



SHIRE OF YORK

**MINUTES OF THE SPECIAL
MEETING OF THE COUNCIL
HELD ON 17 JULY, 2014
COMMENCING AT 4.04pm
IN THE YORK RECREATION &
CONVENTION CENTRE**

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SHIRE OF YORK

THE SPECIAL MEETING OF THE COUNCIL
HELD ON THURSDAY, 17 JULY 2014, COMMENCING AT
4.04PM IN THE YORK RECREATION & CONVENTION CENTRE

The York Shire Council acknowledges the traditional owners of the land on which this meeting will be held.

1. OPENING

1.1 Declaration of Opening

Cr Matthew Reid, Shire President, declared the meeting open at 4.04pm.

1.2 Disclaimer

The Shire President advised the following:

"I wish to draw attention to the Disclaimer Notice contained within the agenda document and advise members of the public that any decisions made at the meeting today, can be revoked, pursuant to the Local Government Act 1995.

Therefore members of the public should not rely on any decisions until formal notification in writing by Council has been received. Any plans or documents in agendas and minutes may be subject to copyright. The express permission of the copyright owner must be obtained before copying any copyright material."

1.3 Suspension of Standing Orders Clause 3.2 – Order of Business

Moved:

Seconded:

Carried:

1.4 Announcement of Visitors

Cr Matthew Reid, Shire President welcomed Alan Dougall to the meeting.

1.5 Declarations of Interest that Might Cause a Conflict

Financial Interests

Nil

Disclosure of Interest that May Affect Impartiality

Nil

2. ATTENDANCE

2.1 Members

*Cr Matthew Reid, Shire President; Cr Mark Duperouzel, Deputy Shire President
Cr Denese Smythe, Cr Pat Hooper, Cr Tony Boyle, Cr David Wallace*

2.2 Staff

*Michael Keeble, Chief Executive Officer; Jackie Jurmann, Manager Planning Services;
Helen D'Arcy-Walker, Executive Support Officer; Esmeralda Harmer, Secretariat*

2.3 Apologies

Nil

2.4 Leave of Absence Previously Approved

Nil

2.5 Number of People in Gallery at Commencement of Meeting

There were 10 people in the Gallery at the commencement of the meeting.

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTION TIME

Cr Reid read the following statement at the commencement of Public Question Time:

Statement by the Presiding Member at the Opening of Public Question Time at Ordinary and Special Council Meetings

"Public Question Time is provided for under the provisions of Section 5.24 of the Local Government Act and the Local Government (Administration) Regulations 1996.

To provide equal opportunity for people to ask questions a limit of two (2) questions per person per time will be applied. If there is time available in Public Question Time people may be given the opportunity to ask a further two (2) questions at a time.

Procedures

- Questions submitted in writing prior to the meeting will be dealt with initially.
- Questions from the floor will be taken in the order recorded in a register.
- Statements, opinions and attachments will not be recorded in the minutes.
- Questions requiring research will be taken on notice and a response will be prepared in a reasonable timeframe. The original questions and the response will be included in the Agenda and Minutes of the next Ordinary Council meeting.
- Questions may be deemed inappropriate because they contain defamatory remarks or offensive language, they question the competency of elected members or staff, they relate to the personal affairs of elected members or staff, they relate to legal processes and confidential matters or they have been responded to previously and these will not be accepted or recorded in the Minutes.
- The minutes may only record a summary of the question asked and the response given.
- Where possible questions asked should be submitted in writing at the completion of question time or at the end of the meeting.

- At Special Council Meetings questions must relate to the items on the Agenda.
- Shire of York guidelines for Public Question Time are included on the meeting agenda.”

PRESIDING OFFICER

21 October 2013

4.1 Public Question Time – Written Questions – Current Agenda

Public Question Time commenced at 4.07pm

4.2 Public Question Time – Current Agenda

Mr Simon Saint

Question 1

Where are we up to with the Auditors regarding the credit card investigation?

Response

Investigations are being made into the 2013 / 2014 transactions and are still to be finalised by Macri & Partners. With the slow progression, expressions of interest are to be advertised to expedite the process.

Mrs Heather Saint

Question 1

Why have the rates been increased to 12%?

Response

The draft budget proposes 12% but it is not currently 12% and Council still need to review and vote on the recommendation.

Question 2

Is this increase a result of previous grant money not utilised correctly for these costs we are hoping the 12% increase will cover?

Response

Depreciation is a significant factor. \$700,000 should have been put away to allow for depreciation of capital works and our current figure is approximately \$200,000. The Shire of York will look at addressing the margin required through the proposed increase.

Question 3

Are we paying for money that was not set aside in previous years?

Response

Reserved amounts have not been set aside in previous years and processes have been put in place to ensure moving forward our financial strategies are more comprehensive.

