



ORDINARY COUNCIL MEETING

AGENDA

Wednesday 13 March 2019

Commencing at 7.00pm

Wycheproof Supper Room

367 Broadway, Wycheproof

**Anthony Judd
Chief Executive Officer
Buloke Shire Council**

ORDER OF BUSINESS

1. COUNCIL WELCOME AND STATEMENT OF ACKNOWLEDGEMENT

WELCOME

The Mayor Cr Carolyn Stewart will welcome all in attendance.

STATEMENT OF ACKNOWLEDGEMENT

The Mayor Cr Carolyn Stewart will acknowledge the traditional owners of the land on which we are meeting and pay our respects to their Elders and to the Elders from other communities who maybe here today.

2. RECEIPT OF APOLOGIES

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

RECOMMENDATION:

That Council adopt the Minutes of the Ordinary Meeting held on Wednesday, 13 February 2019.

4. REQUESTS FOR LEAVE OF ABSENCE

5. DECLARATION OF PECUNIARY AND CONFLICTS OF INTEREST

In accordance with Sections 77A, 77B and 78 of the Local Government Act Councillors are required to disclose an "interest" in a decision if they would receive, or could be reasonably perceived as receiving a direct or indirect financial or non-financial benefit or detriment (other than as a voter, resident or ratepayer) from the decision.

Disclosure must occur immediately before the matter is considered or discussed.

6. QUESTIONS FROM THE PUBLIC

NIL 4

7. PROCEDURAL ITEMS

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NEXT MEETING

THE NEXT ORDINARY MEETING OF COUNCIL WILL BE HELD IN WYCHEPROOF SUPPER ROOM, 367 BROADWAY, WYCHEPROOF ON WEDNESDAY, 10 APRIL 2019 AT 7.00PM.

Anthony Judd
CHIEF EXECUTIVE OFFICER

6. QUESTIONS FROM THE PUBLIC

Nil

7. PROCEDURAL ITEMS

7.1 REPORT OF ASSEMBLY OF COUNCILLORS MEETINGS

Author's Title: Executive Assistant

Department: Office of the CEO

File No: GO/05/04

Attachments: 1 [↓](#) Councillor Briefing Record - 6 February 2019
2 [↓](#) Councillor Briefing Record - 20 February 2019

RECOMMENDATION

That the Council note the report of Assembly of Councillor Meetings held on 6 and 20 February 2019.

Key Points/Issues

The Local Government Act 1989 (the Act) provides that a record must be kept of any Meeting of Councillors and Staff deemed to be an Assembly of Councillors Meeting as defined in the Act.

An Assembly of Councillors Meeting is defined in the Act as a meeting of Councillors if the meeting considers matters that are likely to be the subject of a Council decision or the exercise of delegation and the meeting is:

- A planned or scheduled meeting that includes at least half of the Councillors and a member of Council Staff; or
- An Advisory Committee of the Council where one or more Councillors are present.

The Act also provides that the record of any Assembly of Councillors is to be reported to the next practicable Council Meeting and recorded in the Minutes.

A record of the Assembly of Councillors Meetings held on 6 and 20 February 2019 is attached.

BULOKE SHIRE COUNCIL
RECORD
Councillor Briefing

Date and Time: 6 February 2019 **Time:** 5.00pm – 8.00pm

Location: Birchip Council Chamber

Attendees: Cr- Carolyn Stewart
Cr- Daryl Warren
Cr- David Pollard
Cr- Graeme Milne
Cr- Ellen White

Anthony Judd –Chief Executive Officer
Hannah Yu – Director Corporate Services
Wayne O’Toole– Director of Works and Technical Services
Jerri Nelson –Director Community Development
Travis Fitzgibbon- Manager Customer Engagement

Apologies: Cr- David Vis
Cr- John Shaw

Visitors: Ray Kingston (Candidate for Mallee)

ITEMS

NO.	TOPIC	PURPOSE
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1.	Declarations of Conflicts of Interest	Nil
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2.	Briefing Notes	
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3.	Presentations	
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3.1	Ray Kingston	
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4.	Items for Discussion	
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4.1	Birchip Floods	
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5.	Councillor Matters	
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6. CEO Updates

Next Briefing:

Date and Time:	20 February 2019	Time: 3.00pm -6.00pm
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Location:	Donald Council Chamber
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BULOKE SHIRE COUNCIL

Notes

Councillor Briefing

Date and Time:	20 February 2019	Time: 3.00pm – 6.00pm
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Location:	Council Chamber – Donald District Office
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Attendees:	Cr Carolyn Stewart Cr Daryl Warren Cr David Pollard Cr Graeme Milne Cr David Vis Anthony Judd –Chief Executive Officer Hannah Yu – Director Corporate Services Wayne O’Toole– Director of Works and Technical Services Travis Fitzgibbon- Manager Customer Engagement
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Apologies:	Cr Ellen White Cr John Shaw
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Visitors:	Dr Scott Pigdon and Stacey Bloomfield (Environment Protection Authority) Anne Webster (Nationals Candidate Mallee)
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ITEMS

NO.	TOPIC	PURPOSE
1.	Declarations of Conflicts of Interest	Nil
2.	Briefing Notes	6 February 2019 Councillor Briefing Notes confirmed.
3.	Presentations	
3.1	Dr Scott Pigdon and Stacey Bloomfield (EPA)	
3.2	Anne Webster (Nationals Candidate for Mallee)	
3.3	Travis Fitzgibbon	

Manager Customer Engagement

4. Items for Discussion

4.1 Service Review – Local Law

4.2 Service Review – Building and
Planning

5. Councillor Matters

6. CEO Updates

Meeting closed 7.15pm.

Next Briefing:

Date and Time:	6 March 2019	Time: 5.00pm – 8.00pm
Location:	Sea Lake Senior Citizens	

7.2 LETTERS OF CONGRATULATIONS AND RECOGNITION OF ACHIEVEMENT/AWARDS

Author's Title: Executive Assistant

Department: Office of the CEO

File No: CR/13/01

Attachments: Nil

RECOMMENDATION

That the Council acknowledge and congratulate the persons and/or groups mentioned in the report for their achievements.

1. Executive Summary

This report acknowledges and congratulates community persons and/or groups for their success in being recognised for a significant achievement or for being a recipient of an honourable award.

