

**NOTICE OF A SPECIAL MEETING OF COUNCIL**

Dear Council Member

A Special Meeting of Council will be held on Thursday, **17 August 2017** in the Council Chambers Bridgetown commencing at 5.30pm called for the purpose of Adopting the 2017/18 Budget.

Signed by T P Clynch:



Date:

10 August 2017

**Special Council Agenda Index – 17 August 2017**

Subject	Page No
<b>Acknowledgment of Country .....</b>	<b>2</b>
<b>Attendance, Apologies &amp; Leave of Absence .....</b>	<b>2</b>
<b>Attendance of Gallery .....</b>	<b>2</b>
<b>Public Question Time.....</b>	<b>2</b>
<b>Petitions/Deputations/Presentations.....</b>	<b>2</b>
<b>Comments on Agenda Items by Parties with an Interest.....</b>	<b>2</b>
<b>Notification of Disclosures of Interest.....</b>	<b>2</b>
<b>Business Items.....</b>	<b>3</b>
SpC.01/0817 Adoption of 2017/18 Budget .....	3
<b>Closure .....</b>	<b>17</b>
<b>List of Attachments.....</b>	<b>17</b>

## **AGENDA**

For the Special Meeting of Council to be held in the Council Chambers on Thursday 17 August 2017, commencing at 5.30pm, called for the purpose of Adopting the 2017/18 Budget.

### **Acknowledgment of Country – Presiding Member**

On behalf of the Councillors, staff and gallery, I acknowledge the Noongar People, the Traditional Owners of the Land on which we are gathered, and pay my respects to their Elders both past and present.

### **Attendance, Apologies and Leave of Absence**

President	- Cr J Nicholas
Councillors	- J Boyle - S Hodson - D Mackman - J Moore - A Pratico - P Quinby - P Scallan - A J Wilson
In Attendance	- T Clynch, CEO - M Larkworthy, Executive Manager Corporate Services - E Denniss, Executive Manager Community Services - T Lockley, Executive Assistant

### **Attendance of Gallery**

### **Public Question Time**

Note: At Special Council Meetings questions must relate to the items on the Agenda.

### **Petitions/Deputations/Presentations**

### **Comments on Agenda Items by Parties with an Interest**

### **Notification of Disclosures of Interest**

Section 5.65 or 5.70 of the Local Government Act requires a Member or Officer who has an interest in any matter to be discussed at a Committee/Council Meeting that will be attended by the Member or Officer must disclose the nature of the interest in a written notice given to the Chief Executive Officer before the meeting; or at the meeting before the matter is discussed.

A Member who makes a disclosure under Section 5.65 or 5.70 must not preside at the part of the meeting relating to the matter; or participate in; or be present during, any discussion or decision making procedure relating to the matter, unless allowed by the Committee/Council. If Committee/Council allow a Member to speak, the extent of the interest must also be stated.

### **Business Items**

<b>ITEM NO.</b>	SpC.01/0817	<b>FILE REF.</b>	133
<b>SUBJECT</b>	Adoption of 2017/18 Budget		
<b>PROPONENT</b>	Council		
<b>OFFICER</b>	Chief Executive Officer and Executive Manager Corporate Services		
<b>DATE OF REPORT</b>	7 August 2017		

Attachment 1 Draft 2017/18 Budget

#### **OFFICER RECOMMENDATION**

1. That in the 2017/18 financial year, Council impose the following rates in the dollar and minimum rates in the district:

<i>Category</i>	<i>Rate in \$</i>	<i>Minimum Rate</i>
<i>Gross Rental Value (GRV) Properties</i>	<i>8.7341 cents</i>	<i>\$867.00</i>
<i>Rural Unimproved Value (UV) Properties</i>	<i>0.6001 cents</i>	<i>\$1,074.00</i>
<i>Urban Farmland Unimproved Value (UV)</i>	<i>0.5101 cents</i>	<i>\$1,074.00</i>
<i>Mining Unimproved Value (UV)</i>	<i>7.8436 cents</i>	<i>\$760.00</i>

[Absolute Majority Required]

2. That in the 2017/18 financial year, Council imposes Rubbish Collection Charges as follows:

- \$82.00 per annum per 120 litre or 140 litre rubbish bin (noting a 240 litre rubbish bin represents two 120 litre services); and
- \$66.00 per annum per 240 litre recycling bin.

and that these charges be included in the 2017/18 Schedule of Fees & Charges.

