

TOWN OF BASSENDEAN

NOTICE OF A SPECIAL COUNCIL MEETING

Dear Council Member

A Special Meeting of the Council will be held on Tuesday 15 March 2016, in the Council Chamber, 48 Old Perth Road, Bassendean, commencing at 7.00pm. The purpose of the meeting is for Council to adopt the revised 2015/16 Budget.

Mr Bob Jarvis
CHIEF EXECUTIVE OFFICER

11 March 2016

A G E N D A

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

Acknowledgement of Traditional Owners

The Town of Bassendean acknowledges the past and present traditional owners of the land on which we gather to conduct this meeting, and pays its respects to their Elders, both past and present.

Members of the public are requested to please sign the Attendance Sheet located in the Council Chamber.

2.0 PUBLIC QUESTION TIME & ADDRESS BY MEMBERS OF THE PUBLIC

2.1 Public Question Time

Members of the public who wish to do so may ask questions that relate to items on the Agenda

2.2 Address by Members of the Public

Members of the public who wish to do so may address Council at this point for items included the agenda.

It should be noted that Public Statements are not recorded in the minutes. Statements raised by members of the public must be regarding items on the agenda.

3.0 ATTENDANCES, APOLOGIES & APPLICATIONS FOR LEAVE OF ABSENCE

Apologies

Cr Mike Lewis

4.0 DEPUTATIONS

5.0 REPORTS

5.1 2015/16 Budget Review for the period ending 30 June 2016 (Ref: FINM/BUGTG/1 – Ken Lapham, Manager Corporate Services)

APPLICATION

- The report has been prepared for Council to adopt a revised 2015/16 Budget. The audited actual opening surplus for the 2015/16 financial year was reported to Council at the 27th October 2015 meeting.
- The report is to review the budget and suggest amendments that will provide a closing position (Surplus/Deficit) at 30 June 2016 for the 2015/16 financial year.
- Consider the allocation of new capital works to utilise surplus funds from the Council resolution in October 2015.

ATTACHMENTS

Attachment No: 1:

2015/16 Revised Budget for the year ending 30 June 2016.

BACKGROUND

The 2015/16 revised Budget was presented to Council at its OCM held on the 23 February 2016, where the item was referred to a Special Council meeting.

Background from Previous Report

In preparing the 2015/16 Budget, it was estimated that the closing surplus for the 2014/15 financial year would be \$706,281. Following the completion of the annual audit for the 2014/15 financial year, the confirmed position was surplus of \$1,418,345, a gain of \$712,064.

A report was tabled at the Audit and Risk Management Committee in October 2015 (endorsed by Council in October 2015) providing an overview of the Financial Statements and the Audit Report for the period ending 30 June 2015. Council resolved to:

1. Transfer \$118,300 to the Leave Entitlements Reserve;
2. The Surplus be adjusted by \$302,000 to reflect the reduced income in GPP Grants for 2015/16; and
3. A report be prepared in relation to Capital Works projects that were previously excluded from the 2015/16 Budget to be considered as part of the 2015/16 Budget review.

STRATEGIC IMPLICATIONS

Leadership and Governance

Improve capability and capacity – Ensure Financial sustainability

A copy of the 2015/16 revised Budget, which includes the individual amendments, is included as an attachment.

In reviewing the 2015/16 Budget and incorporating the amendments and actual surplus for the 2015/16 financial year of \$1,418,345, the changes made to the various accounts has resulted in a revised estimated closing surplus of \$68,143 as at 30 June 2016.

When Council adopted the 2015/16 Budget on 7 July 2015, the anticipated budget surplus at 30 June 2016 was \$46,808.

As recommended at the Council meeting of 27 October 2015, Asset Services have identified a number of new capital items that were excluded from the 2015/16 Budget.

New works totalling \$570,000 have been identified as worthy of inclusion into the 2015/16 Budget, using both funds from the carried forward surplus (\$292,000), and from identified savings in the budget review process (\$278,000). The Manager Assets Services is confident that the new capital works can be completed before 30 June 2016. A month by month review will be undertaken between March and June 2016 that will review the progress of capital works projects, and the tracking of the operational budget actuals to budget.

