

Shire of Lake Grace

Special Council Meeting

Minutes

6 August 2013



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SHIRE OF LAKE GRACE

Minutes of Special Meeting of Council held at Council Chambers, 1 Bishop St Lake Grace on Tuesday 6 August 2013.

1.0 OPENING & ANNOUNCEMENT OF VISITORS

The Shire President opened the meeting at 9.00 am and advised that today's Special Meeting was convened for the purpose of adoption of the 2013/14 Budget.

2.0 ATTENDANCE RECORD

2.1 PRESENT

Cr LW Armstrong	Shire President
Cr R Chappell	
Cr SG Hunt	
Cr JF De Landgraftt	
Cr WA Newman	
Cr OP Farrelly	
Cr DP Sinclair	
Mr GK Simpson	Acting Chief Executive Officer
Mr J Bingham	Manager Corporate Services
Mr M Harrop	Manager Infrastructure Services
Mrs L Holben	Manager Community Services
Mrs L Trevenen	Coordinator Finance and Administration
Mrs H Bell	Senior Finance Officer
Mrs J Bennett	Executive Assistant

2.2 APOLOGIES

Cr IG Chamberlain Deputy Shire President

2.3 LEAVE OF ABSENCE PREVIOUSLY GRANTED

Cr Walker

As per motion 11629 at the 22 May 2013 Ordinary Meeting, Cr Walker has approved leave of absence from 10 July-10 August 2013.

3.0 PUBLIC QUESTION TIME

No members of the public present.

4.0 DECLARATIONS OF INTEREST

- 4.1 **DECLARATIONS OF FINANCIAL INTEREST – LOCAL GOVERNMENT ACT SECTION 5.60A**
- 4.2 **DECLARATIONS OF PROXIMITY INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60B**
- 4.3 **DECLARATIONS OF IMPARTIALITY INTEREST – ADMINISTRATION REGULATION SECTION 34C**

Cr Chappell declared an interest of impartiality in Item 5.1 in that his wife is a permanent part time employee at the Shire.

5.0 MATTERS FOR CONSIDERATION

Cr Chappell previously declared an interest of impartiality in Item 5.1 in that his wife is a permanent part time employee at the Shire.

MOTION 11662

Moved Cr Chappell
Seconded Cr De Landgraft

That, as per the Shire of Lake Grace Standing Orders Local Law clause 16.1, Standing Orders be suspended at this time being, 9.05am in order to discuss budget matters.

MOTION CARRIED 7/0

MOTION 11663

Moved Cr Chappell
Seconded Cr Hunt

That Standing Orders resume at this time, being 9.43am.

MOTION CARRIED

5.1 2013/14 BUDGET ADOPTION

Applicant:	Manager Corporate Services
File No.	0744
Attachments:	Draft 2013/14 Statutory Budget, Schedules and Supplementary Information
Author:	Mr J Bingham Manager Corporate Services
Disclosure of Interest:	Nil
Date of Report:	1 August 2013
Senior Officer:	Mr GK Simpson Acting Chief Executive Officer

Summary

For Council to consider and adopt the Municipal Fund Budget for the 2013/14 financial year together with supporting schedules, including the striking of the municipal fund rates, establishment of new reserve funds, setting of elected member's fees for the year, establishment of new loan fund borrowings and other consequential matters arising from the budget papers.

Background

The draft 2013/14 budget has been compiled on the principles contained in the revised Strategic (Community) Plan and other informing documents including the Forward Capital Works Plan, Five Year Road Program and Asset Management Plan.

The 2013/14 draft budget has been prepared in accordance with the presentations made to Councillors at the budget workshops held in June and July.

Comment

The budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and *Australian Accounting Standards*. The main features of the draft budget include:

- The budget has been prepared with a 4.5% increase in the general rate to align with the forward financial plans contained in the Strategic Plan and other supporting plans.
- General Fees and charges have increased by 2.4% (CPI) with some variation for rounding. Statutory fees and charges such as those for Town Planning have increased per legislative requirements. Hall hire, bonds and rentals have increased to match market conditions. Charges for standpipe water usage have dropped from \$3.50 to \$2.86 per KL.
- Household and commercial waste charges are proposed to increase by 2.4%.
- Capital works totalling \$4.84M is planned. Expenditure on road infrastructure (\$2.07) is a major component of this spending and represents a 29% increase on 2012/13 budget levels. Additionally the Shire will construct two new Independent Living Units in Newdegate and complete the three units in Lake Grace (\$1.08M), and begin capital works on the Lake Grace Sporting Precinct (\$0.85M). A project to construct a Tractor Museum (\$96K) at Lake King and a Community Men's Shed (\$50K) in Lake Grace will also commence.
- Loan borrowings of \$327,805 are proposed to fund (i) the LG Sporting Precinct (\$200K) and (ii) acquire and install eleven standpipe controllers (\$128K) for various sites around the Shire.
- Reserve transfers are planned. Increases to Plant Replacement (\$100K), Employee Leave Provision (\$80K), Works & Services (50K), Newdegate Hall (\$25K) and Lake Grace Swimming Pool (\$20K) are included. A new Reserve for the 100 year Centenary (\$5K) at Newdegate will be established.
- An estimated surplus of \$1.6M is anticipated to be brought forward from 30 June 2013. However this is unaudited and may change. Any change will be addressed as part of a future budget review.
- Principal grant funding for the year is estimated from:

Community Sport & Rec Facilities Fund	\$189,000
Royalties for Regions CLGF	\$415,000
Grants Commission General	\$391,090
Grants Commission Roads	\$604,532
Royalties for Regions CLGF Regional	\$1,079,930
Regional Road Group (MRWA)	\$462,000
Roads to Recovery	\$508,000

Legal Implications

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each 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 year ending 30 June of the next year.

Local Government (Functions and General) Regulations 1996
Cemeteries Act 1986
Waste Avoidance and Resources Recovery Act 2007
Local Government (Miscellaneous Provisions) Act 1960
Australian Accounting Standards

Policy Implications

N/A

Consultation

Internal Staff
Council

External Community groups (and Councillors) have had the opportunity to submit budget requests.

Financial Implications

The Budget document establishes activities which the Shire will pursue during the 2013/14 financial year.

Strategic Implications

Nil

Voting Requirements

Absolute majority (5) required.

Recommendation/Resolution

MOTION 11664

Moved Cr Hunt
Seconded Cr Chappell

That Council adopt all recommendations in parts A to J as follows as its budget for 2013/14:

PART A - MUNICIPAL FUND BUDGET FOR 2013/14

Pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, the council adopt the Municipal Fund Budget as contained in the attachment 1 of this agenda for the Shire of Lake Grace for the 2013/14 financial year which includes the following:

- Statement of Comprehensive Income by Nature and Type on page 1 showing a net result for that year of \$1,465,048.
- Statement of Comprehensive Income by Program on page 2 showing a net result for that year of \$1,465,048.
- Statement of Cash Flows on page 4.
- Rate Setting Statement on page 5 showing an amount required to be raised from rates of \$2,494,073.
- Notes to and Forming Part of the Budget on pages 6 to 39
- Budget schedules as detailed in Attachment 2 pages 1 to 33
- Transfers to/from Reserve accounts as detailed in pages 24 to 26 of Attachment 1.

MOTION 11664 continued**PART B – GENERAL AND MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS**

1. For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, council pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* impose the following general and minimum rates on Gross Rental and Unimproved Values.

1.1 General Rates

Gross Rental Value (GRV)	8.2907 cents in the dollar
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Rural (UV)	0.7882 cents in the dollar
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1.2 Minimum Rates

Gross Rental Value (GRV)	\$375
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Unimproved Value (UV)	\$375
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2. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 64 (2) of the *Local Government (Financial Management) Regulations 1996*, Council nominates the following due dates for payment in full or by instalments:

- Full payment and 1st instalment due date 7 October 2013
- 2nd half instalment due date 5 February 2014
- 2nd quarterly instalment due date 5 December 2013
- 3rd quarterly instalment due date 5 February 2014
- 4th quarterly & final instalment due date 7 April 2014

3. Pursuant to Section 6.46 of the *Local Government Act 1995*, Council does not undertake to offer discount for payment of rates within the 35 days after the date of issue of rates notices.

4. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$11 for each instalment after the initial instalment is paid.

5. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option.

Pursuant to section 6.51 (1) and subject to section 6.51 (4) of the *Local Government Act 1995* and regulation 70 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 11% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.

PART C – RESERVE FUNDS – NEW RESERVES ESTABLISHED

Pursuant to section 6.11 of the *Local Government Act 1995* a Newdegate 100 Year Centenary Reserve be established. The purpose of the reserves is as follows:

- Newdegate 100 Year Centenary Reserve
To be used to meet expenditure relating to the 100 year Centenary Celebrations at Newdegate.

MOTION 11664 continued**PART D – GENERAL FEES AND CHARGES FOR 2013/14**

Pursuant to section 6.16 of the *Local Government Act 1995*, council adopts the fees and charges included at pages 60 to 67 of attachment 1 of this agenda and minutes.

