



Shire of  
**Chapman Valley**  
*Love the Rural Life*

## SPECIAL COUNCIL MEETING

Notice is hereby given that a Special Meeting  
of Council will be held on 28<sup>th</sup> July 2016  
at the Council Chambers, Nabawa, commencing at 9:00am.

Maurice Battilana  
CHIEF EXECUTIVE OFFICER

# **CONFIRMED MINUTES**

**28 JULY 2016**

## DISCLAIMER



No responsibility whatsoever is implied or accepted by the Shire of Chapman Valley for any act, omission or statement or intimation occurring during Council Meeting. The Shire of Chapman Valley disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Chapman Valley warns that anyone who has any application or request with the Shire of Chapman Valley must obtain and should rely on WRITTEN CONFIRMATION of the outcome of the application or request of the decision made by the Shire of Chapman Valley.

A handwritten signature in black ink, appearing to read 'M. Battilana', is written over a large, stylized, looping signature line.

Maurice Battilana  
**CHIEF EXECUTIVE OFFICER**

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## 1.0 DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS

## 2.0 LOYAL TOAST

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## 4.0 PUBLIC QUESTION TIME

## 5.0 DISCLOSURE OF INTEREST

Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.

Section 5.60A:

*"a person has a **financial interest** in a matter if it is reasonable to expect that the matter will, if dealt with by the local government, or an employee or committee of the local government or member of the council of the local government, in a particular way, result in a financial gain, loss, benefit or detriment for the person."*

Section 5.60B:

*"a person has a **proximity interest** in a matter if the matter concerns –  
(a) a proposed change to a planning scheme affecting land that adjoins the person's land; or  
(b) a proposed change to the zoning or use of land that adjoins the person's land; or  
(c) a proposed development (as defined in section 5.63(5)) of land that adjoins the person's land."*

Regulation 34C (Impartiality):

*"**interest** means an interest that could, or could reasonably be perceived to, adversely affect the **impartiality** of the person having the interest and includes an interest arising from kinship, friendship or membership of an association."*

## 6.0 PETITIONS/DEPUTATIONS/PRESENTATIONS

## 7.0 OFFICERS REPORT

7.1 Formal Adoption of 2016/2017 Annual Budget

## 8.0 CLOSURE

## ORDER OF BUSINESS:

### 1.0 DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS

The Chairman, Cr Collinwood welcomed Elected Members and Staff and declared the meeting open at 9.01am.

### 2.0 LOYAL TOAST

### 3.0 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

#### 3.1 Present

##### a. Councillors

| Member                                | Ward                          |
|---------------------------------------|-------------------------------|
| Cr John Collingwood (President)       | North East Ward               |
| Cr Anthony Farrell (Deputy President) | North East Ward               |
| Cr Pauline Forrester                  | North East Ward               |
| Cr Trevor Royce                       | North East Ward (from 9.07am) |
| Cr Peter Humphrey                     | South West Ward               |
| Cr Veronica Wood                      | South West Ward               |
| Cr Ian Maluish                        | South West Ward               |

##### b. Staff

| Officer              | Position                                |
|----------------------|---|
| Mr Maurice Battilana | Chief Executive Officer                 |
| Mr Simon Lancaster   | Manager of Planning                     |
| Mrs Dianne Raymond   | Manager of Finance & Corporate Services |
| Mr Esky Kelly        | Manger of Works & Services              |
| Mrs Karen McKay      | Executive Assistant (Minute Taker)      |

##### c. Visitors

| Name |  |
|------|--|
| Nil  |  |

#### 3.2 Apologies

| Name             |                 |
|------------------|-----------------|
| Cr Kirrilee Warr | North East Ward |
|                  |                 |

### 4.0 PUBLIC QUESTION TIME

#### 4.1 Questions On Notice

Nil

4.2 Questions Without Notice

Nil

**5.0 DISCLOSURE OF INTEREST**

Nil

**6.0 PETITIONS/DEPUTATIONS/PRESENTATIONS**

Nil

**7.0 OFFICERS REPORTS**

|                            |   |
|----------------------------|---|
| <b>AGENDA ITEM:</b>        | <b>7.1</b>  |
| <b>SUBJECT:</b>            | <b>FORMAL ADOPTION OF 2016/2017 ANNUAL BUDGET</b> |
| <b>PROPONENT:</b>          | <b>CHIEF EXECUTIVE OFFICER</b>                    |
| <b>SITE:</b>               | <b>SHIRE OF CHAPMAN VALLEY</b>                    |
| <b>FILE REFERENCE:</b>     | <b>306.08</b>                                     |
| <b>PREVIOUS REFERENCE:</b> | <b>NIL</b>  |
| <b>DATE:</b>               | <b>20<sup>th</sup> JULY 2016</b>                  |
| <b>AUTHOR:</b>             | <b>DIANNE RAYMOND</b>                             |

