



# **MINUTES**

## **SPECIAL MEETING OF COUNCIL**

**Held on  
Tuesday, 3 July 2007  
at 7.00 pm  
City of Albany Council Chambers**

The Purpose of the Special Meeting of Council was to:

- Consider advertising the levying of differential rates for the 2007 /2008 financial year; and
- Review the proposed 2007/2008 budget

## City of Albany

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Signed \_\_\_\_\_  
**Andrew Hammond**  
Chief Executive Officer

Date: 10<sup>th</sup> July 2007

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**1. DECLARATION OF OPENING**

Deputy Mayor Wellington declared the meeting open at 7.02pm and extended a welcome to all present.

**2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)**

Deputy Mayor	-	DW Wellington
Councillors	-	SM Bojcun
	-	JD Williams
	-	DJ Wolfe
	-	RH Emery
	-	J Waterman
	-	S Marshall
	-	J Walker
	-	D Wiseman
	-	J Jamieson
	-	I West
Chief Executive Officer	-	AC Hammond
Executive Director Works & Services	-	L Hower
Executive Director Development Services	-	R Fenn
Manager Finance	-	S Goodman
Minute Secretary	-	JR Byrne
3 members of the public		
1 media representative		

Apologies:

Mayor A Goode, JP  
Councillor MJ Evans, JP

**3. OPENING PRAYER**

Deputy Mayor Wellington asked all present to be upstanding and read aloud the opening prayer:

*“Heavenly Father, we thank you for the beauty and peace of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”*

**4. PUBLIC QUESTION TIME**

**\*Ms T Cleeve**

Ms Cleeve addressed the Council and asked ‘What is the Council’s debt ratio?’

The Finance Manager Stan Goodman responded by advising that while he didn’t have the exact figure to hand, total debt at the end of the financial year was forecast to be in the order of \$30M and revenue forecast to be in the order of \$34M, hence the ratio was approximately 90%.

Mr Goodman undertook to provide Ms Cleeve with the exact information, which was provided in writing dated 6<sup>th</sup> July 2007 and is reproduced below:

Item 4.0 continued

The projected City of Albany debt to revenue ratio as at 30<sup>th</sup> June 2008 will be 88.1%. Total projected debt will be \$29,807,787 with operating income of \$33,833,400.

It should be noted that the total loan amount includes \$8,500,000 of short term bridging funding for City subdivisions and self-supporting loans to community organisations in the amount of \$108,994. The subdivision loan will be repaid from proceeds of the Cull Road subdivision.

If these amounts were to be excluded, the net debt to revenue ratio would be reduced to 62.7%. The City's Five Year business plan indicates that within three years, total City borrowings will be down to \$15,000,000 with a debt to revenue ratio of less than 50%.

**5. DECLARATIONS OF FINANCIAL INTEREST**

Nil

## 6. REPORTS

### 6.1 Advertise Differential Rates 2007/08

<b>File/Ward</b>	:	FIN069 (All Wards)
<b>Proposal/Issue</b>	:	Council advertise its intention to levy differential rates for 2007/2008
<b>Subject Land/Locality</b>	:	N/A
<b>Proponent</b>	:	N/A
<b>Owner</b>	:	N/A
<b>Reporting Officer(s)</b>	:	Manager Finance (S Goodman)
<b>Disclosure of Interest</b>	:	Nil
<b>Previous Reference</b>	:	Nil
<b>Summary Recommendation</b>	:	THAT Council advertise its intention to levy differential rates for the 2007/08 financial year.
<b>Bulletin Attachment</b>	:	Nil
<b>Locality Plan</b>	:	Nil

### BACKGROUND

1. All Gross Rental Value (GRV) properties are revalued every four years. This quadrennial revaluation has been done over the previous 12 months and the new values will be used in rates calculations for 2007/08.
2. The average valuation increase for occupied properties, based on possible annual rental from a third party, was 30%. The average value of vacant land, which is based on the capital value of the land, was 190%.

### STATUTORY REQUIREMENTS

3. Section 6.36 of the Local Government Act (1995) requires that a local government give local public notice of its intention to levy differential rates, make available a document describing the objects of and reasons for each differential rate, invite public submissions on the proposal, allow at least 21 days for submissions, and consider any submissions before imposing a differential rate.

Item 6.1 continued

**POLICY IMPLICATIONS**

4. There are no policy implications relating to this item.

**FINANCIAL IMPLICATIONS**

5. There are no financial implications for the City of Albany as total revenue will be the same whether or not differential rates are applied.

