



Shire of
Katanning
Heart of the Great Southern

'A prosperous, vibrant and diverse community working together.'

**MINUTES OF A
SPECIAL COUNCIL MEETING**

Dear Council Member

Minutes of a Special Council Meeting of the Shire of Katanning held on
Wednesday 21 August 2019, in the Shire of Katanning Council Chambers,
52 Austral Terrace, Katanning, commencing at 6.00pm.

DISCLAIMER

The Council of the Shire of Katanning hereby
advises that before taking any action on an application or a
decision of the Council, any applicant or members of the
public should wait for written advice from the Council.

PRESIDING MEMBER _____

DATE SIGNED _____



Table of Contents

Item No.	Item Heading	Page No.
1	Declaration of Opening/Announcement of Visitors	3
2	Record of Attendance	3
3	Announcements by Presiding Member Without Discussion	4
4	Response to Previous Public Questions Taken on Notice	4
5	Disclosure of Financial/Impartiality Interest	4
6	Public Question/Statement Time	4
7	Applications for Leave of Absence	4
8	Petitions/Deputations/Presentations	4
9	Confirmation of Minutes of Previous Meetings	4
10	Reports of Committees and Officers	4
10.1	Executive Manager Finance and Administration	5
10.1.1	2019/20 Annual Budget	5
11	New Business of an Urgent Nature	12
12	Confidential Item	12
12.1	Purchase of 19 Charles Street Katanning - CONFIDENTIAL	12
13	Closure of Meeting	14

1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISTORS

The Presiding Member declared the meeting open at 6.01 pm.

2. RECORD OF ATTENDANCE

PRESENT

Presiding Member: Cr John Goodheart- Deputy President

Members: Cr Danny McGrath
Cr Serena Sandwell
Cr Owen Boxall
Cr Ernie Menghini
Cr Kristy D'Aprile
Cr Martin Van Koldenhoven

Council Officers: Julian Murphy, Chief Executive Officer
Lisa Hannagan, Executive Manager Finance and Administration
Libby French, Manager Finance
Sue Eastcott, Executive Officer to CEO

Gallery: Matt Collis

Media:

Apologies: Cr Liz Guidera - President

Leave of Absence:

3. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

4. RESPONSE TO PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

5. DISCLOSURE OF FINANCIAL/IMPARTIALITY INTERESTS

Nil.

6. PUBLIC QUESTION/STATEMENT TIME

Nil.

7. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

8. PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil.

9. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Nil.

10. REPORTS OF COMMITTEES AND OFFICERS

10.1 EXECUTIVE MANAGER FINANCE AND ADMINISTRATION

10.1.1 2019/20 Annual Budget
(ATTACHMENT)

File Ref: FM.BU.1
Reporting Officer: Lisa Hannagan, Executive Manager Finance & Administration
Date Report Prepared: 8 August 2019

Issue:
 To consider adopting the 2019/20 Budget for the Shire of Katanning.

Background:
 The *Local Government Act 1995, S6.2*, requires a Local Government to prepare and adopt a budget prior to 31 August.

Officer’s Comment:
 Commentary is provided for each recommendation:

1 & 2: Rates

The 2019/20 Annual Budget shows a 3.95% increase in rates revenue. After extensive modelling, Officers have determined that the rates model as recommended in this report is the most equitable for Katanning ratepayers. The graph below shows the percentage increase in the dollar for each rating type – gross rental value (GRV) and unimproved value (UV). The model as presented has the majority of ratepayers receiving decreases from 2018/19; GRV Properties 72% and UV Properties 42%.



This model shows a decrease to the minimum rate by \$12 (\$991 in 2018/19 to \$979 in 2019/20). This has been achieved by discontinuing the 2% discount for early payment of rates offered in prior financial years.

As a result, the majority of ratepayers will receive a rate lower than last year. All properties within the Shire have been revalued by the Valuer General this financial year (GRV revaluation is every 5 years, and UV revaluation is annually). The average increase for GRV properties is \$16.86, compared with UV \$199.50. The increases greater than \$100 per property shown in the graph are generally the result of a large number of rural parcels of land being group rated and therefore considered one property, contributing to the higher increases. Increases to some UV (rural) properties show UV taking the majority of the increase to rates raised.