The report also informs Council of any letters of congratulations or any particular recognition of achievement that Council has received or been awarded in the past month.

2. Recognition of Achievement Items

Provider	Recipient	Date	Purpose for Recognition
Charles Sturt University, Wagga Wagga	Alex Sheridan Donald	Dec 2018	Graduated with a Bachelor of Medical Radiation Science. Now employed with the Ballarat Health Services at the Ballarat Base Hospital.
Deakin University, Geelong	Jack Onley Donald	18 February 2019	Graduated with a Bachelor of Construction Management (Honours) Now employed with H Troon P/L Ballarat.
Municipal Association of Victoria (MAV)	Coral Ross	1 March 2019	Appointed as President of the MAV

7.3 CORRESPONDENCE INITIATED BY COUNCIL

Author's Title: Executive Assistant

Department: Office of the CEO

File No: GO/06/09

Attachments: Nil

RECOMMENDATION

That Council notes the record of correspondence sent and responses received.

Table of correspondence

Council Initiative	Correspondence sent to	Date sent	Date of Response	Summary of response
<p>Opposition of Dual Gauge between Ballarat and Maryborough – Murray Basin Rail Project</p> <p>Buloke communities are situated further north of Maryborough, and Council is of the position that the dual gauging of that track will impede existing freight services and also limit the extension of passenger rail.</p>	<p>Minister Allan Minister for Public Transport and Major Projects.</p> <p>Letter forwarded to new Minister for Ports and Freight, Melissa Horne.</p>	<p>11 October 2018.</p> <p>18 December 2018.</p>		

7.4 PLANNING APPLICATIONS RECEIVED - MONTHLY UPDATE

Author's Title: Planning Officer

Department: Planning and Community Support

File No: LP/09/01

Attachments: Nil

RECOMMENDATION

That the Council note information contained in the report on planning applications under consideration by staff and the status of each of these applications.

1. Executive Summary

This report provides information on planning applications under consideration by staff and the status of each of these applications.

2. List of Planning Applications

Application No	Applicant	Address	Date Rec	Summary of Proposal	Status
PPA778/19	Glenn Raven	20 Woods Street, Donald	30/01/2019	Construction of a shade structure at motel	Reporting
PPA779/19	Wes Randerson (Total Outdoor Media)	166-186 High Street, Charlton	29/01/2019	Construction and display of a major Promotions Sign	Notice of application
PPA780/19	Price Merrett Consulting	121 Bourkes Lane, Jeffcott	04/02/2019	Two lot subdivision(boundary re-alignment)	Referral
PPA781/19	Kris Dixon	15-17 Clifton Street, Charlton	04/02/2019	Earthworks to install two rain water tanks in an Urban Floodway Zone	Permit Issued
PPA782/19	Rohan Fry (Kookas)	56-58 Racecourse Road, Donald	23/01/2019	Use and development of land for a biscuit manufacturing plant	Referral
PPA783/19	Nick Pearse	Sunraysia Highway, Donald	08/02/2019	Use of land for a carwash	Reporting

Application No	Applicant	Address	Date Rec	Summary of Proposal	Status
PPA784/19	North Vic Engineering	11-17 Cumming Avenue, Birchip	11/02/2019	Construction of open sided storage shed	Notice of application
PPA785/19	Vivienne Davidson (Donald Public Cemetery Trust)	Sunraysia Highway, Donald	19/02/2019	Construction of single toilet facility at the Donald Public Cemetery	Permit Issued

7.5 BUILDING PERMITS - MONTHLY UPDATE

Author's Title: Compliance Administration Officer

Department: Planning and Community Support

File No: DB/14/02

Attachments: Nil

RECOMMENDATION

That the Council note information contained in the report on Building Permits approved by staff from 1 February 2019 to 28 February 2019.

1. Executive Summary

This report provides information on Building Permits approved by staff from 1 February 2019 to 28 February 2019.

2. List of Building Permits Approved by Council Surveyor

Permit No.	Address	Project Description	Date Approved
20190005	20 Gallagher Street SEA LAKE	New Building: Shed	06/12/2019
20190006	124 Woods Street DONALD	New Building: Shed	14/02/2019
20190007	31 Houston Street DONALD	Extension: Extension to existing Dwelling	21/02/2019
20190008	2982 Warracknabeal-Birchip Road, WILKUR	New Buildings: Chicken Broiler Sheds (2)	21/02/2019
20190009	908 Massey-Bangerang Road MASSEY	New Building: Farm Shed	28/02/2018

3. List of Building Permits Approved by Private Surveyor

Permit No.	Address	Project Description	Date Approved
20190010	72 Cumming Avenue, BIRCHIP	New building: Construction of a Verandah	30/01/2019
20190011	203 Ninda-Turriff Road, Turriff East	Extension: Farm Shed Extension	18/ 2/2019
20190012	617 Donald-Murtoa Road DONALD	New Building :Construction of Farm Building	19/02/2019

8. GENERAL BUSINESS

8.1 POLICY REPORTS

Nil

8.2 MANAGEMENT REPORTS

8.2.1 FIXING COUNTRY ROADS PROGRAM

Author's Title: Director Works and Technical Services

Department: Works and Technical Services

File No: GS/03/02

Attachments: Nil

Relevance to Council Plan 2017 - 2021

Strategic Objective: Responding to and enhancing our built and natural environment

RECOMMENDATION

That Council:

1. Submit an application under the Fixing Country Roads Program for roadworks to Culgoa Ultima Road for \$1,500,000 and \$300,000 for roadworks to Watchem Warracknabeal Road; and
2. Considers the contribution of matching funding of \$750,000 for Culgoa Ultima Road and \$150,000 for Watchem Warracknabeal Road in the development of the 2019/20 capital works budget.

1. Executive Summary

This report is presented to Council to consider making applications under the Victorian Government's Fixing Country Roads Program (FCRP).

2. Discussion

The Fixing Country Roads Program is the Victorian Government's commitment to regional Victorians to improve the condition of their local roads. \$100 million has been provided for grants to rural and regional Councils to undertake local road projects beyond regular road maintenance.

For Round 2, more than \$70 million is available for safer and more reliable roads. Councils can apply for projects requiring up to \$1.5 million State Government funding.

