

ALL INFORMATION AVAILABLE IN
VARIOUS FORMATS ON REQUEST
city@busselton.wa.gov.au

Please note: These minutes
are yet to be confirmed as a
true record of proceedings

CITY OF BUSSELTON

MINUTES FOR THE FINANCE COMMITTEE MEETING HELD ON 19 APRIL 2018

TABLE OF CONTENTS

ITEM NO.	SUBJECT	PAGE NO.
1.	DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS.....	2
2.	ATTENDANCE	2
3.	PUBLIC QUESTION TIME.....	2
4.	DISCLOSURE OF INTERESTS	2
5.	CONFIRMATION OF MINUTES	2
5.1	Minutes of the Finance Committee Meeting held 15 March 2018	2
6.	REPORTS	3
6.1	ASSET MANAGEMENT REPORT.....	3
6.3	2018/19 DRAFT LIST OF FEES AND CHARGES	20
6.2	DONATIONS/CONTRIBUTIONS AND SUBSIDIES FUND - MARCH 2018.....	30
6.4	FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 MARCH 2018	32
6.5	LIST OF PAYMENTS MADE MARCH 2018	42
6.6	BUDGET AMENDMENT REQUEST	44
7.	GENERAL DISCUSSION ITEMS	48
8.	NEXT MEETING DATE	48
9.	CLOSURE	48

MINUTES

MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COMMITTEE ROOM, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 19 APRIL 2018 AT 9.30AM.

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting at 9.31am.

2. ATTENDANCE

Presiding Member:

Cr Paul Carter

Members:

Cr Grant Henley Mayor

Cr John McCallum Deputy Mayor

Cr Coralie Tarbotton (Until 10.30am, returned at 10.32am)

Cr Robert Reekie (Until 10.00am, returned at 10.02am)

Officers:

Mr Paul Needham, A/ Chief Executive Officer (Until 10.30am)

Mr Oliver Darby, Director, Engineering and Works Services (Until 10.00am)

Mr Tony Nottle, Director, Finance and Corporate Services

Mr Ehab Gowegati, Financial Accountant

Mr Jeffrey Corker, Financial Compliance Officer (Until 10.30am)

Mr Barrie Naylor, Asset Management Officer (Until 10.00am)

Mrs Katie Banks, Executive Assistant to Council

Apologies

Nil

3. PUBLIC QUESTION TIME

Nil

4. DISCLOSURE OF INTERESTS

Nil

5. CONFIRMATION OF MINUTES

5.1 Minutes of the Finance Committee Meeting held 15 March 2018

COMMITTEE DECISION

F1804/025

Moved Councillor J McCallum, seconded Councillor R Reekie

That the minutes of the meeting of the Finance Committee held 15 March 2018 be confirmed as a true and correct record.

CARRIED 5/0

6. REPORTS

6.1 ASSET MANAGEMENT REPORT

SUBJECT INDEX:

STRATEGIC OBJECTIVE:	Assets are well maintained and responsibly managed.
BUSINESS UNIT:	Engineering and Facilities Services
ACTIVITY UNIT:	
REPORTING OFFICER:	Asset Coordinator - Daniel Hall
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Costal Node Photos

PRÉCIS

The Purpose of this report is to provide the finance committee with asset management information relevant to the financial management of the City of Busselton. It will outline what the activities are and how they may or may not impact the financial management of the City. It is not intended as an exhaustive list of all the asset management undertakings for the period, rather a targeted report detailing issues relevant to the Finance Committee.

This report provides an overview of methodology proposed distribution of developer contributions monies to asset renewal projects. It is intended to provide this overview prior to the Council undertaking the 2018/19 Annual budget deliberations.

Asset Management Report

The Asset Management team have recently undertaken an exercise of matching currently held developer contributions monies with potential renewal / upgrade projects. The purpose being to create an avenue by which these funds can be expended to realise their purpose of providing a benefit to the community. A large proportion of these funds have been held by the City for some time. This has occurred for a variety of reasons, however the most common factors being that on its own the amount is too minor to undertake any meaningful renewal works, or the purpose for which it has been collected is no longer relevant or not required to be undertaken. This has led to the situation where large sums of money have built up over time. In order to release these funds for the community benefit a decision needs to be made on how we can best apply these funds. A planned approach to accessing these funds will ensure that they are able to be effectively expended on assets which require renewal.

The contributions referred to above were collected as a requirement of the City's Development Contribution Policy (2010), which is administered under the guidance of the Local Planning Policy Manual. The Local Planning Policy Manual comprises nine local planning policies overall. These are enforced under Local Planning Scheme 21.

The Development Contribution Policy is item six within the Local Planning Policy Manual. It sets out the basis for assigning a contribution amount in instances where a development approval has (or is likely to) increase demand for community infrastructure. The Policy seeks to undertake this in an equitable manner, reflecting the size and nature of the development.

The Development Contribution Policy provides detailed information of the following areas:

- Percentage for Art,
- Mosquito Control Contribution,

- Road, Footpath and Cycle Network Upgrade Contribution; and
- Drainage Infill Contributions.

This report provides detail on planned expenditure of Road, Footpath and Cycle Network Upgrade Contribution and Drainage Infill Contributions.

The Assessment

There is currently a total amount of \$1,890,955 in unspent contributions funds for Road, Footpath and Cycle Network Upgrade Contributions. This is made up of \$1,616,405 in contributions under the old policy and \$274,550 from the new policy.

Old Policy

The individual amounts making up the total under the old Policy, have been broken into three categories based on values as shown in the table below.

Table 1 Contributions by Value

Category (individual CWKS)	Amount	Percentage of Total
Less than \$10,000	\$894,359	55%
\$10,001 – \$20,000	\$190,111	12%
\$20,001 plus	\$531,935	33%
Total	\$1,616,405	100%

As the table demonstrates, the highest percentage is attributed to contributions of less than \$10,000 at 55%. This total of \$894,359 is made up of 588 individual amounts, each with a different intended purpose. This highlights the difficulty that can be faced when trying to allocate this money against an appropriate renewal project matching its very specific purpose. The next highest in terms of overall value is the contributions over \$20,001 (33%), followed by \$10,001– \$20,000 (12%).

In terms of where it is proposed the funds can be spent, this is governed by the localities within the Municipal area. Table 2 below shows the total amounts broken down and summarised by locality.

Table 2 Contributions by Locality

Locality	Amount \$
Abbey	124,097
Acton Park	9,790
Ambergate	36,178
Boallia	1,001
Bovell	1,006
Broadwater	338,520
Busselton	199,779
Carbunup River	24,479
Chapman Hill	5,566
Dunsborough	139,927
Eagle Bay	21,053
Geographe	40,087
Kalgup	5,330
Kaloorup	1,036
Ludlow	1,994

Marybrook	14,725
Metricup	20,922
Quedjinup	13,552
Quindalup	36,184
Sabina River	6,251
Tutunup	4,646
Vasse	47,916
Walsall	2,056
West Busselton	313,371
Wilyabrup	18,072
Wonnerup	4,146
Yallingup	59,056
Yallingup Siding	41,957
Yalyalup	76,719
Yelverton	6,989
Total	1,616,405

The intention when collecting these contributions was to benefit the immediate area in which the development took place. This unfortunately meant that in most instances specific roads and infrastructure in the new development were nominated as the intended target for these monies.

The proposal with the contributions of less than \$10,000 is that they should be applied to infrastructure renewal and upgrades on any project within the geographical locality that they were intended. By doing this, a large proportion of these funds can be expended, and will benefit the local community as intended, if not necessarily on a specific road or pathway.

For contributions greater than \$10,000 more target specific expenditure should be applied, however there are instances where the specified works have already been completed or the specified infrastructure is no longer required or possible, in which case the monies should be applied to the immediate surrounding area.

By following this proposed distribution it will be possible to expend some \$770,250 of these funds on capital road projects in 2018/2019, and a further \$115,200 on projects other than roads, (footpaths and community infrastructure). A further \$565,000 has also been identified as being able to be utilised on projects in the next few years both as direct contribution to specific projects or as the City's required matching contribution to projects funded by other sources, e.g. Regional Roads Group. By doing this the City can generate significant funding for some projects. Members of the Finance Committee have previously been briefed on these proposals.

New Policy

The amounts received under the new policy are to fund Distributor Road Upgrades and Dual Use Path (DUP) and Footpath Upgrades as per the requirements of the Policy. Distributor Roads as defined within the Policy are roads managed by the City that provide a linkage between neighbourhoods and serve larger catchment areas. These roads are shown in Table 3 below.

Table 3 Distributor roads as Defined within the Policy.

Road Name	Locality
Bussell Highway	Busselton
Albert Street	Busselton
Causeway Road	Busselton
Barlee Street	Busselton
West Street	Busselton
Strelley Street	Busselton
Fairway Drive	Broad Water
Cape Nat Road	Dunsborough
Naturaliste Tce	Dunsborough
Layman Road	Geographe

The contributions under the new policy for DUP and footpaths are governed by locality and generally intended to be used for upgrades in older urban areas. This is designed to bring the paths in these older areas up to a modern standard (particularly in path width) to accommodate increased usage generated by development of these areas.

Table 4 provides an overview of the amounts collected within each locality for both roads and paths.

Table 4 Contributions by Locality

	Busselton	Broadwater	Dunsborough	Geographe	Rural	Total
Distributor Road Upgrades	3,140	183,690	4,602	4,193	38,511	234,136
DUP & Footpath Upgrades	15,378	10,152	1,202	13,682	-	40,414
Total	18,518	193,842	5,804	17,875	38,511	274,550

Distribution of Funds

The next stage in the process, following the determination of available funds, categories for expenditure and locality to be expended; was to assess all asset management plan projects within the current planning horizon and determine whether they could be funded / part funded via the contributions.

This was required to be carried out within the locality and asset type parameters as determined at the time the contributions were collected. For example a contribution collected for footpaths within Broadwater would need to be allocated to a footpath project within the locality of Broadwater. It was determined that, where appropriate, funds could be grouped together for one project, however would still need to comply by asset type and locality.

Engineering & Works Services – Regional Road Group/Busselton Traffic Study Funding Update

The following information provides an update of the progress of the works and design services of the various roadworks projects funded via the South West Regional Road Group and the Busselton Traffic Study (Traffic Study). This information forms part of the CEO's KPI's.

Project Name - Strelly Street**Project Budget \$549,859****Financial information**

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0035 Strelly Street	\$549,859	\$372,568	\$107,070	\$70,220	In progress See detail below

Project Scope

This project is part of the Traffic Study

- Short term- Construction of a direct link from the Busselton Bypass to West Street and essentially the Old Bussell Highway/Albert Street. This is known as the Strelly/ Barlee/West Street Connection which offers alternative access to Busselton Town Centre, the foreshore and the Western portion of the Busselton Township. The first stage involves the relocation of services and possible land resumptions where after the construction of a new roundabout at the intersection of Strelly/Barlee Street will be undertaken.
- Long Term – Construction of Dual carriageway to the above route is envisaged by 2036.

