



TOWN OF VINCENT

"Enhancing and celebrating our diverse community"

MINUTES

SPECIAL COUNCIL MEETING

<p>5 MAY 2009</p>

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Minutes of the Special Meeting of Council of the Town of Vincent held at the Administration and Civic Centre, 244 Vincent Street, Leederville, on Tuesday 5 May 2009, commencing at 6.00pm.

1. DECLARATION OF OPENING

The Presiding Member, Mayor Nick Catania, JP, declared the meeting open at 6.07pm.

2. APOLOGIES/MEMBERS ON APPROVED LEAVE OF ABSENCE

(a) Apologies:

Cr Steed Farrell (*Deputy Mayor*) – apology due to personal commitments.
Cr Ian Ker – apology due to personal commitments.

(b) Present:

Mayor Nick Catania, JP	Presiding Member
Cr Anka Burns	South Ward
Cr Helen Doran-Wu	North Ward
Cr Sally Lake	South Ward
Cr Dudley Maier	North Ward
Cr Izzi Messina	South Ward
John Giorgi, JP	Chief Executive Officer
Rob Boardman	Director Development Services
Mike Rootsey	Director Corporate Services
Rick Lotznicker	Director Technical Services

6 Members of the Public present.

(c) Members on Leave of Absence:

Cr Noel Youngman – approved leave of absence due to personal commitments.

3. (a) PUBLIC QUESTION TIME & RECEIVING OF PUBLIC SUBMISSIONS

The following submissions were made by persons in the Public Gallery:

1. Brad Ogden of 73 Elvira Street, Palmyra representing the Leederville Cricket Club. Thanked the Council for their assistance in upgrading the Club facilities and stated that Staged 1, 2 and 3 have been satisfactorily completed. The Draft Budget 2009/10 page 1.1.6 includes funding for the final stage of the facility refurbishment he asked that this be supported by Council Members, as the facility is being well utilised by Cricket, Rugby and Soccer users.

There being no further speakers, public question time was closed at approx. 6.10pm.

4. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

Nil.

6. DECLARATION OF INTERESTS

Nil.

7.1 Draft Annual Budget 2009/2010

Ward:	Both	Date:	30 April 2009
Precinct:	All	File Ref:	FIN0025
Attachments:	-		
Reporting Officer(s):	M Rootsey		
Checked/Endorsed by:	John Giorgi	Amended by:	

OFFICER RECOMMENDATION:

That the Council;

- (i) *APPROVES IN PRINCIPLE the Draft Budget 2009/2010;*
- (ii) *ADVERTISES the Draft Budget 2009/2010 for public comment for a period of twenty-one (21) days and further considers any submissions received; and*
- (iii) *in the event that a second Budget Special Council Meeting is not required, APPROVES BY AN ABSOLUTE MAJORITY to authorise the Chief Executive Officer to amend the adopted Budget Timetable to:*
 - (a) *delete the “2nd Budget Briefing/Special Council Meeting (open to the Public) on 19 May 2009; and*
 - (b) *varying the dates for the advertising of the Draft Budget for community consultation and the closing date for receiving of public submissions.*

Moved Cr Doran-Wu, Seconded Cr Maier

That the recommendation be adopted.

Debate ensued.

The Presiding Member stated that as the Director Corporate Services had briefed Council Members at the briefing session held on Saturday 2 May 2009, he would consider the Draft Budget in sections. He would call on Councillors to speak in turn for each section.

Debate ensued.

AMENDMENT NO 1

Moved Cr Maier, Seconded Cr Lake

(Page 2.3) That the specified maintenance of \$6,000 for the demolition of the Town owned house at 291 Vincent Street, be deleted.

Debate ensued.

AMENDMENT NO 1 PUT AND CARRIED (4-2)

For

Cr Burns

Cr Lake

Cr Maier

Cr Messina

Against

Mayor Catania

Cr Doran-Wu

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 2

Moved Cr Messina, Seconded Cr Doran-Wu

(Page 3.2) That an amount of \$10,000 be included in the Draft Budget for the erection and display of Christmas Banners.

Debate ensued.

**AMENDMENT NO 2 PUT AND CARRIED ON THE
CASTING VOTE OF THE PRESIDING MEMBER (4-3)**

For: Presiding Member, Mayor Nick Catania (two votes – deliberative and casting vote), Cr Doran-Wu, Cr Messina

Against: Cr Burns, Cr Lake, Cr Maier

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 3

Moved Cr Messina, Seconded Cr Doran-Wu

(Page 3.6) That an amount of \$20,000 be included in the Draft Budget for a Youth Needs Study (funded by a grant).