[Absolute Majority Required]

3. That in the 2017/18 financial year, Council, under Section 66 of the Waste Avoidance and Recovery Act 2007, imposes a Landfill Site Maintenance Rate (for the purpose of funding all its waste services other than kerbside rubbish and recycling collection services). Furthermore Council sets the following rates in the dollar for the Landfill Site Maintenance Rate however noting that under Section 6.35 of the Local Government Act and Regulation 52A of the Local Government (Financial Management) Regulations all rateable properties will be charged the minimum rate only:

GRV - \$0.00018502

UV - \$0.00005569

Minimum Rate - \$173.00

[Absolute Majority Required]

4. That for the Landfill Site Maintenance Rate the following concessions will be applicable:

“Where more than one assessment is held in identical name or names, no more than one charge will apply, except in the following situations:

- (i) A habitable dwelling house or commercial rented premises is situated on the additional property; or
- (ii) The additional properties are separated by more than 10 kilometres as measured cadastrally on an appropriate map”.

[Absolute Majority Required]

5. That in the 2017/18 financial year, Council nominate due dates for the payment of rates and service charges as follows:

<i>Payment in Full</i>	<i>Payment in Instalments</i>
<i>29 September 2017</i>	<i>29 September 2017</i>
	<i>29 November 2017</i>
	<i>29 January 2018</i>
	<i>29 March 2018</i>

6. That in the 2017/18 financial year, Council impose penalty interest at 11% per annum, calculated daily, on rates and service charges remaining unpaid (excluding eligible pensioners opting to defer the payment of their rates), after the due dates identified in Part 5 above.

[Absolute Majority Required]

7. That in the 2017/18 financial year, Council impose instalment plan administrative fees and interest for the payment of rates and service charges as follows:

- \$8.45 per instalment (not including the first instalment); and
- 5.5%.

[Absolute Majority Required]

8. That for the financial year ending 30 June 2018, Council transfer funds to and from the Reserve Funds, as is specified in the 2017/18 Draft Budget.

9. That for the financial year ending 30 June 2018, Council transfer funds to and from the Trust Account, as is specified in the 2017/18 Draft Budget.

10. That Council adopt the balanced 2017/18 Draft (Statutory) Annual Budget, including the Rate Setting Statement which indicates that \$4,370,922 in rates is to be raised, as presented.

[Absolute Majority Required]

11. *That in accordance with Policy F7 (Reporting Forecast Budget Variations Policy), for the financial year ending 30 June 2018 Council adopt a percentage of plus or minus 10% up to \$50,000 at sub-program level, and 5% over \$50,000, at sub-program level, to be used for reporting material variances of actual revenue and expenditure in the monthly reports of financial activity. The exception being that material variances of \$1,000 or less are non-reportable.*
  
12. *That Council approves the following incentive program for the early payment of rates in full by the due date of 29 September 2017:*
  - 1<sup>st</sup> Prize: \$600 Community Cash Vouchers*
  - 2<sup>nd</sup> Prize: Weekend stay at Quality Hotel Ambassador Perth including breakfast (valued at \$340)*
  - 3<sup>rd</sup> Prize 1 Double pass to Asher Fisch Conducts Schumann Concert (double pass valued at \$182)*
  - 4<sup>th</sup> Prize 1 Double pass to Asher Fisch Conducts Schumann Concert (double pass valued at \$182)*

*[Absolute Majority Required]*

#### Summary/Purpose

Local Governments must prepare annual budgets in the format as prescribed in the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996. This report is for Council to consider:

- Adopting the 2017/18 Annual Budget;
- Confirming its current policy for setting a level of reporting material variances so as to satisfy Council that the annual budget is being implemented satisfactorily;
- Setting fees for kerbside rubbish collection and kerbside recycling collection services.
- Setting the Landfill Site Maintenance Rate under the Waste Avoidance and Resource Recovery Act 2007
- Setting due dates for payment of rates and service charges, either in full or by instalments;
- Setting interest rates for outstanding rates after the due date and for rates paid by instalments and the administrative fee for setting up an instalment plan.
- Transfer of reserve account funds.
- Transfer of trust funds.

#### Background

The 2017/18 budget process commenced in December 2016 with the public advertising of the application process for new community grants in 2017/18 and service agreement applications for up to 3 years from 2017/18. The applications were determined by Council at its meeting held on 25 May 2017.

In 2016/17 Council conducted comprehensive reviews of its Strategic Community Plan and Corporate Business Plan with both being adopted by Council at its meeting on 29 June 2017.

Council's Corporate Business Plan is the key informing document for the annual budget. The Corporate Business Plan is an internal business planning tool that translates Council priorities into operations within the resources available. The plan details the services, operations and projects a local government will deliver within a defined period. It also includes the processes for delivering these.

The Corporate Business Plan contains forecasts of funding, additional operating activities/expenditure (over and above current operating activities) and capital program expenditure. The forecasts for Year 1 of the Corporate Business Plan have been fed directly into the draft 2017/18 budget.

