



SPECIAL MEETING OF COUNCIL

MINUTES

23 AUGUST 2018

These minutes were confirmed by Council as a true and correct record of proceedings by the Ordinary Council Meeting held on 23/08/2018

Presiding Member: *Shute* Date: 20/09/2018

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.

Shire of Brookton
Special Meeting of Council held 23 August 2018
Commenced at 6.30 pm

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1.08.18 **DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

Attendance

The Presiding Member opened the meeting at 6.33pm and welcomed Councillors and Staff.

2.08.18 **RECORD OF ATTENDANCE/APPOLOGIES/APPROVED LEAVE OF ABSENCE**

Elected Members (Voting)

Cr KL Crute	(Shire President)
Cr NC Walker	(Deputy Shire President)
Cr TM Eva	
Cr KH Mills	
Cr RT Fancote	
Cr LR Eyre	

Staff (Non Voting)

Ian D’Arcy	Chief Executive Officer
Vicki Morris	Deputy Chief Executive Officer
Courtney Fulwood	Executive Officer

Apologies

CR CE Hartl

Members of the Public

Nil

3.08.18	PUBLIC QUESTION TIME
Nil	
4.08.18	PETITIONS/DEPUTATIONS/PRESENTATIONS
Nil	
5.08.18	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS
Nil	
6.08.18	ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION
Nil	
7.08.18	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			

8.08.18 ADOPTON OF 2018-2019 BUDGET

File No:	N/A
Date of Meeting:	23/08/2018
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	N/A
Author/s:	Kelly D’Arcy – Senior Corporate Business Officer Deanne Sweeney -Senior Finance Officer
Authorising Officer:	Ian D’Arcy - CEO
Declaration of Interest:	None
Voting Requirements:	Absolute Majority
Previous Report:	16/08/2018 – Item 12.08.18.03 (Withdrawn)

Summary of Item:

This report outlines the annual report budget process leading to Council’s adoption and amendment to the rates and charges for the 2018-2019 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 2018-2019 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 2018-2019 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 2018-2019 Budget to deliver on a number of key strategic reviews pertaining to records management, asset management, community engagement and the development of a new Shire house and so on. At this stage the Shire has made budget allowances for these reviews to take place in this financial year. The reviews will also allow the Shire to plan for the future in a more systematic and fiscally responsible manner.

However, the 2018-2019 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 2.5% and not 7% as indicated in the LFP. The review of the general ledger accounts also needs to occur as some of these have now been deemed obsolete, but an overall review of the accounts and the accounting process used at the Shire of Brookton requires review in the 2018-2019 financial year.

The main features of the 2018-2019 budget are:

- An increase in the revenue raised from rates of 2.5%. 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 6% increase in Sewerage charges. This will enable a transfer of \$100,000 of sewerage income into the Sewerage Scheme Reserve, to allow for the upgrade and replacement of aging infrastructure in future budgets.
- The Capital Works program for the 2018-2019 year has been reduced noting that overall roads grants have reduced with the Roads to Recovery 4 year cycle ending in this financial year.
- The Reserves have also been reviewed, with the Housing Reserve and the Land Redevelopment Reserve being amalgamated to form one reserve "Land & Housing Development Reserve". It is anticipated that new Shire house project will commence and progress throughout 2018-2019 with the funds for this coming from the Land & Housing Development Reserve. Other reserve funds have been increased in line with the principles of the LTFP.
- Overall the budget for the 2018-2019 financial year is reasonable and still provides for the essential services as required by a LG.

Following the review of the Strategic Community Plan, Council has a better understanding of 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 budget discussions, a finance workshop session held 10 July 2018 and a final subsequent discussion on 16 August 2018.

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 implications are detailed in the 2018-2019 Annual Budget, as a separate attachment to this report.

Risk Assessment:

The risk of not adopting the 2018-2019 Annual Budget will mean that the Shire is non-compliant 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 Annual Budget process is contained within the “Corporate Compendium” that forms an appendix to the Shire of Brookton Corporate Business Plan >2021.

