

**Shire of Moora
Special Council Meeting
30th August 2006**

NOTICE OF MEETING

Dear Elected Member

A Special Council Meeting of the Shire of Moora
will be held on **Wednesday 30th August 2006**
in the Council Chambers, 34 Padbury Street, Moora
commencing at **6.00pm**

**The purpose of the meeting is to consider and adopt the
budget for the year ended 30 June 2007.**

SJ Deckert
Chief Executive Officer
28th August 2006

The Shire of Moora Vision and Mission Statement

Vision

Our vision is that:

The Moora region will be a place of brilliant opportunity over the next twenty years. Sustainable growth will result in a vibrant, healthy, wealthy and diverse community.

Mission

Our mission is:

To identify and stimulate growth through creative leadership and a willingness to get things done.

SHIRE OF MOORA

WRITTEN DECLARATION OF INTEREST IN MATTER BEFORE COUNCIL

Chief Executive Officer
Shire of Moora
PO Box 211
MOORA WA 6510

Dear Sir,

Re: **Written Declaration of Interest in Matter Before Council**

I, ⁽¹⁾ _____ wish
to declare an interest in the following item to be considered by Council at
its meeting to be held on ⁽²⁾

Agenda Item ⁽³⁾

The type of interest I wish to declare is: ⁽⁴⁾ Financial / Proximity / Indirect
Financial / Conflict (impartiality) pursuant to ⁽⁵⁾ Section 5.65 of the Local
Government Act 1995 / Clause 1.3 of Councils Adopted Code of Conduct.

The nature of my interest is
⁽⁶⁾ _____

I wish to be present and participate in any discussion and/or decision
making procedure relating to the item and therefore would like Council to
declare my interest⁽⁷⁾

The extent of my interest is ⁽⁸⁾

I understand that the above information will be recorded in the minutes
of the meeting and placed in the Financial Interest Register.

Yours faithfully,

Signed

Date

1. Insert your name.
2. Insert the date of the Council Meeting at which the item is to be considered.
3. Insert the Agenda Item number and Title.
4. Delete type of interest not applicable.
5. Delete reference, which is not applicable.
6. Insert the nature of your interest.
7. Insert either "Trivial" or "In common with a significant number of ratepayers or electors".
8. Insert the extent of your interest.

THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY.

SHIRE OF MOORA
SPECIAL COUNCIL MEETING AGENDA
30 AUGUST 2006
COMMENCING AT 6.00PM

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1.	<u>DECLARATION OF OPENING & WELCOME OF VISITORS</u>	

“Acknowledging of Country”

I would like to show my respect and acknowledge the traditional owners of this land and acknowledge their contribution to the Shire of Moora as I do for all its people.

2. **DISCLAIMER READING**

To be read by the Shire President should members of the public be present at the meeting.

No responsibility whatsoever is implied or accepted by the Shire of Moora for any act, omission or statement or intimation occurring during this meeting.

It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decision, which will be provided within fourteen (14) days of this meeting.

3. ATTENDANCE

APOLOGIES

PUBLIC

4. DECLARATIONS OF INTEREST

5. QUESTIONS BY THE PUBLIC IN ACCORDANCE WITH SECTION 5.24 OF THE ACT

6. REPORTS OF OFFICERS

2006/2007 BUDGET ADOPTION

AUTHOR: Jo-Anne Ellis, Financial Development Manager
REPORT DATE: 23 August 2006
DECLARATION: Nil

BACKGROUND

At briefing sessions and budget meetings held in May to August, councillors and management discussed the 2006/07 draft budget.

A number of adjustments were made to the budget as a result of discussions at the meetings and MANEX has prepared a budget based on the outcomes of those discussions for adoption by Council.

Draft budget documentation was distributed to Councillors with this agenda item.

COMMENT

An overall rates increase of 5.9% is recommended by management to ensure services can be maintained in the district. Inflation for the March quarter 2006 is at 4.2% and the Local Government Cost Index was 7%.

STATUTORY ENVIRONMENT

Local Government Act 1995 and associated regulations apply.

POLICY IMPLICATIONS

Various adopted policies impact on the budget including the 5% bitumen policy, staff rates incentive schemes and policies in relation to staff remuneration.

