



Shire of  
Serpentine  
Jarrahdale

# **SPECIAL COUNCIL MEETING Minutes**

**Wednesday, 25 June 2014  
6.00pm**

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**NOTE:**     a)     **Declaration of Councillors and Officers Interest is made at the time the item is discussed.**

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Minutes of the Special Council Meeting held in the Council Chambers, 6 Paterson Street, Mundijong on Wednesday 26 June 2014. The Shire President declared the meeting open at 6.00pm and welcomed Councillors, staff and members of the gallery.

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## 1. Attendances and apologies (including leave of absence):

### In Attendance:

**Councillors:** K Ellis ..... Presiding Member  
S Piipponen  
J Erren  
S Hawkins  
B Moore  
B Urban  
J Kirkpatrick  
J Rossiter  
G Wilson

**Officers:** Mr R Gorbunow ..... Chief Executive Officer  
Mr A Hart ..... Director Corporate and Community  
Mr B Gleeson..... Director Planning  
Ms C Mihovilovich..... Manager Finance and Customer Service  
Ms K Peddie ..... Executive Assistant to the CEO

**Apologies:** Mr G Allan ..... Director Engineering

**Observers:** Nil

Members of the Public – 3

Members of the Press – 1

**Leave of Absence:** Nil

## 2. Public Question Time:

**Public Question and Statement time commenced at 6.01pm**

**Mr Tom Hoyer, 7b Nettleton Road, Karrakup, WA, 6122**

Question 1

As a member of the public when I see the agenda about budget line items, there is no amount listed under the business and tourism promotion. Can I assume that the \$40,000 alluded to in discussion is actually allocated to this item?

*Response:*

*Funds have been allocated for that line item, however Council have yet to make a decision on how those funds will be allocated.*

## 3. Public Statement Time:

**Mr Tom Hoyer, 7b Nettleton Road, Karrakup, WA, 6122**

In 2013, a proposal to advance the economic, business and tourism part of the Shire's Plan for the Future priorities was presented. A business case was offered that indicated a significant value adding outcome could be achieved for what is now seen to be a minimum amount of budget funding, \$40,000. The approach was presented in an environment of trust and competence. Finally the challenge for the project was to find a paid professional person to provide services for the project. We have achieved this outcome and from there the many successes to date.

This is not a project that you can expect volunteers to do, yet I get the feeling that this is what is expected from Council. Is this fair or reasonable or reflective of the importance of your Plan for the Future priority?

I remind Councillors that if the Shire was to take up this part of the Plan for the Future priority, you would have to employ a professional person, that's around \$100,000 plus car. As with the Community Resource Centre, other human resources, probably the Community Development people, media and communications officers would have to be added resources and cost to the roles, say about \$100,000 and then there are the related sundowners and database collations, the website and Facebook communication activities, the venue and event costs of around 8 per year, say another \$100,000. And these are conservative amounts. If the Shire means business in this area, but the Shire is not doing this work, it has entered into a partnership agreement with the Serpentine Jarrahdale Community Resource Centre and the Serpentine Jarrahdale Business and Tourism group to progress this priority area.

With respect, the Shire President and others have made much of the business experience and acumen currently vested in the Councillor group. Surely Councillors can accept that we do have an economic platform in the Shire that needs to be promoted and development. This work that is being done and the achievements that are being displayed are directly related to their own business experience and elected member expectations.

But I see limited acknowledgement and recognition of our work and of the project. Further, I see a disconnect between the words being disseminated publically by the Shire and the real project activities in our community. I am talking about a core representative and legacy issue here. The economy and the economic wellbeing of our Shire community.

The real questions for me is what is the economic legacy you leave the Serpentine Jarrahdale community should the amalgamation proposal come to pass. Do you leave an engaged, linked and vibrant business and tourism sector that despite an amalgamated outcome will continue to serve our local towns and localities well, or not.

Frankly, I stand here, a mere 30 to 40 meters away from the Community Resource Centre building and I rarely see any Councillors or officers. Over the last two months we have invited Councillors and others to join us for a briefing. The majority of you did not attend. The Community Resource Centre has sent through monthly reports and we are required to formally report at the close of the first year. And yet here I stand with a degree of apprehension and frustration about the recalcitrant nature of the decision making process when it comes to this important issue.

