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- NOTE:
- a) The Council Committee Minutes Item numbers may be out of sequence. Please refer to Section 10 of the Agenda – Information Report - Committee Decisions Under Delegated Authority for these items.
 - b) Declaration of Councillors and Officers Interest is made at the time the item is discussed.

MINUTES OF THE SPECIAL COUNCIL MEETING HELD IN THE COUNCIL CHAMBERS, 6 PATERSON STREET MUNDIJONG ON FRIDAY, 18TH JULY 2008. THE PRESIDING MEMBER DECLARED THE MEETING OPEN AT 9.14AM AND WELCOMED COUNCILLORS AND STAFF.

1. ATTENDANCE & APOLOGIES:

IN ATTENDANCE:

COUNCILLORS: DL Needham Presiding Member
JE Price
MJ Geurds
M Harris
WJ Kirkpatrick
EE Brown
C Randall
S Twine
C Buttfield
KR Murphy

OFFICERS: Ms J Abbiss Chief Executive Officer
Mr A Hart Director Corporate Services
Ms C Mihovilovich Manager Finance
Mr B Gleeson Director Development Services
Mrs S van Aswegen Director Strategic Community Planning
Ms A Nolan Manager Executive Services
Mrs L Loder Personal Assistant to Director Corporate Services
Ms B Robertson Co-ordinator Financial Services
Mrs L Fletcher Minute Secretary

APOLOGIES: Nil

GALLERY: Nil

2. PUBLIC QUESTION TIME:

Nil

2.1 Response To Previous Public Questions Taken On Notice

Nil

3. PUBLIC STATEMENT TIME:

Nil

4. PETITIONS & DEPUTATIONS:

Nil

5. PRESIDENT'S REPORT:

Nil

6. DECLARATION OF COUNCILLORS AND OFFICERS INTEREST:

Nil

7. RECEIPT OF MINUTES OR REPORTS AND CONSIDERATION OF ADOPTION OF RECOMMENDATIONS FROM COMMITTEE MEETINGS HELD SINCE THE PREVIOUS COUNCIL MEETINGS:

Nil

8. RECEIPTS OF MINUTES OR REPORTS AND CONSIDERATION FOR RECOMMENDATIONS:

SCM001/07/08		ADOPTION OF 2008/2009 STATUTORY BUDGET (A1512)	
Proponent:	Serpentine Jarrahdale Shire	In Brief Council adopt the proposed 2008/2009 statutory budget.	
Officer:	Casey Mihovilovich – Manager Financial Services		
Signatures Author:			
Senior Officer:	Alan Hart – Director Corporate Services		
Date of Report			
Previously			
Disclosure of Interest	No officer involved in the preparation of this report is required to declare an interest in accordance with the provisions of the Local Government Act 1995		
Delegation	Council		

Background

Section 6.2 of the Local Government Act 1995 requires local governments to prepare an annual budget not later than 31st August in each financial year. The local government is to prepare and adopt the budget in the form and manner prescribed and by absolute majority.

In the preparation of the budget the local government is to have regard to the contents of the plan for the future/forward financial plan accepted under section 5.58 and is to prepare a detailed estimate for the current year of:

1. The expenditure by the local government,
2. The revenue and income, independent of general rates, and
3. The amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue.

The budget is to incorporate:

1. Particulars of the estimated expenditure to be incurred by the local government;
2. Detailed information relating to the rate and service charges which will apply to land within the district, including the estimated amount to be yielded by the rate and the rate of interest to be charged by the local government on unpaid rates and service charges;
3. The fees and charges proposed to be imposed;
4. The particulars of borrowings and other financial accommodation proposed;
5. Details of the amounts to be set aside in, or used from, reserve accounts and the purpose for which they are to be used;
6. Particulars of proposed land transactions and trading undertakings; and
7. Such other matters as prescribed.

Sustainability Statement

This budget aims to achieve a balance between required services and infrastructure improvement projects for the community. It demonstrates the allocation of scarce resources in an efficient and effective manner to provide the outcomes expected by the community and considers the Forward Financial Plan 2006 – 2016 adopted by Council in July 2006 and reviewed in June 2007.

Statutory Environment:

Section 6.2 of the Local Government Act 1995 requires local governments to adopt a budget prior to 31 August each financial year.

Policy/Work Procedure Implications:

There is no work procedures/policy implications directly related to this application/issue.

