



WALGA

WORKING FOR LOCAL GOVERNMENT

MINUTES

Annual General Meeting

Perth Convention Exhibition Centre
Perth

Wednesday, 2 August 2017

MINUTES

Annual General Meeting of the Western Australian Local Government Association

held at the
Perth Convention Exhibition Centre
21 Mounts Bay Road, Perth
Riverside Theatre (Level 2)
on
Wednesday, 2 August 2017
at 1.30 pm



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Record of Attendance and Apologies

Apologies

- City of Busselton
- Town of Claremont
- Shire of Denmark
- Shire of Exmouth
- City of Vincent
- Shire of West Arthur
- Shire of Wongan-Ballidu

Announcements

Nil.

1.0 Confirmation of Minutes

Minutes of the 2016 WALGA Annual General Meeting are contained within the AGM Agenda.

Moved: Cr Fiona Reid (South Perth)

Seconded: Cr Julie Brown (Gosnells)

That the Minutes of the 2016 Annual General Meeting be confirmed as a true and correct record of proceedings.

CARRIED

2.0 Adoption of President's Annual Report

The President's Annual Report for 2016/2017 is contained within the AGM Agenda.

Moved: Cr Gerry Pule (Bassendean)

Seconded: Mayor Giovanni Italiano (Stirling)

That the President's Annual Report for 2016/2017 be received.

CARRIED

3.0 WALGA 2016/2017 Financial Statements (Item Under Separate Cover)

The audited 2016/2017 WALGA Financial Statements have been distributed to all members prior to the meeting.

Moved: Mayor Henry Zelones (Armadale)

Seconded: Mayor Giovanni Italiano (Stirling)

That the WALGA Financial Statements for 2015/2016 be received.

CARRIED

4.0 Consideration of Executive and Member Motions

As per motions listed.

5.0 Closure

There being no further business, the Chair declared the meeting closed at 4:20pm.

4. Consideration of Executive and Member Motions

4.1A MATTER OF SPECIAL URGENT BUSINESS: Exemption from the Requirements of AASB 124 Related Party Disclosures

Shire of Trayning delegate to move:

Moved: Cr Freda Tarr

Seconded: Cr Geoff Waters

That the members agree that the following item of Special Urgent Business relating to seeking an exemption from the requirements of AASB 124 Related Party Disclosures be considered.

CARRIED BY ABSOLUTE MAJORITY

4.1B Exemption from the Requirements of AASB 124 Related Party Disclosures

Shire of Trayning delegate to move:

Moved: Cr Freda Tarr

Seconded: Cr Geoff Waters

That:

1. **WALGA lobbies on behalf of local governments' for an exempt regulation to be introduced to the *Local Government (Financial Management) Regulations 1996* seeking an exemption from complying with AASB 124 Related Party Disclosures, and Business Operating Procedure-Related Party Disclosure; and,**
2. **This include WALGA considering the matter as part of the *Local Government Act 1995* review process.**

CARRIED

IN BRIEF

- Compliance with this standard provides no benefit to Local Governments or the communities that they serve. Rather, there is a cost to comply.
- Compliance does not further add to the transparency of financial dealings as provided for under the various provisions of the *Local Government Act 1995*.
- Such compliance requirements are a further disincentive to both sitting and potential elected members and executive staff.

MEMBER COMMENT

The introduction of additional accounting standards by the Australian Accounting Standards Board under the current legislation, by default, are required to be met by Local Government in the absence of an regulated exemption.

This accounting standard may well be beneficial to entities that do not already have transparency requirements.

Local Governments already have adequate transparency disclosure provisions by way of the Primary and Annual Report provisions enshrined in legislation.

We believe the additional requirements imposed by AASB 124 provides no direct benefit to neither local government nor the communities we serve. In fact, compliance will have a direct cost and an indirect additional dis-incentive to both sitting and potential elected members and executive staff.

SECRETARIAT COMMENT

This issue can be considered as part of the current Local Government Act review process.

4.2A MATTER OF SPECIAL URGENT BUSINESS: Road Funding Cuts to Direct Grants

Shire of Trayning delegate to move:

Moved: Cr Freda Tarr
Seconded: Cr Geoff Waters

That the members agree that the following item of Special Urgent Business relating to road funding cuts proposed by the current State Government be considered.

CARRIED BY ABSOLUTE MAJORITY

4.2B Road Funding Cuts to Direct Grants

Shire of Trayning delegate to move:

Moved: Cr Freda Tarr
Seconded: Cr Geoff Waters

That WALGA:

- 1. Lobbies the Minister for Transport;**
 - a. To seek a reversal of their stated intent to reduce the State Road Funds to Local Government Agreement by \$10.3 million in 2017/18; and**
 - b. For the reinstatement of the fixed percentage of licencing fees.**
- 2. Investigate options for the Local Government sector to reduce services and assistance provided to State Government entities unless financial compensation is provided.**

CARRIED

IN BRIEF

- The Minister of Transport has stated the intent to cut \$10.3 million out of the Direct Grants portion of the State Roads to Local Government Agreement.
- Such a cut equates to a 42% reduction in Direct Grants to all Local Governments.
- The agreement whereby 27% of vehicle licencing fees were allocated to Local Governments was reduced to approximately 20% by the previous government.
- This allocation is to be further reduced by this government.

MEMBER COMMENT

Local Government exercised its democratic right to lobby against the removal of licence fee concessions and a disallowance motion was successful.

The Minister for Transport, rather than accepting the will of the parliament, has retaliated by indicating that she will remove \$10.3 million dollars from the State Road Funds to Local Government Agreement 2017/18.

How this will be achieved is by reducing Local Governments Direct Road Grants by 42%.

For the Shire of Trayning this equates to a reduction of \$44,591.

Additionally, the previous government broke an agreement with the sector whereby 27% of vehicle licencing fees collected would be allocated to Local Government road funding. Progressively this eroded to approximately 20% of vehicle licencing fees.

The current Minister has flagged that this will be further eroded by \$10.3 million despite signalling that licencing fees will rise by 5.5%.

The timing and methodology of such announcement is appalling in that many Local Governments will have already adopted budgets and despatched rates notices.

Local Government undertakes a great deal of surveys and pseudo service provision on behalf of State Government for little or no compensation. Perhaps it is time for the sector to identify and quantify such service provision and take a united position to ensure an equitable and mutually respectful relationship.

SECRETARIAT COMMENT

WALGA has written to the Hon Minister for Transport, Rita Saffioti during July urging her to reconsider the proposed funding cut to the State Road Funds to Local Government Agreement and has been in discussion with senior officers from Main Roads to explore ways to mitigate any impact on Local Government.

The Association's policy position is that funding from the State Government for Local Government roads should be at least 27% of revenue from vehicle licencing fees.