Debate ensued.

AMENDMENT NO 3 PUT AND CARRIED (6-0)

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 4

Moved Cr Doran-Wu, Seconded Cr Lake

(Page 3.6) That an amount of \$6,500 be included in the Draft Budget to install vinyl in the existing carpet area of the Mt Hawthorn Main Hall.

Debate ensued.

AMENDMENT NO 4 PUT AND CARRIED (6-0)

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 5

Moved Cr Maier, Seconded Cr Burns

(Page 3.6) That an amount of \$10,000 be included in the Draft Budget for the refurbishment of the Hyde Park (West) Toilets.

Debate ensued.

AMENDMENT NO 5 PUT AND CARRIED (6-0)

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 6

Moved Cr Lake, Seconded Cr Messina

(Page 3.6) That an amount of \$25,000 be included in the Draft Budget for the upgrade of the Right of Way – Lincoln Street/Knebworth Avenue and the amount of contribution to the Right of Way Upgrade be reduced to \$5,000.

Debate ensued.

AMENDMENT NO 6 PUT AND CARRIED (6-0)

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 7

Moved Cr Maier, Seconded Cr Lake

(Page 5.1) That the Carried Forward amount of \$95,000 for Entry Sign Statements be deleted and provision be made in the Draft Budget 2009/2010 for a 1% wage increase (approximately \$98,000) for the Town's Employees.

Debate ensued.

The Presiding Member ruled that he would consider the amendment in two parts.

Part (I) – Deletion of \$95,000 being Carried Forward money for the new Entry Statement Signs.

The initial vote was 3-3 with Mayor Catania, Crs Lake and Maier being in favour and Crs Burns, Doran-Wu and Messina being against. The Presiding Member exercised his casting vote and declared the amendment LOST.

The outcome of vote was questioned and the Presiding Member re-put the amendment.

The outcome of the re-put amendment was as follows:

AMENDMENT NO 7 – PART (I) PUT AND LOST (2-4)

<u>For</u>	<u>Against</u>
Cr Lake	Mayor Catania
Cr Maier	Cr Burns
	Cr Doran-Wu
	Cr Messina

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

Debate ensued.

The Mover, Cr Maier with the approval of the Seconder, Cr Lake reworded Part (II) to read as follows:

Part (II) – That provision be made in the Draft Budget 2009/2010 for a salary increase for the Town's Employees, of not less \$98,000, and for this to be allocated at the discretion of the Chief Executive Officer.

Debate ensued.

AMENDMENT NO 7 – PART (II) PUT AND CARRIED (5-1)

<u>For</u>	<u>Against</u>
Mayor Catania	Cr Messina
Cr Burns	
Cr Doran-Wu	
Cr Lake	
Cr Maier	

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 8

Moved Cr Maier, Seconded Cr Lake

(Pages 6.34, 6.76 and 6.77) That the grant to the Loftus Community Centre be increased from \$31,900 to \$50,000 (and this be funded by amending the Draft Budget to show the 100% recoup of the electricity for Leederville Oval (being increased from \$19,600 to \$39,190) and Members Equity Stadium (being increased from \$55,895 to \$70,655).

Debate ensued.

AMENDMENT NO 8 PUT AND CARRIED (6-0)

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 9

Moved Cr Lake, Seconded Cr Maier

(Page 6.82) That the amount of \$3,500 for Local Plants Projects (sales) be increased to \$7,000 and Revenue be amended to increase from \$2,100 to \$4,200.

Debate ensued.

**AMENDMENT NO 9 PUT AND LOST ON THE
VOTE OF THE PRESIDING MEMBER (3-4)**

<u>For</u>	<u>Against</u>
Cr Lake	Presiding Member, Mayor Nick Catania (two votes – deliberative and casting vote)
Cr Maier	Cr Burns
Cr Messina	Cr Doran-Wu

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

AMENDMENT NO 10

Moved Cr Maier, Seconded Cr Messina

(Pages 6.86 and 6.87) That provision be made in the Draft Budget 2009/2010 for two additional rangers, one Customer Service Officer, one small vehicle and ancillary equipment/requirements, at an estimated cost of \$237,000 to \$240,000 be included in the Draft Budget 2009/2010 and the Draft Budget 2009/2010 being amended to show Revenue increased by an additional \$298,000.

