



Shire of Cunderdin

Minutes of a Special Council Meeting

Dear Council Member,

The Special Meeting of the Cunderdin Shire Council was held on **Monday 2nd August 2021** in the Council Chambers, Lundy Avenue Cunderdin commencing **at 6 pm**, for the purpose of:

1. 2021/2022 Budget Adoption

Stuart Hobley
Chief Executive Officer
Monday 2nd August 2021

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Minutes

1. Declaration of opening

The Deputy President declared the meeting open at 6:00 pm

The Shire of Cunderdin disclaimer will be read aloud.

The *Local Government Act 1995* Part 5 Division 2 Section 5.25 and Local Government (Administration) Regulations 1996 Regulation 13

“No responsibility whatsoever is implied or accepted by the Shire of Cunderdin for any act, omission or statement or intimation occurring during this meeting. It is strongly advised that persons do not act on what is heard at this Meeting and should only rely on written confirmation of Council’s decisions, which will be provided within ten working days of this meeting”.

2. Record of Attendance, Apologies and Approved Leave of Absence

2.1 Record of attendances

Councillors

Cr AE (Alison) Harris	Deputy President
Cr TE (Todd) Harris	
Cr NW (Norm) Jenzen	
Cr W (William) Stewart	
Cr A (Anthony) Smith	

In Attendance

Stuart Hobley	Chief Executive Officer
Hayley Byrnes	Deputy Chief Executive Officer

Guests of Council

Members of the Public

Apologies

Cr DA (Dennis) Whisson	Shire President
Cr B (Bernie) Daly	

Leave of Absence Previously Granted

3. Public Question Time

Nil

4. Petitions, Deputations & Presentations

Nil

5. Finance & Administration

5.1 2021/22 Budget Adoption

Location:	Cunderdin
Applicant:	Deputy Chief Executive Officer
Date:	27 th July 2021
Author:	Hayley Byrnes
Item Approved By:	Stuart Hobley, Chief Executive Officer
Disclosure of Interest:	Nil
File Reference:	Nil
Attachment/s:	2 Attachments

Proposal / Summary

To consider and adopt the Municipal Fund Budget for the 2021/2022 financial year together with supporting schedules, including striking of the municipal fund rates and other consequential matters arising from the budget papers.

Background

The draft 2021/2022 budget has been compiled based on the parameters established in the Council integrated planning documents including long term financial plan, corporate business plan and strategic community plan.

Council gave consideration to the detail within the budget via a workshop held on the 8th July 2021.

Council also reviewed the budget at the Ordinary Council Meeting on the 22nd of July 2021, and adopted the following;

Resolution 9.5 OCM July 2021

The Council refer the following items back to the Administration Staff for further consideration;

- PART A – MUNICIPLA FUND BUDGET FOR 2021/22
- PART B – GENERAL AND MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS
- PART F – MATERIAL VARIANCE REPORTING FOR 2021/22

PART C – GENERAL FEES AND CHARGES FOR 2021/22

That Council, pursuant to section 6.16 of the Local Government Act 1995, adopts the Fees and Charges included in the Attachment 13.1.2 Draft fees and charges 2021/2022 attached to this agenda.

PART D – OTHER STATUTORY FEES FOR 2021/22

1. That Council, pursuant to Part 7 Local Government Planning Charges Planning and Development Regulations 2009 adopts the Fees and Charges for Planning Services within the Shire of Cunderdin as included at page 11 Attachment 9.5.2 Draft fees and charges 2021/2022 attached to this agenda.

2. That Council, pursuant to section 53 of the Cemeteries Act 1986 adopts the Fees and Charges for Cemeteries within the Shire of Cunderdin as included at page 7 Attachment 9.5.2 Draft fees and charges 2021/2022 attached to this agenda.

3. That Council, pursuant to section 245A(8) of the Local Government (Miscellaneous Provision) Act 1960 adopts the swimming pool inspection fee included at page 4 Attachment 9.5.2 Draft fees and charges 2021/2022 attached to this agenda.

4. That Council, pursuant to section 67 of the Waste Avoidance and Resources Recovery Act 2007, adopt the charges for the removal and deposit of domestic and commercial waste as included at page 6 Attachment 9.5.2 Draft fees and charges 2021/2022 attached to this agenda.

PART E – ELECTED MEMBERS FEES AND ALLOWANCES FOR 2021/22

1. That Council, pursuant to section 5.98(1)(b) of the Local Government Act 1995 and within the range determined by the Salaries and Allowances Tribunal, adopt the following meeting attendance fees for elected members:

*President \$ 490 per meeting attended
Councillors \$ 238 per meeting attended
Councillors \$ 118 per committee meeting attended.*

2. That Council, pursuant to section 5.98(5) of the Local Government Act 1995 and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual local government allowance to be paid in addition to the meeting attendance fees:

President \$1,500

3. That Council, pursuant to section 5.98A of the Local Government Act 1995 and within the range determined by the Salaries and Allowances Tribunal, adopts the following annual local government allowance to be paid in addition to the meeting attendance fees:

Deputy President \$250

Part A, B and F of the 2021/22 Budget was not able to be presented to the July Ordinary Council Meeting due to unseen circumstances.

Comment

The budget has been prepared to include information required by the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The main features of the draft budget include:

Rates

The proposed budget provides a 4% increase in rates collected.

However, the periodic system of revaluations of properties undertaken by the Valuer General will result in some ratepayers paying more and some less than last year – while the revenue to Local Government will increase by 4% from last year.

