

minutes

Finance and Audit Committee



TOWN OF
VICTORIA PARK

Please be advised that a **Finance and Audit Committee** meeting commenced at **5.30pm** on **Monday 22 October 2018** in the council chambers at the administration building, 99 Shepperton Road, Victoria Park.



ANTHONY VULETA
CHIEF EXECUTIVE OFFICER

29 October 2018

(To be confirmed 26 November 2018)

TABLE OF CONTENTS

ITEM	TITLE	PAGE NO
1.	OPENING	3
	1.1 Resignation of the Presiding Member	3
	1.2 Election of a Presiding Member	3
2.	ATTENDANCE	4
	2.1 Apologies	4
	2.2 Approved leave of absence	4
3.	DECLARATIONS OF INTEREST	4
4.	CONFIRMATION OF MINUTES	5
5.	TERMS OF REFERENCE	5
6.	PRESENTATIONS	7
	6.1 Deputations	7
7.	METHOD OF DEALING WITH AGENDA BUSINESS	7
8.	REPORTS	8
	8.1 Schedule of accounts for 30 September 2018	8
	8.2 Financial statements for the month ending 30 September 2018	14
	8.3 Policy review – EM6 Fees, Expenses and Allowances – Elected Members	58
9.	MOTION FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN	63
10.	MEETING CLOSED TO PUBLIC	63
	10.1 Matters for which the meeting may be closed	63
	10.2 Public reading of resolutions that may be made public	63
11.	CLOSURE OF COMMITTEE MEETING	63

(To be confirmed 26 November 2018)

1. OPENING

Cr Oliver opened the meeting at 5.30pm.

1.1 Resignation of the Presiding Member

RESOLVED:

Moved: Cr Vernon

Seconded: Cr Ammons Noble

That the Finance and Audit Committee accept Cr Oliver's resignation from the position of Presiding Member for the Finance and Audit Committee.

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

1.2 Election of a Presiding Member

RESOLVED:

Moved: Cr Oliver

Seconded: Cr Vernon

That the Finance and Audit Committee appoint Cr Ammons Noble as Presiding Member of the Finance and Audit Committee.

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

(To be confirmed 26 November 2018)

2. ATTENDANCE

Members:

Banksia Ward:

Cr C (Claire) Anderson
Cr K (Karen) Vernon

Jarraah Ward:

Cr B (Brian) Oliver
Cr J (Jennifer) Ammons Noble (Presiding Member)

Independent members:

Mr N (Neil) Formosa
Mr J (Jonathon) Carley

Chief Financial Officer

Mr N (Nathan) Cain

Chief Operations Officer

Mr B (Ben) Killigrew

Senior Governance Advisor

Ms D (Danielle) Uniza

Manager Business Services

Mr L (Luke) Ellis

Manager Corporate Services

Mr G (Graham) Patrick

Manager Community

Mrs K (Kaitlyn) Griggs

Secretary

Miss A (Amy) Noon

2.1 Apologies

Nil.

2.2 Approved leave of absence

Nil.

3. DECLARATIONS OF INTEREST

Declaration of Financial Interests

Nil.

Declaration of Proximity Interest

Nil.

Declaration of Interest affecting impartiality

Nil.

(To be confirmed 26 November 2018)

4. CONFIRMATION OF MINUTES

RESOLVED:

Moved: Cr Anderson

Seconded: Cr Vernon

That the minutes of the Finance and Audit Committee meeting, held on 10 September 2018, be confirmed.

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

5. TERMS OF REFERENCE

1. Name

Finance and Audit Committee

2. Purpose

The Town's Strategic Community Plan notes four components of the mission statement, namely –

- Social – To promote sustainable connected, safe and diverse places for everyone.
- Economic – To promote sustainable diverse, resilient and prosperous places for everyone.
- Environment – To promote sustainable liveable, healthy and green places for everyone.
- Civic leadership – To show leadership by communicating with, empowering and supporting people in the community.

The primary purpose of this committee shall be the civic leadership component of the Town's mission statement, which is to show leadership by communicating with, empowering and supporting people in the community.

3. Scope

The committee will primarily focus on the following key civic leadership strategic outcomes–

- Well thought out and managed projects that are delivered successfully.
- Appropriate information management that is easily accessible, accurate and reliable.
- Innovative, empowered and responsible organisational culture with the right people in the right jobs.
- Finances are managed appropriately, sustainably and transparently for the benefit of the community.
- Visionary civic leadership with sound and accountable governance that reflects objective decision making.
- Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

(To be confirmed 26 November 2018)

Wherever possible, the committee will seek opportunities to address the following additional strategic outcomes –

- Everyone receives appropriate information in the most efficient and effective way for them.
- Appropriate devolution of decision making and service provision to an empowered community.
- People have positive exchanges with the Town that inspires confidence in the information and the timely service provided.
- A community that is authentically engaged and informed in a timely manner.

4. Deliverables

The committee will –

- Provide strategic leadership in the development and regular review of policies and strategies that are inclusive, empowering and build capacity of the Town of Victoria Park community.
- Provide guidance and assistance to Council as to the carrying out its functions in relation to audits in compliance with the *Local Government Act 1995*.
- Ensure Council maintains its financial capacity to deliver programs and services.
- Provide advice to Council in relation to matters related to the scope of the committee.

Specifically the committee will ensure delivery of the following –

- Annual review of policies, strategies and plans related to the scope of the committee.
- Annual compliance audit.
- Annual risk management audit.

5. Reporting

Although any service area of the Town may report through this committee on matters associated with the primary purpose and scope, the following service areas of council are likely to predominantly feature –

- Customer Relations
- Financial Services
- Human Resources
- Information Systems
- Leadership and Governance
- Project Management

6. Governance

The committee is a Council-created committee formed under Subdivision 2 (Committees and their meetings) of the *Local Government Act 1995* and is governed by the provisions of the *Town of Victoria Park Standing Orders Local Law 2011* and the *Local Government Act 1995* and its regulations.

The committee will comprise a maximum of four (4) Elected Members (being two (2) Elected Member representatives from each of the Town's two (2) wards with five (5) Elected Members being appointed in a hierarchical order as alternate deputy members) and up to two (2) other persons (that may be co-opted from time-to-time for such period, or in relation to such matters, as determined, where that person's experience, skills or qualifications would enable him or her to make a contribution to the committee's functions).

(To be confirmed 26 November 2018)

In accordance with section 5.19 of the *Local Government Act 1995*, the quorum for a meeting of the committee is at least 50% of the number of offices (whether vacant or not) of members of the committee.

7. Meeting arrangements

The committee shall convene in accordance with the annual adopted meeting schedule.

8. Authority

The committee has no delegated power. The committee may only make recommendations to Council for a decision.

9. Review

The committee and committee terms of reference will be reviewed from time-to-time and immediately following each local government election.

6. PRESENTATIONS

6.1 Deputations

Nil.

7. METHOD OF DEALING WITH AGENDA BUSINESS

RESOLVED:

Moved: Cr Vernon

Seconded: Mr Carley

That clause 6.10 *Speaking Twice of the Town of Victoria Park Standing Orders Local Law 2011* be suspended for the duration of this meeting.

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

(To be confirmed 26 November 2018)

8. REPORTS**8.1 Schedule of accounts for 30 September 2018**

File Reference:	FIN/11/0001~09
Appendices:	Payment listing – September 2018
Attachments:	No

Date:	03 October 2018
Reporting Officer:	A. Thampoe
Responsible Officer:	G. Patrick
Voting Requirement:	Simple Majority
Executive Summary:	
Recommendation - That the Finance and Audit Committee recommends that Council, acknowledges the Schedule of Accounts paid for the month ended 30 September 2018.	
<ul style="list-style-type: none"> • The accounts paid for 30 September 2018 as included in the appendices. • Direct lodgement of payroll payments to the personal bank accounts of employees are also included. 	

TABLED ITEMS:

Nil

BACKGROUND:

Council has delegated to the Chief Executive Officer the authority to make payments from the Municipal and Trust funds in accordance with the *Local Government (Financial Management) Regulations 1996*.

Under Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, where a local government has delegated to the Chief Executive Officer the exercise of its power to make payments from the Municipal fund or the Trust fund, each payment from the Municipal fund or the Trust fund is to be noted on a list compiled for each month showing:

- a) The payee's name;
- b) The amount of the payment;
- c) The date of the payment; and
- d) Sufficient information to identify the transaction.

That list should then be presented at the next Ordinary Meeting of the Council following the preparation of the list, and recorded in the minutes of the meeting at which it is presented.

DETAILS:

The list of accounts paid in accordance with *Regulation 13(1) of the Local Government (Financial Management) Regulations 1996* is contained within the Appendices, and is

(To be confirmed 26 November 2018)

summarised as thus –

Fund	Reference	Amounts
Municipal Account		
Automatic Cheques Drawn	608424 – 608439	58,861
Creditors – EFT Payments		4,662,611
Payroll		1,046,111
Bank Fees		59,394
Corporate MasterCard		4,005
		5,830,982
Trust Account		
Automatic Cheques Drawn	3602 – 3610	13,995
		13,995

Legal Compliance:

Section 6.10 (d) of the Local Government Act 1995 refers, ie. -

6.10. Financial management regulations

Regulations may provide for —

- (d) the general management of, and the authorisation of payments out of —
- (i) the municipal fund; and
 - (ii) the trust fund,
- of a local government.

Regulation 13(1), (3) & (4) of the Local Government (Financial Management) Regulations 1996 refers, ie. -

13. Lists of Accounts

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
- (a) the payee's name;
 - (b) the amount of the payment;
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (3) A list prepared under subregulation (1) is to be —
- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications:

Nil

Risk Management Considerations:

Three risks have been identified as outlined.

(To be confirmed 26 November 2018)

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/Actions
Compliance: Council not accepting Schedule of Accounts	Moderate	Unlikely	Moderate	Provide reasoning and detailed explanations to Council to enable informed decision making.
Financial Impact: Misstatement or significant error in Schedule of Accounts	Major	Unlikely	Moderate	Daily and monthly reconciliations. Internal and external audits.
Financial Impact: Fraud and illegal acts	Catastrophic	Rare	Moderate	Stringent internal controls. Internal audits. Segregation of duties

Strategic Plan Implications:

CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Financial Implications:Internal Budget:

Nil

Total Asset Management:

Nil

Sustainability Assessment:External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

(To be confirmed 26 November 2018)

COMMENT:

All accounts paid have been duly incurred and authorised for payment as per approved purchasing and payment procedures and it is therefore recommended that the Committee recommend to the Council to accept and confirm the payments, as included in the appendices.

In anticipation that the Committee will ask questions about the schedule of accounts, please note that these questions and answers will be included in the appropriate Elected Members Briefing Session agenda and Ordinary Council Meeting agenda.

FURTHER COMMENT:

The members of the Finance and Audit Committee sought further information on a number of payments made in September 2018. The following list represents the questions and answers associated with the request for further information.

