



Notice of Special Council Meeting

Purpose: Adoption of 2018/19 Budget

TO:

ALL COUNCILLORS

To be held on

Thursday, 30 August 2018

Commencing at 6.30pm

Shire of Donnybrook Balingup Council Chambers, Donnybrook.

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

Benjamin Rose
Chief Executive Officer

27 August 2018

Disclaimer

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.



SPECIAL COUNCIL MEETING
ADOPTION OF 2018/19 BUDGET
30 August 2018

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SHIRE OF DONNYBROOK BALINGUP SPECIAL COUNCIL MEETING – ADOPTION OF 2018/19 DRAFT BUDGET

To be held at Shire of Donnybrook Balingup Council Chambers, Donnybrook
Thursday, 30 August 2018 at 6.30pm

DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Shire President – Acknowledgment of Country

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

The Shire Present to declare the meeting open and welcome the public gallery

Shire President - Public Notification of Recording of Meetings

The Shire President advises that 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:

If you do not give permission for your participation to be recorded, please indicate this at the meeting. Members are reminded that no other visual or audio recording of this meeting by any other means is allowed without the permission of the Chairperson.

COUNCILLORS	STAFF
Cr Piesse (President)	Ben Rose – Chief Executive Officer
Cr Wringe (Deputy President)	Greg Harris – Manager Finance and Administration
Cr Atherton	Damien Morgan – Manager Works and Services
Cr King	Leigh Guthridge – Manager Development and
Cr Lindemann	Environmental Services
Cr Mills	
Cr Mitchell	
Cr Tan	
Cr Van Der Heide	

PUBLIC GALLERY

APOLOGIES

1 PUBLIC QUESTION TIME

2 APPLICATION FOR LEAVE OF ABSENCE

3 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.

4 PETITIONS/DEPUTATIONS/PRESENTATIONS

5 REPORTS OF OFFICERS

5.1 MANAGER FINANCE AND ADMINISTRATION

5.1.1 ADOPTION OF DRAFT BUDGET FOR 2018/19 FINANCIAL YEAR

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	FNC 04/1
Author	Greg Harris – Manager Finance and Administration
Attachments	<i>The following attachments are available upon request at the Shire Administration Building:</i> 5.1.1(1) – Statutory Budget 2018/19 5.1.1(2) – Budget Schedules 2018/19 5.1.1(3) – Fees and Charges Schedule 2018/19
Voting Requirements	Simple Majority
Executive Summary	It is recommended that Council adopt the series of resolutions in relation to the Statutory Budget for the Shire of Donnybrook Balingup for the year ending 30 June 2019.

STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

Outcome	Strategy	Action No.	Actions
4.2 – A respected, professional and trusted organisation.	A respected and efficient operations and service provision.	4.2.1.4	Demonstrate sound financial planning and management, including revenue/expenditure review and revenue diversification strategies

			and long term financial planning.
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BACKGROUND

The purpose of the meeting is to consider and adopt the Municipal Fund Budget for the 2018/19 financial year, together with supporting schedules, including striking of the municipal fund rates, adoption of fees and charges, setting of elected members' fees for the year and other consequential matters arising.

The Budget for the 2018/19 year has been compiled based on the recommended actions outlined in the Corporate Business Plan, along with guidance provided by Elected Members to the Administration at its Budget workshops.

DETAILS

The Budget has been prepared to include information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and the Australian Accounting Standards.

Following a series of Budget Workshops conducted over the last few months a Special Meeting of Council was held to consider a number of specific matters in relation to the 2018/19 Budget.

The resolutions made by Council at the Special Meeting of Council gave firm direction to Council staff to proceed with compilation of the final budget document in accordance with the decisions made at that meeting. The directions given to Council staff are reflected in the Budget document now presented and these decisions will be ratified during the process of final adoption of the Annual Budget due to occur at this meeting.

In summary the 2018/19 budget aims to deliver the strategies adopted by Council (chiefly the Corporate Business Plan) and the community and maintains a high level of service across all programs. The budget aims to consolidate on the 2017/18 year budget by placing an emphasis on the ongoing development of new infrastructure and assets as well as the renewing of all assets at sustainable levels.

CONSULTATION

No specific community consultation has occurred on the Draft 2018/19 budget, however, the budget has been prepared taking into account requests received directly from the community and through Council's community grants assessment process.

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

POLICY/STATUTORY IMPLICATIONS

The budget is based on the principles contained in the Corporate Business Plan. Section 6.2 (1) of the Local Government Act 1995 requires that no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt (by Absolute Majority), in the form and manner prescribed, a budget for its Municipal Fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. *The Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The 2018/19 budget as it will be presented is considered to meet the statutory requirements.

