



2017 / 2018 Draft Annual Budget

Are you interested in knowing what is in the Shire of Plantagenet's 2017 / 2018 draft annual budget? Do you want the opportunity to provide comments direct to the Council on the budget before its adoption?

Come along to this information session and give us your comments and feedback.

When – 6.30pm, Tuesday, 23 May 2017

Where – Council Chambers, Lowood Road, Mount Barker

A copy of the budget proposals is available at the Shire office or on the Council's website www.plantagenet.wa.gov.au.

Questions can be directed to John Fathers, Deputy Chief Executive Officer on 9892 1124.

Rob Stewart
Chief Executive Officer

2017/2018 Draft Budget Proposals

The Draft 2017/2018 annual budget proposals for the Shire of Plantagenet are presented for information and comment by the public. The draft budget totals \$16.1 million representing operating expenditure of \$11.1 million and capital expenditure of \$5.0 million.

Income

In line with the Shire's Budget Preparation Policy, the Council has reviewed all fees and charges levied for services with the aim of increasing the overall level of fees and charges by the Local Government Cost Index averaged over a three year period.

The level of rate increase is reviewed annually with the following factors being considered:

- Funds required to establish and maintain assets and services at levels sought by the community in line with the Strategic Community Plan and Corporate Business Plan;
- Levels of relevant cost indices;
- Prevailing economic conditions;
- Comparison with other local governments in the region.

At this stage, the following is proposed:

- Minor increase in rate revenue. While not yet determined, possibly from 2%-4%.
- Rubbish collection charge to increase from \$195.00 to \$200.00.
- Minimum rate to increase from \$860.00 to \$880.00.

Expenditure

The budget deliberations this year have once again been a balance between the cost of providing new facilities, maintaining operating service levels and allocating sufficient moneys to the Council's reserve funds.

The list of new capital requests and non-standard or new operating projects has been listed below for information. The Shire has assessed these and either included, reduced or excluded them based on priority and funds available. Public comment is sought on these items and any other proposals for consideration. Note that this list only incorporates new projects, not capital works carried forward from 2016/2017. It also excludes ordinary, operating income and expenditure.

Major items include the continued refurbishment of Frost Park Pavillion, Stage 2 of the Kendenup Agricultural Grounds Development (funded by grants and contributions) and the completion of the refurbishment of the Mount Barker District Hall (subject to grant funding being received).

Stage 2 of Frost Park Pavillion includes removal of old carpet and replace with hard wearing tiles, removal of old smokers tray and tile and removal of old tiles to the front of the bar and replacement of non-slip tiles.

2017/2018 Draft Budget Proposals

Proposed plant purchases include the replacement of the CAT 928H Loader, CAT 924 Front End Loader, Kanga 524 Digger, Isuzu GIGA Truck and Kenworth DAF FATCF85 Tip Truck. The Council has a committee critically reviewing all plant expenditures, which is reviewing some different options than those predicted in the Shire's plant replacement program.

The budget proposals are preliminary at this stage. Final decisions will be based, among other things, on comments from the public and a more refined carried forward financial position at the time of the budget adoption in mid July 2017. In order to adopt a balanced budget, the Council may need to defer some of these projects.

An issue that has arisen which impacts on the Shire's budget is that vehicle licence concessions currently offered to WA Local Governments will be discontinued. The concession will remain for vehicles licenced under regulation 69(c) and (d) including ambulances and certain fire and emergency vehicles. For the Shire of Plantagenet, the estimated difference between the amount of vehicle registration paid last year and what would be payable without concessions is approximately \$17,000.00. In addition, the Council will be required to pay 3% stamp duty on vehicle purchases. The additional figure included in the 2017/18 budget is approximately \$43,000.00.

Long Term Financial Plan

Capital works proposals which have not been recommended for funding this year have been included in an amended ten year Long Term Financial Plan (LTFP) for the Shire. The Shire of Plantagenet's LTFP details what the Council proposes to do over the next ten years as a means of ensuring the Shire's financial sustainability. The LTFP currently covers the period 2013-14 to 2022-23, but this is amended each year alongside the annual budget.

The LTFP aligns with the other planning documents under the State Government's Integrated Planning and Reporting Framework for local government. This includes the Shire's Strategic Community Plan and Corporate Business Plan. Information contained in other informing strategies, including the Asset Management Plan and Workforce Plan, has informed the LTFP which will be the basis for preparation of the Shire's Annual Budgets.

