



**City of  
Kalgoorlie  
Boulder**

# **MINUTES**

**of the SPECIAL Meeting of Council**

**held at 7:00PM**

**on**

**14 JULY, 2020**

**at the**

**Kalgoorlie Town Hall**

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

The Mayor declared the meeting open at 7.00pm welcoming the gallery and those present.

**2 DISCLAIMER READING**

The Mayor read the disclaimer to those present.

Please note this meeting is being recorded and streamed live on the Council's website in accordance with Council's Recording and Streaming of Council Meetings Policy, which can be viewed on Council's website.

All reasonable care is taken to maintain your privacy; however, as a visitor in the public gallery, your presence may be recorded. By remaining in the public gallery, it is assumed your consent is given if your image is broadcast.

The recommendations contained in this Agenda are Officer's Recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the Minutes of the Council Meeting at which these recommendations were considered.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

**3 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)****IN ATTENDANCE:**

Mayor John Bowler  
Cr Lisa Malicky  
Cr Deborah Botica  
Cr Laurie Ayers  
Cr Mandy Reidy  
Cr Gary Brown  
Cr Glenn Wilson  
Cr Pam Townsend  
Cr Nardia Turner  
Cr Linden Brownley  
Cr Dave Grills  
Cr Terrence Winner  
Cr John Matthew

**MEMBERS OF STAFF:**

|                    |  |
|--------------------|--|
| Mr John Walker     | Chief Executive Officer                      |
| Mr Stuart Devenish | General Manager Infrastructure & Environment |
| Mr David Trevaskis | General Manager Finance and Corporate        |
| Ms Michelle Todd   | Manager Governance & Legal Services          |
| Ms Eve Reitmajer   | PA to GM Finance and Corporate               |

**VISITORS:**

0

**PRESS:**

1

**APOLOGIES – ELECTED MEMBERS:**

Nil

**APOLOGIES – MEMBERS OF STAFF:**

|                   |                             |
|-------------------|-----------------------------|
| Ms Holly Phillips | General Manager City Living |
|-------------------|-----------------------------|

**LEAVE OF ABSENCE:**

Nil

**4 PUBLIC ACCESS AND PUBLIC QUESTION TIME**

**Public Access**

Nil

**Public Question Time**

Nil

**5 PETITIONS/DEPUTATIONS/PRESENTATIONS**

Nil

**6 NOTATIONS OF INTEREST**

**6.1 INTEREST AFFECTING IMPARTIALITY CITY OF KALGOORLIE–  
BOULDER CODE OF CONDUCT**

Nil

**6.2 FINANCIAL INTEREST LOCAL GOVERNMENT ACT SECTION 5.60A**

Nil

**6.3 PROXIMITY INTEREST LOCAL GOVERNMENT ACT SECTION 5.60B**

Nil

**7 APPLICATIONS FOR LEAVE OF ABSENCE****COUNCIL RESOLUTION****MOVED BY: CR DAVE GRILLS****SECONDED BY: CR LINDEN BROWNLEY**

That Council approve the leave requests.

**CARRIED  
(13/0)****7.1 APPLICANT: MAYOR JOHN BOWLER**

Mayor John Bowler requested Leave of Absence from 3 August 2020 to 16 August 2020 inclusive for a holiday.

**APPLICANT: CR PAM TOWNSEND**

Cr Pam Townsend requested Leave of Absence from 7 August 2020 to 16 August 2020 inclusive for a holiday.

**8 URGENT BUSINESS APPROVED BY THE PERSON  
PRESIDING OR BY DECISION**

Nil

## 9 REPORTS OF OFFICERS

### 9.1 CHIEF EXECUTIVE OFFICER

#### 9.1.1 2020/21 BUDGET

**Responsible Officer:** John Walker  
Chief Executive Officer

**Author:** David Trevaskis  
General Manager Finance and Corporate

**Disclosure of Interest:** Nil

#### VOTING REQUIREMENTS

Absolute

*The Chief Executive Officer verbally presented details of the Budget as a prelude to its consideration noting:*

1. Achievement of Council's instructions for a prudent 20/21 budget;
2. No increase for 20/21 to rates, fees and charges;
3. A reduction in operating expenditure, down 1% from 19/20;
4. Planned capital works expenditure of \$40M;
5. \$500,000 allocated for COVID-19 recovery (arts and economic stimulus); and
6. Delivery of an estimated surplus of \$1.73M.

#### OFFICER RECOMMENDATION/COUNCIL RESOLUTION

**MOVED BY:** CR LISA MALICKY  
**SECONDED BY:** CR DEBORAH BOTICA

**That Council:**

1. Pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995*, adopt the following Differential General Rates and Minimum Payments for Gross Rental and Unimproved Values for the 2020/21 financial year; representing a zero rate in the dollar increase for all ratepayers.

