



Shire of Northam  
*Heritage, Commerce and Lifestyle*

# **Shire of Northam**

## **Minutes**

### **Special Council Meeting**

**9 July 2018**



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## 1. DECLARATION OF OPENING

The Shire President, Cr C R Antonio declared the meeting open at 5:32pm.

## 2. ATTENDANCE

### Council:

President	C R Antonio
Deputy President	M P Ryan
Councillors	J E G Williams
	C L Davidson
	R W Tinetti
	S B Pollard
	A J Mencshelyi
	T M Little
	J Proud
	C P Della

### Staff:

Chief Executive Officer	J B Whiteaker
Executive Manager Development Services	C B Hunt
Executive Manager Community Services	R Rayson
Executive Manager Corporate Services	C Young
Executive Manager Engineering Services	C D Kleynhans
Executive Assistant – CEO	A C Maxwell

### Gallery:

Northam Chamber of Commerce	Paul Tomlinson
	Esther Bliss
Public	Chris Marris
Avon Valley Advocate:	Eliza Wynn

### 2.1 APOLOGIES

Nil.

### 2.2 APPROVED LEAVE OF ABSENCE

Cr C P Della has been granted leave of absence from 9<sup>th</sup> July 2018 to 15<sup>th</sup> July 2018 (inclusive) however attended the meeting.

## 3. DISCLOSURE OF INTERESTS

Item Name	Item No.	Name	Type of Interest	Nature of Interest
Annual Budget Overview	12.1	Cr C R Antonio	Impartiality	Active member of various community organisations that have potential budget

Item Name	Item No.	Name	Type of Interest	Nature of Interest
				allocations within the 18/19 year.
		Cr M P Ryan	Impartiality	He is a member of the following organisations: Northam Chamber of Commerce, Northam Swimming Club, Northam RSL.
		Cr C L Davidson	Impartiality	His business Misty Ridge Plant Farm is a member of the Northam Chamber of Commerce. Northam Chamber of Commerce is a beneficiary of the Shire budget.
		Cr T M Little	Impartiality	He is a member of some of the community organisations mentioned in the budget.
		Cr R W Tinetti	Impartiality	He is a member of the Northam Chamber of Commerce who may receive funding in the 2018/19 budget.
Endorsement Of The Draft Budget	12.2	Cr C R Antonio	Impartiality	Active member of various community organisations that have potential budget allocations within the 18/19 year.
		Cr C P Della	Impartiality	He is a member of various community and sporting groups which may be impacted by the budget, including but not limited to Avon Hockey Association, Northam Motorsport Festival, Chamber of Commerce.
		Cr J E G Williams	Impartiality	She is a member of community groups that may benefit from budget endorsements. Her (independent) daughter currently holds the part-time HR/OSH Officer role in the Shire (consideration to make a full time position).
		Cr C L Davidson	Impartiality	His business Misty Ridge Plant Farm is a member of the Northam Chamber of Commerce. Northam Chamber of Commerce is a beneficiary of the Shire budget.

Item Name	Item No.	Name	Type of Interest	Nature of Interest
		Cr S B Pollard	Proximity	Gregory Street works in budget are adjacent to a property he owns.
		Cr T M Little	Impartiality	He is a member of some of the community organisations mentioned in the budget.
		Cr R W Tinetti	Impartiality	He is a member of the Northam Chamber of Commerce who may receive funding in the 2018/19 budget.
		Mr J B Whiteaker	Impartiality	He has assisted Hockey Association with turf planning and funding application.

#### 4. ANNOUNCEMENT BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

Nil.

#### 5. PUBLIC QUESTION/STATEMENT TIME

##### 5.1 PUBLIC QUESTIONS

Nil.

##### 5.2 PUBLIC STATEMENTS

Nil.

#### 6. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

#### 7. RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS

##### 7.1 PETITIONS

Nil.

##### 7.2 PRESENTATIONS

Nil.

##### 7.3 DEPUTATIONS

Nil.

**8. APPLICATION FOR LEAVE OF ABSENCE**

Nil.

