



Ordinary Council Meeting

Notice of Meeting & Agenda

28 July 2016

Bunbury-Harvey Regional Council

Old Railway Station Complex

Carmody Place

Bunbury WA 6230

Western Australia

Correspondence to:

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Bunbury WA 6231

Ordinary Council Meeting Notice of Meeting

Dear Chairman and Councillors

The next Ordinary Meeting will be held at the *Shire of Harvey Council Chambers, Australind*, on Thursday 28 July 2016 at 4:00pm.

Signed:

Tony Battersby
Chief Executive Officer

Agenda 28 July 2016

Council Members:

Member Name	Representing
Cr Judy Jones	City of Bunbury
Cr Jaysen Miguel	City of Bunbury
Cr Murray Cook	City of Bunbury
Cr Peter Monagle	Shire of Harvey
Cr Bill Adams	Shire of Harvey

Ex-officio Members (non-voting):

Member Name	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Michael Parker	Chief Executive Officer (Shire Of Harvey)

Support Staff:

Name	Title
Ms Martinette Pieterse (minute taker)	Secretary
Chris Welham	Accountant

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ATTACHMENTS:

Attachment 1 - Budget 2016/2017

Attachment 2 - Draft Meeting Schedule 2016/2017

1. Attendances

1.1 Apologies

1.2 Approved Leave of Absence

2. Public Question Time

3. Summary of Response to previous Questions taken on notice

4. Applications for Leave of absence

Council Decision: Moved _____ Seconded _____

CARRIED/LOST

5. Confirmation of Minutes

Council Decision: Moved _____ Seconded _____

The minutes of the Ordinary meeting of Council held on 30 June 2016, are confirmed as a true and accurate record.

CARRIED/LOST

6. Petitions and Memorials

7. Declarations of Interests

8. **Announcements (by the presiding member without discussion)**

9. **Reports of Committees**

10. **Business of Previous Meeting**

11. **Reports of Officers**

11.1 **Preliminary Financial Statements for the period ending 30 June 2016**

Reporting Officer: Chris Welham, Accountant
File Number:
Attachments: Appendices 1 to 8

Summary

The following comments are provided on the key elements of Council's financial performance.

1. Preliminary Statement of Comprehensive Income (**attached** at Appendix 1)

a) Year-to-date Financial Performance to 30 June 2016

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date income	3,375,210	3,865,158	(489,948)	<i>unfavourable</i>
• Year-to-date expenditure	3,094,970	3,176,145	81,175	<i>favourable</i>
• Year-to-date operating surplus	280,241	689,013	(408,772)	<i>unfavourable</i>

2. Preliminary Capital Works (**attached** at Appendix 4)

• Year-to-date capital expenditure	646,580	917,886	271,306	<i>favourable</i>
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3. Preliminary Balance Sheet (**attached** at Appendix 5)

• Current Assets of \$7,406,887 includes:	Actual
○ Cash and Cash Equivalents	7,130,783
○ Trade and Other Receivables	274,144
○ Inventories	1,960
• Current Liabilities of \$302,883 includes;	
○ Trade and Other Payables	153,951
○ Provisions	148,882

- Working Capital (Current Assets *less* Current Liabilities) is 7,104,054
- Equity (Total Assets *less* Total Liabilities) is 10,139,790
- Reserves of \$6,273,885 includes;
 - Plant and Infrastructure Reserve 333,520
 - Site Post Closure Rehabilitation Reserve 3,704,033
 - Waste Minimisation Reserve 703,398
 - Stanley Road Lined Cell Construction Reserve 527,229
 - Site Acquisition and Investigation Reserve 1,005,705

- 4. Investments
 - Total of \$7,020,155 includes;
 - ANZ Banking Group 1,021,427
 - Commonwealth Bank 629,866
 - National Australia Bank 5,368,862

Background

A financial management report is provided to Councillors on a monthly basis which includes the following summaries:

- Preliminary Statement of Comprehensive Income (**attached** at Appendix 1)
- Preliminary Banksia Road Operations (**attached** at Appendix 2)
- Preliminary Statement of Financial Activity (**attached** at Appendix 3)
- Preliminary Capital Works Expenditure Summary (**attached** at Appendix 4)
- Preliminary Statement of Financial Position (**attached** at Appendix 5)
- Preliminary Statement of Net Current Assets (**attached** at Appendix 6)
- Fees and Charges Summary (**attached** at Appendix 7)
- Debtors Report (**attached** at Appendix 8)

Legislative Compliance

In accordance with the provisions of Section 6.4 of the Local Government Act 1995 and Regulation 34(1) of the Local Government (Financial Management) Regulations 1996, a Local Government is to prepare each month a Statement of Financial Activity (Attached at Appendix 3) reporting on the revenue and expenditure as set out in the annual budget under Regulations 22 (1) (d) for this month.