Progress Report**Works in Progress**

The detailed design for the roundabout has been undertaken by an external Contractor and is complete.

The undergrounding of power lines and the installation of street lights at the intersection of Steely/Barlee Street has been completed at the end of 2017.

Relocation of services, water main, and upgrade of existing asbestos cement pipes to polyethylene pipes. These works are now completed.

Relocation of services other services i.e. Telstra and NBN. Two Telstra pits and associated fibre optic needs have also been relocated out of the new road alignment.

Land resumptions – Four (4) parcels of land are required to be able to fit the new reworked (MRWA) roundabout at the intersection of Strelly Street/Barlee Street intersection. City officers have issued legal agreements and are in the process of finalising the purchase of the land. This is a potential risk to the project.

Community consultation - Once the land requirements have been resolved a letter drop will be organised to all the property owners in the Light Industrial Area (LIA) advising them of the works. City officers have met with the directly affected landowners earlier this year to discuss the project and will be dealing with them on a one-on-one basis as part of the way forward to progress the project from design to implementation. Officers are looking at night works to avoid traffic and business related issues.

Construction works - It's anticipated that the works will be commenced with in the 4th quarter of the 2017/18 FY i.e. May 2018 – June 2018 running through to the 2018/2019 FY.

Project Risks

Purchase of Land -This could potentially delay the implementation of the project.

Funding - Construction of the roundabout in the current financial year is dependent on the outcome of the funding remaining after all services have been relocated and the land purchases have been finalised. Note however the City has already secured additional funding via RRG for the 2018/2019 Financial Year, which equates to \$450,000 (\$300,000 from the RRG and \$150,000 from the City). Current outstanding funds will either be spent on the construction works or the purchase of land. No carry over is expected on this project.

Project Name – Layman Road**Project Budget \$672,701****Financial information**

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0049 Layman Road	\$672,701	\$531,365	\$1,260	\$140,076	Completed

Project Scope

This project was undertaken over four years and consisted of a full reconstruction, upgrade of drainage, street lighting and minor landscaping. This was from Navigation Way to Ford Road.

Progress Report***Works in Progress***

This project has been completed.

Project Risks

Nil. The Regional Road Group (RRG) have agreed that the project balance can be used on the Strelly Street Project. No carry over expected on this project.

Project Name – Causeway Road**Project Budget \$139,032****Financial information**

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0051 Causeway Road	\$139,032	\$75,829	\$68,716	\$-5,514	Ongoing

Project Scope

This project is part of the Traffic Study

- Short Term- Construction of a roundabout on Causeway Road providing access to the new Eastern Link Bridge and Rosemary Drive.
- Short term- Construction of dual lane roundabout at Rosemary Drive, a dual lane roundabout at Strelly Street and dual lanes between Strelly St and Rosemary Drive

- Long Term – Construction of dual carriageway from Busselton Bypass to Peel Terrace, 2036.

Note- Funding Received to date is predominantly for the detailed design of the above works that includes the new roundabout at Rosemary Drive.

Progress Report

Works in Progress

The majority of this funding is going towards the cost of the detail designs work being undertaken by Calibre as well as the relocation of services such as fibre optic communication cables.

It was recently agreed to add the Strelly Street Roundabout and the dual laning of Causeway road from Rosemary Drive to Causeway Road. This detailed design work will be underway shortly.

This year's funding has been expended and commitments finalised by the end of the financial year (FY)

Project Risks

Note however the City has already secured funding via RRG for the 2018/2019 FY which equates to \$750,000 (\$500,000 from the RRG and \$250,000 from the City).

Funding and costs for the new inclusions requires detailing and programming. Consideration of how the stages of the projects are implemented requires further planning.

Project Name – S0064 Peel Terrace

Project Budget \$1,102,549

Financial information

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0064 Peel Terrace	\$1,102,549	\$62,331	\$800,822	\$239,395	Ongoing

Project Scope

This project is part of the Traffic Study

- This is for the reconstruction of the section of road along Peel Terrace from Queen Street to Stanley Place, construction of a new roundabout at the intersection of Peel Terrace and Camilleri Street and construction of a new roundabout at the intersection of Peel Terrace and Brown Street. The project includes all design works and service relocations.

Progress Report

Works in Progress

Design Works – the design work on the section of Peel Terrace between Queen Street and Brown Street is currently underway and preliminary design drawings were completed in December 2017; these drawing are predominantly finalised.

These works include the upgrade of the existing road pavement between Queen Street and Stanley Place, as this section of road is in desperate state of repair. A new roundabout at the intersection

Peel Terrace, Stanley Place and Cammilleri Street, as well as a new roundabout at Peel Terrace and Brown Street.

Relocation of services - Western Power undergrounding of power along Peel Terrace has been designed to be delivered in two phases. Phase 1 is the undergrounding of power and new street lights on Peel Terrace between Queen Street and Camilleri Street. Phase 2 is the undergrounding of power and new street lighting on Peel Terrace between Camilleri Street and Brown Street.

The designs for these works have been submitted to Western Power in July/August 2017. The City received the quotation for undertaking these works in January 2018, and purchase orders have been raised for Western Power to undertake these works. These works are now under construction.

Relocation of services - Telstra and Optus. Two pits, Telstra and Optus, and the associated fibre optic needs to be relocated out of the new Eastern Link road alignment. The designs are in progress and a quote for these works has been received. These works have now been completed.

Land resumptions - both the two new roundabouts at Peel Terrace/Cammilleri Street and Peel Terrace/Brown Street will be encroaching land that falls outside the existing road reserve. The new roundabout at Cammilleri Street encroaches Reserve 52822 – State WA – Current Purposes – Carpark. The new roundabout at Brown Street encroaches Lot 7 (73 Peel Terrace) of which the owner is City of Busselton.

Environmental approvals are currently underway. The environmental approval for the new Eastern Link Bridge was submitted for approval to Environmental Protection Authority (EPA) in early January. The EPA have determined that the project does not need to be assessed and is currently in an appeals period. The EPBC (Commonwealth) have determined that the eastern link is to be assessed as a controlled action. We are now working on this with our environmental consultants.

In addition to the above, the Council resolved through a Notice of Motion not to proceed with the Eastern Link for a period of 6 months, whilst further consultation on the Traffic Study is undertaken. From a construction point of view this means that the roundabout connecting the Eastern Link/Cammilleri and Peel Terrace cannot proceed, nor the Stanley Road intersection upgrade (as this upgrade is specific to the roundabout noted above). This is because if the Council resolved in the future not to proceed with the Eastern link then the roundabout connecting the Eastern Link/Cammilleri and Peel Terrace would not be required (at this point in time). Instead a modified intersection at Stanley and Peel would be required and the roundabout at Peel and Brown would still be required.

Note that the section of Peel Terrace from Causeway Road to the Western side of Stanley Road is still required to be reconstructed. It is planned to complete these works with the unspent funds by the end of the 2017/2018 FY. These works were originally due to be completed in conjunction with the other works on Peel Terrace to provide an economy of scale, however the above noted delays have prevented this from occurring as originally planned. Therefore this section of road will be constructed separately.

Project Risks

Western Power delays in getting the undergrounding of power completed before mid-April 2018 could potentially delay the road upgrades for the new roundabouts at Peel Terrace /Cammilleri Street and Peel Terrace/Brown Street.

Environmental approvals have delayed the construction of the new Eastern Link Bridge over the Vasse River. (Note comment above)

The Council endorsed NoM has delayed the commencement of the Eastern Link pending further public consultation.

Funding - Construction of the roundabouts and the upgrade of Peel Terrace in the current financial year is dependent on the outcome of the funding remaining after all services have been relocated. Note however the City has already secured funding via RRG for the 2018/2019 FY which equates to \$750,000 (\$500,000 from the RRG and \$250,000 from the City).

Project Name – S0066 Queen Street

Project Budget \$254,412

Financial information

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0066 Queen Street	\$254,412	\$27,403	\$24,713	\$202,296	Ongoing

Project Scope

This project is part of the Traffic Study.

- Short term- Minor modifications to the road layout and lanes on the section of Queen Street from Peel Terrace and Albert Street. Detailed design and modelling associated with traffic congestion and the improvement of traffic flow into the town centre. Redesign and re-programming of traffic signal sequencing at the intersection of Queen and Albert and West/Albert.
- Long Term- The intersection to be upgraded to accommodate Causeway Road to be a dual carriage way.

Note- Funding received to date is predominantly for the detailed design of the above works.

Progress Report

Works in Progress

Detailed modelling has been undertaken of numerous options associated with the intersection treatments for this area.

City Officers have narrowed the intersection design of Queen/Albert Street down to a roundabout in lieu of traffic signals. This option will require additional traffic modelling and preliminary designs to establish if this is a viable option. Preliminary concepts are underway for the roundabout that connects Queen and Albert St.

No final design has been determined at this point as priority has been given to the completion of the Eastern Link, Peel Terrace upgrade and the Barlee Street/Strelly Street upgrades, noting that we would expect to complete the detailed design of this area towards the end of the financial year. It is likely that this will not expend all of the current funds allocated to this project and remaining funds may have to be returned to the MRWA RRG or transferred to other RRG projects.

City officers have engaged a specialist consultant to do a detailed assessment of the traffic signal sequencing along all the entire Bussell Highway to establish if there are options to switch over from

normal traffic to peak flow traffic. This work has been completed and officers are working with MRWA to re synchronize the traffic lights on Queen/Albert and Albert/West.

Minor road upgrades have been completed, lane upgrades and channelization.

Relocation of Services such as Telstra and Western Power is currently being investigated.

This investigation is still underway working in consultation with MRWA.

Project Risks

A final design of this intersection cannot be completed until further detailed modelling of various options can be finalised. This is in order to develop the most appropriate design that caters for all the associated different factors such as East/West and North/South Access, minimising service relocation, minimising land acquisition, and minimising the use of the reserve, all with the intention of improving traffic flow. This can only be done when other elements of the Traffic Study are finalised. This will be the most complicated and risky part of the overall project and will require the appropriate attention to finalise. Currently City officers are prioritising the Eastern Link works, Peel Terrace works and the Barlee Street/Strelly Street connection.

Remaining funds may be required to be carried over. However the City will request consideration to use these funds on Barlee Street/Strelly Street intersection works, noting that RRG approval will be required for this to occur. Alternatively the funds on completion of design works will have to be returned to the RRG funding pool.

