



ANNUAL GENERAL MEETING

MINUTES

To be submitted to the
NINETY EIGHTH SESSION OF THE ASSOCIATION

Will be held on

12 May 2010

Commencing At

11.00am

At
Wrest Point Casino
Hobart



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* Denotes Attachment

FORMAL NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT

**The Annual Conference of
Local Government in Tasmania
will be held in conjunction with
Local Government Managers Australia
and
Institute of Public Works Engineering Australia
commencing
Wednesday 12 May, 2010**

**NOTICE IS ALSO GIVEN THAT THE
Ninety Eighth Annual General Meeting
of the Association
will be held at the
Wrest Point Casino, Hobart
at 11.00am
on Wednesday 12 May, 2010**

**NOTICE IS ALSO GIVEN THAT
the Association's General Meeting
will be held at the
Wrest Point Casino, Hobart.
Commencing immediately following
the conclusion of the AGM on
Wednesday 12 May 2010
To consider
Local Government Policy and Motions
from Member Councils**

**Allan Garcia
CHIEF EXECUTIVE OFFICER**

2010 CONFERENCE PROGRAM



WEDNESDAY 12 MAY 2010

10.00–2.00pm	Registration Desk Open
11.00am	Annual General Meeting General Meeting Commences immediately following the conclusion of AGM
1.00pm	Lunch
2.00pm	Meetings continue
5.00pm	Country Club Tasmania/ALGWA Cocktail Hour

THURSDAY 13 MAY 2010

7.30-8.00am	Find 30 – Morning Walk	
8.00am	Conference Registrations	
9.00am	Welcome and Opening	
9.10am	Official Opening	
9.15am	Dominic Thurbon	
10.10am	Moving Moment	
10.15am	Allan Garcia	
10.30am	Morning Tea	With thanks to Marsh
11.00am	A word from Platinum Sponsor, Civic Mutual Plus	
11.05am	2010 Local Government Awards For Excellence Finalists	
11.15am	Moving Moment	
11.20pm	Fae Robinson	
12.00pm	Lunch	With thanks to Marsh
1.00pm	Workshop Program	
2.30pm	Afternoon Tea	With thanks to Commonwealth Bank
3.00pm	2010 Local Government Awards For Excellence Finalists	
3.10pm	Institute of Chartered Accountants	
3.15pm	Moving Moment	
3.20pm	Carol Boyle	
4.30-5.30pm	Happy Hour	With thanks to Commonwealth Bank
7.00 & 7.15pm	PML Shuttle Service to Hotel Grand Chancellor	
7.30pm	Civic Mutual Plus Conference Dinner	
10.30-12.00pm	PML Shuttle Service to Wrest Point	

FRIDAY 14 MAY 2010

9.00am	Workshop Program	
10.30am	Morning Tea	With thanks to Bistec
11.15am	The Premier, or Government Representative	
11.35am	Geoff Willis	
12.10pm	Moving Moment	
12.15pm	Professor Graham Sansom	
1.00pm	Conference wrap up and Wrest Point prize draw	
1.15pm	Lunch	With thanks to Bistec



2010 ANNUAL GENERAL MEETING

The President, Mayor Barry Easter, welcomed Members and declare the Annual General Meeting open at 11.05.

Apologies were received from –

Mayor Doug Burt	George Town Council
Cr Roger Broomhall	George Town Council
Cr Graeme Neilsen	George Town Council
Cr George O'Sign	George Town Council
Mr Peter Harder	West Coast Council
Deputy Mayor Anita Dow	Burnie City Council
Alderman Colin Winter	Burnie City Council
Alderman Steven Green	Burnie City Council
Alderman Steven Kons	Burnie City Council
Lord Mayor Rob Valentine	Hobart City Council
Deputy Mayor Helen Scott	Southern Midlands Council
Mayor Jock Campbell	Clarence City Council
Mr Glenn Doyle	Huon Valley Council
Mayor Kim Polley	Northern Midlands Council
Mayor Lynn Laycock	Devonport City Council

A copy of the Rules of the Association are available on the Association's website at - <http://www.lgat.tas.gov.au/site/page.cfm?u=215>

1 PRESIDENT'S REPORT

It is with pleasure that I report to my first Annual General Meeting on the activities and outcomes achieved by the Association over the past twelve months.