At the Council Meeting on 16 July 2015, Council adopted that a variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2015/16.

Officer Comment

The following is an explanation of significant operating variances identified in the Statement of Comprehensive Income and the Statement of Financial Activity:

Preliminary Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
Operating Income	
Fees and Charges	
Casual Tipping Fees Casual tipping revenue is less than budget. The expected increase in tipping revenue following the recent fires in the Shire of Harvey has not yet been realised and Perth Waste have diverted waste to their own new landfill in Bannister. New waste streams are being sought to increase Casual Tipping revenue. The BHRC has been awarded a tender for the Yarloop Waste. The revenue from this waste is expected to be realised in the new financial year.	\$ (522,394) (34)%
Sale of Scrap Metal The revised budget was based on the expectation that scrap metal prices would remain low. However, due to an improvement in the market price, the stockpile at Stanley Road has been sold during the month of June giving a favourable result.	\$64,303 804%
Operating Expenditure	
Employee Costs	
The overall employee costs are 9% over budget. This is mainly due to an increase in leave liability for annual leave not taken which has been included in the June financial statements.	\$ (116,734) (9)%
Materials and Contracts	
Waste Education Operations Savings have been realised mainly in advertising costs	\$18,837 67%
Technical Services Savings have been realised because the requirement for detailed design work by consultants for closure and post closure works has been deferred awaiting DER approvals.	\$74,073 69%
Organics Expenditure includes items which will be recouped including \$12K for 'amendments' (organic additives requested by customer) and \$6K for an insurance claim following a break-in at Banksia Road.	\$ (29,434) (17)%
Waste Transfer Station Savings in plant maintenance have been realised. Extended warranties have been negotiated after major services on major plant items (CAT Loader and Bomag).	\$18,484 17%
Earthworks Operations Please refer to the comments above on Waste Transfer Station.	\$34,662 14%
Land Site Investigation Savings have been realised as this expenditure has been deferred into the next financial year. Regulations are being reviewed regarding buffer zones – these are out for public comment at present.	\$20,000 100%

Preliminary Statement of Financial Activity	YTD Actual to YTD Budget Variance
Revenues by Nature and Type	
Fees and Charges Please refer above to the comments on Fees and Charges for the Statement of Comprehensive Income.	\$ (466,173) (14)%
Expenditure by Nature and Type	
Employee Costs Please refer above to the comments on Employee Costs for the Statement of Comprehensive Income.	\$ (116,734) (9)%
Materials and Contracts This favourable variance is largely made up of savings in earthworks and waste transfer station plant maintenance costs and Land Site investigation costs as detailed above in the comments on the Statement of Comprehensive Income.	\$158,310 14%

Council Decision: Moved _____ Seconded _____

Executive Recommendation

The Financial Statements for the period ending 30 June 2016 be received.

CARRIED/LOST

11.2 Summary of Accounts paid for June 2016

Reporting Officer: Chris Welham, Accountant

File Number:

Attachments:

Summary

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for June 2016.

Background

As noted above

Officer Comment

The attachment details all payments made for June 2016.

Consultation

Nil

Financial Implications

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computations and costings. Sufficient allocations are contained within the 2015/2016 budget to cover payment of the accounts.

Statutory Environment

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

Strategic Implications

Nil

Policy Implications

Nil

Voting Requirement

Simple Majority

Officer Recommendation

Council Decision: Moved _____ Seconded _____

That the attached summary of accounts paid for June 2016 be received.