- A Beautiful City – Placemaking services - \$3,000
This payment is the annual subscription for pedestrian counters located throughout the Town for July 2018 to June 2019.
- City Subaru – Plant supply and servicing - \$28,339.50
As per the approved capital works program, this is for the purchase of a vehicle, replacing plant number 337.
- Cornerstone Legal – Legal services - \$5,868.21
This payment is in relation to three separate invoices relating to environmental health and Food Act matters.
- Donald Veal Consultants – Parking management services - \$2,860
Payment of services for a road safety assessment for on-street parking in relation to road crests.
- Empire Estate Agent – Rental payments - \$11,064.04
This is two months rental payments for the parking office at 175B Star Street, Carlisle.
- Extent Heritage – Planning and building services - \$5,324
This payment is for Aboriginal heritage consultations in relation to Taylor Reserve and McCallum Park foreshore works.
- Fines Enforcement Registry – Financial services - \$203,454 and \$32,575.50
This is the payment for lodgement fees for outstanding infringements for collection by the Fines Enforcement Registry. There were a total of 3,717 outstanding infringements lodged.

(To be confirmed 26 November 2018)

- Green Skills – Environmental services - \$3,230.70 and \$5,438.81
These payments relate to temporary staff. The description has been updated to “Agency and Contract Staff” however, this company do also provide other environmental services such as planting and spraying services on occasion.
- Indian Pacific Ltd – Advertising services - \$10,490.70
Advertising of the Eat Ride n Enjoy campaign at Optus Stadium during West Coast Eagles games via the animated billboard and mega screen. This was done at three games (20 May, 21 June and 8 July).
- John Hughes – Plant supply and servicing - \$45,412.50
As per the approved capital works program, this is for the purchase of a vehicle, replacing plant number 296.
- Movies by Burswood – Sponsorship - \$16,500
This payment is for the annual sponsorship of Telethon Community Cinemas.
- McLeods – Legal services - \$7,199.50
This is for payment of three separate invoices relating to compliance and parking prosecution matters.
- Melville Subaru – Plant supply and servicing - \$28,981.15
As per the approved capital works program, this is for the purchase of a vehicle, replacing plant number 335.
- Para-Quad Industries – Transport services - \$6,101.70
This is for payment of metropolitan library courier services from July 2018 to June 2019.
- Price Consulting Group – Human resource services - \$2,986.50
This is for payment for consulting in relation to CEO performance review.
- Subaru Osborne Park – Plant supply and servicing - \$27,787.10
As per the approved capital works program, this is for the purchase of a vehicle, replacing plant number 333.
- The Trustee of Folan Family Trust – Human resource services - \$5,115
This is for the facilitation of organisational culture training and consultation.
- Thinkfield – Customer relations services - \$1,870
This is for the purchase of additional mystery shopping services.

(To be confirmed 26 November 2018)

- Urbis – Town planning services - \$54,917.19

This is for detailed design consultancy services in relation to Lathlain Park Zone 2 and 2x, as per tender TVP/18/02. This includes design of landscaping and buildings. The standard description has been changed to better reflect the services and now reads “Design and Drafting Services”.

- VenuesLive Management – Hire charges - \$3,060 and \$2,448.01

This payment is in relation to the first deposit for venue hire, audio-visual and catering for Breakfast with Ben Wyatt event (\$3,060). The subsequent payment of \$2,448.01 is for payment of second deposit. There will be a third deposit paid of \$611.99 to finalise the account following the event.

- Woodsome Management – Project management services - \$13,684

This payment is for peer review in relation to the potential Development Contribution Plan (DCP) for Burswood Station East Precinct.

- What is the origin of the sponsorship arrangement for Movies By Burswood?

The Town has provided sponsorship to Burswood Community Cinema for a number of years. The budget has traditionally been managed by the Economic Development portfolio, with the relationship managed by Communications.

This year, Burswood Community Cinema was asked to submit their application through the new sponsorship program. An assessment panel convened and approved the sponsorship application.

An outcome of the sponsorship package allows for the Town to host a free community event at Burswood Community Cinema; which will be the free community event to launch the Town’s Reflect Reconciliation Plan (pending adoption by council in November), the screening of Our Languages Matter and Un-Rap (the making of the RAP).

RESOLVED:

Moved: Cr Oliver

Seconded: Cr Vernon

That the Finance and Audit Committee recommends that Council:

Pursuant to Regulation 13 of the *Local Government (Financial Management) Regulations 1996 (as amended)*, Council confirm:

- 1. The accounts paid for 30 September 2018 as included in the appendices; and**
- 2. Direct lodgement of payroll payments to the personal bank accounts of employees.**

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

(To be confirmed 26 November 2018)

8.2 Financial statements for the month ending 30 September 2018

File Reference:	FIN/11/0001~09
Appendices:	No
Attachments:	Yes

Date:	16 October 2018
Reporting Officer:	A. Thampoe
Responsible Officer:	N. Cain
Voting Requirement:	Simple majority

Executive Summary:

Recommendation - That the Finance and Audit Committee recommends that Council, accepts the Financial Activity Statement Report – 30 September 2018, as attached to and forming part of this report.

- The Financial Activity Statement Report is presented for the month ending 30 September 2018. The report complies with the requirements of Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996*.

TABLED ITEMS:

Nil

BACKGROUND:

Each month officers are required to prepare monthly financial reports, covering prescribed information, and present these to Council for acceptance.

DETAILS:

Presented is the Financial Activity Statement Report – 30 September 2018.

Please note -

The financial information as shown in this report does not include a number of end-of-financial year adjustments that are still yet to occur, as well as the final approval by the Auditor for the 2017-2018 financial year. The figures stated as opening balances for the 2018-2019 financial year should therefore not be taken as the Town's final financial position.

Revenue

Operating Revenue and Non-Operating Revenue – Material variances are identified where, for the period being reported, the actual varies to the budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment has been provided.

Expense

Operating Expense, Capital Expense and Non-Operating Expense – Material variances are identified where, for the period being reported, the actual varies to the budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment has been provided.

(To be confirmed 26 November 2018)

For the purposes of explaining each material variance, a three-part approach has been applied. The parts are –

1. **Period Variation**
Relates specifically to the value of the variance between the Budget and Actual figures for the period of the Report.
2. **Primary Reason(s)**
Explains the primary reason(s) for the period variance. Minor contributing factors are not reported.
3. **End-of-Year Budget Impact**
Forecasts the likely financial impact on the end-of-year financial position. It is important to note that figures in this part are 'indicative only' at the time of reporting, for circumstances may subsequently change prior to the end of the financial year.

Legal Compliance:

Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996* states –

- (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
 - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
 - (b) *budget estimates to the end of the month to which the statement relates;*
 - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
 - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
 - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing —*
 - (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
 - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
 - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown —*
 - (a) *according to nature and type classification; or*
 - (b) *by program; or*
 - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*

(To be confirmed 26 November 2018)

- (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
- (b) *recorded in the minutes of the meeting at which it is presented.*
- (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

Section 6.8 of the *Local Government Act 1995* (Expenditure from municipal fund not included in annual budget) states –

- (1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*
- (a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
- (b) *is authorised in advance by resolution*;* or
- (c) *is authorised in advance by the Mayor or president in an emergency.*

* *Absolute majority required.*

(1a) *In subsection (1) — additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.*

- (2) *Where expenditure has been incurred by a local government —*
- (a) *pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*
- (b) *pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

Policy Implications:

Nil

Risk Management Considerations:

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/Actions
Financial Impact: Council not accepting budget amendment recommendation	Moderate	Unlikely	Moderate	Provide reasoning and detailed explanations to Council to enable informed decision making.

(To be confirmed 26 November 2018)

Compliance: Financial statement not complying with the requirements of the <i>Local Government (Financial Management) Regulations 1996</i>	Moderate	Unlikely	Moderate	Internal review of monthly Financial activity statement. External audits of monthly financial statements.
Financial impact: Misstatement or significant error in financial statements	Major	Unlikely	Moderate	Daily and monthly reconciliations. Internal and external audits.
Financial Impact: Fraud and illegal acts	Catastrophic	Rare	Moderate	Stringent internal controls. Internal audits. Segregation of duties.

Strategic Plan Implications:

CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Financial Implications:Internal Budget:

The Statement of Financial Activity, as contained in the body of the Financial Activity Statement Report, refers and explains.

Total Asset Management:

Nil

Sustainability Assessment:External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

(To be confirmed 26 November 2018)

Environmental Issues:

Nil

COMMENT:

It is recommended that the Financial Activity Statement Report – 30 September 2018 be accepted.

CONCLUSION:

The Financial Activity Statement Report – 30 September, complies with the requirements of Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996*. It is therefore recommended that the Financial Activity Statement Report – 30 September be accepted.

FURTHER COMMENT:

The members of the Finance and Audit Committee sought clarification on the following items:

- Is the variation for Aqualife of \$20k due to staffing and why is the year to date position not reflected by the projected end of year position.

The variation relates to an over spend on the rostering of employees compared to what has been budgeted. This issue has now been addressed. Officers will be working on clawing back expenditure, hence the difference in the projected end of year position.

- Urban Planning are showing a year to date variance of \$34k. Why is the projected end of year position only \$20k?

The Chief Financial Officer, Mr Nathan Cain, took the question on notice. This answer will be provided in the Elected Members' Briefing Session agenda for November 2018.

- Parking have stated a favourable variance of \$95k. Why is the projected end of year position only \$90k?

The favourable variance is due to higher than anticipated paid parking and infringement income, compared to the same time last year. The end of year position is a best estimate, taking in to account previous trends.

- How do we have \$34,250k outstanding for 60 days for other fees and charges? Is it expected to be overdue for 90+ days in November?

The Chief Financial Officer, Mr Nathan Cain, took the question on notice. This answer will be provided in the Elected Members' Briefing Session agenda for November 2018.

- What is the current percentage of rates outstanding?

35.7%.

(To be confirmed 26 November 2018)

- In comparison to previous years, are we on track to collect the majority of rates levied this financial year?

Yes.

RESOLVED:

Moved: Cr Ammons Noble

Seconded: Mr Carley

That the Finance and Audit Committee recommends that Council, pursuant to Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, accepts the Financial Activity Statement Report – 30 September 2018 as attached to, and forming part of, this report.

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

(Simple majority required)

(To be confirmed 26 November 2018)



Financial Activity Statement Report

For the month ended 30 September 2018

Contents

Statement of Financial Activity Variances

Proposed Budget Amendments

Accounting Notes

Service Unit Definitions

Statement of Financial Activity

Net Current Funding Position

Cash and Cash Investments

Receivables (Rates and Sundry Debtors)

Grants and Contributions

Reserve Funds

Capital Items

(To be confirmed 26 November 2018)

Statement of Financial Activity Variances

Material Variances Defined

For the purposes of reporting the material variances in the Statement of Financial Activity (by Service Unit) (as contained in this document), the following indicators, as resolved, have been applied –

Revenues (Operating and Non-Operating)

Service Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

Expenses (Operating, Capital and Non-Operating)

Service Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

Before commenting on each of the specific material variances identified it is important to note that, whilst many accounts will influence the overall variance, only those accounts within the affected Service Unit that significantly contribute to the variance will be highlighted.

