



MINUTES
ANNUAL GENERAL MEETING OF ELECTORS
HELD ON 29 APRIL 2014

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

Shire President Confirmed

Date: _____

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**SHIRE OF WYNDHAM EAST KIMBERLEY
MINUTES
OF THE ANNUAL GENERAL MEETING OF ELECTORS
HELD ON TUESDAY, 29 APRIL 2014 AT 4:30 PM**

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Shire President declared the meeting open at 4.30pm.

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

RECORD OF ATTENDANCE

Cr J Moulden	Shire President
Cr R Dessert	Deputy Shire President
Cr D Learbuch	Councillor
Cr B Robinson	Councillor
Cr D Spackman	Councillor
Cr S Cooke	Councillor
Cr G Taylor	Councillor
Cr G King	Councillor
G Gaffney	Chief Executive Officer
N Octoman	Director Corporate Services
K Hannagan	Director Infrastructure
W Richards	Acting Director Community Development
A Richards	Governance Officer
M Tonkin	Executive Assistant to the Chief Executive Officer (Minute Taker)

GALLERY

Rhonda Guarinoni	JAB Industries
Simon Roxburgh	SNR Cabinets & Carpentry
Geoff Warnock	Folle Investments
Dorte Maria Botten Magnay	Kimberlyland Holiday Park P/L
Ian Oliver	
Diana Oliver	
Jill Williams	Direct Drilling
Bernice Spackman	Tuckerbox Stores/Gullivers Tavern
Bevan Spackman	Tuckerbox Stores/Gullivers Tavern
Cally Dupe	The Kimberley Echo
Troy Potter	Kimberley Excavators
Lisa Spackman	Larimer Holdings P/L

APOLOGIES

Cr K Wright	Councillor
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3. CONFIRMATION OF MINUTES

**3.1 CONFIRMATION OF MINUTES OF ANNUAL ELECTORS MEETING OF
24 JANUARY 2013**

RECOMMENDATION

**That Council confirms the Minutes of the Annual Electors Meeting held on 24
January 2013.**

COUNCIL DECISION

Minute No. 9986

**Moved: Cr D Learbuch
Seconded: Cr Sophie Cooke**

**That Council confirms the Minutes of the Annual Electors meeting held on
24 January 2013.**

Carried Unanimously 8/0

4. PRESENTATION OF THE 2012-2013 ANNUAL REPORT INCLUDING

4.1 SHIRE PRESIDENT'S REPORT

4.2 CHIEF EXECUTIVE OFFICER'S REPORT

4.3 INDEPENDENT AUDIT REPORT

Annual General Meeting of Electors

4:30PM, Tuesday 29th April 2014

Vision

For the East Kimberley to be a thriving community with opportunities for all.

Mission

To enable the East Kimberley to develop in a manner that will achieve social, cultural, economic and environmental benefits for all.



Agenda

Presentation of 2012 – 2013 Annual Report

- Shire President's Report
- CEO Report
- Financial Report & Independent Audit Report

Cr John Moulden

Gary Gaffney

Natalie Octoman



Shire President's Report

- Budget challenge with an 11% reduction of Commonwealth Sustainability Grants
- Completion of Integrated Planning requirements
- Adoption of Waste Management Strategy
- Ongoing implementation of capital works program



Chief Executive Officer's Report

- East Kimberley Regional Airport passenger numbers were 92,000
- Upcoming focus on tourism with the completion of the Tourism Action Plan
- Successful business case for staff housing funding
- 2013 – 2014 development of a Local Planning Strategy
- Looking forward – new Animal Management Plan, Wyndham waste water reuse treatment facility upgrade, Lake Kununurra Foreshore and Aquatic Use Plan

Financial & Independent Audit Report

Background

- Audit was conducted later than usual due mainly to new asset recognition and valuation requirements

2012/13

- First year of transition to recognising assets at Fair Value — previously at initial cost less depreciation
- Recognition of Land Under Control



