



*'The Council and Staff of the Shire of Boddington, in partnership with the community,
are committed to operating effectively and efficiently to provide quality lifestyle
opportunities
that encourage population growth and development'*

MINUTES

For The
Ordinary Meeting of Council
Held At
5:00pm
TUESDAY 20 JUNE 2017

Council Chambers
39 Bannister Rd, Boddington

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Minutes

1.	DECLARATION OF OPENING:	4
2.	ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:	4
2.1.1	Attendance	4
2.1.2	Apologies	4
2.1.3	Leave of Absence	4
3.	DISCLOSURE OF FINANCIAL INTEREST:	4
4.	PUBLIC QUESTION TIME:	4
4.1	RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE:	4
4.2	WRITTEN QUESTIONS PROVIDED IN ADVANCE:	5
4.3	PUBLIC QUESTIONS FROM THE GALLERY:	5
5.	PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS:	6
6.	CONFIRMATION OF MINUTES:	6
6.1.1	Ordinary Meeting of Council held on Tuesday 16 May 2017	6
7.	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION:	7
8.	REPORTS OF OFFICERS AND COMMITTEES:	7
8.1	PLANNING CONSULTANT:	7
8.2	MANAGER FINANCIAL SERVICES:	7
8.2.1	Monthly Financial Statements – May 2017	7
8.2.2	List of Payments –May 2017	20
8.3	PRINCIPAL ENVIRONMENTAL HEALTH OFFICER/ BUILDING SURVEYOR:	22
8.3.1	Stallholder Application	22
8.4	MANAGER WORKS & SERVICES:	25
8.5	DIRECTOR CORPORATE & COMMUNITY SERVICES:	25
8.5.1	Local Government Ordinary Elections October 2017	25
8.5.2	Boddington Play Group Incorporated (BPGI)	28
8.6	CHIEF EXECUTIVE OFFICER:	32
8.6.1	Action Sheet	32
8.6.2	Actions Performed Under Delegated Authority for the Month of May 2017	33
8.6.3	2017/18 Council Meeting Schedule	35
8.6.4	Consideration of Submissions - Differential Rates and Minimum Rates 2017-18	38
8.6.5	Councillor Meeting Fees & Allowances 2017/18	57
8.6.6	Pollard Street Trees	64
8.6.7	HWEDA Nomination of Business Representative for Boddington	66
9.	ELECTED MEMBERS' MOTION OF WHICH PREVIOUS MOTION HAS BEEN GIVEN:	67
10.	URGENT BUSINESS WITHOUT NOTICE WITH THE APPROVAL OF THE PRESIDENT OR MEETING:	67
11.	CONFIDENTIAL ITEM:	68
11.1.1	Purchase of Land	68
12.	CLOSURE OF MEETING:	68

1. DECLARATION OF OPENING:

John Allert, Shire President, declared the meeting open at 5:03pm.

2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:

2.1.1 Attendance

Cr J. Allert	Shire President
Cr T Collins	
Cr N Crilly	
Cr M Glynn	
Cr E Hoek	
Cr S Manez	

Mr C Littlemore	Chief Executive Officer
Mr G Bartle	Director of Corporate & Community Services
Mr J Rendell	Manager Financial Services
Ms T Hodder	Executive Officer

10 members of the public attended the meeting.

2.1.2 Apologies

Cr Smart

2.1.3 Leave of Absence

Nil.

3. DISCLOSURE OF FINANCIAL INTEREST:

Cr Hoek declared a Financial Interest in Item 8.6.4 due to the 2015 fire recovery assistance.

Cr Collins declared a Financial Interest in Item 8.6.4 as her partner works for South 32.

4. PUBLIC QUESTION TIME:

4.1 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE:

Nil.

4.2 WRITTEN QUESTIONS PROVIDED IN ADVANCE:

Nil.

4.3 PUBLIC QUESTIONS FROM THE GALLERY:

Geoff Beaton: Cr Collins can you confirm that you have been found guilty of two breaches of the Local Government Act with respect to no disclosure of impartiality interest and do you feel obliged to apologise to your fellow Councillors and if so, why not?

Cr Collins: No.

Geoff Beaton: Can you confirm a further breach of the Local Government Act as a non disclosure of financial interest in relation to differential rates at the June 16, 2015 Council Meeting?

Cr Collins: No

Geoff Beaton: Mr President, can we look into that as the minutes show there is no declaration?

President: The minutes are available to everyone for review, therefore it must be recorded in the minutes.

Geoff Beaton: Cr Hoek can you advise why you did not at the June 16, 2015 Council Meeting, declare a conflict of interest on financial grounds in the matter of differential rating?

Cr Hoek: It is not an item of council business or operations. At this point, without notice, I cannot refer to my notes.

Cr Hoek: Is that not the meeting where I did not declare an interest as the CEO advised me it was a generalised issue?

Shire President: There were two councillors who voted against differential rating; you were one of those two.

Geoff Beaton: I am referring to the fact that Cr Hoek did not disclose a financial interest; Cr Hoek received gifts from South 32.

Cr Hoek: Declarations in interest is the business of Local Government and Operations; if there is a concern, a division of the Department of Local Government follows a process where the concern can be aired but the place is not at Council.

President: The place is at Council; the CEO can make a decision and choose to take it further

Cr Hoek: Whether we do or not, it is up to each Councillor; it's not up to each Councillor or staff to judge each other.

President: You have an obligation to fill out a declaration of interest and if not, you are in breach. It may go further, to be handled by Department of Local Government.

Cr Hoek: I certainly had a conversation with CEO outside these doors at that meeting regarding if I could remain in Chambers; the CEO advised me I could remain in Chambers.

President: CEO can clarify with you another time.

Geoff Beaton Can the CEO be instructed to follow this through as gifts were received from South 32 and that was clearly a financial interest?

CEO: I will take that on notice

Geoff Beaton: Is a person entitled under the Act to a written answer by the time of the next Council meeting?

President? That is the case; if the question cannot be answered on the night, there must be a written response from the CEO through myself within 7 days.

Cr Collins: I would like to respond to Mr Beaton. I would like to advise the public that Mr Beaton has filed 8 breaches on me. Six were found to be not guilty. Two found me to be guilty, but had no bearing on the outcome; my actions have always been in the best interests of community and both related to the BCRC. For the breaches, I was asked to take 2 hours training. An allegation was put in against me regarding differential rating and for being paid by fertiliser plant; I was found not guilty on both of those.

I have answered my breaches; I was found guilty of two, but did not benefit financially. It is always for the best interests of the community.

Geoff Beaton: I would like to ask another question - she responded to a matter I had not raised and I would like the right to respond to another matter.

President; Declined. Are there further questions from Gallery?

5. PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS:

Nil.

6. CONFIRMATION OF MINUTES:

6.1.1 Ordinary Meeting of Council held on Tuesday 16 May 2017

COUNCIL RESOLUTION	67/17	Moved Cr Glynn
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That the minutes of the Ordinary Meeting of Council held on Tuesday 16 May 2017 be confirmed as a true record of proceedings.

Seconded	Cr Crilly	Carried	6/0
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7. **ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION:**

Nil.

8. **REPORTS OF OFFICERS AND COMMITTEES:**

8.1 **PLANNING CONSULTANT:**

Nil.

8.2 **MANAGER FINANCIAL SERVICES:**

8.2.1 Monthly Financial Statements – May 2017

Disclosure of Interest: Nil
Date: 8/6/17
Author: J Rendell – Manager Financial Services
Attachment: 8.2.1A Financial Statements – May 2017

Summary

Council is to consider Monthly Financial Reports for May 2017

Background

In accordance with Local Government (Financial Management) Regulations 1996 Council is to adopt Monthly Financial Report including the Operating Statement, Statement of Financial Position at the end of each month. Council has also wishes to consider a summary of financial reconciliations on a monthly basis.

Councillors have the opportunity to query financials before the meeting to satisfy themselves before the item comes before Council.

Comment

The Operating Statement, Statement of Financial Position, Statement of Cash flow, Statement of Financial Activity and Summary of Reconciliations are submitted for the month of May 2017.

FINANCIAL SUMMARY YEAR TO DATE

Statutory Environment - Local Government (Financial Management) Regulations 1996

FINANCIAL SUMMARY YEAR TO DATE MAY 2017

The following is provided to assist in the understanding of Councils financial position. It is emphasised that the comparatives and comments are relative to the YTD revised budget. The Shire of Boddington's financial position for year ended 30th June 2017 is on target and the result has only one month of this financial year remaining, so augers well.

OPERATING RESULT

REVENUE

Revenue is 0.8% or \$45k unfavourable to budget. Within the main items the following is noted:-

- **Operating Grants** is 9.9% or \$49k favourable to budget.
- **Fees & Charges** is 8.7% or \$90k unfavourable to budget, an analysis of this item has revealed that most of this variance is permanent and there is corresponding savings in related expenditure items.
- **Interest Earnings** is 5.3% or \$6k favourable to budget.
- **Other Revenue** is 22.6% or \$38k unfavourable to budget.
- **Profit from Asset sales**, at present is \$52k favourable to budget but this will be adjusted at year end when asset disposals are processed in the asset register. It is noted that there is not expected to be any significant profit from asset sales.

EXPENDITURE

Expenditure is 8.7% or \$504k favourable to budget, mainly due to the Life to date reallocation in respect of Water to Ranford project of operating costs in prior years (\$117k) being transferred to Capital expenditure within the current year. Notwithstanding this the result is 4.7% or \$270k favourable to budget. Within the main items the following is noted:-

- **Employee costs** are 4.0% or \$84k favourable to budget, this is only a timing difference.
- **Materials and contracts** are collectively 27.0% or \$420k favourable to budget, this is where the major impact of the Water to Ranford project has occurred.
- **Insurance expenses** is in line with budget.
- **Other expenditure** is 20.8% or \$31k favourable to budget.

NET RESULT

The net result shows a 154.1% or \$458k favourable result to budget, due to total revenue being \$45k unfavourable and expenditure being \$503k favourable to budget.

CAPITAL ITEMS

Capital revenue is 2% or \$68k unfavourable to budget, this is considered as a timing difference at this stage, amounts received or brought to account thus far:-

- \$126k in respect of Bushfire ESL capital contribution
- \$1.7M for the Independent Care Living Grant
- \$633k for the Recreation Centre Grant
- \$303k for Roads to Recovery
- \$230k for Regional Roads Group
- \$32k for Swimming Pool Capital Grant
- \$30k for Visitor Centre Grant.

Capital expenditure is 18% or \$1.4M favourable to budget. For a more detailed understanding refer to the Capital Expenditure by Asset Class report. In some cases there is a direct relationship between Capital income and Capital expenditure.

FUNDING ITEMS

Repayment of loan principal is 15% favourable to budget but this is only a timing difference.

RESERVE ITEMS

Reserve movement is 3.2% unfavourable to budget and is as a result of under expenditure in respect of capital expenditure for land and buildings. This will form a significant part of the restricted funds at year end and has been addressed in the budget review.

CASH & INVESTMENTS

Cash and investments sits at \$4.8M, this represents a decrease of \$100k from the previous month, mainly due to revenue being lower, capital and operating expenses being higher. It is emphasised however that the majority of funds is tagged as "restricted" and therefore cannot form part of Council's unrestricted or free cash.

SUMMARY

The overall financial result 140.2% or \$1.65M better than budget, this is expected to decrease significantly once capital expenditure comes in line with budget.

OFFICER'S RECOMMENDATION – 8.2.1

COUNCIL RESOLUTION	68/17	Moved Cr Collins
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That Council adopt the:

1. monthly financial statements for the period ending 31 May 2017; and
2. summary of reconciliations for the period ending 31 May 2017.

Seconded	Cr Glynn	Carried	6/0
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Attachment 8.2.1A

Financial Reports for the period ended

31-May-17

Report Type	Page No.
Summary of Financial Activity	1
Comprehensive Income Statement by Nature/type	2
Comprehensive Income Statement by Programme	3
Rate Setting Statement	4
Statement of Financial Position	5
Loan Repayments & Net Current Asset Position	6
Capital Expenditure by Asset type	7
Existing Buildings Capital Expenditure by Jobs	8
Financial Graphs	9

Attachment 8.2.1A

SHIRE OF BODDINGTON SUMMARY OF FINANCIAL ACTIVITY by Nature or Type For the period ended

31-May-17

	2016/17 Budget			Actual YTD	Variance YTD	% Variance YTD
	Approved	Current	YTD			
Opening Funding Surplus (Deficit)	-	166,976	166,976	166,976	-	
Revenue						
Rates	4,106,113	4,107,173	4,107,173	4,083,126	24,047	-0.6%
Operating Grants, Subsidies and Contributions	736,081	532,289	497,986	547,203	49,217	9.9%
Fees and Charges	1,050,142	1,088,775	1,029,139	939,340	89,799	-8.7%
Interest Earnings	131,797	122,279	105,279	110,897	5,618	5.3%
Other Revenue	173,487	184,184	168,554	130,381	38,173	-22.6%
Profit from Asset Sales	-	-	-	52,406	52,406	
OPERATING INCOME	6,197,620	6,034,700	5,908,131	5,863,354	44,777	-0.8%
Expenses						
Employee Costs	- 2,518,897	- 2,274,229	- 2,098,332	- 2,014,139	84,193	4.0%
Materials and Contracts	- 1,532,788	- 1,753,871	- 1,556,895	- 1,136,133	420,762	27.0%
Utility Charges	- 313,669	- 285,226	- 240,855	- 266,937	26,082	-10.8%
Depreciation on Non-Current Assets	- 1,378,259	- 1,563,113	- 1,432,739	- 1,433,513	774	-0.1%
Interest Expenses	- 121,119	- 121,119	- 100,596	- 120,409	19,813	-19.7%
Insurance Expenses	- 208,943	- 196,397	- 196,369	- 196,068	301	0.2%
Loss on Asset Sales	-	-	-	13,419	13,419	
Other Expenditure	- 150,315	- 163,502	- 151,676	- 120,184	31,492	20.8%
OPERATING EXPENDITURE	- 6,223,990	- 6,357,458	- 5,777,462	- 5,273,963	503,499	8.7%
Net Result (incl. c/f surplus position)	- 26,370	- 155,782	297,645	756,367	458,722	154.1%
Adjustments for Non-Cash Items						
Depreciation	1,378,259	1,563,113	1,432,739	1,433,513	774	0.1%
Loss on Asset Disposals	-	-	-	13,419	13,419	
(Profit) on Asset Disposals	-	-	-	52,406	52,406	
Provisions and Accruals	-	-	-	-	-	
	1,378,259	1,563,113	1,432,739	1,367,688	65,051	-4.5%
Net Result before funding and Capex items	1,351,889	1,407,331	1,730,384	2,124,054	393,670	22.8%
Capital Income and Expenditure						
Non-operating Grants & contributions	762,767	3,166,217	3,166,217	3,097,476	68,741	2.2%
Purchase Land & Buildings	- 404,641	- 6,720,940	- 6,311,444	- 4,765,184	1,546,260	24.5%
Purchase Plant & Equipment	- 322,344	- 686,005	- 593,478	- 493,815	99,663	16.8%
Purchase Roads, Streets & Bridges	- 1,029,551	- 974,001	- 951,907	- 566,533	385,374	40.5%
Purchase Other Infrastructure	- 156,569	- 156,569	- 143,517	- 750,082	606,565	-422.6%
Proceeds from Asset Sales	384,000	395,000	395,000	382,845	12,155	3.1%
Net Capital Items	- 766,338	- 4,976,298	- 4,439,129	- 3,095,292	1,343,837	30.3%
Funding Items						
Proceeds from New loans	-	-	-	-	-	
Repayment of Loan Principal	- 301,130	- 301,130	- 276,036	- 234,514	41,522	15.0%
Self Supporting Loan Principal Income	-	-	-	-	-	
Total Funding Items	- 301,130	- 301,130	- 276,036	- 234,514	41,522	15.0%
Reserve Items						
Transfers to Reserves	- 56,109	84,385	-	-	-	
Transfers from Reserves	-	4,309,483	4,159,483	4,027,662	131,821	3.2%
Net Reserve movement	- 56,109	4,225,098	4,159,483	4,027,662	131,821	3.2%
Closing Funding Surplus (Deficit)	228,312	355,002	1,174,702	2,821,910	1,647,208	140.2%

