



# Shire of Plantagenet

## **SPECIAL COUNCIL MINUTES**

**DATE:** Tuesday, 8 July 2014

**TIME:** 5:00 pm

**VENUE:** Council Chambers, Lowood  
Road, Mount Barker WA 6324

**Rob Stewart**  
**CHIEF EXECUTIVE OFFICER**

### **SPECIAL BUSINESS**

To consider and adopt: the Municipal Fund Budget 2014/2015; General Fees and Charges 2014/2015; Other Statutory Fees 2014/2015; charges for the deposit of domestic and commercial waste; and adopt General and Minimum Rates for the 2014/2015 Financial year.

**Resolution Numbers: 144/14 to 150/14**

## **MEMBERSHIP – Quorum (5)**

### **Membership:**

Cr K Clements – Shire President  
Cr B Bell  
Cr A Budrikis  
Cr S Etherington JP  
Cr L Handasyde – Deputy Shire President  
Cr G Messmer  
Cr J Moir  
Cr J Oldfield  
Cr C Pavlovich

*Information and recommendations are included in the reports to assist the Council in the decision making process and may not constitute the Council's decision until considered by the Council*

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**TABLE OF CONTENTS**

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<b>ITEM</b>	<b>SUBJECT</b>	<b>PAGE NO</b>
1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	2
2	PUBLIC QUESTION TIME (RELATING TO SPECIAL BUSINESS ONLY)...	3
3	PETITIONS / DEPUTATIONS / PRESENTATIONS (RELATING TO SPECIAL BUSINESS ONLY).....	3
4	DISCLOSURE OF INTEREST .....	3
5	SPECIAL BUSINESS.....	4
5.1	ADOPTION OF 2014/2015 BUDGET.....	4
5.2	PROPERTY RATES – 2014/2015.....	10
6	CLOSURE OF MEETING.....	13

## 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

5:00pm The Presiding Member declared the meeting open.

### Members Present:

Cr K Clements	Shire President
Cr B Bell	Councillor
Cr A Budrikis	Councillor
Cr S Etherington	Councillor
Cr L Handasyde	Councillor
Cr G Messmer	Councillor
Cr J Moir	Councillor
Cr J Oldfield	Councillor
Cr C Pavlovich	Councillor

### In Attendance:

Mr Rob Stewart	Chief Executive Officer
Mr John Fathers	Deputy Chief Executive Officer
Mr Peter Duncan	Manager Development Services
Mrs Fiona Saurin	Manager Community Services
Mrs Linda Sounness	Executive Secretary

There was one member of the public present.

### Previously Approved Leave of Absence:

Nil

### Emergency Evacuation Procedures/Disclaimer:

Working to Occupational Safety and Health Best Practices, Mr Rob Stewart - Chief Executive Officer, read aloud the emergency evacuation procedures for Councillors, staff and member of the public present in the Council Chambers.

Mr Stewart then read aloud the following disclaimer:

'No responsibility whatsoever is implied or accepted by the Shire of Plantagenet for any act, omission or statement or intimation occurring during Council / Committee meetings or during formal / informal conversations with staff.

The Shire of Plantagenet disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, or statement of intimation occurring during Council / Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation or approval made by a member or officer of the Shire of Plantagenet during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Plantagenet. The Shire of Plantagenet warns that anyone who has an application with the Shire

of Plantagenet must obtain and should only rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Plantagenet in respect of the application.'

**2 PUBLIC QUESTION TIME (RELATING TO SPECIAL BUSINESS ONLY)**

Nil

**3 PETITIONS / DEPUTATIONS / PRESENTATIONS (RELATING TO SPECIAL BUSINESS ONLY)**

Nil

**4 DISCLOSURE OF INTEREST**

Part 5 Division 6 Local Government Act 1995

Nil

## 5 SPECIAL BUSINESS

### 5.1 ADOPTION OF 2014/2015 BUDGET

<b>File No:</b>	<b>N31201</b>
<b>Attachment:</b>	<a href="#">2014/2015 Budget (Separate Attachment)</a>
<b>Responsible Officer:</b>	<b>Rob Stewart</b> <b>Chief Executive Officer</b>
<b>Author:</b>	<b>John Fathers</b> <b>Deputy Chief Executive Officer</b>
<b>Proposed Meeting Date:</b>	<b>8 July 2014</b>

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#### PURPOSE

The purpose of this report is to adopt the annual budget and fees and charges for the 2014/2015 financial year.