##### 1.1. DIFFERENTIAL GENERAL RATES

| <u>Rate Code</u>                | <u>Rate Code Description</u> | <u>Rate in Dollar (RID)</u> |
|---------------------------------|------------------------------|-----------------------------|
| <b>Gross Rental Value (GRV)</b> |                              |                             |
| 01                              | GRV Residential              | \$0.064860                  |
| 02                              | GRV Central Business         | \$0.068098                  |
| 03                              | GRV General Industry         | \$0.073531                  |
| 04                              | GRV Mining                   | \$0.046758                  |
| 08                              | GRV All Other Properties     | \$0.072631                  |
| <b>Unimproved Value (UV)</b>    |                              |                             |
| 05                              | UV Pastoral                  | \$0.077020                  |
| 09/11                           | UV Mining Operations         | \$0.183672                  |
| 10                              | UV Exploration/Prospecting   | \$0.183647                  |

**1.2. DIFFERENTIAL MINIMUM PAYMENTS**

| <u>Rate Code</u>                | <u>Rate Code Description</u> | <u>Min Payment</u> |
|---------------------------------|------------------------------|--------------------|
| <b>Gross Rental Value (GRV)</b> |                              |                    |
| 01                              | GRV Residential              | \$907.00           |
| 02                              | GRV Central Business         | \$907.00           |
| 03                              | GRV General Industry         | \$907.00           |
| 04                              | GRV Mining                   | \$907.00           |
| 08                              | GRV All Other Properties     | \$907.00           |
| <b>Unimproved Value (UV)</b>    |                              |                    |
| 05                              | UV Pastoral                  | \$282.00           |
| 09/11                           | UV Mining Operations         | \$393.00           |
| 10                              | UV Exploration/Prospecting   | \$282.00           |

2. Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, impose the following due dates for the payment in full by instalments:

**Option One – One Instalment**

|              |          |                   |
|--------------|----------|-------------------|
| Full payment | due date | 17 September 2020 |
|--------------|----------|-------------------|

**Option Two – Two Instalments**

|                   |          |                   |
|-------------------|----------|-------------------|
| First instalment  | due date | 17 September 2020 |
| Second instalment | due date | 19 November 2020  |

**Option Three – Four Instalments**

|                   |          |                   |
|-------------------|----------|-------------------|
| First instalment  | due date | 17 September 2020 |
| Second instalment | due date | 19 November 2020  |
| Third instalment  | due date | 21 January 2021   |
| Fourth instalment | due date | 25 March 2021     |

3. Pursuant to Section 6.46 of the *Local Government Act 1995*, authorise the Chief Executive Officer to allow early payment incentive prizes for rates paid in full by 10:00pm WST on the dates listed below and in accordance with terms and conditions tabled in this report:

|           |              |                |                   |
|-----------|--------------|----------------|-------------------|
| 1st prize | \$7,000 Cash | Payment due by | 3 September 2020  |
| 2nd prize | \$2,000 Cash | Payment due by | 10 September 2020 |
| 3rd prize | \$1,000 Cash | Payment due by | 17 September 2020 |

4. Pursuant to Section 6.46 of the *Local Government Act 1995*, authorise the Chief Executive Officer to conduct an incentive eRates prize draw for ratepayers who register to receive their future rate notices electronically by 10:00pm WST on the 17 September 2020 and in accordance with terms and conditions tabled in this report:

|           |  |                   |
|-----------|--|-------------------|
| 1st prize | \$500 VISA Gift card Registration due by | 17 September 2020 |
|-----------|--|-------------------|

5. Pursuant to 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) Regulations 1996*, impose an interest rate of 8% for rates (and

- charges) and costs of proceedings to recover such charges that remain unpaid after becoming due and payable.
6. Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 68 of the *Local Government (Financial Management) Regulations 1996*, impose an interest rate of 5% where the owner has elected to pay rates and service charges through an instalment option.
  7. Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, impose an instalment administration charge of \$7.65 of rates levied per instalment.
  8. Impose, pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, impose a flat fee of \$38.25 on any ratepayer who wishes to negotiate alternative payment arrangements.
  9. Pursuant to Section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, impose the following charges for collection of domestic and commercial waste - incorporating a weekly refuse collection and fortnightly residential recycling service:
    - \$368.50 per annum for one (1) refuse service per week and a fortnightly residential recycling service;
    - \$368.50 per annum for one (1) weekly refuse service for non-residential services;
    - \$368.50 per annum for each additional 240 litre refuse service (residential/non-residential);
    - \$162.50 per annum for each additional fortnightly residential recycling service.
  10. Pursuant to Section 41 of Health (Miscellaneous Provisions) Act 1911, the following sewerage rates are to be levied:
    - \$0.028427 cents in the dollar, per GRV, per lot of location;
    - \$388.00 minimum payment, per GRV, per lot of location.
  11. Pursuant to Section 106 of Health (Miscellaneous Provisions) Act 1911, the following utility service charges (i.e. pan charge) are to be levied on properties that hold rate exemption status (under section 6.26 (2) of the *Local Government Act 1995*), in lieu of sewerage rates:
    - \$388.00 per individual utility unit i.e. water closet, pedestal, Universal Rundle (U.R.C), slopopper and/or cleaners sink.
  12. Pursuant to Regulation 53 of the *Building Regulations 2012*, a Swimming Pool Inspection fee levy of \$57.45 is set on each owner or occupier of land on which there is a swimming pool, for the 2020/21 financial year.
  13. Pursuant to Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996* and AASB 1031 Materiality, a variance of 10% and a minimum of \$50,000 is to be used in the Statements of Financial



**Activity and Annual Budget Review.**

14. Pursuant to the provisions of Section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, Council adopt the Municipal Fund Budget 2020/21 for the City of Kalgoorlie-Boulder (as contained in [Attachment 1](#)).