A Council budget workshop was held on 22 May 2017 where the following was considered:

- Identification of significant carry-forward items from 2016/17 budget to 2017/18.
- Annual update of 10 Year Roads Program, 10 Year Plant Replacement Plan, 10 Year Light Fleet Replacement Plan and 4 Year Building Capital and Maintenance Plan.
- Waste issues – including the development of an inert waste disposal area, Greenbushes green waste disposal, liquid waste disposal facility.
- Recommendations/Proposals from Council Advisory Committees or Working Groups.
- Review of fees and charges.
- Options for the gym expansion project.
- Community bus replacement funding model.
- Councillor requests/proposals.
- 2017/18 rating strategy.

At the workshop a rate increase of around between 4.5% and 5% was generally agreed for preparation of the draft budget.

#### Officer Comment

The draft budget is a balanced budget with a 4.85% rate increase. Note each 1% rate increase equates to approximately \$41,592 in increased revenue.

Set out below is a summary of funding for some of the key features of the draft budget and other related subjects.

#### 1. Rates in the Dollar

In accordance with Section.6.36 of the Local Government Act 1995 (the Act) Council was required to establish the differential rates it will advertise prior to considering and adopting the budget. Accordingly at its ordinary meeting held on 25 May 2017 Council resolved to:

#### *That Council:*

1. *After consideration of its strategic community plan and annual review of the corporate business plan fund the estimated budget deficiency of \$4.36m by applying differential rates when drafting the 2017/18 Annual Budget.*
2. *In accordance with section 6.36 of the Local Government Act 1995 endorses the advertising for public submissions on the proposed differential rates as set*

out in the table below, and makes available to the public Attachment 18 to this report setting out the objects and reasons for the differential rates:

Category	Rate in \$	Minimum Rate
Gross Rental Value (GRV) Properties	8.7341 cents	\$867.00
Rural Unimproved Value (UV) Properties	0.6001 cents	\$1,074.00
Urban Farmland Unimproved Value (UV)	0.5101 cents	\$1,074.00
Mining Unimproved Value (UV)	8.3004 cents	\$1,074.00

3. Direct the CEO to:

- report back to Council any public submissions in relation to the proposed differential rates;
- seek the approval of the Minister to impose in 2017/18 a differential Mining UV rate which is more than twice the lowest general differential UV rate.

Advertising of the Notice of Intention to Levy Differential Rates for 2016/17 occurred in the Manjimup Bridgetown Times on 31 May 2017. The submission period closed on 23 June 2017 and one submission was received. Council considered the submission but resolved to retain the rate in the dollar and minimum payment as advertised.

Subsequent to the above resolution a revaluation roll was received from Landgate for properties in the Mining Unimproved Value category with values effective 1 July 2017. The new valuation roll was input into Council's rating system and rate modelling undertaken incorporating the new values and properties to determine a new rate in the dollar and minimum payment to generate the same level of rate revenue as would have occurred under that which was advertised. This rate in the dollar is 7.8436 cents as compared to the previously advertised 8.3004 cents. Also, due to an increased number of low valued properties in the Mining Unimproved Value category a change to the minimum rate was required to ensure that not more than 50% of the properties would be rated on the minimum payment in accordance with Section 6.35 of the Local Government Act. The new minimum rate for this category is \$760 as compared to the previously advertised \$1,074. Council resolved these variations to the rate in the dollar and minimum rate for the Mining Unimproved Value category at its meeting held on 27 July 2017.

Approval was obtained from the Minister for Local Government on 8 August 2017 for the imposition of a differential mining UV rate which is more than twice the lowest differential UV rate.

The increases in minimum rates from 2016/17 to 2017/18 are \$40.00 for GRV properties, \$50.00 for Rural UV properties and \$50.00 for Urban Farmland UV properties. However for Mining UV properties a reduction of \$264.00 will occur from 2016/17 to 2017/18 to ensure compliance with the minimum rating provision of the Local Government Act 1995.

2. Community Grants and Service Agreements

At its ordinary meeting held on 26 May 2017 Council resolved to allocate \$160,000 in the 2017/18 budget for community donations as follows:

- \$33,165 New service agreements
- \$61,906 Existing service agreements to be carried forward
- \$12,977 New community group grants
- \$2,500 Chief Executive Officer donations
- \$4,000 Chief Executive Officer hall hire donations
- \$680 Rubbish and recycling collection for community events
- \$200 Rubbish and recycling collection for Shire leased facilities
- \$41,822 Landcare Officer
- \$500 South West Academy of Sport Sponsorship
- \$250 Agricultural Society School Art Prize Sponsorship
- \$1,000 Manjimup Airfield Contribution
- \$1,000 Greenbushes Australia Day Breakfast Event

The \$12,977 of new community grants is made up of:

- Blackwood Youth Action Inc. – youth programs - \$4,000
- Bridgetown Golf Club – irrigation system - \$2,357
- Bridgetown & Manjimup Stamp & Coin Club – purchase of materials - \$500
- CWA Bridgetown – painting of building - \$2,500
- Probus Club of Bridgetown-Blackwood Valley – conference hosting - \$1,000
- Volunteer Bush Fire Brigade Historical Group – equipment and tools - \$1,000
- Yornup Hall Committee – equipment hire and gravel - \$1,620

New and continuing service agreements are made up of:

- Bridgetown Equine – Year 1 of 3 - \$3,850 – traffic management plan for event
- Bridgetown Historical Society - \$2,735 – administration costs
- Bridgetown Scouts - \$1,580 – building operations
- Geegeelup Village Inc. - \$25,000 – contribution towards rates
- Blackwood Country Gardens – Year 2 of 3 – administration and promotional costs of festival - \$2000
- Bridgetown Child Health Inc. - Year 2 of 3 – child health services - \$6000
- Bridgetown Family & Community Centre - Year 2 of 3 – Shire rates and insurance costs - \$8,000
- Bridgetown Lawn Tennis Club - Year 2 of 3 – assistance for running costs of annual Easter tennis tournament - \$2000
- Bridgetown Masonic Lodge - Year 2 of 3 – Contribution to Rates - \$750
- Greenbushes Community Resource Centre - Year 2 of 3 – community bus hire - \$700
- Greenbushes Golf Club - Year 2 of 3 – contribution towards insurances - \$1,500
- Grow Greenbushes - Year 2 of 3 – contribution towards insurances - \$332
- Henri Nouwen House Inc. - Year 2 of 3 – operational costs - \$10,000
- Rotary Club of Bridgetown - Year 2 of 3 – assistance for running Blackwood Marathon - \$5,000
- Blues at Bridgetown – Year 3 of 3 – Contribution towards costs of festival - \$18,700
- Greenbushes Masonic Lodge – Year 3 of 3 – rate discount - \$600
- Bridgetown Anglican Parish – Year 3 of 3 – recycling bin collections - \$450
- Bridgetown Greenbushes Business and Tourism Association – Year 3 of 3 – venue hire and traffic management plan for winter festival - \$3,874



- Bridgetown Golf Club – Year 3 of 3 - assistance with costs for tree pruning - \$2,000

### 3. Road Works

The draft budget provides for construction works on the following roads:

- Winnejump Road (progressive reconstruction)
- Gommies Lane (reconstruct low lying section)
- Hampton Street (reconstruct John Street to Walter Street)
- John Street (reconstruct between Hampton Street and Coronation Street)
- Brockman Highway (reconstruct 3 curves)
- Huitson Road (gravel resheeting)
- Kendall Road (2<sup>nd</sup> coat seal)
- Hester Road (2<sup>nd</sup> coat seal)
- Padbury Road (2<sup>nd</sup> coat seal)
- Mockerdillup Road (survey and design)

Also bridge works to the value of \$426,000 (fully funded by bridge grants) will occur on two bridges located on Blackbutt Road.

Late in the budget process the Shire of Bridgetown-Greenbushes, like all local governments in the State, were told by the State Government that our direct road funding grant will be cut by 42% in 2017/18 and foreseeably in years onwards. In our case this means a reduction in our direct grant of \$66,798 (from our forecast of \$157,510 to \$90,712). The \$66,798 cut roughly equates to 1.6% of our total rate revenue. While there was never any intention of recovering these funds from a rate increase it does unfortunately see a reduction in our road maintenance expenditure. In our case in 2017/18 we will undertake less roadside vegetation maintenance (pruning, tree removal, etc.) than originally intended.

The decision by the State Government to cut direct road grants was in response to a decision by the Upper House of Parliament to disallow a proposal to remove vehicle registration concessions for local government. Essentially the \$10 million expected to be generated by the removal of those concessions has simply been replaced by a reduction in road funding of the same amount. In our case the vehicle licensing costs would have cost approximately \$49,000 in 2017/18 and this has been replaced by a cut in road funding of \$66,798.

### 4. Footpaths

The draft budget provides for the following footpath projects:

- Forrest Street (Gifford Road to Padbury Road)
- Lockley Street (Hester Street to Hampton Street)
- Installation of nibs on Steere Street between Hampton Street and railway crossing in order to improve pedestrian crossing of Steere Street.

