



SHIRE OF BODDINGTON

'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
Special Meeting of Council

To Adopt
Draft Budget 2017-2018
&

Fees and Charges
&

Draft Community Strategic Plan 2017-2027

5:00PM, TUESDAY 8 AUGUST 2017

At The
Council Chambers
39 Bannister Road Boddington

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1. DECLARATION OF OPENING:

John Allert, Shire President, declared the meeting open at 5:00pm.

2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:

2.1.1 Attendance

Cr J. Allert Shire President

Cr M Glynn

Cr E Hoek

Cr S Manez

Cr D Smart

Cr T Collins

Mr C Littlemore

Chief Executive Officer

Mr G Bartle

Director of Corporate & Community Services

Mr J Rendell

Manager Financial Services

1 member of the public attended the meeting.

2.1.2 Apologies

Cr N Crilly

2.1.3 Leave of Absence

Nil.

3. DISCLOSURE OF FINANCIAL INTEREST:

Nil.

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:

Nil.

5. PETITIONS/DEPUTATIONS/PRESENTATIONS/
SUBMISSIONS:

Nil.

6. CONFIRMATION OF MINUTES:

Nil.

7. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT
DISCUSSION:

Nil.

8. REPORTS OF OFFICERS AND COMMITTEES:

8.1. MANAGER FINANCIAL SERVICES:

8.1.1	Adoption of the Draft Budget 2017-2018
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File Ref. No:	ADM0314
Disclosure of Interest:	Nil
Date:	26 July 2017
Author:	Manager Financial Services
Attachment	8.1.1A Draft Budget 2017/2018 (Separate Attachment) 8.1.1B Draft Fees & Charges (Separate Attachment)

Purpose

To consider and adopt the Draft Budget for the 2017/18 financial year, together with supporting schedules, including striking of the municipal fund rates, adoption of fees and charges, arising from the budget papers.

Background

Each year local governments are required to adopt an operating budget for the forthcoming financial year and set a rate in the dollar for rates that allow the Council to operate financially. Once adopted, the budget is sent to the Department of Local Government.

Comment

In reviewing the 2017/18 Draft Budget, Council should note that:

1. The Draft Budget is presented with a cash surplus position for the year of \$975K, an increase of almost \$225k on the year end actual result of 2016/17.
2. A 1.5% rate increase has been included in the calculations, with the exception of UV mining and GRV mining. All calculations are fully disclosed in Note 8 of the 2017/18 Statutory budget and no discount has been allowed. There will be some property owners that will experience higher rates as a result of a change in valuation of their property;
3. The majority of the projects included in the Draft Budget are considered as capital items (refer capital program).
4. The Draft Budget has been compiled on the principles contained in the Strategic Community Plan and Corporate Business Plan;
5. The Draft Budget has been prepared to include information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.

This budget incorporates a total operating expenditure of \$6.6M which is an increase of \$0.7M from last year's actual expenditure of \$5.9M but a modest increase of \$0.4M of the adopted 2016/17 budget of \$6.2M.

This budget incorporates a total operating revenue of \$6.4M which is an increase of \$0.3M from last year's actual revenue of \$6.1M and an increase of \$0.2M of the adopted 2016/17 budget of \$6.2M.

This level of operating revenue and expenditure is in line with Council's continued achievement to restore its financial ratios.

Capital works projects have been planned to ensure Council has sufficient funds to provide a professional works and maintenance program to improve the facilities available to our ratepayers.

The Shire of Boddington has budgeted to receive \$2.5M in grants towards capital projects and will use \$1.9M from its unexpended grants and other reserves, leaving a balance of \$1.6M in Reserves (restricted cash).

Staffing levels contained within the 2017/18 budget have been the same as those approved in the 2016/17 budget, excepting for additional new positions of a Community Economic Development Officer and Community Emergency Services Manager the latter partially funded by Department of Fire and Emergency Services (DFES). Senior executive staff remuneration has been frozen in accordance with the same constraints within the WA public sector.

In view of the fact that Council no longer offers a discount to ratepayers who pay by the due date, Council could consider the offering of an incentive to ratepayers. The Local Government Act S 6.12 allows Council to provide a discount or other incentive for the early payment of rates. This section also allows Council to make the incentive subject to any conditions it determines.