Based on Council's road condition assessments and the criteria for applying for the funding, two projects have been selected:

1. The southern section of the Culgoa Ultima Road which has been assessed as well beyond intervention levels and requires full pavement rehabilitation. To maximise the amount of road that can be rehabilitated, Officers are recommending the maximum available funding be applied for.
2. The second priority is a section of the Watchem Warracknabeal Road which has been assessed as beyond intervention level.

3. Financial Implications

Both projects require a matching contribution of a \$2:\$1 basis, project 1 would require \$750,000 and project 2 requires \$150,000. Projects undertaken as part of Round 2 of the funding are required to be completed by June 2020.

4. Cost Shift Considerations

There are no cost shift implications

5. Community Consultation

Council receives regular feedback on the condition of these roads and upgrades are prioritised in regional planning documents such as the Central Murray Regional Transport Strategy.

6. Internal Consultation

Staff from the Infrastructure Management Unit and the Senior Leadership Team have discussed these projects.

7. Legislative / Policy Implications

These projects align with key strategies including the Council Plan, Community Plan and the Economic Development and Tourism Strategy.

8. Environmental Sustainability

There are no environmental sustainability considerations in this report.

9. Conflict of Interest Considerations

No officer involved in the preparation of this report had a conflict of interest

10. Conclusion

It is recommended that Council:

1. Submit an application under the Fixing Country Roads Program for roadworks to Culgoa Ultima Road for \$1,500,000 and \$300,000 for roadworks to Watchem Warracknabeal Road; and
2. Considers the contribution of matching funding of \$750,000 for Culgoa Ultima Road and \$150,000 for Watchem Warracknabeal Road in the development of the 2019/20 capital works budget.

8.2.2 CAPITAL WORKS STATUS UPDATE

Author's Title: Chief Executive Officer

Department: Office of the CEO

File No: GS/02/04

Attachments: Nil

Relevance to Council Plan 2017 - 2021

Strategic Objective: Responding to and enhancing our built and natural environment

RECOMMENDATION

That Council notes the progress and comments against the 2018/19 Capital Works Program.

1. Executive Summary

This report is presented to Council to provide an update of progress against the capital works program.

2. Discussion

In 2018/19, Council has a significant capital works program, primarily due to success in external funding programs. Provided below is an update and comments against each capital works item. Contracts are let for a significant portion of the program, with some projects, such as the Lake Tyrrell project and the IT systems renewal set to be a rebudget item for 2019/20 budget.

The report highlights that a significant amount of projects have contracts awarded and a lot of work to occur in the final four months of the financial year.

Job	Annual Current Budget	YTD Actuals	Comments
BB0073 - Split system replacement program	15,000	5,578	
BB0080 - Charlton Park 2020 Redesign	3,200,000	807,324	Contract let. Works progressing well. Anticipated completed July.
BB0090 - Municipal offices renewal program	70,000	67,977	Project completed.
BB0091 - Swimming Pool renewal program	40,000	13,152	Pumps refurbished. Works at Sea Lake following the season closure.
BB0092 - Donald Community Precinct Construction	1,925,000	429,432	Contract let. Works progressing. Anticipated completion August.
BB0096 - Charlton Museum roof upgrade	25,000	0	Sourcing contractors.
BB0097 - Birchip Leisure Centre Laundry Demolition	12,000	16,337	Project completed.
BB0098 - Depot safety improvements	40,000	30,894	Fence installed at Donald. Safety works at Wycheproof and Donald remain.
BB0099 - Sustainability developments project	104,000	0	Audits completed. Sourcing contractors for 10 community buildings. Works to be staged over 2 financial years.

BB0100 - Birchip pool painting	18,000	19,900	Project completed.
EF0009 - HACC Minor Capital Works	0	2,414	Project completed.
EF0010 - Library books purchase	200,000	200,000	Project completed. Carry forward works from 17/18 budget.
EF0011 - Library Project	0	18,651	
EI0051 - IT & Equipment replacement	155,000	113,826	Works and procurement on track.
EI0052 - Asset Management System - 2017	30,000	25,598	System implementation ongoing. Project delayed due to opportunity for state government funding (Transformation Program). To be rebudgeted in 2019/20.
EI0053 - IT systems renewal	800,000	11,832	Carry forward works from 17/18 budget.
EI0054 - Phone system replacement	0	1,552	
EP0002 - Major Plant	600,000	586,941	Major works completed. Minor works with trucks to occur in May Sourcing quotes. Additional expenditure in April/May.
EP0003 - Small Plant	20,000	8,575	
ID0020 - Donald Flood Study - Levee Development Stage 2	120,000	72,413	Contract let. Temporary levee works to occur in April.
ID0023 - Charlton Drainage Design	70,000	0	Contract let and works underway. Designs to be delivered in March. Project grant funded. Minor expenditure expected in 2018/19, with majority of works to occur in 2019/20
ID0024 - Charlton Flood Levee –Feasibility	0	0	
IF0025 - Horace Street, Sea Lake (St Marys)	36,000	0	Contract let. Works to occur in April
IF0026 - Davies Street, Charlton (Charlton College)	50,000	0	Contract let. Works to occur in April
IL0015 - Birchip upgrades - power connection and litter scre	30,000	31,510	Project completed.
IL0016 - Sea Lake Transfer Station E-Waste	0	0	Contract let. Works to occur in April/May
IL0017 - Birchip Landfill E-Waste	0	0	Contract let. Works to occur in April/May
IO0084 - Streetscape Plan and Implementation Stage 1	125,000	45,593	Design works continue at Birchip. Upgrades to occur in Best Street, Sea Lake over May/June.
IO0085 - Playground Replacement program	60,000	3,360	Contract let for Apex Park, Sea Lake. Works to occur in May
IO0086 - Park irrigation upgrades	40,000	2,850	Contracts let for Charlton and Nullawil. Works to occur in April/May.
IO0087 - Park furniture/BBQ upgrades	20,000	2,685	Works to occur in Best Street, Sea Lake over May/June
IO0088 - Lake amenities development (Stage 1)	800,000	834,859	Final works completed. Minor follows up to occur through March/April
IO0090 - Tourism and Cultural Heritage signs	0	3,736	Carry forward works from 17/18 budget.