I am pleased to observe that the budget does show recognition for this important area. This does suggest that a second year of funding under the Memorandum of

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Understanding will occur. However, we made a mistake in our initial approach. Up to half of the first amount was used as set up costs. This has affected our capacity to move forward in the manner we would have liked.

Please be advised that Serpentine Jarrahdale Community Resource Centre will be requesting an early release of these funds to enable the project and events to proceed with interruption. I am sure that if the Council can find \$100,000 to fund the amalgamation fight, then it can also find the funds to allow this project to proceed.

**Public Question and Statement time commenced at 6.05pm**

#### **4. Petitions and Deputations:**

Nil

#### **5. Declaration of Councillors and Officers Interest:**

Nil

#### **6. Receipts of Minutes or Reports and Consideration for Recommendations:**

Nil

## 7. Motions of Which Notice Has Been Given:

<b>SCM006/06/14</b>	<b>Adoption of the 2014/2015 Statutory Budget (SJ1276)</b>
Author:	Casey Mihovilovich, Manager Finance & Customer Services
Senior Officer/s:	Alan Hart, Director Corporate & Community
Date of Report:	12 June 2014
Disclosure of Officers 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

### Introduction

Council is requested to adopt the statutory budget for the 2014/2015 financial year, including supporting reports, imposition of rates and minimum payments, adoption of fees and charges, setting of elected members fees for the year and other matters arising from the budget report.

### Background:

Section 6.2 of the *Local Government Act 1995* requires local governments to prepare an annual budget not later than 31 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 under section 5.56 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.

### Relevant Previous Decisions of Council:

There is no previous Council decision relating to this issue.

### Community / Stakeholder 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 2014/2015 rating year. The advertising period for submissions relating to the Differential Rating Strategy closed on 11 June 2014.

No comments were received during the period.

**Comment:**

At the Special Council Meeting held on 14 May 2014, Council resolved to advertise its intention to increase differential rates by 7%. Section 6.36(1) of the *Local Government Act 1995*, states that the local government is to give local public notice of its intention to impose rates. The submission period closed on 11 June 2014.

The Budget document will be published on the Shire's website after it has been adopted by Council and hard copies will be available from the Shire Office. Included with the rates notice will be an information brochure which will provide a brief snapshot of the 2014/2015 Annual Budget.

To encourage ratepayers to pay their rates on or before the due date, it is recommended that Council have a rate payment incentive draw. If the payment of rates is made in full by the due date, the ratepayer will go into the draw to win two prizes of;

1. First prize: \$1,000, 3 month gym membership at the Serpentine Jarrahdale Recreation Centre, and a double pass to the West Australian Symphony Orchestra (WASO).
2. Second prize: \$1,000 and a double pass to the West Australian Symphony Orchestra (WASO).

By paying on time, you will automatically go into the draw to win.

Note: Eligibility will be confirmed by ensuring that a valid payment has been made (not dishonoured or rejected) by the specified time. Councillors and staff will be ineligible for the draw.

The 2014/2015 draft budget aims to maintain current service levels and deliver an essential capital expenditure program. New projects include:

- \$5.4 million of infrastructure upgrade.
- \$180,000 towards the locality funding project.
- Percy's Park basketball playing area.
- ANZAC memorial in Mundijong.
- Briggs Park Pavilion Toilet Upgrade.
- Mundijong Pavilion upgrade.
- Airconditioning at Eric Senior Pavilion.
- Byford Country Club.
- Serpentine Skate Park.
- Forest Green Reserve play equipment.
- Serpentine St John Ambulance building.
- Stage one Kalimna Oval Club Facility.
- Subsoil drains and turf renovations at Briggs Park Lower Oval.
- Keysbrook playground.
- Hopeland playground.
- Byford and Districts BMX track.
- Fair value and insurance valuations for road infrastructure owned by the Shire as per statutory requirements.
- Lobbying for Local Government Reform.
- Stakeholder events.
- Business continuity plan and risk assessment.

