



Shire of  
YILGARN

*“good country for hardy people”*

# *Special Meeting of Council*

*28 July 2021*

*Agenda*



## NOTICE OF SPECIAL MEETING

Councillors:

Please be advised that a

Special Meeting of Council to adopt the 2021/2022 budget

**Will be held in the Council Chambers on**

**Tuesday, 28 July 2021**

**Commencing at 5:30 pm**

**Peter Clarke**  
**Chief Executive Officer**

23/07/2021

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## 1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at \_\_ pm

## 2. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

## 3. ATTENDANCE

Presiding Member	Cr W Della Bosca	President
Members	Cr B Close Cr J Cobden Cr G Guerini Cr P Nolan Cr L Rose Cr S Shaw	Deputy President
Council Officers	P Clarke C Watson R Bosenberg N Warren	Chief Executive Officer Executive Manager Corporate Services Executive Manager Infrastructure Executive Manager Regulatory Services

Apologies:

Observers:

Leave of Absence:

## 4. DECLARATION OF INTEREST

## 5. PUBLIC QUESTION TIME

## 6 Reporting Officer – Executive Manager Corporate Services

### 6.1 2020/2021 Budget Adoption

<b>File Reference</b>	<b>8.2.5.3</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>Attachment 6.1 – 2021/2022 Statutory Budget</b>

#### Purpose of Report

To consider and adopt the Municipal Fund Budget for the 2021 / 2022 financial year together with supporting schedules, including imposition of rates and minimum payments, adoption of fees and charges, setting of elected members fees for the year and other consequential matters arising from the budget papers.

#### Background

The 2021 / 2022 operating budget has been compiled based on the principles contained in the Strategic Community Plan and Plan for the Future. The 2021 / 2022 budget has been prepared in accordance with the presentations made to councillors at the budget workshop held on the 6<sup>th</sup> of July 2021.

The rating structure proposed for the 2021 / 2022 financial year is based on a 0.5% increase in the Rate in the Dollar from those imposed in the previous year. The proposed differential rates for 2021 / 2022 are, as previously indicated, an across the board 0.5% increase in the rate in the dollar. This equates to 0% reduction from those advertised.

The advertising period closed on the 24<sup>th</sup> of May and resulted in 2 submissions being received.

#### Comment

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

- **The Schedule of Fees & Charges.**

There has been one update to the Fees & Charges that Council considered in May. This update relates to the removal of fees applicable for the hire of the Community Car. These fees are removed because Council no longer offers this type of vehicle for hire.

- **General Rates and Minimums**

The general rate in the dollar will have a 0.5% increase with the general minimums remaining unchanged as follows:

Land Category	Rate in the Dollar		% Increase/ (Decrease)
	2021/22	2020/21	
<u>General Rate</u>			
GRV - Residential / Industrial	11.2894	11.2332	0.50%
GRV- Commercial	7.9469	7.9074	0.50%
GRV- Minesites	15.8938	15.8148	0.50%
GRV - Single Persons Quarters	15.8938	15.8148	0.50%
UV - Rural	1.7663	1.7575	0.50%
UV - Mining Tenements	17.4793	17.3923	0.50%
<u>Minimum General Rate</u>			
GRV - Residential / Industrial	\$500	\$500	0.00%
GRV- Commercial	\$400	\$400	0.00%
GRV- Minesites	\$400	\$400	0.00%
GRV - Single Persons Quarters	\$400	\$400	0.00%
UV - Rural	\$400	\$400	0.00%
UV - Mining Tenements	\$400	\$400	0.00%

There was a general revaluation carried out to UV rated assessments effective 1<sup>st</sup> July 2021. This revaluation resulted in the following:

COMPARATIVE VALUATIONS	Valuations as at 1st July of the given year.							
	2020/21			2021/2022			Change \$	Change %
	Rateable Valuation	Minimum Valuation	Total Valuation	Rateable Valuation	Minimum Valuation	Total Valuation		
Non-Rateable	-	-	337,864	-	-	293,644	(44,220)	(13.09%)
GRV - Mine Sites	529,565	2,408	531,973	529,565	2,408	531,973	0	0.00%
GRV - Single persons Quarters	774,619	1,713	776,332	816,219	1,075	817,294	40,962	5.28%
GRV - Residential / Industrial	3,405,586	150,582	3,556,168	3,399,106	152,317	3,551,423	(4,745)	(0.13%)
GRV - Commercial	981,205	20,061	1,001,266	981,205	20,061	1,001,266	0	0.00%
UV - Rural	104,151,617	282,645	104,434,262	103,935,117	282,645	104,217,762	(216,500)	(0.21%)
UV - Mining	8,567,598	252,874	8,820,472	8,648,469	259,902	8,908,371	87,899	1.00%

Sewerage Rate in the Dollar and household rubbish collection charges will remain unchanged from those imposed in 2020/2021.