CARRIED/LOST

11.3 BUDGET 2016/2017

Reporting Officer: Tony Battersby, Chief Executive Officer and
Chris Welham, Accountant

File Number:

Attachments:

Précis

Section 6.1 of the Local Government Act 1995 requires a local government to prepare and adopt (in the period June 1 to August 31) an annual budget of its Municipal fund for that same year.

Background

Discussions regarding the draft budget for the 2016/17 Financial Year were held at a budget workshop on the 30th June 2016. The new schedule of Fees and Charges to apply from 1st July 2016 was adopted at the 26th May 2016 Ordinary Meeting of Council as the basis for the 2016/17 income budget. It was resolved at the 30th June 2016 meeting to adopt the budget at the next Meeting of Council on 28 July 2016.

2. Adoption of the 2016/17 Budget

A copy of the Draft Budget 2016/17 has been circulated under separate cover. Councillors developed the Draft Budget at the Council Meeting on 30 June 2016.

The budget as presented includes provision to charge a \$57.00/tonne (GST incl.) gate fee for Co-mingled Waste, and \$41.00/tonne (GST incl.) for Green Waste, and to provide an \$11.00/tonne (GST incl.) rebate to Member Councils.

(Refer to Recommendation 1)

3. Schedule of Fees and Charges 2016/17 Budget

The Schedule of proposed Fees and Charges for the 2016/17 Financial Year forms part of the 2016/17 Budget which has been circulated under separate cover as previously adopted by Council on 28 May 2016.

4. Elected Members Meeting Attendance Fees

In accordance with the Local Government Act 1995, fees will be paid to Councillors for attendance at meetings of Council and Council (Standing) Committees. This is in addition to any other expenses which may be reimbursed. The prescribed minimum payments under the Local Government (Administration) Regulations 1996, 30(3A) are:

a. Councillor Meeting Attendance Fees:

Chairperson \$88.00 per meeting

Councillors \$88.00 per meeting

(Note: The council resolution is for a Chairman meeting fee of \$176.00 per meeting)

b. Committee Meeting fees:

Chairman and Councillors \$44.00 per meeting.

(Refer to Recommendation 2)

5. Reporting of Material Variances in the Monthly Statement of Financial Activity for 2016/17

It is a requirement under the Local Government (Financial Management) Regulations, for the Council to adopt (each year) a percentage or value, to be used for reporting material variances in the Statement of Financial Activity.

Any variance meeting these criteria will be required to have a supporting explanation in the monthly report to Council. Information is considered "material" if its omission, miss-statement or nondisclosure has the potential to adversely affect decisions by users of the financial report or affect the discharge of accountability by management or Council.

(Refer to Recommendation 3)

6. Late Payment Interest Charge

A charge on outstanding fees and charges as allowed under the Local Government Act 1995 General Debtor Collection charges during the 2016/17 financial year (including amounts allowed on ad hoc payment plans) of 11% will be calculated daily at 0.0301% on a simple interest basis for the number of days from the account due date until the day prior to the day on which the payment is received.

(Refer to Recommendation 4)

Consultation

A Budget Workshop was held with Councillors on 30 June 2016.

Financial Implications

Notes are included in the draft budget papers in regard to new items of income and expenditure in addition to Officer Comment in this report.

Statutory Environment

Section 6.1 of the Local Government Act 1995 applies.

Strategic Implications

Nil

Policy Implications

Nil

Officer Recommendations

Recommendation 1 – Adoption of the 2016/17 Budget

Budgets for the following funds for the year ended 30 June 2017, be adopted:

- Municipal Fund
- Plant and Infrastructure Reserve
- Site (Post Closure) Rehabilitation Reserve
- Waste Minimisation and Environmental Protection Reserve
- Banksia Road Construction Reserve
- Stanley Road Lined Cell Construction Reserve
- Site Acquisition and Investigation Reserve

Note: Absolute Majority Vote Required

Council Decision: Moved _____ Seconded _____

CARRIED/LOST

Recommendation 2 – Elected Members Meeting Attendance Fees

That Council adopt the Elected Member sitting fees as prescribed by the Local Government (Administration) Regulations 1996 being:

(a) Council Meeting fees:

- Chairman \$176.00 per meeting (This is double the minimum prescribed fee)
- Councillors \$88.00 per meeting

(b) Committee Meeting fees:

Chairman and Councillors \$44.00 per meeting.

