



# Council Policy Manual

## WEST WIMMERA SHIRE COUNCIL

### COUNCIL POLICY

<b>COMMUNITY SUPPORT FUND POLICY</b>	Policy No:	
	Adopted by Council:	20 Nov 2019
	Next review date:	Nov 2020

Senior Manager:	Director Corporate & Community Services
Responsible Officer:	Manager Business Performance
Functional Area:	Finance

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Introduction & Background	The Community Support Fund Policy has been established to enable Councillors to identify and respond to small funding requests or initiatives which provide a community benefit in line with Council's goals, and which have not been covered in Council's regular budget process.
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Purpose & Objectives	<p>The objectives of this policy include:</p> <ul style="list-style-type: none"> <li>To provide guidelines to be used by Council when considering suitable funding requests or initiatives for funding under the Community Support Fund.</li> <li>To provide a framework to ensure appropriate allocation and acquittal of Council funding.</li> <li>To provide transparency around the allocation of Council funding.</li> </ul>
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### Policy Details

1.	Scope
	This policy applies to all funding provided by West Wimmera Shire Council under the Community Support Fund.
2.	Legislative Requirements
	Any activity undertaken by Council under the Community Support Fund must comply with the <a href="#">general</a> provisions of the <i>Local Government Act 1989</i> , <a href="#">the Local Government Act 2020</a> and any other legislation that may apply.
3.	Ethics and Conflicts of Interest
	A Councillor must not request or debate an allocation from the Community Support Fund if that Councillor has either a direct or indirect interest in that funding item as defined under <a href="#">S.77A of the Local Government Act 1989 Division 2 (Sections 122 – 128) of the Local Government Act 2020</a> .



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	<p>This policy requires officers and Councillors to disclose any conflict of interest to the CEO and/or Mayor as appropriate.</p>
<p>4.</p>	<p><b>Eligible Initiatives</b></p> <p>For an initiative to be eligible to receive funding from the Community Support Fund:</p> <ul style="list-style-type: none"> <li>• It must be compatible with the current Council Plan;</li> <li>• It must be of benefit to the community;</li> <li>• It must not exceed the current year's total budget provision for the Community Support Fund.</li> <li>• It must not exceed \$2,000.00 for funding requests from individuals, or \$5,000.00 for funding requests by groups or organisations.</li> </ul> <p>A funding request or initiative shall be deemed to be of benefit to the community if it possesses the following characteristics:</p> <ul style="list-style-type: none"> <li>• Delivers an outcome which has a positive effect on community well-being.</li> <li>• Provides a service or utility to the community which may not otherwise be provided.</li> <li>• Is delivered within the boundaries of West Wimmera Shire Council.</li> </ul>
<p>5.</p>	<p><b>Ineligible Initiatives</b></p> <p>The following will preclude any initiatives from being eligible for funding under the Community Support Fund:</p> <ul style="list-style-type: none"> <li>• Initiatives which result in a personal loss to any one individual or group of individuals;</li> <li>• Initiatives which result in any loss of service or utility to the community;</li> <li>• Initiatives which are included within or may be funded by any other Council budget line item.</li> <li>• Initiatives which have been <del>deemed ineligible for Council funding under any other Council funding stream</del>; <u>rejected for funding by Council under any other Council funding stream.</u></li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>• Funding received under the Community Support Fund cannot be used as a community contribution for any other Council funding stream.</li> <li>• Funds received under the Community Support Fund may not be used to repay debts owed to Council.</li> </ul>
<p>6.</p>	<p><b>Allocation of Funds</b></p> <p>The following steps are to be followed for any initiative to receive funding under the Community Support Fund:</p>



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	<ul style="list-style-type: none"> <li>• Initial requests or approaches for funding are to be made in writing and forwarded to and considered by Council.</li> <li>• Council staff will assess the application against the policy regarding eligibility.</li> <li>• The relevant Council Officer will verify with the Finance Co-ordinator as to whether the initiative is or may be funded under another area of Council's budget, and whether or not sufficient funds exist within the Community Support Fund.</li> </ul>
7.	<p><b>Acquittal and Responsibilities of Recipients</b></p> <p>Any funding allocated from the fund will be confirmed in writing and detail any terms and conditions associated with an allocation.</p> <p>Successful recipients of funding are required to spend the funding received on the initiative as specified by Council.</p> <p>Any variations to the initiative must be reported to Council and may result in Council withdrawing funding.</p> <p>Council may at its discretion require a recipient to provide to Council <del>an initiative or</del> initiative acquittal at the completion or at any other stage of implementation of the <del>initiative or initiative</del>. Such an acquittal will at the minimum disclose the application(s) of the funding received (ie: payments made). The detail required will be at the discretion of Council.</p>
8.	<p><b>Risk Management</b></p> <p>Council requires that a risk analysis be undertaken on any proposed initiative before any funding is allocated.</p> <p>Council may require the applicant to reimburse any costs required to provide this on the applicant's behalf, or may require the applicant to allow Council Officers to undertake this on their organisation and/or proposal.</p> <p>Council may require evidence of Occupational Health and Safety protocols and financial data from the applicant.</p>
9.	<p><b>Review and Authority of Policy</b></p> <p>This policy has authority over all activities relating to the operation of the Community Support Fund, including the actions of Council and Council Officers.</p> <p>This policy is to be reviewed by Council annually.</p>



