



MINUTES

For the Council Meeting held on

Thursday April 21, 2016

Commencing at 5.05 p.m.

In the Council Chambers, Ravensthorpe.

ORDINARY MEETING OF COUNCIL
HELD IN THE COUNCIL CHAMBERS, RAVENSTHORPE
ON 21 APRIL 2016, COMMENCING AT 5.05PM

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1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

5.05pm – the presiding person, Cr Smith, declared the meeting open.

2. ATTENDANCE / APOLOGIES/ APPROVED LEAVE OF ABSENCE

MEMBERS: Cr Peter Smith (Acting Shire President)
Cr Kerry Dickinson
Cr Ian Goldfinch
Cr Ken Norman

STAFF: Ian Fitzgerald (Chief Executive Officer)
Jenny Goodbourn (A/Manager of Corporate and Community Services)
Darryn Watkins (Manager Engineering Services)
Craig Pursey (Planning Officer)
Portia Ridout (Executive Assistant)

APOLOGIES:

ON LEAVE OF ABSENCE:
Cr Keith Dunlop (Shire President)
Cr Sharyn Gairen

ABSENT:

3. RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

NIL

4. PUBLIC QUESTION TIME

NIL

5. APPLICATIONS FOR, AND PREVIOUSLY APPROVED, LEAVE OF ABSENCE AND DISCLOSURES OF INTEREST

NIL

6. PETITIONS/ DEPUTATIONS/ PRESENTATIONS

Nicole Smith – Proposed Ravensthorpe Community Coffee Club

* Nicole had given written advice that she would be attending the meeting but was not available during the time of the meeting.

7. CONFIRMATION OF MINUTES**7.1 COUNCIL MEETING – 17 MARCH, 2016**

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 7.1
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That the minutes of the meeting of council held on 17 March, 2016 be confirmed as a true and correct record of proceedings.	
Carried: 4/0	Res:33/16

8. SUSPENSION OF STANDING ORDERS

NIL

9. ANNOUNCEMENT BY PRESIDING MEMBER WITHOUT DISCUSSIONS

NIL

10. REPORTS OF OFFICERS**10.1 ACTING MANAGER OF CORPORATE AND COMMUNITY SERVICES****10.1.1 SCHEDULE OF ACCOUNT PAYMENTS – MARCH 2016****File Ref:****Applicant:** Not applicable**Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 31st March 2016**Author:** Stacey Addis – Senior Finance Officer**Authorising Officer:** Jenny Goodbourn, Acting Manager Corporate & Community Services**Attachments:** Schedule of Payments to 31st March, 2016
Credit Card Transactions to 25th March, 2016**Summary:**

This item presents the schedule of payments for Council approval in accordance with Regulation 13 of the Local Government (Financial Management) Regulations 1996.

Background:**31st March 2016**

FUND	PAYMENT	VOUCHERS	AMOUNTS
Municipal Account	EFTs	EFT5374-EFT5523	\$330,093.78
	Municipal Fund Cheques	40109 - 40158	\$63,616.73
Payroll	Dates	02/03/2016 16/03/2016 30/03/2016	\$269,378.44
Bank Fees			\$670.79
Municipal Account Total			\$663,759.74
Shire Credit Card Facility	Westpac VISA	27/01/2016- 25/02/2016	\$3,748.66
Trust Account Payments	EFTs	EFT5442 – EFT5524	\$49,553.35
	Cheques	1354 - 1357	\$180.00
Grand Total			\$717,241.75

Comment:

This schedule of accounts as presented, submitted to each member of the Council, has been checked and is fully supported by vouchers and invoices which are submitted herewith and which have been duly certified as to the receipt of goods and the rendition of services and as to prices computation, and costing's and the amounts shown have been paid.

Consultation:

Not applicable.

Statutory Obligations:**Local Government (Financial Management) Regulations 1996****13. Lists of accounts**

(1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —

- (a) the payee's name;
- (b) the amount of the payment;
- (c) the date of the payment; and
- (d) sufficient information to identify the transaction.

(2) A list of accounts for approval to be paid is to be prepared each month showing —

- (a) for each account which requires council authorisation in that month —
 - (i) the payee's name;
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
- (b) the date of the meeting of the council to which the list is to be presented.

(3) A list prepared under sub regulation (1) or (2) is to be —

- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
- (b) recorded in the minutes of that meeting.

Policy Implications:

Nil

Budget / Financial Implications:

This item address Council's expenditure from Trust and Municipal funds which have been paid under delegated authority.

Strategic Implications:

Nil

Sustainability Implications:

- **Environmental:**

There are no known significant environmental considerations.

- **Economic:**

There are no known significant economic considerations.

- **Social:**

There are no known significant social considerations.

Voting Requirements:

Simple Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.1
Moved: Cr Goldfinch	Seconded: Cr Dickinson
That pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996, the payment of accounts for the month of March 2016, be noted.	
Carried: 4/0	Res: 34/16

10.1.2 MONTHLY FINANCIAL REPORT – 31 MARCH 2016**File Ref:**

Applicant:	Not applicable
Location:	Not applicable
Disclosure of Officer Interest:	None
Date:	11 th April 2016
Author:	Jenny Goodbourn – Acting Manager of Corporate & Community Services
Authorising Officer:	Not applicable
Attachments:	Yes – Monthly Financial Report–March 2016

Summary:

This report presents the monthly financial reports for March 2016 to Council which is provided as an attachment to the agenda. The recommendation is to receive the March monthly financial reports.

Background:

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates,
- The operating revenue, operating income, and all other income and expenses,
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period,
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period,
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result,
- Include an operating statement, and
- Any other required supporting notes.

Comment:

To provide timely financial information to the Council this report is based on the 2015/2016 Budget adopted by Council on 20 August 2015. The report contains the budget amounts, actual amounts of expenditure, revenue and income to the end of the month. It shows the

material differences between the draft budget and actual amounts where they are not associated to timing differences for the purpose of keeping Council abreast of the current financial position.

Consultation:

Council Financial Records

Statutory Obligations:

Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996 require that financial activity statement reports are provided each month reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d) for that month.

The report is to be presented at either the next ordinary meeting after the end of the month, or if not prepared in time to the next ordinary meeting after that meeting.

Policy Implications:

Nil

Budget / Financial Implications:

As detailed within the attachments

Strategic Implications:

Nil

Sustainability Implications:

- **Environmental:**
There are no known significant environmental considerations.

- **Economic:**
There are no known significant economic considerations.

- **Social:**
There are no known significant social considerations.

