

NOTICE OF A SPECIAL MEETING OF COUNCIL

Dear Council Member

A Special Meeting of Council will be held on Thursday, **11 August 2016** in the Council Chambers Bridgetown commencing at 5.30pm called for the purpose of Adopting the 2016/17 Budget.

Signed by T P Clynch:



Date:

4 August 2016

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AGENDA

For the Special Meeting of Council to be held in the Council Chambers on Thursday 11 August 2016, commencing at 5.30pm, called for the purpose of Adopting the 2016/17 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 - L Crooks, Executive Manager Works & 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

ITEM NO.	SpC.01/0816	FILE REF.	133
SUBJECT	Adoption of 2016/17 Budget		
PROPONENT	Council		
OFFICER	Chief Executive Officer and Executive Manager Corporate Services		
DATE OF REPORT	1 August 2016		

Attachment 1 Draft 2016/17 Budget

OFFICER RECOMMENDATION

1. That in the 2016/17 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>8.3307 cents</i>	<i>\$827.00</i>
<i>Rural Unimproved Value (UV) Properties</i>	<i>0.6079 cents</i>	<i>\$1,024.00</i>
<i>Urban Farmland Unimproved Value (UV)</i>	<i>0.5169 cents</i>	<i>\$1,024.00</i>
<i>Mining Unimproved Value (UV)</i>	<i>7.9172 cents</i>	<i>\$1,024.00</i>

[Absolute Majority Required]

2. That in the 2016/17 financial year, Council imposes Rubbish Collection Charges as follows:

- \$87.00 per annum per 120 litre or 140 litre rubbish bin (noting a 240 litre rubbish bin represents two 120 litre services); and
- \$73.00 per annum per 240 litre recycling bin.

and that these charges be included in the 2016/17 Schedule of Fees & Charges.

[Absolute Majority Required]

1. That in the 2016/17 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 - \$0.00018288
UV - \$0.00005951
Minimum Rate - \$171.00

[Absolute Majority Required]

2. 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 2016/17 financial year, Council nominate due dates for the payment of rates and service charges as follows:

Payment in Full	Payment in Instalments
23 September 2016	23 September 2016
	23 November 2016
	23 January 2017
	23 March 2017

6. That in the 2016/17 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 2016/17 financial year, Council impose instalment plan administrative fees and interest for the payment of rates and service charges as follows:

- \$10.70 per instalment (not including the first instalment); and
- 5.5%.

[Absolute Majority Required]

8. That for the financial year ending 30 June 2017, Council transfer funds to and from the Reserve Funds, as is specified in the 2016/17 Draft Budget.

9. That for the financial year ending 30 June 2017, Council transfer funds to and from the Trust Account, as is specified in the 2016/17 Draft Budget.

10. That Council adopt the balanced 2016/17 Draft (Statutory) Annual Budget, including the Rate Setting Statement which indicates that \$4,130,811 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 2017 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 23 September 2016:*

- 1st Prize: \$600 Community Cash Vouchers*
2nd Prize: 2 night stay at Perth Ambassador Hotel including breakfast (valued at \$442)
3rd Prize 1 x double pass to WASO's performance of Asher Fisch & WASO: Stuart Skelton Sings Wagner. (double pass valued at \$182)
4th Prize 1 x double pass to WASO's performance of Asher Fisch & WASO: Stuart Skelton Sings Wagner. (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 2016/17 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 2016/17 budget process commenced in December 2015 with the public advertising of the application process for new community grants in 2016/17 and service agreement applications for up to 3 years from 2016/17. The applications were determined by Council at its meeting held on 26 May 2016.

The annual review of 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 is informed by three other plans developed in response to the Department of Local Government's Integrated Planning and Reporting Framework. The Asset Management Plans, Long Term Financial Plan, and Workforce Plan inform the Council as to its resource options and financial circumstances.