IO0092 - Lake Tyrrell infrastructure upgrades (Stage 1)	2,471,000	95,603	CHMP in draft. Planning permit to be applied for in March. Project to be carried forward.
IO0095 - Town entrances - tree planting	40,000	0	Works to occur in late June. Charlton, Birchip and Donald. Planning continuing. Funding won't be received until July 1. Works to occur in 2019/20.
IO0096 - Donald Skate Park	0	0	Contract let. Works to occur in April.
IR7100 - Road Reseal Program	700,000	0	Contract let. Works to occur in April.
IR7240 - Final Seal - Yuengroon Road	70,000	0	Internal works. To occur in over period March through to June
IR7241 - Northern earth road soft crests	150,000	0	Project completed
IR7242 - Corack East-Chirrup Rd (Corack) (4600m)	127,000	140,211	Project completed
IR7243 - Blairs A Rd (Nareewillock) (1150m)	36,000	38,129	Project completed
IR7244 - Cooks and Kerrs Road (Narraport) (5000m)	84,000	111,949	Project completed
IR7245 - Sea Lake Springfield Rd (Sea Lake) (1850m)	80,000	74,118	Project completed
IR7246 - Speed Estate School Bus Rd (Nandaly) (5000m)	145,000	147,427	Project completed
IR7247 - Charlton - Swan Hill Road (Glenloth) (3,000m)	64,000	0	Work to occur through March/April Contract let. Works to occur in April.
IR9007 - Major Patch Program 2016/2017	100,000	9,553	Contract let. Works to occur in April/May.
IR9015 - Birchip-Corak Pavement Renewal	822,000	28,730	Contract let and works underway. First section completed.
IR9016 - Yuengroon Road Pavement Renewal	960,000	36,375	Grant funded project. Contract let. Works to occur in April.May.
IR9021 - Watchem Warracknabeal Road – Ch 10.810km to Ch 12.	0	0	

3. Financial Implications

The capital works program is significant and

4. Cost Shift Considerations

There are no cost shift considerations in this report

5. Community Consultation

There has been no community consultation in the development of this report.

6. Internal Consultation

Staff from the management team have provided input into this report.

7. Legislative / Policy Implications

The delivery of Council's capital works program is a key commitment in the Council Plan and annual Council Budget.

8. Environmental Sustainability

There are no environmental sustainability considerations in this report.

9. Conflict of Interest Considerations

No officer involved in the development of this report has a known conflict of interest.

10. Conclusion

The report highlights that good progress has been made against the capital works program, with a significant amount of works to occur in the final quarter of the financial year.

8.3 FINANCIAL REPORTS

8.3.1 FINANCIAL PERFORMANCE AS AT 31 JANUARY 2019

Author's Title: Acting Manager Finance

Department: Corporate Services

File No: FM/19/03

Attachments:

- 1 [Income Statement](#)
- 2 [Balance Sheet](#)
- 3 [Cash Flow Statement](#)
- 4 [Cash Flow Graph](#)
- 5 [Capital Works Program](#)
- 6 [Capital Works Graph](#)

Relevance to Council Plan 2017 - 2021

Strategic Objective: Deliver our service in a financially viable way

RECOMMENDATION

That Council receives and notes the Financial Performance Report for the month ending 31 January 2019.

1. Executive Summary

The **Income Statement** provides a summary of the total income and total expenditure relating to Council's annual recurrent operations. It also specifically includes capital income but does not include capital works expenditure. The surplus/(deficit) is disclosed at item B on the Income Statement (Attachment 1). So as operating revenues can be compared to operating expenditures, an adjustment is made to exclude all capital income. The presentation of this income statement and resultant surplus/(deficit) is reported at item A.

For the first seven months of the financial year ending 31 January 2019, the surplus disclosed was \$895k. *Excluding* capital grants income of \$2.7m, a deficit of \$1.806m was recorded. See notes 2 and 7 on the income statement for the reasons behind this deficit, but in summary, Flood monies of \$4.8m have not been received due to State Government change in disbursement policy.

The **Balance Sheet** effectively shows a summary of the value of Assets (what we own) and our Liabilities (what we owe), both of which balance off against each other to show Net Assets or Equity (our net worth). Council's net worth as at this accounting period was \$207m.

The **Cash Flow Statement** is formatted to show a 12 month forecast. The corresponding cash flow chart maps actual cash alongside budgeted cash and restricted funds. At 31 January 2019, Council's Cash and Cash Equivalents were \$9.641m.

The **Capital Works Program** depicts \$3.966m of capital works having been expended to the end of this accounting period. The Annual Budget for capital works is \$14.454m to be funded by Capital Grants of \$7.5M, Contributions \$2.3M and Council Cash of \$4.6M. Council has let a number of large scale contracts in the first half of the 2018/19 financial year (i.e. Charlton Park, Donald Community Precinct, Road Rehabilitation) and expenditure will increase over the coming five months.

2. Financial Implications

The table below provides an overview of Council's financial performance as at 31 January 2019.

Income Statement - Excluding Capital Grants and Contributions	Preliminary				
	YTD	YTD	YTD	Annual	Annual
	Actuals	Budget	Variance	Budget	Forecast
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Total Income	19,376	23,840	(4,464)	26,603	26,800
Total Expenses	21,181	22,972	1,790	32,936	33,309
Surplus/(Deficit)	(1,806)	868	(2,674)	(6,332)	(6,509)
Add back Capital Grants Income and Contributions	2,700	6,388	(3,687)	9,812	9,038
Surplus/(Deficit) including Capital Grants Income and Cont.	895	7,255	(6,361)	3,479	2,529
Capital Works Program	3,966	6,327	2,562	14,454	12,709
Cash and Cash Equivalents		Restricted	Un-Rest.	Total	
		1,374	8,267	9,641	

The following commentary is provided:

a. Total income excluding capital grants and contributions

The negative variance of \$4.464m occurs largely as a result of Flood Natural Disaster Funding (\$5m variance) not having been received (see note 2 per Income Statement for further detail). This is a timing matter.

b. Total expenses

Favourable variance of \$1.79m materially explained by flood restoration works under budget expectations by \$1.27m (see note 7).

c. Capital Grant Income and Contributions

Roads to Market and Heavy Vehicle Safety Productivity Program funding are yet to be received (\$1.15m). Funding for Lake Tyrell (\$952k) and Roads to Recovery (\$342k) also not received in full.

d. Capital Works Program Expenditure

Council has expended \$3.966m on capital works YTD this period, with significant large contracts let.

e. Cash and Cash Equivalents

Council has cash of \$9.6m of which \$1.374m is restricted being committed to capital projects.

