

ALL INFORMATION AVAILABLE IN  
VARIOUS FORMATS ON REQUEST  
[city@busselton.wa.gov.au](mailto:city@busselton.wa.gov.au)

Please note: These minutes  
are yet to be confirmed as a  
true record of proceedings

**CITY OF BUSSELTON**

**MINUTES FOR THE SPECIAL COUNCIL MEETING HELD ON 25 JULY 2018**

**TABLE OF CONTENTS**

<b>ITEM NO.</b>	<b>SUBJECT</b>	<b>PAGE NO.</b>
1.	ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE.....	2
2.	PURPOSE OF MEETING.....	2
3.	PUBLIC QUESTION TIME.....	2
4.	DISCLOSURE OF INTERESTS .....	3
5.	PRESENTATIONS BY PARTIES WITH AN INTEREST .....	3
6.	FINANCE AND CORPORATE SERVICES REPORT .....	4
	6.1    BUDGET ADOPTION 2018/2019.....	4
7.	CLOSURE .....	19

## MINUTES

MINUTES OF A MEETING OF THE A SPECIAL MEETING OF THE BUSSELTON CITY COUNCIL HELD IN COUNCIL CHAMBERS, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 25 JULY 2018 AT 4.00PM.

### 1. ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE

Presiding Member:

Cr Grant Henley      Mayor  
Cr John McCallum    Deputy Mayor

Members:

Cr Coralie Tarbotton  
Cr Ross Paine  
Cr Robert Reekie  
Cr Paul Carter  
Cr Rob Bennett  
Cr Kelly Hick  
Cr Lyndon Miles

Officers:

Mr Mike Archer, Chief Executive Officer  
Mr Oliver Darby, Director, Engineering and Works Services  
Mr Paul Needham, Director, Planning and Development Services  
Mr Cliff Frewing, Acting Director, Community and Commercial Services  
Mr Tony Nottle, Director, Finance and Corporate Services  
Ms Sarah Pierson, Manager, Governance and Corporate Services  
Miss Kate Dudley, Administration Officer, Governance

Apologies:

Nil

Approved Leave of Absence:

Nil

Media:

Nil

Public:

Nil

### 2. PURPOSE OF MEETING

This Special Council Meeting is being held for the adoption of the 2018/19 budget.

### 3. PUBLIC QUESTION TIME

Nil

**4. DISCLOSURE OF INTERESTS**

The Mayor noted that a declaration of impartiality interest had been received from:

- Cr Grant Henley in relation to agenda Item:
  - 6.1 Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C1760 King Street Reserve - Park Upgrade (Coastal Node) \$77,500 on page 180
  - 6.1 Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C3186 Lou Western Oval Courts \$700,000 on page 183
  - 6.1 Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C2527 Storm Damage Renewal of Infrastructure \$95,000 on page 183

A declaration of Financial and Proximity interest has been received from:


- Mr Mike Archer - CEO in relation to agenda Item:
  - 6.1 Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C2527 Storm Damage Renewal of Infrastructure \$95,000 on page 183
  - 6.1 Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code W0223 Reading Street Reconstruction and Widen \$185,000 on page 185

In accordance with the Local Government (Rules of Conduct) Regulations 2007 these declarations will be read out immediately before Item 6.1 is discussed.

**5. PRESENTATIONS BY PARTIES WITH AN INTEREST**

Nil

**6. FINANCE AND CORPORATE SERVICES REPORT****6.1 BUDGET ADOPTION 2018/2019**

<b>SUBJECT INDEX:</b>	Budget Planning and Reporting
<b>STRATEGIC OBJECTIVE:</b>	Governance systems, process and practices are responsible, ethical and transparent.
<b>BUSINESS UNIT:</b>	Finance and Corporate Services
<b>ACTIVITY UNIT:</b>	Financial Services
<b>REPORTING OFFICER:</b>	Manager Financial Services - Kim Dolzadelli
<b>AUTHORISING OFFICER:</b>	Director Finance and Corporate Services - Tony Nottle
<b>VOTING REQUIREMENT:</b>	Absolute Majority
<b>ATTACHMENTS:</b>	Attachment A Differential Rate Submission McMahon Mining Title Services 

DISCLOSURE OF INTEREST	
<b>Date</b>	25 July 2018
<b>Meeting</b>	Council
<b>Name/Position</b>	Grant Henley, Mayor
<b>Item No./Subject</b>	6.1 Budget Adoption 2018/19
<b>Type of Interest</b>	Financial Interest
<b>Nature of Interest</b>	Line items C1760 King Street Reserve - Park Upgrade (Coastal Node) \$77,500 on page 180, C3186 Lou Western Oval Courts \$700,000 on page 183 and C2527 Storm Damage Renewal of Infrastructure \$95,000 on page 183 are adjacent to my property at 8 Swan Street, West Busselton.

4:00 pm At this time Councillor G Henley left the meeting.