3: Rates Incentive Prizes

Following consultation with Councillors and reviewing the payment incentives offered by other Councils, for 2019/20, ratepayers who pay all rates outstanding in full within 35 days of the rates notice being issued will be in the running to win one of five \$1,000 Katanning Regional Business Association (KRBA) vouchers. In prior year budgets, Council offered a 2% discount to ratepayers who paid all rates outstanding in full within 35 days of the rates notice being issued.

A new allocation of \$5,000 has been made in the 2019/20 annual budget for rates incentive prizes. Previous budgets made provision of \$43,000 for rates discounts. The impact of the previous discount offered was distributed across all ratepayers; Officers believe the transition to prizes is more equitable to all ratepayers.

4: Payment Options

Section 6.50 of the *Local Government Act 1995* states that the due date on the rate notice is not to be less than 35 days from the date of issue. Section 6.45 of the *Local Government Act 1995* allows for a local government to provide payment options to ratepayers for the payment of rates. Consistent with prior financial year, ratepayers are offered three options to pay their outstanding rates; in full by the due date, by two instalments, or by four instalments.

5 & 6: Interest and Administration Charges for Instalment Options, and Penalty Interest

Where ratepayers choose to pay their rates by instalments Council is required to adopt a rate of interest to be charged for this option and to determine an administrative charge for this service. Similarly, Council is required to adopt the rate of penalty interest to be imposed on outstanding rates. These charges are consistent with prior years and are as prescribed by the *Local Government Act 1995*.

7 & 8: Refuse, Recycling Charges and Waste Rate

These charges reflect the requirement for Council to recover the costs of waste disposal and treatment through corresponding revenue. Fees have remained consistent with prior years.

9: Schedule of Fees and Charges

The Schedule of Fees and Charges has been adopted by Council, advertised to the public and is included in the budget document.

10: Material Variances

The monthly reporting for 2019/20 is proposed to be consistent with 2018/19 and prior financial years reporting: a variance of 10% or greater of the annual budget for each program area in the budget, as a level which requires an explanation or report, with a minimum dollar value of \$10,000.

11, 12 & 13: Elected Members fees and allowances

Section 7B(2) of the *Salaries and Allowances Act 1975* requires the Salaries and Allowances Tribunal, at intervals of not more than 12 months, to inquire into and determine the amount of: fees, or the minimum and maximum amounts of fees, to be paid under the Local Government Act 1995 ('the LG Act') to elected council members for attendance at meetings; expenses, or the minimum and maximum amounts of expenses, to be reimbursed under the LG Act to elected council members; and allowances, or the minimum and maximum amounts of allowances, to be paid under the LG Act to elected council members. The latest determination was made on 9 April 2019. In accordance with the Local Government Act 1995 section 5.99- Annual fee for council members in lieu for attending meetings, a Local Government may decide that instead of paying council members a fee referred to in section 5.98(1), it will instead pay all council members who attend council or committee meetings –

- The annual fee determined by the Salaries and Allowance Tribunal under Salaries and Allowance Act 1975 section 7B; or
- Where the local government has set a fee within the range for annual fees determined by that Tribunal under that section, that fee. In accordance with the Local Government Act 1995 section 5.98(5) Fees etc for Council members. The mayor or president of a local government is entitled, in addition to any entitlement that he or she has under subsection (1) or (2), to be paid –
- The annual local government allowance determined for mayors or presidents; or
- Where the local government has set an annual local government allowance within the range determined for annual local government allowances for mayors or presidents that allowance.

In accordance with the *Local Government Act 1995* section 5.98A – Allowance for deputy mayor or deputy president, a local government may decide to pay the deputy mayor or deputy president of the local government an allowance of up to the percentage that is determined by the Salaries and Allowance Tribunal under the Salaries and Allowance Act 1975 section 7B of the annual local government allowance to which the mayor or president is entitled under section 5.98(5). The percentage determined for the purposes of section 5.98A(1) of the LG Act is 25 per cent.

In accordance with section 7B (2) of the Salaries and Allowance Act 1975 the Salaries and Allowances Tribunal is required to “inquire into and determine –

- The amount of fees, or the minimum and maximum amount of fees, to be paid under the Local Government Act to elected council members for attendance at meetings, and
- The amount of expenses, or the minimum and maximum of expenses, to be reimbursed under the Local Government Act 1995 to elected council members; and
- The amount of allowances or the minimum and maximum amounts of allowances, to be paid under the Local Government Act 1995 to elected council members.”