Since taking on the Presidency I have had my eyes opened to processes and issues that I previously was unaware and had not encountered. I was unaware of the effort necessary and the lobbying required to be able to prosecute a case that actually achieves real change and outcomes for Local Government. In fact I dedicated one of my magazine articles for the LGAT News to this very subject during the year.

As the Mayor of West Tamar Council and a member of the General Management Committee I was quite aware of the happenings of the Association but it is not until you actually sit in the President's chair that you actually see how it all works. I was surprised but nonetheless very impressed by what such a small team at the Association achieves on behalf of member councils across the state.

I know that this is a view not shared by all members all the time and there are some issues that arise along the way, but as President I can assure you that the work of the Association is always done with the best interests of members at heart. Sometimes this requires an element of risk, sometimes it means taking more of a chance than some would otherwise choose, but at the end of the day, Local Government is the winner by having a strong and united voice.

Perhaps the most difficult reform that Local Government has had to contend with since amalgamations almost two decades ago, water and sewerage reform continued to require attention throughout the year. While the corporations commenced operations on 1 July 2009 and Geoff

Willis, the Chairman of the Board, will be providing us with a status report on operations to date during the conference, the reform agenda continued to roll, even after the corporations started.

The Association argued emphatically and successfully for the State Government to maintain financial responsibility for the Community Service Obligation associated with pensioner rate remissions. We knew that they were a State Government responsibility, the Government knew that they were their responsibility but it didn't mean that we didn't still have to wage a very strong battle to ensure that councils were not lumbered with escalating costs that would have impacted to the extent of some \$15 million a year after the fifth year.

We didn't get everything we were promised and I know that there are a few councils that have placed the blame with the Association for not achieving the outcomes desired. I believe that The Association delivered on the vast majority of the extremely difficult tasks it was presented and while some criticism on particular aspects may be warranted, the overall result far exceeded the alternative outcome which would have seen councils stripped of their assets without any compensation to speak of.

Of course the water and sewerage debate will not subside and we will be faced with pricing determinations by the regulator, the roll out of water meters, ongoing uncertainties about dividend levels and even more policy direction from the State Government.

But moving on, we spent much effort through the year in progressing a consultancy on financial planning and asset management to assist with the underpinning of council financial sustainability. Funded under the Stronger Councils, Better Services Program, the project provided a detailed environmental scan of present practices across councils in the state and the actions necessary to develop appropriate frameworks and templates for councils along with training and development requirements. The study provided the basis for securing even more funding from the Australian Government to implement the findings. When completed, the latter project should put councils on a solid footing to understand their asset holdings, the condition, the funding shortfalls and the funding levels required to be a sustainable entity. Well, that's the plan.

Planning reform continued its merry march with the Association involved in significant efforts to ensure that councils concerns were heard in relation to the establishment of the Tasmanian Planning Commission, projects of regional significance, the formal establishment of the regional planning framework, interim planning schemes and consistent provisions and improvements to various enforcement provisions within the legislation. Again, we didn't get everything we asked for and I think that we are all waiting to see what the first project of regional significance actually looks like but significant advocacy and lobbying was undertaken by the Association following regional forums and inputs from councils to achieve a common position that could be progressed.

Work on the Council Careers and Workforce Development project continued with a highlight being the airing of a high profile television campaign alerting potential employees to the career and job opportunities available in Local Government. This was supported by the launch of a new website that provides details of career opportunities and vacant positions for all councils and the council owned water corporations.

The household hazardous waste project was also commenced with a very successful initial collection throughout the state. The lessons learned from the first year will ensure that future collections in ensuing years.