Financial Implications:

The proposed budget is presented as a balanced budget. The rates increase provides the minimum requirement from the community to fund all of the services provided within the document.

Strategic Implications:

This proposal relates to the following Key Sustainability Result Areas:-

1. People and Community

Objective 1: Good quality of life for all residents

Strategies:

1. Provide recreational opportunities.
2. Develop good services for health and well being.
3. Retain seniors and youth within the community.
4. Respect diversity within the community.
5. Value and enhance the heritage character, arts and culture of the Shire.

Objective 3: High level of social commitment

Strategies:

1. Encourage social commitment and self determination by the SJ community.
2. Build key community partnerships.

2. Environment

Objective 1: Protect and repair natural resources and processes throughout the Shire

Strategies:

1. Increase awareness of the value of environmental requirements towards sustainability.

Objective 2: Strive for sustainable use and management of natural resources

Strategies:

1. Implement known best practice sustainable natural resource management.
3. Reduce waste and improve recycling processes

3. Economic

Objective 1: A vibrant local community

Strategies:

1. Attract and facilitate appropriate industries, commercial activities and employment.
3. Develop tourism potential.

Objective 2: Well developed and maintained infrastructure to support economic growth

Strategies:

1. Improved freight, private and public transport networks.
2. Consider specific sites appropriate for industry /commercial development.

4. Governance

Objective 1: An effective continuous improvement program

Strategies:

1. Identify and implement best practice in all areas of operation.
2. Promote best practice through demonstration and innovation.
3. Regularly update information services and IT capacity to support programs and projects.
4. Balance resource allocation to support sustainable outcomes.

Objective 3: Compliance to necessary legislation

Strategies:

1. Ensure development and use of infrastructure and land complies with required standards.
2. Develop a risk management plan.
3. Comply with State and Federal policies and Legislation and the Local Government Act in the most cost-effective way.

Community Consultation:

Differential Rate Submissions

A twenty-one (21) day community consultation period was undertaken on the proposed differential rate strategy to be imposed for the 2008/2009 rating year. No submissions have been received on the differential rating strategy during the consultation period.

Comment:

The budget has been developed in accordance with the Forward Financial Plan adopted by Council in July 2006 and reviewed in June 2007. The proposed budget presented this year has been based on a 9% general rate increase and provides for a balanced budget.

A copy of the draft 2008/2009 Budget, is included with the attachments and marked SCM001.1/07/08 (E08/3645).

A copy of the draft Schedule of Fees and Charges, is included with the attachments and marked SCM001.2/07/08 (E08/3646).

It is recommended that Council have a rate payment incentive draw. If the payment of rates is made in full by the due date, being 35 days after date of issue, the resident will go into the draw to win \$1,000. Staff will confirm eligibility by ensuring a valid payment has been made (not dishonoured or rejected) by the specified time. It is hoped that the incentive prize draw may encourage ratepayers in the prompt payment of their rates account.

Differential Rate Submissions

The advertising period for submissions relating to the Differential Rating Strategy closed on 15 July 2008. No submissions have been received.

The 2008/2009 draft budget, with a 9% rate increase, aims to maintain current service levels, meet growth pressures and deliver a robust capital expenditure program for the benefit of the wider community.

One change required from the Differential Rating Strategy adopted by Council and advertised is the Rowley Road Units rate in the dollar. As part of Council's rating history the Rowley Road Units are set at the same rate in the dollar as the Residential rate regardless of the zero base result. The Rowley Road Units rate in the dollar was advertised at 9.5345 cents in the dollar; however, it should be adjusted to the residential rate of 8.5345 cents in the dollar.

Voting Requirements: ABSOLUTE MAJORITY

Officer Recommended Resolution:

That Council:

1. In accordance with Sections 6.32 and 6.33 of the Local Government Act 1995 imposes differential rates for the 2008/2009 financial year.
2. In accordance with Sections 6.32, 6.35 and 6.36 of the Local Government Act 1995, and subject to Ministerial approval being granted, imposes the following differential rates in the 2008/2009 statutory budget:

2008/2009 DIFFERENTIAL RATES			
DIFFERENTIAL RATE CATEGORY	UV RATE CENTS IN THE DOLLAR	GRV RATE CENTS IN THE DOLLAR	MIN RATE \$
Rural	0.2106		795
Rural Living	0.2502		795
Residential		8.5345	795
Residential/Vacant		9.6221	770
Commercial		9.2798	795
Public Purpose	0.4212		795
Special Residential		9.2549	795
Special Residential/Vacant		9.6221	795
Light Industry		10.3724	795
Residential Composite		10.3724	795
Units-Rowley Road		8.5345	581
Intensive Farming	0.7210		795
Farmland	0.1453		795
Conservation	0.1053		795
Mining Tenements	1.1654		954

3. Specified Area Rate – Chestnuts

In accordance with Section 6.37 of the Local Government Act 1995 levy a Specified Area Rate on properties within the Chestnuts Subdivision to cover the cost of drainage maintenance and the rate in the dollar be set at \$0.6368.

4. Payment Incentives

In accordance with the provisions of Section 6.46 of the Local Government Act 1995, offer the following incentive for the payment of rates and charges:

- (i) Full Payment:-

Full payment of all current and arrears of rates, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) within thirty-five (35) days of the issue date on the annual rate notice:-

- Eligibility to enter the incentive draw

5. Payment Options

In accordance with Section 6.45 of the Local Government Act 1995, offer the following instalment options for the payment of rates:-

(i) One Instalment

Payment in full within thirty-five (35) days of the date of issue of the annual rate notice.

(ii) Two Instalments

The first instalment of 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, plus the total outstanding arrears payable within thirty-five (35) days of the date of issue of the annual rate notice.

The second instalment of 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, plus the total outstanding arrears payable sixty-three (63) days after the due date of the first instalment.

(iii) Four Instalments

The first instalment of 25% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, plus the total outstanding arrears payable within thirty-five (35) days of the date of issue of the annual rate notice.

The second, third and fourth instalments each of 25% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, payable as follows:

- Second instalment sixty-three (63) days after the due date of the first instalment;
- Third instalment sixty-three (63) days after the due date of the second instalment;
- Fourth instalment sixty-three (63) days after the due date of the third instalment.

6. Late Payment Interest

In accordance with the provisions of Section 6.13 and 6.51 of the Local Government Act 1995, impose interest on all arrears and current charges in respect of general rates, domestic refuse charges and private swimming pool inspection fees (including GST where applicable) at a rate of 11% per annum, calculated on a simple interest basis on arrears amounts that remain unpaid and current amounts that remain unpaid after thirty-five (35) days from the date of issue of the annual rate notice, or the due date of the instalment and continues until the instalment is paid in full.

Excluded are deferred rates, instalment current amounts not yet due under the four (4) instalment payment option, registered pensioner portions and current government pensioner rebate amounts.

7. Instalment and arrangement Administration fees and interest charges

In accordance with the provisions of Section 6.45 of the Local Government Act 1995, for the 2008/2009 financial year, impose the following administration fees and charges for payment of rates, domestic refuse charges and private swimming pool inspection fees (inclusive of GST):-

(i) Two Instalment option

An administration fee of \$10 for instalment two (2), together with an interest charge of 5.5% per annum, calculated on a simple interest basis on 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) calculated thirty-five (35) days from the date of issue of the annual rate notice to sixty-three (63) days after the due date of the first instalment.

(ii) Four Instalment option

An administration fee of \$10 for each of instalments two (2), three (3) and four (4), together with an interest charge of 5.5% per annum, calculated on a simple interest basis on:-

- 75% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) calculated thirty-five (35) days from the date of issue of the annual rate notice to sixty-three (63) days after the due date of the first instalment;
- 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) calculated from the due date of the second instalment to the due date of the third instalment;
- 25% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) calculated from the due date of the third instalment to the due date of the fourth instalment;

8. Accrual of interest on overdue rates

Apply a penalty interest of 11% per annum to overdue rates in the 2008/2009 rating year.

9. Accrual of interest on outstanding debtors

Apply a penalty interest of 11% per annum to overdue debtors in the 2008/2009 financial year.

10. 2008/2009 Municipal Fund Budget

Adopt the 2008/2009 Municipal Budget, in the form of the Operating Statement, Cash Flow Statement, Rate Setting Statement and notes thereto, as presented at *Attachment SCM001.1/07/08*.

11. Authority to call tenders

Delegate authority to the Chief Executive Officer to invite tenders for works and services in the statutory 2008/2009 budget, where required, in accordance with the provisions of the Local Government Act 1995.

