



TOWN OF VINCENT

"Enhancing and celebrating our diverse community"

MINUTES

SPECIAL COUNCIL MEETING

<p>6 JULY 2010</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 6 July 2010, commencing at 6.00pm.

1. DECLARATION OF OPENING

The Presiding Member, Mayor Nick Catania, declared the meeting open at 6.00pm.

2. APOLOGIES/MEMBERS ON APPROVED LEAVE OF ABSENCE

(a) Apologies:

Cr Anka Burns – apology – due to family commitments.

(b) Present:

Mayor Nick Catania, JP	Presiding Member
Cr Matt Buckels	North Ward
Cr Steed Farrell	North Ward
Cr Taryn Harvey	North Ward
Cr Sally Lake (<i>Deputy Mayor</i>)	South Ward
Cr Warren McGrath	South Ward
Cr Dudley Maier	North Ward
Cr Joshua Topelberg	South Ward
John Giorgi, JP	Chief Executive Officer
Rob Boardman	Director Development Services
Rick Lotznicker	Director Technical Services
Mike Rootsey	Director Corporate Services
David Bell	Journalist – “ <i>The Perth Voice</i> ”

No members of the Public were present.

(c) Members on Leave of Absence:

Nil.

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

Nil.

There were no speakers.

4. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (Without Discussion)

Nil.

6. DECLARATION OF FINANCIAL INTEREST

Nil.

7.1 Adoption of 2010/2011 Annual Budget

Ward:	Both	Date:	2 July 2010
Precinct:	All	File Ref:	FIN0025
Attachments:	-		
Reporting Officer(s):	M Rootsey, Director Corporate Services		
Responsible Officer(s):	John Giorgi, Chief Executive Officer		

OFFICER RECOMMENDATION:

That the Council APPROVES BY AN ABSOLUTE MAJORITY;

- (i) *the adoption of the Annual Budget for the year ending 30 June 2011 as distributed with this Agenda and “Laid on the Table”;*
- (ii) *the Budget 2010/2011 surplus to be transferred to the Capital Reserve to fund future capital works;*
- (iii) *a general rate of 7.43 cents to be applied to all rateable property in the Town of Vincent for the year ending 30 June 2011;*
- (iv) *a minimum rate of \$599 for the year ending 30 June 2011, notwithstanding the general rate set out in (iii) above;*
- (v) *the following payment dates for payment of rates by instalments:*
 - (a) *Due Date/first instalment 23 August 2010;*
 - (b) *second instalment 25 October 2010;*
 - (c) *third instalment 5 January 2011; and*
 - (d) *fourth instalment 9 March 2011.*
- (vi) *a charge of \$8.00 per instalment for payment of rates by instalments, to apply to the second, third and fourth instalment in accordance with Section 6.45(4) of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996;*
- (vii) *an interest rate of 5.5% to be imposed on instalments, to apply to the second, third and fourth instalment in accordance with Section 6.45(3) of the Local Government Act 1995 and Regulation 68 of the Local Government (Financial Management) Regulations 1996;*
- (viii) *an interest rate of 11% to be imposed on overdue rates in accordance with Section 6.51(1) of the Local Government Act 1995 and Regulation 70 of the Local Government (Financial Management) Regulations 1996;*
- (ix) *an interest rate of 11% to be imposed on overdue amounts due to the Town in accordance with Section 6.13 of the Local Government Act (1995);*
- (x) *the gross rental valuations as supplied by the Valuer General totalling \$279,026,536 to be recorded in the Rate Book for use in the 2010/11 financial year;*
- (xi) *the Statutory Budget and Schedules Notes as shown in Section 4 (pages 4.1 to 4.43) of the Annual Budget;*

- (xii) *the Capital Works budget as shown in Section 5 (pages 5.1 to 5.17);*
 - (xiii) *the detailed Operating Budgets as shown in Section 6 (pages 6.1 to 6.81) of the Annual Budget;*
 - (xiv) *the Reserve Fund Budget for the financial year ending 30 June 2011 as set out on page 4.17 to 4.21 of the Annual Budget;*
 - (xv) *the adoption of a rubbish charge of \$250 per 240 litre bin per annum for a weekly service for all non rateable property receiving the service; and*
 - (xvi) *the Hire Fees and Charges as set out in Section 8 (pages 8.1 to 8.26) of the Annual Budget for the financial year ending 30 June 2011.*
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COUNCIL DECISION ITEM 7.1

Moved Cr Lake, Seconded Cr Buckels

That the recommendation be adopted.