Voting Requirements:

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.2
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That Council receive the Monthly Financial Reports for the period ending 31 March 2016 in accordance with Section 6.4 of the Local Government Act 1995.	
Carried: 4/0	Res: 35/16

10.1.3 ANNUAL BUDGET REVIEW - 2015 / 2016 FINANCIAL YEAR

File Ref:	
Applicant:	Not applicable
Location:	Not applicable
Disclosure of Officer Interest:	None
Date:	8 April 2016
Author:	Jenny Goodbourn – AMCCS
Authorising Officer:	Ian Fitzgerald – Chief Executive Officer
Attachments:	Yes – Statement of Financial Activity – Schedules 2 to 14

Summary:

This item addresses Council's annual statutory budget review and gives an indication and projection of the end of year financial position. Based on current expenditure patterns and review of major projects Council is projected to carry forward a small surplus into 2015/2016.

Background:

Under Regulation 33A (2) and (3) of the *Financial Management Regulations*, a budget review is to be undertaken by Senior Staff, the results of which are to be presented to Council within 30 days of completion and then forwarded to the Department of Local Government and Regional Development, along with Council's determination.

A budget review was undertaken by the Acting Manager of Corporate and Community Services and the Chief Executive Officer using figures to 31st January 2016. The attached financials detail the review undertaken and the results are hereby reviewed and submitted to be received by Council.

Comment:

The projections contained within the reports are estimates done to the best of the abilities of the staff involved consulting with current accounts, forecasted expenditures and current budgets. These estimates do not guarantee that the 2015/2016 projected results will match the end of year result as there are many external influences that can have a bearing on Council's capacity or expenditure.

The review has adjusted the depreciation schedules to reflect the fair value review of the assets that was not completed at the time of the original budget adoption: *Please note this is a non-cash accounting item.*

Prog	Program Description	SP	Sub-Program Description	Original Budget	Forecast
05	Law, Order	051	Fire Prevention and Control	66,771.00	46,250.00
05	Law, Order	053	Other Ranger Services	6,826.00	8,226.00
07	Health	077	Doctors and Other Health	30,723.00	35,523.00
08	Welfare Services	081	Child Care Centres	38,240.00	33,534.00
08	Welfare Services	084	Aged & Disabled - Senior Citizens	30,923.00	29,654.00
09	Housing	091	Staff Housing	52,479.00	26,078.00
10	Community	101	Sanitation - Household Refuse	19,954.00	13,208.00
10	Community	103	Shire Effluent Scheme	14,033.00	98,330.00
10	Community	107	Other Community Amenities	22,155.00	19,050.00
11	Recreation	111	Public Halls & Civic Centres	164,288.00	164,363.00
11	Recreation	112	Swimming Areas and Beaches	15,520.00	28,433.00
11	Recreation	113	Other Recreation & Sport	300,786.00	344,397.00
11	Recreation	114	Radio Rebroadcasting	8,769.00	11,402.00
11	Recreation	115	Libraries	49,480.00	41,873.00
11	Recreation	116	Other Culture	8,596.00	8,198.00
12	Transport	122	Streets, Roads, Bridges & Depots	1,873,650.00	1,471,805.00
12	Transport	126	Aerodromes	217,432.00	257,363.00
12	Transport	127	Water Transport Facilities	5,245.00	10,238.00
13	Economic	131	Rural Services	7,160.00	20,384.00
13	Economic	132	Tourism & Area Promotion	3,535.00	806.00
13	Economic	133	Building Control	231.00	0.00
13	Economic	136	Other Economic Services	3,701.00	3,717.00
14	Other Projects	143	Plant Operation Costs	802,455.00	627,141.00
14	Other Projects	145	Administration	67,200.00	77,367.00
	Grand Total			\$3,810,152.00	\$3,377,340.00

There have also been some adjustments made to reflect the revised revenue from the airport now that commercial flights have ceased. We have also incorporated the additional costs of operating the medical practice between doctors and purchase of the doctor's residence. Loss of income from the bank agency has also been factored in. Even with all these changes it is pleasing to note that at this time there are no areas of concern and the estimated position as at 30th June 2016 will see a small surplus of \$25,834.

The review was carried out based on actuals for the period 1 July 2015 to 31st January 2016. A summary of the financial position showing the revised budget figures is on the following page.

Full details can be found in the attached statement of financial activity but the financial statement shows the final positions taking into account all the proposed revisions.

MUNICIPAL FUND		Adopted Budget		YTD Actual		Forecast Actual	
		Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
		\$	\$	\$	\$	\$	\$
OPERATING							
General Purpose Funding	03	5,082,061.00	171,032.00	4,386,461.87	95,405.03	5,041,282.00	170,750.00
Governance	04	0.00	553,804.00	2,250.00	312,897.30	0.00	535,177.00
Law, Order, Public Safety	05	186,208.00	497,963.57	121,062.09	314,817.81	186,208.00	537,911.57
Health	07	200.00	258,032.33	2,256.91	179,325.76	37,250.00	300,222.00
Education & Welfare	08	121,210.00	279,226.32	27,432.32	130,121.11	121,210.00	267,838.32
Housing	09	10,400.00	142,699.69	7,243.12	67,133.00	12,043.00	126,025.69
Community Amenities	10	2,769,487.00	1,071,949.59	423,974.44	580,871.90	2,767,749.00	1,056,182.22
Recreation & Culture	11	605,450.00	1,891,271.21	511,959.11	1,053,940.03	624,850.00	1,914,628.98
Transport	12	3,072,343.00	4,900,498.22	1,396,438.31	2,316,139.27	2,854,343.00	4,476,048.59
Economic Services	13	134,535.00	340,952.07	58,350.97	130,175.28	135,135.00	300,927.00
Other Property & Services	14	151,845.83	269,252.83	199,166.34	405,944.74	290,173.04	348,425.00
TOTAL - OPERATING		12,133,739.83	10,376,681.83	7,136,595.48	5,586,771.23	12,070,243.04	10,034,136.37
CAPITAL							
General Purpose Funding	03	0.00	60,000.00	0.00	33,326.84	0.00	60,000.00
Governance	04	0.00	0.00	0.00	0.00	0.00	0.00
Law, Order, Public Safety	05	0.00	0.00	0.00	0.00	0.00	0.00
Health	07	0.00	60,000.00	0.00	0.00	0.00	37,000.00
Education & Welfare	08	0.00	0.00	0.00	0.00	0.00	0.00
Housing	09	0.00	85,233.31	0.00	19,153.93	285,000.00	367,233.31
Community Amenities	10	0.00	2,324,912.00	0.00	2,280.00	0.00	2,312,912.00
Recreation & Culture	11	1,414,426.00	2,444,098.46	1,035,640.98	2,179,845.40	1,414,426.00	2,397,151.90
Transport	12	566,560.60	4,306,261.20	0.00	1,382,076.55	566,560.60	4,213,086.68
Economic Services	13	0.00	70,000.00	0.00	56.75	0.00	70,056.75
Other Property & Services	14	150,000.00	278,824.00	0.00	240,930.49	150,000.00	284,430.49
TOTAL - CAPITAL		2,130,986.60	9,629,328.97	1,035,640.98	3,857,669.96	2,415,986.60	9,741,871.13
		14,264,726.43	20,006,010.80	8,172,236.46	9,444,441.19	14,486,229.64	19,776,007.50
Less Depreciation Written Back			(3,810,152.00)		(1,916,141.61)		(3,377,340.00)
Less Profit/Loss Written Back		(62,395.00)	(71,001.00)	0.00	(32,642.66)	(69,895.00)	(68,323.66)
Movement in Prov Annual Leave - Current	42100		0.00		0.00		0.00
Movement in Prov Annual Leave - Current	42200		0.00		0.00		0.00
Movement in Deferred Pensioner Rates	50100		0.00		0.00		0.00
Movement in Non Current LSL Provision	61100		0.00		0.00		0.00
Adjustment in Fixed Assets			0.00		0.00		0.00
Rounding Adjustment			0.00		0.00		(7.00)
Plus Proceeds from Sale of Assets		273,846.00		154,863.64		281,363.64	
Plus Transfer from Restricted Cash (Other)				0.00			
TOTAL REVENUE & EXPENDITURE		14,476,177.43	16,124,857.80	8,327,100.10	7,495,656.92	14,697,698.28	16,330,336.84
Surplus/Deficit July 1st B/Fwd		1,658,473.50		1,658,473.50		1,658,473.50	
		16,134,650.93	16,124,857.80	9,985,573.60	7,495,656.92	16,356,171.78	16,330,336.84
Surplus/Deficit C/Fwd			9,793.13		2,489,916.68		25,834.94
		16,134,650.93	16,134,650.93	9,985,573.60	9,985,573.60	16,356,171.78	16,356,171.78

