

I hereby certify that the Minutes of the Ordinary Council Meeting held are a true and accurate record of the proceedings contained therein.

*David Heyzel*

Shire President

28/07/2020

Date



SHIRE OF WYNDHAM | EAST KIMBERLEY

# MINUTES ORDINARY COUNCIL MEETING

23 June 2020

## **DISCLAIMER**

Members of the Public are advised that recommendations to Council contained within this Agenda and decisions arising from the Council meeting can be subject to alteration.

Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

An audio and/or video record will be made of these proceedings to assist in the taking of minutes.

Signed on behalf of Council

A handwritten signature in black ink, appearing to read 'V. E. Lawrence', written in a cursive style.

**VERNON LAWRENCE**

**ACTING CHIEF EXECUTIVE OFFICER**

### **NOTES**

- 1. Councillors wishing to make alternate motions to officer recommendations are requested to provide notice of such motions electronically to the minute taker prior to the Council Meeting.**
- 2. Councillors needing clarification on reports to Council are requested to seek this from relevant Officers prior to the Council meetings.**

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**SHIRE OF WYNDHAM EAST KIMBERLEY  
ORDINARY COUNCIL e-MEETING AGENDA  
KUNUNURRA COUNCIL CHAMBERS  
HELD ON TUESDAY 23 JUNE 2020 AT 5:00PM**

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**1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

Members of the Public are advised that recommendations to Council contained within this Agenda and decisions arising from the Council meeting can be subject to alteration.

Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

An audio and/or video record will be made of these proceedings to assist in the taking of minutes.

All public Meetings of Council now allow for a maximum of 50 patrons to attend in person from the Gallery.

The Shire will continue to expedite minutes of the meeting to be available to members of the public within five working days.

The Shire President declared the Meeting open at 5:01pm.

**2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE  
(PREVIOUSLY APPROVED)**

**ATTENDANCE**

Cr D Menzel	Shire President
Cr T Chafer	Deputy Shire President
Cr N Brook	Councillor (via Video Link)
Cr M Dear	Councillor
Cr J Farquhar	Councillor
Cr G Lodge	Councillor (via Video Link)
Cr M McKittrick	Councillor
Cr D Pearce	Councillor
Cr A Petherick	Councillor
V Lawrence	Acting Chief Executive Officer
N Kearns	Director Planning and Community Development
F Heading	Acting Director Corporate Services
C Cane	Minute Taker
Rebecca Nadge	Reporter – ABC Kimberley
Peter de Kruijff	Reporter – The Kimberley Echo
S Tasi	SWEK Employee

**APOLOGIES**

S Dyson	Director Infrastructure
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### **3. DECLARATION OF INTEREST**

- Financial Interest

NIL

- Impartiality Interest

NIL

- Proximity Interest

NIL

### **4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

NIL

### **5. PUBLIC QUESTION TIME**

NIL

### **6. APPLICATIONS FOR LEAVE OF ABSENCE**

NIL

### **7. PETITIONS**

NIL

## 8. CONFIRMATION OF MINUTES

*The Presiding Member suggested Council move Recommendations 1 to 4 en bloc.  
Cr D Pearce moved Recommendations 1 to 4 en bloc, and Cr T Chafer seconded.*

### **OFFICER'S RECOMMENDATION 1**

**That Council confirms the Minutes of the Ordinary Council Meeting held on 26 May 2020.**

#### **Council Decision**

**Minute Number: 26/05/2020 - 118240**

**Moved: Cr D Pearce**

**Seconded: Cr T Chafer**

**That Council confirms the Minutes of the Ordinary Council Meeting held on 26 May 2020.**

**Carried: 9/0**

Note: The Minutes of the Ordinary Council Meeting held on 26 May 2020 are provided under separate cover via [www.swek.wa.gov.au](http://www.swek.wa.gov.au)

### **OFFICER'S RECOMMENDATION 2**

**That Council confirms the Minutes of the Special Council Meeting held on 02 June 2020.**

#### **Council Decision**

**Minute Number: 23/06/2020 - 118241**

**Moved: Cr D Pearce**

**Seconded: Cr T Chafer**

**That Council confirms the Minutes of the Special Council Meeting held on 02 June 2020.**

**Carried: 9/0**

Note: The Minutes of the Special Council Meeting held on 02 June 2020 are provided under separate cover via [www.swek.wa.gov.au](http://www.swek.wa.gov.au)

### **OFFICER'S RECOMMENDATION 3**

**That Council confirms the Minutes of the Special Council Meeting held on 09 June 2020.**

#### **Council Decision**

**Minute Number: 23/06/2020 - 118242**

**Moved: Cr D Pearce**

**Seconded: Cr T Chafer**

**That Council confirms the Minutes of the Special Council Meeting held on 09 June 2020.**

**Carried: 9/0**

Note: The Minutes of the Special Council Meeting held on 09 June 2020 are provided under separate cover via [www.swek.wa.gov.au](http://www.swek.wa.gov.au)

### **OFFICER'S RECOMMENDATION 4**

**That Council confirms the Minutes of the Special Council Meeting held on 18 June 2020.**

#### **Council Decision**

**Minute Number: 23/06/2020 - 118243**

**Moved: Cr D Pearce**

**Seconded: Cr T Chafer**

**That Council confirms the Minutes of the Special Council Meeting held on 18 June 2020.**

**Carried: 9/0**

Note: The Minutes of the Special Council Meeting held on 18 June 2020 are provided under separate cover via [www.swek.wa.gov.au](http://www.swek.wa.gov.au)

## 9. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

- **Two Special Council Meetings were held this month regarding the CEO Recruitment Process.** The recruitment process is progressing well and nearing completion.
- **9 June – Brian Lloyd, Kimberley Liaison Officer from the Department of Mines, Industry Regulation and Safety presented to Council.** Mr Lloyd provided an outline of the exploration areas of interest and highlighted a few key projects within the Shire.
- **9 June – Council held a Special Council Meeting regarding Rates Submissions.**
- **16 June – Ministerial Roundtable hosted by the Honourable Alannah MacTiernan,** Minister for Regional Development, Agriculture and Food, regarding State Recovery Planning and North Regional Communities.
- **19 June – The Shire, along with PCYC, St John’s Ambulance and Kununurra Police held the Driveway Disco through the streets of Kununurra.** The event was very well received and thank you to all those involved. We look forward to the Driveway Disco being held in Wyndham on Friday 24 July.
- **22 June – A Kimberley Zone Meeting was held.** Minutes of meetings held are available to Council on Docs on Tap for reference and publicly available on the WALGA website.
- As the Federal and State Government continues to lift Coronavirus restrictions around public gathering, I am pleased to advise that all public Meetings of Council now allow for a maximum of 50 patrons to attend in person from the Gallery. The Shire President thanked the community for their patience during these unprecedented times and welcome them back to the Public Gallery.
- Council Meetings will continue to be administratively held as E-Meetings in order to facilitate Councillors to dial in where required, until further restrictions are lifted

## 10. MATTERS FOR WHICH THE MEETING MAY BE CLOSED

NIL

## 11. DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

NIL



## 12. REPORTS

### 12.1. MATTERS ARISING FROM COMMITTEES OF COUNCIL

NIL

### 12.2. CHIEF EXECUTIVE OFFICER

#### 12.2.1. Standing Item - Outstanding Actions from Previous Council Resolutions

<b>DATE:</b>	23 June 2020
<b>AUTHOR:</b>	Executive Officer to the CEO
<b>RESPONSIBLE OFFICER:</b>	Vernon Lawrence, Acting Chief Executive Officer
<b>DISCLOSURE OF INTERESTS:</b>	NIL

#### VOTING REQUIREMENT

Simple Majority

#### OFFICER'S RECOMMENDATION

**That Council notes the report - Outstanding Actions from Previous Council Resolutions.**

#### Council Decision

**Minute Number: 23/06/2020 - 118244**

**Moved: Cr M Dear**

**Seconded: Cr J Farquhar**

**That Council notes the report - Outstanding Actions from Previous Council Resolutions.**

**Carried: 9/0**

#### PURPOSE

To report to the Council on the progress of and provide comment on outstanding actions from Council resolutions.

#### NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

## **BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE**

At each meeting of Council, resolutions are made which require actions to be taken by officers to implement those resolutions. This monthly update advises the Council as to the status of the implementation of resolutions.

## **STATUTORY IMPLICATIONS**

NIL

## **POLICY IMPLICATIONS**

NIL

## **FINANCIAL IMPLICATIONS**

Not applicable as referenced in individual reports presented to the Council.

## **STRATEGIC IMPLICATIONS**

*Strategic Community Plan 2017-2027*

Focus Area 4: Civic Leadership

Goal 4.2: Good decision making through engagement with the community

Strategy 4.2.2: Ensure community input informs planning and decision making

Goal 4.3: Ensure a strong and progressive organisation delivering customer focused services

Strategy 4.3.2: Create a culture that encourages innovation, collaboration, best practice and organisational discipline to improve efficiency, effectiveness and productivity

## **RISK IMPLICATIONS**

NIL

## **COMMUNITY ENGAGEMENT**

No community engagement is required.

## **COMMENTS**

An update of actions from the May 2020 Council resolutions are detailed in Attachment 1.

Attachment 2 summarises all other actions that are outstanding from previous Council resolutions.

## **ATTACHMENTS**

Attachment 1 - Council Action Register - May 2020

Attachment 2 - Council Action Register - Outstanding Actions from Previous Council Resolutions

### 12.2.2. Standing Item - Use of the Common Seal

<b>DATE:</b>	23 June 2020
<b>AUTHOR:</b>	Executive Officer to the CEO
<b>RESPONSIBLE OFFICER:</b>	Vernon Lawrence, Acting Chief Executive Officer
<b>DISCLOSURE OF INTERESTS:</b>	NIL

#### **VOTING REQUIREMENT**

Simple Majority

#### **OFFICER'S RECOMMENDATION**

**That Council receives the report on the application of the Shire of Wyndham East Kimberley Common Seal for the period of 22 February 2020 to 19 June 2020.**

#### **Council Decision**

**Minute Number: 23/06/2020 - 118245**

**Moved: Cr M Dear**

**Seconded: Cr J Farquhar**

**That Council receives the report on the application of the Shire of Wyndham East Kimberley Common Seal for the period of 22 February 2020 to 19 June 2020.**

**Carried: 9/0**

#### **PURPOSE**

For Council to receive this report on the application of the Shire of Wyndham East Kimberley Common Seal for the period of 22 February 2020 to 19 June 2020.

#### **NATURE OF COUNCIL'S ROLE IN THE MATTER**

Regulator - enforce state legislation and local laws

#### **STATUTORY IMPLICATIONS**

*Local Government Act 1995*

#### **9.49A. Execution of documents**

(1) A document is duly executed by a local government if —

(a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or

(b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.

- (2) *The common seal of a local government is not to be affixed to any document except as authorised by the local government.*
- (3) *The common seal of the local government is to be affixed to a document in the presence of —*
  - (a) *the mayor or president; and*
  - (b) *the chief executive officer or a senior employee authorised by the chief executive officer, each of whom is to sign the document to attest that the common seal was so affixed.*
- (4) *A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.*
- (5) *A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.*
- (6) *A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.*
- (7) *When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.*

## **POLICY IMPLICATIONS**

NIL

## **FINANCIAL IMPLICATIONS**

NIL

## **STRATEGIC IMPLICATIONS**

*Strategic Community Plan 2017-2027*  
Focus Area 4: Civic Leadership

## **RISK IMPLICATIONS**

NIL

## **COMMUNITY ENGAGEMENT**

No community engagement is required.

## **COMMENTS**

There were three documents for the time period of 22 February 2020 to 19 June 2020 with the Shire of Wyndham East Kimberley Common Seal applied as per the table below:

Date of Use	Document
26/5/2020	Sub-Lease of part Area 2 - part Reserve 27603, part Lot 500 on DP 66554, Tourism House, Coolibah Drive Kununurra – Kununurra Visitor Centre to Delaware North El Questro

26/5/2020	Sub-Lease of Area 3 - over part Reserve 27603, part Lot 500 on DP 66554, Tourism House, Coolibah Drive Kununurra – Kununurra Visitor Centre to Penney's Prints
3/06/2020	Booth No. 2 at East Kimberley Regional Airport - Busby Investments Pty Ltd T/A Budget Rent A Car

### **ATTACHMENTS**

NIL

### 12.2.3. Information Statement 2019-20

<b>DATE:</b>	23 June 2020
<b>AUTHOR:</b>	Executive Officer to the CEO
<b>RESPONSIBLE OFFICER:</b>	Vernon Lawrence, Acting Chief Executive Officer
<b>FILE NO:</b>	IM.06.12
<b>DISCLOSURE OF INTERESTS:</b>	NIL

### **VOTING REQUIREMENT**

Simple Majority

### **OFFICER'S RECOMMENDATION**

**That Council adopts the Information Statement 2019-20 as presented in Attachment 1, noting that this supersedes the Information Statement 2018-19.**

#### **Council Decision**

**Minute Number: 23/06/2020 - 118246**

**Moved: Cr G Lodge**

**Seconded: Cr J Farquhar**

**That Council adopts the Information Statement 2019-20 as presented in Attachment 1, noting that this supersedes the Information Statement 2018-19.**

**Carried: 9/0**

### **PURPOSE**

For Council to prepare and publish the 2019-20 Shire of Wyndham East Kimberley Information Statement as required annually in accordance with the *Freedom of Information Act 1992*.

### **NATURE OF COUNCIL'S ROLE IN THE MATTER**

Leader - plan and provide direction through policy and practices

### **BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE**

At the 28 August 2018 Ordinary Council Meeting, the following Decision was made:

### **COUNCIL DECISION**

**Minute Number: 28/08/2018 - 115838**

**Moved: Cr J Farquhar**

**Seconded: Cr G Lodge**

***That Council adopts the Information Statement 2018-19 as presented in Attachment 1, noting that this supersedes the Information Statement 2016-17.***

**Decision: 8/0**

## **STATUTORY IMPLICATIONS**

### ***Freedom of Information Act 1992***

#### ***Part 5 - Publication of information about agencies***

#### **94. Term used: information statement**

*A reference in this Act to an information statement, in relation to an agency, is a reference to a statement that contains —*

- (a) a statement of the structure and functions of the agency;*
- (b) a description of the ways in which the functions (including, in particular, the decision-making functions) of the agency affect members of the public;*
- (c) a description of any arrangements that exist to enable members of the public to participate in the formulation of the agency's policy and the performance of the agency's functions;*
- (d) a description of the kinds of documents that are usually held by the agency including —*
  - (i) which kinds of documents can be inspected at the agency under a written law other than this Act (whether or not inspection is subject to a fee or charge); and*
  - (ii) which kinds of documents can be purchased; and*
  - (iii) which kinds of documents can be obtained free of charge;*
- (e) a description of the agency's arrangements for giving members of the public access to documents mentioned in paragraph (d)(i), (ii) or (iii) including details of library facilities of the agency that are available for use by members of the public;*
- (f) a description of the agency's procedures for giving members of the public access to the documents of the agency under Part 2 including —*
  - (i) the designation of the officer or officers to whom initial inquiries as to access to documents can be made; and*
  - (ii) the address or addresses at which access applications can be lodged;*
- (g) a description of the agency's procedures for amending personal information in the documents of the agency under Part 3 including —*
  - (i) the designation of the officer or officers to whom initial inquiries as to amendment of personal information can be made; and*
  - (ii) the address or addresses at which applications for amendment of personal information can be lodged.*

**96. Information statement, each agency to publish annually**

(1) An agency (other than a Minister or an exempt agency) has to cause an up-to-date information statement about the agency to be published in a manner approved by the Minister administering this Act —

- (a) within 12 months after the commencement of this Act; and
- (b) at subsequent intervals of not more than 12 months.

(2) In giving approval under subsection (1) the Minister has to have regard, amongst other things, to the need to assist members of the public to exercise their rights under this Act effectively.

(3) In the case of an agency that comes into existence after the commencement of this Act the reference in subsection (1)(a) to the commencement of this Act is to be read as a reference to the time when the agency commences its operations.

(4) A subcontractor does not have to comply with subsection (1) if the relevant contractor has complied with that subsection on behalf of the subcontractor.

*[Section 96 amended: No. 47 of 1999 s. 13.]*

**97. Information statement and internal manual, each agency to make available etc.**

(1) An agency (other than a Minister or an exempt agency) has to cause copies of —

- (a) its most up-to-date information statement; and
- (b) each of its internal manuals,

to be made available for inspection and purchase by members of the public but may delete any exempt matter from those copies.

(2) An agency has to provide a copy of its information statement to the Commissioner as soon as is practicable after the statement is published under section 96.

(3) A subcontractor does not have to comply with subsections (1) and (2) if the relevant contractor has complied with those subsections on behalf of the subcontractor.

*[Section 97 amended: No. 47 of 1999 s. 14.]*

**Local Government Act 1995**

Division 7 - Access to information

- Section 5.94 - Public can inspect certain local government information
- Section 5.95 - Limits on rights to inspect local government information
- Section 5.96 - Copies of information to be available
- Section 5.96A- Information published on official website

**Local Government (Administration) Regulations 1996**

Part 7 - Access to information

- Regulation 29 - Information to be available for public inspection (Act s.5.94)
- Regulation 29A - Limits on rights to inspect local government information (Act s.5.95)
- Regulation 29B - Copies of certain information not to be provided (Act s.5.96)

**POLICY IMPLICATIONS**

NIL



## **FINANCIAL IMPLICATIONS**

NIL

## **STRATEGIC IMPLICATIONS**

*Strategic Community Plan 2017-2027*

Focus Area 4: Civic Leadership

Goal 4.2: Good decision making through engagement with the community

Strategy 4.2.1: Engage and communicate with all sections of the community to better understand needs and priorities

## **RISK IMPLICATIONS**

**Risk:** Failure to manage a governance framework which transparently embraces good governance practices.

**Control:** Update information statement annually in accordance with the Freedom of Information Act 1992.

## **COMMUNITY ENGAGEMENT**

Engagement will take place in accordance with the Shire's Community Engagement Guidelines and will include:

- The proposed Information Statement 2019-20 will be available at both the Kununurra and Wyndham Administration Centres and Libraries in print format
- Publication on the Shire's website
- Publication on the Shire's Facebook site

It is a legislative requirement that the Information Statement is provided to the Information Commissioner as soon as is practicable after the statement is published under section 96.