3. Community Consultation

No consultation with the community was required for the production of this report.

4. Internal Consultation

The reports have been prepared in consultation with the budget managers directly responsible for Council budgets.

5. Legislative / Policy Implications

The report is consistent with the requirements of the *Local Government Act 1989*.

6. Environmental Sustainability

This report has no direct impact on environmental sustainability.

7. Conflict of Interest Considerations

No officer involved in the preparation of this report had a conflict of interest.

8. Conclusion

Grant income for both operating and capital are behind where Council planned to be on a year to date basis. Council is being proactive in attaining these funds especially with the Natural Disaster Funding Authority (Treasury and Finance), where grants received have been fully acquitted. These monies are forecasted to come in before the end of the financial year.

Preliminary Forecasting has been provided but cannot be relied upon at this point.

Income Statement

31 January 2019

Buloke Shire Council Preliminary

Income Statement - Excluding Capital Grants and Contributions	YTD Actuals	YTD Budget	YTD Variance	Annual Budget	Annual Forecast	Ref:
	\$'000	\$'000	\$'000	\$'000	\$'000	
Income						
Rates and charges	13,323	13,316	6	13,316	13,325	
Statutory fees and fines	86	79	7	100	102	
User fees	425	400	25	777	792	
Grants - operating (recurrent)	2,573	2,391	182	4,425	4,507	1
Grants - operating (non-recurrent)	2,533	7,333	(4,801)	7,365	7,410	2
Grants - capital (recurrent) - EXCLUDED						
Grants - capital (non-recurrent) - EXCLUDED						
Contributions - cash	181	77	104	139	177	3
Contributions - capital - EXCLUDED						
Gain (Loss) on Disposal of Assets	0	0	0	10	10	
Other Income	86	74	12	127	132	
Interest	169	168	1	345	345	5
Total Income excluding Capital Grants and Contributions	19,376	23,840	(4,464)	26,603	26,800	
Expenses						
Employee benefits	4,976	5,565	589	9,601	9,169	6
Materials and services	11,645	12,866	1,221	15,149	15,813	7
Bad and doubtful debts	1	0	(1)	52	53	
Depreciation and amortisation	4,146	4,119	(27)	7,061	7,185	
Finance costs	148	149	1	297	297	
Other expenses	265	274	8	776	793	
Total Expenses	21,181	22,972	1,790	32,936	33,309	
A Surplus/(Deficit) excluding Capital Grants and Contributions	(1,806)	868	(2,674)	(6,332)	(6,509)	
Add back Capital Grants Income and Contributions						
Grants - capital (recurrent)	270	612	(342)	1,224	1,252	10
Grants - capital (non-recurrent)	2,216	4,185	(1,969)	6,317	6,574	11
Contributions - capital	215	1,591	(1,376)	2,271	1,212	12
Total Capital Grants Income	2,700	6,388	(3,687)	9,812	9,038	
B Surplus/(Deficit) including Capital Grants Income and Cont.	895	7,255	(6,361)	3,479	2,529	

Notes:

- More recurrent operating grant income received YTD than budgeted. Many *overs* and *unders* but principally greater receipts for CHSP Home Help (favourable variance of \$49K), Finance (\$28K), MC (\$42K) and Supported Playgroups (\$28K).
- Due to a change in State Government policy whereby monies are no longer advanced, Council is yet to receive Flood Natural Disaster Funding of about 5M (var. per YTD budget). Expenditure on Flood Restoration to January was \$7.827M. Forecasting has receipt of all monies (\$9M) by 30 June 2019.
- Contribution from Birchlip Kindergarten received earlier than planned (\$45k) and Department of Treasury and Finance (\$29k) as *compensation* for Anl. Valuations.
- A favourable underspend of \$489k on employee costs. Notable salary and on-cost underspends include within Roads Sealed (\$125k), Finance (\$107k), Assets and Infrastructure (\$65k), Mun. Eng Mgt (\$60), Heavy Plant (\$51k), Risk (\$46) and HR (\$57k). Some of these positions are contractors (Finance and HR) so savings here will be partially offset by overspends in Materials and Services.
- Favourable variance of \$1.2M on Materials and Services mostly explained by flood restoration works (YTD budget of \$9m of which \$7.74m has been expended (Var \$1.27m) - annual Budget of \$9m in on target). External Contracts are over by \$266k with employee budget savings being offset here re Finance, HR and Risk. Consulting fees for Flood Recovery Management unbudgeted (Var 90k).
- Roads to Recovery Federal Grant of \$342k yet to be received YTD. To January \$548k has been spent on R2R capital works. This will be resolved in time (timing difference). Forecast capital receipts are in line with Budget.
- YTD \$4.185M of Capital Grants expected with only \$2.216M having been received. Nine capital projects of which the Rehabilitation of the Yuengroon Road Stage 1 project (Roads to Market/Heavy Vehicle Safety Productivity Program) being the most material with budgeted grant monies of \$1.148M. However, whilst the income has been budgeted, the Capital expenditures have not. No works have commenced on this project. Project Manager is liaising with the Grantors and forecast figures will reveal more. The other major capital funding is for Lake Tyrrell however it is most unlikely monies will be received (\$1.9M). At this point of Forecasting, additional funding has been secured for project IR9017 Yuengroon Road (\$312k) and IR9021 Watchem Warracknabeal Road (\$500k).
- Seven projects requiring capital contribution funding with Charlton Park 2020 Redesign (YTD variance of 548k) and Donald Flood Study Levee Development (\$454k variance) the most material. Both these projects have reduced capital income forecasts, as does the Library Project (monies received last year) and Donald Flood Study Levee Stage 1. A Capital Income report is available if detail is required.