The Presiding Member, Mayor Nick Catania read the Mayor's Message and Budget 2010/11 Information.

MOTION PUT AND CARRIED
BY AN ABSOLUTE MAJORITY (8-0)

(Cr Burns was an apology for the meeting.)

PURPOSE OF REPORT:

To present the Annual Budget 2010/2011 to the Council for adoption.

BACKGROUND:

The Town's Administration, in conjunction with the Council Members, have prepared the Budget for 2010/2011. This is in keeping with Plan for the Future, the Council's Strategic Plan (2009 – 2014) and adopted Works Programs 2010/2011.

A Briefing Session for Council Members was held with the Town's Senior Officers on the Draft Budget 2010/2011 on Thursday 6 May 2010.

The Draft Budget was presented at a Special Council meeting, held on 12 May 2010. At the Special Council meeting of 12 May 2010 the Draft Budget 2010/2011 was adopted in principle to be advertised for community comment.

DETAILS:

1. Overview

This year's Annual Budget is prepared in a more positive economic climate than this time last year when the global economy was in a severe recession as a result of the global financial crisis.

The Town's finances have not been severely or adversely impacted by the crisis due to a number of both internal and external factors.

Internally, the Town undertook an Organisational Review which identified some areas where costs were able to be reduced and efficiencies improved, without impacting on services.

Externally, interest rates on the Town's investments have improved and the recession has not significantly impacted on the number of development applications and building licenses as was anticipated, resulting in a better than expected outcome.

However, the significant increases in utility charges (electricity, gas and water) and waste disposal costs did eventuate as forecast. The State Government has announced further substantial increases for the forthcoming year and this again will have an impact on the operating expenditure for 2010/2011.

The Annual Budget 2010/11, as presented, provides for a comprehensive range of projects and programmes catering to the whole Vincent community and the Budget links to the goals and objectives as established in the Council's *Plan for the Future 2009-2014*.

The Capital Works Programme includes some significant building projects that will come to fruition this year. The most prominent of which is the Redevelopment of Beatty Park Leisure Centre. The Town has received \$2.5 million from the State Government and is currently awaiting the result of another Federal Funding Submission. However, with monies from the Town's Reserve Funds, there will be sufficient funds available to commence work on this project in this financial year.

The Town also plans to develop the site at the former North Perth Police Station (which was purchased last year) into a Community Service Facility. This project will be undertaken with external funding from Lotterywest and the Town's Reserve Funds.

The very popular Loftus Centre has funds allocated for all the buildings, including the Loftus Recreation Centre, State Gymnastics Centre and the Loftus Community Centre. A number of the budgeted items for these buildings relate to improvement in ventilation at these facilities.

A second round of the Federal Infrastructure Funding Programme has seen monies allocated for refurbishment works at the North Perth Town Hall.

Community, Sport and Recreation Facility Fund (CSRFF) funding submissions will be supported for the following items on the Building Programme:

- Leederville Oval Upgrade-Grand Stand Seating & Extension to the Players' Briefing Rooms and
- Robertson Park – Tennis Seniors – Upgrade of Toilets.

The Infrastructure Works Programme continues to provide a comprehensive range of projects to meet the expectations of the community as well as ensuring that funds are allocated to maintain and replace the Town's existing infrastructure when required.

A number of Traffic Management projects, which are a result of resident requests have been allocated funding on this year's Budget. The works include:

- Purslowe Street, Mount Hawthorn;
- Coogee Street, Mount Hawthorn;
- Eton Street/Scarborough Beach Road, North Perth;
- Claisebrook Road/Summers Street, East Perth; and
- Randell Street, Perth.

A significant allocation has been made under the Commercial Precincts Upgrade programme to improve the amenity of Beaufort Street.

The Town will fund the following Road Work Improvement projects as part of this year's budget:

- Moir Street, which unfortunately had to be deleted from the 2009/2010 adopted Budget to meet the additional contributions required by the City of Perth Superannuation Fund.
- Little Parry Street – William to Beaufort Street as part of the Greenway project.
- Beaufort/Brisbane Street Intersection Improvements – part of the staged works to reconfigure the street from one-way to two-way.

The Town continues to receive grant funding from both the State and Federal Government through Main Roads, Black Spot and Roads to Recovery submissions.

Twelve projects will be undertaken this year, with a total value of \$1,363,000.