As part of any Freedom of Information Application process, upon acknowledgement, a copy of the Information Statement is provided to the applicant to assist in outlining the process and how to source public information from the Shire.

## **COMMENTS**

In accordance with statutory requirements, it is recommended that the Council adopt the proposed Information Statement for 2019-20 noting that it will supersede the 2018-19 version.

The proposed Information Statement 2019-20 has addressed all of the legislative requirements along with providing additional information in a concerted effort to assist, and

to be transparent with the community in how they can obtain public information from the Shire.

## **ATTACHMENTS**

Attachment 1 - Information Statement 2019-20

## 12.3. PLANNING AND COMMUNITY DEVELOPMENT

NIL

## 12.4. CORPORATE SERVICES

### 12.4.1. Annual Budget 2020/21

<b>DATE:</b>	23 June 2020
<b>AUTHORS:</b>	Acting Chief Executive Officer, Acting Director Corporate Services
<b>RESPONSIBLE OFFICER:</b>	Felicity Heading, Acting Director Corporate Services
<b>FILE NO:</b>	FM.05.20
<b>DISCLOSURE OF INTERESTS:</b>	NIL

*The Presiding Member suggested Council move Recommendations 1 to 6 en bloc.  
Cr T Chafer moved Recommendations 1 to 6 en bloc, and Cr D Pearce seconded.*

### **VOTING REQUIREMENT 1**

Absolute Majority

### **OFFICER'S RECOMMENDATION 1**

**That Council notes the following categories for 2020/21 rating purposes have been incorporated into the revised *Council Policy CP/FIN-3200 Strategic Rating* endorsed at the 09 June 2020 Special Council Meeting (Minute No: 09/06/2020 - 118236):**

**GRV Residential**

**Includes all GRV valued land within the town site, other than land zoned Rural Residential or Rural Smallholdings, which is used primarily for residential purposes with the exception of Workforce Accommodation (Transient Accommodation in previous scheme), as outlined in Appendix A. of *Council Policy CP/FIN-3200 Strategic Rating*.**

**GRV Other Vacant**

**Includes all GRV valued land within the town site which is deemed to be vacant land (unimproved land).**

**GRV Commercial**

**Includes all GRV land which is used primarily for commercial purposes, and may include land uses such as caravan parks, fast food outlets, hotels, restaurants, or veterinary centres as outlined in Appendix A of *Council Policy CP/FIN-3200 Strategic Rating*.**

**GRV Industrial**

Includes all GRV valued land which is used primarily for industrial purposes and as outlined in Appendix A of the *Council Policy CP/FIN-3200 Strategic Rating*.

**GRV Rural Residential**

Includes all GRV valued land that is zoned Rural Residential and Rural Smallholdings which is used primarily for or capable of being used primarily for rural residential purposes.

**UV Rural Residential**

Includes all UV valued land located outside the gazetted town site that is zoned Rural Residential or Rural Smallholding which is used primarily for or capable of being used primarily for rural residential purposes.

**UV Pastoral**

Includes all UV valued land located outside the gazetted town site which is used or capable of use primarily for pastoral purposes. Properties such as these have the characteristics of a commercial operation in an undeveloped and sparsely populated area.

**UV Commercial/Industrial**

Includes all UV valued land located outside the gazetted town site that is used primarily for, or capable of being used primarily for commercial, industrial and/or tourism purposes.

**UV Agriculture**

Includes all UV valued land located outside the gazetted town site which is zoned Agriculture – State or Regional Significance or Rural which is used or capable of being used primarily for extensive agriculture, agroforestry and/or horticultural purposes.

**UV Horticulture**

Includes all UV valued land located outside the gazetted town site which is zoned Local Horticulture which is used primarily for, or is capable of use primarily for intensive agriculture and/or horticultural purposes.

**UV Mining**

Includes all UV valued land located outside the gazetted town site which is used primarily for mining purposes and encompasses mining leases, petroleum exploration permits and general purpose mining leases.

**UV Mining Exploration and Prospecting**

Includes all UV valued land located outside the gazetted town site which is used primarily for mining purposes and encompasses exploration and prospecting licences.

**UV Other**

Includes all UV valued land located outside the gazetted town site which is not otherwise rated as UV Rural Residential, UV Pastoral, UV Commercial/Industrial, UV Agriculture, UV Horticulture, UV Mining, or UV Mining Exploration and Prospecting.

## **Council Decision**

**Minute Number: 23/06/2020 - 118247**

**Moved: Cr T Chafer**

**Seconded: Cr D Pearce**

**That Council notes the following categories for 2020/21 rating purposes have been incorporated into the revised *Council Policy CP/FIN-3200 Strategic Rating* endorsed at the 09 June 2020 Special Council Meeting (Minute No: 09/06/2020 - 118236):**

### **GRV Residential**

**Includes all GRV valued land within the town site, other than land zoned Rural Residential or Rural Smallholdings, which is used primarily for residential purposes with the exception of Workforce Accommodation (Transient Accommodation in previous scheme), as outlined in Appendix A. of *Council Policy CP/FIN-3200 Strategic Rating*.**

### **GRV Other Vacant**

**Includes all GRV valued land within the town site which is deemed to be vacant land (unimproved land).**

### **GRV Commercial**

**Includes all GRV land which is used primarily for commercial purposes, and may include land uses such as caravan parks, fast food outlets, hotels, restaurants, or veterinary centres as outlined in Appendix A of *Council Policy CP/FIN-3200 Strategic Rating*.**

### **GRV Industrial**

**Includes all GRV valued land which is used primarily for industrial purposes and as outlined in Appendix A of the *Council Policy CP/FIN-3200 Strategic Rating*.**

### **GRV Rural Residential**

**Includes all GRV valued land that is zoned Rural Residential and Rural Smallholdings which is used primarily for or capable of being used primarily for rural residential purposes.**

### **UV Rural Residential**

**Includes all UV valued land located outside the gazetted town site that is zoned Rural Residential or Rural Smallholding which is used primarily for or capable of being used primarily for rural residential purposes.**

### **UV Pastoral**

**Includes all UV valued land located outside the gazetted town site which is used or capable of use primarily for pastoral purposes. Properties such as these have the characteristics of a commercial operation in an undeveloped and sparsely populated area.**

### **UV Commercial/Industrial**

**Includes all UV valued land located outside the gazetted town site that is used primarily for, or capable of being used primarily for commercial, industrial and/or tourism**

purposes.

**UV Agriculture**

Includes all UV valued land located outside the gazetted town site which is zoned Agriculture – State or Regional Significance or Rural which is used or capable of being used primarily for extensive agriculture, agroforestry and/or horticultural purposes.

**UV Horticulture**

Includes all UV valued land located outside the gazetted town site which is zoned Local Horticulture which is used primarily for, or is capable of use primarily for intensive agriculture and/or horticultural purposes.

**UV Mining**

Includes all UV valued land located outside the gazetted town site which is used primarily for mining purposes and encompasses mining leases, petroleum exploration permits and general purpose mining leases.

**UV Mining Exploration and Prospecting**

Includes all UV valued land located outside the gazetted town site which is used primarily for mining purposes and encompasses exploration and prospecting licences.

**UV Other**

Includes all UV valued land located outside the gazetted town site which is not otherwise rated as UV Rural Residential, UV Pastoral, UV Commercial/Industrial, UV Agriculture, UV Horticulture, UV Mining, or UV Mining Exploration and Prospecting.

Carried: 9/0

**VOTING REQUIREMENT 2**

Absolute Majority

**OFFICER'S RECOMMENDATION 2**

That Council, pursuant to section 6.47 of the *Local Government Act 1995 and regulation 26 of the Local Government (Financial Management) Regulations 1996*, grant the following Rate Concessions under Differential Rating Category UV Pastoral as part of the 2020/21 Budget adoption:

As per Special Council Meeting on 09 June 2020 (Minute No: 09/06/2020 - 118236):

Assess No	Property Owner	Rates to be Raised 2020/2021 \$	Concession Amount \$
A1935	Kachana Pastoral Company	2,508	0
A2569	Juwulinypany Community Aboriginal Corporation	88,994	64,756
A2574	Ngallagunda Aboriginal Corporation	55,422	39,802

A510	Mandangala Aboriginal Corporation	3,452	894
A511	Aboriginal Lands Trust	118,511	86,054
A513	Argyle Diamond Mines Pty Ltd	12,540	0
A514	Australian Wildlife Conservancy (AWC)	4,694	3,359
A515	Carson River Pastoral Co Pty Ltd	60,142	42,231
A519	Ellenbrae Station Pty Ltd	61,408	41,270
A532	Rosewood Station Pty Ltd	7,317	4,759
A535	Sunlight Holdings Pty Ltd	74,735	48,397
A539	Zenith Australia Group Pty Ltd	33,005	18,033
A540	Dunkeld Pastoral Co Pty Ltd	49,443	36,984
A541	Baldy Bay Pty Ltd	90,916	62,863
A542	Dunkeld Pastoral Co Pty Ltd	63,802	46,318
A551	Clean Agriculture & International Tourism Pty Ltd	54,150	37,050
A558	R I Woodland	8,550	0
A6715	Shawleish Holdings Pty Ltd	45,178	31,539
A7066	Darwulah Aboriginal Corporation	6,840	0
A7282	Kimberley Agricultural Investment Pty Ltd	118,810	93,383
A7324	Kimberley Agricultural Investment Pty Ltd	239,659	172,952
	<b>Total</b>	<b>1,200,077</b>	<b>830,643</b>

### **Council Decision**

**Minute Number: 23/06/2020 - 118248**

**Moved: Cr T Chafer**

**Seconded: Cr D Pearce**

**That Council, pursuant to section 6.47 of the *Local Government Act 1995* and *regulation 26 of the Local Government (Financial Management) Regulations 1996*, grant the following Rate Concessions under Differential Rating Category UV Pastoral as part of the 2020/21 Budget adoption:**

**As per Special Council Meeting on 09 June 2020 (Minute No: 09/06/2020 - 118236):**

<b>Assess No</b>	<b>Property Owner</b>	<b>Rates to be Raised 2020/2021 \$</b>	<b>Concession Amount \$</b>
A1935	Kachana Pastoral Company	2,508	0
A2569	Juwulinypany Community Aboriginal Corporation	88,994	64,756

A2574	Ngallagunda Aboriginal Corporation	55,422	39,802
A510	Mandangala Aboriginal Corporation	3,452	894
A511	Aboriginal Lands Trust	118,511	86,054
A513	Argyle Diamond Mines Pty Ltd	12,540	0
A514	Australian Wildlife Conservancy (AWC)	4,694	3,359
A515	Carson River Pastoral Co Pty Ltd	60,142	42,231
A519	Ellenbrae Station Pty Ltd	61,408	41,270
A532	Rosewood Station Pty Ltd	7,317	4,759
A535	Sunlight Holdings Pty Ltd	74,735	48,397
A539	Zenith Australia Group Pty Ltd	33,005	18,033
A540	Dunkeld Pastoral Co Pty Ltd	49,443	36,984
A541	Baldy Bay Pty Ltd	90,916	62,863
A542	Dunkeld Pastoral Co Pty Ltd	63,802	46,318
A551	Clean Agriculture & International Tourism Pty Ltd	54,150	37,050
A558	R I Woodland	8,550	0
A6715	Shawleish Holdings Pty Ltd	45,178	31,539
A7066	Darwulah Aboriginal Corporation	6,840	0
A7282	Kimberley Agricultural Investment Pty Ltd	118,810	93,383
A7324	Kimberley Agricultural Investment Pty Ltd	239,659	172,952
	Total	1,200,077	830,643

**Carried: 9/0**



### **VOTING REQUIREMENT 3**

Absolute Majority

### **OFFICER'S RECOMMENDATION 3**

That Council, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* and the revised *Council Policy CP/FIN-3200 Strategic Rating*, imposes differential general rates and minimum payments on Gross Rental Value properties and Unimproved Value properties for the 2020/21 financial year as follows:

As per Special Council Meeting 09 June 2020 (Minute No: 09/06/2020 - 118236):

Rating Category	General Rate in the Dollar \$	Minimum Payments
GRV - Residential	0.1449	\$1,112
GRV - Other Vacant	0.2247	\$1,112
GRV - Commercial	0.1429	\$1,112
GRV - Industrial	0.1389	\$1,112
GRV - Rural Residential	0.1449	\$1,112
UV - Rural Residential	0.0110	\$1,112
UV - Pastoral	0.0570	\$1,112
UV - Commercial/Industrial	0.0077	\$1,112
UV - Agriculture	0.0116	\$1,112
UV - Horticulture	0.0101	\$1,112
UV - Mining	0.2740	\$1,112
UV - Mining Exploration and Prospecting	0.1369	\$310
UV - Other	0.0065	\$1,112

## **Council Decision**

**Minute Number: 23/06/2020 - 118249**

**Moved: Cr T Chafer**

**Seconded: Cr D Pearce**

**That Council, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* and the revised *Council Policy CP/FIN-3200 Strategic Rating*, imposes differential general rates and minimum payments on Gross Rental Value properties and Unimproved Value properties for the 2020/21 financial year as follows:**

**As per Special Council Meeting 09 June 2020 (Minute No: 09/06/2020 - 118236):**

<b>Rating Category</b>	<b>General Rate in the Dollar \$</b>	<b>Minimum Payments</b>
GRV - Residential	0.1449	\$1,112
GRV - Other Vacant	0.2247	\$1,112
GRV - Commercial	0.1429	\$1,112
GRV - Industrial	0.1389	\$1,112
GRV - Rural Residential	0.1449	\$1,112
UV - Rural Residential	0.0110	\$1,112
UV - Pastoral	0.0570	\$1,112
UV - Commercial/Industrial	0.0077	\$1,112
UV - Agriculture	0.0116	\$1,112
UV - Horticulture	0.0101	\$1,112
UV - Mining	0.2740	\$1,112
UV - Mining Exploration and Prospecting	0.1369	\$310
UV - Other	0.0065	\$1,112

**Carried: 9/0**

## **VOTING REQUIREMENT 4**

Absolute Majority

## **OFFICER'S RECOMMENDATION 4**

That Council, pursuant to section 66 of the *Waste Avoidance and Resource Recovery Act 2007*, adopt a general rate for the Waste Management Charge to be imposed on all rated properties for the 2020/21 financial year at a rate in the dollar of:

Rating Category	Cent in the Dollar
GRV - Residential	0.0001
GRV - Other Vacant	0.0001
GRV - Commercial	0.0001
GRV - Industrial	0.0001
GRV - Rural Residential	0.0001
UV - Rural Residential	0.0001
UV - Pastoral	0.0001
UV - Commercial/Industrial	0.0001
UV - Agriculture	0.0001
UV - Horticulture	0.0001
UV - Mining	0.0001
UV - Mining Exploration and Prospecting	0.0001
UV - Other	0.0001

### **Council Decision**

**Minute Number: 23/06/2020 - 118250**

**Moved: Cr T Chafer**

**Seconded: Cr D Pearce**

**That Council, pursuant to section 66 of the *Waste Avoidance and Resource Recovery Act 2007*, adopt a general rate for the Waste Management Charge to be imposed on all rated properties for the 2020/21 financial year at a rate in the dollar of:**

<b>Rating Category</b>	<b>Cent in the Dollar</b>
GRV - Residential	0.0001
GRV - Other Vacant	0.0001
GRV - Commercial	0.0001
GRV - Industrial	0.0001
GRV - Rural Residential	0.0001
UV - Rural Residential	0.0001
UV - Pastoral	0.0001
UV - Commercial/Industrial	0.0001
UV - Agriculture	0.0001
UV - Horticulture	0.0001
UV - Mining	0.0001
UV - Mining Exploration and Prospecting	0.0001
UV - Other	0.0001

**Carried: 9/0**

## **VOTING REQUIREMENT 5**

Absolute Majority

## **OFFICER'S RECOMMENDATION 5**

That Council, pursuant to section 66 of the *Waste Avoidance and Resource Recovery Act 2007* and Part 5 of the *Local Government (Financial Management) Regulations 1996*, adopt a minimum payment to apply to the Waste Management Charge imposed on all rated properties in accordance with for the 2020/21 financial year of:

Rating Category	Minimum Payment
GRV - Residential	\$200
GRV - Other Vacant	\$200
GRV - Commercial	\$200
GRV - Industrial	\$200
GRV - Rural Residential	\$200
UV - Rural Residential	\$200
UV - Pastoral	\$200
UV - Commercial/Industrial	\$200
UV - Agriculture	\$200
UV - Horticulture	\$200
UV - Mining	\$200
UV - Mining Exploration and Prospecting	\$200
UV - Other	\$200

## **Council Decision**

Minute Number: 23/06/2020 - 118251

Moved: Cr T Chafer

Seconded: Cr D Pearce

That Council, pursuant to section 66 of the *Waste Avoidance and Resource Recovery Act 2007* and Part 5 of the *Local Government (Financial Management) Regulations 1996*, adopt a minimum payment to apply to the Waste Management Charge imposed on all rated properties in accordance with for the 2020/21 financial year of:

Rating Category	Minimum Payment
GRV - Residential	\$200
GRV - Other Vacant	\$200
GRV - Commercial	\$200
GRV - Industrial	\$200
GRV - Rural Residential	\$200
UV - Rural Residential	\$200
UV - Pastoral	\$200
UV - Commercial/Industrial	\$200
UV - Agriculture	\$200
UV - Horticulture	\$200
UV - Mining	\$200
UV - Mining Exploration and Prospecting	\$200
UV - Other	\$200

Carried: 9/0

## **VOTING REQUIREMENT 6**

Absolute Majority

## **OFFICER'S RECOMMENDATION 6**

That Council, pursuant to section 6.45 of the *Local Government Act 1995* and in accordance with Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, nominates the following due dates for the payment of rates and service charges for the 2020/21 financial year:

- a. 21 August 2020 or to pay in full within 35 days of the issue of the rates notice;
- b. To pay by 2 (50%) equal instalments being:
  - i. 21 August 2020 or within 35 days of the issue of the rates notice;
  - ii. 08 January 2021 or within 4 months of (i);
- c. To pay by 4 (25%) equal instalments being:
  - i. 21 August 2020 or within 35 days of the issue of the rates notice;
  - ii. 23 October 2020 or within 2 months of (i);
  - iii. 08 January 2021 or within 2 months of (ii);
  - iiii. 12 March 2021 or within 2 months of (iii) being 6 months from the expiration of the initial 35 day period and 6 months and 35 days from the date of issue of the rates notice.