Attachment 8.2.1A

SHIRE OF BODDINGTON
STATEMENT OF COMPREHENSIVE INCOME BY NATURE/TYPE
 For the period ended

31-May-17

	2016/17 Budget		YTD	Actual YTD	Variance YTD	% Variance YTD
	Approved	Current				
Revenue						
Rates	4,106,113	4,107,173	4,107,173	4,083,126	- 24,047	-0.6%
Operating Grants, Subsidies and Contributions	736,081	532,289	497,986	547,203	49,217	9.9%
Fees and Charges	1,050,142	1,088,775	1,029,139	939,340	- 89,799	-8.7%
Interest Earnings	131,797	122,279	105,279	110,897	5,618	5.3%
Other Revenue	173,487	184,184	168,554	130,381	- 38,173	-22.6%
OPERATING INCOME	6,197,620	6,034,700	5,908,131	5,810,948	- 97,183	-1.6%
Expenses						
Employee Costs	- 2,518,897	- 2,274,229	- 2,098,332	- 2,014,139	84,193	4.0%
Materials and Contracts	- 1,532,788	- 1,753,871	- 1,556,895	- 1,136,133	420,762	27.0%
Utility Charges	- 313,669	- 285,226	- 240,855	- 266,937	26,082	-10.8%
Depreciation on Non-Current Assets	- 1,378,259	- 1,563,113	- 1,432,739	- 1,433,513	774	-0.1%
Interest Expenses	- 121,119	- 121,119	- 100,596	- 120,409	19,813	-19.7%
Insurance Expenses	- 208,937	- 196,397	- 196,369	- 196,068	301	0.2%
Other Expenditure	- 150,315	- 163,502	- 151,676	- 120,184	31,492	20.8%
OPERATING EXPENDITURE	- 6,223,984	- 6,357,458	- 5,777,462	- 5,287,383	490,079	8.5%
Net Result before Capital Income	- 26,364	- 322,758	130,669	523,565	392,896	300.7%
Non-Op. Grants, Subsidies and Contributions	3,860,243	6,263,693	3,166,217	3,097,476	- 68,741	-2.2%
Profit on Asset Disposals	-	-	-	52,406	52,406	
Loss on Asset Disposals	-	-	-	13,419	13,419	
OTHER	3,860,243	6,263,693	3,166,217	3,163,302	- 2,915	-0.1%
NET RESULT	3,833,879	5,940,935	3,296,886	3,686,867	389,981	11.8%
Other Comprehensive Income						
Changes on Revaluation of Non-Current Assets	- 64,500	- 114,500	- 114,500	- 89,468	25,032	
Total Other Comprehensive Income	- 64,500	- 114,500	- 114,500	- 89,468	25,032	-
TOTAL COMPREHENSIVE INCOME	3,769,379	5,826,435	3,182,386	3,597,399	415,013	13.0%

Attachment 8.2.1A

SHIRE OF BODDINGTON
STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM
 For the period ended

31-May-17

	2016/17 Budget		YTD	Actual YTD	Variance YTD	% Variance YTD
	Approved	Current				
Revenue						
Governance	4,554,904	4,561,050	4,549,370	4,530,352	- 19,018	-0.4%
General Purpose Funding	71,905	91,115	86,255	73,786	- 12,469	-14.5%
Law, Order, Public Safety	291,921	204,544	180,620	185,869	5,249	2.9%
Health	29,770	25,474	23,331	24,864	1,533	6.6%
Education and Welfare	410,949	473,751	422,531	397,368	- 25,163	-6.0%
Housing	20,073	26,046	23,870	21,313	- 2,557	-10.7%
Community Amenities	286,608	284,320	278,872	273,634	- 5,238	-1.9%
Recreation and Culture	79,548	109,014	104,864	99,993	- 4,871	-4.6%
Transport	103,961	107,100	107,100	170,593	63,493	59.3%
Economic Services	268,758	115,553	97,658	57,218	- 40,440	-41.4%
Other Property and Services	79,225	36,733	33,660	28,363	- 5,297	-15.7%
	6,197,620	6,034,700	5,908,131	5,863,354	- 44,777	-0.8%
Expenses excluding Finance Costs						
Governance	40,376	168,669	150,115	22,212	- 127,903	85.2%
General Purpose Funding	- 2,638	- 25,430	- 23,309	- 24,797	- 1,488	-6.4%
Law, Order, Public Safety	- 515,359	- 583,058	- 535,694	- 499,596	36,098	6.7%
Health	- 232,341	- 260,533	- 238,178	- 224,509	13,669	5.7%
Education and Welfare	- 625,589	- 608,068	- 557,900	- 481,132	76,768	13.8%
Housing	35,388	31,512	32,246	39,252	7,006	-21.7%
Community Amenities	- 688,702	- 736,340	- 679,167	- 583,775	95,392	14.0%
Recreation and Culture	- 1,190,522.22	- 1,305,597	- 1,191,404	- 1,112,502	78,902	6.6%
Transport	- 2,520,350	- 2,454,018	- 2,246,880	- 2,132,924	113,956	5.1%
Economic Services	- 425,782	- 549,426	- 462,094	- 234,508	227,586	49.3%
Other Property and Services	- 22,656	- 85,950	- 75,399	- 78,725	3,326	-4.4%
	- 6,102,865	- 6,236,339	- 5,676,866	- 5,153,555	523,311	9.2%
Finance Costs						
Governance	- 40,510	- 40,510	- 20,254	- 27,883	7,629	
General Purpose Funding	-	-	-	-	-	
Law, Order, Public Safety	-	-	-	-	-	
Health	-	-	-	-	-	
Education and Welfare	- 11,067	- 11,067	- 11,066	- 12,253	1,187	-10.7%
Housing	- 35,389	- 35,389	- 35,386	- 39,252	3,866	-10.9%
Community Amenities	-	-	-	-	-	
Recreation and Culture	- 33,106	- 33,106	- 33,104	- 39,698	6,594	-19.9%
Transport	- 1,048	- 1,048	- 786	- 1,323	537	-68.3%
Economic Services	-	-	-	-	-	
Other Property and Services	-	-	-	-	-	
	- 121,119	- 121,119	- 100,596	- 120,409	19,813	-19.7%
Net Result before Capital Income	- 26,364	- 322,758	130,669	589,391	498,347	
Non Operating Grants, Subsidies and Contributions						
Law, Order, Public Safety	-	126,500	126,500	126,252	- 248	
Education and Welfare	3,097,476	4,767,976	1,670,500	1,670,500	-	
Recreation and Culture	30,000	642,000	642,000	665,248	23,248	
Transport	732,767	677,217	677,217	605,217	- 72,000	-10.6%
Economic Services	-	50,000	50,000	30,260	- 19,740	
Other Property and Services	-	-	-	-	-	
	3,860,243	6,263,693	3,166,217	3,097,476	- 68,741	-2.2%
Other Comprehensive Income						
Changes on Revaluation of Non-Current Assets	- 64,500	- 114,500	- 114,500	- 89,468	25,032	21.9%
TOTAL COMPREHENSIVE INCOME	3,769,379	5,826,435	3,182,386	3,597,399	415,013	13.0%

Attachment 8.2.1A

**SHIRE OF BODDINGTON
RATE SETTING STATEMENT**
For the period ended 31-May-17

	2016/17 Budget		YTD	Actual YTD	Variance YTD	% Variance YTD
	Approved	Current				
Revenue						
Operating Grants, Subsidies and Contributions	736,081	532,289	497,986	547,203	49,217	9.9%
Fees and Charges	1,050,142	1,088,775	1,029,139	939,340 -	89,799	-8.7%
Interest Earnings	131,797	122,279	105,279	110,897	5,618	5.3%
Other Revenue	173,487	184,184	168,554	130,381 -	38,173	-22.6%
Profit from Asset Sales	-	-	-	52,406	52,406	
Total Operating Revenue excluding Rates	2,091,507	1,927,527	1,800,958	1,780,229 -	20,730	-1.2%
Expenses						
Employee Costs	- 2,518,897 -	- 2,274,229 -	- 2,098,332 -	- 2,014,139	84,193	4.0%
Materials and Contracts	- 1,532,788 -	- 1,753,871 -	- 1,556,895 -	- 1,136,133	420,762	27.0%
Utility Charges	- 313,669 -	- 285,226 -	- 240,855 -	- 266,937 -	26,082	-10.8%
Depreciation on Non-Current Assets	- 1,378,259 -	- 1,563,113 -	- 1,432,739 -	- 1,433,513 -	774	-0.1%
Interest Expenses	- 121,119 -	- 121,119 -	- 100,596 -	- 120,409 -	19,813	-19.7%
Insurance Expenses	- 208,943 -	- 196,397 -	- 196,369 -	- 196,068	301	0.2%
Loss on Asset Sales	-	-	-	13,419	13,419	
Other Expenditure	- 150,315 -	- 163,502 -	- 151,676 -	- 120,184	31,492	20.8%
Operating Expenditure	- 6,223,990 -	- 6,357,458 -	- 5,777,462 -	- 5,273,963	503,499	8.7%
Operating Result Excluding Rates Income	- 4,132,483 -	- 4,429,931 -	- 3,976,504 -	- 3,493,734	482,769	12%
Adjustments for Non-Cash Items						
Depreciation	1,378,259	1,563,113	1,432,739	1,433,513	774	-0.1%
(Profit)/Loss on Asset Disposals	-	-	-	65,826 -	65,826	
Provisions & Accruals	-	-	-	-	-	
	1,378,259	1,563,113	1,432,739	1,367,688 -	65,051	4.5%
Capital Income and Expenditure						
Purchase of Capital Expenditure	- 1,913,105 -	- 8,537,515 -	- 8,000,346 -	- 6,575,613	1,424,733	17.8%
Non-operating Grants & contributions	762,767	3,166,217	3,166,217	3,097,476 -	68,741	2.2%
Proceeds from Asset Sales	384,000	395,000	395,000	382,845 -	12,155	3.1%
	- 766,338 -	- 4,976,298 -	- 4,439,129 -	- 3,095,292	1,343,837	30.3%
Funding & Reserve Items						
Proceeds from New loans	-	-	-	-	-	
Repayment of Loan Principal	- 301,130 -	- 301,130 -	- 276,036 -	- 234,515	41,521	15.0%
Self Supporting Loan Principal Income	-	-	-	-	-	
Transfers to Reserves	- 56,109 -	84,385	-	-	-	
Transfers from Reserves	-	4,309,483	4,159,483	4,027,662 -	131,821	3.2%
	- 357,239	3,923,968	3,883,447	3,793,147 -	90,300	2.3%
Estimated Surplus/(Deficit) July 1 B/Fd.	-	166,976	166,976	166,976	-	
Estimated Surplus/(Deficit) June 30 C/Fd.	228,312	355,002	1,174,702	2,821,910 -	1,647,208	140.2%
Amount required from General Rate	- 4,106,113 -	- 4,107,174 -	- 4,107,173 -	- 4,083,126 -	24,047	-0.6%

Attachment 8.2.1A

SHIRE OF BODDINGTON		
STATEMENT OF FINANCIAL POSITION		
For the period ended		
	30-Jun-16	31-May-17
	Prior Year	YTD Actual
CURRENT ASSETS		
Cash and Cash Equivalents	7,423,388	4,782,848
Equity Reserve Investments	-	-
Trade & Other Receivables	309,629	1,534,334
Inventories	2,044	2,044
TOTAL CURRENT ASSETS	7,735,061	6,319,225
NON CURRENT ASSETS		
Property Plant & Equipment	21,291,196	25,735,648
Land Held for Resale	272,539	272,539
Infrastructure	46,191,095	46,482,252
TOTAL NON CURRENT ASSETS	67,754,830	72,490,439
TOTAL ASSETS	75,489,891	78,809,665
CURRENT LIABILITIES		
Trade & Other Payables	259,841	233,215
Employee Provisions	314,224	292,740
Borrowings	301,130	66,617
Trusts	193,867	198,866
TOTAL CURRENT LIABILITIES	1,069,062	791,438
NON CURRENT LIABILITIES		
Trade & Other Payables - Specific	300,000	300,000
Borrowings	2,505,439	2,505,439
Employee Provisions	62,352	62,352
TOTAL NON CURRENT LIABILITIES	2,867,791	2,867,790
TOTAL LIABILITIES	3,936,853	3,659,229
EQUITY		
Retained Earnings	24,466,178	32,180,707
Reserves Cash Backed	6,800,153	2,772,491
Revaluation Reserve	40,286,707	40,197,238
TOTAL EQUITY	71,553,038	75,150,436
TOTAL LIABILITIES & EQUITY	75,489,891	78,809,665

LOAN PRINCIPAL REPAYMENTS

COA	Description	IE Summary	Inc/Exp Analysis Summary	Original Budget	Current Budget	YTD Budget	YTD Actual
3042460	PRINCIPAL ON LOAN 105	71	Other Expenses	\$112,455.50	\$112,455.50	\$103,084.21	\$55,669.89
2113200	LOAN 106 - REC CENTRE	71	Other Expenses	\$0.00	\$0.00	\$0.00	\$0.00
3074200	PRINCIPAL LOAN 83	71	Other Expenses	\$9,367.50	\$9,367.50	\$8,586.88	\$9,367.78
3083000	PRINCIPAL ON LOAN 100	71	Other Expenses	\$12,997.00	\$12,997.00	\$11,913.92	\$12,996.99
3091402	PRINCIPAL ON LOAN 91	71	Other Expenses	\$0.00	\$0.00	\$0.00	\$0.00
3091460	PRINCIPAL ON LOAN 94	71	Other Expenses	\$11,107.00	\$11,107.00	\$10,181.42	\$11,106.96
3091470	PRINCIPAL ON LOAN 97	71	Other Expenses	\$11,264.00	\$11,264.00	\$10,325.33	\$11,263.99
3113046	PRINCIPAL - LOAN 103	71	Other Expenses	\$51,216.00	\$51,216.00	\$46,948.00	\$51,215.79
3113048	PRINCIPAL - LOAN 106 REC CENTRE	71	Other Expenses	\$54,025.00	\$54,025.00	\$49,522.92	\$54,024.56
3121100	PRINCIPAL LOAN 102	71	Other Expenses	\$38,698.00	\$38,698.00	\$35,473.17	\$28,867.70
TOTAL				\$301,130.00	\$301,130.00	\$276,035.83	\$234,513.66

