

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

CITY OF BUSSELTON

MINUTES FOR THE FINANCE COMMITTEE MEETING HELD ON 15 NOVEMBER 2018

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MINUTES

MINUTES OF FINANCE COMMITTEE HELD IN COMMITTEE ROOM, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 15 NOVEMBER 2018 AT 9.30AM.

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting at 9.31am

2. ATTENDANCE

Presiding Member:

Cr Robert Reekie

Members:

Cr Grant Henley (left the meeting at 10.06am)
Cr Coralie Tarbotton (entered the meeting at 9.33am)
Cr John McCallum
Cr Rob Bennett (Deputy Member)

Officers:

Mr Tony Nottle, Director, Finance and Corporate Services
Mr Kim Dolzadelli, Manager, Finance Services
Miss Kate Dudley, Administration Officer, Governance

Apologies:

Cr Carter
Cr Tarbotton (entered meeting at 9.33am)

3. PUBLIC QUESTION TIME

Nil

4. DISCLOSURE OF INTERESTS

Nil

5. CONFIRMATION OF MINUTES

5.1 Minutes of the Finance Committee Meeting held 18 October 2018

COMMITTEE DECISION

F1811/067

Moved Councillor J McCallum, seconded Councillor G Henley

That the Minutes of the Finance Committee Meeting held 18 October 2018 be confirmed as a true and correct record.

CARRIED 4/0

6. REPORTS

6.1 FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 OCTOBER 2018

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

9.33am *At this time Cr Tarbotton entered the meeting.*

PRÉCIS

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

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

BACKGROUND

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

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

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 25 July 2018, the Council adopted (C1807/138) the following material variance reporting threshold for the 2018/19 financial year:

"That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2018/19 financial year as follows:

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

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

Not applicable.

FINANCIAL IMPLICATIONS

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

LONG-TERM FINANCIAL PLAN IMPLICATIONS

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

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

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

CONSULTATION

Not applicable

OFFICER COMMENT

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

- Statement of Financial Activity

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

- Net Current Position

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

▪ Capital Acquisition Report

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

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

▪ Reserve Movements Report

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

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

COMMENTS ON FINANCIAL ACTIVITY TO 31 OCTOBER 2019

The Statement of Financial Activity for the period ending 31 October 2018 shows a better than expected Net Current Position "Surplus" of \$35.826M being \$9.387M higher than year to date budget (YTD budget) of \$25.951M.

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

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities					
Operating Grants, Subsidies and Contributions	1,142,163	898,249	3,958,925	27.15%	243,914
Other Revenue	442,456	107,615	337,740	311.15%	334,841
Interest Earnings	863,837	683,424	2,283,760	26.40%	180,413
Expenses from Ordinary Activities					
Materials & Contracts	(4,430,590)	(6,178,445)	(18,833,959)	28.29%	1,747,855
Utilities (Gas, Electricity, Water etc)	(737,697)	(856,129)	(2,569,240)	13.83%	118,432
Depreciation on non current assets	(7,433,425)	(6,472,786)	(19,070,922)	-14.84%	(960,639)
Insurance Expenses	(712,563)	(576,357)	(698,808)	-23.63%	(136,206)
Other Expenditure	(828,122)	(1,513,508)	(4,819,009)	45.28%	685,386
Allocations	424,450	567,535	1,723,162	25.21%	(143,085)
Borrowings Cost Expense					
Interest Expenses	(361,589)	(401,291)	(1,374,387)	9.89%	39,702
Non-Operating Grants, Subsidies and Contributions					
	1,614,638	4,741,643	32,402,981	-65.95%	(3,127,005)