### **Council Decision**

**Minute Number: 23/06/2020 - 118252**

**Moved: Cr T Chafer**

**Seconded: Cr D Pearce**

**That Council, pursuant to section 6.45 of the *Local Government Act 1995* and in accordance with Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, nominates the following due dates for the payment of rates and service charges for the 2020/21 financial year:**

- a. 21 August 2020 or to pay in full within 35 days of the issue of the rates notice;**
- b. To pay by 2 (50%) equal instalments being:**
  - iii. 21 August 2020 or within 35 days of the issue of the rates notice;**
  - iv. 08 January 2021 or within 4 months of (i);**
- c. To pay by 4 (25%) equal instalments being:**
  - iv. 21 August 2020 or within 35 days of the issue of the rates notice;**
  - v. 23 October 2020 or within 2 months of (i);**
  - vi. 08 January 2021 or within 2 months of (ii);**
  - iiii. 12 March 2021 or within 2 months of (iii) being 6 months from the expiration of the initial 35 day period and 6 months and 35 days from the date of issue of the rates notice.**

**Carried: 9/0**

## **VOTING REQUIREMENT 7**

Absolute Majority

## **OFFICER'S RECOMMENDATION 7**

That Council, pursuant to section 6.46 of the *Local Government Act 1995* and Regulation 26 of the *Local Government (Financial Management) Regulations 1996*, adopt the following Rates Payment Incentive Scheme prize draws for the 2020/21 financial year with a total value of \$6,000 budgeted for and provided from municipal funds, noting that elected members and employees of the Shire are ineligible and will be excluded from the draw:

1. Prize Draw A of \$4,000 - Open to all rate assessments paid in full, including all arrears and outstanding interest charges, by 4:00pm on 21 August 2020 or within 35 days of the issue of the rates notice.
  - i. First Prize - \$2,000 Visa/Mastercard Gift Card
  - ii. Second Prize - \$1,000 Visa/Mastercard Gift Card
  - iii. Third - Seventh Prizes - \$200 Visa/Mastercard Gift Card each
2. Prize Draw B of \$2,000 - Open to;
  - a. All rate assessments paid via two instalments that are paid in full, including all arrears and outstanding interest charges, by 4:00pm on 08 January 2021 or within 4 months of the first instalment due date.
  - b. All rate assessments paid via four instalments that are paid in full, including all arrears and outstanding interest charges, by 4:00pm on 12 March 2021 or within 6 months of the first instalment due date.
  - c. All rate assessments on an approved payment arrangement with all payments up to date as at 4:00pm on 12 March 2021 or within 6 months of the first instalment due date.
    - i. First Prize - \$1,000 Visa/Mastercard Gift Card
    - ii. Second Prize - \$500 Visa/Mastercard Gift Card
    - iii. Third - Seventh Prizes - \$100 Visa/Mastercard Gift Card each



*Cr D Pearce moved an amended motion and Cr T Chafer seconded. The amended motion sought to remove the method of prize monies being a Visa/MasterCard Gift card and instead include 'Part 3: Payment via a purchase order system to businesses operating within the Shire of Wyndham East Kimberley'. In addition, the amended motion added that immediate household members of Shire Elected Members and Employees, as well as Government agencies were ineligible and will be excluded from the draw.*

### **Council Decision**

**Minute Number: 23/06/2020 - 118253**

**Moved: Cr D Pearce**

**Seconded: Cr T Chafer**

**That Council, pursuant to section 6.46 of the *Local Government Act 1995* and Regulation 26 of the *Local Government (Financial Management) Regulations 1996*, adopt the following Rates Payment Incentive Scheme prize draws for the 2020/21 financial year with a total value of \$6,000 budgeted for and provided from municipal funds, noting that elected members (including immediate household members) and employees (including immediate household members) of the Shire, and Government agencies are ineligible and will be excluded from the draw:**

- 1. Prize Draw A of \$4,000 - Open to all rate assessments paid in full, including all arrears and outstanding interest charges, by 4:00pm on 21 August 2020 or within 35 days of the issue of the rates notice.**
  - i. First Prize - \$2,000**
  - ii. Second Prize - \$1,000**
  - iii. Third - Seventh Prizes - \$200 each**
- 2. Prize Draw B of \$2,000 - Open to;**
  - a. All rate assessments paid via two instalments that are paid in full, including all arrears and outstanding interest charges, by 4:00pm on 08 January 2021 or within 4 months of the first instalment due date.**
  - b. All rate assessments paid via four instalments that are paid in full, including all arrears and outstanding interest charges, by 4:00pm on 12 March 2021 or within 6 months of the first instalment due date.**
  - c. All rate assessments on an approved payment arrangement with all payments up to date as at 4:00pm on 12 March 2021 or within 6 months of the first instalment due date.**
    - i. First Prize - \$1,000**
    - ii. Second Prize - \$500**
    - iii. Third - Seventh Prizes - \$100 each**
- 3. Payment via a purchase order system to businesses operating within the Shire of Wyndham East Kimberley.**

**Carried: 9/0**

*The Presiding member suggested Council move Recommendations 8 to 11 en bloc.  
Cr G Lodge moved Recommendations 8 to 11 en bloc, and Cr J Farquhar seconded.*

### **VOTING REQUIREMENT 8**

Absolute Majority

### **OFFICER'S RECOMMENDATION 8**

**That Council:**

1. Pursuant to section 6.16 of the *Local Government Act 1995*, adopt the amended Schedule of Fees and Charges for 2020/21 outlined in Attachment 2 to be effective from either 1 July 2020 or 1 January 2021, whichever date is indicated in Attachment 2.

### **Council Decision**

**Minute Number: 23/06/2020 - 118254**

**Moved: Cr G Lodge**

**Seconded: Cr J Farquhar**

**That Council:**

1. Pursuant to section 6.16 of the *Local Government Act 1995*, adopt the amended Schedule of Fees and Charges for 2020/21 outlined in Attachment 2 to be effective from either 1 July 2020 or 1 January 2021, whichever date is indicated in Attachment 2.

**Carried: 9/0**

## **VOTING REQUIREMENT 9**

Absolute Majority

## **OFFICER'S RECOMMENDATION 9**

**That Council:**

- 1. Pursuant to section 6.45 of the *Local Government Act 1995* and Regulation 68 of the *Local Government (Financial Management) Regulations 1996*, imposes an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option (excluding eligible pensioners and seniors).**
- 2. Pursuant to section 6.45 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, imposes an instalment administration charge where the owner has elected to pay rates and service charges through an instalment option of \$12.00 per instalment after the initial instalment is paid.**
- 3. Pursuant to section 6.16 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, impose an administration fee of \$61.30 on any ratepayer who wishes to negotiate a rates special payment arrangement.**
- 4. Pursuant to amendment SL 2020/57 (clause 13) to section 6.45 of the *Local Government Act 1995*, resolve that the imposition of an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments does not not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with *Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors*.**

## **Council Decision**

**Minute Number: 23/06/2020 - 118256**

**Moved: Cr G Lodge**

**Seconded: Cr J Farquhar**

**That Council:**

- 1. Pursuant to section 6.45 of the *Local Government Act 1995* and Regulation 68 of the *Local Government (Financial Management) Regulations 1996*, imposes an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option (excluding eligible pensioners and seniors).**
- 2. Pursuant to section 6.45 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, imposes an**

instalment administration charge where the owner has elected to pay rates and service charges through an instalment option of \$12.00 per instalment after the initial instalment is paid.

3. Pursuant to section 6.16 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, impose an administration fee of \$61.30 on any ratepayer who wishes to negotiate a rates special payment arrangement.
4. Pursuant to amendment SL 2020/57 (clause 13) to section 6.45 of the *Local Government Act 1995*, resolve that the imposition of an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments does not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with *Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors*.

Carried: 9/0

#### **VOTING REQUIREMENT 10**

Absolute Majority

#### **OFFICER'S RECOMMENDATION 10**

That Council:

1. Pursuant to section 6.51(1) and amendment SL 2020/57 (clause 14(3)) to section 6.51 and subject to section 6.51(4) of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, imposes an interest rate of 8.0% per annum for rates and service charges and costs of proceedings to recover such charges that remain unpaid after becoming due and payable (excluding eligible pensioners and seniors); and
2. Pursuant to amendment SL 2020/57 (clause 14(2)) to section 6.51 of the *Local Government Act 1995*, resolve that the imposition of interest on overdue rates and services charges does not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with *Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors*.

#### **Council Decision**

Minute Number: 23/06/2020 - 118257

Moved: Cr G Lodge

Seconded: Cr J Farquhar

That Council:

1. Pursuant to section 6.51(1) and amendment SL 2020/57 (clause 14(3)) to section 6.51 and subject to section 6.51(4) of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, imposes an interest rate of 8.0% per annum for rates and service charges and costs of proceedings to recover such charges that remain unpaid after becoming due and payable (excluding eligible pensioners and seniors); and
2. Pursuant to amendment SL 2020/57 (clause 14(2)) to section 6.51 of the *Local Government Act 1995*, resolve that the imposition of interest on overdue rates and services charges does not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with *Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors*.

Carried: 9/0

### **VOTING REQUIREMENT 11**

Absolute Majority

### **OFFICER'S RECOMMENDATION 11**

That Council:

1. Pursuant to section 6.13 of the *Local Government Act 1995*, impose interest at 8.0% per annum on any amount of money (other than rates and service charges) which is owed to Shire and has been owed for a period of 35 days in accordance with *Council Policy CP/FIN-3214 Sundry Debt Collection*.
2. Pursuant to amendment SL 2020/57 (clause 8) to section 6.13 of the *Local Government Act 1995*, a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with *Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors* is not required to pay interest on any amount of money (other than rates and services charges) which is owed to the Shire.

### **Council Decision**

Minute Number: 23/06/2020 - 118258

Moved: Cr G Lodge

Seconded: Cr J Farquhar

That Council:

1. Pursuant to section 6.13 of the *Local Government Act 1995*, impose interest at 8.0% per annum on any amount of money (other than rates and service charges)

which is owed to Shire and has been owed for a period of 35 days in accordance with *Council Policy CP/FIN-3214 Sundry Debt Collection*.

2. Pursuant to amendment SL 2020/57 (clause 8) to section 6.13 of the *Local Government Act 1995*, a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with *Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors* is not required to pay interest on any amount of money (other than rates and services charges) which is owed to the Shire.

Carried: 9/0

## **VOTING REQUIREMENT 12**

Absolute Majority

## **OFFICER'S RECOMMENDATION 12**

That Council:

1. Notes that the Elected Members annual attendance fees and annual allowances have been determined with reference to the revised *Council Policy CP/CNC-3141 Elected Member Allowances and Entitlements* adopted at the 24 March 2020 Ordinary Meeting of Council (Minute No. 24/03/2020 - 118188) to be incorporated into the 2020/21 Municipal Fund Budget.
2. Notes the revised *Council Policy CP/CNC-3141 Elected Member Allowances and Entitlements* adopted at the 24 March 2020 Ordinary Meeting of Council (Minute No. 24/03/2020 - 118188) provide for the maximum Salaries and Allowances Tribunal (SAT) determination levels so that:
  - a. The President's Annual Meeting Attendance Fee is 60% of the yearly maximum Salaries and Allowances Tribunal (SAT) determination.
  - b. The Elected Members Annual Meeting Attendance Fee is 60% of the yearly maximum Salaries and Allowances Tribunal (SAT) determination.
  - c. The President's Annual Allowance is 60% of the yearly maximum Salaries and Allowances Tribunal (SAT) determination.
  - d. The Deputy President's Annual Allowance is 25% of the President's Allowance.
  - e. The Elected Members will receive an ICT Allowance of \$2,400 per annum.
3. Pursuant to section 5.99 of the *Local Government Act 1995*, adopt the following annual fees for payment of elected members in lieu of individual meeting attendance fees:
  - a. President \$18,689.40
  - b. Councillors \$13,938.00
4. Pursuant to section 5.98(5) of the *Local Government Act 1995*, adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:
  - a. President \$38,012.40

5. Pursuant to section 5.98A(1) of the *Local Government Act 1995*, adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:
  - a. Deputy President \$9,503.10

### **Council Decision**

**Minute Number: 23/06/2020 - 118259**

**Moved: Cr N Brook**

**Seconded: Cr J Farquhar**

1. Notes that the Elected Members annual attendance fees and annual allowances have been determined with reference to the revised *Council Policy CP/CNC-3141 Elected Member Allowances and Entitlements* adopted at the 24 March 2020 Ordinary Meeting of Council (Minute No. 24/03/2020 - 118188) to be incorporated into the 2020/21 Municipal Fund Budget.
2. Notes the revised *Council Policy CP/CNC-3141 Elected Member Allowances and Entitlements* adopted at the 24 March 2020 Ordinary Meeting of Council (Minute No. 24/03/2020 - 118188) provide for the maximum Salaries and Allowances Tribunal (SAT) determination levels so that:
  - a. The President's Annual Meeting Attendance Fee is 60% of the yearly maximum Salaries and Allowances Tribunal (SAT) determination.
  - b. The Elected Members Annual Meeting Attendance Fee is 60% of the yearly maximum Salaries and Allowances Tribunal (SAT) determination.
  - c. The President's Annual Allowance is 60% of the yearly maximum Salaries and Allowances Tribunal (SAT) determination.
  - d. The Deputy President's Annual Allowance is 25% of the President's Allowance.
  - e. The Elected Members will receive an ICT Allowance of \$2,400 per annum.
3. Pursuant to section 5.99 of the *Local Government Act 1995*, adopt the following annual fees for payment of elected members in lieu of individual meeting attendance fees:
  - a. President \$18,689.40
  - b. Councillors \$13,938.00
4. Pursuant to section 5.98(5) of the *Local Government Act 1995*, adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:
  - a. President \$38,012.40
5. Pursuant to section 5.98A(1) of the *Local Government Act 1995*, adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:
  - a. Deputy President \$9,503.10

**Carried: 9/0**

The Presiding member suggested Council move Recommendations 13 and 14 en bloc.  
Cr D Menzel moved Recommendations 13 and 14 en bloc, and Cr M Dear seconded.

### **VOTING REQUIREMENT 13**

Absolute Majority

### **OFFICER'S RECOMMENDATION 13**

That Council, pursuant to Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, approves the materiality level for monthly reporting to be set at +/- 10% and +/- \$20,000 at account level and +/- 10% and +/- \$100,000 at financial statement level.

#### **Council Decision**

Minute Number: 23/06/2020 - 118260

Moved: Cr D Menzel

Seconded: Cr M Dear

That Council, pursuant to Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, approves the materiality level for monthly reporting to be set at +/- 10% and +/- \$20,000 at account level and +/- 10% and +/- \$100,000 at financial statement level.

Carried: 9/0

### **VOTING REQUIREMENT 14**

Absolute Majority

### **OFFICER'S RECOMMENDATION 14**

That Council adopt the revised *Council Policy CP/FIN-3201 Significant Accounting Policies* provided in Attachment 3.

#### **Council Decision**

Minute Number: 23/06/2020 - 118261

Moved: Cr D Menzel

Seconded: Cr M Dear

That Council adopt the revised *Council Policy CP/FIN-3201 Significant Accounting Policies* provided in Attachment 3.

Carried: 9/0



## **VOTING REQUIREMENT 15**

Absolute Majority

## **OFFICER'S RECOMMENDATION 15**

That Council, pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, adopt the Municipal Fund Budget as contained in Attachment 1 of this agenda, for the Shire of Wyndham East Kimberley for the 2020/21 financial year which includes the following:

1. Statement of Comprehensive Income by Nature and Type
2. Statement of Comprehensive Income by Program
3. Statement of Cash Flows;
4. Rate Setting Statement showing a net amount required to be raised from rates of \$10,425,101;
5. Notes to and forming Part of the Budget;
6. Fees and Charges Schedule.

### **Council Decision**

Minute Number: 23/06/2020 - 118262

Moved: Cr M Dear

Seconded: Cr J Farquhar

That Council, pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, adopt the Municipal Fund Budget as contained in Attachment 1 of this agenda, for the Shire of Wyndham East Kimberley for the 2020/21 financial year which includes the following:

1. Statement of Comprehensive Income by Nature and Type
2. Statement of Comprehensive Income by Program
3. Statement of Cash Flows;
4. Rate Setting Statement showing a net amount required to be raised from rates of \$10,425,101;
5. Notes to and forming Part of the Budget;
6. Fees and Charges Schedule.

**Carried: 9/0**

## **PURPOSE**

The purpose of this report is to consider the Municipal Fund Budget for the 2020/21 Financial Year together with the supporting schedules, including imposition of rates and minimum payments, adoption of the fees and charges, setting of Elected Members fees for the year and other consequential matters arising from the Budget papers.

## **NATURE OF COUNCIL'S ROLE IN THE MATTER**

Lead - Plan and provide direction through policy and practices

Provide - Provide physical infrastructure and essential services

Fund - Provide funds or other resources

Regulate - Responsible for the enforcement of statutory requirements

Partner - Collaborate with external stakeholders to deliver services and projects

Advocate - Proactively represent the community

## **BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE**

The 2020/21 Budget has been prepared in accordance with the requirements of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

The 2020/21 Budget process commenced in February 2020. The process is a comprehensive one involving the Acting CEO, Directors, Managers and Responsible Officers in all departments of the Shire. It includes a detailed analysis of the current year revenue and expenditure for both operating and capital items, forecasting the 30 June 2020 budget position and determining the funding requirements to maintain service levels and asset renewal obligations for the 2020/21 financial year where possible. The contents of the budget have been developed on an iterative process since February. The data has been reviewed by the Acting CEO, Directors and staff.