NET CURRENT ASSET POSITION - RECONCILIATION

	2016/17 Budget		Actual
	Approved	Current	
NCA Items from Statement of Financial Activity			
Current Assets	3,156,683	3,364,057	- 1,414,880
Less: Current Liabilities	- 819,828	585,130	42,155
Add: Restricted Assets/Principal Repayment	- 2,108,543	2,423,925	4,027,662
Net Current Assets	228,312	355,002	2,654,936
REPRESENTED BY - (From Financial Position) Movement	228,312	355,002	2,654,936
REPRESENTED BY - (From Rate Setting Statement) Movement			
Opening Surplus Position	-	166,976	166,976
Closing Surplus Position	228,312	355,002	2,821,910
Net Current Assets	228,312	188,026	2,654,936

SHIRE OF BODDINGTON
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SHIRE OF BODDINGTON
CAPITAL EXPENDITURE BY ASSET CLASS
For the period ended

COA	Description	Asset Type	Original Budget	Current Budget	YTD Budget	YTD Actual
			104,641	112,401	102,905	77,069
3042202	EXISTING BUILDINGS 16/17	Land & Buildings	-	1,670,500	1,270,500	361,676
3082090	AGED CARE COMPLEX	Land & Buildings	-	4,358,039	4,358,039	3,830,059
3113200	RECREATION CENTRE	Land & Buildings	300,000	300,000	300,000	301,094
3135202	LAND PURCHASE	Land & Buildings	-	280,000	280,000	195,286
3132008	VISITOR CENTRE	Land & Buildings	404,641	6,720,940	6,311,444	4,765,184
3102201	NEW REFUSE SITE	Other Infrastructure	31,000	31,000	28,413	14,319
3105050	OVALS PARKS & CEMETERIES	Other Infrastructure	83,713	60,713	55,649	2,957
3112213	SWIMMING POOL - INFRASTRUCTURE	Other Infrastructure	-	23,000	21,087	15,000
3132030	WATER TO RANFORD CAPEX	Other Infrastructure	-	-	-	703,186
3053025	INFRASTRUCTURE OTHER	Other Infrastructure	41,856	41,856	38,368	14,620
		Other Infrastructure Total	156,569	156,569	143,517	750,082
3042209	COMPUTER EQUIPMENT	Plant & Equip	62,785	40,430	40,430	41,871
3042208	OFFICE EQUIPMENT	Plant & Equip	20,928	20,928	20,928	-
3042219	VEHICLE COST UPGRADE	Plant & Equip	-	267,250	176,386	126,282
3051220	Fire Tender Boddington	Plant & Equip	-	126,250	126,250	126,252
3123466	PNEUMATIC TYRED ROLLER	Plant & Equip	162,237	162,237	162,237	150,500
3127025	WATER TANKS - PLANT & EQUIPMENT	Plant & Equip	7,773	29,010	29,010	29,010
3121066	TORO RIDE ON MOWER	Plant & Equip	28,621	19,900	19,900	19,900
3139302	MINOR CAPITAL ITEMS	Plant & Equip	40,000	20,000	18,337	-
		Plant & Equip Total	322,344	686,005	593,478	493,815
3121086	Main Roads Bridge Program	Roads Infrastructure	42,500	42,500	42,500	20,753
3121090	ROADS TO RECOVERY	Roads Infrastructure	302,582	302,582	302,582	233,121
3121705	MAIN STREET UPGRADE	Roads Infrastructure	132,563	132,563	110,470	-
3121700	COMMODITY GRANT CAPITAL EXPENSE	Roads Infrastructure	55,550	-	-	-
3121800	ROAD CONST. - RRG	Roads Infrastructure	454,500	454,500	454,500	312,660
3121803	FOOTPATHS	Roads Infrastructure	41,856	41,856	41,855	-
		Roads Infrastructure Total	1,029,551	974,001	951,907	566,533
		Grand Total	1,913,105	8,537,515	8,000,346	6,575,613

31-May-17

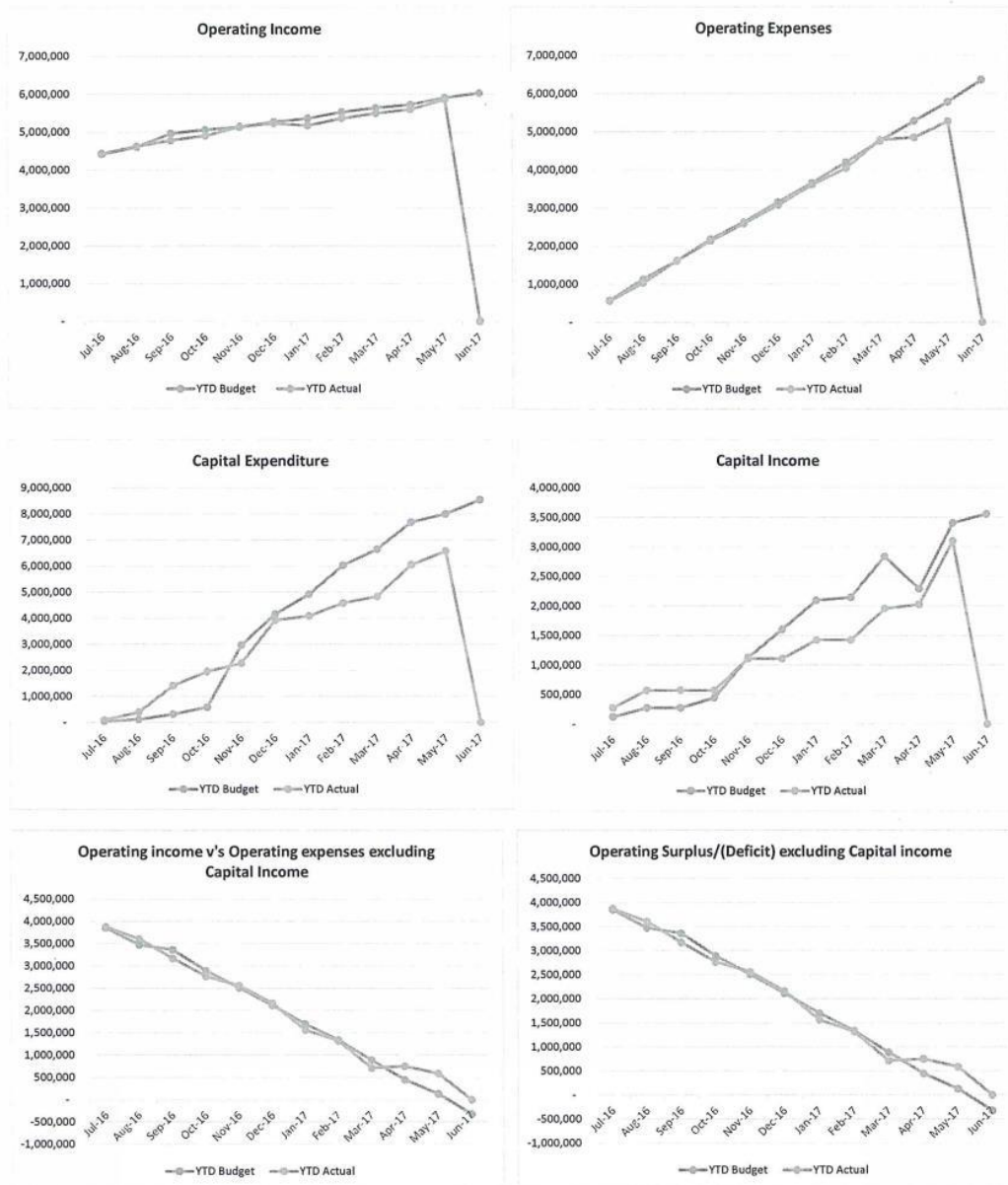
Attachment 8.2.1A

CAPITAL EXPENDITURE - EXISTING BUILDINGS - By JOBS					31-May-17
Job	Description	Original Budget	Current Budget	YTD Budget	YTD Actual
BAC1999	Bannister Road Shire Office - Capital	2,100	-	-	-
BCC1028	Pollard Street Child Care Centre - Capital	8,700	8,700	7,975	4,700
BCC1029	Johnstone Street Community Newspaper - Capital	4,650	4,650	4,257	4,219
BCC1999	Bannister Road - Caravan Park Caretaker Residence - Capital	3,900	4,250	3,894	4,070
BDC1015	Farmer Ave - Depot Lunch Room - Capital	600	-	-	-
BEC1029	Johnstone Street Emergency Services Shed - Capital	-	250	220	563
BFC1039	Wurraming Ave - Foreshore Toilet Block - Capital	2,100	2,100	1,925	308
BIC1024	Hotham Street Ic Unit 1 - Capital	1,331	1,331	1,210	-
BIC2024	Hotham Street Ic Unit 2 - Capital	1,331	1,331	1,210	-
BIC3024	Hotham Street Ic Unit 3 - Capital	1,331	1,331	1,210	-
BIC4024	Hotham Street Ic Unit 4 - Capital	1,332	1,332	1,221	-
BMC1024	Hotham Street Medical Centre - Capital	1,500	1,500	1,375	-
BOC1025	Forrest Street Old School - Main Classroom - Capital	1,500	1,500	1,375	-
BOC4025	Forrest Street Old School Toilets - Capital	16,000	16,000	14,663	13,775
BPC1999	Bannister Road Public Toilets - Capital	900	900	825	-
BRC1025	Forrest Street Retirement Unit 1 - Capital	225	225	198	-
BRC2025	Forrest Street Retirement Unit 2 - Capital	225	225	198	-
BRC3025	Forrest Street Retirement Unit 3 - Capital	225	225	198	-
BRC4025	Forrest Street Retirement Unit 4 - Capital	225	225	198	-
BSC1027	Hill Street 34 (Staff Housing) - Capital	1,370	1,370	1,254	1,944
BSC1028	Pollard Street Swimming Pool Ablutions - Capital	900	9,000	8,250	12,120
BSC1029	Johnstone Street 25 (Staff Housing) - Capital	12,990	-	-	-
BSC1045	Pecan Place 3 (Staff Housing) - Capital	900	5,000	4,576	4,390
BSC1050	Prussian Way 20 (Staff Housing) - Capital	4,300	4,300	3,938	3,911
BSC1054	Blue Gum Close 15 (Staff Housing) - Capital	3,900	-	-	-
BSC1063	Club Drive Sporting Complex - Capital	1,500	16,500	15,125	-
BSC2029	Johnstone Street 46 (Staff Housing) - Capital	900	1,600	1,463	1,540
BSC2054	Blue Gum Close 16 (Staff Housing) - Capital	7,300	3,850	3,520	3,850
BSC3028	Pollard Street Swimming Pool Kiosk/Pump Room - Capital	4,675	4,675	4,279	4,250
BTC1029	Johnstone Street Town Hall - Capital	16,200	18,500	16,951	17,430
BWC1013	Robins Road Waste Site Office - Capital	600	600	550	-
BYC1999	Bannister Road Youth Centre - Capital	931	931	847	-
TOTAL EXISTING BUILDINGS		\$104,641	\$112,401	\$102,905	\$77,069

Attachment 8.2.1A

SHIRE OF BODDINGTON GRAPHICAL DISCLOSURE OF FINANCIAL PERFORMANCE For the period ended

31-May-17



8/06/2017S:\Corporate Services\Manager Finance\Financial Reports\Council\2016-17\10 April 2017\Data for Graphs

8.2.2 List of Payments – May 2017

Disclosure of Interest: Nil
Date: 15 June 2017
Author: J Rendell
Attachments: 8.2.2A List of Payments (CONFIDENTIAL)

Summary

The Local Government (Financial Management) Regulations 1996 require the preparation of a List of Payments made from the Council's bank accounts.

Background

A list of the payments made in each month is to be prepared and presented to a meeting of Council in the following month.

This list of payments is to be reviewed by Council separately from the monthly financial statements. This will ensure that the requirement of the Financial Regulations for the list of payments made in one month to be presented to the Council meeting in the following month, will be met even if the financial statements are not presented to that meeting.

Councillors have the opportunity to query or inspect invoices before the meeting to satisfy themselves before the item comes before Council.

Comment

The List of Payments for the month of May 2017 is presented in Attachment 8.2.2A.

Statutory Environment

Local Government (Financial Management) Regulations 1996

13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared –
 - (a) the payee's name; and
 - (b) the amount of the payment; and
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing –
 - (a) for each account which requires council authorisation in that month –
 - (i) the payee's name; and
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
 - (b) the date of the meeting of the council to which the list is to be presented.

- (3) A list prepared under subregulation (1) or (2) is to be –
- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications - Nil

OFFICER'S RECOMMENDATION – 8.2.2

COUNCIL RESOLUTION Collins	69/17	Moved:	Cr
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That Council adopts the list of payments for the period ending 31 May 2017 ; at Attachment 8.2.2A.

Seconded	Cr Glynn	Carried 6/0
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8.3 PRINCIPAL ENVIRONMENTAL HEALTH OFFICER/ BUILDING SURVEYOR:

8.3.1 Stallholder Application

Location:	Boddington
Applicant:	Toni Gelissen
File Ref. No:	ADM0165
Disclosure of Interest:	
Date:	8 June 2017
Author:	PEHO/BS – Peter Haas
Attachments:	Nil

Summary

Seeking Council approval to sell food in a Public Place as a Stallholder & to amend fees for doing so.

Background

An application has been received from Toni Gelissen to trade as a mobile food vendor within the Shire. Ms Gelissen has advised that they wish to set up at the totem pole area in Memorial Park and the Foreshore car park in Wuraming Avenue. She also wishes to be able to trade 7 days a week so that she can meet "consumer demands by finding out which mornings, lunch or evening times suit the majority". She has verbally stated that she does not intend trading seven days a week.

It should be noted that if Council gives permission to Ms Gelissen to trade as a Stallholder she would still need to satisfy the requirements of the Food Act in respect to her van as well as have Public Liability Insurance.

Further the issue of the fee being charged for a Stallholder/Traders Permit has also been raised. It is not in line with other similar fees being charged by neighbouring Councils in which the Stallholder, who has raised this issue, trades.

