



SPECIAL COUNCIL MEETING

13 AUGUST 2013

MINUTES

NOTICE OF MEETING

Dear Elected Member,

The next ordinary meeting of the Narrogin Town Council will be held on Tuesday, 13th August in the Council Chambers, 89 Earl Street, Narrogin commencing at 7.30pm.

Aaron Cook
Chief Executive Officer

SPECIAL COUNCIL MEETING MINUTES

13 August 2013

1. OFFICIAL OPENING/ANNOUNCEMENT OF VISITORS

Welcome to visitors and members of the public.

Visitors:

Mrs Toni Beaton

2. RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Mayor, Don Ennis, Presiding Member

Cr R Madson - Deputy Mayor

Cr L Archibald – arrived at 7:47pm

Cr Ballard

Cr M Kain

Cr J Muller

Cr A Paternoster

Cr D Russell

Mr A Cook – CEO

Mr C Bastow - Director Corporate and Community Services

Ms R Hawkins – Manager of Finance

Apologies:

Mr B Robinson – Director Technical & Environmental Services

Cr L Archibald

3. DECLARATION OF INTEREST BY ELECTED MEMBERS AND COUNCIL EMPLOYEES IN MATTERS INCLUDED IN THE MEETING AGENDA

Nil

4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5. PUBLIC QUESTION TIME

Mrs Toni Beaton asked the following:

- If this meeting was advertised in the local paper? Mr Cook responded that notices had been placed on noticeboards in Town as per the Local Government Act as the timing did not suit an advertisement in the local paper.
- How are the rates raised and do they include a valuation increase? There was no valuation increase in GR Valuations this year.
- Suggested that rubbish rates should not be in the rates. Mr Bastow advised that the rates for rubbish are a separate item on the rates notice and do not form part of the property valuation rates.
- The levy for the CD statutory figure.
- Interest charged for overdue rates, why is this 11%. Mr Bastow advised that this is a statutory figure that limits the Local Government to.

- The Reserve Economic Development what does this entail? Mr Cook responded that this is for items like the development of industrial land, Councils prospectus document and other items that would potentially increase economic activity within the Town.
- Statement of Income shows a net loss why is this the case? Mr Bastow replied that this is due to the two variances between the two years of income.

6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Nil

8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

Nil

9. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil

10. MATTERS WHICH REQUIRE DECISIONS

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Council Resolution: SCM0713.156

Moved: Cr Madson

Seconded: Cr Ballard

That Council:

Suspend Standing Orders No. 9.1, 9.5 and 9.6 to facilitate discussion.

CARRIED: 8/0

Note: Cr Archibald entered the room at 7:47pm

Council Resolution: SCM0713.157

Moved: Mayor Ennis

Seconded: Cr Ballard

That Council:

Adjourn until after the Ordinary Council Meeting

CARRIED: 9/0

Please note: General discussion and questions about the Budget was held; however, due to the lack of time the budget meeting was adjourned until after the Ordinary Meeting of Council. As such the resolution numbering now differs due to the Ordinary Council Meeting resolutions.

10.0.61 ADOPTION OF THE 2013/14 ANNUAL BUDGET

File Reference: 12.4.1
Disclosure of Interest: Nil
Date: 8 August 2013
Author: Colin Bastow

Summary:

That Council considers the adoption of its 2013/14 Draft Annual Budget and Schedule of Fees and Charges.

Background:

A copy of the 2013/14 Draft Annual Budget has been provided to elected members. A recommendation is made that Council adopt a 7% increase in rates, which provides an additional \$200,000 in rate revenue to the Town.

The budget document includes a statutory budget and a management budget which are prepared in the statutory program based format. This format is widely used in the WA Local Government Industry and is better understood than the previous chart of accounts structure used by the Town.

The Town is increasing its loan repayments by an additional \$100,000 in the 2013/14 Draft Annual Budget, due to the three new loans.

The Technical Services Section has increased its staffing number by 1.6 Full Time Equivalents (FTE's). The newly created positions consist of an additional outside work crew member and a new part time position of Manager of Technical services.

The Draft Budget is funding all of the Towns 2013/14 vehicle replacements out of municipal funds, to allow the Plant, Vehicle & Equipment Reserve Account to increase to \$133,082.

There is \$272,893 being allocated to Reserves in the Draft Budget as follows:

- CAT Vehicle Replacement \$3,000
- Building Reserve \$67,713
- NRRC \$25,000
- Employee Entitlements \$122,952
- Plant, Vehicle & Equip \$54,228

The Town will carry over a number of its 2012/13 Royalties for Regionals CLGF projects.

Comment:

It is recommended that Council adopts the 2013/2014 draft budget with a 7% increase in rates. The Director of Technical & Environmental Services has recommended that the rubbish fee of \$200 be increased to \$205 for 2013/14 and that the special refuse collection charge increase to \$305 per service.

The development of the 2013/14 Draft Annual Budget continues to highlight a number of significant issues relating to the Town's long term financial sustainability. Additional funding will be required to maintain building and other infrastructure assets to a more sustainable level. The Town should aim to have around 10% of its rate income available for capital projects each year.

The Town has been proactive in undertaking capital projects with the view of reducing ongoing maintenance costs so funds can be spent in other areas. For example the new solar energy and heating at the Narrogin Regional Recreation Complex (NRRC).