Climate Change activities throughout the year focused on mitigation with the Association coordinating council efforts to measure and understand greenhouse emission levels, what was causing them and how to reduce them. Future activity from the Association perspective will focus on adaptation and we will be working closely with councils to equip them the tools and knowledge to tackle these challenges. Of course we continue to lobby the State Government to show some leadership and guidance in the area of planning but, to date, this has not been forthcoming.

The Association developed a Short Planning Short Course for elected members in conjunction with UTAS utilising funds from the Stronger Councils Better Services Program. The inaugural offering achieved maximum attendance with all participants that sat the exam passing with flying colours. A further course is planned for later in the year so if you missed out, stay tuned.

The much vaunted Valuation and Rating review commenced during the year and while it took some time for the Premier to convince the Treasurer to find the funds to pay for it, it is underway. Aimed at analysing the best valuation system for Tasmania and a rating system that will provide councils with greater flexibility and certainty for ratepayers, the outcomes will not be available until later in the year. It is hoped, however, that if changes are to be made, they can be put into effect to allow for at least the rating elements to be utilised for the 2011/12 financial year. The valuation outcomes may take longer given the current cycle but there is a commitment from the State Government for greater funding and regularity so it may come faster than we think.

On the funding front, the Association was successful in lobbying for funding for councils of \$5 million in response to damage to infrastructure from the exceptionally wet winter. Funding of \$40,000 was obtained to assist with the sector wide measurement of greenhouse gas emissions, in excess of \$1 million for various projects under the Local Government Reform Fund and the remnants of the \$5 million funding secured to assist with the implementation of water and sewerage reforms. \$200,000 was also secured for the Stronger Councils Better Service program which funded asset management work and the development of the elected member planning course along with a series of developmental and pilot projects in councils associated with shared services.

Many other matters were attended throughout the year that deserve particular mention including the response to new requirements for bush fire prone areas, award modernisation, the coordination of council activity regarding electricity retail contestability, involvement with the asbestos reference group, significant resourcing and management of the Standards Panel and the pilot project on electronic development assessment across Tasmanian councils.

Major legislative responses in addition to those detailed above included cat legislation, dangerous dog legislation, heritage legislation, dangerous substances regulation, right to information, atmospheric emissions and monetary penalties enforcement.

At the national level, Constitutional Recognition remains the key target along with continued funding for Roads to Recovery and Community Infrastructure. Significant work has been undertaken in terms of scoping the approach to constitutional change and determining the mood of the Australian Government to support such change. Early indications are that in the event of a referendum, Local Government is likely to get a guernsey, but the real work that needs to be done is ensuring that Local government is not only highly regarded by the community but that it is motivated and wanting to tick the yes box on referendum day that will provide Local Government with the recognition it seeks. I kid you not when I say we still have a lot of work to do. Again, you will be provided with an update on progress on this matter during the Conference.

I believe that on that note I will commend my report to the meeting and I thank you for the privilege of allowing to serve a further term of office.

I look forward to that challenge and continuing to work with you almost as much as I look forward to the challenge of working with our new Government to achieve even greater things for our sector.

Central Coast Council/Tasman Council

That the President's report be received.

Carried

2 MINUTES OF 97TH ANNUAL GENERAL MEETING *

The Minutes of the 97th Annual General Meeting of the Local Government Association of Tasmania, held in Hobart on 10 June, 2009, as circulated, are submitted for confirmation.

The Minutes are at **Attachment to Item 2.**

Break O'Day Council/Glenorchy City Council

That the Minutes of the 97th Annual General Meeting, held 10 June 2009, as circulated, be confirmed.

Carried

3 FINANCIAL STATEMENTS TO 30 JUNE 2009 *

The General Management Committee recommends consideration and adoption of the Association's Financial Statements for the period 1 July 2008 to 30 June 2009, an abridged version of which is included at **Attachment to Item 3.**

A full version is available from the Association's offices.

Circular Head Council/Central Coast Council

That the Financial Statements for the period 1 July 2008 to 30 June 2009 be received and adopted.