4.00 pm At this time Councillor J McCallum assumed the chair.

DISCLOSURE OF INTEREST	
<b>Date</b>	25 July 2018
<b>Meeting</b>	Council
<b>Name/Position</b>	Mike Archer, CEO
<b>Item No./Subject</b>	6.1 Budget Adoption 2018/19
<b>Type of Interest</b>	Financial Interest
<b>Nature of Interest</b>	Line items C2527 Storm Damage Renewal of Infrastructure \$95,000 on page 183 and W0223 Reading Street Reconstruction and Widen \$185,000 on page 185 are adjacent to my rental property on Geographe Bay Road.

4:01 pm At this time the CEO left the meeting.

## PRÉCIS

To formally consider the attached budget papers presented for consideration by Elected Members in order to adopt the 2018/2019 Municipal Budget.

The author also requests that staff and Councillors identify whether they may have any financial or proximity interests with respect to any of the proposed capital works projects being near to or adjacent to properties they might own.

## BACKGROUND

Pursuant to Section 6.2 of the Local Government Act (the 'Act'), a local government is to prepare and adopt an annual budget on or before 31 August each year, or such extended time as the Minister allows.

Staff commenced the preparation of the Budget in November 2017 and have provided all Councillors, staff, residents and electors the opportunity to submit projects for consideration by Council.

The attached Budget documents have been prepared after extensive consultation with all relevant stakeholders and having regard to draft budget workshops convened with Elected Members during May and June 2018. This report now seeks the Council's formal adoption of its 2018/2019 annual budget. The budget has also been prepared in light of the Long Term Financial Plan discussion in the earlier part of the year, aligning with a lower rate increase that was originally envisaged.

The process outlined above was adopted to maximise the input into the Municipal Budget by Councillors, the community and staff to promote a greater understanding of the budget document itself and to ensure it accurately reflects the priorities of the Council.

## STATUTORY ENVIRONMENT

As part of the annual budget development process, a local government must have regard for numerous requirements under the Act and associated Regulations. These include, but are not limited to, the following provisions:

- Adoption of Annual Budget

Section 6.2 of the Act and Part 3 of the Local Government (Financial Management) Regulations detail the form and manner in which an annual budget is to be presented to the Council for formal consideration.

- Reserve Accounts

Section 6.11 of the Act provides guidance in respect of reserve accounts and also outlines the processes required should a local government determine to amend the purpose of a reserve.

- Power to Borrow

Sections 6.20 and 6.21 of the Act refer to a local government's power to borrow and the administrative requirements associated therewith.

- Notice of Imposing Differential Rates

Section 6.36 of the Act details the requirement for a local government to give local public notice of its intention to impose differential rates in the dollar and associated minimum payments in any year. The local public notice is to provide details of each differential rate in the dollar and associated minimum payment and must also invite public submissions to the proposal, for a period of not less than 21 days.

▪ Adoption of Fees and Charges

Sections 6.16 – 6.19 of the Act refer to the imposition, setting the level of, and associated administrative matters pertaining to fees and charges. The requirement to review fees and charges on an annual basis is detailed within Regulation 5 of the Local Government (Financial Management) Regulations. The Fees and Chargers were adopted by Council in May 2018 and advertising to enable them to apply from 1 July 2018.

### **RELEVANT PLANS AND POLICIES**

The 2018/2019 budget has been guided by the Council's Strategic Community Plan 2017 and Corporate Business Plan, along with associated informing plans (Long Term Financial Plan, Workforce Plan and Asset Management Plans). This is in addition to the range of other plans and policies which underpin specific components of the overall annual budget.

### **FINANCIAL IMPLICATIONS**

The budget adopted by the Council will determine the financial operations of the City of Busselton for the 2018/2019 financial year.

#### **Long-term Financial Plan Implications**

The 2018/2019 budget is in line with the LTFP as adopted by Council on 28 March 2018.

### **STRATEGIC COMMUNITY OBJECTIVES**

The annual budget impacts across all of the Council's Strategic Community Objectives. However, the process of adopting the annual budget can be principally aligned with Key Goal Area 6 – 'Leadership' and more specifically Community Objectives:

- 6.1 Governance systems, process and practices are responsible, ethical and transparent.
- 6.2 Council engages broadly and proactively with the community.
- 6.3 Accountable leadership that is supported by a skilled and professional workforce.
- 6.4 Assets are well maintained and responsibly managed.

### **RISK ASSESSMENT**

The 2018/2019 budget has been informed by the Council's Strategic Community Plan 2017, and more particularly the underpinning Corporate Business Plan, Long Term Financial Plan, Workforce Plan and Asset Management Plans. With risk assessments having been conducted on each of these plans, the risks associated with the adoption of the 2018/2019 draft budget have largely been addressed, mainly that the City has the financial capacity to deliver the programs, projects and ongoing services as identified in the budget papers without the sustainability of the City causing any detrition in its financial base.