- **Major Income and Expenditure**

Capital expenditure totalling \$9.719M is budgeted, being made up of:

Land & Buildings	\$521,195
Furniture & Equipment	\$39,500
Plant & Equipment	\$1,488,700
Infrastructure - Roads	\$3,178,430
- Footpaths	\$60,453
- Drainage	\$14,427
- Parks & Ovals	\$374,000
- Sewerage	\$28,000
- Refuse Sites	\$7,500

Non-Operating grant income includes:

Roads to Recovery	\$906,911
Regional Road Group	\$808,624
Main Roads WA Direct Grant	\$372,140
Federal Local Roads & Community Infrastructure Grant	\$1,512,847

Operating grant income includes:

Federal Equalisation Grant	\$810,013 (Est)
Federal Untied Roads Grant	\$671,828 (Est)

### Statutory Environment

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. *The Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The 2021 / 2022 budget as presented is considered to meet statutory requirements.

### Strategic Implications

The draft 2021 / 2022 budget has been developed based on the existing Plan for the Future and strategic planning documents adopted by council.

### Policy Implications

The budget is based on the principles contained in the Plan for the Future and the Corporate Business Plan.

### Financial Implications

Forms the basis for Income and Expenditure for the period 1 July 2020 to 30 June 2021.

### Risk Implications

Risk Category	Description	Rating (Consequence x Likelihood)	Mitigation Action
Health/People	Service delivery benefits the residents of the district.	Moderate (6)	Community Strategic Planning process.
Financial Impact	Funding deficit leads to cuts in service level provision.	Moderate (9)	Maintain adequate reserve funds for high-risk services such as sewers and waste disposal sites.
Service Interruption	Variable from minor inconvenience to significant health issue.	High (12)	For high-risk services such as sewerage and transport infrastructure, continue to maintain to a suitable standard.
Compliance	Local Government Act 1995 and applicable Regulations	Low (1)	Nil
Reputational	Service delivery not meeting community expectations.	Moderate (9)	Ensure services are adequately resourced.
Property	Various significant community buildings identified.	Moderate (6)	Ensure buildings are adequately maintained and resourced.
Environment	Nil	Nil	Nil.

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

## Recommendation 1

### GENERAL & MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS

1. For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Resolution 7 below, council pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995, impose the following differential general rates in the dollar and minimum payments on Gross Rental and Unimproved Values

#### General Rate

GRV - Residential / Industrial	11.2894
GRV- Commercial	7.9469
GRV- Minesites	15.8938
GRV - Single Persons Quarters	15.8938
UV - Rural	1.7663
UV - Mining Tenements	17.4793

#### Minimum Payments

GRV - Residential / Industrial	\$500
GRV- Commercial	\$400
GRV- Minesites	\$400
GRV - Single Persons Quarters	\$400
UV - Rural	\$400
UV - Mining Tenements	\$400

2. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, council nominates the following due dates for the payment in full or by instalments:

**Single Full Payment:-**

- Full payment due date 17<sup>th</sup> September 2021

**Payment by Two Instalments:-**

- First instalment due date 17<sup>th</sup> September 2021
- Second instalment due date 26<sup>th</sup> January 2022

**Payment by Four Instalments:-**

- First instalment due date 17<sup>th</sup> September 2021
- Second instalment due date 22<sup>nd</sup> November 2021
- Third instalment due date 26<sup>th</sup> January 2022
- Fourth instalment due date 1<sup>st</sup> April 2022

3. Pursuant to Section 6.46 of the Local Government Act 1995, council offers a discount of 5% to ratepayers who have paid their rates in full, including arrears, waste and service charges, within 35 days of the issue date of the rate notice.



4. Pursuant to section 6.45 of the Local Government Act 1995, regulation 67 of the Local Government (Financial Management) Regulations 1996, council adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$10 for each instalment after the initial instalment is paid.
5. Pursuant to section 6.45 of the Local Government Act 1995, regulation 68 of the Local Government (Financial Management) Regulations 1996 and clause 13 of the Local Government (COVID-19 Response) Ministerial Order 2021 effective on 2 June 2021, council adopts an interest rate of 0% where the owner has elected to pay rates and service charges through an instalment option.
6. Pursuant to section 6.51(1) and section 6.51(4) of the Local Government Act 1995, regulation 70 of the Local Government (Financial Management) Regulations 1996 and clause 14 of the Local Government (COVID-19 Response) Ministerial Order 2021 effective on 2 June 2021, council adopts an interest rate of 7% for all overdue rates (and service charges) and costs of proceedings to recover such charges subject to:
  - a. This interest rate cannot be applied to an excluded person, as defined in the Local Government (COVID-19 Response) Ministerial Order 2021 that has been determined by the Shire of Yilgarn as suffering financial hardship as a consequence of the COVID-19 pandemic.