- Tourism and Small Business promotion.
- Feasibility studies for youth, and oval facilities.
- \$40,000 towards Community Funding program.
- \$61,000 towards Community events.
- \$16,000 towards Community groups insurance.
- Planning projects for Mundijong Structure Plan implementation, Local Planning Strategy, Byford Town Centre implementation, Population Projections program, Serpentine District Structure Plan implementation, Mundijong West Industrial area and Rural Strategy.
- \$3.4 million on routine road maintenance.
- \$1.1 million on reserve maintenance.

A media release will be issued once the budget is adopted to inform stakeholders of the projects outlined in 2014/2015.

It is recommended that the 2014/2015 Annual Budget be adopted by Council.

**Attachments:**

- [SCM006.1/06/14](#) - Draft 2014/2015 Budget (E14/2879)
- [SCM006.2/06/14](#) - 2014/2015 Schedule of Fees and Charges (E14/2878)

**Alignment with our Strategic Community Plan:**

Objective 1.1	Strong Leadership
Key Action 1.1.1	Drive a continuous improvement, 'can-do' and creative work culture.

Objective 1.2	Progressive Organisation
Key Action 1.2.4	Provide robust reporting that is relevant, transparent and easily accessible by staff and the community.
Key Action 1.2.6	Comply with all legislative and statutory requirements.

Objective 2.1	Responsible Management
Key Action 2.1.1	Undertake best practice financial and asset management.

Objective 2.4	Business Efficiency
Key Action 2.4.1	Ensure projects and goals are realistic and resourced, and that full costs are known before decisions are made.
Key Action 2.4.2	Critically examine service delivery to ensure efficiency and effectiveness.

**Statutory Environment:**

Section 6.2 of the Local Government Act 1995 requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the Local Government Act 1995 refer to the setting of budgets and raising of rates and charges. The Local Government (Financial Management) Regulations 1996 details the form and content of the budget. The draft 2014/2015 budget as presented is considered to meet statutory requirements.



**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.

**Voting Requirements:** Absolute Majority

**SCM006/06/14 COUNCIL DECISION / Officer Recommendation:**

Moved Cr Ellis, seconded Cr Wilson

That Council:

1. In accordance with Sections 6.32 to 6.36 of the *Local Government Act 1995* imposes the following differential rates in the 2014/2015 statutory budget:

Differential Rating 2014/2015			
Categories	UV Rate in Cents	GRV Rate in Cents	Minimum Rate
Residential		8.2914	\$1,000
Residential Vacant		13.6612	\$1,050
Commercial/Industrial		7.8827	\$1,180
Rural	0.3107		\$1,180
Rural Living	0.3516		\$1,180
Intensive Farming	0.9748		\$1,180

2. In accordance with Section 6.47 of the *Local Government Act 1995* provide the following concessions:

- 31% off the rural rate in the cents for properties that meet the Farmland Concession eligibility criteria set out in Council Policy SEG01.
- 50% off the rural rate in the cents for properties that meet the Conservation Concession eligibility criteria.

3. **Sitting Fees, President and Deputy President Allowance**

In accordance with the provisions of Section 5.98 of the *Local Government Act 1995* and Section 7B of the *Salaries and Allowances Act 1995*, Council make payments for:

- a) Councillor Sitting Fees - \$15,500 per year for annual meeting attendance fees (excluding the President).
- b) President Sitting Fees - \$24,000 per year for annual meeting attendance fee.
- c) Presidents Allowance – 0.002 of the local government’s operating revenue for 2013/2014 financial year, up to \$35,000, which is the maximum annual local government allowance as per Band 3 as prescribed by Section 7B of the *Salaries and Allowances Act 1975*.
- d) Deputy Presidents Allowance - 25% of the Presidents allowance.
- e) Information and Communication Technology (ICT) Allowance - \$3,500 per year per Councillor.

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:

**Full Payment:**

Full payment of all current and arrears of rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST), and Emergency Services Levy (ESL) by 14 August 2014 (thirty five days after the issue date on the annual rate notice).