Rates Revenue: (See Note 6 Page 11 of the attached statement of financial activity for full details)

The rate revenue has had to be totally re-worked following advice from the Department of Local Government and Communities that the differential rating we imposed was unlawful (please see separate item regarding this matter). Despite advice previously received from the Valuer Generals office we cannot raise rates based on the geographical location – only on the land zoning or purpose for which the land is held. Therefore we have had to amend the rate charged to just one GRV residential, one GRV commercial and one GRV industrial rather than having separate ones for Hopetoun, Ravensthorpe and Other. This has resulted in a revised budget of \$3,731,077 compared to the original budget of \$3,788,634. A reduction in income of \$57,557.

Other General Purpose Income: (see page 2-4 of attached schedules for full details)

Interest on the Municipal Account and Reserve accounts is predicted to be lower due to falling interest rates. Original budget \$35,000 – revised \$20,000.

Members of Council: (see page 6 of attached schedules for full details)

This area is expected to be slightly lower than in budgeted expenditure due to less training being taken up and a lower Administration expense allocation. The major expense lines are running in accordance with the adopted budget. Training original budget \$10,000 – revised \$3,000. Administration original budget \$147,654 – revised \$134,810.

Law Order & Public Safety: (see page 9-11 of attached schedules for full details)

Expenditure in this area is expected to be higher due to costs in fighting recent bush fires and the fact that expenses relating to ranger services were under budgeted in the original budget. I am not sure why this occurred as looking at previous year costs there should have been a higher allocation. Firefighting original budget \$0 – revised \$20,000. Ranger original budget \$81,835 – revised

Health: (see page 13-15 of attached schedules for full details)

There has been increased cost in this category to allow for the shire having to run the medical practices during the interim period between the previous doctor leaving and the new doctor arriving. This has been offset to some extent by the income from the surgeries during this time, with Medicare and hospital billings still being received. There has been a major saving as we do not have to purchase a new vehicle for the doctor as he has taken over the vehicle previously assigned to the DCEO. However there is an additional \$37,000 to purchase new computers and programmes for the medical practice.

Doctors & other health – expenditure original budget \$131,811-revised \$180,000

Doctors & other Health – income original budget 0 – revised \$35,000

Capital purchase of car original budget \$55,000 – revised budget 0

Capital purchase of computers/software original budget \$5,000 – revised budget \$37,000.

Education and Welfare: (see page 17-19 of attached schedules for full details)

Minor under budget expense changes due to revised Administration allocations. All other budget elements in line with budget.

Expense allocation original budget \$60,923 – revised \$55,510.

Housing: (see page 21-22 of attached schedules for full details)

Operational and maintenance expenditure is tracking in line with budget. The \$8,000 allocated for furniture at 27C Carlisle Street is not required so has been removed. The acquisition of the new doctor's residence is included in this category and the expense is mainly offset by the new Loan taken out per council resolution 3rd December 2015.

Furniture 27C Carlisle Street original budget \$8,000 – revised 0

Purchase of Doctor's house original budget 0 – revised \$290,000

Income from new borrowing original budget 0 – revised \$285,000

Sanitation & Sewerage: (see page 24-27 of attached schedules for full details)

There have been some reductions in sanitation – household refuse and tip maintenance costs – mainly to bring the figures into line with actual expenditure to date and forecast costs to year end. It would appear these costs were initially over budgeted. The proposed costs and income for the waste transfer station have still been included although it is unlikely that this project will be commenced in the 2015-16 financial year and will most probably have to be carried forward.

Household refuse original budget \$144,644 – revised \$140,000

Tip maintenance original budget \$283,198 – revised \$210,000

Transfer stations and regional landfill expense/income budget \$2,312,912. (*grant project*)

Town Planning: (see page 29 of attached schedules for full details)

Small increase in income as no budget was made for extractive industry permits which have realized about \$5,000. All expenditure in line with budget.

Income relation to town planning original budget 0 – revised \$5,000.

Other Community Amenities: (see page 30 of attached schedules for full details)

More cemetery fees received than budgeted. Slight reduction in expenditure due to Administration allocation reduction.

Income for cemetery fees original budget \$3,000 – revised budget \$8,000

Administration allocation original budget \$17,406 – revised budget \$15,860.

Public Halls and Civic Centres: (see page 32 of attached schedules for full details)

Operating income and expenditure in line with budget. Reduction in allocation of capital project for solar power as funding secured via GVROC. Over all slight reduction in costs to complete building of Hopetoun Community Centre and fit-out of the same.

Solar power original budget \$141,000 – revised budget \$28,000

Fit-out of Hopetoun Community Centre original budget \$110,000 – revised budget \$95,000

Complete building of Hopetoun Community Centre original budget \$1,653,000 – revised \$1,633,000.