For the purposes of explaining each variance, a multi-part approach has been taken. The parts are –

1. Period Variation – Relates specifically to the value of the variance between the Budget and Actual figures for the period being reviewed.
2. Primary Reason – Explains the primary reasons for the period variance. As the review is aimed at a higher level analysis, only major contributing factors are reported.
3. Budget Impact – Forecasts the likely \$ impact on the year end surplus or deficit position. It is important to note that values in this part are indicative only at the time of reporting, for circumstances may subsequently change.

Material Variances Explained

The Financial statements are presented based on the new organisational structure

As shown in the in the Statement of Financial Activity (contained within this document), the following variances have been identified -

Revenue

Chief Executive Officer

No material variance to report

(To be confirmed 26 November 2018)

Community Planning

- **Urban Planning**

- The period variation is favourable to period budget by \$34,741
- The variation predominantly relates to higher than anticipated Development application fees received for the period.
The forecasted impact on the year end position is an increase in revenue of \$20,000.

Finance

- **Parking**

- The period variation is favourable to period budget by \$95,463.
- The variation predominantly relates to higher than anticipated paid parking and infringement income which is greater than the same time last year.
- The forecasted impact on the year end position is an increase in revenue of \$90,000.

Operations

No material variance to report

Operating Expense

Chief Executive Office

- **Customer Relations**

- The period variation is favourable to period budget by \$38,610.
- The variation predominantly relates to a vacancy within the area.
- The forecasted impact on the year end position is a reduction in expenditure of \$25,000.

Community Planning

- **Urban Planning**

- The period variation is favourable to period budget by \$47,093
- The variation predominantly relates to vacancies within the area and underspend of consultancy cost. Consultancy costs are expected to be spent in the upcoming months.
- The forecasted impact on the year end position is a reduction in expenditure of \$20,000.

Finance

- **Aqualife**

- The period variation is unfavourable to period budget by \$68,256
- The variation predominantly relates to staff rosters exceeding budgeted hours across multiple departments (Gym, Recreational Swimming and Learn to swim). Variance is expected to reduce through roster amendments.
- The forecasted impact on the year end position is an increase in expenditure of \$30,000.

(To be confirmed 26 November 2018)

- **Parking**

- The period variation is favourable to period budget by \$104,865
- The variation predominantly relates to vacancies within the area. These vacancies have also led to less parking projects and associated lower project expenditure.
- The forecasted impact on the year end position is a reduction in expenditure of \$70,000.

Operations

- **Parks and Reserves**

- The period variation is favourable to period budget by \$483,797.
- The variation predominantly relates to delays in works such as road reserve maintenance and programmed kerb and footpath spraying having been delayed due to weather.
- The forecasted impact on the year end position is \$nil as this is a timing variance.

- **Waste Services**

- The period variation is favourable to period budget by \$600,711.
- The variation predominantly relates to delays in invoice approvals.
- The forecasted impact on the year end position is \$nil as this is a timing variance.

Capital Expense

Chief Executive Office

No material variance to report.

Community Planning

No material variance to report.

Finance

No material variance to report.

Operations

- **Parks and Reserves**

- The period variation is favourable to period budget by \$47,100.
- The variation predominantly relates to a minor delay in the Victoria Park Drive project due to Water Corporation works on Victoria Park drive.
- The forecasted impact on the year end position is \$nil as this is a timing variance.

- **Parks and Reserves**

- The period variation is favourable to period budget by \$241,845.
- The variation predominantly relates to minor delays and budget timing of invoices. All projects relating to Lathlain traffic management plan is complete with invoices yet to be paid. Resurfacing works have been rescheduled to be done in early 2019 due to

(To be confirmed 26 November 2018)

availability of contractors. Some works have also been delayed due to Water corporation works on Albany Highway.

- The impact on the year end position is \$nil as this is a timing variance.

Non-Operating Revenue

Finance

No material variance to report.

Operations

No material variance to report.

Non-Operating Expenses

Finance

No material variance to report.

Proposed Budget Amendments

No budget amendments to report

Accounting Notes

Significant Accounting Policies

The significant accounting policies that have been adopted in the preparation of this document are:

(a) Basis of Preparation

The document has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The document has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this document.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

(To be confirmed 26 November 2018)

(c) 2018 - 2019 Actual Balances

Balances shown in this document as 2018 - 2019 Actual are subject to final adjustments.

(d) Rounding Off Figures

All figures shown in this document, other than a rate in the dollar, are rounded to the nearest dollar.

(e) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(f) Superannuation

The Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(g) Goods and Services Tax

Revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the statement of financial position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to, the ATO is included with receivables on payables in the statement of financial position. Cash flows are presented on a Gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown as short term borrowings in current liabilities.

(i) Trade and Other Receivables

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(To be confirmed 26 November 2018)

(j) Inventories

General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised as at the time of signing an unconditional contract of sale. Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(k) Fixed Assets

Each class of fixed asset is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost, or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the period in which they are incurred.

Revaluation

Certain asset classes may be re-valued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes, where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss. Any accumulated depreciation at the date of revaluation is eliminated against the gross

(To be confirmed 26 November 2018)

carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Those assets carried at a re-valued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be re-valued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Land Under Roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government. Council has elected not to recognise any value for land under roads acquired on or before 30 September 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a) (i) prohibits local governments from recognising such land as an asset. In respect of land under roads acquired on or after 1 August 2008, as detailed above, Local Government (Financial Management) Regulation 16 (a) (i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4 (2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 September 2008 is not included as an asset of the Council.

Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use. Depreciation is recognised on a straight-line basis, using rates that are reviewed each reporting period. Major depreciation periods are:

Buildings		40 years
Furniture and Equipment		5 – 10 years
Plant and Machinery		2 – 10 years
Sealed Roads	- Clearing and Earthworks	Not depreciated
	- Construction and Road Base	5 – 80 years
	- Original Surface / Major Resurface	5 – 80 years
Drainage		5 – 80 years
Pathways		5 – 80 years
Parks and Reserves		5 – 80 years

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the

(To be confirmed 26 November 2018)

carrying amount. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Capitalisation Threshold

Expenditure on capital items under \$2,000 is not individually capitalised. Rather, it is recorded on an Asset Low Value Pool listing.

(I) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a. the amount in which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- d. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling

(To be confirmed 26 November 2018)

in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current. They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain, or loss, pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to

(To be confirmed 26 November 2018)

determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Any cumulative decline in fair value is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(m) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired. Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116). For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset. At the time of adopting the Annual Budget, it was not possible to estimate the amount of impairment losses (if any) as at 30 September 2018. In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Annual Budget.

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Employee Benefits

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields

(To be confirmed 26 November 2018)

on national government bonds with terms to maturity that match the expected timing of cash flows.

(p) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(q) Provisions

Provisions are recognised when:

- a. The Council has a present legal or constructive obligation as a result of past events;
- b. for which it is probable that an outflow of economic benefits will result; and
- c. that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(r) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on the Council's intentions to release for sale.

(s) Comparative Figures

Where required, comparative figures have been adjusted to conform to changes in presentation for the current reporting period.

(t) Budget Comparative Figures

Unless otherwise stated, the Budget comparative figures shown in this Budget document relate to the original Budget estimate for the relevant item of disclosure.

(To be confirmed 26 November 2018)

Service Unit Definitions

The Town operations, as disclosed in this report, encompass the following service-oriented Service Units –

Chief Executive Office

Chief Executive Office

The Chief Executive Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Chief Executive Office functional area.

Communications and Engagement

Communications and Engagement manages the brand and reputation of the Town. This is achieved through developing clear and accessible messaging, consulting with the community, delivering key messages through various channels and working to reach the appropriate audiences through strategically executed marketing, engagement and communication planning..

Customer Relations

Customer Relations manages the Customer Service Contact Centre, which is the first point of contact for the organisation, and monitors performance against the Town's Customer Service Charter.

Leadership and Governance

The Leadership and Governance Service Area is committed to responsibly managing the Town on behalf of the residents and ratepayers of the District through collaboration, knowledge-sharing and good governance.

Human Resources

Human Resources is responsible for the development and implementation of occupational health and safety compliance, staff development, employee relations, recruitment and payroll services of the Town.

Community Planning

Building Services

Building Services provide services to ensure buildings are safe, liveable, accessible and sustainable, and meet statutory requirements.

(To be confirmed 26 November 2018)

Community Development

The Community Development team's vision is an empowered Victoria Park, which will be achieved through the mission of community capacity building.

Community Planning Office

The Community Planning Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Community Planning functional area.

Digital Hub

The Digital Hub provides free digital literacy and online training for the local community, not-for-profit organisations and local business operators.

Economic Development

Economic Development seeks to increase the economic growth of the district through fostering business attraction and retention, tourism, marketing, community initiatives and creating robust relationships.

Environmental Health

Environmental Health seeks to promote good standards of public health via the many hospitality outlets in the area and the community in general.

General Compliance

The General Compliance Area liaise with and direct property owners and developers to ensure built-form building and planning requirements are adhered to at all times.

Healthy Community

The Healthy Community team connect people to services, resources, information, facilities, and experiences that enhance their physical and social health and wellbeing.

Library Services

Library Services plays a pivotal role in providing our community with access to resources, knowledge and technology in a safe, nurturing environment.

Place Management

The Place Management Service Area implements programs, that are suitable for the particular targeted section of the community, to improve places within the District or, where the community is satisfied with the standard of operation, to maintain the already attained standard.

(To be confirmed 26 November 2018)

Strategic Town Planning

Strategic Town Planning develops strategies for the future growth of the Town, with the aims of creating a vibrant community and improving the quality of life for residents.

Urban Planning

Urban Planning assesses applications for development approval and subdivision, provides advice to the community and ensures land is appropriately used and developed.

Finance

Aqualife

The Aqualife Centre aims to improve community health and wellbeing; and to provide a safe and welcoming environment for the community to meet and socialise, primarily through aquatic recreation.

Budgeting

The Budgeting Area includes the administration of non-cash expenditure and revenue associated with local government accounting requirements, including profit and loss and depreciation.

Corporate Funds

The Corporate Funds are includes the management of loans, reserve fund transfers, restricted and trust funds, rate revenue and corporate grants funding.

Finance Office

The Finance Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Finance functional area.

Financial Services

The key role of Financial Services is to manage and control the Town's finances in a sound and prudent manner.

Information Systems

Information Systems assists the Town in operating efficiently with the smooth running of essential business computer programs and systems.

(To be confirmed 26 November 2018)

Leisurelife

The Leisurelife Centre aims to improve community health and wellbeing, and to provide a safe and welcoming environment for the community to meet and socialise, primarily through active recreation.

Parking

The Parking Management section guides future parking initiatives within the Town, ensuring equitable access for everyone, whilst also monitoring existing parking areas and ensuring a safer community.

