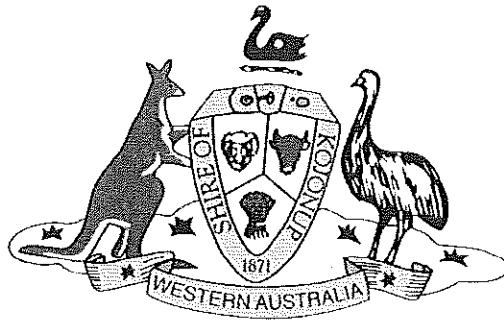


SHIRE OF KOJONUP



Council Agenda

20th April 2010

SHIRE OF KOJONUP**AGENDA FOR THE COUNCIL MEETING TO BE HELD ON 20th April 2010****TABLE OF CONTENTS**

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SHIRE OF KOJONUP

MEETING NOTICE AND AGENDA – 20th April 2010

TO: THE SHIRE PRESIDENT AND COUNCILLORS

NOTICE is given that a meeting of the Council will be held in Council Chambers, Administration Building Albany Highway, Kojonup on Tuesday 20th April 2010 commencing at 3:00pm.

Your attendance is respectfully requested.



STEPHEN GASH
CHIEF EXECUTIVE OFFICER

16th April 2010

AGENDA

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS

The Shire President shall declare the meeting open and alert the meeting of the procedures for emergencies including evacuation, designated exits and muster points and draw the meetings attention to the disclaimer below:

Disclaimer

No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting.

Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.

2 ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE

Cr Jill Mathwin
Cr Jane Trethowan
Cr Ian Pedler
Cr Michael Baulch
Cr Rosemary Hewson
Cr Frank Pritchard
Cr Greg Marsh

Mr Stephen Gash	Chief Executive Officer
Mr Kim Dolzadelli	Manager of Corporate Services
Mr Mort Wignall	Manager of Regulatory and Community Services
Mr Craig McVee	Works Manager
Mrs Heather Marland	Senior Finance Officer

APOLOGIES

Cr John Benn

Granted Leave of Absence at Meeting 16 March 2010

3 **PUBLIC QUESTION TIME**

4 **SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**

5 **APPLICATIONS FOR LEAVE OF ABSENCE**

6 **CONFIRMATION OF MINUTES**

ORDINARY MEETING 16th March 2010

Corrections:

COUNCIL DECISION

/10 MOVED Cr seconded Cr that the Minutes of the Ordinary Meeting of Council held on 16th March 2010 be confirmed as a true record.

CARRIED/LOST /

7 **ANNOUNCEMENTS** by the Presiding Member without discussion

8 **PETITIONS, DEPUTATIONS & PRESENTATIONS**

9 **DECLARATIONS OF INTEREST**

10 FINANCE REPORTS**10.1 FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (Incorporating Budget Review)**

AUTHOR: Kim Dolzadelli – Manager Corporate Services
 DATE: Friday, 16 April 2010
 FILE NO: FM.FNR.2
 ATTACHMENT: 10.1 Monthly Statement of Financial Activity 1st July 2009 to 31st March 2010
 10.1 – Appendix A - Budget Review

DECLARATION OF INTEREST

Nil

SUMMARY

Preparation and presentation to Council of monthly reports are a statutory requirement, with these to be presented to the next ordinary meeting following the close of a month, or it may be presented to the ordinary meeting in the following month after that.

Following a review of Budget Projections as at 31st March 2010 Council is being asked to consider the creation of two (2) new Reserves and the adoption of Budget Amendments contained within Appendix A (Budget Review) of the Statement of Financial Activity.

BACKGROUND

The reporting requirements, as per Financial Management Regulation 34, for the Statement of Financial Activity came into force from 1st July 2005.

The Review of Budget is covered by Financial Management Regulation 33A which states:

1. *Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.*
2. *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.*

COMMENTS

The attached Statement of Financial Activity for the period 1 July 2009 to 31 March 2010 shows a solid position with 93.69% of rates collected to 31st March 2010 and a total amount of cash holdings of \$4,439,509 of which \$2,163,677 is held in fully cash backed Reserves.

Following a review of Budget Projections by senior staff as at 31st March 2010 Council is being asked to consider the creation of two (2) new Reserve Accounts, adoption of Budget Amendments contained within Appendix A of March's Monthly Statement of Financial Activity and adoption of reallocations for Royalties for Regions Funding.

Council is also being asked to consider authorising the transfer of any unexpended Gravel Resheeting funds, at year end, to the Capital Works Reserve in the event that all works are unable to be completed due to weather conditions.