Swimming Areas & Beaches: (see page 33 of attached schedules for full details)

Operating income and expenditure in line with budget. Cost over run on the Masons Bay toilet and improvements at Masons Bay and Starvation Bay have seen an adjustment to capital expenditure to cover these costs.

Masons Bay toilet block original budget \$85,000 – revised \$125,000

Mays Bay/Starvation Bay Improvements original budget \$102,401 – revised \$138,286

Information Bay Mason's Bay original budget \$10,159 – revised \$14,500.

Information Bay Starvation Bay original budget \$10,159 – revised \$21,300

Other Recreation & Sport :(see page 34 of attached schedules for full details):

There have been reductions in expenses relating to bar operation at the REC which is offset by reduced income from the bar. There is a budget addition to allow for the purchase of the Hopetoun gym equipment and fit-out and leasing of the gym building. There was also additional income with the grant for the McCullough park work carried out in 2014/15 being received in this financial year. Reduction in Administration allocations – mainly due to resignation of Club Development Officer and Manager of Sport and Recreation moving to be Acting Manager of Corporate & Community Services.

Expenses business units (bar) original budget \$47,294 – revised \$30,000

Expense allocations original budget \$174,063 – revised \$158,596

Hopetoun Gym original budget 0 – revised \$20,000

Income business units (bar) original budget \$28,600 – revised \$20,500

Income Lottery west Grant original budget 0 –revised \$40,000

Television Rebroadcasting: (see page 35 of attached schedules for full details)

Costs and income tracking in line with budget expectations.

Libraries: (see page 36 of attached schedules for full details)

Costs and income tracking in line with budget expectations.

Other Culture: (see page 37 of attached schedules for full details)

Increased costs to cover work done at Ravensthorpe War Memorial.

Expenses – other culture original budget \$5,412 – revised \$22,000

Transport: (see page 39 of attached schedules for full details)**Road Construction:**

Gravel pit re-instatement budget cut from \$82K to \$50k to help balance budget. Dunn Street works \$15k over budget. Footpath construction completed \$14k under budget. Other budget allocations have been kept at original budget levels. Some projects have not yet commenced and may need to be carried forward to the 2016-17 financial year if they cannot be completed in time.

Gravel Pit reinstatement original budget \$41,120 – revised budget \$25,000

Gravel Pit Development original budget \$41,120 – revised budget \$25,000

Dunn Street original budget \$101,824 – revised \$115,097

RCRC Footpath original budget \$29,010 – revised \$15,000

Ravensthorpe Streetscape budget \$1,450,000 – expenditure to date only \$25,941 so project will need to be carried forward to 2016/17. (*grant project*)

Road Maintenance: (see page 40 of attached schedules for full details)

A Budget allocation of \$1.9m has been made to cover all expenses relating to streets, roads and bridges. This covers maintenance grades, repairs (including flood damage) and all non construction works. Expenditure to 31st March is \$1.2m. Budget allocation has been kept at original budget level. All income and expenditure tracking in line with budget expectations.

Plant Purchases: (see page 41 of attached schedules for full details)

All purchases proceeding. Drum roller is \$35k below budget and water cart was \$10k under budget so we have been able to reduce costs accordingly.

Smooth drum roller original budget \$160,000 – revised \$125,000

Water cart semi trailer original budget \$100,000 – revised \$88,858

Aerodromes: (see page 43 of attached schedules for full details)

This budget has been impacted by reduced income as commercial flights are no longer operating to Ravensthorpe. Prior to flights being completely stopped at the end of February operations had been reduced with fewer flights than in previous years. However I think the original budgeted income of \$530,000 was overstated. Looking at previous year's income and knowing the downturn in services for 2105-16 that was expected this should have been

reflected in the budget. Actual income will be around \$300,000 and the budget review has had to take this into consideration and look to reduce other costs where possible to ensure we still have a balanced budget. Maintenance costs have been higher than anticipated with repairs to the bitumen seal and costs for the scanning equipment licence.

Expenses relating to aerodromes original budget \$275,037 – revised \$205,000

Airport maintenance original budget \$51,680 – revised \$100,000

Expense allocation original budget \$78,329- revised \$71,370

Income from airport original budget \$530,000 – revised \$300,000

Economic Services: (see page47 of attached schedules for full details)

Reduced costs in the tourism and area promotion section – mainly due to upgrade of information bays not yet being carried out and lower than budgeted expenses relating to camping grounds.

Expenses tourism and area promotion original budget \$106,842 – revised \$90,000

Income from camping grounds original budget \$45,000 – revised \$40,000

Private Works: (see page 53 of attached schedules for full details)

There will be unbudgeted expenditure for the Work for the Dole scheme which is offset by corresponding increase in unbudgeted income.

Expenses relating to Private Works original budget \$44,678 – revised \$150,000

Income relating to Private Works original budget \$44,678 – revised \$150,000

Public Works Overheads: (see page 54 of attached schedules for full details)

Overall tracking in line with original budget. Have needed to adjust some of the allocations to reflect the actual costs to date: i.e. works administration over allocated, sick leave under allocated, Annual, LSL + public holidays under allocated. Works Superannuation under allocated. All costs within this schedule are recovered against works allocations and the schedule balances back to zero.

Plant Operation Costs: (see page 55 of attached schedules for full details)

Reduction in insurance costs this year. Actual insurance policy cost \$36,954 rather than the budgeted \$41,954. We have also received two credits back from LGIS – one of \$7,900 as a review of our insurance and another of \$4,463 as part of the good driver scheme.

Plant insurance original allocation \$41,954 – revised \$25,000

Administration: (see page 57 of attached schedules for full details)

Overall general administration expenses are projected to be lower than budgeted with a total cost of \$1,585,996 against a budget of \$1,740,639. Staff costs are lower than budgeted. The

\$44,000 project to demolish 59-61 Morgans Street has been deferred and costs on the asset management plan, central precinct and consultant are also lower than had been budgeted.

Training expenses original budget \$20,000 – revised \$10,000

Other property expenses original budget \$45,226- revised \$5,000

Consultant Services original budget \$97,000 – revised budget \$37,000

Information Technology Expenses original budget \$122,414 – revised budget \$90,000

Reserves:

Reserves will be as originally budgeted with no changes anticipated.

Capital Expenditure:

A full break-up of the costs can be found under note 1, page 3 of the attached statement of financial activity. A review of any changes follows on the next page and variations have been addressed under the comments by programme as above.