Debate ensued. The Council was informed that the Town's Consultant Report concerning parking was due in mid 2009.

**AMENDMENT NO 10 PUT AND LOST ON THE
CASTING VOTE OF THE PRESIDING MEMBER (3-4)**

<u>For</u>	<u>Against</u>
Cr Lake	Presiding Member, Mayor Nick Catania (two votes – deliberative and casting vote)
Cr Maier	Cr Burns
Cr Messina	Cr Doran-Wu

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

Debate ensued.

It was queried whether a second Special Council Meeting was required and the Director of Corporate Services advised that in his view, it was not necessary. The Draft Budget 2009/2010 approved changes will be made, prior to it being advertised for Community Consultation. He further advised that the approved changes would result in a 4.5%-4.6% rate increase.

MOTION AS AMENDED PUT AND CARRIED (6-0)

(Cr Youngman on approved leave of absence. Cr Farrell and Ker were apologies for the meeting.)

COUNCIL DECISION ITEM 7.1

That the Council;

- (i) ***APPROVES IN PRINCIPLE the Draft Budget 2009/2010, subject to the following changes:***
- (a) ***(Page 2.3) That the specified maintenance of \$6,000 for the demolition of the Town owned house at 291 Vincent Street, be deleted;***
 - (b) ***(Page 3.2) That an amount of \$10,000 be included in the Draft Budget for the erection and display of Christmas Banners;***
 - (c) ***(Page 3.6) That an amount of \$20,000 be included in the Draft Budget for a Youth Needs Study (funded by a grant);***
 - (d) ***(Page 3.6) That an amount of \$6,500 be included in the Draft Budget to install vinyl in the existing carpet area of the Mt Hawthorn Main Hall;***
 - (e) ***(Page 3.6) That an amount of \$10,000 be included in the Draft Budget for the refurbishment of the Hyde Park (West) Toilets;***
 - (f) ***(Page 3.6) That an amount of \$25,000 be included in the Draft Budget for the upgrade of the Right of Way Lincoln Street/Knebworth Avenue and the amount of contribution to the Right of Way Upgrade be reduced to \$5,000;***
 - (g) ***(Page 5.1) That provision be made in the Draft Budget 2009/2010 for a salary increase for the Town's Employees, of not less \$98,000, and for this to be allocated at the discretion of the Chief Executive Officer; and***

- (h) (Pages 6.34, 6.76 and 6.77) That the grant to the Loftus Community Centre be increased from \$31,900 to \$50,000 (and this be funded by amending the 100% Draft Budget to show the recoup of the electricity for Leederville Oval (being increased from \$19,600 to \$39,190) and Members Equity Stadium (being increased from \$55,895 to \$70,655);
- (ii) **ADVERTISES** the Draft Budget 2009/2010 for public comment for a period of twenty-one (21) days and further considers any submissions received; and
- (iii) **NOTES** that a second Budget Special Council Meeting is not required and therefore the adopted Budget Timetable is amended to:
- (a) delete the “2nd Budget Briefing/Special Council Meeting (open to the Public) on 19 May 2009; and
- (b) varying the dates for the advertising of the Draft Budget for community consultation and the closing date for receiving of public submissions. Therefore the Revised Budget Timetable now reads as follows:

REVISED BUDGET TIMETABLE:

DATE	ITEM
1-26 April	Chief Executive Officer and Directors to review 1st Draft Budget
27 April	1st Draft Budget issued to Council Members
2 May	Briefing provided to Council Members on Draft Budget
5 May	1st Budget briefing/Special Council Meeting (open to the public)
6-18 May	Budget documentation finalised for public comment
19 May	Advertise for public comment
8 June	Public comment closes
9-19 June	Final Budget documentation and report for Council prepared
24 June	Agenda report issued
1 July	Adoption of Annual Budget at the Special Meeting of Council

PURPOSE OF REPORT:

To present and consider the Draft Budget for the financial year 2009/2010.