**STRATEGIC IMPLICATIONS**

6. This item directly relates to the following elements from the City of Albany 3D Corporate Plan...

***Community Vision***  
*Nil*

***Mission Statement***  
*The City of Albany is committed to sustainably managing Albany's municipal assets, delivering excellent community services and providing sound governance.*

***Priority Projects:***  
*Nil*

**COMMENT/DISCUSSION**

7. The City proposes to levy differential rates for the 2007/08 financial year. Details of the proposed rates are:

Description	Actual Rate '06/07	Proposed Rate '07/08
Gross Rental Value (GRV)		
Occupied properties	11.2366	9.0031
Vacant land	11.2366	4.5960
Unimproved Value (UV)	0.5424	0.3779
Minimum Rate	\$508	\$508

8. It should be noted that rates in the dollar have been reduced to compensate for the revaluation of all Albany properties by Landgate (the Valuer General). Whilst the value of occupied GRV properties increased by an average of 30%, the vacant land valuation, which is based on the capital value of the land, increased by an average of 190%.
9. The purpose of the differential rate for vacant land is to ensure that the average rates burden carried by owners of vacant land is consistent with previous valuations. When such properties are developed, the higher GRV Occupied Rate will be imposed, reflecting the increased level of City services.

Item 6.1 continued

10. It is proposed that in accordance with the statutory requirements associated with the levying of differential rates, electors and ratepayers be invited to make written submissions prior to 27<sup>th</sup> July 2007 commenting on the proposed differential rate. Council will consider submissions at the budget adoption meeting on 31<sup>st</sup> July 2007.

RECOMMENDATION

THAT Council:

1. Advertise its intention to levy differential rates for the 2007/08 financial year.
2. Consider any submissions at the Special Meeting of Council to adopt the 2007/2008 annual budget on 31 July 2007.

*Voting Requirement Simple Majority*

.....

**MOVED COUNCILLOR EMERY  
SECONDED COUNCILLOR BOJCUN**

**THAT Council:**

- 1. Advertise its intention to levy differential rates for the 2007/08 financial year.**
- 2. Consider any submissions at the Special Meeting of Council to adopt the 2007/2008 annual budget on 31 July 2007.**

**CARRIED 11-0**

**6.2 Review proposed 2007/08 Budget**

<b>File/Ward</b>	:	FIN069 (All Wards)
<b>Proposal/Issue</b>	:	Review of the Draft 2007/2008 budget
<b>Subject Land/Locality</b>	:	N/A
<b>Proponent</b>	:	N/A
<b>Owner</b>	:	N/A
<b>Reporting Officer(s)</b>	:	Manager Finance (S Goodman)
<b>Disclosure of Interest</b>	:	Nil

**BACKGROUND**

1. Copies of the draft 2007/2008 Budget have been separately provided to Councillors. This item will enable any debate on the proposed budget and the opportunity to make necessary amendments prior to the proposed adoption of the Budget at the Special Meeting of Council to be held on Tuesday 31 July 2007.

**MOVED COUNCILLOR EMERY  
SECONDED COUNCILLOR JAMIESON**

**THAT the Community Financial Assistance Grants Fund budget be increased by \$14,000, for the purpose of funding two existing School Youth Chaplains.**

**MOTION WITHDRAWN**

Reason:

Following debate on the issue, the mover withdrew the motion with the agreement of the seconder.

**MOVED COUNCILLOR WELLINGTON  
SECONDED COUNCILLOR BOJCUN**

**THAT the Community Financial Assistance Grants Fund budget be increased by \$14,000, for the purpose of funding two existing School Youth Chaplains, with the funds to be allocated from the budget item for Mayoral Regalia by reducing that account from \$35,000 to \$21,000.**

**CARRIED 11-0**

Reason:

Councillors supported the funding of the two school chaplains but did not want that ongoing funding to reduce the level of available funding for youth based grants. Councillors were also reluctant to support any further increase in rates and felt the reallocation of funds from the Mayoral Regalia account was the best option.

Item 6.2 continued

**MOVED COUNCILLOR WALKER  
SECONDED COUNCILLOR WOLFE**

**THAT the \$3,500 allocated for the Keep Albany Beautiful Committee be deleted.**

Reason:

The Keep Albany Beautiful Committee has not been active in recent years and the Committee has adequate funding to implement any activities during the 2007/2008 financial year.

**PROCEDURAL MOTION**

**MOVED COUNCILLOR WALKER  
SECONDED COUNCILLOR WOLFE**

**THAT the motion to delete the \$3,500 allocated for the Keep Albany Beautiful Committee LAY ON THE TABLE for consideration at the Special Meeting of Council to be held on 31 July 2007.**

**CARRIED 11-0**

Reason:

Debate on the substantive motion identified that further research was required to ascertain the level of funding available to the Keep Albany Beautiful Committee.

**7. CLOSURE OF MEETING**

There being no further business, the meeting closed at 7.46pm.

Confirmed as a true and correct record of proceedings.

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**A Goode, JP**  
***Mayor***

**APPENDIX A**

**WRITTEN NOTICE OF DISCLOSURES OF INTEREST**

<b>Name</b>	<b>Item</b>	<b>Nature of Interest</b>
Nil		

**APPENDIX B**

**INTERESTS DISCLOSED DURING THE COURSE OF THE MEETING**

Nil

**INTERESTS DISCLOSED BY OFFICERS**

Nil