



CITY OF VINCENT

"Enhancing and celebrating our diverse community"

MINUTES

SPECIAL COUNCIL MEETING

15 MAY 2012

This document is available in the following alternative formats upon request for people with specific needs; large print, Braille, audio cassette and computer disk

Minutes of the Special Meeting of Council of the City of Vincent held at the Administration and Civic Centre, 244 Vincent Street, Leederville, on Tuesday 15 May 2012, commencing at 6.00pm.

1. (a) DECLARATION OF OPENING

The Presiding Member, Mayor Hon. Alannah MacTiernan, declared the meeting open at 6.05pm and read the following Acknowledgement of Country Statement:

(b) ACKNOWLEDGEMENT OF COUNTRY STATEMENT

"Today we meet on the lands of the Nyoongar people and we honour them as the traditional custodians of this land".

2. APOLOGIES/MEMBERS ON APPROVED LEAVE OF ABSENCE

(a) Apologies:

Cr Pintabona submitted an apology as he was required to depart the meeting at 7.30pm, for family reasons.

(b) Members on Approved Leave of Absence:

Cr Julia Wilcox due to family commitments until 2 July 2012.

(c) Present:

Mayor Hon. Alannah MacTiernan Presiding Member

Cr Warren McGrath (*Deputy Mayor*) South Ward

Cr Matt Buckels	North Ward
Cr John Carey	South Ward
Cr Roslyn Harley	North Ward
Cr Dudley Maier	North Ward
Cr John Pintabona	South Ward (until 7.30pm)
Cr Joshua Topelberg	South Ward

John Giorgi, JP	Chief Executive Officer
Rob Boardman	Director Community Services
Carlie Eldridge	Director Planning Services
Rick Lotznicker	Director Technical Services
Mike Rootsey	Director Corporate Services

There were no Members of the Public.

3. (a) PUBLIC QUESTION TIME & RECEIVING OF PUBLIC SUBMISSIONS

Nil.

4. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

- 5.1 The Presiding Member stated that following lobbying from most Local Governments, the Member for Local Government had reversed his recent decision concerning the imposition of interest rates and administration charges under the Local Government (Financial Management) Amendment Regulations 2012. A circular was received by the City late this afternoon as follows:

"The Local Government (Financial Management) Amendment Regulations 2012 enables local governments to impose interest rates and administration charges in the following areas:

- *when ratepayers choose to pay rates by instalments; and*
- *where rates or other service charge and fees are overdue.*

The interest rates payable by ratepayers on instalment payments and on overdue rates and service charges has remained unchanged since 1999 when the Reserve Bank of Australia (RBA) cash rate was five per cent.

The RBA cash rate in May 2012 is 3.75 per cent and is implied to fall to three per cent by December 2012.

I considered the current interest rate charge too high and moved to reduce the limits to from 5.5 per cent to two per cent and from 11 per cent to seven per cent respectively.

That decision was met with concerns from the sector with potential impact on cash flow and a general view many would increase rates to counter that reduction.

The Regulation providing for administration charges is quite specific in that the charge must be based on cost recovery not as a revenue raising exercise.

A sample of 25 local governments selected by my Department of Local Government indicates these charges range from \$9 to \$54 per annum.

The range in the sample of metropolitan local governments was \$15 to \$54; several were in the \$30 - \$36 range.

In recent discussions with the Western Australian Local Government Association (WALGA) and Local Government Managers Australia (WA Division) (LGMA), I was asked to review my decision to reduce interest rates, which I agreed to, subject to two actions occurring with support of the peak bodies. These are:

- *a sector wide focus on administrative charges being based on cost recovery as clearly stipulated in the Regulations; and*
- *a sector wide focus on proactively assisting ratepayers experiencing financial difficulty in making rate payments.*

I have asked WALGA and the LGMA to work with the sector in adopting the City of Armadale's service named 'A Smarter Way to Pay' or a similar service.

Under this service, ratepayers can make application to the City to put in place arrangements whereby the rates for that particular year are paid regularly, mainly by direct debit, without administration fees and without an interest rate penalty.

I commend the City of Armadale for this initiative and sincerely hope others follow this lead.

My Department will review administration charges imposed for 2012/13 and report to me the extent of cost recovery for these charges and the uptake of a proactive service that assists ratepayers experiencing financial difficulty without further adding to their financial burden.

I will then determine if any further action needs to be taken to ensure a more reasonable outcome for ratepayers.