BACKGROUND:

The budget timetable for the 2009/2010 was adopted at the Ordinary Meeting of Council held on 16 December 2008, Item 9.3.6. The timetable is shown below:

DATE	ITEM
1-26 April	Chief Executive Officer and Directors to review 1st Draft Budget
27 April	1st Draft Budget issued to Council Members
2 May	Briefing provided to Council Members on Draft Budget
5 May	1st Budget briefing/Special Council Meeting (open to the public)
19 May	2nd Budget briefing/Special Council Meeting (open to the public) if required
20-29 May	Budget documentation finalised for public comment
29 May	Advertise for public comment
19 June	Public comment closes
19-26 June	Final Budget documentation and report for Council prepared
26 June	Agenda report issued
1 July	Adoption of Annual Budget at the Special Meeting of Council

A briefing for the Council Members was held on Saturday 2 May 2009.

DETAILS:

Draft Budget

The Draft Budget 2009/2010 as presented proposes the funds for the new capital works as follows:

Land and Buildings	\$11,362,500
Infrastructure	\$4,539,915
Plant and Equipment	\$1,012,500
Furniture and Equipment	\$117,900

The Town's Administration has prepared the draft budget and has included the following:

- (a) Council adopted programs;
- (b) Items from Council resolutions;
- (c) Council Members' requests;
- (d) Ratepayer/resident requests; and
- (e) Projects identified by the Town's Administration.

The Town's Administration has used the following criteria to determine project priorities:

<i>Priority Rating</i>		
1	Very High	Adopted program/legislative requirement/safety issue/significant Ratepayer benefit
2	High	Essential/cost benefits/Community need
3	Medium	Desirable/may benefit the Community
4	Low	Nice to do/not a priority
5	Very Low	No demonstrated benefit/need

The budget for recurrent operating expenditure is \$35,842,860.

The rates figure on the summary page of the Draft Budget of \$18,577,900 represents the funds that would be generated from a rates calculation at this point of time using the existing rate in the dollar, plus an estimate of the existing rates from the new areas using the Town's rate in the dollar, therefore taking into account any interim accounts that would be applicable for the full year. The value of operating revenue other than rates income is \$15,230,880.

As the summary indicates, if all the works included on the Draft Budget 2009/2010 as presented are funded, the Council will need an estimate increase of **4.22%** in the rate in the dollar to meet all of the requests.

It should be noted that the inflation rate is estimated to be 3% (State Consumer Price Index) and the Local Government Index is estimated to be 4.5%. Therefore, the estimated increase in the rate of the dollar is considered appropriate to meet all of the budget requirements.

Ordinary Meeting of Council held 28 April 2009

At the Ordinary Meeting of Council held on 28 April 2009 the Council considered a matter under Urgent Business to investigate the provision of a toilet in the Mount Lawley Business District. Based on previous information concerning the installation of a self cleaning toilet in Axford Park in Mount Hawthorn in 2008, if approved, it is estimated that such a facility would cost approximately \$180,000 - \$200,000.

As this matter arose after the completion of the Draft Budget by the Town's Administration, this matter has not been included. Subject to the investigations being carried out, it can be dealt with in two ways, namely:

1. amend the Draft Budget following Community Consultation, or alternatively
2. consider the matter during 2009/2010 at a mid year budget review.

Beatty Park Leisure Centre Redevelopment – Federal Government Funding Submission

As the Council is aware, the Town's Administration lodged a submission with the Federal Government Department of Infrastructure, Transport, Regional Development and Local Government – Regional and Local Community Infrastructure Program – Strategic Projects for the redevelopment of Beatty Park Leisure Centre. The program requirements necessitated a comprehensive submission to be made. The total project cost is estimated to be \$22.3 million and be constructed over a period of 30 months. The Town's submission requested \$17 million of Federal Funding. At the time of writing this report, no decision has been made. Once the Town is informed of the Federal Government decision, the matter will be reported to Council for consideration and determination.

Exclusion – Members Equity Stadium – Possible Upgrade

As reported to the Ordinary Meeting of Council held on 28 April 2009 (Item 9.4.3), 24 March 2009 (Item 14.2) and 24 February 2009 (Item 9.4.4) a number of discussions have been held with the State Government concerning the possible upgrade of Members Equity Stadium. The Stage 2 development is estimated to cost \$73 million. At the time of writing this report and finalising the Draft Budget 2009/2010, no decision has been made by the State Government or the Council concerning this matter. As such, no funding details have been included. There is speculation that the State Government may make its decision as early as mid 2009 however, to date no details have been provided to the Town.

Once the State Government has made its decision and announced its details, the matter will be reported to the Council for consideration and determination at the appropriate time. If necessary, the Budget 2009/2010 can be amended to reflect the Government and Council's decision.

