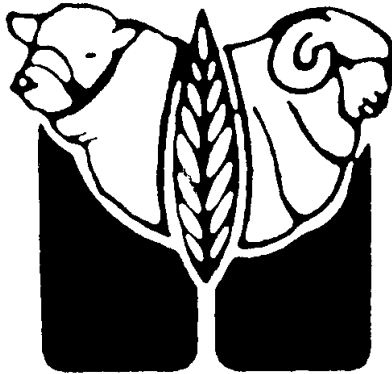


AGENDA

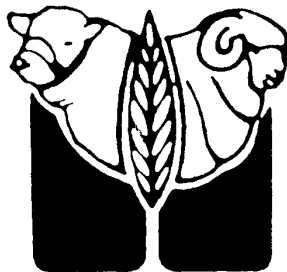


SPECIAL MEETING
TO BE HELD

THURSDAY, 28 MARCH 2019
COMMENCING AT 5.30PM

AT

SHIRE OF BOYUP BROOK
ABEL STREET – BOYUP BROOK



SHIRE OF BOYUP BROOK

NOTICE OF SPECIAL COUNCIL

MEETING

To:-

Cr G Aird- Shire President
Cr R Walker-Deputy Shire President
Cr A Alexander
Cr P Kaltenrieder
Cr K Moir
Cr E Muncey
Cr T Oversby
Cr H O'Connell
Cr E Rear

A Special Council Meeting of the Shire of Boyup Brook will be held on Thursday 28 March 2019 in the Council Chambers, Shire of Boyup Brook, Abel Street, Boyup Brook – commencing at 5.30pm for the purposes of dealing with the review of the Annual Budget 2018/2019.

Stephen Carstairs
Acting CEO

Date: 27 March 2019

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1. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE PREVIOUSLY APPROVED

1.1 Attendance

Cr G Aird- Shire President
Cr R Walker-Deputy Shire President
Cr A Alexander
Cr P Kaltenrieder
Cr K Moir
Cr E Muncey
Cr H O'Connell
Cr T Oversby
Cr E Rear

STAFF: Mr S Carstairs (Acting Chief Executive Officer)
Mrs M Lane (Executive Assistant)

1.2 Apologies

1.3 Leave of Absence

2. PUBLIC QUESTION TIME

3. APPLICATION FOR LEAVE OF ABSENCE

4. MATTERS REQUIRING A DECISION

4.1 Adoption of the 2018-19 Budget Review
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Location:	Not applicable
Applicant:	Not applicable
File:	
Disclosure of Interest:	Nil
Date:	27 March 2019
Author:	Stephen Carstairs - Acting CEO
Authorizing Officer:	Stephen Carstairs - Acting CEO
Attachments:	Attachment 4.1 – 2018-19 Statement of Budget Review and Notes.

PURPOSE

To consider and adopt the Budget Review as presented in the Statement of Financial Activity for the period 1 July 2018 to 28 February 2019.

BACKGROUND

A Statement of Budget Review incorporating year to date budget variations and forecasts to 30 June 2019 for the period ending 28 February 2019 is presented for council to consider. The *Local Government (Financial Management) Regulations 1996*, regulation 33A, requires that local governments conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

DETAILS

The budget review was prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. This annual budget review was conducted at the I/E (Income/Expenditure) code level, specifically targeting actual to budget variances equal to or greater than \$2,000 (some smaller variances were included). A reasonable surplus (\$225,000) was realised from the review.

Features of the budget review include:

OPENING BALANCE	(Surplus)/Deficit	(19,285)
	2017-18 Surplus brought forward which was \$41,248 less than that in the Adopted Budget.	(260,714)
OPERATING		
Rates	No Change	
Operating Grants & Contributions	Comprises:	(181,990)
	- FAGS General Purpose Grant increase \$174,920	
	- FAGS Roads Grant decrease -\$48,850	
	- WISE Program Grant \$3,000	
	- Main Roads Direct Grant increase \$57,625	
Non Operating Grants	Comprises:	775,330
	- DFES Fire Appliance replacement deferred to 2019-20 - \$335,000	
	- Stronger Communities Playgroup Shade Sail Grants \$14,090	
	- Cultural Hub Project Grant Income deferred -\$525,000	
	- Cycleways program deferred to 2019-20 -\$30,000	
	- FAGS Special project Grant brought to account \$112,055	
Fees & Charges	Comprises a number of minor variances (<\$5,000)	24,990
Interest Revenue	Comprises a number of minor variances (<\$5,000)	(2,080)
Other Revenue	Comprises a number of minor variances (<\$5,000)	9,000
Employee Costs	Comprises:	143,360
	- Bush Fire Risk Program transfer to Dardanup \$13,165	
	- Ranger engagement delay \$17,950	
	- Medical Service new GP, additional accreditation and auxiliary Staff -\$191,945	
	- Medical Services increased Workers Comp -\$10,025	
	- Townsite Gardens under-allocated -\$10,975	
	- Community Development under-allocated -\$20,770	
	- Community Development superannuatn over-allocated \$9,425	
	- Works & Services Supervision savings \$39,840	
	- Works & Services annual leave over-allocated \$14,210	
	- Admin Staff under-allocated -\$34,685	
	- Admin Workers Comp under-allocated -\$9,155	
	- Admin FBT savings \$9,375	
	- Admin Conference & Training savings \$12,100	
	- Admin superannuation under-allocated \$26,030	

