

# SHIRE OF KOJONUP



## Council Minutes

***19<sup>th</sup> July 2011***

**SHIRE OF KOJONUP****MINUTES FOR THE COUNCIL MEETING HELD ON 19<sup>th</sup> July 2011****TABLE OF CONTENTS**

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**SHIRE OF KOJONUP****MINUTES****1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS**

The Shire President declared the meeting opened at 3:00pm and alerted the meeting of the procedures for emergencies including evacuation, designated exits and muster points and draw the meetings attention to the disclaimer below:

*Disclaimer*

*No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.*

*The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting.*

*Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.*

**2 ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE**

Cr Jill Mathwin  
Cr Ian Pedler  
Cr Frank Pritchard  
Cr John Benn  
Cr Greg Marsh  
Cr Rosemary Hewson  
Cr Michael Baulch

Mr Stephen Gash	Chief Executive Officer	
Mr Kim Dolzadelli	Manager of Corporate Services	
Mr Mort Wignall	Manager of Regulatory and Community Services	
Mr Craig McVee	Works Manager	
Mrs Heather Marland	Senior Finance Officer	
Miss Alicia Bogar	Customer Service Officer	(Entered at 3:03pm)
Visitor	Mrs Rosemary Cussons	(Entered at 3:03pm)

**APOLOGIES**

Cr Jane Trethowan                      Granted Leave of Absence at Meeting 21 June 2011

**3 PUBLIC QUESTION TIME**

Nil

**4 SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**

Nil

5 **APPLICATIONS FOR LEAVE OF ABSENCE**

**COUNCIL DECISION**

68/11 **MOVED** Cr Hewson seconded Cr Benn that Cr Marsh be granted Leave of Absence for the Council meeting to be held on 16<sup>th</sup> August 2011.

**CARRIED 7/0**

**COUNCIL DECISION**

69/11 **MOVED** Cr Benn seconded Cr Baulch that Cr Hewson be granted Leave of Absence for the Council meeting to be held on 16<sup>th</sup> August 2011.

**CARRIED 7/0**

6 **CONFIRMATION OF MINUTES**

ORDINARY MEETING 21<sup>st</sup> June 2011

Corrections:

**COUNCIL DECISION**

70/11 **MOVED** Cr Pritchard seconded Cr Hewson that the Minutes of the Ordinary Meeting of Council held on 21<sup>st</sup> June 2011 be confirmed as a true record.

**CARRIED 7/0**

3:03pm Mrs Rosemary Cussons & Miss Alicia Bogar entered the Chamber.

7 **ANNOUNCEMENTS** by the Presiding Member without discussion

4<sup>th</sup> July 2011 – The Shire President and Chief Executive Officer attended the opening of the Katanning Saleyards and subsequent lunch with the Regional Cabinet.

The Chief Executive Officer welcomed Mrs Rosemary Cussons to the meeting and thanked her for her contribution as former Manager of the Kodja Place. The Shire President then congratulated Mrs Cussons on her achievements at the Kodja Place. Mrs Cussons responded to those comments and thanked the Council.

3:04pm Mrs Rosemary Cussons left the Chamber.

8 **PETITIONS, DEPUTATIONS & PRESENTATIONS**

Nil

9 **DECLARATIONS OF INTEREST**

Nil

**10 FINANCE REPORTS****10.1 FINANCIAL MANAGEMENT – MATERIAL VARIANCES**

AUTHOR: Kim Dolzadelli - Manager Corporate Services  
DATE: Thursday, 14 July 2011  
FILE NO: FM.POL.1  
ATTACHMENT: Nil

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

Council is being asked to adopt a percentage or value to be used in Statements of Financial Activity for reporting material variances for the 2011/12 financial year.

**BACKGROUND**

Financial Management Regulation 34 (5) states:

*“Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in Statements of Financial Activity for reporting material variances.”*

The material variance is calculated by comparing budget estimates to the end of the month to actual amounts of expenditure, revenue and income to the end of the month to which the statement relates.