Comment

Council has had a similar application for a Stallholders Permit come before it in April & June 2016. On 21 June 2016 Council resolved as follows;

That Council grant a variation to the Stallholders Permit issued Garry & Tammy Ventris T/A Red Zeppelin Catering to trade as a stallholder:

- A) Lot 22 No. 32 Bannister road Boddington subject to the following conditions:
 - 1. Hours of trade from 6.00am – 10.00pm;
 - 2. Days of trade to be seven days a week;
 - 3. Written permission form the owner of the land allowing the stall to be on site to be forwarded to the Shire prior to trade commencing.

- B) The Foreshore Car Park and Memorial Park adjacent to the totem poles subject to the following conditions:
 - 1. Days of trade to be seven days a week;

2. Hours of trade from 6.00am – 8.00pm;
3. Trade not to be conducted at the Memorial Park on ANZAC Day or the Rodeo weekend.

Seconded

Cr Glynn

Moved Cr Crilly

That Council approve Resolution B conditions only.

Seconded Smart

Carried 6/1

AMENDMENT became the MOTION

That Council grant a variation to the Stallholders Permit issued Garry & Tammy Ventris T/A Red Zeppelin Catering to trade as a stallholder to include the following:

- B) The Foreshore Car Park and Memorial Park adjacent to the totem poles subject to the following conditions:
1. Days of trade to be seven days a week;
 2. Hours of trade from 6.00am – 8.00pm;
 3. Trade not to be conducted at the Memorial Park on ANZAC Day or the Rodeo weekend.

Carried 6/1

It would be recommended that similar conditions be placed on Ms Gelissen with the addition of restrictions to trading on Long Tan Day (18 August) & Remembrance Day (11 November) at Memorial Park. And have the hours of operation from 5.00am – 9.00pm to more adequately cater for patrons.

With regards to the fee charged for a Stallholder & Traders Permits, it is recommended that the annual fee be halved from \$1000.00 per annum to \$500.00 per annum, but leave the per day, or part thereof fee, at \$50.00. I would also recommend that this be back dated to 1 May 2017 to be fair to the single stallholder who regularly trades in this jurisdiction.

Strategic Implications

It is recommended that some thought be given to this issue, for if approval is given to operate a food stall from the areas nominated, this may affect existing food businesses. Also, with the possibility of other stalls wishing to trade, in similar circumstances, the areas and the hours of trade from may become a premium.

With the advent of a food stall commencing operation, we may see an increase of people staying in the area because they are more able to purchase food out of hours.

Statutory Environment

Parts 5 & 6 of the Shire of Boddington Activities on Thoroughfares and Trading In Thoroughfares and Public Places Local Law and the Food Act 2008.

Policy Implications

There is no policy other than Policy 10.12 Busking within Boddington that pertains to this local law

Financial Implications

Decreased revenue to be received from fee charged by Council for Stallholder & Traders Permits, but possible gain with more Stallholders/Traders wishing to trade within the Shire.

Economic Implications

The start-up of another business in town purchasing products from other local businesses will be a further boost to the economic activity within the Shire.

The provision of such a stall will fill the need for visitors, residents and others traversing and living in the area wishing to purchase food especially after hours.

Allowing a stall to operate may affect trade to other food businesses in the town.

The increased competition may cause other food businesses to pick up their game and offer more variety, or may cause them to close

Social Implications - Nil

Environmental Considerations - Nil

Consultation

This issue raised at the June Councillor information session.

Ms Toni Gelissen - Applicant

Options

Council approve officer's recommendation.

Council not approve officer's recommendation.

Council amends officer's recommendation and then approves the amended recommendation.

Voting Requirements – Absolute Majority

OFFICER'S RECOMMENDATION – ITEM 8.3.1

COUNCIL RESOLUTION

70/17

Moved Cr Manez

That Council:

1. Approve Toni Gelissen to operate as a Stallholder subject to the following conditions:
 - Trade to take place at Memorial Park in front of the totem poles and the Foreshore Carpark in Wuraming Avenue
 - Days of trade seven days a week
 - Hours of trade 5.00am – 9.00pm
 - Trade not to be conducted at Memorial Park on ANZAC Day (25 April), Long Tan Day (18 August), Remembrance Day (11 November) and the Rodeo Weekend.
2. Make Stallholder & Traders Permit annual fee \$500.00 per annum backdated to 1 May 2017.

Seconded

Cr Glynn

Carried

6/0

8.4 MANAGER WORKS & SERVICES:

Nil.

8.5 DIRECTOR CORPORATE & COMMUNITY SERVICES:

8.5.1 Local Government Ordinary Elections October 2017

File Ref. No: ADM0036
Disclosure of Interest: Nil
Date: 8th June 2017
Author: G Bartle

Summary

The next local government ordinary elections are to be held on 21 October 2017.

Background

The last Local government elections held for the Shire of Boddington were conducted as a postal ballot by the WA Electoral Commission.

Comment

Council has received a cost estimate from Western Australian Electoral Commission (WAEC) for the 2017 election if conducted as a postal ballot is \$14,000 inc GST, which has been based on the following assumptions:

- 1,150 electors
- Response rate of approximately 55%
- 4 vacancies
- Count to be conducted at the offices of the Shire of Boddington
- Appointment of a local Returning Officer
- Standard Australian Post delivery service to apply

The cost estimate includes the increase in the postage rate by Australia Post effective from 4 January 2017. An additional amount of \$300 will be incurred if Council decides to opt for the Australian Post Priority Service for lodgement of election packages. The WAEC recommends that given recent experiences with Australia Post delivery changes, Council's should seriously consider using regular post.

Costs not incorporated in this estimate include:

- non-statutory advertising (ie any additional advertisements in community newspapers and promotional advertising);
- any legal expenses other than those that are determined to be borne by the WAEC in a Court of Disputed Returns ; and
- one local government staff member to work in the polling place on election day.

The Commission is required by the *Local Government Act 1995* to conduct local government elections on a full cost recovery basis and Council should note that this is an estimate only and may vary depending on a range of factors including the cost of materials or number of replies received. The basis for charges is all materials at cost and a margin on staff time only. Should a significant change in this figure become evident prior to or during the election Council will be advised as early as possible.

The current procedure required by the *Local Government Act 1995* is that WA Electoral Commissioner's written agreement has to be obtained before the vote by Council is taken to undertake a postal election. In providing the cost estimate to Council, the WA Electoral Commissioner has advised that to facilitate the process, Council can take this letter including the cost estimate as the WA Electoral Commissioner's agreement to be responsible for the conduct of the ordinary elections in 2017 for the Shire of Boddington in accordance with section 4.20(4) of the *Local Government Act 1995*, together with any other elections or polls that may also be required. This agreement is subject to the proviso that the Shire of Boddington also wishes to have the election undertaken by the Western Australian Electoral Commission as a postal election.

Strategic Implications – Nil

Statutory Environment

Local Government Act 1995

4.20. CEO to be returning officer unless other arrangements are made

- (1) Subject to this section the CEO is the returning officer of a local government for each election.
- (2) A local government may, having first obtained the written agreement of the person concerned and the written approval of the Electoral Commissioner, appoint* a person other than the CEO to be the returning officer of the local government for –
 - (a) an election; or
 - (b) all elections held while the appointment of the person subsists.
- * *Absolute majority required.*
- (3) An appointment under subsection (2) –
 - (a) is to specify the term of the person's appointment; and
 - (b) has no effect if it is made after the 80th day before an election day.
- (4) A local government may, having first obtained the written agreement of the Electoral Commissioner, declare* the Electoral Commissioner to be responsible for the conduct of an election, or all elections conducted within a particular period of time, and, if such a declaration is made, the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.

* *Absolute majority required.*

- (5) A declaration under subsection (4) has no effect if it is made after the 80th day before election day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.
- (6) A declaration made under subsection (4) on or before the 80th day before election day cannot be rescinded after that 80th day.

[Section 4.20 amended by No. 64 of 1998 s. 19(1); No. 49 of 2004 s. 16(4) and 32(1)-(4).]

4.61. Choice of methods of conducting election

- (1) The election can be conducted as a –

postal election which is an election at which the method of casting votes is by posting or delivering them to an electoral officer on or before election day; or
voting in person election which is an election at which the principal method of casting votes is by voting in person on election day but at which votes can also be cast in person before election day, or posted or delivered, in accordance with regulations.

(2) The local government may decide* to conduct the election as a postal election.

* Absolute majority required.

(3) A decision under subsection (2) has no effect if it is made after the 80th day before election day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.

(4) A decision under subsection (2) has no effect unless it is made after a declaration is made under section 4.20(4) that the Electoral Commissioner is to be responsible for the conduct of the election or in conjunction with such a declaration.

(5) A decision made under subsection (2) on or before the 80th day before election day cannot be rescinded after that 80th day.

(6) For the purposes of this Act, the poll for an election is to be regarded as having been held on election day even though the election is conducted as a postal election.

(7) Unless a resolution under subsection (2) has effect, the election is to be conducted as a voting in person election.

[Section 4.61 amended by No. 64 of 1998 s. 25; No. 49 of 2004 s. 16(4) and 32(5).]

Policy Implications - Nil

Financial Implications

Conducting a postal voting election is more costly to the Shire of Boddington than conducting a voting in person election.

Economic Implications - Nil

Social Implications

Postal voting could be anticipated to be more convenient for both local residents and absentee owners. This form of voting will provide all registered voters with a postal voting package and not require the voter to make contact or visit the Shire Office.

Environmental Considerations – Nil

Consultation

West Australian Electoral Commissioner

Options

Council can resolve:

1. The Officer's Recommendation; or
2. Move to appoint a Returning Officer to conduct a voting in person election, noting that the written approval of the WA Electoral Commissioner is required to appoint someone other than a Shire employee.

Voting Requirements - Absolute Majority

OFFICER RECOMMENDATION – ITEM 8.5.1

COUNCIL RESOLUTION

71/17

Moved Cr Crilly

That Council declares that, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2017 Shire of Boddington ordinary elections together with any other elections or polls which may be required.

That Council decides that, in accordance with section 4.61(2) of the *Local Government Act 1995*, the method of conducting the Shire of Boddington election will be as a postal election.

Seconded

Cr Glynn

Carried

6/0

8.5.2 Boddington Play Group Incorporated (BPGI)

File Ref. No: ADM 0468
Disclosure of Interest: Nil
Date: 8 May 2017
Author: Grant Bartle
Attachments: 8.5.2A Boddington Play Group Inc. request

Summary

Council is to consider gradual funding over the next 3 financial years of utility and gardening costs for the Boddington Play Group Inc.

Background

BPGI has been incorporated since 1973 and consists of volunteers providing young families in Boddington a place to meet, play and socialise.

The group currently has approx. 40 children (aged 0-5) from 20 families and run 2 morning sessions a week. On occasions they host information sessions and informal group talks with qualified guests, covering health and development topics.

Prior to 1 August 2015, the facility operated out of the old police station. Since then they have operated under a 5 year lease with South32 Worsley Alumina Pty Ltd at 13 Hakea Road.

Terms of the lease included:

- ✓ Rent free;
- ✓ No option to extend beyond 30/6/2020;
- ✓ Holding over clause but conditional upon written authority from South 32;
- ✓ Free use of phone (not utilized); gas and electricity until 30/6/2017;
- ✓ Free use of water service until 30/6/2018; and
- ✓ Free use of garden service until 30/6/2019.

Past 12 months usage for each of these services is in the order of:

- Telephone \$0 as not installed

- Gas minimal as bottle use
- Electricity \$800
- Water service \$1,200
- Gardening \$750

The BPGI have approached Council with a request to fund these costs for the balance of the lease agreement with South 32.

Comment

Without Council's support, the BPGI will have the added burden of needing to increase their fundraising endeavours in a difficult environment, to meet these additional expenses.

The question relating to location beyond June 2020 would need to be addressed in/by 2019.

Statutory Environment - Nil

Strategic Implications - Nil

Policy Implications - Nil

Economic Implications - Nil

Environmental Considerations - Nil

Financial Implications

Approx financial year costs at current rates would be:

2017/2018 \$ 800.00

2018/2018 \$2,000.00

2019/2020 \$2,750.00

Social Implications

The Boddington Play Group Inc is a volunteer run organisation that provides young families in Boddington a place to meet, play and socialise as well as occasionally host information sessions and informal group talks with qualified guests, covering health and development topics.

Consultation

Chairperson BPGI

Options

Council can adopt:

1. the Officer's Recommendation;
2. amend the Officer's recommendation; or
3. not adopt the Officer's Recommendation, providing reasons for doing so.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION – ITEM 8.5.2

COUNCIL RESOLUTION

72/17

Moved Cr Collins

That Council reimburses expenses incurred by the Boddington Play Group Incorporated on the following basis:

1. Financial year 2017/2018 all electricity costs;
2. Financial year 2018/2019 all electricity and all water service costs; and
3. Financial year 2019/2020 all electricity costs, all water service costs and all gardening services which includes lawn mowing, weeding and pruning.

Seconded

Cr Hoek

Carried

6/0

Attachment 8.5.2A

From: Boddington Playgroup [<mailto:boddington.playgroup@gmail.com>]
Sent: Wednesday, May 10, 2017 4:30 PM
To: Chris Littlemore <ceo@boddington.wa.gov.au>
Subject:

Dear Mr Littlemore,

I am writing to you on behalf of the Boddington Playgroup Committee to seek monetary assistance for the ongoing utility expenses of our premises at 13 Hakea Rd, Boddington. Boddington Playgroup is an incorporated group providing young families in Boddington a place to meet, play, and socialise. Our Playgroup currently has 20 families and run sessions two mornings per week for children aged 0-5. We also occasionally host information sessions and informal group talks with qualified guests on child health and development topics.

As you may know, in May 2011, Boddington Playgroup was fortunate enough to secure a very generous arrangement with Worsley South32 (formerly BHP) to move from the Shire facility at the Boddington Caravan Park to our current fit for purpose premises at 13 Hakea Rd. Worsley also supported Boddington Playgroup for all maintenance and utility expenses associated with operating Playgroup. In early 2015, Worsley and Boddington Playgroup entered into a lease agreement that detailed their gradual withdrawal of support for Playgroup.

2015/2016 financial year – phone line rental withdrawn (didn't have a phone)

2016/2017 financial year – phone and gas withdrawn (gas only for stove, so bottles still full)

2017/2018 financial year – phone, gas and electricity withdrawn (electricity estimated at \$800 per year)

2018/2019 financial year – phone, gas, electricity and water withdrawn (water estimated at \$1200 per year)

2019/2020 financial year – phone, gas, electricity, water and gardening withdrawn (gardening estimated at \$750 per year)

As we are approaching the start of the 2017/2018 financial year, I am hoping to secure funding for electricity expense for this year, and the added utilities as outlined above, for the term of the current lease agreement.

It is my understanding that prior to moving to our current premises, Boddington Playgroup was based in premises fully owned and supported by the Shire of Boddington. I hope we can resume this community partnership now and into the future.

