SPECIAL MEETING OF COUNCIL

MINUTES

27 July 2017

These minutes were confirmed by Council as a true and correct record of proceedings by the Ordinary Council Meeting held on ……/……/…….

Presiding Member:……Date:……

Disclaimer

The purpose of this Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda.

Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25(e)) establish procedures for revocation or revision of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person.

The Shire of Brookton expressly disclaims liability for any loss or damage suffered by any person as a result or relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council Meeting.

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1.07.17 DECLARATION OF OPENING/ATTENDANCE

Attendance
The Presiding Member opened the meeting at 6.00 pm and welcomed Councillors and Staff.

Elected Members (Voting)

Cr KL Crute	Shire President (Presiding Member)
Cr NC Walker	Deputy Shire President
Cr KT Wilkinson	
Cr KH Mills	
Cr TM Eva	
Cr L Allington	
Cr RT Fancote	

Staff (Non Voting)

Ian D'Arcy	Chief Executive Officer
Vicki Morris	Deputy Chief Executive Officer
Courtney Fulwood	Executive Officer
Sharyn Olsen	Infrastructure Officer

Public

Apologies

2.07.17 ANNOUNCEMENT OF VISITORS

Nil

3.07.17 PUBLIC QUESTION TIME

Nil

4.07.17 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil

5.07.17 DISCLOSURE OF INTERESTS

Members and Officers to declare Financial, Proximity or Impartiality Interests & submit forms to the Chief Executive Officer at the commencement of the meeting and also prior to the item.

Disclosure of Financial & Proximity Interests

a. Members must disclose the nature of their interest in matters to be considered at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*).
b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of *the Local Government Act 1995*).

Disclosure of Interest Affecting Impartiality

a. Members and staff must disclose their interest in matters to be considered at the meeting in respect of which the member or employee has given or will give advice.

Financial, Proximity and Impartiality Interests

Item no.	Members/Officers	Type of Interest	Nature of Interest
Nil			

6.07.17 FINANCE & ADMINISTRATION REPORT

6.07.17.01 ADOPTION OF 2017-2018 BUDGET

File No:	N/A
Date of Meeting:	27/07/2017
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	N/A
Author/s:	Vicki Morris – Deputy CEO
Authorising Officer:	Ian D'Arcy - CEO
Declaration of Interest:	None
Voting Requirements:	Absolute Majority
Previous Report:	N/A

Summary of Item:
This report outlines the annual report budget process leading to Councils adoption and striking for the rates and charges for the 2017-2018 financial year and other consequential matters arising from the Budget.

Description of Proposal:
Council is required to prepare and adopt, in the manner and form prescribed, an annual budget no later than 31 August each year, in accordance with Section 6.2 of the *Local Government Act 1995.*

The 2017-2018 Annual budget has been prepared to include information required by the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

Background:
The budget for the 2017-2018 Year continues to support service delivery for the Shire but also allows the Shire to plan and consolidate a number of key issues. There is a need in the 2017-2018 Budget to deliver on a number of key strategic reviews (as contained in the Integrated Planning Framework) and the development of a new sustainable house project and so on. At this stage the Shire has made budget allowances for these reviews to take place in this financial year that should have technically been accounted for in the 2016-2017 financial year. The reviews will also allow the Shire to plan for the future in a more systematic and fiscally responsible manner.

However, the 2017-2018 Annual Budget has also identified a number of key financial activities that require review. The Long Term Financial Plan (LTFP) requires review as the proposed rate increase has been set at 5% and not 7% as in the LFP. The review of the general ledger accounts also needs to occur as some of these have been created obsolete but an overall review of the accounts and the accounting process used at the Shire of Brookton requires review in the 2017-2018 financial year.

The main features of the 2017-2018 budget are:

- An increase in the revenue raised from rates of 5%. The proposed increase still enables the Shire to carry out its direct services to the community while still enabling the Shire to transfer some funds to reserves.