This will be the twelfth year of the Footpath Replacement Programme. The majority of poor condition paths have been replaced as the programme nears completion.

This, the final year of the Playground Upgrade Programme, will see four (4) playgrounds upgraded:

- Kyilla Park
- Jack Mark's Reserve
- Redfern/Norham Street Reserve and
- Brentham Street Reserve North.

There are several significant Park development projects to be undertaken this financial year, the most prominent being the Restoration of the Hyde Park Lakes. The Town has been allocated \$2 million Federal funding for this project and will match that funding. In addition, the Water Corporation has agreed to make a small contribution towards the works. These works are scheduled to commence this financial year.

Following the successful launch this year, the Wetland Heritage Trail has received further funding in this Budget. In Charles Veryard Reserve, a shared-usage path from Albert to Bourke Street is planned and at Beatty Park Reserve, a shared usage path from Farr Avenue to Vincent Street is proposed. An allowance for secondary signage and associated maintenance for the Trail has also been included in this Budget.

Other major projects include;

- The returfing of the central corridor at Leederville Oval;
- Stage 1 of the Redevelopment of Weld Square; and
- Extension of the Dual Use Path at Forrest Park to allow users to walk all around the reserve on a path.

The third stage of the Street Litter Bin Replacement Programme and the Park Furniture Facilities Upgrades, which includes drinking fountains and bins, has again received a Budget allocation this year.

The second stage of the Electric Barbeque Replacement Programme has been included in this year's budget, together with a new electric barbeque for Les Lilleyman Reserve.

As previously mentioned, the economic outlook indicators for the 2010/2011 financial year have improved remarkably. These involved high investment rates and a steady stream of building development applications' these will result in improved revenue.

This year the Town may again incur a significant increase in tipping costs at the Mindarie Regional Council waste facility. However, it should be noted that the Town is still holding discussions with the Western Metropolitan Regional Council to dispose of its waste at the Brockway Transfer Station, which should deliver savings in the transport of the waste if the agreement eventuates.

The State Government has announced that there will be a significant increase in utility and other charges which have impacted the Operating Budget.

This Budget has been prepared in conjunction with the objectives outlined in the Town's *Plan for the Future* (Strategic Plan 2009-2014) and includes a proposed rate increase which takes into account the current inflation rates and the Local Government Cost Index, which is a specific industry index.

- An estimated inflation rate of 3.0% (State Consumer Price Index) together with an estimated Local Government Index of 3.7% for 2010/11 has been used in the preparation of this Budget.
- Salary budgets have been calculated in line with current salaries and increases based on performance and are in accordance with the new Local Government Industry Award 2010.
- A provision for a 3% wage increase for permanent staff members has been included in this year's Budget.
- An allowance for an increase of one permanent employee position has been included in this Budget.
- Provision for the transfer of funds to Reserves to minimise the financial impact of future significant projects and the replacement of assets will again be included.

2. Key Financial Summary

The key financial features for the 2010/2011 Annual Budget include:

- Increase in the rate of the dollar of – 4.71%
- Rate Revenue required – \$20,807,199
- Operating Revenue from other sources – \$17,560,360
- Operating Expenditure – \$40,265,150
- Depreciation Charges – \$7,712,095
- New Capital Works Programme – \$21,673,484 and
- New Operating Costs – \$416,500.

3. Capital Works

The significant items in the Capital Works Programme include:

Road Works – Improvements	
Beaufort Street and Brisbane Street Intersection Improvements	\$260,000
Moir Street	\$190,000
Little Parry Street – William Street to Beaufort Street	\$60,000

Road Works – Rehabilitation	
Stirling Street – Brisbane Street to Parry Street	\$280,000
Vincent Street – Throssell Street to William Street	\$250,000
Brisbane Street – Beaufort Street to William Street	\$150,000
Scarborough Beach Road – Birrell Street to Federation Street	\$150,000
Roads to Recovery Programme	
<u>Federal Government Program</u>	
Broome Street – Beaufort Street to Smith Street	\$27,000
Doris Street – Alma Street to Bedford Street	\$20,000
Farr Avenue – Emmerson Street to end	\$14,500
Joel Terrace – Gardiner Street to Summer Street	\$40,000
Kingston Street – Cleaver Street to Loftus Street	\$20,000
Melrose Street – Oxford Street to Stanley Street	\$15,500
Union Street – Paddington Street to Redfern Street	\$20,000
Westralia Street – East Parade to Joel Terrace	\$16,000
Black Spot Submissions	
Scarborough Beach Road (London/Loftus intersection improvements)	\$260,000
Lord Street/Edward Street	\$100,000
Streetscape Improvements	
Joel Terrace – Summer Street to Bramall Streets	\$25,000
Wider Streets	
Summer Street – Bulwer Street (to the end)	\$32,000
Commercial Precincts Upgrade	
Beaufort Street	\$120,000