Rates incentive

In accordance with the Local Government Act the Shire of Boddington recommends offering a rates incentive program in providing a payment incentive of \$500 in vouchers for local businesses drawn from the municipal fund and payable to the first randomly drawn ratepayer whose rates account is fully paid by the due date for the first instalment 25th September 2017 (refer Section 6.12 of the LG Act below);-

6.12. Power to defer, grant discounts, waive or write off debts (1) Subject to subsection (2) and any other written law, a local government may –

(a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money.

The following budget for 2017/2018 includes the following main capital projects.

ASSET TYPE	\$	\$
LAND & BUILDINGS		
Independent Care Living Complex	2,550,000	
Recreation Centre	22,500	
Visitor Centre	125,000	
Staff Housing	350,000	
Old Police Station	65,000	
Building refurbishment	111,000	3,223,500
PLANT & MOTOR VEHICLES		
Tractor & Flail mower	130,000	
Miscellaneous Plant	40,000	170,000
ROADS & ASSOCIATED INFRASTRUCTURE		
Road construction (Harvey-Quindanning Road)	601,500	
Reseals	260,000	
Footpaths	41,850	
Bridges & culverts	42,500	
Car parks	100,000	1,045,850
OTHER INFRASTRUCTURE		
Water to Ranford	256,700	
Light Towers & water to Ovals	346,350	
Waste service	30,000	
Swimming Pool	32,000	
Streetscape (Ken Austic Square)	111,635	776,685
OFFICE FURNITURE & EQUIPMENT		
Information Technology	15,000	
Office equipment	20,000	35,000
STRATEGIC ITEMS		
Strategic Community Plan Initiatives	569,500	569,500
TOTAL CAPITAL PROJECTS		5,820,535

BREAKDOWN OF STRATEGIC COMMUNITY PLAN PROJECTS		
	Funding	Total Cost
Skatepark & Pump track (1st of 2 years)	120,000	290,000
Nature playground (1st of 2 years)	50,000	100,000
Foreshore Landscape/Design		50,000
Fencing for dog park		7,500
Flying fox		20,000
Showcase for local art		10,000
Drinking fountains (6)		12,000
Indoor volley ball (Recreation centre)		5,000
Dementia house unit (modifications) + Community Club modifications		35,000
Outdoor exercise equipment		40,000
TOTAL STRATEGIC PROJECTS	170,000	569,500

Funding for these capital projects is made of capital grants and contributions \$2.5M, proceeds from sale of assets \$0.3M, Reserve funding \$1.8M and Council operating funds \$1.3M.

Conclusion

It is anticipated that through this budget, Council will be able to further progress and increase facilities provided to the community and its wider users, and increase Council owned assets.

These continue as exciting times for the Boddington region and the demand for increased infrastructure remains very important to ensure that the region continues to prosper and develop at a rapid but controlled rate.

Statutory Environment

Section 6.2 of the Local Government Act 1995 requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of the Local Government Act 1995 refer to the setting of budgets and the raising of rates and charges. The Local Government (Financial Management) Regulations 1996 details the form and content of the budget.

6.12. Power to defer, grant discounts, waive or write off debts (1) Subject to subsection (2) and any other written law, a local government may –

- (a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or
- (b) waive or grant concessions in relation to any amount of money; or
- (c) write off any amount of money, which is owed to the local government.

* Absolute majority required.

The 2017/18 Draft Budget as presented meets all statutory requirements.

