



1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 6.05pm and introduced Ms Pina Martino, Administration Support Officer.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mr Peter Pearson	Chairman
Mrs Sally Paulin	Deputy Chairman
Ms Ruth Balding	Member
Mr David Strain	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Mr Anthony Fowler	Member

WMCRG Apologies

Mr Malcolm Barker	Member
Mr Mark Simpson	Member
Ms Janet Gee	Member
Ms Dot Kingston	Member
Mr Berry Ambrose	Member

EMRC Officers

Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Mary-Ann Winnett	Personal Assistant to the Executive Manager Corporate Services (Minutes)
Ms Pina Martino	Administration Support Officer (observer)

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF WMCRG MEETING HELD ON 14 JULY 2008

That the Minutes of the Waste Management Community Reference Group meeting held on 14 July 2008, which have been distributed, be confirmed.

WMCRG RESOLUTION(S)

MOVED MS KATSCHERIAN SECONDED MR STRAIN

THAT THE MINUTES OF THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP MEETING HELD ON 14 JULY 2008, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

In response to members' queries on whether minutes were available from the combined Community Engagement Advisory Group (CEAG)/Waste Management Community Reference Group(WMCRG) meeting held at the Joondalup Resort in Connolly on 6 August 2008, the Manager Project Development advised that none were available as the CEAG didn't take any minutes.

6 PRESENTATIONS

6.1 EMRC WASTE EDUCATION STRATEGY WORKSHOP

The Waste Education Coordinator presented information on the proposed update of the EMRC Waste Education Strategy for discussion and comment. The presentation was based on the discussion document circulated prior to the meeting, a copy of which is attached to the minutes (Ref: Committees-8530).

Members made the following suggestions in relation to the attachment:

2000-2010 Proposed Aim for Waste Education

- There should be some mention of measurements in the aim, what's been achieved and how it was measured.

2009-2011 Proposed Objectives

- If the objective is to build and set up partnerships between Councils and the community, there may be a need to emphasise that the community is a partner too and that it was also about leadership to the community;
- Point 5, relating to partnerships and community pride should be moved to point 2;
- The language in the 2009-2011 Proposed Objectives has changed from the 2005-2008 Objectives and 'waste minimisation' has not been mentioned but it should be;
- The EMRC's Waste Education Strategy should state what it's going to do, who's going to do it and how it's to be achieved;
- Write down who, what, when, why and how and the points would flow from that;
- Point eight (8) is a 'what' and should be point 2;
- Point seven (7) should be moved up the list for more impact as it was essential and the core of waste management;
- Point seven (7) – may need to clarify what a positive impact on climate change is;
- Need to consider enhancing our environment so that we have an attractive looking environment and managing our waste impacts on litter behaviour and this is a 'why';



Item 6.1 continued

- Need to aim to reduce climate change. Waste education involves the EMRC, member Councils and the community and climate change can be reduced by including in the carbon credits;
- Need to include raw data on the negative impacts on waste disposal as far as carbon credits are concerned;
- Organisations in the community may be producing the waste but they can also drive waste reduction;
- One of the best ways of obtaining state government support for waste reduction is to lead by example;
- Another objective to be considered is the environment generally and the positives for that; and
- Publicise and congratulate members of the public in their efforts to minimise waste. Should be a general objective to ensure it's done.

2005-2008 Strategies and 2009-2010 Proposed Strategies

- The word 'maintain' in the proposed Strategy 1 implies that no changes would be made, needs to show that changes would be made, possibly include the word 'dynamic';
- Proposed Strategy 2 – regionalised and localised should be included – use the words 'Develop community engagement, participation and pride in programmes; and delete the rest of the sentence;
- Proposed Strategy 3 – discussion on whether to use the word 'evaluate' rather than 'review' but the word 'evaluate' could also be taken to mean that changes won't be made;
- Proposed Strategy 6 is far too long and could be split into two (2) or three (3) strategies as it would be easier to deal with:-
 - Develop monitoring and research systems (don't need to include 'maintain an understanding of stakeholder knowledge, etc.);
 - Ensure continual improvement in regional waste communication; and
 - Enable development of education programs.

2005-2008 Activities and 2009-2011 Proposed Activities

- Proposed Activity 3 – change 'explore' to 'establish';
- Proposed Activity 3 – EMRC's role is to get a better understanding of the needs associated with volunteer groups and the ways they can contribute. Need to define a purpose for any new volunteer groups established;
- Proposed Activity 2 – since these activities are ongoing it should be reviewing, maintaining and exploring rather than just maintaining;
- Proposed Activity 1 – the wording of this activity implies that the brand is the most important. The Waste Education Coordinator advised that the activities had not been placed in any particular order;
- Proposed Activity 4 – suggested that the words after 'promotional plan' be replaced by the words 'that uses a variety of media';
- Proposed Activity 5 – suggestion that an interactive question and answer section would be more useful for some people or provide a way for people to navigate to the faq section and add more faq's;
- Proposed Activity 6 – should state 'Maintain, review and update consistent member Council websites';



Item 6.1 continued

- Proposed Activity 7 – a member queried whether it was a good idea to increase the profile of the Red Hill Environmental Education Centre considering that the site was so busy. The Waste Education Coordinator advised that it could still be achieved but in different ways;
- Proposed Activity 12 – a member stated that at the entrance to Mundaring there was a recycling bin with an indicator going up and this was a good way of providing information on recycling;
- Proposed Activity 12 – suggestion to include more scope for research rather than just recycling and this could then be included in reports, also change the name from Regional Recycling Reports to Regional Waste Management Reports;
- Proposed Activity 18 – suggestion that member Councils have something obvious that demonstrates what they are doing in regards to waste management e.g. advertising on email signatures, sticker on bumpers of council vehicles, etc;
- Proposed Activity 20 – should state ‘support and initiate’ rather than just ‘support’; and
- Proposed Activity 11 – suggestion to offer scholarships in high schools. Discussion on whether it was the best value for money. The Waste Education Coordinator advised that it may be looked at when exploring the feasibility of developing a regional school program for high schools.

A member suggested that the EMRC offer a prize (eg. \$10,000) for suggestions, from individual or companies, for reusing the waste from recycling bins.

A member suggested that education campaigns could become more effective if EMRC could develop demonstrably effective campaigns that could be passed on to state government and they could work in collaboration with state government, sporting groups, etc.

The Waste Education Coordinator advised that she would summarise the comments from this meeting and distribute to RWESG (Regional Waste Education Steering Group) and WMCRG members for further comment.

The Chairman thanked the Waste Education Coordinator for the presentation and opportunity to provide feedback.



7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

8 REPORTS OF OFFICERS

Nil

9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

The Manager Project Development advised that, as a result of a request from Cr Godfrey at the RRC meeting held on 10 July 2008, the Waste Education Coordinator had undertaken research into the feasibility of providing Perth's Eastern Region with reusable shopping bags with Resource Recovery branding. The Waste Education Coordinator submitted a report to the RRC Meeting held on 4 September 2008, which demonstrated that the cost would be prohibitive, so the RRC recommended that Council explore the idea of purchasing a small quantity of the non-woven polyurethane bags branded with the R-Gang brand to be distributed to attendees at specific events in the region.

10 REPORTS OF MEMBERS

A member advised that there would be a 12 month delay to commencing development of a structure plan in regards to Section 32 of the Town Planning Scheme issue at the Hazelmere industrial area due to the requirement to complete a water report and sink bores on the property.

A member advised that he had attended an event at a school recently, which provided finger food afterwards, and he noted that the school had no idea of recycling as all the plastic cups, plates etc all went into the same rubbish receptacles. He also referred to an analysis of his recycling bin and felt that the increase in recycled items may be due to the amount of junk mail and packaging coming into households. He also suggested that it may be more useful to have the recycling bin collected weekly and the rubbish bin collected fortnightly instead. He also commented that he had attended a forum at Red Hill recently in relation to waste management and it was noted that advertising placed in local papers wasn't read unless it was in the first four (4) pages of the paper.

A member requested that WMCRG members be supplied with some sort of report from the CEAG/WMCRG meeting because there had been some interesting discussions held at the meeting. Discussion ensued and members advised that there were PowerPoint presentations given at the meeting and some WMCRG members had taken their own notes so it may be possible to collate all this information and provide to all WMCRG members via email.

WMCRG RESOLUTION(S)

MOVED MR LEWIS

SECONDED MR FOWLER

THAT EMRC REQUESTS COPIES OF THE PRESENTATIONS AND ANY MEETING NOTES FROM THE COMBINED CEAG/WMCRG MEETING HELD ON 6 AUGUST 2008 AND DISTRIBUTE TO WMCRG MEMBERS VIA EMAIL.

CARRIED UNANIMOUSLY



11 GENERAL BUSINESS

11.1 RECENT INITIATIVES IN WASTE EDUCATION REPORT

The Waste Education Coordinator provided an update on the progress of recent initiatives in waste education and tabled a 'Watch Your Waste' advertisement and advised that, due to the size and cost of the advertisement, there was funding for it to be placed in newspapers every two months. Members made the following suggestions in relation to the advertisement:

- Specify where to drop off single use household waste batteries;
- Selected shopping centres should be collection points;
- In relation to a query on why there was only one colour, other than black, the Waste Education Coordinator advised that it was too expensive to use any more colours;
- Wouldn't 'Waste Watch' or 'Waste Watchers' be better than 'Watch Your Waste!';
- Have a large gap between the words 'New' and 'Fluorescent light recycling!' otherwise it reads as recycling new fluorescents;
- Household Hazardous Waste disposal days – list the drop off places first and then the information on what to recycle so that the emphasis is on the places rather than the waste stream;
- Reduce some of the information on the advertisement. If the section about free tours of Red Hill was removed information could be added to state what the phone number at the bottom was for and the information that was provided on the website; and
- Under the 'Why Recycle' heading add information that states something like 'for every tonne of paper recycled you could run a particular appliance or item for so many hours.'

The Waste Education Coordinator advised that the EMRC was looking at organising public tours of Red Hill.

The Waste Education Coordinator advised that the EMRC is currently recycling about 10 to 12 kilos of batteries per week and the uptake of the battery recycling bags had been phenomenal.

11.2 WASTE & RECYCLE CONFERENCE

The Waste Education Coordinator advised that some WMCRG members would be attending sessions of the 2008 Waste & Recycle conference but there were still places available if anyone else wished to attend.

11.3 RESOURCE RECOVERY PROJECT

The Manager Project Development advised that Hassells were currently working on a concept plan for the Hazelmere Resource Recovery Park and more information would be provided at the next WMCRG meeting.

The Manager Project Development advised that Cardno BSD were still working on the preferred options report, they had compiled a list of technology providers and would be analysing that for the EoI process which was unlikely to commence until the New Year.

A couple of research projects with UWA are currently being undertaken, looking at making the Hazelmere site energy neutral using the fines from the wood chip operation and perhaps horse manure from Ascot.

A briefing by Best Energies on their bio-char facility was attended by Cardno BSD and EMRC officers on 21/22 August. Best Energies were in Perth to promote their technology and hold further discussions with SMRC for a proposed feasibility study into the conversion of greenwaste and other wastes into bio-char and energy.

The Manager Project Development advised that the RRC Committee would be attending the Second International Symposium on Energy from Biomass and Waste in Venice, Italy from 17 to 20 November 2008 and would also visit gasification, mass burn and anaerobic digestion treatment plants.



Item 11.3 continued

The Manager Project Development advised that he was currently organising a visit to the Anaeco DiCom facility in Shenton Park for the 17 October and he would email information to members. EMRC Councillors and officers would also be attending and a bus would be organised if required.

12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 13 October 2008** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2008

Monday	13 October	at	EMRC Administration Office
Monday	24 November (if required)	at	EMRC Administration Office

The Manager Project Development advised that the 24 November (if required) meeting was likely to be required to review the updated Waste Education Strategy and he would confirm nearer the date if the 13 October meeting would be held

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed 8.13pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

13 October 2008

(REF: COMMITTEES-8667)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Monday, 13 October 2008**. The meeting commenced at **6.18pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Manager Project Development advised that the Chairman would be arriving late to the meeting and requested another member chair the meeting until his arrival. Mr Lewis agreed to chair the meeting, declared the meeting open at 6.18pm and welcomed Mr King from Cardno BSD Joint Venture.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mr Peter Pearson (from 6.25pm)	Chairman
Mr Berry Ambrose	Member
Ms Ruth Balding	Member
Mr Malcolm Barker	Member
Mr David Strain	Member
Mr Ray Lewis	Member
Ms Dot Kingston	Member
Mr Mark Simpson	Member

WMCRG Apologies

Mrs Sally Paulin	Deputy Chairman
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Mr Anthony Fowler	Member
Ms Janet Gee	Member

EMRC Officers

Mr Stephen Fitzpatrick	Manager, Project Development
Ms Mary-Ann Winnett	Personal Assistant to the Executive Manager Corporate Services (Minutes)

EMRC Apologies

+	Waste Education Coordinator
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Consultant(s)

Mr John King (to 7.15pm)	Cardno BSD Joint Venture
Ms Gae Synnott	Consultant, Synnott Mulholland

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF WMCRG MEETING HELD ON 8 SEPTEMBER 2008

That the Minutes of the Waste Management Community Reference Group meeting held on 8 September 2008, which have been distributed, be confirmed.

WMCRG RESOLUTION(S)

MOVED MR STRAIN

SECONDED MS BALDING

THAT THE MINUTES OF THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP MEETING HELD ON 8 SEPTEMBER 2008, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

6.1 PRESENTATION – UPDATE ON RESOURCE RECOVERY PROJECT

Mr John King of Cardno BSD Meinhardt Joint Venture provided an update on the Resource Recovery Project Expression of Interest (EOI) Process.

Mr Pearson arrived at 6.25pm.

In response to a member's query on whether any of the technologies would be excluded from the two stage EOI process, Mr King replied that they wouldn't but he would provide more detail on that later in the presentation.

In response to a member's query regarding advertising the EOI within the State and whether there would be interest from interstate or overseas, Mr King advised that advertising within the State meant that the EOI would be broadly advertised and there would be international interest. Mr King advised that the two stage EOI process provided an opportunity for more companies to put in a bid because the cost of preparing for a tender could be around \$500,000 and would limit the number of companies prepared to bid. It would be best to be able to invite a competent group of tenderers and know that they are interested and capable.

In response to a member's query about whether confidentiality only applied to costs and whether this was to try and get a better idea of costs prior to the tender process, Mr King confirmed that it was and explained that without the confidentiality being applied to the cost data, bidders were not likely to provide meaningful data.

In response to a member's query on whether the EMRC could decide the time-frame for preparing the EOI documentation, Mr King replied that the EMRC could but advised that the time-frame for the EOI process was likely to be around six (6) weeks and for a tender it would be more like three (3) months because more work was involved.

In response to a member's query on whether the current world financial crisis would effect the ability of these companies to obtain the required funds, Mr King advised that in a couple of years when the funds were required the current financial situation should have eased.

A member referred to one of the EOI Assessment Criteria (discretionary) – 'area of land required', and asked what the purpose of it was. Mr King advised that EMRC needed to know the footprint of the plant for the Resource Recovery Project.



Item 6.1 continued

A member referred to the mandatory and discretionary criteria and asked if the discretionary criteria meant that the company bidding could decide whether they wanted to answer all or some of the criteria. Mr King advised that it would be at EMRC's discretion but that it was necessary to be fairly specific on what was required from each bidder in order for them to be invited to tender and the entire process needed to be as transparent as possible so that it could be demonstrated that it had been fair to all bidders.

In response to a member's request for an explanation of Plasma technology, the Manager Project Development advised that it was high energy destruction of waste likened to putting the waste through a streak of lightning that ionises material and separates metals out of it. The technology was not unlike gasification but was newer and had been adapted for Municipal Solid Waste (MSW).

In response to a member's query on whether it was possible for a company to go through the EOI process and not be invited to submit a tender and then be given a chance to put in a different bid, Mr King advised that it was not possible. He explained that the process had to be set up properly and companies would be required to put in a bid by a certain date and time, they would be shortlisted by criteria and the EMRC would engage a consultant to ensure all the rules had been applied. Mr King advised that all companies would be invited to put in a bid during the EOI process. If Council later decided to reject a technology or model any company that had been successful during the EOI process, regardless of the technology or model they had based their bid on, could still prepare a tender based on a different technology or model if they wished.

In response to a member's query on whether there was a cost compensation for the companies submitting tenders, Mr King advised that although it was an option Council had, the two-stage EOI and Tender process had been selected, as it improved the process.

In response to members' queries for clarification on what information they could reveal outside of the meeting, Mr King advised that nothing had been said at this meeting that would change their role in the project at this stage. He advised that the project was moving towards a period when Councillors, member Council officers and WMCRG members would need to sign a confidentiality agreement. The Manager Project Development advised that the EMRC would need to make a decision regarding these sorts of issues and prepare a report with recommendations to take to the RRC and this would probably occur before the EOI stage.

In response to a member's query on whether the confidentiality agreement would specify who would be party to the confidential information and whether it would be limited to a small group of people, Mr King advised that the six (6) member Councils, their CEO's and technical officers would need the information. He advised that anyone that had to be exposed to the information would need to sign a confidentiality agreement.

The Manager Project Development thanked Mr King for his presentation.

Mr King departed Council Chambers at 7.15pm.

Mr Pearson took the chair and invited the Manager Project Development to give his presentation on the Hazelmere Resource Recovery Park Concept Plan.

6.2 PRESENTATION – HAZELMERE RESOURCE RECOVERY PARK CONCEPT PLAN

The Manager Project Development gave a presentation on the draft revision of the Hazelmere Resource Recovery Park Concept Plan.

In response to a member's query on what commercial opportunities would be available and the types of items the designers were considering for recycling, the Manager Project Development advised that it may be components of the waste stream that could be turned into a usable product but the EMRC was not specifying what the product had to be.



Item 6.2 continued

In response to a member's query on whether the Resource Recovery Park (RRP) would also be a location for dropping off Household Hazardous Waste (HHW), the Manager Project Development advised that it could be. He pointed out that HHW collection days were held throughout the six (6) member Council areas but because of the different funding arrangements with WALGA, in that they would pay for four (4) collections per year, the EMRC may have a HHW collection point at the RRP.

In response to a member's query on whether there would be any requirements for dust and noise control the Manager Project Development advised that it would depend on the activity being undertaken and that the Materials Recovery Facility (MRF) would require both.