The Town continues to provide ongoing funding for the established Capital Works Programmes:

Slab Footpath Programme	\$350,000
Right of Way Programme	\$306,500
Road Resurfacing Programme	\$248,334

Other Capital Works

Playground Upgrade

Jack Marks Reserve	\$47,000
Brentham Street Reserve (North)	\$46,000
Kyilla Park	\$40,000
Redfern/Norham Street Reserve	\$35,000

Parks Development

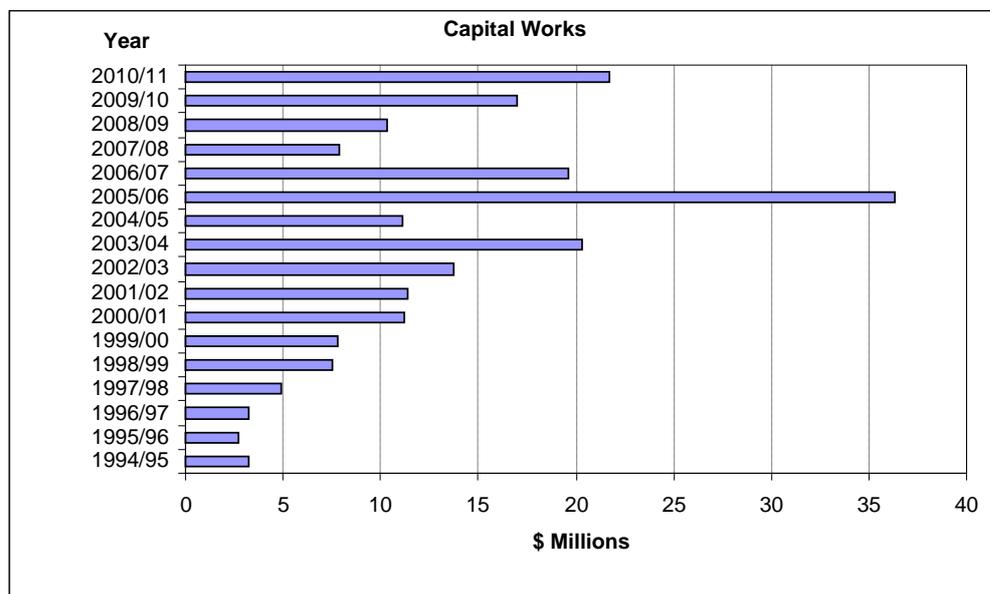
Hyde Park Lakes Restoration	\$2,700,000
Weld Square – Redevelopment Stage 1	\$125,000
Wetlands Heritage Trail – Charles Veryard Reserve	\$120,000
Leederville Oval – Re-turfing of Oval (Central Corridor)	\$98,000
Wetlands Heritage Trail – Beatty Park Reserve	\$88,000
Forrest Park – Dual Use Path Extension	\$45,000

Parks Furniture

Drinking Fountains/Bins – Stage 3	\$48,000
Street Litter Bin Replacement Programme – Stage 3	\$40,000
Electric BBQ Replacement Programme – Stage 2	\$40,000
Synthetic Sports Surface Replacement – various locations	\$30,000
Outdoor Exercise Equipment – locations to be determined	\$40,000
Aluminium Soccer Goals – various locations	\$18,000
Les Lilleyman Reserve – installation of electric BBQ	\$15,000

Car Parking

Fitzgerald Street – installation of car park lighting	\$35,000
Parking Strategy – installation of new signage	\$50,000
Albert Street – outside primary school	\$15,000



4. Rates

The Annual Budget as prepared estimates a **4.71%** increase in the rate in the dollar to fund the works as presented.

The Annual Budget currently estimates a single general rate of 7.43 cents in the dollar for the 2010/11 period and a minimum rate of \$599 will apply for the 2010/11 financial year.

Rates notices will be scheduled for distribution by 19 July 2010.