The Corporate Business Plan contains forecasts of funding, additional operating activities/expenditure (over and above current operating activities) and capital program expenditure. Regulation 19DA of the Local Government (Administration) Regulations 1996 requires an annual review of the Council's Corporate Business Plan.

In April 2016 Senior Management undertook a review of the Corporate Business Plan to identify items that have been achieved, items that require a change to the intended delivery timeline and/or costs and new initiatives that will assist Council in delivery of its Community Strategic Plan.

The recommended changes were presented to Council at its 1st Budget Workshop held on 4 May 2016. At this workshop the Corporate Business Plan (CBP) was reviewed via discussion of each Action.

Changes endorsed and made by Council at its workshop were incorporated into the review along with information adopted in Council's recent review of its various 10 Year Capital Works Plans. All changes were included as an addendum to Council's Corporate Business Plan 2013-2017.

The findings from the workshop were presented to the ordinary meeting of Council held on 30 June 2016 where Council adopted the '2016 Review' as an addendum to its 'Corporate Business Plan 2013-2017.

Council has held two workshops to consider issues pertaining to the development of its 2016/17 budget, on 4 May 2016 and 16 June 2016.

Matters considered at the 1st Budget Workshop included:

- i. Corporate Business Plan Review
- ii. Recommendations/Proposals from Council Advisory Committees
- iii. 2016/17 Rating Strategy
- iv. Review of fees and charges
- v. Preliminary Discussion on Possible or Preferred Rate Increase
- vi. Budget Process

At the workshop a rate increase of around 4% was generally agreed for preparation of the draft budget.

Matters considered at the 2nd Budget Workshop included:

- i. Asset Management Plans
- ii. 10 Year Roads Program
- iii. Plant/Fleet Replacement Plan
- iv. 2016/17 Building Maintenance/Capital Works Plan
- v. Councillor Proposals
- vi. Lower South West Sports Facility Plan
- vii. Any Other Matters

The draft budget is a balanced budget with a 4.3% rate increase. Note each 1% rate increase equates to approximately \$41,000 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 26 May 2016 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 \$4.13m by applying differential rates when drafting the 2016/17 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 6 to this report setting out the objects and reasons for the differential rates:*

Category	Rate in \$	Minimum Rate
Gross Rental Value (GRV) Properties	8.3307 cents	\$827.00
Rural Unimproved Value (UV) Properties	0.6079 cents	\$1,024.00
Urban Farmland Unimproved Value (UV)	0.5169 cents	\$1,024.00
Mining Unimproved Value (UV)	7.9172 cents	\$1,024.00

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 2016/17 a differential Mining UV rate which is more than twice the lowest general differential UV rate*

The increases in minimum rates from 2015/16 to 2016/17 are \$34.00 for GRV properties, \$42.00 for Rural UV properties, \$42.00 for Urban Farmland UV properties and \$492.00 for Mining UV properties.

Advertising of the Notice of Intention to Levy Differential Rates for 2016/17 occurred in the Manjimup Bridgetown Times on 7 June 2016. The submission period closed on 30 June 2016 and no submissions were received.

Approval was obtained from the Minister for Local Government on 21 July 2016 for the imposition of a differential mining UV rate which is more than twice the lowest differential UV rate.

2. Community Grants and Service Agreements

At its ordinary meeting held on 26 May 2016 Council resolved to allocate \$160,000 in the 2016/17 budget for community donations as follows:

- \$36,282 New service agreements
- \$35,873 Existing service agreements to be carried forward
- \$10,897 New community group grants
- \$2,500 Chief Executive Officer donations
- \$4,000 Chief Executive Officer hall hire donations
- \$850 Rubbish and recycling collection for community events
- \$350 Rubbish and recycling collection for Shire leased facilities
- \$2,000 Bridgetown Biosecurity Group
- \$500 South West Academy of Sport Sponsorship
- \$250 Agricultural Society School Art Prize Sponsorship
- \$1,000 Manjimup Airfield Contribution
- \$41,615 Landcare Officer (1st year of guaranteed 3 year funding commitment 2016/17, 2017/18 & 2018/19)
- \$23,883 Geegeelup Village rate discount