Kind Regards,

Liz Sjoberg

President of Boddington Playgroup

8.6 CHIEF EXECUTIVE OFFICER:

8.6.1 Action Sheet

Disclosure of Interest: Nil
Date: 14 June 2017
Author: Chris Littlemore

Purpose of Report

To bring forward Councillors information the Action Report with actions taken on previous Council resolutions.

Meeting Date	Resolution Number	Responsible Officer	Subject	Date Completed	Comments Current Status
16/5/17	63/17	Finance Manager	Sundry Debtors – write off (delinquent debts).	17/5/17	Debt written off.
16/5/17	64/17	DCCS	Bushfire Risk Management Plan.	17/5/17	DFES notified by email.
16/5/17	65/17	DCCS	Contribution Agreement – 'Old Manual Arts Room'.	1/6/17	Finalised

For information only.

8.6.2	Actions Performed Under Delegated Authority for the Month of May 2017
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File Ref. No: ADM0686
Disclosure of Interest: Nil
Date: 14 June 2017
Author: Chief Executive Officer
Attachments: Nil

Summary

To report back to Council actions performed under delegated authority for the month of May 2017.

Background

There is no specific requirement to report on actions performed under delegated authority. But to increase transparency this report has been prepared for Council and includes all actions performed under delegated authority for the month of May 2017.

Development Approvals issued:
Building Permits issued:
Health Approvals issued:

One off delegations to the Chief Executive Officer;

Affixing of Common Seal

Comment

The following tables outline the action performed within the organization relative to delegated authority for the month of May 2017 and are submitted to Council for information.

Common Seal	
Date Affixed	Documentation
16 May 2017	Affix Common Seal to contract with Water Corporation - Pollard Street Sewer Works

Authorisation to call Tenders

Nil

Peter Haas - PEHO			
Building Applications			
Application No.	Applicant	Lot & Street	Type of Building Work
3163	AK & S Pitts (owner) Anderson Sheds(contractor)	Lot 202 No 665 Chalk Brook Rd	Shed
3164	T & G Salmeri (owner)	Lot 2 No 7 Mahogany Court	Carport
3165	R & S Laidlaw (owners) R Larson (contractor)	Lot 55 No 18 Greenstone Way	Shed

Steve Thompson - Town Planning Consultant

Nil.

Strategic Implications – Nil

Statutory Environment

Regulation 19 of the *Local Government (Administration) Regulations 1996* requires delegates to keep a record of each occasion on which they exercise the powers or discharge the duties delegated to them.

Policy Implications - Nil

Financial Implications - Nil

Economic Implications – Nil

Social Implications - Nil

Environmental Considerations – Nil

Consultation - Nil

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION – ITEM 8.6.2

COUNCIL RESOLUTION

73/17

Moved Cr Crilly

That Council accept the report outlining the actions performed under delegated authority for the month of May 2017.

Seconded

Cr Glynn

Carried

6/0

8.6.3 2017/18 Council Meeting Schedule

File Ref. No: ADM 0096
Disclosure of Interest: Nil
Date: 09 June 2017
Author: C Littlemore

Summary

Council is to consider Ordinary Meeting dates, locations and starting time for the 2017/18 year.

Background

It is a legislative requirement for the public in general to be advised in advance of all meeting dates, place and starting times to facilitate attendance or participation in Council Meetings. Unforeseen circumstances may dictate a change to this schedule and local advertising will inform Electors accordingly.

Comment

This current meeting schedule has Council's Ordinary meetings held on a regular monthly interval. It is considered appropriate that Council holds their meetings on the third week of each month, to fit with public holidays. The day on which the meeting would be held can be altered, but the draft schedule continues with Tuesday as the Ordinary Meeting day for Council.

The proposed meeting schedule is included below.

Tuesday 18 July 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 15 August 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 19 September 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 17 October 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 21 November 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 19 December 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 16 January 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 20 February 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 20 March 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 17 April 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 22 May 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 19 June 2018	Ordinary Meeting	5:00 PM	Council Chambers

Separate to the monthly meeting schedule, it is anticipated that Councillors will still meet on occasions to review or workshop individual matters.

Statutory Environment

Local Government (Administration) Regulations 1996

12. Public notice of council or committee meetings – s. 5.25(1)(g)

- (1) At least once each year a local government is to give local public notice of the dates on which and the time and place at which –
 - (a) the ordinary council meetings; and
 - (b) the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public, are to be held in the next 12 months.
- (2) A local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).
- (3) Subject to subregulation (4), if a special meeting of a council is to be open to members of the public then the local government is to give local public notice of the date, time, place and purpose of the special meeting.
- (4) If a special meeting of a council is to be open to members of the public but, in the CEO's opinion, it is not practicable to give local public notice of the matters referred to in subregulation (3), then the local government is to give public notice of the date, time, place and purpose of the special meeting in the manner and to the extent that, in the CEO's opinion, is practicable.

Consultation – Nil

Policy Implications – Nil

Financial Implications -Local advertising can be carried out at "nil" cost to Council

Economic Implications - Nil

Social Implications - Nil

Environmental Considerations - Nil

Strategic Implications - Nil

Options

Council can adopt:

1. the Officer's Recommendation; or
2. the Officer's Recommendation with minor amendments to times or venues; or
3. a different schedule of meetings, giving reasons for not accepting the Officer's Recommendation.

Voting Requirement - Simple Majority

COUNCIL RESOLUTION

74/17

Moved Cr Manez

That Council adopt the following Schedule of Council Meetings for 2017/18:

Tuesday 18 July 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 15 August 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 19 September 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 17 October 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 21 November 2017	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 19 December 2017	Ordinary Meeting	3:00 PM	Council Chambers
Tuesday 16 January 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 20 February 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 20 March 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 17 April 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 22 May 2018	Ordinary Meeting	5:00 PM	Council Chambers
Tuesday 19 June 2018	Ordinary Meeting	5:00 PM	Council Chambers

Seconded

Cr Glynn

Carried

6/0

Cr Hoek declared a Financial Interest in Item 8.6.4 due to the 2015 fire recovery assistance and left the room at 5:19pm.

Cr Collins declared a Financial Interest in Item 8.6.4 as her partner works for South 32 and left the room at 5:19pm.

8.6.4	Consideration of Submissions - Differential Rates and Minimum Rates 2017-18
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File Ref. No:	ADM0365
Disclosure of Interest:	Nil
Date:	14/06/2017
Author:	Chris Littlemore
Attachment:	8.6.4A Newmont Boddington Gold – Submission 8.6.4B South 32 – Submission 8.6.4C MMTS - Submission Regarding Intention to Levy Differential Rates 2017/18 8.6.5D The Chamber of Minerals and Energy of Western Australia - Submission

Summary

Council to consider submissions in relation to imposing differential general rates on Gross Rental and Unimproved Values and Minimum Rates specified for the 2017/18 financial year. Council is also requested to authorise the CEO to make a submission to the Minister for Local Government and Communities seeking his approval regarding the imposition of the differential general rates.

Background

In line with the Department of Local Government and Communities Rating Policy, Council previously considered its intent to impose differential rates for 2017/18 at the Special Meeting on 9 May 2017.

Such a consideration represents a conscious decision by Council to undertake the redistribution of the rate burden in the district by imposing a higher impost on some ratepayers and a lower impost on others. To this end, the objects and reasons were reviewed by Council and authorised the CEO to advertise them accordingly. Council's resolution was as follows:

COUNCIL RESOLUTION

58/17

Moved: Cr Glynn

That Council:

- A. Endorse the Objects and Reasons for Differential Rates 2017/18.
- B. Advertise its intention, in accordance with section 6.36 of the Local Government Act 1995, to adopt the following rates in the dollar and minimum rates for the differential rating categories specified for the 2017/18 Financial Year:

Differential Rate Category	Proposed Rate in \$	New Minimum
GRV	0.078813	\$899
GRV Mining	0.058205	\$899
UV	0.006391	\$899
UV Mining -	0.031955	\$899

3. If no submissions objecting to the proposed Differential Rates are received, authorise the CEO to apply to the Minister of the Department of Community Services for approval for Council to impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

Seconded: Cr Crilly

Carried: 4/0

Following resolution 58/17, the author advertised through local public notice, the Shire of Boddington's intent to adopt the rates in the dollar and minimum rates for the differential categories specified for the 2017/18 financial year. This included using the following mediums;

- advertising in the Narrogin Observer
- posting the notice on the Shires noticeboards
- making copies of the objects and reasons available at the Shire Office and on the Shire website
- writing to each affected ratepayer providing a copy of the Objects and Reasons.

At the close of the submission period at 4 PM on 12 June 2017, the Shire received four submissions. These were from McMahon Mining Title Services Proprietary Limited (MMTS), Newmont Boddington Gold, The Chamber of Minerals and Energy Western Australia, South32 and The Chamber of Minerals and Energy Western Australia. Council is now required to evaluate the submissions and the Shire is then to advise the Minister for Local Government and Communities accordingly if it resolves to proceed. A copy of the submissions are attached.

Comment

1. **The submission provided by MMTS** seeks a fairer treatment regarding the rate burden for those conducting exploration or prospecting within the Shire of Boddington.

In essence, MMTS argues that the proposed UV Mining rate fails to recognise the difference between mining operations and exploration activities and their respective impact on Shire infrastructure. This includes the argument that exploration activities have far less impact on Shire infrastructure and also exploration companies have far less financial resources than mining companies.

MMTS writes that for various cited reasons exploration licenses may "lie vacant for long periods".

MMTS argues further that exploration companies do not have the resources and opportunities for profit making that mining companies have.

In response to the comments by MMTS, the author advises that the Valuer General is responsible for the valuation of all properties within a local government's district. Further to this, the Valuer General in accordance with the *Valuation of Land Act 1978*, determines the value of land according to its purpose or use. In other words, if mining is conducted on a tenement, then the value of land in question would be much higher than if the same tenement was used for exploration purposes. This means that once the UV mining rate in the dollar is applied, the exploration/prospecting tenements will pay less in rates than a tenement that has mining occurring on it.

In addition, Boddington Shire Council only has one ratepayer in the category MMTS submission addresses. This ratepayer will only pay the minimum rate regardless of whether differential rating is introduced, an increase of 1.5%

2. The submission provided by Newmont Boddington Gold (NBG) expresses their opposition to the introduction of differential rating. They make a number of points.

- a) While there is a perception of fairness and equity, the overall effect will be an increase in the rates that NBG will be required to contribute.
- b) The proposal could create the perception that NBG is receiving relief in comparison to ratepayers subject to GRV General rating.
- c) Boddington residents may view the introduction of a GRV mining category as the Shire giving NBG 'preferential treatment'.
- d) NBG is concerned that 'quite modest' increases for 2017/18 are not guaranteed to remain modest as the legislation allows up to 200% increase without consultation or justification.
- e) The Shire's ability to use its discretion to increase the rate for GRV mining and UV mining categories may present significant uncertainty with regard to budgeting and Life of Mine planning.
- f) NBG is concerned that the principal of Consistency is difficult to achieve as one of the mining organisations affected by differential rating operates under a State Agreement meaning that the ability to 'carry their fair share' will never be on par with NBG.
- g) Under the principle of Fairness and Equity, NBG argues that they are largely self-sufficient and with the exception of roads, presents a very small footprint in relation to burdening Shire services.
- h) NBG is concerned about a statement in the special meeting agenda to deal with differential rates suggesting that the mining sector 'has not been contributing to the services and infrastructure of the Shire in a fair manner'.

In response to the comments by NBG the following is offered;

- a) The differential rating proposal would see an estimated rate increase of 2.25% for NBG. With the Long-Term Financial Plan indicating an increase of 5% for the total rates collected, limiting the increase by distributing the burden to other ratepayers that have not contributed to their capacity should be seen as consistent with the principle of fairness and equity.
- b) If one compares the rate in the dollar between the categories of GRV mining and GRV general, the perception would be correct. However NBG is not only subject to GRV rating but also has properties in the UV category and the percentage increase

in their rating contribution to the Shire of 2.25% is greater than the GRV category at 1.7% in the UV category at 1.5%.

- c) Refer (b) above.
- d) As NBG rightly points out, Council can introduce differential rating at any time. Introducing or not introducing differential rating for 2017/18 will have no effect on whether Council chooses to introduce differential rating the future.
- e) In future years, should Council choose a level of differential rating where the highest rate in any category is more than twice the lowest rate in that category, the legislation provides that it must go through the same consultation procedure as it has this year and consider submissions it receives. Thus NBG will have the opportunity to describe the effect differential rating will have on its budgeting and Life of Mine planning. Unless the provision for differential rating is removed from the Local Government Act, NBG will have uncertainty to content with.
- f) Council acknowledges that the effect of State Agreements make the principle of Consistency difficult to achieve but this does not mean that Council should abandon the effort.
- g) In relation to the principal of Fairness and Equity, NBG argument is accepted, which is why their overall rate increase is modest. The other large mining Corporation in the Shire has a considerably larger footprint in relation to burdening Shire services and differential rating seeks to readdress the imbalance which is the very principle of Fairness and Equity.
- h) This sentence has been taken out of context. The proper context is that the UV mining sector has not been contributing to the services and infrastructure of the Shire in a fair manner. NBG has major holdings affected by GRV mining rating.

3. **The submission provided by South32** expresses their opposition to the introduction of differential rating. They make a number of points.

- A. That Council may have taken into account the characteristics of the landowners (and not just the characteristics of the land itself) in formulating the Proposal.
- B. Assumptions have been made about the purpose for which the land is held based on the holder rather than the use as some of the land Worsley owns or leases within the Shire is not used for mining activities.
- C. The State Agreement provides that rates applied to Worsley must not be discriminatory.
- D. The Minutes suggest that steep rate increase for UV mining land is motivated by desire to recoup historic income. The Minutes state that the increase is motivated by the fact that *"council considers that this sector [UV mining land] has not been contributing to the services and infrastructure of the Shire in a fair manner"*. "Worsley considers this comment is directed specifically at Worsley."
- E. It is not unfair for Worsley to accept the benefit of a right purposely conferred by the State Agreement as part of a broader arrangement to ensure the development of the project and the benefits that come from that.
- F. Worsley's main competitor in the region, Alcoa is not subject to differential rates in the Shire of Murray and as such may result in an unfair and indiscriminately outcome by reducing competitiveness relative to the only other bauxite miner in Western Australia.
- G. Worsley asserts that for miners to be treated consistently, all mining land whether GRV or UV should attract a higher rate than other land in the same category.
- H. Worsley does not consider that the increase in rates is proportionate to the benefits which Worsley can expect to receive from the Shire.

