



Western Australia

Agenda for the Special Meeting of the Murchison Shire Council,  
In accordance with Section 5.4(b) of the Local Government Act 1995  
a Special Meeting of the Shire of Murchison is to be held in the  
Council Chambers, Carnarvon Mullewa Road, Murchison,  
On Thursday 13th **August 2015**, commencing at 9:30 am

Purpose: To consider Long Term Financial Plan 2015 - 2016, Corporate Business Plan 2015 - 2016 and Draft Budget 2015 - 2016

**TABLE OF CONTENTS**

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS .....3

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE .....3

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE .....3

4. PUBLIC QUESTION TIME .....3

    4.1 Standing Orders .....3

5. NEXT MEETING.....3

6. APPLICATIONS FOR LEAVE OF ABSENCE.....3

7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS .....3

8. REPORTS .....3

    8.1 Reports – Chief Executive Officer .....3

9. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....4

10. ADMINISTRATION.....4

    10.1 Draft Long Term Financial Plan 2015 - 2030 .....4

    10.2 Draft Corporate Business Plan 2015 - 2019 .....5

    10.3 Draft Budget for 2015 - 2016.....6

11. URGENT BUSINESS .....9

12. ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS.....9

13. MEETING CLOSURE.....9

**1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

**2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**

**3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**4. PUBLIC QUESTION TIME**

**4.1 Standing Orders**

<b>Council Decision:</b>		
<b>Moved: Councillor</b>	<b>Seconded: Councillor</b>	
<b>That the following Local Law-Standing Orders 2001 be stood down:</b>		
8.2 Limitation on the number of speeches		
8.3 Duration of speeches		
<b>Carried/Lost</b>	<b>For:</b>	<b>Against:</b>

**5. NEXT MEETING**

The scheduled date for the next ordinary meeting is Friday 21st August 2015.

**6. APPLICATIONS FOR LEAVE OF ABSENCE**

**7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

**8. REPORTS**

**8.1 Reports – Chief Executive Officer**

In accordance with S5.4 (b) of the Local Government Act 1995 a Special Meeting was called for the purpose of dealing with three items:-

Long Term Financial Plan 2015/16;  
Corporate Business Plan 2015/16; and  
Consideration of the Draft Budget for 2015/16.

**Officers Recommendation:**

That the Chief Executive Officer’s report be accepted

**Voting:**

Simple Majority

<b>Council Decision:</b>		
<b>Moved: Councillor</b>	<b>Seconded: Councillor</b>	
That the Chief Executive Officer’s report be accepted.		
<b>Carried/Lost</b>	<b>For:</b>	<b>Against:</b>

**9. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

None expected

**10. ADMINISTRATION**

**10.1 Draft Long Term Financial Plan 2015 - 2030**

File:	9.1
Author:	Dianne Daniels - Chief Executive Officer
Interest Declared:	No interest to disclose
Date:	10 <sup>th</sup> August 2015
Attachments:	Draft Long Term Financial Plan 2015 – 2030

**Matter for Consideration:**

Consideration of the Draft Long Term Financial Plan 2015 - 2030 for adoption by Council.

**Background:**

The Long Term Financial Plan has been prepared to achieve compliance with the Local Government (Administration) Regulations 1996. Development of the Plan has been influenced by the Department of Local Government and Communities Frameworks and Guidelines for Long Term Financial Planning. The Long Term Financial Plan is a 15-year rolling plan that informs the Corporate Business Plan to activate Strategic Community Plan priorities.

It indicates a local government’s long term financial sustainability and allows early identification of financial issues and their longer term impacts.

**Comment:**

The Shire of Murchison is planning for a positive and sustainable future. The Shire seeks to maintain and where possible, improve service levels into the future while maintaining a healthy financial position. The Long Term Financial Plan will be used along with the Corporate Business Plan, Asset Management Plan and Workforce Plan to achieve our goals and drive the Shire in achieving its vision of “Working together to preserve the unique character of the Shire, supporting diverse and sustainable lifestyle and economic opportunities.”