**9. CONFIRMATION OF MINUTES**

Nil.

**10. ITEMS BROUGHT FORWARD FOR THE CONVENIENCE OF THOSE IN THE PUBLIC GALLERY**

Nil.

**11. REPORTS OF COMMITTEE MEETINGS**

Nil.

## 12. SPECIAL ITEMS

Cr C R Antonio declared an "Impartiality" interest in item 12.1 - Annual Budget Overview as he is an active member of various community organisations that have potential budget allocations within the 18/19 year.

Cr M P Ryan declared an "Impartiality" interest in item 12.1 - Annual Budget Overview as he is a member of the following organisations: Northam Chamber of Commerce, Northam Swimming Club, Northam RSL.

Cr C L Davidson declared an "Impartiality" interest in item 12.1 - Annual Budget Overview as his business Misty Ridge Plant Farm is a member of the Northam Chamber of Commerce. Northam Chamber of Commerce is a beneficiary of the Shire budget.

Cr T M Little declared an "Impartiality" interest in item 12.1 - Annual Budget Overview as he is a member of some of the community organisations mentioned in the budget.

Cr R W Tinetti declared an "Impartiality" interest in item 12.1 - Annual Budget Overview as he is a member of the Northam Chamber of Commerce who may receive funding in the 2018/19 budget.

### 12.1 ANNUAL BUDGET OVERVIEW

<b>Address:</b>	Shire of Northam
<b>Owner:</b>	Shire of Northam
<b>File Reference:</b>	8.2.8.1
<b>Reporting Officer:</b>	Colin Young Executive Manager Corporate Service
<b>Responsible Officer:</b>	Colin Young Executive Manager Corporate Service
<b>Voting Requirement</b>	Simple Majority

#### BRIEF

To provide information to Elected Members in relation to the budget process and influencing factors.

#### ATTACHMENTS

Attachment 1: Draft Budget (supplied as a separate attachment to this agenda and minutes).

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#### BACKGROUND / DETAILS



The development of the draft budget as presented is the culmination of many months preparatory work undertaken by each individual Department under the guidance of the Executive Manager Corporate Services, Mr Colin Young. The budget process to date has included the following key elements;

- Endorsement of draft 2 year road program 1 January 2017
- Endorsement of the long term financial plan 15 March 2017
- Adoption of the 2017/18 fees and charges 16 May 2018
- Endorsement of the draft plant program 21 June 2018
- Endorsement of draft footpath program 21 June 2018
- Endorsement of Community Assistance Applications 16 May 2018
- Endorsement of draft building maintenance program 21 June 2018

The budget document has very much been guided by a number of key planning documents including;

- Strategic Community Plan;
- Corporate Business Plan; and
- Long term Financial Plan

The staff have also been through a rigorous assessment process to ensure that the departmental and individual item draft budget allocations both reflect the intent of the Councils planning documents and ensure sufficient resource to meet the established objectives.

As Elected Members would be aware, the Long Term Financial Plan reports on a number of key performance indicators, which are reflective of the Local Government Act 1995 requirements. The following information provides an indication as to how the Council is performing against a number of the key indicators;

2018/19		
Ratio	LTFP	Draft Budget
Debt Service Ratio	10.64%	13.26%
Operating Surplus Ratio	3.60%	0.19%
Own Source Revenue Ratio	75.86%	73.10%

The draft budget as presented does not include any repayments for the additional debt that is proposed to be taken, if this debt was held for the entire year and taken over a 15 year period at 3.50% interest per annum; the debt service ratio would be approximately 7.83%.

#### Debt Service Ratio

Measures the Council's ability to service debt out of its uncommitted or general purpose funds available for its operations. Councils with a higher proportion of



revenue from rates can also effectively operate at lower debt service ratios as they are more able to generate income (through rate increases) to cope with the debt burden.

If Ratio > 10	accepted as reasonable.
If Ratio > 5 and <10	exercise caution around debt management.
If Ratio <5	debt management may be an issue and needs to be considered in context of overall financial position.