7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

In response to a member's query regarding whether the presentations given at the combined Community Engagement (CEAG)/Waste Management Community Reference Group (WMCRG) meeting held on 6 August would be provided to WMCRG members the Manager Project Development advised that he would obtain copies of the presentations given by CEAG and he would provide copies of the presentation he had given.

8 REPORTS OF OFFICERS

Nil

9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

Nil

10 REPORTS OF MEMBERS

10.1 HAZELMERE RESOURCE RECOVERY PARK CONCEPT PLAN

A member advised that the timeframe for the Hassells survey for the Hazelmere industrial area had been extended so that bores could be sunk on the property and it would now take about 18 months.

10.2 WASTE AND RECYCLE CONFERENCE 2008 MEMBER REPORTS

A member advised he would send his report to the EMRC and tabled a report entitled "Draft Document for Consultation – Kerbside Collection Systems Decision Making Tool" which had been provided to conference attendees. Members agreed that the document should be included in the minutes (Ref: Committees-8684).

A member advised that she had attended one of the talks given by the Waste Education Coordinator, which had been held in Darlington, and she felt that the group had been very hostile, were misinformed and not very receptive of the information provided by the Waste Education Coordinator. It was also noted that there seemed to be some negative feelings regarding the EMRC's management of the Mundaring Transfer Stations on behalf of the Shire of Mundaring.

In response to the Chairman's query on whether the bad vibes related to just the Mundaring area, the member advised that it seemed to be a general feeling that not enough was being done in regards to recycling, a lot of myths about the types of items going to landfill and unrealistic expectations, naivety and little understanding of the process involved or the length of time it takes to establish a Resource Recovery Facility.



11 GENERAL BUSINESS

11.1 ARRANGEMENTS FOR EMRC VISIT TO ANAECO 17 OCTOBER 2008

The Manager Project Development provided an update on arrangements for the EMRC visit to Anaeco and advised that there would be 23 people attending which included four (4) WMCRG members.

11.2 TRAVEL EXPENSE CLAIMS

The Manager Project Development reminded members to submit their travel expense claims.

11.3 ORGANIC BIN TRIAL

The Manager Project Development advised that the organic bin trial programme hadn't been finalised yet but he was hoping to obtain the bins from Cleanaway and he had been having discussions with the member Councils regarding the selection of streets in each member Council area to be used for the trial. The trial was expected to commence in November and run over the Xmas period and it would be audited and the data obtained would be fed into the Resource Recovery Project.

In response to a member's query on how the EMRC would select the street in each member Council area for the trial; the Manager Project Development advised that the EMRC would try to select the same socio-economic group from each area from Australian Bureau of Statistics (ABS) data.

12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 24 November 2008 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2008

Monday 24 November (if required) at EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed 8.00pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

1 December 2008

(REF: COMMITTEES-8764)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Monday, 1 December 2008**. The meeting commenced at **6.12pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Acting Chairman opened the meeting at 6:12pm and welcomed the Waste Education Officer and the Acting CEO to the meeting.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mrs Sally Paulin (Acting Chairman)	Deputy Chairman
Mr Peter Pearson (from 6:15pm)	Chairman
Mr Berry Ambrose	Member
Ms Ruth Balding	Member
Ms Janet Gee	Member
Mr David Strain	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Ms Dot Kingston	Member
Mr Anthony Fowler	Member

EMRC Officers

Mr Peter Schneider	Acting CEO
Ms Gabrielle Grime	Waste Education Coordinator
Ms Tania Wells	Waste Education Officer
Ms Pina Martino	Administration Support Officer Corporate Services (Minutes)
Ms Mary-Ann Winnett	Personal Assistant to the Executive Manager Corporate Services (observer)

EMRC Apologies

Mr Stephen Fitzpatrick	Manager, Project Development
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3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil

5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF WMCRG MEETING HELD ON 13 OCTOBER 2008

That the Minutes of the Waste Management Community Reference Group meeting held on 13 October 2008, which have been distributed, be confirmed.

WMCRG RESOLUTION(S)

MOVED MR AMBROSE SECONDED MR STRAIN

THAT THE MINUTES OF THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP MEETING HELD ON 13 OCTOBER 2008, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY



6 PRESENTATIONS

6.1 DRAFT WASTE EDUCATION STRATEGY UPDATE

The Waste Education Co-ordinator went through the Draft Waste Education Strategy with the Committee and invited comments at the end of the presentation.

The Chairman entered the meeting at 6:15pm.

In response to a member's query on whether the draft Waste Education Strategy had addressed different target audiences, the Waste Education Co-ordinator advised that 1.1.2 of the strategy covered this area but she would add the words "for target audiences" to define it more clearly.

The following comments/suggestions were made by members:

- 2.1.6 Assess the feasibility of developing waste education projects for high school community services programs - there was no mention of tertiary students, but there had been success in targeting those students with Water Wise programmes;
- 3.1.3 Support community organisations' waste management initiatives could be expanded to cover State Government and sectors of State Government in the region that could be supportive and assist all types of organisations in the region with assistance from the EMRC;
- 4.1.1 Participate in consultative groups regarding state and local government directions in waste education – a member advised that from a health perspective, the Department of Health (DoH) are going to try to get the RUM (Return Unused Medicines) programme operating;
- If people were informed of costs to dump rubbish in landfill they may be more open to new opportunities and ways of reducing the amount of waste going to landfill;
- The name 'Transfer Stations' should be changed to something like 'Waste Management Centres' or 'Waste Management Stations';
- 3.1.2 Provide advice and support for localised Council initiatives to reduce and manage waste – a member commented that under Tasks (Notes) it wasn't specified who the EMRC was going to provide the support and advice to. The Waste Education Coordinator advised that the EMRC was providing advice and support and trying to educate events managers in regards to the upcoming Autumn Festival.

The Waste Education Co-ordinator advised that she was currently reviewing the aims in the Draft Waste Education Strategy and would distribute to the Regional Waste Education Steering Group and WMCRG for their comments in the next few weeks.

The Acting Chairman thanked the Waste Education Co-ordinator for the presentation and stated that the Draft Waste Education Strategy was very easy to follow.



7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

8 REPORTS OF OFFICERS

Nil

9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

The Waste Education Co-ordinator advised that the EMRC was currently undertaking more research into the non-woven polypropylene bags because of some environmental issues in relation to the bags.

In response to a member's suggestion that the EMRC should try hemp bags, the Waste Education Coordinator advised that both hemp and jute have already been considered and the EMRC would look at all options. The Waste Education Co-ordinator advised that if branded re-usable bags were used, the EMRC would distribute them at events limited to Resource Recovery in the region.

10 REPORTS OF MEMBERS

A member reported that the Department of Health was reviewing its waste policies and would appreciate any input from EMRC members or RRC officers.

Two members advised that they would submit their reports on the Waste and Recycle Conference 2008 via e-mail.

A member advised that in Tasmania they have two (2) types of recycling bins, one of which has a round hole on the top for bottles and he suggested the EMRC should undertake some research into these. He also agreed that more research needs to be undertaken in regard to polypropylene bags because when they burn fumes are released and there is a strong odour.

A member advised that she had attended the Anaeco DiCom facility's open day and thought it was very impressive. Attendees had been introduced to Dr Walker, a scientist involved in the project, who took them on a tour of the facility. Dr Walker had explained the whole system, how everything worked and it was suggested that the EMRC approach Dr Walker and invite him to give a presentation to WMCRG members.

A member mentioned that the 'Watch your Waste' column in one of the local papers last week had some great information and useful, practical Christmas tips on recycling wrapping paper and cards and thanked the Waste Education Coordinator on a job well done.

A member mentioned that the Town of Bassendean would be using biodegradable cups during the weekend Earth Festival (5-6 December) instead of polystyrene cups.

A member mentioned that the Salvation Army now have a way to send electronic Christmas Cards for a small donation.

11 GENERAL BUSINESS

11.1 RECENT INITIATIVES IN WASTE EDUCATION REPORT

The Waste Education Coordinator and Waste Education Officer provided an update on the progress of recent initiatives in Waste Education.

The Waste Education Officer advised that the EMRC, in partnership with the City of Stirling, had sent its first shipment of batteries to NSW to be recycled. A combined total of 13 tonnes of batteries had been shipped to NSW and of that total, 9 tonnes had been contributed by the EMRC.



Item 11.1 continued

In response to a member's query on whether organisations in the region had been approached to act as collection points for batteries, the Waste Education Officer advised that only two organisations had responded so far but the EMRC would continue to lobby other organisations.

In response to a member's query on how much it had cost to ship 13 tonnes of batteries to NSW, the Waste Education Officer advised that it had been under \$5,000. She further advised that cost varies depending on the types of batteries collected, either single use or rechargeable. The recycling facility charges \$4 per kilo for sorting the batteries at a depot.

In response to a member's query on how long it took to collect 13 tonnes of batteries, the Waste Education Officer advised that it had taken approximately 12 months.

In response to a member's query regarding the term 'dry cell batteries', the Waste Education Officer advised that they are now been referred to as household batteries to distinguish them from lead batteries in cars. The term 'household batteries' also includes computer batteries and the EMRC is trying to encourage the community members to take batteries to a collection point.

In response to a member's query on whether there was potential to have a battery recycling facility in Western Australia if the volume grew the Waste Education Officer advised that the company only opened in 2008 and needed to encourage people to take their batteries to collection points.

In response to a member's query on whether the battery recycling facility was a private or government enterprise, the Waste Education Officer advised that it was a private facility and the owners would be recycling the batteries to use it their own operations and contract out to steel companies.

The Waste Education Officer provided an update on the number of school tours of Red Hill during 2008 and advised that the EMRC had recently commenced community tours. She further advised that three community tours had been undertaken so far with two more scheduled before the end of the year and a lot of interest had been generated but the tours were limited to Monday to Friday between 9:00 am and 4pm.

The Chairman suggested that as there was now interaction with the events managers regarding bar codes on water bottles at events that generate waste, it may be a worthwhile to suggest they subsidise a machine that would read bar codes and sort automatically.

The Waste Education Officer advised that the EMRC had held discussions with ARK (Australian Recycling Kiosk) as they have put in a submission for a SWIS Grant and they had suggested that the grant be put towards having a portable machine in shopping centres.

A member stated that most of the WMCRG members had been attending meetings for 4 to 5 years and proposed that the group express appreciation for the leadership and hard work shown by EMRC staff.

WMCRG RESOLUTION(S)

MOVED MR AMBROSE

SECONDED MR PEARSON

THAT THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP EXPRESSES APPRECIATION TO EMRC STAFF FOR THEIR LEADERSHIP AND HARD WORK.

CARRIED UNANIMOUSLY



Item 11.1 continued

A member referred to the sky show organised by the Town of Bassendean each year in January and suggested it may be a good opportunity to promote waste generation. The Waste Education Officer advised that the Town of Bassendean had already hired the events trailer for this event.

The Acting CEO gave WMCRG members a brief explanation about the media attention aimed at the EMRC in the last few weeks and referred members to the memo sent to all Councillors in the region by the EMRC Chairman.

A member stated that a lot of the criticism in the press had been by councillors about councillors taking part in the Venice 2008 Symposium on Energy from Biomass and Waste and Facility Visits and he asked what the Acting CEO's attitude was to that. The Acting CEO advised that councillors were from different backgrounds and the councillors are the decision makers for local areas and it was up to the EMRC to ensure they were appropriately educated to the point where they were comfortable in making the required decisions. The Acting CEO further advised that the Manager Project Development and a consultant from Cardno BSD Meinhardt also attended the Symposium to provide technical support.

12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 16 February 2009** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2009

Monday	16 February	at	EMRC Administration Office
Monday	9 March (if required)	at	EMRC Administration Office
Monday	20 April	at	EMRC Administration Office
Monday	11 May (if required)	at	EMRC Administration Office
Monday	15 June	at	EMRC Administration Office
Monday	13 July (if required)	at	EMRC Administration Office
Monday	17 August	at	EMRC Administration Office
Monday	14 September (if required)	at	EMRC Administration Office
Monday	19 October	at	EMRC Administration Office
Monday	23 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business the Acting Chairman declared the meeting closed 7:30pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

16 February 2009

(REF: COMMITTEES-8913)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Monday, 16 February 2009**. The meeting commenced at **6.05pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Deputy Chairman opened the meeting at 6:05pm and welcomed members.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mrs Sally Paulin (Acting Chairman)	Deputy Chairman
Mr Peter Pearson	Chairman
Ms Ruth Balding (from 6:07pm)	Member
Mr Malcolm Barker	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Mr Mark Simpson	Member

WMCRG Apologies

Mr David Strain	Member
Mr Berry Ambrose	Member

EMRC Officers

Mr Peter Schneider	Acting Chief Executive Officer
Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Pina Martino	Administration Support Officer (Minutes)
Ms Mary-Ann Winnett	Personal Assistant to the Executive Manager Corporate Services

Consultant(s)

Mr John King	Cardno BSD Joint Venture
Ms Gae Synnott	Consultant, Synnott Mulholland

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

8 REPORTS OF OFFICERS

Nil

9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

Nil

10 REPORTS OF MEMBERS

10.1 REPORT FROM MR LEWIS ON THE 2008 WASTE AND RECYCLE CONFERENCE

A report on the 2008 Waste and Recycle Conference has been provided by Mr Lewis refer attached (Ref: Committees-8989).

In response to a member's query about the economic situation for recyclables, the Manager Project Development informed members that the Southern Metropolitan Regional Council (SMRC) is still moving products although the economic situation has affected returns from the recyclates.

In response to a member's concern about the public's lack of interest in recycling, the Acting Chief Executive Officer responded that the EMRC had no immediate plans to discontinue any of the current EMRC programmes.

11 GENERAL BUSINESS

11.1 UPDATE ON WASTE EDUCATION INITIATIVES

The Waste Education Coordinator provided an update on Waste Education Initiatives.

- The EMRC was successful with a Strategic Waste Initiatives Scheme (SWIS) application for battery bins receiving a grant of \$34,000. Money received is for a joint SWIS programme to go towards expanding the Battery Recycling programme and to have a minimum of 4 battery bins in all metropolitan areas. The EMRC will be working with other Councils to roll out the programme;
- The Waste Education Officers have been working together with Helena College to develop high school community projects, which will be carried out at the Education Centre at Red Hill;
- The EMRC are looking at updating the new Waste and Recycling Guide 2009. The Waste Education Coordinator asked members if they have any new ideas to please e-mail or contact the Waste Education Officers;
- Battery recycling was over 4 tonne for 2008 which was an increase of 1 tonne from 2007;
- Midland Gate will be coming on board with battery recycling; and
- It is anticipated that the Waste Education Strategy will be submitted to the March/April 2009 Resource Recovery Committee (RRC) meeting.



11.2 WMCRG MEMBERSHIP RENEWALS

The Manager Project Development advised members that their memberships were due for renewal in June 2009

11.3 ORGANIC BIN TRIAL

The Organic Bin trials will start in April 2009 after Easter and consultants have been selected to continue the trial. The Waste Education Co-ordinator has brochures and information drafted ready for printing.

12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 20 April 2009** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2009

Monday	20 April	at	EMRC Administration Office
Monday	11 May (if required)	at	EMRC Administration Office
Monday	15 June	at	EMRC Administration Office
Monday	13 July (if required)	at	EMRC Administration Office
Monday	17 August	at	EMRC Administration Office
Monday	14 September (if required)	at	EMRC Administration Office
Monday	19 October	at	EMRC Administration Office
Monday	23 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

Chairman thanked The Manager Project Development Mr King and Ms Synnott for their presentations and the members for attending.

There being no further business, the Chairman declared the meeting closed at 7:57pm.



9.4 RESOURCE RECOVERY PROMOTIONAL SHOPPING BAGS

REFERENCE: COMMITTEES-9130

PURPOSE OF REPORT

To advise Council of the results of research into types of reusable shopping bags with Resource Recovery branding.

KEY ISSUES AND RECOMMENDATION(S)

- Research has been conducted into four different types of reusable shopping bags to promote the Resource recovery project and the R-Gang brand.
- The reusable carry bag made from 100% PET (post-consumer plastic) is recommended as the promotional carry bag as a balance between cost, environmental implications, promotional appeal and connectedness with the Resource Recovery message.
- The R-Gang branding may not be appropriate for an adult audience, and it may be better to use the 4R's hand logo and/or the EMRC logo.

Recommendation(s)

That:

1. Five thousand PET plastic (100% recycled content) reusable purse bags be purchased at a cost of \$7,950 plus GST for use at regional events to promote the Resource Recovery project; and
2. The reusable shopping bags be branded with the 4R's logo, the EMRC logo and recycled content label.

SOURCE OF REPORT

Waste Education Coordinator

BACKGROUND

At the 3 September 2008 meeting of the Resource Recovery Committee, the feasibility of providing Perth's Eastern Region with reusable shopping bags to promote the Resource Recovery Project and R-Gang branding was discussed (Report Item 9.3). It was resolved that:

"COUNCIL EXPLORE THE IDEA OF HAVING A SMALL QUANTITY OF THE NON-WOVEN POLYURETHANE BAGS BRANDED WITH THE R-GANG BRAND TO BE DISTRIBUTED TO ATTENDEES AT SPECIFIC EVENTS IN THE REGION."

REPORT

At the 10 July 2008 meeting of the RRC, it was suggested that the EMRC purchase 10,000 reusable bags for use in promoting the Resource Recovery Project. Further research has been done into the manufacturing methods of preferred bag types to ensure compliance with environmental standards and verify claimed life and durability of the shopping bags.

In undertaking research into reusable bags, the following points were examined:

- Environmental Implications (manufacturing, durability, recyclability)
- Financial cost
- Promotional appeal of the bag
- Connectedness to Resource Recovery (for example by being made of recycled material)



Item 9.4 continued

Four types of bags were examined as a possible promotional tool for Resource Recovery:

- Non-woven polypropylene bags without recycled content
- Non-woven polypropylene bags with recycled content
- PET Plastic Recycled bags
- Recycled cotton/canvas bags

Other possibilities such as jute, hemp and non-recycled cotton (calico) were considered but discounted because of the considerably higher cost and because these bags do not represent the potential 'recovery' or 'recycled' aspect of the Resource Recovery message.

A summary table of the four types of bags is attached (refer Attachment 1).