**CARRIED BY ABSOLUTE MAJORITY  
(13/0)**

**EXECUTIVE SUMMARY**

The purpose of this report is to consider the Municipal Fund Budget for the 2020/21 financial year, including imposition of rates and minimum payments, and other consequential matters arising from the Budget papers.

The estimated brought forward balance from 30 June 2020 is a \$2.13 million surplus and the budgeted position for 2020/21 is a \$1.73 million surplus. This is unaudited and may be subject to change. Any change may be addressed as part of a future Budget Review.

The main features of the 2020/21 Budget are as follows:

1. A zero percent (0%) change to the rate in the dollar and minimum payment applied to general land rates and sewerage rates resulting in the vast majority of ratepayers paying the same rates as in 2019/20. The exceptions to this are small changes in gross rental values (increased rate revenue of 0.3%) and variations to unimproved values (mainly reflecting increased prospecting / exploration licence fees) resulting in increased revenue of 10.7% in that category.
2. A one percent (1%) decrease to total fees and charges income due to current economic environment following COVID 19.
3. Operating expenditure has decreased overall by one percent (1%).
4. The Capital Works Program budgeted expenditure for 2020/21 totals \$40.38 million, including upgrades and renewal spend on roads, footpaths, parks and ovals, other infrastructure, land, buildings, plant and equipment and furniture and equipment.
5. COVID-19 recovery programs have been included in the budget including \$250,000 for Arts and Culture activities, \$250,000 for local Economy initiatives, \$250,000 for City Marketing and Promotion and the balance of the COVID-19 Community Fund of approximately \$680,000.
6. No reduction in service levels.

At the Council meeting on 23 March, due to the developing COVID-19 pandemic the CEO was instructed to prepare a prudent draft budget for consideration by Council.

**COMMUNITY STRATEGIC PLAN LINKS**

This report links to the Strategic Community Plan through the following Guiding Theme:

- EMPOWERED: We ensure considered decision-making based on

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collaborative, transparent and accountable leadership.

## **BUDGET IMPLICATIONS**

The Budget for 2020/21 is expected to deliver a cash surplus of \$1.73 million, the details of which is outlined in the Statutory Budget Report 2020/21 as per [Attachment 1](#).

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## **REPORT**

Local Governments must prepare Annual Budgets in the format prescribed in the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

The draft 2020/21 Budget (Attachment 1) is based on the principles contained within the Strategic Community Plan (SCP) (adopted by Council on 28 April 2020).

The main features of the draft Budget include the following:

1. A zero percent (0%) rate in the dollar and minimum payments increase applied to general land rates revenue and sewerage rates. This allows for an estimated two (2%) percent budgeted surplus measured against total cash expenditure.
2. The 2020/21 Schedule of Fees and Charges have remained static across the board in accordance with correspondence received from the Premier on 17 March 2020 in relation to COVID 19. This will only vary where legislation dictates and where management has determined that there are overriding circumstances.
3. Employment costs have decreased by 1% in anticipation of reduction of casual employees and slow recruitment post COVID 19.
4. Expenditure of approximately \$5.9M is budgeted for the continuation of the sewerage/drainage capital works program.
5. Provisions are made for \$3.5M expenditure on the Golf Course Resort and Clubhouse and \$7.9M for the CBD Economic Transformation Project.
6. Council business units including the Goldfields Arts Centre, Golf Course and Goldfields Oasis will continue to trade as losses, however the airport surpluses will contribute \$2.1M to the municipal fund.
7. Ongoing funding is provided for delivery of Economic Growth Plan initiatives totalling \$300k.

Overall budgeted operating revenue (2020/21) has increased by 9% versus forecast actual revenue (2019/20). This increase is largely related to a forecast increase in the airport income and other business units income which were greatly impacted by COVID 19 during the 2020 financial year.

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Operational expenditure has decreased by one percent (1%).

The Capital Works Program totalling \$40.38 million represents an investment in roads, footpaths, parks and ovals, other infrastructure, land, buildings, plant and equipment and furniture and equipment. An allocation to the Plant Replacement Reserve for 2020/21 of \$1.5 million has been budgeted for various plant items.

The City's annual Roads Program, consisting of sealed and unsealed road works within the City, provides for \$12.1 million of improvements. This is increased from the forecast actual expenditure for the 2019/20 financial year of \$11.0 million. This is a consequence of spending additional funding provided for the 2021 year.