### 5. Drainage

The budget provides for the following drainage projects:

- Phillips Street

- Palmers Road
- Four Seasons Estate
- Lockley Street
- Barlee Street laneway
- Forest View Court
- Dusting Drive
- Cleanout and repairs to Geegelup Brook behind shops

## 6. Plant and Fleet Replacement

The budget provides for the following plant and fleet items for replacement in 2017/18:

### *Plant*

2007 Volvo Front End Loader  
2007 John Deere Tractor  
2009 Mitsubishi 5T Tipper Truck

### *Light Fleet*

Holden Colorado Crew Cab – B8598 (Manager Planning)  
Subaru Liberty – B8666 (Executive Manager Corporate Services)  
Ford Ranger Super Cab – B400 (Parks Supervisor)  
Holden Colorado Space Cab – B8880 (Rangers)  
Ford Ranger Single Cab – B023 (Plant Mechanic)  
Ford Ranger Super Cab – B15439 (Building Maintenance)  
Ford Ranger Single Cab B785 (Parks)  
Ford Courier – B081 (Waste Site)

Some of the above changeovers were funded in the 2016/17 budget but were deferred pending a review of Council's light fleet changeover policy. This policy was reviewed in May 2017 and the changeovers proposed for 2016/17 were carried-forward to the 2017/18 budget

## 7. Recreation

- Expansion of the gym at the Bridgetown Leisure Centre – estimated cost of \$190,000 with 1/3 contribution to be sought from grant funding.
- Staged replacement of exercise equipment in Somme Creek Parklands
- Commencement of construction of the proposed regional bridle trail. Note the Shire of Bridgetown-Greenbushes is project managing this project on behalf of the Warren Blackwood Alliance of Councils hence all income (grants) and expenditure for the project is shown in the Shire's budget.
- Erection of shade sails at Thomson Park.
- Reconstruction of the boardwalk below the caravan park.
- Installation of an additional water feature, purchase of a new "obstacle inflatable" and aqua aerobics equipment at the swimming pool (Bridgetown Leisure Centre).
- An allocation of \$15,000 to install irrigation/reticulation at one park – specific park to be determined.
- Grant funding has been received for preparation of a development plan for the River Park precinct incorporating the area from the Old Rectory walk trail to the boardwalk.
- A parkland improvement strategy is to be prepared and this will guide future development and expenditures for parkland.

- Planning for a stage in Memorial Park, a playground at Highland Estate and development of the public open space in Four Seasons Estate is to occur in 2017/18.
- Approval has been obtained from the Public Transport Authority to allow landscaping of the area between the railway line and the railway car park and subject to final approval of the selected species this landscaping is scheduled to occur.

#### 8. Fire Prevention/Emergency Management

- ESL operating grant (FESA) for bush fire brigades increased from 2016/17 by 7.3% to \$157,700 of which the 1<sup>st</sup> quarter (25%) was paid prior to 30 June 2017 therefore only 75% of this amount (being \$118,275) is shown in the 2017/18 budget.
- ESL operating grant (FESA) for the Bridgetown SES Brigade of \$14,000 of which the 1<sup>st</sup> quarter (25%) was paid prior to 30 June 2016 therefore only 75% of this amount is shown in the 2016/17 budget. An additional \$9,000 in capital ESL grants was received for various SES capital purchases.
- A new light tanker for the Yornup Bush Fire Brigade (valued at \$137,900), proposed for delivery in June 2018.
- A new heavy tanker (valued at \$350,000), proposed for delivery in June 2018.
- A new garage for the Bridgetown Bush Fire Brigade (ESL funded).
- Replacement of one of the Shire owned fast attack fire fighting vehicles (non-ESL funded).
- Continuation of funding for employment of a fire mitigation officer for 26 weeks – this person will assist the Community Emergency Services Manager, Ranger staff and bush fire brigade volunteers in completing hazard reduction burns.
- Purchase of an air conditioner for the Kangaroo Gully Bush Fire Station.

#### 9. Community Services

- Funding for implementation of the Age Friendly Community Plan, Youth Friendly Community Plan and Access and Inclusion Plan via various programs, events and initiatives.
- Funding for the continuation of the summer evening outdoor film festival
- Run a pilot program (using grant funds) for introduction of a local bus service using the community bus.
- Develop new ACROD parking bays in CBD to replace existing on-street infirm parking bays

#### 10. Governance and Administration

- The three year freeze (no indexation) of Financial Assistance Grants by the Commonwealth Government has ended. At this point in time a specific grant amount hasn't been revealed however the 2017/18 budget has been framed assuming a 1% increase on last year's grant. The Commonwealth Government processed an advance payment of 50% (based on the 2016/17 grant) therefore the budget only shows income for the remaining 50% over 4 quarterly payments. The 50% payment received towards the end of 2016/17 is contained in the carry-forward surplus from 2016/17 to 2017/18.
- Councillor allowances have been frozen for the third consecutive year as determined by Council at its May 2017 meeting.
- Compilation of councillor honour boards for the Council Chambers.
- New microphone/audio system for council chambers.

- Compilation of a local suppliers' inventory of services and products, for use by all local businesses (including the Shire) when considering purchases.
- A new archive storage facility is to be constructed at the Shire Depot to ensure the Shire meets its record keeping legislative responsibilities.
- The total budgeted wages for 2017/18 is \$4,053,680 which is 0.48% greater than that allocated in the 2016/17 budget. The \$4,053,680 equates to 92.76% of the total to be raised by rates in 2017/18 which achieves the target of 100% set by Council's Integrated Workforce Plan.