Environmental Implications of the Bags

Aside from the non-woven polypropylene bags, which have been the subject of several studies done by governments in Scotland, Seattle and the State of Victoria (Australia) when looking at alternatives to disposable shopping bags or plastic shopping bag levies, there appears to have been very little scientific research carried out on the environmental impact of producing the new PET and recycled cotton/canvas bags. A number of positive claims have been made about each of the bags by suppliers and manufacturers; however, there is little academic evidence as yet to verify them.

All bags supplied from these materials come from China. Only one bag manufacturer contacted out of six had personally visited the factories where their bags were being made to verify manufacturing methods and factory conditions.

At this stage there are no environmental standards in Australia for reusable bags. In addition, while the non-woven polypropylene bags and canvas/cotton bags are potentially "recyclable", in reality there are currently no major collection points or established markets in Australia for either of these bag materials which would make recycling easy for the resident.

The PET bags and cotton/canvas bags are both made from 100% recycled products, in comparison to the 30% recycled content of non-woven polypropylene.

Financial Costs of the Bags

The standard non-woven polypropylene bag (commonly seen in supermarkets and Bunnings) are the cheapest by a significant amount at only 69c each. However, this bag has no recycled content. The cotton canvas bags were by far the most expensive. The costs for 5000 bags are ranked as follows:

Bag type	Cost
Non-woven polypropylene (no recycled content)	\$3650 +GST
Non-woven polypropylene (30%recycled content)	\$6250 + GST
PET plastic (100% post-consumer plastic)	\$7950 +GST
Cotton canvas bags (100% recycled content)	\$11,150 +GST

Promotional Appeal of the Bags

The purpose of purchasing these reusable bags is to promote Resource Recovery. The bag should therefore make an impact on the resident using the bag and in people seeing the bag. An issue which has been raised about non-woven polypropylene bags is that they are now ubiquitous. The Waste Management Community Reference Group expressed concern that an 'ordinary' non-woven polypropylene bag would have limited impact because the bags are already so widely available and therefore are not noticed. Consequently, these reusable bags are often left in cars or at home.



Item 9.4 continued

A possible solution for this would be to provide the polypropylene bags which have 30% recycled content, or the PET bags which are made of 100% recycled content, and which can be folded or zippered up and minimised in size to be put into a handbag or pocket. This is a point of difference from other types of bags in that its size makes it convenient and unusual. The Resource Recovery logo could be reproduced to fit on the front of the bag when it is zippered, so that the user's eye is drawn immediately to the logo when zipping or folding the bag.

The PET bags look similar to the standard non-woven polypropylene bags, but it is claimed by suppliers that they are more durable. They have the advantage of being made of 100% recycled content, and are not significantly greater in cost than the recycled non-woven polypropylene. It would be important to highlight the material content of the bag somewhere on it, as otherwise the bag could look simply like any other reusable carry bag. Having bags made of recycled content is also consistent with the resource recovery message of 'reduce, reuse, recycle, recover' – post-consumer plastic is being recycled.

Canvas bags are attractive in appearance, and are often more likely to be valued both for shopping and for use in leisure activities. The calico also gives it a 'natural' appearance, reinforcing a strong environmental message. Again, it would be important to note that the bag is composed of recycled content to reinforce the Resource Recovery message as well as the logo. The innovation of this recycling process is also a point of difference which might appeal to residents: however, this would depend on the overall design appeal of the bag. The main drawback of this bag is its significant cost.

There are different advantages for each of the four bags. However, as a balance between cost, environmental implications, promotional appeal and connectedness with the Resource Recovery message, the PET 'purse' bag has the most merits. It ranks third in expense (approximately 25c more expensive than recycled non-woven polypropylene per bag), is 100% recycled; extremely durable, can be zippered or folded to make it more compact, and there are a range of options in its design.

The other three bags have the following disadvantages:

- Recycled cotton/calico: very expensive (\$2.23 + GST per bag)
- Non-woven polypropylene (standard): no recycled content
- Non-woven polypropylene (30% recycled content): less recycled content than PET or canvas, and not significantly cheaper than PET

STRATEGIC/POLICY IMPLICATIONS

The strategic/policy implications of regional waste education initiatives are encapsulated in the Key Result Area 1 of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

To provide resource recovery and recycling solutions in partnership with member Councils

FINANCIAL IMPLICATIONS

The cost of the recommended reusable bags is estimated at \$7,950 plus GST which is provided for in the Resource Recovery Budget budget at Market Resource Recovery Education Program (72882/02): \$27,500.

SUSTAINABILITY IMPLICATIONS

A well coordinated waste education program with the EMRC, the member Councils and the WMCRG working together to achieve similar outcomes will be more sustainable over the long term.



Item 9.4 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Reusable Bags Comparison Chart ([Ref: Committees-9148](#))

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

1. Five thousand PET plastic (100% recycled content) reusable purse bags be purchased at a cost of \$7,950 plus GST for use at regional events to promote the Resource Recovery project; and
2. The reusable shopping bags be branded with the 4R's logo, the EMRC logo and recycled content label.

Discussion ensued

The Chairman noted this matter had been raised by Cr Godfrey in 2008 and had now been fully explored.

The Manager Project Development invited the Waste Education Coordinator to speak to the report.

Cr Färdig returned to the meeting at 6.04pm.

The Waste Education Coordinator advised that this idea was suggested last year to promote the R-Gang brand. Research was undertaken on environmental implications, financial costs, promotional appeal and connectedness to the R-Gang brand. With all factors considered, the PET was the best option and recommended we order 5000 as a first step to trial.

Cr Klein queried if the strength of the preferred bag had been tested. The Waste Education Officer noted that the strength had not been tested but the bags had been reported to last approximately five years based on shopping three times per week.

Samples of the bags were distributed for members to examine.

The Chairman queried the preferred bags resistance to water. The Waste Education Officer noted that they may lose strength in contact with water.

Cr Klein queried the proposed use and distribution of the bags. The Manager Project Development noted the intention would be to use them for promotional events such as the Red Hill Open Day and where the EMRC Recycling Trailer was used.



Item 9.4 continued

RRC RESOLUTION(S)

MOVED CR ZANNINO

SECONDED CR KLEIN

That:

1. Five thousand PET plastic (100% recycled content) reusable purse bags be purchased at a cost of \$7,950 plus GST for use at regional events to promote the Resource Recovery project; and
2. The reusable shopping bags be branded with the 4R's logo, the EMRC logo and recycled content label.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION

MOVED CR ZANNINO

SECONDED CR PULE

THAT:

1. FIVE THOUSAND PET PLASTIC (100% RECYCLED CONTENT) REUSABLE PURSE BAGS BE PURCHASED AT A COST OF \$7,950 PLUS GST FOR USE AT REGIONAL EVENTS TO PROMOTE THE RESOURCE RECOVERY PROJECT; AND
2. THE REUSABLE SHOPPING BAGS BE BRANDED WITH THE 4R'S LOGO, THE EMRC LOGO AND RECYCLED CONTENT LABEL.

CARRIED UNANIMOUSLY

REUSABLE CARRY BAGS COMPARISON

Bag Type	Composition	From renewable or non-renewable resources	Durability (expected trips)	Transport to Australia (km)	End of Life: recyclability	Cost		
Non-woven Polypropylene (non-recycled)	PP; nylon/cotton stitching, some with plastic or board base	Non-renewable	2 yrs in 3 x weekly use	Generally manufactured in China (approx. 7000km)	Recycling structures not in place Few currently recycled; goes to landfill; degrades into plastic particles (99.5%; 0.5% to litter)	Plain 30cm x35cm x 15cm	73c +GST (1 colour 2 sides)	5000: \$3650 +GST 10,000: \$7300 +GST
						Button purse:	69c+GST (1 colour at 1 side)	5000: \$3450 +GST 10,000: \$6900 +GST
Non-woven polypropylene recycled	PP; Can be up to 40% post-consumer recycled plastic; nylon/cotton stitching, some with plastic or board base	Non-renewable	2 yrs in 3 x weekly use		Recycling structures not in place; few currently recycled; goes to landfill	Fold-up bag 30% recycled content	\$1.25 per bag (1 colour 1 side) 6c a bag extra for each extra colour	5000: \$6250 + GST 10,000: \$12,500 +GST
Recycled PET Plastic	PET Plastic	Non-renewable	3-4 yrs in 3 x weekly use		Not recyclable	Fold-up bag 100% non-woven recycled PET	\$1.59 +GST (one colour, print) 6c a bag extra for each extra colour	5000: \$7950 +GST 10,000: \$15,900 +GST
Recycled cloth/canvas	Recycled cotton textiles	Renewable	5 yrs in 3 x weekly use		Recycling structures not in place	100% recycled 10oz cotton or canvas (available in white or natural colour only)	\$2.23 + GST (one colour print)	5000: \$11,150 +GST 10,000: \$22,300 +GST



10 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

11 GENERAL BUSINESS

Cr Sadler noted he has spoken to a seniors group recently where the EMRC had given a presentation. Cr Sadler noted that the group were impressed with the presentation and grateful to EMRC for attending.

The Manager Project Development noted that the presentation would have been given by Ms Gabrielle Grime, Waste Education Coordinator and/or Ms Tania Wells, Waste Education Officer.

12 FUTURE MEETINGS OF THE RESOURCE RECOVERY COMMITTEE

The next meeting of the Resource Recovery Committee will be held on **Thursday, 7 May 2009 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 5.00pm.

Future Meetings 2009

Thursday	7 May (if required)	at	EMRC Administration Office
Thursday	11 June	at	EMRC Administration Office
Thursday	9 July (if required)	at	EMRC Administration Office
Thursday	13 August	at	EMRC Administration Office
Thursday	10 September (if required)	at	EMRC Administration Office
Thursday	15 October	at	EMRC Administration Office
Thursday	19 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman closed the meeting at 6.15pm.



**15.6 AUDIT COMMITTEE MEETING HELD 16 APRIL 2009
(REFER TO MINUTES OF COMMITTEE - PINK PAGES)
REFERENCE: COMMITTEES-9114**

The minutes of the Audit Committee meeting held on **16 April 2009** accompany and form part of this agenda – (refer to pink section of 'Minutes of Committees' for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the report of the Audit Committee.

RECOMMENDATION(S)

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Audit Committee report (Section 15.6) be adopted.

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE SECONDED CR KLEIN

THAT THE RECOMMENDATIONS IN THE AUDIT COMMITTEE REPORT (SECTION 15.6) BE ADOPTED.

CARRIED UNANIMOUSLY

AUDIT COMMITTEE**MINUTES****16 April 2009****(REF: COMMITTEES-9114)**

A meeting of the Audit Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 16 April 2009**. The meeting commenced at **6.36pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 6.36pm and welcomed Ms Smith and Mr Jackson from Stantons International to the meeting.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Councillor Attendance

Cr David Färdig	EMRC Member	City of Swan
Cr Tina Klein	EMRC Member	Town of Bassendean
Cr Lou Magro	EMRC Member	City of Bayswater
Cr Janet Powell	EMRC Member	City of Belmont
Cr David Lavell	EMRC Member	Shire of Mundaring
Mr Gavin Watters	EMRC Member	EMRC

Apologies

Cr Don McKechnie	EMRC Member	Shire of Kalamunda
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EMRC Officers

Mr Peter Schneider	Acting Chief Executive Officer Executive
Mr David Ameduri	Manager, Financial Services
Ms Mary-Ann Winnett	Personal Assistant to Executive Manager, Corporate Services (Minutes)

Visitors

Ms Susan Smith	} (to 6.40pm)	Stantons International
Mr Troy Jackson		

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil

5 APPLICATION FOR LEAVE OF ABSENCE

5.1 CR LOU MAGRO – LEAVE OF ABSENCE

Cr Magro advised that he would be away from 22 April to 13 May 2009 inclusive.

6 PRESENTATIONS

Nil



7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

7.1 MINUTES OF AUDIT COMMITTEE MEETING HELD ON 10 SEPTEMBER 2008

That the Minutes of the Audit Committee meeting held 10 September 2008, which have been distributed, be confirmed.

AUDIT COMMITTEE RESOLUTION(S)

MOVED CR MAGRO

SECONDED CR LAVELL

THAT THE MINUTES OF THE AUDIT COMMITTEE HELD ON 10 SEPTEMBER 2008, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

8 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

9 QUESTIONS WITHOUT NOTICE

Nil

10 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

11 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



12 REPORTS OF OFFICERS/AUDITORS

12.1 INTERNAL AUDIT PROGRAMME 2008/2009

REFERENCE: COMMITTEES-9143

PURPOSE OF REPORT

The purpose of this report is to present the Audit Committee (AC) with the internal audit reports following completion of the 2008/2009 internal audit programme.

KEY ISSUES AND RECOMMENDATION(S)

- At the April 2007 round of meetings, Council endorsed a four year internal audit programme consisting of 16 auditable areas.
- The second year of the internal audit programme was conducted between November 2008 and March 2009 and consisted of four auditable areas as follows: 1) accounts payable 2) grants management 3) governance and 4) HR management.
- The internal audit reports for each of the above areas are attached and have been assessed with ratings ranging from satisfactory to very good with no major issues identified.

Recommendation(s)

That:

1. The internal audit reports forming attachments one to four of this report be noted.
2. The Investment Policy internal audit be brought forward from year four of the internal audit programme to year three.
3. The Budgeting – Capital internal audit be put back from year three of the internal audit programme to year four.

SOURCE OF REPORT

Acting Chief Executive Officer

BACKGROUND

At the Audit Committee (AC) meeting held on 12 April 2007, the committee endorsed a four year audit programme, which was subsequently adopted by Council at its meeting of 26 April 2007.

The four year programme consists of:-

Auditable Area	Year			
	1	2	3	4
Accounts Payable		✓		
Accounts Receivable			✓	
Budgeting – Capital			✓	
Contract Management	✓			
Grant Management (Grants Received)		✓		
Governance		✓		
Human Resource Management		✓		
Information Systems – General Controls	✓			
Investment Policies				✓



Item 12.1 continued

Payroll	✓			
Policy Development				✓
Procurement	✓			
Records Management/FOI				✓
Risk Management			✓	
Taxation – GST, FBT, PAYG				✓
Waste Management			✓	

REPORT

The second year of the internal audit programme was conducted between November 2008 and March 2009 for the following audit areas:

1. Accounts Payable
2. Grants Management
3. Governance
4. Human Resource (HR) Management

Whilst the overall assessments of the quality of management controls range from satisfactory to very good, with no major issues identified, each of the internal audits has been beneficial in assisting management to continuously improve its systems of internal control.

The report for each of the auditable areas assessed as part of the 2008/2009 internal audit programme are attached for reference (attachments 1-4).

The areas to be covered in the third year of the internal audit programme in 2009/2010 are as outlined in the background section of this report. Given the prominence of the current world credit situation and the fact the investment policy is presently under review, it is suggested that there would be merit in bringing forward the audit of the investment policy from year four to year three and that it be substituted with the Budgeting - Capital audit, which could be moved back to year four.

Arrangements have been made for a representative of the EMRC's internal auditors, Stantons International, to be in attendance at the meeting to give an overview of their findings and address any queries the AC may have.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

The annual budget provides for the internal audit function.

SUSTAINABILITY IMPLICATIONS

The internal audit function assists in ensuring the EMRC remains economically sustainable.



Item 12.1 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Internal Audit Report – Accounts Payable ([Ref: Committees-9144](#))
2. Internal Audit Report – Grants Management (Ref: Committees-9145)
3. Internal Audit Report – Governance (Ref: Committees-9146)
4. Internal Audit Report – HR Management (Ref: Committees-9147)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

1. The internal audit reports forming attachments one to four of this report be noted.
2. The Investment Policy internal audit be brought forward from year four of the internal audit programme to year three.
3. The Budgeting – Capital internal audit be put back from year three of the internal audit programme to year four.

Discussion ensued

The Acting CEO noted that this was the second year of the internal audit programme and invited the auditors, Ms Smith and Mr Jackson, to comment.

Mr Jackson advised that the standard was a lot higher this year and the issues noted were already in the process of being rectified by EMRC officers and there were no findings of any significance.

Ms Smith referred to the governance issues raised in their report and advised the issues noted were raised for consideration by councillors and officers.

Ms Smith and Mr Jackson left the meeting at 6.40pm.

Cr Lavell referred to pages 8 and 9 of the agenda and noted that there were minor issues with regards to the level of supporting documentation being maintained for the payment of invoices. The Acting CEO referred members to the fourth paragraph from the bottom of the page, where it was explained that this issue had been raised during the Procurement audit in March 2008, and advised that the issue was currently being addressed.



Item 12.1 continued

Cr Klein noted the reference on page 10 of the agenda, the minor issue in regards to 'late purchase orders'. The Acting CEO advised that this issue had been raised previously by external auditors. As the issue was currently being addressed, the internal auditors had considered it a minor issue for this audit. The Acting CEO further advised that the Manager, Financial Services, compiles a report every month to identify any issues but late purchase orders cannot be eliminated entirely.

Cr Klein referred to pages 30 and 31 of the agenda, the Equal Employment Opportunity (EEO) Manual/Guideline and asked if it was still planned for development during 2009. The Acting CEO advised that development of the EEO manual had been delayed due to a high staff turnover and subsequent recruiting requirements but this had now slowed providing HR officers more time to address the issue.

AUDIT COMMITTEE RECOMMENDATION(S)

MOVED CR KLEIN

SECONDED CR POWELL

That:

1. The internal audit reports forming attachments one to four of this report be noted.
2. The Investment Policy internal audit be brought forward from year four of the internal audit programme to year three.
3. The Budgeting – Capital internal audit be put back from year three of the internal audit programme to year four.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR KLEIN

THAT:

1. THE INTERNAL AUDIT REPORTS FORMING ATTACHMENTS ONE TO FOUR OF THIS REPORT BE NOTED.
2. THE INVESTMENT POLICY INTERNAL AUDIT BE BROUGHT FORWARD FROM YEAR FOUR OF THE INTERNAL AUDIT PROGRAMME TO YEAR THREE.
3. THE BUDGETING – CAPITAL INTERNAL AUDIT BE PUT BACK FROM YEAR THREE OF THE INTERNAL AUDIT PROGRAMME TO YEAR FOUR.