Project Name – Layman Road

Project Budget \$600,000

Financial information

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0067 Layman Road	\$600,000	\$5,034	\$0	\$594,966	Ongoing

Project Scope

Reconstruction between SLK 3250 and SLK 3620; asphalt overlay between SLK 5010 to 5110 and asphalt overlay with drainage improvements between SLK 6000 to 6500.

Progress Report

Works in Progress

Design works completed and ready to be issued for construction. Works were to commence in February 2018 after Iron Man and school holidays however unexpected construction issues not identified in the design caused delays until after half Iron Man in May 2018.

Project Risks

Risk is currently low for this issue.

Project Name – S0068 Georgiana Molloy Bus Bay Facilities Project Budget \$200,000

Financial information

Job	Budget	YTD Actual	Commitments	Project Balance	Status
S0068 Georgiana Molloy Bus Bay Facilities	\$200,000	\$390	\$0	\$199,610	Ongoing

Project Scope

Funding provided by State Government via Libby Mettam MLA to assist with congestion associated with school busses around the GMAS during pick up and drop off.

Progress Report

Works in Progress

A design has now been agreed with GMAS. Detailed designs are underway. Construction is expected to be completed before the end of the FY.

Project Risks

Project Exceeds budget. On this basis the school will be requested to fund the balance.

Project Name – V0002 Busselton Dunsborough Traffic Implementation Works Project Budget \$2,325,000

Financial information

Job	Budget	YTD Actual	Commitments	Project Balance	Status
V0002 Busselton Dunsborough Traffic Implementation Works	\$2,325,000	\$0	\$0	\$2,325,000	Ongoing

Project Scope

Funding has been provided for all elements of Busselton Dunsborough Traffic Implementation Works (Traffic Study) noting that the predominant action for this funding is the construction of the Eastern Link, connecting Causeway Road to Peel Terrace via a bridge from Rosemary Drive/Causeway Road to Peel Terrace (between Stanley Place and Cammilleri Street). This link road will provide East Busselton and Geopraphe-bound traffic with a more direct route.

Indicative estimated cost \$3.8M (*this project costing excludes potential land acquisition, relocation of services, draining and landscaping*).

Progress Report

Works in Progress

The City has received a grant from the federal bridge renewal program of \$1.25 million towards the construction of the bridge spanning the Vasse River.

The bridge design, roundabout design (Rosemary, Causeway and Eastern Link Connection) and Peel Terrace design is in the detailed design phase and practically complete. Once complete the final design for the works, predominantly for the eastern link bridge and Causeway Road roundabout, will be put out to tender. It is likely that works on the bridge portion of the works will only be able to commence after the winter of 2018, noting that prior to this works on Peel Terrace and on Causeway Road and portions of the Eastern Link can be completed in stages.

In addition to the above, the Council resolved through a Notice of Motion not to proceed with the construction of the Eastern Link for a period of 6 months, whilst further consultation on the Traffic Study is undertaken. From a construction point of view this means that the roundabout connecting the Eastern Link/Cammilleri and Peel Terrace cannot proceed, nor the Stanley Road intersection upgrade (as this upgrade is specific to the roundabout noted above), nor the construction of the Bridge, nor the construction of the Rosemary/Causeway roundabout nor the section of road connecting the Eastern Link Bridge to the Causeway/Rosemary roundabout. These works (other than design works or similar) cannot proceed until further consultation has taken place and a further report presented to the Council.

Environmental approvals are currently underway. The environmental approval for the new Eastern Link Bridge was submitted for approval to Environmental Protection Authority (EPA) in early January. The EPA have determined that the project does not need to be assessed and is currently in an appeals period. The EPBC (Commonwealth) have determined that the eastern link is to be assessed as a controlled action. We are now working on this with our environmental consultants.

City officers finalised in January 2018 negotiations with Guides WA and Scouts WA re relocation of their facilities, which are currently located on the land where the new road works (roundabout) will be located.

Consultation on these works has commenced and meetings have been held with the general public, specific resident and stakeholders during November and December 2017. Full details of the project have also been advertised in the local press, project hand-outs have been developed and are available in the Admin building front desk. Information is also available on the City's External website and the "Council's "Have Your Say" website. Note further consultation is now due to take place.

Project Risks

Full project budget is currently insufficient however the City's Long Term Financial Plan (LTFP) provides a mechanism by which funds can be sourced via reallocation of part of the Waste Levy.

Project delayed by EPA approvals.

Current Progress – Narrow Seal Rural Roads

Rural single lane seal roads were first identified as a priority area within the 2013 Roads Asset Management Plan. Along with the adoption of the plan, staff presented a report to the Council on the condition assessment and renewal program for rural single lane seal roads.

The report outlined that a large amount of road improvements were carried out in the 1960s, when State and Federal Government funding was made available to seal lengths of existing gravel roads. A majority of these roads were sealed to a width of 3.7m, which was deemed adequate at the time but no longer conforms to current road width standards.

The result of this work carried out in the 1960's was that the City now has some eighty two kilometers of rural single lane seal roads with an average seal age of twenty one years and nearing the end of its useful life; twenty five years being the predicted average useful life for a seal within the City of Busselton.

The report also noted that maintenance costs on these narrow seal roads were indicatively very high, as both the seal edges and the gravel shoulders wear out more than on full width sealed roads. This is on the basis that the shoulders on the narrow seal roads get exposed to more traffic.

The plan provided detail on the rural single lane seal roads and identified a priority list of roads considered to be the most essential for renewal works within the first ten years of the plan. These priorities were based on location and linkage provided within the overall network, traffic volumes, school bus routes, tourism factors and condition.

The roads listed as priority roads in 2013 were Boallia Road, Hairpin Road, North Jindong Road, Tom Cullity Drive, Puzey Road, Yelverton Road and Wonnerup South Road. Works to Abbeys Farm Road were already in progress and therefore not included in the priority list.

Single lane Seal sections of Yoongarillup, Chapman Hill and Don Road have since been added to this list on the basis of providing network linkage in line with the other priority roads. These were added during the 2015 review.

Table 5 shows the list of priority rural single lane seal roads as it stood in 2015. Some of these roads have since been renewed as outlined in the works completed column of Table 7 below.

Table 5: 2015 Priority Rural Single Lane Seal Roads

Road Name	Priority Sections of Single Lane Seal Km (2015)
Tom Cullity Drive	1.9
Puzey Road	4.5
Yelverton Road	4.7
North Jindong Road	4.4
Yoongarillup Road	3.1
Boallia Road	5.3
Wonnerup South Road	5.0
Hairpin Road	5.1
Chapman Hill Road	1.6
Don Road	1.9
Total Kilometers	37.5

The remainder of the rural single lane seal roads are shown in Table 6. These will also be required to be renewed over time however will be subject to further assessment before this happens. These remaining roads are generally lower traffic roads with less strategic importance than those listed as priority roads. It is anticipated that the works to renew these, whilst including some level of upgrade works, will also include like for like renewal and rationalisation.

Like for like renewal may involve simply replacing the narrow seal with a new narrow seal and rationalisation could mean returning the road back to a gravel (unsealed) surface. The option of returning the road back to gravel would require some level of consultation with affected landowners before it can be undertaken.

It should also be noted here that once the priority roads are completed, the targeted and prioritised renewal of these narrow roads will cease. This will mean that all works to the remainder of the rural single lane seal roads will be assessed and prioritised against all other proposed road renewal projects. An outcome of this may be that these roads are not renewed at the same rate as the priority roads.

Table 6: Remainder of Rural Single Lane Seal Roads

Road Name	Length of Single Lane Seals (km)
Kaloorup Road	3.03
Sugarloaf Road	2.45
Wildberry Road	0.24
Dawson Drive	0.24
Wonnerup East Road	3.73
Capel - Tutunup Road	3.36
Floodgate Road	0.70
Old Vasse Highway	1.25
Marybrook Road	0.95
Chambers Road	0.95
Florence Road	0.11
Blythe Road	1.95
Yalyalup Road	1.98
Henry Road	1.54
Oates Road	0.82
Gale Road	5.57
Willanup Rise	0.30
Princefield Road	5.86
Yallingup Siding Road	0.41
Doyle Road	1.13
Slee Road	0.82
Nuttman Road	2.23
Injidup Spring Road	0.32
Downs Road	1.60
Total Kilometers	41.50

Subsequent works programs since the 2015 review have seen a reduction in the total kilometers of priority narrow seal roads. Table 7 shows the anticipated remaining kilometers at the conclusion of the 2017/2018 Capital works program which will see 4.7km of narrow seal for Yelverton Road renewed.

Table 7: 2019 Priority Rural Single Lane Seal Roads

Road Name	Priority Sections of Single Lane Seal Km (2015)	Works Completed 2015/16 – 2017/18Km	Remaining Kms at Conclusion of 2017/18
Miamup Road	0.45	0.45	0
Tom Cullity Drive	1.9	1.9	0
Puzey Road	4.5	4.5	0
Yelverton Road	4.7	4.7	0
North Jindong Road	3.1	0	3.1
Yoongarillup Road	4.4	0	4.4
Boallia Road	5.3	0	5.3
Wonnerup South Road	5.0	1.10	5.0
Hairpin Road	5.1	0	5.1
Chapman Hill Road	1.6	0	1.6
Don Road	4.9	0	4.9
Total Kilometers	37.5	11.1	26.4

The total 11.1km of reconstruction was undertaken at a total cost of approximately \$3.9M and will leave 26.4km of priority narrow seals remaining. During this period other works have also been undertaken to roads outside of the priority narrow list such as risk reduction works to Capel-Tutenup Road (\$121,000) for the reconstruction of a dangerous and extremely poor condition junction used by school buses, and the reconstruction and widening works to Miamup Road, at a cost of \$220,000. Miamup Road was handed to the City as a donated asset following a review of roads within the LGA boundaries; unfortunately a large section of this was immediately added to the priority single lane rural seals. These works were completed economically by combining them with reconstruction works to the adjoining Tom Cullity Rd.

During this time the City has also upgraded a large section of Carter Road for \$381,000. By sealing this previously unsealed road, the City has improved safety and reduced the whole of life costs to maintain this busy section of road.

The works undertaken to the priority narrow seals have also subsequently reduced the overall distance of narrow seal rural roads. The total will be reduced from eighty two kilometers down to around seventy one kilometers at the conclusion of the 2017/2018 financial year.