## 11. Major Building Improvements

Significant works include:

- Bridgetown Sportsground – complete balustrading on change rooms walkway and other minor works
- Shire Administration Centre –Commencement of progressive program to repair and renovate external walls of the building, repairs to lead light glass, roof repairs, replace air conditioner in server room, sub-soil drainage works
- Greenbushes Hall – drainage modifications, replace septic tanks and leach drains, sub-floor repairs, roof repairs, replace air conditioner in doctor's room, relocate oven, install range hood and modify benches in kitchen,
- Greenbushes Pool - treat deck woodwork, replace toilet cisterns and paint floors
- Greenbushes Golf Club –repairs to floors in club rooms, weather proof walls, roof repairs, replace exit door
- Bridgetown Old Gaol – level rear verandah
- Visitor Centre – roof repairs
- Shire Depot – replace termite damaged internal wall and door frames and replace air conditioner
- Library – treat exterior timbers, repair roof leaks, repairs to deck and removal of the green roof vegetation
- 31 Gifford Road (Shire Residence) –renew gutters and downpipes
- 144 and 146 Hampton Street - ex Police Quarters – replacement guttering and sub soil drainage
- Hampton Street ablution block – pressure clean and renew tiles
- Bridgetown Leisure Centre (Recreation Centre) – replace all court lighting, repair roof leaks, annual reseal of courts, replace exit lights, replace external and mezzanine lighting, repair and remount scoreboards
- Bridgetown Leisure Centre (Swimming Pool) – Repairs to shade sail poles, oil timber shelters, install time clock
- Greenbushes Cricket Pavilion – repair broken floorboards
- Greenbushes Sportsground Kiosk – door, awning and roof repairs
- Yornup School (office of Bridgetown Historical Society) – repairs to electrical wiring
- Bridgetown Civic Centre – extensive work proposed to remove bee nest in main hall, floor repairs, replace atrium lighting and various renewal works
- Sunnyside Shelter – general repairs
- Settlers Rest – repair fencing around transformer, remove drinking fountain and upgrade of slab seating
- Bridgetown Community Resource Centre – Commencement of progressive program to repair and renovate external walls of the building
- Bridgetown Sportsground – replace septic tank lid
- Thomson Park Ablutions – replace damaged sheeting

- General allocation for asbestos treatment and removal for Shire buildings
- General allocation for termite prevention/management for Shire buildings
- General allocation for integrated height safety assessment for applicable Shire buildings
- General allocation for septic tank pump outs
- Bridgetown Cemetery – construct toilet facility

## 12. Waste Management

For many years Council has adopted the principle that waste management should be funded on a cost recovery basis. This means that all the expenses associated with waste management are funded by the kerbside rubbish collection charge, kerbside recycling collection charge, the Landfill Site Maintenance Charge plus other waste income such as recycling subsidies and tipping fees.

Council charges on all rateable properties a landfill rate under Section 66 of the Waste Avoidance and Resource Recovery Act 2007. This section of the Act allows a local government to impose on rateable land within its district, and cause to be collected, an annual rate for the purpose of providing for the proper performance of all or any of the waste services it provides.

The annual rate must not exceed —

- (a) 12 cents in the dollar on the gross rental value; or
- (b) where the system of valuation on the basis of the unimproved value is adopted, 3 cents in the dollar on the unimproved value of the land in fee simple.

The following rates in the dollar have been set for this charge:

- GRV - \$0.00018502
- UV - \$0.00005569

Section 6.35 of the Local Government Act and Regulation 52A of the Local government (Financial Management) Regulations allow Council to have more than 50% of rateable properties on the minimum payment if the minimum is less than \$200. On this basis all rateable properties will be charged a minimum rate of \$173.00 with concessions for multiple properties applicable as per previous years. This minimum rate is an increase of \$2 from 2016/17.

New capital works in waste management funded in the 2017/18 budget are installation of an emergency pump system in the leachate pond at a cost of \$10,000, construction of a new liquid waste septage pit and a new inert waste disposal area at the Bridgetown Waste Disposal Site. The estimated cost of the latter two projects is \$120,000 and is to be funded by a loan.

Improvements to the green waste disposal area in Greenbushes are also proposed.

Kerbside rubbish and recycling collection services remain unchanged (last review was undertaken in 2015/16) and the relevant charges for households receiving these services are:

- Rubbish Collection Charge - \$82.00 (decrease of \$5 from 2016/17)
- Recycling Collection Charge - \$66.00 (decrease of \$7 from 2016/17)

The Shire of Bridgetown-Greenbushes is continuing to partner with the other 11 local governments of the south-west region in investigating a potential regional waste disposal site. Contributions are being made by each local government based on a ratio linked to rates revenue and this contribution has been provided in the 2017/18 budget.