The objective of the minimum rate is to ensure that all ratepayers make at least a reasonable contribution towards the cost of services provided in the Town. Without the minimum rate there would be wide range in rate relativities, with some properties with lower gross rental values only paying a fraction of the rates paid on higher valued properties while receiving the same level of services.

The objective of the rate in the dollar of 7.43 cents of gross rental value is to raise the balance of funding necessary to cover the Budget deficit after adjustment for the yield from the minimum rate.

Payment of Rates

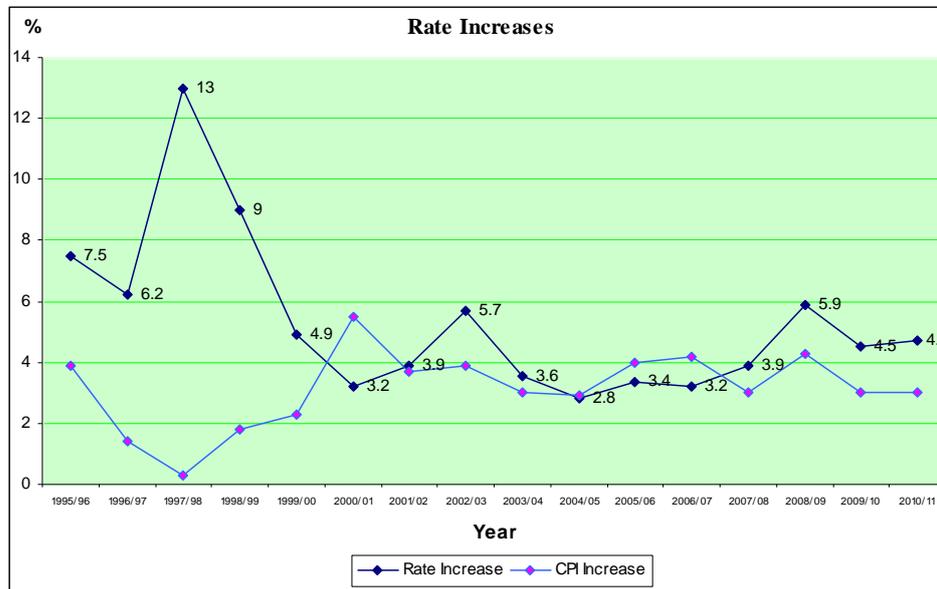
The *Local Government Act (1995)* provides for ratepayers to pay rates by four instalments. The due dates for each instalment are:

First Instalment	23 August 2010
Second Instalment	25 October 2010
Third Instalment	5 January 2011
Fourth Instalment	9 March 2011

To cover the costs involved in providing the instalment programme, the following charge and interest rates apply:

Instalment Administration Charge (to apply to second, third and fourth instalment)	\$8.00
Instalment Interest Rate	5.5% per annum
Late Payment Penalty Interest	11% per annum

Pensioners registered with the Town for rate concessions do not incur the above charge or interest.



Rates Incentive Prize

The Town will again provide incentive prizes to encourage the payment of rates in full in the 35 day period:

- 1 x Commonwealth Bank cash prize to the value of \$1,000.
- 1 x Stewarts Pest Control Pest Management service to the value of \$1000.
- 1 x Bendigo Bank cash prize to the value of \$500.

- 1 x one night Breakaway Package at the Esplanade River Suites, South Perth including breakfast.
- 1 x one night in a standard family cabin at any Aspen Park in WA.
- 1 x 6 Month Membership package at Beatty Park Leisure Centre.
- 1 x 3 Month Membership package at Loftus Recreation Centre.
- 4 x \$50 vouchers for lunch/dinner for two at Siena's Pizzeria Restaurant, Leederville.

