



City of Perth

**Special Council Meeting
Minutes**

**3 July 2018
3.00pm**

**Council Chamber
Level 9
Council House**

APPROVED FOR RELEASE

**MARTIN MILEHAM
CHIEF EXECUTIVE OFFICER**



City of Perth

**Special Council Meeting
Minutes**

**3 July 2018
3.00pm**

**Council Chamber
Level 9
Council House**

Present

Chair of Commissioners Eric Lumsden
Commissioner Gaye McMath
Commissioner Andrew Hammond

Minutes to be confirmed at the next Ordinary Council meeting.

**THESE MINUTES ARE HEREBY CERTIFIED AS
CONFIRMED**

PRESIDING MEMBER'S SIGNATURE

DATE:-----

Minutes of the Special Meeting of the Council of the City of Perth held in the Council Chamber, Ninth Floor, Council House, 27 St Georges Terrace, Perth, on Tuesday, 3 July 2018.

Presiding: **Chair of Commissioners, Mr Eric Lumsden**

Commissioners in Attendance:

Commissioner Gaye McMath
Commissioner Andrew Hammond

Officers in Attendance:

Mr Mileham	Chief Executive Officer
Ms Moore	Director Community and Commercial Services
Ms Barrenger	Director Planning and Development
Mr Mianich	Director Corporate Services
Mr Fitzpatrick	Acting Director Economic Development and Activation
Mr Copeman	Acting Director Construction and Maintenance
Mr Corke	Acting Manager Governance
Mr Anastas	Personal Aide
Ms Rutigliano	Governance Officer

Observers:

1 member of the public
14 members of staff

1. Prayer / Acknowledgment of Country

The Chief Executive Officer read the prayer.

The Chair of Commissioners read the Acknowledgement of Country.

2. Declaration of Opening

3.00pm Commissioner Lumsden declared the meeting open.

3. Apologies

Nil

4. Question Time for the Public

Nil

5. Disclosures of Members' Interests

Nil

6. Matters for which the Meeting may be Closed

Nil

7. Reports

Item 7.1 Adoption of the City of Perth Annual Budget 2018/19

Moved Commissioner McMath, Seconded Commissioner Hammond

That Council APPROVES BY AN ABSOLUTE MAJORITY, the City of Perth 2018/19 Annual Budget as detailed in Attachment 7.1A, inclusive of the following:

- 1. **STATEMENT OF COMPREHENSIVE INCOME**
The Statement of Comprehensive Income showing a Net Result of \$3.2 million;
- 2. **STATEMENT OF CASH FLOW**
The Statement of Cash Flow showing a net decrease in cash held for the year of \$25.2 million;
- 3. **RATE SETTING STATEMENT**
The Rate Setting Statement showing a requirement to raise \$90.2 million in rates to fund the budget deficit;
- 4. **CAPITAL EXPENDITURE**
The Capital Expenditure budget totals \$56.3 million;
- 5. **NOTES TO AND FORMING PART OF THE BUDGET**
The Notes to and forming part of the budget and supporting schedules;
- 6. **STRIKING THE RATES AND LEVYING CHARGES**
Strike the rates and levy the charges for the 2018/19 financial year as follows:

6.1 Differential Rates
Differential rates based on the predominant purpose for which the land is held to be adopted as follows:

- a. *Commercial – 5.56344 cents in the dollar;*
- b. *Hotel – 5.56344 cents in the dollar;*
- c. *Retail – 5.56344 cents in the dollar;*
- d. *Office – 4.55125 cents in the dollar;*
- e. *Residential – 5.74033 cents in the dollar;*
- f. *Vacant Land – 6.25865 cents in the dollar;*

(Cont'd)

6.2 Minimum Rate Payment

A minimum rate payment of \$705 per annum be imposed pursuant to Section 6.35 of the Local Government Act 1995 in respect of any rateable land within the city;

7. RATE PAYMENT OPTIONS

In accordance with Section 6.45 of the Local Government Act 1995, provide the options of one, two or four instalments for the payment of rates, with interest (subject to legislative change) and administration fees applicable as follows:

7.1 *5.5% per annum interest to be charged if either a two or four instalment option is selected;*

7.2 *An administration charge of \$48 is to be applied to the two and four instalment options if selected;*

7.3 *Instalment dates:*
21 August 2018
16 October 2018
18 December 2018
18 February 2019