Ms Roma Paton

Question 1

Why wasn't the problem picked up through the previous CEO and Councillors?

Response

It is not a fair depiction nor a time to blame previous Council for current issues. The balance sheets are reflective of what is operationally happening and how to address these concerns through current Council.

Moving forward Council has implemented a number of strategies to ensure due process including external audits & transparent business plans that will be available for public review and comment.

Question 2

Why is the Shire of York competing with private business?

Response

It is in Council's interests that local businesses thrive and we are looking at how we can balance this with the YRCC, Forest Oval Advisory Committee and a sound business plan. A business plan is currently being prepared for the York Recreation & Convention Centre.

Ms Tanya Richardson

Question 1

With reference to the business plans, we are pouring money into the YRCC, who's decision is this and why?

Response

Unfortunately it is a common problem for small Shires not to allocate funds required for depreciation of capital works, therefore needing to draw on existing funds to continually maintain these assets. Effective business plans will ensure moving forward strategies to address these issues are developed.

Question 2

Cr Mark Duperouzel do you concede now that the question I raised with you regarding the in the red figure at the last budget meeting was actually correct and not a typo?

Response

Yes

Question 3

What are we paying Dominic Carboni for if we are in a financial mess?

Response

It has been an eye opening experience for us all and since undertaking external audits, Council has the realisation that correct and accurate processes have not been applied to the best of an auditor's ability.

Mrs Liz Christmas

Question 1

Have you thought of other community groups who could use this facility?

Response

We have considered a variety of options and will include these in the business plans. The plans will take at least a month to develop and will be put forward to the public for discussions after this time.

There were no further questions from the Gallery and Public Question time was declared closed at 4.30pm

5. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

6. PETITIONS / PRESENTATIONS / DEPUTATIONS

Nil

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Nil

8. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil

9. REPORTS

9. MATTERS FOR RESOLUTION
9.2 ADMINISTRATION
9.2.1 Chief Executive Officer Review

FILE NO: P236
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
APPLICANT: The Shire President
APPENDICES: Performance Review Responses
DOCUMENTS TABLED: Nil

Michael Keeble, Chief Executive Officer left the meeting at 4.31pm

**RESOLUTION
010714**

Moved: Cr Hooper

Seconded: Cr Boyle

“That Council:

Review the performance of the Chief Executive Officer.”

CARRIED: 6/0

Summary:

It is a requirement under the Local Government Act that the CEO performance is reviewed.

A form “Michael Keeble – Performance Review – June 2014” was distributed to all Councillors and the CEO.

The responses were collated and will be a tabled document at the Special Council Meeting.

It is a requirement under the Local Government Act that the CEO performance is reviewed.

Consultation:

Fitz Gerald Strategies

Statutory Environment:

The Local Government Act Part 5 Division 4 Section 5.38 states

5.38. Annual review of certain employees’ performances

The performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment.

Financial Implications:

A fee of \$1,650 will be paid to Fitz Gerald Strategies for their services, this is included in the 2014/15 Budget

Voting Requirements:

Simple Majority Required: Yes

9. MATTERS FOR RESOLUTION
9.2 Confidential Reports
9.2.2 Chief Executive Officer Recruitment Process

FILE NO:
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
APPLICANT: The Shire President
APPENDICES: Nil
DOCUMENTS TABLED: Nil
REPORT APPROVED BY THE CEO: *Michael Keeble*

RESOLUTION
020714

Moved: Cr Boyle

Seconded: Cr Hooper

“That Council:

Go “Into Committee” to consider the Chief Executive Officer Recruitment Process Report at 4.40pm.”

CARRIED: 6/0

OFFICER RECCOMENDATION

“That Council:

RESOLVE to:

1. *Endorse the actions of the Shire President in:*
 - 1.1 *Engaging FitzGerald Strategies to prepare an advertisement for Chief Executive Officer, advertise the position, review and grade the applicants and forward the short list to the Shire President.*
2. *Consider the shortlist of candidates for the position of Chief Executive Officer comprising:*
 - 1.
 - 2.
 - 3.
3. *Determine an interview panel for the recruitment of a new Chief Executive Officer comprising:*
 - Cr*
 - Cr*
 - Cr*
 - Cr*
 - Cr*
 - Cr**And Fitz Gerald Strategies represented by Michael Fitzgerald*
4. *Set the following for interviews*
 - Place:*
 - Date:*
 - Time:*
5. *The Shire President may negotiate a contract with the person within the parameters set out in the information package, and subsequently place the agreed contract before Council for endorsement, at the first opportunity.*

AMENDMENT

Moved: Cr Smythe

Seconded: Cr Wallace

“That Council amend the Officer Recommendation to read:

Endorse the actions of the Shire President in:

1. *Engaging FitzGerald Strategies to prepare an advertisement for Chief Executive Officer. Advertise the position, review and grade the applicants and forward the short list to the Shire President.*
2. *The Shire President to negotiate a contract with the current CEO within the parameters set out in the information package, with a period ending 15 October, 2015, and subsequently place the agreed contract before Council for endorsement, at the first opportunity.”*

RESOLUTION

030714

Moved: Cr Hooper

Seconded: Cr Boyle

The amendment became the motion

CARRIED: 6/0

Background:

Council appointed Michael Keeble as Chief Executive Officer for a 6 month period in April 2014. Three months of that appointment have elapsed and provision should be made for a permanent appointment for a 3 year period.

Statutory Environment:

The Local Government Act Part 5 Division 4 Section 5.36 (extract)

Local government employees

- (1) *A local government is to employ —*
 - (a) *a person to be the CEO of the local government; and*
- (2) *A person is not to be employed in the position of CEO unless the council —*
 - (a) *Believes that the person is suitably qualified for the position; and*
 - (b) *Is satisfied* with the provisions of the proposed employment contract.*

** Absolute majority required.*

The Local Government Act Part 1 1.4 (extract)

absolute majority —

(26) *in relation to a council, means a majority comprising enough of the members for the time being of the council for their number to be more than 50% of the number of offices (whether vacant or not) of member(s) of the council;*

Financial Implications:

Fitz Gerald Strategies will charge a fee of \$3,800 for this matter, this is included in the 2014/15 Budget

Voting Requirements:
Absolute Majority Required: Yes

**RESOLUTION
040714**

Moved: Cr Smythe

Seconded: Cr Boyle

“That Council:

Come “Out of Committee” at 5.05pm.”

CARRIED: 6/0

Michael Keeble, Chief Executive Officer returned to the meeting at 5.06pm

9. MATTERS FOR RESOLUTION
9.4 FINANCE REPORTS
9.4.1 Adoption of Annual Budget 2014/15 (Part 1)

FILE NO: FI.BUD1415
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
LOCATION/ADDRESS: N/A
APPLICANT: Shire of York
SENIOR OFFICER: M Keeble, CEO
AUTHOR: T Bateman, FC
DISCLOSURE OF INTEREST: Nil
APPENDICES: Appendix A – Draft Annual Budget 2014/15
DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

**RESOLUTION
050714**

Moved: Cr Hooper

Seconded: Cr Wallace

“That Council:

Move to consider Items 9.4.1, 9.4.3, 9.4.4, 9.4.5, 9.4.6 and 9.4.7 “en bloc”

Pursuant to Section 6.2 of the Local Government Act and Financial Management Regulation Part 3, Regulations 22 to 33, Council adopt the following Annual Budget as attached and included in Appendix A:

*Budget Statement of Comprehensive Income
Budget Statement of Financial Activity
Budget Rate Setting Statement
Budget Statement of Cashflows
Statement of Rating Information
Schedule of Fees and Charges
Detailed Budget Schedules*

Notes to the Annual Budget

1. *Significant Accounting Policies*
2. *Revenues and Expenses*
3. *Descriptions of Functions/Activities*
4. *Operating Revenues and Expenses*
5. *Cash*
6. *Disposal of Assets*
7. *Borrowings Information*
8. *Reserves*
9. *Cash Flow Information*
10. *Trust Fund Information*
11. *Comparison with Rate Setting Budget*
12. *Rating Information*
13. *Service Charges*
14. *Information about Discounts, Incentives, Concessions and Write Offs*
15. *Interest Charges for the Late Payment of Rate Charges*
16. *Fees and Charges Information*

17. **Investments**
18. **Council Members – Fees, Expenses and Allowances**
19. **Depreciation on Non-Current Assets**
20. **Major Land Transactions**
21. **Joint Venture**
22. **Trading Undertakings**
23. **Capital and Leasing Commitments**
24. **Financial Instruments**
25. **Position at Commencement of Financial Year**
26. **Acquisition of Assets”**

CARRIED: 5/1

Cr Boyle was recorded as voting against this motion

Summary:

The purpose of this report is for Council to consider and adopt the 2014/15 Annual Budget.

Background:

The 2014/15 Annual Budget has been prepared in accordance with Section 6.2 of the Local Government Act 1995 and the Financial Management Regulations Part 3, Regulations 22 to 33.

Consultation:

Various meetings have been held with Councillors, in conjunction with the Strategic Plan, 10 Year Financial Plan and Finance, Risk and Audit Committee meetings.

Statutory Environment:

Local Government Act 1995 – Section 6.2; and
Financial Management Regulations Part 3 Regulations 22 – 33.