#### Operating Surplus Ratio

Effectively highlights the scale / extent of any operating surplus or deficit in relation to the overall size of the local government. A sustained period of deficits will erode that local government's ability to maintain both its operational service level and asset base.

If Ratio > 0.15	strong operating surplus which gives flexibility in relation to future operational service levels and asset base.
If Ratio > 0.00 and < 0.15	should closely monitor with improvements made where possible to increase capacity to give flexibility in relation to future operational service levels and asset base.
If Ratio <= 0.00	experiencing an operating deficit.

It is worth noting that while the draft budget indicates a small operating surplus, this does not allow for in excess of \$340,000 of operating costs which Council will carry forward into the 2018/19 financial year. When taking this into account, the Council will return a greater operating surplus.

#### Own Source Revenue Ratio

Measures the local government's ability to cover operating expenses from own source revenue. The higher the ratio, the more self-reliant the local government is. Allows greater flexibility as less external funds are required for operational purposes.

If Ratio > 0.9	satisfactory.
If Ratio > 0.6 and < 0.9	will need to improve if it hopes to maintain and improve the current service levels of its asset base.
If Ratio < 0.6	needs to examine the level of its own source revenue given current levels of operating expenses.

## **CONSIDERATIONS**

### **Strategic Community / Corporate Business Plan**

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

### Financial / Resource Implications

Refer to Attachment 1.

### Legislative Compliance

Nil.

### Policy Implications

Nil.

### Stake Holder Engagement / Consultation

Consultation has occurred with Councillors and staff.

### Risk Implications

Nil.

### OFFICER'S COMMENT

The following changes have been carried out to the draft budget since the Budget Workshops, they are presented in the table below; the current surplus calculated does not include an increase over the 2017/18 rate revenue, the surplus as presented is \$217,576.

Account/Job	Description	Reason	Amount	C/FWD, Grants etc.
<b>Surplus</b>			<b>230,504.00</b>	
5530	Hazard Inspection Contract	Omitted Budget in error	- 12,000.00	
5520	Hazard Reduction Ranger (Recoupable Expenses)	Omitted Budget in error	- 6,000.00	
05063053	Legal expense recovery	Increase to revenue		6,000.00
07143073	Reimbursement, Environmental Sustainability Officer	Grant Payment NRM contribution towards the Environmental Sustainability Officer		25,000.00
10312032	Cemetery Maintenance	Omitted budget in error, cemetery contract	- 44,000.00	
05067024	Light Tanker Fire Appliance Irishtown BFB	BFB Light Tanker (Irishtown), plus revenue	- 169,800.00	169,800.00
11341002	Rec centre Salaries	Correction	13,072.00	

1303	Rubbish Site Maintenance	Old Quarry Maintenance, weigh bridge	- 35,000.00	
1503	Rehabilitation Investigation Old tip Site	Rehabilitation Investigation Old Tip Site		35,000.00
10253053	Reimbursements Scrap Metal	Omitted budget in error, transferred to reserve	- 20,000.00	20,000.00
5140	Removed Seat Henry Street from budget	C/fwd in error	5,000.00	
05063063	BFB ESL Grant	Grant prepaid added C/fwd	44,440.00	- 44,440.00
05083003	SES ESL Grant	Grant prepaid added C/fwd	8,895.00	- 8,895.00
<b>Amended Surplus</b>			<b>217,576.00</b>	

### Wages & Salaries

There has been a provision included within the budget for a general 2% increase in salaries across the organisation. In addition, there has been three new positions for the BKB Centre costing Council an additional \$107,400, the club development officer has also been removed due to the loss of funding.

The Table below represents the total increase as presented, after excluding the additional staff associated with the BKB Centre the percentage increase is 2.2%.

Total Gross Budgeted Salaries 2017/18	7,199,119
Total Gross Budgeted Salaries 2018/19	7,468,433
Difference	269,314
<b>Percentage increase</b>	<b>3.7%</b>

### Rates

Council has in previous years taken a responsible approach to increasing rates. The table below illustrates the Council's position over the last 4 years. The proposed 2.5% rate increase is in line with the parameters established within the Long Term Financial Plan.