The 2020/21 Budget has been developed within a strategic financial planning framework after due consideration of Council priorities and the resource allocation requirements of these priorities.

A major impact on the 2020/21 Budget is the financial impact Covid-19 has had on the Shire's operations and that of its stakeholders and ratepayers. Both the Western Australian and the local economy have been severely impacted by the pandemic. This has resulted in a decline in income and increase in unemployment. Similarly, there have been significant impacts on the business sector and consumer confidence, both of which fell to their weakest levels on record. The impact on regional Australia and particularly the East Kimberley cannot be underestimated. It is estimated that regional Australia has either lost or put into hibernation 32% of regional jobs. Tourism impacts in WA are expected to result in 25,000 fewer jobs. It is in this environment that the budget has been framed.

The financial impact thus far has been seen in the reduction of cash flow in the April, May, and June months of the current financial year. Forecasting for the 2020/21 year cannot be done with any degree of certainty because the timing and severity of the impact cannot be accurately determined. The Shire has therefore no option but to estimate what a possible worst-case scenario is likely to be and from that determine a likely outcome on a conservative basis. At this stage Shire Officers consider that there will be a reduction in cash flows of approximately \$4,8 million. In order to fund this deficit Officers have reduced operating expenses by approximately \$1,5 million, capital works funded by municipal funds by \$2,1 million and Employee costs by \$1,2 million.

The process for the development of the 2020/21 Budget is in alignment with both the Shire's Corporate Business Plan 2019 - 2022 and Strategic Community Plan 2017 to 2027, to ensure the Shire is delivering on the strategic vision in an achievable and sustainable manner.

Council is being requested to re-adopt the Schedule of Fees and Charges for the 2020/21 financial year as there have been minor changes made since the previous adoption. In accordance with section 6.16(1) of the Local Government Act 1995, the Council may impose and recover a fee or charge for any goods or services it provides or proposes to provide, other than a service for which a service charge is imposed.

The Council has a number of charges, which are applicable from 1 July 2020, and therefore in keeping with past practice the proposed Schedule of Fees and Charges was adopted prior to the adoption of the annual budget so that necessary steps could be taken to ensure that all fees can apply from 1 July 2020.

Decisions of Council relevant to the 2020/21 budget process are as follows:

**Council Decision**

**Minute Number: 25/02/2020 - 118174**

**Moved: Cr G Lodge**

**Seconded: Cr T Chafer**

**That Council:**

- 1. Receives the 2019/20 Mid Year Budget Review Report for the period ended 31 December 2019;**
- 2. Approves the budget amendments as detailed in Attachment 1.**

**Carried: 9/0**

**Council Decision**

**Minute Number: 24/03/2020-118183**

**Moved: Cr T Chafer**

**Seconded: Cr A Petherick**

**That Council:**

- 1. Endorse the revised Council Policy CP/FIN-3200 Strategic Rating;**
- 2. Endorse the 2020/21 Rating Model as follows, with the intention of seeking public submissions thereon and thereafter reporting to Council before striking the rates as part of the 2020/21 Budget adoption, subject to receiving Ministerial approval where required by legislation;**

<i>Differential Rating Category</i>	<i>Total Properties</i>	<i>Total Rateable Value of Properties</i> \$	<i>Proposed Minimum Payment</i> \$	<i>Proposed Rate in the Dollar</i>	<i>% of Properties on Minimum Payments</i>	<i>Proposed Rates Revenue Budget 2019/20</i> \$
<i>GRV - Residential</i>	1,690	32,344,138	1,112	0.1449	1.30%	4,692,778
<i>GRV - Other Vacant</i>	126	521,241	1,112	0.2247	78.57%	178,487
<i>GRV - Commercial</i>	188	12,866,633	1,112	0.1429	8.51%	1,844,290
<i>GRV - Industrial</i>	178	7,481,770	1,112	0.1389	5.06%	1,045,021
<i>GRV - Rural Residential</i>	26	272,424	1,112	0.1449	11.54%	41,123
<i>UV - Rural Residential</i>	199	49,502,000	1,112	0.0110	0.00%	544,522
<i>UV - Pastoral</i>	21	5,481,449	1,112	0.0570	4.76%	312,559
<i>UV - Commercial/Industrial</i>	66	13,099,780	1,112	0.0077	30.30%	120,643
<i>UV - Agriculture</i>	81	60,757,309	1,112	0.0116	1.23%	705,781
<i>UV - Horticulture</i>	93	29,703,000	1,112	0.0101	0.00%	300,000
<i>UV - Mining</i>	66	1,725,962	1,112	0.2740	48.48%	493,349
<i>UV - Mining Exploration and Prospecting</i>	48	598,963	310	0.1369	27.08%	83,752
<i>UV - Other</i>	5	8,975,000	1,112	0.0065	20.00%	58,475
<b>TOTALS</b>	<b>2,787</b>	<b>223,329,669</b>				<b>10,420,780</b>

3. **Endorse for advertising for a minimum of twenty-one (21) days and seek public submissions on:**
  - a. **Council Policy CP/FIN-3200 Strategic Rating (Attachment 1) that outlines the principles which underpin the proposed 2020/21 rating model, including the Object of and Reasons for Differential Rates;**
  - b. **The 2020/21 Rating Model (Attachment 2) which incorporates the Object of and Reasons for Differential Rates, along with the proposed differential rates and minimum payments to be applied from 1 July 2020 for the 2020/21 financial year in accordance with section 6.36 of the Local Government Act 1995.**
4. **Hold a Special Council Meeting on 2 June 2020 to:**
  - a. **Consider Public Submissions received in relation to the Proposed Differential General Rates and Minimum Payments and Strategic Rating Policy;**
  - b. **Endorse Council Policy CP/FIN-3200 strategy Rating including the 2020/21 Rating Model, with the intention of striking rates a part of the 2020/21 Budget adoption;**
  - c. **Request the CEO, or their delegate to seek Ministerial approval where required by legislation.**

**Carried: 9/0**

**Council Decision**

**Minute Number: 24/03/2020 - 118188**

**Moved: Cr M McKittrick**

**Seconded: Cr A Petherick**

***That Council adopts the revised Council Policy CP/CNC-3141 Elected Member Allowances, but with a reduction in allowances to 60% of the maximum figure as determined by the State Administrative Tribunal.***

**Carried:9/0**

**Council Decision**

**Minute Number: 24/03/2020 - 118189**

**Moved: Cr T Chafer**

**Seconded: Cr M McKittrick**

***That Council adopts the amended Council Policy CP-FIN 3211 Fees and Charges Pricing.***

**Carried:9/0**

**Council Decision**

**Minute Number: 24/03/2020-118190**

**Moved: Cr T Chafer**

**Seconded: Cr M McKittrick**

**That Council:**

***1. Pursuant to section 6.16 and 6.18 of the Local Government Act 1995, adopt the proposed Schedule of Fees and Charges for 2020/21 outlined in Attachment 1 to be effective from either 1 July 2020 or 1 January 2021, whichever date is applicable as indicated in the attachment, subject to:***

- All Fees and Charges that have been increased by 1.5% from the 2019/20 Fee or Charge be amended to reflect a 0% increase; and***

***2. Request the Chief Executive Officer to give local public notice of the Council's intention to impose the Schedule of Fees and Charges 2020/21, to apply from 1 July 2020 or 1 January 2021 as applicable, in accordance with section 6.19 of the Local Government Act 1995; and***

***3. Pursuant to Section 6.13 of the Local Government Act 1995, impose interest at 9% on any amount of money (other than rates and service charges) which is***

**owed to Shire and has been owed for a period of 35 days in accordance with Council Policy CP/FIN-3214-Sundry Debt Collection.**

**Carried 9/0**

### **Council Decision**

**Minute Number: 26/05/2020 - 118232**

- 1. Pursuant to section 6.16 and 6.18 of the Local Government Act 1995, adopt the amended Schedule of Fees and Charges for 2020/21 outlined in attachment 1 to be effective from either 1 July 2020 or 1 January 2021, whichever date is applicable as indicated in the attachment; and**
- 2. Request the Chief Executive Officer to give local public notice of Council's intention to impose the Schedule of Fees and Charges 2020/21, to apply from 1 July 2020 or 1 January 2021 as applicable, in accordance with section 6.19 of the Local Government Act 1995; and**
- 3. Pursuant to Section 6.13 of the Local Government Act 1995, impose interest at 8% on any amount of money (other than rates and service charges) which is owed to the Shire and has been owed for a period of 35 days in accordance with Council Policy CP/FIN-3214-Sundry Debt Collection.**
- 4. Pursuant to amendment SL 2020/57 (clause 8) to Section 6.13 of the Local Government Act 1995, a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors is not required to pay interest on any amount of money (other than rates and services charges) which is owed to the Shire.**
- 5. Pursuant to amendment SL 2020/57 (clause 13) to Section 6.45 of the Local Government Act 1995, the imposition of an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments does not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.**
- 6. Pursuant to amendment SL 2020/57 (clause 14) to Section 6.51 of the Local Government Act 1995, the imposition of interest on overdue rates and services charges does not apply to a person who is considered to be suffering financial hardship as a consequence of the COVID-19 Pandemic in accordance with Council Policy CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors.**
- 7. Notes the changes to the dates for advertising of the Proposed Differential General Rates and Minimum Payments and the closing dates for Public Submissions as follows:**
  - Public Notice period commenced on Thursday 14 May 2020**
  - The closing date for Public Submissions is Friday 5 June 2020.**

8. **Reschedules the Special Council Meeting from 2 June 2020 to 9 June 2020 to:**
  - a. **Consider Public Submissions received in relation to the the Proposed Differential General Rates and Minimum Payments and Strategic Rating Policy;**
  - b. **Endorse Council Policy CP/FIN-3200 Strategic Rating including the 2020/21 Rating Model, with the intention of striking rates as part of the 2020/21 Budget adoption;**
  - c. **Request the CEO, or their delegate to seek Ministerial approval where required by legislation.**

**Carried: 8/0**

### **Council Decision**

**Minute Number: 09/06/2020 - 118236**

**Moved: Cr T Chafer**

**Seconded: Cr J Farquhar**

**That Council:**

1. **Notes that there have been no submissions received from the public in relation to the advertised Council Policy CP/FIN-3200 Strategic Rating or the 2020/21 Rating Model;**
2. **Endorse revised Council Policy CP/FIN-3200 Strategic Rating;**
3. **In accordance with Section 6.47 of the Local Government Act 1995, endorse the following Rate Concessions under Differential Rating Category UV Pastoral with the intention of granting them as part of the 2020/21 Budget adoption;**

<b>Assess No</b>	<b>Property Owner</b>	<b>Rates to be Raised 2020/2021 \$</b>	<b>Concession Amount \$</b>
A1935	Kachana Pastoral Company	2,508	0
A2569	Juwulinypany Community Aboriginal Corporation	88,994	64,756
A2574	Ngallagunda Aboriginal Corporation	55,422	39,802
A510	Mandangala Aboriginal Corporation	3,452	894
A511	Aboriginal Lands Trust	118,511	86,054
A513	Argyle Diamond Mines Pty Ltd	12,540	0
A514	Australian Wildlife Conservancy (AWC)	4,694	3,359

A515	Carson River Pastoral Co Pty Ltd	60,142	42,231
A519	Ellenbrae Station Pty Ltd	61,408	41,270
A532	Rosewood Station Pty Ltd	7,317	4,759
A535	Sunlight Holdings Pty Ltd	74,735	48,397
A539	Zenith Australia Group Pty Ltd	33,005	18,033
A540	Dunkeld Pastoral Co Pty Ltd	49,443	36,984
A541	Baldy Bay Pty Ltd	90,916	62,863
A542	Dunkeld Pastoral Co Pty Ltd	63,802	46,318
A551	Clean Agriculture & International Tourism Pty Ltd	54,150	37,050
A558	R I Woodland	8,550	0
A6715	Shawleish Holdings Pty Ltd	45,178	31,539
A7066	Darwulah Aboriginal Corporation	6,840	0
A7282	Kimberley Agricultural Investment Pty Ltd	118,810	93,383
A7324	Kimberley Agricultural Investment Pty Ltd	239,659	172,952
<b>Total</b>		<b>1,200,077</b>	<b>830,643</b>

**4. Endorse that should the 1 July 2020 valuation for any UV Pastoral property be revised down, the concession amount for that property will be recalculated and adjusted for the new valuation so that the revised rates for the 2020/21 financial year will be no greater than 120% of the 2019/20 rates; and**

**5. Endorse the 2020/21 Rating Model as follows, with the intention of striking the rates as part of the 2020/21 Budget adoption, subject to receiving Ministerial approval where required by legislation.**

<b>Differential Rating Category</b>	<b>Total Properties</b>	<b>Total Rateable Value of Properties \$</b>	<b>Proposed Minimum Payment \$</b>	<b>Proposed Rate in the Dollar</b>	<b>% of Properties on Minimum Payments</b>	<b>Proposed Rates Revenue Budget 2019/20 \$</b>
GRV - Residential	1,693	32,420,838	1,112	0.1449	1.30%	4,703,892
GRV - Other Vacant	124	521,861	1,112	0.2247	77.42%	176,443
GRV - Commercial	188	12,866,633	1,112	0.1429	8.51%	1,844,290
GRV - Industrial	178	7,481,770	1,112	0.1389	5.06%	1,045,021
GRV - Rural Residential	26	272,424	1,112	0.1449	11.54%	41,123



UV - Rural Residential	199	43,717,000	1,112	0.0110	0.00%	480,887
UV - Pastoral	21	21,053,985	1,112	0.0570	0.00%	1,200,077
UV - Commercial/Industrial	66	13,130,080	1,112	0.0077	30.30%	120,766
UV - Agriculture	81	60,726,109	1,112	0.0116	1.23%	705,419
UV - Horticulture	93	28,651,000	1,112	0.0101	0.00%	289,375
UV - Mining	66	1,819,366	1,112	0.2740	45.45%	518,072
UV - Mining Exploration and Prospecting	45	463,143	310	0.1369	28.89%	65,064
UV - Other	5	8,975,000	1,112	0.0065	20.00%	58,475
<b>TOTALS</b>	<b>2,785</b>	<b>232,099,209</b>				<b>11,248,904</b>
<b>Less Rate Concessions</b>						<b>830,643</b>
<b>Total Budgeted Net Rates Revenue Raised</b>						<b>10,418,261</b>

## **STATUTORY IMPLICATIONS**

### **Local Government Act 1995**

#### **Part 5 Administration**

#### **Division 5 - Annual reports and planning**

#### **5.56. Planning for the future**

- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

### **Local Government (Administration) Regulations 1996**

#### **Part 5 - Annual reports and planning Division 3 - Planning for the future 19DA.**

#### **Corporate business plans, requirements for (Act s. 5.56)**

- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
- (3) A corporate business plan for a district is to —
  - (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

- (b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
  - (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
  - (4) A local government is to review the current corporate business plan for its district every year.*
  - (5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
  - (6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- \*Absolute majority required.*
- (7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

### **5.63. Some interests need not be disclosed**

- (1) Sections 5.65, 5.70 and 5.71 do not apply to a relevant person who has any of the following interests in a matter —*
- (a) an interest common to a significant number of electors or ratepayers; or*
- (b) an interest in the imposition of any rate, charge or fee by the local government; or*
- (c) an interest relating to (i) a fee, reimbursement of an expense or an allowance to which section 5.98, 5.98A, 5.99, 5.99A, 5.100 or 5.101(2) refers;*

## **Local Government Act 1995**

### **Part 2 – Constitution of local government**

#### **Division 2 – Local governments and councils of local government**

##### **2.7. Role of council**

- (1) The council —*
- (a) governs the local government's affairs; and*
- (b) is responsible for the performance of the local government's functions.*
- (2) Without limiting subsection (1), the council is to —*
- (a) oversee the allocation of the local government's finances and resources; and*
- (b) determine the local government's policies.*

## **Local Government Act 1995**

### **Part 6 - Financial management**

#### **Division 2 - Annual Budget**

##### **6.2. Local government to prepare annual budget**

- (1) During the period from 1 June in a financial year to 31 August in the next 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 30 June next following that 31 August.*

*\* Absolute majority required.*

- (2) In the preparation of the annual budget the local government is to have regard to the contents of the plan for the future of the district made in accordance with section 5.56 and to prepare a detailed estimate for the current year of —*

- (a) the expenditure by the local government; and
- (b) the revenue and income, independent of general rates, of the local government; and
- (c) the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.
- (3) For the purposes of subsections (2)(a) and (b) all expenditure, revenue and income of the local government is to be taken into account unless otherwise prescribed.
- (4) The annual budget is to incorporate —
  - (a) particulars of the estimated expenditure proposed to be incurred by the local government; and
  - (b) detailed information relating to the rates and service charges which will apply to land within the district including —
    - (i) the amount it is estimated will be yielded by the general rate; and
    - (ii) the rate of interest (if any) to be charged by the local government on unpaid rates and service charges; and
  - (c) the fees and charges proposed to be imposed by the local government; and
  - (d) the particulars of borrowings and other financial accommodation proposed to be entered into by the local government; and
  - (e) details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used; and
  - (f) particulars of proposed land transactions and trading undertakings (as those terms are defined in and for the purpose of section 3.59) of the local government; and
  - (g) such other matters as are prescribed.
- (5) Regulations may provide for —
  - (a) the form of the annual budget; and
  - (b) the contents of the annual budget; and
  - (c) the information to be contained in or to accompany the annual budget.

**Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.2 of the Local Government Act 1995 effective 8 May 2020**

**7. Section 6.2 modified (local government to prepare annual budget)**

- (1) Section 6.2(2) is modified as set out in this clause in relation to the preparation of the 2020/21 annual budget of a local government.
- (2) The reference to the contents of the plan for the future of the district made in accordance with section 5.56 is replaced with a reference to the consequences of the COVID-19 pandemic.