CARRIED UNANIMOUSLY

Stantons International

ABN 41 103 088 697

**Eastern Metropolitan
Regional Council**

Accounts Payable

December 2008

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Member of Russell Bedford International

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Inherent Limitations

Because of the inherent limitations of any internal control structure it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An Audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed are on a sample basis.

Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

1.0 MANAGEMENT SUMMARY

1.1 OVERVIEW

Audit Scope:

- The scope of this review focused on the reliability and integrity of information, compliance and safeguarding of assets in relation to the accounts payable processes.

Audit Objectives

Reliability and Integrity of Information

- Determine whether payments are accurate, complete, made in a timely manner and have adequate supporting documentation.
- Determine whether adequate controls exist to provide reasonable assurance that payments are made to approved creditors.
- Determine whether controls over record keeping provide reasonable assurance that accounts are posted to the correct account in a timely manner.

Compliance

- Identify whether payments are made in accordance with approved policy.

Safeguarding of Assets

- Determine whether there are adequate procedures in place to mitigate the risk of fraudulent payments.

Quality of Management Control:

- Excellent
- Very Good
- Satisfactory
- Needs Improvement
- Unsatisfactory

Overall Risk Exposure (considering controls in place)

- Low
- Medium
- High

Key Comments:

Minor issues were noted with regards to the level of supporting documentation being maintained for the payment of invoices and the use of Corporate Credit Cards.

Trends in Quality of Management Controls

- N/A
- Better
- Unchanged
- Worse

Key Factors

- This is the first review of Accounts Payable conducted by Stantons International.

1.2 SUMMARY OF OBSERVATIONS

This review focused on the internal controls the Council maintains with respect to accounts payable. It involved discussions with EMRC management and staff, reviewing applicable policies and procedures and examining documentary evidence, such as invoices, supporting documentation, credit card statements and financial systems. Our observations for each of the audit objectives are summarised below.

Determine whether payments are accurate, complete, made in a timely manner and have adequate supporting documentation

Our review identified that payments are generally accurate, complete and made in a timely manner.

The review included testing of a sample of 67 invoices totalling \$4,904,546.56 from the 2007/08 financial year to determine whether:

- (1) payment details adequately described the goods/services;
- (2) payments were made on original invoices addressed to EMRC;
- (3) GST was correctly accounted for / ABN supplied on invoices;
- (4) adequate supporting documentation was attached to the invoices;
- (5) the amount paid was correct and duly authorised; and
- (6) payments were made within specified trading terms.

With regards to invoices being paid in a timely manner 11 out of the 67 sampled invoices (16%) were paid outside of the specified trading terms of the suppliers. The trading terms varied between 7 days and 30 days. 27 of the 67 sampled invoices (39%) had no trading terms specified on the invoices, however, these were all paid within 30 days of receipt of the invoice. Where these payments were made after the trading terms specified there were no significant delays identified. Whilst the Council should endeavour to meet the agreed trading terms the minimal delays noted are considered acceptable.

Several issues were noted with regards to supporting documentation. 26 out of the 67 sampled invoices (39%) did not have adequate supporting documentation such as quotations, contract references or purchase orders. The issue of maintaining adequate supporting documentation was raised during the Procurement audit in March 2008 as this review covered the same financial period. This issue was expected and we were advised that the Council has subsequently taken action to improve this situation for the current and future financial years.

Sufficient supporting documentation is necessary for accountability, transparency and to maximise the efficiency of the accounts payable process as finance staff do not need to make further enquiries for payment details and/or purchase order/contract information relating to invoices received.

Determine whether adequate controls exist to provide reasonable assurance that payments are made to approved creditors

This part of the review primarily focussed on system controls within SynergySoft, the Council's financial management system, as well as reviewing existing process controls with workflow systems.

The controls within SynergySoft are deemed satisfactory for ensuring that payments are made to approved creditors. There are controls in place with respect to financial delegations to incur and receipt expenditure based on the organisational chart which is updated weekly

by the Procurement Officer. This ensures that only authorised officers approve and receipt expenditure for the procurement of goods/services. Controls are also in place within SynergySoft to ensure duplicate invoices cannot be processed.

Testing was also undertaken on the workflow controls used by Council staff to ensure payments are made to the correct creditor. The controls in place are deemed appropriate.

One minor issue was noted in regards to 'late purchase orders'. In discussions with management the issue of late orders was noted whereby purchase orders are raised after an invoice has been receipted. A report is compiled every month by the Manager, Financial Services and is provided to the Executive Managers for review and actioning. The sample report reviewed for 1 August 2008 – 30 September 2008 showed that 28% of the total orders for that period were raised as 'late orders'. The Manager, Financial Services advised the number of 'late orders' has reduced over the last 12-18 months and further proactive measures were being taken to ensure that the number of 'late orders' is reduced even further in future.

Determine whether controls over record keeping provide reasonable assurance that accounts are posted to the correct account in a timely manner

The Finance area maintains a number of controls to ensure that accounts are posted to the correct account. These controls include the requirement for the account code to be completed when raising an order, placing the account code in SynergySoft once the order has been authorised, checking account codes upon receipt of invoices and verification of account codes by both the Senior Accounts Officer and the Manager, Financial Services before payments are authorised.

The controls in place with regards to record keeping are considered satisfactory and provide reasonable assurance that accounts are posted to the correct accounts at the time of payment.

With regards to general record keeping for financial information there are practices in place to ensure records are maintained in an orderly manner facilitating easy access to records if and when required. Archiving procedures are in place to ensure only current records (past 12 – 18 months) are on hand, while the remainder of the records are kept in secure storage areas onsite.

Identify whether payments are made in accordance with approved policy

This review has focused on compliance with the Council's internal policies, the requirements of the Local Government (Financial Management) Regulations and relevant taxation legislation.

Regulation 11 of the Local Government (Financial Management) Regulations stipulates the requirements for the payment of accounts. This Regulation includes the requirement for the Council to develop procedures for the approval, authorisation and the payment of accounts.

The Council maintains a strong documentation base to meet the requirements of the Local Government (Financial Management) Regulations, including several Management Guidelines. The Management Guidelines stipulate the expenditure limits of the Council employees, both with raising orders (incurring debt) and with the use of Corporate Credit Cards. Supporting the Management Guidelines are a number of flowcharts or 'business process maps', which detail the processes followed by Council staff in the raising of purchase orders and the payment of accounts.

There were no issues noted with regards to the Council's compliance with any internal policy or legislative requirements.

Determine whether there are adequate procedures in place to mitigate the risk of fraudulent payments

The review focused on controls and procedures in place for the three main payment methods, being SynergySoft (EFT and cheque payments), Corporate Credit Cards and petty cash. As mentioned above, the controls used within the SynergySoft system are considered adequate and ensure that only authorised officers can approve orders and subsequent payments.

Our review identified there are sufficient controls in place for the use of Corporate Credit Cards (CCC). CCC have been issued to seven officers within the Council with limits ranging from \$2,000 to \$13,000 depending on the position of the officer. Each CCC holder has signed the EMRC Corporate Credit Card Cardholder's Agreement, which clearly states the responsibilities of each cardholder and what action will be taken if the cards are used for fraudulent purposes. Additionally, the Council maintains a monthly reconciliation of CCC expenditure and generally ensures each officer has the required level of supporting documentation to support the expenditure. Of the sample reconciliation reviewed for March 2008 minor issues were noted with some supporting documentation missing for one of the cardholders accounts.

While no evidence of fraud or misuse was found with respect to the use of CCC, one instance of non-compliance with the requirements of CCC internal procedures as stipulated in the Management Guidelines – Corporate Credit Card Guidelines was noted. The Guideline states:

'Credit card statements submitted without supporting documentation will be returned to the card holder to provide either the missing documentation, to obtain a copy from the supplier or to provide a written explanation where these options are not possible'.

Of the sample reviewed, where supporting documentation was missing the cardholder was not requested to provide a written explanation as to why the receipts were not provided. The Council should ensure they follow and enforce the requirements of this Management Guideline to ensure any fraudulent activity is detected and handled immediately.

The petty cash system is well maintained as reported in previous audits with the controls in place adequate for the organisation.

Conclusion

Based on our observations and testing we consider that the internal controls for accounts payable are of a good standard with continual improvements being made and planned for the future.

In addition, we consider the Council maintains sufficient procedures to mitigate the risk of fraudulent payments.

Stantons International

ABN 41 103 088 697

**EASTERN METROPOLITAN
REGIONAL COUNCIL**

Grants Management

March 2009

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An Audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed are on a sample basis.

Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

1.0 MANAGEMENT SUMMARY

1.1 OVERVIEW

Audit Scope: The scope of this review focused on the reliability and integrity of information and compliance in relation to the grants management processes.

Audit Objectives

Reliability and Integrity of Information

- Determine whether reports are produced to enable timely review of grant expenditure.

Compliance

- Determine whether acquittals are conducted in accordance with grant terms and conditions.
- Identify whether expenditure is in accordance with the grant approval.
- Determine whether grant expenditure is approved in accordance with delegated authority.

Quality of Management Control:	<input type="checkbox"/>	Excellent	Overall Risk Exposure (considering controls in place)	Low	<input checked="" type="checkbox"/>
	<input type="checkbox"/>	Very Good		Medium	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	Satisfactory		High	<input type="checkbox"/>
	<input type="checkbox"/>	Needs Improvement			
	<input type="checkbox"/>	Unsatisfactory			

Key Comments: New processes are still being implemented and refined

Trends in Quality of Management Controls N/A Better Unchanged Worse

Key Factors

- This is the first review of Grant Management conducted by Stantons International.

1.2 SUMMARY OF OBSERVATIONS

This review involved discussions with staff, reviewing applicable policies and procedures and examining documentary evidence, such as grant agreements and financial / acquittal records. Our observations for each of the audit objectives are summarised below.

Grant expenditure for the 2007/08 financial year totalled \$324,115, which consisted of 5 grants. This amount represented a total of 1.5% of total expenditure by the Council for the 2007/08 year (\$22,026,536).

Determine whether reports are produced to enable timely review of grant expenditure

There is no formal procedure requiring staff managing grants to produce financial reports on grant expenditure, however, the review showed that most project officers did maintain adequate financial records as part of their project management methodology and these records are easily accessible to management for review.

We were advised that there are two main ways management obtains expenditure information relating to grants; request a financial report from the staff member managing the grant or access the financial system (SynergySoft) directly for the information. It was believed, by the Manager Organisational Development, that most of the management representatives do query SynergySoft regularly for information pertaining to grant expenditure.

It was also noted that management and Council members receive monthly Income and Expenditure Statements that provide information relating to grant income and expenditure (operating grants). While this report provides a high level overview of the total of all grants received and expended by the organisation, reports can be provided by the Manager Finance, upon request, down to an individual grant agreement showing all income and expenditure.

Determine whether acquittals are conducted in accordance with grant terms and conditions

Two completed acquittals totalling \$473,571 were reviewed (covering the 2006/07 and 2007/08 financial years) and it can be stated that they have been conducted in accordance with the terms and conditions of the relevant grant.

The acquittal information reviewed during audit was of a high standard which provides a detailed account of the grant expenditure and demonstrates good record keeping practices.

Identify whether expenditure is in accordance with the grant approval

Of the grant agreements reviewed it can be stated that expenditure was in accordance with the original grant approval.

In one instance, where grant expenditure deviated from the original agreement, evidence was provided to demonstrate that approval from the relevant Funder was sought for the deviation and this was completed prior to the actual expenditure.

Determine whether grant expenditure is approved in accordance with delegated authority

From evidence reviewed within the completed grant acquittals, expenditure was appropriately approved in accordance with the Council's Management Guidelines.

In addition, evidence of delegated authority was also provided for Requests for Quotations and Purchase Orders relating to grant expenditure.

Conclusion

Based on our observations and testing we consider that internal controls for grant management are adequate and are being continually improved.

Stantons International

ABN 41 103 088 697

Eastern Metropolitan Regional Council

Governance

September 2008

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Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

1.0 MANAGEMENT SUMMARY

1.1 OVERVIEW

Audit Scope:

- The scope of this review focused on the reliability and integrity of information, compliance, efficiency and effectiveness and achievement of objectives in relation to the governance processes.

Audit Objectives

Reliability and Integrity of Information

- Determine whether the Council receives relevant, timely, accurate and concise information.

Compliance

- Identify processes in place to monitor organisational compliance with applicable legislation.

Efficiency / Effectiveness

- Determine how the Council ensures it has access to required levels of skills and expertise.

Achievement of Objectives

- Determine how the Council assesses its own performance.
- Determine how the Council assesses the performance of the organisation.
- Determine how the Council establishes and monitors organisation direction.

Quality of Management Control:

- | | |
|-------------------------------------|-------------------|
| <input type="checkbox"/> | Excellent |
| <input checked="" type="checkbox"/> | Very Good |
| <input type="checkbox"/> | Satisfactory |
| <input type="checkbox"/> | Needs Improvement |
| <input type="checkbox"/> | Unsatisfactory |

Overall Risk Exposure (considering controls in place)

- | | |
|--------|-------------------------------------|
| Low | <input checked="" type="checkbox"/> |
| Medium | <input type="checkbox"/> |
| High | <input type="checkbox"/> |

Key Comments:

Some differences of opinion noted in regards to whether Councillors should have their performance monitored at the Regional Council level. A minor issue was raised about the inefficiency of distributing materials to Councillors; however, this was outside the scope of audit.

Trends in Quality of Management Controls

- N/A Better Unchanged Worse

Key Factors

- This is the first review of Governance conducted by Stantons International.

1.2 SUMMARY OF OBSERVATIONS

Governance is the process by which decisions are made and implemented; the process by which organisations go about achieving their goals and producing their outputs and the process by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership, values and culture within the organisation

When organisations practise good governance, their stakeholders are more connected and engaged, better services are provided, and more effective use is made of resources. In meeting the highest standards of public accountability, good governance produces better outcomes.

This review focused on the internal controls the Council maintains with respect to governance. It involved discussions with EMRC management and staff, including interviews with the Chairman and two Councillors, reviewing applicable policies and procedures and examining documentary evidence, such as meeting agendas and minutes, websites and planning documentation. Our observations for each of the audit objectives are summarised below.

Determine whether the Council receives relevant, timely, accurate and concise information

Based on the information sighted during audit and through interviews with internal staff and Councillors it can be said that all information provided to the Council is timely, relevant, accurate and concise.

Interviews with three selected Councillors, including the Chairman, identified that there is consensus about the high standard of information being provided to the Councillors for both ordinary Council meetings and Committee meetings. This includes the information supplied being accurate, timely and relevant. Two of the three interviewees stated that the information being provided is written at the right level (while sometimes in technical jargon), while one interviewee would like to see the information written at a deeper level (this was stated as a personal preference only).

Additionally, all interviewees were very pleased with the accessibility to staff who are responsible for writing reports for the various meetings and committees. It was stated that the response to queries for additional information / clarification are always dealt with in a timely manner.

One criticism was raised during an interview in regards to the efficiency of distributing information to Councillors by way of couriers. While this does not relate to the Governance objectives, we have passed on the comments to management for their consideration.

Identify processes in place to monitor organisational compliance with applicable legislation

A number of key pieces of legislation are applicable to the Council, including the Local Government Act 1995, Local Government Regulations and Public Interest Disclosure Act 2003.

The Council is mandated under the Local Government Act 1995 and Local Government (Audit) Regulation 14 to undertake an annual Compliance Audit Return which is required to

be submitted to the Department of Local Government and Regional Development. A selected review of the 2007 Compliance Audit Return confirmed that the Council maintains a high level of compliance in relation to the 11 auditable areas.

Internally, the Council maintains a strong documentation base to assist in the management of compliance with the applicable legislation. This includes the Standing Orders (1998), Code of Conduct (2007), Management Guidelines and various policies. All of these documents highlight the various legislative requirements that are applicable to ensure readers are fully aware of their obligations and how they link back to the applicable legislation.

All registers, as required by legislation, are maintained and kept in good order.

Determine how the Council ensures it has access to required levels of skills and expertise

There is no overall Human Resource strategy in place due to the relatively small size of the organisation, however, the audit identified evidence that the Council uses a structured approach to recruitment, succession plans (where practical) and strategic use of contracted resources, to ensure it maintains a high quality workforce.

The Council employs various strategies to ensure it has access to the required levels of skills and expertise to effectively run the organisation. This ranges from general recruitment to advertised positions, contracting resources for specialist areas and using services from partners / stakeholders. In discussions with management it was noted that there is not a great need to contract specialist services and any specific services required, such as public relations, are contracted through a structured tender and/or quotation process.

Determine how the Council assesses its own performance

No systems exist at present to assess the effectiveness of the Council's own performance. This was explained by management as being partly due to the fact that each Councillor is elected and monitored from their respective Council. However, each Councillor has a performance plan for their participation at the Regional Council level. It was also noted that due to the unique nature of the Council's structure it was difficult to assess this area.

It was noted at interview with the Councillors that there is a divided opinion as to whether some form of performance monitoring should be introduced. The opinions ranged from not introducing a system at all and leaving the status quo 'as is' to introducing a self-assessment methodology so Councillors can report to the CEO or Executive Manager, Corporate Services on how they rate their own performance. In our experience, most self assessments are conducted by outside specialists in this area with the report going to the Board and not to Council staff. It is recommended that the Council undertakes further discussions in relation to this point to ensure a resolution is reached.

While performance monitoring is typically a requirement to ensure good governance, how the Council assesses its own performance is only one part of it. Discussions with management identified that while there is no formal system in place, a variety of measures are employed. These measures include reporting of meeting attendance in the Annual Report, informal monitoring and member council monitoring. Considering that election of Councillors is the responsibility of member councils, these measures are considered adequate.

Determine how the Council assesses the performance of the organisation

Annual reviews and Personal Commitment Plans are undertaken with all permanent staff to ensure the positions are accurately described and are in-line with the organisation's strategic focus and business plans. This includes an annual review of the CEO's performance through the CEO Performance Review Committee. An examination into the CEO performance review process identified that a rigorous, independent and well planned framework is in place.

The Council has a strategy for communicating its structures and processes. It demonstrates the scope and standards to be achieved, and links to its over-arching marketing and communications strategy. The approach covers structures and processes for the public and provides more detail for Councillors and staff.

The Council has defined the nature and frequency of financial reporting to Councillors. The Council has arrangements for reporting regularly throughout the year (at each Council meeting), covering all the council's activities including capital and cash.

