AGENDA

ANNUAL GENERAL MEETING

SORELL COUNCIL CHAMBERS

TUESDAY 29 NOVEMBER 2011
7 pm.
ANNUAL GENERAL MEETING

Section 72B of the Local Government Act 1993 requires the Council to hold an Annual General Meeting not later than 15 December in each year.

The Annual General Meeting of the Sorell Council will be held at the Sorell Council Chambers on Tuesday, 29 November 2011 commencing at 7.00 pm.

This Agenda includes an outline of the meeting procedures which will apply to this meeting.

CARMEL TORENIUS
MAYOR
25 November 2011
# Agenda

**For the Annual General Meeting (AGM)**

**To be held at the Sorell Council Chambers**

**On Tuesday, 29 November 2011**

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## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Opening of Meeting, Welcome &amp; Introductions</td>
<td>1</td>
</tr>
<tr>
<td>2.0</td>
<td>Attendance</td>
<td>1</td>
</tr>
<tr>
<td>3.0</td>
<td>Meeting Procedures</td>
<td>2</td>
</tr>
<tr>
<td>4.0</td>
<td>Annual Report 2010/2011</td>
<td>3</td>
</tr>
<tr>
<td>4.1</td>
<td>Presentation by Manager Finance &amp; Information, Sue Charles</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>– Financial Statements (See Attached)</td>
<td></td>
</tr>
<tr>
<td>5.0</td>
<td>Submissions for Issues to be Discussed</td>
<td>12</td>
</tr>
<tr>
<td>6.0</td>
<td>Questions</td>
<td>12</td>
</tr>
<tr>
<td>7.0</td>
<td>Close of Meeting</td>
<td>12</td>
</tr>
</tbody>
</table>
1.0 OPENING OF MEETING, WELCOME & INTRODUCTIONS

The Mayor will open the meeting, welcome those in attendance and introduce the Councillors.

2.0 ATTENDANCE

COUNCILLORS

Deputy Mayor B McDonald
Councillor J Dunbabin
Councillor K Degrassi
Councillor M Purdon
Councillor L White
Councillor K Vincent
Councillor Clr R Bunyan
Councillor G Evans

COUNCIL STAFF

Bill Costin, General Manager
Bill Hyndes, Manager Environment & Development
Steve Hodge, Manager Engineering Services
Robyn Watts, Manager HR & Community Services
Sue Charles, Manager Finance and Information
Betty Spaulding, Personal Assistant to the General Manager

ELECTORS
3.0 MEETING PROCEDURES

1. The Annual General Meeting is a meeting of the Council. However, unlike other council meetings, everyone in attendance is able to participate in the meeting. It is therefore important that questions and comments be kept brief and to the point and that common courtesy prevails when other people are speaking.

2. As the minutes of the meeting are recorded, speakers should identify themselves before speaking (i.e. full name and suburb where you reside).

3. All discussion should be addressed through the Chair.

4. Before debating any Motion, the Motion is required to be Moved and Seconded.

5. Only one Motion may be before the Chair at any one time.

6. In accordance with the Local Government Act 1993, voting is by a show of hands, and only electors of the Sorell municipal area are entitled to vote.

7. A motion is passed by one half of the electors plus one voting in favour of it.

8. Any motion passed at the Annual General Meeting will be considered at the first ordinary Council meeting on 20 December 2011.
4.0 ANNUAL REPORT 2010/2011

Copies of the Annual Report will be available at the Annual General Meeting.

4.1 PRESENTATION BY MANAGER FINANCE & INFORMATION, SUE CHARLES – FINANCIAL STATEMENTS (SEE ATTACHED)
Sorell Municipality Key Facts

Demographics
- Changing in the future with ageing population 62% increase in the 65 and over age sector next decade.
- Other age sectors expected to have an increase 3%, 2%, 6% and 16% through the youth to mid age demographics, respectively.

Sorell Council Vision

Sorell a diverse, vibrant, innovative, caring and harmonious community.
Sorell Council Mission

To lead a with a solid foundation for the community and provide high-level service delivery from which all generations can prosper and grow.

Council’s long term objectives

1. Deliver core services aligned with community expectations
2. Deliver and enhance our sustainable financial position
3. Implement Asset Management Plans for all assets
4. Manage growth with infrastructure
5. Deliver Community Administration and Learning Centre and Neil Davis Car Park within the life of CSP
6. Monitor climate change and its impacts
7. Consult with the community and cooperatively deliver key community services
8. Grow partnerships and Sorell’s profile
9. Effective and efficient use of Council human, capital, infrastructure and financial resources
Key Successes in 2010/11

- Completed Community Recovery Plan
- Develop long term vision and concept for Pembroke Park
- Completion of RLCIP funding, Pembroke Park 1st Stage Lighting and Pioneers Park
- Successful grants applications with the Tasmanian State Government, Pembroke 2nd Stage Lighting and Sorell Waterway Trail
- Increase utilisation of the RV park
- Bream Creek Hall and Reserves handed over to the community
- Improved partnership arrangements
- Council endorse Service levels

Key Successes in 2010/11 cont.