**6.11. Reserve accounts**

- (1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.
- (2) Subject to subsection
- (3), before a local government —
  - (a) changes\* the purpose of a reserve account; or
  - (b) uses\* the money in a reserve account for another purpose, it must give one month's local public notice of the proposed change of purpose or proposed use. \* Absolute majority required.
- (3) A local government is not required to give local public notice under subsection (2) —

- (a) where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or*
- (b) in such other circumstances as are prescribed.*
- (4) A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs.*
- (5) Regulations may prescribe the circumstances and the manner in which a local government may set aside money for use for a purpose in a future financial year without the requirement to establish and maintain a reserve account.*

## **6.12. Power to defer, grant discounts, waive or write off debts**

- (1) Subject to subsection (2) and any other written law, a local government may —*
  - (a) when adopting the annual budget, grant\* a discount or other incentive for the early payment of any amount of money; or*
  - (b) waive or grant concessions in relation to any amount of money; or*
  - (c) write off any amount of money, which is owed to the local government.*
- \* Absolute majority required.*
- (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.*
- (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.*
- (4) Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.*

## **6.13. Interest on money owing to local governments**

- (1) Subject to any other written law, a local government may resolve\* to require a person to pay interest at the rate set in its annual budget on any amount of money (other than rates and service charges) which —*
  - (a) that person owes to the local government; and*
  - (b) has been owed for the period of time referred to in subsection (6).*
- \* Absolute majority required.*
- (2) A resolution under subsection (1) is to be included in the annual budget.*
- (3) The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.*
- (4) Where a local government imposes interest under subsection (1) on any outstanding amount of money the local government is not to also impose an additional charge in relation to that amount.*
- (5) Accrued interest is, for the purpose of its recovery, taken to form part of the money owed to the local government on which it is charged.*
- (6) A local government is not to impose interest on any amount of money under subsection (1) until the money has been owed to the local government for the period of time set by the local government in its annual budget (not being less than 35 days) after the date which is stated on the relevant account for payment as being the date the account was issued.*
- (7) Regulations may provide for the method of calculation of interest.*

**Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.13 of the Local Government Act 1995 effective 8 May 2020**

**8. Section 6.13 modified (interest on money owing to local governments)**

(1) Section 6.13 is modified as set out in this clause in relation to a resolution of a local government under section 6.13(1) that is to be included in its 2020/21 annual budget.

(2) The resolution-

(a) cannot require a person who is considered by the local government to be suffering financial hardship as a consequence of the COVID-19 pandemic to pay interest;  
and

(b) is to specify that the requirement to pay interest does not apply to a person who is considered by the local government to be suffering financial hardship as a consequence of the COVID-19 Pandemic.

(3) The rate of interest that may be set by the local government under section 6.13 in its 2020/21 annual budget is not to exceed 8%.

(4) Subclause (3) applies despite the Local Government (Financial Management) Regulations 1996 regulation 19A.

**Local Government Act 1995**

**Part 6, Division 5 – Financing local government activities**

**Subdivision 2 - Fees and Charges**

**6.16 Imposition of fees and charges**

(1) A local government may impose\* and recover a fee or charge for any goods and service it provides or proposed to provide, other than a service for which a service charge is imposed.

\* Absolute majority required.

(2) A fee or charge may be imposed for the following —

(a) providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;

(b) supplying a service or carrying out work at the request of a person;

(c) subject to section 5.94, providing information from local government records;

(d) receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;

(e) supplying goods;

(f) such other service as may be prescribed.

(3) Fees and charges are to be imposed when adopting the annual budget but may be —

(a) imposed\* during a financial year; and

(b) amended\* from time to time during a financial year.

\* Absolute majority required.

**6.17 Setting level of fees and charges**

(1) In determining the amount of a fee or charge for a service or for goods a local government is required to take into consideration the following factors –

(a) the cost to the local government of providing the service or goods; and

(b) the importance of the service or goods to the community; and

(c) the price at which the service or goods could be provided by an alternative provider.

- (2) A higher fee or charge or additional fee or charge may be imposed for an expedited service or supply of goods if it is requested that the service or goods be provided urgently.
- (3) The basis for determining a fee or charge is not to be limited to the cost of providing the service or goods other than a service —
  - (a) under section 5.96; or
  - (b) under section 6.16(2)(d); or
  - (c) prescribed under section 6.16(2)(f), where the regulation prescribing the service also specifies that such a limit is to apply to the fee or charge for the service.
- (4) Regulations may —
  - (a) prohibit the imposition of a fee or charge in prescribed circumstances; or
  - (b) limit the amount of a fee or charge in prescribed circumstances.

### **6.18. Effect of other written laws**

- (1) If the amount of a fee or charge for a service or for goods is determined under another written law a local government may not —
  - (a) determine an amount that is inconsistent with the amount determined under the other written law; or
  - (b) charge a fee or charge in addition to the amount determined by or under the other written law.
- (2) A local government is not to impose a fee or charge for a service or goods under this Act if the imposition of a fee or charge for the service or goods is prohibited under another written law.

### **6.19. Local government to give notice of fees and charges**

If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —

- (a) its intention to do so; and
- (b) the date from which it is proposed the fees or charges will be imposed.

## **Division 6 - Rates and service charges**

### **Subdivision 2 - Categories of rates and service charges**

#### **6.33. Differential general rates**

- (1) A local government may impose differential general rates according to any, or a combination, of the following characteristics —
  - (a) the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the Planning and Development Act 2005; or
  - (b) a purpose for which the land is held or used as determined by the local government; or
  - (c) whether or not the land is vacant land; or
  - (d) any other characteristic or combination of characteristics prescribed.
- (2) Regulations may —
  - (a) specify the characteristics under subsection (1) which a local government is to use; or
  - (b) limit the characteristics under subsection (1) which a local government is permitted to use.

(3) *In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*

(4) *If during a financial year, the characteristics of any land which form the basis for the imposition of a differential general rate have changed, the local government is not to, on account of that change, amend the assessment of rates payable on that land in respect of that financial year but this subsection does not apply in any case where section 6.40(1)(a) applies.*

(5) *A differential general rate that a local government purported to impose under this Act before the Local Government Amendment Act 2009 section 39(1)(a) came into operation 1 is to be taken to have been as valid as if the amendment made by that paragraph had been made before the purported imposition of that rate.*

**Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.33 of the Local Government Act 1995 effective 8 May 2020**

**9. Section 6.33 modified (differential general rates)**

(1) *In this clause-*

**relevant rate**, of a local government, means a proposed differential general rate of the local government that under section 6.33(3) cannot be imposed without the approval of the Minister.

(2) *Section 6.33(3) is modified as set out in this clause in relation to a relevant rate of a local government if-*

(a) *As a consequence of the COVID-19 pandemic, the local government resolves (whether before or after commencement day) that no proposed differential general rate of the local government will exceed the corresponding differential general rate that was imposed by the local government in the 2019/20 financial year;*

*and*

(b) *the local government obtained the Minister's approval under section 6.33(3) to impose in the 2019/20 financial year a differential general rate corresponding to the relevant rate.*

(3) *the local government is not required to obtain the approval of the Minister under section 6.33(3) to impose the relevant rate.*

**6.34. Limit on revenue or income from general rates**

*Unless the Minister otherwise approves, the amount shown in the annual budget as being the amount it is estimated will be yielded by the general rate is not to —*

(a) *be more than 110% of the amount of the budget deficiency; or*

(b) *be less than 90% of the amount of the budget deficiency.*

**Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.34 of the Local Government Act 1995 effective 8 May 2020**

**10. Section 6.34 modified (limit on revenue of income from general rates)**

(1) *Section 6.34(b) is modified as set out in this clause in relation to the 2020/21 annual budget of a local government.*

(2) *The reference to 90% is replaced with a reference to 80%.*

### **6.35. Minimum payment**

(1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.

(2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.

(3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —

(a) 50% of the total number of separately rated properties in the district; or

(b) 50% of the number of properties in each category referred to in subsection

(6), on which a minimum payment is imposed.

(4) A minimum payment is not to be imposed on more than the prescribed percentage of —

(a) the number of separately rated properties in the district; or

(b) the number of properties in each category referred to in subsection (6), unless the general minimum does not exceed the prescribed amount.

(5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and

(4) for that land.

(6) For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —

(a) to land rated on gross rental value; and

(b) to land rated on unimproved value; and

(c) to each differential rating category where a differential general rate is imposed.

### **Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.35 of the Local Government Act 1995 effective May 8 2020**

#### **11. Section 6.35 modified (minimum payment)**

(1) In this clause -

**relevant minimum payment**, of a local government, means a proposed minimum payment of the local government that under section 6.35(5) cannot be imposed without the approval of the Minister.

(2) Section 6.35(5) is modified as set out in this clause in relation to relevant minimum payment of a local government if -

(a) As a consequence of the COVID-19 pandemic, the local government resolves (whether before or after commencement day) that -

(i) no proposed differential general rate of the local government will exceed the corresponding differential general rate that was imposed by the local government in the 2019/20 financial year;

and

(ii) no proposed minimum payment of the local government will exceed the corresponding minimum payment that was imposed by the local government in the 2019/20 financial year; and



*(b) the local government obtained the Minister's approval under section 6.35(5) to impose in the 2019/20 financial year a minimum payment corresponding to the relevant minimum payment.*

*(3) The local government is not required to obtain the approval of the Minister under section 6.35(5) to impose the relevant minimum payment.*

### **6.36. Local government to give notice of certain rates**

*(1) Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*

*(2) A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).*

*(3) A notice referred to in subsection (1)*

*(a) may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency;*

*(b) is to contain -*

*(i) details of each rate or minimum payment the local government intends to impose;*

*(ii) an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*

*(iii) any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed; and*

*(c) is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.*

*(4) The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.*

*(5) Where a local government -*

*(a) in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*

*(b) proposes to modify the proposed rates or minimum payments after considering any submissions under subsection (4), it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.*

### **Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.36 of the Local Government Act 1995 effective May 8 2020**

#### **12. Section 6.36 modified (local government to give notice of certain rates)**

*(1) Section 6.36 is modified as set out in this clause in relation to a local government if, as a consequence of the COVID-19 pandemic, the local government resolves (whether before or after commencement day) that —*

*(a) no proposed differential general rate of the local government will exceed the corresponding differential general rate that was imposed by the local government in the 2019/20 financial year; and*

*(b) no proposed minimum payment of the local government of the kind referred to in section 6.36(1) will exceed the corresponding minimum payment that was imposed by the local government in the 2019/20 financial year.*

*(2) The requirements in section 6.36(1) to (4) do not apply to the local government and are replaced with the requirements in subclauses (3) and (4).*

*(3) The local government must publish on the local government's official website details of each proposed differential general rate and each proposed minimum payment of the local government.*

*(4) The details referred to in subclause (3) must be published by the local government within 10 days after the later of the following —*

*(a) the day on which the local government makes the resolution referred to in subclause (1);*

*(b) commencement day.*

#### **6.45. Options for payment of rates or service charges**

*(1) A rate or service charge is ordinarily payable to a local government by a single payment but the person liable for the payment of a rate or service charge may elect to make that payment to a local government, subject to subsection (3), by —*

*(a) 4 equal or nearly equal instalments; or*

*(b) such other method of payment by instalments as is set forth in the local government's annual budget.*

*(2) Where, during a financial year, a rate notice is given after a reassessment of rates under section 6.40 the person to whom the notice is given may pay the rate or service charge (a) by a single payment; or*

*(b) by such instalments as are remaining under subsection (1)(a) or (b) for the remainder of that financial year.*

*(3) A local government may impose an additional charge (including an amount by way of interest) where payment of a rate or service charge is made by instalments and that additional charge is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.*

*(4) Regulations may —*

*(a) provide for the manner of making an election to pay by instalments under subsection (1) or (2); and*

*(b) prescribe circumstances in which payments may or may not be made by instalments; and*

*(c) prohibit or regulate any matters relating to payments by instalments; and*

*(d) provide for the time when, and manner in which, instalments are to be paid; and*

*(e) prescribe the maximum amount (including the maximum interest component) which may be imposed under subsection (3) by way of an additional charge; and*

*(f) provide for any other matter relating to the payment of rates or service charges.*

*[Section 6.45 modified: SL 2020/57 1M.]*

#### **Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.45 of the Local Government Act 1995 effective May 8 2020**

##### **13. Section 6.45 (options for payment of rates or service charges)**

*(1) In this clause —*

**financial hardship policy**, in relation to a local government, means a policy addressing the manner in which the local government will deal with financial hardship that may be suffered by ratepayers and other persons who are required to make payments to the local government.

(2) Section 6.45 is modified as set out in this clause in relation to payment by instalments of a rate or service charge imposed by a local government in the 2020/21 financial year.

(3) The local government cannot impose an additional charge (including an amount by way of interest) under section 6.45(3) in respect of payment by instalments made by an excluded person.

(4) If the local government has not adopted a financial hardship policy, the maximum rate of interest that may be imposed by the local government under section 6.45(3) is 3%.

Subclause (4) applies despite the Local Government (Financial Management) Regulations 1996 regulation 68.

#### **6.46. Discounts**

Subject to the Rates and Charges (Rebates and Deferments) Act 1992, a local government may, when imposing a rate or service charge, resolve\* to grant a discount or other incentive for the early payment of any rate or service charge.

\* Absolute majority required

#### **6.47. Concessions**

Subject to the Rates and Charges (Rebates and Deferments) Act 1992, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive\* a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.

\* Absolute majority required.

#### **6.50. Rates or service charges due and payable**

(1) Subject to —

(a) subsections (2) and (3); and

(b) any concession granted under section 6.47; and

(c) the Rates and Charges (Rebates and Deferments) Act 1992, a rate or service charge becomes due and payable on such date as is determined by the local government.

(2) The date determined by a local government under subsection (1) is not to be earlier than 35 days after the date noted on the rate notice as the date the rate notice was issued.

(3) Where a person elects to pay a rate or service charge by instalments the second and each subsequent instalment does not become due and payable at intervals of less than 2 months.

#### **6.51. Accrual of interest on overdue rates or service charges**

(1) A local government may at the time of imposing a rate or service charge resolve\* to impose interest (at the rate set in its annual budget) on —

(a) a rate or service charge (or any instalment of a rate or service charge); and

(b) any costs of proceedings to recover any such charge, that remains unpaid after becoming due and payable.

\* Absolute majority required.

(2) The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.

(3) Accrued interest is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.

*(4) If a person is entitled under the Rates and Charges (Rebates and Deferments) Act 1992 or under this Act (if the local government in a particular case so resolves) to a rebate or deferment in respect of a rate or service charge —*

*(a) no interest is to accrue in respect of that rate or service charge payable by that person; and*

*(b) no additional charge is to be imposed under section 6.45(3) on that person.*

**Local Government (COVID-19 Response) Order 2020 SL 2020/57 amendments to Section 6.51 of the Local Government Act 1995 effective May 8 2020**

**14. Section 6.51 modified (accrual of interest on overdue rates or service charges)**

*(1) Section 6.51 is modified as set out in this clause in relation to a resolution made under section 6.51(1) by a local government at the time of imposing a rate or service charge for the 2020/21 financial year.*

*(2) The resolution —*

*(a) cannot impose interest in respect of a rate or service charge payable by an excluded person; and*

*(b) is to specify that the imposition of interest does not apply in respect of a rate or service charge payable by an excluded person.*

*(3) The rate of interest that may be set by the local government under section 6.51 is not to exceed 8%.*

*(4) Subclause (3) applies despite the Local Government (Financial Management) Regulations 1996 regulation 70.*

**Local Government (Financial Management) Regulations 1996**

**Part 2 – General financial management**

**5. CEO's duties as to financial management**

*(1) Efficient systems and procedures are to be established by the CEO of a local government —*

*(g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*

*(2) The CEO is to —*

*(b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year).*

**Part 3 - Annual Budget**

**26. Discounts for early payment etc., information about required**

*(1) The annual budget is to include for each discount or other incentive proposed to be granted for early payment of any money and in respect of each waiver or concession proposed in relation to any money —*

*(a) in respect of a discount —*

*(i) the amount of the discount, or the percentage discount, to be allowed; and*

*(ii) the circumstances in which the discount will be granted; and*

*[(b) deleted]*

*(c) in relation to a waiver or concession —*

*(i) a brief description of the waiver or concession; and*

*(ii) a statement of the circumstances in which it will be granted; and*

*(iii) details of the persons or class of persons to whom it is available; and*

- (iv) the objects of, and reasons for, the waiver or concession.*
- (2) The annual budget is to include, separately in relation to all general rates, each specified area rate, each service charge and all fees and charges imposed under the Act or any other written law an estimate of —*
  - (a) the total amount of the discounts which may be granted; and*
  - (b) the total cost to the local government of each incentive scheme; and*
  - (c) the total cost, or reduction of revenue, to the local government of a waiver or grant of a concession; and*
  - (d) the total amount of money to be written off.*

#### **Part 5 – Rates and service charges**

##### **52A. Differential general rates - s. 6.33(1)(d)**

6.33 (1)(d) For the purposes of section 6.33(1)(d), the following are prescribed characteristics —

- (a) whether or not the land is situated in a townsite as defined in the Land Administration Act 1997 section 3(1);*
- (b) whether or not the land is situated in a particular part of the district of the local government.*

##### **53. Amount prescribed for minimum payment (Act s. 6.35(4))**

*The amount prescribed for the purposes of section 6.35(4) is \$200.*

#### **Waste Avoidance and Resource Recovery Act 2007**

##### **Part 6, Division 3 – Local laws and local government rates, fees and charges**

##### **66. Local government may impose waste collection rate**

- (1) A local government may impose on rateable land within its district, and cause to be collected, an annual rate for the purpose of providing for the proper performance of all or any of the waste services it provides*
- (2) The annual rate must not exceed —*
  - (a) 12 cents in the dollar on the gross rental value; or*
  - (b) where the system of valuation on the basis of the unimproved value is adopted, 3 cents in the dollar on the unimproved value of the land in fee simple.*
- (3) The provisions of the Local Government Act 1995 relating to the making, payment and recovery of general rates apply with respect to rates referred to in subsection(1).*

##### **67. Local government may impose receptacle charge**

- (1) A local government may, in lieu of, or in addition to a rate under section 66, provide for the proper disposal of waste, whether within its district or not, by making an annual charge per waste receptacle, payable in one sum or by equal monthly or other instalments in advance, in respect of premises provided with a waste service by the local government.*
- (2) The charge is to be imposed on the owner (as defined in section 64(1)) or occupier, as the local government may decide, of any premises provided with a waste service by the local government.*
- (3) The provisions of the Local Government Act 1995 relating to the recovery of general rates apply with respect to a charge referred to in subsection (1).*
- (4) In the case of premises being erected and becoming occupied during the year for which payment is to be made, the charge for the service provided is to be the sum that*

*proportionately represents the period between the occupation of the premises and the end of the year for which payment is made.*

*(5) Notice of any charge made under this section may be included in any notice of rates imposed under section 66 or the Local Government Act 1995, but the omission to give notice of a charge does not affect the validity of the charge or the power of the local government to recover the charge.*

*(6) A charge may be limited to premises in a particular portion of the area under the control of the local government.*

*(7) Charges under this section may be imposed in respect of and are to be payable for all premises in respect of which a waste service is provided, whether such premises are rateable or not.*

*(8) A local government may make different charges for waste services rendered in different portions of its district.*

### **68. Fees and charges fixed by local government**

*Nothing in this Part prevents or restricts a local government from imposing or recovering a fee or charge in respect of waste services under the Local Government Act 1995 section 6.16.*

## **Cemeteries Act 1986**

### **Part VII – Financial provisions**

#### **53. Fees and charges**

There are also numerous other sections of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* that deal with specific parts of the Annual Budget. Where relevant the sections and/or regulations have been specifically mentioned in the officer's recommendations.

