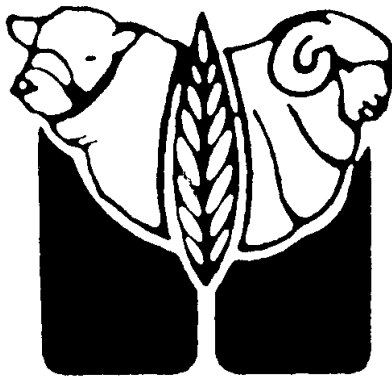


MINUTES



SPECIAL MEETING
HELD

THURSDAY, 9 AUGUST 2018
COMMENCED AT 7.10PM

AT

SHIRE OF BOYUP BROOK
ABEL STREET – BOYUP BROOK

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1. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE PREVIOUSLY APPROVED

1.1 Attendance

Cr G Aird- Shire President
Cr R Walker-Deputy Shire President
Cr A Alexander
Cr P Kaltenrieder
Cr K Moir
Cr E Muncey
Cr H O'Connell
Cr T Oversby
Cr E Rear

STAFF: Mr Alan Lamb (Chief Executive Officer)
Mr Stephen Carstairs (Director Corporate Services)
Mrs Maria Lane (Executive Assistant)

PUBLIC: Mr Tony Doust
Mr Terry Ginnane

1.2 Apologies

1.3 Leave of Absence

2. PUBLIC QUESTION TIME

2.1.1 Mr Tony Doust, PO Box 38, Boyup Brook

Q1. I ask the Council to explain to me and to the residents of Boyup Brook in the next issue of the "Boyup Brook Gazette" and record this in the minutes of this meeting, why the operating expenditure (including depreciation of assets) on the Boyup Brook Swimming Pool has increased from \$265,695 in the 2017/18 Budget to \$320,900 in the 2018/19 draft Budget. The increase in operating expenditure is \$55,205 or 20.78%. The Swimming Pool employee costs in the past budget have increased from \$97,550 to \$121,535 in the proposed draft or 24.59%. These increases are well above the rate of inflation & WA Local Government cost index and need to be fully explained. The Swimming Pool operating income increase in the draft Budget over the previous adopted budget is \$2,790. I note that the swimming pool entry fees are to be increased by either 3% or no change.

It is also noted that the total operating costs of the Boyup Brook Swimming Pool represents 35% of the total draft budget Operating Cost (\$930,010) for all the facilities and services included in the activity "Recreation & Culture".

- A1. The Shire President advised Tony there are various complaints/questions that have come forward in relation to the opening hours of the Swimming Pool. As the season has now been extended over previous years (by approximately 3 weeks) due to the addition of heating facilities and a previous resolution of Council limiting management over the extension by seeking to not allocate additional staffing hours or paying additional wages, the system was brought into review.

A Swimming Pool Committee was formed and has looked at the issue of staffing deciding to employ another part time Pool Manager to allow for the extension of the season.

The operating expenditure also has increased in part due to the increase in power consumption, as a long term remedy the pool is to receive a solar power generation unit to compensate for additional operating expenditure and this will be put in the budget for 2019/20.

In short we are responding to considerable community input into the swimming pool functionality. The Swimming Pool complex is accessed by all age and gender groups within our community and is open for 7 months of the year under full employment conditions hence 35% of the total operating costs of the recreation budget.

- Q2. Can Council explain why the total operating costs (including depreciation of assets) for the Boyup Brook Recreation Complex which I understand includes the Oval, Tennis Courts, Hockey Grounds, Basketball/Netball Courts, has decreased from \$149,665 in the 2017/18 adopted budget to \$141,225 in the 2018/19 draft budget. Given the state of the Boyup Brook Oval during the present winter it would indicate that this cost should increase and not decrease. It is also noted that the clubs using these facilities are to pay an additional 3% for their use.

- A2. The Shire President informed Tony that with the recent formation of the Boyup Brook Sport and Recreation Association it is hoped that a prioritized approach to facility improvement, redevelopment and long term sustainability is achieved.

The shortfall envisaged for the coming year is to allow a plan to come forward that allows the shire to work collaboratively with this Group to best administer future funding also seasonal conditions have been favourable at the beginning of this financial year and have seen the need for watering the facilities reduced.

