



SPECIAL MEETING

13 June 2017

MINUTES

NOTICE OF MEETING

**A Special Meeting of the Shire of Cue
Held on the 13th of June 2017
in the Council Chambers commenced at 6.30 PM**

The purpose of the Meeting was to consider the following items:

- 1. Rates – Rate Setting Statement**
- 2. Rates – Differential Rates**

**Rob Madson
Chief Executive Officer**

Shire of Cue

MINUTES

Special Council Meeting

Held in the Shire of Cue Council Chambers, Austin Street, Cue on Tuesday the 13th of June 2017 commenced at 6.30pm.

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Unconfirmed

1. OFFICIAL OPENING

No responsibility whatsoever is implied or accepted by the Shire of Cue 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.

Please be advised that in accordance with a Department of Local Government recommendation this Meeting is being electronically recorded with my permission.

PRESENT:

Councillor Ross Pigdon

Councillor Les Price

Councillor Ian Dennis

Councillor Fred Spindler

Councillor Pixie Pigdon

Councillor Ron Hogben

APOLOGIES:

Councillor Leonie Fitzpatrick

STAFF:

Mr Rob Madson, Chief Executive Officer

Mr Richard Towell, Deputy Chief Executive Officer

Miss Kim Ryan, Records Officer

GALLERY:

Kath Willett

Terry Bloxsome

Ernie Campbell

Peter Tegg

2. PUBLIC QUESTION TIME

Peter Tegg, Dowley St.

1. In relation to the reserve transfers in the Rates Setting Statement for Differential Rates Proposal, what are the amounts being drawn out of the reserve being used for.
2. Opening balances, is this the balance right now or is it the balance when the funds were deposited in the account.

Chief Executive officer advised that these questions will be taken on notice.

3. APOLOGIES AND LEAVE OF ABSENCE

Cr Leonie Fitzpatrick

4. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

Nil

5. REPORTS

5.1 RATES – BUDGET RATE SETTING STATEMENT	
APPLICANT:	Shire of Cue
DISCLOSURE OF INTEREST:	Nil
AUTHOR:	Richard Towell – Deputy Chief Executive Officer
DATE:	9 June 2017
<i>Matters for Consideration:</i>	
Adoption of the 2017-2018 Budget Rate Setting Statement in support of proposing to levy differential rates.	
<i>Background:</i>	
As part of Councils budget deliberations the Budget Rate Setting Statement – see Appendix 1 - has been prepared by RSM Australia Pty Ltd in support of Council proposing to levy differential rates.	
<i>Comments:</i>	
Council needs to consider the rate setting statement as part of its budget deliberations to review expenditure and consider efficiency measures. The Rate Setting Statement considers Councils operating and capital expenditure for the next financial year to consider the amount required from rates to achieve these outcomes.	

This item will be included in Councils application to the Minister for Local Government for approval for the imposition of differential general rates that are more than twice the lowest differential general rate imposed by a rate category.

Travis Bate from RSM Australia Pty Ltd will attend the meeting to further discuss the contents of the report and its implications on the 2017-2018 Annual Budget.

Statutory Environment:

Local Government Act 1995 – Section 6.33, Differential General Rates.

Policy Implications:

Nil

Financial Implications:

Council needs to ensure that rate revenue remains at a level where the Shire can continue to maintain its current level of services to ratepayers and the community.

Strategic Implications:

Shire of Cue Strategic Community Plan 2013 - 2023

Consultation:

Rob Madson – Chief Executive Officer

Travis Bate – RSM Australia Pty Ltd

Officer's Recommendation:

Voting requirement: Simple Majority

1. That Council adopt the attached 2017-2018 Budget Rate Setting Statement for Differential Rates Proposal and incorporate relevant information from the report into the 2017-2018 Annual Budget.
2. Acknowledge that Council has reviewed its expenditure and considered efficiency measures as part of its budget deliberations.

Council Decision: 01062017

Voting requirement: Simple Majority

- 1 That Council adopt the attached 2017-2018 Budget Rate Setting Statement for Differential Rates Proposal and incorporate relevant information from the report into the 2017-2018 Annual Budget.
- 2 Acknowledge that Council has reviewed its expenditure and considered efficiency measures as part of its budget deliberations.