Balance Sheet

As at

31 January 2019

	Actual January 2018	Actual January 2019	Annual Budget 2019	Variance LY to TY	Ref
	\$000's	\$000's	\$000's	\$000's	
Assets					
Current assets					
Cash and Cash Equivalents	13,618	9,641	13,924	(3,977)	1
Trade and Other Receivables - Current	10,674	11,605	1,491	932	
Inventories	119	64	119	(55)	
Non current assets classified as held for sale	0	0	0	0	
Other assets	227	19	544	(208)	
Total current assets	24,638	21,329	16,078	(3,309)	
Non-current assets					
Investment in associates	224	0	0	(224)	
Property, infrastructure, plant and equipment	179,973	191,085	186,895	11,111	
PIPE - Work In Progress		5,393			3
Total non-current assets	180,198	196,478	186,895	10,887	
Total assets	204,835	217,807	202,973	7,578	
Liabilities					
Current liabilities					
Trade and other payables	412	988	1,470	577	
Trust funds and deposits	79	120	114	41	
Provisions - Current	2,449	2,488	1,945	39	
Interest Bearing Loans and Borrowings - Current	0	0	7,000	0	
Total current liabilities	2,940	3,596	10,529	656	
Non-current liabilities					
Provisions - Non Current	536	485	1,077	(51)	
Interest Bearing Loans and Borrowings -Non Current	7,000	7,000	0	0	
Total-non current liabilities	7,536	7,485	1,077	(51)	
Total liabilities	10,476	11,081	11,606	605	
Net Assets	194,359	206,725	191,367	6,973	
Equity					
Accumulated surplus	95,486	99,222	99,899	3,736	
Reserves	90,992	106,608	87,989	15,616	
YTD Surplus / (Deficit)	7,880	895	3,479	(6,985)	2
Total Equity	194,359	206,725	191,367	12,367	

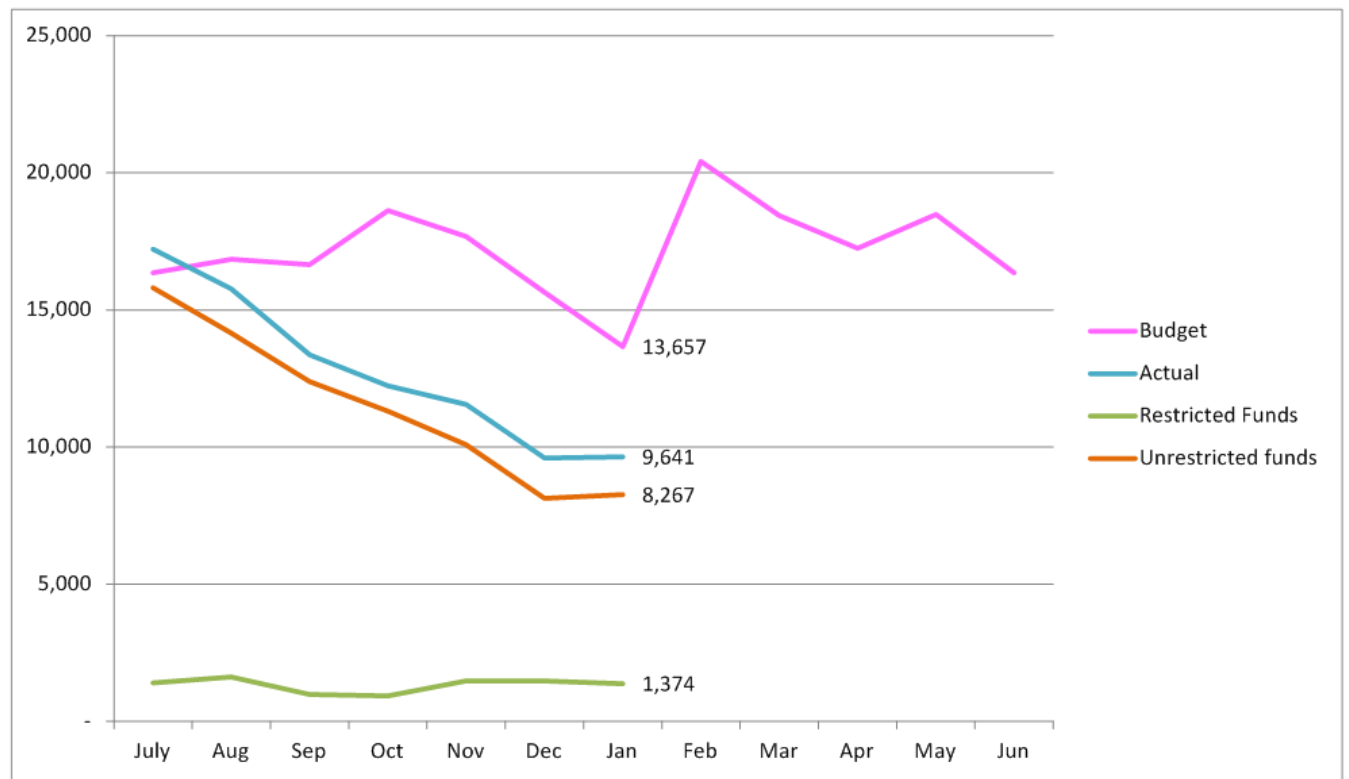
Notes:

1 Compared to last year cash has reduced by \$3.977m. Flood Recovery of \$4.8m is expected.

2 Council's net position is \$12.367m stronger than at this time last year.

3.1 As at 30 June 2018 (last year), PIPE Work in Progress was:	\$	1,627,744	
3.2 For this accounting period, WIP is:	\$	5,393,269	
3.3 WIP movement to this period is:	\$	3,765,525	This item matches Capital Works Expenditure.
4 Cash and Cash Equivalents balance per this period is:	\$	9,641,012	Matches movement in Cash Flow Statement.

