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# Minutes

## Special Meeting of Electors

Held on

Monday, 25 September 2017

Commencing at 6.12pm

In the Soldiers Memorial Hall

Bentley Street, Donnybrook WA 6239

[Note: Meeting relocated from the Seniors Room, Donnybrook  
Community Library]

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**Benjamin (Ben) Rose**  
Chief Executive Officer

**26 September 2017**

### ***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 MEETING OF ELECTORS**

**25 SEPTEMBER 2017**

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# SHIRE OF DONNYBROOK BALINGUP

## SPECIAL MEETING OF ELECTORS MINUTES

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Held in the Soldiers Memorial Hall, Donnybrook  
Monday, 25 September 2017 at 6.12pm

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### MEMBERS PRESENT

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| <b>COUNCILLORS</b>       | <b>STAFF</b>                                     |
|--------------------------|--|
| Cr Logiudice (President) | Ben Rose – Chief Executive Officer               |
| Cr Bailey                | Greg Harris – Manager Finance and Administration |
| Cr King                  | Damien Morgan – Manager Works and Services       |
| Cr Mills                 | Kate O’Keeffe – Executive Assistant              |
| Cr Mitchell              |  |
| Cr Tan                   |  |

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### ELECTORS PRESENT

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|                    |                   |
|--------------------|-------------------|
| Brad Anderson      | Valerie Anderson  |
| Brendon Atherton   | Graeme Atherton   |
| Linda Atherton     | Rodney Atherton   |
| Shane Atherton     | Sue Attwood       |
| Carolyn Austin     | Mark Bennett      |
| Barry Blythe       | Shirley Blythe    |
| Tarnya Box         | Monika Bredow     |
| Dieter Bredow      | William Brown     |
| Helen Christensen  | Betsy Clarson     |
| Warren Clarson     | Gordon Clifford   |
| Rayma Cole-Buckton | Gwendoline Combes |
| Mario Contarino    | Alan Coxall       |
| Jane Cox           | Angelo Cristaldi  |
| Sandra Cristaldi   | Tina Cristaldi    |
| Leith Crowley      | Natalie Crowley   |
| Luisa Dale         | Lindsay Dale      |
| Leonie Darlington  | Florio Da Re      |
| Bernie Dawson      | Margaret Depiazzi |
| Desmond Depiazzi   | Jill Duncan       |
| Ethel Farley       | David Fishlock    |
| Lee Fitzgerald     | Peter Fitzgerald  |
| Gregory Forward    | Kevin Forward     |
| Dyanne Fry         | Neville Fry       |
| Paul Fry           | Dimitrios Gerde   |

|                     |                      |
|---------------------|----------------------|
| Mark Giles          | Anthony Haygarth     |
| Frank Haygarth      | Raemer Haygarth      |
| Greg Hayward        | Robyn Hayward        |
| Geoff Hewson        | Merle Hickman        |
| Walter Hicks        | John Hill            |
| Luke Hollis         | Roy Howard           |
| Peter Howell        | Vi Howell            |
| Graham Howlett      | Natalee Hurst        |
| Stacey Hutchinson   | Margery Iseppi       |
| Robert Jennings     | Ruth Johnson         |
| Annette Johnston    | Simon Kapel          |
| Alicia Keal         | John Keenan          |
| Ian Kemp            | Noelene King         |
| Wendy Kurz          | Bernard Kurz         |
| Maxwell Langley     | Anita Lindemann      |
| Bob Lowther         | Sharlene McBeath     |
| Rhonda McBrearty    | George McBrearty     |
| Linda McCabe        | Peter McCabe         |
| Gary McCorkell      | Simon McInnes        |
| Sabine McIver       | Don McNab            |
| Michael McNeven     | Anne Margetts        |
| Anna-Maria Martella | Linda Martindale     |
| Karen Miller        | Bob Miller           |
| Rachel Mitchell     | Judith Morrissey     |
| Angela Murphy       | Rita Murray          |
| Shaun Nelson        | Gary Newman          |
| Gwendoline Nidd     | Brian O'Hara         |
| Simone Payne        | Trevor Payne         |
| Arthur Pearce       | Lucille Piesse       |
| Brian Piesse        | Susan Pritchard      |
| Sue Radford         | Peter Rae            |
| Edmund Ramsay       | Clare Rosman         |
| Cameron Russell     | John Russell         |
| Kerry Russell       | Stephen Russell      |
| Tony Scaffidi       | Pasqualina Scaglione |
| Carol Scantlebury   | Gordon Scantlebury   |
| June Scott          | June Scott           |
| Colin Sharp         | Annette Sims         |
| John Small          | Philip Staniford     |
| Coral Stewart       | Beverley Strang      |
| Jodi Thomas         | Linsey Thomas        |
| John Thomson        | Glenn Tickner        |
| Helen Tuia          | Luigi Tuia           |
| Jill Tuia           | Nigel Tuia           |
| Rino Tuia           | Christian Valenzuela |

|                       |                    |
|-----------------------|--------------------|
| Vanessa Van Der Heide | Ryan Van Der Heide |
| Wendy Walters         | William Walters    |
| Keith White           | Diane White        |
| Roslyn Williams       | Donald Williams    |
| Elsie Woodley         | Marie Woodley      |
| Leanne Wringe         | Chris Wringe       |
| James Wringe          | John Wringe        |
| Brian De Garis        | Carmen Fraser      |
| Maureen O’Keeffe      | Tara Sice          |
| Jeff Somes            | Tamara Rayment     |

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## **APOLOGIES**

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Cr Dilley

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## **1 OPENING**

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The President declared the meeting open at 6.12pm and welcomed those in attendance. The President advised that the meeting was a Special Meeting of Electors held under sections 5.28 to 5.33 of the Local Government Act and would focus on the questions, statements and motions taken on notice, on the topics of:

1. The future of Tuia Lodge
2. The 2017/18 Adopted Council Budget
3. Council’s 10-year Workforce Plan
4. Council’s Long Term Financial Plan

The President declared that he would read aloud the question and answer to each question taken on notice. The Shire President requested those present to conduct themselves in a respectful manner during the meeting.