Chart 1 Overall Narrow Seal Roads Distance by Condition

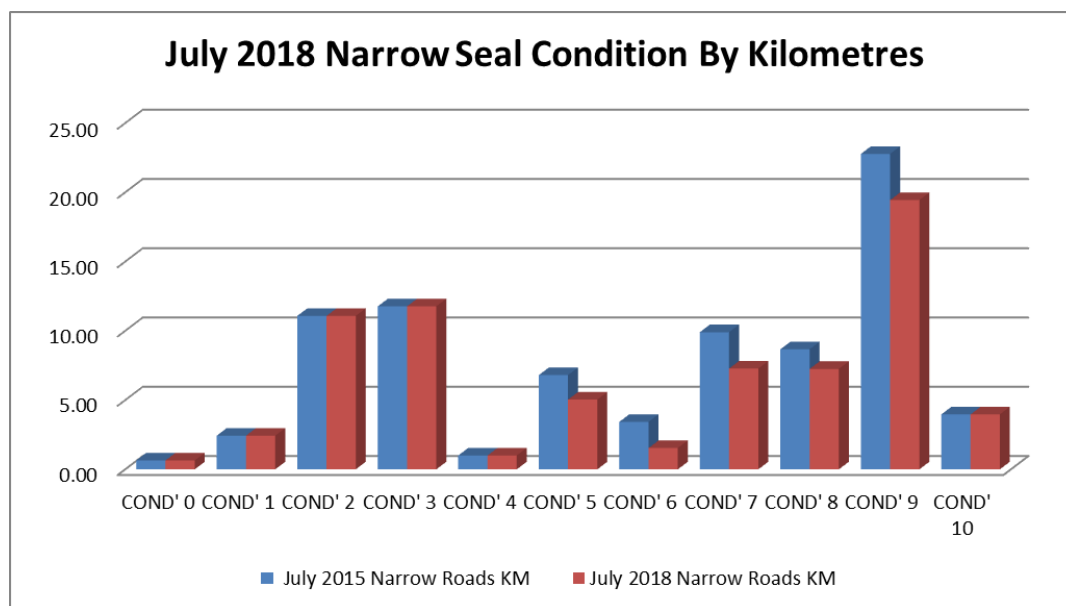


Chart 1 illustrates the spread of condition ratings and how they have reduced over time. As the chart shows, the reductions have occurred from condition five through to condition nine. In the normal course of events you would expect that the reductions would work from condition ten, nine and downwards, essentially reducing the worst condition first.

The scheduling of the works takes into account other factors in addition to condition. These factors include safety issues (mixed width seals, edge condition etc.), traffic (vehicles per day, school bus and heavy traffic routes etc.) and factors for tourism and network linkages. These factors will, from time to time, alter the priority over and above condition; however the end goal of reducing the total kilometers of narrow roads remains the same.

Also as noted above, as the program progresses there will be consideration for some roads to be returned to gravel or renewed in another manner that reflects their current usage or strategic importance.

Table 8 Narrow Roads Changes in Condition Ratings over Time

	COND' 0	COND' 1	COND' 2	COND' 3	COND' 4	COND' 5	COND' 6	COND' 7	COND' 8	COND' 9	COND' 10	Total
July 2015 Narrow Roads KM	0.64	2.43	11.08	11.77	1.00	6.80	3.42	9.90	8.66	22.77	3.967	82.44
July 2018 Narrow Roads KM	0.64	2.43	11.08	11.77	1.00	5.03	1.53	7.27	7.25	19.44	3.965	71.40
	0	0	0	0	0	-1.77	-1.89	-2.63	-1.41	-3.34	-0.002	-11.04
						Decrease	Decrease	Decrease	Decrease	Decrease	Decrease	Decrease

The largest reduction in condition rating has occurred in condition nine with 3.34km being renewed. The second highest was condition seven at 2.63km. The other reductions were spread amongst conditions eight, six and five.

Indicative delivery of the projects are as follows:

				2018/19 Forecast	2019/20 Forecast	2020/21 Forecast	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast
36. Asset Management Plan - Roads Construction (Muni and Reserve)				3,290,000	3,402,000	3,518,800	3,640,000	3,870,000	3,910,000	3,955,000	4,000,000	4,120,000
		Annual resheets unsealed roads and shouldering		450,000	460,000	460,000	470,000	470,000	480,000	480,000	500,000	500,000
		Yoongarillup Rd (rural widening)		800,000	800,000	800,000						
		Sugarloaf rd (upgrade reconstruct)		700,000								
		North Jindong (rural widening)						780,000	800,000			
		Capel Tutenuup (rural widening)				800,000	500,000					
		Wonnerup South Rd (rural widening)								800,000	800,000	500,000
		Boallia Rd (rural widening)							1,000,000	800,000		
		Hairpin Rd (rural widening)					750,000	750,000				

COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

F1804/026

Moved Councillor G Henley, seconded Councillor R Reekie

That the Council note the Asset management report and update for March 2018 and endorse the methodology and progress with respect to the use of Contributions as contained within this report for inclusion in the 2018/2019 Draft Budget

CARRIED 5/0

10.00am At this time Councillor Robert Reekie, the Director, Engineering and Works Services and Asset Management Officer left the meeting.

10.02am At this time Councillor Robert Reekie returned to the meeting.

6.3 2018/19 DRAFT LIST OF FEES AND CHARGES

SUBJECT INDEX:	Financial Management: Financial Operations
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Financial Compliance Officer - Jeffrey Corker
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A 2018/19 Draft List of Fees and Charges ⇒

PRÉCIS

In accordance with Regulation 5(2) of the Local Government (Financial Management) Regulations, a local government is to undertake a review of its fees and charges regularly; and not less than once in every financial year. This report provides the Finance Committee with a recommended Schedule of Fees and Charges to apply for the financial year commencing on 01 July 2018, for its consideration and consequent recommendation to the Council.

BACKGROUND

Section 6.16 of the Local Government Act (the “Act”) states that a local government may impose and recover a fee or charge for any goods or services it provides or proposes to provide, other than a service for which a service charge is imposed.

Section 6.17 of the Act further states that in determining the amount of a fee or charge for goods and services, a local government is to take in to consideration the following factors:

- a) The cost to the local government of providing the service or goods;
- b) The importance of the service or goods to the community; and
- c) The price at which the service or goods could be provided by an alternative provider.

Section 6.18 of the Act clarifies that if the amount of any fee or charge is determined under another written law, then a local government may not charge a fee that is inconsistent with that law.

The above matters have been considered as part of the annual fees and charges review and the fees and charges recommended are in accordance with recent planning and discussions relating to the City’s Long Term Financial Plan.

Finally, whilst Section 6.16(3) of the Act states that a schedule of fees and charges is to be adopted by the Council when adopting the annual budget, fees and charges may also be imposed during a financial year. In order for the 2018/19 schedule of fees and charges to be effective from the commencement of the new financial year, the Council is required to adopt its schedule in advance of 30 June 2018, such that any statutory public notice periods (including gazettal’s where required) can be complied with.

STATUTORY ENVIRONMENT

Sections 6.16 – 6.19 of the Act refer to the imposition, setting the level of, and associated administrative matters pertaining to fees and charges. The requirement to review fees and charges

on an annual basis is detailed within Regulation 5 of the Local Government (Financial Management) Regulations

RELEVANT PLANS AND POLICIES

The Council's Draft Long Term Financial Plan, which was subject to Workshops with SMG and Councillors in March 2018, reflects an annual increase in Fees and Charges revenue of 2.9% (the 10 year average Local Government Cost Index). This matter has been considered as part of the review process.

FINANCIAL IMPLICATIONS

Whilst fees and charges revenue includes items that the Council has no authority to amend, it is important that, where possible, controllable fees and charges are appropriately indexed on an annual basis, to assist in offsetting the increasing costs of providing associated services. This may include increases beyond normal indexation in particular cases in line with Section 6.17 of the Act.

Long-term Financial Plan Implications

In terms of the Council's currently adopted budget, revenue from fees and charges (excluding waste collection charges) equates to approximately 20.4% of budgeted rates revenue and 14% of total operating revenue (excluding non-operating grants). As such, fees and charges form an integral and important component of the City's overall revenue base in relation to the Long Term Financial Plan.

STRATEGIC COMMUNITY OBJECTIVES

The schedule of fees and charges adopted by the Council encompasses 'whole of organisation' activities. As such, all Key Goal Areas within the Council's Strategic Community Plan 2017 are in some way impacted. More specifically however, this matter aligns with Key Goal Area 6 – 'Leadership' and particularly Community Objective 6.1 - 'Governance system, process and practices are responsible, ethical and transparent'.

RISK ASSESSMENT

There are several risks that the Council needs to be mindful of when reviewing its schedule of fees and charges. Firstly, in an effort to assist in recovering costs associated with the provision of services, it is important that, where applicable, fees and charges are increased on an annual basis in line with relevant economic indicators. Should this not occur the provision of services is required to be increasingly subsidised by other funding sources. Conversely however, a balance is also required to ensure that fees and charges are maintained at levels so as not to adversely impact on the financial ability for ratepayers to utilise those services, which may otherwise result in a net reduction in revenue.

CONSULTATION

Business Unit Managers are responsible for reviewing fees and charges associated with activities under their control. As part of the review process, consultation may occur with other local government authorities, in addition to a review of prices offered by alternate service providers (pursuant to Section 6.17 of the Act).

OFFICER COMMENT

The 2018/19 draft Schedule of Fees and Charges has been guided by a general escalation of 2.9% over currently adopted fees and charges, which represents the average of the Local Government

Cost Index (LGCI) over the past 10 years. This methodology is consistent with the Fees and Charges revenue extrapolation as comprised within the Council's current Draft Long Term Financial Plan.

Notwithstanding this however, in numerous instances this principle is not appropriate, with other factors also requiring consideration. The following provides an overview, by Directorate, of noteworthy instances where an LGCI extrapolation has not been utilised, whilst also discussing, where relevant, newly proposed fees and charges.

Planning and Development Services

Health Related Fees

- **Food Premises Fees**
The Service Fee - High Risk is included as the complete annual fee rather than charged as two inspection fees as previously listed. No overall change to the actual charge to high risk premises except required 2.9% increase.
- **Stallholders**
The Temporary Business Fee has been removed and these fees will now be considered under Stallholder fees and these fees have also been changed to what has been paid by food stallholders previously.
- **Traders**
Fees associated with traders have recently increased substantially. It is proposed that many remain the same for the 2018/19 financial year as they were introduced in 2017/18. It is proposed to reduce the Itinerant Trader Permit Fee from the introductory fee of \$2,500 to \$1,500 due to community feedback and justification of fee for service.
- **Outdoor Eating Facility Fee**
This is about to be introduced into the community and is recommended to be left at the same rate as 2017/18. The Application for Transfer of an Outdoor Eating Facility Permit is proposed to be reduced to \$66, which is the same as the fee listed for the Food Registration transfer.
- **Public Building Fees**
It is proposed to leave these fees at the 2017/18 rates (other than the inspection fee).
- **Public Building Fees**
It is proposed to leave these fees at the 2017/18 rates (other than the inspection fee).
- **Park Home, Annexe & Misc. Caravan Park Fees**
It is proposed to leave these fees at the 2017/18 levels.
- **Noise Monitoring Fees**
It is proposed to leave these fees at the 2017/18 levels due to a maximum statutory fee permitted to be charged and the breakdown being proposed is proportional to that fee (other than the Noise Monitoring Fee and the Noise Monitoring Report).
- **Effluent Disposal Fee**
Local Government Report fee is proposed to be reduced to \$120 as the recommended Department of Health fee is \$118. Additionally, the Copy of Approval – Apparatus for Treatment of Sewage fee is proposed to be reduced to \$50 to better reflect the cost of providing that service.