Cash Flow Chart 31 January 2019



Capital Works Program
 31 January 2019

Buloke Shire Council

Asset Class	Project Description	YTD Actuals \$'000	YTD Budget \$'000	YTD Variance \$'000	Preliminary		Ref:
					Annual Budget \$'000	Annual Forecast \$'000	
Bld	BB0073 - Split system replacement program	6	-	(6)	15	15	
Bld	BB0080 - Charlton Park 2020 Redesign	807	1,650	843	3,200	3,462	2
Bld	BB0082 - Watchem Rec Reserve Reuse pipeline	-	-	-	-	-	
Bld	BB0087 - Birchip Leisure Centre hot water system & flooring	-	-	-	-	-	
Bld	BB0089 - Wycheproof Office external refurbishment	-	-	-	-	16	
Bld	BB0090 - Municipal offices renewal program	68	70	2	70	71	
Bld	BB0091 - Swimming Pool renewal program	13	-	(13)	40	40	
Bld	BB0092 - Donald Community Precinct Construction	430	400	(30)	1,925	1,938	4
Bld	BB0096 - Charlton Museum roof upgrade	-	25	25	25	18	
Bld	BB0097 - Birchip Leisure Centre Laundry Demolition	16	12	(4)	12	16	
Bld	BB0098 - Depot safety improvements	31	40	9	40	40	
Bld	BB0099 - Sustainability developments project	-	-	-	104	104	
Bld	BB1000 - Birchip pool painting	20	18	(2)	18	20	
Bld	BB1001 - Birchip Leisure Centre Changeroom Redevelopment	-	-	-	-	10	
	Sub-Total_Buildings	1,391	2,215	824	5,449	5,750	
P&E	E00251 - IT & Equipment replacement	114	110	(4)	155	167	
P&E	E00252 - Asset Management System - 2017	26	20	(6)	30	30	
P&E	E00253 - IT systems renewal	12	200	188	800	230	5
P&E	E00254 - Phone system replacement	2	-	(2)	-	2	
P&E	EP0002 - Major Plant	587	600	13	600	600	
P&E	EP0003 - Small Plant	6	10	4	20	20	
	Sub-Total_Plant & Equipment	746	940	194	1,605	1,049	
FFF	EF0009 - HACC Minor Capital Works	2	-	(2)	-	-	
FFF	EF0010 - Library books purchase	-	200	200	200	200	7
FFF	EF0011 - Library Project	19	-	(19)	-	19	
	Sub-Total_Furniture Fittings & Fixtures	21	200	179	200	219	
Infra_LF	I00015 - Birchip upgrades -power connection and litter sct	32	30	(2)	30	17	
Infra_LF	I00016 - Sea Lake Transfer Station E-Waste	-	-	-	-	66	
Infra_LF	I00017 - Birchip Landfill E-Waste	-	-	-	-	92	
	Sub-Total_infrastructure_Landfill	32	30	(2)	30	195	
Infra_Other	I00084 - Streetscape Plan and Implementation Stage 1	-	-	-	125	-	
Infra_Other	I00085 - Playground Replacement program	3	-	(3)	60	60	
Infra_Other	I00086 - Park irrigation upgrades	-	40	40	40	40	
Infra_Other	I00087 - Park furniture/BBQ upgrades	3	-	(3)	20	20	
Infra_Other	I00088 - Lake amenities development (Stage 1)	814	800	(14)	800	970	
Infra_Other	I00090 - Tourism and Cultural Heritage signs	4	-	(4)	-	4	
Infra_Other	I00092 - Lake Tyrrell infrastructure upgrades (Stage 1)	93	1,441	1,348	2,471	173	3
Infra_Other	I00095 - Town entrances - tree planting	-	20	20	40	40	
Infra_Other	I00096 - Donald Skate Park	-	-	-	-	10	
	Sub-Total_infrastructure_Other	917	2,301	1,385	3,556	1,316	
Infra_Roads_R2R	R7200 - Road Reseal Program	-	-	-	700	700	
Infra_Roads_R2R	R7240 - Final Seal - Yuegroom Road	-	-	-	70	70	
Infra_Roads	R7241 - Northern earth road soft crests	-	100	100	150	150	
Infra_Roads_R2R	R7242 - Corack East-Chirrup Rd (Corack) (4600m)	140	-	(140)	127	140	
Infra_Roads_R2R	R7243 - Blairs A Rd (Narrowelllock) (1150m)	38	36	(2)	36	38	
Infra_Roads_R2R	R7244 - Cooks and Kerrs Road (Narnaport) (5000m)	112	84	(28)	84	112	
Infra_Roads_R2R	R7245 - Sea Lake Springfield Rd (Sea Lake) (1850m)	74	-	(74)	80	74	
Infra_Roads_R2R	R7246 - Speed Estate School Bus Rd (Nandaly) (5000m)	147	145	(2)	145	147	
Infra_Roads_R2R	R7247 - Charlton - Swan Hill Road (Glenloch) (3,000m)	-	-	-	64	64	
Infra_Roads	R9007 - Major Patch Program 2016/2017	10	-	(10)	100	100	
Infra_Roads	R9015 - Birchip-Corack Pavement Renewal	29	-	(29)	822	822	
Infra_Roads_R2R	R9016 - Yuegroom Road Pavement Renewal	36	-	(36)	960	960	
Infra_Roads	R9017 - Yuegroom Road (A)- Ch 5.289km to Ch 5.974km	0	-	(0)	-	-	
Infra_Roads	R9018 - Yuegroom Road (B)- Ch 11.115km to Ch 13.155km	-	-	-	-	-	
Infra_Roads	R9019 - Yuegroom Road (C) Floodway Nth Mile Rd	-	-	-	-	-	
Infra_Roads	R9020 - Birchip Corack Road - Ch 16.900km to Ch 19.060km	-	-	-	-	-	
Infra_Roads	R9021 - Watchem Warracknabeal Road - Ch 10.830km to Ch 12	-	-	-	-	527	
	Sub-Total_infrastructure_Roads	587	965	(222)	3,338	3,905	