Year	2014/15	2015/16	2016/17	2017/18	2018/19 proposed	2018/19 LTFP
% Rate Increase	5.0	3.5	2.86	3.51	2.5	3.5

### Projected Surplus

A provision for the end of year tied surplus (30 June 2018) of \$4,870,374

has been incorporated into the current draft budget. This is offset with corresponding expenses for projects that are being carried forward into the 18/19 budget including an allocation of \$220,000 of untied for the purchase of lot 1, GEH from the Department of Education. A calculation of any residual (additional untied) surplus will be undertaken with a separate report to be provided to Council recommending how these funds can be allocated in accordance with Council policy.

The draft budget as presented indicates a surplus of \$217,576. This surplus was calculated taking into account additional revenue of \$120,000 associated with the final year of phasing in rates for those properties that's valuations changed from UV to GRV (fully rated GRV 2018/19), it also includes an allocation for interim rates of \$170,000 relating to development; no general rate increase has been factored in at this stage. In regards to a general rate increase, for every one percent (1%) increase Council will yield approximately \$95,468 of additional revenue.

#### Local Government Cost Index

WALGA reported that the Local Government Cost Index (LGCI) remains steady at 1.8% for the 2018/19 financial year. Decreasing slightly from the 2017/18 estimated increase of 1.9%.

Figures show that the Perth CPI increased by 1.0% for the twelve months to March 2018. This is however a general measure of inflation, and is not specific to the cost increases faced by local governments in providing services to their local communities. The LGCI as presented above is specific to local government and therefore a more valuable measure of inflation for Council.

#### Debt Retirement 2014/15

As Council is aware, the Council retired in excess of \$1,000,000 in debt during the 2014/15 financial year. This represented a saving in interest and principal repayments of approximately \$258,965. Given the Council Long Term Financial Plan identifies the need to leverage additional debt in future year's staff have identified these savings as a transfer to the Recreation and Community Facilities Reserve \$158,965 and \$100,000 to the Plant Reserve. This has been done to protect Council from over committing to operational requirements at the risk of impacting its ability to leverage required debt moving forward.

#### Waste Services

Staff have identified that Waste Services as listed in Sanitation - Household Refuse should be a cost neutral service. Future rehabilitation and development requirements at the rubbish site will potentially require significant funds, hence transferring funds to reserve is being recommended. With this in mind the draft budget incorporates a transfer to the Refuse Site Reserve of \$180,000.

**RECOMMENDATION / COUNCIL DECISION**

**Minute No: C.3402**

**Moved: Cr Little**

**Seconded: Cr Della**

**That Council receives the budget overview as presented.**

**CARRIED 10/0**

Clarification was sought in relation to the following matters:

- Whether it was better for the servicing ratio to be high. The Executive Manager Corporate Services confirmed that it is better to be high and as a consequence the Council is well positioned in relation to its debt management.
- If the rate increase was to be 2.5% when the LTFP states 3.5%, would this put pressure on future years budgets? The Executive Manager Corporate Services advised that generally yes however as the operating expenditure is believed to be under control, it is believed to have minimal impact should the Council determine to set the increase at 2.5%.

Cr C R Antonio declared an "Imaprtiality" interest in item 12.2 – Endorsement of Draft Budget as he is an active member of various community organisations that have potential budget allocations within the 18/19 year.

Cr C P Della declared an "Imaprtiality" interest in item 12.2 – Endorsement of Draft Budget as he is a member of various community and sporting groups which may be impacted by the budget, including but not limited to Avon Hockey Association, Northam Motorsport Festival, Chamber of Commerce.

Cr J E G Williams declared an "Imaprtiality" interest in item 12.2 – Endorsement of Draft Budget as she is a member of community groups that may benefit from budget endorsements. Her (independent) daughter currently holds the part-time HR/OSH Officer role in the Shire (consideration to make a full time position).

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Cr S B Pollard declared a "Proximity" interest in item 12.2 – Endorsement of Draft Budget as Gregory Street works in budget are adjacent to a property he owns.

