

Special Council Meeting Minutes

Purpose: Consideration of 2019/20 Draft Budget

Held on

Monday 22 July 2019

Commencing at 5.00pm

Shire of Donnybrook Balingup Council Chambers, Donnybrook

A handwritten signature in black ink, appearing to read "BGR" followed by a flourish.

Benjamin Rose
Chief Executive Officer

25 July 2019



SPECIAL COUNCIL MEETING MINUTES

Consideration of 2019/20 Draft Budget

22 July 2019

TABLE OF CONTENTS

1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	3
2	ATTENDANCE	3
3	PUBLIC QUESTION TIME	3
4	APPLICATION FOR LEAVE OF ABSENCE.....	3
5	DECLARATION OF FINANCIAL/IMPARTIALITY INTEREST	4
6	PETITIONS/DEPUTATIONS/PRESENTATIONS	4
7	REPORTS OF OFFICERS	4
	7.1 MANAGER CORPORATE SERVICES	4
	7.1.1 CONSIDERATION OF DRAFT BUDGET FOR 2018/19 FINANCIAL YEAR 4	
8	CLOSURE OF MEETING	15

**SHIRE OF DONNYBROOK BALINGUP
SPECIAL COUNCIL MEETING – CONSIDERATION OF 2019/20 DRAFT BUDGET**

Held at the Shire of Donnybrook Balingup Council Chambers, Donnybrook

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Shire President – Acknowledgment of Country

The Shire President acknowledged the traditional custodians of the land, the Noongar People, paying respects to Elders, past and present.

The Shire Present declared the meeting open at 5:02pm and welcomed the public gallery.

Shire President – Public Notification of Recording of Meetings

The Shire President advised the meeting is being digitally recorded to assist with minute taking in accordance with Council Policy 1.25. The Shire President further states the following:

2 ATTENDANCE

MEMBERS PRESENT

COUNCILLORS	STAFF
Cr Piesse (Shire President)	Ben Rose – Chief Executive Officer
Cr Atherton	Steve Potter – Executive Manager Operations
Cr King	Damien Morgan – Manager Works and Services
Cr Lindemann	Bob Wallin – Manager Development Services
Cr Mills	Alan Thornton – Manager Corporate Services
Cr Mitchell	Leigh Guthridge – Strategic Built Assets
Cr Tan	Maureen Keegan – Manager Executive Services
Cr Van Der Heide	Stuart Eaton – Finance Officer
Cr Wringe (Deputy Shire President)	Bob Wallin – Manager Development Services

PUBLIC GALLERY

Visitors: 2

APOLOGIES

Nil

3 PUBLIC QUESTION TIME

Nil

4 APPLICATION FOR LEAVE OF ABSENCE

Nil

5 DECLARATION OF FINANCIAL/IMPARTIALITY INTEREST

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Councillors to ensure that a financial/impartiality interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the Act.

Cr Mitchell declared an Impartiality Interest in *item 7.1.1 Adoption of the Draft Budget Schedules* as she resides 3 roads away from Newlands Road (relates to draft works program).

Cr Wringe declared an Impartiality Interest in *item 7.1.1 Adoption of the Draft Budget Schedules* as she lives on Upper Capel Road (relates to draft works program).

Chief Executive Officer Ben Rose CEO declared an Impartiality Interest in *item 7.1.1 Adoption of the Draft Budget Schedules* as he lives one road away from Irishtown Road (relates to works program).

6 PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

7 REPORTS OF OFFICERS

7.1 MANAGER CORPORATE SERVICES

7.1.1 CONSIDERATION OF DRAFT BUDGET FOR 2019/20 FINANCIAL YEAR

Location	Shire of Donnybrook Balingup
Applicant	Administration
File Reference	FNC 04/1
Author	Alan Thornton - Manager Corporate Services
Attachments	It is recommended that Council endorse the content of the 2019/20 Draft Budget Schedules and instruct the Chief Executive Officer to proceed with development of the Statutory Budget for the Shire of Donnybrook-Balingup for the year ending 30 June 2020.
Voting Requirements	Simple Majority
Executive Summary	

Background

The purpose of the meeting is to consider a number of key strategic matters as a pre-cursor to the formal adoption of the Shire of Donnybrook Balingup Municipal Fund Budget for the 2019/20 financial year.

The following Integrated Planning and Strategic documents were presented at the April 2019 Ordinary meeting of Council.