- Q3. "Given the draft Budget for 2018/19 includes \$69,680 under Member Expenses Donations, I ask the Council to provide details of the Clubs/ Organisations that are to receive assistance under this allocation, including the amount and purpose of the funding. As this funding is in excess of 2% of the rate revenue and is public money it is important in the interest of accountability that the general public are provided with these details. The minutes of the Special Council Meeting held on the 26th June 2018 has some information however the decision was for the inclusion of donations in the draft budget".
It is also suggested that the details be published in the next issue of the "Boyup Brook Gazette" as I feel the public would like to know the outcome of the annual grants process.

- A3. The Shire President advised as per our donations policy the 2% amount has been set to cover donations only. MOU's are separately dealt with!!.

The Council has felt that in recent times the requests coming forward from the community are sometimes unwarranted and unsubstantiated as well as becoming progressively large. The 2% was introduced to limit the total amount that can be contributed and each donation is assessed by Council on its merits. This years allocations fell below the 2% and there is an allowance for the amount in difference to be held in reserve for future allocation.

All parties who seek a donation are informed as to whether or not they were successful and hence we see no need to publish this information for public perusal.

- Q4. "I refer to item 4.2 in the agenda and in particular recommendation (3) "Rates in the Dollar" and seek confirmation of the increase in the rates in the dollar over the rates used in the 2017/18 Budget. My calculation is that whilst the total rate revenue in the "Rate Setting Statement" included in the draft budget increases from \$2,658,515 to \$2,765,796 (\$107,281 or 4.35%) the GRV rate in the \$ increases by 4.25% and the UV rate in the \$ by 6.123%. Given the removal of the differential rate for mining it would appear that the properties on UV are meeting the reduction in rates from this sector and not all ratepayers. I seek Councils explanation for the above"

A4.	"Total Rates" as per Note 8 2017/18 Budget	\$2,659,375
	"Total Rates" as per Note 1 2018/19 Budget	<u>\$2,765,796</u>
	Increase in \$	\$106,421
	Increase in %	\$4.00

The question compares changes in rates in the dollar for both years, this is valid when there has been no general revaluation but makes no sense when valuations have been changed. The legislation talks of establishing the budget shortfall then meeting this with rates income. In practice then the expected rates income is calculated by modelling various rates in the dollar which yield the required income.

2.1 Response to Previous Public Questions Taken on Notice

2.2 Public Question Time

3. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

4. MATTERS REQUIRING A DECISION

4.1 2017-18 Budget Amendments - Reserves

Location:	<i>Not applicable</i>
Applicant:	<i>Not applicable</i>
File:	<i>FM/9/005</i>
Disclosure of Interest:	<i>Nil</i>
Date:	<i>05 August 2018</i>
Author:	<i>Stephen Carstairs - Director Corporate Services</i>
Authorizing Officer:	<i>Alan Lamb – Chief Executive Officer</i>
Attachments:	<i>Yes</i>

PURPOSE

Council is requested to consider and adopt 2017-18 reserve account budget amendments, as identified.

BACKGROUND

At its 10 July 2018 meeting Council resolved to: create an unspent grants reserve; and to transfer \$655,020 in forward Federal Assistance and DFES ESL grants (2018-19 funds received in June 2018), into the reserve for carrying over into 2018-19 (Res. 123:18).

In Council's 2017-18 Adopted Annual Budget it was forecast that: \$26,750 in annual interest revenue would derive from term deposits of reserve funds; and so as to fund a range of projects some \$1,105,370 would be transferred to reserves and \$\$1,860,195 would be transferred from reserves to derive an \$884,580 reserves balance as at 30 June 2018.

DETAILS

Relative to the 2017-18 budgeted interest revenue from reserves (\$26,750), it is forecast that \$29,455 were derived from term deposits.

In the attachment (Reserves Note Detail) a side by side comparison is made of the 2017-18 budgets and "estimated" transfers to and from reserves, and an itemised account of proposed transfers to and from reserves is presented.