Cr T M Little declared an "Imaprtiality" interest in item 12.2 – Endorsement of Draft Budget as he is a member of some of the community organisations mentioned in the budget.

Cr R W Tinetti declared an "Imaprtiality" interest in item 12.2 – Endorsement of Draft Budget as he is a member of the Northam Chamber of Commerce who may receive funding in the 2018/19 budget.

Mr J B Whiteaker declared an "Imaprtiality" interest in item 12.2 – Endorsement of Draft Budget as he has assisted Hockey Association with turf planning and funding application.

## 12.2 ENDORSEMENT OF THE DRAFT BUDGET

<b>Address:</b>	Shire of Northam
<b>Owner:</b>	Shire of Northam
<b>File Reference:</b>	8.2.8.1
<b>Reporting Officer:</b>	Colin Young Executive Manager Corporate Service
<b>Responsible Officer:</b>	Colin Young Executive Manager Corporate Service
<b>Voting Requirement</b>	Simple Majority

## BRIEF

For Council to give consideration to matters raised by Elected Members and the presented consideration list for incorporation into the 2018/19 annual budget.

## ATTACHMENTS

- Attachment 1: Considerations List (provided as a separate attachment to this agenda/minutes).
- Attachment 2: Executive Officers Report Regionals Capital Alliance (provided as a separate confidential attachment to this agenda and minutes).

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## BACKGROUND / DETAILS

All Elected Members were provided with the opportunity to attend small workshops to allow the Council Finance team to provide an outline of the budget document as presented, answer questions, and provide clarifications. These workshops were well attended and the feedback received from Elected Members has been positive.

The budget document consisted of the draft budget and a list of items for consideration. At the budget workshops Elected Members were provided the opportunity to raise/identify issues they felt warranted further detailed discussion or debate at the Budget Meeting.

## CONSIDERATIONS

### **Strategic Community / Corporate Business Plan**

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

The budget has been developed in accordance with the broad parameters established in the range of Council planning documents.

### **Financial / Resource Implications**

Budget Endorsement.

### **Legislative Compliance**

Nil.

### **Policy Implications**

Nil



## **Stakeholder Engagement / Consultation**

Consultation has occurred with Councillors and Staff.

## **Risk Implications**

Nil.

## **OFFICER'S COMMENT**

As a result of the assessments by staff and the workshops held with Elected Members the following information is provided for discussion;

### Wundowie Football Oval Goal Posts

A request was received from an elected member for new football goal posts to be installed at the Wundowie Oval, they are estimated to cost \$8,000.

### Regionals Capitals Alliance

This item was raised by an elected member to be discussed as to whether or whether not council wanted to remain part of the alliance and why the budgeted fee had increased to \$13,500 from \$12,000 (the 17/18 actual cost was \$8,500) Council staff note the following;

The increase in fees was endorsed at the last Regional Capitals meeting, it is in recognition that the previous budget was subsidised from accumulated surpluses (providing a benefit to the Shire of Northam as it was not part of the accumulation of the surplus).

Attached is the last executive officers report to the alliance. It appears as though the Alliance is starting to get traction with the State Government with a range of Ministers and Directors General attending the meetings so far this year. This provides an intangible benefit for the Shire of Northam to at least be party to discussions with Senior Government representatives.

In addition to the intangible, there are some direct benefits, for example, the recent meeting in Kalgoorlie provided an opportunity to meet with the CEO's of Verve, Synergy and Western Power to discuss a possible sustainable energy project across the Capitals, this discussion will be ongoing. The last meeting also saw a presentation for the Director General of Department of Communities, who presented a proposed new centralised regional model for community services. Interestingly there was a focus on the South West, great Southern, Goldfields and Pilbara, however no mention of Wheatbelt. As a result of that presentation a meeting is being arranged (by the Regional Capitals Exec Officer) with the Director General to discuss ensuring the model is applied as a matter of priority for Northam and the Wheatbelt. Also as part of the last meeting the CEO is in the process of commencing discussions with a hotel/resort company who are building in a number of the regional capitals

(Kalgoorlie & Broome) and have indicated a desire to further develop a presence in other regions - Northam has been put forward.