The review also looks at changes to the current schedule of Plant disposals and replacement which considers the current position of plant replacement and any adjustments required. The review is

also proposing changes to Reserve transfers, these can be seen in page 1 of Appendix A "Summary of Proposed Amendments".

The Original Budget projected a Closing Balance for the 2009/10 financial year of -\$2,124 with a minor adjustment of -\$72 made at time of audit resulting in a current budgeted Surplus Closing Balance of -\$2,196.

The attached Budget Review is requesting net amendments to budget of -\$4,591, if adopted this will result in a **projected surplus Closing Balance of -\$6,787.**

Appendix A "Budget Review" to the Statement of Financial Activity contains the following reports which detail the proposed amendments:

1. Summary of Proposed Budget Amendments
2. Detailed Review of Operations – Income Statement
3. Detailed Review of Capital Expenditure Program
4. Plant Replacement Report and Review
5. Review of Royalties for Regions Allocations

The review was conducted consistent with the "Material" Variance figure of either \$1000 or 8% as previously adopted by Council and also considered issues relating to timing of projects.

CONSULTATION

Officers.

STATUTORY ENVIRONMENT

Financial Management Regulation 34 sets out the basic information which must now be included in the monthly reports to Council. Financial Management Regulation 33A sets out the requirements with respect to the Review of Budget.

The Local Government Act 1995 Section 6.11 Reserve Accounts subsection (1): Subject to subsection (5), where a Local Government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.

POLICY IMPLICATIONS

None applicable.

FINANCIAL IMPLICATIONS

Occasionally Council may be asked to authorise certain budget amendments/variations by way of separate Senior Officer Reports, but those proposed variations will be taken into account in the monthly Statements of Financial Activity when a full budget review is put before Council. Amendments are being sought from Council in the attached reports.

STRATEGIC IMPLICATIONS

This will only occur where it involves variations to the multiple year proposals previously put forward. Impacts to the "Closing Balance" position will also occur or where a Budget Review highlights the requirement for amendments to occur.

VOTING REQUIREMENTS – SIMPLE MAJORITY

OFFICER RECOMMENDATION 1

That the Monthly Statement of Financial Activity, as attached, be accepted.

COUNCIL DECISION

/10 MOVED Cr seconded Cr

CARRIED/LOST

/

POLICY IMPLICATIONS

Council's Policy F3 provides authorities and restrictions relative to purchasing commitments.

FINANCIAL IMPLICATIONS

All payments made are for items where Council has provided a budget authority.

STRATEGIC IMPLICATIONS

There are no strategic implications involved with presentation of the list of payments.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That the Payment Listing from 01/03/2010 to 31/03/2010 comprising of Municipal Cheques 10956 to 11034, EFT's 5357 to 5506 and Internal Payment Vouchers 2153 to 2212 totaling \$784,451.07 and as attached to this agenda, be received.

COUNCIL DECISION

/10 MOVED Cr

seconded Cr

CARRIED/LOST

/

11 ENGINEERING & WORKS REPORTS**12 ECONOMIC & ENVIRONMENTAL DEVELOPMENT REPORTS****13 CORPORATE & COMMUNITY SERVICES REPORTS****13.1 2009 STATUTORY COMPLIANCE AUDIT RETURN**

AUTHOR: Stephen Gash - Chief Executive Officer
DATE: 15th April 2010
FILE NO: CM.REP.1
ATTACHMENT: 13.1.1 - 2009 Statutory Compliance Report
 13.1.2 - 2009 Non Compliance Summary

DECLARATION OF INTEREST

Nil

SUMMARY

The adoption of the 2009 Statutory Compliance Report.

BACKGROUND

The Department of Local Government has prepared and circulated to each local government an annual return covering various statutory compliance matters under the Local Government Act and associated Regulations. A copy is attached to the agenda.

COMMENT

The completion of the return is mandatory for each local government. The return has been completed following a review of processes and documentation for each activity / area in which compliance is being assessed against the Local Government Act 1995 (as amended) and associated regulations.

Areas of non compliance have been summarised in an attachment to the agenda which also details remedial action taken or proposed to be taken to ensure future compliance. Historical compliance has been:

Year	%
2006	97.5%
2007	98.8%
2008	99.3%
2009	98.8%

The three areas and four events of non compliance are viewed as not having a material impact on the operational performance of the Shire of Kojonup, however are important from a governance perspective and require immediate attention. This has also been assured by the reportable nature of delays in lodging annual returns and the involvement of the Department of Local Government.