The Commonwealth again paid part of its Financial Assistance Grants (FAG's) in advance. This prepayment totaled to about \$644,000 and had been included in the opening Net Asset Position. The Town was also fortunate to exceed its Refuse Site Income, due to a number of unexpected large deposits. The town has also taken a more active role in generating income from private works.

Consultation:

Senior and middle management staff, elected members.

Statutory Environment:

Section 6.2 (1) of the Local Government Act 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, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June. An Absolute Majority is required.

Policy Implications: Nil

Financial Implications:

The 2013/2014 budget requires a rate increase of 7%.

Adoption of the Draft Budget will allow the Town to collect rating income as well as expend additional funds on community services and facilities.

Strategic Implications:

Most of Council's strategic outcomes are provided for in the 2013/2014 annual budget. The Town is required to update its current Forward Capital Works Plan.

Voting Requirements:

Absolute Majority

Officer's Recommendation:

That Council

1. Adopts the 2013/14 Draft Annual Budget;
2. Impose a general rate in the dollar of 11.29 cents, representing a 7% increase in the total amount of rates collected, apply for the calculation of rate assessments on all rateable gross rental valuations for the financial year ended 30 June 2014;
3. Set a minimum rate that is increased by 7% from \$875 to \$935 per assessment for all gross rental valuations for the financial year ended 30 June 2014;
4. Set a rubbish collection charge that is increased from \$200 to \$205 per annum per 240 litre bin for rateable property for the financial year ended 30 June 2014;
5. Set a special rubbish collection charge, per annum, per 240 litre bin service, for non-rateable property that is increased from \$300 to \$305 per service for the financial year ended 30 June 2013;
6. Approve that the emergency services levy for ESL Category 4 be included in the 2013/2014 rate notice;
7. Impose a penalty interest of 11% on rate arrears, service charge arrears and rubbish collection charge arrears in the 2013/14 financial year;
8. Impose an interest rate of 5.5% to be charged on the balance of rates paid under installment options;
9. Impose an administration fee of \$9.00 for each installment (statutory installment) be charged for the option to pay rates by installments;
10. Endorse the 2013/14 Draft Schedule of Fees and Charges;

11. Adopts a maximum interest charge of eleven percent (11%) to be applied to any monies (other than rates or service charges) owing to the Local Government for a period of sixty (60) days or longer;
12. Approve the establishment of an Economic Development Reserve for the purpose of funding project of Economic Development within the Region;
13. Approves the closure of the Property Development Reserve and the transfer of \$50,000 from that Reserve into the Economic Development Reserve and the balance of the remaining funds (\$58,026) to be transferred into the Building Reserve;

14. That the following dates be adopted for the payment of rates:

Date of Issue: 20 August 2013.

Due Date: 24 September 2013.

Statutory (4) Installment Plan

1st Installment: 24 September 2013.

2nd Installment: 25 November 2013.

3rd Installment: 28 January 2014.

4th Installment: 28 April 2014.

Council Resolution: SCM0713.164

Moved: Cr Madson

Seconded: Cr Ballard

That Council:

Resume Special Budget Meeting at 9:38pm.

CARRIED: 9/0

Council Resolution: SCM0713.165

Moved: Cr Archibald

Seconded: Cr Muller

That Council

1. Adopts the 2013/14 Annual Budget;
2. Impose a general rate in the dollar of 11.29 cents, representing a 7% increase in the total amount of rates collected, apply for the calculation of rate assessments on all rateable gross rental valuations for the financial year ended 30 June 2014;
3. Set a minimum rate that is increased by 7% from \$875 to \$935 per assessment for all gross rental valuations for the financial year ended 30 June 2014;
4. Set a rubbish collection charge that is increased from \$200 to \$205 per annum per 240 litre bin for rateable property for the financial year ended 30 June 2014;
5. Set a special rubbish collection charge, per annum, per 240 litre bin service, for non-rateable property that is increased from \$300 to \$305 per service for the financial year ended 30 June 2013;
6. Approve that the emergency services levy for ESL Category 4 be included in the 2013/2014 rate notice;
7. Impose a penalty interest of 11% on rate arrears, service charge arrears and rubbish collection charge arrears in the 2013/14 financial year;
8. Impose an interest rate of 5.5% to be charged on the balance of rates paid under installment options;
9. Impose an administration fee of \$9.00 for each installment (statutory installment) be charged for the option to pay rates by installments;
10. Endorse the 2013/14 Schedule of Fees and Charges;
11. Adopts a maximum interest charge of eleven percent (11%) to be applied to any monies (other than rates or service charges) owing to the Local Government for a period of sixty (60) days or longer;
12. Approve the establishment of an Economic Development Reserve for the purpose of funding projects of Economic Development.
13. Approves the closure of the Property Development Reserve and the transfer of \$50,000 from that Reserve into the Economic Development Reserve and the balance of the remaining funds (\$58,026) to be transferred into the Building Reserve;
14. That the following dates be adopted for the payment of rates:

Date of Issue: 21 August 2013.

Due Date: 25 September 2013.

Statutory (4) Installment Plan

1st Installment: 25 September 2013.

2nd Installment: 25 November 2013.

3rd Installment: 28 January 2014.

4th Installment 31 March 2014.

CARRIED: 9/0

11. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12. NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE PERSON PRESIDING OR BY DECISION OF THE MEETING

Mayor Ennis proposed that the Executive and Finance Staff be thanked for their efforts and professionalism in regards to the budget preparation.

13. CLOSURE OF MEETING

Mayor Ennis closed the meeting at 10:14pm.