The Council has identified processes for identifying and controlling risk, and monitoring residual risk. It involves Councillors and relevant staff in these processes; and uses them to inform budget setting and business planning. A risk register is maintained and is updated periodically. The Council reviews risk and the risk register by involving Councillors, Executive Team members and relevant staff. Monitoring of risk is timely and proportionate across the organisation, leading to demonstrably improved governance outcomes.

The Council has a strategic approach to its principles and aspirations for its own culture and values, and has communicated this approach to staff and stakeholders. The approach covers Councillors and staff, work between Councillors and staff, and between the Council and its stakeholders. The Code of Conduct also covers the full range of legal requirements applicable to Councillors.

Determine how the Council establishes and monitors organisation direction

The Council has a consistent approach and timetable for its planning and review processes. High-level strategies, which are the Strategic Plans, business plans and planning processes, are kept under constant review. There are triggers in place to ensure that plans are reviewed when policies or strategies are changed and in accordance with the applicable legislative requirements.

The Council uses the Strategic Planning Framework, as documented in their Strategic Plan for the Future 2008/09 to 2013/14, to monitor and report on progress for the Key Result Areas. It was noted during the audit that work is being developed at present to assist the Council in improving its reporting framework within the next 12 months, e.g. use of KPI's to monitor internal performance.

Interplan, a system used by the Council, assists with the development of Business Plans, which must all link back to the objectives stated in the Strategic Plan. This system provides monitoring and performance reporting (using a traffic light system) against each objective or project on a four monthly basis, however, reports can be provided when required.

The Council requires that all procedures and policies developed relate back to the Strategic Plan and/or Business Plans to ensure operational practices are aligned with the achievement of the objectives

The Council monitors and regularly reviews its progress in monitoring quality, reviewing services, the quality of its reviews and progress in implementing planned improvements, leading to demonstrably improved service and/or governance outcomes. This is partly achieved through the use of a biennial Stakeholder Perception Survey that is undertaken with member Councils, agencies and other stakeholders who receive services from the Council.

Conclusion

Based on our observations and testing we consider that internal controls for governance are of a high standard with continual improvements being made and planned for the future.

Stantons International

ABN 41 103 088 697

Eastern Metropolitan Regional Council

Human Resource Management

March 2009

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Inherent Limitations

Because of the inherent limitations of any internal control structure it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An Audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed are on a sample basis.

Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

1.0 MANAGEMENT SUMMARY

1.1 OVERVIEW

Audit Scope:

The scope of this review focused on the compliance of human resource management practices with legislative and policy requirements.

Audit Objectives

Compliance

- Assess whether procedures are in place to provide adequate assurance that personnel processes comply with documented and approved policies and procedures
- Determine whether personnel policies are transparent, impartial and capable of review
- Assess awareness of policies and procedures

Quality of Management Control:

- Excellent
- Very Good
- Satisfactory
- Needs Improvement
- Unsatisfactory

Overall Risk Exposure
(considering controls in place)

- Low
- Medium
- High

Key Comments:

Evidence suggests that improvements have been made to human resource management practices over the last 12-18 months.

Trends in Quality of Management Controls

N/A Better Unchanged Worse

Key Factors

- This is the first review of Human Resource Management conducted by Stantons International.

1.2 SUMMARY OF OBSERVATIONS

This review focused on the internal controls the Council maintains with respect to human resource management. It involved discussions with staff, reviewing applicable legislation, policies and procedures and examining documentary evidence, such as personnel files and payroll records. Our observations for each of the audit objectives are summarised below.

At the time of audit, the Council had 92 FTE's employed across both the administrative and operational areas.

→ **Assess whether procedures are in place to provide adequate assurance that personnel processes comply with documented and approved policies and procedures**

A review of all HR procedures was undertaken as well as reviewing the Induction and Staff Manuals.

The HR area maintains an extensive list of checklists (22 in total), templates (67), forms (46) and guidelines (11) to ensure all personnel processes comply with legislative and policy requirements. These documents cover all aspects of the HR function, including recruitment, payroll, leave, probation, performance management, training and terminations.

The introduction of these standardised checklists, templates and forms has seen an improvement in the consistent application of recruitment, selection and performance management processes as well as better record keeping practices.

It was noted that there are still several guidelines to be developed including Employee Assistance Programme, Grievance Resolution, Managing Poor Performance and Unacceptable Behaviour, Termination of Employment and Work Experience Placements. It was advised by the Manager Human Resources that these are planned for development in the near future with a target date of 30 September 2009 set for completion.

Additionally, it was noted that an Equal Employment Opportunity Manual/Guideline does not exist at present and is also planned for development during 2009. This is being planned for completion by the end of 2009.

There is an opportunity for improvement with respect to the Staff Manual which needs to be tailored into two distinct versions – one for administrative staff and one for operational based staff (Red Hill, Hazelmere and Transfer Station operations). Although some of the core elements such as EEO are applicable across both areas, two distinct versions would be more user friendly due to the diverse work conditions and requirements between the two areas. The Manager Human Resources advised this has already been discussed with Waste Management Services, with completion due by 30 June 2009. It is our opinion that the development of two separate Staff Manuals would increase the relevance of the manuals to staff.

There were several minor issues noted with regards to leave applications and processing. These issues were being addressed by the Manager Human Resources and the Payroll/Finance Officer. It was noted that discussions were being held with management and staff to reinforce the legal requirement for leave forms to be completed prior (where practical) to any leave being applied for. There are some operational improvements which could be implemented which were discussed with the Payroll/Finance Officer; however, they are dependent on resourcing and the willingness of management to reinforce the applicable policies and procedures for leave applications.

→ **Determine whether personnel policies are transparent, impartial and capable of review**

Policies relating to personnel are only developed and implemented where there is a financial impact to the organisation, such as Additional Payments to Terminating Staff or Fleet Allocation.

A review was undertaken of all personnel policies (six in total) and evidence sighted demonstrates that the policies are reviewed on a two yearly basis and can be considered transparent, impartial and capable of review.

Four of the six policies are required by legislation such as the Local Government Act 1995, Local Government (Administration) Regulations 1996 and the Superannuation Guarantee (Administration) Act 1992. Additionally, some of the policies allow for CEO discretion, while the Additional Payments to Terminating Staff must be referred to the Council members for a decision to be made. Any variances to the policies are duly noted and recorded by the HR Department allowing for a review in future should the need arise.

It is noted that the policy for redundancy payments is yet to be developed. It was advised by the Manager Human Resources that this is planned to be completed by the end of 2009.

→ **Assess awareness of policies and procedures**

A review of the provisions within the Induction and Staff Manuals shows that the basic HR related policies and procedures, e.g. EEO, OH&S, etc, are documented and staff are required to sign an acknowledgement as part of the Staff Manual that they have read, understood and accept the policies and procedures as outlined.

In addition, a number of staff across the organisation were interviewed using a standard set of questions aimed at gauging the level of awareness with respect to applicable HR policies and procedures.

Based on the review of documentation and interviews it can be stated that staff generally have an adequate awareness of relevant HR policies, procedures and practices.

→ **Conclusion**

Based on our observations and testing we consider that internal controls for human resources are adequate. We noted some opportunities for minor improvements that are already being addressed by management.

With the sizeable quantity of work scheduled for completion during the remainder of 2009, the controls around human resources should be strengthened.



12.2 HALF YEAR BUDGET REVIEW 2008/2009

REFERENCE: COMMITTEES-9115

PURPOSE OF REPORT

The purpose of this report is to provide Council, via the Audit Committee, with an overview of the Eastern Metropolitan Regional Council's (EMRC's) 2008/2009 budget review for adoption and subsequent submission to the Department of Local Government and Regional Development.

KEY ISSUES AND RECOMMENDATION(S)

- It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 33A) that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.
- Council receives monthly financial reports inclusive of end of year forecasts. Forecasts have been constantly monitored and reviewed based on current information and circumstances available to provide a more accurate forecast of the year end result.

Recommendation(s)

That the review of the 2008/2009 budget be adopted by an absolute majority and be submitted to the Department of Local Government and Regional Development within 30 days in accordance with the provisions of Local Government (Financial Management) Regulation 33A.

SOURCE OF REPORT

Manager, Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 33A) that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.

Clause 33A also states that within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council who is to consider the review submitted to it and is to determine, by absolute majority, whether or not to adopt the review, any parts of the review or any recommendation made to the review.

The EMRC's budget is presented in a format that separates operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

Submitted to each meeting of Council is a financial report and summaries which provide an overview of year to date budget performance for operating activities and capital works. Variances greater than 10% or a dollar value of \$10,000, which ever is the greater, within each nature and type category on the Income Statement are reported on in the body of the report. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed regularly in order to provide an accurate forecast end of year result.



Item 12.2 continued

REPORT

As outlined within the background of this report it is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 33A) that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.

The EMRC currently undertakes forecast reviews on a quarterly basis and this is incorporated within the financial report submitted to Council at its next ordinary meeting.

Format of Budget Review

The format of the review undertaken is based on a review by officers of all EMRC accounts (operating income, operating expenditure and capital expenditure accounts) within their area of responsibility.

Also undertaken is a review of the tonnages budgeted to be received at the Red Hill Waste Management Facility. Tonnage budgets are reviewed to provide a forecast of volumes expected to be received by 30 June 2009. These forecasts when calculated against the appropriate disposal rates provide financial forecasts relating to the following:

- Base Income (including landfill levy) from Tonnages Analysis;
- Secondary Waste Income;
- Landfill Levy Expenditure;
- Waste Education Charge Income; and
- Cell Depreciation/Usage.

All forecasts, which are an actual review of the budgets set against each account, are then loaded into the financial management system in order to provide a more accurate forecast of the end of year result.

The year to date monthly budget allocations are also reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. Significant effort is undertaken to ensure that the year to date budget allocations best reflect the timing applicable either to expenditure expected to be incurred or income to be received. This process commences immediately following adoption of the budget and is constantly being monitored and reviewed based on current information and circumstances available. This process provides a better comparison between the year to date actual and year to date budget figures.

Adjustments resulting from Budget Review

EMRC Officers undertook the latest review based on the actual financial data provided for the period ended 28 February 2009. The financial report relating to the period ended 28 February 2009 will be submitted to Council at its meeting to be held on 30 April 2009. Variances reported in that report will be based on the budget review as specified within the body of this report. This is undertaken as part of the EMRC's ongoing budget and forecast review process and in accordance with Council's adopted criteria.

In accordance with the process followed in previous years, the original budget is not updated with the revised forecasts. This is due to the current inability of the financial system to retain the "budget spreads" that have been manually adjusted since adoption of the budget, and the fact that the relevant regulations require the end of year results to be compared to the original adopted annual budget, rather than the reviewed budget.

Each nature and type code within the financial system is allocated a default spread depending on the general nature of the expenditure or income. For example, salaries budgets are spread in accordance with the timing of the actual fortnightly payroll, telephone expenses are spread evenly throughout the year to reflect the nature of the billing, insurance premiums are usually allocated to the months of August and October reflecting the periods for when premiums are payable, whilst vehicle registration costs are spread to July and December.



Item 12.2 continued

Whilst it is accepted that many costs are incurred generally within a specific pattern as outlined in the above examples, many are not. These may include costs incurred relating to operating and capital projects, for which the EMRC have many, and depend solely on the timing of when the project is undertaken.

As outlined earlier in the report significant time and effort is allocated throughout the year following adoption of the annual budget to ensure that the year to date monthly budget allocations reflect the actual timing of expenditure to be incurred and income to be received. Should the total original budget be updated to reflect the end of year forecasts as outlined in the financial reports, much of the time and effort allocated to ensuring the correct monthly spread of the budget allocation will be lost, as each nature and type budget allocation will be spread in accordance with the default allocated to it.

This will result in highlighting unnecessary variances, due to the incorrect monthly budget spread, and an inaccurate comparison between the year to date actual and year to date budget figures.

Outlined below is a summary of the forecast changes resulting from the half year budget review:

• Operating Income/Other Revenues (net increase to budget provisions):	(\$379,632)
• Less Operating Expenditure/Other Expenses (net reduction to budget provisions):	(\$334,905)
• Unrealised loss from change in fair value of investments:	<u>\$3,423,633</u>
• Change in net assets from operations (net reduction to operating surplus):	<u>\$2,709,096</u>
• Less Capital Expenditure (net reduction to budget provisions):	<u>(\$6,391,985)</u>
Overall net reduction in expenditure:	(\$3,682,889)

Provided below is a summary of changes to original budget provisions to reflect the forecast budget as at 30 June 2009. Comments are provided for significant variances using Council's adopted criteria of 10% or \$10,000, which ever is the greater, as a guide:

Operating Income/Other Revenues

User Charges

- Current Budget: \$17,370,641 Forecast Budget: \$17,005,251 Variation: (\$365,390)

This variation relates predominantly to the combination of a higher level of Class III tonnages expected to be received by year end and a lower level of Class IV tonnages not expected to be received by year end. It was originally budgeted for approximately 8,000 tonnes of Class IV material to be received. This has subsequently been revised to 2,000 tonnes resulting in a reduction in income of approximately \$529,000.

Special Charges

- Current Budget: \$309,756 Forecast Budget: \$337,920 Variation: \$28,164

Contributions

- Current Budget: \$465,399 Forecast Budget: \$474,317 Variation: \$8,918

Operating Grants

- Current Budget: \$1,155,153 Forecast Budget: \$1,105,774 Variation: (\$49,379)

Interest Municipal Cash & Investments

- Current Budget: \$318,000 Forecast Budget: \$340,000 Variation: \$22,000



Item 12.2 continued

Reimbursements

- Current Budget: \$1,072,569 Forecast Budget: \$1,267,988 Variation: \$195,419

This is predominantly due to the reimbursement of costs relating to the Lawnbrook and Coppin Road transfer stations (approximately \$74,000) as well as the reimbursement of revised forecast costs relating to the Household Hazardous Waste program from Western Australian Local Government Association (approximately \$118,000). The transfer stations operate on a cost plus basis and therefore this amount will be off-set by an amount of increased expenditure associated with these facilities.

Other Income

- Current Budget: \$753,214 Forecast Budget: \$482,000 Variation: (\$271,213)

This is due predominantly to a reduction in income of approximately \$201,000 expected to be generated from the sale of products (Clay, greenwaste and woodwaste products) and well as a reduction in income expected from the sale of products from the Coppin Road and Mathieson Road transfer stations (\$83,000). This variation relates directly to the current downturn in the economic climate. A slow down in product sales by the EMRC's major woodwaste purchaser has resulted in less material being required. Consequently, this now represents a timing variance as the product will be stockpiled for future sales.

Secondary Waste Charge (Other Revenues)

- Current Budget: \$4,430,596 Forecast Budget: \$4,750,780 Variation: \$320,184

Attributable to the reviewed increase in Class III tonnages expected to be received by year end.

Operating Grants (Other Revenues)

- Current Budget: \$0 Forecast Budget: \$65,000 Variation: \$65,000

Attributable to grant funding not previously budgeted expected to be received for the Waste stream audits.

Interest Restricted Cash Investments (Other Revenues)

- Current Budget: \$1,393,100 Forecast Budget: \$1,800,000 Variation: \$406,900

This increase in budget provisions associated with interest earnings on Restricted Cash investments is mainly due to the realised profit totaling approximately \$469,000 on the disposal of three (3) securities. This has been offset by lower interest rates which have had an adverse effect on the level of interest earnings. However, due to the lower level of expenditure funded from reserve funds this has not had a significant impact on the level of interest earnings.

Reimbursements (Other Revenues)

- Current Budget: \$0 Forecast Budget: \$177,800 Variation: \$177,800

This represents reimbursement income totalling \$177,800 that was received from the EMRC's insurance company as a payout for a trommell that was destroyed by fire at the Red Hill Waste disposal site.

Proceeds from Sale of Assets (Other Revenues)

- Current Budget: \$479,735 Forecast Budget: \$320,965 Variation: (\$158,770)

This relates specifically to the timing on the disposal by auction of fleet vehicles due for change over. This variation reflects the later change over of vehicles that have not as yet met the change over conditions. This in effect is a timing variance that will be reflected in the 2009/2010 budget.

This income partially offsets capital expenditure relating to the purchase of a new trommell in the Waste Management - Purchase/Replace plant account.



Item 12.2 continued

Operating Expenditure

Salary Expenses

- Current Budget: \$6,591,898 Forecast Budget: \$6,171,740 Variation: (\$420,158)

Overall salary and associated labour costs to year end have been forecast to be lower than budget provisions by approximately 6.37%.

Contract Expenses

- Current Budget: \$5,748,765 Forecast Budget: \$7,223,784 Variation: \$1,475,019

Significant items relating to this variation include the following:

- Encapsulation of Class IV Material in Concrete was previously planned to be undertaken by the EMRC through procuring materials, plant and labour separately over two years as previously reported to Council. The strategy has been revised to contract out the whole project. Contract expenses have therefore been revised to increase by approximately \$348,000. This is off-set by a reduction in material expenses of approximately \$300,000. As a result of this revised strategy a total saving of approximately \$200,000 is expected over the two year period.
- Contractor expenses relating to the Woodwaste project has been revised to increase by approximately \$387,000. It was originally proposed for a primary grinder to be purchased, however, it has been necessary to engage a contractor as the purchase was put on hold pending the outcome of investigations into purchasing a single machine to do primary and secondary grind.
- The budget provision for plant repairs and maintenance has been revised to increase by \$240,000 to \$300,000. Part of the plant repairs include repairs required for the Waste Compactor - Caterpillar 836H totalling approximately \$94,000.
- Included in the variance is an increase in plant hire expenses, totalling approximately \$254,000, required as a result of the EMRC plant breakdowns and repairs.
- As per Council's resolution from 23 October 2008, expenditure on caprock crushing was brought forward from the 2009/10 financial year. The revised budget forecast of \$660,000 compared to the current budget of \$130,000 is significantly below the \$1.25m previously reported to Council.

Material Expenses

- Current Budget: \$1,124,278 Forecast Budget: \$771,641 Variation: (\$352,637)

As outlined above, this variation relates to the Encapsulation of Class IV Material in Concrete now planned to be undertaken by contractor.

Utility Expenses

- Current Budget: \$104,200 Forecast Budget: \$69,237 Variation: (\$34,963)

Attributable principally to telephone expenses and mobile phone expenses forecast to be lower than current budget provisions by approximately \$29,000.