Members of the public gallery raised the following questions:

*Anthony Haygarth*

*Why are some questions omitted as they relate to the meeting?*

Shire President

Some questions have been excluded as they were deemed a duplicate of a question already received or they were not relating to the topics for the meeting.

*Anthony Haygarth*

*I move a Procedural Motion on the basis that business representatives cannot vote at meetings.*

Shire President

I have clarified that matter with Mr Bailey, who has lodged questions and a motion as an elector, not as Teede Realty.

*Lui Tuia*

*I refer to my question regarding the Jack Denning Estate, I have not received the requested information after many attempts and a long time waiting.*

Shire President

Your question did not relate to the topics set for this meeting, as such, you may present that question to the next Ordinary Meeting of Council. I can promise that you will receive that information.

*Anthony Haygarth*

*I move a Procedural Motion that questions be heard from the floor.*

Shire President

Motions from the floor will not be accepted.

*Brian Piesse*

*You did not tell anyone during the preamble of this meeting that questions of a similar nature would not be read and answered individually. What is the criteria for this cherry picking?*

Shire President

I haven't cherry picked the questions; if the questions were similar in nature I have only answered them once.

*Brian Piesse*

*You had 48 hours to consider my question, why was I not told that it would not be included?*

Shire President

The question you submitted was considered similar to the question raised at the August 2017 Ordinary Meeting.

*Frank Haygarth*

*What part of the Local Government Act allows you to run a meeting this way?*

Shire President

I have control of this meeting including what may be asked.

*Anthony Haygarth*

*Why are you running the meeting this way and denying the electors the opportunity to gain answers to their questions?*

Shire President

All of the questions submitted were considered under the criteria set for this meeting. Questions of a similar nature were grouped. If you disagree with this method you are welcome to take it up with the Local Government Authority.

*James Wringe*

*Who made the decision regarding which questions would be answered tonight?*

Shire President

I did. I take full responsibility for that.

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**2 RESPONSE TO ELECTOR QUESTIONS ON NOTICE**

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| <b>ELECTOR</b> | <b>QUESTION</b>   | <b>PRESIDENT'S RESPONSE</b>   |
|----------------|---|---|
| B Anderson     | 1. Have you, any staff member (including the CEO) or any other councillor approached, or been approached, by any private person or business regarding Tuia Lodge management being placed in the hands of a private or corporate operator? | <p>This question was asked at the August 2017 Ordinary Meeting of Council. The CEO's response to the question is in the September 2017 Ordinary Meeting of Council Agenda, as follows:</p> <p><i>“The Shire President advised at the meeting that neither he nor the Council have engaged in conversations with any entity with the view to selling or outsourcing Tuia Lodge. Whilst I cannot (and would not wish to) speak on behalf of the Council or individual Elected Members, I can provide advice from an operational perspective of the Shire’s Administration. In this regard, I can advise that, during my term as the Chief Executive Officer, I have been approached by two separate aged care providers who have sought to engage in conversation with me as to the possibility</i></p> |

|  |  |   |
|--|--|---|
|  |  | <p><i>of selling or outsourcing the management of Tuia Lodge. On both occasions, I have (politely) declined the offer to further the conversation.”</i></p> |
|--|--|---|

Brian Piesse

That is not the answer you gave me at the meeting. The Chief Executive Officer gave me that advice, not yourself.

Shire President

I responded on behalf of myself, I cannot verify for anyone else.

Brian Piesse

I asked ‘has staff or Council’ and you responded using the plural ‘we’ which gave the impression your response included Councillors and staff.

Shire President

I was answering only for myself.

Anthony Haygarth

Are you saying that you were unaware the Chief Executive Officer engaged in discussions?

Shire President

That’s correct.

| <b>ELECTOR</b> | <b>QUESTION</b>  | <b>PRESIDENT’S RESPONSE</b>   |
|----------------|--|---|
| B Anderson     | <p>2. How does council justify a 2344% increase in the administration costs by council to Tuia Lodge (\$15,000 to \$351,608) in one year, when the occupancy of the lodge has only increased by 61% (26 beds to 40)?</p> | <p>The figure of \$351,608 is called an Activity Based Cost and reflects, as close as possible, the actual administration overhead costs to the Shire of overseeing the daily management and operation of Tuia Lodge. Activity Based Costs are applied to all Shire services and facilities (e.g. waste management, recreation centre, libraries etc) and this figure of ~\$350k for Tuia Lodge is calculated exactly the same way as for Activity Based Costs for the Shire’s other services and facilities. This is the first year that the full Activity Based Costs</p> |

| <b>ELECTOR</b> | <b>QUESTION</b>   | <b>PRESIDENT'S RESPONSE</b>  |
|----------------|---|--|
| B Anderson     |   | are being properly recognised for Tuia Lodge, where previously, only a nominal amount of ~\$15,000 was recognised. In previous years, the dollar-figure difference between the actual Activity Based Cost and the figure of \$15,000 (in this instance = \$336,608) was 'gifted' to Tuia Lodge by the ratepayers of the Shire.   |
|                | 3. How will the shire fund any losses by Tuia Lodge should they be incurred in the future, and has the possibility of losses been factored into the Long Term Financial Plan of council?                                      | <p>Tuia Lodge is one of many services / facilities recognised on the Shire Budget. Operating losses for Tuia Lodge can be treated exactly the same way as any other operating loss for Shire facilities (such as the pool, recreation centre and the library) – that is, balanced in a portfolio management approach against the overall incoming revenue streams that the Shire has.</p> <p>The Long Term Financial Plan has been prepared on the basis of a fairly stable positive financial operating position for Tuia Lodge, based on an average of 36 bed occupancy.</p> |
|                | 4. What will happen to any future operating surplus created by Tuia Lodge, will these surpluses be placed in a reserve for the future provision of aged care accommodation, or will they simply be absorbed into shire funds? | That will be a decision for the new Council at the end of this financial year. My recommendation, though, is that the Shire should, as it always has done, continue to transfer any year-end operating surplus to the Aged Care Housing Reserve.   |
|                | 5. Given that dot point   | At Council's Special Meeting to  |