			2015/16 Adopted Budget \$	2015/16 YTD Budget \$	January 2016 Actual \$	Forecast 2015/16 Actual \$	Increase/Dec rease
1. ACQUISITION OF ASSETS							
Health							
	<u>Other Health</u>						
	Upgrade To Computer Equipment At Doctors (Do		5,000	5,000	0.00	37,000.00	\$32,000
	Toyota Prado Gxl (Doctor)		55,000	0	0.00	0.00	\$55,000
Housing							
	<u>Staff Housing</u>						
	Furniture For 27C Carlilse Street (Do Not Use -		8,000	8,000	0.00	0.00	\$8,000
	Purchase Of 5 Daw Street, Ravensthorpe - Doctors		0	0	0.00	290,000.00	\$290,000
Community Amenities							
	<u>Sewerage</u>						
	Ravensthorpe Effluent System - In-Line Chlorination		12,000	12,000	0.00	0.00	\$12,000
Recreation and Culture							
	Hopetoun Community Centre Fit Out		110,000	110,000	57,551.81	95,000.00	\$15,000
	Solar Power Installation At Hopetoun Community		141,000	141,000	0.00	21,000.00	\$120,000
	Hopetoun Community Centre / Hall Project		1,653,000	1,653,000	1,587,672.63	1,633,000.00	\$20,000
	Extension At Ravensthorpe Hall		0	0	1,525.20	7,000.00	\$7,000
	<u>Swimming Areas & Beaches</u>						
	Masons Bay - Toilet Block		85,000	85,000	98,661.35	125,000.00	\$40,000
	Masons Bay/Starvation Bay Improvements		102,401	102,400	138,285.92	138,285.92	\$35,885
	Starvation Bay - Caravan Dump Point		10,000	10,000	8,170.89	8,500.00	\$1,500
	Masons Bay - Caravan Dump Point		10,000	10,000	7,740.70	8,000.00	\$2,000
	Information Bay - Masons Bay		10,159	10,159	14,126.21	14,500.00	\$4,341
	Information Bay - Starvation Bay		10,159	10,159	21,296.66	21,300.00	\$11,141
	<u>Other Recreation & Sport</u>						
	Hopetoun Foreshore Project		83,987	83,984	100,219.80	100,219.80	\$16,233
	Mcculloch Park Playground Equipment		5,900	5,900	6,553.72	6,553.72	\$654
	Hopetoun Skatepark Reticulation		7,500	7,500	3,800.00	3,800.00	\$3,700
Transport							
	<u>Construction - Roads, Bridges, Depots</u>						
	Roads Construction Council						
	Southern Ocen Road Upgrade - Stage 2		188,402	188,398	39,920.03	180,000.00	\$8,402
	Gravel Pit Reinstatement		41,120	20,556	0.00	25,000.00	\$16,120
	Gravel Pit Development		41,120	20,556	901.52	25,000.00	\$16,120
	Roads To Recovery Construction						
	Dunn Street		101,824	0	115,096.84	115,096.84	\$13,273
	Cambewarra Drive Slk 0.0 – 2.7		82,767	0	81,857.58	81,857.58	\$909
	Footpath Construction						
	Rrcr – Morgans St Pathway		29,010	29,010	13,097.50	15,000.00	\$14,010
	<u>Road Plant Purchases</u>						
	8 Wheel Tipper - Daf		320,000	320,000	319,250.00	319,250.00	\$750
	Smooth Drum Roller - Cat		160,000	0	0.00	125,000.00	\$35,000
	Mitsubishi Triton Club Cab (Building Maintenance		38,000	38,000	34,123.00	34,123.00	\$3,877
	Mitsubishi Triton Glx Dual Cab (Works Utility)		31,000	31,000	30,857.05	30,857.05	\$143
	Water Cart Semi Trailer		100,000	100,000	88,857.99	88,857.99	\$11,142
Other Property & Services							
	<u>Administration</u>						
	Computer Upgrades (Do Not Use - Post To Job #		9,650	9,650	0.00	7,500.00	\$2,150
	Air Conditioning For Back Offices (Do Not Use -		8,000	8,000	0.00	12,500.00	\$4,500
	Mitsubishi Triton Glx Double Cab (Pool Car)		34,070	34,070	27,766.14	27,766.14	\$6,304
			8,879,269	4,284,718	3,749,374.63	8,981,771.60	\$102,899

General Observations:

The review of the rates and the reduction in airport income have necessitated a full review of all budget schedules but we have been able to come in under budget on some jobs and utilize reduced expenditure in other areas to ensure that we can still cover all aspects of the budget and balance our income and expenditure for the year.

The reduction in administration and recreation staff has helped reduce administration expense allocations across the budget.

Consultation:

Senior Officers

Council Financial Accounts

Statutory Obligations:**Local Government (Financial Management) Regulations 1996****Part 3 Annual budget — s. 6.2****33A. Review of budget**

(1) Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.

(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council.

(3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

**Absolute majority required.*

(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Policy Implications:

Nil

Budget / Financial Implications:

End of Year Financial Forecast as attached.

Strategic Implications:

Nil

Sustainability Implications:

- **Environmental:**
There are no known significant environmental considerations.

- **Economic:**
There are no known significant economic considerations.

- **Social:**
There are no known significant social considerations.

Voting Requirements:

Absolute majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.3
Moved: Cr Goldfinch	Seconded: Cr Dickinson
That Council adopt the budget review, as presented, for the financial year 2015/2016 and amends the budget accordingly.	
Carried by Absolute Majority: 4/0	Res: 36/16

10.1.4 LEASE – HOPETOUN DISTRICT RECREATION ASSOCIATION

File Ref:	RC.AR.1
Applicant:	Not Applicable
Location:	Not applicable
Disclosure of Officer Interest:	None
Date:	12 th April 2016
Author:	Jenny Goodbourn - AMCCS
Authorising Officer:	Not applicable
Attachments:	Draft Lease Agreement

Summary:

This item is to review a draft licence for the Hopetoun District Recreation Association for management of the Hopetoun Sporting Complex. The recommendation is to endorse the licence and authorise the Chief Executive Officer and Shire President to execute the documents once they have been approved by the Department of Land.

Background:

The Hopetoun District Recreation Association had a lease with the Shire of Ravensthorpe. The lease was for a period of 21 years from August 1994. Last year the shire held talks with HDRA concerning the renewals or otherwise of the lease. At their meeting on the 27th July 2015 HDRA resolved not to renew the lease agreement and that the shire was to take over control of the Sporting Complex. At the August meeting of council it was resolved that:

That the Shire of Ravensthorpe agrees to not renewing the lease between itself and HDRA.

That the Shire of Ravensthorpe takes over operation of the Sporting Complex with effect from 2nd November 2015.

This was to allow the sporting clubs to amend their constitutions and look at obtaining club licences for the operation of the bar.