PART E – OTHER STATUTORY FEES FOR 2013/14

1. Pursuant to Part 7 Local Government Planning Charges *Planning and Development Regulations 2009* that Council adopts the Fees and Charges for Planning Services within the Shire of Lake Grace as included in attachment 1 of this agenda and minutes.
2. Pursuant to the *Dog Act 1976* and *The Cat Act 2011* Council adopt the new and increased charges as included in attachment 1 of this agenda and minutes.
3. Pursuant to section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, Council adopt the following charges for the removal and deposit of domestic and commercial waste:

Refuse Removal Charges

Lake Grace Weekly Kerbside Collection (per year)	\$94.00(GST Free)
Newdegate Weekly Kerbside Collection (per year)	\$94.00 (GST Free)
Lake King Weekly Kerbside Collection (per year)	\$94.00 (GST Free)
Varley Weekly Kerbside Collection (per year)	\$94.00 (GST Free)

Pensioners Discount (Refuse Collection 1 st Bin)	50%
<i>(As determined by the Pensioners (Rates, Rebates and Deferments) Act 1995)</i>	
Additional Lake Grace Weekly Kerbside Collection (per year)	\$103.00 (Inc GST)
Additional Newdegate Weekly Kerbside Collection (per year)	\$103.00 (Inc GST)
Additional Lake King Weekly Kerbside Collection (per year)	\$103.00 (Inc GST)
Additional Varley Weekly Kerbside Collection (per year)	\$103.00 (Inc GST)

Recycling Collection

Lake Grace Fortnightly Kerbside Collection (per year)	\$120.00 (GST Free)
Newdegate Fortnightly Kerbside Collection (per year)	\$120.00 (GST Free)

4. Pursuant to section 67 of the *Waste Avoidance and Resources Recovery Act 2007* and section 6.16 of the *Local Government Act 1995* Council adopt the following charges for the deposit of commercial waste:

Trade and Other Refuse (per m ³)	\$68.00 (Inc GST)
Commercial (per m ³)	\$9.00 (Inc GST)
Asbestos Disposal	\$117.00 (Inc GST)
Additional tonne Asbestos	\$56.80 (Inc GST)

MOTION 11664 continued**PART F – ELECTED MEMBERS FEES AND ALLOWANCES FOR 2013/14**

Pursuant to the *Salaries and Allowances Act 1975*, section 5.99 of the *Local Government Act 1995* and regulation 34 of the *Local Government (Administration) Regulations 1996* Council adopt the following annual fees for payment to elected members:

President Allowance	\$19,000
Deputy President Allowance	\$4,750
Council Sitting Fees	
President	\$308 per meeting attended
Councillors	\$154 per meeting attended
Committee Meeting Sitting Fees	
Elected Members	\$77 per meeting attended

Note: The committee meeting sitting fee only applies if the committee is a committee of council.

PART G – MATERIAL VARIANCE REPORTING FOR 2013/14

In accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and *AASB 1031 Materiality*, the level to be used in statements of financial activity shall be 10% or \$5,000 whichever is the greater.

PART H – SPECIFIED AREA RATES

That in accordance with section 6.37 of the *Local Government Act 1995* the specified area rates to recoup costs of recreation and culture operating expenses for the Lake Grace, Newdegate, Lake King and Varley area being \$566,228, \$282,033, \$104,332 and \$71,461 respectively for the 2013/14 rating year be raised on those properties identified as being within the specified area as follows:

Sport & Recreation	Cents in the \$	Basis of Rate	Rateable Value	2013/14 Budgeted Revenue
Varley	4.1927	GRV	116,719	4,893
Varley	0.2106	UV	31,604,500	66,568
Lake King	2.4156	GRV	240,231	5,803
Lake King	0.1797	UV	54,826,400	98,529
Newdegate	5.2080	GRV	690,819	42,117
Newdegate	0.2059	UV	99,516,000	239,916
Lake Grace	6.0743	GRV	2,899,176	176,104
Lake Grace	0.4544	UV	85,854,800	390,124
			Total	1,024,054

MOTION 11664 continued**PART J – SEWERAGE CHARGES**

That the rates for the Lake Grace Sewerage Scheme for 2013/14 rating year be based on the schedule of rates approved by Cabinet in respect to subsidised sewerage schemes, being:

	Rate in \$ or Charge	Basis of Rate	Rateable Value	2013/14 Budgeted Revenue \$
Lake Grace Sewerage				
Residential	4.0237	GRV	1,956,050	82,076
Commercial	4.0237	GRV	618,713	25,961
Vacant	4.0237	GRV	112,801	4,733
1st Major Fixture	204.51	GRV		6,135
Additional Fixtures	89.97	GRV		3,876
			Total	122,781

2. That Council approve the following new loan fund borrowings:

- a) A \$200,000 loan to be repaid over ten years and funded through the Lake Grace Specified Area Rate for the Lake Grace Sporting Precinct.
- b) A \$128,000 loan to be repaid over five years and funded through the general rate for the installation of 11 standpipe controllers at various locations throughout the Shire.

MOTION CARRIED BY ABSOLUTE MAJORITY 7/0

6.0 CLOSURE

There being no further business, the President closed the meeting at ___ am/pm.

7.0 CERTIFICATION

I Leonard William Armstrong certify that the minutes of the meeting held on the 6 August 2013 as shown were confirmed as a true record at the meeting held on the 28 August 2013.

Presiding Member

Date