Policy Implications:

Shire of York - Accounting Policy.

Financial Implications:

The 2014/15 Annual Budget comprises the following information:

Budget Statement of Comprehensive Income
Budget Statement of Financial Activity
Budget Rate Setting Statement
Budget Statement of Cashflows
Statement of Rating Information
Schedule of Fees and Charges
Detailed Budget Schedules

Notes to the Annual Budget

1. Significant Accounting Policies
2. Revenues and Expenses
3. Descriptions of Functions/Activities
4. Operating Revenues and Expenses
5. Cash
6. Disposal of Assets
7. Borrowings Information
8. Reserves
9. Cash Flow Information
10. Trust Fund Information
11. Comparison with Rate Setting Budget

12. Rating Information
13. Service Charges
14. Information about Discounts, Incentives, Concessions and Write Offs
15. Interest Charges for the Late Payment of Rate Charges
16. Fees and Charges Information
17. Investments
18. Council Members - Fees, Expenses and Allowances
19. Depreciation on Non-Current Assets
20. Major Land Transactions
21. Joint Venture
22. Trading Undertakings
23. Capital and Leasing Commitments
24. Financial Instruments
25. Position at Commencement of Financial Year
26. Acquisition of Assets

Strategic Implications:

Council considers the Strategic Implications for the Shire of York when adopting the Annual Budget.

Voting Requirements:

Absolute Majority Required: Yes

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

That Council adopts the 2014/15 Annual Budget.

9. MATTERS FOR RESOLUTION
 9.4 FINANCE REPORTS
 9.4.2 General Rate – Annual Budget 2014/15 (Part 2)

FILE NO: FI.BUD1415
 COUNCIL DATE: 17 July 2014
 REPORT DATE: 15 July 2014
 LOCATION/ADDRESS: N/A
 APPLICANT: Shire of York
 SENIOR OFFICER: M Keeble, CEO
 AUTHOR: T Bateman, FC
 DISCLOSURE OF INTEREST: Nil
 APPENDICES: Nil
 DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

**RESOLUTION
 060714**

Moved: Cr Hooper

Seconded: Cr Boyle

“That Council:

By an absolute majority, pursuant to Section 6.32 of the Local Government Act 1995, impose the following general rate on:

1. *gross rental values of property*
 - \$0.099948 *Rate in the Dollar*
2. *unimproved values of property*
 - \$0.007777 *Rate in the Dollar”*

AMENDMENT

If rates were increased by 9% and the minimums raised to the levels as per below Council would collect \$4,332,465

GRV RiD	0.099750	GRV Mins	\$ 965
UV RiD	0.007950	UV Mins	\$1,200

LOST: 2/4

Officer Recommendation was altered to include details if a 9% increase was undertaken.

Summary:

The purpose of this report is for Council to give consideration to adopting the general rate on rateable property.

Background:

The rate in the dollar for the 2013/14 year for Gross Rental Values was \$0.088821 and for Unimproved Values it was \$0.006944.

Consultation:

Councillors.

Statutory Environment:

In accordance with the Local Government Act 1995, Section 6.32 states the following:

“6.32. Rates and service charges

(1) *When adopting the annual budget, a local government —*

(a) *in order to make up the budget deficiency, is to impose* a general rate on rateable land within its district, which rate may be imposed either —*
(i) uniformly; or

(ii) differentially;

(b) *may impose* on rateable land within its district*

(i) a specified area rate; or

(ii) a minimum payment;

and

(c) *may impose* a service charge on land within its district.*

** Absolute majority required.*

(2) *Where a local government resolves to impose a rate it is required to —*

(a) *set a rate which is expressed as a rate in the dollar of the gross rental value of rateable land within its district to be rated on gross rental value; and*

(b) *set a rate which is expressed as a rate in the dollar of the unimproved value of rateable land within its district to be rated on unimproved value.”*

Policy Implications:

Not applicable.

Financial Implications:

This report forms part of the 2014/15 Annual Budget and information is disclosed in the Statement of Rating Information.

Strategic Implications:

Council considers the Strategic Implications when considering the services and infrastructure required for the Shire of York when setting the rate.

Voting Requirements:

Absolute Majority Required: Yes

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

The rate in the dollar for Gross Rental Value (GRV) will increase from \$0.088821 to \$0.099948 for the 2014/15 financial year. The rate in the dollar for Unimproved Value (UV) will increase from \$0.006944 to \$0.007777 for the 2014/15 financial year.

Landgate: *Shire of York – Rural Assessments – Summary of the General Valuation 2014/15:*

The following is a brief summary of changes occurring in the level of value and relativities in the 2014/15 general revaluation.

Total Valuation \$239,471,500

Overall Change (Reduction) Negligible

Note: This figure could change slightly due to the effect of interim values.