- Rating Principle Report
- Asset Management Plans
 - I. Buildings
 - II. Parks and Reserves
 - III. Vehicles
- Borrowing Plan
- Reserve Plan
- External Sourced Funding Plan

The 2019/20 Workforce Plan was adopted by Council at the December 2018 Ordinary meeting of Council.

The Draft Budget for the 2019/20 financial year was prepared on the basis of the approved strategies comprised within the above-mentioned documents, together with the compilation of all income and expenditure proposed to be undertaken during the 2019/20 financial year. This data has been aggregated into one document which is commonly referred to as the Budget Schedules.

On 3 July 2019 Council conducted a 2019/20 Budget Briefing Session whereby the strategies identified within the planning documents adopted in April have been further reviewed and discussed at length. Council have also undertaken a thorough review of the Budget Schedules which provide extensive detail at a Function and Activity level of the Budget.

Following this Special Meeting of Council (22th July 2019) a further Special Meeting of Council will be scheduled for late August 2019 at which the Executive will seek Council's final endorsement and adoption of the Statutory Budget for the Shire of Donnybrook Balingup for the 2019/20 year.

Formal consideration and adoption by resolution of the matters identified in this report will enable Shire staff to proceed with preparation of the final Statutory Budget document.

Asset Management Plans 2019/20

Buildings expenditure \$1,210,104 (new/preservation/maintenance).

Funded by Reserves \$415,038, Borrowings \$154,530, Grants \$450,000 and Contributions \$190,563

Vehicles expenditure \$679,477. Funded by Reserves \$511,275 and Sale Revenue \$165,000.

Parks and Gardens expenditure \$1,575,276. Funded by Reserves \$75,276 and Grants \$1,500,000.

2019/20 Workforce Plan

The Workforce Plan estimates the human resources needs for the Shire over the next ten years. The Shire's 2019/20 Draft Budget incorporates the endorsed 2019/20 Workforce Plan.

MAJOR PROJECTS

- Building Capital Works - Bush Fire Buildings Funded by DFES Grant (\$439,636 Grant Funding. \$88,000 Transfer from Reserve) \$527,636
- Retro Fit Fire Suppression System to entire Building (Funded from Loan. Carried Forward from 2018/19) \$500,000
- Tuia Lodge Building 'New Improvements'- as per Asset Management Plan \$450,000
- Tuia Lodge Extension (new 11 room facility). Federal funding of \$1,450,000
- Siteworks associated with development of Bridge Street Land for Affordable Housing Project \$250,000
- Construction Bridge Street Affordable Housing Project (to match 2019/20 funding) \$2,742,870
- Apple Fun Park development \$1,500,000
- Donnybrook Town Centre Revitalisation (\$1,950,000 Grant Funding, \$27,728 Transfer from Unspent Grant) \$1,977,728
- Upper Capel Road \$420,000
- Egan Street \$200,000

2019/20 UNTIED SURPLUS FUNDS

The 2019/20 Draft Budget has been formulated on the basis of a nil carry forward surplus position. The Draft Budget has been prepared as a 'stand alone' budget i.e. without placing reliance on a carry forward surplus amount to balance the budget.

Due to minor variances throughout the budget year, it is usual that the end of year position is a modest surplus. Finance staff are currently working on determining the end of year position with the aim of a close estimate being available late August 2019 prior to the Council Meeting at which meeting the Budget will be presented for adoption.

As the Draft Budget is being presented as a stand-alone budget, it is recommended that any untied surplus funds identified prior to the final budget adoption be transferred to Reserves for future asset renewal and maintenance as per Asset Management Plans.

Any further variance between the budgeted end-of-year position and the actual end-of-year position must be addressed during the mid-year budget review.

COMMENT

The following matters are to be discussed at this Special Meeting of Council. As comprehensive information has already been provided to Council through the Integrated Planning and Strategic documents and Budget Briefing Session, limited information will be provided with this agenda. However further information can be made available at the request of Elected members prior to this meeting.

- Adoption of 2019/20 Draft Budget
- Adoption of Fees and Charges

All Officer's Recommendations shown in this report, if adopted by Council, will be subject to final endorsement at Special Meeting of Council at which the Statutory Budget is formally adopted.

1. ADOPTION OF 2019/20 DRAFT BUDGET SCHEDULES

Council having considered the 2019/20 Draft Budget Schedules, the following resolutions are required to enable the preparation of the Annual Budget in the format required under the Local Government Act 1995.