### 13. Other

- Funds of \$10,000 have been carried-forward from 2016/17 for surveying of the proposed realignment of the Nelson Street/Hampton Street intersection and partial closure of Hester Street adjacent to the Repertory Theatre.
- Continuation as a member of the Warren Blackwood Alliance of Councils and funding of regional trails website, events website and the investigations into the establishment of a Local Tourism Organisation.
- Funding has been set aside to develop facilities such as a caravan dump point and signage in order for Bridgetown to achieve 'RV Friendly Town' status.
- Continuation of funding of the Community Landcare Officer administered by the Blackwood Environment Society.
- Continuation in the Heritage Council of WA 'Regional Heritage Advisory Scheme' that provides the Shire access to specialist heritage advice.
- To complete the new Local Planning Strategy a high level bush fire assessment of population areas is required and an allocation of \$6,000 has been included for this to occur.
- Funding for progressive acquisition of land adjacent to Geegelup Brook.
- Review directional signage to car parking.
- Provide emergency power systems for key Shire facilities
- Upgrades of the information bays at northern and southern entrances to Bridgetown.
- New "upcoming events" signage, to be erected on the entrances to Bridgetown or within the information bays.
- Funding has been set aside for the celebrations to commemorate the 150 year anniversary of Bridgetown in 2018. Council has appointed a working party to coordinate the celebrations.

### 14. Loans

One new loan is proposed in the budget for 2017/18, being a loan of \$120,000 to fund the construction of a new liquid waste facility and an inert waste disposal area at the Bridgetown Waste Disposal Site. This loan is to be repaid over a 5 year period.

As at 1 July 2017 the Shire's loan liability was \$2,268,673 and under the 2017/18 budget this liability will decrease to \$2,140,181 at 30 June 2018.

### 15. Reserve and Trust Account Transfers

The budget proposes to transfer \$422,167 into reserve, including \$241,000 into Plant Replacement Reserve, \$19,500 into a newly established Light Fleet Vehicle Reserve, \$32,167 into the Assets & GRV Valuations Reserve, \$20,000 into the Strategic Projects Reserve, \$5,000 into the Refuse Site Post Closure reserve, \$10,000 into the Matched Grants Reserve and \$15,000 into the Community Bus Replacement Reserve. Estimated annual interest of \$64,400 is to be distributed across all the specific reserve accounts.

In the budget an amount of \$1,035,359 is to be transferred from reserves, including:

- \$377,299 from Unspent Grants Reserve (grants received in 2016/17 and earlier but unspent before 30 June 2017).
- \$357,000 from Plant Reserve for changeover of plant and fleet in accordance with the Plant/Fleet Replacement Plan.
- \$41,355 from Land and Buildings Reserve for purchase of 3 land parcels adjacent to Geegelup Brook.
- \$63,333 from Land and Buildings Reserve and \$63,334 from the Bridgetown Leisure Centre reserve as a contribution towards the Bridgetown Leisure Centre gym expansion project.
- \$9,000 from the Bridgetown Leisure Centre Reserve for purchase of an additional water feature in the leisure pool.
- \$53,334 from the Community Bus Reserve to part fund the acquisition of a new bus.
- \$25,000 from the Assets & GRV Valuations reserve to fund the costs of obtaining infrastructure fair values.

#### 16. Early Payment of Rates Incentive Prizes

Once again it is proposed to offer incentives for the early payment of rates. Property owners that pay their rates in full by the due date are able to lodge an entry into a draw. The draw will be conducted by the Shire President after the closing date for early payment.

Prizes to be offered this year are:

- |                              |   |
|------------------------------|---|
| <i>1<sup>st</sup> Prize:</i> | <i>\$600 Community Cash Vouchers</i>  |
| <i>2<sup>nd</sup> Prize:</i> | <i>Weekend stay at Quality Hotel Ambassador Perth including breakfast (valued at \$340)</i> |
| <i>3<sup>rd</sup> Prize</i>  | <i>1 Double pass to Asher Fisch Conducts Schumann Concert (double pass valued at \$182)</i> |
| <i>4<sup>th</sup> Prize</i>  | <i>1 Double pass to Asher Fisch Conducts Schumann Concert (double pass valued at \$182)</i> |

Note the 2<sup>nd</sup> prize has been kindly donated by the Perth Ambassador Hotel and the 3<sup>rd</sup> & 4<sup>th</sup> prizes donated by the Western Australian Symphony Orchestra.

#### Statutory Environment

Sections 6.2 and 6.47 of the Local Government Act 1995 – Preparation of Annual Budget and Concessions.

Clauses 64 of the Local Government (Financial Management) Regulations 1996 – Set the due date(s) for the payment of rates.