Notable reserve balance exceptions to budget include:

- (b) Plant Reserve: estimated transfers from reserve is \$88,910 less than budgeted as the cost of plant purchases in 2017-18 was substantially less than budgeted;
- (i) Commercial Reserve: the forecast balance is \$51,655 more than budgeted, primarily as \$42,273 in unspent Lodge fittings & fixtures funds are to be carried forward into 2018-19;
- (m) Swimming Pool Reserve: the forecast balance is \$118,455 greater than budgeted represented by Kiddies Pool unspent funds as follows: Department of Sport & Recreation (\$64,000 of grants); Lotterywest (\$20,000 grant); and Council contribution to project (\$36,000);
- (p) Building Reserve: the forecast balance is \$718,730 greater than budgeted, primarily due to 2017-18 Age Accommodation contribution (\$267,590) not spent, and unspent operating and

other capital budgets (amounting to \$445,000);

- (s) IT/Office Equipment Reserve: the forecast balance is \$38,265 greater than budgeted, as renewal of Council's server (\$38,500) was carried forward into 2018-19.
- (x) Unspent Community Grants Reserve: this is a proposed new reserve created so as to hold unallocated Community Donations and MOU contributions i.e. balance of 2% of rates not spent, and in 2017-18 this is forecast to be \$7,980.

CONSULTATION

Council workshop 26 July 2018, Alan Lamb (Chief Executive Officer) and seniors officers.

STATUTORY ENVIRONMENT

Local Government Act 1995 and Regulations.

POLICY IMPLICATIONS

The budget is based on the principles contained within the Community Strategic Plan and Plan for the Future.

FINANCIAL IMPLICATIONS

Specific financial implications are as outlined in the Detail section of this report.

STRATEGIC IMPLICATIONS

The Budget Review has been developed based on existing strategic planning documents adopted by council.

VOTING REQUIREMENT

Absolute Majority required: Yes.

COMMENT

The 2017-18 reserves budget has been reviewed so as to fund acquisitions and projects that are to be carried forward into 2018-19. Relative to the adopted 2017-18 annual budget, transfers to reserve are to increase from \$1,105,370 to \$2,077,880, and transfers from reserve are to decrease from \$1,860,195 to \$758,995. The 2017-18 reserves balance is forecast to increase from \$884,580 to \$2,958,145. The 2017-18 surplus of funds to be carried forward into 2018-19 is forecast to be \$306,904, and refer page 5 (Current Assets) in the attached.

COUNCIL DECISION & OFFICER RECOMMENDATION - Item 4.1

MOVED: Cr Walker

SECONDED: Cr Rear

That Council:

- 1. Create an *Unspent Community Grants Reserve* for the purpose of holding unallocated/spent community donation budgets (2% of annual rates), to fund extraordinary community donations.**
- 2. Direct the CEO to amend, as required, 2017-18 annual budget transfers to and from reserves as follows:**

	Transfer to	Transfer from	Closing Balance
	\$	\$	\$
(a) Leave Reserve	868	0	49,245
(b) Plant Reserve	247,000	(610,260)	219,700
(d) Community Housing Reserve	36,191	(17,435)	93,950
(e) Emergency Services Reserve	211	0	12,010
(g) Insurance Claims Reserve	259	0	14,640
(h) Other Recreation Reserve	2,470	(1,100)	77,765
(i) Commercial Reserve	105,811	(61,243)	514,500
(k) Bridge Maintenance Reserve	5	0	155
(m) Swimming Pool Reserve	88,575	(1,600)	118,975
(p) Building Reserve	768,205	(45,295)	740,590
(q) Aged Accommodation Reserve	6,625	(640)	374,575
(r) Road Contributions Reserve	488	0	27,540
(s) IT/Office Equipment Reserve	50,097	(21,422)	38,425
(x) Civic Receptions Reserve	5,000	(8,075)	13,075
(y) Unspent Grants Reserve	655,020	0	655,020
(x) Unspent Community Grants Reserve	7,980	0	7,980
			<u><u>2,958,145</u></u>

- 3. Receive, as presented, the 30 June 2017-18 Financial Activity Statements (attached and includes a *Reserves Note Detail*) which shows \$306,904 of surplus funds to be carried forward into 2018-19.**

CARRIED BY ABSOLUTE MAJORITY 9/0

Res 146/18

4.2 Adoption of the 2018-19 Shire of Boyup Brook Annual Budget

Location:	<i>Boyup Brook</i>
Applicant:	<i>Not Applicable</i>
File:	
Disclosure of Interest:	<i>None Applicable</i>
Date:	<i>06 August 2018</i>
Author:	<i>Alan Lamb - Chief Executive Officer</i>
Authorising Officer:	<i>Alan Lamb - Chief Executive Officer</i>
Attachment:	<i>Yes</i>

SUMMARY

It is recommended that Council adopt the Budget proposals and supporting documents along with the rates parameters and associated fees and charges for the 2018-19 financial year.