It has been determined that the Shire of Katanning is a Band 3 in the Tribunal's local government banding model.

For a council member who holds the office of mayor or president, the annual fee range is:

Minimum	Maximum
\$7,688	\$25,342

For a council member other than the mayor or president, the annual fee range is:

Minimum	Maximum
\$7,688	\$16,367

The fee range for an annual allowance for a Mayor, President or Chairman is:

Minimum	Maximum
\$1,025	\$36,957

The fee range for an annual allowance for ICT expenses is:

Minimum	Maximum
\$500	\$3,500

The draft budget was presented to Councillors' and reviewed at the Budget Workshops held:

1. Monday 10 June 2019;
2. Tuesday 18 June 2019;
3. Friday 12 July 2019; and
4. Monday 5 August 2019.

As presented the draft budget allows for an increase in rates revenue of 3.95% from the 2018/19 budget. Significant changes beyond Council's control impact this year's budget and subsequent rates increase.

It is recommended that Council adopt a balanced budget.

Statutory Environment:

Local Government Act 1995, Section 6.2

Policy Implications:

There are no policy implications to adopting the annual Budget.

Financial Implications:

Budget of estimated income and expenditure for the 2019/20 financial year.

Risk:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with current resources.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L2	A collaborative, progressive and resilient local government which is sustainably resourced.
OBJECTIVE	L2.1	Optimise use of shire resources – improve organisational systems.

Officer's Recommendation/Council Motion:

MOVED: CR ERNIE MENGHINI

SECONDED: CR MARTIN VAN KOLDENHOVEN

OC259/19 That Council, with respect to the 2019/20 Budget for the Shire of Katanning adopts the following:

1. **General Rates - the following rates be imposed on rateable property for 2019/20:**
 - **Gross Rental Values (GRV) \$0.10125**
 - **Unimproved Values (UV) \$0.01040**

2. **Minimum Rates - the following minimum rates be imposed on rateable property for 2019/20:**
 - **Unimproved Values (UV) \$979**
 - **Gross Rental Values (GRV) \$979**

3. **Rates Incentive Prizes – That Council offer ratepayers the chance to win one of five \$1,000 Katanning Regional Business Association vouchers subject to the following terms and conditions:**
 - **That all rates and charges appearing on the rate notice including arrears are paid in full within 35 days of issue of the rates assessment notice, and**
 - **Councillors and Employees of the Shire of Katanning, state government properties and properties that receive a rates exemption are not eligible to be included in the prize draw.**

4. **Payment Options – that Council adopts the following options for the payment of rates and charges for 2019/20:**

Option 1 (Full Payment)

 - **Full amount of rates and charges including arrears to be paid on or before 35 days after the date of service appearing on the rate notice.**

Option 2 (2 Instalments)

- The first instalment of 50% of the total current rates and charges, instalment charges plus the total outstanding arrears payable, within 35 days from the date of issue of the rate notice.
- The second instalment of 50% of the total current rates and charges and instalment charges, payable 4 months from the due date of the first instalment.

Option 3 (4 Instalments)

- The first instalment of 25% of the total current rates and charges and instalment charges plus the total outstanding arrears payable, within 35 days from the date of issue of the rate notice.
- The second, third and fourth instalments, each of 25% of the current rates and charges and instalment charges, payable at two monthly intervals after the due date of the first instalment.

5. **Interest and Administration Charges for Instalment Options – that Council in accordance with 6.45 of the Local Government Act 1995 imposes the following charges:**

- a) **An administrative charge of \$10 per instalment notice; and**
- b) **Interest of 5.5% per annum on rates paid by instalments in 2019/20.**

6. **Penalty Interest on Overdue Rates – that Council imposes a penalty interest rate of 11% per annum to be imposed on outstanding rates in 2019/20 in accordance with 6.51 of the Local Government Act 1995.**

7. **Refuse and Recycling Charges – That Council in accordance with section 67 of the Waste Avoidance and Resource Recovery Act 2007, imposes the following charges for 2019/20 for the collection and disposal of refuse:**