Rangers

Ranger Services offer a 24 hours-a-day / 7 days-a-week service to help ensure community safety in the areas of Dog and Cat management and Local Law enforcement.

Operations

Asset Planning

Asset Planning provides services to manage and maintain Council facilities and their related assets.

Environment

The Environment Area is committed to preserving and enhancing natural areas and recognises not only the ecological benefits of protecting natural assets, but also the social and recreational benefits as well.

Fleet Services

Fleet Services oversees the various items of light fleet, heavy fleet and plant and equipment.

Operations Office

The Operations Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Operations functional area.

Parks and Reserves

The Parks and Reserves Section delivers high quality horticultural works to parks, reserves and streetscapes.

(To be confirmed 26 November 2018)

Project Management

Project Management assists in improving the standards of project management and project delivery, and delivers nominated projects on behalf of the Town.

Street Improvement

Street Improvement provides engineering advice, design, planning, and road safety initiatives.

Street Operations

Street Operations ensure the maintenance and renewal of roads, pathways, drainage and associated assets.

Waste

Waste Management implements waste collection, minimisation and disposal in a sustainable manner.

(To be confirmed 26 November 2018)



*Statement of Financial Activity
For the period 1 July 2018 to 30 September 2018*

Particulars	Material Variance		30 September 2018			
	\$	%	Revised Budget \$	Year-to-Date Budget \$	Year-to-Date Actual \$	
Revenue						
Chief Executive Office			55,000	4,410	1,446	
Chief Executive Office			50,500	4,290	1,149	
Communications and Engage			1,000	0	0	
Customer Relations			0	0	0	
Human Resources			3,000	0	203	
Leadership and Governance			500	120	94	
Community Planning			1,353,000	512,603	600,011	
Building Services			370,500	121,040	129,390	
Community Development			268,500	59,724	71,050	
Community Planning Office			1,000	0	159	
Digital Hub			1,500	0	29	
Economic Development			0	0	0	
Environmental Health			282,000	226,890	251,228	
General Compliance			10,000	2,490	3,289	
Healthy Community			27,500	6,870	10,530	
Library Services			31,500	5,715	9,722	
Place Management			0	0	0	
Strategic Town Planning			1,000	0	0	
Urban Planning	34,741	▲	38.7%	359,500	89,874	124,615
Finance			57,733,500	48,283,245	48,364,616	
Aqualife			2,182,500	469,906	486,314	
Budgeting			1,622,500	0	0	
Corporate Funds			48,124,500	45,877,250	45,857,567	
Finance Office			1,000	0	159	
Financial Services			747,500	575,250	580,595	
Information Systems			2,000	480	219	
Leisurelife			2,205,500	565,956	547,628	
Parking	95,463	▲	12.2%	2,734,000	783,503	878,966
Ranger services			114,000	10,900	13,169	
Operations			9,626,000	1,949,602	1,986,992	
Asset Planning			1,019,500	105,886	88,171	
Environment			0	0	0	
Fleet Services			10,500	0	7,709	
Operations Office			2,002,500	624	159	
Parks and Reserves			3,151,000	311,480	306,014	
Project Management			0	0	205	
Street Improvement			10,500	2,628	20,159	
Street Operations			2,640,500	798,984	815,967	
Waste Services			791,500	730,000	748,607	
Total Revenue			68,767,500	50,749,860	50,953,065	

(To be confirmed 26 November 2018)



Statement of Financial Activity
For the period 1 July 2018 to 30 September 2018

Particulars	Material Variance		30 September 2018		
	\$	%	Revised Budget \$	Year-to-Date Budget \$	Year-to-Date Actual \$
Operating Expense					
Chief Executive Office			(4,403,000)	(1,079,206)	(1,049,160)
Chief Executive Office			(1,123,500)	(250,020)	(253,626)
Communications and Engage			(841,500)	(165,191)	(151,067)
Customer Relations	38,610	▼ 16%	(878,500)	(238,135)	(199,525)
Human Resources			(844,000)	(216,970)	(222,347)
Leadership and Governance			(715,500)	(208,890)	(222,594)
Community Planning			(8,272,000)	(1,834,568)	(1,785,363)
Building Services			(496,500)	(137,990)	(132,098)
Community Development			(1,962,500)	(361,729)	(351,035)
Community Planning Office			(947,500)	(216,910)	(205,958)
Digital Hub			(153,000)	(30,350)	(42,444)
Economic Development			(194,500)	(32,410)	(22,592)
Environmental Health			(652,000)	(167,010)	(190,057)
General Compliance			(249,500)	(62,340)	(55,490)
Healthy Community			(261,000)	(64,769)	(45,070)
Library Services			(1,243,500)	(333,850)	(352,490)
Place Management			(302,500)	(45,260)	(64,602)
Strategic Town Planning			(726,000)	(111,080)	(99,750)
Urban Planning	47,093	▼ 17%	(1,083,500)	(270,870)	(223,777)
Finance			(21,912,500)	(3,384,907)	(3,277,296)
Aqualife	68,256	▲ 12%	(2,537,000)	(579,704)	(647,960)
Budgeting			(7,756,000)	(13,900)	0
Corporate Funds			(558,000)	(12,900)	1,191
Finance Office			(773,500)	(192,300)	(188,470)
Financial Services			(1,298,500)	(320,550)	(319,741)
Information Systems			(2,966,000)	(775,770)	(777,950)
Leisurelife			(2,756,000)	(679,747)	(657,347)
Parking	104,865	▼ 17%	(2,442,500)	(610,636)	(505,771)
Ranger services			(825,000)	(199,400)	(181,247)
Operations			(31,223,000)	(4,566,922)	(3,462,061)
Asset Planning			(10,814,000)	(775,227)	(752,642)
Environment			(185,500)	(40,697)	(34,888)
Fleet Services			0	0	0
Operations Office			(2,820,000)	(200,015)	(193,032)
Parks and Reserves	483,797	▼ 37%	(4,981,500)	(1,301,771)	(817,974)
Project Management			(1,901,500)	(238,020)	(227,853)
Street Improvement			(1,165,000)	(218,066)	(225,459)
Street Operations			(2,854,500)	(467,900)	(485,698)
Waste Services	600,711	▼ 45%	(6,501,000)	(1,325,226)	(724,515)
Total Operating Expense			(65,810,500)	(10,865,603)	(9,573,880)

(To be confirmed 26 November 2018)



Statement of Financial Activity
For the period 1 July 2018 to 30 September 2018

Particulars	\$	Material Variance		Revised Budget \$	30 September 2018	
					Year-to-Date Budget \$	Year-to-Date Actual \$
Capital Expense						
Chief Executive Office				0	0	0
Chief Executive Office				0	0	0
Communications and Engage				0	0	0
Customer Relations				0	0	0
Human Resources				0	0	0
Leadership and Governance				0	0	0
Community Planning				(138,000)	0	0
Building Services				0	0	0
Community Development				(138,000)	0	0
Community Planning Office				0	0	0
Digital Hub				0	0	0
Economic Development				0	0	0
Environmental Health				0	0	0
General Compliance				0	0	0
Healthy Community				0	0	0
Library Services				0	0	0
Place Management				0	0	0
Strategic Town Planning				0	0	0
Urban Planning				0	0	0
Finance				(1,213,500)	(25,000)	(34,497)
Aqualife				0	0	0
Budgeting				0	0	0
Corporate Funds				0	0	0
Finance Office				0	0	0
Financial Services				0	0	0
Information Systems				(976,500)	(25,000)	(34,497)
Leisurelife				0	0	0
Parking				(237,000)	0	0
Ranger services				0	0	0
Operations				(17,052,000)	(820,450)	(475,058)
Asset Planning				(3,270,000)	(131,450)	(109,637)
Environment				0	0	0
Fleet Services				(934,500)	(151,500)	(137,867)
Operations Office				0	0	0
Parks and Reserves	47,100	▼	65%	(6,297,000)	(73,000)	(25,900)
Project Management				(71,000)	(21,000)	0
Street Improvement				0	0	0
Street Operations	241,845	▼	55%	(6,479,500)	(443,500)	(201,655)
Waste Services				0	0	0
Total Capital Expense				(18,403,500)	(845,450)	(509,555)

(To be confirmed 26 November 2018)



Statement of Financial Activity
For the period 1 July 2018 to 30 September 2018

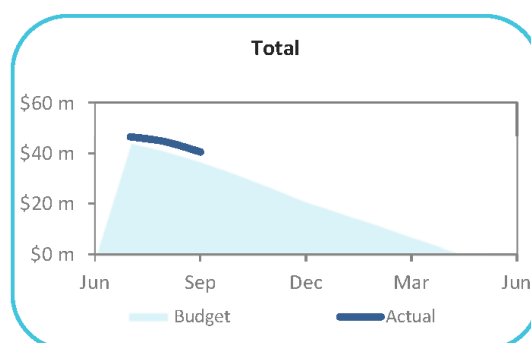
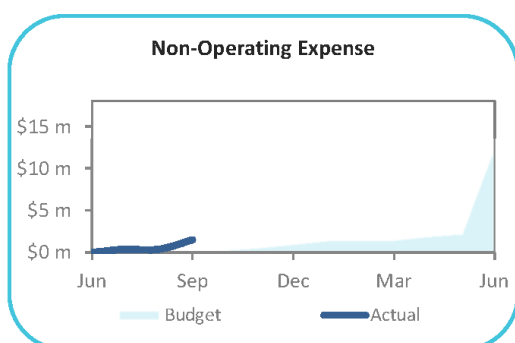
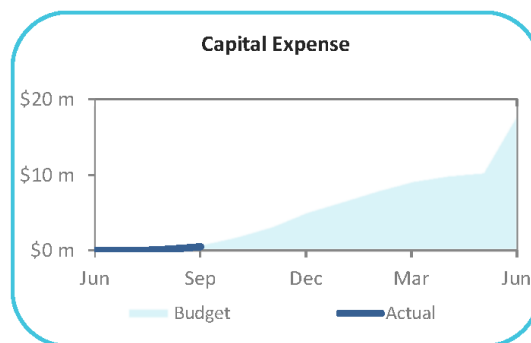
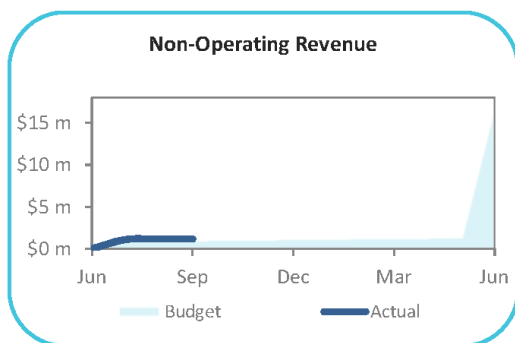
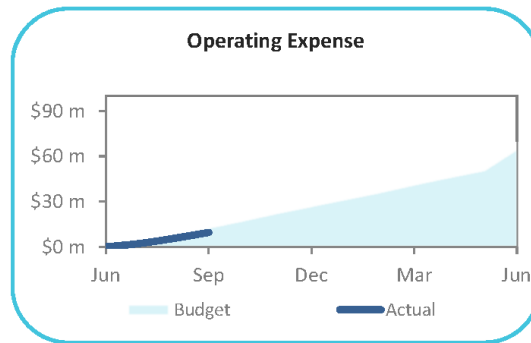
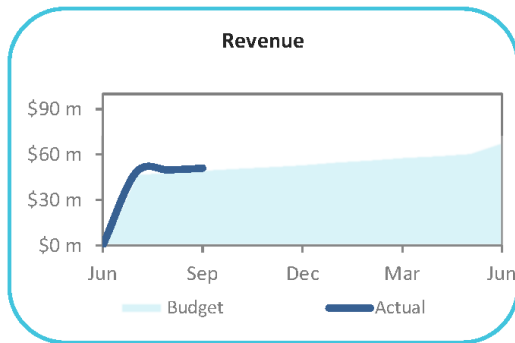
Particulars	\$	Material Variance		30 September 2018	
				Revised Budget	Year-to-Date Budget
	\$	%	\$	\$	\$
Non-Operating Revenue					
Finance			17,027,000	1,081,000	1,081,282
Corporate Funds			17,027,000	1,081,000	1,081,282
Operations			383,000	79,000	91,425
Fleet Services			383,000	79,000	91,425
Total Non-Operating Revenue			17,410,000	1,160,000	1,172,707
Non-Operating Expense					
Finance			(12,932,500)	(1,496,000)	(1,511,431)
Corporate Funds			(12,932,500)	(1,496,000)	(1,511,431)
Total Non-Operating Expense			(12,932,500)	(1,496,000)	(1,511,431)
Non-Cash Items Adjustments					
Profit and Loss			(1,607,500)	(401,250)	0
Depreciation			8,037,500	1,935,750	0
Total Non-Cash Items Adjustments			6,430,000	1,534,500	0
Suspense Items Yet To Be Applied			0	0	55,972
Opening Surplus / (Deficit)			4,539,000	4,539,000	6,463,657
Closing Surplus / (Deficit)			0	44,776,307	47,050,535