## **POLICY IMPLICATIONS**

**Each of the Council Policies outlined below are relevant in the adoption of the annual budget:**

- *CP/FIN-3201 – Significant Accounting Policies*
- *CP/FIN-3200 – Strategic Rating*
- *CP/FIN-3208 – Rates Exemptions for Charitable Organisations (Non Rateable Land)*
- *CP/FIN-3211 – Fees and Charges Pricing*
- *CP/CNC-3141 – Elected Member Allowances and Entitlements*
- *CP/COM-3582 - Community Grants Scheme*
- *CP/FIN-3219 COVID-19 Financial Hardship - Rates and Sundry Debtors*

## **FINANCIAL IMPLICATIONS**

The annual Municipal Fund Budget is the primary means for a local government to manage and allocate its financial resources. The budget also provides the ability to impose rates, which is one of the primary means for a local government to raise income to fund the services the Shire is required to deliver.

The proposed budget aims to raise \$19,325 million in operating revenue and \$8,957 million in capital grants and other capital income. A net amount of \$2,379 million will be transferred from the Shires Reserves in support of both the capital works program and the Shires response to support the local business community from the Covid-19 Response Reserve. This revenue together with existing cash resources will fund \$19,256 million in operating expenses, \$16,156 million in capital works and \$687k of debt repayments.

Should the Council adopt the budget at this time, it will permit the issuing of rates notices in July which will facilitate the cash flow management of the Shire and ensure the continued delivery of services.

More detailed financial implications are outlined in the Comments section of this Report and in the 2020/21 Budget in Attachment 1 to this report.

## **STRATEGIC IMPLICATIONS**

### ***Strategic Community Plan 2017 to 2027***

Focus Area: 4: Civic Leadership

Goal 4.4: Sustainably maintain the Shire's financial viability

Strategy 4.4.1: Diversifying and strengthening funding streams and pursue non-rates revenue opportunities

Strategy 4.4.2: Secure the maximum grant assistance available, whilst ensuring the greatest relevant benefit to the community

Strategy 4.4.3: Adequately plan for and fund asset maintenance and renewal to deliver planned services

Strategy 4.4.4: Apply best practice financial management to ensure long term sustainability

## **RISK IMPLICATIONS**

**Risk:** Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives

**Control:** Implementation of LTFP and Annual Budget

**Risk:** Failure to manage and implement an effective, forward planned capital works program which meets the safety and functional requirements of the community.

**Control:** Long Term Financial Plan, Asset Management Strategy, Asset Management Policy and Forward Capital Works Programs

**Risk:** Failure to manage the disbursement of funds to meet the needs of the Shires forward planning requirements, including the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plans and Annual Budget.

**Control:** Corporate Business Plan Review, Mid Year Budget Review, Monthly Management accounts, Monthly Financial Report to Council

## **COMMUNITY ENGAGEMENT**

Engagement has taken place in accordance with the Shire's Community Engagement Guidelines.

The following outlines the consultation processes that have been undertaken in order to provide the opportunity for both the community and Council to contribute to the Corporate Business Plan for 2019/20 to 2022/23, the 2020/21 Annual Budget process, Rates Modelling process and the determination of Fees and Charges:

**24 March 2020 - Ordinary Council Meeting** - Council endorsed the Rates Modelling that determined the proposed rate in the dollar, adoption of the revised Council Policy *CP/FIN-3200 Strategic Rating* and community engagement plan for the purposes of seeking public submissions (Minute Number: 24/03/2020 - 118183). Local public notice for submission to Impose Differential General Rates and Minimum Payments was endorsed to advertise for comment from 7 May 2020.

**24 March 2020 - Ordinary Council Meeting** - A report to Council to adopt the revised Council Policy *CP/FIN-3211 – Fees and Charges Pricing* (Minute Number: 24/03/2020 - 118189) and the revised Council Policy *CP/CNC-3141 Elected Member Allowances and Entitlements* (Minute Number: 24/03/2020 - 118188).

**26 May 2020 - Ordinary Council Meeting** - Council noted changes to dates for advertising of the Proposed Differential General Rates and Minimum Payments and the closing dates for Public Submissions following amendments to the *Local Government Act 1995* (Minute Number: 26/05/2020 - 118232). Local public notice period commenced on Thursday 14 May 2020 with the closing date for Public Submissions being Friday 5 June 2020.

**26 May 2020 - Ordinary Council Meeting** - Council adopted the Schedule of Fees and Charges for 2020/21. Along with local public notice, the Shire also distributed general notices to current debtors to ensure that they take any change into account in their future planning. (Minute Number: 26/05/2020 - 118232).

**9 June 2020 - Special Council Meeting** - In accordance with the Community Engagement Plan, advertising occurred in the following manner in order to seek public submissions on the proposed rate in the dollar;

- Local public notice in the Kimberley Echo on 14 May 2020;
- Local public notice in the May 2020 issue of the Bastion Bulletin;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2019/20 placed on the Coles noticeboard on 14 May 2020;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2019/20 placed on the IGA noticeboard on 14 May 2020;
- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2019/20 placed on the Wyndham Post Office noticeboard on 14 May 2020;
- The Shire's Facebook page and website on 14 May 2020;



- A copy of the Notice to Impose Differential General Rates and Minimum Payments for 2020/21, including Council Policy CP/FIN-3200 Strategic Rating placed on the Shire's website, public notice boards at the Civic Centres and Libraries in both Kununurra and Wyndham on 14 May 2020.

There were no public submissions for Council to consider and a rating model reflecting a 0% rate in the dollar increase was adopted at the 9 June 2020 Ordinary Council meeting for inclusion in the 2020/21 Budget (Minute Number: 09/06/2020 - 118236).

## **COMMENTS**

### **Introduction**

The Annual Municipal Fund Budget remains one of the most important documents that Council produces in any one year. The document has an impact on the Community in that it not only raises funds from them but also uses those funds to provide services for the benefit of the Community as a whole. This financial year has been particularly testing given the financial impacts of the Covid-19 pandemic. The Shire has had to revisit the assumptions that underpin the budget setting process and this has resulted in a somewhat different budget process and outcome.

The Budget sets out the financial resources that the Shire can rely on to fund the expenditure necessary to meet the service obligations that the Community expects. It is evident that the supply of funds is never sufficient to meet all the needs of the Community. Priorities need to be established and difficult decisions need to be made, particularly in this post Covid-19 phase of the financial recovery. These decisions need to be made in the context of what the Shire's legal obligations for service delivery are, what its asset management responsibilities are, what the Council and the Community regards is important and what is the ability of the Shire to fund these various matters in a sustainable manner. In this financial year there is a requirement for the Shire to focus its expenditure towards supporting local business. Both State and Federal Governments have provided additional funds for programs which are reflected in the budget details.

The proposed budget has been prepared to ensure that there is sufficient cash flow to meet all operational and capital asset commitments as set out in the budget. Sufficient cash is budgeted for to ensure that all reserves are supported by cash resources.

To compile the Annual Budget, Shire Officers access and refer to financial information, commentary and forecasts that may have an impact, such as the State and Federal announcements on funding opportunities that have been made to provide economic stimulus to address the financial impacts of Covid-19. In previous years the Shire would look to the State and Federal Budget processes for information to inform the budget process. Both the State and Federal Governments have provided additional funding opportunities which are reflected in the capital works program of the Shire. There has been a further request from the Department of Local Government Sport and Cultural Industries to repurpose the Shire reserves to assist local businesses. The Shire has repurposed its reserves into a Covid-19

Response Reserve which will after community consultation present individual projects to Council for approval.

### **Budget Timing**

The Shire is adopting its budget prior to it having audited financial information for the 2019/20 year. This is to ensure that at the start of the financial year there is a budget in place and that the priorities for the full financial year can be addressed from the start of the year. It is therefore necessary to estimate the financial position at 30 June 2020 as the starting point for the 2020/21 Municipal Fund Budget. In estimating the forecast data Shire staff have monitored the financial performance throughout the financial year and documented significant departures from the budget position. A rigorous process has also been performed by finance staff to assess this data and project end of year balances and consequently the opening funding requirements and funding capacity for 2020/21 year.

These projections, however, remain estimates and are subject to change as actual data is captured. Since the results for the 2019/20 end of year will only be finalised in October 2020 with the annual audit, it is likely that there will be differences between the actual audited results reported and the projected data. This may impact the final end of year surplus (or deficit) identified in the Rate Setting Statement. The differences between the actual data and the budget data will be determined and the 2020/21 budget data amended to reflect the necessary changes if material. This will be reported to Council at the appropriate time.

Application to the Minister to impose a minimum payment on the GRV Other Vacant rating category that will result in more than 50% of the properties being subject to the minimum payment and to impose a rate in the dollar on the UV Mining, UV Mining and Exploration and UV Pastoral rating categories that is more than twice the lowest differential UV rate does not need to be made in this budget process due to a change to the Regulations and the fact that the Shire obtained approval in the 2019/20 financial year.

### **Budget Analysis**

#### **General**

The documents contained in **Attachment 1** provide the details for the Statutory Annual Budget. They include a Statement of Comprehensive Income (by Nature and Type) reflecting the following totals in respect to the Operating position, a Statement of Comprehensive Income (by Program), a Cash Flow Statement, the Rate Setting Statement and the required notes to these statements. These documents reflect the overall picture of the proposed budget. The details supporting the data have been presented to Council in working papers presented at budget briefings. The commentary below refers mainly to the data contained in the Statement of Comprehensive Income (by Nature and Type) as it is the highest level summary of financial data.

In considering the Statement of Comprehensive Income by Nature and Type there are some general comments that need to be made.

- Firstly, the budgeted Operating Revenue for 2019/20 was \$22.3m and the proposed budget for 2020/21 is \$19.3m. This is much lower than the previous year. The change is mainly due to a reduction in fees and charges. In anticipation of the financial impact of Covid-19 the budgeted revenue has been reduced for the Shire facilities. The main areas affected are airport revenue, lease revenue and income into our recreational

facilities. The Shire has also excluded any potential revenue from the direct flight trial to Melbourne as there is no firm arrangement in place at the moment. As the Shire is adopting a 0% rate increase together with the reduction in fees and charges, own source revenue will reduce for the forecast budget period.

- Budgeted Operating Expenditure is expected to decline from a budget of \$27.8m in 2019/20 to \$25.4m in 2020/21. This is a reduction of \$2.4m. This is due to a significant review of all expenditure including staffing costs to ensure that the Shire matches its anticipated reduction in revenue with a matching reduction in operating costs.
- The budget does not include the allocation of employee and related overhead costs incurred in developing and delivering its capital works program as a cost of those capital works. These are still reflected as costs of employment. The reason for this is to provide the Council and the Shire with a budget that reflects the actual cash flow of transactions. This is preferred over presenting data that has been adjusted to conform with a number of accepted accounting conventions. These adjustments are better implemented when the Annual Financial Statements are produced. The impact of this is that the Statement of Comprehensive Income reflects an operating deficit that includes items that need to be allocated into capital works and does not include items affected by timing issues such as the advance payment of Commonwealth Federal Assistance Grants (FAGs).
- The difference between budgeted Operating Income and budgeted Operating Expenditure for 2019/20 and 2020/21 shows that the “operating deficit” has increased by \$571k. The movement over the prior year can be substantially explained by the reduction in fees and charges revenue due to the Covid-19 pandemic.
- The forecast actual performance of the Shire is that it will achieve an operating deficit before reallocations to capital projects of \$3,134 million which is \$2,406 million ahead of the 2019/20 budget position.
- Both the 2019/20 budget and the 2020/21 budget have been affected by the advance payment of the Commonwealth Federal Assistance Grants (FAGs). The Federal Government decided to pay approximately 50% of the 2019/20 grant in the 2018/19 financial year. A similar situation has occurred for the 2020/21 financial year. The Shire is required to account for the advance payment received for the 2020/21 financial year in the 2019/20 year and cannot reflect it as income for the 2020/21 year. This was the same for the 2019/20 year. This impacts on both the total revenue and the operating difference. As this is the same for both years the budgeted operating revenue is understated by \$2,452 million in 2020/21 and \$1,850 million in 2019/20.
- Non-operating income has increased significantly due to the increase in funding opportunities arising from the Covid-19 pandemic financial recovery and the Disaster Relief Funding Arrangements for Western Australia (DRFAWA) works to be commenced in the 2020/21 year.

### **Operating Revenue**

Comments relating to the changes in each operating revenue category, comparing the 2020/21 Municipal Fund Budget to the 2019/20 budget and the forecast actuals are provided below;

<b>Operating Revenue By Category</b>	<b>2019/20 Adopted Budget \$ 000</b>	<b>2019/20 Forecast \$ 000</b>	<b>2020/21 Proposed Budget \$ 000</b>
<b>Rates</b>	<b>10,428</b>	<b>10,428</b>	<b>10,425</b>
<b>Operating Grants</b>	<b>2,230</b>	<b>4,337</b>	<b>2,115</b>
<b>Fees and Charges</b>	<b>8,646</b>	<b>6,962</b>	<b>6,021</b>
<b>Interest Earnings</b>	<b>591</b>	<b>483</b>	<b>377</b>
<b>Other Revenue</b>	<b>378</b>	<b>450</b>	<b>387</b>
<b>Total</b>	<b>22,273</b>	<b>22,660</b>	<b>19,325</b>

#### **Rates Revenue (including ex-gratia rates) \$10,425 million (2019/20 - \$10,428 million)**

The proposed Rates for the budget process were modelled within the guidelines in the Council Policy *CP/FIN-3200 – Strategic Rating*. In determining the amount of rates to be raised the Shire applied the principles set out in the policy by ensuring that the setting of the Minimum Rate and calculation of the General Rate (Rate-in-the-Dollar) only recovers an amount (referred to as the Budget Deficiency), which is considered essential to the running of Shire's activities and ensuring the Shire's long term financial sustainability.

The Council determined at the March 2020 Ordinary Council Meeting that it would implement a 0% rate in the dollar increase for advertising for the 2020/21 financial year. This means that any increase in rate revenue for the 2020/21 year will have to come from natural growth in the rates base. The total amount reflected as rate income of \$10.425 million includes ex-gratia rates of \$6,840. The Shire does not budget for interim rates received. While the Shire expects to receive some interim rates it cannot predict with any certainty the timing and extent of any amounts that may be received.

#### **Rates Concessions**

It should be noted that properties rated on an Unimproved Value (UV) basis are revalued annually, whereas Gross Rental Values (GRV) are revalued every four years. Since adopting the Rate in the Dollar for advertising at the March 2020 Ordinary Council meeting, annual Unimproved Value (UV) valuation rolls for 2020/21 have been received and loaded into the

Shire's rates database. These include significant valuation increases for properties in the UV Pastoral rate category as a result of increases in pastoral rents that came into effect from July 2019.

Western Australia's pastoral rents are reviewed every five years by the Valuer General, in consultation with the Pastoral Lands Board and in accordance with the *Land Administration Act 1997*. The changes in pastoral rent and rateable values are seen as a reflection of changes to the fair market value of pastoral properties with the Kimberley region having the greatest rateable value increases as well as the greatest variation. Pastoral leases in the Shire have experienced increases ranging from 18% to over 400% across the affected properties. This has resulted in significant increases in rates calculated. In order to apply the increases in an equitable manner while reducing the impact of the valuation increases on UV Pastoral ratepayers, Council resolved at the 9 June 2020 Special Council Meeting (Minute Number: 09/06/2020 - 118236) to phase in the UV Pastoral rates increases by applying rates concessions. The concessions applied will ensure that the 2020/21 UV Pastoral rates for individual assessments will be no greater than 120% of the 2019/20 rates (service charges, waste charges, and ESL excluded).

By applying the concession in the above manner the valuations will reflect the impact of the change in the fair market value as determined in the valuation process while reducing the financial impact on pastoral ratepayers and allowing time for them to consider the additional costs into their future cash-flows.

#### Rates Payment Incentive Prizes

The full impact of the Covid-19 pandemic is unknown, but it is considered likely that a significant number of ratepayers may be unable to pay their rates by the due date. Council policy CP/FIN-3219 Covid-19 Financial Hardship - Rates and Sundry Debtors was adopted by Council in April 2020 to provide assistance to ratepayers and sundry debtors in financial hardship. In addition to this Shire officers have considered options to provide incentives to those ratepayers with the ability to pay, to either pay their rates in full by the due date, pay their rates via an instalment option, or arrange to pay via an agreed alternative payment plan.