However the obtaining of a club licence is not that straight forward with the constitution having to be in a format as specified by the Dept of Racing, Gaming and Liquor and all conditions having to be fully met for the application process.

Comment:

At the latest meeting held on the 29th February the HDRA requested that they would like to continue operation and management of the Hopetoun Sporting Complex and asked that the Shire of Ravensthorpe consider issuing a lease for a period of 7 years.

A draft lease is attached for Council's consideration.

Consultation:

CEO

Statutory Obligations:

Nil

Policy Implications:

Nil

Budget / Financial Implications:

Nil.

Strategic Implications:

This item relates to one of the key themes in Council's Strategic Plan being the "the provision of adequate services and infrastructure to cater for the regional community.

Sustainability Implications:

- **Environmental:**
There are no known significant environmental considerations.

- **Economic:**
There are no known significant economic considerations.

- **Social:**
There are no known significant social considerations.

Voting Requirements:

Simple Majority

OFFICER RECOMMENDATION AND COUNCL DECISION	ITEM 10.1.4
Moved: Cr Goldfinch	Seconded: Cr Dickinson
That Council;	
1. Agree to negotiate a lease with Hopetoun District Recreation Association Inc. for the management of Hopetoun Sporting Complex for a term of 7 (seven) years.	
2. Endorse the draft Licence agreement provided in the attachment – Lease – Part Reserve 35584, for an initial term of 7 years.	
3. Following approval by the Minister for Lands- Authorise the Chief Executive Officer and Shire President to execute the Licence agreement with Hopetoun District Recreation Association.	
Carried: 4/0	Res: 37/16

10.1.5 DIFFERENTIAL RATING – ADVICE RECEIVED FROM DLGC**File Ref:****Applicant:** Not applicable**Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 11th April 2016**Author:** Jenny Goodbourn – Acting Manager of Corporate & Community Services**Authorising Officer:** Ian Fitzgerald – Chief Executive Officer**Attachments:** Yes – Letter from DLGC
Department Correspondence

Summary:

The Shire of Ravensthorpe has received a letter from the Department of Local Government and Communities advising that the GRV-based differential general rates do not comply with the *Local Government Act 1995*.

Background:

In June 2015 council discussed the necessity of applying differential ratings as a complete revaluation of GRV properties had been carried out which had led to some major discrepancies in property valuations between Ravensthorpe and Hopetoun. Please see extract from the June 2015 Minutes:

Section 6.36 of the Local Government Act 1995 allows Council to implement a system of differential rating subject to adoption by Council, public advertising, and approval from the Minister for Local Government and Communities before being applied.

The Act allows for differential rates to be applied to overcome an issue where the land use written the rating category is completely different and therefore valuations are significantly different. The use of differential rating helps to ensure equality within the rating system.

The Valuer – General completed a revaluations of GRV properties in August 2014 and we were advised of the new valuations, to be applied from 1 July 2015, in May 2015.

As advised previously the revaluation, the first for some 5 years, has provided a wide range of valuations.

<i>Ravensthorpe</i>	<i>Residential</i>	↑ 36.9%	(average)
	<i>Commercial</i>	↑ 7.3%	(average)
	<i>Industrial</i>	↑ 6.7%	(average)
<i>Hopetoun</i>	<i>Residential</i>	↑ 41.0%	(average)
	<i>Commercial</i>	↑ 24.9%	(average)
	<i>Industrial</i>	↓ 21.5%	(average)
<i>Transient Accommodation</i>		↓ 59%	(average)
<i>Munglinup</i>		↑ 6.5%	(average)

UV valuations, which are reviewed annually, have increased some 8.5% across the Shire. A random sample check of the changes has not indicated a wide variation in changed valuations as compared to the GRV valuations.

Council has no input into the GRV or UV valuations but sets the rate in the dollar that will applied to those valuations to determine the rates to be levied.

Where there is a relatively uniform increase or decrease in valuations adjusting the rate in the dollar can be used to determine the rates to be levied, and whilst there will always be some variation in valuations, this method is usually reasonably fair across the rating category.

This year with the GRV revaluations simply adjusting the rate in the dollar would still see some significant loses and wins and it is anticipated would lead to a loud voice of anger from ratepayers.

To help smooth out the wide ranging valuation changes and still achieve the rate income required for the 2015/16 budget a system of differential rating is proposed. The Valuer – General himself has indicated the use of differential rating may be appropriate to smooth out the anomalies in the new GRV valuations and provide a more equitable distribution of the rates burden.

It is proposed that a number of new categories of rating within the GRV system be introduced in the 2015/16 – as identified above and in the attached Objectives and Reasons Statement.

Following from this council set differential GRV rates for residential, commercial, industrial and other uses based on whether the property was in Ravensthorpe or Hopetoun. Advertising was carried out and Ministerial approval was sought. The application package to the minister listed all the above proposed GRV's as well as the proposed differential GRV rate for Transient Workforce Accommodation. Ministerial approval was granted on 12th August but only actually lists the GRV rate for the Transient Workforce Accommodation – it does not mention a problem with the other differential rates requested.

Comment:

The Department of Local Government and Communities monitors all annual budgets submitted to it and has contacted the shire to advise that the GRV's based on location are not lawful and do not comply with section 6.33(1) of the Local Government Act.

The shire has been in discussion with the department regarding this as at no time last year when applying for Ministerial Approval was this pointed out and it was on the advice of the Valuer Generals department that this style of rating was proposed. However after extensive communication the department has confirmed that we are not able to raise rates based on the location of the properties and can therefore only have one rate in the dollar for residential, commercial, industrial and other.

The process we have to go through is to apply to the State Administrative Tribunal for the rates to be quashed. Once this has been approved we will have to adopt a new budget based under s.6.3(a)(ii) and reimpose new rates that comply with the Act under s.6.33(3)(b).

The budget review has been undertaken with a review of the rates that will comply with the Act. The reduction in income is \$57,557 but we have been able to make this up from other cost savings and reductions in expenditure. We will still be able to impose a differential GRV for the Transient Workforce Accommodation and the Ministerial Approval granted for this will still be valid.

Consultation:

Department of Local Government and Communities
Chief Executive Officer

Statutory Obligations:

Section 6.33 of the Local Government Act 1995

Policy Implications:

Nil

Budget / Financial Implications:

As detailed a reduction in rate income of \$57,557 that has been made up by cost savings and reduced expenditure in other areas of the budget.

Strategic Implications:

Nil

Sustainability Implications:

- **Environmental:**

There are no known significant environmental considerations.

- **Economic:**

There are no known significant economic considerations.

- **Social:**

There are no known significant social considerations.