12. Fees and Charges

Adopt the Schedule of Fees and Charges for 2008/2009, as presented at *Attachment SCM001.2/07/08*.

13. Domestic Refuse Charges

Pursuant to the provisions of Division 5 of Part IV of the Health Act (as amended), impose a charge of \$195.00 for the collection of domestic refuse for the 2008/2009 financial year.

- | | | |
|-------|--|----------|
| (i) | Per existing service | \$223.00 |
| (ii) | Rowley Road Units per service | \$ 83.60 |
| (iii) | New refuse service (pro-rata) | \$223.00 |
| (iv) | \$20 per domestic refuse charge to be transferred into the Waste reserve | |

14. Monthly Financial Report

- a) In accordance with Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996, adopt the material variance of 10% or greater.
- b) Applies the 10% or greater material variance to total revenue and expenditure of each program in the statement of financial activity, forming part of the monthly financial report.

SCM001/07/08 COUNCIL DECISION:

**Moved Cr Murphy, seconded Cr Twine
That Council:**

1. In accordance with Sections 6.32 and 6.33 of the Local Government Act 1995 imposes differential rates for the 2008/2009 financial year.
2. In accordance with Sections 6.32, 6.35 and 6.36 of the Local Government Act 1995, and subject to Ministerial approval being granted, imposes the following differential rates in the 2008/2009 statutory budget:

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4. Payment Incentives

In accordance with the provisions of Section 6.46 of the Local Government Act 1995, offer the following incentive for the payment of rates and charges:

- (i) Full Payment:–

Full payment of all current and arrears of rates, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) within thirty-five (35) days of the issue date on the annual rate notice:-

- **Eligibility to enter the incentive draw**
- **Council employees and Councillors are ineligible to enter the draw**

5. Payment Options

In accordance with Section 6.45 of the Local Government Act 1995, offer the following instalment options for the payment of rates:-

(i) One Instalment

Payment in full within thirty-five (35) days of the date of issue of the annual rate notice.

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The second instalment of 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, plus the total outstanding arrears payable sixty-three (63) days after the due date of the first instalment.

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6. Late Payment Interest

In accordance with the provisions of Section 6.13 and 6.51 of the Local Government Act 1995, impose interest on all arrears and current charges in respect of general rates, domestic refuse charges and private swimming pool inspection fees (including GST where applicable) at a rate of 11% per annum, calculated on a simple interest basis on arrears amounts that remain unpaid and current amounts that remain unpaid after thirty-five (35) days from the date of issue of the annual rate notice, or the due date of the instalment and continues until the instalment is paid in full.

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- 75% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) calculated thirty-five (35) days from the date of issue of the annual rate notice to sixty-three (63) days after the due date of the first instalment;
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| (v) | \$20 per domestic refuse charge to be transferred into the Waste reserve | |

14. Monthly Financial Report

- a) In accordance with Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996, adopt the material variance of 10% or greater.
- b) Applies the 10% or greater material variance to total revenue and expenditure of each program in the statement of financial activity, forming part of the monthly financial report.

15. The budget items Rowley Road, Blair to Tonkin (\$500 000) and Thomas Road, (intersection Kargotich Road \$198 000) not be actioned until consultation is held with the appropriate government authorities as to, in the case of Rowley Road, plans, for the future of that road and, in the case of Thomas Road, whether the Water Corporation is responsible for the cost of repairs to the bridge over the Water Corporation drain and to determine if Main Roads WA is responsible for the costs of the intersection works arising from the bridge works.

16. Reports are to be brought to Council in relation to part 15 for its consideration before any works are actioned, with a view to maintaining current levels of expenditure on roads.

CARRIED 10/0 ABSOLUTE MAJORITY

Council Note: The Officer Recommended Resolution was changed by adding to Part 4 that Council employees and Councillors are ineligible to enter the draw, a correction to Part 13 imposing a charge of \$223.00 for the collection of domestic refuse and a new Part 15 and 16.

9. MOTIONS OF WHICH NOTICE HAS BEEN GIVEN:

Nil

10. CHIEF EXECUTIVE OFFICER'S REPORT:

Nil

11. URGENT BUSINESS:

Nil

12. COUNCILLOR QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN:

Nil

13. CLOSURE:

There being no further business, the meeting closed at 9.20am.

I certify that these minutes were confirmed at the
Ordinary Council meeting held on 28 July 2008.

.....
Presiding Member

.....
Date