#### BACKGROUND

The 2014/2015 budget has been prepared as a balanced budget with significant input from staff and elected members. The Council considered the list of fees and charges for the 2014/2015 financial year as part of its budget workshop process.

At its meeting held on 27 May 2014, the Council resolved:

*'That in accordance with Sections 5.98A (1) and 5.99 of the Local Government Act 1995, elected member attendance fees and allowances for the 2014/2015 financial year be set as follows:*

- 1. Annual attendance fee (Shire President) \$14,420.00;*
- 2. Annual attendance fees (Councillor) \$7,725.00;*
- 3. Shire President's Annual Allowance \$6,283.00;*
- 4. Deputy President's Annual Allowance \$1,570.75.'*

#### STATUTORY ENVIRONMENT

Section 6.2 of the Local Government Act 1995 requires a local government to prepare and adopt, by absolute majority, an annual budget prior to 31 August in each year. Section 6.15 to 6.19 of the Local Government Act 1995 relates to the imposition of fees and charges for a local government.

#### EXTERNAL CONSULTATION

Consultation has occurred with elected members, staff and the community throughout the budget preparation process. The draft budget was advertised and a public briefing session held. One member of the public attended that meeting. The draft budget has been compiled based on the principles contained in the Strategic Community Plan and Corporate Business Plan.

**FINANCIAL IMPLICATIONS**

The adoption of the budget enables the operations of the Council to continue effectively and issue rates in a timely manner to assist with income generation and cash flow.

**POLICY IMPLICATIONS**

The budget was initially framed in line with Council Policy F/FM/12 – Budget Preparation.

**STRATEGIC IMPLICATIONS**

The Shire of Plantagenet Strategic Community Plan 2013-2023 provides at Outcome 4.6 (Effective and Efficient Corporate and Administrative Services) the following Strategy 4.6.1:

*‘Provide a full range of financial services to support Shire’s operations and to meet planning, reporting and accountability requirements.’*

Further, the adoption of the budget is a primary mechanism in enabling the goals and outcomes set out in the Strategic Community Plan to be achieved.

**OFFICER COMMENT**

The draft 2014/2015 budget continues to deliver on other strategies adopted by the Council and maintains service levels across all programs. The budget maintains a focus on road renewal as well as on renewing other assets at sustainable levels. The significant capital works project in the budget is the completion of the redevelopment of Sounness Park (Stages 2 & 3).

**VOTING REQUIREMENTS**

See individual recommendations.

**OFFICER RECOMMENDATION/COUNCIL DECISION**

Moved Cr L Handasyde, seconded Cr C Pavlovich:

**PART A – MUNICIPAL FUND BUDGET FOR 2014/2015**

That pursuant to the provisions of Section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996, the Municipal Fund Budget as attached for the 2014/2015 financial year which includes the following:

- a) Statement of Comprehensive Income by Nature and Type on page 1;
- b) Statement of Comprehensive Income by Program on page 2;
- c) Statement of Cash Flows on page 3;
- d) Rate Setting Statement on page 4;
- e) Detailed Capital Programs on pages 5 to 18;
- f) Significant Accounting Policies for the Budget on pages 19 to 26;
- g) Other notes to and forming part of the Budget, including Transfers to and from Reserve Accounts, on pages 27 to 48;
- h) Budget Program Schedules as detailed in pages 49 to 77;

be adopted.

**CARRIED (8/1)**

**NO. 144/14**

**Absolute Majority**

**OFFICER RECOMMENDATION/COUNCIL DECISION**

Moved Cr L Handasyde, seconded Cr C Pavlovich:

**PART B – GENERAL FEES AND CHARGES FOR 2014/2015**

That pursuant to section 6.16 of the Local Government Act 1995, the Fees and Charges included at pages 78 to 108 inclusive of the attached 2014/2015 Budget be adopted.