A further requirement is that a detailed budget review must be carried out at the close of the half - year.

Last year Council adopted a “Material” Variance figure of either \$1,000 or 8%, whichever is the greater, for each individual account. It is a requirement for Council to formally adopt its desired level of variance each year.

**COMMENT**

It is proposed that Council adopt a “Material” Variance figure of either \$1,000 or 8%, whichever is the greater, for each individual account for the 2011/12 financial year – the same level as last year.

**CONSULTATION**

None necessary.

**STATUTORY ENVIRONMENT**

Financial Management Regulation 34 contains provisions setting out the basic information, which must now be included in the monthly reports to Council.

**POLICY IMPLICATIONS**

None applicable.

**FINANCIAL IMPLICATIONS**

Nil

**STRATEGIC IMPLICATIONS**

Nil

**VOTING REQUIREMENTS - SIMPLE MAJORITY****OFFICER RECOMMENDATION**

That Council set a level of above 8%, or a minimum of \$1,000, as its adopted level of Material Variance to be used for its statements of financial activity for the 2011/12 financial year.

**COUNCIL DECISION**

**71/11 MOVED Cr Hewson seconded Cr Pritchard that Council set a level of above 8%, or a minimum of \$1,000, as its adopted level of Material Variance to be used for its statements of financial activity for the 2011/12 financial year.**

**CARRIED****7/0**

## 10.2 MONTHLY PAYMENTS LISTING

AUTHOR: Kim Dolzadelli – Manager Corporate Services  
 DATE: Thursday, 14 July 2011  
 FILE NO: FM.AUT.1  
 ATTACHMENT: 10.2 Monthly Payment Listing

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

To receive the list of payments that were made from 1<sup>st</sup> June 2011 to 30<sup>th</sup> June 2011.

**BACKGROUND**

Not applicable.

**COMMENT**

The attached list of payments is submitted for receipt by the Council.

**CONSULTATION**

No consultation was required.

**STATUTORY ENVIRONMENT**

Regulation 12(1)(a) of the Local Government (Financial Management) Regulations 1996 provides that payment may only be made from the municipal fund or trust fund if the Local Government has delegated the function to the Chief Executive Officer.

The Chief Executive Officer has delegated authority to authorise payments. Relevant staff have also been issued with delegated authority to issue orders for the supply of goods and services subject to budget limitations.

Regulation 13 of the Local Government (Financial Management) Regulations 1996 provides that if the function of authorising payments is delegated to the Chief Executive Officer then a list of payments is to be presented to the Council at the next ordinary meeting and recorded in the minutes.

**POLICY IMPLICATIONS**

Council's Policy F3 provides authorities and restrictions relative to purchasing commitments.

**FINANCIAL IMPLICATIONS**

All payments made are for items where Council has provided a budget authority.

**STRATEGIC IMPLICATIONS**

There are no strategic implications involved with presentation of the list of payments.

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

That in accordance with Regulation 13 (1) of the Local Government (Financial Management) Regulations 1996, the list of payments made under delegated authority from 01/06/2011 to 30/06/2011 comprising of Municipal Cheques 11712 to 11794, EFT's 7170 to 7338 and Internal Payment Vouchers 2704 to 2736 totalling \$924,619.22 and as attached to this agenda, be received.

**COUNCIL DECISION**

**72/11 MOVED Cr Benn seconded Cr Marsh that in accordance with Regulation 13 (1) of the Local Government (Financial Management) Regulations 1996, the list of payments made under delegated authority from 01/06/2011 to 30/06/2011 comprising of Municipal Cheques 11712 to 11794, EFT's 7170 to 7338 and Internal Payment Vouchers 2704 to 2736 totalling \$924,619.22 and as attached to this agenda, be received.**

**CARRIED****7/0**

## 10.3 FINANCIAL MANAGEMENT – 2011/2012 BUDGET ADOPTION

AUTHOR: Mr Kim Dolzadelli – Manager of Corporate Services

DATE: Thursday, 14 July 2011

FILE NO: FM.BUD.2

ATTACHMENT: Shire of Kojonup 2011/2012 Draft Annual Financial Budget

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

To consider and adopt Council's 2011/2012 Budget and to set the rates, minimums, discounts and fees and charges.