- **Domestic service 240 litre bin, per bin per year \$356**
- **Domestic Service (additional 240 litre bin) \$356**
- **Domestic Service 120 litre bin, per bin per year \$270**
- **Commercial service 240 litre bin. Per bin per year \$356**
- **Commercial service (additional 240 litre bin) \$356**
- **Commercial Service 120 litre, per bin per year \$270**
- **Street Bin Collection, per bin per year \$168**
- **Commercial waste management charge \$99**

8. **Waste Rate – That Council in accordance with section 66 of the Waste Avoidance and Resource Recovery Act 2007, imposes a waste rate for 2019/20 for the provision of waste services in Katanning. This includes the provision of a local refuse site and street sweeping.**

Waste Rate:

- **Unimproved Values (UV) \$0.0001**
- **Gross Rental Values (GRV) \$0.0001**

Minimum Waste Rate:

- **Unimproved Values (UV) \$31.00**
- **Gross Rental Values (GRV) \$31.00**

- 8a. **Soil Conservation Charge. Under Section 25A of *Soil and Land Conservation Act 1945*, a charge of \$35 per rateable assessment is levied across all ratepayer categories.**

9. **Fees and Charges – Were adopted at the June OCM in accordance with section 6.16 of the *Local Government Act 1995*; subject to the following additional fees and charges:**

- **Rubbish – land fill per ½ m³ \$ 15.00**
- **Rubbish – builders rubble per ½ m³ \$ 12.50**
- **Asbestos – per sheet \$ 10.00**

10. **Material Variances – In relation to financial reporting in 2019/20, adopt a variance of 10% or greater of the annual budget for each program area in the budget, as a level which requires an explanation or report, with a minimum dollar value of \$10,000.**

11. **Elected Members Meeting Attendance Fees - adopts the annual sitting fee option and the fee for 2019/20 be set at:**

- **Councillors \$10,000 per Councillor**
- **President \$10,000 President**

12. **President and Deputy President Allowances – for 2019/20 adopts the annual allowance for the President of \$20,000 and for the Deputy President \$5,000.**

13. **Information and Communication Technology Allowance – for 2019/20 adopts an annual information and communications technology allowance of \$1,100 per elected member.**

14. **Adoption of Annual Budget – that Council adopts the annual budget for 2019/20.**

Voting Requirement: Absolute Majority

CARRIED 7/0

Cr Kristy D'Aprile spoke for the motion.

11. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil.

12. CONFIDENTIAL ITEMS**PROCEDURAL MOTION****MOVED: CR OWEN BOXALL****SECONDED: CR DANNY MCGRATH**

OC260/19 **That Council closes the meeting to the public to consider the following item:**

- **Purchase of 19 Charles Street Katanning.**

CARRIED 7/0

PROCEDURAL MOTION:**MOVED: CR MARTIN VAN KOLDENHOVEN** **SECONDED: CR SERENA SANDWELL**

OC261/19 **That Council suspends standing orders.**

Voting Requirement: Simple Majority

CARRIED 7/0

PROCEDURAL MOTION:**MOVED: CR OWEN BOXALL****SECONDED: CR DANNY MCGRATH**

OC262/19 **That Council resumes standing orders.**

Voting Requirement: Simple Majority

CARRIED 7/0

12.1 Purchase of 19 Charles Street Katanning - CONFIDENTIAL

File Ref: CP.AL.6 A528

Reporting Officer: Lisa Hannagan, Executive Manager Finance & Administration

Date Report Prepared: 15 August 2019

Reason for Confidentiality:

The Executive Manager Finance and Administration report is confidential in accordance with section 5.23(2)(c) of the *Local Government Act* because it deals with a contract which may be entered into by Council.

Officer's Recommendation/Council Motion:**MOVED: CR DANNY MCGRATH****SECONDED: CR OWEN BOXALL**

OC263/19 That Council authorises the CEO to purchase the property at 19 Charles Street Katanning for a price up to \$167,500 as provided for in the 2019/20 Annual Budget.

Voting Requirement: Simple Majority

CARRIED 7/0

Cr Danny McGrath spoke for the motion.

PROCEDURAL MOTION**MOVED: CR SERENA SANDWELL****SECONDED: CR DANNY MCGRATH**

OC264/19 That Council reopens the meeting to the public.

Voting Requirement: Simple Majority

CARRIED 7/0

13. CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 6.20 pm.