BACKGROUND

Council needs to adopt its annual budget before rate notices are issued, and before capital works are commenced.

It is a statutory requirement that a Council's budget shall be adopted before the end of August, unless Ministerial permission has been obtained for a later date of adoption (s. 6.2.(1) *Local Government to prepare annual budget* as seen in the Local Government Act 1995, absolute majority required).

At its 26 June 2018 Special Meeting Council dealt with the 2018-19 Schedule of Fees and Charges (and see Res 115/18), and at its 21 June 2018 Ordinary Meeting Council dealt with the Annual Fees and Allowances for Election Members and resolved as follows:

That Council:

- 1. Retain in 2018-19 the annual attendance fee method of payment of Councillor and President meeting attendance fees, rather than the 'per meeting basis' method.***
 - 2. Set in 2018-19 Councillor meeting attendance fees, the President's annual attendance fee and annual allowance, the Deputy President's annual allowance, and ICT allowances as follows:***
 - Annual Attendance Fee for Council Members is to be \$7,405;***
 - Annual Attendance Fee for Shire President is to be \$14,240;***
 - Annual President's Allowance is to be \$10,000;***
 - Provision of an Annual Deputy President Allowance to an amount 25% of the amount determined for the Annual President's Allowance is to be \$2,500.00;***
 - Annual Information and Communications Technology Allowance is to be \$1,245.***
- CARRIED BY ABSOLUTE MAJORITY 7/0*** ***Res 101/18***

Further, at the 26 June 2018 Special Meeting, Council resolved that the General Rates and Minimum Rate Payments to be levied in 2018-19 would be as follows:

That Council:

- 1. Endorses revised Policy F.9 Rating Strategy, as presented.***
- 2. Endorses for 2018-19 Annual Budget preparation purposes the following proposed general rates and minimum payments to be applied from 1 July 2018 for the 2018-19 financial year:***

<i>Rate Classes</i>	<i>2018-19 Rate in \$</i>	<i>Min S's</i>
<i>GRV</i>	<i>13.4150</i>	<i>925</i>
<i>UV</i>	<i>0.7713</i>	<i>875</i>
<i>CARRIED 7/1</i>		<i>Res 117/18</i>

COMMENTS

When considering a new budget, perhaps the most important item within the budget document is the Rate Setting Statement, and this is on page 4 of the attached 2018-19 Draft Annual Budget.

CONSULTATION

Council's Corporate Business Plan

Both the Long Term Road Construction and Plant Replacement programs have been before Council.

Council have workshopped components of the 2018-19 Annual Budget as follows:

- Community Grants/Donations;
- Reserve Funds;
- Capital Acquisitions; and
- the Operating Budget.

STATUTORY ENVIRONMENT

Statutory implications associated with this item include: the *Local Government Act 1995* Section 6.2; and the *Local Government (Financial Management) Regulations 1996* Part 3, which prescribes the requirements of the annual budget. The final budget document (attached) complies with those formats, and includes relevant additional notes/ appendices.

POLICY IMPLICATIONS

There are no new Policy implications associated with the adoption of this budget.

FINANCIAL IMPLICATIONS

As presented in the budget document.

STRATEGIC IMPLICATIONS

This budget commences a more structured approach to the provision of services, and their associated assets, and these will be further refined over the next 6 months leading to the annual budget review.

VOTING REQUIREMENTS

Absolute majority.

Adjournment

That the meeting be adjourned for an afternoon tea break, the time being 6.40pm.

Resumption

That the meeting resume, the time being 7.02pm.

The meeting resumed with the following persons in attendance.

