

ITEM NO.	C.09/0719	FILE REF.	
SUBJECT	Acquisition of Sculptures		
PROPONENT	Ms Pip Mills		
OFFICER	Chief Executive Officer		
DATE OF REPORT	24 July 2019		

Reason for Urgent Business: Payment for the sculptures needs to occur by 26 July, and a determination of whether Council will take ownership is required before then.

Attachment 7 – Description and Images of Sculptures

OFFICER RECOMMENDATION that Item C.09/0719 be accepted as urgent business.

OFFICER RECOMMENDATION that Council:

- 1. Accept ownership of the two sculptures titled "Human Shelter, His & Hers".*
- 2. Amend the draft 2019/20 budget to reflect the \$3,500 expenditure for acquisition of the sculptures with \$2,500 of the cost being met by donations.*

Summary/Purpose

At an auction held on 21 July 2019 two matched sculptures were purchased using a combination of Shire funds and private donations. The individuals that provided the donations are seeking to pay the Shire so that the Shire is the purchaser and custodian/owner of the sculptures.

Background

An auction was held on Sunday 21 July 2019 of an art collection of a deceased estate. One of the lots in the auction was matched sculptures made by Tony Davis titled "Human Shelter, His & Hers".

The sculptures have special significance to the Bridgetown arts community as its sculptor, Mr Tony Davis was a long term resident of Bridgetown and the shingles used on the exterior of the sculptures were remnants of the shingle roof of the pioneer "Bridgedale" homestead – the first house developed in Bridgetown in 1863.

A few days prior to the auction the CEO was contacted by Ms Pip Mills alerting him to the availability of the sculptures and enquiring if the Shire would be interested either in purchasing the sculptures or contributing towards a community fund set up for the purchase. Council annually budgets a sum of \$1,000 for art acquisition and typically these funds are expended by purchasing a piece of art from the annual "People & Places" exhibition. The selection of the art is left to the discretion of the Shire President. Advice was provided to Ms Mills that due to the short notice until the auction the Shire couldn't commit to purchasing the sculptures but the \$1,000 annual allocation for 2018/19 could be assigned as a Shire contribution to the purchase subject to the sculptures becoming an asset of the Shire (on behalf of the community).

The sculptures were purchased with a successful bid of \$3,500 at the auction. Payment of the purchase price is required and the persons that provided the private

donations are seeking to pay the Shire so that the Shire is the purchaser and custodian/owner of the sculptures.

Statutory Environment

Nil. The acquisition of the sculptures isn't classified as unbudgeted expenditure as provision is made in the annual budget for acquisition of art, albeit to an amount of \$1,000.

Integrated Planning

- Strategic Community Plan
Key Goal 4: A community that is friendly and welcoming
Objective 4.1 - A cohesive community with a sense of pride
Strategy 4.1.2 - Deliver programs that encourage community interaction and participation.
- Corporate Business Plan
Strategy 4.1.2 - Deliver programs that encourage community interaction and participation.
Action 4.1.2.1 – Support a community based approach to the provision of art and culture development.
- Long Term Financial Plan
The allocation of \$1,000 for art acquisition is an annual allocation over the life of the Long Term Financial Plan
- Asset Management Plans - Not Applicable
- Workforce Plan – Not Applicable
- Other Integrated Planning - Nil

Policy - Nil

Budget Implications

An annual provision of \$1,000 is made in the annual budget for art acquisition with the selection of the art left to the discretion of the Shire President, usually at the annual "People & Places" exhibition. If the officer recommendation is endorsed the draft budget will amend Account 1371120 Art Acquisitions from \$1,000 to \$3,500 and reflect the \$2,500 donations in Account 1370070 Other Culture Non-Recurrent Grants.

Fiscal Equity – Not Applicable

Whole of Life Accounting – Not Applicable

Social Equity – Not Applicable

Ecological Equity – Not Applicable

Cultural Equity

Due to the artist and the use of shingles from Bridgedale the matched sculptures are seen to have special significance to the Bridgetown arts community

Risk Management

The proposed location of the sculptures is yet to be determined but will have to be indoors out of the effects of the weather.

Continuous Improvement – Not Applicable

Voting Requirements – Simple Majority

TONY DAVIS Human Shelter , His & Hers

Sculpture By The Sea , Cottesloe , 2011



In 2010 , the opportunity to salvage half a ton of old roofing shingles from a restoration project on a heritage building site , and the realisation of their amazingly sound condition , lead to an exploration on the theme of "shelter " , and an idea that the human form could play more than a literal role in the realisation of the concepts .