Adjustments for Non-cash Revenue & Expenditure					
Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
Depreciation	7,433,425	6,472,786	19,070,922	14.8%	960,639
Donated Assets	(42,000)	(5,000)	(8,365,000)	740.0%	(37,000)
Capital Revenue & (Expenditure)					
Land & Buildings	(343,558)	(5,216,982)	(17,902,816)	93.41%	4,873,424
Plant & Equipment	(947,492)	(1,953,000)	(6,880,100)	51.49%	1,005,508
Furniture & Equipment	(95,800)	(309,164)	(883,640)	69.01%	213,364
Infrastructure	(6,454,034)	(11,964,251)	(37,259,070)	46.06%	5,510,217
Proceeds from Sale of Assets	291,090	555,650	1,045,950	-47.61%	(264,560)
Transfer to Restricted Assets	(643,776)	(182,664)	(551,000)	-252.44%	(461,112)
Transfer from Restricted Assets	3,411,252	4,690,120	14,423,922	-27.27%	(1,278,868)

Operating Income:

Year to date actual Income from ordinary activities is \$984K more than expected when compared to YTD budget with the following items meeting the material variance reporting threshold set by Council for the 2018/2019 Financial Year.

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities					
Operating Grants, Subsidies and Contributions	1,142,163	898,249	3,958,925	27.15%	243,914
Other Revenue	442,456	107,615	337,740	311.15%	334,841
Interest Earnings	863,837	683,424	2,283,760	26.40%	180,413

Operating Grants:

The main items affected are listed below:

Cost Code	Cost Code Description	Variance YTD
Planning and Development Services		
10942	Bushfire Risk Management Planning - DFES	141,285
Engineering and Works Services		
M9970	Tree Removal and Clean up	127,893

Other Revenue:

The main items affected are listed below:

Cost Code	Cost Code Description	Variance YTD
Finance and Corporate Services		
10250	Information & Communication Technology Services - Sundry Income (GST) – Note offset with Lease	277,171

	payments	
Engineering and Works Services		
G0030	Busselton Transfer Station - Sale of Scrap Materials	50,169
G0031	Dunsborough Waste Facility - Sale of Scrap Materials	21,860

Interest Earnings:

Interest earnings are better than YTD Budget by \$180K, this is better than expected interest errant on restricted assets YTD.

Operating Expenditure:

Expenditure from ordinary activities, excluding depreciation, is \$2.44M less than expected when compared to YTD budget with the following items meeting the material variance reporting threshold set by Council for the 2018/2019 Financial Year.

Materials and Contracts:

The main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Finance and Corporate Services</u>		
10250	Information & Communication Technology Services	(44,571)
10251	Business Systems	59,697
10500	Legal and Compliance Services	35,582
<u>Community and Commercial Services</u>		
10591	Geographe Leisure Centre	48,587
10600	Busselton Jetty Tourist Park	59,263
10900	Cultural Planning	33,478
10980	Other Law, Order & Public Safety	48,324
11151	Airport Operations	35,340
<u>Planning and Development Services</u>		
10830	Environmental Management Administration	29,712
11170	Meelup Regional Park	47,251
<u>Engineering and Works Services</u>		
11101	Engineering Services Administration	63,231
11160	Busselton Jetty	261,264
11300	Sanitation Waste Services Administration	44,461
11301	Regional Waste Management Administration	40,000
12620	Rural-Tree Pruning	(59,000)
A9999	Miscellaneous Bridge Maintenance	44,114
B1000	Administration Building- 2-16 Southern Drive	31,421
B1401	Old Butter Factory	(72,923)
B1514	Asbestos Removal & Replacement	29,995
G0031	Dunsborough Waste Facility	(32,662)
G0032	Rubbish Sites Development	33,332

G0034	External Waste Disposal	37,768
G0042	BTS External Restoration Works	(26,983)
R0004	Bsn Foreshore Precinct (not including Skate Park)	70,607
R0820	Almond Green Park (Provence)	24,783
5280	Transport - Fleet Management	136,373

Utilities:

There is an overall variance in utility charges of \$118K this variance is spread over 364 individual line items with an average variance of only \$324 per item.