Council's 2017/2018 draft budget document contains a number of items that require adoption by Council under the Local Government Act. These are in accordance to:

1. Section 6.32 (1) of the Local Government Act 1995, Rates and Minimum Rates to be levied on all rateable property be as follows:

Valuation	Rate cents/dollar	Minimum Rate \$
Gross Rental Value	8.400	899
Unimproved Value	0.6487	899
Gross Rental Value Mining	0.5750	899
Unimproved Value Mining	3.1955	899

2. Section 6.33 of the Local Government Act stipulates that where differential rates are imposed information to accompany the rates notice. This being a brief statement of the objects & reasons for any differential rate & or minimum payments of such.
3. Section 6.46 of the Local Government Act which allows Council to grant a discount for payment of rates in full within 35 days of the date of issue of the rate notice;
4. Section 6.45 of the Local Government Act which allows Council to impose an interest charge be levied on rates instalments, Deferred Pensioners Rates' excluded;
5. Section 6.45 of the Local Government Act which allows Council to impose an administration charge be levied for the second and each of the subsequent rates installments;
6. Section 6.51 of the Local Government Act which allows Council to impose an interest charge be levied on all overdue rates outstanding, Deferred Pensioners' Rates excluded;
7. Section 6.32 (1) of the Local Government Act 1995 the Schedule of Rents, Leases and Charges as detailed in the budget document;
8. Section 64 (2) of the Local Government (Financial Management) Regulations 1996 that the due date for installments be set as follows:

Two Instalment Option:

- 1st Instalment due not before 25th September 2017 and
- 2nd Instalment due not before 14th February 2018;

Four Instalment Option:

- 1st Instalment due not before 25th September 2017 and
- 2nd Instalment due not before 5th December 2017; and
- 3rd Instalment due not before 14th February 2018; and
- 4th Instalment due not before 26th April 2018.

9. Section 6.19 of the Local Government Act 1995 requires a local government to give local public notice of any fees or charges it wishes to impose after adoption of the annual budget; and
10. Regulation 34(5) of the Local Government (Financial Management) Regulations 1996 requires that Council is required to adopt a percentage or value, to be used in statements of financial activity for reporting material variances against the adopted Budget.

Strategic Implications

The 2017/18 Draft Budget has been developed, based on the Draft Shire of Boddington Long Term Financial Plan for adoption by Council. The LTFP was reviewed during 2016/17 financial year with consideration to all other council strategic planning documents.

Financial Implications

Specific financial implications are as outlined in the comment section of this report and as itemised in the 2017/18 Draft Budget attached for adoption.

Economic Implications

The 2017/18 Draft Budget has been developed based on sound financial management and accountability principles and is considered to deliver a sustainable economic outcome for council and the community.

Social Implications

The 2017/18 draft budget includes social outcomes identified in various planning and community supporting strategies that have previously been adopted by the council.

Environmental Considerations

The 2017/18 draft budget supports key environmental strategies and initiatives adopted by council.

Consultation

The proposed differential rates model was advertised by local public notice using the following mediums;

- advertising in the Narrogin Observer on 18 May 2017
- 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.

Having considered the submissions at Council's ordinary meeting on 20 June 2017, Council resolved by an absolute majority of the Councillors present to seek Ministerial Approval for

the differential rates (UV Mining) that was proposed to be more than two times the lowest rate in the dollar.

Ministerial approval was received on 1 August 2017 for the UV Mining differential rate.

Options

Council can resolve to:

1. adopt the recommendation/s;
2. adopt the recommendation/s with further amendments; or
3. not accept the recommendation/s, giving reasons.

Voting Requirements - Absolute Majority

OFFICER'S RECOMMENDATION – ITEM 8.1.1

COUNCIL RESOLUTION

94/17

Moved: Cr Glynn

That Council adopt, as detailed in the 2017/2018 Draft Budget at Attachment 8.1.1A and Fees and Charges at Attachment 8.1.1B.

1. The Rates and Minimum Rates to be levied in 2017/2018 on all rateable property be as follows:

Valuation	Rate cents/dollar	Minimum Rate \$
Gross Rental Value	8.400	899
Unimproved Value	0.6487	899
Gross Rental Value Mining	0.5750	899
Unimproved Value Mining	3.1955	899

2. A 5.5% interest charge be levied on rates instalments, eligible and deferred pensioners rates' excluded;
3. An 11% interest charge be levied on all overdue rates, eligible and deferred pensioners rates' excluded;
4. An 11% interest charge be levied on all overdue service charges and rubbish charges, eligible and deferred pensioners rates' excluded;
5. An administration charge of \$8.85 be levied for the second and each of any subsequent rates instalments;
6. The due date for instalments of rates payments be set as follows;

Two Instalment Option:

- 1st Instalment due not before 25th September 2017 and
- 2nd Instalment due not before 14th February 2018;

Four Instalment Option:

- 1st Instalment due not before 25th September 2017 and
- 2nd Instalment due not before 5th December 2017; and
- 3rd Instalment due not before 14th February 2018; and
- 4th Instalment due not before 26th April 2018.