1. *Overall Variation to Unimproved Valuations*

There have been no significant changes to unimproved values effective 30 June 2014.

Some changes to individual assessments may have occurred either as a product of the mass valuation process or where records have been amended or corrected for more up to date information about soil types etc.

The increase in amounts levied from 2013/14 to 2014/15 amounts to \$640,817 which is represented by a 12% increase in the rate in the dollar.

Council is requested to give consideration to and adopt the above general rates on rateable property.

9. MATTERS FOR RESOLUTION
9.4 FINANCE REPORTS
9.4.3 Minimum Rate Payment – Annual Budget 2014/15 (Part 3)

FILE NO: FI.BUD1415
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
LOCATION/ADDRESS: N/A
APPLICANT: Shire of York
SENIOR OFFICER: M Keeble, CEO
AUTHOR: T Bateman, FC
DISCLOSURE OF INTEREST: Nil
APPENDICES: Nil
DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

OFFICER RECOMMENDATION

Moved: Cr Hooper

Seconded: Cr Wallace

“That Council:

Move to consider Items 9.4.1, 9.4.3, 9.4.4, 9.4.5, 9.4.6 and 9.4.7 “en bloc”

By an absolute majority, pursuant to Section 6.32 and 6.35 of the Local Government Act 1995, adopts the general Minimum rate as follows:

1. *\$1,050.00 per gross rental value; and*
2. *\$1,450.00 per unimproved value.”*

CARRIED: 5/1

Summary:

The purpose of this report is for Council to consider and impose the Minimum Rate Payment for the 2014/15 financial year.

Background:

The Minimum Rate Payment for Gross Rental Value for 2013/14 was \$850.00 p.a.

The Minimum Rate Payment for Unimproved Value for 2013/14 was \$1,030.00 p.a.

Consultation:

Councillors.

Statutory Environment:

In accordance with the Local Government Act 1995, Section 6.32 and 6.35 states the following:

“6.35. Minimum payment

- (1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.

- (2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.
- (3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —
 - (a) 50% of the total number of separately rated properties in the district; or
 - (b) 50% of the number of properties in each category referred to in subsection (6),
on which a minimum payment is imposed.
- (4) A minimum payment is not to be imposed on more than the prescribed percentage of —
 - (a) the number of separately rated properties in the district; or
 - (b) the number of properties in each category referred to in subsection (6),
unless the general minimum does not exceed the prescribed amount.”

Policy Implications:

N/A

Financial Implications:

The minimum rate payment to be imposed for the 2014/15 financial year is:

- \$1,050.00 per gross rental value (GRV), representing approximately 23.53% increase on the 2013/14 Minimum Rate Payment levied and this will affect a total of 781 assessments.

- \$1,450.00 per unimproved value (UV), representing approximately 40.77% increase on the 2013/14 Minimum Rate Payment levied and this will affect a total of 300 assessments.

The minimum rate payments will yield \$1,255,050.00.

Strategic Implications:

Council considers the Strategic Implications when considering the services and infrastructure required for the Shire of York when setting the rate.

Voting Requirements:

Absolute Majority Required: Yes

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

That Council adopts the minimum rate of \$1,050.00 for gross rental value properties and \$1,450.00 for unimproved value properties for the 2014/15 financial year.

9. MATTERS FOR RESOLUTION

9.4 FINANCE REPORTS

9.4.4 Payment of Rate Charge – Annual Budget 2014/15 (Part 4)

FILE NO: FI.BUD1415
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
LOCATION/ADDRESS: N/A
APPLICANT: Shire of York
SENIOR OFFICER: M Keeble, CEO
AUTHOR: T Bateman, FC
DISCLOSURE OF INTEREST: Nil
APPENDICES: Nil
DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

OFFICER RECOMMENDATION

Moved: Cr Hooper

Seconded: Cr Wallace

“That Council:

Move to consider Items 9.4.1, 9.4.3, 9.4.4, 9.4.5, 9.4.6 and 9.4.7 “en bloc”

By an absolute majority, pursuant to Section 6.45 and 6.51 of the Local Government Act 1995, resolves to impose the following charges for the 2014/15 financial year:

(a) for the late payment of rates, 11%; and

(b) charges for the payment of rates by instalment:

- i Additional Cost of Administration - \$10.00 per instalment*
- ii Interest component of 5.5%.”*

CARRIED: 5/1

Summary:

The purpose of this report is for Council to consider and impose a rate of interest on overdue rates and service charges for the 2014/15 financial year.

Background:

During 2013/14 Council imposed an interest charge of 11% on overdue rates and service charges.

During 2013/14 Council imposed an instalment interest charge of 5.5% for all rates and service charges made by the instalment method.