(To be confirmed 26 November 2018)



Statement of Financial Activity
For the period 1 July 2018 to 30 September 2018

Graphical Representation



(To be confirmed 26 November 2018)



Net Current Funding Position
For the period 1 July 2018 to 30 September 2018

Particulars	Brought Forward 1 July \$	2018-2019 Revised Budget \$	Year To Date Actual \$
Current Assets			
Cash - Unrestricted	12,478,067	7,903,757	37,594,631
Cash - Reserves / Restricted	29,161,505	33,823,443	30,244,324
Receivables and Accruals	3,059,472	2,000,000	20,859,768
Inventories	9,470	1,500	9,470
	44,708,514	43,728,700	88,708,194
Less Current Liabilities			
Payables and Provisions	(9,083,352)	(9,905,257)	(11,413,335)
	(9,083,352)	(9,905,257)	(11,413,335)
Net Current Asset Position	35,625,162	33,823,443	77,294,859
Less			
Cash - Reserves / Restricted	(29,161,505)	(33,823,443)	(30,244,324)
Estimated Surplus / (Deficiency) Carried Forward	6,463,657	-	47,050,535

(To be confirmed 26 November 2018)



Cash and Cash Investments
For the month ended 30 September 2018

Cash and Investments Analysis

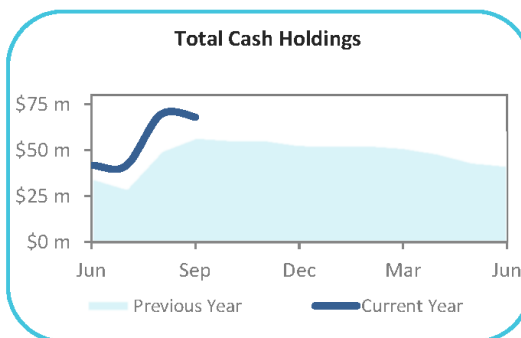
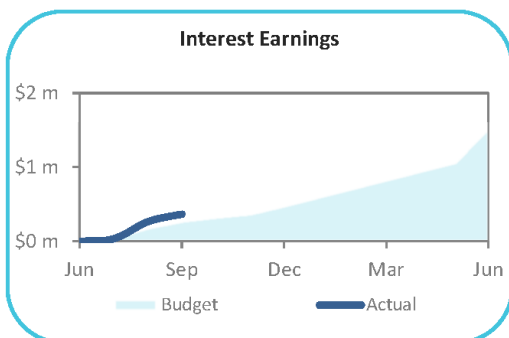
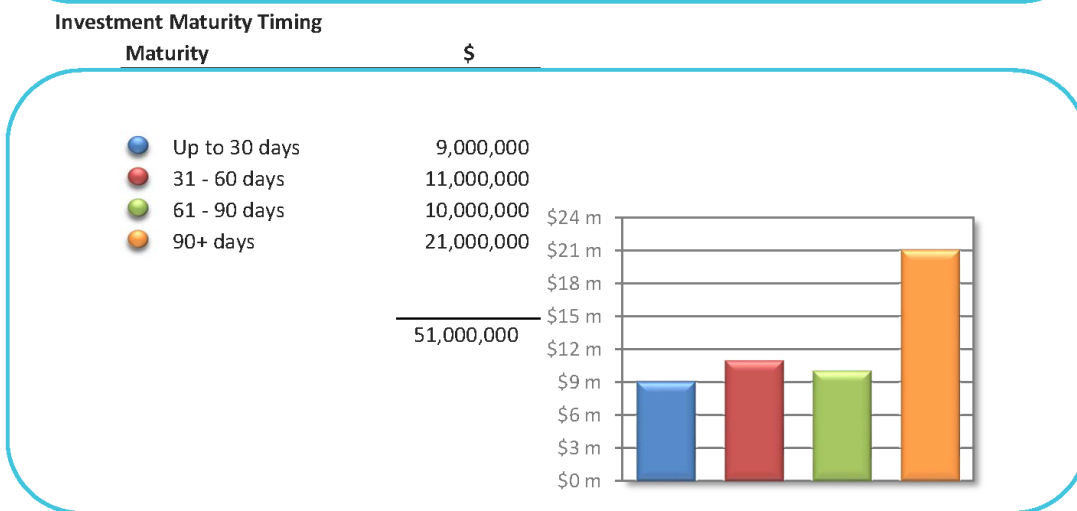
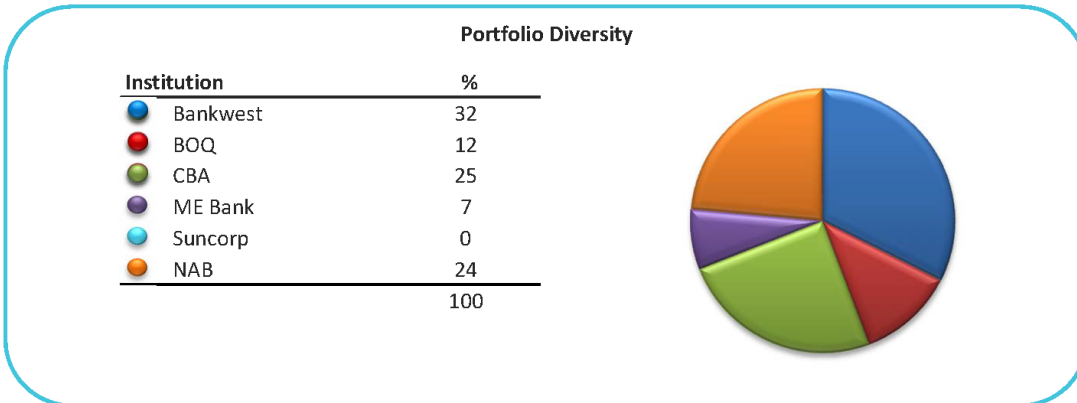
	Amount Invested \$	Interest Rate %	Term (Days)	Maturity Date	Projected Earnings \$	Percentage of Portfolio
Cash - Unrestricted						
Bankwest	8,000,000				62,163	12%
4748890	2,000,000	2.80	270	24-May-19	41,425	
4756708	4,000,000	2.52	62	19-Nov-18	17,122	
4756709	2,000,000	2.20	30	18-Oct-18	3,616	
BOQ	3,000,000				18,863	4%
34857	3,000,000	2.55	90	17-Dec-18	18,863	
CBA	14,594,631				15,448	22%
At Call	14,594,631	Variable	11am	Daily	15,448	
ME Bank	2,000,000				7,984	3%
034856	2,000,000	2.35	62	19-Nov-18	7,984	
NAB	10,000,000				101,382	15%
57-576-8731	2,000,000	2.70	330	25-Jun-19	48,822	
57-344-8427	3,000,000	2.65	91	29-Oct-18	19,821	
72-995-7704	3,000,000	2.63	91	26-Nov-18	19,671	
70-095-1739	2,000,000	2.65	90	18-Dec-18	13,068	
Total Cash - Unrestricted	37,594,631				205,839	55%
Cash - Restricted						
CBA	2,244,324				357	3%
At Call	2,244,324	Variable	11am	Daily	357	
Bankwest	14,000,000				288,132	21%
4739557	4,000,000	2.80	270	26-Apr-19	82,849	
4748889	5,000,000	2.80	270	24-May-19	103,562	
4756710	5,000,000	2.72	273	18-Jun-19	101,721	
NAB	6,000,000				110,712	9%
57-186-2122	4,000,000	2.70	330	25-Jun-18	97,644	
70-095-1739	2,000,000	2.65	90	17-Dec-18	13,068	
BOQ	5,000,000				31,827	7%
152802	2,000,000	2.60	91	26-Nov-18	12,964	
34858	3,000,000	2.55	90	17-Dec-18	18,863	
ME Bank	3,000,000				29,589	4%
034460	3,000,000	2.40	150	24-Jan-19	29,589	
Total Cash - Restricted	30,244,324				460,617	40%
Total Cash - Invested	67,838,955				666,456	98%
Cash on Hand	9,005					
Total Cash	67,847,960					

(To be confirmed 26 November 2018)



Cash and Cash Investments
For the month ended 30 September 2018

Cash and Investments Analysis



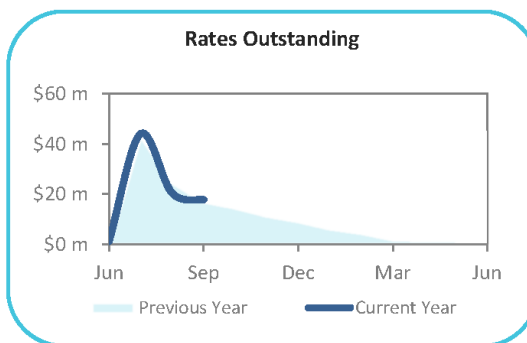
(To be confirmed 26 November 2018)