8. LATE PAYMENT INTEREST

In accordance with Section 6.51(1) and subject to Section 6.51(4) of the Local Government Act 1995 and regulation 70 of the Local Government (Financial Management) Regulation 1996, adopts an interest rate of 11% for rates and costs of proceedings to recover such charges that remain unpaid after becoming due and payable;

9. HERITAGE RATE CONCESSION

In accordance with Section 6.47 of the Local Government Act 1995, continue the Heritage Rate Concession Scheme (Council Policy 9.2 refers), introduced to support the retention of the City's heritage, for the 2018/19 financial year;

10. FEES AND CHARGES

The schedule of fees and charges to be applied during the 2018/19 financial year;

11. RUBBISH REMOVAL CHARGES

The fees and charges for removal and deposit of domestic and commercial waste;

12. MATERIAL VARIANCE REPORTING

In accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality, the level to be used in statements of financial activity in 2018/19 for reporting material variances shall be 5% of the budget base or \$100,000 whichever is the greater; and

13. RESERVE ACCOUNTS

APPROVES the transfers to and from Reserve accounts.

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Lumsden, McMath and Hammond

Against: Nil

SUPPLEMENTARY MOTION

Moved Commissioner Hammond, seconded Commissioner McMath

1. That in adopting the 2018/19 budget, it is to be NOTED that:

- a) No organisational structural changes or newly created staff positions (unless fixed term contracts maximum term 12 months) are to be instigated or implemented without the endorsement of the Commissioners; and**
- b) No capital expenditure (including commencement of procurement process) for projects above \$1 million is to be instigated unless a risk management plan, business case and supporting financial capacity demonstration is submitted to and approved by the Commissioners.**

2. These conditions will apply until such time as:

- a) A functional and effective integrated strategic planning framework is submitted to and approved by the Commissioners;**
- b) The Corporate Performance Assessments endorsed at the May¹ Ordinary Council Meeting relating to the Business Excellence Framework Audit, Customer Service, Community and Stakeholder Engagement, and Human Resource Management and Organisational Development have been completed and submitted to and considered by the Commissioners;**

(Cont'd)

¹ Administrative correction from 'April' to 'May'

- c) A value for money (VFM) audit is to be undertaken within 6 months of the date of budget adoption on specific business units identified by the Commissioners. The business units subject to this audit will be identified on or before the 20 July 2018;**
- d) The Strategic Community Plan is reviewed and an engagement process undertaken that can capture the aspirations of residents, ratepayers, major City stakeholders (including the State Government) in order to develop a shared Vision for the City in line with (but not limited to) the objects provided in Section 4 of the City of Perth Act 2016;**
- e) A Corporate Business Plan, informed by the Strategic Community Plan containing at least 4 years of revenue and expenditure forecasts that can effectively guide and inform the Commissioners and/or Council with their decision making on resource allocation and program and service delivery is submitted to and approved by the Commissioners;**
- f) An organisational structure is submitted to the Commissioners for endorsement that is aligned with the Vision of the Community Plan and the Corporate Business Plan and is reflected in the Workforce Plan;**
- g) A business plan for the City of Perth Parking Business Unit containing at least 4 years of revenue and expenditure forecasts that can effectively guide and inform the Commissioners and/or Council with their decision making on all aspects of the parking business is submitted and approved by the Commissioners; and**
- h) The City of Perth Parking Business Plan, Workforce Plan and Asset Management are clearly integrated with the Corporate Business Plan and accommodated by the City's future financial capacity and strategic vision.**

The motion was put and carried

The votes were recorded as follows:

For: Commissioners Lumsden, McMath and Hammond

Against: Nil

Reason: Major expenditure and the way forward is guided by re-engagement with our important stakeholders and a more robust financial strategic planning framework.

Meeting Note: The Chair of Commissioners commended the Administration on the creation of the budget in challenging times, noting the minimal rate increase.

The Commissioners want to ensure that when they leave the City, there is a shared strategic vision for the City, supported by aligned and integrated strategies, policies and actions.

The actions outlined by Commissioner Hammond are not to be taken as a criticism of the City's staff, but are a reflection of what the Commissioners see as their corporate responsibilities to ensure we are satisfied we are in the best position for the future.

8. Closure

3.11pm The Chair of Commissioners declared the meeting closed.