The \$10,897 of new community grants is made up of:

- Bridgetown Lawn Tennis Club – resurfacing of hard courts - \$5,500
- Bridgetown Netball Association – purchase of pop up marquee - \$500
- Bridgetown Repertory Club – purchase of sound system - \$4,015
- Blackwood Valley Wine Industry – waiving of stallholder fees - \$882

The continuation of existing service agreements and new service agreements is made up of:

- Blackwood Country Gardens – Year 1 of 3 – administration and promotional costs of festival - \$2000
- Bridgetown Child Health Inc. - Year 1 of 3 – child health services - \$6000
- Bridgetown Family & Community Centre - Year 1 of 3 – Shire rates and insurance costs - \$8,000
- Bridgetown Lawn Tennis Club - Year 1 of 3 – assistance for running costs of annual Easter tennis tournament - \$2000
- Bridgetown Masonic Lodge - Year 1 of 3 – Contribution to Rates - \$750
- Greenbushes Community Resource Centre - Year 1 of 3 – community bus hire - \$700
- Greenbushes Golf Club - Year 1 of 3 – contribution towards insurances - \$1,500
- Greenbushes Ratepayers & Residence Association - Year 1 of 3 – contribution towards insurances - \$332

- Henri Nouwen House Inc. - Year 1 of 3 – operational costs - \$10,000
- Rotary Club of Bridgetown - Year 1 of 3 – assistance for running Blackwood Marathon - \$5,000
- Blues at Bridgetown – Year 2 of 3 – Contribution towards costs of festival - \$18,700
- Greenbushes Masonic Lodge – Year 2 of 3 – rate discount - \$600
- Bridgetown Anglican Parish – year 2 of 3 – recycling bin collections - \$450
- Bridgetown Greenbushes Business and Tourism Association – year 2 of 3 – venue hire and traffic management plan for winter festival - \$3,874
- Bridgetown Golf Club – assistance with costs for tree pruning - \$2,000
- Greenbushes Community Resource Centre – Year 3 of 3 – discounted hall hire - \$865
- Greenbushes Community Resource Centre – Year 3 of 3 – community bus hire - \$345
- Greenbushes Playgroup – Year 3 of 3 – rental assistance - \$450
- Golden Horseshoe Endurance Ride – Year 3 of 3 – traffic management plan - \$3,703
- Bridgetown Historical Society – Year 3 of 3 – phone, internet and insurance costs - \$1,643
- Bridgetown Meals on Wheels – Year 3 of 3 – Assistance towards staff member wages - \$2,594
- Bridgetown Scouts Group – Year 3 of 3 – Contribution towards lease and operating costs - \$649

3. Road Works

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

Winnejup Road (progressive reconstruction)
Nelson Street (asphalt works completed in 2015/16)
Hester Street (reconstruct between Lockley Street to Henry Street)
Hampton Street (reconstruct John Street to Walter Street)
Henry Street (reconstruct Allnut Street to Scott Street)
John Street (reconstruct between Hampton Street and Coronation Street)
Padbury Road (reconstruct Steere Street to Turner Road)
Kendall Road (continuation of upgrade)
Walter Willis Road (gravel resheeting)
Dalmore Road (gravel resheeting)
Grange Road (gravel resheeting)
Wilga Road (2nd coat seal)

4. Footpaths

The draft budget provides for the following footpath projects:

- Forrest Street (Gifford Road to Padbury Road)
- Hester Street (Nelson Street to Lockley 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

6. Plant and Fleet Replacement

The budget provides for the following plant and fleet items for replacement in 2016/17 (other than for waste services which is discussed elsewhere in this report):

Plant

2010 John Deere Backhoe Loader

2005 Hino Rubbish Truck

Light Fleet

2014 Holden Colorado 7 – B16117 (Principal Building Surveyor)

2014 Subaru Liberty – B8666 (Executive Manager Corporate Services)

2009 Ford Ranger– B023 (Plant Mechanic) – the 2009 vehicle will not be sold but instead reallocated to the maintenance grader driver as that vehicle does very low kilometres each year (hence no need for a new vehicle at time of changeover). The current vehicle used by the maintenance grader driver is to be reassigned to the waste site with the existing waste site Ford Courier (2002) being disposed of.

