



Minutes Certification

I certify that the Minutes of the 27th July 2018 Special Council Meeting were presented to the Council and confirmed at the 21st August 2018 Ordinary Council Meeting.

A handwritten signature in blue ink, appearing to be "L Bonza", is written above a horizontal line.

Cr L Bonza
President



Minutes
Special Council Meeting
27th July 2018

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MINUTES of the SPECIAL Meeting of the Council held
 in the Council Chambers at the Shire Administration
 Office – Prinsep Street Norseman on the 27th July 2018
 commencing at 4:00pm

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1 Declaration of Opening and Announcement of Visitors.

The Shire President welcomed all in attendance and declared the meeting open at 4:00pm.

This Council meeting is being held on the traditional lands of the Ngadju people and I wish to acknowledge them as traditional owners and pay my respects to their elders, past and present.

1.1 Attendance at meeting by Councillor AR Patupis.

The Shire President has been advised that Cr Patupis will be in Esperance, Western Australia when the meeting is held and have requested attendance by way of instantaneous telephone connection with other Councillors present at the meeting in accordance with Administration Regulation 14A.

Cr Patupis will be at Lot 15, Eleven Mile Beach Road, Esperance WA 6450.

The Council must approve of the place that Cr Patupis is located as a "suitable place" that must be in a town site or other residential area at least 150 kilometres from where the meeting is being held.

Recommendation

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Esperance, Western Australia, on the basis that she is in a "suitable place" for the purpose of Administration Regulation 14A.

Moved: Cr Bayley
Seconded: Cr Wyatt

Resolution

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Esperance, Western Australia, on the basis that she is in a "suitable place" for the purpose of Administration Regulation 14A.

Carried by: Absolute Majority For: 4 Against: 0

2 Declarations of Financial, Proximity, Impartiality Interests & Gifts Received.

Financial Interests:

Nil

Proximity Interests:

Nil

Impartiality Interests:

Nil

Gifts Received by Councillors:

As per the Shire of Dundas Code of Conduct section 3.4 Gifts, adopted by the Council on 21 October 2014 and reference to Regulation 34B of the Local Government (Administration) 1996.



Nil

3 Record of Attendance of Councillors / Officers and Apologies.

Cr L Bonza Shire President
 Cr R Patupis Deputy Shire President (by telephone at 4:01pm)
 Cr S Warner
 Cr B Bayley
 Cr V Wyatt
 Cr JEP Hogan at 4:03pm

Peter Crawford Acting Chief Executive Officer
 Gihan Kohobange Deputy Chief Executive Officer
 Pania Turner Manager of Community Development
 Sonya Ellison Senior Administration Officer

4 Public Question Time.

Nil

5 Petitions, Deputations or Presentations.

Nil

6 Announcements by Presiding Member without Discussion.

Nil

7 Reports of Officers.

7.1 Planning, Development, Health and Building

Agenda Reference & Subject	
7.1.1 – Application for Clearing Permit CPS 7021/2	
Location / Address	Shire of Dundas
File Reference	WM.PE.1
Author	Peter Crawford – Acting Chief Executive Officer
Date of Report	July 2018
Disclosure of Interest	Nil

Summary

For Council to consider the increase in a clearing application on a mining lease as per the papers relating.

Background

The previous application from Audalia Resources Limited came before Council on 17 May 2016 when the following Resolution was made:

That the Council of the Shire of Dundas approve the granting of Clearing Permit 7021/1 in the name of Audalia Resources Limited – Medcalf Vanadium Mining Project.

Statutory Environment

Environmental Protection Act 1986

7.2 Administration, Finance and Community Services

Agenda Reference & Subject	
7.2.1 – Budget 2018 - 2019	
Location / Address	Shire of Dundas
File Reference	FM.BU 17.19
Author	Gihan Kohobange
Date of Report	24 th July 2018
Disclosure of Interest	Nil

Summary

For the Council of the Shire of Dundas to consider and adopt the Budget for 2018/19.

Background

Council will recall that the proposed expenditure and income for 2018/2019 was presented at the ordinary council meeting held on 19th June 2018 for Councillors to note and provide feedback to be considered in finalising the budget for 2018/19.