Depreciation:

There is an overall variance in depreciation of \$960K, it should be noted that this is a non-cash item and does not impact on the City's surplus position. The variance can be attributed to the fact that Fair Valuation of infrastructure assets was completed post budget adoption and the increase in valuation was unable to be included in the 2018/2018 budget.

Insurance:

There is an YTD variance in insurance costs of \$136K, this is of a timing issue only.

Other Expenditure:

There is an YTD variance in other costs of \$685K, this is considered a timing issue only, and the main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Executive Services</u>		
10001	Office of the CEO	25,947
<u>Finance and Corporate Services</u>		
10000	Members of Council	52,511
10151	Rates Administration	27,255
<u>Community and Commercial Services</u>		
10530	Community Services Administration	50,950
11156	Airport Development Operations	500,000
<u>Engineering and Works Services</u>		
B1223	Micro Brewery - Public Ablution	40,000

Allocations:

Allocations are running \$143Kk under YTD budget; these items are an internal allocation of administrative costs from the Finance and Corporate Services division.

Borrowing Costs – Interest Expenses:

Interest expenses are \$39k less than YTD budget, no new loans have been taken at this point in time.

Non-Operating Grants, Subsidies and Contributions:

Non-Operating Grants, Subsidies and Contributions are less than YTD budget by \$3.127M with the main items impacting on the above result being the timing of the receipt of "Airport Development -

Project Grant” with a current negative result of \$2.73M and Contributions – Public Art \$371K less than YTD Budget.

Capital Expenditure

As at 31 October 2018, there is a variance of -59.67% or -\$11.66M in total capital expenditure with YTD actual at -\$7.84M against an YTD budget of -\$19.44M. The airport development makes up for \$4.91M, Busselton Tennis Club – Infrastructure \$1.24M, Plant and Equipment Purchases \$1M Council Roads Initiative projects \$933K, Eastern Link - Busselton Traffic Study \$900K, Main Roads projects \$716K, Sanitation Infrastructure \$640K, Parks Gardens and Reserves \$457K Senior Citizens Building project, Beach Restoration \$250K, Furniture and Equipment \$213K, Dunsborough Cycleway \$213K and Busselton Jetty Precinct (769,723). These items of under expenditure also assists in explaining the above current YTD shortfall in Non-Operating Grants.

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

Investment Report

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

As at 31st October 2018 the value of the City’s invested funds totalled \$83.3M, up from \$80.8M as at 30th September. The increase is due to the inflow of funding associated with the annual rate levies.

During the month of October two term deposits held with two different institutions totalling \$4.5M matured. All were renewed for a further 152 days at 2.67% (on average).

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) increased by \$2.5M.

The balance of the Airport Development ANZ cash account remained steady this month.

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

Chief Executive Officer – Corporate Credit Card

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

Date	Amount	Payee	Description
29-Sep-18	\$110.00	Riverview On Mount Street	Accommodation - Cr McCallum Attending Tennis Awards
26-Sep-18	\$158.00	Aloft Perth	Accommodation - Maxine Palmer Attending Tennis Awards
01-Oct-18	\$280.00	Tennis West Burswood	Tennis Industry Awards 2018 x 2 Registrations

Date	Amount	Payee	Description
08-Oct-18	\$185.00	Local Government Managers Assocn.	LG Professionals Membership T King
08-Oct-18	\$80.00	NPA WA West Perth	Attend Nationals WA Sundowner (Mayor)
08-Oct-18	\$59.99	Snapfish Australia	Departure Gift – Cliff Frewing Canvas Print

15-Oct-18	\$56.30	Tall Timbers Manjimup	Lunch Meeting with Minister (CEO/Mayor)
15-Oct-18	\$156.55	Kingsley Motel Manjimup	Accommodation For Mayor
16-Oct-18	\$95.10	The Good Egg	Lunch CEO, Mayor and City of Bunbury
25-Oct-18	\$486.00	Spice Odysee	Council Meeting Dinner
26-Oct-18	\$25.00	Local Government Managers Assocn.	Refunded next period

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

+ Allocated against CEO Hospitality Expenses Allowance

CONCLUSION

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


COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

F1811/068 Moved Councillor J McCallum, seconded Councillor C Tarbotton

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

CARRIED 5/0

6.2 LIST OF PAYMENTS MADE OCTOBER 2018

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

PRÉCIS

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

BACKGROUND

The Local Government (Financial Management) Regulations 1996 (Regulations) require that when the Council has delegated authority to the Chief Executive Officer to make payments from the City's bank accounts, that a list of payments made is prepared each month for presentation to, and noting by, Council.