Financial & Independent Audit Report

Fair Value

- AASB 13 defines fair value as:-
- “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”
- Transitionary Process:
 - Year 1 — 2012/13: Plant & Equipment plus Furniture & Equipment
 - Year 2 — 2013/14: Land & Buildings
 - Year 3 — 2014/15: Infrastructure



Financial & Independent Audit Report

Fair Value

- Impact
 - Revaluation Increase for Plant and Equipment: \$808,168
 - Revaluation Decrease for Furniture and Equipment: \$111,314



Financial & Independent Audit Report

Land Under Control

- The Shire is required to recognise as an asset:
 - a) Crown land operated by the Shire as a golf course, showground, race course, or other sporting or recreational facility of State or regional significance; and
 - b) Any structures or improvements on the land referred to in paragraph (a).



Financial & Independent Audit Report

Land Under Control

- Recognised the following:-

Land Under Control	\$
Wyndham Race Course	540,696
Wyndham Golf Course	386,820
Wyndham Recreation and Stables	0
Kununurra Race Course	2,443,042
Kununurra Golf Course	1,817,289
Kununurra Showgrounds	1,314,145
TOTAL	6,501,992



Financial & Independent Audit Report

Audit Outcomes

- Financial statements are a “true and fair view” of the Shire’s financial position
- Financial report is compliant with Australian Accounting Standards, Local Government Act and associated Regulations.



Financial & Independent Audit Report

Audit Outcomes

- Administrative items raised:
 - Investment Policy not compliant — since reviewed by the Audit (Finance and Risk) Committee and Council to ensure compliance
 - Annual Financial Report for 2012 not provided to the Department within the statutory timeframe — provided retrospectively



Financial & Independent Audit Report

Integrated Planning and Reporting Framework

- Introduced by the Department of Local Government as a statutory requirement
- New asset ratios required to be calculated
- Demonstrated that the Shire is not yet meeting the suggested benchmarks for expenditure on asset renewal – unaware of any Shire's that are
- The Shire could not calculate the Asset Renewal Funding Ratio – continuing to source asset data



Financial & Independent Audit Report

Looking Forward

- Year to focus on review or development of Corporate Governance (Finance and Risk) Frameworks
- Already undertaken:
 - Review of the Audit (Finance and Risk) Committee's Terms of Reference
 - Adoption of:-
 - Investment Policy
 - Pricing Principles and Pricing Basis Policy for Fees and Charges
 - Rates Exemptions for Charitable Organisations (Non Rateable Land) Policy
 - Rates Concessions (Rateable Land) Policy
 - Notice of Discontinuance (Rates and Debtors) Policy
 - Introduction of additional internal budget review processes (as at September, December & March)



Financial & Independent Audit Report

Looking Forward

- Yet To Come:
 - Review or Development of Policies:-
 - Strategic Rating
 - Procurement
 - Tenders
 - Sundry Debt Collection
 - Rates Debt Collection
 - Self Supporting Loans
 - Credit Cards
 - Financial Reserves
 - Regional Price Preference
 - Long Service Leave



Financial & Independent Audit Report

Looking Forward

- Yet To Come:
 - Financial Management Review (undertaken - awaiting report from auditors)
 - CEO's Biennial Review of Systems & Procedures:-
 - Risk Management
 - Internal Control
 - Legislative Compliance



Financial & Independent Audit Report

Thank You



5. PUBLIC QUESTION TIME

The following general questions were submitted by Jill Williams, Secretary, SWEK Rate Payers Association relating to concerns about the rate rise:

1) *How much is the rise - what percent?*

Answer:

The Council has not formally considered the rates in the dollar that will be applied in 2014/15. When the Council does formally consider them, the proposed rates in the dollar will be advertised for a period of no less than 21 days and public submissions will be sought. The Strategic Rating Policy will accompany the proposed rates in the dollar which will outline the rating objects and reasons. All public submissions will then be considered by the Council at a subsequent meeting prior to the final adoption of the rates in the dollar.