- A 4% increase in Sewerage charges. The Shire is aware that several State Government fees and charges have substantially increased (due to a State budget deficit) and it has been recognised that further imposts of significant fee increases will add to further financial stress for a number of Shire residents who are currently on the Shire sewerage scheme.
- A review of Fees and Charges has shown some disparity between the fees and charges. These have been reviewed and where the fees are Council controlled, the general fees increase has been about 6% overall. However, some fees and charges have remained the same or been reduced where it has been identified that the increase could potentially reduce existing number of participants or where it has been identified that the fee or charge was incorrectly applied.
- A capital works program for the 2017-2018 year has been reduced bearing in mind that in the 2016-2017 financial year, capital expenses for plant purchases was expended with the purchase of a new grader and a new CEO vehicle. The DCEO and Principal Works Supervisor vehicles and some plant replacement was deferred in the 2016-2017 years due to the policy review. It is anticipated that this plant will be replaced in the 2017-2018 financial year.
- The Reserves have also been reviewed and it is anticipated that the new sustainable house project will continue to progress throughout 2017-2018 with the funds for this coming from the Housing Reserve. The Housing Development plan will be further reviewed as part of the Councils Strategic Community Plan review. Other reserve funds have been increased in line with the principles of the LTFP.
- Overall the budget for the 2017-2018 financial year is reasonable and still provides for the essential services as required by a LG.

Following the review of the SCP, Council will be able to better understand the community aspirations and views and will be able to plan for the next two to four years.

Consultation:
Consultation has taken place with all relevant staff members and elected members have been part of two budget and finance workshops sessions (May 2017 and July 2017).

Statutory Environment:
All local governments are required to adopt an annual budget in accordance with Part 6, Division 2, of the *Local Government Act 1995* (The Act), Part 3 of the *Local Government (Financial Management) Regulations* 1996, Australian Accounting Standards (AASB) and the Australian Accounting Standards Board Interpretations (AASBI). In relation to budgeting, section 6.2 (1) of the Act states:

During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt (absolute majority required), in the form and manner prescribed, a budget for its municipal fund for the financial years ending on the 30 June next following that 31 August.

The Department of Local Government has prepared the WA Local Government Accounting Manual. Part 4 of the manual covers the Budget process.

Relevant Plans and Policy:
Council Policy 4.1: Significant Accounting Policies – "Where practical the Budget should be completed and adopted prior to 31 July and, if not practical, by 31 August in accordance with the provisions of the *Local Government Act 1995*".

Financial Implications:

Financial. Implication are detailed in the 2017-2018 Annual Budget, as a separate attachment to this report.

Risk Assessment:
The risk of not adopting the 2017-2018 Annual Budget will mean that the Shire is non-compliance with the *Local Government Act* 1995 and the Australian Accounting Standards.

It is not recommended this item be added to the Shire's Risk Register, nor that a Risk Treatment Plan be required.

Community & Strategic Objectives:
The Strategic Community Plan - Strategy 5.3.4 – *Develop, implement and review Integrated Planning Framework*

Corporate Business Plan (2015-2019).

Comment
The annual budget process is a requirement of the *Local Government Act 1995* and all local governments are required to prepare an annual budget.

It is recommended that the Council, in accordance with the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996,* adopt the 2017-2018 Budget as presented in separate attachments to this report.

OFFICER'S RECOMMENDATION

That Council:

1. General Rate
   In accordance with Section 6.33 of the *Local Government Act* 1995, imposes a rate in the dollar for the areas of the Shire valued on Gross Rental Values of 10.9977 cents in the dollar ($1.00) and Unimproved Values of 1.0495 cents in the dollar ($1.00).

2. General Minimum Rate
   In accordance with Section 6.35(1) of the Local Government Act 1995 set a general minimum rates of $789.00 for the 2017-2018 financial year for Gross Rental Value properties and a general minimum rate of $1351.00 for the 2017-2018 financial year for Unimproved Value properties.

3. Due date for Payment of Rates
   In accordance with section 6.45 of the *Local Government Act* 1995 and Regulations 64 (2) of the *Local Government (Financial Management) Regulations* 1996, set the following due dates for the payment of rates in full by installments:

Full payment or 1st instalment due date	22 September 2017
2nd half instalment due date	12 January 2018
2nd quarterly instalment due date	17 November 2017
3rd quarterly instalment due date	12 January 2018
4th & FINAL quarterly instalment due date	9 March 2018

4. Interest on Rate Instalments

In accordance with section 6.45 of the Local Government Act 1995 and Regulation 68 of the Local Government (Financial Management) Regulations 1996, adopt an interest rate of 5.5% where the owner has elected to pay rates through an instalment option.

5. Administration Charge on Instalments

In accordance with section 6.45 of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996, adopt an instalment administration charge where the owner has elected to pay rates through an instalment option of $10.00 for each instalment after the initial instalment is paid.

6. Interest on Overdue Rates

Adopt an interest rate of 11% for rates and costs of proceedings to recover such charges that remain unpaid after becoming due and payable.