Incentive options available include the application of an early payment discount, where payments received on or before a given date receive a percentage discount off the value of their rates, and rates payment incentive prizes, where rates assessment that meet certain criteria are eligible to be entered into a random prize draw.

Shire Officers consider that offering an early payment discount would limit the incentive to those ratepayers that are in the position to pay their annual rates in one payment, therefore discriminating against those that may be struggling financially. By offering rates payment incentive prizes the eligibility pool opens up to a wider range of ratepayers, including those that have chosen to pay via instalments or an agreed payment plan.

After considering the above options, Shire officers are recommending Council adopt rates payment incentive prizes to a total value of \$6,000. This will be split into two prize draws pools, one of \$4,000 for those that pay their rates in full on or before the 1st instalment date, and one of \$2,000 for those that pay their rates in full via an instalment option or are up to date with their agreed payment plan. Each prize will be drawn individually and only one prize will be

available per rates assessment. Where more than one ratepayer is listed on the rates assessment the prize will be awarded in the name of the first listed ratepayer.

The Chief Executive Officer and Director Corporate Services will conduct the draw, using the dedicated software program within the rating system. Shire Councillors and Shire employees will be ineligible and will be excluded from the draw.

#### Operating Grants, Contributions & Subsidies \$2,115 million (2019/20 - \$2,230 million)

The majority of Operating Grants and Subsidies remain basically constant. The budget amount for 2020/21 has decreased by \$115k over the prior year budget. The major difference is due to estimating the amount that will be received from the Commonwealth Financial Assistance Grant (FAGs). The amount budgeted for FAGs in the 2019/20 year was estimated to be \$1,850 million. When the Local Government Grants Commission provided the Shire with its FAGs grant the actual amount received was \$1.816 million. The budget forecast for 2020/21 has been reduced to \$1,652 million to be more conservative in the estimate.

As stated previously both budget years are affected by the advance payments of FAGs revenue from the Local Government Grants Commission. The accounting standards require the Shire to recognise the FAGs revenue in the year in which it is received. The budget for both years therefore excludes the advance payments of FAGs. When comparing the 2019/20 budget amount to the forecast, the forecast amount includes the estimate of the advance receipt for the 2020/21 financial year.

#### Interest Earnings \$0,377 million (2019/20 - \$0,590 million)

The cash rate remains at historic lows. The Shire is further estimating a decrease in cash on hand levels during the forecast period. There have also been legislative changes to interest levels and a requirement that interest cannot be charged on overdue amounts where relief is provided under the Shires Financial Hardship Policy. Consequently the estimated interest earnings from investments will reduce by \$213k.

#### Fees and Charges \$6,021 million (2019/20 - \$8,646 million)

Each year all fees and charges imposed by Council are reviewed as part of the budget process to ensure compliance requirements are met, cost recoveries are in place and market rates are comparable. At the March 2020 Ordinary Council Meeting Council resolved to apply a 0% increase to fees and charges for 2020/21 and this is reflected in the Schedule of Fees and Charges included as Attachment 2. The fees and charges become effective from 1 July 2020 or from 1 January 2021 where it relates to Aerodromes. In addition, following legislative amendments put in place during the Covid-19 pandemic, the interest rate for overdue fees and charges was amended to 8%, and restrictions on the ability to charge interest to debtors assessed as being in financial hardship were endorsed by Council at the May 2020 Ordinary Council Meeting.

The Shire currently has approximately 700 fees and charges (including statutory fees). The projected fees and charges revenue for 2020/21 is \$6,021 million compared to rating income of \$10.425 million for the same period. It is clear that revenue from fees and charges is significant and therefore the process of setting the fees and charges and the monitoring of revenue performance needs to be reviewed on a regular basis.

The setting of the Fees and Charges was completed in accordance with the Council Policy *CP/FIN-3211 Fees and Charges Pricing*. The intent of the Policy acknowledges that there are competing priorities between community service obligations, full cost recovery in a “user pays” environment and ensuring that the community is not unduly burdened. Where there is not a full cost recovery fee in place, the shortfall is made up by the ratepayers in general from municipal funds. Therefore, the Policy seeks to ensure that the Shire’s fees and charges are determined utilising key principles that ensure fair and reasonable charging to the community for the goods and services that the Shire provides, thereby achieving an appropriate balance between these competing principles.

A major factor in determining the increase to fees and charges is centred on what basis to use as the Index. The most common of these is the Consumer Price Index. The Australian Bureau of Statistics (ABS) when calculating the Consumer Price Index (CPI) uses a basket of goods base that is not reflective of the mix of business activities of a local government. The Perth CPI change for the year March 2019 to March 2020 was 2.1%.

The Local Government Cost Index (LGCI) is the most appropriate measure of price changes over time for the Shire as it takes into account expenditure items like road construction, machinery and equipment, and street lighting. At February 2020 the forecast LGCI provided by the Western Australian Local Government Association was 1.6% for 2019/20 and 1.8% for 2020/21. The impact of the Covid-19 pandemic on the actual LGCI for 2019/20 and forecast LGCI for 2020/21 is unknown at this stage.

In 2016/17 the Council adopted a 2.55% average increase to Fees and Charges, in 2017/18 it adopted a 1% average increase, in the 2018/19 financial year it adopted a 1.2% increase and in 2019/20 it adopted an increase of 1.5%. In response to the Covid-19 pandemic Council has adopted a 0% increase in fees and charges for the 2020/21 financial year giving a total cumulative percentage increase from 2016/17 of 6.25% over the 5 years. Based on the February forecast for 2019/20 of 1.8%, the comparative increase in the LGCI for the same period is 8.0% indicating a decrease in purchasing power of 1.75% over this period.

#### Other Revenue \$0,387 million (2019/20 - \$0,378 million)

The majority of the revenue estimated for the Other Revenue category and the movement between the proposed budget and the 2019/20 budget relates to Emergency Services Levy (ESL) of \$0.347 million (2019/20 - \$0.340 million). Local Governments are required to collect the Emergency Services Levy (ESL) on behalf of the Department of Fire and Emergency Services (DFES). This is billed to all ratepayers as part of the Annual Rates notices and there is a matching expense when this amount is paid over to DFES.

### **Operational Expenditure**

The table details the summarised operational expenditure proposed for 2020/21.

<b>Operating Expenditure By Category</b>	<b>2019/20 Adopted Budget \$ 000</b>	<b>2019/20 Forecast \$ 000</b>	<b>2020/21 Proposed Budget \$ 000</b>
Employee Costs	11,479	11,244	10,591
Materials and contracts	5,871	5,286	5,421
Utility Charges	1,098	1,209	1,245
Depreciation	6,401	6,236	6,181
Interest Expenses	157	157	89
Insurance Expenses	456	460	468
Other Expenditure	2,351	1,202	1,441
<b>Total</b>	<b>27,813</b>	<b>25,794</b>	<b>25,436</b>

#### **Employee Costs \$ 10,591 million (2019/20 - \$11,479 million)**

The staffing Full Time Equivalents (FTE's) are forecast to be 89.5 for the 2020/21 year (2019/20 - 98.7). This represents a significant reduction over the prior year of 9.2 FTE's. The budgeted amount for 2020/21 of \$10.591 million (2019/20 - \$11,478 million) has made provision for a number of changes to be negotiated with Shire staff. While the majority of staff fall under the Shire's Enterprise Agreement (EA) due to the financial effects of Covid-19 a number of temporary changes to the terms of the EA are being negotiated with staff. The net effect of this means that there is a 7.7% (\$887k) decrease in staff costs for the 2019/20 year. It should be noted that the employee costs incorporate not only salaries and allowances, but also superannuation, workers compensation insurance, safety and protective clothing, training, fringe benefits tax and other employee costs associated with recruitment and reallocation.



The FTE's can be further broken down as follows:

	2020/21	2019/20	Difference
• Office of the CEO	7.63	7.00	0.63
• Corporate Services	18.29	19.40	(1.11)
• Community Development	19.74	23.79	(4.05)
• Infrastructure	30.86	32.44	(1.58)
• Airport	12.94	16.03	(3.09)
Total	89.46	98.66	(9.20)

The forecast actuals for 2019/20 are lower than what was budgeted for. This is a result of vacancies carried by the Shire during the year. The 2019/20 budget did not allow for vacancy savings given their unpredictability and the Shire anticipates that the vacancy rates will be similar for the 2020/21 year. The Shire is confident that the amount provided in the budget for Employee costs is adequate to meet its needs for 2020/21.

#### Materials and Contracts \$ 5,420 million (2019/20 - \$5,871 million)

The amount budgeted to be spent on Materials and Contracts has decreased by \$451k (7.68%) from the budget for 2019/20. Due to the impact of Covid-19 a detailed analysis of operating expenditure was undertaken and has been reduced to ensure that the Shire can meet all its legislative and community obligations without a material reduction in service levels. There has been no single significant area of reduction but all service areas have made a contribution to the reduction in costs.

Listed below is a broad summary of the expenditure types and a brief description of the nature of the expenditure:

Materials & Contracts		
Description	Budget 2020/21	Comments
Other Governance	253,500	Subscriptions for governance software, Kimberley Zone and WALGA fees, Lobbying expenditure, Members travel and training, expenditure associated with Citizenship Ceremonies, Australia Day and Volunteer Programs.
Audit Fees	61,500	Conduct interim and annual audit including statutory reviews required by the Local Government Act.
Software licensing costs	285,000	Costs of enterprise software solution and associated software for the Shire IT network.
ICT Network maintenance and support costs	129,200	Costs of support, maintenance, system development and telecommunications.
Environmental health costs	25,012	Costs associated with water sampling, health promotion and mosquito control

Economic Development	50,000	Development of economic development strategy
Library	287,176	Cost of library including the Joint Use contribution toward running of library, writers festival and visiting author program.
Recreation facilities in both Kununurra and Wyndham	195,600	Costs associated with the leisure centres, pools, maintenance of gym equipment, building operating expenses, hardcourt maintenance etc.
TAMS Program	27,500	Shire contribution towards takeaway Alcohol Management System.
Youth Community Safety (KWAC)	75,000	Address youth issues and Community Safety for the Shire
Streetlight upgrades	100,000	Improvement of street lighting
Property maintenance	352,900	Costs of maintaining Shire owned buildings and structures including Shire housing, public conveniences, administration centres, club rooms, recreation centres etc.
Landfill maintenance	195,000	Operational costs for Kununurra and Wyndham
Refuse Collection	490,000	Cost of refuse collection service
Litter Control	178,000	Material and contract cost of litter control
Rural Road maintenance	400,000	Material and contract cost of rural road maintenance
Urban Road maintenance	360,000	Material and contract cost of urban road maintenance
Plant Operating Costs	435,000	Costs of fuel, maintenance, repair, licensing and tyres
Parks and Gardens	133,000	Material and contract cost of parks and gardens maintenance for both Kununurra and Wyndham
Ranger Services	111,924	Material and contract cost of ranger services
Airport Operating Costs	572,711	Material and contract cost of airport operations
EKRA Master Plan update	30,000	Updating the East Kimberley Regional Airport Master Plan to include freight as a means of justification for the runway extension

Balance of Materials and Contract Costs	672,568	All other Material and Contract costs.
	5,420,591	

#### Utility Charges \$ 1,245 million (2019/20 - \$1,097 million)

Utility charges comprising Water, Electricity and Gas are based on forecast unit charges together with any growth in usage. Costs have increased significantly over the prior year (13.5%) based on movement in actual costs in 2019/20. The Street Lighting component is the most substantial portion of this expense category with a forecast cost of \$241k. As the Shire is a “price taker” and cannot materially impact the cost profile in the manner this service is currently delivered, it has to investigate other means of reducing costs. Shire Officers have started to do some preliminary work on how these costs and other electricity costs can be better managed with investment in alternate sources of power and technology. An action is in the Corporate Business Plan for 2020/21 on this matter. Further monitoring of utility costs by responsible officers will continue but significant additional cost reductions from this action are not expected.

#### Depreciation \$ 6,181 million (2019/20 - \$6,401 million)

Depreciation is an accounting process which recognises the consumption of the Shire’s property, plant and equipment including infrastructure assets such as roads, drains and footpaths that have occurred during the financial year. The depreciation charge is also a reflection of what the Shire should be spending on renewing our asset base annually in order to preserve the service potential of our asset base.

The calculation of the depreciation charge is determined by establishing the “fair value” of the asset then estimating what its useful life and its remaining useful life is. An analysis of in particular the useful lives and remaining useful lives has been made by Shire Officers and adjustments to the fixed asset register are proposed for vetting by the auditors. The depreciation charge for 2020/21 has been calculated to be \$6,181m (2019/20 - \$6,401m) which is \$220k less than the prior year. Shire Officers are still working on the asset data to determine what the true commitment to asset renewals should be and consequently the depreciation charge. Data to be gathered over the next financial year from the capital works program and condition reports will inform our ongoing assessment of the fair value of our asset base and the amount needed to provide for the renewal of the asset base.

#### Insurance Expenses \$ 0,468 million (2019/20 - \$0,457 million)

It is expected that insurance rates will remain effectively static for the 2020/21 year. It is anticipated that the sums insured between the different categories will change marginally and we believe the resultant effect on premiums will be minimal. The Shire’s claims history in the past three years has been good so it is not anticipated that we present a bigger risk than normal to the insurers. The insurance market has been relatively soft in prior years but it has certainly firmed during the last year with respect to some insurable risks. The Shire will continue to look for value in its risk mitigation processes. It should be noted that this amount is not the entire insurance cost for the year as some insurance costs have been included in the cost of providing services and workers compensation insurance has been included in Employee Costs.

Interest Expenses \$0,089 million (2019/20 - \$0,157 million)

The Interest Expense relates to loan agreements with Western Australian Treasury Corporation (WATC). Note 6 of the 2020/21 Budget details the ongoing loan commitments. New borrowings of \$500k are anticipated for the 2020/21 financial year in the event that the Shire receives funding of \$2 million for the construction of a water park costing \$3 million in Kununurra. Loan principal outstanding on existing loans is expected to decrease from \$2,598 million at 30 June 2020 to \$1,911 million at 30 June 2021.

Other Expenses \$1,441 million (2019/20 - \$2,351 million)

Other Expenses relate to a number of items the more significant of which are in the table below. The main difference for the change is for the trial flights to Melbourne of \$960k which were budgeted for in the 2019/20 year, have not been included in this financial year.

Other Expenses		
Description	Budget 2020/21	Comments
Members Allowances, Fees and Expenses	199,309	This amount includes the members meeting allowances, Shire Presidents fee, the Shire Deputy Presidents fee, Members travel expenses, conferences and training.
Emergency Services Levy payment	340,000	This is the payment of the Emergency Levy to the Department of Fire and Emergency Services that is collected as part of the rates process.
Community Grants	300,000	This is the amount provided for the granting of community annual grants, quick grants and rates assistance grants.
Marketing Tourism	255,000	This is an amount that supports tourism marketing to the Shire, support for the direct flights to Melbourne and support for the Visitor Information Centre.
Balance of Other Expenses	346,600	All the remaining Other Expenses.
<b>TOTAL</b>	<b>1,440,909</b>	

Reserves

In accordance with section 6.11 of the *Local Government Act 1995*, a local government is required to establish and maintain a reserve account where it wishes to set aside money for use for a specific purpose in a future financial year. The local government is also required to disclose where a change of the purpose of the use of money is proposed. As stated earlier in the report the Shire has been urged by the Department of Local Government Sport and Cultural Industries to repurpose its reserves in the support of local business. To this end the

Council passed a resolution at its May 2020 Ordinary Council Meeting to create a new reserve being the Covid-19 Response Reserve. Approximately \$3m of reserve funds will be repurposed from existing reserves into this reserve with effect from the end of the 2019/20 financial year for the express purpose of supporting the local economy in delivering capital works programs based on consultation with the community.

Reserves that have been created that have ongoing balances are fully backed by cash resources and earn an equitable share of investment income for the year. The Shire is budgeting for a net transfer from reserves of \$2,379m before any Covid-19 recovery capital works projects are funded. This reduction is explained by an anticipated net outflow of funds from the Airport Reserve due to a reduction in activity.

Funds from the Covid-19 Recovery Reserve will be appropriated as projects are reported to Council for approval. This reserve will remain in place as long as is necessary to address the financial impacts of Covid-19. Should the reserve no longer be required then the Shire will report to Council on an appropriate method of reallocating the funds back into their original reserves.

### **Capital Works Program**

The Capital Works Program is developed with the aim of primarily ensuring that the Shire renews its assets as they fall due in order that they continue to maintain the current service levels being delivered. The priority for these works is determined by the condition of the assets and the amount of funds both internal and external grant funds that are available to the Shire. Forward capital works programs continue to be developed to be included in the Asset Management Plans that will assist with the programming of maintenance, renew, upgrade and replacement of existing assets in future periods. The current works program has been determined in part based on the condition of assets, risk of asset failure and obsolescence, community input and the availability of grant funding. It has also been determined by the availability of funding for specific projects to construct or upgrade assets.

In order to meet the Asset Management obligations under the benchmarks set out by the Department of Local Government, Sport and Cultural Industries Guidelines, the majority of expenditure is focused on renewals rather than upgrading and constructing new assets. The Shire is expected to meet its asset sustainability and consumption benchmarks for the 2020/21 financial year based on these estimates. The Shire has committed in this budget to spend an amount that is well in excess of the amount its asset base depreciates by, and thereby is renewing its asset base as required and managing it in a sustainable manner.

The Capital Works Program for 2020/21 will cost \$16,156 million before any Covid-19 recovery projects are included. The total renewal expenditure in this amount is \$11,002 million which compares favourably with the current estimate of depreciation of \$6,180 million. This means for the budget period, the Shire will renew assets faster than the expected use of those assets. The Shire further expects to construct or acquire \$4,783 million of new assets in the forecast period. The remaining costs of \$371k relates to design and inspection costs that will ultimately form part of the cost of construction for new or renewed assets.