| <b>ELECTOR</b> | <b>QUESTION</b>   | <b>PRESIDENT'S RESPONSE</b>  |
|----------------|---|--|
| B Anderson     | 10 in the preamble to the budget shows that the CEO only requested \$96,000 for the remainder of the financial year for additional staff, how and why was the amount mysteriously increased to \$250,000?                     | consider the 2017/18 Budget, a motion was tabled by Councillor Bailey to increase the amount to \$250,000 – this was voted by the Council and carried by an Absolute Majority vote.                        |
|                | 6. Where did the \$250,000 for additional staff come from? Was it in fact secured in part by doubling the proposed Tuia Lodge \$175,804 administration charge originally proposed in the budget.                              | No. It is not possible to attribute the approved \$250,000 budget item to any individual revenue stream or accounting treatment.   |
|                | 7. Can you please advise the meeting how many staff will be added to the shire workforce using the \$250,000 allocated at the last minute, over how many stages will the changes occur and when will the changes be complete? | No, I cannot. The Shire's workforce is the CEO's responsibility and I would not interfere or overlap with the CEO's role in managing the administration of the Shire.                                      |
|                | 8. Can you advise what is the cost of vehicles, office equipment, telephones and superannuation for this additional staff?  | No, I cannot, except to advise that the \$250,000 budget item approved by Absolute Majority of Council is the overall capped amount and on-costs are to be incorporated within this total budgeted amount. |

*Leith Crowley*

*What is the minimum vote required for Absolute Majority?*

Shire President

The minimum is 5 votes from Council.

*Anthony Haygarth*

*Point of order, I seek clarity on your answer.*

Shire President

You may take your question to the next Council meeting.

| <b>ELECTOR</b> | <b>QUESTION</b>  | <b>PRESIDENT'S RESPONSE</b>   |
|----------------|--|---|
| B Anderson     | 9. Can you please indicate in the 10-year workforce plan and council's long-term financial plan where the additional staff and the subsequent additional expenditure has been forecast | <p>The Shire's Workforce Plan is well-outdated and in need of contemporising – it does not reflect the existing or proposed organisation structure. An update to the Workforce Plan will occur over the 2017/18 year and will reflect the forward structure of the organisation.</p> <p>The Shire' Long Term Financial Plan is a general financial guide for the Council and decisions about Budgets, projects, loans and other financial matters must be made by the Council with relevant information available at the time. At the time of considering the Long Term Financial Plan, the actual capacity of the organisation to fund organisation changes to the amount of \$250,000 was unknown – this information only became available once the detail of the 2017/18 Budget was discussed and reviewed by Councillors.</p> |
|                | 10. Given that the Long Term Financial Plan was adopted only weeks before the budget   | This question is answered as per the previous answer.   |

| <b>ELECTOR</b> | <b>QUESTION</b>   | <b>PRESIDENT'S RESPONSE</b>  |
|----------------|---|--|
| B Anderson     | meeting, can you explain why council is not following the principles of the Integrated Planning and Reporting Framework, by failing to include the cost of the workforce restructure? |  |
| H Christensen  | 11. Why are we here this evening to talk about matters that have been debated and a majority decision passed to adopt the 2017/18 budget?   | This meeting was called in accordance with Section 5.28 of the Local Government Act 1995 by Councillors Dilley, Crowley and Van Der Heide. Once requested under this section of the Act, the Shire has no option but to convene the meeting. As to the actual reason for the meeting, I can only suggest that you discuss that directly with your elected representatives who called the meeting - Councillors Dilley, Crowley and Van Der Heide at another opportunity.   |
| L Crowley      | 12. What are the budget implications for the shire, if Council decides to sell or outsource the Tuia Lodge residential aged care operations in 2017/18?                               | Nobody (not me, not the Council or even the CEO) can answer this question at the moment. The answer would be dependent on a whole lot of variables around this 'hypothetical outsourcing' of Tuia Lodge operations that simply aren't known at the moment. What I can advise, though, is that outsourcing of operations for Tuia Lodge, or any of the Shire's services, is not a simple matter and would need to be heavily researched and workshopped with Council (and possibly even the community) before arriving at a decision. At the moment, the outsourcing of any Shire services, including Tuia Lodge, is not on the books for consideration by the Council. |

| <b>ELECTOR</b> | <b>QUESTION</b>  | <b>PRESIDENT'S RESPONSE</b>   |
|----------------|--|---|
| A Haygarth     | <p>13. What are the budget implications for the Shire, if Tuia Lodge make a loss in 2017/18? Where will the \$351,000 come from to cover the shortfall in the overall shire budget if this happens?</p>  | <p>Response provided at Question 3, asked by Brad Anderson.</p>   |
|                | <p>14. Are Councils 10-year workforce plan, long-term financial plan, strategic plan and 2017/18 budget all synchronised and functioning in parallel.</p> <p>(In other words, does council have an effective long-term strategic plan to deliver projects and services in accordance with the community's wishes and aspirations that is supported with adequate resources that are all identified in the 10 year workforce plan, long-term financial plan and where appropriate, the 2017/18 budget?)</p> | <p>No they are not – and they do not have to be synchronised and functioning in parallel. The Integrated Planning and Reporting Framework is a high-level management tool for local governments. Whilst the Department of Local Government requires local governments (under the Act) to have these Integrated Planning reports and strategies, the actual decisions of Council do not need to align to them.</p> <p>Obviously, where Council and Budget decisions are different to the Shire's Integrated Planning and Reporting Framework, the relevant reports and strategies should be modified to reflect the decisions of the Council afterwards.</p> |
|                | <p>15. At Council meetings regards Shires Long Term Financial Plan was there mention or discussion of the Organizational restructure or cost for extra staff?</p>  | <p>No. These discussions were held in different forums.</p>   |
|                | <p>16. How will implementing Organisational Restructure effect ratepayers?</p>   | <p>There is no direct cost to ratepayers as the funding for organisational changes is being delivered within the existing Shire</p>   |