- Improved external advice reducing risk profile
- Investment in human resources
- Agreement on location of new Council Services Precinct and funding sources
- Develop a strategic settlement strategy - Sorell
- Improve compliance through the engagement of Enforcement Officer and Compliance Charter
- Adoption of new Council Workplace Agreement
- High level ten year capital works funding model
- New rating model
- Revalued Storm Water, Drainage, Land and Building Assets
- Complete Stage 1 Neil Davis Car Park
Financial Statements

1. Key Sustainability Ratios
2. Income Statement
3. Capital Works
4. Balance Sheet
5. Key success factors
6. Questions

Key Sustainability Ratios

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td><strong>Operating margin</strong></td>
<td>&gt; 1</td>
<td>1.1</td>
<td>1.1</td>
<td>1.06</td>
<td>1.06</td>
<td>1.03</td>
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<tr>
<td><strong>Self financing ratio</strong></td>
<td>0%</td>
<td>13%</td>
<td>20%</td>
<td>25%</td>
<td>27%</td>
<td>28%</td>
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<tr>
<td><strong>Own Source revenue %</strong></td>
<td>&lt; 80%</td>
<td>&gt; 80%</td>
<td>&gt; 80%</td>
<td>&gt; 80%</td>
<td>&gt; 80%</td>
<td>&gt; 80%</td>
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<tr>
<td><strong>Liquidity Ratio</strong></td>
<td>&gt; 2</td>
<td>5.21</td>
<td>5.13</td>
<td>5.33</td>
<td>5.99</td>
<td>2.74</td>
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<td><strong>Debt Service Ratio</strong></td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
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<tr>
<td><strong>Asset renewal gap</strong></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>99%</td>
<td>111%</td>
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<tr>
<td><strong>Rates per capita</strong></td>
<td>$121</td>
<td>$125</td>
<td>$129</td>
<td>$708</td>
<td>$708</td>
<td>$724</td>
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<td><strong>Rates General per rateable property</strong></td>
<td>$810</td>
<td>$866</td>
<td>$875</td>
<td>$906</td>
<td>$931</td>
<td>$962</td>
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<td><strong>General rate per rateable property % increase</strong></td>
<td>4.6%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td></td>
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<tr>
<td><strong>Operating costs per rateable property</strong></td>
<td>&lt; 1,493</td>
<td>&lt; 1,502</td>
<td>&lt; 1,510</td>
<td>&lt; 1,558</td>
<td>&lt; 1,614</td>
<td>&lt; 1,641</td>
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<td><strong>Operating costs per rateable property % increase</strong></td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
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<tr>
<td><strong>Population</strong></td>
<td>13,127</td>
<td>13,007</td>
<td>13,648</td>
<td>13,894</td>
<td>14,144</td>
<td>14,356</td>
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<td><strong>Number of rateable properties</strong></td>
<td>8,535</td>
<td>8,635</td>
<td>8,605</td>
<td>8,734</td>
<td>8,865</td>
<td>8,998</td>
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</tbody>
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Income Statement - Overview

- Surplus $1.537 million, above budget $0.64 million
  - $150,000 additional revenue Southern Water Dividend
  - $230,000 additional grant revenue
  - $160,000 additional investment revenue
  - $170,000 decrease in wages and salaries
  - $390,000 increase in materials and contracts
  - $300,000 decrease in other expenses

Income Statement - Revenue

- Rates and charges 84% of revenue
- General rate represents 80%
- Residential sector 84% of the General Rate
- Approx. 1,520 pensioners provided assistance through State remission $410,000
- Average interest rate on investments 8.5%, cash rate 4.75%
Income Statement - Expenditure

- Shift between internal labour and contractors
- Increase in service level increased cost in maintenance - offset by reduction in other expenses
- Decommissioned old Carlton Tip $183,000
- Revalued library $219,000
- Depreciation in line with budget moving towards target of 100% depreciation funding

Capital Works Overview

Roads
- Nugent Road Re-sheet $84,000
- Fulham Road Re-sheet $74,000
- Bay Road Dust seal $96,000
- Nugent Road construction $94,000
- Carlton River Road (RtoR) $337,000
- Susan Bay Road upgrade to seal $101,000
- Carlton Beach Road seal $168,000
- Provence Drive seal $109,000
- Main Road Sorell including kerb and channel, footpaths $290,000
Capital Works Overview

Other
- Rosendale Bridge upgrade $109,000
- Neil Davis land acquisition $176,000
- Dunalley Toilets Stage 1 $70,000
- Dubbs and Co Lane - drainage $183,000
- Pembroke Park lights back oval $155,000
- Pioneer Park including playground $303,000
- Boat Park Stage 1 $64,000

Balance Sheet - Overview
- Net increase in Cash $945,000
- Capital expenditure $4,380,000 116% spend on depreciation however renewals 95%, new assets
- Increase in total assets $5.7 million
  - Infrastructure $5 million increase in value due to revaluation
  - Cash and investments increased
- Trade creditors increase due to accrual accounting
- Loans reduction $397,000 on 2009-10
- Total increase in equity $5.6 million
Key Future Success Factors

- Long term financial plan – on track
- Twenty year asset management plans for all major infrastructure
- Leverage from technology to increase efficiencies
- Sustainable service delivery to match growing and changing demands
- Effective financial gearing - intergenerational borrowings
- Meet the current and future Community Strategic Plans

Questions
5.0 SUBMISSIONS FOR ISSUES TO BE DISCUSSED

No submissions were received.

6.0 QUESTIONS

7.0 CLOSE OF MEETING