**CARRIED (8/1)**

**NO. 145/14**

**Absolute Majority**

**OFFICER RECOMMENDATION/COUNCIL DECISION**

Moved Cr L Handasyde, seconded Cr C Pavlovich:

**PART C – RESERVE FUNDS**

That pursuant to section 6.11 of the Local Government Act 1995, the following Reserve Accounts be established for the 2014/2015 budget, incorporating changes to names and purposes of reserve accounts:

1. **Name:** Employee Entitlements Reserve  
**Purpose:** To fund sick, annual and long service leave entitlements for former staff called upon by other local governments and unplanned payments of annual leave and long service leave liabilities
2. **Name:** Plant Replacement Reserve  
**Purpose:** To fund the purchase of works vehicles, plant and machinery
3. **Name:** Drainage and Water Management Reserve  
**Purpose:** To fund the planning and construction of drainage and water management projects
4. **Name:** Land Rehabilitation Reserve  
**Purpose:** To fund the rehabilitation of the old saleyards site on Woogenellup Road
5. **Name:** Waste Management Reserve  
**Purpose:** To fund waste management infrastructure and major items of associated plant and equipment
6. **Name:** Computer Software and Hardware Upgrade Reserve  
**Purpose:** To upgrade business system hardware and software with additional functionality
7. **Name:** Shire Development and Building Improvements Reserve  
**Purpose:** To fund planned major projects and developments and planned major building renewal, improvements and refurbishments as decided by the Council
8. **Name:** Outstanding Land Resumptions Reserve  
**Purpose:** To fund old/outstanding obligations for land resumptions associated with road realignments and the like
9. **Name:** Natural Disaster Reserve  
**Purpose:** To fund the Council's proportion of natural disaster events in the Shire of Plantagenet
10. **Name:** Mount Barker Regional Saleyards Capital Improvements Reserve  
**Purpose:** To fund capital works at the Mount Barker Regional Saleyards

11. **Name: Mount Barker Regional Saleyards Operating Loss Reserve**  
**Purpose: To require the Saleyards to operate in a self sufficient manner by retaining a proportion of operating surpluses to fund operating deficits**
12. **Name: Plantagenet Medical Centre Reserve**  
**Purpose: To fund renewal, refurbishments and improvements to the Plantagenet Medical Centre**
13. **Name: Spring Road Roadworks Reserve**  
**Purpose: To fund roadworks in Spring Road, Porongurup as required by the relevant subdivision condition**

**CARRIED (8/1)**  
**NO. 146/14**  
**Absolute Majority**

#### **OFFICER RECOMMENDATION/COUNCIL DECISION**

**Moved Cr L Handasyde, seconded Cr C Pavlovich:**

#### **PART D – OTHER STATUTORY FEES FOR 2014/2015**

**That pursuant to:**

1. **Section 53 of the Cemeteries Act 1986, the fees and charges for Shire of Plantagenet cemeteries shown on pages 89 to 91 of the attached 2014/2015 Budget;**
2. **Section 53(2) of the Building Regulations 2012, a swimming pool inspection fee of \$55.00 (including GST); and**
3. **Section 67 of the Waste Avoidance and Resources Recovery Act 2007, the charges for the removal of domestic and commercial waste (and domestic recycling) included at page 82 of the attached 2014/2015 Budget;**

**be adopted.**

**CARRIED (8/1)**  
**NO. 147/14**

#### **OFFICER RECOMMENDATION/COUNCIL DECISION**

**Moved Cr L Handasyde, seconded Cr C Pavlovich:**

**That pursuant to section 67 of the Waste Avoidance and Resources Recovery Act 2007, and section 6.16 of the Local Government Act 1995 the charges for the deposit of domestic and commercial waste included at pages 82 to 84 inclusive of the attached 2014/2015 Budget be adopted.**

**CARRIED (8/1)**  
**NO. 148/14**  
**Absolute Majority**

**OFFICER RECOMMENDATION/COUNCIL DECISION**

Moved Cr L Handasyde, seconded Cr C Pavlovich:

**PART E – ELECTED MEMBERS’ FEES AND ALLOWANCES FOR 2014/2015**

That:

1. Pursuant to section 5.99 of the Local Government Act 1995 and regulation 34 of the Local Government (Administration) Regulations 1996, the following annual fees for payment of elected members in lieu of individual meeting attendance fees be adopted:
  - a) Shire President \$14,420.00; and
  - b) Councillors \$7,725.00.
2. Pursuant to section 5.99A of the Local Government Act 1995 and regulations 34A and 34AA of the Local Government (Administration) Regulations 1996, a Telecommunications Allowance of \$1,000.00 for elected members be adopted.
3. Pursuant to section 5.98(5) of the Local Government Act 1995 and regulation 33 of the Local Government (Administration) Regulations 1996, an annual local government allowance of \$6,283.00 be paid to the Shire President in addition to the annual meeting allowance.
4. Pursuant to section 5.98A of the Local Government Act 1995 and regulations 33A of the Local Government (Administration) Regulations 1996, an annual local government allowance of \$1,570.75 be paid to the Deputy Shire President be paid in addition of the annual meeting allowance.

**CARRIED (8/1)**

**NO. 149/14**

**Absolute Majority**

## 5.2 PROPERTY RATES – 2014/2015

**File No:** N31202  
**Responsible Officer:** Rob Stewart  
Chief Executive Officer  
**Author:** John Fathers  
Deputy Chief Executive Officer  
**Proposed Meeting Date:** 8 July 2014

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### **PURPOSE**

The purpose of this report is to set the property rates, establish the early payment discount, early payment incentive, payment instalment options and fees, and set the interest rates for overdue and late payments in readiness for the adoption of the 2014/2015 budget.

### **BACKGROUND**

#### Level of Rates

As part of the 2014/2015 budget workshop process, the Council established that property rates should be set at between a 5.0% increase on total rate revenue raised in 2013/2014. The 2014/2015 budget and the respective property rates have been determined on the basis of a 5.0% increase. The minimum rate has been increased from \$770.00 to \$810.00.

#### Discount

Section 6.12 (1)(a) permits a local government to grant a discount or incentive for the early payment of money which is owed to the Council. As in previous years, it is recommended that a discount not be offered and no allowance has been made for any early payment discount to reflect this.

#### Incentive

The Council has previously offered incentive prizes to encourage the early payment of rates. Only ratepayers who have paid their rates in full and by 20 August 2014 will be entered into the draw.

For the 2014/2015 year, the following prizes are on offer:

First Prize - \$500.00 bank account with the Bendigo Community Bank.

Second Prize - One carton of mixed wine donated by Mount Barker Wine Producers' Association at a retail value of \$200.00.

#### Instalments

It is recommended to the Council that it continue to offer the following three payment options as in previous years.

- (1) To pay the total rates and charges included on the rate notice in full by the 35<sup>th</sup> day after the date of issue of the rates notice; or
- (2) To pay by two equal instalments. The first instalment will be due on the 35<sup>th</sup> day after the date of issue of the rates notice and the second instalment four calendar months after this date.

- (3) To pay by four equal instalments. The first instalment will be due on the 35<sup>th</sup> day after the date of issue of the rates notice and the remainder at two calendar month intervals after this date.

#### Instalment Fee

It is recommended that an instalment fee of \$7.50 be charged for each instalment reminder issued after the first instalment is paid. This is the same as that charged in 2013/2014. A special payment arrangement administration charge of \$25.00 (excluding pensioners) will again apply, for those people who wish to pay rates through an instalment plan, but do not qualify for a standard instalment plan, due to late payment or other circumstances.

#### Interest on Instalments

It is recommended that the maximum interest rate of 5.5% per annum be applied to instalment payments. Again, this is consistent with the previous year's charge and statutory requirements.

#### Late Payment Penalty Interest

It is recommended that a late payment penalty interest of 11% per annum be adopted. It is proposed that the late payment penalty interest will apply to rates that remain unpaid where no election was made to pay the rate by instalments and on overdue instalment payments where an election was made to pay by instalments. Again, this is consistent with the previous year's charge and statutory requirements.