A series of performance indicators in the form of financial ratios and their respective target ranges have been derived from the Department of Local Government and Communities Model Long Term Financial Plan and Regulation 50 of Local Government (Financial Management) Regulation 1996. Graphs of the ratios are presented on pages 18-21, together with the formula used to calculate the ratio, a brief description of what the ratio indicates and an assessment of the impact of the ratio on the Shire’s future.

The Long Term Financial Plan is subject to a desktop review each year to take into account changing circumstances and a full revision is scheduled for every two years in line with the review of the Strategic Community Plan.

**Statutory Environment:**

Section 5.56(1) and (2) of the Act requires that each local government is ‘to plan for the future of the district’, by developing plans in accordance with the regulations.

The regulations specify what a ‘plan for the future’ should involve. In particular, local governments are formally required to develop and adopt two planning instruments:

- A Strategic Community Plan, and
- A Corporate Business Plan.

The development of these two plans are informed by the Long Term Financial Plan, the Asset Management Plan and the Workforce Plan.

**Strategic Implications:**

The Long Term Financial Plan is an important financial tool as we strive to achieve the strategies set out in the Council’s Strategic Community Plan.

**Policy Implications:**

Nil

**Financial Implications:**

The Long Term Financial Plan will serve as a basis for the 2015 - 2016 Budget.

**Consultation:**

Moore Stephens

**Recommendation:**

That Council adopts the 2015 - 2030 Long Term Financial Plan.

**Voting Requirements:**

Absolute Majority

<b>Council Decision:</b>		
<b>Moved: Councillor</b>		<b>Seconded: Councillor</b>
<b>Carried/Lost</b>	<b>For:</b>	<b>Against:</b>

**10.2 Draft Corporate Business Plan 2015 - 2019**

File:	4.39
Author:	Dianne Daniels - Chief Executive Officer
Interest Declared:	No interest to disclose
Date:	10 <sup>th</sup> August 2015
Attachments:	Draft Corporate Business Plan 2015 – 2019

**Matter for Consideration:**

Consideration of the Draft Corporate Business Plan 2015 – 2019 for adoption by Council.

**Background:**

The Shire of Murchison’s Strategic Community Plan 2012 – 2023 was prepared following a period of community engagement to determine and document the community’s vision, aspirations, and values to cover the 10 years of the plan. Within the Strategic Community Plan, four community well-being priorities were identified, being Economic, Environmental, Social and Civic Leadership. Desired outcomes were developed for each strategic goal and strategies established to achieve each desired outcome.

Achieving the community’s vision and Shire’s strategic goals requires development of actions to address each strategy contained within the Strategic Community Plan. Careful operational planning and prioritisation is required due to limited resources. The planning process is formalised as a Corporate Business Plan.

**Comment:**

The Corporate Business Plan has been prepared to achieve compliance with the Local Government (Administration) Regulations 1996. The plan is informed by the Asset Management Plan, Workforce Plan and Long Term Financial Plan and forms part of the required Integrated Planning and Reporting Framework introduced by the Department of Local Government.

The Plan prioritises the actions to be undertaken for each strategy on pages 12 – 16 and pages 17 – 18 show planned capital projects.

**Statutory Environment:**

Section 5.56(1) and (2) of the Act requires that each local government is ‘to plan for the future of the district’, by developing plans in accordance with the regulations.

The regulations specify what a ‘plan for the future’ should involve. In particular, local governments are formally required to develop and adopt two planning instruments:

- A Strategic Community Plan, and
- A Corporate Business Plan.

The development of these two plans are informed by the Long Term Financial Plan, the Asset Management Plan and the Workforce Plan.

**Strategic Implications:**

Achieving the community’s vision and Shire’s strategic goals requires development of actions to address each strategy contained within the Strategic Community Plan. Careful operational planning and prioritisation is required due to limited resources. The planning process is formalised as a Corporate Business Plan.

**Policy Implications:**

Nil

**Financial Implications:**

The Corporate Business Plan will serve as a basis for the 2015 – 2016 Budget.

**Consultation:**

Moore Stephens

**Recommendation:**

That the shire adopts the Corporate Business Plan 2015 - 2019.