Cr G Aird- Shire President
Cr R Walker-Deputy Shire President
Cr A Alexander
Cr P Kaltenrieder
Cr K Moir
Cr E Muncey
Cr H O'Connell
Cr T Oversby
Cr E Rear
Mr Alan Lamb (Chief Executive Officer)
Mr Stephen Carstairs (Director Corporate Services)
Mrs Maria Lane (Executive Assistant)
Mr Tony Doust
Mr Terry Ginnane

OFFICER RECOMMENDATION – Item 4.1

MOVED: Cr Walker

SECONDED: Cr Oversby

1. That subject to the following amendments:

- a) xxxx;
- b) xxxx,

Council adopt the 2018-19 Budget as set out in the papers attached.

NOTE. This part of the recommendation is included to provide for any amendments Council may wish to make. If no amendments are made, this part of the resolution would read as follows:

That Council adopt the 2018-19 Budget as set out in the papers attached.

2. Minimum Rates Payment

That in 2018-19 Council sets the Minimum Rates Payment at:

- Gross Rental Value (GRV) Rate - \$925.00
- Unimproved Value (UV) Rate - \$875.00

3. Rates in the Dollar

That in 2018-19 Council sets the Rates in the dollar at:

- Gross Rental Value (GRV) Rate – 0.134150 cents
- Unimproved Value (UV) Rural and Urban Rural Rate – 0.007713 cents

4. **Waste Collection Rate and Kerbside Waste and Recycling Receptacle Charge**
That in 2018-19 Council sets Waste Rates and Receptacle Charges as follows:
- Waste Collection Rate per property in the district – 0.0003 cents;
 - Minimum Waste Collection Rates Payment per property - \$21.65;
 - the 1 x 240 litre Waste Receptacle (bin) per week, commercial and residential, collection charge - \$224.55 per annum;
 - additional 240 litre Waste Receptacles (bin) per week, commercial and residential, collection charge - \$224.55 per annum each;
 - the 1 x 240 litre Recycling Receptacle (bin) per fortnight, commercial and residential, collection charge - \$112.25 per annum; and
 - additional 240 litre Recycling Receptacle (bin) per fortnight, commercial and residential, collection charge - \$112.25 per annum.
5. **Due Date for Payment of Rates & Charges**
That Council in accordance with the Local Government Financial Management Regulations 1996 – Clause 64 (1) set the due date for the single payment of a rate and charges for the 2018-19 financial year to be 11 September 2018.
6. **Due Date for Payments of Rate Installments**
That Council in accordance with the Local Government Financial Management Regulations 1996 – Clause 64 (2) set the due date for the payment of rate installments for the 2018-19 financial year as follows:
- | | |
|-------------------|-------------------|
| First Instalment | 18 September 2018 |
| Second Instalment | 20 November 2018 |
| Third Instalment | 22 January 2019 |
| Fourth Instalment | 19 March 2019. |
7. **Administration Charge on Instalments**
That Council in accordance with Section 6.45 (3) of the Local Government Act 1995 and the Local Government Financial Management Regulations 1996 – Clause 67 set an administration charge of \$13.90 per rate instalment notice for the 2018-19 financial year where the instalment plan is selected.
8. **Interest on Rate Instalments**
That Council in accordance with Section 6.45 (3) of the Local Government Act 1995 and the Local Government Financial Management Regulations 1996 – Clause 68 sets an additional charge by the way of Interest where the instalment plan is selected, an interest rate of 5.5% for the 2018-19 financial year.
9. **Late Payment Interest Charge**
That Council in accordance with Sections 6.13 and 6.51 (1) of the Local Government Act 1995 and Regulation 70 of the Local Government (Financial Management) Regulations 1996, set an interest rate of 11% for the 2018-19 financial year as penalty interest for the late payment of:
- property rates;
 - waste collection rates; and
 - waste and recycling receptable (bin) charges.
10. **Reserve Funds**
That Council in accordance with Section 6.11 of the Local Government Act 1995 allocate funds to and from the Reserve Funds for the financial year ending 30 June 2017 as specified in the 2018-19 budget document.