| <b>ELECTOR</b> | <b>QUESTION</b>  | <b>PRESIDENT'S RESPONSE</b>   |
|----------------|--|---|
| A Haygarth     |  | budget. The aim of the addition of staffing for the organisation is to improve the level and types of services offered by the Shire to the community.   |
|                | 17. In the Organizational Restructure what is the breakdown for extra staff  | The Council, via an Absolute Majority decision, approved a total allocation of \$250,000 towards restructuring the organisation in the 2017/18 financial year. The CEO will be responsible for determining how that funding is allocated and broken-down.   |
|                | 18. Why has the cost to Council risen from a historical cost recover of \$15,000 to \$351, 608 and what is the breakdown on these figures as supplied by letter box flyer? | Response provided at Question 2, as asked by Brad Anderson.   |
|                | 19. How will activity based cost of \$351,608 from Tuia Lodge be used by council and will this cost be constant year to year?  | Activity Based Costs are just an accounting treatment to recognise the administrative overheads in an organisation running a variety of different services and/or facilities (such as the Shire). The Shire has used them for a long, long time – just not for Tuia Lodge in the past. Technically, the recognised Activity Based Costs are not available to be allocated by Council for use on anything – they are simply prorated administration costs. |
| M King         | 20. The 17/18 Corporate Business Plan and Budget allows instruction and funding to conduct a review of all the Shire's aged care facilities (Tuia Lodge, Preston Village,  | The Shire's 2017/18 budget has allocated funding to undertake a full and proper due diligence review of all Shire aged care services and facilities. Of course, my preference is for any decisions to be made with the best information available, but I  |

| <b>ELECTOR</b> | <b>QUESTION</b>  | <b>PRESIDENT'S RESPONSE</b>  |
|----------------|--|--|
| M King         | <p>Minninup Cottages and Langley Villas).<br/>Wouldn't it be better to await this report (above) and its recommendations, before commenting on the future of Tuia Lodge in isolation</p> | <p>stress that there are no decisions in front of Council at the moment which relate to selling or outsourcing Tuia Lodge.</p> |
|                | <p>21. Why are some Councillors not accepting the informed and debated Budget adopted by Council (at four workshops over a three week period?</p>  | <p>Response provided at Question 11, similar question asked by Helen Christensen.</p>  |

*Jill Duncan*

*Point of order, question 21 from Mr King under Standing Orders should not have been accepted.*

| <b>ELECTOR</b> | <b>QUESTION</b>   | <b>PRESIDENT'S RESPONSE</b>   |
|----------------|---|---|
| M King         | <p>22. The Organisational Restructuring is a process which was commenced by the Shire Administration in January 2017. It was carefully researched and the structure considered before presentation to all Councillors in April, and provision has been included in the CBP and Budget for implementation in 2017/18. All Councillors are aware it is sensitive and confidential. Why is this confidential item listed as the 10 year Workforce Plan for discussion at a public meeting?</p> | <p>Response provided at Question 11, similar question asked by Helen Christensen.</p> |

| <b>ELECTOR</b>          | <b>QUESTION</b>   | <b>PRESIDENT'S RESPONSE</b>   |
|-------------------------|---|---|
| S Russell               | 23. If Council elects to continue drawing down on the current future funds of Tuia Lodge, how do they propose to finance the long term financial goals of Council if this facility is farmed out to a different service provider?   | <p>This is a question based on a future hypothetical scenario. The 'future funds' drawn down on for Tuia Lodge (e.g. for the building extensions in 2015) are from the Aged Care Housing Reserve. The Aged Care Housing Reserve is built up from, in large part, transfers of year-end operating surplus' from Tuia Lodge. Therefore, if Tuia Lodge is sold, the Council (in large part) doesn't need the Aged Care Housing Reserve. The whole scenario is a 'zero balance activity'.</p> <p>Just a point on this hypothetical scenario – the Shire doesn't actually own the land that Tuia Lodge sits on (it's a State Government Reserve) and the Shire couldn't, even if it wanted to, sell the Tuia Lodge site, it is vested in the Shire under a management order.</p> |
| Teede Realty (J Bailey) | 24. What will this Council do to protect the asset that is Tuia lodge from being sold?  | <p>The Shire doesn't actually own the land that Tuia Lodge sits on (it's a State Government Reserve) and the Shire couldn't, even if it wanted to, sell the Tuia Lodge site, it is vested in the Shire under a management order.</p>  |
| L Tuia                  | 25. Given in recent years a nominal amount (\$15-20k) of administration overheads were allocated / apportioned to Tuia Lodge and in the 2017-18 budget, based on a full activity based cost recovery model, the amount transferred to Tuia Lodge has blown out to more than \$350k, | <p>The Australian Accounting Standards Board, the Local Government Accounting Manual and the Local Government (Financial Management) Regulations 1996 all require local government Activity Based Costings to include the following categories only; Salaries, Superannuation, Employment Costs, Computer Costs, Office Building</p>  |