## **DISCLOSURE OF INTEREST**

Nil

## **BACKGROUND**

This report seeks Council adoption of the Shire of Chapman Valley 2016-2017 Annual Budget, which has been compiled with regard to the principles contained in the Integrated Planning Report documents below:

- Shire of Chapman Valley Strategic Community Plan 2016 - 2026
- Shire of Chapman Valley Corporate Business Plan 2016 - 2019
- Shire of Chapman Valley Long Term Financial Plan 2013 – 2023 (Updated 2015)
- Shire of Chapman Valley Asset Management Plan 2013; and
- Shire of Chapman Valley Workforce Plan 2013 – 2017 (Updated 2015)

The Draft 2016/2017 Annual Budget was presented to councillors at a Budget Workshop on 1 July 2016. The attached 2016/2017 Annual Budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. All amendments as from the workshop are included in the final 2016/2017 Annual Budget.

### **(1) Amendments to the draft Budget document**

All changes as directed by Council at the Budget Workshop on the 1 July 2016 have been incorporated into the final budget document as presented. (Please refer to Draft 2016/2017 Annual Budget working documents submitted under a separate cover).

### **(2) Monthly Reporting Variances**

Each financial year Council is required to adopt a value or percentage, calculated in accordance with Australian Accounting Standard (AAS) 5, to be used in the statements of financial activity for reporting material variances between the budget allocations and the actual revenue and expenditure incurred for the month under review. A reporting variance with an amount of \$10,000 or 10% whichever is the greater is recommended for the 2016/2017 financial year.

### **(3) Rates**

At the Ordinary Council Meeting of the 18 May 2016 Item 9.2.3 Council agreed to advertise differential rates incorporating 6.50% rate revenue increase as per the Long Term Financial Plan. The proposed differential rates were advertised 24<sup>th</sup> May 2016 with no submissions received when the public comment period closed. The Final draft of the Annual 2016/2017 Budget presented incorporates a lesser 5.50% rate revenue increase as directed at the Budget Workshop 1 July 2016.

#### (4) Schedule of Fees & Charges

A Draft 2016/2017 Schedule of Fees and Charges were presented at the Ordinary Council Meeting 15 June 2016 with no changes to the final 2016/2017 Schedule of Fees & Charges for effect 1 July 2016.

#### (5) Elected Members Remuneration

Council endorsed Elected Member Remunerations as resolved at the May 2016 OCM (Minute Reference: 05/16-26) i.e.

|                              | <i>Annual Attendance fees in lieu of Council meeting fees</i> | <i>Annual Allowance (President)</i> | <i>Annual Allowance (Deputy President) - 25% of Pres.</i> | <i>Telcom Annual Allowance</i> | <i>Annual Travel Reimb.</i> | <i>Totals (per Elected Member)</i> | <i>Grand Total</i> |
|------------------------------|---|-------------------------------------|---|--------------------------------|-----------------------------|------------------------------------|--------------------|
|                              | <i>Max</i>  | <i>Max</i>                          | <i>Max</i>  |                                |                             |                                    |                    |
| <b>President</b>             | \$9,410   | \$10,000                            |   | \$500                          | \$50                        | \$19,960                           | \$19,960           |
| <b>Deputy President</b>      | \$9,410   |                                     | \$2,500   | \$500                          | \$50                        | \$12,460                           | \$12,460           |
| <b>Other Elected Members</b> | \$9,410   |                                     |   | \$500                          | \$50                        | \$9,960                            | \$59,760           |
|                              |   |                                     |   |                                |                             |                                    | <b>\$92,180</b>    |

*Note: That payments be made six monthly in arrears (December and June)*

#### COMMENT

Shire staff has prepared a balanced Draft 2016/2017 Annual Budget for consideration by Council for formal adoption.

#### STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

#### POLICY IMPLICATIONS

Corporate Business Plan  
Strategic Community Plan  
Long Term Financial Plan  
Asset Management Plan  
Workforce Plan

#### FINANCIAL IMPLICATIONS

The Shire of Chapman Valley 2016/2017 Annual Budget

## **STRATEGIC IMPLICATIONS**

All of Council's Integrated Planning documents have been considered as part of the process for the development of the Draft 2016/2017 Annual Budget.

- **Long Term Financial Plan (LTFP):**

LTFP has been taken into consideration.

- **Strategic Community Plan/Corporate Business Plan:**

All Integrated Strategic Plans have been taken into consideration.

## **CONSULTATION**

While no specific community consultation has occurred on the Draft 2016/2017 Budget, community consultation and engagement has previously occurred during development of the Community Strategic Plan from which the Corporate Business Plan has been developed.