Fuel Expenses

- Current Budget: \$637,476 Forecast Budget: \$688,966 Variation: \$51,490

This variation is as a result of an increase in the utilisation of plant due to the higher level of Class III tonnages expected to be received at the Red Hill waste disposal site by year end.

Finance Fees and Interest Expenses

- Current Budget: \$10,300 Forecast Budget: \$12,200 Variation: \$1,90



Item 12.2 continued

Insurance Expenses

- Current Budget: \$155,505 Forecast Budget: \$154,547 Variation: (\$958)

Depreciation Expenses

- Current Budget: \$2,138,417 Forecast Budget: \$1,722,339 Variation: (\$416,078)

Depreciation expenses have been revised to be lower than current budget provisions as at year end by \$416,078. Due to the extra construction work undertaken, it has been possible to combine the Class III Stage 11 and 12 cells to create additional airspace. As a result, the costs of that construction work have now been amortized over the life of that airspace to match the actual rate of consumption.

Miscellaneous Expenses

- Current Budget: \$3,389,585 Forecast Budget: \$3,244,770 Variation: (\$144,815)

Provision Expenses

- Current Budget: \$134,474 Forecast Budget: \$134,743 Variation: \$269

Costs Allocated

- Current Budget: (\$62,739) Forecast Budget: (\$58,278) Variation: \$4,461

Salary Expenses (Other Expenses)

- Current Budget: \$277,534 Forecast Budget: \$155,640 Variation: (\$121,894)

This is due principally to the delay in appointing a Project Development Assistant Engineer that was budgeted to be appointed during the 2008/2009 financial year.

Contract Expenses (Other Expenses)

- Current Budget: \$619,095 Forecast Budget: \$519,100 Variation: (\$99,995)

This variation relates specifically to the Resource Recovery project consultancy contractual timings, with unexpended funds being carried forward into the 2009/2010 financial year.

Material Expenses (Other Expenses)

- Current Budget: \$23,050 Forecast Budget: \$20,000 Variation: (\$3,050)

Utility Expenses (Other Expenses)

- Current Budget: \$3,700 Forecast Budget: \$3,200 Variation: (\$500)

Insurance Expenses (Other Expenses)

- Current Budget: \$1,750 Forecast Budget: \$2,273 Variation: \$523

Depreciation Expenses (Other Expenses)

- Current Budget: \$1,820 Forecast Budget: \$1,760 Variation: (\$60)

Miscellaneous Expenses (Other Expenses)

- Current Budget: \$314,600 Forecast Budget: \$136,150 Variation: (\$178,450)

This variation is due to an under expenditure in a number of miscellaneous expenses relating to the Resource Recovery project timings.



Item 12.2 continued

Carrying Amount of Assets Disposed Of (Other Expenses)

- Current Budget: \$424,763 Forecast Budget: \$320,472 Variation: (\$104,291)

This variation relates specifically to the timing on the disposal by auction of fleet vehicles due for change over. This variation for the carrying amount of non-current assets disposed of reflects the later change over of vehicles that have not as yet met the change over conditions. This variation will be reflected in the 2009/2010 budget.

Costs Allocated (Other Expenses)

- Current Budget: \$42,405 Forecast Budget: \$51,687 Variation: \$9,282

Unrealised (Gain)/Loss from Change in Fair Value of Investments

Unrealised (Gain)/Loss

- Current Budget: \$0 Forecast Budget: \$3,423,633 Variation: \$3,423,633

Unrealised gains or losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.

No budget provision was included in the original budget as it is not possible to budget for an unrealised gain or loss from the change in fair value of investments. These valuations are dictated by market factors and as such a budget provision can not be ascertained.

This variation represents the unrealised loss from the change in fair value of investments as at 28 February 2009. As future market values are as yet unknown this amount represents the current best known valuation and as a result has been used as the revised budget forecast as at year end.

Capital Expenditure

- Current Budget: \$13,370,669 Forecast Budget: \$6,978,684 Variation: \$6,391,985

Significant variations to current capital budgets are provided below:

- Purchase Land - Ascot Place (reduction in the budget provision from \$5,312,500 to \$2,608,504). This relates to the lower than budgeted price paid for the acquisition of land neighbouring the Ascot Place administration building.
- Upgrade Administration Building (reduction in the budget provision from \$750,000 to \$250,000). This relates to the carry forward into the 2009/2010 budget of \$500,000 for Ascot Place administration building cladding.
- Construct and Commission Resource Recovery Park (reduction in the budget provision from \$2,000,000 to \$Nil). This relates to the carry forward of the budget provision into the 2009/2010 budget.
- Construct Class III Stage 12 Cell (reduction in the budget provision from \$400,000 to \$167,000). This relates to the lower than budget construction cost of the Red Hill Landfill facility Class III Stage 12 land fill cell.
- Purchase/Replace Plant (reduction in the budget provision from \$1,265,432 to \$690,000). This relates to the postponement of the purchase of a slurry spray unit and a primary shredder. These plant items are currently under review for inclusion in the 2009/2010 budget.
- Construct Roads/Carparks - Red Hill Waste Disposal facility (increase in the budget provision from \$209,666 to \$389,229). This relates to additional costs incurred due to unexpected ground conditions as well as increased costs for materials and labour between the time of preparing budgets and the time of completing the work. These additional costs have been off-set by under expenditures in the Class III Stage 12 landfill cell construction contract.



Item 12.2 continued

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 - Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-9181)
2. Capital Expenditure Statement (Ref: Committees-9182)
3. Balance Sheet (Ref: Committees-9183)
4. Statement of Cash and Investments (Ref: Committees-9184)

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That the review of the 2008/2009 budget be adopted by an absolute majority and be submitted to the Department of Local Government and Regional Development within 30 days in accordance with the provisions of Local Government (Financial Management) Regulation 33A.

Discussion ensued

In response to Cr Magro's query on whether staff shortages were reflected in EMRC's budget, the Acting CEO referred members to the top of page 36 of the agenda, Salary Expenses, and advised that the variation of \$420,158 represented a 6.37% saving due to a combination of some positions not being filled, some positions that were filled later than budgeted and annual salary increases being lower than allowed for in the annual budget.

In response to members' queries regarding the unfavourable variation to Contract Expenses, referred to on pages 36 and 40 of the agenda, the Acting CEO advised that the unfavourable variation was due to a number of factors as summarised below:

- Encapsulation of Class V Material from Pemberton – as reported to Council earlier this year;
- The Hazelmere Woodwaste project – unfavourable variation of \$387,000. The EMRC had engaged a contractor as the proposal to purchase a primary grinder had been put on hold pending investigations into purchasing a single machine to do primary and secondary grinding, which would save money overall.
- Budget provision for plant repairs and maintenance. The increase was due to machinery breakdowns and the issues had been reported to Council in the last 12 months. The increase of \$240,000 included hire of plant while machinery was being repaired.



Item 12.2 continued

AUDIT COMMITTEE RECOMMENDATION(S)

MOVED CR LAVELL

SECONDED CR POWELL

That the review of the 2008/2009 budget be adopted by an absolute majority in accordance with Financial Management regulation 33A, and be submitted to the Department of Local Government and Regional Development within 30 days in accordance with the provisions of Local Government (Financial Management) Regulation 33A.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR KLEIN

THAT THE REVIEW OF THE 2008/2009 BUDGET BE ADOPTED BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH FINANCIAL MANAGEMENT REGULATION 33A, AND BE SUBMITTED TO THE DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT WITHIN 30 DAYS IN ACCORDANCE WITH THE PROVISIONS OF LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATION 33A.

CARRIED UNANIMOUSLY



INCOME STATEMENT Nature and Type

JANUARY 2009

Year to Date				Full Year				
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast		
Operating Income								
(\$10,300,266)	(\$10,123,515)	\$176,751	(F)	User Charges	(\$17,370,641)	\$365,390	(U)	(\$17,005,251)
(\$180,198)	(\$180,677)	(\$479)	(U)	Special Charges	(\$309,756)	(\$28,164)	(F)	(\$337,920)
(\$355,182)	(\$373,283)	(\$18,101)	(U)	Contributions	(\$465,399)	(\$8,918)	(F)	(\$474,317)
(\$492,324)	(\$512,331)	(\$20,007)	(U)	Operating Grants	(\$1,155,153)	\$49,379	(U)	(\$1,105,774)
(\$154,811)	(\$185,493)	(\$30,682)	(U)	Interest Municipal Cash Investments	(\$318,000)	(\$22,000)	(F)	(\$340,000)
(\$718,341)	(\$681,775)	\$36,566	(F)	Reimbursements	(\$1,072,569)	(\$195,419)	(F)	(\$1,267,988)
(\$285,732)	(\$270,470)	\$15,262	(F)	Other	(\$753,214)	\$271,213	(U)	(\$482,000)
(\$12,486,853)	(\$12,327,544)	\$159,309	(F)	Total Operating Income	(\$21,444,732)	\$431,482	(U)	(\$21,013,250)
Operating Expenditure								
\$3,309,129	\$3,493,579	\$184,450	(F)	Salary Expenses	\$6,591,898	(\$420,158)	(F)	\$6,171,740
\$3,252,622	\$2,966,538	(\$286,084)	(U)	Contract Expenses	\$5,748,765	\$1,475,019	(U)	\$7,223,784
\$420,447	\$388,667	(\$31,780)	(U)	Material Expenses	\$1,124,278	(\$352,637)	(F)	\$771,641
\$38,017	\$49,280	\$11,263	(F)	Utility Expenses	\$104,200	(\$34,963)	(F)	\$69,237
\$427,220	\$408,290	(\$18,930)	(U)	Fuel Expenses	\$637,476	\$51,490	(U)	\$688,966
\$7,277	\$6,006	(\$1,271)	(U)	Finance Fees and Interest Expenses	\$10,300	\$1,900	(U)	\$12,200
\$143,790	\$150,816	\$7,026	(F)	Insurance Expenses	\$155,505	(\$958)	(F)	\$154,547
\$478,992	\$441,576	(\$37,416)	(U)	Depreciation Expenses	\$2,138,417	(\$416,078)	(F)	\$1,722,339
\$1,627,587	\$1,748,781	\$121,194	(F)	Miscellaneous Expenses	\$3,389,585	(\$144,815)	(F)	\$3,244,770
\$0	\$0	\$0	(F)	Provision Expenses	\$134,474	\$269	(U)	\$134,743
(\$32,908)	(\$37,632)	(\$4,724)	(U)	Costs Allocated	(\$62,739)	\$4,461	(U)	(\$58,278)
\$9,672,173	\$9,615,901	(\$56,272)	(U)	Total Operating Expenditure	\$19,972,160	\$163,530	(U)	\$20,135,690
(\$2,814,680)	(\$2,711,643)	\$103,037	(F)	OPERATING RESULT FROM NORMAL ACTIVITIES	(\$1,472,572)	\$595,012	(U)	(\$877,560)
Surplus	Surplus				Surplus			Surplus

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominatly from government agencies; and
5. Miscellaneous Expenses - includes Landfill Levy as the major component.

Operating Income and Expenditure relates to the ordinary operations of the organisation.

Other Revenues and Exepenses relates to the Resource Recovery Project, interest from cash reserves and disposal of assets.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



INCOME STATEMENT Nature and Type

JANUARY 2009

Year to Date									Full Year		
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast				
Other Revenues											
(\$2,701,714)	(\$2,584,498)	\$117,216	(F)	Secondary Waste Charge	(\$4,430,596)	(\$320,184)	(F)	(\$4,750,780)			
(\$19,000)	\$0	\$19,000	(F)	Operating Grants	\$0	(\$65,000)	(F)	(\$65,000)			
(\$1,419,406)	(\$812,609)	\$606,797	(F)	Interest Restricted Cash Investments	(\$1,393,100)	(\$406,900)	(F)	(\$1,800,000)			
(\$177,788)	\$0	\$177,788	(F)	Reimbursements	\$0	(\$177,800)	(F)	(\$177,800)			
(\$184,014)	(\$184,286)	(\$272)	(U)	Proceeds from Sale of Assets	(\$479,735)	\$158,770	(U)	(\$320,965)			
(\$4,501,923)	(\$3,581,393)	\$920,530	(F)	Total Other Revenues	(\$6,303,431)	(\$811,114)	(F)	(\$7,114,545)			
Other Expenses											
\$84,414	\$93,461	\$9,047	(F)	Salary Expenses	\$277,534	(\$121,894)	(F)	\$155,640			
\$92,868	\$159,005	\$66,137	(F)	Contract Expenses	\$619,095	(\$99,995)	(F)	\$519,100			
\$9,142	\$13,398	\$4,256	(F)	Material Expenses	\$23,050	(\$3,050)	(F)	\$20,000			
\$1,644	\$2,156	\$512	(F)	Utility Expenses	\$3,700	(\$500)	(F)	\$3,200			
\$2,273	\$1,750	(\$523)	(U)	Insurance Expenses	\$1,750	\$523	(U)	\$2,273			
\$596	\$606	\$10	(F)	Depreciation Expenses	\$1,820	(\$60)	(F)	\$1,760			
\$130,242	\$132,546	\$2,304	(F)	Miscellaneous Expenses	\$314,600	(\$178,450)	(F)	\$136,150			
\$80,429	\$85,333	\$4,904	(F)	Carrying Amount of Assets Disposed Of	\$424,763	(\$104,291)	(F)	\$320,472			
\$29,338	\$24,971	(\$4,367)	(U)	Costs Allocated	\$42,405	\$9,282	(U)	\$51,687			
\$430,946	\$513,226	\$82,280	(F)	Total Other Expenses	\$1,708,717	(\$498,435)	(F)	\$1,210,282			
Unrealised (Gain)/Loss From Change in Fair Value of Investments											
\$3,222,030	\$0	(\$3,222,030)	(U)	Unrealised (Gain)/Loss	\$0	\$3,423,633	(U)	\$3,423,633			
\$3,222,030	\$0	(\$3,222,030)	(U)	Total Unrealised (Gain)/Loss	\$0	\$3,423,633	(U)	\$3,423,633			
(\$848,947)	(\$3,068,167)	(\$2,219,220)	(U)	OPERATING RESULT FROM OTHER ACTIVITIES	(\$4,594,714)	\$2,114,084	(U)	(\$2,480,630)			
Surplus	Surplus				Surplus			Surplus			
(\$3,663,627)	(\$5,779,810)	(\$2,116,183)	(U)	CHANGE IN NET ASSETS FROM OPERATIONS	(\$6,067,286)	\$2,709,096	(U)	(\$3,358,191)			
Surplus	Surplus				Surplus			Surplus			



CAPITAL EXPENDITURE STATEMENT

JANUARY 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation		Current Budget	Forecast Change		End of Year Forecast
Actual	Budget	Variance							

Governance and Corporate Services

\$2,603,504	\$2,601,000	\$2,504	(U)	\$0	Purchase Land - Ascot Place (24130/01)	\$5,312,500	(\$2,703,996)	(F)	\$2,608,504
\$132,579	\$135,000	(\$2,421)	(F)	\$48,409	Purchase Vehicles - Ascot Place (24440/00)	\$344,280	\$31,620	(U)	\$375,900
\$0	\$15,666	(\$15,666)	(F)	\$0	Purchase Office Equipment - Corporate Services (24510/01)	\$47,000	\$0	(F)	\$47,000
\$8,830	\$30,000	(\$21,170)	(F)	\$15,680	Purchase Information Technology PC's and Printers (24550/00)	\$90,000	(\$50,000)	(F)	\$40,000
\$0	\$38,666	(\$38,666)	(F)	\$6,650	Purchase Network Communication Equipment (24560/00)	\$116,000	(\$54,000)	(F)	\$62,000
\$6,552	\$44,000	(\$37,448)	(F)	\$0	Purchase Information Technology Servers (24570/00)	\$132,000	(\$80,000)	(F)	\$52,000
\$3,659	\$5,000	(\$1,341)	(F)	\$412	Purchase PABX/Telephone Equipment (24580/00)	\$13,000	(\$5,000)	(F)	\$8,000
\$991	\$666	\$325	(U)	\$0	Purchase/ Replace other Equipment - Ascot Place (24590/01)	\$2,000	\$0	(F)	\$2,000
\$350	\$2,000	(\$1,650)	(F)	\$0	Purchase Office Furniture and Fittings - Corporate Services (24610/01)	\$10,000	\$0	(F)	\$10,000
\$4,921	\$5,000	(\$79)	(F)	\$0	Purchase Art Works (24620/00)	\$5,000	(\$79)	(F)	\$4,921
\$0	\$666	(\$666)	(F)	\$0	Purchase/ Replace Miscellaneous Furniture and Equipment-Ascot Place (24690/00)	\$2,000	\$0	(F)	\$2,000
\$0	\$0	\$0	(F)	\$0	Upgrade Landscaping - Ascot Place (25140/01)	\$5,000	(\$5,000)	(F)	\$0
\$0	\$0	\$0	(F)	\$10,000	Upgrade Administration Building - Ascot Place (25240/01)	\$750,000	(\$500,000)	(F)	\$250,000
\$44,835	\$50,000	(\$5,165)	(F)	\$85,335	Upgrade Air Conditioning Equipment - Ascot Place (25240/02)	\$200,000	\$0	(F)	\$200,000
\$0	\$11,662	(\$11,662)	(F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$20,000	\$0	(F)	\$20,000
\$2,806,222	\$2,939,326	(\$133,104)	(F)	\$166,486		\$7,048,780	(\$3,366,455)	(F)	\$3,682,325



CAPITAL EXPENDITURE STATEMENT

JANUARY 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Environmental Services

\$0	\$666	(\$666) (F)	\$0	Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0 (F)	\$2,000
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0 (F)	\$1,500
\$0	\$1,166	(\$1,166) (F)	\$0		\$3,500	\$0 (F)	\$3,500

Regional Development

\$0	\$333	(\$333) (F)	\$0	Purchase Office Equipment - Regional Development (24510/04)	\$1,000	(\$500) (F)	\$500
\$255	\$500	(\$245) (F)	\$0	Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0 (F)	\$1,500
\$255	\$833	(\$578) (F)	\$0		\$2,500	(\$500) (F)	\$2,000

Risk Management

\$0	\$166	(\$166) (F)	\$0	Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0 (F)	\$500
\$0	\$166	(\$166) (F)	\$0	Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	(\$500) (F)	\$0
\$0	\$332	(\$332) (F)	\$0		\$1,000	(\$500) (F)	\$500