Town Planning Related fees

- Portable Sign License Fees

This fee is transferred from Ranger and Fire Services - Miscellaneous to Town Planning to coincide with the implementation of the Portable Advertising Signs Policy. The introductory fee will demonstrate good will to local businesses.

Ranger & Fire Service Related Fees

- Cat Traps

Reference to Dogs removed the description as the traps are only used to trap cats. This is a fully refundable bond/deposit and as such there is no need to increase it.

- Application for beach/reserve vehicle access permit

Description changed to Application for beach/reserve/commercial fisher vehicle access permit. Annual permit changed to match the renewal of a permit, applicants will be encouraged to apply for a 3 year permit.

Engineering & Works Services

Waste Disposal and Sanitation Fees

- No increases proposed for 2018/19 with the exception of the Commercial Green Waste fee within the General Waste, Building and Construction Unseparated Waste section.

Finance & Corporate Services

Administration / Miscellaneous Fees

- Council Minutes

Annual subscription fee not increased as already considered cost prohibitive.

- Publications

Book stocks remain excessively high. Wholesale pricing allows City to offer to retail stores in the area.

- City of Busselton License Plates

Cost considered prohibitive resulting in low sales. Fee reduced after discussion with PR department.

Cemetery Fees

- Land Grant for Right of Burial

Fee reforms in 2009-2015 brought the City to parity with similar facilities within the state. Annual price increases have now put us out ahead so further increases at this time are consider cost prohibitive.

Hire Facilities All

- General

Introduction of private use and registered charity use to reflect community needs.

Current practice is to allow 50% discount to registered charities but nearly all applicants apply for the discount due to wording of various documents. Suggest spelling this out throughout the hire fees and remove discount offer from hire forms. Some fees and charges previously listed under other departments have been consolidated into this section.

- Facility Hire Bonds

Consolidated bonds for hireable facilities other than recreation and art precinct for ease of application, clarity and equity. Divided bonds into risk groups to address antisocial behaviour experienced with high risk functions.

- **Miscellaneous Facility Fees**
Wedding / Private Functions - Neighbouring Local Governments charge much lower fees while Local Governments in the metropolitan area have much higher fees. Will cap the price this year and undertake full review in the coming year. It is suggested that Council consider requiring other functions to make application such as parties with bouncy castles as we have to attend and direct placement.

Booking Deposit – New fee added. Many users book months in advance but cannot afford to pay full price at time of booking. It is suggested that Council move to a deposit format matching the 10% cancellation fee.

Extraordinary Clean – New fee structure to replace previous fixed \$360 charge. This fee is to cover a) facility left dirty - fee to come out of bond; or b) by arrangement for groups not wishing to clean after their event.

Churchill Park Hall

- Removed food vs. no food pricing. Minimal price changes. The kitchen is available to all users and most users access whether they have paid or not. Recommend removing fee and holding price down to encourage better activation of this space.

High Street Hall

- Removed food vs. no food pricing. Minimal price changes. The kitchen is available to all users and most users access whether they have paid or not. Recommend removing fee and holding price down to encourage better activation of this space.

Rural Halls

- Removed food vs. no food pricing. Minimal Price Changes. The kitchen is available to all users and most users access whether they have paid or not. Recommend removing fee and holding price down to encourage better activation of this space.

Undalup Function Room

- Added Registered Charity - Fees for registered charities aimed at attracting more use of facility;
- Added food/alcohol vs. no food/no alcohol options - Food / Alcohol split considered relevant as we have been getting requests for functions that do not want the kitchen - as these are mainly short duration functions, hourly fees only have been added for this class
- Reduced existing fees by 40% - The 40% fee reduction is in response to the average discount given to all user (except internal) in the year the room has been in use.
- Lights / PA per event – Fee has been deleted as it is a minimal cost. Use has been added in as goodwill to customers.

Busselton Community Resource Centre

- Added hourly fees for all user types - Community feedback has been that half- and full-day options are too expensive for groups that only need an hour or two of use.

Busselton Youth and Community Activity Building

- Added Private and Registered users
- Adjusted price up to sit between halls and Undalup room - YCAB pricing was considered quite low compared to existing halls (Churchill and High Street). Those fees were not raised and YCABs have been raised marginally to reflect class of facility. Usage will be monitored over the coming year and prices may need adjustment again to ensure appropriate activation of all spaces.

Community & Commercial Services

Indoor Community Facilities

- New fee structure moved under Finance and Corporate Services

Events & Casual Ground Hire

- Use of Busselton Foreshore Stage
Once the new amphitheatre is complete the stage will be available for use. There is no charge proposed for community use of the stage.

Naturaliste Community Centre

- General
Various wording changes and some fees unchanged so as to align them with GLC Fees.
- Multi-Purpose Activity Room (Half)
Storage fees altered to clarify that the fee applies monthly and also it allows current fee for storage to apply to floor area (including stadium) used for storage as well as shelves. New fees have been included to recoup some of the expense of upgraded Audio Visual equipment fitted permanently to the rooms. New fees have been included for Casual Hire which are the same as casual Stadium hire, facilitates increased casual hire of the room for various activities.
- Group Fitness
New NCC fee to attract membership by local FIFO population.
- Vacation care program, per child per day
Increase due to changes to new government Child Care Subsidy resulting in no cap on for child care allowance for families who earn less than \$185k per year and families who earn between \$185k to \$350k, will receive an increase in current cap. CCB will be paid direct to the service instead of the individuals. Increase includes excursion expense. CPI and CCS changes – little change to client final costs after subsidy.
- Shower
Low usage so fee reduced to \$4pp to encourage usage.

Geographe Leisure Centre

- Swimming Pool
Local regular not for profit aquatic user groups (local swimming clubs and local user groups) –must also pay lane hire- This is very Low cost in comparison to other local Recreation Centres: Margaret River charge \$9.50 per hour, LLC charge \$13.00 per hour, Cockburn \$25.00 per hour.
In the 2015/16 budget the introduction of a lane hire fee for swimming club was introduced at \$10.00 per lane per hour. During consultation with the swimming clubs, this rate was revised and reduced to \$2.00 which was designed to increase by \$1.00 per financial year. It failed to increase in the 2016-17 fees and charges, so it is now recommended that the price for 2018-19 should be \$5.00. This will still be priced well below other centres, but honour the agreement in place.

Learn to Swim & one on one Private Lessons– Increase of price is to suit the value of the activity, when bench marked with other providers of private lessons; GLC prices were lower in comparison. Suggest increase of price for 15 minutes one on one private lesson to \$20.00 from \$18.50, and for 30 minutes to \$40.00 from \$36.00.

- Fitness Centre
Lifestyle Seniors Program - Price to remain the same to help encourage referral attendance and coincide with current literature while program builds momentum.
- Personal / Group Training
30 & 60 minute Personal Training - removal of fees not required due to PT licence agreement in place.
- Sports Stadium
Stadium Bond Hire – no increase to fee, remain at \$500 as it's a bond and don't believe any need to increase it to an odd figure.
- Crèche / Activity Room
Stadium Bond Hire – no increase to fee, remain at \$500 as it's a bond and don't believe any need to increase it to an odd figure.
- Various Membership Packages
6, 3, and 1 month options added. Remote shift worker membership fee added to attract new members. A fee for 'Rehabilitation Membership Insurance 3 month only' has been introduced as a new membership type that applies to those paid by insurance companies and requires a Health Professional to accompany client for rehabilitation purposes.
- Health Suites
The commercial rate has been removed as it was proving to be unattractive and not utilised due to being overpriced.

Busselton Jetty Tourist Park

- Overnight Rates
Description changed from "up to maximum 6 people" to 5 people for all seasons.
New charge for the two new cabins (both cabins are identical and hence will fall under the same "olive shell cabin" rate) that will be constructed and available from August 2018.
- Weekly Rates
Description changed from "up to maximum 6 people" to 5 people for all seasons.
New charge for the two new cabins (both cabins are identical and hence will fall under the same "olive shell cabin" rate) that will be constructed and available from August 2018.
- Miscellaneous
Linen Hire fees altered due to change in charges from the service provider to incorporate fee for single bed and new fee below for queen/double bed.

Busselton-Margaret River Airport

- Passenger Fees
Passenger facilitation fee for RPT flights and Passenger screening charge - Description updated and charge changed to POA (Price on Application). This has been changed to reflect the change in charges through negotiated contracts for commercial airlines expected to come on board over the next year.
Passenger facilitation fee for open and closed charter flights - Change to description only. Also this fee has not been increased by CPI. Fees have not been increased to facilitate continuation of FIFO charter services and to encourage possible increase in services/recognition of moving to negotiated based contracts.

- Landing fees & General Aviation Charges
Some description changes, deletions and additions to reflect changes to Airport and new fee structure.
Aircraft greater than 5700 kg MTOW per part 1000kg - No CPI increase to landing fee to ensure continuation of FIFO charter services and to facilitate possible increase in services/recognition of moving to negotiated based contracts.
- Secure Car Park
No CPI increase these fees. This is to maintain car parking numbers (reduce car pooling; drops/pickups) and any inconvenience resulting from development project.
- Other Fees
Hanger Access Key fee deleted as the keys are no longer used.
- Fuel Levy
Delete fee as ABP have taken responsibility/ownership of the Avgas facility and agreement with Busselton Aero Club terminated.

CONCLUSION

As part of the annual fees and charges review, the currently adopted fees and charges have been reviewed in line with the requirements of the Local Government Act and other relevant legislation as applicable. Where considered relevant, fees and charges have been increased by, or above, LGCI estimates in recognition of increased costs associated with the provision of services. In other instances, the prevailing fees and charges are considered adequate (and as such, no changes are recommended). Furthermore, a number of new fees and charges have been proposed, or amendments to existing fees structures recommended. Consequently, it is recommended that the Finance Committee endorses the draft Schedule of Fees and Charges for 2018/19 as recommended, for subsequent consideration by the Council.

OPTIONS

The Finance Committee may determine to recommend amendments to the draft Schedule of Fees and Charges as it deems appropriate

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Consequent to adoption by the Council, the Schedule of Fees and Charges for 2018/19 will become effective from and including 01 July 2018.