The regional capitals alliance is viewed as an opportunity to bring Northam into focus and ensure that it is being discussed in the same conversations that key government agencies and senior officers are having about the regions. The Chief Executive Officer would recommend that Council remains a member. (details and appendices included draft budget agenda)

Neighbouring Shires Rate in the Dollar Comparison

GRV Rated Properties 17/18								
Properties		Rate Dollar	Minimum	Waste	Rateable Value	Rate Revenue	Average Revenue per Property	
<b>Notham</b>	<b>Residential</b>	<b>4916</b>	<b>9.6004</b>	<b>905</b>	<b>250</b>	<b>62876920</b>	<b>6427777</b>	<b>1308</b>
	<b>Commercial</b>	<b>310</b>	<b>10.58</b>	<b>905</b>	<b>250</b>	<b>13472104</b>	<b>1451664</b>	<b>4683</b>
Cunderdin		507	8.17	671	237	5719178	519945	1026
Goomalling		429	10.5	920	N/A	3037434	372786	869
Toodyay	General	731	12.07	1290	230	8641984	1170324	1601
	Commercial	35	15.27	1290	250	1234501	190209	5435
	Commercial Industrial	31	12.07	1290	N/A	458386	62836	2027
	Rural	1553	11.15	1290	N/A	17961215	2285308	1472
Mundaring		15277	8.01	816	477	327929539	26356833	1725
York		1966	11.849	1080	200	22177900	3221859	1639
UV Rated Properties 16/17								
Properties		Rate Dollar	Minimum		Rateable Value	Rate Revenue	Average Revenue per Property	
<b>Northam</b>	<b>Rural Local</b>	<b>439</b>	<b>0.5949</b>	<b>905</b>		<b>141102029</b>	<b>862299</b>	<b>1964</b>
	<b>Rural Regional</b>	<b>331</b>	<b>0.521</b>	<b>905</b>		<b>127629400</b>	<b>703341</b>	<b>2125</b>
	<b>Rural Small Holdings</b>	<b>91</b>	<b>0.7404</b>	<b>905</b>		<b>16029000</b>	<b>118735</b>	<b>1305</b>
Goomalling	General	293	0.71	1135		173720671	1275571	4353
	Rural							
	Special	18	1.29	1135		1690500	22400	1244
	Rural Zone 2	70	0.65	1100		21220500	143934	2056
Cunderdin	Mining	1	0.9261	671		17928	642	642
	General	380	0.9261	671		154628600	1457154	3835
Toodyay	General UV	565	1.067	1290		106490571	1206857	2136
	UV Rural	180	0.8871	1290		149741000	1328352	7380
Mundaring	UV Rural	244	0.539772	1031		148145435	803494	3293
York		653	0.9006	1430		205893992	2316171	3547

*(The total rates increase percentage will be calculated by dividing the projected 2018/19 rate requirement by the actual rates levied at June 30, 2017)*

*plus interim rates raised during 2017/18 \$30,000 and the \$90,000 to be raised from the reclassification of UV rated properties to GRV rated properties).*

**RECOMMENDATION / COUNCIL DECISION**

**Minute No: C.3403**

**Moved: Cr Ryan**

**Seconded: Cr Mencshelyi**

**That Council suspends Standing Orders 9.1 to 9.3 to allow further discussion pertaining to the budget content.**

**CARRIED 10/0**

Clarification was sought in relation to the following matters:

- In relation to the differential rates levy, had the Chamber of Commerce submitted a business plan and were the staff satisfied with this. The Chief Executive Officer advised that they had submitted a business plan and there were no significant changes from what was proposed in 2016/17.
- In relation to the differential rates levy, does this apply to properties within the whole Shire and does the Chamber of Commerce engage with all Shire businesses. Mr Tomlinson from the Northam Chamber of Commerce addressed Council and advised that they are seeking the full differential rate which is levied. They are very focussed to businesses within the whole Shire and have members from surrounding localities. However, it is understood that the levy is only applicable to properties within the Northam town. Over the past 12 months it was advised that the Chamber had made some significant achievements including appointing a full time CEO and establishing themselves at a premise in the CBD. They have significantly strengthened the partnership between the Shire and business community with the membership base growing, this improves and benefits the entire community.