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

Not Applicable.

FINANCIAL IMPLICATIONS

Not Applicable.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Not Applicable.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Leadership' and more specifically Community Objective 6.1 - 'Governance systems, process and practices are responsible, ethical and transparent'.

RISK ASSESSMENT

Not Applicable.

CONSULTATION

Not Applicable.

OFFICER COMMENT

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

CONCLUSION

The list of payments made for the month of October 2018 is presented for information.

OPTIONS

Not Applicable.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not Applicable.

OFFICER RECOMMENDATION

That the Council notes payment of voucher numbers M116206 – M116320, EF061169 – EF061667, T007412 – T007418, and DD003584 – DD003615; together totalling \$8,463,368.41.

COMMITTEE RECOMMENDATION

F1811/069 Moved Councillor J McCallum, seconded Councillor G Henley

That the Committee notes payment of voucher numbers M116206 – M116320, EF061169 – EF061667, T007412 – T007418, and DD003584 – DD003615; together totalling \$8,437,667.17.

CARRIED 5/0

Reason: The line items with 0.00000 as the description are duplicates and need to be removed from the list of payments, which will result in a n amended total of \$8,437,667.17.

6.3 BUDGET AMENDMENT REQUEST / REVIEW

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

PRÉCIS

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

BACKGROUND

Council adopted its 2018/2019 municipal budget on Wednesday, 25 July 2018 with a balanced budget position.

Since this time Council has been advised of certain funding changes that have positively impacted the original budget and Council is now being asked to consider budget amendments for the following key areas/projects:

1. Funds Held in Trust
2. Recognition of income for shared Library Consortia resource
3. Recognition of Income - Regional Every Club Funding Program
4. Recognition of Income – Community Child Care Fund Sustainability Support
5. Busselton Lion Club – Youth Activities

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

There are multiple plans and policies that support the proposed budget amendments.

FINANCIAL IMPLICATIONS

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

LONG TERM FINANCIAL PLAN IMPLICATIONS

There are no Long Term Financial Plan implications in relation to this item.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

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

CONSULTATION

Consultation has occurred with the appropriate Council officers.

OFFICER COMMENT

The Officer recommends the following requested budget amendments to the Finance Committee for consideration and recommendation to Council.

1. “Funds Held in Trust”

Community Appeals Trust:

The City currently holds \$1,000.40 in the Community Appeals Trust which dates back to 2002, this amount represents the balance Council Funds placed into trust to be used to support victims of the Bali bombings, the last payment from this fund was made in October 2005.

Officers recommend that the amount of \$1,000.40 be transferred from the Community Appeals Trust fund to Council Reserve Fund “Emergency Disaster Recovery Reserve”.

Sundry Other Trusts:

The City currently holds \$24,240.63 held in the Sundry Other Trusts which is made up of \$1400 – BSN BMX Club (2006) and \$22,840.63 is from the Yallingup Hall Committee (2015).

It is understood that the BMX Club have not been in operation since 2006, former members of the club committee have been contacted by City officers and it is recommended that these funds be transferred to the Municipal fund and utilised on rails for trails expenditure.

Further to the above the Yallingup Hall Committee handed back the hall to Council and disbanded in 2015 and the City of Busselton since then has been fully responsible for the hall. This being the case it is recommended that the \$22,840.63 be transferred from trust into the City’s “Building Asset Renewal Fund” for use on the hall when required.

Planned Expenditure Items

Officers propose that the 2018/2019 adopted budget be amended to reflect the following funding charges, shown in Table 1.

