



### **2018 / 2019 Draft Annual Budget**

Are you interested in knowing what is in the Shire of Plantagenet's 2018 / 2019 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, 22 May 2018

**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](http://www.plantagenet.wa.gov.au).

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

Rob Stewart  
Chief Executive Officer

## 2018/2019 Draft Budget Proposals

The Draft 2018/2019 annual budget proposals for the Shire of Plantagenet are presented for information and comment by the public. The draft budget totals \$22.2 million representing operating expenditure of \$14.6 million and capital expenditure of \$7.6 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 1%-2%.
- Rubbish collection charge to increase from \$200.00 to \$205.00.
- Minimum rate to increase from \$880.00 to \$900.00.

The Council has been giving consideration to the imposition of a Waste Rate under the Waste Avoidance and Resource Recovery Act. The principle is that all ratepayers within the Shire have somewhat equal access to refuse disposal and the costs associated with managing the waste generated by the public and therefore should pay equally. It also seeks to not discriminate against those ratepayers paying higher rates, which are often ratepayers without a kerbside service, and includes the numerous lower valued properties (frequently in townsites or nearby) that are more likely to have a kerbside service.

The aim of the waste rate is to fund the closure of the current landfill cell at the O'Neill Road waste facility and construction of a new cell at the site. Total sums required are estimated at \$300,000.00 in Years 5-10 for ongoing closure, \$3 million in approximately 10-12 years and then an additional \$500,000.00 in Years 15-20 for closure of the next cell (in current dollars).

When a cell is closed, it is subject to a 'post-closure' operation to make it safe. This will involve, among other things 'capping'. There will be a significant expenditure involved in closing and capping the current landfill cell, which is a requirement under the Department of Environment Regulation Works Approval.

The Council is currently considering options what the Waste Rate would be in dollar terms. Using the minimum rate provisions of the Local Government Act 1995, all ratepayers would be charged the same minimum rate, which might start from around \$50.00 to \$85.00 and possibly increase over time depending on the ultimate requirements and costings.

## 2018/2019 Draft Budget Proposals

### 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 2017/2018. It also excludes ordinary, operating income and expenditure.

There are relatively few major projects proposed next year. Apart from the fact that the Shire has had several years of large capital investment, the ability to source grant funding is becoming much more difficult.

Major items include the continued refurbishment of Frost Park Pavilion, funds for the demolition of Kamballup Hall and toilet block, replacement of timber windows at Mitchell House, replacement of veranda posts and beams and new concrete floor at Mount Barker Tennis Club and removal of damage to the Lesser Hall dining area caused by termites.

The work proposed for the Frost Park Pavilion includes installation of reverse cycle airconditioning (and access walkway), re-screwing roof and rewiring main switchboard next to the public toilet block.

Several improvements are proposed for the Mount Barker Regional Saleyards, namely a partial allocation towards a new loading ramp, treatment of rust damage to roof members and braces for walkways and bays, refurbishment of the diesel motor on the irrigation pump and servicing of the Aleis weighbridge scanners. The cost of these improvements are sourced from the Saleyards Reserve Fund and do not require ratepayer funds.

Proposed plant purchases include the replacement of the CAT 12M Grader, Hino 1727 Medium (4 x 2) Truck and Isuzu GIGA 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 2018. In order to adopt a balanced budget, the Council may need to alter some of these projects.

## 2018/2019 Draft Budget Proposals

### 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 2017-18 - 2032-33, 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 - \$85,000 (approx)

### Halls and Buildings

➤ Lesser Hall - Repair Termite Damage	\$ 10,000
➤ Frost Park - Pavilion Upgrade	\$ 60,000
➤ Mitchell House – Replace Front Windows	\$ 40,000
➤ Mount Barker Tennis Club - Verandah Posts	\$ 6,000

### Saleyards (Funded by Saleyards Reserve)

➤ Aeration Ponds - Transfer Pipework	\$ 5,000
➤ Painting of Galvanised Elements - Roof and Walkways	\$ 23,000
➤ Diesel Motor - Irrigation Pump	\$ 5,000
➤ Alies Scanner – Service	\$ 5,000
➤ New Receiving Ramp (Contribution)	\$ 45,000

### Economic Services

➤ Other Expenses - Visitor Signage / Entry Statement	\$ 20,000
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### Road program totalling \$2.4 million, including:

#### Roads to Recovery (Fully Federal Funded)

➤ Coopers Road - SLK 0.00 to 2.80	\$ 44,000
➤ Millinup Road - SLK 0.00 to 14.20	\$116,547
➤ Montem Street - SLK 0.17 to 1.06	\$ 55,000
➤ Road Replenishment Project	\$205,980

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

➤ Porongurup Road - SLK 3.99 to 8.94	\$213,831
➤ Settlement Road - SLK 4.71 to 10.40	\$438,330
➤ Poorarecup Road - SLK 1.16 to 8.45	\$184,384

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

➤ Eulup Manurup Road - SLK 9.51 to 16.70	\$204,414
➤ Watermans Road - SLK 3.30 to 9.38	\$173,938

## 2018/2019 Draft Budget – Key Features

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

- Pile Road - Intersection with Muir Hwy \$ 39,819

### Council Funded

- Drainage Construction \$ 40,000
- Footpath and Bike Path Construction \$ 70,000
- Roadworks - Minor Renewal \$250,000
- Reseal Rural Roads \$250,000
- Stothard Road - SLK 0.00 to 2.19 \$ 45,000
- Thomas Street - SLK 0.00 to 0.30 \$ 10,000
- Wragg Road - SLK 1.75 to 6.44 \$ 25,700
- Albany Highway - SLK 356.20 to 356.59 \$ 56,710
- Lord Street - SLK 0.00 to 0.139 \$ 10,800
- Marion Street - SLK 0.00 to 0.56 \$ 35,000
- Mount Barker Road - SLK 0.075 to 0.735 \$ 35,000
- Kworncup Road - SLK 8.65 to 9.91 \$ 55,000
- Mallowillup Road - SLK 0.00 to 16.08 \$132,850
- Hassell Avenue - SLK 0.45 to 0.62 \$ 5,000
- Pooreracup Road - SLK 0.83 to 1.23 \$ 72,100
- Albany Highway/Woogenellup Road - Roundabout \$ 20,000