Receivables (Rates and Sundry Debtors)
For the month ended 30 September 2018

Rates Outstanding (Not Including Deferrals or Associated Fees and Charges)

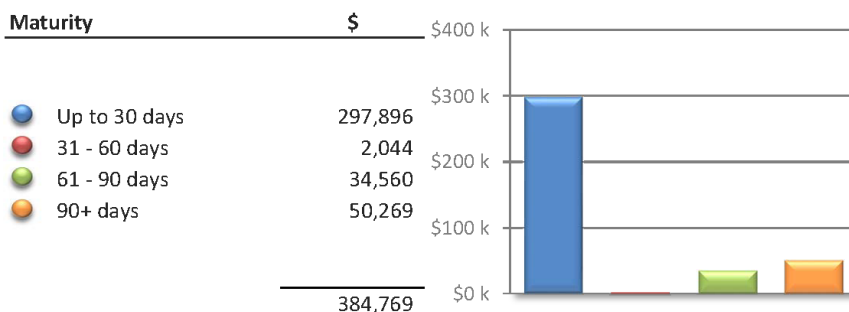
	Total
Balance from Previous Year	1,092,378
Rates Levied - Initial	45,627,053
Rates Levied - Interims	0
Total Rates Collectable	46,719,431
Current Rates Collected To Date	30,050,366
Current Rates Outstanding	16,669,065
% Rates Outstanding	35.7%



Sundry Debtors

Type	Total	30 Days	60 Days	90 Days	90+ Days
Grants and Subsidies	3,299	3,299	-	-	-
Property Rent	63,713	13,602	1,607	-	48,503
Aqualife Fees	6,869	6,554	-	-	315
Leisurelife Fees	25,324	24,030	113	100	1,081
Community Life Fees	66,443	66,067	166	210	-
Health Fees	128,293	127,978	85	-	230
Other Fees and Charges	37,969	3,579	-	34,250	140
Long Service Leave From Councils	-	-	-	-	-
Building and Planning Application Fees	52,859	52,786	73	-	-
Total Sundry Debtors	384,769	297,896	2,044	34,560	50,269

Sundry Debtor Aged Analysis



(To be confirmed 26 November 2018)



Grants and Contributions
For the month ended 30 September 2018

Grants and Contributions

Details	Original	Revised	Receipt Status	
	Budget	Budget	Invoiced	Remaining
	\$	\$		
Operating Funding				
<u>Community Development</u>				
Community Grants	25,000	25,000	-	25,000
Lotterywest Grants	10,000	10,000	-	10,000
Sponsorship	2,500	2,500	-	2,500
State Government Grants	3,500	3,500	-	3,500
<u>Corporate Funds</u>				-
Federal Assistance Grant	750,000	750,000	91,773	658,228
Federal Local Road Grant	350,000	350,000	43,317	306,683
<u>Library Services</u>				-
Book Council Grants	3,000	3,000	-	3,000
State Government Grants	3,000	3,000	1,500	1,500
<u>Operations Office</u>				-
State Government Grants	2,000,000	2,000,000	-	2,000,000
<u>Street Operations</u>				-
Federal Government Grants	235,000	235,000	210,000	25,000
MRWA Direct Road Grants	50,000	50,000	84,193	-
Street Lighting Subsidy	31,000	31,000	-	31,000
				-
Non-Operating Funding				-
<u>Asset Planning</u>				-
State Government Grant	751,000	751,000	-	751,000
<u>Parks and Reserves</u>				-
Recreation Capital Grants	304,000	304,000	304,000	-
State Government Grant	2,790,000	2,790,000	-	2,790,000
<u>Street Operations</u>				-
Federal Government Capital Grants	65,000	65,000	-	65,000
MRRG Road Rehabilitation Grants	374,500	374,500	175,412	199,088
MRWA Black Spot Grants	971,000	971,000	256,000	715,000
MRWA Other Grants	40,000	40,000	-	40,000
State Government Grant	303,000	303,000	-	303,000
Transport Grants	456,000	456,000	72,000	384,000
				-
Total Cash Deposits	9,517,500	9,517,500	1,238,194	8,313,499

(To be confirmed 26 November 2018)



*Reserve Funds
For the month ended 30 September 2018*

Reserve Funds Descriptions

The purposes for which funds have been set aside by Council, in Reserve Funds, are outlined below -

Building Renewal

To be used to fund renewal projects associated with Council's Building assets.

Cash-in-Lieu

To be used to assist in funding initiatives associated with payments received as cash in lieu of required obligations or works.

Community Art

To be used to fund the purchase and placement of art for the Council and Community.

Drainage Renewal

To be used to fund renewal projects associated with Council's Drainage infrastructure.

Edward Millen Site

To be used to assist in improving and / or maintaining the Edward Millen site, including the associated grounds.

Furniture and Equipment Renewal

To be used to fund renewal projects associated with Council's Furniture and Equipment assets.

Future Fund

To assist in funding projects and property purchases that diversify Council's revenue streams.

Future Projects

To assist in funding 'new' and 'upgrade' capital projects, with funding primarily derived from the sale of land assets.

Harold Hawthorne - Carlisle Memorial

To be used to provide funds to assist in conducting future Spring Garden Competitions.

Information Technology Renewal

*To be used to fund renewal projects associated with Council's information technology assets.
significant insurance claims.*

Insurance Risk Reserve

To be used for the purpose of meeting the difference between premiums and claims in the event of any significant insurance claims.

Other Infrastructure Renewal

To be used to fund renewal projects associated with Council's Other infrastructure.

Parks Renewal

To be used to fund renewal projects associated with Council's Parks infrastructure.

Pathways Renewal

To be used to fund renewal projects associated with Council's Pathways infrastructure

(To be confirmed 26 November 2018)



*Reserve Funds
For the month ended 30 September 2018*

Plant and Machinery Renewal

To be used to assist in the acquisition and replacement of the Town's Plant and Machinery.

Renewable Energy

To assist in investigating and funding renewable energy projects within the District.

Roads Renewal

To be used to fund renewal projects associated with Council's Roads Infrastructure

Underground Power

To assist in the funding of projects associated with the installation of underground power and associated landscaping.

Waste Management

To assist in the funding of waste management and waste minimisation strategies

(To be confirmed 26 November 2018)



Reserve Funds
For the month ended 30 September 2018

Reserve Funds Transactions

	Annual Opening Balance \$	Transfer to Reserve \$	Transfer from Reserve \$	30 September 2018 Balance Actual \$	Balance Budget \$	Annual Revised Budget \$
Building Renewal	487,366	26	-	487,392	487,366	525,366
Cash-in-Lieu	-	-	-	-	-	-
Community Art	689,443	36	-	689,479	689,443	690,043
Drainage Renewal	225,520	12	-	225,532	225,520	225,920
Edward Millen Site	1,457,678	77	-	1,457,755	1,457,678	1,458,678
Furniture and Equip Renewal	599,407	32	-	599,439	599,407	599,907
Future Fund	14,384,893	759	-	14,385,652	14,384,893	13,658,793
Future Projects	2,579,640	136	-	2,579,776	2,579,640	450,178
Harold Hawthorn - Carlisle	148,630	8	-	148,638	148,630	148,630
Information Technology Renewal	661,800	35	-	661,835	661,800	665,400
Insurance Risk Reserve	396,930	21	-	396,951	396,930	397,230
Land Asset Optimisation	801,300	1,081,324	-	1,882,624	801,300	397,230
Other Infrastructure Renewal	614,943	32	-	614,975	614,943	615,443
Parks Renewal	96,025	5	-	96,030	96,025	46,225
Pathways Renewal	419,697	22	-	419,719	419,697	420,397
Plant and Machinery	268,942	14	-	268,956	268,942	269,342
Renewable Energy	174,780	9	-	174,789	174,780	75,380
Roads Renewal	881,637	46	-	881,683	881,637	882,337
Underground Power	3,288,499	173	-	3,288,672	3,288,499	3,241,999
Waste Management	984,375	52	-	984,427	984,375	985,175
	29,161,505	1,082,819	-	30,244,324	29,161,505	25,753,673

(To be confirmed 26 November 2018)



Capital Items
For the month ended 30 September 2018

Capital Items

The following pages summarise the progress of the Capital Items.

For the purposes of these pages, the following indicators have been used -

Item Timing

This relates to how the item is tracking time-wise and is displayed using the following indicators -

- Behind
- On-Track
- In-Front

Budget Status

This relates to how the item is costing against the Revised Budget and is displayed using the following indicators -

- Over budget
- On budget
- Under budget

Completion Stage

This relates to where the item is currently, in terms of completion, and is displayed using the following indicators -

- Not commenced
- Commenced
- Half-way completed
- Nearing completion
- Completed

(To be confirmed 26 November 2018)



*Capital Items Progress
For the month ended 30 September 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
Land and Buildings			3,036,500	97,786
Renewal - Land and Buildings				
6 Kent Street - Facility - Internal Renewal	□	■□□□	222,500	775
8 Kent Street - Facility - Internal Renewal	□	■□□□	193,500	775
Administration Office - Ceiling - Lighting	□	■□□□	20,000	0
Aqualife - First Aid Room - Refurbish	□	■□□□	20,000	0
Aqualife - Function Room - Renew Floor	□	■□□□	10,000	0
Aqualife - Plant Room - Ultraviolet Generators	□	□□□□	125,000	0
Fletcher Park - Clubrooms - Plumbing Fixtures	□	■□□□	10,000	0
Fraser Park - Clubrooms - Painting	□	■□□□	10,000	0
Harold Hawthorne Centre - Various - Air Conditioning	□	□□□□	100,000	0
Harold Rossiter Park - Clubrooms - Painting	□	■□□□	5,000	0
Higgins Park - Clubrooms - Painting	□	■□□□	10,000	0
Leisurelife - Drama Room - Floor Reseal	□	■□□□	40,000	0
Leisurelife - Gym - Air Conditioning	□	■□□□	230,000	0
Leisurelife - Sports Court Major- Roller Door	□	□□□□	7,000	0
Leisurelife - Toilets and Change Rooms - Renewal	□	■ ■ ■ □	261,500	1,216
Library - Outdoor Staff Area - Courtyard Security	□	■ ■ □ □	10,000	0
Library - Public Areas - Carpets	□	□ □ □ □	86,000	0
Library - Staff Kitchen - Refurbish	□	□ □ □ □	35,000	0
Library - Staff Locker Area - Compactus Area Ceiling	□	■ □ □ □	7,000	0
Library - Staff Office - Fit Out and Storage	□	□ □ □ □	80,000	0
Reactive Building Renewal Works - Various - Allocation	□	□ □ □ □	100,000	0
Taylor Reserve - Toilets - Renewal	□	■ ■ ■ ■	185,500	92,342
Upgrade - Land and Buildings				
Administration Office - Facility - Accessibility Upgrade	□	■ □ □ □	51,000	1,080
Land - 25 Boundary Road - Subdivision	□	■ □ □ □	71,000	0
Leisurelife - First Aid Room - Lighting	□	■ □ □ □	1,500	0
Kitchen Upgrade - Higgins Park Tennis Club	■	■ ■ ■ ■	0	1,598
874 Albany Highway - Accessibility	□	□ □ □ □	15,000	0
New - Land and Buildings				
Lathlain Redevelopment (Zone 2) - Buildings	□	□ □ □ □	750,000	0
Lathlain Redevelopment (Zone 2x) - Buildings	□	□ □ □ □	380,000	0