At the June ordinary council meeting, the Council considered the proposed differential rates for 2018/19 and resolved to advertise differential rates and minimum payments as below:

GRV

Category	Proposed for 2018/19
Rates in \$	
Townsites	15.8624
Roadhouses	
Mining	
Minimum Rates	
GRV	349.00

UV

Category	Proposed for 2018/19
Rates in \$	
Pastoral	8.0000
Mining Leases	15.2582
Exploration Leases	
Prospecting Leases	
Minimum Rates	
UV	349
UV - Prospecting	300

At the ordinary council meeting held on 17th July 2018, the Council acknowledged and considered the submissions received in relation to the proposed differential rates and minimum payment for 2018/19 and resolved to impose differential rates and minimum payments as set out in the advertised public notice.

Statutory Environment

Section 6.2 of the Local Government Act 1995 requires that a local government is to adopt a budget by the 31st August unless extended by the Minister.

Section 6.2(2) of the Act requires that in preparing its annual budget the Council is to have regard to the contents of its plan for the future prepared in accordance with section 5.56. Under the Integrated Planning

Framework for Local Government, that is the Community Strategic Plan. This section requires that the Council must prepare detailed estimates of:

- (a) Expenditure;
- (b) Revenue and income, independent of general rates;
- (c) The amount required to make up the 'deficiency' if any shown by comparing the estimated expenditure with the estimated revenue and income.

Section 6.2(3) of the Act requires that all expenditure, revenue and income must be taken into account unless otherwise prescribed. Local Government (Financial Management) Regulations 1996 no. 32 prescribes amounts that may be excluded in calculating the 'budget deficiency'.

Section 6.2(4) of the Act requires the annual budget to incorporate:

- (a) Particulars of estimated expenditure proposed;
- (b) Detailed information relating to the rates and service charges which will apply, including:
 - i. Amount estimated to be yielded by the general rate
 - ii. Rate of interest to be charge on unpaid rates and service charges
- (c) Fees and charges;
- (d) Borrowings and other financial accommodations proposed;
- (e) Reserve account allocations and uses;
- (f) Any proposed land transactions or trading undertakings per section 3.59.

Local Government (Financial Management) Regulations 22 through 31 prescribe requirements in relation to the form and the content of the Budget and required Notes to and forming part of the Budget.

Local Government (Financial Management) Regulations 1996 states the maximum amount of interest that can be charged on outstanding rates and charges.

Regulation 68. Maximum interest component prescribed (Act s. 6.45)

The maximum rate of interest to be imposed under section 6.45(3) is prescribed as 5.5%.

Regulation 70. Maximum rate of interest prescribed (Act s. 6.51)

The maximum rate of interest to be imposed under section 6.51(1) is prescribed as 11%.

Policy Implications

Council policies have been considered whilst formulating the 2018 / 2019 draft document.

Financial Implications

The draft proposes a balanced budget with no borrowings, and will form the basis of income and expenditure for the next twelve months.

Strategic Implications

The council's Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan have been considered in formulating the 2018/19 draft budget to ensure that strategic directions are being reflected.

Consultation

Councillors, Acting CEO/Manager of Works & Services, Project Manager, Senior Administration Officer, Community Development Manager and relevant 3rd party service providers.

Comment

The draft budget for 2018/19 in the management format and in the statutory format is given in papers relating.

In developing estimations, expenditure levels have been set at expected costs. However, income levels have been set conservatively.

Changes to "Proposed expenditure and income for 2018/2019" presented in June

The following material changes have been incorporated into the presented draft budget in comparison with the proposed expenditure and income for 2018/2019 presented at the June ordinary council meeting.

Governance - Other consultancy fee budget is increased by \$20k to reflect the cost associated with the recruitment of a new CEO and subsequent KPI review of the new CEO. Budgeted for a relocation cost allowance for a new CEO in line with the Council policy. Financial Assistant Grant (FAG) and estimated revenue from rates have been adjusted to reflect the most recent estimates based on the information received subsequent to June ordinary council meeting.

Recreation and Culture - Parks, gardens and reserve maintenance budget is increased to reflect new work programmes planned for 2018/19.

Transport – A provision is included in the draft budget to manage any potential work that may be required at the upgraded Norseman aerodrome following to the inspection by CASA and to manage officer training requirements in operating the airport.