These two figures are an extension of a marquette produced for SXS Cottesloe 2010 , where the figures are carved out of recycled oregon , standing as I imagined they might for, say, a fitting in armour , or in readiness for mummification and the afterlife . From toe to top , the cladding became something of an exercise in " shingled cubism " , and upon completion , the two figures in context , retain the sublime dynamic of male and female despite their apparent staticism .



50 year old Westralian Sheoak Shingles , bleached by sun and rain yet when refurbished by dressing and sealing , retain all the beauty of this magnificent and most durable timber





ITEM NO.	C.10/0719	FILE REF.	160.1
SUBJECT	Consideration of Revised 2019/20 Rates		
OFFICER	Executive Manager Corporate Services		
DATE OF REPORT	14 June 2019		

Reason for Urgent Business: To ensure Council adopts its 2019/20 Budget by the statutory deadline of 31 August any change to proposed 2019/20 rating information would be required no later than the July Ordinary Council meeting.

OFFICER RECOMMENDATION that Item C.10/0719 be accepted as urgent business.

OFFICER RECOMMENDATION that following identification of additional surplus funds from 2018/19 and in consideration of the current economic climate Council endorse the following revised 2019/20 rate in dollar and minimum payments in lieu of those previously advertised:

Category	Rate in \$	Minimum Rate
Gross Rental Value (GRV) Properties	8.7045 cents	\$942.00
Rural Unimproved Value (UV) Properties	0.6317 cents	\$1,168.00
Mining Unimproved Value (UV) Properties	7.5684 cents	\$523.00

OFFICER RECOMMENDATION that in accordance with Regulation 23(b) of the Local Government Financial Management Regulations notice of the reason for adopting a different rate in the dollar and minimum payment than advertised be included in the 2019/20 budget papers and also communicated in the rating information document included with each rates notice.

OFFICER RECOMMENDATION that Council's current differential rating application is amended with the revised rating information. The revised application be forwarded to the Minister for Local Government, Sport and Cultural Industries for approval to impose in 2019/20 a differential Mining UV rate which is more than twice the lowest general differential UV rate.

Summary/Purpose

To consider revised rate in the dollar and minimum payments for Council's rating categories than those previously advertised for the 2019/20 rating year.

Background

At its meeting held 30 May 2019 Council adopted, for advertising purposes, its proposed differential rates and minimum payments for the 2019/20 rating year as detailed in the table below:

Category	Rate in \$	Minimum Rate
Gross Rental Value (GRV) Properties	8.8471 cents	\$942.00
Rural Unimproved Value (UV) Properties	0.6417 cents	\$1,168.00
Mining Unimproved Value (UV) Properties	8.1436 cents	\$554.00

In accordance with Section 6.36 of the Local Government Act the differential rating proposal was advertised for public comment for a period of 22 days. An advertisement appeared in the Manjimup-Bridgetown Times edition of 5 June 2019.

Subsequent to Council adopting the above proposed differential rating information and advertising of its intention to levy these differential rates a revaluation roll was received for properties in the Mining Unimproved Value category with values effective 1 July 2019 resulting in Council amending the proposed rate for the Mining Unimproved Value rating category at this meeting held 27 June 2019 as follows:

Category	Rate in \$	Minimum Rate
Mining Unimproved Value (UV)	7.6644 cents	\$530.00

Officers have been progressing through the end of year accounting processes and have identified additional carry forward funds from 2018/19. This increase has been mainly brought about by a greater reduction in leave liability than previously estimated in May.

Officer Comment

The purpose of levying rates is to meet Council's budget requirements in each financial year in order to deliver services and community infrastructure. Following review of all revenue and expenditure sources including those identified in its integrated planning documents Council determines the budget deficiency that will be funded by the levying of rates. In May 2019 as part of its 2019/20 budget deliberations Council determined a budget deficiency of \$4.72m. The estimated budget deficiency resulted in an increase to the total rate yield of 3.8% from the 2018/19 rate yield (adjusted for natural growth). This increase aligned with Council's Long Term Financial Plan which calls for a CPI + 2.5% increase to rates each year over the life of the plan. Rate modeling was undertaken to determine the rates in the dollar and minimum payments required to raise the identified budget deficiency.

Following identification of additional carry forward funds from 2018/19 it is considered prudent for Council to consider the allocation of these additional funds.