**Voting Requirements:**

Absolute Majority

<b>Council Decision:</b>		
<b>Moved: Councillor</b>		<b>Seconded: Councillor</b>
<b>Carried/Lost</b>	<b>For:</b>	<b>Against:</b>

**10.3 Draft Budget for 2015 - 2016**

File:	2.4
Author:	Dianne Daniels – Chief Executive Officer
Interest Declared:	No interest to disclose
Date:	10 <sup>th</sup> August 2015
Attachments:	Draft Budget 2015 - 2016

**Matter for Consideration:**

Council to consider the draft budget for 2015 - 2016

**Background:**

As part of the function of local government and its operations, under Section 6.2 of the Local Government Act 1995, during the period 1 June in a financial year to 31 August in the next financial year, each local government is to prepare and adopt its Annual budget in the prescribed format.

**Comment:**

Below is a summary of items previously considered and adopted for inclusion in the Budget 2015 – 2016:

**Plant Replacement Program**

The Plant Replacement Program formulated by the Works supervisor and CEO was considered by the Plant Working Group at a teleconference on the 12<sup>th</sup> May 2015 and the following recommendations made to Council:

For 2015/16 Major Plant, the group had decided to trade the Cat M grader rather than the H because it was starting to cost money and the Shire should still get a reasonable trade-in on it. The maintenance crew truck was due for an upgrade and the tri float needed upgrading to a quad. It was decided to replace the tanks on the semi-water tanker and trade the better of the maintenance dog trailers for a 45' flat bed trailer. All the maintenance crew gear could then be towed and stowed without breaking apart trailers.

For 2015/16 Minor Plant, the Working Group recommended purchasing a new generator for the construction crew, trading/selling a 10KVA and 2 13KVA generators, buying a handy hitch and trading the RAV4 on a new Prado. The idea is to standardise the vehicles and the scenario would be that every two years the oldest of the two Prados would be traded on a new one, the new one would go to the CEO and the two year old Prado would go to the Deputy. The Deputy's car would be a pool car for use by the Admin crew.

The Plant Replacement Program, with a changeover of \$625,960, was adopted by Council on the 15<sup>th</sup> May 2015 – Refer Agenda Item 18.4 of the minutes of the May meeting.

### **Fees and Charges**

All fees and charges have been revised considering the cost to Council and by comparing the proposed Fee or Charge to that charged by alternative suppliers in a similar situation. These were adopted by Council at the 19 June 2015 meeting – refer Agenda Item 16.5 of the minutes of the June meeting.

### **Differential Rates**

In accordance with the requirements of section 6.36 of the *Local Government Act 1995*, a statement of intended differential rates and minimum payments was published in the Geraldton Guardian newspaper on Friday 20 May 2015. The advertisement contained details of each differential general rate and minimum payment endorsed by Council and invited submissions from electors or ratepayers in respect of the proposed differential general rate or minimum payment and any related matters within 21 days. No submissions were received and before adopting the differential general rates and associated Minimum Rates, Council was required to seek Ministerial Approval under s6.33 (3) of the Local government Act as the UV Mining Rate is more than twice the lowest differential general rate.

This approval was sought immediately following the June 2015 meeting and approval was granted on 16 July 2015. Council adopted Differential Rates at the meeting of 17 July 2015 – refer Agenda item 21.1 of the minutes of the July meeting.

### **Members Remuneration**

On 17 June 2015, the WA Salary and Allowances Tribunal reviewed WA Elected Members Remuneration. In light of the serious economic issues evident in the Western Australian economy, the circumstances demanded a degree of caution in any decision of the Tribunal. The Tribunal determined that there will be no increase at this time in the remuneration, fees, expenses or allowance ranges provided for elected members. The Tribunal noted that a majority of local governments retained the capacity to provide an increase within the current band parameters.

The Tribunal has changed the travel reimbursement rates for elected members from the *Public Service Award 1992* to the *Local Government Officers' (Western Australia) Interim Award 2011*.