The estimated brought forward balance from 30 June 2020 is \$2.13 million surplus, and \$1.73 million for the budgeted year 2020/21. This is unaudited and may be subject to change. Any change may be addressed as part of a future Budget Review.

## RATES

### Differential Rating

The *Local Government Act 1995*, Section 6.33 allows Councils to adopt differential rates. The intent behind adopting differential rates is to take into account the levels of services provided to different types of properties, to reflect the cost of provision of services to those categories of properties as well as the need to encourage the specific types of activities within the City. It is a fair and equitable method of rating.

### Rating & Minimum Payments

The raising of revenue via annual rates is an important source of funds for all Councils throughout Australia. The *Local Government Act 1995* empowers Western Australian Councils to impose general rates and minimum payments. The 2020/21 Objects and Reasons Statement for Differential Rates and Minimum Payments is attached to this report as [Attachment 2](#). The Statement provides details of budget principles applied in formulating the 2020/21 Annual Budget.

### Ministerial Approval

In accordance with Section 6.35 of the *Local Government Act 1995*, Ministerial approval was not required to be sought this year due to the Department of the Premier and Cabinet's response to COVID-19 in freezing household tariffs, fees and charges effective 1 July 2020.

### Local Government (COVID-19 Response) Order 2020

Further to the Ministerial Order, the following changes to how Council can levy rates instalment and penalty Interest was introduced for 2020/21 financial year. They are as follows:

- Penalty interest reduced from a maximum of 11% to 8% (in-line with Australian Taxation Office penalty rates).
- Instalment interest to remain at a maximum 5.5% if a Local Government has a Hardship Policy, and to a maximum of 3% if a Local Government does not have a financial hardship policy.

- For ratepayers that are in financial hardship and meet the Local Government Financial Hardship policy eligibility, then no penalty interest or instalment interest rate applies. Each Local Government decides on approving the application for hardship.
- If adopting a minimum rate or rate in the dollar no higher than that imposed in 2019/20, Local Governments are not required to advertise differential rates. The only requirement is to place a notice on the Local Government's website.

### **Rate Increase**

The Council approved on 28 April 2020 to implement a freeze on rates for the 2020/21 financial year due to Coronavirus (COVID-19) pandemic where the Government of Western Australia declared a State of Emergency and a Public Health Emergency under the *Emergency Management Act 2005*, section 56 on 16 March 2020.

### **Gross Rental Values (GRV)**

The *Local Government Act 1995* empowers a Council to impose different rates in the dollar for different land zoning's or uses and different rates for improved or vacant land. This power is provided to help local governments with particular rating difficulties and to achieve a better rating equity between different land uses.

Section 6.33 of the *Local Government Act 1995* states:-

“A local government may impose differential general rates according to any, or a combination, of the following characteristics

- (a) the purpose for which the land is zoned, whether or not under a town planning scheme or improvement scheme in force under the *Planning and Development Act 2005*;
- (b) a purpose for which the land is held or used as determined by the local government;
- (c) whether or not the land is vacant land; or
- (d) any other characteristic or combination of characteristics prescribed.”

The City of Kalgoorlie-Boulder has adopted the combination of characteristics relating to land zoned under the Town Planning Scheme and the purpose for which the land is held or used. It should be noted, that where, during the rating year, land is rezoned or its use changes, the City cannot issue an amended rate notice reflecting that change until the new rating year.

GRV Mining rate in the dollar of \$0.046758 forms the base rate for rate calculations for Gross Rental Value (GRV) properties, with a higher rate in the dollar for Central Business (\$0.068098) and General Industry (\$0.073531) properties. Both the Commercial and Industrial sectors require greater resourcing and expenditure from the City in relation to Health, Building and Town Planning services.

The 2020/21 GRV minimum payment of \$907 has again been set to ensure the minimum level of service required is adequately funded and all properties contribute an equitable rate amount.

Council will continue to benchmark its rates in the dollar and minimum payments with other neighbouring local governments to ensure that some equity is retained within the region.

### Valuations

The most recent revaluation of the City's GRV properties was updated 1 July 2019 and there is no change for the 2020/21 rating year. The next revaluation cycle review is scheduled for 2021/22, with the valuations to take effect 1 July 2022.

**Table 1 2020/21 Gross Rental Values (GRV) Valuations**

| Rating Category     | 20/21 Valuations | 19/20 Valuations | \$ Increase | % Increase |
|---------------------|------------------|------------------|-------------|------------|
| Gross Rental Values | \$297,128,856    | \$295,988,190    | \$1,140,666 | 0.4%       |

### Unimproved Values (UV)

Rural properties assigned an Unimproved Value (UV) such as Pastoral, Mining Operations, Exploration and Prospecting Leases are rated differentially to reflect the nature of their lease.