BUDGET IMPLICATIONS

The result of the following resolutions will be the adoption of the 2006/07 budget.

STRATEGIC IMPLICATIONS

A balanced budget enables Council to progress their strategic plan in a sustainable means.

PRECEDENT

A budget is adopted for each year.

VOTING REQUIREMENTS

Absolute majority

6.1 Adoption of GRV and UV Valuations

The valuation schedule for the 2006/07 year is included in the budget document at note “15 Rating Information”. Total rateable values of \$131,107,661 apply to the Shire of Moora for 2006/07.

Shire of Moora Rural Assessments information from Department of Land Information – Valuation Services states that there has been a

strong increase in values with average overall increase of rural unimproved valuations by 27.3%.

MANEX RECOMMENDATIONS – ITEM 6.1

That

- 1) *The valuation schedule for the 2006/07 year included in the budget document at note "15 Rating Information" be adopted with total rateable values of \$131,107,661 to apply to the Shire of Moora for 2006/07.*

- 2) *Council imposes a general rate on rateable land within the district for the 2006/07 financial year using the valuation schedule set out in note 15 Rating Information as the basis for the 2006/07 budget rating calculations.*

6.2 Setting of GRV Rate

The 2005/06 adopted GRV rate was 10.0233¢ in the dollar. The recommended 5.9% rate increase results in the new GRV rate of 10.6147¢ in the dollar.

MANEX RECOMMENDATION – ITEM 6.2

That a rate of 10.6147¢ in the dollar on GRV rated properties for the 2006/07 year be adopted.

6.3 Setting of UV Rate

The 2005/06 adopted UV rate was 1.7951¢ in the dollar. The recommended 5.9% rate increase results in the new UV rate of 1.4988¢ in the dollar. The rate in the dollar has decreased due to the increase in Rural UV valuations.

MANEX RECOMMENDATION – ITEM 6.3

That a rate of 1.4988¢ in the dollar on UV rated properties for the 2006/07 year be adopted.

6.4 Setting of Minimum GRV Rate

The 2005/06 adopted Minimum GRV was \$320 for Residential Moora Townsite and \$215 for Residential Other Townsite and Mining Tenements. An increase of \$30 per minimum GRV is recommended.

MANEX RECOMMENDATION – ITEM 6.4

That the minimum GRV rates for 2006/07 are adopted as follows;

<i>GRV properties</i>	<i>– Moora townsite</i>	<i>\$350</i>
	<i>– Other townsites</i>	<i>\$245</i>
	<i>– Mining tenements</i>	<i>\$245</i>

6.5 Setting of Minimum UV Rate

The 2005/06 adopted Minimum UV was \$215 an increase of \$30 is recommended as per the increase in minimum GRV

MANEX RECOMMENDATION – ITEM 6.5

That the minimum UV rates for 2006/07 are adopted as follows;

<i>UV properties</i>	<i>– Rural</i>	<i>\$245</i>
	<i>– Urban Farms</i>	<i>\$245</i>

6.6 Service Charge

Gardiner Street requires an upgrade in power to enable businesses to expand. Council undertook a consultation process with the affected businesses who supported the imposition of a service charge to cover the upgrade costs. A loan is included in the draft 2006/07 budget to undertake the required works and the service charge is to meet the loan repayments. Council decisions 54/2005 and 99/2005 refer.

MANEX RECOMMENDATION – ITEM 6.6

That the following service charge be applied to the rate assessments that directly benefit from the power upgrade in Gardiner Street

<i>Non-Residential</i>	<i>\$339.32</i>
<i>Residential</i>	<i>\$169.66</i>

6.7 Sewerage Rates

The sewerage rate in the dollar is recommended to be increased from 8.692¢ to 9.005¢ in the dollar, which reflects a 3.6% increase on the 2005/06 sewerage rate charge. This level of increase is recommended as it is in keeping with the average increase applied by the Water Corporation to sewerage charges for towns in the same Class as Moora as per Water Agencies (Charges By-laws) 1987.

The minimum and maximum values and the fees recommended for non-rateable properties connected to the sewer are as per advice from the Water Corporation.