OFFICER RECOMMENDATION

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council endorses the Fees and Charges as detailed in the "Draft List of Fees and Charges 2018/19" as per Attachment A - Schedule of Fees and Charges, effective from and including 01 July 2018.

COMMITTEE RECOMMENDATION AND AMENDED OFFICER RECOMMENDATION**F1804/027**

Moved Councillor J McCallum, seconded Councillor G Henley

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council endorses the Fees and Charges as detailed in the "Draft List of Fees and Charges 2018/19" as per Attachment A - Schedule of Fees and Charges, effective from and including 01 July 2018; with additions/deletions/modifications as follows (as indicated in red text):

DESCRIPTION	ADOPTED FEE 2017/18 (Exc GST)	DRAFT FEE 2018/19 (Exc GST)	DRAFT FEE 2018/19 (Inc GST)
<u>Railway House Exhibition Hire (NEW)</u>			
Railway House exhibition hire (per week)	New	139.09	153.00
Installation and dismantle fee (per hour)	New	45.45	50.00
Artists required to apply & sign booking form. Additional exhibition charges based on cost-recovery are assessed on a case-by-case basis			
<u>Building certificates and written advice (Building Act 2011)</u>			
Certificate of design compliance for class 2-9 buildings construction value up to \$2M	0.09% of the GST inclusive estimated value of works, with a minimum of \$262; plus GST.	0.09% of the GST inclusive estimated value of works, with a minimum of \$262 350; plus GST.	0.09% of the GST inclusive estimated value of works, with a minimum of \$262 385; plus inc GST.
Certificate of Construction/ Building Compliance	Hourly fee of \$125, minimum of \$262 plus GST	Hourly fee of \$125, minimum of \$262 plus GST	Hourly fee of \$125 \$165, minimum of \$262 385; plus inc GST.
<u>Public Building Fees</u>			
The maximum "Statutory" fee for consideration of an application for approval is \$832 (inc GST)			
< 500 persons	160.00	160.00	160.00
500 - 999 persons	216.00	216.00	216.00
1,000 - 2,999 persons	432.00	432.00	432.00
3,000 - 4,999 persons	720.00	720.00	720.00
> 5,000 persons	844.00	844.00 832.00	844.00 832.00
Public Building Inspection Fee (including events)	108.00	108.00	108.00

<u>TOWN PLANNING RELATED FEES</u>			
Permit to use (waived on the first callout or inspection)	162.00	167.00	167.00
Permit to commence (waived on the first callout or inspection)	162.00	167.00	167.00
Portable Sign Licence Fee - Introductory (NEW)			50.00 Zero

CARRIED 5/0

Reason:

The above additions/deletions/modifications were identified as necessary updates after the Finance Committee agenda had been published.

Note:

The Presiding member changed the order of proceedings and bought forward consideration of this Item prior to consideration of Item 6.2 of this agenda.

10.30am At this time Councillor Coralie Tarbotton, the Acting Chief Executive Officer and the Financial Compliance Officer left the meeting.

10.32am At this time Councillor Coralie Tarbotton returned to the meeting.

6.2 DONATIONS/CONTRIBUTIONS AND SUBSIDIES FUND - MARCH 2018

SUBJECT INDEX:	Donations/Contributions
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Executive Assistant to Council - Katie Banks Community Development Officer - Naomi Davey
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

This report provides an overview of the Donations and Contributions that have been allocated that is considered of relevance to members of the Finance Committee, and also the Council.

FINANCIAL IMPLICATIONS

The annual budget allowance for the Donations, Contributions and Subsidies Fund (Sponsorship Fund) is \$40,000.

- Total expenditure prior to this report is \$16,258.69
- Current Balance Available is \$23,741.31
- In March 2018 there were 7 applications received for sponsorship totaling \$1,841.25
- The balance available for future donations is \$21,900.06

App. No.	Recipient	Purpose	Amount
70/1718	Sally Chandler Read-Write-Now	Seeking waiver of room hire fee at the Naturaliste Community Centre to tutor one student once weekly for 45 weeks. Application not supported as it does not demonstrate a direct benefit to the broader community.	\$0.00
71/1718	Relay for Life Busselton	Seeking financial support to cover the cost of holding the 2018 Busselton Relay for Life at Churchill Park. Proceeds of the event go towards assisting cancer patients and families with therapies, accommodation and financial issues, many of which is used directly in Busselton through the Cancer Council office on Prince Street.	\$996.25
72/1718	Black Dog Ride	Seeking funds to assist with cost of promoting and running the Black Dog Ride 1 Dayer 2018 which commences in Busselton i.e. billboard display, directional signage.	\$250.00

App. No.	Recipient	Purpose	Amount
73/1718	Maddison Stolp	Representing WA at the Georgina Hope National Swimming Championships in Sydney 21-28 April 2018. Funds to assist with associated travel expenses. (Proof of selection through a formal qualifying process was provided by Swimming WA)	\$200.00
74/1718	Harmony Sutherland	Representing WA at the U19 Netball Championships in Adelaide 15-22 April 2018. Funds to assist with associated travel expenses.	\$200.00
75/1718	Maddison Fenwick	Selected to represent WA at the U15 Australian Hockey Carnival in Woolongong NSW. Funds to assist with associated travel expenses. Ineligible for funding as applicant has already received funding this financial year in September 2017.	\$0.00
76/1718	Busselton Family History Association Inc.	Seeking funds to cover cost of hosting the WA Genealogical Affiliated Societies Conference at the Busselton Community Resource Centre on 15 September 2018. Funds provided to cover the cost of room hire.	\$195.00

COMMITTEE DECISION AND OFFICER RECOMMENDATION

F1804/028

Moved Councillor J McCallum, seconded Councillor R Reekie

That the donations and sponsorships for the month of March 2018 be noted.

CARRIED 5/0

6.4 FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 MARCH 2018

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Statement of Financial Activity - Period Ended 31 March 2018⇒
	Attachment B Investment Report - Period Ended 31 March 2018⇒

PRÉCIS

Pursuant to Section 6.4 of the Local Government Act ('the Act') and Regulation 34(4) of the Local Government (Financial Management) Regulations ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the City's financial performance in relation to its adopted/ amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the City's financial performance on a year to date basis for the period ending 31 March 2018.

BACKGROUND

The Regulations detail the form and manner in which financial activity statements are to be presented to the Council on a monthly basis; and are to include the following:

- Annual budget estimates
- Budget estimates to the end of the month in which the statement relates
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates
- Material variances between budget estimates and actual revenue/ expenditure/ (including an explanation of any material variances)
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position)

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 26 July 2017, the Council adopted (C1707/163) the following material variance reporting threshold for the 2017/18 financial year:

"That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2017/18 financial year as follows:

- *Variances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and*
- *Reporting of variances only applies for amounts greater than \$25,000."*

STATUTORY ENVIRONMENT

Section 6.4 of the Local Government Act and Regulation 34 of the Local Government (Financial Management) Regulations detail the form and manner in which a local government is to prepare financial activity statements.

RELEVANT PLANS AND POLICIES

Not applicable.

FINANCIAL IMPLICATIONS

Any financial implications are detailed within the context of this report.

Long-term Financial Plan Implications

Any financial implications are detailed within the context of this report.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

RISK ASSESSMENT

Risk assessments have been previously completed in relation to a number of ‘higher level’ financial matters, including timely and accurate financial reporting to enable the Council to make fully informed financial decisions. The completion of the monthly Financial Activity Statement report is a control that assists in addressing this risk.

CONSULTATION

Not applicable

OFFICER COMMENT

In order to fulfil statutory reporting requirements, and to provide the Council with a synopsis of the City’s overall financial performance on a full year basis, the following financial reports are attached hereto:

- Statement of Financial Activity

This report provides details of the City’s operating revenues and expenditures on a year to date basis, by nature and type (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City’s net current position; which reconciles with that reflected in the associated Net Current Position report.

- Net Current Position

This report provides details of the composition of the net current asset position on a full year basis, and reconciles with the net current position as per the Statement of Financial Activity.

- Capital Acquisition Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

▪ Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and also associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts are also provided as required to further supplement the information comprised within the statutory financial reports.

COMMENTS ON FINANCIAL ACTIVITY TO 31 March 2018

The Statement of Financial Activity for the period ending 31 March 2018 shows a better than expected Net Current Position (Surplus) of \$8.35M being \$17.4M more than Year to Date Budget.

The following summarises the major variances in accordance with *Council's adopted material variance reporting threshold* that collectively make up the above difference:

Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities	62,864,124	62,128,830	66,421,049	1.18%	735,294
Expenses from Ordinary Activities	(49,424,580)	(51,918,076)	(68,674,825)	4.80%	2,493,496
Non-Operating Grants, Subsidies and Contributions	9,451,695	19,540,764	43,655,339	-51.63%	(10,089,069)
Profit on Asset Disposals	48,793	16,100	22,400	203.06%	32,693
Loss on Asset Disposals	(492,393)	(5,250)	(6,252)	-9278.91%	(487,143)
Capital Revenue & (Expenditure)					
Land & Buildings	(3,701,898)	(13,822,643)	(16,636,693)	73.22%	10,120,745
Plant & Equipment	(1,432,843)	(3,851,528)	(4,279,400)	62.80%	2,418,685
Furniture & Equipment	(398,844)	(726,969)	(830,212)	45.14%	328,125
Infrastructure	(31,587,045)	(43,014,256)	(60,684,321)	26.57%	11,427,211
Proceeds from Sale of Assets	297,911	612,850	635,150	-51.39%	(314,939)
Proceeds from New Loans	110,000	10,110,000	10,110,000	-98.91%	(10,000,000)
Advances to Community Groups	(110,000)	(260,000)	(260,000)	57.69%	150,000
Transfer to Restricted Assets	(2,325,563)	(462,501)	(625,751)	-402.82%	(1,863,062)
Transfer from Restricted Assets	16,685,068	11,354,556	27,808,739	46.95%	5,330,512
Transfer to Reserves	(10,370,591)	(12,466,040)	(16,285,572)	16.81%	2,095,449
Transfer from Reserves	4,185,307	1,146,659	19,921,964	265.00%	3,038,648

Operating Revenue:

Revenue from ordinary activities is \$735K more than expected when compared to Year to Date (YTD) Budget with the following items meeting the material variance reporting threshold set by Council for the 2017/2018 Financial Year.

Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities					
Other Revenue	401,078	301,664	426,167	32.96%	99,414
Interest Earnings	1,972,595	1,697,247	2,262,996	16.22%	275,348

The items predominately impacting the above “Other Revenue” performance is Sale of Scrap Materials \$81K.