1. Pastoral Leases rate in the dollar of \$0.077020 and minimum payment of \$282 was set after taking into account issues of rating equity including capacity to pay.
2. Mining Operations (Mining and General Purpose Leases) rate in the dollar of \$0.183672 and minimum payment of \$393 is set after taking into account the operations of mining and the effect of their large scale equipment on the City's road network. The City makes a large investment in roads and road drainage infrastructure to service mining activities on rural roads. The ongoing costs involved in maintaining the road network that services this land use extends all the way to the WA/SA state boundary.
3. Exploration/Prospecting rate in the dollar of \$0.183647 and minimum payment of \$282 was set after taking into account the operations of mining and the effect of their large scale equipment on the City's road network.

Council recognised that because exploration and prospecting tenements were not income producing leases and their operations had a different level of impact on the City's road infrastructure, a lower rate in the dollar has been maintained as well as keeping their minimum rate lower than Mining Operations.

Mining Tenements and Rural/Pastoral properties are subject to annual rental reviews, with an effective date 1 July 2020. The valuations have been factored into the 2020/21 budget.

The total of Unimproved Values (UV) increased from \$27,682,660 (2019/20) to \$31,188,501 (2020/21), an increase of 12.66%. The new valuations come into effect on 1 July 2020.

**Table 2 2020/21 Unimproved Values (UV) Valuations**

| Rating Category   | 20/21 Valuations | 19/20 Valuations | \$ Increase | % Increase |
|-------------------|------------------|------------------|-------------|------------|
| Unimproved Values | \$31,188,501     | \$27,682,660     | \$3,505,841 | 12.7%      |

**Variation from Actual Rates to Raise and Valuations**

At Council Meeting on 28 April 2020, the proposed 2020/21 rates yield was reported as \$26,186,066 and valuations as \$326,402,343

On the finalisation of the proposed budget which includes 1 July 2020 valuations for unimproved values (i.e. mining tenements and rural properties), the total rate yield has increased to \$26,469,990, and valuations \$328,317,357, 2.29% and 1.44% on 2019/20 rates yield and valuations consecutively.

These percentage increases represent a combination of general increases, with additions and removals from the valuation register, causing some distortion between 2019/20 and 2020/21.

**Table 3 2020/21 Valuations and Actual Rates to Raise**

| Rate Code                  | Rate Code Description   | Valuations \$      | Property Count | Actual Rates to Raise \$ |
|----------------------------|-------------------------|--------------------|----------------|--------------------------|
| <b>GROSS RENTAL VALUES</b> |                         |                    |                |                          |
| 1                          | All Residential         | 199,866,034        | 12,101         | 14,006,233               |
| 2                          | Central Business        | 26,321,368         | 315            | 1,812,764                |
| 3                          | General Industry        | 27,214,637         | 351            | 2,005,270                |
| 4                          | Mining                  | 5,077,520          | 13             | 242,622                  |
| 8                          | All Other Properties    | 38,649,297         | 661            | 2,860,664                |
| <b>UNIMPROVED VALUES</b>   |                         |                    |                |                          |
| 5                          | Pastoral                | 2,995,962          | 53             | 232,894                  |
| 09/11                      | Mining                  | 21,687,192         | 881            | 4,066,822                |
| 10                         | Exploration/Prospecting | 6,505,347          | 1,636          | 1,239,720                |
| <b>Total</b>               |                         | <b>328,317,356</b> | <b>16,011</b>  | <b>26,466,990</b>        |

**General Charges, Concessions and Interest**

The City notes the following;

- It does not provide any discount for early payment of rates, however endorses and acknowledges the rates incentive prize draw sponsor National Bank of Australia for their assistance in collecting the rates early.

- The rates set by the State Government for the Emergency Services Levy (ESL) for Category 2 and 5 regions for 2020/21 and apply these rates on assessments against valuations from Landgate as at 1 July 2020;
- The City is not responsible for setting Emergency Services Levy rates and simply acts as a collection agent for the funds on behalf of the State Government;
- Under section 6.47 of the *Local Government Act 1995* and the terms of Council Policy CORP-F-100, Rates Concession Policy (Rateable Land) , the City provides rates relief to not for profit recreation, sporting and community groups within the City who meet the eligibility criteria.

### **Payment Options**

In accordance with Section 6.45 of the *Local Government Act 1995*, Council offers the following options for the payment of rates by instalments:

#### **Option One - One Instalment**

Payment in full must be received by the City of Kalgoorlie-Boulder within 35 days of the issue date of the annual rate notice. Payment must be received by the City of Kalgoorlie-Boulder on or before 17 September 2020.

#### **Option Two - Two Instalments**

The first instalment of 50% of the total current rates plus the total outstanding arrears is payable within 35 days of the issue date of the annual rate notice. Payment must be received by the City of Kalgoorlie-Boulder on or before 17 September 2020.

The second instalment of 50% of the total current rates must be received by the City of Kalgoorlie-Boulder on or before 19 November 2020.