In response to the comments by Worsley/South32 the following is offered;

- A. Section 6.33 (1) (b) of the Local Government Act provides that Council can impose differential rates according to "a purpose for which the land is held or used as determined by the local government". Thus it is the responsibility of the local government to make a determination. In the interests of one of the principles Council must consider, that of administrative efficiency, it is not unreasonable for council to determine that land held by a mining company whose primary objects relate to mining, is held for mining or mining related activities. South32's website states on the homepage "*South32 is a resources company built around a single idea: that in a rapidly-changing world, we have an opportunity to make a difference, from the ground up.*"
- B. See A above.
- C. The report which Council considered at the special meeting on 9 May 2017 notes that there are four mining companies which will be impacted by the introduction of differential rating. If one accepts the argument that one ratepayer or other in any differential rating system can argue discrimination based on the impact on them being greater than any other affected ratepayer, there would be no differential rating in any Shire in Western Australia.
- D. Nowhere in the Minutes from the meeting on 9 May 2017 is there any reference to recoupment of rates, let alone recoupment of historic rates. That Worsley considers the statement "*council considers that this sector [UV mining land] has not been contributing to the services and infrastructure of the Shire in a fair manner*", is directed at them is contradicted by Newmont's submission in which they suggest that the exact same statement is directed at Newmont.
- E. Council is not arguing that it's unfair for Worsley to take advantage of the provisions of the State Agreement. They have availed themselves of these provisions for more than 30 years. Council is arguing that it is fair for the council to take advantage of the provisions of the Local Government Act which allow Council to introduce differential rating. It seems somewhat adverse to logic for South32 to accept benefit from a government decision and yet criticise Council when it seeks to benefit from a government decision in the form of an Act of Parliament.
- F. Mining companies across the State operate under the jurisdictions of many Local Governments. As the report from the minutes of the meeting of 9 May 2017 reference, there are many different rates in the dollar applied to businesses across the State. The logical extension of Worsley's argument would be that to be consistent all local authorities should charge the same rate in the dollar. This is clearly not the case. Worsley's argument also does not take into account local arrangements between Alcoa and Murray Shire, whatever they may be, memorandums of understanding, financial support agreements or payments in lieu of rates, which are not necessarily public documents.
- G. The guidance provided by the Department of Local Government and Communities, suggests that a balance between all of the principles, Objectivity, Fairness and Equity, Consistency and Transparency and administrative efficiency needs to be achieved. Council's application of all of the principles in the formulation of the Proposal considers the guidance in the introduction by the Department entitled "Rating Policy" published March 2016 states "*The purpose of the imposition of a differential general rate is generally to ensure that every landowner makes a reasonable contribution to the rate burden.*" South32, with in excess of 360 employees contributed 1.5% of Council's 2016/17 general rates, where NBG, with around 1800 employees, contributed 57.3%. Under the Proposal South32 would contribute 5.9% and NBG 54.9%. While it is difficult, if not impossible, to compare the two major miners, a simple calculation based on numbers of employees would suggest South32

operations utilise a workforce about 20% of that used by NBG. If NBG contributes 55% of the general rates, South32 should be at about 11%. The Proposal is that South32 contribute 5.9%.

In addition, by its very nature, differential rating involves a redistribution of the rate burden in the district by imposing a higher impost on some ratepayers and a lower impost on others. In this respect, all of the elements, Objectivity, Fairness and Equity, Consistency and Transparency and Administrative Efficiency must be considered, not just one element.

H. Council does not consider that the rates ordinarily paid by South32 is in proportion to the benefits that South32 receives. It is therefore a strange argument to mount, that an increase in the rates that South32 pays should result in an increase in benefits.

4. The submission provided by The Chamber of Minerals and Energy Western Australia expresses their opposition to the introduction of differential rating. They make a number of points.

- i. "It is inequitable for ratepayers [UV mining] with the lowest need for services to be providing, by a significant margin, the largest contribution to rates revenue."
- ii. "Applying a premium to UV mining land and not UV general land, which are both equally situated outside the town area, is an inequitable distribution of the rate paying burden."
- iii. "Administrative efficiency should be considered in relation to quantifiable improvements in the Shire's function, rather than the administrative effort with which differential rates may be implemented."
- iv. Council has detailed the use of administrative resources in relation to mining activities but not other categories of ratepayers.

In response to the comments by The Chamber of Minerals and Energy the following is offered;

- i. See response G above.
- ii. See response G above.
- iii. From the report which Council considered at the special meeting on 9 May 2017 *"The Department also requests that Council consider possible efficiency measures, prior to the introduction of differential rating. Over the last two preceding budgets, Council has been very diligent about identifying efficiencies. Council has slashed wages budgets and deferred its plant replacement program to keep rate increases to a modest level."*
- iv. The report referred to in (iii) above sought to demonstrate that considerable resources were consumed in Council's dealings with companies the subject of UV valuations and that indeed, ratepayers under the UV mining category do benefit from the use of Shire services, contrary to The Chamber of Minerals and Energy of Western Australia submission.

It is the author's recommendation that Council, after consideration of the submissions, proceeds with the adopting of a differential rates and minimum rates strategy for 2017/18. The remaining criteria regarding imposition of rates such as the due dates and applicable interest rate charges will be implemented with the adoption of the 2017/18 Budget.

Strategic Implications

The rate assumption (expected increase) in the Shires Long-Term Financial Plan for 2017/18 is a rate increase of 5%. The Strategic Community Plan consultations suggest that residents

have high expectations for improved community facilities which justifies a slightly higher increase.

Statutory Environment.

The following sections in Local Government Act 1995 apply:

- Section 6.32 of the Local Government Act 1995 provides Council with the power to apply rates to property;
- Section 6.33 of the Local Government Act 1995 provides Council with the power to apply differential general rates although Ministerial approval is required where a differential rate is more than twice the lowest differential rate to be imposed;
- Section 6.35 of the Local Government Act 1995 provides Council with the power to apply a minimum payment which is greater than the general rate which would otherwise be payable on that land;

Council is also required to consider any submissions received prior to imposing the proposed rate or minimum payment.

Policy Implications

Discussed in the body of the report

Financial Implications

The rate level set by Council will underpin its ability to provide services and facilities for the 2017/18 Financial Year and into the future.

Economic Implications - Nil

Social Implications – Nil

Environmental Considerations- Nil

Consultation

Neighbouring Shires have indicated they are not considering imposing a differential rate for mining activities.

Department of Local Government & Communities

Options

Council can:

1. Accept the Officer's Recommendation;
2. Amend the Officer's Recommendation; or
3. Not accept the Officer's Recommendation.

Voting Requirements – Simple Majority

OFFICER RECOMMENDATION – ITEM 8.6.4

That Council:

1. In accordance with section 6.33 of the Local Government Act 1995, adopts the following rates in the dollar and minimum rates for the differential rating categories specified for the 2017/18 Financial Year:

Differential Rate Category	Proposed Rate in \$	New Minimum
GRV	0.084563	\$899
GRV Mining	0.058205	\$899
UV	0.006487	\$899
UV Mining -	0.031955	\$899

2. Authorises the CEO to respond to each of the organisations who made a submission in relation to differential rates and thank them for their submissions. The CEO is further to advise that after careful consideration of all submissions, Council has resolved to adopt differential rates in accordance with its resolution of 9 May 2017 as advertised on 18 May 2017 and is presented in point 1 above.
3. Authorise the CEO to apply to the Minister for Local Government and Communities for approval for Council to impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

Seconded

Cr Crilly

Carried

4/0

Cr Collins and Cr Hoek returned to the room at 5:25pm.



SHIRE OF BODDINGTON
RECEIVED

07 JUN 2017

Newmont Boddington Gold Pty Ltd
ABN 45 101 199 731
PO Box 48
Boddington WA 6390
Telephone: +61 8 9883 8260
Facsimile: +61 8 9883 4208
www.newmont.com

DCS REP MWS
 PERC EM [Signature]
 MWS TFC MCS

6th June 2017

Mr Chris Littlemore
Chief Executive Officer
Shire of Boddington
39 Bannister Road
Boddington WA 6390

File No NSM 0370?
Date _____
Initial _____

Dear Chris,

Newmont Boddington Gold Submission Differential Rates Policy Adoption

We confirm receipt of your correspondence outlining the Boddington Shire council's decision to seek Ministerial approval to adopt and apply a Differential Rating regime from the 2017/2018 rateable year. In presenting this submission Newmont Boddington Gold (NBG) reaffirms its commitment to working collaboratively with the Shire of Boddington and the local community to ensure the liveability, viability and sustainability of the town and surrounds.

We refer to your letter to Newmont dated 17 May 2017 regarding the proposed adoption of Differential Rates (Proposal) by the Shire of Boddington (Shire) and to the Agenda for the Special Meeting of Council held on 9 May 2017 which sets out the Shire's reasons for the Proposal.

This submission expresses NBG's opposition to the introduction of Differential Rating on the following grounds:

- NBG acknowledges the Shire's stated objective of applying a discretionary concessional rating to the GRV Mining category to "improve fairness and equity outcomes by providing some relief from the effects of increases in the UV Mining category". However, for the following reasons NBG believes the Proposal is illogical, misconceived and fails to achieve the objective of fairness and equity:
 - The introduction of the GRV Mining category as an offset against the UV Mining category merely creates a perception of fairness and equity in favour of those ratepayers who are subject to the GRV Mining and UV Mining categories. However, the overall effect of the Proposal will be an increase in the rates that NBG will be required to contribute.
 - The introduction of the GRV Mining category creates the perception that NBG is receiving relief in comparison to those ratepayers who are subject to the GRV General rating. This is contrary to the Shire's expressed intention to apply the 'ability to pay' and 'vertical equity' principles.
 - Taking into account previous public views expressed by the Shire regarding the impact of not introducing Differential Ratings in 2015¹, NBG is concerned that Boddington residents will view the introduction of the GRV Mining category as the Shire giving NGB 'special treatment'. As a result, Boddington residents will likely view the higher rate applied to the General GRV category verses the new GRV Mining category as contrary to the principles of fairness and equity.

¹ At the Shire of Boddington Annual Electors Meeting, held 20 December 2016 a question was asked of the council why rates had increased when property values were so low. The response from the Shire CEO was that, 'rates went up because one of the major properties in town was revalued due to a court appeal in the Pilbara; this resulted in a substantial drop in rates from the mining camp and so the rest of the community has to make up the severe drop'. This Shire's reply produced negative comments and sentiment on social media suggesting that NBG was receiving special treatment and responsible for the misfortunates of the community. What was not said by the Shire that even with the revaluation of the camp an overall increase to total rates payment of 5% on the previous financial year was still applied to NBG.

Attachment 8.6.4A

- NBG has noted that the imposition of Differential Ratings has resulted in significant proportional rate increases in other state jurisdictions. Though the Shire defends the introduction and notes the proposed rate rise as 'quite modest', there are no guarantees that this sentiment will remain resulting in increasingly larger increments as allowed by the respective legislation². As the largest ratepayer in the Shire even small increases present significant pressures in the Mines' operational budget.
- NBG also has concerns that the Shires ability to use its discretion to increase the rate for GRV Mining and UV Mining categories in future years will present significant uncertainty with regard to budgeting and Life of Mine (LOM) planning. The scope for substantive rates increase under the Differential Rate regime coupled with local and international budgetary pressures may directly impact upon the viability and longevity of the mine. It is important to note that increasing budgetary pressures will lead to increase scrutiny of our workforce of approximately 1800 full-time employees, which in turn will impact the town of Boddington itself.
- Under the Department of Local Government and Communities, the introduction of Differential Rates should entail observation of five principles. One of those principles relate to 'Consistency'. Under the Shires' Special Meeting of Council notes, dated 9 May 2017, the Shire has detailed that the introduction of UV Mining category will ensure that 'no miners are discriminated against'. This statement is incorrect on the grounds that one of the targeted mining organisations operates under a State Agreement meaning that their ability to 'carry their fair share' will never be on par with NBG. Whether Differential Rates occur or not, NBG will always bare the greatest share of the rate burden for the Shire and its constituents.
- Under the principle of 'Fairness and Equity' the Shire has applied their reasoning of distributing the rate burden to those who 'consume benefits'. NBG consider this summation incorrect as NBG is largely self-sufficient and with the exception of roads, presents a very small footprint in relation to burdening Shire services. In the absence of specific information from the Shire to the contrary, we challenge the application of the Fairness & Equity principle.
- With the introduction of UV Mining category, and as detailed in the councils Differential Rates special meeting agenda, dated the 9th of May 2017, the Boddington Council has suggested that the mining sector 'has not been contributing to the services and infrastructure of the Shire in a fair manner.' This statement is unjustified and NBG would like to reiterate that in addition to the substantive rates paid annually, the organisation has been heavily involved in community development, services and infrastructure including:
 - The donation of land and the provision of deficit funding for the Shire of Boddington operated Early Learning Centre (ELC) to ensure that a community service remains open;
 - Direct funding support for the Boddington Community Resource Centre (BCRC) traineeship program;
 - Pledged financial and in kind Investment in the Recreation Precinct Oval Lights Upgrade Project;
 - Development of a not for profit Gold Mine Tour's Service (the only tourism operation in the Shire of Boddington that directly supports the shire's 'interpretative centre' development);
 - Donation of rateable land for development by Country Builders in an effort to attract people to the community in a house and land package;
 - Ongoing application of the Community Assistance Program (CAP) Grant Funding³ that supports a range of local community organisations, groups and associations;
 - Co-investment in other significant regional, community and economic development initiatives.

These discretionary financial contributions are also accompanied by substantial in-kind support and targeted domiciled and regional community programs that aim to create shared value and to contribute to the social, cultural and economic progress of our local communities. Some examples include:

- Providing camp facilities, equipment and expertise to fight regional wildfires through support of the Local Emergency Management Committee (LEMC);

² Up to 200% without consultation or justification.

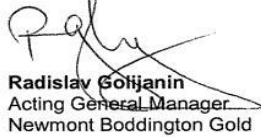
³ Distributed under the Sustainable Development criteria of Local Economic Development; Human Capacity & Capability Development; Infrastructure & Services; Natural Resource Management & Protection; and Culture & Heritage

Attachment 8.6.4A

- Supporting numerous blue ribbon regional events;
 - Having annual targets for employment of locals;
 - Existence of Community Partnership Agreement with Traditional Owners;
 - Collaborations with other regional Shires and NGOs to improve regional tourism and key environmental aspects.
- NBG remains concerned that the introduction of Differential Rates, that has the potential to substantively increase mining rate liability overtime, may impact upon our capacity to continue discretionary support and place the majority of the above noted community programs and investments at risk.

In conclusion, NBG reaffirms its commitment to working collaboratively with the Shire to improve the social, cultural and economic development of the community, however we believe that the proposed pathway is neither fair nor equitable and ignores the considerable discretionary investment above and beyond rate contribution already made by our organisation. NBG suggests that the proposal to differentiate mining from the community further reinforces the divide and we have been working with the Shire to overcome and will further distance both our organisations from the goal of shared value.

Sincerely,



Radislav Golijanin
Acting General Manager
Newmont Boddington Gold

cc.

Hon. David Templeman MLA
Minister for Local Government
David.templeman@mp.wa.gov.au



12 June 2017

Chris Littlemore
Chief Executive Officer
Shire of Boddington
PO Box 4
Boddington WA 6390

South32
108 St Georges Terrace
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south32.net

Dear Mr Littlemore

We refer to the Shire of Boddington's (**Shire**) letter dated 17 May 2017 (and subsequent emails to clarify timing) inviting us to make submissions in respect of the Shire's proposal to implement differential rates.