Carried

4 PRESIDENT AND VICE PRESIDENT HONORARIUMS

The Rules of the Association provide that the Annual General Meeting will grant an annual allowance to the President and Vice President.

It has been practice to undertake an independent review of the allowances of the President and Vice President in the same financial year as the four yearly review of allowances of Local Government Elected Members. That review was undertaken in 2009 by the Tasmanian Chamber of Commerce and Industry.

The result of the review was a proposal to retain the basis of the present allowances unchanged for the two positions with annual movements for the next four years being in accord with the wages price index. This brings these allowances into line with the escalation factor used for elected member allowances across councils. The resultant application of the 3.6% wages price index meant allowances for the 2009 - 2010 were:

- President allowance \$37,712 per annum.
- Vice President allowance \$9,428 per annum.

Allowances will then be increased in line with adjustments with the Wages Price Index for the financial years ending 30 June 2010, 30 June 2011 and 30 June 2012 after which a further review of allowances will be conducted.

The wage price index will also be applied to GMC sitting fees.

Central Coast Council/Huon Valley Council

That the President's and Vice President's allowance for the period 1 July 2010 to 30 June 2011 be adjusted in accordance with the movement in the Wages Price Index.

Carried

5 CHANGES TO THE RULES OF THE ASSOCIATION

Rule 11(a) requires that the Annual General Meeting of the Association be held, if possible, in the last week of May or the first week of June each year.

As highlighted at the last General Meeting, the encroachment of two major national Local Government Conferences, the ALGA General Assembly and the LGMA National Conference, into the period in which the LGAT Conference and AGM have traditionally been held, is likely to have ongoing consequences and implications on the conduct of the state conference.

The ALGA made a decision to move its General Assembly from November to June to avoid clashes with elections in a number of jurisdictions while also seeking to ensure that the conduct of the Assembly coincided with Federal Parliamentary sitting times to allow councillors visiting Canberra to meet with Federal Ministers and Members. The National LGMA Conference is usually held in mid May and although there is not a direct clash, the attendance of many General Managers, senior staff and elected members has the capacity to significantly impact on attendance, sponsorship and revenue for the LGAT Conference.

The Annual General meeting has traditionally been held in conjunction with the Annual Conference and is preceded by a General Meeting. The General Meeting has been the particular meeting at which member councils bring large numbers of motions and set the scene for policy debate and the development of positions on particular matters that are either adopted on the floor or progressed at a later stage through the establishment of an appropriate process. The General Meeting adds colour to the Conference proceedings, although they are separate, and provides the impetus for the media to get involved and better understand Local Government issues and positions.

In light of the “blockage” in the May/June period and the implications of end of financial year, it is felt that consideration should be given to moving the LGAT Conference to late July. While the AGM does not necessarily need to be held in conjunction with the Conference, for the reasons outlined above, there is significant merit in retaining them on block. The shift in timing would ensure that there would not be clashes with other major conferences, that the end of financial year rush was avoided and sponsorship opportunities may be enhanced by being early in the financial year rather than at the end of the cycle.

The implications of shifting the AGM are minimal save for the fact that in a transitional financial year there would not be an AGM. Another implication is that the budget of the Association would not be endorsed until the AGM meaning that the Association would effectively be operating “in supply” until the budget was approved. This is not considered a significant matter and one which can easily be accommodated.

Another implication of moving the AGM is that present office bearers of the Association would effectively have their terms extended by the extra 6 to 8 weeks in the transition phase to a new AGM date. Again, this is not considered to have a significant impact on proceedings and merely represents a transitional arrangement until the new arrangements are put into effect.

The date for the calling of motions would also be extended from the present January to a date in March to ensure that subject matter associated with motions remained current and relevant.

Central Coast Council/Waratah Wynyard Council

That the Rules of the Association be amended to allow for the conduct of future Annual General Meetings in July of each year with the amendment applicable from July 2011.

That consequential amendments relating to the timing for the calling of motions and nominations for office bearers of the Association be adopted.