**BACKGROUND**

The Local Government Act, 1995, requires each Local Government to prepare a budget for its municipal fund for each financial year. The form, manner and content of the budget are prescribed in the Act and the Financial Management Regulations.

Council must adopt its budget by an Absolute Majority no later than 31<sup>st</sup> August in the budget year unless the Minister for Local Government has granted an extension.

**COMMENT**

Council has met previously in workshop forums to consider a draft budget, which has formed the basis of the final document. The draft annual budget for 2011/12 has been prepared in accordance with the Local Government Act 1995 and is attached for consideration and final adoption.

Balances shown in this draft annual budget as 2010/11 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

The proposed increase in 2011/12 rates is 3.6%. Shire of Kojonup rates revenue for 2011/12 has been based on total property values as at 30<sup>th</sup> June 2011 with an increase of 3.6% applied.

All Unimproved Values have been revalued by the Valuer Generals Office in accordance with relevant statutory legislation. There was an overall reduction in total Unimproved Valuation for the Shire.

Gross Rental Values for "vacant land" properties have also been revalued based upon the change from these values previously being calculated as 5% of Unimproved Capital value to now being calculated as 3% of Unimproved Capital. This has led to minimal change as the majority of these vacant land properties were already attracting the minimum land rate.

Although the UV and GRV rates in the dollar have been altered accordingly the impact on individual properties will vary based on the degree to which the new value of the property moves against the average for the Shire.

**CONSULTATION**

Council has been consulted during budget workshops to assess the priorities of proposed capital works, plant replacement, abnormal operating items, community grant process, reserve transfers and rate increase levels.

The community grants process is in its sixth year, as such conditions are known by all applicants. It was advertised and open to community groups to fund projects or programs of public benefit.

### **STATUTORY ENVIRONMENT**

Section 6.2 Local Government Act 1995

Regulations 22-33 Local Government (Financial Management Regulations) 1996

Section 6.2(1) of the Local Government Act 1995 requires that prior to 31<sup>st</sup> August 2011, Council adopt a budget for its municipal fund for the year ending 30<sup>th</sup> June 2012.

The annual budget is to incorporate:

- a) particulars of the estimated expenditure proposed to be incurred by the local government;
- b) detailed information relating to the rates and service charges which will apply to land within the district including:
  - i. the amount it is estimated will be yielded by the general rate; and
  - ii. the rate of interest (if any) to be charged by the local government on unpaid rates and service charges.
- c) the fees and charges proposed to be imposed by the local government;
- d) the particulars of borrowings and other financial accommodation proposed to be entered into by the local government;
- e) details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used;
- f) particulars of proposed land transactions and trading undertakings (as those terms are defined in and for the purpose of section 3.59) of the local government; and such other matters as are prescribed.

### **POLICY IMPLICATIONS**

Applicable policies have been considered in the preparation of the Budget.

### **FINANCIAL IMPLICATIONS**

The Budget is the instrument by which Council sets the financial priorities and is the basis of all financial decisions made by Council and Officers during the budget year.

### **STRATEGIC IMPLICATIONS**

The Budget is the key annual financial document that provides the resources for achieving Council objectives.

### **VOTING REQUIREMENTS – ABSOLUTE MAJORITY**

(Except where otherwise indicated)

### **OFFICER RECOMMENDATION**

- 1 That the proposed budget as attached (or as amended, by Council where deemed appropriate) be adopted for the 2011/2012 year and the levels of income and expenditures be authorised.
- 2 That the following rate levels be adopted for the 2011/2012 year:
  - a) For all rateable properties where Gross Rental Valuations are applied a rate of 13.0011 cents in the dollar with a Minimum Rate of \$570 to apply.
  - b) For all rateable properties where Unimproved Valuations are applied, a rate of 0.7446 cents in the dollar with a Minimum Rate of \$570 to apply.
- 3 That where payments are received after the due date, penalty interest at a rate of eleven (11%) per centum per annum, to be calculated on a daily basis will be imposed on all outstanding Rates and Service Charges.