### **CONSULTATION**

In its development, the 2018/2019 budget has been the subject of specific workshops convened with Elected Members. Community groups and other not for profit organisations have also been invited to apply for funding allocations as part of the City's ongoing sponsorship related programs. Throughout the year, members of the public have also been invited to make submissions on a range of proposed projects and activities impacting on the draft budget.

### **Differential Rates**

Local public notice was undertaken on the 30<sup>th</sup> June 2018 in the West Australian Newspaper with respect to the Notice of Intention to Levy Differential Rates for the 2018/2019 financial year and copies placed on City's public notice boards at City's Administration Centre, Southern Drive, Busselton and both the Public Libraries (Busselton and Dunsborough). The proposed general rate increase advertised for 2018/2019 financial year was 3.95%.

Ratepayers and Electors were invited to make a submission to Council in relation to the proposal. Submissions closed 4:30pm Monday 23rd July 2018. At the time of printing of this agenda close date only one submission had been received.

In accordance with section 6.36 of the Local Government Act 1995, Council is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.

This particular submission indicated concern around differential rates on mining tenements. Officers note that the City of Busselton does not have a Differential Rate that is applicable to Mining Tenements and therefore are of the opinion that no alteration should be made to the Differential Rates that were advertised.

### **OFFICER COMMENT**

The 2018/2019 budget as presented for consideration is reflective of the documents workshopped with Elected Members during May and June 2018, and incorporates amendments determined during that process.

At the end of the workshops Council requested officers to endeavour to reduce the 2018/2019 Rate increase to 3.95%.

The budget has continued to be amended subsequent to the workshops, to reflect matters that have arisen during the intervening period. Whilst these amendments could have been deferred from inclusion in the budget and raised for consideration as part of this report, it is felt that presenting the Council with a complete and balanced budget is a preferable option as has been the process in the past.

Notwithstanding this, it is important that the Council is provided with an overview of the subsequent amendments which are considered to be either material in value or of specific interest; these are as follows:

Inclusion of Airport Construction - Air Freight Hub Stage 1	\$3,000,000 (no net impact)
Reduction in Airport Development - Project Expenses Capital	\$1,500,000 (no net impact)
Increase in Airport Development - Project Expenses Operations	\$1,500,000 (no net impact)
Reduction in Road Project Yoongarillup Road	\$890,000 (no net impact) *
Reduction in Road Project Koorabin Drive Stage 2	\$50,000 (no net impact) **
Carryovers/Relists from 2017/2018 Budget Surplus)	\$1,930,424 (funded from 2017/2018)

\* offset with Road Asset Renewal Reserve – Reduced by \$230k as insufficient funds

\*\* offset with Road Asset Renewal Reserve – Reduced by \$116k as insufficient funds

The net impact of the above adjusts plus other minor adjustments has seen the Contingency Holding Account increase to the amount of \$50,000 from \$26,658.

**Carryover Items**

The 2018/2019 budget reflects carryover items totalling \$1,930,424 primarily relate to capital works which have been commenced in the 2017/18 year and are carrying over to the 2018/2019 financial year. These items form a substantial part of the 2017/18 financial year closing surplus of \$3,511,291.

The Surplus is made up as follows:

Prepayment of Financial Assistance Grants	\$1,169,926	to be utilised in 2018/2019 Budget
Carryover Items	\$1,930,424	to be utilised in 2018/2019 Budget
New Infrastructure Development Reserve	<u>\$410,924</u>	Transfer to Reserve 2018/2019 *
	<u>\$3,511,291</u>	

\* To be transferred into the New Infrastructure Development Reserve as per Council Resolution.

**Rates**

The Council has recently adopted its Long Term Financial Plan 2018/19 to 2027/28. The Long Term Financial Plan (LTFP) details the City's financial position over the next ten years, and incorporates the financial implications of the City's Asset Management Plans, Corporate Business plan and other plans as they impact the LTFP.

Whilst the Long Term Financial Plan allowed for a 4.25% increase in rates for the 2018/2019 financial year Council has conducted two Draft Budget workshops that, factoring in the current economic climate, has achieved a 0.30% reduction over this previously planned increase.

The 3.95% increase comprises a base increase of 2.54%, a further 0.5% earmarked for road asset management purposes, a further 0.5% earmarked for footpaths and cycleway asset management purposes, 0.02% for increased costs of operating new assets and finally a further 0.39% to assist with funding loan repayments associated with the Busselton Tennis Clubhouse and Courts Relocation to enable completion of the Busselton Foreshore master plan.

This year, the City has also considered a differential rate to apply to registered holiday homes to contribute towards the Marketing and Events Regional Grants Scheme (MERG).

**Revaluations:**

Notwithstanding, it is important to note a General Revaluation, set by State Government legislation, was undertaken by the Valuer Generals Office for all properties located within the district and is effective from 1 July 2018.

These values determine the distribution of total Rate burden between Ratepayers. Whilst Council can control the total amount of Rates to be collected it is unable to determine what property will contribute what amount.