#### **Option Three - Four Instalments**

The first instalment of 25% of the total current rates plus the total of any outstanding arrears is payable within 35 days of the issue date of the annual rate notice. Payment must be received by the City of Kalgoorlie-Boulder on or before 17 September 2020.

The second instalment of 25% of the total current rates is payable and must be received by the City of Kalgoorlie-Boulder by 19 November 2020.

The third instalment of 25% of the total current rates is payable and must be received by the City of Kalgoorlie-Boulder by 21 January 2021.

The fourth instalment of 25% of the total current rates is payable and must be received by the City of Kalgoorlie-Boulder by 25 March 2021.

#### **Option Four - Special Payment Arrangements**

Ratepayers who are unable to pay their rates by the due date, may apply in writing to enter into a payment arrangement with the City to make periodical payments.

These special arrangements usually require weekly, fortnightly or monthly direct debit payments from an Australian bank account. An annual administration fee of \$38.25 applies.

### Interest Charges

Interest is charged at 8% per annum, calculated daily, to all outstanding rate assessments that remain unpaid after 17 September 2020. This excludes any rates accounts paying under payment options two and three (i.e. two or four instalments).

Interest is payable, at a rate of 5% per annum calculated daily to overdue rate accounts that pay through the payment options two and three (i.e. two or four instalments) This interest reflects the loss of investment income to Council by offering the instalment scheme.

### Administration Charges

An administration charge of \$7.65 plus 5% of actual rates levied will apply to rates accounts paying under payment options two or three (i.e. two or four instalments).

A flat fee of \$38.25 per agreement will apply to any ratepayer wishing to negotiate alternative payment arrangements.

### Levying of 2020/21 Refuse Collection Charges

Local Governments have a statutory obligation under the Waste Avoidance and Resources Recovery Act 2007 to collect domestic waste.

**Table 4 Refuse Collection Charges**

| Charge Type                             | Description            | 2019/20 Fee | 2020/21 Fee |
|---|------------------------|-------------|-------------|
| Refuse & Recycling Fee (Domestic)       | Per Service            | \$368.50    | \$368.50    |
| Recycling Fee (Domestic and Commercial) | Per Additional Service | \$162.50    | \$162.50    |
| Refuse & Recycling Fee (Commercial)     | Per Service            | \$368.50    | \$368.50    |
| Refuse Fee (Domestic & Commercial)      | Per Additional Service | \$368.50    | \$368.50    |

The Act permits recovery of the cost of providing this service through a separate charge.

### Levying of 2020/21 Sewerage Rates

Pursuant to section 41 of Health (Miscellaneous Provisions) Act 1911 the following sewerage rates are to be levied.



**Table 5 Sewerage Rates**

| Charge Type                        | Description                                | 2019/20 Levy | 2020/21 Levy |
|------------------------------------|--|--------------|--------------|
| <b>GRV<br/>per Lot of Location</b> | Per assessment<br>Rate in the dollar (RID) | \$0.028427   | \$0.028427   |
|                                    | Per Assessment<br>Minimum Payment          | \$388.00     | \$388.00     |

The Act permits recovery of the cost of providing this service through a separate charge.

### Levying of 2020/21 Utility Service Charges

Pursuant to Section 106 of Health (Miscellaneous Provisions) Act 1911, the following utility service charges (i.e. pan charge) are to levied on properties that hold rate exemption status under section 6.26 (2) of the Local Government Act 1995, in lieu of a sewerage rate.

**Table 6 Utility Service Charges**

| Charge Type                                | Charge Description        | 2019/20 Fee | 2020/21 Fee |
|--|---------------------------|-------------|-------------|
| <b>Utility Service Charge<br/>per unit</b> | Pedestal                  | \$388.00    | \$388.00    |
|  | Water Closet              | \$388.00    | \$388.00    |
|  | Slophopper /Cleaners Sink | \$388.00    | \$388.00    |
|  | Universal Rundle (U.R.C.) | \$388.00    | \$388.00    |

The Act permits recovery of the cost of providing this service through a separate charge.

### Rates Prize Incentives

#### 1. Early Payments – Cash Prize Draws

An incentive for early payment has been included with three (3) cash prizes, sponsored by the City and the National Australia Bank (50/50).

To be eligible for the prize draws, rates must be paid in full by 10.00pm WST by the following dates:

- |                     |           |              |
|---------------------|-----------|--------------|
| ❖ 3 September 2020  | 1st prize | \$7,000 Cash |
| ❖ 10 September 2020 | 2nd prize | \$2,000 Cash |
| ❖ 17 September 2020 | 3rd prize | \$1,000 Cash |

### Terms and Conditions

This competition is a promotion run by the City of Kalgoorlie-Boulder (“Promoter”), ABN 63 711 737 609.