(To be confirmed 26 November 2018)



Capital Items Progress
For the month ended 30 September 2018

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
Plant and Machinery			934,500	137,867
Renewal - Plant and Machinery				
105 VPK - Holden Colorado Dual Cab Ute (Plant 397)	□	■ ■ □ □	35,000	0
107 VPK - Nissan X Trail Wagon (Plant 394)	□	□ □ □ □	35,000	0
119 VPK - Holden Colorado Dual Cab Ute (Plant 383)	□	■ ■ ■ ■	32,000	0
121 VPK - Nissan Navara Dual Cab Ute (Plant 390)	□	□ □ □ □	32,000	0
123 VPK - Holden Cruze Wagon (Plant 361)	□	□ □ □ □	25,000	0
125 VPK - Nissan Navara Ute (Plant 389)	□	■ ■ □ □	32,000	0
126 VPK - VW Caddy Rangers (Plant 375)	□	□ □ □ □	40,000	0
129 VPK - VW Caddy Rangers (Plant 376)	□	□ □ □ □	40,000	0
132 VPK - Holden Colorado Dual Cab Ute (Plant 392)	□	■ ■ ■ □	32,000	0
141 VPK - Ford Transit (Plant 296)	□	■ ■ ■ □	45,000	41,659
162 VPK - Road Sweeper (Plant 341)	□	■ □ □ □	380,000	0
1EFR 960 - Hyundai Sedan (Plant 333)	☒	■ ■ ■ ■	25,000	25,553
1EFZ 074 - Hyundai Parking (Plant 335)	☒	■ ■ ■ ■	25,000	26,638
1EHK 762 - Hyundai Sedan (Plant 337)	☒	■ ■ ■ ■	25,000	26,018
1EIO 123 - VW Caddy Parking (Plant 342)	□	□ □ □ □	45,000	0
1EPG 777 - Hyundai i30 Parking (Plant 373)	□	□ □ □ □	25,000	0
1GEL 999 - Subaru (Plant 391)	□	□ □ □ □	25,000	0
Electric Bicycles	□	■ ■ □ □	10,500	0
Minor Plant Renewal - Parks	□	■ □ □ □	13,000	10,213
Minor Plant Renewal - Street Improvement	□	■ □ □ □	13,000	7,786
Furniture and Equipment			336,500	11,851
6 and 8 Kent Street - Minor Expense - Allocation	□	□ □ □ □	30,000	0
Administration Centre - Minor Expense - Allocation	□	■ □ □ □	30,000	4,478
Aqualife - Crèche - Play Equipment	□	□ □ □ □	1,000	0
Aqualife - Function Room - Group Fitness Equipment	□	□ □ □ □	3,000	0
Aqualife - Minor Expense - Allocation	□	■ □ □ □	11,000	584
Depot - Minor Expense - Allocation	□	■ □ □ □	10,000	0
Digital Hub - Minor Expense - Allocation	□	■ □ □ □	5,000	0
Leisure life - Minor Expense - Allocation	□	■ □ □ □	10,000	94
Leisurelife - Court 3 - Badminton Posts	□	□ □ □ □	4,000	0
Leisurelife - Court 3 - Equipment Storage	□	■ □ □ □	10,000	0
Leisurelife - Courts 1 and 2 - Volleyball Posts	□	■ □ □ □	4,500	0
Leisurelife - Gym - Gym Equipment	□	■ ■ □ □	165,000	6,695
Library - Minor Expense - Allocation	□	□ □ □ □	15,000	0
Upgrade - Furniture and Equipment				
Depot - Pedestrian Gate - Security Upgrade	□	■ ■ □ □	6,000	0
New - Furniture and Equipment				
Parking - Enforcement - Parking Machine Cabling	□	□ □ □ □	23,000	0
Parking - Enforcement - Recognition Equipment	□	□ □ □ □	9,000	0

(To be confirmed 26 November 2018)



Capital Items Progress
For the month ended 30 September 2018

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
Information Technology			976,500	34,497
Renewal - Information Technology				
Software - Customer Request Management System	□	□□□□	150,000	0
System - Intranet and Portal	□	■□□□	85,000	0
Upgrade - Information Technology				
Hardware - Workstations and Peripherals	□	□□□□	10,000	0
Network - Aqualife	□	□□□□	5,000	0
Software - Leisure Facilities Management	□	■□□□	95,000	32,800
Software - Library Management	□	■□□□	95,000	0
Software - Records Management	□	□□□□	60,000	0
System - Authority 7.x	□	■□□□	45,000	0
New - Information Technology				
Software - Asset Management	□	□□□□	190,000	0
Software - Minutes and Agendas	□	□□□□	50,000	0
Software - Mobile App Lighten Up	■	■□□□	1,500	1,697
Software - Mobile Health	□	□□□□	100,000	0
System - RFID Self-Service Solution	□	■□□□	90,000	0
Roads			4,338,500	82,624
Renewal - Roads				
Albany Highway - Duncan to Teddington - Seal	□	■□□□	10,000	0
Albany Highway - Kent - Miller Roundabout - Seal	□	■□□□	68,500	0
Albany Highway - Service Lane to Shepperton - Seal	□	■□□□	36,000	0
Custance Street - Getting to Roberts - Seal	□	■□□□	36,500	0
Enfield Street - Goddard to Gallipoli - Seal	□	■□□□	142,000	0
Enfield Street - Waller to Goddard - Seal	□	■□□□	33,000	0
Esperance Street - Berwick to End - Seal -	□	■□□□	97,000	0
Gloucester Street - Cargill to Leonard - Seal	□	■□□□	163,000	2,230
Hampton Road - Howick to Teague - Seal	□	■□□□	131,500	11,855
Hubert Street - Somerset to Oats - Seal	□	■□□□	76,500	0
Kate Street - Norseman to Lake View - Seal	□	■□□□	56,000	0
King George Street - Berwick to 60m South - Seal	□	■□□□	27,500	0
Maple Street - Gallipoli to End - Seal	□	■□□□	144,500	0
Oats Street - Mars to Planet - Seal	□	■□□□	131,500	965
Oats Street - Tuckett to Rutland - Seal	□	■□□□	158,500	2,040
Rathay Street - Berwick to Lansdowne - Seal	□	■□□□	127,000	1,635
Salford Street - Albany to Lichfield - Seal	□	■□□□	72,500	1,375
Staines Street - Goddard to Gallipoli - Seal	□	■□□□	189,000	0
Star Street - Mid Block to Archer - Seal	□	■□□□	119,500	0

(To be confirmed 26 November 2018)



Capital Items Progress
For the month ended 30 September 2018

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
Upgrade - Roads				
Hill View Terrace - Oats and Albany - Pavement	☐	■ ■ □ □	76,000	0
Hill View Terrace and Oats Street - Intersection	☐	■ □ □ □	170,000	0
Kent and Hayman - Stage 1 - Pavement	☐	■ ■ □ □	630,000	0
McCartney Crescent - Pavement	☐	■ □ □ □	22,500	3,250
Roberts Road and Orrong Road - Intersection	☐	■ ■ □ □	220,000	0
Rutland Avenue - Oats to Welshpool - Pavement	☐	■ ■ □ □	449,500	0
Shepperton and Miller - Stage 2 - Pavement	☐	■ □ □ □	449,500	0
New - Roads				
Cookham Road - Goddard to Gallipoli - Calming	☐	□ □ □ □	24,000	0
Cornwall Street - Gallipoli to Castle - Calming	☐	□ □ □ □	40,000	0
Egham Street - Goddard to Gallipoli - Calming	☐	□ □ □ □	24,000	0
Gallipoli Street - Egham to Enfield - Calming	☐	■ ■ ■ □	23,000	90
Gallipoli Street - Egham to Howick - Calming	☐	■ ■ ■ □	23,000	112
Goddard Street - Egham to Howick - Calming	☐	■ ■ ■ □	24,000	17,668
Goddard Street - Midgley to Cookham - Calming	☐	■ ■ ■ □	24,000	20,032
Goddard Street - Saleham to McCartney - Calming	☐	□ □ □ □	88,000	0
McCartney Crescent - Goddard to Roberts - Calming	☐	■ ■ ■ □	51,500	9,837
Saleham Street - Goddard to Gallipoli - Calming	☐	■ ■ ■ □	52,500	11,536
Staines Street - Rutland to Goddard - Calming	☐	□ □ □ □	40,000	0
Streatley Road - Gallipoli to Castle - Calming	☐	□ □ □ □	40,000	0
Various - Bike Plan Initiatives - On Road Facilities	☐	■ □ □ □	47,000	0
Drainage			444,500	14,103
Renewal - Drainage				
Hill View Terrace - Intersection Drainage	☐	■ □ □ □	74,500	0
Pipe Renewal - Allocation	☐	■ ■ □ □	40,000	0
Pit Renewal - Allocation	☐	■ ■ □ □	20,000	0
Sump Renewal - Allocation	☐	■ ■ □ □	35,000	0
New - Drainage				
Bishopsgate Street - Improvements	☐	■ ■ □ □	235,000	0
Lake View Terrace - Improvements	☐	■ □ □ □	20,000	14,103
Right of Ways - Various	☐	■ □ □ □	20,000	0

(To be confirmed 26 November 2018)