Pensioners who are registered in accordance with the Rates Rebates and Deferrals Act 1993 are exempt from this provision.



- 4 That for those ratepayers who pay all their rates and charges and arrears in full within 14 days (5<sup>th</sup> August 2011) of the date of rate notice issue (22<sup>nd</sup> July 2011) they be offered a discount of 2.5% on the amount of their current rate charge for the 2011/2012 year.
- 5 That the following Rates Instalment payment Options be adopted:
- Option 1            Payment in full
- Total amount of rates and charges included on the rate notice to be paid in full by 26<sup>th</sup> August 2011.
- Full payments received on or before 5<sup>th</sup> August 2011 are eligible for a discount of 2.5% on the amount of their current rate charge for the 2011/2012 year.
- Option 2            Payments to be made by two (2) instalments as will be detailed on the Rates Notices with the following dates:
- First Instalment            26<sup>th</sup> August 2011  
Second Instalment        4<sup>th</sup> January 2012
- Option 3            Payments to be made by four (4) instalments, as will be detailed on the Rate Notices with the following dates:
- First Instalment            26<sup>th</sup> August 2011  
Second Instalment        25<sup>th</sup> October 2011  
Third Instalment            4<sup>th</sup> January 2012  
Fourth Instalment         6<sup>th</sup> March 2012
- 6 That where payments are made by instalment, an administration charge of \$9 for each instalment after the first instalment shall apply. Interest on instalments shall be 5.5% p.a calculated daily from the date the first instalment is due to the date of each subsequent instalment is due.
- 7 That the following Rubbish/Recycling charges be imposed for the 2011/2012 year:
- a) For 240 litre bin collection, Rubbish weekly and Recycling fortnightly a charge of \$285 per combined service per annum. In the case that the ratepayer is a registered eligible Pensioner, as determined by the Rates Rebates and Deferments Act 1993, the charge will be \$230.
- 8 That the transfers/movements to and from Reserve Accounts as detailed in Note 6 of the budget document and in accordance with Council's adopted policies, be authorised.
- 9 That the Fees and Charges as listed in Appendix G of the budget document, be imposed for the 2011/2012 year.

#### **COUNCIL DECISION**

##### **73/11 MOVED Cr Marsh seconded Cr Benn**

- 1 That the proposed budget as attached (or as amended, by Council where deemed appropriate) be adopted for the 2011/2012 year and the levels of income and expenditures be authorised.
- 2 That the following rate levels be adopted for the 2011/2012 year:
- a) For all rateable properties where Gross Rental Valuations are applied a rate of 13.0011 cents in the dollar with a Minimum Rate of \$570 to apply.

b) For all rateable properties where Unimproved Valuations are applied, a rate of 0.7446 cents in the dollar with a Minimum Rate of \$570 to apply.

- 3 That where payments are received after the due date, penalty interest at a rate of eleven (11%) per centum per annum, to be calculated on a daily basis will be imposed on all outstanding Rates and Service Charges.

Pensioners who are registered in accordance with the Rates Rebates and Deferments Act 1993 are exempt from this provision.

- 4 That for those ratepayers who pay all their rates and charges and arrears in full within 14 days (5<sup>th</sup> August 2011) of the date of rate notice issue (22<sup>nd</sup> July 2011) they be offered a discount of 2.5% on the amount of their current rate charge for the 2011/2012 year.

- 5 That the following Rates Instalment payment Options be adopted:

**Option 1          Payment in full**

Total amount of rates and charges included on the rate notice to be paid in full by 26<sup>th</sup> August 2011.

Full payments received on or before 5<sup>th</sup> August 2011 are eligible for a discount of 2.5% on the amount of their current rate charge for the 2011/2012 year.

