

# MINUTES

OF THE  
GREATER SHEPPARTON CITY COUNCIL

## SPECIAL COUNCIL MEETING

HELD ON  
TUESDAY 19 FEBRUARY 2008  
AT 1.00PM

IN THE COUNCIL BOARD ROOM  
90 WELSFORD STREET

**COUNCILLORS:**

Cr Eric Bott (Mayor)  
Cr Kevin Ryan (Deputy Mayor)  
Cr Chris Hazelman  
Cr Jenny Houlihan  
Cr Sondrae Johnson  
Cr Dallas Terlich  
Cr Bruce Wilson

***VISION***

***GREATER SHEPPARTON***  
AS THE FOOD BOWL OF AUSTRALIA,  
A SUSTAINABLE, INNOVATIVE  
AND DIVERSE COMMUNITY  
***GREATER FUTURE***

**M I N U T E S**  
**FOR THE**  
**SPECIAL COUNCIL MEETING**  
**HELD ON**  
**TUESDAY 19 FEBRUARY 2008 AT 1.00PM**

**CHAIR**  
**CR BOTT**

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**PRESENT: Councillors Eric Bott, Bruce Wilson, Chris Hazelman, Dallas Terlich, Jenny Houlihan And Sondrae Johonson.**

#### **1. ACKNOWLEDGEMENT**

“We, the Greater Shepparton City Council, begin today’s meeting by acknowledging the traditional custodians 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**

##### **Moved by Cr Wilson**

That the apology of Councillor Kevin Ryan be received and a leave of absence be granted

**CARRIED**

#### **3. DECLARATION OF PECUNIARY INTERESTS, CONFLICT OF INTERESTS AND INTERESTS**

**Cr Chris Hazelman declared an Interest in respect to Item 5 - 2007-2008 Mid Year Budget Review, as within the Operational Budget there is a transfer of nondiscretionary investments to Harness Racing Victoria (HRV) that arose out of an agreement that was entered into by Council and HRV. Since this agreement was made, Cr Hazelman has been appointed the Administrator of the Shepparton Racing Club by the Minister of Racing.**

#### **4. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Nil.

## 5. MANAGEMENT REPORTS

### FROM THE BUSINESS AND FINANCE DIRECTORATE

#### 2007-2008 Mid Year Budget Review

**Cr Chris Hazelman declared an Interest in respect to Item 5 - 2007-2008 Mid Year Budget Review, as within the Operational Budget there is a transfer of nondiscretionary investments to Harness Racing Victoria (HRV) that arose out of an agreement that was entered into by Council and HRV. Since this agreement was made, Cr Hazelman has been appointed the Administrator of the Shepparton Racing Club by the Minister of Racing.**

#### **Summary**

At the mid way point of the financial year a comprehensive and detailed review of the Council's 2007-2008 Operating and Capital Works Budget was completed. The review process involved estimating the end of the financial year position on all programs within the Council's Strategic Objectives.

As a result of this review, some variations to the adopted Operating and Capital Works Budgets were identified and incorporated into the 2007-2008 Mid Year Budget Review. These variations are a result of a range of factors, including:

- Government programs and projects announced since the adoption of the budget
- Infrastructure works associated with development initiatives undertaken since the adoption of the budget
- Recent grant applications.

The review has provided the opportunity to fine tune and reallocate surplus funds from various program budgets. Overall, a neutral outcome has been achieved as there is nil financial effect on the bottom line of the original adopted budget.

#### **Moved by Cr Wilson**

That the 2007-2008 Mid Year Budget Review report be received and the Council approve the amended Operating and Capital Budget reallocations.

**CARRIED**

#### **Background**

The Council's 2007-2008 Budget was formally adopted at the Special Council Meeting held on 14 August 2007. A mid financial year internal review has been carried out and compared with this budget.

Through the review, a number of favourable variances have been achieved including additional income from Supplementary Municipal Rates of \$390,000, Grants Commission funding of \$196,300, Children's Services funding of \$109,000 and Building Control fees of \$100,000. Cost savings identified include Corporate insurance premiums of \$107,000 and the Corporate Workcover premium of \$70,000.

## 5. MANAGEMENT REPORTS

### **2007-2008 Mid Year Budget Review (continued)**

Additional income and cost savings identified allows for the reallocation of funds across the operating and capital budgets, while maintaining a neutral financial result on the overall budget position. For example, at an operating level, additional funds have been allocated towards the Goulburn Valley Freight Logistics Centre (\$450,000), the Melbourne University Training Facility (\$350,000), the Ardmona Kidsfest festival (\$120,600), the SheppARTon Festival (\$45,000), Business Continuity planning (\$55,000) and a Consultation Strategy (\$40,000). Significant variations within the Capital Works program include additional funds for Howley Oval Sports Complex (\$330,000), Asset Management System upgrade (\$94,000), Shepparton Sports Precinct soccer field extensions (\$30,000), relocation of powerlines in small towns (\$25,200), Deakin Reserve flood lighting (\$20,000) and bus shelters (\$19,000).

#### **Risk Management**

Monitoring of the Council's adopted 2007-2008 Budget provides for prudent financial management ensuring the Council is made aware of potential or known financial risks. The review process provides for the adjustment of known variances mid way through the financial year.

#### **Options**

Not Applicable

#### **Policy Implications**

Not Applicable

#### **Best Value Implications**

The Mid Year Budget Review process complements the objectives of the Financial Services Best Value review which provides for regular monitoring of financial information.

#### **Financial Implications**

Numerous line item adjustments have been incorporated into the 2007-2008 Mid Year Budget Review. Overall, a neutral financial result has been achieved on the bottom line of the original adopted 2007-2008 Budget.

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

There are no statutory or legal implications given that the *Local Government Act 1989* allows for a reallocation of budget line items, in circumstances where there is no material change to the financial operations and position of the Council.

#### **Consultation**

The 2007-2008 Mid Year Budget Review has been prepared through consultation with the Executive Management Team (EMT) and Responsibility Managers (RM's) across the organisation who have direct responsibility for the management of budgeted financial resources. The review provides the opportunity to allocate funding for local community needs identified through Councillor and community consultation processes.

#### **Strategic Links**

The financial values in the report are summarised in each of the Strategic Objectives as published in the Council's adopted 2006-2010 Council Plan.

#### **Attachments**

2007-2008 Mid Year Budget Review summaries.

**6. URGENT AND OTHER BUSINESS NOT INCLUDED ON THE AGENDA**

Nil.

**MEETING CLOSED AT 1.14PM**

**CONFIRMED**

**CHAIR**