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<b>Policy Adopted:</b>	Ordinary Meeting 21/02/13		RecFind 13/000764
<b>Policy Reviewed:</b>	Ordinary Meeting 21/07/16	Minute Book Page 34134	RecFind 17/000316
	Ordinary Meeting 15/11/17	Minute Book Page 36720	RecFind 17/004684
	Ordinary Meeting 21/11/18	Minute Book Page 39423	RecFind E18/000105
	Ordinary Meeting 20/11/19		



PRELIMINARY  
FINANCIAL  
PERFORMANCE  
REPORT

September 2020



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## INTRODUCTION

This report provides financial information for the period 1 July 2020 to 30 September 2020.

It provides information on Council's operating performance via the Operating Statement and Council's financial position as at 30 September 2020 via the Balance Sheet. A summary statement of Capital Works is also included for Council's information.

Figures included in these statements are for the period ended 30 September 2020. Year to date (YTD) figures are provided for actual results, along with the full year budget and the YTD allocation of that budget.

Where the YTD actual varies from the YTD budget allocation by more than 10% **and** \$20,000, **or** more than \$100,000 a variance explanation is given.

Information is also provided on some of the more pertinent financial indicators, including:

- Cash and investments
- Working capital
- Rates debtors outstanding
- Sundry debtors outstanding

## OPERATING STATEMENT

The year to date Operating Statement is presented as per the AASB101 format for Council's information. Variances are calculated as YTD actuals less the YTD current budget, with the variance also being displayed as a percentage of the YTD current budget.

### West Wimmera Shire Council Comprehensive Income Statement

1 July 2020 to 30 September 2020

	YTD Actual \$	Original Annual Budget \$	Revised Annual Budget \$	Annual Revised Budget Met %	YTD Budget \$	YTD Variance \$	YTD Variance %	Notes
<b>Income</b>								
Rates & Charges	7,841,885	7,935,637	7,935,637	98.82%	7,933,336	(91,451)	-1.2%	
Statutory Fees & Fines	28,136	145,160	145,160	19.38%	36,281	(8,145)	-22.4%	
User Fees	86,067	395,140	395,140	21.78%	98,789	(12,722)	-12.9%	
Grants - Operating	1,790,896	7,406,636	7,406,636	24.18%	1,881,820	(90,924)	-4.8%	
Grants - Capital	105,893	3,474,522	3,479,522	3.04%	779,881	(673,988)	-86.4%	1
Contributions - Monetary	7,000	6,000	6,000	116.67%	1,500	5,500	366.7%	
Net Gain/(Loss) on Sale of Assets	-	95,000	95,000	0.00%	23,751	(23,751)	-100.0%	2
Other Income	294,392	2,143,890	2,143,890	13.73%	529,403	(235,011)	-44.4%	3
<b>Total Income</b>	<b>10,154,268</b>	<b>21,601,985</b>	<b>21,606,985</b>	<b>47.00%</b>	<b>11,284,761</b>	<b>(1,130,493)</b>	<b>-10.0%</b>	
<b>Expenses</b>								
Employee Costs	2,459,277	7,890,999	7,890,999	31.17%	2,027,000	432,277	21.3%	4
Materials & Services	1,454,704	5,466,997	5,589,673	26.02%	1,355,891	98,813	7.3%	
Depreciation	1,695,953	6,783,810	6,783,810	25.00%	1,695,945	8	0.0%	
Other Expenses	40,876	279,174	279,174	14.64%	53,687	(12,811)	-23.9%	
<b>Total Expenses</b>	<b>5,650,809</b>	<b>20,420,980</b>	<b>20,543,656</b>	<b>27.51%</b>	<b>5,132,523</b>	<b>518,286</b>	<b>10.1%</b>	
<b>Surplus/(Deficit) from Operations</b>	<b>4,503,459</b>	<b>1,181,005</b>	<b>1,063,329</b>		<b>6,152,238</b>	<b>(1,648,779)</b>	<b>-26.8%</b>	
<b>Total Comprehensive Result</b>	<b>4,503,459</b>	<b>1,181,005</b>	<b>1,063,329</b>		<b>6,152,238</b>	<b>(1,648,779)</b>	<b>-26.8%</b>	