Option 1

Take into account the better than expected end of year position as at 30 June 2019 Council reduce its estimated rate yield in 2019/20 by approximately \$60,000. If so this would reduce the 2019/20 rate increase from 3.8% to 2.5%.

Option 2

The alternative to reducing the rate yield by \$60,000 is to place the same amount into the Building Maintenance Reserve to cover the costs of replacing the upstairs administration office air conditioner. Councillors may remember this item was discussed at the June Concept Forum where it was decided to defer this project to 2020/21 noting that Reserve funds would be utilised to cover the replacement of the air conditioner if it was to fail in 2019/20.

Each year the budget does propose a number of transfers into reserves such as the Building Maintenance, Strategic Projects, Matched Grants, Bush Fire Reserves, etc. and normal level transfers have been factored into the draft budget.

In considering Council's existing Ratio Improvement Plan it is advised that a reduction in rate revenue of \$60,000 in the current draft budget would have a minor negative impact on the following ratios:

- Operating Surplus Ratio – From -0.428 to -0.441
- Own Source Revenue Coverage Ratio – From 0.554 to 0.549
- Debt Service Cover Ratio – From 2.349 to 2.168

It is predicted that both the Own Source Revenue Ratio and the Debt Service Ratio will remain above the Department's basic benchmarks, however Council's operating surplus ratio will remain below Department benchmarks in both the current and proposed reduced rating levels. The reduced rates would have a negative impact on this ratio by 1.3%.

We are still awaiting receipt of the Minister's determination of Council's differential rating application. Contact has been made with the Department to ascertain the impact on approval of Council's application should Council resolve to amend its proposed rate in the dollars and minimum payments. Advice has been received that the change would not fundamentally alter the substance of the application and final approval of Council's differential rating application incorporating the amended rating information could be expected by 2 August.

It is recommended given the minor negative impact on Council's ratios and consideration of the economic climate that Council resolves to reduce its rating information as proposed resulting in a 2.5% increase in total rate yield compared to 3.8% as previously endorsed.

Regulation 23(b) of the Local Government Financial Management Regulations requires in the event that Council resolves to impose rates or minimum payments different from those previously advertised the Annual Budget of Council must include details of the rate or minimum payments set forth in the public notice, and provide reasons for the difference. Additionally, written notification to ratepayers explaining Council's reasons should be included with their annual rates notice.

Council will be required to comply with Regulation 23(b), the following reason for a different rate and minimum payment being adopted to that advertised will be included in the statutory budget document and on an information flyer included with each rate notice:

'Council has adopted different rates to those previously advertised due to new valuations being received for the Mining Unimproved Value category and an overall decrease in the estimated budget deficiency.'

Statutory Environment

Section 6.32(1) of the Act – Rates and service charges

Section 6.33(1) to (3) of the Act – Differential general rates

Section 6.35(4) of the Act – Minimum payment

Section 6.36 of the Act – Local government to give notice of certain rates

Section 6.36(4) of the Act - Local government to consider any submissions received

Regulation 23(b) Local Government (Financial Management) Regulations – relevant to a decision to impose rates or minimum payments different from those previously advertised.

Integrated Planning

- Strategic Community Plan

Key Goal 5: Our leadership will be visionary, collaborative and accountable

Objective 5.2: We maintain high standards of governance, accountability and transparency

Strategy 5.2.8: Ensure all legislative responsibilities and requirements are met

- Corporate Business Plan – Nil
- Long Term Financial Plan – Nil
- Asset Management Plans – Nil
- Workforce Plan – Nil
- Other Integrated Planning – Nil

Policy – Nil

Budget Implications

This item recommends a reduction of rate revenue proposed in the 2019/20 Draft Budget to those rates previously advertised by Council, this reduction is funded by an increase in surplus funds being carried forward from 2018/19.

Fiscal Equity

In setting various rates in the dollar and minimum payment amounts Council aims to achieve a fair and equitable distribution of the rate burden throughout all ratepayers in the district.

Whole of Life Accounting – Not Applicable

Social Equity – Not Applicable

Ecological Equity – Not Applicable

Cultural Equity – Not Applicable

Risk Management

The advertising of Council's intention to levy differential rates and subsequent application to the Minister is part of the statutory provisions required to ensure Council's rates are levied in accordance with legislation and are not at risk of being ruled improperly raised or imposed. There is a risk to Council not adopting its 2019/20 budget by the statutory deadline of 31 August 2019 in the event that the Minister does not approve Council's Mining UV differential rate.

Continuous Improvement – Not Applicable

Voting Requirements – Absolute Majority