Resource Recovery

\$0	\$0	\$0 (F)	\$0	Construct and Commission Resource Recovery Facility (24399/00)	\$2,000,000	(\$2,000,000) (F)	\$0
\$0	\$333	(\$333) (F)	\$0	Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	(\$1,000) (F)	\$0
\$299	\$2,666	(\$2,367) (F)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$8,000	(\$6,000) (F)	\$2,000
\$0	\$333	(\$333) (F)	\$0	Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,000	(\$500) (F)	\$500



CAPITAL EXPENDITURE STATEMENT

JANUARY 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
\$299	\$3,332	(\$3,033) (F)	\$0		\$2,010,000	(\$2,007,500) (F)	\$2,500

Waste Management

\$16,884	\$58,331	(\$41,447) (F)	\$0	Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$100,000	(\$79,600) (F)	\$20,400
\$0	\$8,190	(\$8,190) (F)	\$0	Construct Waste Management Facility Buildings - Hazelmere (24250/02)	\$14,050	(\$12,050) (F)	\$2,000
\$154,579	\$155,000	(\$421) (F)	\$0	Construct Class III Cell Stage 11 - Red Hill Landfill Facility (24310/06)	\$400,000	(\$233,000) (F)	\$167,000
\$0	\$5,831	(\$5,831) (F)	\$0	Construct Asbestos Cell - Red Hill Landfill Facility (24311/01)	\$10,000	(\$10,000) (F)	\$0
\$0	\$0	\$0 (F)	\$16,091	Construct Class III Leachate Pond - Red Hill Landfill Facility (24320/01)	\$50,000	\$5,700 (U)	\$55,700
\$0	\$0	\$0 (F)	\$0	Construct Class IV Leachate Pond - Red Hill Landfill Facility (24340/01)	\$0	\$10,300 (U)	\$10,300
\$0	\$8,162	(\$8,162) (F)	\$6,604	Construct Siltation Ponds - Red Hill Landfill Facility (24350/00)	\$14,000	(\$5,000) (F)	\$9,000
\$368,176	\$209,666	\$158,510 (U)	\$40,711	Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$209,666	\$179,563 (U)	\$389,229
\$0	\$87,500	(\$87,500) (F)	\$0	Construct Weighbridge - Hazelmere (24392/00)	\$150,000	\$0 (F)	\$150,000
\$0	\$23,331	(\$23,331) (F)	\$0	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$40,000	(\$40,000) (F)	\$0
\$1,125	\$0	\$1,125 (U)	\$0	Construct Water Storage Dams/Tanks - Hazelmere (24393/01)	\$0	\$1,125 (U)	\$1,125
\$474	\$2,324	(\$1,850) (F)	\$0	Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$4,000	(\$3,445) (F)	\$555
\$151,493	\$155,000	(\$3,507) (F)	\$3,083	Construct Perimeter Fencing - Red Hill Farm (24394/02)	\$215,908	(\$60,908) (F)	\$155,000
\$0	\$6,416	(\$6,416) (F)	\$0	Construct Perimeter Fencing - Hazelmere (24394/03)	\$19,250	(\$19,250) (F)	\$0



CAPITAL EXPENDITURE STATEMENT

JANUARY 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Waste Management

\$151,835	\$80,000	\$71,835 (U)	\$0	Construct Greenwaste Processing Area - Red Hill Landfill Facility (24395/00)	\$80,000	\$60,000 (U)	\$140,000
\$111,217	\$111,000	\$217 (U)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$177,000	(\$31,000) (F)	\$146,000
\$0	\$23,331	(\$23,331) (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$40,000	\$0 (F)	\$40,000
\$0	\$18,662	(\$18,662) (F)	\$0	Construct Monitoring Bores - Red Hill Farm (24396/01)	\$32,000	(\$22,000) (F)	\$10,000
\$2,500	\$2,500	\$0 (F)	\$675,049	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$1,265,432	(\$575,432) (F)	\$690,000
\$939,716	\$994,000	(\$54,284) (F)	\$2,648	Purchase / Replace Plant - Hazelmere (24410/01)	\$994,000	(\$34,000) (F)	\$960,000
\$163,513	\$165,287	(\$1,774) (F)	\$16,660	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$175,500	\$19,700 (U)	\$195,200
\$100,412	\$97,261	\$3,151 (U)	\$0	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$111,783	(\$11,283) (F)	\$100,500
\$0	\$466	(\$466) (F)	\$1,042	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$1,400	(\$1,400) (F)	\$0
\$0	\$333	(\$333) (F)	\$0	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$1,000	\$1,725 (U)	\$2,725
\$494	\$500	(\$6) (F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$1,500	(\$1,000) (F)	\$500
\$0	\$1,666	(\$1,666) (F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$5,000	(\$5,000) (F)	\$0
\$13,862	\$16,000	(\$2,138) (F)	\$1,643	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$20,000	(\$4,450) (F)	\$15,550
\$1,182	\$0	\$1,182 (U)	\$0	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$0	\$1,500 (U)	\$1,500



CAPITAL EXPENDITURE STATEMENT

JANUARY 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Waste Management

\$975	\$1,000	(\$25) (F)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,400	(\$1,425) (F)	\$975
\$1,056	\$1,000	\$56 (U)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$1,000	\$100 (U)	\$1,100
\$980	\$17,539	(\$16,559) (F)	\$490	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$30,500	(\$27,000) (F)	\$3,500
\$5,600	\$25,789	(\$20,189) (F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$48,500	(\$28,500) (F)	\$20,000
\$0	\$14,581	(\$14,581) (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	(\$25,000) (F)	\$0
\$0	\$35,000	(\$35,000) (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$60,000	(\$60,000) (F)	\$0
\$0	\$3,493	(\$3,493) (F)	\$0	Refurbish Minor Plant - Red Hill Landfill Facility (25420/00)	\$6,000	(\$6,000) (F)	\$0
\$2,186,073	\$2,329,159	(\$143,086) (F)	\$764,021		\$4,304,889	(\$1,017,030) (F)	\$3,287,859

\$4,992,849	\$5,274,148	(\$281,300) (F)	\$930,506	TOTAL CAPITAL EXPENDITURE	\$13,370,669	(\$6,391,985) (F)	\$6,978,684
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BALANCE SHEET

JANUARY 2009

Full Year

Actual
2007/2008

Actual
Year to Date

(F) = Favourable variation
(U) = Unfavourable variation

Current
Budget
2008/2009

Forecast
Change

Forecast
2008/2009

Actual 2007/2008	Actual Year to Date		Current Budget 2008/2009	Forecast Change		Forecast 2008/2009
Current Assets						
\$3,709,514	\$5,911,598	Cash and Cash Equivalents	\$790,278	\$791,257 (F)		\$1,581,535
\$22,374,193	\$18,600,273	Investments	\$20,721,602	\$2,371,473 (F)		\$23,093,075
\$2,704,320	\$2,388,521	Trade and Other Receivables	\$2,704,320	\$0 (F)		\$2,704,320
\$35,645	\$43,282	Inventories	\$35,645	\$0 (F)		\$35,645
\$40,800	\$90,056	Other Assets	\$40,800	\$0 (F)		\$40,800
\$0	\$0	Current Assets Other	\$0	\$0 (F)		\$0
\$28,864,472	\$27,033,730	Total Current Assets	\$24,292,645	\$3,162,730 (F)		\$27,455,375
Current Liabilities						
\$0	\$0	Bank Overdraft	\$0	\$0 (F)		\$0
\$2,856,943	\$1,795,404	Trade and Other Payables	\$2,856,943	\$0 (F)		\$2,856,943
\$808,472	\$808,472	Provisions	\$840,555	\$0 (F)		\$840,555
\$0	\$0	Borrowings - Current Portion	\$0	\$0 (F)		\$0
\$0	\$0	Liabilities Other	\$0	\$0 (F)		\$0
\$3,665,415	\$2,603,876	Total Current Liabilities	\$3,697,498	\$0 (F)		\$3,697,498
\$25,199,057	\$24,429,854	Net Current Assets	\$20,595,147	\$3,162,730 (F)		\$23,757,877



BALANCE SHEET

JANUARY 2009

Actual 2007/2008	Actual Year to Date		Full Year		
			Current Budget 2008/2009	Forecast Change	Forecast 2008/2009
		(F) = Favourable variation (U) = Unfavourable variation			
Non Current Assets					
\$5,031,413	\$7,632,403	Property Plant and Equipment	\$10,348,913	(\$2,708,996) (U)	\$7,639,917
\$2,341,036	\$2,296,556	Buildings	\$3,337,286	(\$644,254) (U)	\$2,693,032
\$7,951,441	\$7,895,103	Structures	\$10,450,018	(\$1,639,637) (U)	\$8,810,381
\$2,981,950	\$2,842,331	Plant	\$4,618,362	(\$652,748) (U)	\$3,965,614
\$298,330	\$272,278	Equipment	\$614,960	(\$191,390) (U)	\$423,570
\$94,230	\$94,275	Furniture and Fittings	\$134,530	(\$34,531) (U)	\$99,999
\$354,235	\$2,452,519	Work in Progress	\$354,235	\$0 (F)	\$354,235
\$0	\$0	Investments - Non Current	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)	\$0
\$19,052,634	\$23,485,465	Total Non Current Assets	\$29,858,303	(\$5,871,556) (U)	\$23,986,747
Non Current Liabilities					
\$1,160,424	\$1,160,424	Provisions	\$1,294,897	(\$270) (F)	\$1,295,167
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)	\$0
\$1,160,424	\$1,160,424	Total Non Current Liabilities	\$1,294,897	(\$270) (F)	\$1,295,167
Equity					
\$19,629,115	\$19,629,115	Accumulated Surplus/Deficit	\$20,488,799	\$2,709,096 (U)	\$17,779,703
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)	\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)	\$0
\$23,462,152	\$23,462,152	Cash Backed Reserves	\$28,669,754	\$0 (F)	\$28,669,754
\$43,091,267	\$43,091,267	Total Equity	\$49,158,553	\$2,709,096 (U)	\$46,449,457
\$0	\$3,663,628	Net change in assets from operations	\$0	\$0	\$0

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.



CASH AND INVESTMENTS

JANUARY 2009

Full Year

Actual YTD Actual (F) = Favourable variation Current Forecast Forecast
 2007/2008 2008/2009 (U) = Unfavourable variation Budget Change 2008/2009

Municipal Cash and Investments

3,706,614	5,908,298	Cash at Bank - Municipal Fund 01001/00	787,378	791,257	(F)	1,578,635
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
400	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	400	0	(F)	400
1,250	1,450	Cash on Hand - Red Hill / Hazelmere 01019/02	1,250	0	(F)	1,250
2,668,721	1,840,825	Investments - Municipal Fund 02021/00	1,346,721	(1,200,000)	(U)	146,721
6,378,234	7,752,423	Total Municipal Cash	2,136,998	(408,743)	(U)	1,728,255

Restricted Cash and Investments

435,809	463,623	Restricted Investments - Plant and Equipment 02022/01	76,204	709,191	(F)	785,395
2,484,346	2,579,871	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,706,129	(2,873)	(U)	2,703,256
2,772,925	2,949,897	Restricted Investments - Future Development 02022/03	3,967,030	(1,000,000)	(U)	2,967,030
264,852	281,755	Restricted Investments - Environmental Monitoring Red Hill 02022/04	283,392	0	(F)	283,392
246,554	262,289	Restricted Investments - Environmental Insurance Red Hill 02022/05	239,158	655	(F)	239,813
9,903	10,535	Restricted Investments - Risk Management 02022/06	10,603	0	(F)	10,603
60,475	64,335	Restricted Investments - Class IV Cells Red Hill 02022/07	158,228	(70,149)	(U)	88,079
571,244	607,701	Restricted Investments - Regional Development 02022/08	59,290	354,160	(F)	413,450
14,669,800	14,420,666	Restricted Investments - Secondary Waste Processing 02022/09	12,099,122	3,920,874	(F)	16,019,996
1,896,246	2,017,266	Restricted Investments - Class III Cells 02022/10	3,425,700	(380,385)	(U)	3,045,315
50,000	53,191	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	53,500	0	(F)	53,500
(4,180,201)	(7,402,231)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(4,180,201)	0	(F)	(4,180,201)
423,521	450,551	Restricted Investments - Long Service Leave 02022/90	476,728	40,000	(F)	516,728
19,705,472	16,759,448	Total Restricted Cash	19,374,881	3,571,473	(F)	22,946,354
26,083,707	24,511,871	TOTAL CASH AND INVESTMENTS	21,511,880	3,162,730	(F)	24,674,610

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.



12.3 DRAFT BUDGET PREPARATION TIMETABLE

REFERENCE: COMMITTEES-9161

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the Eastern Metropolitan Regional Council's (EMRC's) 2009-2010 Budget Preparation Timetable.

KEY ISSUES AND RECOMMENDATION(S)

- The Budget Preparation Timetable is prepared in order to assist with the smooth co-ordination and compilation of the up coming budget.
- The Budget Preparation Timetable outlines the tasks and actions to be undertaken, the date or range of dates for which the task/actions are to be undertaken and the responsible officer required to undertake the required task/actions.

Recommendation(s)

That the 2009-2010 Budget Preparation Timetable be noted.

SOURCE OF REPORT

Manager Financial Services

BACKGROUND

A Budget Preparation Timetable is prepared annually in order to assist with the smooth co-ordination and compilation of the up coming budget.

REPORT

A timetable for preparation of the 2009/2010 budget was prepared late last year in order to assist with the smooth co-ordination and compilation of the up coming budget. A copy has been attached for the information of the Audit Committee and Council in order to give a degree of comfort as to the rigour associated with the budget setting process.

The timetable outlines tasks and actions required to be undertaken, the date or range of dates for which the task/actions are to be undertaken and the responsible officer required to undertake the task/actions.

The timetable is also colour coded to show which task/actions are required to be submitted to Council via a committee of the EMRC or direct to the EMRC Council.

It should be noted that part of the budget preparation process includes presentations and consultation with the Executive Management Teams of member Councils to discuss Environmental, Regional Development and Waste Management project funding. This process was undertaken with individual Member Councils during February - March of this year.



Item 12.3 continued

A summary of the Tasks are listed below:

- Prepare budget timetable for the appropriate financial year (Nov - Dec);
- Identify and prioritise new projects or service delivery proposals, prepare and submit draft project funding summary to CEOAC and Council (Sept - Dec);
- Prepare and distribute budget forecast documents / 5 year financial plan for projects and services (Nov - Jan);
- Review five year tonnage estimates (Nov - Feb);
- Review consulting rates and training course fees (Dec - Feb);
- Review Waste Management fees and charges (Dec - Feb);
- Adoption of fees and charges (Feb - Jul);
- Review five year vehicle and plant replacement programmes (Dec -Feb);
- Prepare five year salary estimates (Nov - Feb);
- Discuss draft Environmental and Regional Development project funding with member Council staff (Dec - Feb);
- Undertake annual business planning workshops (Mar - Apr);
- Undertake half year budget review and 5 year financial plan review (Jan - Jun); and
- Adopt Annual Budget (Apr - Sept).

The timetable is designed to instigate the flow of actions all year round, commencing from the identification of new projects early in the financial year prior through to the uploading of the Annual Budget into the financial system following the adoption of the budget by Council in August.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
Prepare budget timetable for 2009-2010		
Prepare 2009-2010 draft budget timetable	1-10 Nov 08	Executive Manager Corporate Services / Manager Financial Services/Manager OrgDevelopment
Seek EMM endorsement for draft budget timetable	15-Dec-08	Executive Manager Corporate Services
Adjust 2009-2010 draft budget timetable (if required)	19-Dec-08	Manager Financial Services
Identify and Prioritise New Project or Service Delivery Proposals, Prepare and Submit draft Project Funding Summary to CEOAC & Council		
Identify and document new project or service delivery proposals	Sept - Oct '08	Executive Manager Regional Services
Prepare draft project funding summary for CEOAC agenda	1-8 Nov 08	Executive Manager Regional Services / Manager Org. Development
Submit draft Environmental project funding summary to CEOAC	25-Nov-08	Chief Executive Officer / Executive Manager Regional Services
Submit draft Regional Development project funding summary to CEOAC	25-Nov-08	Chief Executive Officer / Executive Manager Regional Services
Revise draft Environmental project budgets (after CEOAC meeting)	26-28 Nov 08	Executive Manager Regional Services / Manager Finance Services
Revise draft Regional Development project budgets (after CEOAC meeting)	26-28 Nov 08	Executive Manager Regional Services / Manager Finance Services
Submit Regional Services funding model to Council	04-Dec-08	Chief Executive Officer / Executive Manager Regional Services
Conduct a Regional Services workshop to discuss funding, project and service delivery.	04-Dec-08	Chief Executive Officer / Executive Manager Regional Services
Prepare and Distribute Budget Forecast Documents / 5 Year Financial Plan for Projects and Services		
Prepare & distribute budget forecasts / 5 year financial forecasts for Governance and Corporate Services	30 Nov - 12 Dec'08	Executive Manager Corporate Services
Prepare & distribute budget forecasts / 5 year financial forecasts for Engineering and Waste Management	30 Nov - 12 Dec'08	Executive Manager Waste Management
Prepare & distribute budget forecasts / 5 year financial forecasts for Environmental Services	30 Nov - 12 Dec'08	Executive Manager Regional Services
Prepare & distribute budget forecasts / 5 year financial forecasts for Regional Development	30 Nov - 12 Dec'08	Executive Manager Regional Services
Prepare & distribute budget forecasts / 5 year financial forecasts for Risk Management	30 Nov - 12 Dec'08	Executive Manager Regional Services
Prepare & distribute budget forecasts / 5 year financial forecasts for Resource Recovery	30 Nov - 12 Dec'08	Project Manager Resource Recovery
Update budget forecasts / 5 year financial forecasts for Environmental Services	12 -23 Jan'09	Manager Financial Services
Update budget forecasts / 5 year financial forecasts for Regional Development	12 -23 Jan'09	Manager Financial Services
Update remaining budget forecasts / 5 year financial forecasts	12 -23 Jan'09	Manager Financial Services
Review Five Year Tonnage Estimates		
Estimate member Council Class III tonnages	56 Nov 08 - Jan 09	Executive Manager Waste Management