An Absolute Majority decision of Council will be required for parts of the recommendations.

FINANCIAL IMPLICATIONS

Specific financial implications are as outlined in the comment section of this report and as itemised in the 2018/19 budget presented for adoption.

Please Note: A list of variances between the original draft budget and the final draft budget is currently being prepared and will be distributed to elected members prior to the meeting.

EXECUTIVE RECOMMENDATION

Moved: Cr Seconded: Cr

That Council approve the list of variances identified between the draft budget and the final 2018/19 budget (refer page S_____)

- 1) (Include other alterations to the draft budget proposed by Council).**

Absolute Majority Decision Required

PART A – MUNICIPAL FUND BUDGET FOR 2018/19

EXECUTIVE RECOMMENDATION

Moved: Cr Seconded: Cr

That pursuant to the provision of section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996, Council adopt the Municipal Fund Budget as contained in attachment 5.1.1 of this agenda and the minutes, for the Shire of Donnybrook-Balingup for the 2018/19 financial year which includes the following:

- Statement of Comprehensive Income by Nature and Type on page (8) showing a net deficit result for that year of (\$212,966).**
- Statement of Comprehensive Income by Program on pages (9 and 10) showing a net deficit result for that year of (\$212,966).**
- Statement of Cash Flows on page (11)**
- Rate Setting Statement on page (12) showing an amount required to be raised from rates of \$4,898,169.**
- Notes to and Forming part of the Budget on pages (13 to 47)**
- Fees and Charges Schedule as detailed on pages (F1 to F25)**
- Budget Program Schedules as detailed in pages (S1 to S193)**

- **Variiances from Draft Budget to Final Budget as detailed in page (S194)**

Absolute Majority Decision Required

PART B – GENERAL AND MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

1. That for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at this meeting, Council pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995 impose the following general and minimum rates on Gross Rental and Unimproved Values.

1.1.1 General Rates

- | | |
|---------------------|------------------------|
| * Residential (GRV) | 8.0170 cents in dollar |
| * Rural (UV) | 0.5274 cents in dollar |

1.1.2 Minimum Rates

- | | |
|---------------------|------------|
| * Residential (GRV) | \$1031.00 |
| * Rural (UV) | \$1,115.00 |

2. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, Council nominates the following due dates for the payment in full by instalments:

* Full payment and 1 st instalment due date	19 October 2018
* 2 nd half instalment due date	22 February 2019
* 2 nd quarterly instalment due date	21 December 2018
* 3 rd quarterly instalment due date	22 February 2019
* 4 th and final quarterly instalment due date	26 April 2019
3. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996, Council adopts an instalment administrative charge where the owner has elected to pay rates (and service charges) through an instalment option of \$9 for each instalment after the initial instalment is paid.
4. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996, Council adopts an interest rate of 5.5% where the owner has elected to pay rates (and service charges) through an instalment option.
5. Pursuant to section 6.51 (1) and subject to section 6.51 (4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, Council adopts an interest rate of 11% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.

Absolute Majority Decision Required

PART C – GENERAL FEES AND CHARGES FOR 2018/19

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

Pursuant to section 6.16 of the Local Government Act 1995, Council adopts Fees and Charges included at pages (F1 to F25) of the 2018/19 Draft Budget provided with the agenda papers.

Absolute Majority Decision Required

PART D – OTHER STATUTORY FEES FOR 2018/19

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

1. Pursuant to section 245A (8) of the Local Government (Miscellaneous Provisions) Act 1960, Council adopts a swimming pool inspection fees of \$14.36 inclusive of GST.
2. Pursuant to section 67 of the Waste Avoidance and Resources Recovery Act 2007, Council adopts the following charges for the removal and deposit of domestic and commercial waste.
 - 2.1.1 Residential Premises (standard weekly collection)
* All serviced areas - 240 litre bin \$156 pa
 - 2.1.2 Combined Standard Bin & Organic Bin Service
* All serviced areas - 240 litre bin \$200 pa
(Standard bin is collected fortnightly – 240 litre bin)
(Organics Bin is collected weekly – 240 litre bin)
 - 2.1.3 Commercial Organic Bin Only Service
* All serviced areas - 240 litre bin \$119 pa
(weekly service – 240 litre bin)
 - 2.1.4 Recycling Service (fortnightly collection)
* All locations (240 litre bin) \$48 pa
 - 2.1.5 Commercial Recycling Service (fortnightly collection)
* All locations (240 litre bin) \$48 pa

Absolute Majority Decision Required

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

1. Pursuant to section 67 of the Waste Avoidance and Resources Recovery Act 2007, and section 6.16 of the Local Government Act 1995, Council adopt the following charges for the deposit of domestic and commercial waste.