Key Objectives for 2018/19 Budget

Overarching objectives of the 2018/19 budgeting process are:

- Maintain the GRV rate at the current level to contain the burden of another rate increase on townsite residents
- Maintain current service standards
- Not to withdraw funds from reserve accounts during 2018/19 financial year despite planning for significant capital projects
- Very efficient cost-conscious operation

OVERALL

A growth of 3% in operating revenue is expected excluding the impact of the receiving of part of 2018/19 Financial Assistant Grants (FAG) in 2017/18 and other one-off contributions received in 2017/18. In essence, this increase could be mainly attributed to growth in rates revenue as a result of the inclusion of a new mining camp under GRV category.

Excluding depreciation, operating expenditure for 2018/19 is expected to grow by 16% mainly due to road maintenance work rescheduled to 2018/19 due to Shire staff involvement in the Norseman aerodrome upgrade project. The cost saving due to rescheduling of maintenance work is reflected in the operating surplus as at 30th June 2018. Proposed 1.5% increase in staff expenses and expected increase in utility expenses have also contributed to the increase in operating expenditure. Expected growth in operating expenditure is 7% compared to 2017/18 Budget.

Some comment in relation to each schedule is set out below for Council information:

General Purpose Funding

It is expected to collect in total \$2.3 million (\$2.1 million in 2017/18) as rates revenue in 2018/19. This increase is mainly due to the inclusion of a new mining camp under GRV category. However, there is a significant dependency on one mining company in collecting this rates revenue which contributes to more than 36% of the total rates revenue.

The Shire has experienced a significant increase in outstanding rates due to dwindling population coupled with the economic downturn. Many vacant lands and rundown properties can be seen throughout the Norseman townsite. Further, given the volatility of the mining sectors, it is difficult to predict the amount of the rates that will not be settled.

A growth in FAG has not been deliberated in the draft budget. However, there is a possibility of receiving a moderate growth.

Governance

WA Land Information Authority (Landgate) determines the GRV for all properties within the Shire of Dundas every five years and next valuation is due in 2018/19. The Shire's contribution for this exercise will be around \$25,000.

An increase in audit fees has been factored due to potential increase in the audit scope with the involvement of the Auditor General from the financial year 2018/19 and onwards.

The Shire is planning to migrate to Office 365 Business Essentials in this financial year.

The Council resolved to maintain Councillors' sitting fee at the current level.

Law, Order and Public Safety

The Shire has employed a new trainee ranger to provide more efficient service to the community.

Health

There are no significant projects planned for 2018/19.

Education and Welfare

\$10,000 has been set aside for extra youth activities (e.g. Youth excursion activities etc.).

Housing

There are no significant projects planned for 2018/19.

Community Amenities

\$12 increase in domestic waste service charges and \$30 increase in commercial waste service charges.

Recently constructed liquid waste drying beds are not working as effectively as designed. The Shire has incurred approximately \$40,000 so far in draining drying beds to accommodate more room to accept townsite residential liquid waste.

A provision of \$55,000 is included in the draft budget to expand the Norseman waste facility. This provision includes the cost of a heritage survey required in clearing the area for the expansion. Further, a provision of \$10,000 is included in the budget for a heritage survey to facilitate future expansion needs of the Norseman cemetery.

The Shire will spend approximately \$35,000 in 2018/19 financial year in updating its town planning scheme. This is a legislative requirement.

Recreation and Culture

Construction work of the new community hall in Eucla will be started soon at a cost of \$818,000. This project is funded through an insurance claim and grant funding from Lotterywest.

A total budget of \$97,500 is included in the draft budget under Other Culture for various initiatives with the aim of a greater community engagement. This includes a provision to support various community events that will be organised to celebrate the 125th anniversary of Norseman.

Operational grant funding of \$15,000 is included in the budget towards Norseman Today newspaper.

Transport

The Shire will aggressively pursue possible funding options to upgrade Eucla airstrip as an all-weather airstrip. It is planned to start this project in 2018/19 at a cost of \$3 million subject to securing grant funding and the management order over the land.

All postponed road projects (due to the involvement of the Shire's road crew in Norseman airport upgrade project) funded by Regional Road Group (RRG) and Roads to Recovery (R2R) programmes including 2018/19 R2R road projects will be completed in 2018/19 at a total cost of \$1.1 million. The Shire's contribution for these road projects will be around \$260,454.

A provision is included in the draft budget to manage any potential work that may be required at the upgrade Norseman aerodrome following to the inspection by CASA and to manage officer training requirements in operating the airport.

The Shire has decided to postpone footpath upgrade projects and plant replacement projects considered for 2018/19 in its Long Term Financial Plan (LTFP) until the following year.