Voting Requirements:

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.5
Moved: Cr Dickinson	Seconded: Cr Goldfinch
1. That Council note the letter from the Department of Local Government and Communities informing that the Differential GRV rates have been raised illegally.	
2. That Council makes an application to the State Administrative Tribunal for the rates to be quashed.	
Carried: 4/0	Res: 38/16

10.1.6 WRITE OFF OF SUNDRY DEBTORS

File Ref:	273, 259 & 276
Applicant:	Not applicable
Location:	Not applicable
Disclosure of Officer Interest:	None
Date:	12 TH April 2016
Author:	Jenny Goodbourn - AMCCS
Authorising Officer:	
Attachments:	NIL

Summary:

This report recommends the write-off of four debtors that are outstanding and that we have been unable to collect payment of.

Background:

Customer # 273 – amount of \$907.50 relating to commercial bins from 2013

Customer # 276 – amount of \$605.00 relating to commercial bins from 2014

Customer # 259 – amount of \$907.50 relating to commercial bins from 2013

All these invoices were raised for the provision of commercial rubbish bins, however at the time rather than raise these charges as part of the annual rate levies they were done as ordinary debtors. This causes issues upon non-payment as they are not a debt secured against the property and this limits the recourse to collection which we can undertake.

Comment:

Given the nature of the debts and the fact that to continue to pursue via our collection agency would probably incur more costs than would be recoverable it is recommended that the debts be written off in accordance with provisions of the Local Government Act.

Consultation:

Not Applicable.

Statutory Obligations:

Local Government Act 1995 – section 6.12 allows Council write –off any amount of money.

Policy Implications:

Nil.

Budget / Financial Implications:

Write off of \$2,420.00.

Strategic Implications:

Nil

Sustainability implications:

- **Environmental:**
There are no known significant environmental considerations.
- **Economic:**
There are no known significant economic considerations.
- **Social:**
There are no known significant social considerations.

Voting Requirements

Absolute Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.6
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That Council write off the balance of debtor # 273 being \$907.50, debtor #259 being \$907.50 and debtor # 276 being \$605.00 in accordance with Section 6.14 of the Local Government Act 1995	
Carried by Absolute Majority: 4/0	Res: 39/16

10.1.7 WRITE OFF OF SUNDRY DEBTOR

File Ref:	325
Applicant:	Not applicable
Location:	Not applicable
Disclosure of Officer Interest:	None
Date:	12 th April 2016
Author:	Jenny Goodbourn - AMCCS
Authorising Officer:	
Attachments:	NIL

Summary:

This report recommends the write-off of one debtor that has been outstanding since 2011 and that we have been unable to collect payment of.

Background:

Customer # 325 – amount \$3,589.88 relating to previous rates charges raised during the period 19th August 2011 – 14th August 2013.

These rates related to the lease of a portion of crown land. The gentleman that entered into the lease in August 2011 went missing in November 2011. The minister for lands signed a forfeiture order releasing the lessee in August 2013 and at that time the land reverted back to the State of Western Australia before being leased to a new party in October 2013. The shire was not advised at the time and so the outstanding rates were not cleared as part of the lease transfer as would be the case in a normal property settlement.

Following attempts to collect the outstanding rates the shire was made aware of the circumstances surrounding the property and after legal advice the debt was transferred from the rate ledger to a debtors account as it was not the responsibility of the new lessee who had made payment of all rates accrued since the date he took the lease over.

Comment:

Our legal advice has been that the debt forms part of the estate of the former lessee and could be pursued as part of the estate settlement as he was liable for the rates during the period he leased the land. However in view of the facts surrounding the matter:- that the lease was taken out in August 2011 and the gentleman disappeared in that November, that it has been a long and painful process for his family to deal with the fact that he had been officially listed as a

missing person presumed deceased, with a ruling of death only being formalised in 2014, it might be appropriate to consider writing off the debt. Costs to pursue legal action to recover the debt against his estate could well incur more costs than would be recoverable so it is recommended that the debt be written off in accordance with provisions of the Local Government Act.

Consultation:

Not Applicable.

Statutory Obligations:

Local Government Act 1995 – section 6.12 allows Council write –off any amount of money.

Policy Implications:

Nil.

Budget / Financial Implications:

Write off of \$3,589.88.

Strategic Implications:

Nil

Sustainability implications:

- **Environmental:**
There are no known significant environmental considerations.

- **Economic:**
There are no known significant economic considerations.

- **Social:**
There are no known significant social considerations.

Voting Requirements

Absolute Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION

ITEM 10.1.7

Moved: Cr Dickinson

Seconded: Cr Goldfinch

That Council write off the balance of debtor # 325 being \$3,589.88 in accordance with Section 6.14 of the Local Government Act 1995

Carried by Absolute Majority: 4/0

Res: 40/16

**10.2 MANAGER OF PLANNING AND DEVELOPMENT
 NIL**

10.3 MANAGER OF ENGINEERING SERVICES
NIL

10.4 CHIEF EXECUTIVE OFFICER

10.4.1 NATIONAL GENERAL ASSEMBLY

File Ref:**Applicant:****Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 12 April, 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Nil

Summary:

The 2016 National General Assembly hosted by the Australian Local Government Association is due to be held in Canberra from 19-22 June 2016. This report recommends two representatives attend the conference.

Background:

Council has previously sent delegates who have reported back to Council the benefits of attending.

Comment:

This year the conference will run under the theme “Partner in an Innovative and Prosperous Australia.” The conference will be held from Monday 20th June to Wednesday 22nd June.

The Prime Minister and Leader of the Opposition are listed as speakers as are the Federal Minister for Local Government and also the Shadow Minister.

Topics listed for discussion include:

- The future of local government
- The infrastructure challenge
- Local governments role in facilitating prosperity
- Digital transformation at the local government level

All the topics are very relevant with a federal election to be held in the very near future and the tightening economic climate requiring strong fiscal management and leadership by local

government. This is particularly the case in rural Australia where local government is seen as leaders in the community and quite often are the largest employer of staff.

Consultation:

Nil

Statutory Obligations:

Nil

Policy Implications:

Nil

Budget / Financial Implications:

The cost per delegate to attend including registration fees flights and accommodation will be approximately \$2600 depending on available flights and accommodation at the time of booking.

There is provision in the budget for this expenditure.

Strategic Implications:

Attendance at the conference will give the delegate to hear firsthand proposed changes in support or programs that may affect local government post the federal election. There is also the opportunity to meet with our federal members of parliament and local government colleagues from across Australia.

Sustainability Implications:

- **Environmental:**

There are no known significant environmental considerations.

- **Economic:**

There are no known significant economic considerations.