11. **Trust Fund Budget**
That Council adopt the Trust Fund Budget for the financial year ending 30 June 2019 as per the budget document.
12. That the Significant Accounting Policies, as presented in the statutory Budget document, be adopted for the 2018-19 year.
13. **Administration Charge on Special Payment Agreements**
That Council set a \$34.00 (GST inclusive) administration set up fee for rate payers entering into special payment agreements.
14. **Variance Thresholds in Financial Activity Statements**
As per Council Policy, in 2017-18 variance thresholds in Financial Activity Statements above which explanations from the administration will be required are as follows:
 - (a) For YTD budgets up to \$30,000, the (material) variance value will be \$3,600.
 - (b) For YTD budgets in the range \$30,001 to \$100,000, the (material) variance value will be 12% or \$10,000, whichever is the lesser amount.
 - (c) For YTD budgets in the range \$100,001 to \$500,000, the (material) variance value will be 10% or \$33,675, whichever is the lesser amount.
 - (d) For YTD budgets greater than \$500,000, the (material) variance value will be 6.75% or \$54,580, whichever is the lesser amount.
15. **Fees and Charges**
Adopt the 2017-18 Schedule of Fees and Charges as presented.

MOTION – Item 4.2

1. Council adopt the 2018-19 Budget as set out in the papers attached.
2. **Minimum Rates Payment**
That in 2018-19 Council sets the Minimum Rates Payment at:
 - Gross Rental Value (GRV) Rate - \$925.00
 - Unimproved Value (UV) Rate - \$875.00
3. **Rates in the Dollar**
That in 2018-19 Council sets the Rates in the dollar at:
 - Gross Rental Value (GRV) Rate – 13.4150 cents
 - Unimproved Value (UV) Rural and Urban Rural Rate – 0.7713 cents
4. **Waste Collection Rate and Kerbside Waste and Recycling Receptacle Charge**
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 - Waste Collection Rate per property in the district – 0.0003 cents;
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8. **Interest on Rate Instalments**
That Council in accordance with Section 6.45 (3) of the Local Government Act 1995 and the Local Government Financial Management Regulations 1996 – Clause 68 sets an additional charge by the way of Interest where the instalment plan is selected, an interest rate of 5.5% for the 2018-19 financial year.

9. **Late Payment Interest Charge**
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10. **Reserve Funds**
That Council in accordance with Section 6.11 of the Local Government Act 1995 allocate funds to and from the Reserve Funds for the financial year ending 30 June 2019 as specified in the 2018-19 budget document.
11. **Trust Fund Budget**
That Council adopt the Trust Fund Budget for the financial year ending 30 June 2019 as per the budget document.
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14. **Variance Thresholds in Financial Activity Statements**
As per Council Policy, in 2018-19 variance thresholds in Financial Activity Statements above which explanations from the administration will be required are as follows:
- (e) For YTD budgets up to \$30,000, the (material) variance value will be \$3,600.
 - (f) For YTD budgets in the range \$30,001 to \$100,000, the (material) variance value will be 12% or \$10,000, whichever is the lesser amount.
 - (g) For YTD budgets in the range \$100,001 to \$500,000, the (material) variance value will be 10% or \$33,675, whichever is the lesser amount.
 - (h) For YTD budgets greater than \$500,000, the (material) variance value will be 6.75% or \$54,580, whichever is the lesser amount.
15. **Fees and Charges**
Adopt the 2018-19 Schedule of Fees and Charges as presented.

16. Donations to Community Organisations for 2018/19

Organisation	Purpose/project	Amount
Boyup Brook Sports and Recreation Association	Start up assistance lodge constitution and Directors Insurance	\$500
Rylington Park Management Committee Inc	"Storm in a Teacup" women's field day	\$500
Tonebridge Country Club	Annual contribution for Operating Costs (insurance and electricity)	\$1,000
Boyup Brook Family Playgroup	Shade sails at the ELC	\$2,000
Country Music Club of Boyup Brook WA Inc	Boyup Brook Country Music Festival (grant assistance with marketing, hire equipment such as toilets, lighting towers and generators)	\$10,000
Boyup Brook District Pioneers Museum	Contribution for Operating Assistance	\$3,000
Upper Blackwood Agricultural Society (Inc)	Contribution for restumping the hall only.	\$20,000
Blackwood Basin Group	Contribution for Environment and Community Support Officer	\$5,000
Extraordinary Donation Requests up to \$200.00 in cash, or \$700.00 in-kind	As per the Donations Policy – provision for cash donations.	\$1,000
Total		\$43,000

CARRIED BY ABSOLUTE MAJORITY 9/0

Res 147/18

Terry Ginnane left the Chambers at 7.45pm.

