

ITEM 13.1

SHIRE OF QUAIRADING
SPECIAL MEETING OF COUNCIL
HELD ON MONDAY 22ND AUGUST 2016
COMMENCING AT 5.04PM

ITEM 1 ATTENDANCE AND APOLOGIES

| | |
|------------------------|--------------------------------------|
| Cr B K Caporn | Shire President |
| Cr L R Brown | |
| Cr J N Haythornthwaite | |
| Cr B McGuinness | |
| Cr G J McRae | |
| Cr G B Taylor | |
| Mr G A Fardon | Chief Executive Officer |
| Mr A J Merillo | Deputy Chief Executive Officer |
| Mr T J Newick | Manager of Works and Services |
| Mr R M Bleakley | Economic Development Project Officer |
| Mrs J L Clemens | Chief Executive Officer's Secretary |

Observer

Mr J W Haythornthwaite

Apologies

| | |
|----------------|-------------------------------------------|
| Cr WMF Davies | Deputy Shire President (Leave of Absence) |
| Cr W E Shenton | Leave of Absence |

ITEM 2 ANNOUNCEMENTS BY THE SHIRE PRESIDENT

Cr Caporn welcomed Councillors, Staff and Observers to the Special Meeting of Council.

“Before we start our meeting, I would like to acknowledge that we are meeting on Noongar land and we pay respect to the original custodians...past, present and future and welcome you all here today for this meeting”.

ITEM 3 PUBLIC QUESTION TIME

No Questions were asked.

ITEM 4 DECLARATIONS OF INTEREST

Nil at this time.

ITEM 5 ITEM FOR DISCUSSION – CONSIDERATION OF COUNCIL'S DRAFT BUDGET FOR THE YEAR ENDED 30TH JUNE 2017

The Shire President commended the Chief Executive Officer and Senior Staff for the body of work to prepare the Budget Manual.

Cr McGuinness commented on the lack of time provided to review the Draft Budget Document. The Chief Executive Officer acknowledged Cr McGuinness' comments.

Council's Economic Development Project Officer presented information on previous Rate Modelling provided by Council's Consultant Mr Darren Long but highlighted that the three Models were based on different Funding Scenarios and Economic Climate to that which applies now.

Cr Caporn spoke on the need for Council to be aware of the “Rate Creep” if Rate Increases are not kept above the Consumer Price Index.

Cr McRae made comment on the low Consumer Price Index used as a basis to set the Fees and Charges and that the Budget Process had been rushed.

Council noted that the Draft Budget represented a shortfall of \$2,233,439, an additional \$286,581 over Gross Rates Levied in the 2015 / 2016 year, representing an increase of 14.72% in Gross Rates Levied.

Following a lengthy Review of the Draft Budget document, Council Considered and Resolved to support the following identified variations to the Draft Budget: -

| Variance | G/L No | Description |
|-------------------------|-----------------------------|------------------------------------------------------------------------------------------|
| <u>Reductions</u> | | |
| - 5,000 | 0372 | Reduced Expenditure – Other Members’ Expenses |
| - 10,000 | 1773 | Increased Contribution from QFALC towards Roadworks |
| - 6,749 | 2203 / 2213 | Increased Contribution |
| - 10,000 | 2607 | Income – Heritage Grant towards Old School Site |
| - 2,000 | 2692 | Cemetery – General Reduction in Expenditure |
| - 2,000 | B22 | Reduced Tidy Town Committee Grant |
| - 200,000 | 9534 | Reduction in Project Cost of Works Depot |
| - 11,000 | 3183 | Golf Club Contribution – Machinery Shed |
| - 13,000 | 3203 | CBH Grant – Golf Club Machinery Shed |
| - 117,800 | C124 / 3604 | Defer Suburban Road Asphalt Overlay and New Footpath – Material and Contractor Component |
| - 200,000 | Loan | Increase in Borrowings for Works Depot |
| - 3,698 | 7083 | Increase in Trade In of Prime Mover Q450 |
| <u>- 581,247</u> | | |
| <u>Increases</u> | | |
| + 10,000 | Building Reserve | Reduction – Old School Building |
| + 25,000 | Building Reserve | Increase – Muni Transfer |
| + 37,000 | | Golf Club Shed Project – Schedule 18 |
| + 100,000 | Road Infrastructure Reserve | Reduction in Transfer to Muni |
| + 20,000 | Building Reserve | Increase in Transfer to Muni |
| + 200,000 | Building Reserve | Reduction – Transfer Works Depot Project |
| <u>+ 392,000</u> | | |

The Adopted Variations totalling \$189,247 reduced the shortfall from \$286,581 to \$97,334 and reduced the Overall Shortfall to \$2,044,195, which reflected an increase of 5.0% in Gross Rates Levied (over that Raised in 2015/2016).

SCM1-16/17 MOVED Cr McRae seconded Cr Haythornthwaite that Council:

- 1. Continue with Employee Income Protection for the Current Year;**
- 2. Provide Notice to the Staff that the Council Income Protection Cover will cease effective 30th June 2017 and to assist them with information on the transition to Private Income Protection; and**

3. Not Renew the Cover in the 2017/2018 Year.

CARRIED 4/2

Cr Haythornthwaite requested that the Minutes note her strong opposition to the Raising of a Loan for the Works Depot and stated that a quick fix now is a problem in the future.

SCM2-16/17 MOVED Cr McRae seconded Cr McGuinness that Council adopt a 5.0% increase in the Gross Rates Levied over that raised in the 2015 / 2016 Financial Year, for the 2016 / 2017 Year Subject to Verification of Calculations, Draft Budget Variations, Preparation of the Statutory Budget and Rate Modelling.

CARRIED 6/0

Council supported the Principle that Minimum Rates on both Rural and Townsite Rate Assessments be increased by 7.5% and that the 80% UV / 20% GRV Rate Yield be maintained.

SCM3-16/17 MOVED Cr Taylor seconded Cr Brown that Council continue to adopt the 80% UV / 20% GRV Rate Yield for the 2016 / 2017 Financial Year and that the Minimum Rates also be increased to \$570.00 per Assessment.

CARRIED 6/0

The Chief Executive Officer advised that Executive Staff would proceed to verify the Draft Budget Calculations and Variations and prepare the Statutory Budget and Rate Modelling for Council's Consideration and Adoption at the Special Meeting of Council to be held on Wednesday 31st August 2016 commencing at 5.00pm.

ITEM 4 CLOSURE

There being no further business to discuss, the Chairperson thanked Councillors and Staff for their participation in the Special Budget Meeting and declared the meeting closed at 9.34pm.

Confirmed 25/8/16