



City of Busselton

Geographe Bay

LATE ITEMS

Finance Committee Agenda

9 May 2017

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

city@busselton.wa.gov.au

CITY OF BUSSELTON

LATE ITEMS FOR THE FINANCE COMMITTEE MEETING TO BE HELD ON 9 MAY 2017

TABLE OF CONTENTS

ITEM NO.	SUBJECT	PAGE NO.
6.	REPORTS	3
6.8	BUDGET AMENDMENT REQUEST	3

6. REPORTS

6.8 BUDGET AMENDMENT REQUEST

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

PRÉCIS

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in this report. Adoption of the Officers recommendation will result in an no change to the City's current Amended Budgeted Surplus Position of \$0.

BACKGROUND

Council adopted its 2016/2017 Municipal Budget on Thursday 21 July 2016 with a balanced Budget position. On 14 December 2016 Council considered amendments to the Adopted Budget and by Absolute Majority resolved to accept numerous amendments which resulted in an Adopted Surplus position of \$70,982.

Council is now being asked to consider Budget Amendments for the following Key Areas/Projects:

1. "Meelup Regional Park Coastal Node Point Picquet"

BACKGROUND

In December 2013, Council endorsed (resolution C1312/324) a Coastal Nodes Master Plan as an informing strategy for Meelup Regional Park to conserve and improve the environment, protect visual amenity and to provide coastal facilities as appropriate for visitors to Meelup Regional Park.

The Coastal Nodes Master Plan outlines a program for upgrading of the Meelup Regional Park Coastal Nodes including Point Picquet. Works proposed for Point Picquet include a realignment of the vehicle parking area, provision of amenities and formalization of access trails.

PLANNED EXPENDITURE ITEMS

Council 2016/17 adopted budget includes an allocation of \$85,670 for the purpose of upgrading of the Point Picquet coastal node. The expenditure for upgrading of the Point Picquet is higher than the original estimate and the reallocation of funding from the Meelup Regional Park recreation reserves maintenance account to the capital account Meelup coastal nodes carpark upgrade account is required to complete the proposed works.

Environmental Management/Meelup Regional Park				
Description	Account String	2016/2017 Adopted Budget	2016/2017 Amended Budget (Proposed)	2016/2017 Variance
Operational Expenditure Recreation and Reserve Maintenance Contractors (Inc contract staff)	425-11170-3186-0000	209,210	186,770	(22,440)
Capital Expenditure Meelup Coastal Nodes Carpark upgrade	425-C0044-3280-0000	85,670	108,110	22,440
Impact on closing Position			Surplus/Deficit	0

PROPOSED OUTCOME

The upgrading of the Meelup Regional Park Coastal Node Point Picquet. The proposed works to be completed at Point Picquet in the current financial year include a realignment of the vehicle parking area, provision of amenities and formalization of access trails.

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

There are multiple Plans and Policies that support the proposed Budget Amendments.

FINANCIAL IMPLICATIONS

Budget amendments being sought will result in a decrease of Budget Surplus from \$70,982 to \$0.

Long-term Financial Plan Implications

N/A

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

RISK ASSESSMENT

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

CONSULTATION

Consultation has occurred with the appropriate City of Busselton officers.

OFFICER COMMENT

The Officer commends the requested Budget Amendment to the Finance Committee for consideration and recommendation to Council.

The Officer also flags that the Chief Executive Officer may introduce discussion with respect to discussions had at the Administration Building Working Group with respect funding requirements.

CONCLUSION

Council's approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed, where works are unable to be completed in the current financial year appropriate carryovers will be included in the Draft 2017/2018 Municipal Budget.

OPTIONS

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

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

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

OFFICER RECOMMENDATION**ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED (delete if not)**

That the Finance Committee recommends to Council endorsement of the Requested Budget Amendments contained within this report, resulting in no change to an Amended Budgeted Surplus Position of \$0.