Economic Services

Development of the Woodlands Cultural, Community and Visitor Centre to attract tourists and to promote natural, built and cultural heritage of the Shire of Dundas will commence during the year. The total cost of this project is \$2.6 million which will be funded via Royalties for Regions, Building Better Regions and Lotterywest grant funding.

Operational grant of \$60,000 is included in the budget towards the Norseman Visitor Centre.

Voting Requirements

Absolute Majority

Officer Recommendation

That the Council approve by an absolute majority the adoption of:

1. Differential General Rates and Minimum Payments on Gross Rental and Unimproved Values;

Category	Rates in \$	Minimum Rates
GRV	15.8624	\$349.00
UV – Mining	15.2582	Mining & Exploration - \$349.00 Prospecting - \$300.00
UV – Pastoral	8.0000	\$349.00

2. 2018/19 Rates - Objectives and Reasons statements as set out in papers relating;

3. Valuation supplied by the Valuer General and totalling as stated and recorded in the rate book for use in the 2018/19 financial year;

- Gross Rental Value (GRV) \$5,954,113
- Unimproved Value (UV) \$9,108,543

4. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 64(2) of the Local Government (Financial Management) Regulations 1996, the following due dates for the payment in full or by instalments:

Option One – One Instalment
 Full payment due date 7 September 2018

Option Two – Two Instalments
 First instalment due date 7 September 2018
 Second instalment due date 9 November 2018

Option Three – Four Instalments
 First instalment due date 7 September 2018
 Second instalment due date 9 November 2018
 Third instalment due date 18 January 2019
 Fourth instalment due date 12 April 2019

5. The early rates payment incentive scheme due date be 17 August 2018 and be offered consisting of three cash payments as mentioned below

1st prize	\$750 Cash
2nd prize	\$500 Cash
3rd prize	\$250 Cash

To be eligible the ratepayer must make payment in full (including all current and all arrears) by 17 August 2018;

6. The interest charges on overdue rates and other monies be charged at 7.5% pa;
7. The charge to apply for rate instalment plans be set at \$10.00 for each of the final three instalments with the interest rate set at 5.5% for each of the final three instalments;
8. Pursuant to Section 6.45 of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996, impose a flat fee of \$50.00 on any ratepayer who wishes to negotiate alternative payment arrangements (this arrangement does not exclude late payment interest);
9. Pursuant to Section 67 of the Waste Avoidance and Resources Recovery Act 2007, the following charges for collection of domestic and commercial waste per bin per annum;

One Service Per week

120/240 Litre MGB per Residential Property	\$200
360 Litre MGB per Residential Property	\$288

Two Services Per week

120 Litre MGB per Commercial Property	\$280
360 Litre MGB per Commercial Property	\$403

10. The percentage and dollar value for identifying and reporting material variances for the Monthly Statement of Financial Activity presented to the Council for review and comparison to Budget will indicate the variance value plus(+) or minus(-) of 10% for items greater than \$5,000 variance;

11. 2018/19 Budget in management format as given in papers relating;
12. 2018/19 Budget in statutory format including the following as given in papers relating;
- Statement of Comprehensive Income by Nature and Type on page 2
 - Statement of Comprehensive Income by Program on page 3-4
 - Statement of Cash Flow on page 5
 - Rate Setting Statement on page 6 showing an amount of revenue that would have to be raised from rates
 - Notes to and forming part of the Budget on pages 7-31
 - Transfers to/from Reserves on page 28

Moved Cr Bayley
 Seconded Cr Wyatt

Resolution

That the Council approve by an absolute majority the adoption of:

- Differential General Rates and Minimum Payments on Gross Rental and Unimproved Values;

Category	Rates in \$	Minimum Rates
GRV	15.8624	\$349.00
UV – Mining	15.2582	Mining & Exploration - \$349.00 Prospecting - \$300.00
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 - (c) Statement of Cash Flow on page 5
 - (d) Rate Setting Statement on page 6 showing an amount of revenue that would have to be raised from rates
 - (e) Notes to and forming part of the Budget on pages 7-31
 - (f) Transfers to/from Reserves on page 28

Carried by: Absolute Majority

For: 6


Against: 0

8 Next Meeting

The next Special Meeting of the Council will be called as required.

9 Closure of Meeting

There being no further business the Shire President thanked all those in attendance and declared the meeting closed at 4:05pm.


21.08.18