| ELECTOR             | QUESTION   | PRESIDENT'S RESPONSE   |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
|---------------------|--|--|----------|-------------------|-------|----------|----------------------------|-----------|----------------|----------------------------|----------|------------------|----------------------------|---------|----------------|------------------------------|----------|--------------------|--|---------|---------------------|------------------|---------|--------------|--|------------------|
| L Tuia              | what is the bottom-up cost items contained in this alarming number | <p>Costs and General Administration Costs.</p> <p>The breakdown of these costs for Tuia Lodge (2017/18) are as follows:</p> <table border="1" data-bbox="906 499 1383 995"> <thead> <tr> <th>Category</th> <th>Allocation Method</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Salaries</td> <td>Salaries Budgeted Reliably</td> <td>\$264,170</td> </tr> <tr> <td>Superannuation</td> <td>Salaries Budgeted Reliably</td> <td>\$31,239</td> </tr> <tr> <td>Employment Costs</td> <td>Salaries Budgeted Reliably</td> <td>\$7,762</td> </tr> <tr> <td>Computer Costs</td> <td>No. of Workstations by Dept.</td> <td>\$39,163</td> </tr> <tr> <td>Office Bldg. Costs</td> <td>M<sup>2</sup> of Floor Space By Dept.</td> <td>\$3,124</td> </tr> <tr> <td>General Admin Costs</td> <td>No FTEs By Dept.</td> <td>\$6,150</td> </tr> <tr> <td><b>TOTAL</b></td> <td></td> <td><b>\$351,608</b></td> </tr> </tbody> </table> | Category | Allocation Method | Value | Salaries | Salaries Budgeted Reliably | \$264,170 | Superannuation | Salaries Budgeted Reliably | \$31,239 | Employment Costs | Salaries Budgeted Reliably | \$7,762 | Computer Costs | No. of Workstations by Dept. | \$39,163 | Office Bldg. Costs | M <sup>2</sup> of Floor Space By Dept. | \$3,124 | General Admin Costs | No FTEs By Dept. | \$6,150 | <b>TOTAL</b> |  | <b>\$351,608</b> |
| Category            | Allocation Method  | Value  |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| Salaries            | Salaries Budgeted Reliably   | \$264,170  |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| Superannuation      | Salaries Budgeted Reliably   | \$31,239   |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| Employment Costs    | Salaries Budgeted Reliably   | \$7,762  |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| Computer Costs      | No. of Workstations by Dept.                                       | \$39,163   |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| Office Bldg. Costs  | M <sup>2</sup> of Floor Space By Dept.                             | \$3,124  |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| General Admin Costs | No FTEs By Dept.   | \$6,150  |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |
| <b>TOTAL</b>        |  | <b>\$351,608</b>   |          |                   |       |          |                            |           |                |                            |          |                  |                            |         |                |                              |          |                    |  |         |                     |                  |         |              |  |                  |

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### 3 ELECTOR VOTING - MOTIONS ON NOTICE

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The following motion was taken on notice from Mr Anthony Haygarth:

**Notice of Motion**

**Moved : A Haygarth**

**Seconded: S Russell**

**That the Electors present at this Special Meeting of Electors – held in relation to the financial processes for the adoption of the 2017/18 budget –**

**At Donnybrook on this day the 25th of September 2017, being electors of the Shire of Donnybrook Balingup, give notice to the honourable Minister for Local Government that we have no confidence in the ability of the Council (Elected Members) of the Shire of Donnybrook Balingup to provide adequate governance or administer the affairs of the shire in a sound financial manner and without placing the Shire of Donnybrook Balingup at financial risk.**

**We say that the council is divided and dysfunctional with ongoing governance issues and that the October local government elections**

**are unlikely to rectify the division without a complete spill of all councillor positions.**

**We request that on the grounds of financial risk and poor governance, the Minister acts with urgency to:**

- (1) Immediately suspend all councillors of the Shire of Donnybrook Balingup under section 8.19 of the Local Government Act 1995.**
- (2) Appoint a commissioner to administer the affairs of the Shire of Donnybrook Balingup for a period of no less than 180 days.**
- (3) Appoint an inquiry panel under section 8.16 of the Local Government Act 1995 to investigate:**
  - a. Any potential financial risk to the local authority from council's decisions and actions**
  - b. The ongoing governance issues and the actions of individual councillors in their role as administrators of the shire, with the view to referring any relevant matters to other regulators for further investigation where required.**

**Carried**

A call of hands for and against the motion was made. Mr Brian Piesse from the public gallery raised the point that, in the interest of transparency, people abstaining and the non-voting public should also be recorded. The President concurred and called for the matter to be voted on again.

**VOTE:**

**For: 134**

**Against: 21**

**Abstained or non-voter: 9**

*Tony Scaffidi*

*What will happen with the motions voted on at this meeting?*

Shire President

The motions will be voted on by Council at the next Ordinary Meeting.

*Anthony Haygarth*

*This motion will be sent directly to the Minister for Local Government. It is directed to the Minister not the Shire Council.*

Shire President

I do not have any problem with the motion being sent to the Minister.

The following motion was taken on notice from Mr Leith Crowley:

**Notice of Motion**

**Moved : L Crowley**

**Seconded: M Contarino**

**We as the Electors request that Council resolve to:**

- a. Request that the Minister for local government ask the office of The Auditor General to perform a detailed audit of the Shire’s 2017/18 Budget as adopted and the general finances as the Auditor General deems necessary.**
- b. Allow the electors the opportunity to review the results of this audit at a date and time to be advised by council prior to the mid-year budget review 2018.**

**Carried**

**VOTE:**

**For: 131**

**Against: 11**

**Abstained or non-voter: 13**

The following motion was taken on notice from Mr John Bailey:

**Notice of Motion**

**Moved : J Bailey**

**Seconded: L Tuia**

**The electors/Councillors request Council to develop and adopt a Council Policy to protect the community asset that is Tuia Lodge. If any Council decides to transfer the asset that is Tuia Lodge Council will need to gain approval via a referendum of the community.**

*Jill Duncan*

*Is the motion to go forward as the electors or Councillors or both?*

Shire President

Council will vote on the motion at the September 2017 Ordinary meeting.