The new works totalling \$570,000 that have been included in the 2015/16 revised Budget, are as follows:

COMMUNITY HALL- RESURFACE FLOOR	AB1502	\$ 34,000
ALF FAULKNER HALL REPLACEMENT FLOOR	AB1516	\$ 31,000
BASSEDEAN COMMUNITY HALL AIR CONDITIONER	AB1517	\$ 20,000
ELEVATED WORK PLATFORM	AE1504	\$ 60,000
IT INFRASTRUCTURE UPGRADE	AE1505	\$ 50,000
PARK ESTATE RETIC UPGRADE	AP1511	\$ 30,000
BORADWAY RESERVE STREET FURNITURE	AP1512	\$ 62,000
CARPARK RESURFACING SCADDEN&JAMES (NEAR SNR CTIZ CTR)	AR1515	\$ 33,000
FOOTPATH PROGRAM-HANWELL WAY (BROADWAY TO FAIRFORD)	AT1508	\$ 72,384
FOOTPATH PROGRAM-WHITFIELD ST(REID-CUL DE SAC)	AT1509	\$ 44,076
FOOTPATH PROGRAM-ANSTEY RD	AT1510	\$ 56,384
FOOTPATH PROGRAM-HYLAND STREET(WEST ROAD - NORTH ROAD)	AT1511	\$ 66,230
FOOTPATH PROGRAM-COLLIER & DYER ACCESS ROADS	AT1512	\$ 11,000
TOTAL		\$570,074

Additional amendment to the Bassendean Oval Score Board

At the Special Council meeting held on 2 July 2015, Council resolved to allocate \$47,000 to replace the Bassendean Oval scoreboard.

Officers have been working with structural engineers to design the new scoreboard and to gain certification (Building Licence) to construct the scoreboard. The cost of obtaining the building is approximately \$6,000 (this may increase in view of the additional works) and an amount of \$10,000 is included in the 2015/16 revised Budget.

On 1 March 2016, the structural engineers have deemed that the concrete footing for the new scoreboard to be constructed on is not suitable and new footings are now required.

The cost for the construction of the new footings is \$21,470.

In order to undertake the additional works, Officers have amended the draft 2015/16 revised Budget and to reduce BIC Reserve Furniture & Entry Statements (A/C 1501- page 12 of the Revised Budget Document) from \$100,000 to \$80,000 and reallocate the additional \$20,000 to the scoreboard – Bassendean Oval (A/C 1509) to cover for the construction of the concrete footings and relevant engineering structural design fees. The scoreboard capital works will increase from \$57,000 to \$77,000.

The attachment to this agenda provides a list of all the accounts that were amended. This consists of the following summarised changes:

DESCRIPTION	ORIGINAL BUDGET	REVISED BUDGET	AMENDMENTS	OPENING/ CLOSING BALANCE
ADOPTED CLOSING SURPLUS				\$46,808
ADDITIONAL OPENING SURPLUS				\$712,064
VARIOUS MAINTENANCE PROJECTS	\$3,839,954	\$3,804,954	(\$35,000)	
CAPITAL WORKS	\$1,412,301	\$1,602,290	\$204,989	
OPERATING EXPENDITURE	\$3,439,394	\$3,290,049	(\$149,345)	
OPERATING INCOME	(\$17,977,167)	(\$17,291,036)	(\$686,131)	
BALANCE AFTER AMENDMENTS				(\$706,775)
BUDGET AMENDMENTS PREVIOUSLY AUTHORISED BY COUNCIL				(\$341,354)
ADJUSTMENTS – P & L ON SALE OF ASSETS				\$240,000
ADJUSTMENTS - TRANSFERS TO RESERVES				(\$308,300)
ADJUSTMENTS – TRANSFERS FROM RESERVES				\$432,202
ADJUSTMENTS – DEPRECIATION, YOUTH SERVICES				(\$6,502)
CLOSING SURPLUS – 30/6/2016				\$68,143

FINANCIAL CONSIDERATIONS

The 2015/16 Budget has been revised to reflect the known changes and projected income and expenditure for the year ending 30 June 2016.

STATUTORY REQUIREMENTS

Local Government (Financial Management) regulations 1996
33A. Review of budget

- (1) *Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.*
- (2A) *The review of an annual budget for a financial year must -*

- (a) *Consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year;*
 - (b) *Consider the local government's financial position as at the date of the review; and*
 - (c) *Review the outcomes for the end of that financial year that is forecast in the budget.*
- (2) *Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council.*
- (3) *A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*
- *Absolute majority required.*
- (4) *Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.*

OFFICER RECOMMENDATION – ITEM 5.1

That, in accordance with Local Government (Financial Management) Regulation 33A and the Local Government Act, Council adopts the 2015/16 Budget Review for the period ending 30 June 2016, as attached to the Special Council meeting Agenda of 15 March 2016.

Voting requirement: Absolute majority

5.0 CLOSURE