Donnybrook Landfill Site and Balingup Transit Park fees.

Putrescible, Construction and Demolition Waste

Residents with tip pass: no charge for domestic quality of sorted waste up to 1 cubic metre.

Unsorted waste, no quantities more than 1 cubic metre and commercial: charged in accordance with the fee schedule.

- | | |
|----------------------------------|------|
| * Up to 1 cubic metre (min. fee) | \$43 |
| * Per additional cubic metre | \$43 |

Greenwaste

Contaminated greenwaste (domestic and commercial); charged in accordance with the Putrescible Waste fee schedule.

Commercial greenwaste; charged in accordance with the Greenwaste fee schedule.

Greenwaste that is delivered with logs/stumps/stems with girth of more than 300mm will be charged in accordance with the Greenwaste fee schedule.

- | | |
|---|------|
| * Up to 1 cubic metre (min. fee) | \$7 |
| * Per additional cubic metre | \$7 |
| * Logs/stumps/stems with girth of more than 300mm | \$43 |

Recyclables (sorted)

No Charge

Refuse / Household Junk

- | | |
|--|------|
| Per car or station wagon | \$14 |
| Per ute or standard 6 x 4 Trailer or 4 x 240l bins | \$22 |
| 6 x 4 trailers with sides exceeding 600mm | \$43 |

Vehicle Bodies – per unit

- | | |
|----------------------------------|------|
| * Car/truck bodies | \$20 |
| * Tyres (Car/Light Truck) | \$6 |
| * Tyres (Large Truck/Loader etc) | \$15 |

E-Waste (TVs, computers, printers, computer products (Domestic and Commercial) N/C

E-Waste (Other – per item)

Residents with tip pass:
Commercial: charged in accordance with the fee schedule \$6

Fridges, Freezers, Air-conditioning Units

Non-degassed or uncertified (per item) \$15
De-gassed items (must be certified) \$0

Disposal of Asbestos

Residents with tip passes and commercial: charged in accordance with the fee schedule.

- * Quantities up to 0.01 m3 (2m2) \$0
- * 0.01m3 – 1m3 \$66
- * Large quantities (per additional cubic metre) \$66

Mattresses
Per Mattress \$10

Disposal of Chemicals

Residents with tip pass: no charge for domestic quantity up to 5 litres (labelled or unlabelled)
Quantities more than 5 litres and commercial: charged in accordance with the fee schedule.

- * Labelled Chemicals (per litre) \$12
- * Unlabelled Chemicals (per litre) \$25

Disposal of Oil

Residents with tip pass: no charge for domestic quantity up to 20 litres
Quantities more than 20 litres and commercial: charged in accordance with the fee schedule.

Per litre \$0.20c

2. Pursuant to section 67 of the Waste Avoidance and Resources Recovery Act 2007, and section 6.16 of the Local Government Act 1995, Council adopt the following charges for the collection and deposit of commercial waste.

- 4.1 Removal from Tuia Frail Aged Lodge Facility** **\$9,350 pa (Inc. GST)**

Absolute Majority Decision Required

PART E – ELECTED MEMBERS’ FEES AND ALLOWANCES FOR 2018/19

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

1. Pursuant to section 5.99 of the Local Government Act 1995 and within the range of fees determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B, Council adopts the following annual fees for payment of elected members in lieu of individual meeting attendance fees:

President	\$12,000
Councillors	\$ 7,612

2. Pursuant to section 5.99A of the Local Government Act 1995 and within the range of fees determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B, Council adopts the following annual allowances for elected members:

Information and Communications Technology Allowance	\$ 1,000
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3. Pursuant to section 5.98(5) of the Local Government Act 1995 and within the range of fees determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B, Council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:

President	\$10,000
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4. Pursuant to section 5.98A of the Local Government Act 1995 and within the range of fees determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B, Council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:

Deputy President	\$ 2,500
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Absolute Majority Decision Required

PART F – MATERIAL VARIANCE REPORTING FOR 2018/19

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

In accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2018/19 for reporting material variances shall be \$5,000.

Absolute Majority Decision Required

5.1.2 WASTE MANAGEMENT LEVY

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	FNC 04/1 & RAT 01
Author	Greg Harris – Manager Finance and Administration
Attachments	Nil
Voting Requirements	Simple Majority
Executive Summary	It is recommended that Council adopt the recommended Waste Management Levy.

STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

Outcome	Strategy	Action No.	Actions
4.2 – A respected, professional and trusted organisation.	A respected and efficient operations and service provision.	4.2.1.4	Demonstrate sound financial planning and management, including revenue/expenditure review and revenue diversification strategies and long term financial planning.

BACKGROUND

A waste management levy will be imposed on all rate assessments under Section 66 of the *Waste Avoidance and Resource 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.

The object of this rate is to ensure that costs in relation to the maintenance and servicing of all refuse disposal sites within the Shire is equally distributed.

A concession will be granted to ratepayers owning contiguous (as defined by Council policy) vacant assessments.

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

That under Section 66 of the *Waste Avoidance and Resource Recovery Act 2007*, Council impose the following rates as a waste management levy.

Description	Total Props.	Rateable Value	Rate in Dollar	Rate Yield	Minimum		Budget 2017/2018
					No.	Yield	
Waste Avoidance & Resource Recovery Act Rate 2007							

Description	Total Props.	Rateable Value	Rate in Dollar	Rate Yield	Minimum		Budget 2017/2018
					No.	Yield	
Unimproved Valuations	1,343	404,360,508	0.0012336	4,988	1,343	228,310	228,310
Gross Rental Valuations	1,965	28,278,178	0.05029586	14,222	1,965	334,050	334,050
(less concessions)	(68)				(68)	(11,560)	(11,560)
Total Levied	3,240	432,638,686			3,240	550,800	550,800

A minimum rate of \$170 will be imposed.

5.1.3 RATES EARLY PAYMENT INCENTIVE PRIZES

Location	Shire of Donnybrook Balingup
Applicant	Shire of Donnybrook Balingup
File Reference	RAT 08
Author	Greg Harris – Manager Finance and Administration
Attachments	Nil
Voting Requirements	Simple Majority
Executive Summary	It is recommended that Council approve the Early Rate Payer Incentive Scheme.

STRATEGIC ALIGNMENT

The following outcomes from the Corporate Business Plan relate to this proposal:

Outcome	Strategy	Action No.	Actions
4.2 – A respected, professional and trusted organisation.	A respected and efficient operations and service provision.	4.2.1.4	Demonstrate sound financial planning and management, including revenue/expenditure review and revenue diversification strategies and long term financial planning.

BACKGROUND

The Manager of the Donnybrook branch of the Bendigo Bank has confirmed the bank's continuing sponsorship of Council's Early Rate Payment Incentive Scheme.

The Bendigo Bank has sponsored the incentive scheme since 2004 and has annually donated funds of \$1,000 which are distributed on the basis of \$500 to the first drawn winner, \$300 to the second and \$200 to the third drawn winner.

Winners are drawn soon after the rates payment due date. All ratepayers who pay their rates in full on or before the due date are eligible. Councillors and staff are not eligible to participate.

Winners receive a Bendigo Bank account at the Donnybrook branch

DETAIL

Last year the winners of the early rate payment incentive prize were invited to attend a small morning tea to receive their prize. The morning tea was hosted by the Bendigo Bank and attended by the prize winners (plus family members), Bendigo Bank Branch Manager, Shire President and Council staff. The morning tea is certainly appreciated by the prize winners who are able to attend.

STATUTORY IMPLICATIONS

In accordance with section 6.46 of the *Local Government Act 1995* a local government may, when imposing a rate or service charge, resolve by absolute majority to grant a discount or other incentive for the early payment of any rate or service charge.

FINANCIAL IMPLICATIONS

Prize offers financial incentive to ratepayers to pay early. Early payment assists Council cash flow and maximizes investment opportunities.

EXECUTIVE RECOMMENDATION

Moved: Cr

Seconded: Cr

- 1. That Council accept the offer from the Donnybrook Branch of the Bendigo Bank to sponsor Council's early rate payment incentive scheme and provide a total prize pool of \$1,000.**
- 2. That in accordance with section 6.46 of the Local Government Act 1995 Council offer the early rate payment incentive prize to ratepayers who pay their rates in full on or before the rates due date, being 19th October 2018.**
- 3. That following determination of the prize winners, Council hosts a suitable function to enable presentation of the prizes.**

Absolute Majority Decision Required

6 CLOSURE OF MEETING

The Shire President to advise that the date of the next Ordinary Council Meeting will be held on Wednesday 26 September, 2017, commencing at 5.00pm at a venue to be confirmed.

The Shire President to declare the meeting closed at _____.