*Jill Duncan*

*There is nothing stopping Council from changing a policy if they see fit.*

*Brian Piesse*

*The motion reads ‘..transfer the asset..’ transfer to who?*

*Cr Bailey*

*That would be up to the community.*

*Brian Piesse*

*'Transfer the asset' is a very wide reference and open to interpretation.*

Shire President

Cr Bailey would you like to strengthen the wording of the motion?

*Cr Bailey*

*'Transfer the asset' is a term used in real estate. I am comfortable with the wording.*

Shire President

I understand the intent is not to transfer the entity unless there has been consultation with community.

*Steve Russell*

*The idea of developing a policy is okay, just not with the current Council.*

Shire President

A policy can be changed by the vote of Council however the key point here is that community consultation would have to be undertaken prior to any decision on Tuia lodge.

*Leanne Wringe*

*By transfer do you mean sell the asset?*

Shire President

The motion indicates the entity could not be sold without first conducting a referendum or consultation with community.

*Judith Morrisey*

*I propose an amendment to the second sentence of the motion to read:*

*"If any Council decides to transfer the asset that is Tuia Lodge, including the service provider number, Council will need to gain approval via a referendum of the community."*

The amendment was accepted by the Mover and Seconder.

### Amended Motion

**Moved: J Bailey**

**Seconded: L Tuia**

**The electors/Councillors request Council to develop and adopt a Council Policy to protect the community asset that is Tuia Lodge. If any Council decides to transfer the asset, including the service provider number, that is Tuia Lodge, Council will need to gain approval via a referendum of the community.**

**Carried**

**VOTE:**

**For: 131**

**Against: 11**

**Abstained or non-voter: 13**

*Leith Crowley*

*Council does not own the service provider number; it's the decision of the Department of Health. The motion does not correctly reflect this.*

Shire President

The motion we have voted on reflects Council and communities best interests.

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### **4 CLOSURE OF MEETING**

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The President thanked electors for their attendance and contributions.

The Shire President advised that the date for the next Ordinary Council Meeting will be held on Wednesday, 27 September 2017, commencing at 5.00pm in the Seniors' Room, Donnybrook Community Library.

Shire President declared the meeting closed at 7.35pm.

|   |  |                         |
|---|--|-------------------------|
| <b>These Minutes were confirmed by the Electors as a true and accurate record at the Electors Meeting held on _____</b> |  |                         |
|   |  |                         |
| <b>Shire President</b>  |  | <b>Presiding Member</b> |

**APPENDIX 1:**

**QUESTIONS DISALLOWED BY PRESIDING MEMBER**

| <b>SUBMITTER</b> | <b>QUESTION</b>   | <b>REASON FOR DISALLOWANCE</b>  |
|------------------|---|---|
| A Haygarth       | <p>The meeting has been called to discuss complex issues including:</p> <p>(1) The future of Tuia Lodge,<br/>                     (2) The 2017/18 budget adopted budget,<br/>                     (3) Councils 10 Year Workforce Plan<br/>                     (4) Councils Long Term Financial Plan.</p> <p>The accepted and expected norm for Special Electors meetings held within this Shire is that the Shire President provides the electors with courtesy and respect. This courtesy and respect extends to providing an opportunity for all electors to gain an understanding of the relevant issues through the questions, statements and answers from other electors, councillors, CEO and staff and then being given an opportunity to seek clarity by asking further questions, and in turn, make statements or move motions. How could any fair-minded person realistically expect the electors to be in a position to provide questions, statements and motions in a formal format more than 48 hours in advance of the meeting without first having had an opportunity to gain an understanding of issues?</p> | Questions do not relate to any of the four nominated topics of the meeting. |
|                  | <p>a) Was the requirement to pre-register questions, statements and motions on notice and in writing, advertised in accordance with the local government act?</p> <p>(b) Is the President confident that the advertising process has ensured all</p>  | Questions do not relate to any of the four nominated topics of the meeting. |

| SUBMITTER  | QUESTION  | REASON FOR DISALLOWANCE  |
|------------|---|--|
| A Haygarth | <p>electors in attendance were adequately informed and given adequate notice of the unusual conditions he has imposed on the meeting?</p> <p>(c) Is this a deliberate attempt by the President, or Council as a whole, to gag the community and/or to withhold information from the community</p>   |  |
|            | <p>Do you as President believe that you are providing good governance, procedural fairness, upholding due process and functioning in an open and accountable manner in enforcing these dictatorial measures on the electors present at this meeting?</p>  | <p>Questions do not relate to any of the four nominated topics of the meeting.</p> |
|            | <p>Previous Shire Presidents have afforded the community respect and courtesy. They have run electors meetings in a democratic manner and as a forum in which electors can become informed of any relevant matters before them. Questions, statements and motions have historically been taken from the floor without notice. Where a question has not been able to be answered during the meeting, the council has taken the question on notice and undertaken to provide a formal written answer within an acceptable time-frame.</p> <p>(a) Why are you unable to comply with the historic norm for electors meetings?</p> <p>(b) Are you incapable of running such a meeting in an effective manner?</p> <p>(c) If you are incapable of chairing the meeting, have you considered appointing a competent, and perhaps independent, chairperson?</p> | <p>Questions do not relate to any of the four nominated topics of the meeting.</p> |