1. Entries and information on prizes and how to enter form part of these Terms and Conditions.

2. Participation in this competition constitutes acceptance of these Terms and Conditions.
3. To enter the competition, the entrant must;
  - Be a current individual ratepayer of the City of Kalgoorlie-Boulder (Elected Members and staff are excluded – refer to clause 4)
  - Pay their 2020/21 rates in full by the due dates displayed in the annual rates billing notice:
    - ❖ 1st prize \$7,000 Cash, Payment due by 10.00pm WST, 3 September 2020
    - ❖ 2nd prize \$2,000 Cash, Payment due by 10.00pm WST, 10 September 2020
    - ❖ 3rd prize \$1,000 Cash, Payment due by 10.00pm WST, 17 September 2020
4. City of Kalgoorlie-Boulder Elected Members and staff are ineligible to enter the competition.
5. An Excluded Entity is not eligible for inclusion in the Competition. Excluded Entities are;
  - State and / or Federal Government Agencies;
  - Corporations; and
  - Property owners of non-rateable land as per Section 6.26(2) of the Local Government Act 1995.
6. Payment must be received before the nominated closing dates to go into the draws. No responsibility is accepted for late, lost or misdirected payments.
7. The competition commences 20 July 2020 and closes 10.00pm WST on 17 September 2020. The competition will be drawn at 10.00am on Wednesday 23 September 2020 at the City of Kalgoorlie-Boulder Administration Building, 577 Hannan Street, Kalgoorlie.
8. Three winners will be randomly selected via a computer program, under the supervision of representatives from the City and the National Australia Bank. The promoter's decision is final and no correspondence will be entered into.
9. The winners will be notified by phone, email and registered mail of their prize win.
10. The winners will be invited to attend a Rates Prize Draw photo session to collect their winning cheque, or the winners can receive their prize by registered mail.
11. Competition results will be published in the Kalgoorlie Miner Newspaper on Saturday 26 September 2020.
12. The information that entrants provide will be used by the Promoter for the purpose of conducting the competition. By entering this competition entrants consent to the use of their contact details for the purposes described in this clause.

## 2. ERates Registration

The City has launched a competition to help reduce paper use and postage costs and give one ratepayer a chance to win a \$500 Visa Gift Card.

To enter ratepayers must successfully subscribe to Council's online eRates service before 10.00pm WST 17 September 2020. Once subscribed all future rates notice will be sent directly to the ratepayer's email address and the ratepayer will be automatically entered into the draw.

Any ratepayer that has already subscribed to eRates will be automatically entered into the prize draw. Where a managing agent receives and pay the rates and charges on a property, the agent can subscribe to eRates on behalf of the owner to allow them entry into the competition.

Entries open Monday 1 July 2020 and close at 10.00pm WST Thursday 17 September 2020. The winner will be randomly drawn at 10.00am on Wednesday 23 September 2020. See full terms and conditions below.

### Terms and Conditions:

1. This competition is a promotion run by the City of Kalgoorlie-Boulder ("Promoter"), ABN 63 711 737 609.
2. Entries and information on prizes and how to enter form part of these Terms and Conditions.
3. Participation in this competition constitutes acceptance of these Terms and Conditions.
4. To enter the competition, the entrant must;
  - Be a current individual ratepayer of the City of Kalgoorlie-Boulder (Elected Members and Staff are excluded – refer to clause 5)
  - Have registered for the City's online eRates service before 10.00pm WST 17 September 2020
  - Not be considered an "excluded entity" as described in clause 6.
5. City of Kalgoorlie-Boulder Elected Members and staff are ineligible to enter the competition.
6. An Excluded Entity is not eligible for inclusion in the Competition. Excluded Entities are;
  - State and / or Federal Government Agencies;
  - Corporations; and
  - Property owners of non-rateable land as per Section 6.26(2) of the Local Government Act 1995.
7. The prize value is \$500 and will be rewarded in the form of a Visa Gift Card.
8. The Prize must be taken as offered and is not exchangeable, transferable or redeemable for cash.

9. The drawn winner will be contacted using the email address supplied in their Electronic Rates Registration within two business days of the draw and will be required to respond back to Council by email confirming their eligibility within five business days of the draw.
10. If the drawn winner is not confirmed as eligible within five business days of the draw, a redraw will occur.
11. The Promoter has the rights to disqualify any entrants or entries where it is reasonably suspected that any unlawful or improper conduct, such as infringing a third party's intellectual property rights, or if there has otherwise been a breach of the competition terms and conditions.
12. Information collected in the Registration process will be used by the Promoter only as agreed by the registrant during registration and for conducting the random draw.
13. On confirmation of an eligible winner, the winner agrees to be photographed and have their name published on the Promoter's website, [www.ckb.wa.gov.au](http://www.ckb.wa.gov.au) and in media and publicity by the Promoter.
14. The Promoter will not be liable for any loss or damage or for any personal injury sustained as a result of taking the Prize or entering into this competition, nor for any tax implications that may arise from accepting the Prize.

## **OTHER BUDGET ITEMS**

### **Adoption of Material Variance**

As Councillors would be aware, each year a Material Variance must be adopted to assist in reviewing the Monthly Financial Statements and the Annual Budget Review.