Table 1:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Transfers from Trust				
Trust Transfer	Community Appeals Trust	0	(1,000.40)	(1,000.40)
Trust Transfer	Sundry Other Trusts	0	(24,240.63)	(24,240.63)
Expenditure				
C3122	Rails to Trails	248,723	1,400	250,123
Transfers to Reserve				
Building Asset Renewal Fund	Transfer to	890,864	22,840.63	913,704.63
Emergency Disaster Recovery Reserve	Transfer to	20,936	1,000.40	21,936.40
Net Total		1,160,523.00	0	1,160,523.00

Proposed Outcome

Transfer of defunct Trust funds held.

2. "Recognition of income for shared Library Consortia resource"

The City is a member of the SW Library Consortia (SWLC), consisting of 12 members. In 2017, the SWLC successfully procured and went on to implement across 22 libraries a shared library management system and associated operating procedures. This achieved significant savings for members who were able to divest of outdated and unsupported library software and moved to the latest in cloud-based technology.

The new system has also reduced IT support requirements for individual libraries but resourcing of day to day issues,(usually user error), training and deployment of new functionality and system upgrades is still required. It is inefficient and a duplication of overheads for each member library to individually resource this core function and therefore the Consortia approached all participating members with a proposal for a dedicated consortia resource to manage these issues and deploy new features. The Consortia requested a contribution from each member based population.

The City has allocated \$14,800 in the 2018/19 budget for its share of the resource; as this resource is to be hosted by the City of Busselton a budget amendment to recognise the other Consortia member contributions to the resource and associated expense is required.

Planned Expenditure Items

The amendments shown below in Table 2 will reflect the other Consortia member contributions and associated offset expenditure.

Table 2:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
233-10380-xxxx	Contributions – other Consortia Members	0	(39,000)	(39,000)
233- 10380-3295	Library Services - Other Computing Costs	14,800	39,000	53,800
Net Total		14,800	0	14,800

Proposed Outcome

Provide financial support to the Library Consortia which in turn will enhance patrons experience, address duplication across the 12 member Local Governments and provide dedicated support to member Local Governments. There will be no impact on the adopted budget.

3. “Recognition of Income - Regional Every Club Funding Program”

The City has been successful in securing a grant for \$40,000 over 2 years from the Department of Local Government, Sport and Cultural Industries to deliver a range of strategic planning workshops and community workshops for sports in the region.

This project has been developed in partnership with the surrounding City of Busselton Local Government Authorities (Shires of Capel and Augusta Margaret River), with the key outcome being to educate the club volunteers and to have sustainable associations and clubs by conducting strategic planning workshops. The project is also designed to assist targeted sporting associations and clubs to plan their resources and growth and will also support the development of the City of Busselton’s Recreation Facilities Strategy.

Planned Expenditure Items

Year 1 funding agreement is from 1 September 2018 to 31 August 2019. (\$20,000)

Year 2 funding agreement is from 1 September 2019 to 31 August 2019. (\$20,000)

Expenditure will be used for contractor and staff time, meeting and workshop facilitation.

The amendments shown in Table 3 are sought for approval.

Table 3:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
332-10540-1239-9353	Operating Grants & Subsidies-other	0	(20,000)	(20,000)
Expenditure				
332-10540-3260-9353	Consultancy	20,000	20,000	40,000
	Net Total	20,000	0	20,000

Proposed Outcome

Recognition of Grant Funding and programme activities.

4. “Recognition of Income – Community Child Care Fund Sustainability Support”

The City has been successful in securing a grant for \$64,000 over 2 years from the Commonwealth Department of Education and Training to deliver a range of strategies aimed at assisting the sustainability of the outside school hours care vacation care program at Naturaliste Community Centre.

This projects key outcomes are to formulate and implement a number of business, programming, marketing, training and staffing strategies with the aim to increase utilisation and improve service sustainability. Part of the process will be to engage a consultant to review the service and make recommendations regarding policy and procedure, target marketing, compliance and training.

Planned Expenditure Items

Year 1 funding agreement is from 1 July 2018 to 30th June 2019. (\$41,000)

Year 2 funding agreement is from 1 July 2019 to 30 June 2020. (\$23,000)

Expenditure will be used for the following over the 2 years in accordance with the grant agreement

1. Consultants /professional fees (\$15,000)
2. Transport costs (\$5,000)
3. Changes to business practices (\$4,000)
4. Additional operating costs (\$2,000)
5. Additional target marketing (\$10,000)
6. Educational resources and materials (\$23,000)
7. Wages and training (\$5,000)

The amendments shown in Table 4 are sought for approval.

Table 4:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
336- 10590- 1239 -7007	Operating Grants & Subsidies-other	0	(41,000)	(41,000)
Expenditure				
336-10590-3038-7007	Wages	157,950	3,000	160,950
336-10590-3376-7007	Holiday Program activities	6,000	17,000	23,000
336-10590-3623-7007	Marketing and promotions	3,000	6,000	9,000
336-10590-3301-7007	Furniture and off equip purchases	1,500	15,000	16,500
	Net Total	168,450	0	168,450

Proposed Outcome

Recognition of Grant Funding and programme activities.

5. “Busselton Lion Club – Youth Activities”

The City of Busselton was presented with a cheque for \$3,000 by the Busselton Lions Club at the Youth Centre on Friday 2nd November 2018. The Lions Club are keen to support youth initiatives.

Planned Expenditure Items

The funding is to be used to support the youth cooking program at the Youth Centre and will include the purchase of cooking equipment and a lockable storage cupboard. The purpose of this proposed budget amendment is to include this funding as revenue and corresponding expenditure in Council’s 2018/19 Budget.

The amendments shown in Table 4 are sought for approval.

Table 5:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
330 B1361 1239 000	Operating Grants & subsidies - other	(29,000)	(3,000)	(32,000)
Expenditure				
330 B1361 3413 000	Youth Services Programs and Activities	37,460	3,000	40,460
	Net Total	8460	0	8,460

Proposed Outcome

Recognition of Grant Funding and programme activities.

CONCLUSION

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

OPTIONS

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

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

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

COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

F1811/070 Moved Councillor G Henley, seconded Councillor J McCallum

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That Council endorse the requested budget amendments outlined in tables 1 to 5 below, resulting in no change to an amended budgeted surplus position of \$0.

Table 1:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Transfers from Trust				
Trust Transfer	Community Appeals Trust	0	(1,000.40)	(1,000.40)
Trust Transfer	Sundry Other Trusts	0	(24,240.63)	(24,240.63)
Expenditure				
C3122	Rails to Trails	248,723	1,400	250,123
Transfers to Reserve				
Building Asset Renewal Fund	Transfer to	890,864	22,840.63	913,704.63
Emergency Disaster Recovery Reserve	Transfer to	20,936	1,000.40	21,936.40
	Net Total	1,160,523.00	0	1,160,523.00

Table 2:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
233-10380-xxxx	Contributions – other Consortia Members	0	(39,000)	(39,000)
233- 10380-3295	Library Services - Other Computing Costs	14,800	39,000	53,800
Net Total		14,800	0	14,800

Table 3:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
332-10540-1239-9353	Operating Grants & Subsidies-other	0	(20,000)	(20,000)
Expenditure				
332-10540-3260-9353	Consultancy	20,000	20,000	40,000
Net Total		20,000	0	20,000

Table 4:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
336- 10590- 1239 -7007	Operating Grants & Subsidies-other	0	(41,000)	(41,000)
Expenditure				
336-10590-3038-7007	Wages	157,950	3,000	160,950
336-10590-3376-7007	Holiday Program activities	6,000	17,000	23,000
336-10590-3623-7007	Marketing and promotions	3,000	6,000	9,000
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Net Total		168,450	0	168,450