2) *The reason for the rise?*

Answer:

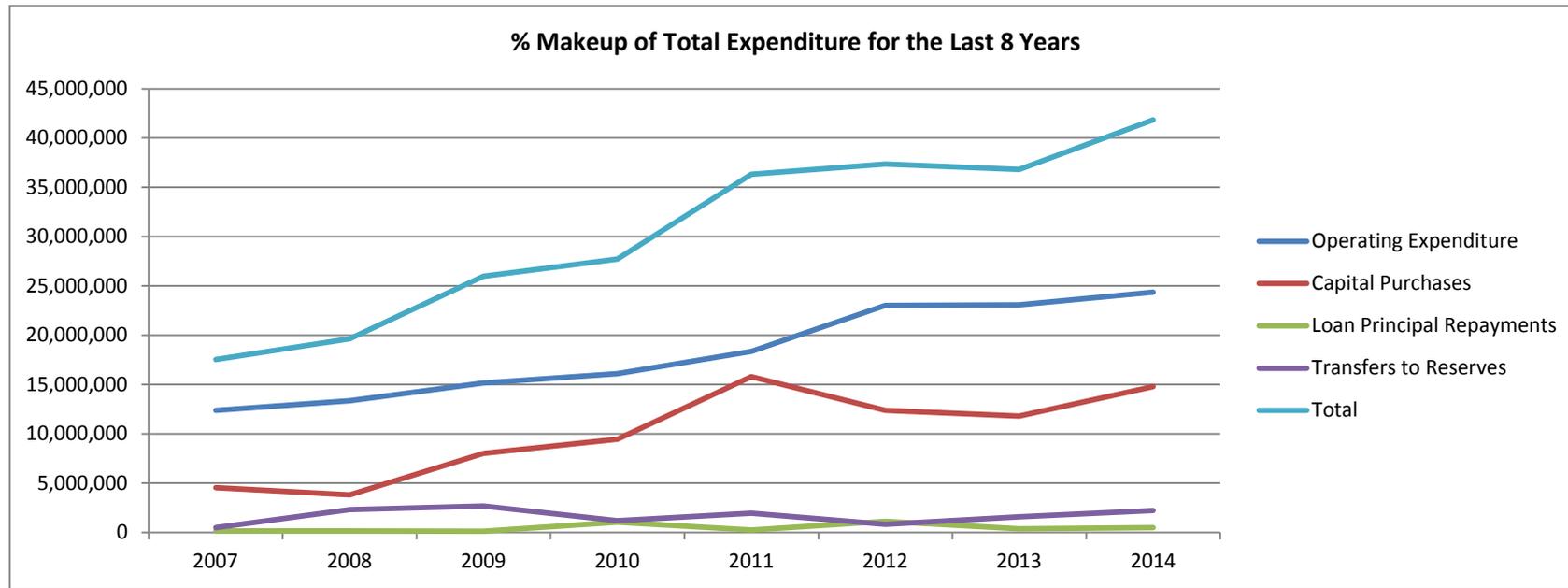
As outlined in the response to question 1, the Council has not formally considered the rates in the dollar that will be applied to each differential rating category for 2014/15.

3) *What is being done to cut internal costs to minimise the rate impact?*

Answer:

Over the past three years, the Council has managed to reasonably maintain its programs while sourcing funds to cover an approximate 11% reduction per annum in Commonwealth Assistance Grants, and ever increasing electricity and water costs. This can only be undertaken through analysing all expenditure, including internal costs. Graph A shown below indicates that the Shire has more than doubled since 2006-07. Operating expenditure, as a proportion of the overall budget has in fact reduced from 70% in 2006/07 to 58% in 2013/04 with a greater amount of funds now being allocated to capital works (35% in 2013/14 compared to only 26% in 2006/07), particularly since the introduction by the Department of Local Government of the Integrated Planning and Reporting Framework which has required a significant amount of work to be undertaken in the area of asset management. Internal costs are reviewed continuously, for example, before the advertising of a vacant position; at each of the three budget reviews that are now undertaken throughout the financial year; and as part of all process reviews to ensure that the Shire is operating efficiently and effectively.