As each local government considers the 2012/13 budget, I urge all local government elected members and senior management to closely review areas of expenditure to ensure communities receive reasonable levels of service at a reasonable cost."

6. DECLARATION OF INTERESTS

Nil.

7.1 Draft Annual Budget 2012/2013

Ward:	Both	Date:	11 May 2012
Precinct:	All	File Ref:	FIN0025
Attachments:	-		
Tabled Items:	2012/2013 Draft Annual Budget		
Reporting Officer:	M Rootsey, Director Corporate Services		
Responsible Officer:	John Giorgi, Chief Executive Officer		

OFFICER RECOMMENDATION:

That the Council:

1. **APPROVES IN PRINCIPLE** the Draft Budget 2012/2013 as tabled;
2. **ADVERTISES** the Draft Budget 2012/2013 for public comment for a period of fourteen (14) days and further considers any submissions received;
3. **APPROVES BY AN ABSOLUTE MAJORITY** a second Budget Special Council Meeting on the 29 May 2012; and
4. in the event that a second Budget Special Council Meeting is not required, **APPROVES BY AN ABSOLUTE MAJORITY** to authorise the Chief Executive Officer to amend the adopted Budget Timetable to:
 - 4.1 delete the 2nd Budget Briefing/Special Council Meeting (open to the Public) on 29 May 2012; and
 - 4.2 varying the dates for the advertising of the Draft Budget for community consultation and the closing date for receiving of public submissions.

Moved Cr Maier, Seconded Cr Pintabona

That the recommendation be adopted.

Debate ensued.

At 6.09pm: **PROCEDURAL MOTION**

Moved Cr Harley, Seconded Cr Topelberg

That Standing Orders be suspended to enable free and open debate.

PROCEDURAL MOTION PUT AND CARRIED UNANIMOUSLY (8-0)

(Cr Wilcox was on approved leave of absence.)

Discussion ensued.

The Presiding Member, Hon. Alannah MacTiernan advised that she will ask each Councillor (in turn) to raise any items for discussion and any changes they wished to make to the Draft Budget. A list of any proposed changes will be kept by the Chief Executive Officer. At the conclusion of the discussion, the Standing Orders will be resumed and the proposed changes will be considered by way of an amendment.

Councillors then raised various matters and these were discussed.

At 7.30pm Cr Pintabona departed the Meeting and did not return.

Debate ensued.

At 8.17pm: PROCEDURAL MOTION

Moved Cr Buckels, Seconded Cr Maier

That Standing Orders be resumed.

PROCEDURAL MOTION PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 1

Moved Cr Harley, Seconded Cr Carey

(Page 16) That the four (4) listed Urban Festivals be shown as a composite sum.

AMENDMENT NO 1 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 2

Moved Cr Maier, Seconded Cr Harley

(Page 16) That "*Harmony Week*" be renamed "*Harmony/Multicultural Celebrations*".

AMENDMENT NO 2 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 3

Moved Cr Maier, Seconded Cr Carey

(Page 1.7) That the funding source for "Walcott Street" be amended to delete "Municipal" and replace it with "Cash-In-Lieu".

AMENDMENT NO 3 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 4

Moved Cr Maier, Seconded Cr Carey

(Page 119) That consideration be given to an increase in the Loftus Community Centre funding from \$55,000 to \$75,000, subject to:

- (a) receiving a report on the justification for the increase; and
- (b) how the funding is to be spent.

AMENDMENT NO 4 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 5

Moved Cr Maier, Seconded Cr Harley

(Page 9) That the "Leederville Gardens Retirement Village Management Fee" be increased from \$42,440 to \$50,000.

AMENDMENT NO 5 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 6

Moved Cr Maier, Seconded Cr McGrath

(Page 2) That "Advertising Budget" be increased by \$20,000, (i.e. from \$11,000 to \$31,000).

AMENDMENT NO 6 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 7

Moved Cr Maier, Seconded Cr Buckels

(Page 60) That the Administration Charge be reduced from \$15 to \$10 per instalment and revert back to the original interest rates for instalment and penalty interest.

Debate ensued.

AMENDMENT NO 7 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 8

Moved Cr Maier, Seconded Cr Buckels

(Page 90) That the budget for the "Local Plant Sales" be increased from \$5,000 to \$7,000.

AMENDMENT NO 8 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 9

Moved Cr McGrath, Seconded Cr Buckels

(Page 91) That the budget for the "Environmental Monitoring" be increased from \$6,000 to \$10,000.