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 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 2018-2019 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 11.2726 cents in the dollar (\$1.00) and Unimproved Values of 1.0757 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 \$809.00 for the 2018-2019 financial year for Gross Rental Value properties and a general minimum rate of \$1385.00 for the 2018-2019 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 instalments:

<i>Full payment or 1st instalment due date</i>	<i>05 October 2018</i>
<i>2nd half instalment due date</i>	<i>25 January 2019</i>
<i>2nd quarterly instalment due date</i>	<i>30 November 2018</i>
<i>3rd quarterly instalment due date</i>	<i>25 January 2019</i>
<i>4th & FINAL quarterly instalment due date</i>	<i>22 March 2019</i>

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 2018-2019 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 from the amount that has been assessed and or paid in the current year with 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:

- a. *Refuse Site Rate – Unimproved Values - 0.0001 cents in the dollar – Minimum rate = \$59.00*
- b. *Refuse Site Rate – Gross Rental Values - 0.0002 cents in the dollar – Minimum rate = \$59.00*

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:

- a. *Residential – once per week single 240L bin pick up including recycling = \$336.00*
- b. *Commercial – once per week single 240l bin pick up = \$336.00*
- c. *Each additional bin pick up once per week = \$336.00*

10. Councillor Remuneration

Adopt the following payments and allowances to Elected Members:

- a. *Councillor Meeting Fees* \$200.00 per meeting attendance
- b. *Committee Meeting Fees* \$100.00 per meeting attendance
- c. *Presidents Meeting Fees* \$400.00 per meeting attendance
- d. *Presidents Allowance* \$1,500.00 per annum
- e. *Deputy President Allowance* \$375.00 per annum
- f. *Working/Advisory Groups* \$100.00 per meeting attendance
- g. *Regional Road Group* \$150.00 per meeting attendance
- h. *WALGA Zone* \$150.00 per meeting attendance
- i. *External Committees* \$50 per meeting (Travel only from within the Shire boundary to the meeting at the rate determined by the Salaries and Allowances Tribunal) – 0.78 cents km

11. 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:

- a. Sewerage residential – 6.4296 cents in the dollar, minimum \$504.00 per property*
- b. Sewerage Commercial – 11.9844 cents in the dollar, minimum \$1037.00 per property*
- c. Sewerage Vacant - \$333.00 per property*
- d. Sewerage Non-rateable (Category 2) = \$1604.00 (minimum) per property*
- e. Sewerage Non-rateable (Category 4) = \$551.00 (minimum) per property*
- f. Sewerage Non-rateable (Category 5) = \$816.00 (minimum) per property*
- g. Sewerage Non-rateable (Category 6) = \$1208.00 (minimum) per property*

12. 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 2018-2019 financial year.

13. Amendment to 2018-2019 Fees and Charges

Pursuit to the 2018-2019 Fees and Charges previously adopted by Council, the following amendments be adopted:

- a. *Independent Living Unit 1 bedroom with lock up garage is \$110.00 per week*
- b. *Independent Living Unit 1 bedroom with open garage is \$105.00 per week*
- c. *Independent Living Unit 3 bedroom \$245.00 per week*
- d. Gym Key Bond \$30*

*Note: *Subject to Council review from time to time*

14. Adoption of the Budget 2018-2019

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 2018-2019 Budget as presented in the attachment.

Absolute Majority Vote Required

Attachments

Attachment 8.08.18 – 2018-2019 Budget

COUNCIL RESOLUTION

MOVED CR EYRE SECONDED CR MILLS

That Council:

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Note: *Subject to Council review from time to time

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CARRIED BY ABSOLUTE MAJORITY VOTE 5-1

For the motion: Cr Crute
Cr Fancote
Cr Mills
Cr Eyre
Cr Eva

Against the motion: Cr Walker

9.08.18	ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
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Nil

10.08.18	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING
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Nil

11.08.18	CLOSURE OF MEETING
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There being no further business the meeting was closed at 6.34pm.