MOVED: CR DENNIS

SECONDED: CR P PIGDON

CARRIED: 6/0

5.2 RATES – DIFFERENTIAL RATES	
APPLICANT:	Shire of Cue
DISCLOSURE OF INTEREST:	Nil
AUTHOR:	Richard Towell – Deputy Chief Executive Officer
DATE:	9 June 2017
<i>Matters for Consideration:</i>	
To approve the advertising for the proposal to apply differential rates and minimum payments in the 2017-2018 financial year.	
<i>Background:</i>	
<i>Comments::</i>	
<p>In consideration of the Shire of Cue's Long Term Financial Plan with a rates increase of 5%, the latest statistics for CPI Perth of 1.0% and the Local Government Cost index forecast for 2017-2018 of 2.0%, it is recommended that an increase of 2.5% be applied to the rate in the dollar for all rate categories with the exception of GRV Commercial and GRV Mining and Transient Workforce Facilities.</p> <p>It is proposed that the GRV Commercial rate be increased to the same rate as the GRV General rate and then a discount equivalent to the previous discount rate in the dollar be applied to commercial properties. This discount is subject to the property owner paying their rates in full and on time. The discount rate to be applied is proposed at twenty percent.</p> <p>It is proposed that the GRV Mining and Transient Workforce Facilities rate be increased to the same rate in the dollar as the UV Mining rate. This is to partly compensate for the loss of revenue from the revaluation of the Crosslands mining camp due to a number of buildings being removed from the property and to reflect the increase in maintenance and service costs attributed to these facilities.</p> <p>Due to changes in rateable values from revaluations and changes to mining tenements the proposed rates will provide the Shire with a total of \$59,202 in additional rates revenue after the commercial rate discount is applied. This is a nominal increase of 2.6% of overall rates. The loss of the licensing concession as of July 1 2017 will increase licensing costs for the Shire by approximately thirty six thousand dollars or 1.5% of rates revenue. Once this is taken into account the increase in rates revenue for operations is only 1.1%.</p>	

The proposed rates result in the rates model below.

Proposed rates for 2017-2018					
Rate Category	Rate in \$	Number of Properties	Rateable Value	Rates Levied	% increase
GRV - GENERAL	0.1062	94	535,752	56,892	2.50%
GRV - COMMERCIAL	0.1062	5	299,208	31,785	19.90%
GRV - VACANT LAND	0.1062	0	-	-	2.50%
GRV- M&T WORKFORCE FACILITIES	0.3210	2	246,750	79,214	4.40%
UV - MINING TENEMENTS	0.3210	293	6,335,382	2,033,848	2.50%
UV - PASTORAL	0.0843	14	502,918	42,373	2.50%
Minimum payment	Minimum \$				
GRV - GENERAL	451	49	116,724	22,099	2.50%
GRV - COMMERCIAL	451	0	-	-	2.50%
GRV - VACANT LAND	451	41	8,528	18,491	2.50%
GRV- M&T WORKFORCE FACILITIES	451	0	-	-	2.50%
UV - MINING TENEMENTS	451	127	86,256	57,277	2.50%
UV - PASTORAL	451	4	10,400	1,804	2.50%
Totals		629	8,141,918	2,343,783	
Revenue raised from rates 2016-2017				2,278,224	
Difference (before discounts applied)				65,559	
				2.88%	

A comparison of rates models for Council to consider is attached at [Appendix 2](#).

Objects and Reasons

Where council intend to impose differential rates, it is required to provide the objects of and reasons for each proposed rate and minimum payment. In the notice of intention to levy rates, Council is to advise electors and ratepayers of the time and place where this document can be inspected. The Objects and Reasons for the 2017-2018 rating proposal is attached at [Appendix 3](#).

In accordance with section 6.33(3) of the Local Government Act, Ministerial approval will be required for the above rating proposal as the highest proposed differential rate is more than twice the lowest proposed differential rate.

In accordance with section 6.35 of the Local Government Act, it is proposed that a single minimum rate be imposed across all rate categories.

Statutory Environment:

Local Government Act 1995, Section 1.7, Local Public Notice

Local Government Act 1995, Part 6 – Division 6 – Subdivision 2, Categories of Rates and Service Charges

Policy Implications:

Nil

Financial Implications:

Council needs to ensure that rate revenue remains at a level where the Shire can continue to maintain its current level of services to ratepayers and the community. The proposed rates will provide an additional \$59,202 in revenue compared to rates raised for the current financial year.

Strategic Implications:

Shire of Cue Strategic Community Plan 2013 - 2023

Consultation:

Rob Madson – Chief Executive Officer

Travis Bate – RSM Australia Pty Ltd

Officer's Recommendation:

Voting requirement: Simple Majority

That Council

- 1. Authorise the CEO to advertise the Shire of Cue's intention to levy the following differential rates.*

Rate Category	Minimum Rates \$	Rate in \$ (cents)
GRV - GENERAL	451.00	0.1062
GRV - COMMERCIAL	451.00	0.1062
GRV - VACANT LAND	451.00	0.1062
GRV- M&T WORKFORCE FACILITIES	451.00	0.3210
UV - MINING TENEMENTS	451.00	0.3210
UV - PASTORAL	451.00	0.0843

- 2. Adopt the Objects and Reasons for the 2017-2018 differential rates.*

Council Decision: 02062017**Voting requirement:***That Council*

- 1 *Authorise the CEO to advertise the Shire of Cue's intention to levy the following differential rates.*

Rate Category	Minimum Rates \$	Rate in \$ (cents)
GRV - GENERAL	451.00	0.1062
GRV - COMMERCIAL	451.00	0.1062
GRV - VACANT LAND	451.00	0.1062
GRV- M&T WORKFORCE FACILITIES	451.00	0.3210
UV - MINING TENEMENTS	451.00	0.3210
UV - PASTORAL	451.00	0.0843

- 2 *Adopt the Objects and Reasons for the 2017-2018 differential rates.*

MOVED: CR DENNIS

SECONDED: CR PRICE

CARRIED: 6/0

6. CLOSURE OF MEETING

The Shire President declared the meeting closed at 7.13pm

To be confirmed at Ordinary Meeting on Tuesday 20 June 2017

Signed:.....

Presiding person at the Meeting at which time the Minutes were confirmed.