Carried

The methodology associated with setting member subscriptions has been problematic for some time. Similar to the difficulties faced by councils subject to revaluations and the resultant increased charges for rates for particular ratepayers, the Association's reliance upon the total adjusted assessed annual value of all land in a municipal area throws up particular anomalies and movements of councils that have been subject to revaluation. In the past this impacted detrimentally upon Glamorgan Spring Bay Council, for example, and the most recent revaluation process has seen the valuations for Huon Valley Council increase by in excess of 100%. It could be argued that within a full valuation cycle (i.e. 6 years) that all councils would be on a similar footing but it is the significant bursts in between that create the problems.

The use of total assessed AAV's has been on an assumption that it appropriately reflects the capability of councils on a relative basis to raise rating revenue. The reality is that in any given year, or even valuation cycle, councils would not be able to increase rates by the same factor as the increase in the aggregate AAV amount.

To overcome this shortcoming in the past, the Rules of the Association were amended to broaden the Adjusted AAV categories to reduce the significant shifts of councils through the subscription categories. With property values continuing to spiral this measure has not been successful and as indicated above, does not adequately reflect capacity of councils to pay subscriptions.

At the most recent General Meeting this matter was again raised and the impacts of the most recent revaluation outlined. It was agreed by the Meeting that the Rules again be amended at the upcoming Annual General meeting to base subscriptions on revenue. It was deemed that this was a far better indicator of capacity to pay than aggregated property values. A survey of other State Associations revealed that while subscription processes differed quite widely across the country, a common derivative was revenue.

The benefit of shifting to revenue as a basis for subscriptions is that it is likely to be less volatile in terms of relative positions of councils. Once categories are determined they can be adjusted by a value commensurate with the Council Cost Index in an attempt to keep pace with the upward movements of rating practices of councils. There is no doubt that there will continue to be some movement of councils between the subscription categories but it is considered that this will be far less significant than the extremes experienced from the revaluation processes.

In determining the most effective measure of revenue advice was sought from the State Grants Commission. The task is complicated by the shift of water and sewerage services away from councils with certain assumptions being required by the Grants Commission in relation to rate revenue adjustments. It was advised by the Grants Commission that the Total Assessed Revenue of councils (Appendix 6, 2009/10 Annual Report) represented the best comparative measure of revenue. This data has been used in developing subscription levels for the upcoming year and is proposed as the basis for future subscription levels in terms of the Rules of the Association.

In seeking to achieve some degree of equity between present levels of subscriptions within the present AAV categories and the proposed Total Assessed Revenue methodology, there has been some minor shifts of councils both upwards and downwards. The most significant shift is Huon Valley Council, however, it should be noted that under either methodology, Huon Valley Council would be elevated to a higher contribution category. This is effectively a product of both the revenue generated by the council and the growth being experienced by the council.

The other significant feature of the new model is that instead of Flinders Council being the only council in the lower category, four other councils have joined this category.

Under the current arrangements there are 6 categories of subscriptions

Adjusted assessed annual value category	Average percent payable by the category towards the Association's annual subscription determined by the budget adopted at the Annual General Meeting
\$	Average %
0 – up to 15 million	1.80
15 million up to 35 million	2.60
35 million up to 60 million	3.30
60 million up to 100 million	3.90
100 million up to 180 million	4.50
180 million and over	5.10

Under the new arrangements, 6 categories are again proposed, although rather than having static levels, the category limits would be adjusted annually by the Council Cost Index. This adjustment would seek to ensure that councils remained largely within the base categories to which they have been assigned under the revised arrangements although it is acknowledged where councils are close to present thresholds, there is the possibility for movement upward to a new category.