Note: Absolute Majority Vote Required

Council Decision: Moved _____ Seconded _____

CARRIED/LOST

Recommendation 3 – Reporting of Material Variances in the Monthly Statement of Financial Activity for 2016/17

A variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2016/17.

Note: Absolute Majority Vote Required

Council Decision: Moved _____ Seconded _____

CARRIED/LOST

Recommendation 4 – Late Payment Interest Charge

A charge on outstanding fees and charges (including amounts allowed on ad hoc payment plans) of 11% will be calculated daily at 0.0301% on a simple interest basis for the number of days from the account due date until the day prior to the day on which the payment is received.

Note: Absolute Majority Vote Required

Council Decision: Moved _____ Seconded _____

CARRIED/LOST

11.4 DRAFT Meeting Schedule 2016/2017

Reporting Officer: Tony Battersby, Chief Executive Officer
File Number:
Attachment (s):

Précis

Regulation twelve (12) of the Local Government (Administration) Regulation 1996 requires that once a year a local government is to give local public notice of Ordinary meetings proposed for the next twelve (12) months. This item is presented to Council to consider a schedule of meeting for the next twelve (12) months to enable the Chief Executive Officer (CEO) to give local public notice of the intended meetings.

Background

Regulation twelve (12) of the Local Government (Administration) Regulations 1996 requires that once a year a local government is to give local public notice of Ordinary Council meeting (and Committee meeting that are required to be open to the public) proposed for the next twelve (12) months.

Officer Comment

The schedule has allowed for the December 2016 Ordinary Council meeting to be held on the third Thursday of the month at 4:00pm, the earlier date is to accommodate Council recess prior to the Christmas period. The schedule also allow for one (1) Ordinary Council meeting to be held at the Stanley Road Waste Management Facility at which meetings a site tour of the facilities will be conducted.

Consultation

Local Public Notice of meeting is required.

Financial Implications

Advertising costs are provided for in the 2016/2017 budget.

Statutory Environment

Regulation twelve (12) of the Local Government (Administration) Regulations 1996 requires that:

1. At least once each year a local government is to give local public notice of the dates on which, the time and place at which:
 - The Ordinary Council meetings; and
 - The Committee Meetings that are required under the Act to be open to members of the public are to be held in the next twelve (12) months.
2. A local government is to give local public notice of any change to the date, time or place of a meeting referred to in sub regulation one (1).

3. Subject to sub regulation four (4), if a special meeting of a council is to be open to members of the public then the local government is to give local public notice of the date, time, place and purpose of the special meeting.
4. Subject to sub regulation four (4), if a special meeting of a council is to be open to members of the public but, in the Chief Executive Officer's opinion, it is not practicable to give local public notice of the matters referred to in sub regulation three (3), then the local government is to give public notice of the date, time, place and purpose of the special meeting in the manner and to the extent that, in the Chief Executive Officer's opinion, is practicable.

Day	Date	Time	Venue
Thursday	25 August 2016	4:00pm	Shire of Harvey office, Australind
Thursday	22 September 2016	4:00pm	Shire of Harvey office, Australind
Thursday	27 October 2016	4:00pm	Shire of Harvey office, Australind
Thursday	24 November 2016	4:00pm	Shire of Harvey office, Australind
Thursday	15 December 2016	4:00pm	Shire of Harvey office, Australind
<i>JANUARY 2017 (COUNCIL RECESS)</i>			
Thursday	23 February 2017	4:00pm	Shire of Harvey office, Australind
Thursday	23 March 2017	4:00pm	Shire of Harvey office, Australind
Thursday	27 April 2017	4:00pm	Stanley Road Waste Facility site office, Australind
Thursday	25 May 2017	4:00pm	Shire of Harvey office, Australind
Thursday	22 June 2017	4:00pm	Shire of Harvey office, Australind
Thursday	27 July 2017	4:00pm	Shire of Harvey office, Australind

Strategic Implications

Nil

Policy Implications

Nil

Voting Requirement

Simple Majority

Officer Recommendations

That Council request the Chief Executive Officer to give Local Public Notice of the following meeting schedule:

Day	Date	Time	Venue
Thursday	25 August 2016	4:00pm	Shire of Harvey office, Australind
Thursday	22 September 2016	4:00pm	Shire of Harvey office, Australind
Thursday	27 October 2016	4:00pm	Shire of Harvey office, Australind
Thursday	24 November 2016	4:00pm	Shire of Harvey office, Australind
Thursday	15 December 2016	4:00pm	Shire of Harvey office, Australind
<i>JANUARY 2017 (COUNCIL RECESS)</i>			
Thursday	23 February 2017	4:00pm	Shire of Harvey office, Australind
Thursday	23 March 2017	4:00pm	Shire of Harvey office, Australind
Thursday	27 April 2017	4:00pm	Stanley Road Waste Facility site office, Australind
Thursday	25 May 2017	4:00pm	Shire of Harvey office, Australind
Thursday	22 June 2017	4:00pm	Shire of Harvey office, Australind
Thursday	27 July 2017	4:00pm	Shire of Harvey office, Australind

Council Decision: Moved _____ Seconded _____

CARRIED/LOST

12. General Business

12.1 Operational Update – July 2016

- **Draft 2016/2017 Budget**
As per agenda for adoption.
- **Stanley Road Expansion**
Closure and Post-Closure Management Plan was submitted to the DER prior to the closing date of 1 February 2016 - **Awaiting DER response.**

Phase 2 – Hydrogeological works and Geotechnical Investigation commenced with additional groundwater monitoring bores completed. Quotation on final landfill cells designs works to be sourced – on hold awaiting DER response.

Met with the DER on the 7 June to discuss licence amendments, closure and post-closure including future lined cell construction. Meeting went well with verbal approval given to southern foot print

extension and capping for first three stages. DER has asked for gabion wall design drawings and the hydrogeological report, once these have been reviewed by DER then they will give written approval.

Further licence amendment and approvals for lined cells will be considered at a later date, the first stage of approvals will give an additional three years of landfilling.

Hydrogeological Phase 2 report and modelling has been completed and presented to the DER as part of the licence amendment approvals. In addition a report on the Preliminary Design of Gabion Wall was completed and presented to the DER. Both reports are available Council viewing if requested, Hydrogeological report is over 300 pages.

- **Compost Site Relocation**

Awaiting on the DER new Environmental Standards for Composting to be released which will include the required buffer distances for new compost facilities.

- **Stanley Road Groundwater Monitoring Quotes**

Have awarded contract for groundwater monitoring to Hydro Solutions Pty Ltd - [Attachment 2](#)

- **Stanley Road Administration Complex**

Chris Coates consultant engineer doing site drawings and specifications including bushfire prone planning requirements and Veen's Design Drafting Services doing architects drawings and plans for administration complex tender. Tender to include all services i.e. septic, car park, retainer walls, paving, power supply etc. and will have allowances for new or second hand building.

BHRC requested a month to month rental extension on the City of Bunbury Lot 5, Carmody Place office complex. The City of Bunbury has granted a month to month extension on Lot 5, Carmody Place, Bunbury.

- **Yarloop Fire Waste Disposal**

Met with an Officer from Entech Risk Consultant (company contracted to coordinate Yarloop fire clean up) on Tuesday 26 April 2016 to discuss options of waste from Yarloop going to Stanley Road. Toxfree have advised of being successful tenderer for part of waste. Toxfree will commence waste disposal at the Stanley Road Waste Facility starting Monday 25 July 2016, quantities unknown.

- **Staff Matters**

Staff has been offered seasonal flu shots through the LGIS scheme – **Completed**

Staff has been offered seasonal skin cancer screening through the LGIS scheme – **Completed**

Staff will vote on the draft Enterprise Bargaining Agreement on Monday 25 July 2016.

Staff Training – Fire Extinguisher and Spill Response Training, Safety Representative Training and Household Hazardous training – **Completed**

Staff Training – Martinette Pieterse, Brett Clifton and Jai Pearce have completed Occupational Health and Safety Representative training on 18 – 22 July 2016.

13. **Confidential Reports**

CEO Probation

14. Notice of Motion

15. Next Meeting

To be held on Thursday 25 August 2016 at the Shire of Harvey Council Chambers, Admin Building, Mulgara Street, Australind, commencing at 4:00pm.

16. Close of Meeting

The Presiding Member closed the meeting at _____.