During 2013/14 Council imposed an administration charge per instalment of rates of \$8.00.

Consultation:

Staff

Statutory Environment:

Section 6.45 of the Local Government Act 1995 states that Rates charged may be made by single payment or a person may elect to make payment by 4 equal or nearly equal instalments. A local government may impose an additional charge (including an amount by way of interest) where payment of a rate charge is made by instalments.

Financial Management Regulation 67 and 68 permits a Council to impose the following additional charge where payment of rates is by instalments:

- Additional Cost of Administration
- Interest component to a maximum of 5.5%.

Section 6.51 of the Local Government Act permits the Council to impose interest on a rate or service charge that remains unpaid (including instalment):

- (a) Where no election has been made to pay the rate charge by instalments due
 - (i) after it becomes due and payable;
 - or
 - (ii) 35 days after the date of issue of the rate noticewhichever is the later.
- (b) Where an election has been made to pay the rate charge by instalments and an instalment remains unpaid after it is due and payable.

Policy Implications:

Not applicable

Financial Implications:

Financial Management Regulation 70 states that the maximum rate of interest on overdue rates to be imposed under Section 6.51 of the Local Government Act is 11%.

If a late payment interest charge of 11% was imposed the estimated revenue would amount to \$60,000.00.

If an instalment interest charge of 5.5% was imposed the estimated revenue would amount to \$16,000.00.

If an administration charge per instalment of \$10.00 was imposed the estimated revenue would amount to \$16,000.00.

Financial Management Regulation 71 details the method of calculation of interest on overdue rates.

- (1) Interest on rates and service charges and the cost of any proceedings to recover such charges that remain unpaid after the date of becoming due and payable (“**the due date**”) is to be calculated on a simple interest basis for the number of days from the due date until the day before the day on which a payment is received by the local government.
- (2) The principal sum on which interest is calculated for a financial year may include interest accrued but not paid in a previous financial year but is not to include interest accrued in the current financial year.

- (3) If payment is received by the local government during the period from 1st July in a financial year until the annual budget for that financial year is adopted, interest referred to in subregulation (1) for that period is to be at the rate of interest imposed under section 6.51 (1) for the previous financial year.

Strategic Implications:

Not applicable

Voting Requirements:

Absolute Majority Required: Yes

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

It is recommended that Council impose an 11% rate of interest on overdue rates and service charges that remain unpaid after the 35 days. The revenue estimated from the imposition of the interest charge amounts to \$60,000.00 for the 2014/15 financial year.

It is recommended that Council impose a 5.5% rate of interest to apply on instalment payments for rates and rubbish charges and an administration charge. The revenue estimated from the imposition of the interest charge amounts to \$16,000.00 for the 2014/15 financial year.

It is recommended that Council impose an additional administration charge where payment of rates is made by instalments. The revenue estimated from the imposition of the administration charge amounts to \$16,000.00 for the 2014/15 financial year.

Section 6.50 of the Local Government Act 1995 permits a Council to determine when a rate charge becomes due and payable, but can not be earlier than 35 days after the date noted on the rate notice as the date the rate notice was issued. Where a person elects to pay a rate charge by instalments the second and each subsequent instalment does not become due and payable at intervals of less than 2 months.

The due date of each instalment for the 2014/15 financial year based on the rate notices being distributed on the 29th July 2014 is as follows:

- | | |
|------------------|------------------|
| - 1st Instalment | 2 September 2014 |
| - 2nd Instalment | 4 November 2014 |
| - 3rd Instalment | 6 January 2015 |
| - 4th Instalment | 10 March 2015 |

9. MATTERS FOR RESOLUTION

9.4 FINANCE REPORTS

9.4.5 Imposition of Fees and Charges – Inclusive of Rubbish Removal – Annual Budget 2014/15 (Part 5)

FILE NO: FI.BUD1415
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
LOCATION/ADDRESS: N/A
APPLICANT: Shire of York
SENIOR OFFICER: M Keeble, CEO
AUTHOR: T Bateman, FC
DISCLOSURE OF INTEREST: Nil
APPENDICES: Nil
DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

OFFICER RECOMMENDATION

Moved: Cr Hooper

Seconded: Cr Wallace

“That Council:

Move to consider Items 9.4.1, 9.4.3, 9.4.4, 9.4.5, 9.4.6 and 9.4.7 “en bloc”

By an absolute majority, pursuant to Section 6.16 of the Local Government Act 1995, resolves to adopt the:

- 1. Fees and Charges detailed in the “Schedule of Fees and Charges” as detailed in Report 9.4.1 – Adoption of Annual Budget 2014/15 (Part 1); and***
- 2. Rubbish removal charges and waste management levy as detailed in Report 9.4.1 – Adoption of Annual Budget 2014/15 (Part 1) under the “Schedule of Fees and Charges.”***

CARRIED: 5/1

Summary:

The purpose of this report is for Council to consider the Schedule of Fees and Charges for the 2014/15 financial year, inclusive of the Rubbish Removal Charge.

Consultation:

Staff

Statutory Environment:

Pursuant to Section 6.16 of the Local Government Act 1995 and Financial Management Regulation 25, a Local Government may impose and recover a fee or a charge for any goods or services it provides or proposes to provide other than a service for which a service charge is imposed.

Policy Implications:

N/A

Financial Implications:

Notes to the Annual Budget No 16 – Fees and Charges Information details total Revenue for fees and charges for each program as required by Financial Management Regulation 25. In accordance with Financial Management Regulation 25, the estimates of total revenue from Fees and Charges for each program is authorize as follows:

FEES AND CHARGES INFORMATION

In accordance with Financial Management Regulation 25, the estimates of total revenue from Fees and Charges for each program is summarised as follows:

Adopted Budget 2013/14		Actual 2013/14	Adopted Budget 2014/15
\$		\$	\$
26,300	General Purpose Funding	29,885	26,609
5,809	Governance	7,394	5,846
71,810	Law, Order, Public Safety	78,705	73,250
52,800	Health	35,494	26,800
29,000	Education and Welfare	32,307	29,000
-	Housing	-	-
702,598	Community Amenities	685,636	686,546
640,418	Recreation and Culture	457,430	570,660
-	Transport	298	45
154,297	Economic Services	124,738	167,109
53,190	Other Property and Services	67,725	83,800
1,736,222	TOTAL FEES AND CHARGES	1,519,612	1,669,665

Incorporated into these fees and charges are the following Rubbish Removal Charges for the 2014/15 financial year:

WASTE MANAGEMENT LEVY

Levy being to provide for the proper performance of services as mentioned in S66 of the Waste Avoidance and Resource Recovery Act (2007).

Waste Management Levy (Transfer Station)

General rate – cents per dollar of gross rental value	0.00009440
General rate – cents per dollar of unimproved value	0.00001172
Per assessment/residence – minimum payment	50.00

Townsite properties

Charge per bin service	241.00
Charge per 1.5m ³ bin service	1,590.00
Additional pickup of a 1.1m ³ or a 1.5m ³ litre bin	31.00
Charge per 3.0 m ³ bin service	3,445.00
Charge per 4.5 m ³ bin service	4,817.00
Purchase additional bin/s through Contractors	

Rural properties

Charge per bin service	241.00
Charge per 1.5m ³ litre bin service	1,590.00
Charge per 3.0 m ³ bin service	3,445.00
Charge per 4.5 ³ bin service	4,817.00
All above costs to be charged for delivery	at cost

Strategic Implications:

N/A

Voting Requirements:

Absolute Majority Required: Yes

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

That Council adopts the Fees and Charges as outlined in Report 9.4.1 for the 2014/15 financial year.

9. MATTERS FOR RESOLUTION
9.4 FINANCE REPORTS
9.4.6 Rates Incentive Scheme – Annual Budget 2014/15 (Part 6)

FILE NO: FI.BUD1415
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
LOCATION/ADDRESS: N/A
APPLICANT: Shire of York
SENIOR OFFICER: M Keeble, CEO
AUTHOR: T Bateman, FC
DISCLOSURE OF INTEREST: Nil
APPENDICES: Nil
DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

OFFICER RECOMMENDATION

Moved: Cr Hooper

Seconded: Cr Wallace

“That Council:

Move to consider Items 9.4.1, 9.4.3, 9.4.4, 9.4.5, 9.4.6 and 9.4.7 “en bloc”

1. *endorse the Report 9.4.6 – Rate Payment Incentive Scheme for 2014/15; and*
2. *authorize the Draw to be conducted through the Random Prize Draw on Council's Synergy Program on the 3rd September 2014 and the winners will be notified and presented with their prize at the Ordinary Council meeting to be held on the 20th October 2014.*

Advice Note:

All current and outstanding rates must be received on or before Tuesday, 3rd September 2014 to qualify for the prize draw.

Councillors and Employees of the Shire of York and their immediate families are ineligible to enter.”

CARRIED: 5/1

Summary:

The purpose of this report is to inform Council on the information being issued with the 2014/15 Rates Notice and the Rate Incentive Scheme Prizes to Ratepayers.

Background:

Council has had a Rate Incentive Scheme in past years and the 2014/15 financial year also has incentives for Ratepayers to pay their rates by the due date in one lump sum.

Consultation:

Various organisations

Statutory Environment:

N/A

Policy Implications:

Not applicable

Financial Implications:

Council donates \$500.00 towards first prize.

Strategic Implications:

Not applicable.

Voting Requirements:

Absolute Majority Required: No

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

The following prizes have been donated by the sponsors and the Shire of York of the Rate Payment Incentive Scheme:

FIRST PRIZE

A \$1,000 bank account provided by the Shire of York in conjunction with the York & Districts Community Bank Branch of Bendigo Bank

SECOND PRIZE

Four tickets to the Western Australian Symphony Orchestra for Tchaikovsky's Serenade on Sunday, 30th November, 2014

THIRD PRIZE

\$200 litres of unleaded petrol donated by Fuel Distributors of WA Pty Ltd

The Draw will be conducted through the Random Prize Draw on Council's Synergy Program on the 3rd September 2014 and the winners will be notified and presented with their prize at the Ordinary Council meeting to be held on the 20th October 2014.

The following conditions apply to all Prizes:

- All current and outstanding rates must be received on or before Tuesday 2nd September 2014 to qualify.
- Councillors and Employees of the Shire of York and their immediate families are ineligible to enter.

The 2014/15 rate notice package will include the following:

- Shire of York Information Booklet that contains matters relating to the following:
 - Shire Contacts
 - Shire Office & Facilities Open Hours
 - Your Councillors
 - Senior Staff
 - Rates Information – Your Property
 - Planning
 - Building Control
 - Health
 - Parking
 - The New Cat Laws and You
 - Responsible Dog Ownership – Your Responsibilities
 - Waste & Recycling Information
 - Rubbish & Recycling Collection Calendar
 - Bushfires Information
- Firebreak Notice
- Rates Incentive Prizes

9. MATTERS FOR RESOLUTION

9.4 FINANCE REPORTS

9.4.7 2014/15 Budget Statement of Financial Activity Statement (Part 7)

FILE NO: FI.BUD1415
COUNCIL DATE: 17 July 2014
REPORT DATE: 15 July 2014
LOCATION/ADDRESS: N/A
APPLICANT: Shire of York
SENIOR OFFICER: M Keeble, CEO
AUTHOR: T Bateman, FC
DISCLOSURE OF INTEREST: Nil
APPENDICES: Refer Item 9.4.1 – Budget Financial Activity Statement
DOCUMENTS TABLED: Nil

REPORT APPROVED BY THE CEO: *Michael Keeble*

OFFICER RECOMMENDATION

Moved: Cr Hooper

Seconded: Cr Wallace

“That Council:

Move to consider Items 9.4.1, 9.4.3, 9.4.4, 9.4.5, 9.4.6 and 9.4.7 “en bloc”

“That Council, by a simple majority:

- 1. In accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standard Number 5, adopt the percentage of 10% or \$10,000 whichever is the greater for reporting material variances in the Statement of Financial Activity.”*

CARRIED: 5/1

Summary:

The Local Government (Financial Management) Regulations 1996 require a local government to prepare a Financial Activity Statement Report.

Background:

N/A

Consultation:

Staff

Statutory Environment:

Regulation 34 of the Local Government (Financial Management) Regulations 1996 require the following in relation to the Financial Activity Statement:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail-

- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8.
 - (b) budget estimates to the end of the month to which the statement relates;
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
 - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c);
and
 - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each Statement of Financial Activity to is to be accompanied by documents containing-
- (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) an explanation of each of the material variances referred to in subregulation (1)(d);
and
 - (c) such other supporting information as is considered relevant by the local government.
- (3) The information in a Statement of Financial Activity may be shown-
- (a) according to nature and type classification;
 - (b) by program; or
 - (c) by business unit.
- (4) A Statement of Financial Activity and the accompanying documents referred to in subregulation (2), are to be
- (a) presented to the Council –
 - (i) at the next ordinary meeting of the Council following the end of the month to which the Statement relates; or
 - (ii) if the Statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the Council after that meeting;
and
 - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in Statements of Financial Activity for reporting material variances.

(6) In this regulation –

“**committed assets**” means revenue unspent but set aside under the annual budget for a specific purpose;

“**restricted assets**” has the same meaning as in AAS 27.

Policy Implications:

N/A

Financial Implications:

Detailed in the attached document.

Strategic Implications:

N/A

Voting Requirements:

Absolute Majority Required: No

Site Inspection:

Site Inspection Undertaken: Not applicable

Comment:

Accordingly, in order to meet the reporting requirements of the statement of financial activity, a twelve month Budget has been prepared for the 2014/15 financial year in the required format.

It is recommended that Council adopts the 2014/15 Budget Statement of Financial Activity

10. CLOSURE

Cr Reid thanked everyone for their attendance with special thanks to Yva Kane & Guy Lehman; Committee members of the Finance Audit & Risk Committee and declared the meeting closed at 5.28pm.