Notes	
1. Grants – Capital	Capital grants received by Council are 86.4% (\$673,988) lower than the year to date budget at 30 September 2020. This is due to a budget timing difference between capital works and subsequent receipt of grant funding.
2. Net Gain/(Loss) on Sale of Assets	The net gain/(loss) on sale of assets will be reconciled at year-end, as part of the asset reconciliation process.
3. Other Income	Other income is 44.4% (\$235,011) below year to date budget at 30 September 2020 predominantly due to the timing of VicRoad works and subsequent reimbursement and also a decline in quarry revenue.
4. Employee Costs	<p>Employee costs are 21.3% (\$432,277) above the year to date budget at 30 September 2020. The main variances with employee costs are as follows:</p> <ul style="list-style-type: none"> <li>- Income protection insurance paid in July 2020 \$104,523 higher than anticipated</li> <li>- Salaries are \$317,265 higher than anticipated to date due to the timing of capital works programs, most notably roads, and therefore salaries have been expensed rather than capitalised.</li> </ul>

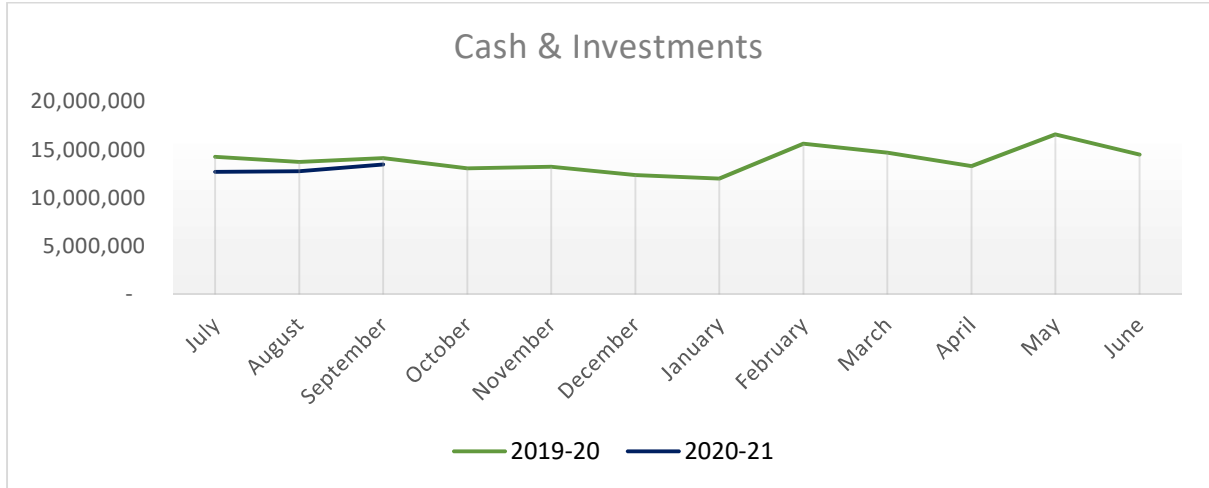


## BALANCE SHEET

# West Wimmera Shire Council Balance Sheet As at 30 September 2020

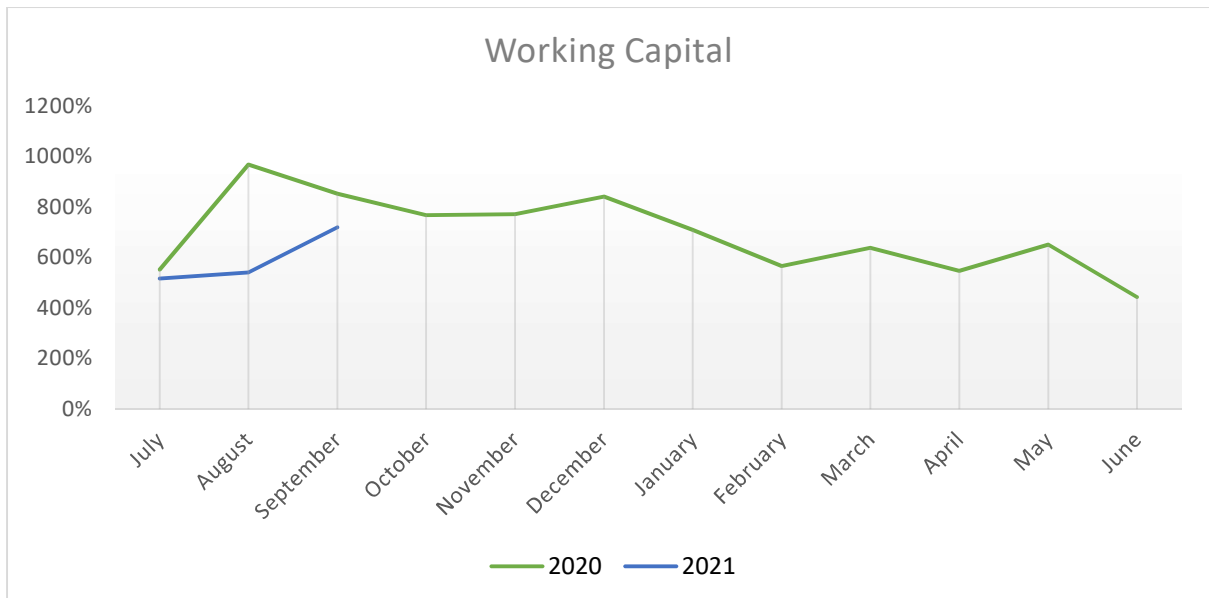
	\$ 30-Sep-20	\$ 30-Sep-19
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Investments	13,440,076	14,104,669