Whilst the changeover of light fleet has been included in the budget Council has signalled an intent to review current changeover criteria and therefore no actual light fleet changeovers will occur until that review is completed.

7. Recreation

- Staged replacement of exercise equipment in Somme Creek Parklands
- Completion of planning and commencement of construction of the proposed regional bridle trail
- Installation of irrigation/reticulation at Memorial Park
- Completion of works at leisure centre to allow 24 hour member access to gym
- Improvements to potable water supply at Bridgetown Sportsground

8. Fire Prevention/Emergency Management

- ESL operating grant (FESA) for bush fire brigades of \$147,000 of which the 1st quarter (25%) was paid prior to 30 June 2016 therefore only 75% of this amount is shown in the 2016/17 budget.
- ESL operating grant (FESA) for the Bridgetown SES Brigade of \$14,970 of which the 1st quarter (25%) was paid prior to 30 June 2016 therefore only 75% of this amount is shown in the 2016/17 budget.
- A new light tanker for the Yornup Bush Fire Brigade (valued at \$137,900), proposed for delivery in June 2017.
- A new heavy tanker for the Maranup Bush Fire Brigade (valued at \$341,800), proposed for delivery in June 2017.
- A new garage for the Bridgetown Bush Fire Brigade (ESL funded)
- Continuation of funding for employment of a fire mitigation officer for 16 weeks – this person will assist the Community Emergency Services Manager, Ranger staff and bush fire brigade volunteers in completing hazard reduction burns.
- Erection of a static water tank for the Sunnyside Bush Fire Brigade.

- Carry-forward of funds for the construction of a satellite fire shed in Highland Estate for the Hester Brook Bush Fire Brigade.
- Purchase of a new generator for the Bridgetown SES.
- Provision has been made for installation of more CCTV in Bridgetown subject to a grant application being successful. In recent years these grant applications have been unsuccessful.

9. Community Services

- Funding for implementation of the Seniors (Active Ageing) Strategy
- Funding for administration and progressive implementation of the Access and Inclusion Plan
- Funding for various youth programs and completion of a youth strategy
- Funding for the continuation of the summer evening outdoor film festival
- Upgrade of Visitor Centre website
- In 2015 Council adopted a new Community Development Strategy. This strategy was developed to ensure Council's approach to service delivery is focused on inclusion within Shire owned facilities. This strategic direction will allow for long term sustainability by realistically assessing Council's capacity to deliver services and to add value to the extensive infrastructure investments Council has made in recent years. Programs such as the Disability Services Commission and Shire funded "Me 2!" is an example of this strategy affecting service delivery and 2016/17 will be the 2nd year of delivery of this program. The funding was secured to provide access to a wide range of sport, recreation, education and cultural activities within the Shire, over a 2 year period, for people with disability, their family members and carers. This sector of the community is not traditionally a user of the library or leisure/recreation centres. It is anticipated that this program will remove perceptions around the usability of these facilities (and the activities offered) to encourage greater ownership of these facilities/services and ongoing, increased participation within this sector of the community.

