



COUNCIL OF THE SHIRE OF MURGON

Minutes of the Special Meeting

Held on Wednesday 18th July 2007

For the purpose of considering and adopting the 2007 / 08 budget and supporting documentation

Meeting held in the Council Chambers
42 Stephens Street West
Murgon

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COUNCIL OF THE SHIRE OF MURGON
GENERAL MEETING

18th July 2007

MINUTES - BUDGET

OPENING OF MEETING

The Mayor declared the meeting open at 2:37 pm

ATTENDANCE

Councillors

PW Angel, Mayor
RJ Dennis, Deputy Mayor
RJ Eisenmenger
CL Hatchett
BD Mobbs
RQ O'Neill

Officers

Chief Executive Officer, Peter Hackshaw
Manager Corporate and Financial Services, Andrew McKenzie
Manager Works and Services, Steve Turner

APOLOGIES

7874 **Moved Cr Eisenmenger seconded Cr Dennis: *THAT the apology of Cr Burgess be accepted and leave of absence granted.***
CARRIED

1. Budget

1.1 Report on Financial Operations 2006/07

The Chief Executive Officer (CEO) presented a report for consideration on financial operations and financial position of Council for the 2006/07 financial year in accordance with s.521 of the Local Government Act.

7875 **Moved Cr Eisenmenger seconded Cr Dennis: *THAT the report on Council's financial operations and financial position for the 2006/07 financial year, in accordance with s.521 of the Local Government Act 1993 be received.***
CARRIED

1.2 Policies Required by the Local Government Act and Finance Standard

Part 2 of the Local Government Finance Standard requires the following Policies to be adopted by Council.

1.2.1 Borrowing Policy 2007 / 2008

Section 8 of the Local Government Finance Standard requires Council to address certain matters in its Borrowing Policy, namely: -

- New borrowings planned for the current financial year and the next 4 financial years;
- The purpose of the borrowings
- The time over which the borrowings will be repaid

The attached Borrowing Policy details Council's proposed borrowing program for the period 2007/08 to 2011/12.

1.2.2 Policy on Internal Audit

Section 6 of the Local Government Finance Standard requires Council to develop a Policy on Internal Audit. Should Council develop an Internal Audit Function, it must abide by the Principles for Internal Audit Function as set out in Section 14 of the Finance Standard.

The attached Policy on Internal Audit proposes to not establish an Internal Audit function (for the reasons stated there in).

1.2.3 Policy on Internal Audit Committee

Section 7 of the Local Government Finance Standard requires Council to adopt a Policy on Internal Audit Committee. Should Council adopt a Policy on Internal Audit Committee, it must then abide by the Principles for Audit Committee as established under Section 15 of the Finance Standard.

The attached Policy on Internal Audit Committee proposes to not establish an Internal Audit Committee on the basis that Council will not be establishing an Internal Audit Function.

1.2.4 Revenue Policy

Council adopted its Revenue Policy at its General Meeting 20th June 2007. The Revenue Statements and Budget have been framed in accordance with the Revenue Policy and Corporate Plan and Operational Plans.

7876

Moved Cr Dennis seconded Cr O'Neill : *THAT In accordance with Part 2 of the Local Government Finance Standard 2005, Council adopt the attached: -*

- 1. *Borrowing Policy for 2007/08 to 2011/2012,***
- 2. *Policy for Internal Audit,***
- 3. *Policy on Internal Audit Committee, and***
- 4. *Note the adoption of its Revenue Policy at its General Meeting of 20th June 2007.***

CARRIED**1.3 Revenue Statement**

The Revenue Statement has been prepared in accordance with s.520A of the Local Government Act 1993 and s.56 of the Local Government Finance Standard. It is also consistent with Council's Corporate and Operational Plans and Revenue Policy.

The Revenue Statement is designed to provide an outline and explanation of the Revenue Raising measures adopted by Council, including all rates and charges to be levied in 2007/08, as well as all rebates ratepayers may be entitled to.

7877 **Moved Cr Eisenmenger seconded Cr Dennis: *THAT in accordance with s.518 of the Local Government Act 1993 and s.56 of the Local Government Finance Standard 2005, Council adopt the attached Revenue Statement***

CARRIED

1.4 Adoption of Budget

Council's Budget for 2007/08 and 2008/09 to 2011/12 (in general terms) has been prepared in accordance with the Local Government Act and Local Government Finance Standard 2005. It is consistent with Council's Corporate and Operational Plans, Revenue Policy and Revenue Statement.