### **STATUTORY ENVIRONMENT**

Section 6.25 to 6.82 of the Local Government Act 1995 and Sections 52 to 78 of the Local Government (Financial Management) Regulations relate to property rating requirements and procedures.

### **FINANCIAL IMPLICATIONS**

The property rates proposed have been established on the basis of delivering a balanced budget with a 5.0% increase on the 2013/2014 rate revenue.

### **POLICY IMPLICATIONS**

Policy A/PA/8 Rating – Rate Incentive Prize applies.

Policy F/FM/12 Budget Preparation applies.

### **STRATEGIC IMPLICATIONS**

The Shire of Plantagenet Strategic Community Plan 2013-2023 provides at Outcome 4.6 (Effective and efficient corporate and administrative services) the following Strategy 4.6.3:

*'Maintain, develop and monitor rating and property strategies.'*

### **OFFICER COMMENT**

A revaluation of the entire rates base (both unimproved value and gross rental value properties) has been carried by the Valuer General's Office out for the 2014/2015 financial year. In line with Council Policy F/FM/12, a ratio has been used to

determine the proportion of rates raised between property valuation categories, regardless of re-valuations. The revaluation has resulted in the rates in the dollar being adjusted as follows:

- Unimproved Value – 0.68932 to 0.71980 (Increase of 4.23%).
- Gross Rental Value – 11.4178 to 10.5262 (Decrease of 8.47%).

## VOTING REQUIREMENTS

Absolute Majority

## OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr B Bell, seconded Cr G Messmer:

That:

1. For the purpose of yielding the deficiency disclosed by the 2014/2015 Municipal Fund Budget, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995, the following general and minimum rates be imposed on Gross Rental and Unimproved Values.

### 1.1 General Rates

a)	Rural Townsites (GRV)	10.5262 cents in the dollar
b)	Rural (GRV)	10.5262 cents in the dollar
c)	Mount Barker Townsite (GRV)	10.5262 cents in the dollar
d)	Strata Titles (GRV)	10.5262 cents in the dollar
e)	Rural (UV)	0.71980 cents in the dollar
f)	Mining (UV)	0.71980 cents in the dollar

### 1.2 Minimum Rates

a)	Rural Townsites (GRV)	\$810.00
b)	Rural (GRV)	\$810.00
c)	Mount Barker Townsite (GRV)	\$810.00
d)	Strata Titles (GRV)	\$810.00
e)	Rural (UV)	\$810.00
f)	Mining (UV)	\$810.00

2. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, the following due dates be nominated for the payment in full by instalments:
  - a) Full payment and 1st instalment due date 20 August 2014;
  - b) 2nd half instalment due date 7 January 2015;
  - c) 2nd quarterly instalment due date 22 October 2014;
  - d) 3rd quarterly instalment due date 7 January 2015;
  - e) 4th and final quarterly instalment due date 11 March 2015.
3. No discount be offered for the early payment of property rates.
4. Incentive prizes for the payment of property rates in full by the due date be offered as follows:
  - a) First prize – Bank Account to the value of \$500.00, donated by the Bendigo Community Bank;

- b) **Second prize – One carton of wine with a retail value of in excess of \$200.00 donated by the Mount Barker Wine Producers’ Association.**
- 5. **Pursuant to section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996, an instalment administration charge of \$7.50 be adopted where the owner has elected to pay rates through an instalment option for each instalment after the initial instalment is paid.**
- 6. **Pursuant to section 6.16(2) of the Local Government Act 1995, a special payment arrangement administration charge of \$25.00 be adopted (excluding pensioners) where the owner wishes to pay rates through an instalment plan, but does not qualify for a standard instalment plan, as detailed in Clause 5 above.**
- 7. **Pursuant to section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996, an interest rate of 5.5% be adopted where the owner has elected to pay rates through an instalment option.**
- 8. **Pursuant to section 6.51(1) and subject to section 6.51(4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, an interest rate of 11% be adopted for rates and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.**

**CARRIED (8/1)**  
**NO. 150/14**  
**Absolute Majority**

**6 CLOSURE OF MEETING**

5:06pm The Presiding Member declared the meeting closed.

**CONFIRMED: CHAIRPERSON \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_**