The allowances for the President and Councillors for 2015 -2016 were based on these scales. They were increased by a modest 1.3% and adopted by Council at the 17 July 2015 meeting - refer Agenda Item 10.2 of the minutes of the 17 July 2015 meeting.

### **Capital Works Program**

The Draft Budget 2015 – 2016 provides for Capital Expenditure of \$8.8 m, which will be funded from carried forward funding, general revenue and new funding provided by State and Federal agencies. This figure includes the replacement of the Ballinyoo Bridge, completion of the staff house at 16 Mulga, completion of the motel and laundry units, completion of the bowling rink, construction of an equestrian stabling facility, construction of a caravan park camp kitchen and office extension (subject to funding), development plans for an interpretive/community resource centre, a water treatment plant for the Settlement water, bitumising 4 kilometres of the Carnarvon Mullewa Road through the breakaway north of the Settlement, dust suppression at Boolardoo, continuation of the reform and resheet of the Carnarvon Mullewa Road; replacement of three concrete crossings and five grids along with other more minor capital expenditure. The projects were drawn from the Strategic Community Plan and from Council's prioritisation of Roadworks at the July 2015 meeting – refer Agenda Item 17.2 of the minutes of the 17 July 2015 meeting.

**Borrowings**

There are no borrowings in the 2015 – 2016 budget.

**Statutory Environment:**

Section 6.2 of the Local Government Act 1995 refers.

Section 6.2(2) of the Act requires that in preparing its annual budget the Council is to have regard to the contents of its plan for the future prepared in accordance with section 5.56. Under the Integrated Planning Framework for Local Government, that is the Community Strategic Plan. This section requires that Council must prepare detailed estimates of:

- (a) Expenditure;
- (b) Revenue and income, independent of general rates
- (c) The amount required to make up the 'deficiency' if any shown by comparing the estimated expenditure with the estimated revenue and income.

Section 6.2(3) requires that all expenditure, revenue and income must be taken in account unless otherwise prescribed. Local Government (Financial Management) Regulation 32 prescribes amounts that may be excluded in calculating the 'budget deficiency'

Section 6.2(4) requires the annual budget to incorporate:

- (a) Particulars of estimated expenditure proposed;
- (b) Detailed information relating to the rates and service charges which will apply, including:
  - (a) Amount estimated to be yielded by the general rate
  - (b) Rate of interest to be charged on unpaid rates and service charges;
  - (c) Fees and charges;
  - (d) Borrowings and other financial accommodations proposed;
  - (e) Reserve account allocations and uses;
  - (f) Any proposed land transactions or trading undertakings per section 3.59

**Sustainability Implications**

- **Environmental**

The budget has been developed in conjunction with the shires integrated planning documents with particular reference to the corporate Business Plan, Long Term Financial Plan and Asset Management Plan.

- **Economic**

The budget has been developed in conjunction with the shires integrated planning documents with particular reference to the corporate Business Plan, Long Term Financial Plan and Asset Management Plan.

- **Social**

The budget has been developed in conjunction with the shires integrated planning documents with particular reference to the corporate Business Plan, Long Term Financial Plan and Asset Management Plan.

**Strategic Implications:**

The Budget has been informed by the Shire's Strategic Community Plan and Corporate Business Plan with the view to achieving the community's vision and Shire's strategic goals.

**Policy Implications:**

Nil.

**Financial Implications:**

The setting of the 2015 - 2016 Budget will guide the financial operations of the Shire over the coming year.

**Consultation:**

Works Supervisor  
Plant Working Group  
Moore Stephens  
Strategic Community Plan/Long Term Financial Plan

**Recommendation**

That Council adopt the Draft Budget 2015 – 2016 as presented and use this to develop the budget in its statutory format for formal adoption at the ordinary meeting of Council on the 21<sup>st</sup> August 2015.



**Voting Requirements:**

Absolute majority.

<b>Council Decision:</b>		
<b>Moved: Councillor</b>	<b>Seconded: Councillor</b>	
<b>Carried/Lost</b>	<b>For:</b>	<b>Against:</b>

**11. URGENT BUSINESS**

**12. ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

**13. MEETING CLOSURE**