10. Governance and Administration

- The Commonwealth has continued to freeze (no indexation) Financial Assistance Grants until 2017/18.
- Council allowances have been frozen for the second consecutive year as determined by Council at its May 2016 meeting.
- Compilation of councillor honour boards for the Council Chambers.
- New microphone/audio system for council chambers.
- Upgrade of Shire website
- The total budgeted wages for 2016/17 is \$4,034,039 which is 1.9% greater than that allocated in the 2015/16 budget. The \$4,034,039 equates to 97.65% of the total to be raised by rates in 2016/17 which achieves the target of 100% set by Council's Integrated Workforce Plan.
- Continuation of asset management planning under the State Government's integrated planning requirements.
- Funding for appointment of an internal facilitator to run the community engagement process for the full review of the Strategic Community Plan.

11. Major Building Improvements

The building maintenance/building capital works program endorsed by Council at its 2nd budget workshop held on 16 June 2016 includes the following significant works:

- Bridgetown Sportsground – complete works and fitout for new change rooms
- Shire Administration Centre – Commencement of progressive program to repair and renovate external walls of the building, repairs to lead light glass, installation of ventilation
- Greenbushes Hall - level floor and replace stumps, repairs to damaged internal walls, internal painting, replace foyer/toilets roof and other roof repairs and kitchen repairs/reconfiguration
- River Park Ablutions – replace septic tank with larger tank and replace cisterns
- Greenbushes Pool - treat deck woodwork
- Greenbushes Office – replace front doors, repair gutters and exit doors
- Greenbushes Golf Club –repairs to floors in change rooms, install gutters on west side of building
- Bridgetown Old Gaol – repairs to window shutters and rear verandah
- Bridgetown Railway Station – removal of internal lining to facilitate full condition assessment of the building
- Shire Depot – replace termite damaged internal wall and door frames and secure roof on shed
- 31 Gifford Road (Shire Residence) –renew gutters and downpipes
- 144 and 146 Hampton Street - ex Police Quarters – replacement guttering a sub soil drainage
- Hampton Street ablution block – internal painting
- Recreation Centre – replace all court lighting, repair roof leaks, annual reseal of courts
- Yornup School (office of Bridgetown Historical Society) – upgrade switchboard
- Bridgetown Civic Centre – extensive work proposed to remove bee nest in main hall, replace roof sheeting in atrium and various renewal works
- Sunnyside Shelter – general repairs
- Settlers Rest – remove drinking fountain and upgrade of slab seating
- Asbestos assessment and preparation of asbestos register for all Shire buildings
- Termite prevention/management for all Shire buildings
- Greenbushes Cemetery – replace storage shed
- 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 - \$0.00018288
- UV - \$0.00005951

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 \$171.00 with concessions for multiple properties applicable as per previous years. This minimum rate is an increase of \$3 from 2015/16.

In 2015/16 the necessary statutory approvals were obtained for construction of a new tipping cell at the Bridgetown Waste Disposal Site. Construction of this new cell occurred during the year. The new cell was required because the former approved area for disposal of rubbish was nearing capacity. The 2016/17 budget includes expenditure for installation of additional groundwater monitoring bores and for regular testing of these bores.

Two new outright plant purchases for the waste disposal site are intended in 2016/17:

- \$100,000 for purchase of a new waste truck compacter unit as the existing compactor, which is reaching the end of its working life, will be disposed of with the changeover of the Hino rubbish truck.
- \$120,000 for purchase of a second hand BOMAG waste compacter. The intent of purchasing this machine is to achieve higher levels (2-3 times) of waste compaction in the waste cell than can currently be achieved by the Shire's tracked loader. The BOMAG waste compacter will provide greater ground pressure, surface penetration and crushing loads and its use will significantly prolong the life of the waste cell.

Commencing 1 July 2016 several additional areas in Bridgetown and North Greenbushes have been provided a rubbish collection service. As of this date a new contract commenced with Warren Blackwood Waste for kerbside collection of rubbish and recycling bins, and the transport and processing of bulk recycling.