7. Rate Concessions

Provides the following concession in relation to the adopted 2017-2018 Annual budget for rates:

That a rate concession be granted to property owners where a contiguous property crosses a shire boundary, resulting in a portion of that property being assessed at a calculated rate. The concession will be calculated by deducting the amount that would otherwise be payable on the relevant property if it were continuously rated by the relevant neighbouring shire form the amount that has been assessed and or paid in the current year with council.

That upon written request, a rate concession may be granted to Incorporated Not for Profit Organization's that own or have vested a rateable property within the Shire of Brookton. Such requests must be considered by Council at an Ordinary meeting of Council.

8. Refuse Site Charges

In accordance with sections 6.32, 6.34 and 6.35 of the Local Government Act 1995 impose the following General and Minimum rates in relation to refuse charges:

Refuse Site Rate – Unimproved Values - 0.0001 cents in the dollar – Minimum rate = $56.00

Refuse Site Rate – Gross Rental Values - 0.0002 cents in the dollar – Minimum rate = $56.00

9. Rubbish Charges

In accordance with section 6.16 and 6.17 of the Local Government Act 1995 impose the following fees and charges in relation to domestic and commercial rubbish collection:

- Residential – once per week single 240L bin pick up including recycling = $317.00
- Commercial – once per week single 240l bin pick up = $317.00
- Each additional bin pick up once per week = $317.00
- Commercial Cardboard recycling = $100.00 (+ GST)

10. Councillor Remuneration

Councillor Meeting Fees	$200.00
Committee Meeting Fees	$100.00
Presidents Meeting Fees	$400.00 per meeting
Presidents Allowance	$1,500.00
Deputy President Allowance	$375.00

External Committees - $50 per meeting (Travel only from within the Shire boundary the meeting at the rate determined by the Salaries and Allowances Tribunal) – 0.76 cents km

11. Imposition of Fees and Charges for the 2017-2018 Annual Budget
A local government may impose and recover a fee or charge for any good and services it provides or proposed to provide, other than a service for where a service charge is imposed (Section 6.16 to 6.19 of the Local Government Act 1995). The Fees and Charges schedule is attached.

12. Sewerage Charges
In accordance with the Public Health Act 2016 & Health (Miscellaneous Provisions) Act 1911 sections 40 and 41, adopt the following sewerage charges to be imposed on all properties in the Brookton Town Site that are capable of being connected to the sewerage scheme:

- Sewerage residential – 6.0657 cents in the dollar, minimum $475.00 per property
- Sewerage Commercial – 11.3060 cents in the dollar, minimum $978.00 per property
- Sewerage Vacant - $314.00 per property
- Sewerage Non-rateable (Category 2) = $1513.00 (minimum) per property
- Sewerage Non-rateable (Category 4) = $520.00 (minimum) per property
- Sewerage Non-rateable (Category 5) = $770.00 (minimum) per property
- Sewerage Non-rateable (Category 6) = $ 114.00 (minimum) per property

13. Adoption of Material Variance Level for Reporting
Adopt the value of +/- $10,000 or 10% whichever is the greater as the minimum amount for reporting material variances for the 2017-2018 financial year.

14. Adoption of the Budget 2017-2018
In accordance with the provisions of section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996, adopt the 2017-2018 Budget as presented in the attachment.

ABSOLUTE MAJORITY REQUIRED VOTE REQUIRED

Attachments
6.07.17.01 (a) Budget
6.07.17.01 (b) Fees and Charges

SCM 07.17-1
COUNCIL RESOLUTION
MOVED CR WALKER SECONDED CR WILKINSON

That Council suspend standing orders to facilitate discussion.

CARRIED BY SIMPLE MAJORITY VOTE 7-0

SCM 07.17-2
COUNCIL RESOLUTION
MOVED CR WILKINSON SECONDED CR ALLINGTON

That Council resume standing orders.

CARRIED BY SIMPLE MAJORITY VOTE 7-0

SCM 07.17-3
COUNCIL RESOLUTION
MOVED CR WILKINSON SECONDED CR MILLS

That Council lay this Item on the table pending clarification of the capital income received from Baptistcare for Kalkarni Aged Care facility during 2016/17 financial year to be transferred into the Health and Aged Care Reserve in the draft 2017/18 Budget.

CARRIED BY ABSOLUTE MAJORITY VOTE 7-0

7.07.17 CLOSURE OF MEETING

There being no further business this meeting was closed at 6.58 pm.