The Local Government Finance Standard (s.54 and s.55) requires Council's budget to show that: -

- 1 The Local Government is able to satisfy its liabilities;
- 2 Council's capital base is not being consumed at a rate that will adversely affect Council's service potential;
- 3 Sufficient funding is available for Council's planned asset replacement;
- 4 Council's planned borrowing is only for capital expenditure; and
- 5 Working capital facility is repaid in the year (or year following) it is borrowed.

7878 **Moved Cr Eisenmenger seconded Cr O'Neill : *THAT pursuant to s.518 and s.519 of the Local Government Act, Council resolves to adopt its 2007/08 Budget and 2008/09 to 2011/2012 (in general terms) as attached, and acknowledges the requirements of s.55 of the Local Government Finance Standard 2005.***

CARRIED

1.5 Setting of Rates and Charges for 2007/08

Pursuant to the Revenue Statement (adopted earlier), Council is now required to formally adopt its Rates and Charges for 2007/08. It is proposed to do this in the following sequence: -

- 1 Setting of Differential General Rates
- 2 Setting of Minimum General Rate
- 3 Utility Charges
- 4 Environmental Management Levy
- 5 Refuse Management Levy
- 6 Volunteer Rural Fire Levies

1.5.1 Differential General Rates

In line with Council's pre-budget meeting held earlier this month, General Rates, have been increased by 7.5%. The Minimum General Rate has been increased significantly in accordance with the recommendation of Council's Independent Business Advisor.

As in previous years, Council will be seeking to categorise land within its area according to the categories adopted by the Department of Natural Resources. Each land category shall be rated according to the following rates in the dollar.

7879 Moved Cr Eisenmenger seconded Cr Dennis: *THAT in accordance with s.963 and s.966 of the Local Government Act 1993 Council makes and levies differential general rates for 2007/08 financial year as follows, on all rateable land in the Council's area, which land has been categorised pursuant to Part 3 of Chapter 14 of the Act (the categories and criteria having been decided by Council by resolution dated 15 June 2000 and all rateable land having been categorised by the valuing authority - Department of Natural Resources):*

Category 1 – Urban 1.65 (One point Six Five) cents in the dollar of unimproved value

Category 2 – Commercial & Industrial 3.1 (Three point One) cents in the dollar of unimproved value.

Category 3 – Rural 2.02 (Two point Zero Two) cents in the dollar of unimproved value

Category 4 – Rural Residential 1.935 (One point Nine Three Five) cents in the dollar of unimproved value

Category 5 – Others 1.68 (One point Six Eight) cents in the dollar of unimproved value

Category 6 – Exempt Nil – exempt

When land exempt from a general rate becomes subject to a general rate – the rate in the dollar applicable to the category of the land shall apply.

Category 7 – Rural – Exempt from Minimum Rate 0.8 (Zero point Eight) cents in the dollar of unimproved value

Category 8 – General – Exempt from Minimum Rate 0.8 (Zero point Eight) cents in the dollar of unimproved value

CARRIED

1.5.2 Minimum Differential General Rate

Council acknowledges that all rateable parcels of land receive a minimum standard of service, irrespective of the amount of rates the land may attract. As such, Council seeks to set a minimum general rate in each differential rate category recognising this minimum service standard. For 2007/08, Council proposes to set its minimum differential general rate, as follows: -

7880 Moved Cr Hatchett seconded Cr O'Neill: *THAT in accordance with s.967 of the Local Government Act 1993, Council hereby makes and levies a minimum general rate for 2007/08 financial year of \$495.00 (Four Hundred and Ninety-five dollars) on all rateable land in the Council's area in all categories, except land exempt from a minimum general rate, as follows:*

<i>Category 1 – Urban</i>	<i>\$495.00</i>
<i>Category 2 – Commercial & Industrial</i>	<i>\$495.00</i>
<i>Category 3 – Rural</i>	<i>\$495.00</i>
<i>Category 4 – Rural Residential</i>	<i>\$495.00</i>
<i>Category 5 – Others</i>	<i>\$495.00</i>
<i>Category 6 – Exempt</i>	<i>Nil</i>
<i>Category 7 – Rural – Exempt from Minimum</i>	<i>Nil</i>
<i>Category 8 – General – Exempt from Minimum</i>	<i>Nil</i>
	<i>CARRIED</i>

1.5.3 Utility Charges

The Local Government Act gives Council the ability to levy rates and charges for Utility services, specifically under the provisions of s.963 and s.973. As such, it is proposed that Council levy the following utility charges in 2007/08.