#### Voting Requirements

Absolute Majority Required

### Recommendation 2

#### SEWERAGE RATES & CHARGES

That Council impose the following Sewerage Rates and Charges under s41 of the Health Act 1911, on a per annum basis to cover the cost of the service in Southern Cross and Marvel Loch:

1. *Southern Cross Sewerage Scheme Charge (Residential/Industrial):*  
7.3 cents in the dollar on GRV (Residential and Industrial) properties within the Southern Cross Town-site.
  - Minimum Charge per vacant land - \$210.00
  - Minimum Charge per residential property - \$276.00
  - Non-Rated Class 1st Fixture - \$176.00
  - Non-Rated Class Additional Fixtures - \$89.00
  - Non-Rates Class 2 and 3 Fixture - \$937.00
2. *Southern Cross Sewerage Scheme Charge (Commercial):*  
5.0 cents in the dollar on GRV (Commercial) properties within the Southern Cross Town-site.
  - Minimum Charge per commercial property - \$583.00

3. **Marvel Loch Sewerage Scheme Charge (Commercial/SPQ):**  
12.0 cents in the dollar on GRV (Commercial/SPQ) properties within the Marvel Loch Town-site.
  - Minimum Charge per property - \$300.00
  - Non-Rated Class 1st Fixture - \$138.00
  - Non-Rated Class Additional Fixtures - \$62.00
  
4. **Marvel Loch Sewerage Scheme Charge (Residential):**  
6.4 cents in the dollar on GRV (Residential) properties within the Marvel Loch Town-site.
  - Minimum Charge per property - \$300.00

#### **Voting Requirements**

Absolute Majority Required

### **Recommendation 3**

#### **SANITATION HOUSEHOLD REFUSE - RATES AND CHARGES**

That Council impose the following Sanitation Rates and Charges on a per annum basis:

- Domestic Collection per bin, per service \$340.00
- Commercial Collection per bin, per service \$364.00
- Non-Rateable Collection per bin, per service \$561.00

#### **Voting Requirements**

Absolute Majority Required

### **Recommendation 4**

#### **ELECTED MEMBERS' FEES AND ALLOWANCES FOR 2021 / 2022**

1. Pursuant to section 5.98 of the Local Government Act 1995 and regulations 34 of the Local Government (Administration) Regulations 1996, council adopts the following sitting fees for individual meeting attendance:
  - Shire President \$600 per Council meeting attended
  - Councillors \$400 per Council meeting attended
  - Shire President and Councillors \$200 per Committee Meeting attended
  
2. Pursuant to section 5.99A of the Local Government Act 1995 and regulations 34A and 34AA of the Local Government (Administration) Regulations 1996, council adopts the following annual allowances for elected members:

- **Travel Allowance**

<b>Engine Displacement (in cubic centimetres)</b>			
<i>Area &amp; Details</i>	<i>Over 2600cc</i>	<i>Over 1600cc to 2600cc</i>	<i>1600cc and under</i>
	Cents per Kilometre		
Rest of State	99.01	70.87	58.37

- **ICT Allowance**

**Annual allowance for hardware upgrades and data usage - \$1,180 per Councillor per annum**

**3. Pursuant to section 5.98(5) of the Local Government Act 1995 and regulations 33 of the Local Government (Administration) Regulations 1996, council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:**

- **Shire President \$12,000**

**4. Pursuant to section 5.98A of the Local Government Act 1995 and regulations 33A of the Local Government (Administration) Regulations 1996, council adopts the following annual local government allowance to be paid in addition of the annual meeting allowance:**

- **Deputy Shire President \$4,000**

**Voting Requirements**

Absolute Majority Required

**Recommendation 5**

**MATERIAL VARIANCE REPORTING FOR 2021 / 2022**

**In accordance with regulation 34 (5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2021 / 2022 for reporting material variances shall be +/- 10% or \$30,000, whichever is the greater.**

**Voting Requirements**

Absolute Majority Required

**Recommendation 6**

**OTHER STATUTORY COMPLIANCE**

**That Council confirms it is satisfied the services and facilities it provides: -**

- 1. Integrate and co-ordinate, so far as practicable, with any provided by the Commonwealth, the State or any other public body;**

2. Do not duplicate, to an extent that the Local Government considers inappropriate, services or facilities provided by the Commonwealth, the State or any other body or person, whether public or private and; and
3. Are managed efficiently and effectively.

In accordance with Section 3.18 (3) of the Local Government Act 1995.

#### **Voting Requirements**

Absolute Majority Required

### **Recommendation 7**

#### **MUNICIPAL FUND BUDGET FOR 2021 / 2022**

Pursuant to the provisions of section 6.2 of the Local Government Act 1995, Part 3 of the Local Government (Financial Management) Regulations 1996 and clause 7 of the Local Government (COVID-19 Response) Ministerial Order 2021 effective on 2 June 2021, the council adopt the Municipal Fund Budget which recognises the consequences of the COVID-19 pandemic on the local community, for the Shire of Yilgarn for the 2021 / 2022 financial year which includes the following:

- Statement of Comprehensive Income by Nature and Type
- Statement of Comprehensive Income by Program
- Statement of Cash Flows
- Rate Setting Statement
- Notes to and forming part of the Budget
- Budget Program Schedules
- Transfers to / from Reserve Accounts

#### **Voting Requirements**

Absolute Majority Required

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**CLOSURE**