In summary, the budget shows the following waste management charges:

- Rubbish Collection Charge - \$87.00 (increase of \$4 from 2015/16)
- Recycling Collection Charge - \$73.00 (decrease of \$1 from 2015/16)
- Landfill Site Maintenance Rate (all properties on minimum rate) - \$171.00 (increase of \$3 from 2015/16)

The budget contains funds for an increase in street rubbish bins in the Bridgetown town centre.

13. Other

- Funds of \$10,000 have been carried-forward from 2014/15 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 and events website.
- Funding for progressive acquisition of land adjacent to Geegelup Brook.
- Increased budget allocation for Christmas decorations.
- Updates to signage at information bays at northern and southern entrances to Bridgetown.
- New "upcoming events" signage, to be erected on the entrances to Bridgetown.
- New niche wall at Bridgetown Cemetery.

14. Loans

No new loans are proposed in the budget for 2016/17.

As at 1 July 2016 the Shire's loan liability was \$2,531,853 and under the 2016/17 budget this liability will decrease to \$2,268,671 at 30 June 2017.

15. Reserve and Trust Account Transfers

The budget proposes to transfer \$459,694 into reserve, including \$249,454 into Plant Replacement Reserve, \$52,790 into the Building Maintenance Reserve, \$32,750 into the Assets & GRV Valuations Reserve, \$20,000 into the Trails Reserve, \$25,000 into the Strategic Projects Reserve, \$5,000 into the Refuse Site Post Closure reserve, \$5,000 into the Matched Grants Reserve and \$2,500 into the Community Bus Replacement Reserve.

In the budget an amount of \$787,118 is to be transferred from reserves, including:

- \$210,587 from Unspent Grants Reserve (grants received in 2014/15 and earlier but unspent before 30 June 2016).
- \$270,000 from Plant Reserve for changeover of plant and fleet in accordance with the Plant/Fleet Replacement Plan.
- \$120,000 from Sanitation Reserve for purchase of a waste compactor.
- \$63,709 from Land and Buildings Reserve for purchase of five land parcels adjacent to Geegelup Brook.
- \$20,000 from the Strategic Projects Reserve to fund the cost of investigating a strategic land purchase in Bridgetown.
- \$9,000 from the Bridgetown Leisure Centre Reserve for purchase of an additional water feature in the leisure pool.

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:

- 1st Prize: \$600 Community Cash Vouchers*
2nd Prize: 2 night stay at Perth Ambassador Hotel including breakfast valued at \$442)
3rd Prize 1 x double pass to WASO's performance of Asher Fisch & WASO: Stuart Skelton Sings Wagner. (double pass valued at \$182)
4th Prize 1 x double pass to WASO's performance of Asher Fisch & WASO: Stuart Skelton Sings Wagner. (double pass valued at \$182)

Note the 2nd prize has been kindly donated by the Perth Ambassador Hotel.

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
 - Objective 4 - a collaborative and engaged community
 - Outcome 4 - long term financial viability
 - Strategy 4.5.1 – develop and implement the Integrated Planning and Reporting Framework
 - Strategy 4.5.2 - Monitor and consider initiatives through local government reform
 - Strategy 4.5.3 - Seek efficiencies in planning and operations
 - Strategy 4.5.4 - Minimise own source expenditure of capital projects
 - Strategy 4.5.5 - Implement the Corporate Business Plan
 - Strategy 4.5.6 - Regularly review service level provision

- Corporate Business Plan

The annual review of the Corporate Business Plan was a principal driver in the preparation of the 2016/17 budget.

- Long Term Financial Plan

The contents of the Long Term Financial Plan were a determinant in developing the 2016/17 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 2016/17 budget.

- Other Integrated Planning

The 10 year Strategic Works Program and Plant/fleet Replacement Plan are both 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 recommendation

Closure

The President to close the Meeting

List of Attachments

Attachment	Item No.	Details
1	SpC.01/0816	Draft 2016/17 Budget

Agenda papers checked and authorised by CEO, Mr T P Clynych		4.8.16
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