CONSULTATION/ADVERTISING:

The Council's Policy No. 4.1.21 "*Community Consultation*" prescribes the Draft Budget to be advertised on a local basis for a period of 21 days. Copies are also placed on the Town's website, placed in the Library and sent to the Community/Business Groups.

The approved Budget Timetable provides for two Special Council Meetings (5 and 19 May 2009) to consider the matter. The second meeting will only be held, if required. In 2008, the Council considered and determined the Draft Budget at one Special Council Meeting. Should this be the case in 2009, it will be appropriate for the Council to amend the Budget Timetable to reflect the change – in essence, this would shorten the process by approximately two weeks.

LEGAL/POLICY:

Adoption of Budget

The recent amendments to the Local Government Act (1995) now allow the Council to adopt its budget prior to the end of the financial year 30 June 2009. The Council will this year adopt the budget at a Special Meeting of Council on 1 July 2009.

There is no legal requirement for a Local Government to advertise their Draft Budget for Community Consultation. However, as the Council is aware the Town has been advertising its Draft Budget for Community Consultation for a number of years in accordance with Community Consultation Policy 4.1.21.

STRATEGIC IMPLICATIONS:

The Council's budget process is in accordance with the Council's Plan for the Future Strategic Plan 2009-2014, Objective 4.1 "Leadership, Governance and Management:"

"4.1.2 Manage the organisation in a responsible, efficient and accountable manner"

"4.1.4 Deliver services in ways that accord with the expectations of the community, whilst maintain statutory compliance:

- (c) Develop a medium to long-term strategic vision and strategic financial plan to ensure the long-term financial viability of the Town."*

SUSTAINABILITY IMPLICATIONS:

The Town has been independently assessed in a statewide survey by Access Economics, in 2006, as being viable and sustainable.

The Town is in a strong financial position, with considerable funds in reserve, debts covered by money-back guarantees, considerable future revenue from its share of the Tamala Park land and with potential income from the future redevelopment in Leederville.

FINANCIAL/BUDGET IMPLICATIONS:

The approval in principle of the Draft Budget is essential to maintain the timeframe to allow adoption of the Annual Budget in line with the Council approved timetable.

This will then ensure funding for the operations of the Council for the next financial year.

COMMENTS:

The 2009/2010 Annual Budget has been prepared during difficult economic conditions as a result of the global financial crisis.

"The global economy is in a severe recession inflicted by a massive financial crisis and acute loss of confidence." (Accordingly to the International Monetary Fund (IMF), in its World Economic Outlook report (WEO) for April 2009).

However, the Town stands in good stead to weather the crisis being somewhat insulated from many of the factors driving conditions in the private sector. Bearing this in mind, the crisis has had an impact on the Town in so far as the revenue streams, in particular investment income, development applications and building licence fees, have been effected by the economic downturn.

During the 2009/2010 financial year, the Town will also incur significant increases in utility charges such as electricity and gas) and waste disposal costs.

The Town is also cognisant of the impact that the financial crisis is having on the community and has attempted to keep any rate increase to a minimum, whilst maintaining the levels of services expected by the community.

The Draft Budget 2009/2010 also includes a number of cost saving initiatives which have been identified as part of the Chief Executive Officer's recent Organisational Review to reduce costs, eliminate duplication and waste and provide for better efficiencies and customer service.

The Draft Budget 2009/2010 provides funding for a comprehensive Capital Works Programme to provide good quality infrastructure for the Town. In addition, the Operating Budget includes monies to provide and maintain the current level of service for the ratepayers.

It is recommended the Council consider and approve in principle the Draft Budget 2009/2010 and for this to be advertised for public comment.

8. CLOSURE

The Presiding Member, Mayor Nick Catania, JP declared the meeting closed at 7.30pm with the following persons present:

Mayor Nick Catania, JP	Presiding Member
Cr Anka Burns	South Ward
Cr Helen Doran-Wu	North Ward
Cr Sally Lake	South Ward
Cr Dudley Maier	North Ward
Cr Izzi Messina	South Ward
John Giorgi, JP	Chief Executive Officer
Rob Boardman	Director Development Services
Mike Rootsey	Director Corporate Services
Rick Lotznicker	Director Technical Services

6 Members of the Public present.

These Minutes were confirmed by the Council as a true and accurate record of the Special Meeting of the Council held on 5 May 2009.

Signed:Presiding Member
Mayor Nick Catania

Dated this day of 2009