As you know, South32 Worsley Alumina Pty Ltd operates the Worsley Alumina bauxite mining operation as agent for the joint venturers comprising South32 Aluminium (RAA) Pty Ltd, South32 Aluminium (Worsley) Pty Ltd, Japan Alumina Associates (Australia) Pty Ltd and Sojitz Alumina Pty Ltd (**Worsley**). Worsley significantly contributes to the Shire's economy and the wellbeing of the local community, and has been doing so continuously since 1984. Worsley is a major employer in the region, employing and contracting over 1400 people with over 360 people employed at Worsley's Boddington operations, many of whom reside locally in and around the Shire. Worsley's continued efforts to engage local enterprises assist in developing and sustaining a variety of Boddington businesses. Over the last 2 financial years Worsley has spent over \$5 million with a range of Boddington based businesses, including both general and specialised goods and services.

Through our voluntary community investments, Worsley heavily invests in the Shire's community organisations, services and infrastructure and helps to promote the Shire's vibrant community. Worsley purposefully aligns its community investment with the goals and aspirations of the local community and the Shire's planning processes. In recent years, Worsley's community investments have included:

- committing to a 3 year financial contribution towards the Ranford Pool Improvement;
- supporting the Peel Harvey Catchment Council in their Waterway Health Program;
- making a significant contribution to the Hotham Williams Economic Development Alliance's Marradong Tourist Trail;

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ABN 84 093 732 597 Registered in Australia

Attachment 8.6.4B

- supporting the iconic Boddington Lion's Rodeo and new initiatives such as the Boddington CRC's Movie Nights; and
- donating 15ha of land to assist the Shire in achieving their strategic goals of environmental remediation, reducing the impacts of climate change and making more potable water available as well as for the purposes of a truck stop for all trucks travelling through the area to use.

Worsley understands that in rural communities everybody pitches in and, like any other member of the community, we help out during times of need. Our emergency services teams collaborate with others to ensure community safety and our employees regularly volunteer during usual work hours for events such as the recent Senior Games and roadside clean ups.

Worsley understands the need to make a fair contribution. However, for the reasons outlined below, Worsley is concerned that the Shire's proposed differential rates (**Proposal**) may not be consistent with one or more of the following:

- the *Rating Policy – Differential Rates (s.6.33)* published by the Department of Local Government and Communities in March 2016 (**Rating Policy**), in particular the values of objectivity, fairness and equity and consistency;
- the *Local Government Act 1995 (WA)* (**Act**);
- the *Local Government (Financial Management) Regulations 1996 (WA)* (**Regulations**); and
- the Worsley State Agreement scheduled to the *Alumina Refinery (Worsley) Agreement Act 1973 (WA)* (**State Agreement**).

Objectivity and consideration of landowner characteristics

The above provide that differential general rates should be formulated based on characteristics specific to the land itself. Under the Act and Regulations, a local government may impose differential general rates according to any, or a combination of, certain prescribed characteristics of the land.

Worsley considers that the Shire may have taken into account the characteristics of landowners (and not just the characteristics of the land itself) in formulating the Proposal. The reasons given in the Shire's minutes for the Special Meeting of Council 9 May 2017 (**Minutes**) and the agenda for the forthcoming meeting indicate a focus on Newmont and Worsley individually and result in an inconsistent treatment of GRV mining and UV mining rates compared to the general rates that appears directed at the companies rather than characteristics of the relevant land. Assumptions are made about the purpose for which land is held based on the holder rather than the actual use - some of the land Worsley owns or leases within the Shire is not used for mining activities.

Attachment 8.6.4B

Fairness, equity and discrimination

The Rating Policy provides that differential rating must be fair and equitable. Moreover, the State Agreement at clauses 12(5) and 12(6) also provides that the rates applied to Worsley must not be discriminatory.

The Minutes indicate that only two ratepayers who do, or will, contribute more than \$3,000 in general rates will be affected by the Proposal; and these ratepayers are Worsley and Newmont. However, Newmont will only experience an increase in its rates of 2.25% but Worsley will experience an increase of 320%. The Minutes suggest that the decrease in the GRV mining rate is aimed at reducing the burden on Newmont, while discussions around increasing the UV mining rate focus on South32/Worsley.

The Minutes suggest that the steep rate increase for UV mining land is motivated by a desire to recoup historic income. The Minutes state that the increase is motivated by the fact that *“Council considers that this sector [UV mining land] has not been contributing to the services and infrastructure of the shire in a fair manner”*. Worsley will be the only ratepayer paying significantly more under the proposed new rates and so Worsley considers this comment is directed specifically at Worsley. Worsley does not accept this assertion, taking account of its overall contribution to the area and the fact that it is not unfair for Worsley to accept the benefit of a right purposely conferred by the State Agreement as part of a broader arrangement to ensure the development of the Project and the benefits that come from that.

We note that our main competitor in the region, Alcoa of Australia Ltd, is not subject to differential rates in the Shire of Murray. Given the close proximity and similarity of our operations, if Worsley were to pay proportionately higher rates than Alcoa, this may result in an unfair and discriminatory outcome by reducing our competitiveness relative to the only other bauxite miner in Western Australia.

Consistency

According to the Rating Policy, differential rating should adhere to the value of consistency. However, in the current proposal GRV mining and UV mining rates have been treated inconsistently because the GRV mining rate is proposed to be set below the GRV general rate, whereas the UV mining rate is proposed to be set above the UV general rate. If land used for mining purposes does in fact justify a higher rate than other land types it follows logically that both the GRV mining and UV mining rates should be higher than the GRV and UV general rates, respectively.

Benefit principle

In determining the applicable rates, there should be a relationship between the rates paid and the benefits received. Under the Proposal, Worsley will be required to pay a 320% increase in its rates. We do not consider that this increase is proportionate to the benefits which Worsley can expect to receive from the Shire following the implementation of the Proposal.

Attachment 8.6.4B

Conclusion

For the reasons set out in this letter, Worsley has concerns that the Shire's Proposal does not accord with one or more of the key values underlying the Ratings Policy. Worsley reserves its rights to take action in the future with respect to any differential rates proposals that affect any land used in our operations.

We appreciate the Shire's time and efforts in considering our submissions on this matter. It is hoped that the Shire will seriously and carefully consider these submissions in making their decision. We look forward to continuing our productive and mutually beneficial relationship with the Shire and the people of the Boddington area.

Yours sincerely



Dino Otranto
Vice President Operations Worsley

CC:

Hon David Templeman MLA, Minister for Local Government



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Maylands WA 6051

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26 May 2017

Mr Chris Littlemore
Chief Executive Officer
Shire of Boddington
PO Box 4
BODDINGTON WA 6390

via email to: ceo@boddington.wa.gov.au

Dear Chris

SUBMISSION REGARDING INTENTION TO LEVY DIFFERENTIAL RATES 2017-18

We act for a number of exploration and prospecting companies in WA and thank you for the opportunity to make a general submission regarding the proposed rates for 2017-18.

We note the new UV Mining category proposed would see a 500% rate in dollar increase applicable to Exploration and Prospecting Licences, and would like to take the opportunity to ask the Shire to consider a separate UV rate category for Exploration/Prospecting Licences (a change that has been made in other Shires). This is in light of the vast differences between the mining industry and exploration industry, including their financial capacity and the impact of their significantly different activities on Shire infrastructure and resources.

Lower usage of Shire infrastructure and resources

There are different types of mining tenements under the *Mining Act 1978*. Mining Leases are granted to facilitate the extraction of a proven resource. Exploration/Prospecting Licences, however, only allow for preliminary work for the purpose of identifying possible resources. These licences do not accord rights of production or development, and there are limits on the total material (including overburden) that may be removed over the whole term of a licence. As such, they are not characterised by the same traffic volumes or weights or demands on Shire infrastructure and resources.

Due to the remoteness of many properties, long waits for environmental and heritage approvals, contractor availability, difficulties raising capital for exploration activities in the current market, and variant weather conditions, in many instances these licences lie vacant for long periods. When work is conducted, it is normally of low intensity and short duration with minimal impact on Shire infrastructure and services.

The state of the exploration sector and capacity to pay

In addition, unlike mining companies, exploration companies and prospectors do not make profits extracting commercial quantities of resources for sale. Exploration companies are equity funded and have limited cash flow and at the exploration/prospecting stage, must invest significant funds with minimal returns, only turning a profit *if* they discover a commercially viable resource and convert to a Mining Lease.

Attachment 8.6.4C

Valuations by the Valuer General

We also note that valuations for mining tenements provided by the Valuer General are used to calculate rates each year, and that these valuations are based on the rent rate imposed by the Department of Mines and Petroleum. Last year, the Department increased the rent rate by 3.4% (1.1% in accordance with CPI plus an additional 2.3% above the CPI in lieu of introducing environmental assessment fees) resulting in licence holders seeing an increased rate liability of 3.4% even before any increase in the current rate in the dollar or minimum is applied by Shires.

I would be happy to discuss this matter further on (08) 6467 7997.

Yours sincerely



Shannon McMahon
Principal



12 June 2017

Mr Chris Littlemore
Chief Executive Officer
Shire of Boddington
PO Box 4
Boddington WA 6390
ceo@boddington.wa.gov.au

Dear Mr Littlemore

SHIRE OF BODDINGTON 2017/18 DIFFERENTIAL RATES

The Chamber of Minerals and Energy of Western Australia (CME) is the peak resources sector representative body in Western Australia (WA). CME is funded by its member companies, who are responsible for most of the State's mineral and energy production and are major employers of the resources sector workforce in the State.

The value of WA's mineral and petroleum industry in 2015/16 declined by 12 per cent from the value in 2014/15. This was mainly due to an oversupply of product in the global market and a weaker demand for raw materials.

Local government rates remain a key externally imposed cost pressure to which resources sector companies continue to be exposed. Members have brought to CME's attention the Shire of Boddington's notice to impose differential rates for 2017/18 and CME is concerned by the proposed rates and the rationale for these.

Proposed Rates

The differential rates by the Shire of Boddington for the Unimproved Valued Properties (UV) – Mining has been proposed at a rate in the dollar of 0.031955, whilst the Unimproved Valued Properties (UV) – General at a rate in the dollar of 0.006391. The Shire noted in its Objects and Reasons that this is an increase for the Mining category by a margin of 400% from that applied in 2016/17.

The Shire has also proposed differential Gross Rental Value (GRV) rating for Mining at a rate in the dollar of 0.058205 and for General at a rate in the dollar of 0.078813. The Mining rate has been decreased by 30% from that applied in 2016/17.

Rating rationale

A 30% decrease in rates for the GRV Mining category has been applied to provide "some relief to this ratepayer from the effects of increases in the UV Mining category". However, this offset does not fairly account for disproportionate 400% increase in the UV Mining category. The proposed UV Mining rate is significantly more than twice the lowest rate and as such will require ministerial approval under section 6.33 of the *Local Government Act 1995*.

When the Minister reviews an application for a proposed rate increase under s6.33 of the Act, the following has to be taken into consideration: objectivity, fairness and equity, consistency and transparency and administrative efficiency.

Attachment 8.6.4D

In the Differential Rates Objects and Reasons the Shire notes that "Council considers that this sector has not been contributing to the services and infrastructure of the shire in a fair manner". However, the ratepayers under the UV Mining category do not benefit from the use of Shire services and facilities in the same manner as other ratepayers, nor require the increased use of services equivalent to the increased rate margin. In many circumstances, resources sector ratepayers maintain their own private roads, electricity, water, waste services and recreation facilities. It is inequitable for ratepayers with the lowest need for services to be providing, by a significant margin, the largest contribution to rates revenue.

The increased UV Mining rate is described in the Objects and Reasons as "a premium to compensate for the different valuation method and comparatively lower valuation level compared to equivalent properties in built-up areas". It is reasonable to expect that UV land outside built-up areas would have a lower valuation than land within built-up areas or townsites, and thus a lower rate commensurate with the lower valuation would also be expected. Applying a premium to UV Mining land and not UV General land, which are both equally situated outside the town area, is an inequitable distribution of the rate-paying burden.

Efficiency measures and productivity improvements are currently a focus of private sector companies and other levels of government. Demonstrated efficiency improvements are also a consideration by the Minister when reviewing differential rates applications under s6.33 of the Act. Administrative efficiency should be considered in relation to quantifiable improvements in the Shire's function, rather than the administrative effort with which differential rates may be implemented.

Furthermore, in the Shire's Objects and Reasons the use of administrative resources in relation to mining activities are detailed. Although administrative functions in relation to other categories of ratepayers are not. The efficient distribution of the Shire's administrative functions amongst all categories of ratepayers should be a key consideration of the Shire's differential rates rationale, especially when demonstrating efforts to improve efficiency and/or reduce costs rather than solely seeking to levy additional revenue from ratepayers.

CME therefore encourages the Shire to reconsider its proposed differential rates, particularly the UV Mining rate, given the substantial impact of these increased costs on resources sector companies.

Should you wish to discuss these issues further, please contact Caroline Cherry, Manager – Economic Competitiveness on 08 9220 8514 or C.Cherry@cmewa.com

Yours sincerely



Reg Howard-Smith
Chief Executive

Cc: Jenny Shewan, Newmont Mining Corporation
Michael Cutler, South32
The Hon. David Templeman MLA; Minister for Local Government; Heritage; Culture and the Arts
Kelly McManus; Research Officer; Office of the Minister for Local Government; Heritage; Culture and the Arts

8.6.5 Councillor Meeting Fees & Allowances 2017/18

File Ref. No: ADM 0081
Disclosure of Interest: Nil
Date: 10 June 2016
Author: Chris Littlemore
Attachments: Nil

Summary

Council is to consider adopting Councillors meeting fees and allowances for the 2017/18 year and inclusion in Council's Budget.

Background

Councillor remuneration for 2016/17 was approved as follows:

COUNCILLORS' REMUNERATION	2016/17 Budget \$
Meeting Fees - Councillors	30,000
Meeting Fees – President	10,000
President's Allowance	8,000
Deputy President's Allowance	2,000
Travelling Expenses (at 91c/km)	3,500
Childcare (\$25.00 per hour)	500
ICT Allowance - \$500 per Councillor	3,500
TOTAL	57,500

Council reviews these payments annually and adopts its payments to Councillors for the following year.

The Salaries and Allowances Tribunal (SAT) has adopted a banding model to differentiate between the responsibilities carried by Councillors, Mayors, Presidents and their deputies in local governments throughout the State. The Shire of Boddington has been included as a Band 4 Council, the lowest level.

The determination with effect from 1 July 2013 establishes a scale of payments and provisions for reimbursement of expenses in accordance with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*.

Community service continues to be the cornerstone of a commitment to local government. The levels of remuneration for attending meetings and allowances for elected council members are not intended to be salaries but do take into account the responsibilities and commitments of elected council members serving as representatives of the community. Provision has been made for reimbursement of expenses properly incurred in enabling elected council members to properly fulfill their duties.