Capital Works Program
 31 January 2019

Buloke Shire Council

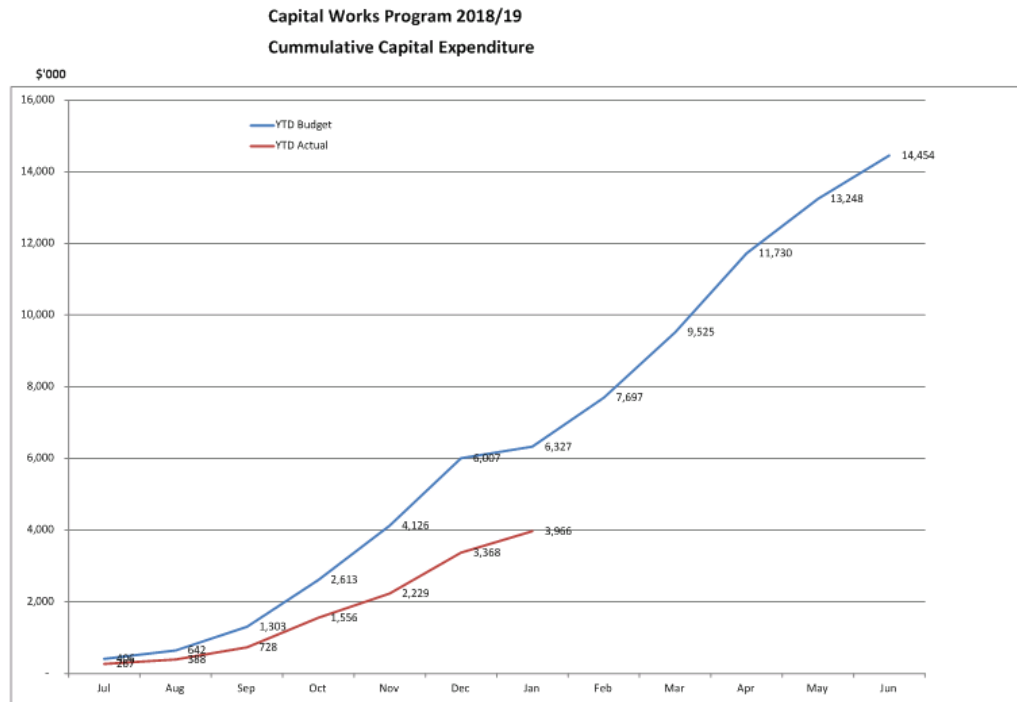
Asset Class	Project Description	YTD Actuals \$'000	YTD Budget \$'000	YTD Variance \$'000	Preliminary		Ref:
					Annual Budget \$'000	Annual Forecast \$'000	
Infra_Ft Pth	IF0025 - Horace Street, Sea Lake (St Marys)	-	36	36	36	36	
Infra_Ft Pth	IF0026 - Davies Street, Charlton (Charlton College)	-	50	50	50	50	
	Sub-Total_Infrastructure_Footpaths	-	86	86	86	86	
Infra_Drainage	ID0020 - Donald Flood Study - Levee Development Stage 2	72	120	48	120	120	
Infra_Drainage	ID0023 - Charlton Drainage Design	-	70	70	70	70	
Infra_Drainage	ID0024 - Charlton Flood Levee -Feasibility	-	-	-	-	30	
	Sub-Total_Infrastructure_Drainage	72	190	118	190	180	
	Total Capital Works Program	3,766	6,327	2,562	14,454	12,709	
	Add back items Capitalised		200				
	Total Expenditure on Capital Works		3,966				
	Movement in WIP per note 3 of Balance Sheet		3,766				

31 January 2019

	YTD Actuals \$'000	YTD Budget \$'000	YTD Variance \$'000	Annual Budget \$'000	Annual Forecast \$'000	Ref:
Capital Income						
Grants - Capital (recurrent)	270	612	(342)	1,224	1,252	6.1
Grants - Capital (non-recurrent)	2,216	4,185	(1,969)	6,317	6,574	6.2
Contributions - Capital	215	1,591	(1,376)	2,273	1,212	6.3
Council Cash				4,642	4,642	
Total Capital Income	2,700	6,388	(3,687)	14,454	13,680	
Total Expenditure on Capital Works	3,966	6,327	2,562	14,454	12,709	
Capital Works Program Net Result	(1,265)	60	(6,249)	(1)	971	

Notes:

- 1 Carried forward projects from 2017/18 are per below:
 Donald Community Precinct
 Charlton Park 2020
 Lake Tyrrell infrastructure upgrades
 Lake amenities development (Stage 1)
 New IT system
 Donald Flood Levee
 Streetscape Plan and Implementation Stage 1
- 2 Delays in the commencement of the Charlton Park project therefore funding delayed.
- 3 The Lake Tyrrell project has experienced delays mainly due to heritage issues. Forecast has been downgraded significantly.
- 4 Expenditure and income for Museum project expected in Feb. 2019.
- 5 IT System Project has had a change in scope due to opportunities with the Rural Council's Transformation Fund whereby monies will be allocated to rural Councils in a shared service arrangement for a new Corporate System. Council along with Loddon Shire intend to proceed with procurement of a new Records Management System.
- 6.1 Roads to Recovery Federal Grant of \$342k yet to be received YTD. To January \$548k has been spent on R2R capital works. This will be resolved in time (timing difference). Forecast capital receipts are in line with Budget.
- 6.2 YTD \$4.185M of Capital Grants expected with only \$2.216M having been received. Nine capital projects of which the Rehabilitation of the Youngroon Road Stage 1 project (Roads to Market/Heavy Vehicle Safety Productivity Program) being the most material with budgeted grant monies of \$1.148M. However, whilst the income has been budgeted, the Capital expenditures have not. No works have commenced on this project. Project Manager is liaising with the Grantors and forecast figures will reveal more. The other major capital funding is for Lake Tyrrell however it is most unlikely monies will be received (\$1.9M). At this point of Forecasting, additional funding has been secured for project IR9017 Youngroon Road (\$312k) and IR9021 Watchem Warracknabeal Road (\$500k).
- 6.3 Seven projects requiring capital contribution funding with Charlton Park 2020 Redesign (YTD variance of \$48k) and Donald Flood Study Levee Development (\$454k variance) the most material. Both these projects have reduced capital income forecasts, as does the Library Project (monies received last year) and Donald Flood Project completed and capitalised (Transferred from WIP to appropriate Asset Category).
- 7



8.4 ORGANISATIONAL REPORTS

Nil

8.5 REPORTS FROM COUNCILLORS

Nil

9. OTHER BUSINESS

9.1 NOTICES OF MOTION

Nil

9.2 QUESTIONS FROM COUNCILLORS

Nil

9.3 URGENT BUSINESS

Nil

9.4 ANY OTHER BUSINESS

Nil

9.5 MATTERS WHICH MAY EXCLUDE THE PUBLIC

Nil

10. MEETING CLOSE