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
Estimate Class IV Tonnages	Nov 08 - Jan 09	Executive Manager Waste Management
Estimate Commercial Tonnages	Nov 08 - Jan 09	Executive Manager Waste Management
Submit tonnage estimates to Technical Advisory Committee	12 Feb '09	Executive Manager Waste Management / Manager Financial Services
Review Consulting Rates and Training Course Fees		
Review Environmental consulting rates	Dec 08 - Jan 09	Executive Manager Regional Services
Review Risk Management consulting rates	Dec 08 - Jan 09	Executive Manager Regional Services
Review Risk Management training course fees	Dec 08 - Jan 09	Executive Manager Regional Services
Submit proposed Environmental consulting rates to Technical Advisory Committee	12 Feb '09	Executive Manager Regional Services / Manager Financial Services
Submit proposed Risk Management consulting rates and training course fees to Technical Advisory Committee	12 Feb '09	Executive Manager Regional Services / Manager Financial Services
Review Waste Management Fees and Charges		
Review base waste disposal fees and charges	Dec 08 - Jan 09	Executive Manager Waste Management
Review secondary waste disposal charge	Dec 08 - Jan 09	Chief Executive Officer & Executive Manager Waste Management
Review waste education charge	Dec 08 - Jan 09	Executive Manager Waste Management
Submit waste disposal fees and charges to Technical Advisory Committee	12 Feb '09	Executive Manager Waste Management / Manager Financial Services
Submit secondary waste disposal charge to Resource Recovery Committee	12 Feb '09	Executive Manager Waste Management / Manager Financial Services

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
Adoption of Fees and Charges		
Submit Preliminary Fees & Charges for 2009/2010 to 26/2/09 Council meeting	26 Feb '09	Part of TAC & Strategic and Secondary Waste Treatment Committee meeting minutes
Advise Member Councils of preliminary Fees and Charges for 2009/2010 following 26 Feb 09 Council meeting	27 Feb '09	Manager Financial Services
Review Fees & Charges and seek endorsement from Executive Management team	Mar 09 - Apr 09	Finance Manager / Executive Management Team
Submit Waste Management 2009/2010 Fees and Charges to Technical Advisory Committee	7 May '09	Executive Manager Waste Management / Manager Financial Services
Submit Regional Services 2009/2010 Fees and Charges to Technical Advisory Committee	7 May '09	Executive Manager Regional Services / Manager Financial Services
Submit 2009/2010 Fees and Charges to Council for adoption	21 May '09	Manager Financial Services
Advise Member Councils of adopted Fees and Charges for 2009/2010 following 21 May 09 Council meeting	23 May '09	Manager Financial Services
Advertise Waste Management Fees and Charges for 2009/2010 for implementation 1 July 2009 (7 day period required)	Jun '09	Executive Manager Waste Management / Marketing section
Implement adopted 2009/2010 Fees & Charges from 1 July 2009	1 Jul '09	Finance Manager / Finance Department / Red Hill Weighbridge Office
Review Five Year Vehicle and Plant Replacement Programmes		
Review Five Year Vehicle Replacement Programme	Dec 08 - Feb 09	Procurement Officer / Manager Financial Services
Review Five Year Plant Replacement Programme	Dec 08 - Feb 09	Executive Manager Waste Management
Submit Five Year Plant Replacement programme to Technical Advisory Committee (if required)	12 Feb '09	Executive Manager Waste Management
Prepare Five Year Salaries Estimates		
Prepare workforce forecast	Nov 08 - Jan 09	Executive Manager Corporate Services / Manager Finance /Manager HR
Review salary budget estimates	Jan-Feb '09	Manager Finance / Manager HR
Load salary estimates into General Ledger	Feb '09	Manager Finance

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
Discuss draft Environmental and Regional Development Project Funding with member Council Staff		
Discuss draft Environmental and Regional Development Project Funding with City of Bayswater	Dec 08 - Feb 09	A/CEO / A/Executive Manager Regional Services
Discuss draft Environmental and Regional Development Project Funding with City of Belmont	Dec 08 - Feb 09	A/CEO / A/Executive Manager Regional Services
Discuss draft Environmental and Regional Development Project Funding with City of Swan	Dec 08 - Feb 09	A/CEO / A/Executive Manager Regional Services
Discuss draft Environmental and Regional Development Project Funding with Shire of Kalamunda	Dec 08 - Feb 09	A/CEO / A/Executive Manager Regional Services
Discuss draft Environmental and Regional Development Project Funding with Shire of Mundaring	Dec 08 - Feb 09	A/CEO / A/Executive Manager Regional Services
Discuss draft Environmental and Regional Development Project Funding with Town of Bassendean	Dec 08 - Feb 09	A/CEO / A/Executive Manager Regional Services
Undertake Annual Business Planning Workshops		
Executive Team Workshop (if required)	Feb '09	Executive Management Team/Manager Org Dev
Business Planning Workshops - Regional Services	Mar 09 - Apr 09	Manager Org Dev/All Units
Business Planning Workshops - Waste Management	Mar 09 - Apr 09	Manager Org Dev/All Units
Business Planning Workshops - Projects	Mar 09 - Apr 09	Manager Org Dev/All Units
Business Planning Workshops - Each service area from Corporate Services	Mar 09 - Apr 09	Manager Org Dev/All Units

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
Undertake Half Year Budget Review and 5 Year Financial Plan Review		
Prepare draft Budget and Five Year Forecast schedules for distribution	Jan '09	Manager, Financial Services
Distribute draft Budget and Five Year Forecast schedules for update	13 Feb '09	Manager, Financial Services
Update draft budget and Five Year Forecasts for Governance and Corporate Services	16 Feb - 27 Feb 09	Executive Manager Corporate Services
Update draft budget and Five Year Forecasts for Engineering and Waste Management	16 Feb - 27 Feb 09	Executive Manager Waste Management
Update draft budget and Five Year Forecasts for Environmental Services	16 Feb - 27 Feb 09	Executive Manager Regional Services
Update draft budget and Five Year Forecasts for Regional Development	16 Feb - 27 Feb 09	Executive Manager Regional Services
Update draft budget and Five Year Forecasts for Risk Management	16 Feb - 27 Feb 09	Executive Manager Regional Services
Update draft budget and Five Year Forecasts for Resource Recovery	16 Feb - 27 Feb 09	Project Manager Resource Recovery
Update Budget and Five Year Forecasts into Financial System	2 - 6 Mar '09	Manager, Financial Services
Prepare Half Year budget review report for Audit Committee	9 Mar - 9 Apr 09	Manager, Financial Services
Submit Half Year budget review report to Audit Committee	16-Apr-09	Manager, Financial Services
Submit Half Year budget review report to Council	30-Apr-09	Manager, Financial Services
Submit Overview of 5 Year Financial Plan 2009-2014 and Draft 2009/2010 Budgets to Audit Committee	11-Jun-09	Manager, Financial Services / Manager Org. Development
Submit Overview of 5 Year Financial Plan 2009-2014 and Draft 2009/2010 Budgets to Council	25-Jun-09	Manager, Financial Services / Manager Org. Development

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
Adopt Annual Budget		
Prepare Draft Annual Budget Documents	Apr-Jun'09	Manager Finance
Individual Managers Draft Budget presentations to Executive Management Team	Apr 09 - May 09	Individual Managers/Executive Team
Budget Review Meeting	May '09	Executive Team/Manager Finance
Prepare Draft Annual Budget Report Item for Audit Committee	July'09	Manager Finance
Submit Draft Annual Budget to Audit Committee	13 Aug '09	Manager Finance
Prepare Draft Annual Budget Report Item for Council	1 - 14 Aug 09	Manager Finance
Seek Council adoption of Annual Budget	27-Aug-09	Executive Manager Corporate Services / Manager Finance
Forward copy of adopted Annual Budget to Department of Local Government within 30 days of adoption	by 26 Sept'09	Manager Finance
Load adopted Budget into Financial system	by 30 Sept'09	Manager Finance

2009 -2010 BUDGET PREPARATION TIMETABLE

Description	Dates	Responsible Officer
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Meeting Legend

Council Meeting

CEOAC Meeting

TAC Meeting

RRC Meeting

Audit Committee Meeting



13 REPORTS OF DELEGATES

Nil

14 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

15 GENERAL BUSINESS

Nil

16 FUTURE MEETINGS OF THE AUDIT COMMITTEE

Meetings of the Audit Committee are covered under the Audit Committee Terms of Reference as follows.

“2.3 Meetings

The committee meet as required at the discretion of the chairman of the committee at least three (3) times per year to coincide with approval of strategic and annual plans, the annual budget and the auditor’s report on the annual financial report.

Additional meetings shall be convened at the discretion of the Chairman or at the written request of any member of the Committee or external auditor.”

The Acting CEO advised that there was nothing to report at this stage for the next AC meeting but it would be best to keep options open and he would liaise with the Chairman.

Future Meetings 2009

Thursday	11 June (if required)	at	EMRC Administration Office
Thursday	9 July (if required)		
Thursday	13 August	at	EMRC Administration Office
Thursday	10 September (if required)	at	EMRC Administration Office
Thursday	15 October (if required)	at	EMRC Administration Office

17 DECLARATION OF CLOSURE OF MEETING

There being no further business the meeting was closed at 7.01pm.



16 REPORTS OF DELEGATES

Nil

17 MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

18 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE CHAIRMAN OR PERSON PRESIDING OR BY DECISION OF MEETING

Nil

19 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

RECOMMENDATION (Closing meeting to the public)

That with the exception of, the meeting be closed to members of the public in accordance with Section 5.23 (2) (c) of the Local Government Act for the purpose of dealing with matters of a confidential nature.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE SECONDED CR ZANNINO

THAT THE MEMBER COUNCIL CHIEF EXECUTIVE OFFICERS REMAIN IN COUNCIL CHAMBERS WHILE COUNCIL CONSIDERS CONFIDENTIAL ITEMS 19.1, 19.2 AND 19.3.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION

MOVED CR KLEIN SECONDED CR PULE

THAT WITH THE EXCEPTION OF THE ACTING CHIEF EXECUTIVE OFFICER, THE MANAGER FINANCIAL SERVICES AND THE PERSONAL ASSISTANT TO THE CEO FOR CONFIDENTIAL ITEMS 19.1, 19.2 & AND 19.3, THE MEETING BE CLOSED TO MEMBERS OF THE PUBLIC IN ACCORDANCE WITH SECTION 5.23 (2) (C) OF THE LOCAL GOVERNMENT ACT FOR THE PURPOSE OF DEALING WITH MATTERS OF A CONFIDENTIAL NATURE.

CARRIED UNANIMOUSLY

The doors of the meeting were closed at 8.00pm and members of the public departed the Council Chambers.

The Acting Chief Executive Officer, Manager Financial Services and Personal Assistant to the Executive Manager Corporate Services and the member Council Chief Executive Officers remained in the Council Chambers.



19.1 ITEM 13.1 OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE - CHIEF EXECUTIVE OFFICER ANNUAL PERFORMANCE AND REMUNERATION REVIEW PROCESS

REFERENCE: COMMITTEES-9252

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.

19.2 ITEM 18.1 OF THE INVESTMENT COMMITTEE MINUTES - PLAN B FINANCIAL SERVICES

REFERENCE: COMMITTEES-9187

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.

19.3 ITEM 18.2 OF THE INVESTMENT COMMITTEE MINUTES - INVESTMENT COMMITTEE UPDATE MARCH 2009

REF: COMMITTEES-9191

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.

Confidential Items 19.4 - EMRC Staff Matter and 19.5 - EMRC Employee Relations Matter were considered by Council earlier in the meeting following Item 9 Confirmation of Minutes of Previous Meetings.

19.4 CONFIDENTIAL REPORT – EMRC STAFF MATTER

REF: COMMITTEES-9205

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.

19.5 CONFIDENTIAL REPORT – EMRC EMPLOYEE RELATIONS MATTER

REF: COMMITTEES-9257

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.

RECOMMENDATION [Meeting re-opened to the public]

That the meeting be re-opened, the public be invited to return to the meeting and the resolutions passed behind closed doors be recorded.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE

SECONDED CR CUCCARO

THAT THE MEETING BE RE-OPENED, THE PUBLIC BE INVITED TO RETURN TO THE MEETING AND THE RESOLUTIONS PASSED BEHIND CLOSED DOORS BE RECORDED.

CARRIED UNANIMOUSLY

The Executive Assistant to the Chief Executive Officer and members of the public returned to Council Chambers at 8.14pm.



Recording of the resolutions passed behind closed doors, namely:

19.1 ITEM 13.1 OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE - CHIEF EXECUTIVE OFFICER ANNUAL PERFORMANCE AND REMUNERATION REVIEW PROCESS

REFERENCE: COMMITTEES-9153

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR CUCCARO

THAT THE:

1. CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE DELAY THE REVIEW PROCESS UNTIL AT LEAST THE 30 APRIL 2009 PENDING FURTHER DISCUSSIONS, AND SOONER IF ADVISED OTHERWISE.
2. REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND CHAIRMAN.

CARRIED UNANIMOUSLY

19.2 ITEM 18.1 OF THE INVESTMENT COMMITTEE MINUTES - PLAN B FINANCIAL SERVICES

REFERENCE: COMMITTEES-9187

COUNCIL RESOLUTION(S)

MOVED CR KLEIN

SECONDED CR PULE

THAT THE:

1. REPORT BE RECEIVED.
2. REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND CHAIRMAN.

CARRIED UNANIMOUSLY

19.3 ITEM 18.2 OF THE INVESTMENT COMMITTEE MINUTES - INVESTMENT COMMITTEE UPDATE MARCH 2009

REF: COMMITTEES-9191

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR KLEIN

THAT THE:

1. REPORT BE RECEIVED.
2. REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND CHAIRMAN.

CARRIED UNANIMOUSLY



19.4 CONFIDENTIAL REPORT – EMRC STAFF MATTER

REF: COMMITTEES-9205

COUNCIL RESOLUTION(S)

MOVED CR ZANNINO

SECONDED CR PULE

THAT:

1. TAKING INTO ACCOUNT THE RELEVANT PROVISIONS OF THE LOCAL GOVERNMENT ACT 1995, THE CHIEF EXECUTIVE OFFICER'S CONTRACT OF EMPLOYMENT AND THE LEGAL ADVICE FORMING ATTACHMENT 3 TO THIS REPORT, COUNCIL AGREES TO THE CHIEF EXECUTIVE OFFICER'S PROPOSAL TO TERMINATE HIS CONTRACT OF EMPLOYMENT EFFECTIVE 5 JULY 2009.
2. COUNCIL IN ACCORDANCE WITH CLAUSE 9.2 OF THE CEO'S CONTRACT OF EMPLOYMENT AUTHORISES PAYMENT OPTION C TO THE CHIEF EXECUTIVE OFFICER, AS DETAILED WITHIN THE REPORT.
3. COUNCIL AUTHORISES THE CHAIRMAN, AND DEPUTY CHAIRMAN, TO ENTER INTO A DEED OF SETTLEMENT AND RELEASE WITH THE CHIEF EXECUTIVE OFFICER WHICH INCORPORATES THE PAYMENT AGREED TO BY COUNCIL AND THE LEGAL ADVICE PROVIDED.
4. THE CHIEF EXECUTIVE OFFICER BE THANKED FOR HIS DEDICATED SERVICE AND SIGNIFICANT CONTRIBUTION TO THE EMRC SINCE HIS EMPLOYMENT AS THE EMRC'S INAUGURAL CHIEF EXECUTIVE OFFICER IN 1992.
5. THE CHAIRMAN ORGANISE AN APPROPRIATE SIT DOWN FUNCTION COMPRISING COUNCILLORS, SENIOR STAFF, CEO'S FROM MEMBER COUNCILS AND OTHER INVITED GUESTS AND THEIR PARTNERS AS A FAREWELL DINNER TO MR GAVIN WATTERS.
6. THE REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND CHAIRMAN.

CARRIED 10/2

19.5 CONFIDENTIAL REPORT – EMRC EMPLOYEE RELATIONS MATTER

REF: COMMITTEES-9257

COUNCIL RESOLUTION(S)

MOVED CR KLEIN

SECONDED CR ALBERT

1. COUNCIL BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 5.8 OF THE LOCAL GOVERNMENT ACT 1995 ESTABLISHES A CHIEF EXECUTIVE OFFICER RECRUITMENT COMMITTEE WITH TERMS OF REFERENCE AS CONTAINED WITHIN ATTACHMENT 3 OF THIS REPORT AND THE COMMITTEE BE DISBANDED UPON THE SIGNING BY ALL PARTIES OF A CONTRACT OF EMPLOYMENT FOR THE POSITION OF CHIEF EXECUTIVE OFFICER.
2. COUNCIL BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 5.10 OF THE LOCAL GOVERNMENT ACT 1995 APPOINTS THE EMRC CHAIRMAN, DEPUTY CHAIRMAN, AND COUNCILLORS KLEIN, CUCCARO, MCKECHNIE & GODFREY AS THE MEMBERS OF THE CHIEF EXECUTIVE OFFICER RECRUITMENT COMMITTEE WITH THE CHAIRMAN OF THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE AS AN ADVISOR TO THE COMMITTEE.



Item 19.5 continued

3. COUNCIL BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 5.16 OF THE LOCAL GOVERNMENT ACT 1995 DELEGATES TO THE CHIEF EXECUTIVE OFFICER RECRUITMENT COMMITTEE THE POWER TO ENGAGE AN INDEPENDENT CONSULTANT OR AGENCY TO ASSIST IN CARRYING OUT ITS FUNCTIONS.
4. THE REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHIEF EXECUTIVE OFFICER AND THE CHAIRMAN.

CARRIED UNANIMOUSLY

20 FUTURE MEETINGS OF COUNCIL

The next meeting of Council will be held on **Thursday 21 May 2009** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2009

Thursday	21	May	at	EMRC Administration Office
Thursday	25	June	at	EMRC Administration Office
Thursday	23	July (if required)	at	EMRC Administration Office
Thursday	27	August	at	EMRC Administration Office
Thursday	24	September (if required)	at	EMRC Administration Office
Thursday	29	October	at	EMRC Administration Office
Thursday	3	December	at	EMRC Administration Office
January 2010 (recess)				

21 DECLARATION OF CLOSURE OF MEETING

There being no further business, the meeting was closed at 8.15pm.