No significant changes have been identified in the UV area however some significant changes in the GRV area have been identified with some properties in this category receiving a reduction whilst others have received increases to their valuation.

The Valuer Generals Office in determining GRV Rental values assess factors like location, the age of a building, building materials, size, the number of car shelters and if there is a pool. By analysing property rents against these attributes and characteristics it is possible to assess a valuation for all properties – whether they are rented or not.



The table below shows an analysis of the GRV revaluation where Suburbs are mainly being impacted; it should also be noted that whilst the below are trends some properties within each of these areas will vary from the overall trend.

Suburb	% Increase/-Decrease
WONNERUP	-10.52%
REINSCOURT	-9.89%
KEALY	-7.32%
BOVELL	-7.21%
YALYALUP	-6.90%
GEOGRAPHE	-3.61%
SIESTA PARK	-3.03%
BUSSELTON	1.57%
WEST BUSSELTON	1.73%
QUINDALUP	1.92%
MARYBROOK	2.30%
CARBUNUP RIVER	3.27%
WILYABRUP	3.60%
ANNIEBROOK	10.80%
QUEDJINUP	23.23%

The significance of this is that whilst the City has only increased total Rates income by a total of \$3.95% where individual ratepayers receive a higher than average increase to their properties valuation a resultant higher than 3.95% increase will arise. Conversely where individual ratepayers receive a lower than average increase to their properties valuation a resultant lower than 3.95% increase will arise.

Put simply the revaluation will see some redistribution of Rate burden between ratepayers with relief for some and unfortunately increases above the 3.95% for others.

### Waste Charges

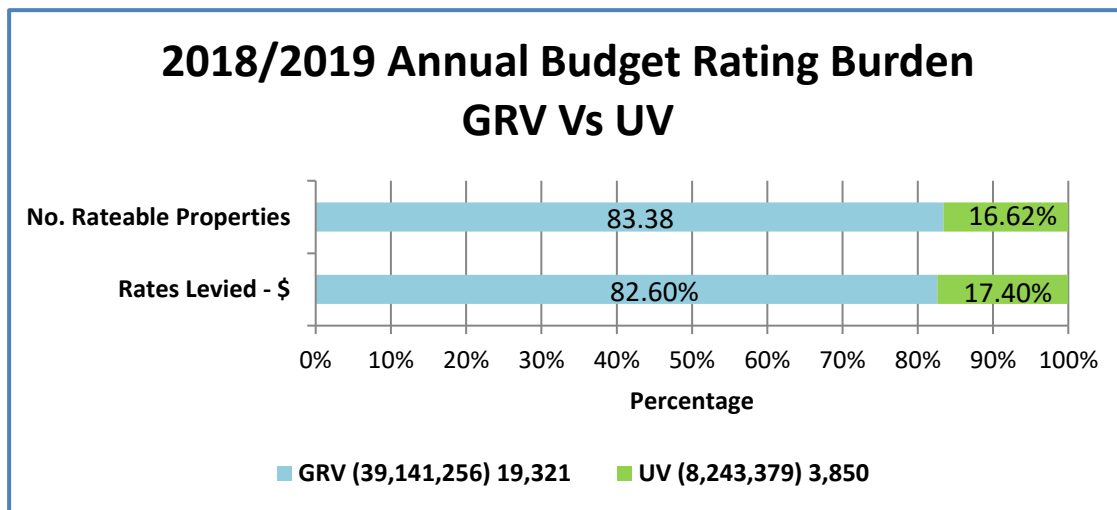
For the first time since 2015/2016 waste charges have been increased as follows which equates to an increase of 1.26% for Refuse Removal and 2.22% for Recycling Fees over the three year period. To some extent the increase in Recycling charges has been forced upon the City due to external factors beyond the City's control with China no longer accepting some of the City's products.

Charge Type	2017/2018	2018/2019	Increase
Refuse Removal Commercial	\$ 159	\$ 165	\$ 6
Refuse Removal Domestic	\$ 159	\$ 165	\$ 6
Recycling Fees - Domestic	\$ 75	\$ 80	\$ 5
Recycling Fees - Commercial	\$ 75	\$ 80	\$ 5

**Waste Avoidance and Resource Recovery Act Charges (WARR Act)**

There has also been a further reduction of the in the WARR Act charge from \$66 to \$48 with the amount of reduction in this charge now being raised via the differential Rate charge; this change has enabled the City to commence funding of the Busselton/Dunsborough Major Traffic Improvements which will focus on progressive upgrade of the local road network to reduce congestion, increase traffic flow and ease of access. This was recently identified as one of the community’s main priority for Council to focus upon.

The draft budget has also maintained the prevailing methodology in respect of the equity in the rating burden between the gross rental value (GRV) and unimproved valuation (UV) rating categories. The following graphical representation illustrates the comparative between the value of rates levied in each category (excluding specified area rates) and the number of rateable properties in each.