The Shire's aim in developing the LTFP is to achieve the following objectives:

- Maintain the existing range of services, however critically review the current level of service and ensure it aligns with the objectives of the Strategic Community Plan;
- Aim to develop capacity to react to demand for new services as a result of community growth or changing demographics;
- Maintain a strong cash position, ensuring that the Council remains financially sustainable in the long-term, and delivering capacity to respond to unexpected opportunities or unpredictable events such as natural disasters;
- Achieve operating statement surpluses with the exclusion of all non-operational items such as granted assets and capital income (underlying surplus);
- Maintain debt levels below prudential guidelines;
- Strategically pursue State and Federal government grant funding opportunities where aligned with the Strategic Community Plan and Corporate Business Plan;
- Plan rate increases to provide for service delivery that meets reasonable community needs;
- Ensure that critical infrastructure asset renewal is funded at the optimum time over the timeframe of the LTFP.

KEY FEATURES

Expenses

Financial Assistance Grants to community groups and organisations - \$100,000 (approx)

Administration

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| Upgrades to Council Houses in Martin Street | \$10,000 |
| Administration Building - Replace A1 Plotter | \$ 9,000 |
| Cycleway Study – Phase 2 | \$10,000 |
| Visitor Signage Strategy | \$ 5,000 |

Fire Prevention

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| Fire Shed – Denbarker (Septics and Electrical Connection) | \$18,500 |
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Waste Disposal Sites

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| Porongurup Transfer Station - Security Exclusion Fence | \$25,000 |
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Community Amenities

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| Mount Barker Cemetery - Refurbish Gazebo | \$ 5,000 |
| Mount Barker Cemetery - Stage 1 Render Niche Wall and Drainage | \$10,000 |
| Kendenup Cemetery - Construct Internal Road | \$ 4,200 |
| Rocky Gully Highway Toilets - Leach Drains & Tanks | \$ 8,000 |

Halls and Buildings

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| Plantagenet District Hall Upgrade – Completion (Council funding) | \$40,000 |
| Mitchell House – Repairs to Wiring | \$15,000 |
| Kendenup Ag Grounds (Stage 2) – Funded by grants and Contributions | \$170,000 |
| Visitor Centre - Airconditioning | \$10,000 |

Parks and Recreation Grounds

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| Frost Park - Building Upgrade Stage 2 | \$70,000 |
| Sounness Park – Equipment Shed | \$17,000 |
| Wilson Park - Nature Playground – Irrigation | \$ 5,500 |
| Sounness Park Changerooms - Wall Protection | \$ 5,000 |
| Mount Barker Skate Park - Youth Precinct | \$ 5,000 |

2017/2018 Draft Budget – Key Features

Saleyards (Funded by Saleyards Reserve)

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| Bitumen Repairs | \$25,000 |
| Outloading Ramp Bugle Modification | \$17,000 |
| Long Wand and Data Logger | \$ 7,000 |
| Install Airconditioner in Office | \$10,000 |
| Light Tower Globe Replacement (Receivals) | \$25,000 |

Economic Services

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| Standpipe Controller Upgrades | \$15,000 |
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Road program totalling \$2.4 million, including:

Council Funded

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| ➤ Shire Wide Drainage Construction | \$100,000 |
| ➤ Mount Barker Footpath Construction | \$ 70,000 |
| ➤ Roadworks - Minor Renewal Projects | \$250,000 |
| ➤ Skinner Road - SLK 0.00 to 1.63 | \$ 47,000 |
| ➤ McDonald Avenue - SLK 0.00 to 1.63 | \$160,000 |
| ➤ Beattie Road - SLK 0.00 to 3.50 | \$130,000 |
| ➤ Bangalup Road - SLK 0.00 to 5.01 | \$298,500 |
| ➤ Bridges Road - SLK 0.00 to 0.36 | \$ 12,000 |
| ➤ Fourth Avenue - SLK 0.00 to 0.61 | \$ 55,500 |
| ➤ Oatlands Road - SLK 0.35 to 0.55 | \$ 56,000 |

Roads to Recovery (Fully Federal Funded)

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| ➤ Quangellup Road - SLK 4.75 to 8.24 | \$176,000 |
| ➤ Crockerup Road - SLK 0.00 to 4.45 | \$ 73,000 |
| ➤ Riches Road - SLK 0.00 to 1.61 | \$ 25,000 |
| ➤ First Avenue - SLK 0.00 to 1.16 | \$123,000 |

Regional Road Group (2/3 State & 1/3 Shire)

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| Martagallup Road - SLK 0.00 to 5.00 | \$165,000 |
| Carbarup Road - SLK 3.00 to 6.00 | \$225,000 |

Commodity Routes Funded (2/3 State & 1/3 Shire)

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| Waterman Road - SLK 3.30 to 9.38 | \$136,432 |
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2017/2018 Draft Budget – Key Features

State Blackspot (2/3 State & 1/3 Shire)

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| Woogenellup Road Floodway | \$116,540 |
| Woogenellup Road / Chester Pass Road - Intersection | \$142,300 |