The Unimproved Valuations (UV) were completed 1 August 2020 and effective from 30 June 2021. The overall change in valuations was an increase of 9.60%.

The minimum rate is proposed to be set at \$748.

Comments from the District Valuer were:

Agricultural land across the Shire of Cunderdin has experienced favourable market conditions in 2020, resulting in an overall increase to Rural Unimproved Land Values, with broad-acre cropping land outperforming small rural holdings.

Broadacre holdings have increased up to 15% in the northern section of the Shire with 5–10% increases in the south. Some variations to individual assessments may have occurred either as a product of the valuation process and/or inclusion of updated information such as soil types.

End of year position

The 2020/2021 end of year position is an estimated surplus of \$1,700,000. This is a result of a number of projects that were either not complete before the end of the financial year and the early payment of our Federal Assistance Funding which was received in June 2021.

The budget presented to Council for adoption results in an end of year surplus for 2021/22 of \$52.

Salaries & Wages

The budget for Salaries and Wages includes an estimated increase from the Fair Work Commission wage increase.

The Shire has recently received correspondence from WALGA Employee Relations in regard to the annual wage increase to the Local Government Industry Award 2020.

The Fair Works commission has divided awards into three groups based on the impact COVID-19 has had on respective industries. Each group has a different wage increase commencement date.

A 2.5% increase for employees under the Local Government Industry Award 2020 came into effect from the start of the first full pay period on or after 1 July 2021.

Road Funding

The road program has had an increase in funding from the Department of Infrastructure and Regional Development. This has led to a significant road program for the 2021/2022 year. A portion of these works will be put out to contract as we do not have the capacity to undertake the works ourselves. The total of our Road funding sources are as follows:

MRWA Direct Grant	\$ 127,180
Regional Road Group	\$ 337,483
Roads to Recovery 20/21	\$ 329,674
Wheatbelt Secondary Freight Network	\$2,115,997
TOTAL	\$2,910,334

Reserve Transfers

The following transfers in and out of Reserves have been budgeted for.

Transfer to Museum Reserve	(\$15,000)
Transfer from Building Reserve (Meckering Sports Club Roof)	\$30,000
Transfer from Building Reserve (Housing Project)	\$400,000
Transfer from the Airfield Reserve (Airfield Lighting Project)	\$20,000
Transfer to AAA Sandalwood Units Reserve (Net income from units)	(\$30,000)
Transfer to the Synthetic Surfaces Reserve	(\$20,000)

Borrowings

The Shire has budgeted to borrow up to \$200,000 to complete a housing project.

Statutory Implications

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt,

(Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending 30 June of the next year.

Divisions 5 and 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. *The Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The draft 2021/22 budget as presented is considered to meet statutory requirements.

- *Cemeteries Act 1986*
- *Waste Avoidance and Resources Recovery Act 2007*
- *Local Government (Miscellaneous Provisions) Act 1960*

Policy Implication

Nil.

Consultation

Internal: Staff

Council

External: Community groups (and Councillors) have had the opportunity to submit budget requests

Financial Implications

The Budget document establishes activities which the Shire will pursue during the 2021/22 financial year taking into account the Shire of Cunderdin Corporate Business Plan and Long Term Financial Plan.

Strategic Implications

Resolution 5.1

PART A - MUNICIPAL FUND BUDGET FOR 2021/222

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 the attachment of this agenda for the Shire of Cunderdin for the 2021/22 financial year which includes the following:

- Statement of Comprehensive Income by Nature and Type, shows a surplus of \$52
- An amount required to be raised from rates of \$ 2,209,640
- Budget schedules as detailed.
- Transfers to/from Reserve accounts as detailed.

PART B – GENERAL AND MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS

1. That Council, for the purpose of yielding the surplus disclosed by the Municipal Fund Budget adopted at Part A above, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995, impose the following general and minimum rates on Gross Rental and Unimproved Values.

1.1 General Rates

Gross Rental Value (GRV)	9.0448 cents in the dollar
Rural (UV)	0.8046 cents in the dollar
Mining (UV)	0.8046 cents in the dollar

1.2 Minimum Rates

Gross Rental Value (GRV)	\$748
Unimproved Value (UV)	\$748
Mining (UV)	\$748

2. That Council, pursuant to section 6.45 of the Local Government Act 1995 and regulation 64 (2) of the Local Government (Financial Management) Regulations 1996, offers a one or four instalment payment option, and nominates the following due dates for payment in full or by instalments:

Full payment and 1st instalment due date 13 September 2021

2nd quarterly instalment due date 15 November 2021

3rd quarterly instalment due date 17 January 2022

4th quarterly & final instalment due date 21 March 2022

3. That Council, pursuant to section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996, adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$9.00 for each instalment after the initial instalment is paid.
4. That Council, pursuant to section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996, adopts an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option.
5. That Council, pursuant to section 6.51 (1) and subject to section 6.51 (4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulations 1996, adopts an interest rate of 7% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.

PART F – MATERIAL VARIANCE REPORTING FOR 2021/22

That Council, in accordance with regulation 34(5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2021/22 for reporting material variances shall be a percentage of ten (10) or a minimum of \$10,000, whichever is the greater.

Moved: Cr A (Anthony) Smith

Seconded: Cr W (William) Stewart

Vote – Absolute Majority

Carried: 5 /0

6. Closure of meeting

There being no further business Cr AE (Alison) Harris declared the meeting closed at 7:10 pm.