**Proposed Borrowings**

The 2018/19 draft annual budget includes \$3.15M in proposed new borrowings, for the following purposes:

- **Airport Development – Air Freight Hub Stage 1 (\$1.5M)**
- \$1.5M in loan funding to match Federal Government grant funding.
  
- **Busselton Tennis Club – Infrastructure (\$1.5m)**
- Part cost of relocating the Busselton Tennis Club to new location.
  
- **Community Groups Self Supporting Loan (\$150K)**
- A Self Supporting Loan amount of \$150k has been included in the budget for provision of for loan funding to other community groups, enabling them to borrow funds at lower interest rates through support of the City. Liability for the repayment of the loans remains with the community group.

Notwithstanding the above draft budget allocations, the City’s overall debt exposure continues to reflect a favourable position, within the Department of Local Government’s recommended debt ratios being met.

### **New Reserves**

At its meeting of 27 June 2018 endorsed proposed new Reserves, Reserve Purposes and changes to Reserve Purposes for inclusion in the 2018/2019; the above have been incorporated into 2018/2019 Draft Budget.

### **Variance Reporting Threshold – 2018/2019 Financial Year**

Whilst not directly relevant to the budget adoption, Regulation 34(5) of the Local Government (Financial Management) Regulations requires that in each year, a local government adopts a percentage or value, calculated in accordance with Accounting Standard AASB1031 - Materiality, to be used for reporting material variances.

It is preferable that the Council determines this percentage or value as part of its annual budget adoption process, such that this reporting threshold is known prior to the compilation of the initial Statement of Financial Activity report each financial year.

Accounting Standard AASB1031 states that; *"general purpose financial reporting involves making decisions about the information to be included in general purpose financial reports and how it is presented. In making these judgements, considerations of materiality play an essential part. This is because the inclusion of information which is not material or the exclusion of information which is material may impair the usefulness of the information provided to users"*.

The Standard also suggests quantitative thresholds in the consideration of the materiality of variances, as follows:

- a) *An amount which is equal to or greater than ten percent (10%) of the appropriate base amount may be presumed to be material unless there is evidence or convincing argument to the contrary; and*
- b) *An amount which is equal to or less than five percent (5%) of the appropriate base amount may be presumed not to be material unless there is evidence or convincing argument to the contrary.*

The Council has historically adopted a [+/- 10%] variance reporting threshold, with reportable variances resulting from timing differences and/or seasonal adjustments to be reported on a quarterly basis. It is considered that reporting threshold is reasonable, and ensures that the Council remains fully informed of the City's financial performance on a month by month basis. Consequently, this report recommends that the currently adopted variance reporting threshold and methodology be readopted in respect of the 2018/2019 financial year.

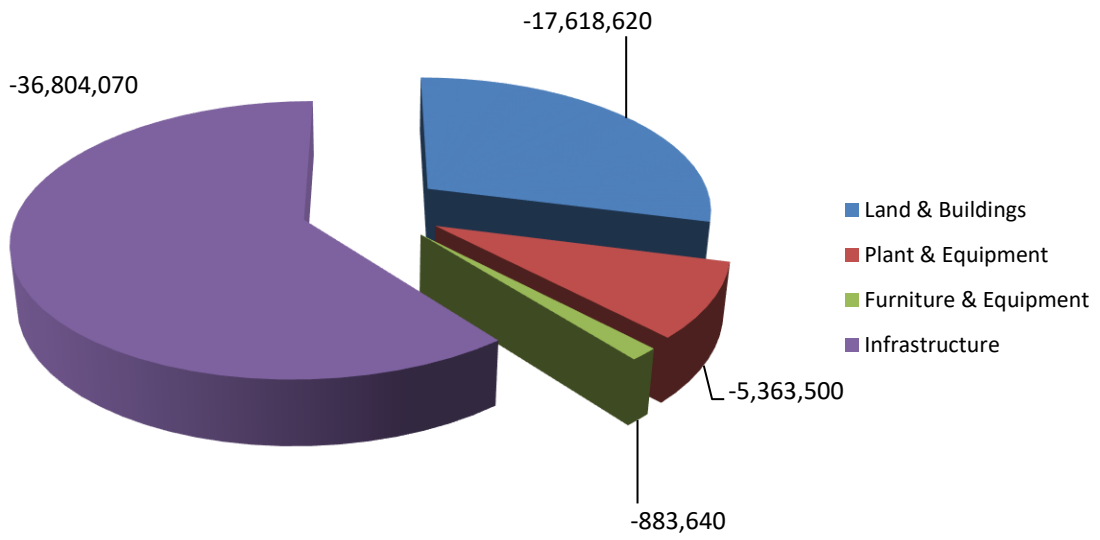
### **2018/2019 Annual Budget – Highlights**

The budget as presented for adoption reflects a balanced position as at 30 June 2018, and comprises all of the amendments and additions as detailed in this report. The following provides a synopsis of relevant budget highlights:

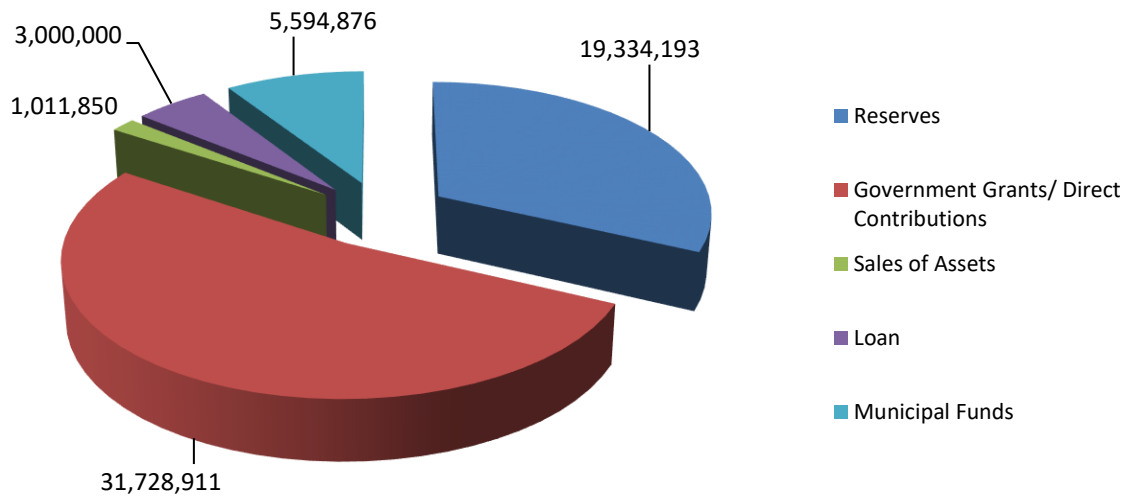
Total expenditure is in the order of \$137.27m including approximately \$60.67m in capital expenditure and includes the following capital expenditure items:

• Infrastructure	\$36.8M
• Land and Buildings	\$17.62M
• Plant and Equipment	\$5.36M
• Furniture and Office Equipment	\$0.88M
<b>TOTAL</b>	<b>\$60.67M</b>

### 2018/2019 Annual Budget Capital Acquisitions/Construction



### 2018/2019 Annual Budget Capital Funding



<b>Description</b>	<b>2018/19 Budget</b>
Airport Redevelopment Project	\$ 23,768,480
Busselton Tennis Club New Infrastructure	\$ 3,862,894
Busselton Foreshore Development	\$ 2,247,191
Waste Management Infrastructure	\$ 1,896,090
Parks & Gardens - Infrastructure Works Other	\$ 1,488,135
Dunsborough Town Centre - Land Purchase	\$ 1,300,000
Busselton Senior Citizens	\$ 750,000
Wonnerup Groynes 3, 5, & 6 upgrade	\$ 300,000
Baudin/ Wonnerup Groynes upgrade	\$ 300,000
Busselton Jetty Tourist Park Upgrade	\$ 269,658
Geographe Leisure Centre Building Improvements	\$ 260,000
Meelup Coastal Nodes - Carparks upgrade	\$ 256,886
Relocation of Veteran Car Club	\$ 250,000
Rails to Trails	\$ 248,723
Old Vasse Lighthouse	\$ 220,000
Churchill Park Upgrades	\$ 188,837
Naturalist Community Centre Upgrades	\$ 107,818

<b>Major Road Infrastructure Projects</b>	<b>2018/19 Budget</b>
Eastern Link - Busselton Traffic Study	\$ 2,900,000
Dunsborough Road Access Improvements Stage 5	\$ 1,296,501
Engineering Capital Works - Footpath Construction	\$ 978,428
Yoongarillup Road reconstruction	\$ 890,000
Causeway Road / Rosemary Drive Roundabout	\$ 750,000
Lou Weston Oval – Courts upgrades	\$ 700,000
Dunsborough Cycleway CBD to Our Lady of the Cape School	\$ 681,000
Peel Terrace (Stanley Place/Cammilleri St Intersection Upgrades)	\$ 613,033
Engineering Capital Works - Drainage	\$ 544,973
Strelly Street / Barlee Street Roundabout	\$ 450,000
Jones Way Asphalt Overlay	\$ 355,000
Neville Hyder Drive & Vasse Hwy Intersection upgrades	\$ 287,000
Hamilton Way Asphalt Overlay	\$ 281,000
Peel Terrace (Brown Street Intersection Upgrades)	\$ 250,000
William Drive Asphalt Overlay	\$ 228,310
Port Geographe Boat Ramp Renewal Works	\$ 220,000
Queen West Foreshore Carpark	\$ 203,000
Georgiana Molloy Bus Bay Facilities	\$ 197,286
Port Geographe Marina Carparking	\$ 190,380
Lindberg Road	\$ 173,500
Naturaliste Terrace Asphalt Overlay	\$ 153,080

As illustrated above, the 2018/2019 draft budget includes a wide range of capital projects, which will benefit the City's ratepayers. This is in addition to recurrent operational funding allocations to support a wide range of community initiatives. It is therefore considered that the 2018/2019 budget reflects excellent value for money, whilst also being attentive to the desires and aspirations of the community, as reflected in the Council's Strategic Community Plan 2017.