1.5.3.1 Sewerage Charges

Council's Revenue Statement describes the various sewerage charges Council seeks to levy each year, together with the philosophy upon which the charge is levied.

In line with Council's pre-budget meetings, sewerage charges are proposed to increase by 10% over 2006/07 charges, as follows: -

Primary Service – Sewerage Area

A Sewerage Charge for sewerage services of \$405.00 (Four Hundred and Five dollars) made and levied for each primary service within the sewerage area.

Subsequent Pedestal – Business & Non-residential

A Sewerage Charge of \$352.00 (Three hundred and Fifty-two dollars) made and levied for each subsequent pedestal or urinal connected to the sewerage scheme for business or other premises, except private residences.

Vacant Land Capable of Being Sewered

A charge of \$135.00 (One hundred and Thirty-five dollars) made and levied on each assessment which is a vacant surveyed parcel of land within 91.5 (ninety-one point five) metres of the sewer and capable of being sewered

Sewerage Charge – Meatworks

A Sewerage Charge of \$7,700.00 (Seven Thousand Seven Hundred dollars) for the discharge to the Council's sewerage system of non-industrial waste from the Murgon Meatworks (Mickan Street, Murgon) to be made and levied on the meatworks land (assessment 1257/-).

1.5.3.2 Refuse Service Charges

Council's Revenue Statement describes the various refuse charges Council seeks to levy each year, together with the philosophy upon which the charge is levied.

In line with Council's pre-budget meetings, Refuse Service Charges are proposed to increase by 10% over 2006/07 charges, as follows: -

Domestic Refuse Service Charge – Wheeled Bin Service

A Primary Refuse Service Charge of \$149.00 (One hundred and Forty-nine dollars) made and levied on all domestic premises within the refuse collection area for the collection and disposal of refuse for each wheeled refuse bin on the collection day each week.

Commercial Refuse Charge – Wheeled Bin Service

A Refuse Service Charge of \$198.00 (One Hundred and Ninety-eight dollars) made and levied on commercial and industrial premises within the refuse collection area for the collection and disposal of refuse for each wheeled refuse bin on the collection day each week.

Refuse Charge – Meatworks

A Refuse Charge of \$7,500.00 (Seven Thousand Five Hundred dollars) made and levied on Murgon Meatworks land Mickan Street Murgon - assessment 1257/- for receiving and disposing of bulk refuse from the premises.

1.5.3.3 Water Charges

Council's Revenue Statement describes the various water charges Council seeks to levy each year, together with the philosophy upon which the charge is levied.

In line with Council's pre-budget meetings, water charges for 2007/08 have been increased by 50% for access charges and 20c/Kilolitre for consumption charges over 2006/07 charges, as follows: -

Water Access Charge – Domestic, Rural and Commercial Premises and Churches

A Water Access Charge of \$256 (Two Hundred and Fifty-six dollars) for the provision of infrastructure and delivery of water to be made and levied on land for each connection to domestic and commercial premises and churches and all premises other than industrial premises and major industry.

Water Access Charge – Industrial Premises

A Water Access Charge of \$335 (Three Hundred and Thirty-five dollars) for the provision of infrastructure and delivery of water to be made and levied on land for each connection to industrial premises.

For the purpose of this charge industrial premises is defined as primary industry land, piggeries, farms, showgrounds, Castra Retirement Home, Murgon Courthouse, hotels, motels, premises licensed by the Liquor Licensing Commission, poultry abattoirs, Health Department premises (excluding single houses), premises considered Industrial by definition of the Department of Natural Resources (not elsewhere mentioned), properties connected by private lines and properties sub-letting from properties connected by private lines.

Water Access Charge – Vacant Land

A Water Access Charge of \$126 (One Hundred and Twenty-six dollars) for the provision of infrastructure and delivery of water to be made and levied on land for each vacant surveyed parcel of land within the Murgon Town reticulated water supply area.

Water Usage Charge – All Except Major Industry

A Minimum Water Usage Charge of \$75.00 (Seventy-five dollars) for usage of the first 100 kilolitres or part thereof, and thereafter a water usage charge of 85 (Eighty-five) cents per kilolitre, for water used and metered from the Murgon Town reticulated water supply for all connections to premises, being domestic and commercial premises, churches and all premises, other than major industry.