Comment

The SAT determination includes the following structure of fees, allowances and expenses for a Band 4 Council from 1st July 2016:

There is a continuing provision for the reimbursement of expenses incurred in fulfilling the duties of an elected council member under Regulation 32.

The fees which may be claimed under the four band structure under which each local government is designated enables local governments to exercise the discretion vested in them by the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*.

In relation to Councillors Allowances and reimbursements, Council can choose to pay:

1. Meeting Fees

Council can choose to pay:

- a. an annual allowance in lieu of meeting fees of between \$3,553 and \$9,410 for Councillors and of between \$3,553 and \$19,341 for the Shire President; or
- b. individual meeting fees of an amount between \$90 per meeting and \$236 per meeting for Councillors and an amount between \$90 per meeting and \$485 per meeting for the Shire President.

2. Recovery of costs of Information and Communications Technology (ICT).

Council can choose to pay:

- a. an annual allowance in lieu of reimbursing telecommunication expenses of between \$500 and \$3,500; or
- b. reimbursement on submission of actual expenses of rental charges for one phone and one facsimile and actual usage costs which is the tribunal's preferred option.

3. Allowances for Council positions

Council can choose to pay a President's and/or a Deputy President's allowance or not. The allowance for the President must be of between \$508 and \$19,864, with a deputy President allowance to be 25% of the Presidents allowance.

4. Recovery of Childcare costs

Council can choose to reimburse childcare costs to the lessor of the actual cost or \$25 per hour.

5. Recovery of costs of Travel costs

Council can reimburse travel costs from a Councillors residence or work to a Council meeting can be reimbursed at the rate of the Public Service Award 1992 as amended.

6. Recovery of other expenses

Council can approve for reimbursement by the Council an expense that is incurred by a council member in performing a function:

- under the express authority of the local government; or
- in his or her capacity as a council member.

7. Time of Payment

Council can make policy over the form of payment of allowances and other payments.

It is intended to pay Councillors' on a quarterly basis, by producing with their agenda a claim form payment sheet which the Councillor would sign and date. The Councillor would also complete details as to what travel they wished to be reimbursed for. This form would be returned to the Executive Assistant to enable payment to be processed.

There is no requirement for a Councillor to make a claim or claim a lesser amount than approved.

Strategic Implications – Nil at this time

Statutory Environment

Local Government Act 1995

5.63. Some interests need not be disclosed

(1) Sections 5.65, 5.70 and 5.71 do not apply to a relevant person who has any of the following interests in a matter –

(c) an interest relating to a fee, reimbursement of an expense or an allowance to which section 5.98, 5.98A, 5.99, 5.99A, 5.100 or 5.101(2) refers; or

5.98. Fees etc. for council members

(1) A council member who attends a council or committee meeting is entitled to be paid –

- (a) the prescribed minimum fee for attending a council or committee meeting; or
- (b) where the local government has set a fee within the prescribed range for council or committee meeting attendance fees, that fee.

(2A) A council member who attends a meeting of a prescribed type at the request of the council is entitled to be paid –

- (a) the prescribed minimum fee for attending a meeting of that type; or
- (b) where the local government has set a fee within the prescribed range for meetings of that type, that fee.

(2) A council member who incurs an expense of a kind prescribed as being an expense –

- (a) to be reimbursed by all local governments; or
- (b) which may be approved by any local government for reimbursement by the local government and which has been approved by the local government for reimbursement, is entitled to be reimbursed for the expense in accordance with subsection (3).

(3) A council member to whom subsection (2) applies is to be reimbursed for the expense –

- (a) where the minimum extent of reimbursement for the expense has been prescribed, to that extent; or
 - (b) where the local government has set the extent to which the expense can be reimbursed and that extent is within the prescribed range (if any) of reimbursement, to that extent.
 - (4) If an expense is of a kind that may be approved by a local government for reimbursement, then the local government may approve reimbursement of the expense either generally or in a particular case but nothing in this subsection limits the application of subsection (3) where the local government has approved reimbursement of the expense in a particular case.
 - (5) The mayor or president of a local government is entitled, in addition to any entitlement that he or she has under subsection (1) or (2), to be paid –
 - (a) the prescribed minimum annual local government allowance for mayors or presidents; or
 - (b) where the local government has set an annual local government allowance within the prescribed range for annual local government allowances for mayors or presidents, that allowance.
 - (6) A local government cannot –
 - (a) make any payment to; or
 - (b) reimburse an expense of,
 a person who is a council member or a mayor or president in that person's capacity as council member, mayor or president unless the payment or reimbursement is in accordance with this Division.
 - (7) A reference in this section to a committee meeting is a reference to a meeting of a committee comprising –
 - (a) council members only; or
 - (b) council members and employees.
- [Section 5.98 amended by No. 64 of 1998 s. 36; No. 17 of 2009 s. 33.]

5.98A. Allowance for deputy mayor or deputy president

- (1) A local government may decide* to pay the deputy mayor or deputy president of the local government an allowance of up to the prescribed percentage of the annual local government allowance to which the mayor or president is entitled under section 5.98(5).

* Absolute majority required.
- (2) An allowance under subsection (1) is to be paid in addition to any amount to which the deputy mayor or deputy president is entitled under section 5.98.

5.99. Annual fee for council members in lieu of fees for attending meetings.

A local government may decide* that instead of paying council members a fee referred to in section 5.98(1), it will instead pay all council members who attend council or committee meetings –

- (a) the prescribed minimum annual fee; or
- (b) where the local government has set a fee within the prescribed range for annual fees, that fee.

* Absolute majority required.

5.99A. Allowances for council members in lieu of reimbursement of expenses

A local government may decide* that instead of reimbursing council members under section 5.98(2) for all of a particular type of expense it will instead pay all council members –

- (a) the prescribed minimum annual allowance for that type of expense; or

(b) where the local government has set an allowance within the prescribed range for annual allowances for that type of expense, an allowance of that amount, and only reimburse the member for expenses of that type in excess of the amount of the allowance.

* Absolute majority required.

30. Meeting attendance fees (Act s. 5.98(1) and (2A))

[(1), (2) deleted]

(3A) Each of the following meetings is a meeting of a prescribed type for the purposes of section 5.98(2A) –

(a) meeting of a WALGA Zone, where the council member is representing a local government as a delegate elected or appointed by the local government;

(b) meeting of a Regional Road Group established by Main Roads Western Australia, where the council member is representing a local government as a delegate elected or appointed by the local government;

(c) council meeting of a regional local government where the council member is the deputy of a member of the regional local government and is attending in the place of the member of the regional local government;

(d) meeting other than a council or committee meeting where the council member is attending at the request of a Minister of the Crown who is attending the meeting;

(e) meeting other than a council meeting or committee meeting where the council member is representing a local government as a delegate elected or appointed by the local government.

[(3B) deleted]

(3C) A council member is not entitled to be paid a fee for attending a meeting of a type referred to in subregulation (3A) if –

(a) the person who organises the meeting pays the council member a fee for attending the meeting; or

(b) the council member is paid an annual fee in accordance with section 5.99; or

(c) if the meeting is a meeting referred to in subregulation (3A)(c), the member of the regional local government is paid an annual fee in accordance with section 5.99.

[(3)-(5) deleted]

[Regulation 30 amended in Gazette 23 Apr 1999 p. 1719; 31 Mar 2005 p. 1034; 3 May 2011 p. 1595-6; 13 Jul 2012 p. 3219.]

31. Expenses to be reimbursed (Act s. 5.98(2)(a) and (3))

(1) For the purposes of section 5.98(2)(a), the kinds of expenses that are to be reimbursed by all local governments are –

(a) rental charges incurred by a council member in relation to one telephone and one facsimile machine; and

(b) child care and travel costs incurred by a council member because of the member's attendance at a council meeting or a meeting of a committee of which he or she is also a member.

[(2)-(5) deleted]

[Regulation 31 amended in Gazette 31 Mar 2005 p. 1034; 13 Jul 2012 p. 3219.]

32. Expenses that may be approved for reimbursement (Act s. 5.98(2)(b) and (3))

(1) For the purposes of section 5.98(2)(b), the kinds of expenses that may be approved by any local government for reimbursement by the local government are –

(a) an expense incurred by a council member in performing a function under the express authority of the local government; and

(b) an expense incurred by a council member to whom paragraph (a) applies by reason of the council member being accompanied by not more than one other person while performing the function if, having regard to the nature of the function, the local government considers that it is appropriate for the council member to be accompanied by that other person; and

(c) an expense incurred by a council member in performing a function in his or her capacity as a council member.

[(2) deleted]

[Regulation 32 amended in Gazette 13 Jul 2012 p. 3219.]

[33-34AB. Deleted in Gazette 13 Jul 2012 p. 3219]

Policy Implications - Nil

Financial Implications

Using the values included in the Officer's Recommendation, the amounts to be included in Council's Budget is set out below.

COUNCILLORS' REMUNERATION	2016/17 Budget \$	2017/18 Budget \$ (Proposed)
Meeting Fees - Councillors 6 @ \$5,200	31,200	31,200
Meeting Fees – President 1 @ \$10,400	10,400	10,400
President's Allowance	8,320	8,320
Deputy President's Allowance	2,080	2,080
Travelling Expenses (at 94c/km)	3,620	3,620
Childcare (at \$25.00 per hour)	500	500
ICT Allowance - \$515 per Councillor	3,605	3,605
TOTAL	59,725	59,725

Economic Implications - Nil

Social Implications - Nil

Environmental Considerations – Nil

Consultation

To date no consultation has occurred.

Options

Council can resolve:

1. the Officer's Recommendation;
2. the Officer's Recommendation with amendments inside the guidelines of the Local Government Act and Regulations, giving reasons; or
3. in a significantly different manner within the guidelines of the Local Government Act and Regulations, giving reasons.

Voting Requirements – Absolute Majority

OFFICER'S RECOMMENDATION – ITEM 8.6.5

COUNCIL RESOLUTION

76/17

Moved Cr Crilly

That Council adopt:

1. an annual fee in lieu of fees for attending meetings of \$5,200 per Councillor and \$10,400 for the Shire President;
2. a President's allowance of \$8,320;
3. a Deputy President's allowance of 25% of the President's allowance;
4. an annual allowance in lieu of reimbursement of expenses of Information Technology and Telecommunications of \$515 per annum;
5. mileage allowance of 94c per km;
6. childcare \$25 per hour; and
7. to pay Councillors' allowances on a quarterly basis.

Seconded

Cr Manez

Carried

6/0

8.6.6 Pollard Street Trees

File Ref. No: ADM0292
Disclosure of Interest: Nil
Date: 14 June 2017
Author: C Littlemore
Attachments: Nil

Summary

For Council to consider Water Corp's request to remove mature gum trees in Pollard Street.

Background

Staff have been discussing various matters with Water Corp as negotiations toward the handover of the Old Boddington Dam have progressed. Water Corp had verbally raised issues with water main maintenance in Pollard Street on a number of occasions.

Water Corp have now officially requested Council consider removing the mature gum trees in Pollard Street between the swimming pool and William St, as the number of breaks caused by the trees is increasing.

Comment

There are two Water Corp services in the road reserve on the north side of Pollard Street. One is a water main, the other is a pressure sewer main which delivers all of Boddington's sewerage under pressure to the treatment plant on Gold Mine Road. The photo below shows how close to the surface these services lie and the proximity to the largest of the trees which lie just to the west of Council's swimming pool.



It is suggested that Water Corp be advised that Council will embark on a program of removing and replacing the gum trees over a five year period so that the amenity of the street is not excessively impacted.

Strategic Implications

Council's experience with the removal of large trees would suggest that immediate planting of replacement trees and progressive removal of the problem trees would be better accepted by the general public.

Statutory Environment N/A

Policy Implications Nil

Financial Implications

Council normally allocates funds each year for tree pruning. Water Corp could seek to recoup repair expenses from Council if Council takes no action.

Economic Implications – Nil.

Social Implications Nil.

Environmental Considerations – Nil.

Consultation Water Corp

Options

Council can resolve:

1. Accept the Officer's Recommendation;
2. Amend the Officer's Recommendation; or
3. Not accept the Officer's Recommendation giving reasons.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION – ITEM 8.6.6

COUNCIL RESOLUTION

77/17

Moved Cr Collins

That Council:

1. Undertakes a 5 year program to remove gum trees in Pollard St from the Council Swimming Pool to the corner of William St;
2. Undertakes a planting program for all of the replacement trees in 2017/18, and
3. Advises Water Corp accordingly.

Seconded

Cr Glynn

Carried 5/1

8.6.7 HWEDA Nomination of Business Representative for Boddington

File Ref. No: ADM
Disclosure of Interest: Nil
Date: 14 June 2017
Author: C Littlemore
Attachments Nil

Summary

For Council to consider appointing a HWEDA Business Representative for Boddington.

Background

Richard Atkin from Perth Waste had been attending HWEDA meetings as business representative for Boddington.

With the sale of much of their business interest to Suez Recycling and Recovery, Richard has resigned his position on HWEDA.

Council needs to appoint a new business representative for Boddington. To this end Craig Barker from Suez has been approached and has indicated his willingness to attend HWEDA meetings.

Comment

Mr Barker attended the HWEDA meeting as a guest on 13 June 2017.

Strategic Implications

Council has an interest in the orderly development of the Albany Highway and Suez is likely to plan an important part of that development.

Statutory Environment - Nil

Policy Implications Nil

Financial Implications Nil.

Economic Implications – Nil.

Social Implications Nil.

Environmental Considerations – Nil.

Consultation Councillors, Suez

Options

Council can resolve:

1. Accept the Officer's Recommendation;
2. Amend the Officer's Recommendation; or
3. Not accept the Officer's Recommendation giving reasons.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION – ITEM 8.6.7

COUNCIL RESOLUTION

78/17

Moved Cr Hoek

That Council appoint Mr Craig Barker as the business representative to HWEDA.

Seconded

Cr Glynn

Carried 6/0

9. ELECTED MEMBERS' MOTION OF WHICH PREVIOUS MOTION HAS BEEN GIVEN:

Nil.

10. URGENT BUSINESS WITHOUT NOTICE WITH THE APPROVAL OF THE PRESIDENT OR MEETING:

Nil.

11. CONFIDENTIAL ITEM:

11.1.1 Purchase of Land

OFFICER RECOMMENDATION – ITEM 11.1.1

COUNCIL RESOLUTION 79/17 Moved Cr Hoek

That Council authorises Chief Executive Officer to negotiate the purchase of a parcel of land generally as depicted on the attached plan to be dedicated as road reserve, to a maximum of \$20,000 with Council meeting survey and transfer expenses.

Seconded Cr Glynn Carried 6/0

12. CLOSURE OF MEETING:

With no further business to discuss, the Shire President, Cr John Allert declared the meeting closed at 5:40pm.

These minutes were confirmed by the Council as a true and accurate record at the Ordinary Council Meeting on 18 July 2017.

.....
J R ALLERT
(President)