*Capital Items Progress
For the month ended 30 September 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
Pathways			700,000	81,394
Renewal - Pathways				
Berwick Street - Mackie to McMaster - Surface	<input type="checkbox"/>	■■■■■	16,500	15,864
Berwick Street - Whittlesford to Hillview - Surface	<input type="checkbox"/>	■■■■■	37,000	36,248
Gloucester Street - McMaster to King George - Surface	<input type="checkbox"/>	■■■■□	17,000	9,018
Kitchener Avenue - Howick to Egham - Surface	<input checked="" type="checkbox"/>	■■■■■	18,500	20,264
Lathlain Redevelopment (Zone 7) - Pathways	<input type="checkbox"/>	□□□□□	150,000	0
Mint Street - Carnarvon to Shepperton - Surface	<input type="checkbox"/>	■■■■□	20,500	0
New - Pathways				
Goodwood Parade - Shared Path - Surface	<input type="checkbox"/>	■■■■□	400,000	0
Turner Avenue - Kent to Brodie Hall - Surface	<input type="checkbox"/>	■■■■□	40,500	0
Parks			6,297,000	25,900
Renewal - Parks				
George Street Reserve - Revegetation Project	<input type="checkbox"/>	■■■■□	60,000	1,640
GO Edwards Park - Renewal	<input type="checkbox"/>	■■■■□	1,000,000	14,275
Kensington Bushland - Information Shelters	<input type="checkbox"/>	■■■■□	7,000	0
Kent Street Reserve - Revegetation Project	<input type="checkbox"/>	□□□□□	10,000	0
Main and Arterial Roads - Landscaping and Planting	<input type="checkbox"/>	■■■■□	10,000	0
McCallum Park - River Wall - Foreshore Landscape	<input type="checkbox"/>	■■■■□	608,000	9,280
Tree Plan - Tree Replanting	<input type="checkbox"/>	■■■■□	78,000	705
Upgrade - Parks				
Fletcher Park - Cricket Nets	<input type="checkbox"/>	■■■■□	70,000	0
Higgins Park - Tennis Courts	<input type="checkbox"/>	□□□□□	100,000	0
John Macmillan Park - Redevelopment	<input type="checkbox"/>	■■■■□	430,000	0
New - Parks				
Kensington Bushland - Jirdarup Signage	<input type="checkbox"/>	■■■■□	24,000	0
Lathlain Redevelopment (Zone 2) - Parks	<input type="checkbox"/>	□□□□□	1,533,000	0
Lathlain Redevelopment (Zone 2x) - Parks	<input type="checkbox"/>	□□□□□	2,245,000	0
Peninsula to Park - Landscaping	<input type="checkbox"/>	■■■■□	122,000	0

(To be confirmed 26 November 2018)



*Capital Items Progress
For the month ended 30 September 2018*

Capital Items

Particulars	Budget Status	Completion Stage	Revised Budget \$	Year-to-Date Actual \$
Other Infrastructure			1,339,500	23,535
Renewal - Other Infrastructure				
Car Parks - Car Park Kerbs - Allocation	□	■ ■ □ □	5,000	0
Car Parks - GO Edwards No 17	□	■ ■ □ □	33,000	0
Car Parks - Resurfacing - Allocation	□	■ ■ □ □	20,000	0
Lathlain Redevelopment (Zone 7) - Carparks	□	□ □ □ □	350,000	0
Street Furniture - Bus Shelter - Allocation	□	■ ■ □ □	55,000	0
Street Lighting - Albany Highway and Laneways	□	□ □ □ □	30,000	0
Upgrade - Other Infrastructure				
Parking - Parking Meters - Upgrade	□	■ □ □ □	130,000	0
Street Lighting - Leisurelife Car Park - Stage 2	□	■ ■ □ □	65,000	20,043
New - Other Infrastructure				
Artworks - Allocation	□	□ □ □ □	50,000	0
Lathlain Redevelopment (Zone 2) - Artwork	□	□ □ □ □	33,000	0
Lathlain Redevelopment (Zone 2) - Carparks	□	□ □ □ □	303,000	0
Lathlain Redevelopment (Zone 2x) - Artwork	□	□ □ □ □	55,000	0
Parking - ACROD Bays - Allocation	□	■ □ □ □	12,000	0
Parking - Parking Meters	□	□ □ □ □	75,000	0
Right of Way 51 - Resurface	□	■ ■ ■ □	23,500	3,492
Street Furniture - Allocation	□	■ □ □ □	15,000	0
Street Furniture - Bike Stations and Hoops	□	■ □ □ □	10,000	0
Street Lighting - Installation	□	□ □ □ □	55,000	0
Street Lighting - Safety Improvements - Allocation	□	□ □ □ □	20,000	0

(To be confirmed 26 November 2018)

8.3 Policy review – EM6 Fees, Expenses and Allowances – Elected Members

File Reference:	COR/13/0001~03
Appendices:	No
Attachments:	No

Date:	14 October 2018
Reporting Officer:	N. Cain
Responsible Officer:	N. Cain
Voting Requirement:	Simple Majority

Executive Summary:

Recommendation – That the Finance and Audit Committee recommends that Council rescind the previous wording within Council Policy EM6 (Fees, Expenses and Allowances – Elected Members) and determines a new title and new wording, which includes reference to Independent Committee Members, for the policy.

- The Finance and Audit Committee has reviewed Council Policy EM6 (Fees, Expenses and Allowances – Elected Members).
- Changes to the title and wording of the policy statement are recommended, as well as including reference to Independent Committee Members.

TABLED ITEMS:

Nil

BACKGROUND:

Council regularly reviews its policies to ensure that they continue to be relevant and appropriate.

The Finance and Audit Committee, with input from officers of the Town, has reviewed Council Policy EM6 (Fees, Expenses and Allowances – Elected Members) and proposes changes to the wording of the policy.

DETAILS:

The Finance and Audit Committee recently requested a review of Council Policy EM6 (Fees, Expenses and Allowances – Elected Members) be undertaken with a view to ensuring that it;

1. is still relevant;
2. is still the preferred position of Council; and
3. includes reference to the newly appointed Independent Committee Members.

Accordingly, officers of the Town hosted a Finance and Audit Committee workshop discussion (27 August 2018) from which came the following key directions.

- A preference towards changing the current six-monthly payment to monthly payments, in arrears;
- Allowances and payments are to be retained at the maximum levels, as

(To be confirmed 26 November 2018)

- determined;
- A preference to annual sitting fees, as opposed to “per meeting” payments;
 - Independent Committee Members are to be recognised to the extent that is legislatively allowable.

Policy wording was drafted and provided for discussion at the Finance and Audit Committee Workshop (10 September 2018) whereby the following was supported.

Elected council members and independent committee members are entitled to fee payments and/or reimbursements pursuant to those prescribed in the Local Government Act 1995.

All elected council members and independent committee members are to receive the maximum legislated dollar value of the applicable fees and/or reimbursements payable for holding their respective position and, where this is an annual fee payable, then this payment is to be made on a pro-rata basis, calculated daily, and paid monthly in arrears.

The calculation of applicable expense reimbursements are to be in accordance with the appropriate legislation at the time those expenses are incurred.

The title of the policy is also proposed to change to reflect the inclusion of the independent committee members.

Legal Compliance:

Section 2.7 (Role of council) of the *Local Government Act 1995* states:

- (1) *The council –*
 - (a) *governs the local government’s affairs; and*
 - (b) *is responsible for the performance of the local government’s functions.*
- (2) *Without limiting subsection (1), the council is to –*
 - (a) *oversee the allocation of the local government’s finances and resources; and*
 - (b) *determine the local government’s policies.*

Section 5.100 (Payment for certain committee members) of the *Local Government Act 1995* states:

- (1) *A person who is a committee member but who is not a council member or an employee is not to be paid a fee for attending any committee meeting.*
- (2) *Where –*
 - (a) *a local government decides that any person who is a committee member but who is not a council member or an employee is to be reimbursed by the local government for an expense incurred by the person in relation to a matter affecting the local government; and*

(To be confirmed 26 November 2018)

(b) a maximum amount for reimbursement of expenses has been determined for the purposes of section 5.98(3)(b), the local government must ensure that the amount reimbursed to that person does not exceed that maximum.

Division 8 (Local government payments and gifts to its members) of the *Local Government Act 1995* sets out the fees and expenses an elected member and/or independent committee member is entitled to be paid as determined.

The *Salaries and Allowances Act 1975* states that the Salaries and Allowances Tribunal will be the determining body for the setting of the dollar ranges each local government may apply when making payments and providing gifts to elected members.

Policy Implications:

The item makes recommendation that Council Policy EM6 (Fees, Expenses and Allowances – Elected Members) be updated.

Risk Management Considerations:

Risk & Consequence	Consequence + Rating	Likelihood = Rating	Overall Risk Analysis	Mitigation/Actions
Compliance. Fees and reimbursements not made as per the dollar value levels, as determined by legislation and/or Council decision.	Minor	Possible	Moderate	Payment and accounting processes, and legislative updates, to be reviewed on a regular basis.

Strategic Plan Implications:

The following strategic outcomes of Council, as included in Council's Strategic Community Plan (2017-2032), are relevant;

CL8 - Visionary civic leadership with sound and accountable governance that reflects objective decision making.

CL9 - Appropriate devolution of decision making and service provision to an empowered community.

CL10 - Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Financial Implications:

Internal Budget:

Elected member, and independent committee member, fees and reimbursements have been included in the 2018-2019 Annual Budget at the maximum determined dollar value.

(To be confirmed 26 November 2018)

Total Asset Management:

Nil

Sustainability Assessment:

External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

COMMENT:

The proposed amended Council Policy EM6 (Fees, Expenses and Allowances – Elected Members) has been reviewed noting the desire of the Finance and Audit Committee to ensure the policy;

1. is still relevant;
2. is still the preferred position of Council; and
3. includes the newly appointed Independent Committee Members.

The preparation of the policy serves to reflect the discussion held at Committee workshops.

CONCLUSION:

The proposed changes to Council Policy EM6 (which includes an amended title and policy wording) appropriately reflects Committee workshop discussion and is therefore recommended for determination.

OFFICER RECOMMENDATION:

That the Finance and Audit Committee recommends that Council, pursuant to Section 2.7 (The role of the council) of the *Local Government Act 1995*, and with regards to Council Policy EM6 (*Fees, Expenses and Allowances – Elected Members*);

1. Acknowledges that a review has been undertaken by the Finance and Audit Committee;
2. Rescinds the previous wording and title of the policy and procedure;
3. Renames the policy as *Fees, Expense and Allowances – Elected Members and Independent Committee Members*; and
4. Determines the reviewed wording of the policy to now read:

(To be confirmed 26 November 2018)

Elected council members and independent committee members are entitled to fee payments and reimbursements pursuant to those prescribed in the Local Government Act 1995.

All elected council members and independent committee members are to receive the maximum legislated dollar value of the applicable fees and reimbursements payable for holding their respective position and, where this is an annual fee payable, then this payment is to be made on a pro-rata basis, calculated daily, and paid monthly in arrears.

The calculation of applicable expense reimbursements are to be in accordance with the appropriate legislation at the time those expenses are incurred.

PROCEDURAL MOTION:

Moved: Cr Ammons Noble

Seconded: Cr Anderson

That item 9.3 – Policy review – EM6 Fees, Expenses and Allowances – Elected Members, be referred back.

The motion was put and

Carried (6:0)

In favour of the motion: Cr Vernon; Cr Anderson; Cr Ammons Noble; Cr Oliver; Mr N Formosa; and Mr J Carley

Reason: To ensure that a draft copy of the proposed policy is presented, and included, as part of the officer report.

(To be confirmed 26 November 2018)

9. MOTION FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN

(required 3 ½ business days prior to the meeting, in writing to the CEO.)

Nil.

10. MEETING CLOSED TO PUBLIC

10.1 Matters for which the meeting may be closed

Nil.

10.2 Public reading of resolutions that may be made public

Nil.

11. CLOSURE OF COMMITTEE MEETING

There being no further business, Councillor Ammons Noble closed the meeting at 6pm.

I confirm these minutes to be a true and accurate record of the proceedings of the Council.

Signed:.....Cr Ammons Noble

Dated this:.....Day of2018