Water Access & Usage Charge – Major Industry

A Water Access and Usage Charge of 90 (Ninety) cents per kilolitre to be made and levied on land for the provision of infrastructure and delivery of water and for water used and metered from the Murgon Town reticulated water supply for connections to the following premises, defined by the Council for the purpose of water charges to be major industry:

Meatworks – Mickan Street Murgon - assessment 1257/-; and
Tannery – Gesslers Road Murgon – assessment 1289/-

7881 **Moved Cr Eisenmenger seconded Cr Dennis: *THAT pursuant to s.963 and s.973 of the Local Government Act 1993, Council resolve to set its Sewerage, Refuse and Water Utility Charges for 2007/08 financial year as follows: -***

Sewerage Charges

- | | |
|--|-------------------|
| • Primary Service (1st Pedestal) - | \$405.00 |
| • Subsequent Pedestals (business and non-residential) - | \$352.00 |
| • Vacant Land - | \$135.00 |
| • Sewerage Charge – Meatworks | \$7,700.00 |

Refuse Charges

- **Domestic Refuse Service** **\$149.00**
- **Commercial / Industrial Refuse Service** **\$198.00**
- **Refuse Charge (Meatworks)** **\$7,500.00**

Water Charges

- **Water Access Charge (Residential), Commercial and Churches)** **\$256.00**
- **Water Access Charge Industrial** **\$335.00**
- **Water Access Charge Vacant** **\$126.00**
- **Water Usage Charge (All except major industry)**
 - **Minimum Charge (first 100kl)** **\$75.00**
 - **Each kl thereafter** **\$0.85**
- **Water Usage Charge Major Industry** **\$0.90**

CARRIED**1.5.4 Separate Rates**

The Local Government Act gives Council the ability to levy Separate Rates and Charges, under the provisions of s.963 and s.972. As such, it is proposed that Council levy the following Separate Charges in 2007/08.

1.5.4.1 Environmental Management Levy

An Environmental Management Levy of \$44 (Forty-four dollars) is to be made and levied on all rateable assessments in the Shire

1.5.4.2 Refuse Management Levy

A Refuse Management Levy of \$34 (Thirty-four dollars) is to be made and levied on all rateable assessments in the shire.

7882

Moved Cr Hatchett seconded Cr O'Neil: THAT pursuant to s.972 of the Local Government Act 1993, Council resolve to levy the following separate charges for the 2007/08 financial year as follows: -

- 1. *Environmental Management Levy***
 - a. *Of \$44 on each rateable assessment within the Shire of Murgon***
- 2. *Refuse Management Levy***
- 3. *Of \$34 on each rateable assessment within the Shire of Murgon***

CARRIED**1.5.5 Special Rates**

The Local Government Act gives Council the ability to levy Special Rates and Charges upon land or occupiers of land who will have access to a special service, facility or activity, under the provisions of s.963 and s.971. As such, it is proposed that Council levy the following Special Charges in 2007/08.

1.5.5.0 Volunteer Rural Fire Levies

Three (3) Volunteer Rural Fire Levies are to be made and levied on all rateable assessments as defined within the boundaries of the Rural Volunteer Fire Brigades as established by the Queensland Fire and Rescue Service, being: -

- Cloyna Rural Fire Brigade District – a Rural Fire Levy of \$25 (Twenty-five dollars)
- Tablelands Rural Fire Brigade District - a Rural Fire Levy of \$25 (Twenty-five dollars)
- Redgate Rural Fire Brigade District – a Rural Fire Levy of \$25 (Twenty-five dollars)

7883 *Moved Cr Eisenmenger seconded Cr Dennis: THAT pursuant to s.971 of the Local Government Act 1993, Council resolve to levy the following special rate / charge for the 2007/08 financial year as follows: -*

1. Cloyna Rural Fire Levy

a. Of \$25 on each rateable assessment within the Cloyna Rural Fire Brigade District

2. Tablelands Rural Fire Levy

a. Of \$25 on each rateable assessment within the Tablelands Rural Fire Brigade District

3. Redgate Rural Fire Levy

a. Of \$25 on each rateable assessment within the Redgate Rural Fire Brigade District

CARRIED

1.6 Levying And Payment Of Rates**1.6.1 Time Within Which Rates Must be Paid**

Under s.1014 of the Local Government Act, Council must, by resolution, set the date within which rates must be paid. This date is important as it sets the time within which discount is granted as well as defining the date from which unpaid rates become overdue. Whilst not a specific date, it is a number of days from the date of the rate notice (for example 30 days after the Rates Notice is issued).