AMENDMENT NO 9 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 10

Moved Cr Carey, Seconded Cr Maier

(Page 1.17) That the "Drawing Commission/Art Acquisition" amount of \$10,000 be deleted and reallocated to the "Bike Racks Project" (Page 1.4).

Debate ensued.

AMENDMENT NO 10 PUT AND CARRIED (4-3)

For: Mayor Hon. MacTiernan, Cr Carey, Cr Harley, Cr Maier

Against: Cr Buckels, Cr McGrath, Cr Topelberg

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

AMENDMENT NO 11

Moved Cr Harley, Seconded Cr McGrath

- (a) (Page 1.6) That a new item be inserted for \$5,000 for the Re-use of the North Perth Bowling Club Flood Lights;
- (b) (Page 1.3) Change the wording in justification for the "Beaufort Street Streetscape Enhancement – Stage 2)" to delete "artwork project" and replace it with "streetscape project"; and
- (c) (Page 1.3) Change the wording of "Oxford St – Vincent St – Leederville Pde" to "Leederville Town Centre".

AMENDMENT NO 11 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

MOTION CLAUSE 1

Moved Cr Buckels, Seconded Cr McGrath

That clause 1 of the Officer Recommendation as amended be adopted.

MOTION CLAUSE 1 AS AMENDED PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

MOTION CLAUSE 2

Moved Cr Harley, Seconded Cr Topelberg

That clause 2 of the Officer Recommendation be adopted.

MOTION CLAUSE 2 PUT AND CARRIED UNANIMOUSLY (7-0)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

MOTION CLAUSE 3

Moved Cr Maier, Seconded Cr McGrath

That clause 3 of the Officer Recommendation be adopted.

MOTION CLAUSE 3 PUT AND LOST UNANIMOUSLY (0-7)

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

MOTION CLAUSE 4

Moved Cr McGrath, Seconded Cr Maier

That clause 4 of the Officer Recommendation, together with the following change, be adopted:

4. ~~in the event~~ **NOTES** that a second Budget Special Council Meeting is not required, **and APPROVES BY AN ABSOLUTE MAJORITY** to authorise the Chief Executive Officer to amend the adopted Budget Timetable to:
 - 4.1 delete the 2nd Budget Briefing/Special Council Meeting (open to the Public) on 29 May 2012; and
 - 4.2 vary the dates for the advertising of the Draft Budget for community consultation and the closing date for receiving of public submissions.”

**MOTION CLAUSE 4 PUT AND CARRIED UNANIMOUSLY
BY AN ABSOLUTE MAJORITY (7-0)**

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

**MOTION AS AMENDED PUT AND CARRIED UNANIMOUSLY
BY AN ABSOLUTE MAJORITY (7-0)**

(Cr Pintabona had departed the Meeting. Cr Wilcox was on approved leave of absence.)

COUNCIL DECISION ITEM 7.1

OFFICER RECOMMENDATION:

That the Council:

1. **APPROVES IN PRINCIPLE** the Draft Budget 2012/2013 as tabled, subject to the following changes:
 - 1.1 (Page 16) That the four (4) listed Urban Festivals be shown as a composite sum;
 - 1.2 (Page 16) That *“Harmony Week”* be renamed *“Harmony/Multicultural Celebrations”*;
 - 1.3 (Page 1.7) That the funding source for *“Walcott Street”* be amended to delete *“Municipal”* and replace it with *“Cash-In-Lieu”*;

- 1.4 (Page 119) That consideration be given to an increase in the Loftus Community Centre funding from \$55,000 to \$75,000, subject to:
 - (a) receiving a report on the justification for the increase; and
 - (b) how the funding is to be spent;
 - 1.5 (Page 9) That the "Leederville Gardens Retirement Village Management Fee" be increased from \$42,440 to \$50,000;
 - 1.6 (Page 2) That "Advertising Budget" be increased by \$20,000, (i.e. from \$11,000 to \$31,000);
 - 1.7 (Page 60) That the Administration Charge be reduced from \$15 to \$10 per instalment and revert back to the original interest rates for instalment and penalty interest;
 - 1.8 (Page 90) That the budget for the "Local Plant Sales" be increased from \$5,000 to \$7,000;
 - 1.9 (Page 91) That the budget for the "Environmental Monitoring" be increased from \$6,000 to \$10,000;
 - 1.10 (Page 1.17) That the "Drawing Commission/Art Acquisition" amount of \$10,000 be deleted and reallocated to the "Bike Racks Project" (Page 1.4);
 - 1.11 (Page 1.6) That a new item be inserted for \$5,000 for the Re-use of the North Perth Bowling Club Flood Lights;
 - 1.12 (Page 1.3) Change the wording in justification for the "Beaufort Street Streetscape Enhancement – Stage 2)" to delete "artwork project" and replace it with "streetscape project"; and
 - 1.13 (Page 1.3) Change the wording of "Oxford St – Vincent St – Leederville Pde" to "Leederville Town Centre";
2. **ADVERTISES** the Draft Budget 2012/2013 for public comment for a period of fourteen (14) days and further considers any submissions received; and
 3. **NOTES** that a second Budget Special Council Meeting is not required, and **APPROVES BY AN ABSOLUTE MAJORITY** to authorise the Chief Executive Officer to amend the adopted Budget Timetable to:
 - 3.1 delete the 2nd Budget Briefing/Special Council Meeting (open to the Public) on 29 May 2012; and
 - 3.2 vary the dates for the advertising of the Draft Budget for community consultation and the closing date for receiving of public submissions.
-