| SUBMITTER  | QUESTION   | REASON FOR DISALLOWANCE   |
|------------|--|---|
| A Haygarth | <p>In recent election material Councillor Bailey referred to the "need to be OPEN and ACCOUNTABLE". In a discussion I had with you, the president, outside a Donnybrook Cafe on September 12, 2017, you also made mention of the need to be open and accountable and of the need to be transparent.</p> <p>(a) Given your conduct in setting the meeting parameters for this meeting, which could be viewed by any disinterested observer as a deliberate attempt to gag the electors, along with the conduct of councillors calling the recent special council meeting without reasonable notice or a publicly advertised agenda, the attempts by some councillors to release their own abridged versions of confidential inquiries into Tuia Lodge and Councils refusal to make public the independent governance review into councillors own conduct, can you as president honestly stand before this meeting and say you are an open, transparent and accountable local government?</p> <p>(b) Is council genuinely committed to being open, accountable and transparent or simply committed to openly releasing <u>only</u> the information that supports the causes of individual councillors, personal vendettas and the character assassination of various community members in order for councillors to settle a score so to speak?</p> | <p>Questions do not relate to any of the four nominated topics of the meeting.</p>  |
| S Kapel    | <p>Why are these items on a special electors meeting agenda when they have been before Council and we elect councillors to make decisions</p>  | <p>Question does not relate to any of the four nominated topics of the meeting.</p> |

| SUBMITTER  | QUESTION   | REASON FOR DISALLOWANCE  |
|------------|--|--|
|            | for Rate payers?   |  |
| S Kapel    | What would have been the outcome for Tuia Lodge (community @ ratepayers) if Council had not taken action with Tuia Lodge Board?  | Question does not relate to any of the four nominated topics of the meeting. |
| B Anderson | In your profile for the upcoming election, you state “Governance of council’s operations is paramount, Being (sic) open and accountable is key to its success” How is disallowing questions from the floor, effectively gagging electors, providing open and accountable governance? | Question does not relate to any of the four nominated topics of the meeting. |
|            | Given that an election is imminent, will you undertake to publish on the shire website, the answers to any questions taken on notice at this meeting, at least 14 days prior to polling day?   | Question does not relate to any of the four nominated topics of the meeting  |
|            | Does the council, any councillor or any member of staff have any evidence based concerns with the past or present financial management of Tuia Lodge that would warrant a forensic audit or was this merely a final, vindictive act by one or more of the councillors?               | Question does not relate to any of the four nominated topics of the meeting. |
| A Margetts | When will this council release all information on WHY the board of Tuia lodge was sacked, to the ratepayers of Donnybrook, so that people can finally know the truth as to why council had to take this action, and in doing so, move forward insuring a good future for Tuia Lodge? | Question does not relate to any of the four nominated topics of the meeting. |
| P Gubler   | <p>My Questions are:</p> <p>1. If these allegations are true, what could the money these Councillors will make on these blocks [Lots 42-52 Victoria Parade] have been spent on, if the blocks were donated to the Community as originally intended?</p>                              | Questions do not relate to any of the four nominated topics of the meeting.  |

| SUBMITTER | QUESTION   | REASON FOR DISALLOWANCE  |
|-----------|--|--|
| P Gubler  | 2. Is it considered “pecuniary interest” when those councillors who purchased the land had access to the knowledge of the sale of land and was this declared at later meetings?  |  |
| D Gordon  | <p>Crs Dilley, Crowley and Van Der Heide chose not to attend either the Workforce Review meeting in mid-April, or any of the three Strategic Planning community workshops held in May. Yet they feel empowered to call electors to a Special Electors Meeting to discuss issues which have already been workshopped, the community has advised their wishes, and in many cases Council has voted on. Are these the same Councilors who caused mayhem in early 2015 calling for the Council to resign and hold fresh elections, simply because they did not like the results of the previous elections and the decisions of Council at that time. Tuia Lodge has not stopped providing excellent care for Donnybrook's elderly, in fact the qualified staff and services have improved, the Department of Health has issued accreditation until January 2020, and the funding of residents by the Federal Government has increased by approximately 50%, enabling Tuia Lodge to budget for a small surplus. Why do these Councillors not join the other Councillors, community members and electors at the Council workshops, rather than demanding Electors attend special meetings to hear their views?</p> | Question does not relate to any of the four nominated topics of the meeting. |
| N King    | The flier advising of the Special Electors meeting called for by Cr Leith Crowley, Cr Steve Dilley and Cr Ryan Van Der Heide states <i>"The demographic of residents within the</i>  | Question does not relate to any of the four nominated topics of the meeting. |

| SUBMITTER | QUESTION   | REASON FOR DISALLOWANCE  |
|-----------|--|--|
| N King    | <p><i>Shire of Donnybrook Balingup highlights that aged care services are essential both now and into the future. How will we pay for it now?"</i> If Crs Crowley, Dilley and Van Der Heide are so concerned about the future of aged care and health in Donnybrook, why did they not attend the Strategic Community Plan workshops to discuss what the community would like in Donnybrook in the future. There were two meetings conducted at the Donnybrook Bowling Club in May this year. Only five community members attended on both nights, and this included Cr King and myself. The issues regarding health care and aged services were discussed, but obviously not seen as a problem to these three councillors who did not promote or support health and aged care, or even bother to attend either meeting or send an apology. My question is - Are these Donnybrook councillors who chose not to represent their electors at these important meetings, or even come along to hear the electors views, really interested in the future of Donnybrook health care and aged services, or its survival as a rural town?</p> |  |
| L Tuia    | <p>Questions concerning the Jack Denning bequest to Tuia Lodge:</p> <ol style="list-style-type: none"> <li>1. What is the current balance of this bequest?</li> <li>2. Where is it held?</li> <li>3. Who controls the bequest and how?</li> </ol>  | <p>Questions do not relate to any of the four nominated topics of the meeting.</p> |