In accordance with the requirements of section 6.36 of the Local Government Act 1995, a statement of intended differential rates and minimum payments was advertised seeking public submissions, and a statement of objects and reasons for the intended rates and minimum payments was made available from the Shire website, with hardcopies provided at the administration office. Submissions closed 17 June 2016 with no public comment received.

Councillors have been actively engaged in formulation of the 2016-2017 Budget through an invitation extended to submit items for budget consideration and the Draft Budget Workshop conducted in June 2016, enabling consideration of revenue and expenditure requirements, with wide-ranging discussion on efficiency measures throughout the budget options.

Extensive internal consultation has occurred across the organisation.

## **RISK ASSESSMENT**

There is a low risk of Council not complying with legislation if the Budget is not adopted prior to the 31<sup>st</sup> August.

## **VOTING REQUIREMENTS**

- Absolute Majority Vote Required - Recommendations 1 to 13

## **COUNCIL RESOLUTION / STAFF RECOMMENDATION**

**MOVED: CR FORRESTER**

**SECONDED: CR FARRELL**

*The meeting adjourned at 10.06am*

*The meeting recommenced at 10.20am*



**Recommendation 1:**

That Council adopt the budget for the Shire of Chapman Valley for the financial year ending 30th June 2017 pursuant to Section 6.2 of the Local Government Act 1995 and relevant prescribed Local Government Financial Management Regulations and incorporating the following:

- 1 Statement of Comprehensive Income by Nature or Type;
- 2 Statement of Comprehensive Income by Program;
- 3 Statement of Cash Flow;
- 4 Rate Setting Statement;
- 5 Notes to and Forming Part of the Budget including
  - a. Significant Accounting Policies;
  - b. Revenue and Expenses;
  - c. Acquisition of Assets;
  - d. Disposal of Assets;
  - e. Statement of Borrowings;
  - f. Rating Activity Information
  - g. Reserve Fund and Restricted Cash Fund Statement;
  - h. Trust Fund Statement;
  - i. Major Land Transactions and Major Trading Activity;
- 6 Schedule of Fees and Charges

with the following variation to the funding allocations for the Bill Hemsley Park Project:

| <b>BHP Project</b>   |  |                  |  |
|--|--|------------------|--|
|  | <b>Expenditure<br/>COA 2834<br/>Job:CHEM</b> | <b>Income</b>    | <b>Funding Source</b>                            |
| <i>Nature Playground</i>   | \$120,000                                    | \$100,000        | Lotterywest Grant                                |
|  |  | \$20,000         | PRA Trust Funds                                  |
| <i>Building Component</i>  | \$462,300                                    | \$132,200        | SoCV Build Res - Office<br>Component COA GL 1315 |
|  |  | \$100,000        | SoCV - Municipal Fund<br>C/Fwd                   |
|  |  | \$230,100        | PRA Trust Funds                                  |
| <i>Drafting &amp; Design Teakle &amp; Lalor c/fwd</i>  | \$17,490                                     | \$17,490         | PRA Trust Funds                                  |
| <i>Associated components - As listed in<br/>MWDC Grant Application<br/>(i.e. Headworks Contingency, Road Surface,<br/>Carpark, Plants, Furnishings, Garden<br/>Design &amp; species supply, Entrance Wall,<br/>Audits, etc.)</i> | \$210,440                                    | \$10,440         | PRA Trust Funds                                  |
|  |  | \$200,000        | Loan/Grant Funds & In-<br>Kind                   |
| <b>Totals</b>  | <b>\$810,230</b>                             | <b>\$810,230</b> |  |

| <b>Contribution Summary</b>                         |                  |
|---|------------------|
| Lotterywest Grant                                   | \$100,000        |
| PRA Trust   | \$278,030        |
| Loan/Grants/In-Kind                                 | \$200,000        |
| Shire (Municipal \$100,000/Building Res. \$132,200) | \$ 232,200       |
| <b>Total</b>  | <b>\$810,230</b> |

**Recommendation 2:**

That Council, in accordance with Section 6.32, 6.33, 6.34, 6.35, 6.36 and 6.37 of the Local Government Act 1995, imposes the following general & differential rates and minimum rates within the Shire of Chapman Valley boundaries in respect of the 2016/2017 financial year based upon current valuations:

| <b>Rating Category</b>       | <b>Rate in the Dollar<br/>C:\$</b> | <b>Minimum Rate<br/>\$</b> |
|------------------------------|------------------------------------|----------------------------|
| <b>Gross Rental Value</b>    | 7.1835                             | 560                        |
| <b>Unimproved Value</b>      |                                    |                            |
| UV Rural General             | 10.0570                            | 350                        |
| UV Oakajee Industrial Estate | 2.0110                             | 350                        |