RATES COMPARISON 2009/2010						
Local Government	Residential Rate (Cents)	General Minimum	Residential Rubbish	Other Charges	Total Account on GRV \$15,000	Variation
<i>Perth</i>	4.3220	500	153		801	-24.7%
<i>Mosman Park</i>	6.0090	616			901	-15.3%
<i>Peppermint Grove</i>	6.2649	802			940	-11.7%
<i>Claremont</i>	6.4707	925			971	-8.8%
<i>Canning</i>	4.8000	439	315		1035	-2.8%
<i>Nedlands</i>	5.0541	928	280		1038	-2.5%
Vincent	7.0962	572			1064	0.0%
<i>Joondalup</i>	5.6234	611	265		1109	4.1%
<i>Cambridge</i>	7.0720	728		70	1131	6.2%
<i>Stirling</i>	5.8360	633	237	24	1136	6.8%
<i>Victoria Park</i>	7.6280	715	0		1144	7.5%
<i>South Perth</i>	6.3500	650	200		1153	8.3%
<i>Subiaco</i>	6.1008	570	270		1185	11.3%
<i>Fremantle</i>	7.9400	866			1191	11.9%
<i>Rockingham</i>	6.3585	588	247		1201	12.8%
<i>East Fremantle</i>	7.9485	682	0		1192	12.0%
<i>Wanneroo</i>	8.1060	940			1216	14.2%
<i>Bayswater</i>	6.5500	582	234		1217	14.3%
<i>Kalamunda</i>	6.4990	550	277		1252	17.6%
<i>Melville</i>	5.8700	575	345	45	1270	19.3%
<i>Belmont</i>	7.0919	630	215		1279	20.1%
<i>Gosnells</i>	7.4000	697	200		1310	23.1%
<i>Swan</i>	7.5600	630	247	100	1381	29.7%
<i>Bassendean</i>	8.9740	766	0	45	1391	30.7%
<i>Cockburn</i>	5.8692	550	325	50	1442	35.5%
<i>Mundaring</i>	8.9200	700	125	58	1521	42.9%
<i>Armadale</i>	9.9720	783	204		1700	59.7%
<i>Kwinana</i>	9.4635	705	305		1725	62.0%

5. New Operating Items

The amount of \$416,500 has been allocated in the 2010/2011 Annual Budget for new operating items.

Sections that have submitted new operating items are: Town Planning, Technical Services, Health Services, Ranger and Community Safety Services, Community Development and Beatty Park Leisure Centre.

The Building and Planning items include allocations for the Heritage Plaque initiatives and the preparation of a Masterplan for the North Perth Commercial Area.

A provision for maintenance by the Town for the Tony Di Scerni Pathway, at Banks Reserve, Mount Lawley has been included. The path has finally been transferred to the Town from the Department of Transport. The other items supported by Technical Services are for the cleaning of the reticulation mainlines to ensure they are performing at the optimum level.

Health Services have requested funding for the preparation of a Public Health Plan which is a requirement of the new *Health Act* and for a Compliance Fund to allow works to be undertaken where any resident/ratepayer is not taking the compliant action required, this expenditure is fully recovered from the respective resident/ratepayer.

Rangers and Community Safety Services have requested an additional Shift Ranger to maintain the parking enforcement requirements.

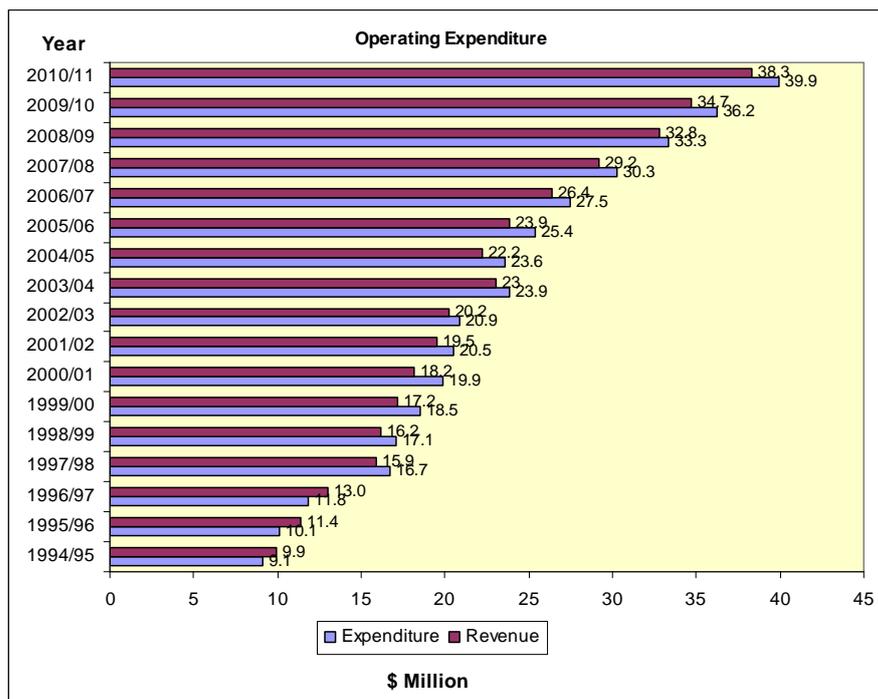
Provision has been made in the Budget for the operations of the Community Bus. This is an estimate as no prior history is available.