7. Council adopt the Schedule of Fees and Charges as detailed in the 2017/2018 Draft Budget;
8. The Revenue and Expenditure as detailed in the 2017/2018 Draft Budget;
9. Provide a payment incentive of \$500 in vouchers for local businesses drawn from the municipal fund and payable to the first randomly drawn ratepayer whose rates account is fully paid by the due date for the first instalment 25th September 2017.
10. Council adopt a materiality threshold of +/- 10% of the budget allocation unless the dollar value of any variance is less than \$10,000 as disclosed in the statement of financial activity at nature type level and other monthly financial reports. This will be by way of providing financial commentary in the suite of monthly financials as presented to Council.

Seconded:

Cr Smart

Carried: 5/1

Cr Collins asked that her vote be recorded against.

8.2 CHIEF EXECUTIVE OFFICER:

8.2.1 Draft Community Strategic Plan 2017 - 2027

Date: 1 August 2017
Author: Chris Littlemore
Attachment: 8.2.1A Draft Community Strategic Plan 2017-2027 (separate attachment)

Summary

Council is to consider adoption of the draft Community Strategic Plan 2017-2027.

Background

The Community Strategic Plan outlines community long term (10+ years) vision, values, aspirations and priorities, with reference to other local government plans, information and resourcing capabilities.

The Community Strategic Plan:

- establishes the community's vision for the local government's future, including aspirations and service expectations
- drives the development of local government area/place/regional plans, resourcing and other informing strategies, e.g. workforce, asset management and services, and
- will ultimately be a driver for all other planning.

Council is required to review its Community Strategic Plan every four years. To assist it with the process, Council appointed a community advisory panel consisting of 14 members.

Comment

Councillors and senior staff completed a series of one-hour meetings with each of the community advisory panel members. Councillors and senior staff discussed the aspirations of each of the groups the panel members represented but more importantly there was a chance for panel members to express their views about general improvements that the Council could make.

The information received formed the basis for the draft Community Strategic Plan 2017 - 2027.

In addition, feedback from the Community Perceptions Survey has also been incorporated into the Plan. This will provide another yardstick by which to measure the success of the Council in achieving the plan when it comes to the next review.

There has been a deliberate effort to keep the document concise, developed in-house and kept to a modest budget. The alternative was to use consultants to produce a glamorous, expensive document with little or no ownership, destined to gather dust on a shelf.

A draft Community Strategic Plan was released for public comment. Feedback from two community members was received.

Strategic Implications

The Community Strategic Plan outlines community long term vision, values, aspirations and priorities.

Statutory Environment - Nil
Policy Implications - Nil.

Financial Implications

The implications of the Community Strategic Plan are built into the Long Term Financial Plan.

Economic Implications – Nil

Social Implications

The Community Strategic Plan is a key document that provides the public with an opportunity to provide input into the investments Council will make to the infrastructure which can build social capital.

Environmental Considerations - Nil
Consultation – Members of the Advisory Committee, general public consultation.
Options

Council can resolve to:

4. adopt the recommendation/s;
5. adopt the recommendation/s with further amendments; or
6. not accept the recommendation/s, giving reasons.

Voting Requirements - Simple Majority

OFFICER'S RECOMMENDATION – ITEM 8.2.1

COUNCIL RESOLUTION	95/17	Moved: Cr Smart
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That Council resolves to adopt the Draft Community Strategic Plan 2017 – 2027 at Attachment 8.2.1A.

Seconded:	Cr Manez	Carried: 6/0
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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:

Nil.

12. CLOSURE OF MEETING:

With no further business to discuss Shire President Cr Allert closed the meeting at 5:18pm.

These minutes were confirmed by the Council as a true and accurate record at the Ordinary Council Meeting on 15 August 2017.

.....
Martin Glynn
Acting Shire President