CONSULTATION

Nil required

STATUTORY REQUIREMENTS

The Local Government Act (Audit) Amendment Regulations 1999, Regulation 15 states:

“A compliance audit return is to be-

- (a) presented to the Council at a meeting of the Council;
- (b) adopted by the Council; and
- (c) recorded in the minutes of the meeting at which it is adopted.”

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

There are no financial implications

STRATEGIC IMPLICATIONS

There are no strategic implications

VOTING REQUIREMENTS - SIMPLE MAJORITY

OFFICER RECOMMENDATION

1. That the attachment to this item detailing areas of non compliance and remedial action taken or proposed to be taken to ensure future compliance be noted.
2. That the circularised Statutory Compliance Return for 2009 attached be adopted.

COUNCIL DECISION

/10 MOVED Cr seconded Cr

CARRIED/LOST

/

13.2 ROYALTIES FOR REGIONS – COUNTRY LOCAL GOVERNMENT FUND 2009-10

AUTHOR: Stephen Gash - Chief Executive Officer
 DATE: 15th April 2010
 FILE NO: GS.PRG.22
 ATTACHMENT: Nil

DECLARATION OF INTEREST

Nil

SUMMARY

Council to determine if it makes an application for funding to assist with the preparation of a forward capital works plan.

BACKGROUND

Council has received advice from the Director General of the Department of Regional Development and Lands (RDL) that the 2009-2010 funding under the Country Local Government Fund (CLGF) is now available. CLGF for 2009-2010 is to support the development of strategic plans, asset management plans, forward capital works plans and voluntary local government amalgamations.

Council is eligible to receive up to \$35,000 towards the preparation of a forward capital works plan that relates to current or developing strategic and asset management plans.

The Department of Regional Development and Lands will be managing this component of the CLGF.

In order to receive the funds Council is required to submit a proposal on how it will expend the funds in accordance with the guidelines. Proposals are due by 30 April 2010.

Professional support will be provided by RDL through an expert panel to assist country local governments to develop forward capital works programs. If Councils already have a forward capital works plan this can be submitted. If deemed acceptable by RDL then the 2009-2010 funds can be used for planning towards specific projects from the forward capital works plan.

A forward capital works plan is a pre-requisite for Council to be able to access the 65% allocation in 2010-2011.

Regional Groupings of Local Governments

Up to \$100,000 is being provided to each of the nine Regional Development Commissions (RDC) to support regional groupings of country local governments to identify, scope and plan priority regional infrastructure projects.

RDC's will contact Council to coordinate group planning and begin project identification and business case development. Business cases for priority infrastructure projects will be a pre-requisite for regional groups to access the 35% component of the CLGF on 2010-2011.

COMMENT

The planning supports Councils long term strategic and financial planning objectives. The Shire has expertise in these areas to progress the forward capital works plan and in the first round of funding the Shires internal resources can be utilised and offset under this funding, rather than relying solely on consultants.

Officers recommend making an application for the funding. The budget amendment in this agenda reflects receipt of the funds and sufficient allocation within the special consultants expenditure for the high end assistance to offset any internal resources required.

If the grant application is supported, the Chief Executive Officer will finalise the specific details of the application and proposed expenditure of the funds.

CONSULTATION

Nil required

STATUTORY REQUIREMENTS

Royalties for Regions Act 2009

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

\$35,000 is being made available and will be reflected in Councils budget.

STRATEGIC IMPLICATIONS

Supports Councils long term asset management, strategic, and financial planning objectives in the strategic plan.

VOTING REQUIREMENTS - SIMPLE MAJORITY**OFFICER RECOMMENDATION**

That Council makes application to the Department of Regional Development and Lands for funding through the Country Local Government Fund to assist with the development of a Forward Capital Works Plan.

COUNCIL DECISION

/10 MOVED Cr seconded Cr

CARRIED/LOST /

14 COMMITTEES OF COUNCIL**15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

16 NEW BUSINESS
of an urgent nature, introduced by a decision of the meeting

17 CONFIDENTIAL REPORTS

18 NEXT MEETING
Tuesday, 18th May 2010 commencing at 3:00pm.

19 CLOSURE
There being no further business to discuss, the President thanked the members for their attendance and declared the meeting closed at pm.

20 APPENDICES AND TABLED DOCUMENTS**21 ATTACHMENTS**

Item 10.1 Monthly Statement of Financial Activity 1st July 2009 to 31st March 2010
10.1 – Appendix A - Budget Review
Item 10.2 Monthly Payment Listing 1 March 2010 to 31 March 2010
Item 13.1 13.1.1 - 2009 Statutory Compliance Report
13.1.2 - 2009 Non Compliance Summary