	- Also includes a number of minor variances (<\$5,000)	
Material & Contracts	Comprises:	(177,930)
	- Environmental Health & OSH under-allocated -\$9,500	
	- Medical Service Building Mtce under-allocated -\$7,165	
	- River Environs Plan deferred \$20,000	
	- Bridges Mtce over-allocated \$7,000	
	- Traffic Signs stock deferred \$10,000	
	- Road Inventory condition report deferred \$10,000	
	- Area Promotions deferred \$10,000	
	- Flax Mill & Caravan Park studies & plans deferred \$38,500	
	- Buiding Mtce Officer savings \$6,000	
	- Consultant Engineer savings \$36,080	
	- Plant Parts & Repairs savings \$17,105	
	- Plant licences under-allocated -\$8,530	
	- Admin Consultant savings \$10,000	
	- Local Planning Strategy Savings \$10,000	
	- Purchas of Land expense deferred \$7,500	
	- Also includes a number of minor variances (<\$5,000)	
Depreciation	Infrastructure Assets revaluations for fair value substantially	587,345
	Increased the value of transport and other infrastructure - result	
	being as substantial increase in 2018-19 depreciation.	
Depreciation Movements	Being non-cash, the increased depreciation expense is off-set in The Statement of Budget Review	(587,345)
Utility Charges	Comprises a number of minor variances (<\$5,000)	4,085
Insurance Expense	Comprises a number of minor variances (<\$5,000)	1,920
Interest Expense	No change	
Other Expenditure	Comprises:	16,265
	- Community Lions Bus Grant -\$8,000	
	- Also includes a number of minor variances (<\$5,000)	
CAPITAL PROGRAM		
Investment Properties	Aged Accommodation Project deferred - refer 2018-19 Capital Program attached	(878,080)

Buildings	Several Building projects deferred - refer 2018-19 Capital Program attached	(1,013,270)
Plant & Equipment	A number of acquisitions are to be deferred - refer 2018-19 Capital Program attached	(573,600)
Furniture & Equipment	A number of acquisitions are to be deferred - refer 2018-19 Capital Program attached	(24,350)
Roads, Bridges etc	Refer 2018-19 Capital Program attached	47,055
Footpaths & Drainage	Refer 2018-19 Capital Program attached	5,000
Other Infrastructure	Refer 2018-19 Capital Program attached	24,010
Sale Proceeds	Refer 2018-19 Capital Program attached	461,500
New Borrowings	Deferred & refer 2018-19 Capital Program attached	350,000
Transfers to Reserve	Deferred & refer 2018-19 Capital Program attached	(945,555)
Transfers from Reserve	Deferred & refer 2018-19 Capital Program attached	1,728,625
Difference in funds brought forward		41,248
	Overall Change (surplus)	(225,000)

Due to the above adjustments the closing funds as at 30 June 2019 are forecast to increase to \$225,000.

CONSULTATION

Dominic Carbone (principal, Carbone & Associates), Darren Long (principal, DL Consulting), Kay Raisin – Acting Finance and HR Manager, Steele Alexander – Manager Works & Services, and Daly Winter – Community Emergency & Regulation Services Manager.

STATUTORY ENVIRONMENT

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires:

- (1) Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.
- (2) Consideration and review is to be given to a local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year.

- (3) 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.
- (4) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

**Absolute majority required.*

- (5) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

POLICY IMPLICATIONS

The budget is based on the principles contained within the Community Strategic Plan and Plan for the Future.

FINANCIAL IMPLICATIONS

Specific financial implications are as outlined in the above Table.

STRATEGIC IMPLICATIONS

The Budget Review has been developed based on existing strategic planning documents adopted by council.

VOTING REQUIREMENT

Absolute Majority required: Yes.

TRIPLE BOTTOM LINE ASSESSMENT

Economic Implications

The budget has been reviewed based on tested financial management and accountability principles and is considered to deliver in 2017-18 a sustainable economic outcome for Council and the community.

Social Implications

The budget has been reviewed to deliver social outcomes identified in various planning and community supporting strategies that have previously been adopted by the council.

Environmental Implications

The budget has been reviewed so as to consider key environmental strategies and initiatives as supported by the council.

COMMENT

The budget has been reviewed so as to continue to deliver on other strategies adopted by the council and maintains a high level of service across all programs. The closing funds remain in surplus (\$225,000) as a result of this budget review.

The surplus of funds brought forward from 2017-18 decreased by \$41,248. At the conclusion of the review, that deficit was eroded to produce a \$225,000 surplus.

OFFICER RECOMMENDATION

That:

Council adopt the budget review for the period 1 July 2018 to 28 February 2019 (as attached) with variations as follows, and instruct the Acting CEO to amend the budget accordingly:

OPENING BALANCE	(Surplus)/Deficit	(19,285)
	2017-18 Surplus brought forward which was \$41,248 less than that in the Adopted Budget.	(260,714)
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5 CLOSURE OF MEETING