| SUBMITTER | QUESTION   | REASON FOR DISALLOWANCE   |
|-----------|--|---|
| L Tuia    | <p>4. Is the bequest interest bearing? If so at what rate?</p> <p>5. Is an annual 30 June statement of the financial position of the bequest prepared? If no, why not? If yes who prepares the statement and to whom is it distributed?</p> <p>6. What are the transactions for the financial years 2013 to 2017 inclusive for this bequest?</p>   |   |
|           | <p>Given the request from Councillor's Dilley, Crowley and Van Der Heide for a special electors meeting was dated 1 September 2017, why did it take 25 days to schedule the meeting; and why was it held on a public holiday.</p>  | <p>Question does not relate to any of the four nominated topics of the meeting.</p> |
| S Russell | <p>At the February 2017 ordinary council meeting, Council resolved to participate in the Department of Local Government (DLGC) Governance review program. The DLGC engaged the Australian Institute of Company Directors to conduct the Governance review for our Council. On the 28th June 2017, Council received and acknowledged the results of the Shire of Donnybrook-Balingup Governance review report.</p> <p>1. Given that the general public has not been made aware of the contents of this review, does the President believe Councillors have the ability &amp; vision to have a positive &amp; impartial input to the Councils 10 year workforce plan.</p> <p>2. Based on the results of the review, does the President believe that Councillors have provided good governance &amp; acted in an acceptable</p> | <p>Questions do not relate to any of the four nominated topics of the meeting.</p>  |

| SUBMITTER | QUESTION  | REASON FOR DISALLOWANCE  |
|-----------|---|--|
|           | & transparent manner whilst working on the Councils long term financial plan.   |  |
| J Bailey  | Can sections of the Health check be released to the public.   | Question does not relate to any of the four nominated topics of the meeting. |
| B Piesse  | Given the Shire’s Strategic Community Plan 2017-2027 calls for “accountable and strategic leadership; and enhanced communication and transparency” and it is now clear that it is likely that the Shire President has misled the public (electors/residents and/or ratepayers) in terms of apparent discussions held over the past 2-3 years with external parties relating to the future ownership and operation options for Tuia Lodge, would the Shire President give just reason why he should not step down immediately as Shire President?  | Questions do not relate to any of the four nominated topics of the meeting.  |
| B Piesse  | <p>Given the scathing, maybe even scandalous aspersions and claims made by Councillor Bailey in his authorized election flyer distributed during the week ending 24 September 2017 relating to the financial accountability and transparency of the current Council and by default the Executive Management Team (“In my 8 years on Council, its Council that been the problem” and “We allocate money but never scrutinise to ensure you’re getting the best value. In eight years of budgets we have never, not once, looked at how we stop the waste of ratepayer’s money”);</p> <p>1. Please provide the names of the Councillors who make up the Audit &amp; Risk Management Committee or such</p> | Questions do not relate to any of the four nominated topics of the meeting.  |

| SUBMITTER | QUESTION   | REASON FOR DISALLOWANCE |
|-----------|--|-------------------------|
| B Piesse  | <p>an equivalent, and who is the Chair?</p> <p>2. Does the Shire President and/or the Chair of the Audit and Risk Management Committee agree with the advice from Councillor Bailey and would they please advise the meeting as to what they have done to deal with Councillor's Baileys comments and concerns as circulated to electors, if in fact they represent reality in terms of the conduct of our elected representatives over the past 8 years?</p> <p>3. Given it's clear that "more of the same is not an option going forward" and given the pending Council election, if Councillor Baileys aspersions are a figment of his imagination, then what will the Shire President and the current Council do to put the record straight, so electors can cast/direct their vote towards those who are committed to becoming part of the solution to what appears to be a dysfunctional Council at this time?</p> |                         |
|           | Please change/amend line 4 to read "and by inference the Executive Management Team" as shown in the attached which replaces the words "by default."  | Late submission.        |
| S McInnes | <p>1. After all the amendments did the councillors no the rateable value when they passed the budget.</p> <p>2. With no new projects on the horizon this year justify the allocation of 95000 dollars for a project manager in this years budget.</p> <p>3. Can you explain why there are no new projects this year.</p>   | Late submission.        |

| <b>SUBMITTER</b> | <b>QUESTION</b>   | <b>REASON FOR DISALLOWANCE</b> |
|------------------|---|--------------------------------|
| S McInnes        | 4. Could you justify the increase from 15000 to 351000 in admin for tuia lodge.<br><br>5. How many times has the shire been refered to the ccc in the last 5 years. |                                |

**APPENDIX 2:**

**MOTIONS DISALLOWED BY PRESIDING MEMBER**

| <b>SUBMITTER</b> | <b>MOTION</b>  | <b>REASON FOR DISALLOWANCE</b>   |
|------------------|--|--|
| J Bailey         | That from the gathered electors a self selected group be nominated to meet with the CEO and Councillor to inspect sections of the confidential health check.   | Motion does not relate to any of the four nominated topics of the meeting. |
| T Scaffidi       | Given the recent review of Council governance by the Australian Institute of Company, which despite failed attempts by two Councillors at the Ordinary Meeting of Council dated 23 August 2017 to have the findings and recommendations released to electors before the election on October 2017, remains a secret, and given Councillor Dilley's statement on the public record, " <i>Despite the damning report, Council has failed to show any leadership or initiative to address its performance issues - therefore only ratepayers can do it. Ratepayers deserve much better performance from their Council</i> " and the alarming claims made by Cr Bailey in his election flyer circulated in the week ending 24 September 2017, electors hereby demonstrate they have lost confidence in the current Council to show good governance, strategic leadership, prudent and transparent financial management; by supporting a vote of no confidence in the current Council forthwith. | Motion does not relate to any of the four nominated topics of the meeting. |