For 2007/08, it is proposed to set the time within which rates must be paid as 30 (Thirty) days, with the exception of Major Industry Water Usage Supplementary Levies which must be paid 21 (Twenty-one) days after the date of issue of the notice.

7884 Moved Cr O'Neill seconded Cr Eisenmenger: *THAT Pursuant to s.1014 of the Local Government Act, Council hereby resolves that the time within which all rates must be paid be 30 (Thirty) days after which the rates notice is issued, with the exception of Major Industry Water Usage Supplementary Levies which must be paid 21 (Twenty-one) days after the date of issue of the notice.*

CARRIED

1.6.2 Interest on Overdue Rates

Pursuant to s.1018 of the *Local Government Act 1993*, Council can set the interest rate at which interest is calculated on overdue rates. S.43 of the *Local Government Regulation 2005* sets the maximum interest rate at 11%.

7885 Moved Cr Hatchett seconded Cr Dennis: *THAT Pursuant to s.1018 of the Local Government Act 1993 and s.43 of the Local Government Regulation 2005, Council hereby resolves to set the interest rate on which interest is calculated on overdue rates at 11% (eleven percent) per annum compounding on daily rests.*

CARRIED

1.6.3 Discounts for Prompt Payment of Rates and Charges

Council offers discount on Rates and Charges as an incentive for prompt payment. In 2007/08, it is proposed that Council offer a 10% (Ten percent) on all General Rates and Utility Charges.

No discount is proposed for the Environmental Management Levy, Refuse Management Levy or Rural Fire Levies.

As with the time in which rates must be paid, it is proposed to offer a 30 (Thirty) day Discount Period.

7886 Moved Cr O'Neill seconded Cr Eisenmenger: *THAT in accordance with s.1019 of the Local Government Act, Council hereby resolves to grant discount for prompt payment of rates and charges in 2007/08 as follows:*

- a. *Differential General Rate and Minimum General Rate - 10% (Ten percent) – for payment in full within 30 (Thirty) days after the rate notice is issued.*
- b. *Sewerage Charges (all sewerage charges) – 10% (Ten percent) – for payment in full within 30 (thirty) days after the rate notice is issued.*
- c. *Garbage Charges (all garbage charges) – 10% (Ten percent) – for payment in full within 30 (thirty) days after the rate notice is issued.*
- d. *Water Charges (all water access and usage charges, excluding water usage charge – major industry) – 10% (Ten percent) – for payment in full within 30 (thirty) days after the rate notice is issued.*
- e. *Water Usage Charge – Major Industry – 10% (ten percent) – for*

payment in full within 21 (Twenty-one) days after the rate notice is issued

No Discount will be granted on Environmental Management Levy, Refuse Management Levy or Rural Fire Levies.

CARRIED

1.6.4 Interest and Discount on Supplementary Rate Levies

As amended valuations and property sales and amalgamations can occur throughout the year, Council does issue supplementary rate notices to ratepayers when their rate assessments change as a result. Consequently, it is recommended that Council retain its 30 (Thirty) day period in which rates must be paid and discount period to streamline administration procedures for these cases.

7887 ***Moved Cr Eisenmenger seconded Cr Hatchett: THAT pursuant to s.1014 and s.1019 of the Local Government Act, Council resolves that the time within which all rates must be paid for any supplementary rate levy issued during the year is 30 (thirty) days after which the rates notice is issued, and that discounts for prompt payment be granted (as above resolution) for payment in full within 30 (thirty) days after the rate notice is issued.***

CARRIED

1.6.5 Benefits for Prompt Payment

Council has previously been in the practice of offering additional benefits to ratepayers for prompt payment. For both Levies in 2007/08 it is proposed that Council continue its draw of 10 copies of *Landscapes of Change* to the first 100 (One Hundred) ratepayers who pay their rates in full.

7888 ***Moved Cr Eisenmenger seconded Cr O'Neill: THAT pursuant to s.1023 of the Local Government Act, Council resolves to give the following benefit, in addition to discounts, as incentives for prompt payment of rates:***

- a) prizes of 10 copies of "Landscapes of Change" and that the first 100 ratepayers who pay their rates in full be eligible in a draw for one of those prizes.***

CARRIED

Closure:

There being no further business the Mayor declared the meeting closed at 3:26 pm

Peter Angel
Mayor