Total assessed Revenue Category	Average percent payable by the category towards the Association's annual subscription determined by the budget adopted at the Annual General Meeting
\$	Average %
0 – up to 4.5 million	1.85
4.5 million up to 7 million	2.70
7 million up to 10 million	3.60
10 million up to 20 million	4.10
20 million up to 30 million	4.60
30 million and over	5.10

Central Highlands Council/Brighton Council

That the Rules of the Association be amended to reflect that subscriptions to be paid annually to the Association by councils be based on Total Assessed Revenue for each council as determined by the State Grants Commission, that the categories assigned to reflect the differentials between councils be adopted and that these categories be adjusted in line with the Council Cost Index on an annual basis.

Carried

For reference, a copy of the subscriptions based on both the Assessed Annual Values and on the Assessed Revenue Categories are included at **Attachment to Item 6**.

7 SUBSCRIPTIONS 1 JULY 2010 TO 30 JUNE 2011 *

Subscriptions received from councils last year totalled \$930,375. The Association acknowledges that it has been a difficult fiscal year for councils in light of the impacts of water and sewerage reforms and has sought to keep subscriptions in check for the upcoming year. It is proposed that subscriptions be held at current levels but that it be noted that the levels of contributions from individual councils have been adjusted in accordance with the shift from adjusted assessed annual value to total assessed revenue of councils.

The revised subscription levels for councils is at **Attachment to Item 7** and are submitted to the Annual General Meeting for adoption.

Waratah Wynyard Council/Clarence City Council

That subscriptions be maintained at the current level to meet the operating costs of the Association.

Carried

8 BUDGET FOR THE TWELVE MONTHS 1 JULY 2010 TO 30 JUNE 2011 *

There are very few major shifts in the budget for the upcoming year. At the last General Meeting member councils endorsed the extension by the Association of the careers and workforce development activity and agreed to additional funding on top of standard subscriptions of \$292,500 over two years. Provision has been made for standard salary increases of Association staff within the budget with most line items remaining constant for the coming year.

Kingborough Council/Break O'Day Council

That the Meeting adopt the Budget as presented.

Carried

9 REPORTS FROM BOARD REPRESENTATIVES *

Listed below are the bodies on which the Association had statutory representation in the 2008/09 financial year.

Representatives on Statutory Bodies are requested to provide a report for Conference and are also requested to provide regular reports back to the Association during the year.

- **Animal Welfare Advisory Committee**
Mrs Kym Curran,
- **Assessment Committee for Dam Construction (ACDC)**
Mr Neil Blaikie
- **Community Review Committee - Threatened Species Protection Act 1995**
Ms Lisa Nelson, Circular Head Council
- **Crime Prevention and Community Safety Council**
- Ald Sandra French, Burnie City Council
- **Environmental Management Pollution Control Board**
Mr David Masters, Glamorgan Spring Bay Council
- **Forests & Forest Industry Council**
Mayor Robert Armstrong, Huon Valley Council
- **LGAT Assist**
Mr Kay Reeves
- **Marine Farming Planning Review Panel**
Mayor Jock Campbell, Clarence City Council
- **Plumbers and Gasfitters Registration Board**
Mr John Palmer
- **Tasmanian Planning Commission**
Ms Sandra Hogue
- **State Fire Commission**
Mr Rod Sweetnam, Launceston City Council, Mayor Carmel Torenus, Sorell Council
- **State Fire Management Council**
Dr Stephen Bresnehan, Hobart City Council
- **State Grants Commission**
Mr Barrie Southorn and Mr Hugh Denny
- **Tasmanian Cultural Heritage Council**
Ald Sandra French, Burnie City Council, Mr Roger Howlett
- **Tasmanian Library Advisory Board**
Ald Sandra French, Burnie City Council, Mr Stephen Brown, George Town Council, Ald Doug Chipman, Clarence City Council and Ms Narelle Calphy, Glenorchy City Council

The reports received for presentation are at **Attachment to Item 9**.

Hobart City Council/Launceston City Council

- (a) That the reports from representatives on various bodies be received and noted.
- (b) That Conference acknowledges the time and effort put in by all Association representatives on boards, working parties, advisory groups and committees etc.

Carried

10 CLOSURE

There being no further business the President declared the Annual General Meeting closed at 11.38am.