### **Fees and Charges**

To enable the Council's Schedule of Fees and Charges to become effective from the commencement of the financial year, the Schedule is required to be adopted in advance of 30 June each year.

At its meeting of 9 May 2018, the Council adopted its Schedule of Fees and Charges for the 2018/2019 financial year.

Pursuant to Section 6.19 of the Act, local public notice was given and the Schedule of Fees and Charges came into effect from 1 July 2018.

Since this time several minor changes have been made to the Schedule of Fees and Charges.

### **CONCLUSION**

It is considered that the Council's 2018/2019 annual budget is financially prudent. As illustrated in this report, the budget includes a significant level of capital projects which will be of benefit to the City's ratepayers. Many of these projects are aligned with Council's Strategic Community Plan 2017 which was adopted in April 2017, and as such reflect the aspirations of the community. The draft budget also reflects the funding requirements as detailed in subsidiary resourcing plans such as the Workforce Plan and the Overall Asset Management Plan.

It is therefore recommended that the Council adopts its 2018/2019 draft annual budget as presented.

### **OPTIONS**

The Council may determine to amend the budget as presented for adoption.

The Council may also determine to amend the recommended variance reporting threshold in respect of the statutory Statement of Financial Activity Statement reporting.

### **TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION**

The 2018/2019 annual budget will become effective immediately consequent to adoption by the Council.

**COUNCIL DECISION****C1807/136**

Moved Councillor P Carter, seconded Councillor C Tarbotton

That the Council adopt the following line items as part of the 2018/2019 Annual Budget:

- Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C1760 King Street Reserve - Park Upgrade (Coastal Node) \$77,500 on page 180;
- Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C3186 Lou Western Oval Courts \$700,000 on page 183;
- Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code C2527 Storm Damage Renewal of Infrastructure \$95,000 on page 183; and
- Budget Adoption 2018/2019 - Capital Acquisition and Construction Report Cost Code W0223 Reading Street Reconstruction and Widen \$185,000 on page 185

**CARRIED 8/0****BY ABSOLUTE MAJORITY**

4:02 pm At this time Councillor G Henley returned to the meeting and resumed the chair.

4:02 pm At this time the CEO returned to the meeting.

**COUNCIL DECISION AND OFFICER RECOMMENDATION 1****C1807/137**

Moved Councillor J McCallum, seconded Councillor P Carter

That Council agrees it has sufficiently considered the submissions received with respect to the Notice of Intention to Levy Differential Rates for the 2018/2019 financial year.

**CARRIED 9/0****COUNCIL DECISION AND OFFICER RECOMMENDATION 2****C1807/138**

Moved Councillor C Tarbotton , seconded Councillor J McCallum

**ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED**

1. That the Council adopts its 2018/2019 annual budget as attached, excluding line items C1760, C3186, C2527 and W0223 which incorporates the following:

- |   |              |
|---|--------------|
| • Statement of Comprehensive Income by Nature or Type | \$24,570,544 |
| • Statement of Comprehensive Income by Program        | \$24,570,544 |
| • Statement of Cash Flows                             | \$48,145,227 |
| • Rate Setting Statement by Program                   | \$48,050,906 |
| • Notes to and Forming the Budget                     |              |
| • Budget Program Schedules                            |              |

2. That the following general rates, differential rates, specified area rates and minimum payments, along with other charges, impositions and concessions as specified in the Memorandum of Imposing Rates and Charges as is contained within the draft annual budget, and consequent to any alterations made during the course of this meeting, be adopted by the Council for imposition upon all applicable rateable properties within the district of the City of Busselton for the 2018/2019 financial year, in accordance with the provisions of the Local Government Act and subject to all necessary pre-requisites and protocols there under.