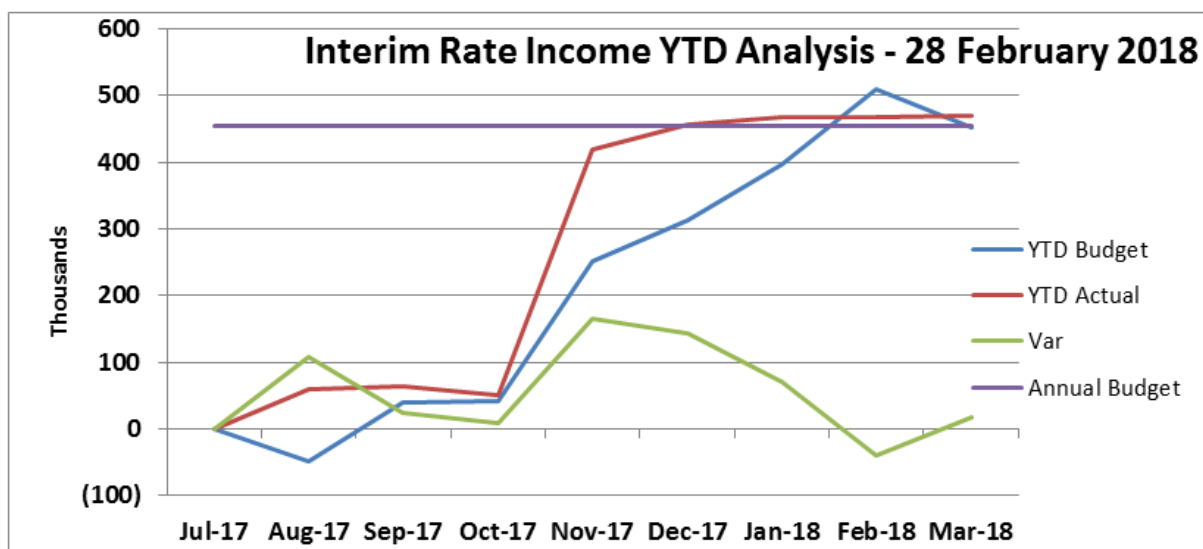
Interest earnings on Reserves and Restricted funds are currently ahead of YTD Budget in the amount of \$315k with \$103k in Rate Instalment and Late Payment interest currently ahead of YTD Budget, Rate Instalment interest is a timing difference only and it is also expect that Interest earnings on Reserves and Restricted funds will reduce in the coming months as funds are further drawn down to finance Capital projects contained within the City’s 2017/2018 Budget.

Interest on Municipal Funds are behind YTD Budget by the amount of \$143k and it is expected that this variation will become a permanent variation; this will however be offset with other positive Revenue outcomes.

The Officer notes that the above positive performance of “Other Revenue” and “Interest Earnings” is added to by a positive collective performance of \$360k for Rates, Operating Grants and Subsidies, and Fees and Charges; these items fall below the Material Variance reporting thresholds. These variations are considered to be that of a timing difference with the exception of Rate Revenue which is expected to be a permanent variation.

Interim Rates:

Officers continue to monitor Interim Rating Income levels and present the following information noting that the YTD Budget has already been achieved;



Operating Expenditure:

Expenditure from ordinary activities is \$1.988M less than expected when compared to Year to Date (YTD) Budget with the following items meeting the material variance reporting threshold set by Council for the 2017/2018 Financial Year.

Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
	\$	\$	\$	%	\$
Expenses from Ordinary Activities					
Materials & Contracts	(10,704,547)	(12,518,872)	(16,914,999)	14.49%	1,814,325
Allocations	1,229,185	1,394,699	1,996,270	11.87%	(165,514)

Materials and Contracts:

The main items affected are listed below, at this stage these variances are considered to be that of a timing nature:

Cost Code	Cost Code Description / GL Activity	YTD Variance
Finance and Corporate Services		
10250	Information & Communication Technology Services	 (58,082)
10251	Business Systems	 163,007
	Subtotal	 104,925
Community and Commercial Services		
10591	Geographe Leisure Centre	 68,219
10600	Busselton Jetty Tourist Park	 63,424
10635	Regional Centres Program	 80,000
10900	Cultural Planning	 32,534
11151	Airport Operations	 (52,373)
	Subtotal	 191,805
Planning and Development Services		
10820	Strategic Planning	 135,027
10830	Environmental Management Administration	 80,500
10850	Implement Management Plans Other	 25,870
10922	Preventative Services - Mosquitoes	 26,856
10925	Preventative Services - CLAG	 63,996
11170	Meelup Regional Park	 63,211
	Subtotal	 395,461

Cost Code	Cost Code Description / GL Activity	YTD Variance
Engineering and Works Services		
11101	Engineering Services Administration	● 103,332
11106	Street Lighting Installations	● 83,526
11108	Rural Intersection (Lighting) Compliance	● 33,750
11160	Busselton Jetty	● 414,796
11300	Sanitation Waste Services Administration	● 33,327
12602	Foreshore and CBD Maintenance	● (41,663)
A6004	Pedestrian Bridge (Port Geographe)	● 67,500
A9999	Miscellaneous Bridge Maintenance	● 96,460
B1000	Administration Building- 2-16 Southern Drive	● (50,455)
B1113	Community Resource Centre	● 25,678
B1514	Asbestos Removal & Replacement	● 56,250
C8500	Cycleways Maintenance Busselton	● (28,120)
G0010	Domestic Recycling Collections	● 132,784
G0030	Busselton Transfer Station	● 65,112
G0031	Dunsborough Waste Facility	● 30,848
G0032	Rubbish Sites Development	● 70,867
G0033	Green Waste	● 36,562
G0042	BTS External Restoration Works	● 103,241
M9983	Road Clearing Offset Implementation	● 27,180
M9995	Roller & Grader Hire	● (33,211)
M9996	Roads Sundry Overhead/Consumables	● (114,498)
M9998	Street Side Spraying Urban Areas	● (39,188)
M9999	Road Maintenance Bal Of Budget	● 301,190
R0004	Bsn Foreshore Precinct (not including Skate Park)	● (121,280)
R0008	Dunn Bay Road-Surrounds	● (27,331)
R0017	Yallingup-Surrounds	● (27,707)
R0269	Seymour Park (Dunn Bay/Lorna St Pos)	● (29,660)
R0700	Dunsborough Oval and Skate Park	● (45,388)
R0850	Streetscape Medians & Trees (Kealy)	● (38,344)
R2001	Tree Planting - Urban Verges / Policy NOM.No. 05/06: 24	● (25,616)
Subtotal		● 1,059,940
5280	Transport - Fleet Management	● 135,207
Total		● 1,887,338

Allocations:

Allocations are running \$165k under YTD Budget; these items are an internal allocation of administrative costs from the Finance and Corporate Services division.

Non-Operating Grants, Subsidies and Contributions:

Non-Operating Grants, Subsidies and Contributions are less than YTD Budget by \$10.9M with the main item impacting on the above result is the timing of the receipt of "Airport Development - Project Grant" with a current negative result of \$9.98M; this is a timing difference in nature and effectively Municipal Funds are currently being utilised to offset the level of current expenditure for this project.

Capital Expenditure

As at 31 March 2018, there is a variance of -39.56% or -\$24.3M in total capital expenditure with YTD Actual at -\$37.12M against a YTD Budget of -\$61.41M; with the table below showing those categories exceeding the 10% material variance threshold. The Airport Development makes up for \$12.85M or 51.3% of the overall variance which also assists in explaining the above current YTD shortfall in Non-Operating Grants.

Description	2017/18 Budget	YTD Variance \$
Land		
Property Services Administration	●	(50,000)
Parking Control	●	(1,525,000)
Airport Development	●	38,114
Dunsborough - Commonage Road Oval	●	(1,600,000)
Major Project - Administration Building		
Civic and Administration Centre Construction	●	(79,629)
Buildings (Other)		
Ambergate Bushfire Brigade Shed	●	(92,484)
Aged Housing Capital Improvements - Winderlup Court (City)	●	(29,997)
GLC - Pool Relining	●	(207,262)
GLC - Plant Room	●	(81,714)
Performing Arts Convention Centre	●	(75,000)
Vasse Community Recreation Precinct	●	27,284
Airport Terminal Stage 2	●	(6,300,501)
Bsn Jetty Tourist Park Home	●	(143,503)
Plant & Equipment		
Community & Commercial Services Support	●	(50,000)
Property Services Administration	●	(35,000)
Transport - Workshop	●	(43,278)
Plant Purchases (P10)	●	(1,114,944)
Plant Purchases (P11)	●	(63,241)
Plant Purchases (P12)	●	(1,181,497)
	●	0
Furniture & Office Equipment	●	0
Information & Communication Technology Services	●	26,596
Business Systems	●	(118,668)
Geographe Leisure Centre	●	(25,736)
Administration Building- 2-16 Southern Drive	●	(83,250)
YCAB (Youth Precinct Foreshore)	●	(35,091)
	●	0
Major Project - Busselton Foreshore	●	0
Busselton Foreshore - Stage 3	●	532,743
Busselton Tennis Club - Infrastructure	●	(1,739,356)
Busselton Foreshore Stage 3: Toddler's Playground	●	(85,764)
Busselton Foreshore Jetty Precinct	●	(615,147)

Description	2017/18 Budget YTD Variance \$
Major Project - Administration Building	
Administration Building Carpark	● (100,995)
Footpaths Construction	
Bussell Highway Footpath Sections	● (292,365)
Milward Street – Ford Road to Cookworthy Street	● (41,229)
Armitage Drive Footpath - Navigation Way to Avocet Boulevard	● (33,759)
Drainage Construction - Street	
Vasse Highway Drainage Works	● 18,093
Chain Avenue - Drainage Works	● (40,652)
Johnston Avenue Drainage Upgrade - Stage 2	● (87,240)
Car Parking Construction	
Meelup Coastal Nodes - Carpark upgrade	● (39,085)
Bridges Construction	
Queen Street Bridge 0240A	● 72,000
Cycleways Construction	
Busselton Bypass - Country Road Footpath	● (160,612)
College Avenue Shared Path	● (113,652)
Townscape Construction	
Queen Street Upgrade - Duchess to Kent Street	● (91,447)
Dunsborough Road Access Improvements Stage 1	● (430,846)
Boat Ramps Construction	
Port Geographe Boat Trailer Parking Layout Redevelopment	● (93,064)
Beach Restoration	
Sand Re-Nourishment	● 32,609
Parks, Gardens & Reserves	
Rails to Trails	● (102,094)
Elijah Circle POS	● (29,963)
Vasse Community & Recreation Precinct - AFL Oval Stage 1	● (33,452)
Churchill Park	● (32,138)
Dunsborough Town Centre	● (66,563)
Administration Building Landscaping Works	● 207,714
Port Geographe - Layman Road Native Tree Planting	● (26,162)
Port Geographe - Burgee Cove (Western Side of Bridge)	● (70,887)
Port Geographe - Reticulated POS at Layman Rd R/About	● (186,916)
Port Geographe - Reticulation Upgrade Scheme to Bore Water	● (251,679)
Foreshore - Irrigation Renewal	● (45,220)
Vasse River Foreshore - Bridge to Bridge project Stage 1	● (53,943)
Advanced Bore Monitoring Equipment	● (74,997)
Vasse Newtown - AFL Oval Stage 2	● 36,418