To be eligible and to enter the draw to win two prizes of

First prize: \$1,000, 3 month gym membership at the Serpentine Jarrahdale Recreation Centre, and a double pass to the West Australian Symphony Orchestra (WASO).

Second prize: \$1,000 and a double pass to the West Australian Symphony Orchestra (WASO).

By paying on time, you will automatically go into the draw to win.

**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:

**a) One instalment**

- Payment in full by 14 August 2014.

**b) Two instalments**

- The first instalment of 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST), and Emergency Services Levy (ESL) and instalment charge, plus the total outstanding arrears payable by 14 August 2014.
- The second instalment of 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST), and Emergency Services Levy (ESL) and instalment charge, plus the total outstanding arrears payable by 14 October 2014.

**c) Four instalments**

- The first instalment of 25% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST), and Emergency Services Levy (ESL) and instalment charge, plus the total outstanding arrears payable by 14 August 2014.
- 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 Emergency Services Levy (ESL) and instalment charge, payable as follows:
  - Second instalment due 14 October 2014
  - Third instalment due 15 December 2014
  - Fourth instalment due 16 February 2015

**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), and Emergency Services Levy

**(ESL) 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 14 August 2014, 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 2014/2015 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), and Emergency Services Levy (ESL):**

**a) 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 the due date of the second instalment.**

**b) 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), and Emergency Services Levy (ESL) calculated thirty-five (35) days from the date of issue of the annual rate notice to the due date of the second instalment;**
- 50% of the total current rates, domestic refuse charge, private swimming pool inspection fees (inclusive of GST), and Emergency Services Levy (ESL) 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), and Emergency Services Levy (ESL) 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 2014/2015 rating year.**

**9. Accrual of interest on outstanding debtors**

**Apply a penalty interest of 11% per annum to overdue debtors in the 2014/2015 rating year.**

**10. 2014/2015 Municipal Fund Budget**

**Adopt the 2014/2015 Municipal Budget, in the form of the Operating Statement, Cash Flow Statement, Rate Setting Statement and notes as presented.**

**11. Authority to call tenders**

Delegate authority to the Chief Executive Officer to invite tenders for works and services in the 2014/2015 Statutory 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 2014/2015, as presented.

**13. Domestic Refuse Charges**

Pursuant to section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, Council impose the following charges for the removal and deposit of domestic waste for the 2014/2015 financial year:

Rubbish Collection Service	Annual Fee
1st service and subsequent services 140L rubbish and 240L recycle	\$350
1st service and subsequent service 240L rubbish and 240L recycle	\$412
1st service and subsequent service – upgrade of one existing 140L to 240L rubbish	\$65
2nd service 2 x 140L rubbish only	\$287
2nd service 2 x 240L rubbish only	\$412
2nd service 2 x 240L recycle	\$412
2nd service 1 x 140L rubbish only	\$144
2nd service 1 x 240L rubbish only	\$207
2nd service 1 x 240L recycle only	\$207
Rowley Road Units (140L rubbish and 240L recycle)	\$131
Domestic refuse charge to be transferred into the Waste reserve (per service)	\$32

**14. Swimming Pool Charges**

Council adopts a swimming pool inspection fee of \$25 inclusive of GST for the 2014/2015 financial year.

**15. Any additional carried forward surplus from savings from the 2013/2014 financial year over and above the amount included in the 2014/2015 budget will reduce the proposed loan borrowing of the loan for Road Construction 2014/2015.**

**16. Remove Jarrahdale Heritage Park as a major land transaction until such time as Council decide to review the Jarrahdale Heritage Park Business Plan.**

**17. 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*, resolve to receive the Monthly Financial Report by Business Unit.

b) 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.

c) Applies the 10% or greater material variance to total revenue and expenditure of each Directorate in the statement of financial activity, forming part of the monthly financial report.

**CARRIED BY ABSOLUTE MAJORITY 9/0**

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## 8. Urgent Business:

Nil

## 9. Closure:

There being no further business the Presiding Member declared the meeting closed at 6.10pm.

I certify that these minutes were confirmed at the  
Ordinary Council Meeting held on 14 July 2014.

.....  
Presiding Member

.....  
Date