Description	Rate in the \$	Minimum Payment \$
<b>Zone Groups (GRV)</b>		
Residential	9.4747c	\$1,300
Residential – Vacant Land	9.4747c	\$1,300
Residential Holiday Homes	9.6682c	\$1,300
Industrial	10.9410c	\$1,300
Industrial – Vacant Land	10.9410c	\$1,300
Commercial	10.9410c	\$1,300
Commercial – Vacant Land	10.9410c	\$1,300
<b>Land Use Groups (UV)</b>		
Primary Production	0.4237c	\$1,300
UV Rural	0.4090c	\$1,400
UV Commercial	0.7732c	\$1,300
<b>Specified Area Rates</b>		
Port Geographe	1.5122c	N/A
Provence GRV	1.3912c	N/A
Provence UV	0.0138c	N/A
Vasse GRV	1.7686c	N/A

3. A rate payment instalment fee of \$4.50 per instalment in accordance with section 6.45 (3) of the Local Government Act 1995.
4. An interest rate of 5.5% per annum on rates paid by instalments in accordance with section 6.45 (3) of the Local Government Act 1995.
5. An interest rate of 11% per annum on all outstanding rates in accordance with section 6.51 (1) of the Local Government Act 1995.
6. In accordance with section 6.46 of the Local Government Act 1995 the following early payment incentives:

Category	Prize
1st	\$1500 travel voucher purchased from a "local" travel agent of your choice or \$1500 refund on rates paid in full or \$1500 credit toward subsequent rate instalments in the current rateable year or the 2019/2020 rateable year.
2nd	\$1000 retail shopping voucher purchased from a "local" retailer of your choice or \$1000 refund on rates paid in full or \$1000 credit toward subsequent rate instalments made in the current rateable year or the 2019/2020 rateable year.



3rd	\$900 retail shopping voucher purchased from a "local" retailer of your choice or \$900 credit toward subsequent rate instalments in the current rateable year or the 2019/2020 rateable year.
4th	\$800 toward local gym membership or sporting association fee at your preferred "local" facility / club / association or \$800 credit toward subsequent rate instalments in the current rateable year or the 2019/2020 rateable year.
5th	\$600 fuel card purchased from your preferred provider or \$600 credit toward subsequent rate instalments in the current rateable year.
6th	\$400 dinner voucher purchased from "local" restaurant of your choice or \$400 credit toward subsequent rate instalments made in the current rateable year.
7th	\$300 voucher purchased from a "local" cellar door of your choice or \$300 credit toward subsequent rate instalments made in the current rateable year.
8th	\$250 retail shopping voucher purchased from a "local" retailer of your choice or \$250 credit toward subsequent rate instalments made in the current rateable year.
9th	\$150 dinner voucher purchased from "local" restaurant of your choice or \$150 credit toward subsequent rate instalments made in the current rateable year.
10th	\$100 fuel card purchased from your preferred provider or \$100 credit toward subsequent rate instalments made in the current rateable year.

<b>CONDITIONS OF ENTRY</b>
A) To be automatically entered into the prize draw, a full rates payment or the first instalment must be received by 4.30pm on the due date shown on the rates notice.
B) Prizes are not redeemable for cash, however they can be transferrable.
C) Prizes are not open to City of Busselton staff, executive or elected members.
D) "Local" refers to proprietors / providers / retailers within the City of Busselton Local Government area.

7. In accordance with regulation 64(2) of the Local Government (Financial Management) Regulations 1996, the following Instalment options:

Option 1 - Payment in full by a single instalment

1st     7 September 2018

Option 2 - Payment in full by four instalments

1st     7 September 2018

2nd     7 November 2018

3rd     7 January 2019

4th     7 March 2019

8. The following annual Refuse Collection and Recycling charges for the City of Busselton for the 2018/2019 financial year:

a)	Commercial Waste Charges	\$165,
b)	Domestic Waste Charges	\$165,

- c) Recycling Collection Charge - Domestic \$80, and
  - d) Commercial Recycling Collection Charge \$80.
9. In accordance with (Section 66(1) Waste Avoidance and Resource Recovery Act 2007) and, in accordance section 66(3) of the WARR Act, apply the minimum payment provisions of section 6.35 of the Local Government Act 1995, imposes a Waste Infrastructure Rate as follows:
- a) GRV General Properties – Rate in the dollar: 0.001 Cents, minimum \$48
  - b) UV General Properties – Rate in the dollar: 0.0004 Cents, minimum \$48
10. Pursuant to section 6.11 of the Local Government Act 1995, Council adopt the reserves and reserve fund budget contained at note 7 of the budget.
11. Councillors fees and allowances as follows;
- a) Annual Attendance Fees (in lieu of meeting attendance fees) Councillors including Deputy Mayor \$29,613
  - b) Annual Attendance Fees (in lieu of meeting attendance fees) Mayor \$41,374.5
  - c) Mayor's Allowance \$79,335
  - d) Deputy Mayor's Allowance \$19,834
  - e) Telecommunications and Information Technology Allowance \$3,500.
12. Reaffirms the adoption of its Schedule of Fees and Charges for the 2018/2019 financial year, as amended and comprised within the 2018/2019 Draft Annual Budget document.
13. That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2018/2019 financial year as follows:
- Variances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and
  - Reporting of variances only applies for amounts greater than \$25,000.

**CARRIED 9/0**  
**BY ABSOLUTE MAJORITY**

**7. CLOSURE**

The meeting closed at 4.03pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 19 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 25 JULY 2018.

DATE: \_\_\_\_\_

PRESIDING MEMBER: \_\_\_\_\_