PURPOSE OF REPORT:

To present and consider the Draft Budget for the financial year 2012/2013.

BACKGROUND:

The budget timetable for the 2012/2013 Draft Annual Budget was adopted at the Ordinary Meeting of Council held on 6 December 2011.

DATE	ITEM
26 March - 20 April	Chief Executive Officer and Directors to review 1st Draft Budget
20 April 2012	1st Draft Budget issued to Council Members
26 April 2012	Briefing provided to Council Members
1 May 2012	1st Budget briefing/Special Council Meeting (open to the Public)
15 May 2012	2nd Budget briefing/Special Council Meeting (open to the Public) – if required
16 May – 22 May 2012	Budget documentation finalised for Public comment
23 May 2012	Advertise for public comment (14 days)
5 June 2012	Public comment closes
6 June - 12 June 2012	Final Budget documentation and report for Council prepared
12 June 2012	Issue Agenda report
3 July 2012	Adoption of Annual Budget at the Special Council meeting

An amendment to the budget timetable was approved by the Chief Executive Officer which saw the Councillor’s briefing rescheduled from the 26 April 2012 to 3 May 2012 and the 1st Special Council Meeting of 1 May 2012 cancelled and rescheduled to the 15 May 2012.

A second Budget Meeting was not scheduled however, it is proposed that if one is required it would be held on Tuesday 29 May 2012 after the Council Forum.

A briefing for the Council Members was held on Thursday 3 May 2012.

DETAILS:

Draft Budget

The City’s Administration has prepared the draft budget and has included the following:

- (a) Council adopted programs;
- (b) Items from Council Resolutions;
- (c) Council Members’ requests;
- (d) Ratepayer/resident requests; and
- (e) Projects identified by the City’s Administration.

The City’s Administration has used the following criteria to determine project priorities:

Priority	Rating	Criteria
1	Very High	Adopted program/legislative requirement/safety issue/significant community benefit
2	High	Considered necessary/demonstrated cost benefits/Community need
3	Medium	Desirable/may benefit the Community
4	Low	“Nice to do”/not a priority
5	Very Low	Minimal demonstrated benefit/need

The Draft Budget 2012/2013 as presented proposes the funds for the new capital works as follows:

Land and Buildings	\$1,006,000
Infrastructure	\$7,012,755
Plant and Equipment	\$1,057,000
Furniture and Equipment	\$285,640

The Draft Budget for 2012/2013 for recurrent operating expenditure is \$44,800,440.

Rates revenue required for the Draft Budget 2012/2013 is \$23,613,988.

The value of operating revenue other than rates increases is \$20,628,935.

As the summary indicates, if all the works included on the Draft Budget 2012/2013 as presented are funded, the Council will need an estimate increase of **4.93%** in the rate in the dollar to meet all of the requests.

It should be noted that the inflation rate is estimated to be **3.0%** (State Consumer Price Index) for 2012/13 and the Local Government Index is estimated to be between 3.5% and 4.5% for the same period.