The Annual Budget will be presented for formal adoption at Special Meeting of Council in August 2019.

1. Executive Recommendation

That Council endorse the 2019/20 Draft Budget Schedules inclusive of the changes made by Council as recorded in the minutes of this meeting for the preparation of the 2019/20 Annual Budget

Alternate Motion

Moved: Cr Lindemann Seconded: Cr Tan

That Council:

Endorse the 2019/20 Draft Budget Schedules inclusive of the changes made by Council as recorded in the minutes of this meeting for the preparation of the 2019/20 Annual Budget subject to the following modifications:

- 1. The budget allocation for Account 147420 for the purpose of 'Provision for unspecified projects' being reduced from \$10,000 to \$5,000; and**
- 2. A new item being included under Account 147420 for the purpose of 'Glen Mervyn Dam Open Swim Event' with a budget allocation of \$5,000.**

Lost 2/7

Alternate Motion

Moved: Cr Tan Seconded: Cr Lindemann

That Council endorse the 2019/20 Draft Budget Schedules inclusive of the changes made by Council as recorded in the minutes of this meeting for the preparation of the 2019/20 Annual Budget subject to the following modification:

The Donnybrook Townscape Budget not be reduced and be maintained at \$25k.

Lost 3/6

**COUNCIL RESOLUTION 91/19
(Substantive Motion)**

Moved: Cr Tan

Seconded: Cr Atherton

That Council endorse the 2019/20 Draft Budget Schedules inclusive of the changes made by Council as recorded in the minutes of this meeting for the preparation of the 2019/20 Annual Budget

Carried 8/1

Cr Van Der Heide is recorded as voting against the motion.

2. ADOPTION OF FEES AND CHARGES

Section 6.16 of the Local Government Act 1995 enables a local government to impose and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.

Proposed Fees and Charges are shown on pages F1 to F16 of the Draft Budget Supporting Schedules.

Council is requested to consider adopting the Fees & Charges for the 2019/20 financial year. The formulation of the Draft Annual Budget has been based on these fees & charges

The adopted Fees & Charges will form the part of the 2019/20 Annual Budget.

2. Executive Recommendation

Pursuant to section 6.16 of the Local Government Act 1995, Council endorses the proposed Fees and Charges included at pages (F1 to F16) of the 2019/20 Draft Budget provided with the agenda papers.

COUNCIL RESOLUTION 92/19 (Executive Recommendation)

Moved: Cr Tan

Seconded: Cr Atherton

Pursuant to section 6.16 of the Local Government Act 1995, Council endorses the proposed Fees and Charges included at pages (F1 to F16) of the 2019/20 Draft Budget provided with the agenda papers.

Carried 9/0

3 WASTE RECEPTICAL FEES

Council levies an annual fee for the provision of kerbside bin pickup (and processing) of waste. This relates to;

- a) General Waste Bins
- b) Recycling Bins
- c) Organics Bins

The fees are determined on a cost recovery basis.

The recycling fee for 2019/20 includes contractor processing fee of \$99 / tonne caused by the current conditions relating to processing of recycling material in international markets.

		2018/19	2019/20
Bin Service - 3 Bin Service		\$248	\$265
Bin Service - 2 Bin Service		\$200	\$221
Optional Bin - Rubbish (Fortnightly Service)		\$80	\$81
Optional Bin - Rubbish (Weekly Service)		\$156	\$158
Optional Bin - Recycling		\$48	\$63
Optional Bin - Organics		\$119	\$122
Aged Care Bin Service - 3 Bin Service	= 3 Bin Service, divide by 3	\$83	\$89

3. Executive Recommendation

Per s67 of the Waste Avoidance and Resource Recovery Act 2007, Council adopts the Fees & Charges for annual receptacle charges in the 2019/20 Budget as detailed in the schedule of fees and charges.

COUNCIL RESOLUTION 93/19 (Executive Recommendation)

Moved: Cr Tan

Seconded: Cr Wringe

Per s67 of the Waste Avoidance and Resource Recovery Act 2007, Council adopts the Fees & Charges for annual receptacle charges in the 2019/20 Budget as detailed in the schedule of fees and charges.

Carried 9/0

4 WASTE MANAGEMENT LEVY

Council raises a Waste Management Levy (the levy) of \$170pa per assessment in 2018/19.

The Annual Budget sets out the purpose for the levy.

A waste management levy will be imposed on all rate assessments under section 66 of the Waste Avoidance and Recovery Act 2007 for the following purposes.