In accordance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, each Council must adopt a percentage over which a Budget variance would be considered material when it reviews the monthly statements of financial activities and accepts the Annual Budget Review.

Over the past number of financial years, Council has adopted a Material Variance of 10% and \$50,000, whichever is the greater amount. This amount is again recommended for the 2020/21 Financial Year.

### **Elected Member Sitting Fees, Expenses and Allowances**

Council resolved to freeze the Elected Members annual sitting fee and Mayor and Deputy Mayor's annual allowances and a zero increase to the ITC allowance as a response to COVID-19. As such, the fees and allowances will remain at 2019/20 levels;

- Mayoral Annual Allowance \$ 88,864.
  - Deputy Mayor Annual Allowance \$22,016
  - Elected Member Sitting Fees (\$31,364 x 13) \$407,732
  - Elected Members ICT Allowance (\$1,000 x 13) \$ 13,000
- Total Budget allocation \$531,612

### Triple Bottom Line Assessment

- **Economic Implications**  
The draft 2020/21 Budget applies sound financial management and accounting principles and is considered to deliver a sustainable service outcome for the community and Council.
- **Social Implications**  
The draft 2020/21 Budget delivers social outcomes via diverse community services, including the provision of building and community infrastructure and financial support to community organisations throughout the City.
- **Environmental Implications**  
The draft 2020/21 Budget supports key environmental strategies and initiatives previously adopted by Council.

### STATUTORY IMPLICATIONS

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 the City 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:
  - i. Amount estimated to be yielded by the general rate
  - ii. Rate of interest to be charge 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.

*Local Government (Financial Management) Regulations 1996* 22 through 31 prescribe requirements in relation to form and content of the Budget and required Notes to and forming part of the Budget.

*Local Government (Financial Management) Regulations 1996* states the maximum amount of interest that can be charged.

– **Regulation 68. Maximum interest component prescribed (Act s. 6.45)**

*The maximum rate of interest to be imposed under section 6.45(3) is prescribed as 5.5%.*

– **Regulation 70. Maximum rate of interest prescribed (Act s. 6.51)**

*The maximum rate of interest to be imposed under section 6.51(1) is prescribed as 8%.*

**Local Government Act 1995 Section 6.47: Concessions**

“Subject to the *Rates and Charges (Rebates and Deferments) Act 1992*, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive\* a rate or service charge or resolve to grant other concessions in relation to a rate or service charge”.

*(\*absolute majority required.)*

There are no impediments deriving from the *Rates and Charges (Rebates and Deferments) Act 1992*.

**Regulatory Requirements:**

*Local Government (Financial Management) Regulations 1996* – Regulation 26: specifies requirements for information on concessions, for inclusion in annual budgets.

*Local Government (Financial Management) Regulations 1996* – Regulation 42: specifies requirements for information on concessions, for inclusion in annual financial reports.

*Building Regulations 2012*

*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996*

*Local Government (Administration) Regulations 1996*

*Waste Avoidance and Resource Recovery Act 2007*

*Health (Miscellaneous Provisions) Act 1911*

*Local Government Amendment (COVID-19 Response) ACT 2020*

*Local Government (COVID-19 Response) Order 2020*

**POLICY IMPLICATIONS**

The City has a Budget Amendment Policy (Corp-F-008) that provides the CEO with authority to make minor budget amendments up to the value of \$25,000. In addition to this limit, each variation shall not impact the quality, quantity, frequency, range of level of service previously intended within the initial budget allocation.

The City has several other financial policies which have been taken into consideration in the budget process, including its policies on investments, assets, treatment of income and expenditure and rate area.

### **COMMUNITY ENGAGEMENT CONSULTATION**

Whilst no specific consultation has been entered into with respect to the draft 2020/21 Budget, community consultation and engagement has previously taken place during development of the Strategic Community Plan (SCP) from which the Corporate Business Plan (CBP) was developed.

The Budget has been formulated taking into consideration the Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan.

In accordance with the requirements of section 6.36 of the *Local Government Act 1995*;


#### **6.36. Local government to give notice of certain rates**

*Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*

The 2020/21 Objects and Reasons Statement for the intended Differential General Rates and Minimum Payments was advertised in the Kalgoorlie Miner on 4 May 2020, seeking public submissions; and advertised on the City's public notice boards at City's Administration Office, 577 Hannan Street Kalgoorlie, Customer Service Centre, Hannan Street Kalgoorlie and William Grundt Memorial Library, Roberts Street Kalgoorlie; and also made available for download from the City's website [www.ckb.wa.gov.au](http://www.ckb.wa.gov.au).

Submissions closed at 4:30pm on 26 May 2020. No submissions were received.

### **ATTACHMENTS**

Attachment 1. 2020-21 Budget DRAFT 

Attachment 2. 2020-21 Objects and Reasons Statements 

**10 CONFIDENTIAL ITEMS**

Nil

**11 CLOSURE**

There being no further business, the Mayor thanked the Councillors and staff for their attendance at the meeting and declared the meeting closed at 7.19pm.