- **Social:**

There are no known significant social considerations.

Voting Requirements:

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.1
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That Council nominate Councillor Keith Dunlop and the Chief Executive Officer to attend the 2016 National General Assembly in Canberra 19 -22 June 2016.	
Carried: 4/0	Res: 41/16

10.4.2 LEHMAN BROTHERS AUSTRALIA – DIVIDEND PAYMENT**File Ref:****Applicant:****Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 19 April, 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Nil

Summary:

The process of winding up of Lehman Brothers Australia has been taking place for many years not but has reached a point wherein an estimated settlement sum has been advised for Council's claim in this matter.

This item recommends Council authorise the Shire President and Chief Executive Officer sign, under seal, the Covenant document provided.

Background:

Council had reserve funds invested, through an intermediary, in Lehman Brothers Australia that was lost when they collapsed. The shire has subsequently written off the investment.

Comment:

A number of local governments and other agencies across Australia have been working with Squire Paton Boggs and IMF Bentham to try and recover at least part of the funds Council had invested at the time Lehman Brothers Australia collapsed.

Over the past 12 months there has been some positive communication indicating, subject to creditor and court approval, that a dividend may be payable.

A small payment of less than \$10,000 was received earlier this financial year from one component of the recovered moneys.

There has been a further advice recently that Council, along with creditor, are likely to receive a more substantial payment.

The Federal Court of Australia has approached the proposed payment scheme however there is an appeal process which closes on 5th May 2016. If there are no appeals the Administrator is able to continue to process the payment of any calculated divided.

As is the case with this type of event a large population of the recovered amount is due to be paid to the administrators.

In the case of the Shire of Ravensthorpe the estimate is:

Claim Balance	\$1,273,767.22
Pro rata entitlement	\$ 572,117.53
Fees	\$ 216,321.69
Estimated Settlement	\$ 355,795.85

It is important that this sum is an estimate only.

Consultation:

Squire Patton Boggs

Statutory Obligations:

Nil

Policy Implications:

Nil

Budget / Financial Implications:

If Council is to receive the \$ 355,795 it will be a bonus of previously written off funds. The 2015/2016 Budget has an estimated recovery of \$250,000 based on previous advice from the Administrators.

Strategic Implications:

The recovery of funds would allow Council to bolster reserves for future capital projects reducing the impact on loan funds and need to increase rates.

Sustainability Implications:

- **Environmental:**
There are no known significant environmental considerations.

- **Economic:**
There are no known significant economic considerations.

- **Social:**
There are no known significant social considerations.

Voting Requirements:

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.2
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That Council authorise the Shire President and Chief Executive Officer to sign the Deed of Covenant under common seal and return to Squire Patton Boggs.	
Carried: 4/0	Res: 42/16

11. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
NIL

12. BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

12.1 ELECTED MEMBERS
NIL

12.2 OFFICERS**12.2.1 TENDER – HERBARIUM CONSTRUCTION**

COUNCIL DECISION	ITEM 12.2.1
Moved: Cr Goldfinch	Seconded: Cr Dickinson
That Council accept the late item 12.2.1 Tender – Herbarium Construction.	
Carried: 4/0	Res: 43/16

12.2.1 TENDER – HERBARIUM CONSTRUCTION**File Ref:****Applicant:****Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 21 April 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Nil**Summary:**

Tenders have been called for the construction of a new herbarium building attached to the Ravensthorpe Town Hall.

Two tenders were received and a sub-committee of the Wildflower Committee have met and are making a recommendation to Council via this agenda item for the acceptance of one of the tenders.

Background:

Council has previously agreed to allow the construction of a new herbarium building attached to the Ravensthorpe Town Hall and to assist in the administration process for this project to come to fruition.

Comment:

The sub-committee has spent considerable time in developing plans for the new building that will meet the needs of a herbarium now and into the future. Detailed drawings were prepared by Roger Veen and then in the first instance Expressions of Interest were called to test the market. A range of estimates were received and it was then agreed that engineering

certification would be obtained of the plans and then formal tenders would be called with the shire managing the process with and on behalf of the Wildflower Committee.

At the end of the process two tenders were received:

Quality Builders Pty Ltd \$204,866 GST inclusive

R & L Constructions \$217,719 GST inclusive

It should be noted that the tender called for a site build and Quality Builders have provided an alternate tender as their tender is based on provision of a transportable building. Furthermore it should be noted that the tender from R & L Constructions was received late but the company had made contact prior to the close-off date and requested an extension and as at that stage no tenders had been received the Chief Executive Officer agreed to accept the tender and put it forward for Council's consideration. R & L Constructions tender is otherwise compliant.

R & L Constructions are a local builder and therefore are eligible for a Regional Price Preference of 5% up to \$50,000 as per Council Policy F7. Once the regional price preference is factored into the tendered prices there is a difference of only \$2,610 between the pricings.

Consultation:

Wildflower Show sub-committee

Statutory Obligations:

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Policy Implications:

N/A

Budget / Financial Implications:

The Wildflower Committee will be seeking a grant through Lotterywest for the full cost of the construction of the herbarium building. Council will incur some in-house administration expenses but have not been requested for a cash financial contribution to the project.

Strategic Implications:

The provision of a new herbarium building will allow for continued growth of the herbarium and provide needed storage, office and sorting areas.

Sustainability Implications:

- **Environmental:**
There are no known significant environmental considerations.
- **Economic:**
There are no known significant economic considerations.
- **Social:**
There are no known significant social considerations.

Voting Requirements:

Absolute majority

OFFICER RECOMMENDATION	ITEM 12.2.2
That Council:	
a) agree to receive the tender from R & L Constructions	
b) note the tender from Quality Builders Pty Ltd is a non-conforming tender	
c) accept the tender from R & L Constructions for the construction of a new herbarium building at a tendered price of \$217,719 inclusive of GST.	

COUNCIL DECISION AND OFFICER RECOMMENDATION	ITEM 12.2.2
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That Council:	
a) agree to receive the tender from R & L Constructions	
b) note the tender from Quality Builders Pty Ltd is a non-conforming tender	
c) accept the tender from R & L Constructions for the construction of a new herbarium building at a tendered price of \$217,719 inclusive of GST.	
Amendment	Seconded: Cr Norman
Moved: Cr Goldfinch	
That part d) be added to the motion as follows:	
d) the Shire of Ravensthorpe apply to Lottery West for funding the construction of the Herbarium.	
The Amendment was carried: 4/0	
Res: 44/16	
The Amendment became part of the motion, the motion was carried by absolute majority: 4/0	
	Res: 45/16

13. MATTERS BEHIND CLOSED DOORS

NIL

14. CLOSURE OF MEETING – 5.25PM