The funding of the capital works program is from a combination of current municipal funds, reserves and grant funding (see table below). The reserve amount of \$2,132 million in the

table includes amounts transferred from reserves created from unspent grant funding and unspent municipal funds from capital works allocated to reserves. Approximately 62% or \$10,047 million of the capital works program is funded from grant funding. Of this amount \$3,115 million comes from funding sources that are consistent and regular. The Shire has contributed \$3,976 million of its own funds to the capital works program.

	Renewal	New	Other	Total
<b>Grants</b>	7,558,171	2,489,100	-	10,047,271
<b>Reserves</b>	1,119,881	1,000,021	12,000	2,131,902
<b>Municipal Funds</b>	2,323,557	1,294,326	359,000	3,976,883
<b>Total</b>	11,001,608	4,783,447	371,000	16,156,055

Included in the Capital Works Program is the Plant Replacement Program. The plant replacement program has been reduced significantly for the 2020/21 financial year. At this stage the Shire has budgeted to replace one item of plant, a front-end loader for the landfill, and acquire one new item of plant, a stump grinder. The gross replacement cost of the plant is \$385k with a net cost to the Shire of \$335k.

The following items are some of the more significant projects for 2020/21:

- ICT network upgraded equipment totalling \$75k is being replaced. System development of \$130k will be spent on two projects - scoping requirements for a new Enterprise Management System and a proof of concept to self-perform running fibre between Shire facilities.
- Nicholson Park basketball court resurfacing - \$35k. This court is overdue for renewal works and will include renewal of associated equipment.
- Kununurra Water Park - This project is the construction of a new asset and is estimated to cost approximately \$3 million. The project will only commence if funding of at least \$2 million is received. The Shire will fund the remaining cost from a combination of current municipal funds, reserve funds and loan finance.
- Implementation of the Trails Master Plan - \$415k. This is a project that has been carried over from the 2019/20 financial year. The project has completed the design phase and has gone out for tender. Since the tender amounts varied materially from the budgeted amounts the Shire has obtained permission to have the scope adjusted by the grant funder in order for this project to go ahead. Grant funding of \$250k supports this project. These works will connect the Lakeside footbridge to the existing footpath to Celebrity Tree Park.
- Wyndham Oval works - \$887k. This comprises two projects, the first is the construction of an interchange bench and shelter costing \$37k. This project has been funded by East Kimberley Job Pathways to the extent of \$25k. The second project is an upgrade to the oval lights and the construction of new change rooms which is estimated to cost \$850k. Funding for this project to go ahead will require a grant of \$550k and the remainder of the funds will come from Shire reserves and municipal funds.
- Kalumburu Road - \$977k. These works are funded entirely by State and Federal grants. This amount represents funds of \$667k held over from 2019/20 and new funds allocated for 2020/21 of \$310k.

- Footpaths - \$700k. An amount of \$315k of funding has been secured for the construction of a new 2.5m wide shared path along Chestnut Ave connecting the existing shared path on Weaber Plain Road (linking Lakeside residential suburb and Red Ridge). This is state 1 of a two stage project that will be funded in coming years that will link the educational and health facilities and Aboriginal communities on Ironwood Drive with the existing path network. The project will ensure that the path location and route minimises the number of road crossings in reaching the schools.
- Research Station Road and Stock Route Road - \$1,130 million. This project is funded to the extent of \$754k from Regional Road Group funding. This project is part of the renewals program to ensure that defects are rectified to protect the road pavement.
- DRFAWA Projects - \$2,5 million. This item is the disaster recovery work that is funded by the State Government to rectify the damage done by the two monsoon events that damaged Shire infrastructure. The Shire bears approximately the first \$164k of costs and the remainder is recoverable from under the DRFAWA funding rules.
- Resurfacing and reseal program - \$650k. Infrastructure has developed as part of its asset management planning a list of reseals that are required to be done. The program this year is for the \$650k of reseals to be done as per the priority listing developed.
- Anthon's Landing - rectification of piling sleeves - \$201k. These are essential works that need to be conducted in order to ensure that the protective sleeves around the piles do not damage any existing works on the jetty.
- Inspection of underground drainage assets - \$259k. This is funds to ascertain the condition of the Shires underground drainage assets using CCTV in order to progress the asset management plans.
- Road and Drainage upgrades - \$1,344 million. This is for the continuation of the necessary works in the Nutwood and Rosewood precinct from the 2019/20 financial year of \$694k and the next stage comprising \$650k of works. These works are funded entirely from the Federal Government's Roads to Recovery program. The works are to reseal, provide curb and channel, and link the new works into the existing drainage system.
- Bandicoot Drive - \$696k. This is the amount provided for Stage 2 of the drainage works for the Bandicoot precinct. The scope of works has been determined and is currently under design.
- Airport Capital Works Program - \$1,333 million. There are four main projects in this program. The first being the detailed design of the runway extension with costs remaining of \$484k; passenger screening equipment costing \$265k; renewal works to the car park of \$255k and apron lighting of \$130k. These are funded from the Airport Reserve as well as external grant funding.
- Weaber Plain Road Black Spot - \$178k. This project has been through design and is ready for delivery. It is funded \$140 by grant funds for the improvements to the intersections at Ironwood, Leichhardt, and Erythrina Streets.
- Carlton Hill Road - \$193k. This is a project carried forward from 2019/20 and is for design work necessary for the sealing of the road.
- Projects to be funded from the Covid-19 Recovery Reserve are yet to be finalised. These projects will be identified via a consulting process with the community and workshopped with Council. Successful projects will be reported to Council for approval together with the appropriate funding from the Covid-19 Recovery Reserve.

### **Setting of materiality for monthly reporting**

The Local Government Act 1995 and associated regulations require the Council to set the materiality level at which explanations are required for variations between year to date budget and year to date actual figures. The materiality level established for 2019/20 was +/- 10% and +/- \$20,000 at account level (this is general ledger account number level), and +/- \$100,000 at a financial statement level (equivalent to the program level). It is recommended that these materiality levels remain for 2020/21 as the overall turnover and related operating expenses have not changed significantly.

### **ATTACHMENTS**

Attachment 1 - Statutory Budget 2020/21

Attachment 2 - Schedule of Fees and Charges 2020-21

Attachment 3 - CP/FIN-3201 Significant Accounting Policies May 2020

Attachment 4 - CP FIN-3200 Strategic Rating



#### 12.4.2. List of Accounts Paid From Municipal Fund and Trust Fund

<b>DATE:</b>	23 June 2020
<b>AUTHOR:</b>	Creditors Officer
<b>RESPONSIBLE OFFICER:</b>	Felicity Heading, Acting Director Corporate Services
<b>FILE NO:</b>	FM.09.25
<b>DISCLOSURE OF INTERESTS:</b>	NIL

#### VOTING REQUIREMENT

Simple Majority

#### OFFICER'S RECOMMENDATION

That Council receive the list of accounts paid from the Municipal and Trust funds for May 2020, being:

Municipal EFT 137724 - 137880 (05/05/2020-28/05/2020)	\$ 976,209.04
Municipal Cheques 51993 (26/05/2020)	\$ 880.00
Trust EFT 501990 - 502003 (04/05/2020 - 29/05/2020)	\$ 6,663.80
Payroll (06/05/2020 - 20/05/2020)	\$ 478,066.13
Direct Bank Debits	\$ 97,678.47
<b>Total</b>	<b>\$ 1,559,497.44</b>

#### Council Decision

Minute Number: 23/06/2020 - 118263

Moved: Cr M McKittrick

Seconded: Cr T Chafer

That Council receive the list of accounts paid from the Municipal and Trust funds for May 2020, being:

<b>Municipal EFT 137724 - 137880 (05/05/2020-28/05/2020)</b>	<b>\$ 976,209.04</b>
<b>Municipal Cheques 51993 (26/05/2020)</b>	<b>\$ 880.00</b>
<b>Trust EFT 501990 - 502003 (04/05/2020 - 29/05/2020)</b>	<b>\$ 6,663.80</b>
<b>Payroll (06/05/2020 - 20/05/2020)</b>	<b>\$ 478,066.13</b>
<b>Direct Bank Debits</b>	<b>\$ 97,678.47</b>
<b>Total</b>	<b>\$ 1,559,497.44</b>
	<b>Carried: 9/0</b>

## **PURPOSE**

To present the list of accounts paid from the Municipal Fund and Trust Fund in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*.

## **NATURE OF COUNCIL'S ROLE IN THE MATTER**

Regulator - Responsible for the enforcement of statutory requirements.

## **BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE**

In accordance with Council's Delegations Register 2019/20 which was adopted by Council on 27 August 2019, the Council has delegated to the CEO the exercise of its power under Regulations 12 and 13 of the *Local Government (Financial Management) Regulations 1996* to make payments from Municipal Fund and Trust Fund.

## **STATUTORY IMPLICATIONS**

*Local Government Act 1995* – Section 5.42

*Local Government (Financial Management) Regulations 1996* – Regulations 5, 11, 12, 12(1)(a) and 13.

## **POLICY IMPLICATIONS**

Sub-delegation 12 "Payments from the Municipal Fund and Trust Fund" applies subject to compliance with *Council Policy CP/FIN-3204 Purchasing*.

## **FINANCIAL IMPLICATIONS**

There are no financial implications arising out of the preparation of this report. The financial implications arising from the payments made from the Municipal and Trust funds have been provided for in the 2019/20 Adopted Budget and any subsequent amendments thereto. This

report provides for the ongoing management of the Shire's funds by providing the Council with sufficient information to monitor and review those payments made.

## **STRATEGIC IMPLICATIONS**

*Strategic Community Plan 2017-2027.*

Focus Area 4: Civic Leadership

Goal 4.4: Sustainably maintain the Shire's financial viability

Strategy 4: Apply best practice financial management to ensure long term sustainability.

## **RISK IMPLICATIONS**

**Risk:** Failure to manage the disbursement of funds to meet the needs of the Shires forward planning requirements, including the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plans and Annual Budget.

**Controls:** Monthly Financial Report and List of Accounts Paid reported to Council on a monthly basis as required by Legislation and Regulations.

## **COMMUNITY ENGAGEMENT**

No community engagement is required.

## **COMMENTS**

In accordance with statutory requirements, each payment from the Municipal Fund or the Trust Fund is to be noted on a list compiled each month showing: the payee's name; amount of payment; date of payment, and sufficient information to identify the transaction. The list is to be presented to the Council at the next Ordinary meeting of the Council following the preparation of the list and is to be recorded in the minutes of the meeting at which it is presented.

## **ATTACHMENTS**

Attachment 1 - List of Accounts Paid May 2020

### 12.4.3. Monthly Financial Report May 2020

<b>DATE:</b>	23 June 2020
<b>AUTHOR:</b>	Acting Director Corporate Services
<b>RESPONSIBLE OFFICER:</b>	Felicity Heading, Acting Director Corporate Services
<b>FILE NO:</b>	FM.09.25
<b>DISCLOSURE OF INTERESTS:</b>	NIL

#### **VOTING REQUIREMENT**

Simple Majority

#### **OFFICER'S RECOMMENDATION**

**That Council receive the Monthly Financial Report for the period ended 31 May 2020.**

#### **Council Decision**

**Minute Number: 23/06/2020 - 118264**

**Moved: Cr N Brook**

**Seconded: Cr J Farquhar**

**That Council receive the Monthly Financial Report for the period ended 31 May 2020.**

**Carried: 9/0**

#### **PURPOSE**

For Council to receive the Monthly Financial Report for the period ended 31 May 2020.

#### **NATURE OF COUNCIL'S ROLE IN THE MATTER**

Regulator - enforce state legislation and local laws

#### **BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE**

Council is to prepare monthly financial reports as required by section 34 of the *Local Government (Financial Management Regulations) 1996*.

At the 25 June 2019 Ordinary Council Meeting, the Council resolved the following:

#### **COUNCIL DECISION**

**Minute Number: 25/06/2019-118046**

**Moved: Cr G Lodge**  
**Seconded: Cr J Farquhar**

***That Council, in accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996, approves the materiality level for monthly reporting to be set at +/- 10% and +/- \$20,000 at account level and +/- 10% and +/- \$100,000 at financial statement level.***

**Carried 9/0**

These materiality levels have been applied in the preparation of this report.

### **STATUTORY IMPLICATIONS**

*Local Government Act 1995, Section 6.4.*

*Local Government (Financial Management) Regulations 1996, Regulation 34.*

### **POLICY IMPLICATIONS**

*CP/FIN-3201 Significant Accounting Policies* has been applied in the preparation of the report.

### **FINANCIAL IMPLICATIONS**

There are no additional costs associated with the preparation of this report. Monthly financial reporting is a primary financial management and control process. This report provides Council with the ability to oversee the Shire's financial performance against budgeted targets.

### **STRATEGIC IMPLICATIONS**

*Strategic Community Plan 2017-2027*

Focus Area 4: Civic Leadership

Goal 4.4: Sustainably maintain the Shire's financial viability

Strategy 4.4.4: Apply best practice financial management to ensure long term sustainability

### **RISK IMPLICATIONS**

**Risk:** Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

**Control:** Annual audit performed.

### **COMMUNITY ENGAGEMENT**

The Shire of Wyndham East Kimberley's *CP/GOV-3100 Community Engagement Policy* has been considered in relation to this item.

No community engagement is required.

## **COMMENTS**

Comments in relation to budget to actual variances are included as notes in the Financial Report attached.

The impact of Covid-19 has not had a significant impact on the overall financial position of the Shire as at 31 May 2020, however revenue and debt collections have reduced sharply with this being off-set by operational savings and the receipt of 2020/21 Federal Assistance Grants in advance. The full financial implications of Covid-19 are unknown at this stage and are being considered in the preparation of the 2020/21 budget. Shire Officers and the Executive Management Team continue to closely monitor the cash flow of the Shire and have modified internal processes to assist in this regard.

## **ATTACHMENTS**

Attachment 1 - Monthly Financial Report May 2020

#### 12.4.4. CP/FIN-3204 Purchasing Policy Amendments

DATE:	23 June 2020
AUTHOR:	Senior Procurement and Contracts Officer
RESPONSIBLE OFFICER:	Felicity Heading, Acting Director Corporate Services
FILE NO:	CM.11.2
DISCLOSURE OF INTERESTS:	NIL

#### VOTING REQUIREMENT

Simple Majority

#### OFFICER'S RECOMMENDATION

That Council adopt the revised Policy *CP/FIN-3204 Purchasing*.

#### Council Decision

Minute Number: 23/06/2020 - 118265

Moved: Cr D Pearce

Seconded: Cr T Chafer

That Council adopt the revised Policy *CP/FIN-3204 Purchasing*.

Carried: 9/0

#### PURPOSE

To consider proposed amendments to *CP/FIN-3204 Purchasing*.

#### NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

#### BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

*CP/FIN-3204 Purchasing* was last reviewed in March 2020.

#### STATUTORY IMPLICATIONS

A local government is to adopt a purchasing policy in accordance Regulation 11A, *Local Government (Functions and General) Regulations 1996*

## **POLICY IMPLICATIONS**

*CP/FIN-3204 Purchasing* will be amended as displayed following a simple majority vote.

## **FINANCIAL IMPLICATIONS**

NIL

## **STRATEGIC IMPLICATIONS**

*Strategic Community Plan 2017-2027*

Focus Area 4: Civic Leadership

Goal: 4.3: Ensure a strong and progressive organisation delivering customer focused services

Strategy 4.3.2: Create a culture that encourages innovation, collaboration, best practice and organisational discipline to improve efficiency, effectiveness and productivity

## **RISK IMPLICATIONS**

**Risk:** Failure to develop appropriate, meaningful policies which enable the administration to perform in an effective and efficient way.

**Control:** Review policies and procedures in accordance with the review schedule and / or legislative changes.

## **COMMUNITY ENGAGEMENT**

No community engagement is required.

## **COMMENTS**

On 9 April and 8 May 2020 the *Local Government (Functions and General) Regulations 1996* were amended in response to the COVID-19 pandemic. The amendments were as follows:

- 1) An amendment to Regulation 11A(1) - local governments must prepare, adopt and implement a purchasing policy in relation to contracts for other persons to supply goods or services under \$250,000 (previously \$150,000).
- 2) An amendment to regulation 11(1) to increase the Tender threshold from \$150,000 to \$250,000 to align with State Government tendering thresholds. This will permit local governments to extend the use of their own purchasing policy to goods and services acquired via written quotations.
- 3) An exemption in regulation 11(2)(ja) for a local government to renew or extend a contract that expires when a state of emergency declaration is in force, even though this option is not included in the original contract. This will overcome the practical



difficulty of businesses responding to a formal tender process while they are shut down or in the transition period when normal business resumes. Limits on this apply: the original contract must have less than three months left to run, the renewal or extension cannot be for more than twelve months, and there must be a state of emergency declaration applying to the district or part of the district when the renewal or extension is entered into.

- 4) An exemption in regulation 11(2)(h) has been updated to reflect the fact that the Chamber of Commerce and Industry administers the Aboriginal Business Directory. A new exemption has been added recognising goods or services may also be supplied by Supply Nation.

To avoid ambiguity and confusion, the preference is to update the Shire's Purchasing Policy so that it aligns with the Regulations in all respects.

Additionally as part of this Policy review, it is proposed to add an additional quotation exemption to Policy Section 3.6 Exemptions Relating to Policy Requirements for Quotations.

The addition of exemption 3.6(1)(cc) is for the removal of requirements to seek quotations for veterinarian services. With only one veterinarian operating in Kununurra, Shire Rangers are unable to seek quotations in accordance with Policy requirements when requiring services of a veterinarian. The exemption is necessary to streamline internal compliance procedures.

The revised Policy is attached.

## **ATTACHMENTS**

Attachment 1 - CP/FIN-3204 Purchasing

## **12.5. INFRASTRUCTURE**

NIL

## **13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

NIL

## **14. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

NIL

## **15. URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**

NIL

## **16. MATTERS BEHIND CLOSED DOORS**

NIL

## **17. CLOSURE**

The Shire President declared the meeting closed at 6:11pm.