**Option 2          Payments to be made by two (2) instalments as will be detailed on the Rates Notices with the following dates:**

First Instalment	26 <sup>th</sup> August 2011
Second Instalment	4 <sup>th</sup> January 2012

**Option 3          Payments to be made by four (4) instalments, as will be detailed on the Rate Notices with the following dates:**

First Instalment	26 <sup>th</sup> August 2011
Second Instalment	25 <sup>th</sup> October 2011
Third Instalment	4 <sup>th</sup> January 2012
Fourth Instalment	6 <sup>th</sup> March 2012

- 6 That where payments are made by instalment, an administration charge of \$9 for each instalment after the first instalment shall apply. Interest on instalments shall be 5.5% p.a calculated daily from the date the first instalment is due to the date of each subsequent instalment is due.

- 7 That the following Rubbish/Recycling charges be imposed for the 2011/2012 year:

- a. For 240 litre bin collection, Rubbish weekly and Recycling fortnightly a charge of \$285 per combined service per annum. In the case that the ratepayer is a registered eligible Pensioner, as determined by the Rates Rebates and Deferments Act 1993, the charge will be \$230.

- 8 That the transfers/movements to and from Reserve Accounts as detailed in Note 6 of the budget document and in accordance with Council's adopted policies, be authorised.

- 9 That the Fees and Charges as listed in Appendix G of the budget document, be imposed for the 2011/2012 year.

CARRIED BY ABSOLUTE MAJORITY

7/0

**11 ENGINEERING & WORKS REPORTS**

Nil

**12 ECONOMIC & ENVIRONMENTAL DEVELOPMENT REPORTS**

Nil

**13 CORPORATE & COMMUNITY SERVICES REPORTS**

Nil

**14 COMMITTEES OF COUNCIL**

Nil

**15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**16 NEW BUSINESS**

of an urgent nature, introduced by a decision of the meeting

Nil

**17 CONFIDENTIAL REPORTS****COUNCIL DECISION**

**74/11 MOVED Cr Benn seconded Cr Hewson that the meeting be closed to the public in accordance with section 5.23 (2)(a) as the item related to a matter affecting an employee.**

**CARRIED 7/0**

*3:25pm All Staff left the Chamber other than the Manager of Corporate Services, Mr Kim Dolzadelli.*

**17.1 CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW**

Confidential item attached under separate cover to consider the CEO's annual performance review.

**COUNCIL DECISION**

**75/11 MOVED Cr Hewson seconded Cr Pritchard that the meeting be opened to the public.**

**CARRIED 7/0**

*The Shire President then read aloud the following Council Decision.*

**COUNCIL DECISION**

**76/11 MOVED Cr Pedler seconded Cr Marsh that Council:**

- 1. Accept the Chief Executive Officer Performance Review for 2010/2011,**
- 2. Note the overall performance rating of the Chief Executive Officer as competent to exceeding requirements,**

- |  |
|--|
| <p>3. <b>Adopt the key performance indicator schedule for the Chief Executive Officer for 2011/2012, and</b></p> <p>4. <b>Endorse a 4% increase to the Chief Executive Officers cash remuneration.</b></p> |
|--|

**CARRIED 7/0**

**18 NEXT MEETING**

Tuesday, 16<sup>th</sup> August 2011 commencing at 3:00pm.

**19 CLOSURE**

There being no further business to discuss, the President thanked the members for their attendance and declared the meeting closed at 3:31pm.

**20 APPENDICES AND TABLED DOCUMENTS**

**21 ATTACHMENTS**

Item 10.2	Monthly Payment Listing 1 <sup>st</sup> June 2011 to 30 <sup>th</sup> June 2011
Item 10.3	Shire of Kojonup 2011/2012 Draft Annual Financial Budget
Item 17.1	Confidential Report – CEO Performance Review

\_\_\_\_\_  
Presiding Member

\_\_\_\_\_  
Date