- (i) Provision of suitable places, buildings and appliances for the disposal of refuse.*
- (ii) Construction and installation of plant for the disposal of refuse.*

A concession is granted to ratepayers owning contiguous (as defined by council policy) vacant assessments. Property owners are able to apply for a concession for the levy per Council Policy 6.5 Waste Management Levy Exemption

It is proposed that the Maximum fee be reduced from \$170 (2018/19) to \$152 for 2019/20.

Recent tender for operations of the Shire's refuse sites will see a reduction in cost to the Shire. This reduction is reflected in the proposed 2019/20 fee.

4. Executive Recommendation

Per s66 of the Waste Avoidance and Resource Recovery Act 2007, Council adopts the Waste Management Levy for the 2019/20 Budget.

4.1 Rate in Dollar

Gross Rental Value	\$0.120000
Unimproved Value	\$0.030000
Maximum Levy	\$152.00

4.2 For the purpose of;

- a. (i) Provision of suitable places, buildings and appliances for the disposal of refuse.
- b. (ii) Construction and installation of plant for the disposal of refuse.

**COUNCIL RESOLUTION 94/19
(Executive Recommendation)**

Moved: Cr Tan

Seconded: Cr Lindemann

Per s66 of the Waste Avoidance and Resource Recovery Act 2007, Council adopts the Waste Management Levy for the 2019/20 Budget.

4.3 Rate in Dollar

Gross Rental Value	\$0.120000
Unimproved Value	\$0.030000
Maximum Levy	\$152.00

4.4 For the purpose of;

- c. (i) Provision of suitable places, buildings and appliances for the disposal of refuse.**
- d. (ii) Construction and installation of plant for the disposal of refuse.**

Carried 9/0

5 RATES

2019/20 will see equalisation of minimum payment across Gross Rental Value and Unimproved Value properties. This change has been phased in over two financial years 2018/19 and 2019/20.

The rate in dollar adopted for 2019/20 will raise the required rates to provide a balanced budget.

5. Executive Recommendation

- 5.1 That Council endorse a proposed General Rate Increase of 1.95% for Gross Rental Value and Unimproved Value properties.
- 5.2 That Council endorse the equalisation of the Gross Rental Value and Unimproved Valuation minimum rate in 2019/20 year.
- 5.3 The following Rate in the Dollar and Minimum rates be applied for the 2019/20 Annual Budget.
- | | | |
|-----|-----------------------------------|------------|
| 5.4 | Gross Rental Valuation Properties | \$0.081772 |
| | Minimum Rate for GRV | \$1,104.4 |
| 5.5 | Unimproved Valuation Properties | \$0.005378 |
| | Minimum Rate for UV | \$1,104.4 |

Council Resolution 95/19 (Executive Recommendation)

Moved: Cr Wringe Seconded: Cr Tan

- 5.1 That Council endorse a proposed General Rate Increase of 1.95% for Gross Rental Value and Unimproved Value properties.
- 5.2 That Council endorse the equalisation of the Gross Rental Value and Unimproved Valuation minimum rate in 2019/20 year.
- 5.3 The following Rate in the Dollar and Minimum rates be applied for the 2019/20 Annual Budget.
- | | | |
|-----|-----------------------------------|------------|
| 5.4 | Gross Rental Valuation Properties | \$0.081772 |
| | Minimum Rate for GRV | \$1,104.4 |
| 5.5 | Unimproved Valuation Properties | \$0.005378 |
| | Minimum Rate for UV | \$1,104.4 |

Carried 7/2

Cr Van Der Heide foreshadowed a motion of 0% rate increase with the apportioned foregone revenue to be identified from within operating costs. The Executive Recommendation was carried becoming the Council Resolution.

Consultation

Extensive internal consultation has occurred between all divisions and through draft budget meetings conducted with Elected Members.

Policy/Statutory Implications

Voting: Simple Majority

Financial Implications

This 2019/20 Draft Budget will be used to develop the 2019/20 Annual Budget in the format required under Local Government Act 1995



Strategic Implications

The 2019/20 Draft Budget has been developed with consideration of existing strategic planning documents adopted by Council.

8 CLOSURE OF MEETING

Next Ordinary Council Meeting will be held on Wednesday 24 July 2019.

The meeting was closed at 7:15pm

These Minutes were confirmed by the Council as a true and accurate record at the Ordinary Council Meeting held on 21 August 2019	
	
Shire President	Presiding Member