Graph A



TOTAL EXPENDITURE MAKE UP	2006-07 Actuals		2009-10 Actuals		2010-11 Actuals		2011-12 Actuals		2012-13 Actuals		2013-14 Budget	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Operating Expenditure	12,362,608	70%	16,085,553	58%	18,341,261	51%	23,036,288	62%	23,090,621	63%	24,363,736	58%
Capital Purchases	4,527,611	26%	9,455,584	34%	15,806,503	44%	12,377,900	33%	11,786,729	32%	14,789,961	35%
Loan Principal Repayments	156,151	1%	1,019,499	4%	220,688	1%	1,114,499	3%	352,993	1%	478,397	1%
Transfers to Reserves	491,682	3%	1,166,208	4%	1,939,738	5%	821,324	2%	1,569,241	4%	2,205,013	5%
TOTAL EXPENDITURE	17,538,052	100%	27,726,844	100%	36,308,190	100%	37,350,011	100%	36,799,584	100%	41,837,107	100%

The following general question was submitted by Jill Williams, Secretary, SWEK Rate Payers Association in relation to location of the courthouse parking:

- 1) *Where will the new courthouse parking be located?*

Answer:

Refer to Item No 13.3.8 – Proposed Car Park Design – New Courthouse, of the Ordinary Meeting of Council held on 29 April 2014 at 5.30pm.

The following general questions were submitted by Diana Oliver, River Farm Road:

- 1) *Is the increase in a need for staff housing due to an increase in staff numbers?*

Answer:

Shortage of housing for staff is a problem that affects all agencies and is a big issue. It is a major factor in the high turnover of staff. Commercial rental is expensive, and the Shire does offer some rental assistance to make it viable for people to work. It is in our interest to have a good stock of housing. The Shire recently purchased a group dwelling in Lakeside funded by the Country Local Government Fund from Royalties for Regions. There is a need to increase housing stock in 2 and 3 bedroom accommodation rather than the big and old stock we have previously held. Accommodating staff in our own housing is economically beneficial for the Shire. It does not follow that the increase in stock of Shire housing correlates with an increase in overall staff numbers.

- 2) *What is happening with the old Shire offices?*

Answer:

A decision on what will happen with the old Shire offices still needs to be considered by Council. The building has asbestos and many problems and issues making it not reusable for the future. We are currently considering a business case for redeveloping the whole precinct.

The following general question was submitted by Ian Oliver, River Farm Road:

- 1) *I have a house in Byron Shire, NSW which has cheaper rates than the Shire of Wyndham East Kimberley. The population of the Byron Shire is 30,000 and they have approximately 115 Shire employees. Comparing this to the Shire of Wyndham East Kimberley which has a population of 7,000 with approximately 100 Shire staff, what benchmarks can we review between the 2 Shires to justify the higher rates and staff?*

Answer:

We would need to look at what services the Byron Shire offers and benchmark this against what the Shire of Wyndham East Kimberley offers. For example the Shire of Wyndham East Kimberley runs the airport and has staff with funding from other agencies. This question will be taken on notice so that we can review what the Byron of Shire provides and compare this to the Shire of Wyndham East Kimberley.

The following general question was submitted by Diana Oliver, River Farm Road regarding the format of rates notices:

- 1) *With regards to the format of rates notices – when choosing the option to pay your rates instalments, why do the notices for the 2nd and 3rd instalment not indicate that they are the 2nd or 3rd instalment. Can this be amended?*

Answer:

We will review this for the 2014/2015 rates notices to see if it's possible.

6. MEETING CLOSURE

The Deputy Shire President declared the meeting closed at 4.57pm.