4.3 CEO - Annual Review

Location:	<i>N/a</i>
Applicant:	<i>N/a</i>
File:	<i>P/F</i>
Disclosure of Officer Interest:	<i>This item relates to commencing the process of the author's annual performance review</i>
Date:	<i>31 July 2018</i>
Author:	<i>Alan Lamb</i>
Authorizing Officer:	<i>Chief Executive Officer</i>
Attachments:	<i>Nil</i>

SUMMARY

Council is required to annually review the performance of the CEO. The purpose of this report is to bring the matter back to Council and commence the annual process.

BACKGROUND

The employment contract provides as follows:

1. Performance Criteria and review

1.1 Performance Criteria

- (1) Within 3 months of the Commencement Date, the Council and You must negotiate and determine the Performance Criteria.
- (2) The Performance Criteria must be reasonably achievable by You.
- (3) You must use every reasonable endeavour to comply with the Performance Criteria.

1.2 Performance Criteria and review

Your performance under this Contract, must be reviewed and determined by the Reviewer-

- (a) by reference to the Performance Criteria;
- (b) at least annually; and
- (c) more frequently if the Council or You perceives there is a need to do so and, in that case, gives to the other party a Review Notice.

1.3 Selection of Reviewer

- (1) The Council, in consultation with You, is to determine, in respect of each review under clause 4.2 and 4.5 -
 - (a) who the Reviewer is to be; and
 - (b) whether the Reviewer is to be accompanied or assisted by any other person, and if so, the identity of that person.
- (2) For example, the Reviewer may be-

- (a) the Council;
- (b) a committee to which the conduct of the performance review has been delegated by the Council under section 5.16 of the Act; or
- (c) a person or body who has been authorised by the Council to conduct the performance review.

1.4 Procedure

- (1) Subject to any alternative procedure agreed between the Council and You, a performance review under this clause must include the following procedures -
 - (a) You must give the Council at least one month's written notice of when Your performance review is required;
 - (b) the Council must decide, under clause 4.3, who is to conduct the performance review and must give You at least 10 working days' notice in writing of when the performance review is to be conducted and who is to conduct it;
 - (c) within 14 days after being given notice under paragraph (b), You must prepare a report assessing Your performance against the Performance Criteria, and give that report to the Reviewer;
 - (d) You and the Reviewer will discuss the process and timing of the performance review, which must include at least one interview session that provides for mutual discussion and feedback;
 - (e) You must ensure that You are available for the performance review as reasonably required by the Reviewer;
 - (f) You may be accompanied at an interview session by any other person nominated by You;
 - (g) within one month of the conclusion of the performance review, the Reviewer must prepare a report, in consultation with You, to be signed by both the Reviewer and You, that includes -
 - (i) conclusions about Your performance during the period covered by the performance review;
 - (ii) any proposal by either party to amend the Performance Criteria as a consequence of the performance review;
 - (iii) any directions or recommendations made to You in relation to the future performance by You; and
 - (iv) details of the extent, if any, to which You disagree with any statement in the report;
 - (h) if the Reviewer is not the Council, that report must then be submitted to the Council for consideration; and
 - (i) under regulation 180 of the Local Government (Administration) Regulations 1996, the Council is to accept the report with or without modifications, or is to reject the report.

1.5 Review and amendment

The Performance Criteria-

- (a) must be reviewed annually by the parties; and
- (b) may be amended, from time to time, by agreement in writing between the parties.