**Recommendation 3:**

INSTALMENT PLAN INTEREST RATE

- That as prescribed under the Local Government Act council impose an interest rate of 5.5% on rates paid by instalments (pensioner rates excluded);

**Recommendation 4:**

LATE PAYMENT INTEREST RATE

- That as prescribed under the Financial Management Regulation clause 70 and section 6.51 of the Local Government Act 1995 council impose an interest rate of 11% per annum calculated by simple interest method and be applied where the instalment option is not in place, (35 days after the date of issue of the rate notice), to all overdue rates and charges (pensioner rates excluded);

**Recommendation 5:**

INSTALMENT PLAN ADMINISTRATION CHARGE

- That an administration charge of \$9.00 per instalment be levied, excluding the first instalment payment (required within 35 days from the date of issue of the rates notice);

**Recommendation 6:**

**INSTALMENT PLAN DATES**

- That council provide the option for ratepayers to pay their rates as a single payment or by 2 or 4 equal instalments in accordance with section 6.45(1) of the Act;
- The due date for instalments of rates payments be set as follows:  
(Date of issue - 5<sup>th</sup> August 2016)

**Two Instalment Option**

|                                |                                 |
|--------------------------------|---------------------------------|
| 1 <sup>st</sup> Instalment due | 12 <sup>th</sup> September 2016 |
| 2 <sup>nd</sup> Instalment due | 14 <sup>th</sup> November 2016  |

**Four Instalment Option**

|                                |                                 |
|--------------------------------|---------------------------------|
| 1 <sup>st</sup> Instalment due | 12 <sup>th</sup> September 2016 |
| 2 <sup>nd</sup> Instalment due | 14 <sup>th</sup> November 2016  |
| 3 <sup>rd</sup> Instalment due | 13 <sup>th</sup> January 2017   |
| 4 <sup>th</sup> Instalment due | 14 <sup>th</sup> March 2017     |

**Recommendation 7:**

**WAIVER OF RATES**

*That Council grants a waiver of shire rates for 2016/2017 financial year to the following non-profit organisations holding property within the Shire of Chapman Valley. (NB: These properties will still be required to pay the Emergency Services Levy)*

i. The Yuna CWA

**Recommendation 8:**

**ADOPTION OF 2016/2017 SCHEDULE OF FEES AND CHARGES**

- That Council adopt the 2016/2017 Schedule of Fees and Charges effective 1 July 2016.

**Recommendation 9:**

**ADOPTION OF 2016/2017 RUBBISH REMOVAL SERVICE CHARGES**

ii. That Council adopt the 2016/2017 Domestic Rubbish Removal Service Charges

\$335.00\* for a weekly service 240 Litre MGB

\*indicates GST free

**Recommendation 10:**

ENDORSE the rates set by FESA for Category 5 regions for 2016/2017 and apply these rates against valuations from Landgate on all rateable assessments;

**Recommendation 11:**

As per Council Resolution 05/16-26 the following Elected Members allowances are adopted for inclusion into the 2016/2017 Budget:

|                              | <i>Annual Attendance fees in lieu of Council meeting fees</i> | <i>Annual Allowance (President)</i> | <i>Annual Allowance (Deputy President) - 25% of Pres.</i> | <i>Telcom Annual Allowance</i> | <i>Annual Travel Reimb.</i> | <i>Totals (per Elected Member)</i> | <i>Grand Total</i> |
|------------------------------|---|-------------------------------------|---|--------------------------------|-----------------------------|------------------------------------|--------------------|
|                              | <b>Max</b>  | <b>Max</b>                          | <b>Max</b>  |                                |                             |                                    |                    |
| <b>President</b>             | \$9,410   | \$10,000                            |   | \$500                          | \$50                        | \$19,960                           | \$19,960           |
| <b>Deputy President</b>      | \$9,410   |                                     | \$2,500   | \$500                          | \$50                        | \$12,460                           | \$12,460           |
| <b>Other Elected Members</b> | \$9,410   |                                     |   | \$500                          | \$50                        | \$9,960                            | \$59,760           |
|                              |   |                                     |   |                                |                             |                                    | <b>\$92,180</b>    |

**Recommendation 12:**

That Council adopt the Revenue and Expenditure as detailed in the 2016/2017 Annual Budget.

**Recommendation 13:**

ADOPT LEVELS OF MATERIALITY 2016/2017

In accordance with Clause 34A(5) of the Local Government (Financial Management) Regulations, 1996 Council adopt its levels of material variances that need to be reported on amounts of \$10,000 or 10% whichever is the greater.

**Voting 7/0  
CARRIED (BY ABSOLUTE MAJORITY)  
SC Minute Reference: 07/16-1**

**8.0 CLOSURE**

The Chairman thanked the Elected Members and Staff for their attendance and staff for the time and effort put into the budget and closed the meeting at 10.42am.