At the Council Members' Briefing held on Thursday 3 May 2012 it was agreed by those Councillors' present that the Draft Budget 2012/2013 would be amended/corrected to include the following items for consideration at the Special Council Meeting to be held on 15 May 2012:

Page	Item	Variation	Savings	Expenditure
	Capital Budget			
1.10	North Perth Bowling Club – repairs to hand rail and balustrading	Delete	\$31,000	
1.5	Hyde Park – universal path	Include		\$38,000
1.5	Greening Plan – implementation	Include		\$100,000
1.11	Reword Loftus Recreation Centre roof to be State Gymnastics WA and to be funded by Capital Reserve	Amend	\$46,500	
1.16	Pressure cleaner for Dog Pound	Include		\$1,000
	New Operating Items			
2.1.1	Increase item for Environmental Initiatives	Amend		\$2,000
2.1	Item for Film Archiving	Delete	\$12,000	
2.1	Community Bus Feasibility Study to be funded from Transport Initiative Reserve	Include	\$25,000	\$25,000
	Operating Budget			
3.	Increase Council Member Conference line item	Amend		\$10,000
	Other Items to be considered since Briefing			
	New position – Arts & Festival Co-ordinator	Include		\$90,000
	Customer Service Officer position not to be filled	Delete	\$53,000	
	Leederville Hotel Car Park Agreement Parking Revenue – Nett position	Include	\$70,000	
	Disposal of surplus floodlights and equipment at nib Stadium	Include	\$30,000	
Total			\$267,500	\$266,000

CONSULTATION/ADVERTISING:

The Council's Policy No. 4.1.5 "*Community Consultation*" prescribes the Draft Budget to be advertised on a local basis for a period of 14 days. Copies of the Draft Budget will also be placed on the City's website, placed in the Library and sent to the Community/Business Groups.

The approved Budget timetable provides for two Special Council Meetings (1 and 15 May 2012) however, due to the amended timetable the one scheduled for 1 May 2012 not held. The second meeting has not been formally scheduled at this stage however if it is required the proposed date it would be held is the 29 May 2012.

A second meeting was held last year, but it was not required in the previous two years.

LEGAL/POLICY:

Adoption of Budget

The amendments to the Local Government Act (1995) now allow a Council to adopt its budget prior to the end of the financial year 30 June 2010. However, the City retains the process of adopting the Budget in the first week of the new financial year. This year it is scheduled that the Council will adopt the budget at a Special Meeting of Council on 3 July 2012.

There is no legal requirement for a Local Government to advertise their Draft Budget for Community Consultation. However, as the Council is aware, the City has been advertising its Draft Budget for Community Consultation for a number of years in accordance with Community Consultation Policy No. 4.1.21.

STRATEGIC IMPLICATIONS:

The Council's budget process is in accordance with the Council's Plan for the Future and Strategic Plan 2011-2016, Objective "4. Leadership, Governance and Management":

"4.1.2 Manage the organisation in a responsible, efficient and accountable manner"

"4.1.4 Plan effectively for the future".

SUSTAINABILITY IMPLICATIONS:

The City has been independently assessed as being viable and sustainable.

The City is in a sound financial position, with considerable funds held in reserve, borrowings covered by money-back guarantees significant future revenue from its share of the Tamala Park land and with potential income from the future developments in Leederville.

FINANCIAL/BUDGET IMPLICATIONS:

The approval in principle of the Draft Budget is essential to maintain the timeframe to allow adoption of the Annual Budget in line with the Council approved timetable.

This will then ensure funding for the operations of the next financial year.

COMMENTS:

The 2012/2013 Annual Budget has been prepared in improved economic conditions.

The Draft Budget 2012/2013 provides funding for a comprehensive Capital Works Programme to provide good quality infrastructure for the City. Furthermore, the Operating Budget includes monies to provide and maintain the current level of service for the ratepayers and community.

It is recommended the Council consider and approve, in principle, the Draft Budget 2012/2013 and for this to be advertised for public comment.

15. CLOSURE

There being no further business, the Presiding Member, Mayor Hon. Alannah MacTiernan, declared the meeting closed at 8.32pm with the following persons present:

Mayor Hon. Alannah MacTiernan	Presiding Member
Cr Warren McGrath (<i>Deputy Mayor</i>)	South Ward
Cr Matt Buckels	North Ward
Cr John Carey	South Ward
Cr Roslyn Harley	North Ward
Cr Dudley Maier	North Ward
Cr Joshua Topelberg	South Ward
John Giorgi, JP	Chief Executive Officer
Rob Boardman	Director Community Services
Carlie Eldridge	Director Planning Services
Rick Lotznicker	Director Technical Services
Mike Rootsey	Director Corporate Services

No members of the Public were present.

These Minutes were confirmed by the Council as a true and accurate record of the Special Meeting of the Council held on 15 May 2012.

Signed:Presiding Member
Mayor Hon. Alannah MacTiernan

Dated this day of 2012