Community Development have further requested funding for a new donation category to allow the clean-up of homes which have been declared unfit for human habitation and monies have been included to implement the Wild Wetlands Project to match the grant funding for this project.

The Specified Maintenance budget for Town owned properties is \$88,500.

The funds are to be spent at the following locations:

- Highgate Childcare Health Clinic
- Highgate Pre-Primary (Little Citizens)
- North Perth Town Hall
- Margaret Kindergarten
- Hyde Park East (Public Toilets)
- Old North Perth Police Station
- Banks Reserve Pavilion
- Town of Vincent Depot
- Department of Sport and Recreation Office Building and
- Beatty Park Leisure Centre.



6. Operating Budget

The increase in the Operating Expenditure is attributed to:

- Increased tipping costs at Tamala Park
- Increase in utility costs announced by the State Government
- New operating expenditure items and
- Provision of a salary increase for the permanent staff members.
- Software Maintenance

The Revenue Budget has been impacted by:

- Increased investment income due to improved interest rates
- Increased development applications and building licence fees
- Increases in parking fees from ticket machines as a result of increased fees and charges and the number of new ticket machines installed following the implementation of the Parking Strategy and
- Increases in other fees and charges.

7. Interest on General Debtors

The Town of Vincent will impose a late payment penalty of 11% per annum on overdue sundry debtor accounts.

8. Emergency Services Levy

Fire and Emergency Services Association (FESA) have advised that the rate in the dollar for the 2010/11 financial year for the Emergency Services Levy (ESL) Category 1 is \$0.0145 per GRV. There is a minimum and maximum per property use:

Residential, Farming and Vacant Land:

Minimum - \$50
Maximum - \$260

Commercial, Industrial and Miscellaneous:

Minimum - \$50
Maximum - \$150,000

The levy is used to fund the State Fire and Emergency Services. All properties in the Town are included in the ESL Category 1.

CONSULTATION/ADVERTISING:

The Draft Budget was advertised for fourteen (14) days for public comment. At the close of the advertising period on 1 June 2010, no submissions were received by the Town.

LEGAL/POLICY:

The Local Government Act 1995 Section 6.2 requires each local government to prepare and adopt, in the prescribed form and manner, an Annual Budget, prior to 31 August of each year.

STRATEGIC IMPLICATIONS:

The preparation and adoption of the Annual Budget is in keeping with the Council's Plan for the Future - Strategic Plan 2009-2014 - Key Result Area 4.1 "*Leadership, Governance and Management*";

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

“(a) Adopt “best practice” to manage the financial resources and assets of the Town.

(h) Develop sustainable financial policies and strategic financial plans to ensure the Town’s long term financial viability.”

SUSTAINABILITY IMPLICATIONS:

The Budget 2010/2011 included a number of sustainability initiatives which are linked to the previous strategic documents in this area.

FINANCIAL/BUDGET IMPLICATIONS:

The Annual Budget outlines the funding for works and services in the Town for the financial year ending 30 June 2011.

COMMENTS:

The Annual Budget 2010/2011 has been prepared in an improved economic climate, the budget provides a comprehensive programme of work and operation which will allow the Town to continue to maintain the existing service levels required. Accordingly, it is recommended that Council adopt the Annual Budget 2010/11.

8. CLOSURE

The Presiding Member, Mayor Nick Catania JP, declared the meeting closed at 6.15pm with the following persons present:

Mayor Nick Catania, JP	Presiding Member
Cr Matt Buckels	North Ward
Cr Steed Farrell	North Ward
Cr Taryn Harvey	North Ward
Cr Sally Lake (<i>Deputy Mayor</i>)	South Ward
Cr Warren McGrath	South Ward
Cr Dudley Maier	North Ward
Cr Joshua Topelberg	South Ward
John Giorgi, JP	Chief Executive Officer
Rob Boardman	Director Development Services
Rick Lotznicker	Director Technical Services
Mike Rootsey	Director Corporate Services
David Bell	Journalist – “ <i>The Perth Voice</i> ”

No members of the public were present.

These Minutes were confirmed by the Council as a true and accurate record of the Special Meeting of the Council held on 6 July 2010.

Signed:Presiding Member
Mayor Nick Catania

Dated this day of 2010