Description	2017/18 Budget	YTD Variance \$
Sanitation Infrastructure		
New Cell Development	●	(414,508)
Transfer Station Development	●	(27,784)
Site Rehabilitation - Busselton	●	(522,674)
Airport Development		
Airport Construction Stage 2, Landside Civils & Services Inf	●	(3,989,627)
Airport Construction Stage 2, Noise Management Plan	●	(262,062)
Airport Construction Stage 2, Airfield	●	2,782,450
Airport Construction Stage 2, External Services	●	(1,793,233)
Airport Construction Stage 1B, Jet Fuel	●	(461,250)
Airport Development - Project Expenses	●	(239,969)
Main Roads		
Strelly Street	●	(42,748)
Layman Road	●	35,206
Causeway Road	●	(28,444)
Peel Terrace	●	(769,798)
Queen Street	●	(154,133)
Layman Road - Reconstruction Between 3250 and 6190	●	(264,754)
Georgiana Molloy Bus Bay Facilities	●	(199,610)
Koorabin Drive - Reseal	●	(180,723)
Roads to Recovery		
Patton Terrace - Asphalt Overlay	●	(117,161)
Craig Street - Asphalt Overlay	●	77,408
Yelverton Road- Rural reconstruction & widening	●	73,157
Council Roads Initiative		
Marine Terrace	●	(305,632)
Yelverton Road	●	(287,829)
Edwards Road	●	(114,920)
Signage (Alternate CBD Entry)	●	(42,605)
Valley Road	●	(35,127)
Greenfield Road (Loop) - One way layout	●	(41,007)

The attachments to this report include detailed listings of the following capital expenditure (project) items, to assist in reviewing specific variances.

Investment Report

Pursuant to the Council's Investment Policy, a report is to be provided to the Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report is also to provide details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.

As at 31 March 2018, the value of the City's invested funds totalled \$79.87M, down from \$82.99M as at 28th February. The majority of the decrease is attributed to the use of funds on the Airport Redevelopment Project.

During the month of March five term deposits held with two different institutions totalling \$15.5M matured. All were renewed for a further 110 days at 2.60% (on average).

A fixed term deposit, in the amount of \$6.24M; held with the WA Treasury Corp, being Airport Redevelopment Project funds; matured. An amount of \$2.03M was transferred to the WATC cash account so as to have the funds available for drawdown when the next milestone is achieved. An amount of \$4.21M was renewed for a further 306 days at 2.07%.

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) remained steady. The balance of the Airport Development ANZ cash account decreased by \$3.14M, with funds being drawn down to meet ongoing expenditure.

The RBA left official rates on hold during March and April. Future movements remain uncertain at this point.

Chief Executive Officer – Corporate Credit Card

Details of monthly (February - March) transactions made on the Chief Executive Officer's corporate credit card are provided below to ensure there is appropriate oversight and awareness of credit card transactions made.

Date	Amount	Payee	Description
27-Feb-18	-\$153.00	City Of Albany Visitor Centre	Accom: Albany Exchange (Refund)
01-Mar-18	\$795.00	Aust Inst Company Directors	* Membership CEO
02-Mar-18	\$146.00	Equinox Café	Superfoiler Executive Dinner
06-Mar-18	\$82.90	Sarah's Flowers	Flowers - Get Well Terry Best
08-Mar-18	-\$194.00	City Of Albany Visitor Centre	Accom: Albany Exchange (Refund)
08-Mar-18	-\$194.00	City Of Albany Visitor Centre	Accom: Albany Exchange (Refund)
11-Mar-18	\$362.68	Mantra On Hay	Accomm: Airport Meeting
13-Mar-18	\$102.70	Crown Atrium Buffet	Dinner & Drinks - Airport Meeting
13-Mar-18	\$25.00	Mantra On Hay	Parking - Airport Meeting
13-Mar-18	\$14.99	Mantra On Hay	Dinner Drink- Airport Meeting
13-Mar-18	\$19.30	Velvet Espresso, Perth	Lunch - Airport Meeting

**Funds debited against CEO Annual Professional Development Allowance as per employment Contract Agreement*

+ Allocated against CEO Hospitality Expenses Allowance

CONCLUSION

As at 31 March 2018, the City's financial performance is considered satisfactory.

COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

F1804/029

Moved Councillor J McCallum, seconded Councillor C Tarbotton

That the Council receives the statutory financial activity statement reports for the period ending 31 March 2018, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 5/0

6.5 LIST OF PAYMENTS MADE MARCH 2018

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments - Period Ended 31 March 2018⇒

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of March 2018, for noting by the Council and recording in the Council Minutes.

BACKGROUND

The Local Government (Financial Management) Regulations require that when the Council has delegated authority to the Chief Executive Officer to make payments from the City's bank accounts, that a list of payments made is prepared each month for presentation to, and noting by, Council.

STATUTORY ENVIRONMENT

Section 6.10 of the Local Government Act and more specifically, Regulation 13 of the Local Government (Financial Management) Regulations; refer to the requirement for a listing of payments made each month to be presented to the Council.

RELEVANT PLANS AND POLICIES

NA.

FINANCIAL IMPLICATIONS

NA.

Long-term Financial Plan Implications

STRATEGIC COMMUNITY OBJECTIVES

NA.

RISK ASSESSMENT

NA.

CONSULTATION

NA.

OFFICER COMMENT

In accordance with regular custom, the list of payments made for the month of March 2018 is presented for information.

CONCLUSION

NA.

OPTIONS

NA.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

F1804/030 Moved Councillor C Tarbotton, seconded Councillor R Reekie

That the Council notes payment of voucher numbers M115359 – M115495, EF057465 – EF057959, T007387 – T007389, and DD003394 – DD003431; together totalling \$13,483,116.31.

CARRIED 5/0

6.6 BUDGET AMENDMENT REQUEST

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Finance and Corporate Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Nil

PRÉCIS

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in this report. Adoption of the Officers recommendation will result in no change to the City's current Amended Budgeted Surplus Position of \$0.

BACKGROUND

Council adopted its 2017/2018 Municipal Budget on Wednesday, 26 July 2017 with a balanced Budget position.

Since this time Council has been advised of certain funding changes that have impacted the original Budget and Council is now being asked to consider Budget Amendments for the following Key Areas/Projects:

1. "Railway House"

BACKGROUND

Railway House opened to the public in March 2017 and is located at the heart of the Busselton Foreshore.

Railway House integrates the original old Busselton Railway Station, with an interpretive and function centre; the Busselton Visitor Centre and Administration Centre for the Busselton Jetty.

Housed in the Ballarat Room within Railway House is a fabulous exhibition which explores the region's rich timber heritage, including the Ballarat Engine, the oldest surviving Australian-made locomotive.

PLANNED EXPENDITURE ITEMS

Build a special purpose cabinet to house a model of the "Le Geographe" at Railway House (which is currently on permanent loan to the City and in our possession). The balance of funds are to be used to research 'women in the timber industry' which if progressed will add to the material displayed at the Ballarat Room.

Officers propose that the 2017/2018 Adopted Budget be amended to reflect the following funding changes, shown in Table 1.

Table 1:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
Transfer from Restricted Asset	Restricted Asset - Railway House Donations	0	(1,137.60)	(1,137.60)
330-10900-1766-0000	Railway House Donations	0	(2862.40)	(-2862.40)
Expenditure				
330-10900-3260-0000	Consultancy	0	1,500	1,500
330-10900-7743-0000	Minor Furniture and Fittings	77,030	2,500	79,530
Net Total		77,030	0	77,030

PROPOSED OUTCOME

Improvements to the Ballarat Room at Railway House.

2. “Regional Road Group Projects”**BACKGROUND**

A budget amendment is being requested to transfer left over funds between Regional Road Group Projects Strelly Street and Layman Road. The Layman Road project has been bought in under Budget and approval has been received to transfer \$100,000 in Regional Road Group (RRG) funding from this project to the Strelly Street project.

As this funding requires a 1/3 contribution from the City a total transfer of funds of \$150,000 is being sought between the two projects; \$100,000 RRG and \$50,000 municipal funds.

PLANNED EXPENDITURE ITEMS

Increased expenditure on Strelly Street project.

The following amendments shown below in Table 2 are being sought for approval.

Table 2:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Expenditure				
S0035	RRG Project Strelly Street	549,859	150,000	699,859
S0049	RRG Project Layman Road	672,701	-150,000	522,701
Net Total		1,222,560	0	1,222,560

PROPOSED OUTCOME

Increased expenditure on Strelly Street project and retention of grant funding.

STATUTORY ENVIRONMENT

Section 6.8 of the Local Government Act refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

There are multiple Plans and Policies that support the proposed Budget Amendments.

FINANCIAL IMPLICATIONS

Budget amendments being sought will result in no change to Council's Budget Surplus position of \$0.

Long-term Financial Plan Implications

N/A

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Open and Collaborative Leadership' and more specifically Community Objective 6.1 - 'Governance systems, process and practices are responsible, ethical and transparent'. The achievement of the above is underpinned by the Council strategy to 'ensure the long term financial sustainability of Council through effective financial management'.

RISK ASSESSMENT

There is a risk to the City, as there is with all projects undertaken, that the final cost could exceed budget. If this looks to be the case Council will be notified so a suitable offset / project scope back can be identified.

CONSULTATION

Consultation has occurred with the appropriate City of Busselton officers.

OFFICER COMMENT

The Officer commends the requested Budget Amendment to the Finance Committee for consideration and recommendation to Council.

CONCLUSION

Council's approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed.

OPTIONS

The Council could decide not to go ahead with any or all of the proposed budget amendment requests.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be endorsed, the associated budget amendment will be processed within a month of being approved.

COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

F1804/031 Moved Councillor J McCallum, seconded Councillor G Henley

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council endorse the requested budget amendments contained within this report, resulting in no change to an amended budgeted surplus position of \$0.

CARRIED 5/0

7. GENERAL DISCUSSION ITEMS

Nil

8. NEXT MEETING DATE

Thursday, 17 May 2018

9. CLOSURE

The meeting closed at 10.47am.

THESE MINUTES CONSISTING OF PAGES 1 TO 48 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON THURSDAY 17 MAY 2018.

DATE: _____ PRESIDING MEMBER:
