



Town of Cottesloe

I hereby certify that the minutes of the Special Council meeting held
on

Tuesday, 24 August 2023

were confirmed as a true and accurate record by Council resolution.

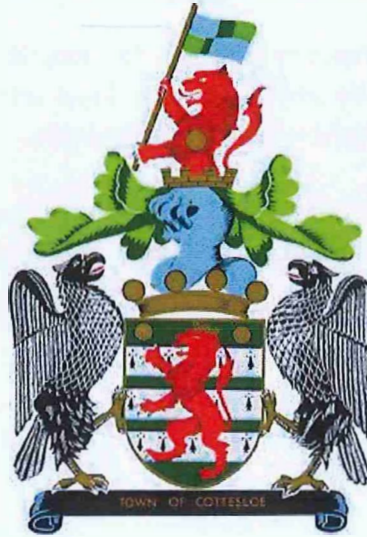
A handwritten signature in blue ink, appearing to read 'I. B. J. J. J.', is written over the printed text.

Signed:

Presiding Member

Date: 19/9/2023

TOWN OF COTTESLOE



SPECIAL COUNCIL MEETING CONFIRMED MINUTES

SPECIAL COUNCIL MEETING
HELD IN THE
Council Chambers, Cottesloe Civic Centre
109 Broome Street, Cottesloe
4:30 pm Thursday, 24 August 2023



WILLIAM MATTHEW SCOTT
Chief Executive Officer

25 August 2023

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Agenda and minutes are available on the Town's website www.cottesloe.wa.gov.au

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1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member announced the meeting opened at 4:40 pm.

I would like to begin by acknowledging the Whadjuk Nyoongar people, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

2 DISCLAIMER

The Presiding Member drew attention to the Town’s Disclaimer.

3 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

The Presiding Member announced that the meeting is being recorded, solely for the purpose of confirming the correctness of the Minutes.

4 PUBLIC QUESTION TIME

4.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4.2 PUBLIC QUESTIONS

Nil

5 PUBLIC STATEMENT TIME

Nil

6 ATTENDANCE

Elected Members

Mayor Lorraine Young
Cr Helen Sadler
Cr Kirsty Barrett
Cr Paul MacFarlane
Cr Chilla Bulbeck
Cr Brad Wylynko

Electronic Attendance

Officers

Mr William Matthew Scott
Mr Shane Collie
Mr Shaun Kan
Ms Jacquelyne Pilkington
Mr Steve Cleaver

Chief Executive Officer
Director Corporate and Community Services
Director Engineering Services
Governance & Executive Office Coordinator
Director Development and Regulatory Services

Mrs Martina Liu

Manager of Finance

6.1 APOLOGIES

Cr Melissa Harkins

Cr Richard Atkins

Officers Apologies

Mr Ed Drewett

Coordinator Statutory Planning

6.2 APPROVED LEAVE OF ABSENCE

Cr Craig Masarei

6.3 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7 DECLARATION OF INTERESTS

Nil

8 PRESENTATIONS

8.1 PETITIONS

Nil

8.2 PRESENTATIONS

Nil

8.3 DEPUTATIONS

Nil

9 REPORTS**9.1 REPORTS OF OFFICERS****CORPORATE AND COMMUNITY SERVICES****9.1.1 ADOPTION OF 2023/24 BUDGET**

Directorate:	Corporate and Community Services
Author(s):	Shane Collie, Director Corporate and Community Services
Authoriser(s):	William Matthew Scott, Chief Executive Officer
File Reference:	D23/30480
Applicant(s):	Internal
Author Disclosure of Interest:	Nil

SUMMARY

The 2023/24 Budget is attached for consideration and adoption by Council.

OFFICER RECOMMENDATION IN BRIEF

For Council to adopt the 2023/24 Budget and associated resolutions.

BACKGROUND

Council is required under the *Local Government Act 1995* to adopt a budget for each financial year and must be adopted before 31 August in the year it applies to. The budget must be in the prescribed format and sets expenditure levels and type for the year.

The budget must also contain a forecast of all income and set the rate in the dollar for the rates levied in the financial year it applies to.

As Council members are aware there was an issue in the advertising of differential rates which has now been corrected. Differential rates have now been correctly advertised for the minimum statutory period and the Budget is now able to be adopted. There is no material change to the draft Budget that Council considered at its meeting on 25 July 2023 aside from those changes made by Council at that meeting.

OFFICER COMMENT

The 2023/24 draft budget has been developed from a number of informing documents including the Town's Corporate Business Plan, the Long Term Financial Plan, Asset Management Plan and the 2022/23 Budget Review. The Budget proposed is very much a "consolidation and project completion" Budget.

In summary the Budget is made up of the following key components:

- 1. Operating Budget**
 - 2. Capital Budget**
 - 3. Reserves**
 - 4. Fees and Charges**
-

5. Loans**6. Rates**

Section 6.34 of the Local Government Act 1995 restricts local governments on the surplus or deficit they are permitted to carry forward in any financial year to not more than 110%, or not less than 90%, of the total budget deficiency to be made up from rates.

The Budget in its presented form is “balanced” neither having a surplus or deficit. The current opening cash surplus for 2023/24 is \$2,262,580, which is estimated from the 2022/23 forecast. The represents the unspent Budget balance of projects from 2022/23, and will fund the completion of these projects in 2023/24. This 2022/23 cash surplus figure will be finalised as part of the year end and audit processing for 2022/23.

1. Operating Budget

A summary of the main areas of the Operating Budget are as follows:

- Inflation in Western Australia is currently running at around 5% and Councillors would be well versed in cost of living expenses such as fuel, building costs, insurance, utilities and the like. The extent of the continuation of the rise in inflation is not known and increases in a number of operating accounts reflect these estimated higher costs.
- EBA commitments have been factored into the draft Budget and are reflected in salaries and wages.
- Significant operating projects include the finalisation of the Local Planning Strategy, Cottesloe Precinct Plan, Strategic Community Plan, Enterprise Resource Planning System (IT system replacement), Local Planning Scheme and Strategy Review, and CHRMAP project.
- The Federal Financial Assistance Grant of \$327,000 (untied) was received in 2022/23 and is therefore treated as income received in advance at the start of 2023/24.
- Income from commercial Leasing is temporarily reduced due to the Tenancy changeover and vacant period at Lot 149 Marine Parade.
- There is a decrease in income for parking fees & charges due to an unexpected reduction in infringement income.
- There is an increase in income for event hire due to an expected increase in number of events resulting in a greater collection of fees.
- There is an increase in interest earnings due to the balance of funds held in Reserve and higher interest rates.
- Insurance costs have continued to rise above inflation due in the main to world economic circumstances and reinsurance costs.

- Waste collection and disposal remains a significant operating cost and forms part of the Town's regular level of service.
- There is an increase in cost for the Shark Barrier due to increased time it is in place.
- Council continues to support the Sculptures by the Sea event and the Procott organisation.
- Changes made to the Operating Budget at Council's meeting of 25 July 2023 were SpacetoCo Commission reduced by \$25,000 and Youth Event reduced by \$10,000.

2. Capital Budget

A summary of the main expenditure areas of the Capital Budget are as follows:

- Eric Street Shared Path completion.
- East Cottesloe Playground Upgrade.
- Construction of Skatepark.
- Harvey Field Playground Upgrade.
- Anderson Pavilion completion.
- Live Streaming of Meetings.
- Jarrad Street Footpath renewal.
- Reconstruction of Right of Way # 7.
- North Cottesloe Public Toilets improvements.
- Additional ACROD Parking Bays.
- Changes made to the Capital Budget at Council's meeting of 25 July 2023 were Seaview Golf Club Tee Box Relocation removed of \$56,133 with \$30,000 transferred to the Infrastructure Reserve, \$10,000 to the Skatepark and Overheads allocated evenly across the board.

3. Reserves

The Town enters 2023/24 with a healthy Reserves balance of just under \$9 million as well as \$654,203 of Trust monies (Cash in Lieu of Public Open Space).

Major movements proposed for Reserves in 2023/24 are as follows:

- Transfer from Information Technology Reserve in 2023/24 for the new Enterprise Resource Planning System (IT system replacement). The balance in this Reserve is \$849,582. Funds transferred will be those that are required to complete the works which may see some funds remaining depending on final costs.
- Transfer from Cash in Lieu of Public Open Space (Trust monies) is for the East Cottesloe Playground and Harvey Field Playground Upgrade.
- Transfer from Property Reserve in 2023/24 is mainly for Anderson Pavilion which has been extended from 2022/23.
- The reduction in proposed transfers from the Foreshore Development Reserve is due to the delay with the foreshore development.
- There is an estimated \$300,000 in interest anticipated to be transferred to Reserves in 2023/24.
- A transfer to the Infrastructure Reserve of \$267,224 is included as part of the draft 2023/24 Budget in order to assist to fund future infrastructure projects identified in the Long Term Financial Plan and Asset Management Plan.

4. Fees & Charges

The draft 2023/24 Schedule of Fees & Charges was discussed at Budget Workshop 1 and then further refined at Budget Workshop 2 and confirmed at Council's meeting of 25 July 2023. There have been no changes to the Schedule of Fees and Charges contained in the Budget presented at the meeting of 25 July 2023.

5. Loans

There are no new loans in the draft Budget. Aside from self supporting loans the Town has only one loan being for the Grove Library. As at 30 June 2023 this loan has Principal outstanding of \$2,336,253 and is due to conclude in September 2029.

6. Rates

As per Council's direction at the 25 July 2023 Council meeting a 4% rate yield increase has been applied to all rates, resulting in an additional \$397,290 in total rates (inclusive of additional interim rates received in 2022/23). Gross Rental Valuations within the district have risen on average by 22% and the rate in the dollar has consequently been reduced by a corresponding amount after the 4% increase was applied.

Large developments proposed in the district should see the rate quantum increase over the next five to ten years.

A 1% rates increase is the equivalent of \$118,337.

ATTACHMENTS**9.1.1(a) Annual Budget 2023-2024 - FINAL [under separate cover]****CONSULTATION**

At the Special Council meeting held on 1 August 2023 Council resolved of its intention to raise the following differential general rates and minimum rates for the 2023/2024 financial year:

Rate description	Rate in the \$	Minimum payment
GRV – Residential Improved (RI)	0.06337	\$1,312
GRV – Residential Vacant (RV)	0.06337	\$1,312
GRV – Commercial Improved (CI)	0.06337	\$1,312
GRV – Commercial Vacant (CV)	0.06337	\$1,312
GRV – Commercial Town (CT)	0.07581	\$1,328
GRV - Industrial	0.06337	\$1,312

Local Public Notice was provided in accordance with Section 6.36 of the Local Government Act 1995 with a close date of Wednesday 23 August 2023. One submission was received from Ms Claire Cowdell which stated:

“In relation to levy rates etc, can I propose that aligning with other councils, most notably Stirling Council, that payment by instalments is interest/fee free.”

The submission does not relate to differential rates and will be responded to in due course. It is a determination for Council if it wishes to consider instalment payments fee free.

Should any other submissions be received prior to the close date of 23 August 2023 they will be tabled.

STATUTORY IMPLICATIONS

Local Government Act 1995

6.2. Local government to prepare annual budget

1. *During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt*, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.*

** Absolute majority required.*

2. *In the preparation of the annual budget the local government is to have regard to the contents of the plan for the future of the district made in accordance with section 5.56 and to prepare a detailed estimate for the current year of —*
 - a. *the expenditure by the local government;*
 - b. *the revenue and income, independent of general rates, of the local government; and*
 - c. *the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.*
3. *For the purposes of subsections (2)(a) and (b) all expenditure, revenue and income of the local government is to be taken into account unless otherwise prescribed.*
4. *The annual budget is to incorporate —*
 - a. *particulars of the estimated expenditure proposed to be incurred by the local government;*
 - b. *detailed information relating to the rates and service charges which will apply to and within the district including —*
 - i. *the amount it is estimated will be yielded by the general rate; and*
 - ii. *the rate of interest (if any) to be charged by the local government on unpaid rates and service charges;*
 - c. *the fees and charges proposed to be imposed by the local government;*
 - d. *the particulars of borrowings and other financial accommodation proposed to be entered into by the local government;*
 - e. *details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used;*
 - f. *particulars of proposed land transactions and trading undertakings (as those terms are defined in and for the purpose of section 3.59) of the local government; and*
 - g. *such other matters as are prescribed.*
5. *Regulations may provide for —*
 - h. *the form of the annual budget;*
 - i. *the contents of the annual budget; and*
 - j. *the information to be contained in or to accompany the annual budget*

Local Government (Financial Management) Regulations 1996

Regulations 22 to 33 of the *Local Government (Financial Management) Regulations 1996* contain the requirements for the form of the budget document and the information to be contained within it.

POLICY IMPLICATIONS

There are no perceived Policy implications arising from the officer’s recommendation.

STRATEGIC IMPLICATIONS

The report is consistent with the Town’s *Strategic Community Plan 2013-2023*.

Priority Area 6: Providing open and accountable local governance

Major Strategy 6.2: Continue to deliver high quality governance, administration, resource management and professional development.

The budget sets out how funds will be allocated to all projects during the financial year, including all strategic projects.

The annual budget contains funding for a number of strategic objectives of the Town.

RESOURCE IMPLICATIONS

Resource requirements are in accordance with the existing budgetary allocation.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

There are no perceived sustainability implications arising from the officer’s recommendation.

