



WEST DALY
Regional Council

MINUTES

FINANCE COMMITTEE MEETING

HELD AT THE COUNCILBIZ BOARDROOM, DARWIN

22 JUNE 2016 AT 9.00 AM

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Glenda Teede
Chief Executive Officer

MINUES
FINANCE COMMITTEE MEETING
HELD AT THE COUNCILBIZ OFFICE DARWIN
ON 22 JUNE 2016
COMMENCING AT 9 AM

Mayor of the West Daly Regional council Harold Wilson declared the meeting open at 9.26 am and welcomed all in attendance.

1	ATTENDANCE
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1. PERSONS PRESENT

FINANCE COMMITTEE MEMBERS PRESENT

Mayor	Harold Wilson
Deputy Mayor	Andrew Brown - present by telephone

STAFF PRESENT

Chief Executive Officer	Glenda Teede
Senior Financial Consultant	Ramesh Pudasaini
Human Resource Advisor	Cathy Bottrell

2 APOLOGIES AND LEAVE OF ABSENCE

SUMMARY

All members were present.

MOTION:

THAT the Finance Committee notes that there are no apologies of leave of absence for the finance Committee Meeting held on 22 June 2016.

Moved: Clr

Seconded: Clr

3 CONFIRMATION OF PREVIOUS MINUTES

BACKGROUND:

The Finance Committee last met on 20 April 2016.

MOTION:

THAT the Finance Committee approves the minutes as a true and accurate record of the Finance Committee Meeting held on 20 April 2016.

Moved: Clr Brown

Seconded: Clr Wilson

4 FINANCE REPORT

BACKGROUND:

Ramesh Pudasaini, Senior Financial Consultant spoke providing an overview of the current financial position including:

- a) Financial Overview
- b) Cash and Investment
- c) Receivables/Debtors
- d) Summary of Revenue and Expenditure
- e) Program wide Expenses

General discussions were held around the current financial positions.

MOTION:

THAT the Finance Committee receives and notes the Financial Report for the month of May 2016.

Moved: Clr Brown

Seconded: Clr Wilson

5 BUDGET DEVELOPMENT

BACKGROUND:

Council is required to develop a Regional Plan each year, with one of the contents being a budget that meets the requirements of the Local Government Act, including the balanced budget requirements.

The budget collation for 2016/17 has been carried out by CouncilBIZ under contract.

In May 2016, CouncilBIZ started collecting information against the various programs and funding contracts. This information has been collated into the WDRC budget model, and then reviewed by WDRC management.

The current model is a work in progress, as are all budgets. They are a current view of the expected future.

MOTION:	
THAT the Finance Committee receives the Budget Preparation update.	
Moved:	Clr Brown
Seconded:	Clr Wilson

6	ELECTED MEMBER ALLOWANCE 2016/2017
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BACKGROUND:

Section 71(1) of the Local Government Act (2008) states “A member of Council is entitled to be paid an allowance by the Council”.

Section 71(2) states “The allowance for a member of council is to be at a rate fixed by the Council (subject to any guidelines the Minister may make) for the relevant financial year”.

MOTION:	
1.	THAT the Finance Committee determines the allowances for elected members for the FY 2016/17 and recommend the same to Council.
2.	THAT the Finance Committee determines the extra meeting allowance for elected members for the FY 2016/17 and recommend the same to Council.
Moved:	Clr Wilson
Seconded:	Clr Brown

7	RATES DECLARATION
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BACKGROUND:

In accordance with Section 155(1) of the Local Government Act 2008 as in force 1 March 2011 (“the act”), Council must declare its rates and charges by 31st July each year.

In accordance with Section 155(3) Council needs to declare that the general rates will be raised by application of a rate or charge, which will be applicable to all rateable land within its boundaries.

The Council’s current income derived from four basic sources:

- Income from rates and statutory charges;
- Local Government Operational Grants; and
- Grants provided by other Agencies to undertake specific funded programs (such as Aged Care).

In determining the rating regime for 2016/2017, the Council has considered its sources of “own source income” as shown below.

INCOME FROM RATES AND STATUTORY CHARGES

Rates and statutory charges, along with operational grants and any income derived from commercial sources, is referred to as ‘own source income’ and, is used to fund Councils municipal activities. This income can be used (expended) in any way that the Council directs and is used to fund all basic municipal services and discretionary projects.

LOCAL GOVERNMENT OPERATIONAL GRANTS

Due to the high level of uncertainty around grant distribution in the Commonwealth and NT government budgets all operational grants will be reviewed once 2016/2017 levels are confirmed.

GRANTS FROM OTHER AGENCIES

The Council undertakes a number of programs on behalf of other government agencies (Agencies). The budgets for these programs are typically defined by the funding agency. Surpluses from these programs are considered ‘unexpended grants’. The funding agency may determine whether these funds are returned to the funding agency or carried over into the following year to fund the program. Grants can only be used for the purpose for which the grant is given and thus the Council cannot determine the allocation of these budgets. Within the 2016/2017 budget all agency budgets are self-contained. That is, expenditure is always equal to the income received.

In determining the rating regime for 2016/2017, the Council has considered a number of factors, including:

- The Council’s statutory and legislative obligations;
- The service level expectations of the communities, residents and ratepayers;
- The funding environment and the overall reduction in income from grant and own source income.
- The asset management and asset renewal obligations of the Council;

- The Council’s priorities with regards to local employment and maintenance of community based employment and training opportunities;
- How current and future rating practices will impact on the Council’s financial sustainability,
- How existing services (particularly waste management and animal management) can be funded from existing revenue sources; and

Pursuant to Section 142 of the act Council may only levy rates on conditionally rateable land in accordance with a rating proposal approved by the Minister for Local Government at least 1 month before the commencement of the financial year for which the rates are declared.

MOTION:	
THAT the Finance Committee recommends the rates and charges in the declaration for the period from 1 July 2016 to 30 June 2017 to the Council Meeting.	
Moved:	Clr Brown
Seconded:	Clr Wilson

8	SCHEDULE OF FEES AND CHARGES
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BACKGROUND:

Fees and charges schedule will provide guidelines to charge fees for the facility provided by council in all communities. Fees and charges have been revised for FY 2016/17.

MOTION:	
THAT the Finance Committee recommends the schedule of fees and charges for the period from 1 July 2016 to 30 June 2017 to the Council Meeting.	
Moved:	Clr Brown
Seconded:	Clr Wilson

10	NEXT MEETING
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The next Finance Committee Meeting of West Daly Regional Council will be held on 17th August at the CouncilBIZ Boardroom, Darwin.

Meeting closed at 10.40 am.