MANEX RECOMMENDATION – ITEM 6.7

That the sewerage rate be set at 9.005¢ in the dollar to apply to properties contained within the designated area of the Moora Townsite Sewerage Scheme.

a. That the minimum annual sewerage rates be as follows;

<i>Residential properties</i>	<i>\$250.00</i>
<i>Commercial properties</i>	<i>\$551.10</i>
<i>Vacant Land properties</i>	<i>\$164.60</i>

b. That the maximum annual sewerage rate be as follows;

<i>Residential properties</i>	<i>\$634.40</i>
<i>Vacant Land properties</i>	<i>\$634.40</i>

*Non Rateable Properties connected to sewer**Class 1 Institutional/Public & Charitable Purposes****FOR EACH PROPERTY:****First MAJOR FIXTURE \$148.10 per annum**Each additional MAJOR FIXTURE \$ 65.105 per annum**Class 2 State and Local Government properties of a commercial nature**\$822.70 per CONNECTION***6.8 Rubbish Collection Charges**

The recommended Residential rubbish charge is \$180.00 being the same as 2005/06.

The recommended Pensioner rubbish charge is \$145.00 per service being the same as 2005/06.

Total rubbish revenue of \$202,055 is expected to be raised.

MANEX RECOMMENDATION – ITEM 6.8
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That the charges for rubbish collection for the 2006/07 financial year be set at;

<i>Ordinary (per service)</i>	<i>\$180 per annum</i>
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<i>Pensioner (per service)</i>	<i>\$145 per annum</i>
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6.9 Payment Instalment Options

A local government is required to provide its ratepayers with an option to pay a rate or service charge;

- (i) in full
- (ii) by 4 equal or nearly equal instalments
- (iii) by such other method of payment by instalments as is set forth in the local government's annual budget.

Council's policy with regard to payment instalment options in the past is as follows;

1. To pay in full within 35 days of service of the rates notice.
2. To pay by 4 equal instalments as under.
 - (i) 25% of the rates within 35 days
 - (ii) 25% of the rates within 2 months of (i)
 - (iii) 25% of the rates within 2 months of (ii)
 - (iv) 25% of the rates within 2 months of (iii) being 6 months from the expiration of the initial 35 day period and 6 months and 35 days from the date of service of the notice.
3. Three payments as under;
 - (i) 33.33% of the rates within 35 days.
 - (ii) 33.33% of the rates within 2 months of that 35 day period
 - (iii) 33.33% of the rates within 2 months of the date at (ii) being 4 months from the expiration of the initial 35 day period and 4 months and 35 days from the date of service of the rates notice.

With the implementation of the Rating Module in Synergy the following options can be accommodated within the software:

- (i) in full
- (ii) by 2 equal instalments
- (iii) by 4 equal instalments

MANEX RECOMMENDATIONS – ITEM 6.9

That Council

a) Adopt the instalment plan options, being;

- 1. To pay in full within 35 days of service of the rates notice.*

2. *To pay by 2 equal instalments as under.*
 - (i) *50% of the rates within 35 days*
 - (ii) *50% of the rates within 4 months of (i)*

3. *To pay by 4 equal instalments as under.*
 - (i) *25% of the rates within 35 days*
 - (ii) *25% of the rates within 2 months of (i)*
 - (iii) *25% of the rates within 2 months of (ii)*
 - (iv) *25% of the rates within 2 months of (iii) being 6 months from the expiration of the initial 35 day period and 6 months and 35 days from the date of service of the notice.*

b) Adopts the above instalment plan as a replacement to the current policy.

6.10 Instalment Plan Interest Rate

Council can impose an interest rate charge on each instalment if ratepayers elect to use any of the instalment plan options. The maximum interest rate charge applicable is 11% from those that did not pay according to the plan (i.e. default) and 5.5% for those on an instalment plan. Last years charges were 11% and 5.5% respectively for the Shire of Moora. It is recommended that the maximum charges continue to be applied.

MANEX RECOMMENDATION – ITEM 6.10

That the interest rate charge of 11% for ratepayers who default on payments according to a nominated plan and a rate of 5.5% for ratepayers who opt to use an instalment plan be adopted.