The Chief Executive Officer departed the Council Chambers at 5:44pm and returned at 5:47pm.

- In relation to the differential rates levy, it was queried how much this was. The Executive Manager of Corporate Services confirmed that that total amount is \$127,000.
- In relation to the differential rates levy, it was queried whether this is difficult to apply to all commercial/industrial properties in the Shire. The Chief Executive Officer advised that it would not be overly difficult to apply. The levy amount would not increase and would be spread out across all Shire properties which are commercial/industrial, resulting in

existing properties paying less and new properties being levied an amount (resulting in an increase).

The Chief Executive Officer departed the Council Chambers at 5:51pm and returned at 5:52pm.

- In relation to the differential rates levy, are there religious exemptions? The Chief Executive Officer advised that there are exemptions for charitable or religious purposes (e.g. Red Cross). However if a commercial/industrial enterprise was owned and operated by a religious group, rates and the levy would be payable.
- Whether the member's allowances should be increased. The Chief Executive Officer advised that this is a decision of Council and this item will be added to the considerations list.
- What happen with the allocated unspent expenditure (e.g. leftover amount from projects). The Chief Executive Officer advised that carry forwards included in the draft budget are for projects that Council is committed to, however not completed, whilst any general savings considered as untied surplus. Staff will make an assessment on the untied surplus and recommend to Council on their application in accordance with Council's policy for dealing with untied surpluses.
- In relation the Library steps recently listed within the draft building maintenance budget however not included due to a pending assessment, should this item be listed as general maintenance to allow this to be carried out should it be deemed necessary from the assessment. The Chief Executive Officer advised that it was the decision of Council to remove the item and is Officers preference to leave this item listed. The item was added to the considerations list.
- Whether the hockey turf is for the 2018/19 financial year or 2019/20 financial year. The Chief Executive Officer confirmed that it is in the 2018/19 draft budget however there will be a subsequent report to Council as the budgeted amount has requirements around the Hockey Association securing funding.
- Whether there is believed to be value for money being a part of the RCAWA. The Chief Executive Officer advised that this provides a good opportunity for Northam to be viewed in the context of other larger regional centres. It also provides access to a range of Ministers and Directors general, which may not otherwise be as accessible. Further to this it also provides access to key business leaders, such as recently experienced with the CEO's of Verve Energy and Synergy being present at the most recent meeting to discuss opportunities in the regions.

Council discussed the items listed on the consideration list and included those listed within Resolution No. C.3405. As there was mixed views regarding an increase to Elected Members allowances, the Chief Executive Officer advised

that a formal motion would be the most appropriate way to deal with this matter given there appears to be a range of strong views on the matter.

It was queried whether there should be an item for a footpath to the Aquatic Centre to be located at the Northam Recreation Centre. The Chief Executive Officer advised that this may form part of the tender specifications and will be confirmed, it would also be more appropriate for 2019/20 considerations.

**RECOMMENDATION / COUNCIL DECISION**

**Minute No: C.3404**

**Moved: Cr Mencshelyi**

**Seconded: Cr Ryan**

**That Council resumes Standing Orders 9.1 to 9.3 to allow formal debate pertaining to the budget content.**

**CARRIED 10/0**

The following motion was moved as a result of discussing the matter on the consideration list.

**MOTION**

**Moved: Cr Pollard**

**Seconded: Cr Ryan**

**That Council increase the Elected Member allowances by \$1,000 per Elected Member per annum.**

**LOST 5/5**

**ABSOLUTE MAJORITY VOTE REQUIRED**

Cr Williams, Cr Ryan, Cr Mencshelyi, Cr Della and Cr Davidson voted against the motion.

Cr Antonio, Cr Pollard, Cr Tinetti, Cr Little and Cr Proud voted for the motion.