2. Remuneration Package

- 2.1 Remuneration Package - general provisions
- (1) The Shire must pay to You each year a Remuneration Package of the amount specified in item 9 of Schedule 2.
- (2) The Remuneration Package takes into account-
- (a) the requirements to attend Shire meetings and perform other Functions that require work outside standard working hours;
- (b) any additional annual leave to which You are entitled under clause 9; and
- (c) that You are not entitled to any annual leaving loading, penalty rates or payment for additional hours or overtime.
3. In accordance with either-
- (a) the terms of a Policy; or
- (b) the approval of the Council,
- You may vary the individual component amounts of the Remuneration Package provided that the total value of the Remuneration Package remains the same.
4. Subclause (3) does not affect the rights of the parties to amend, by agreement, the total value of the Remuneration Package.
5. In accordance with either-
- (a) the terms of a Policy; or
- (b) the approval of the Council,
- You may salary sacrifice any part of the Salary if-
- (c) it complies with the relevant taxation legislation and Australian Taxation Office rulings; and
- (d) there is no additional cost to the Shire

This matter went to the July Council meeting with the following recommendation:

That;

- ***Council Appoint Mr Mike Fitz Gerald as the reviewer.***
- ***The minutes of this Council meeting constitute notice to the CEO of the review of performance, performance criteria and remuneration.***
- ***The reviewers recommendations on performance, performance criteria and remuneration amendments be put to Council by its ordinary meeting in September 2018.***

Council resolved as follows:

- 1a. **That Council consider Mike Fitz Gerald or Gary Clark as the reviewer for the CEO performance review and seek a submission from both.**
- b. **That Council seek to appoint one of the above at a Special Council meeting to be held for the budget adoption.**
2. **The minutes of this Council meeting constitute notice to the CEO of the review of performance, performance criteria and remuneration.**
3. **The reviewers recommendations on performance, performance criteria and remuneration amendments be put to Council by its ordinary meeting in September 2018.**

COMMENT

The following is what was reported to the July Ordinary Meeting of Council:

As in past years, the task is for Council to nominate a reviewer. This could be a consultant, appointed Councillors, the whole of Council etc. The cost of employing a consultant is expected to be in the order of \$4,000.

In accordance with the July resolution Mr Gary Clark was contacted but advised he would not be available until October 2018. Mr John Phillips, who has a great deal of relevant experience, was also contact but is fully booked at this time.

CONSULTATION

This is an established and required process which all Council members have been involved in previously. The Shire currently uses Mike Fitz Gerald of Fitz Gerald Strategies for award and some human resource matters. Mr Fitz Gerald is well experienced in matters such as CEO performance reviews and so it is recommended that Council uses his services to assist in the process this year. The author contacted Mr Clark and Mr Phillips.

STATUTORY OBLIGATIONS

5.38. Annual review of certain employees' performances

The performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment.

POLICY IMPLICATIONS

Nil

BUDGET/FINANCIAL IMPLICATIONS

Nil at this time

STRATEGIC IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

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

VOTING REQUIREMENTS

Simple majority

OFFICER RECOMMENDATION – Item 4.3

MOVED: Cr Kaltenrieder

SECONDED: Cr Alexander

That;

- Council Appoint Mr Mike Fitz Gerald as the reviewer.
- The minutes of this Council meeting constitute notice to the CEO of the review of performance, performance criteria and remuneration.
- The reviewers recommendations on performance, performance criteria and remuneration amendments be put to Council by its ordinary meeting in September 2018.

AMENDMENT

MOVED: Cr O'Connell

SECONDED: Cr Rear

That;

- Council Appoint Mr Gary Clark as the reviewer.
- That Council form a Committee consisting of the Shire President and Deputy Shire President to assist the reviewer.
- The minutes of this Council meeting constitute notice to the CEO of the review of performance, performance criteria and remuneration.
- The reviewers recommendations on performance, performance criteria and remuneration amendments be put to Council by its ordinary meeting in September 2018.

CARRIED 8/1

MOTION

That;

- Council Appoint Mr Gary Clark as the reviewer.
- That Council form a Committee consisting of the Shire President and Deputy Shire President to assist the reviewer.
- The minutes of this Council meeting constitute notice to the CEO of the review of performance, performance criteria and remuneration.
- The reviewers recommendations on performance, performance criteria and remuneration amendments be put to Council by its ordinary meeting in September 2018.

CARRIED 7/2

Res 148/18

5 CLOSURE OF MEETING

There being no further business the Shire President thanked all for attending and declared the meeting closed at 8.27pm.