of the Victoria Park Carlisle Lawns Bowling Club for a multipurpose sport and community facility, this was from 2014, why is it in this year's report? It talks about an 11 February 2014 decision.

Response

The Chief Executive Officer, Mr Anthony Vuleta took the question on notice.

Question:

On page 15 there is mention of the Town Centre again that was 2015, that still appears in the report.

Response

The Deputy Mayor, Cr Vicki Potter, read the section Mr Maxwell was referring to and said it actually goes on to say what happened after that, it isn't saying that the Town Centre is still on the cards. However, Cr Potter said the Administration would take the question on notice to check if they are trying to show the difference between the previous plan and the current Strategic Plan.

5. CLOSURE

There being no other items of business, Deputy Mayor Potter declared the meeting closed at 6:17pm.