The CEO confirmed that Absolute Majority vote is required. Clarification was sought in relation to whether a lower fee can be considered. The Chief Executive Officer advised that this could be dealt with when the final budget is presented to Council for adoption, at the end of the advertising period as these fees are required to be set and endorsed by Council at this time.

## RECOMMENDATION / COUNCIL DECISION

Minute No: C.3405

Moved: Cr Mencshelyi

Seconded: Cr Proud

### That Council

1. Endorse the 2018/19 Draft Budget as presented excluding Schedule 12, Sub Program 37 - Construction, Streets, Roads, Bridges, Depots and including the following items from the considerations list presented;

Item	Amount	Other Funding	Net Impact on Rates
Contract out Pound operation and after hours Ranger service	10,591	-	10,591
Traffic Counter	15,585	15,585 Plant & Equipment Reserve	-
Parks and gardens crew members x 1	40,191	-	40,191
Kerb edging machine to install garden edging and replacement kerbing	14,673	14,673 (kerb budget)	-
Elizabeth Place Old Coles Car Park resurfacing	65,000	65,000 Parking Facilities Construction Reserve & Recoup	-
St John Ambulance site POS Improvements	80,000	40,000 Recreation & Community Facilities Reserve or grant	40,000
Rural Verge Tree Pruning Programme	100,000	-	100,000
Lighting BMX Track	90,000	90,000 Recreation & Community Facilities Reserve	-
Henry Street Oval turf replacement	30,000	-	30,000
Painting Wundowie pool shell	10,000	10,000 Recreation & Community Facilities Reserve	-
Black Chairs x 50	3,690	-	3,690
Outdoor Cinema showing premium movies	35,000	-	35,000
Ice machine for Recreation Areas/ Emergency Evac Centre	3,025	-	3,025
Silversport Funding	12,500	-	12,500

Christmas Decorations	25,000	-	25,000
Wundowie BBQ and family and friends space	50,000	50,000 <i>Recreation &amp; Community Facilities Reserve</i>	-
Events Coordinator Assistance	15,000	-	15,000
Shire of Northam branding strategy	80,000	-	80,000
HR Officer Part Time 15 hrs per week	18,986	-	18,986
IT Officer Part time 25.5 hrs per week	44,441	-	44,441
Library General Building Maintenance	50,000	50,000 <i>Council Buildings &amp; Amenities Reserve</i>	-
<b>TOTAL</b>	<b>793,682</b>	<b>335,258</b>	<b>458,424</b>

**CARRIED 10/0**

Cr S B Pollard departed the Council Chambers at 8:27pm due to declaring a proximity interest as listed at the beginning of this report.

#### RECOMMENDATION / COUNCIL DECISION

**Minute No: C.3406**

**Moved: Cr Ryan**  
**Seconded: Cr Proud**

**That Council endorse Schedule 12, Sub Program 37 - Construction, Street, Roads, Bridges, Depots of the 2018/19 Draft Budget as presented.**

**CARRIED 9/0**

Cr S B Pollard returned to the Council Chambers at 8:28pm and the Shire President read aloud the decision of Council.



**RECOMMENDATION / COUNCIL DECISION**

**Minute No: C.3407**

**Moved: Cr Ryan**  
**Seconded: Cr Mencshelyi**

**That Council authorise the Chief Executive Officer to advertise the proposed differential rating based on an estimated total rates levied increase of approximately 2.50%.**

**CARRIED 10/0**

**13. MATTERS BEHIND CLOSED DOORS**

Nil.

**14. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil.

**15. URGENT BUSINESS APPROVED BY PERSON PRESIDING OR BY DECISION**

Nil.

**16. DECLARATION OF CLOSURE**

There being no further business, the Shire President, Cr C R Antonio declared the meeting closed at 8:32pm.

"I certify that the Minutes of the Special Meeting of Council held on Monday, 9<sup>th</sup> July 2018 have been confirmed as a true and correct record."

\_\_\_\_\_ President

\_\_\_\_\_ Date