6.11 Instalment Plan Administration Fee

Section 6.45(3) of the Local Government Act 1995 allows a local government to impose an additional charge where payment of a rate or service charge is made by instalments.

Council's policy stipulates a service charge of \$5.00 for each instalment other than the first.

It is recommended that Council impose a charge of \$5 for instalment payments.

MANEX RECOMMENDATION – ITEM 6.11

That in accordance with the Local Government Act 1995, Council imposes a \$5.00 administration charge for each instalment payment for rates and services other than the first instalment.

6.12 Late Payment Interest Rate

Where ratepayers have not elected to pay by any of the offered instalment options and have not paid their rates by the due date, they can be charged interest on the outstanding amount.

The maximum rate of interest that can be applied is 11%.

MANEX RECOMMENDATION – ITEM 6.12

That an interest rate charge of 11% for ratepayers with arrears and who have not elected to pay by instalments be adopted.

6.13 Adoption of User Fees and Charges

The schedule of user fees and charges is attached. The recommended Fees and Charges have been reviewed by Manex and previously discussed by Councillors at budget meetings. All fees excluding town planning fees include GST where applicable.

MANEX RECOMMENDATION – ITEM 6.13

That the schedule of fees and charges for the 2006/07 financial year be adopted as presented.

6.14 Setting of Materiality for Monthly Reporting

Changes to the Local Government Act and Regulations require the Council to set the materiality level at which explanations are required for variations between Year to Date Budget and Year to Date Actual figures. The materiality level recommended is +/-10% and +/- \$1,000 at account level and +/-10% and +/- \$5,000 at financial statement level.

MANEX RECOMMENDATION – ITEM 6.14

That materiality level for monthly reporting be set at +/-10% and +/- \$1,000 at account level and +/-10% and +/- \$5,000 at financial statement level.

6.15 Adoption of Accounting Policies

Council should consider its accounting policies on an annual basis and adopt the policies to apply to the budget. The Shire of Moora Accounting Policies are attached.

MANEX RECOMMENDATION – ITEM 6.15

That the accounting policies be adopted as presented.

6.16 Reserve Fund Accounts

Council is required to adopt the name and purpose of any reserve account included in the Reserve Funds. No new reserves are recommended as part of the 2006/07 budget.

MANEX RECOMMENDATION – ITEM 6.16

Council notes that no new reserves are created as part of the 2006/07 budget.

6.17 Adoption of 2006/07 Budget

The management recommends that in order to maintain real operating expenditure and continue to position Council to undertake future projects of significant economic benefit and employment growth initiatives, that Council adopt a 5.9% rate increase.

MANEX RECOMMENDATION – ITEM 6.17

That the 2006/07 budget reflecting a 5.9% increase in total GRV and total UV rates be adopted.

6.18 Extreme Hardship Payment Plan

Councillors requested at a briefing session that the Financial Development Manager develop a recommendation in regard to payment plans for ratepayers experiencing extreme financial hardship. Ratepayers will have the opportunity to approach senior staff on a confidential basis to develop a payment plan prior to rates due date. The Shire of Moora is undertaking this initiative to enable ratepayers affected by the current economic conditions to enter into a payment arrangement that will reduce the impact Shire rates has on their finances by eliminating penalty interest and fees.

MANEX RECOMMENDATION – ITEM 6.18

That Council delegates authority to the Chief Executive Officer to enter into payment plans with ratepayers experiencing extreme financial hardship within the following guidelines

- i. The Chief Executive Officer determines a case of extreme financial hardship exists.*
- ii. The ratepayer has approached the Shire of Moora to enter into a payment plan prior to the rates due date.*
- iii. The ratepayer has a previous record of payment of rates by due dates.*
- iv. No arrears rates exist on the rate assessment.*
- v. The payment plan results in all outstanding rates being paid by 30 June 2007.*
- vi. Interest is not charged on rates paid prior to 30 June 2007.*
- vii. Administration fees are not charged on rates paid prior to 30 June 2007.*
- viii. The ratepayer must pay in accordance with the negotiated payment plan.*
- ix. Interest and administration fees will be charged on amounts not paid in accordance with the payment plan or outstanding at 30 June 2007.*

7. CLOSURE OF MEETING