VOTING REQUIREMENT

Absolute Majority

SCM166/2023

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION

Moved Mayor Young Seconded Cr MacFarlane

THAT Council by Absolute Majority

- 1. Adopt the Budget for the year ended 30 June 2024, as attached, including:**
 - a. Statement of Comprehensive Income (by Nature and Type)**
 - b. Statement of Cashflows;**
 - c. Rate Setting Statement;**
 - d. Endorsing Note 8 – Statement of Reserves for the year ended 30 June 2024;**
 - e. Endorsing Note 3 – Net Current Assets as at 30 June 2024; and**
 - f. Fees and Charges for the year ended 30 June 2024.**
- 2. Adopt the Differential General Rates (as per Section 6.32 of the *Local Government Act 1995*) and impose rates in the dollar on the gross rental value of all the rateable property within the Town of Cottesloe for the financial year ending 30 June 2024 as follows;**

- a. GRV – Residential Improved (RI) – 6.337 cents in the dollar;
 - b. GRV – Residential Vacant (RV) – 6.337 cents in the dollar;
 - c. GRV – Commercial Improved (CI) – 6.337 cents in the dollar;
 - d. GRV – Commercial Vacant (CV) – 6.337 cents in the dollar;
 - e. GRV – Commercial Town (CT) – 7.7581 cents in the dollar; and
 - f. GRV – Industrial (II) – 6.337 cents in the dollar.
3. Impose a minimum rate of \$1,312 for the financial year ended 30 June 2024, except for Commercial Town (CT) being \$1,328.
4. Include in the rate charge for residential properties:
- a. a once per week service of 240 litre green mobile garbage bin (MGB) for FOGO;
 - b. a once per fortnight service of a 240 litre MGB for recyclable household rubbish; and
 - c. a once per fortnight service of a 120 litre MGB for general household rubbish.
5. Apply the following charges to residential properties for additional waste services (per annum GST inclusive):
- a. General Waste – each service per fortnight (120 litre MGB) - \$200;
 - b. General Waste – each service per week (660 litre MGB) - \$2,010;
 - c. Recycling – each service per week (240 litre MGB) - \$110; and
 - d. FOGO Waste – each service per week (240 litre MGB) - \$250.
6. Apply the following charges to commercial properties (per annum GST inclusive):
- a. General Waste – each service per week (240 litre MGB) - \$500;
 - b. General Waste – each service per week (660 litre MGB) - \$2,240;
 - c. Recycling – one service per fortnight (240 litre MGB) - \$143; and
 - d. Recycling – one service per week (240 litre MGB) - \$286.
 - e. Imposes, by absolute majority, in accordance with section 6.51 (1) of the *Local Government Act 1995* an interest rate of 7% applicable to overdue and unpaid rate and service charges.
7. Adopt the following rate instalment plans:
- a. Option 1
To pay the total amount of rates and charges included in the notice in full by 22 September 2023.
 - b. Option 2
To pay by four instalments, as detailed on the rate notices with the following anticipated due dates;

First instalment	19 October 2023
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Second Instalment	19 December 2023
Third Instalment	19 February 2024
Fourth Instalment	19 April 2024

- 8. **Adopt, by absolute majority, in accordance with section 6.13 of the *Local Government Act 1995* a rate of interest of 7% applicable to any amount of money owing to the local government (other than rates or service charges), with interest calculated from the due date, which is 35 days from the date of issue shown on the account for payment.**
- 9. **Adopt a Telecommunications Allowance of \$1,600 for Elected Members as per section 5.99A of the *Local Government Act 1995*.**
- 10. **Adopt Members Attendance Fees –set an annual meeting attendance fee of \$15,750 for Council members and \$24,400 for the Mayor as per section 5.99 of the *Local Government Act 1995*.**
- 11. **Adopt the Mayor’s Allowance of \$28,000 as per sections 5.98 and 5.98A of the *Local Government Act 1995*.**
- 12. **Adopt the Deputy Mayor’s Allowance of \$7,000 as per sections 5.98 and 5.98A of the *Local Government Act 1995*.**
- 13. **Maintain the materiality levels of 15% or \$25,000 for the monthly reporting of significant variances of income and expenditure in the Statement of Financial Activity**

Carried by Absolute Majority 6/0
For: Mayor Young, Crs Sadler, Barrett, MacFarlane, Bulbeck and Wylenko
Against: Nil

10 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

11 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING BY:

Nil

11.1 ELECTED MEMBERS

Nil

11.2 OFFICERS

Nil

12 MEETING CLOSED TO PUBLIC

12.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

12.2 PUBLIC READING OF RECOMMENDATIONS THAT MAY BE MADE PUBLIC

13 MEETING CLOSURE

The Presiding Member announced the closure of the meeting at 4:44 pm.