Section 6.45(3) of the Local Government Act 1995 and Clauses 67 and 68 of the Local Government (Financial Management) Regulations 1996 – Setting instalment plan administration charges and an interest rate for outstanding rates and charges.

Section 6.51(1) of the Local Government Act 1995 and Clause 70 of the Local Government (Financial Management) Regulations 1996 – Setting an interest rate for the late payment of rates and charges.

Section 6.11 of the Local Government Act 1995 – Create Reserve Funds.

Sections 6.16 to 6.19 of the Local Government Act – Setting of fees and charges. Fees imposed as part of the budget adoption process do not require public notice to be given.

Section 6.47 of the Local Government Act – Concessions (applicable to the Landfill Site Maintenance Rate)

Section 66 of the Waste Avoidance and Resource Recovery Act 2007 allows a local government to impose on rateable land within its district, and cause to be collected, an annual rate for the purpose of providing for the proper performance of all or any of the waste services it provides.

Section 67 of the Waste Avoidance and Resource Recovery Act 2007 allows a local government to impose a receptacle charge such as for a kerbside rubbish collection service and/or a kerbside recycling collection service.

Regulation 34(5) of the Local Government (Financial Management) Regulations requires a local government, each financial year, to adopt a percentage or value, calculated in accordance with the Australian Accounting Standards, to be used in statements of financial activity for reporting material variances.

#### Integrated Planning

##### ➤ Strategic Community Plan

- Key Goal 5 - Our leadership will be visionary, collaborative and accountable
- Objective 5.1 - Our community actively participates in civic life
- Strategy 5.1.4 - People receive Shire information, services and opportunities according to their needs
- Objective 5.2 - We maintain high standards of governance, accountability and transparency
- Strategy 5.2.3 - Ensure organisational capability
- Strategy 5.2.6 - Ensure the future financial sustainability of the organisation
- Strategy 5.2.8 - Ensure all legislative responsibilities and requirements are met
- Objective 5.3 - We operate within the Integrated Planning Framework
- Strategy 5.3.1 - Implement the Shire's Integrated Planning Review Cycle
- Strategy 5.3.2 - Apply best practice asset management principles

##### ➤ Corporate Business Plan

The preparation of the annual budget is structured around the Corporate Business Plan which is reviewed annually. Where actions of the Corporate Business Plan identified for implementation in 2017/18 required specific funding this funding has been included in the draft budget.

##### ➤ Long Term Financial Plan

The contents of the Long Term Financial Plan were a determinant in developing the 2017/18 budget.



- Asset Management Plans  
Although Council's asset management plans have only recently been reviewed and adopted, the principles outlined in the various plans have been referred to when developing the budget.
- Workforce Plan  
There are no specific recommendations that directly informed the 2017/18 budget.
- Other Integrated Planning  
The 10 year Strategic Works Program, 10 Year Plant/Fleet Replacement Plan and 4 year building Capital and Maintenance Plan are major informing documents in the development of the annual budget.

### Policy

Council Policy F.7 – 'Reporting Forecast Budget Variations' sets out the level of material variances to the budget that must be reported to Council. Although Council has adopted this policy, Regulation 34(5) of the Local Government (Financial Management) Regulations requires Council to annually adopt a percentage or value for reporting of budget variations, hence this matter has been included in the officer recommendation.

### Budget Implications

The annual budget identifies how funds will be sourced and allocated in the forthcoming year, and allows for the imposition of rates which is a primary income stream from which services and upcoming projects may be funded.

### Fiscal Equity

Whilst the budget contains a number of projects that have an impact on individuals and groups, this item concerns the adoption of the budget and the allocation of funds towards a large number of activities, functions and projects of the Council.

### Whole of Life Accounting

The budget proposes the allocation of funds towards a large number of activities, functions and projects of the Council. Where required for specific projects the concept of whole of life accounting will be investigated and if necessary reported on to the Council.

### Social Equity

Whilst the budget contains a number of projects that have an impact on the social fabric of the community, this item concerns the adoption of the budget and the allocation of funds towards a large number of activities, functions and projects of the Council.

### Ecological Equity

Whilst the budget contains a number of projects that have an impact on the environment, this item concerns the adoption of the budget and the allocation of funds towards a large number of activities, functions and projects of the Council.

Cultural Equity – Not Applicable

Risk Management – Not Applicable

Continuous Improvement

The budget will provide funds for a number of tasks or projects that will result in improvements to the functions and processes of the Shire.

Delegated Authority - Nil

Voting Requirements


Simple Majority other when requirement for Absolute Majority is noted for specific recommendations.

Closure

*The President to close the Meeting*

List of Attachments

Attachment	Item No.	Details
1	SpC.01/0817	Draft 2017/18 Budget

Agenda papers checked and authorised by CEO, Mr T P Clynych		10.8.17
---	---	---------