Table 5:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
330 B1361 1239 000	Operating Grants & subsidies - other	(29,000)	(3,000)	(32,000)
Expenditure				
330 B1361 3413 000	Youth Services Programs and Activities	37,460	3,000	40,460
Net Total		8460	0	8,460

CARRIED 5/0

6.4 PROPOSED COMMITTEE MEETING DATES 2019

SUBJECT INDEX:	Committee meeting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Administration Officer - Governance - Kate Dudley
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

COMMITTEE DECISION

F1811/071 Moved Councillor J McCallum, seconded Councillor C Tarbotton

That the Committee accept the Proposed Committee Meeting Dates 2019 report as a late item.

CARRIED 5/0

PRÉCIS

This report is presented to enable the Committee to determine their meeting dates for the 2019 calendar year.

BACKGROUND

The Council of the City of Busselton establishes a standing committee to be known as the Finance Committee, under the powers given in Section 5.8 of the *Local Government Act 1995* (the Act).

The Finance Committee is established for the purpose of assisting the Council to undertake its role under Section 2.7(2)(a) of the Act, to oversee the allocation of the local government's finances and resources.

The Terms of Reference (TOR) for the Finance Committee determines that the Committee must meet at least four times per year and report to Council once a quarter as a minimum.

However, in October 2015 the Committee resolved to meet monthly and established a meeting schedule.

STATUTORY ENVIRONMENT

The *Local Government (Administration) Regulation 12* requires a Committee that is to be open to members of the public or that are proposed to be open to members of the public, to give local public notice of the dates, time and place at which the Committee meetings are to be held in the next twelve months. Committee meeting dates are continually made available on the City's website.

RELEVANT PLANS AND POLICIES

There are no relevant plans and policies.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this matter.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no Long Term Financial Plan implications associated with this matter.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

There are no identified risks associated with this matter.

CONSULTATION

Following the Committees decision to adopt a meeting cycle for the 2019 calendar year, and in accordance with the *Local Government (Administration) Regulation 12*, the meeting dates for the next 12 months must be advertised for public information.

OFFICER COMMENT

In October 2015 the Council resolved that the Committee would meet monthly, the Committee resolved that they would meet on the third Thursday at 2.00pm, therefore the 2019 schedule has been generated with that day/time, with the exception of July, due to the Council recess, as shown below:

Thursday, 17 January
Thursday, 21 February
Thursday, 21 March
Thursday, 18 April
Thursday, 16 May
Thursday, 20 June
Thursday, 25 July (fourth Thursday)
Thursday, 15 August
Thursday, 19 September
Thursday, 17 October
*2019 Council Election 19 October
Thursday, 21 November

CONCLUSION

It is considered appropriate to continue to hold the Finance Committee meetings once a month on the third Thursday at 9.30am.

OPTIONS

The meeting date and time is determined by the Committee. The Committee may recommend a different day or time for the monthly meetings to be held.

10.06am *At this time Cr Grant Henley left the meeting.*

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The Finance Committee meeting schedule for the 2019 calendar year will be advertised prior to the end of 2018.

COMMITTEE DECISION

F1811/072 Moved Councillor R Bennett, seconded Councillor C Tarbotton

That the Committee adopts the proposed Finance Committee meeting dates for 2019 as shown below:

Thursday, 17 January
Thursday, 21 February
Thursday, 21 March
Thursday, 18 April
Thursday, 16 May
Thursday, 20 June
Thursday, 18 July
Thursday, 15 August
Thursday, 19 September
Thursday, 17 October
Thursday, 21 November

CARRIED 4/0

7. GENERAL DISCUSSION ITEMS

Nil

8. NEXT MEETING DATE

Thursday, 17 January 2019

9. CLOSURE

The Presiding Member closed the meeting at 10.07am.

THESE MINUTES CONSISTING OF PAGES 1 TO 24 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON TUESDAY, 25 DECEMBER 2018.

DATE: _____ PRESIDING MEMBER: _____