Rate Debtors	7,223,054	7,104,939
Sundry Debtors	69,945	116,459
Inventories	139,411	160,745
Other Assets	5,455	232,955
<b>Current Assets Total</b>	<b>20,877,942</b>	<b>21,719,767</b>
<b>Non Current Assets</b>		
Investments in Associates	435,500	435,500
Other Non-Current Assets	152,500	166,716
Property, Infrastructure, Plant & Equipment	193,552,027	194,202,476
<b>Non Current Assets Total</b>	<b>194,140,028</b>	<b>194,804,692</b>
<b>TOTAL ASSETS</b>	<b>215,017,970</b>	<b>216,524,459</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	300,246	483,711
Trust Funds & Deposits	232,679	24,264
Provisions	2,370,041	2,037,503
<b>Current Liabilities Total</b>	<b>2,902,965</b>	<b>2,545,478</b>
<b>Non Current Liabilities</b>		
Provisions	599,934	579,421
<b>Non Current Liabilities Total</b>	<b>599,934</b>	<b>579,421</b>
<b>TOTAL LIABILITIES</b>	<b>3,502,899</b>	<b>3,124,899</b>
<b>NET ASSETS</b>	<b>211,515,070</b>	<b>213,399,560</b>
<b>EQUITY</b>		
Accumulated Surplus/(Deficit)	49,407,950	47,794,395
Reserves	162,107,119	165,605,165
<b>TOTAL EQUITY</b>	<b>211,515,070</b>	<b>213,399,560</b>

## CASH AND INVESTMENTS



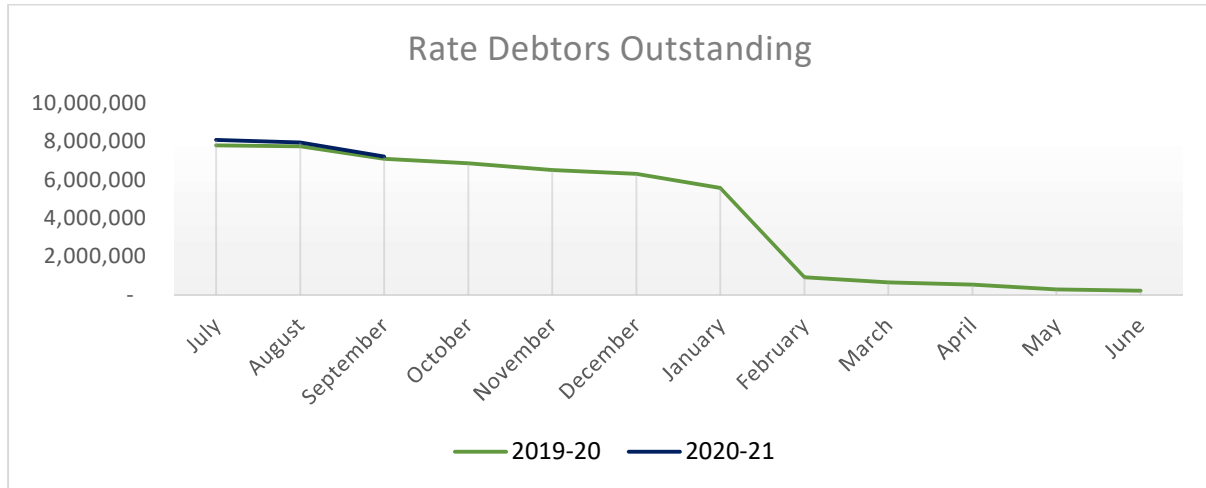
As at 30 September 2020, Council was holding a total of \$13.44m in cash and investments. As seen in the above graph, this is a decrease of around \$0.66m from the same time last financial year.

## WORKING CAPITAL



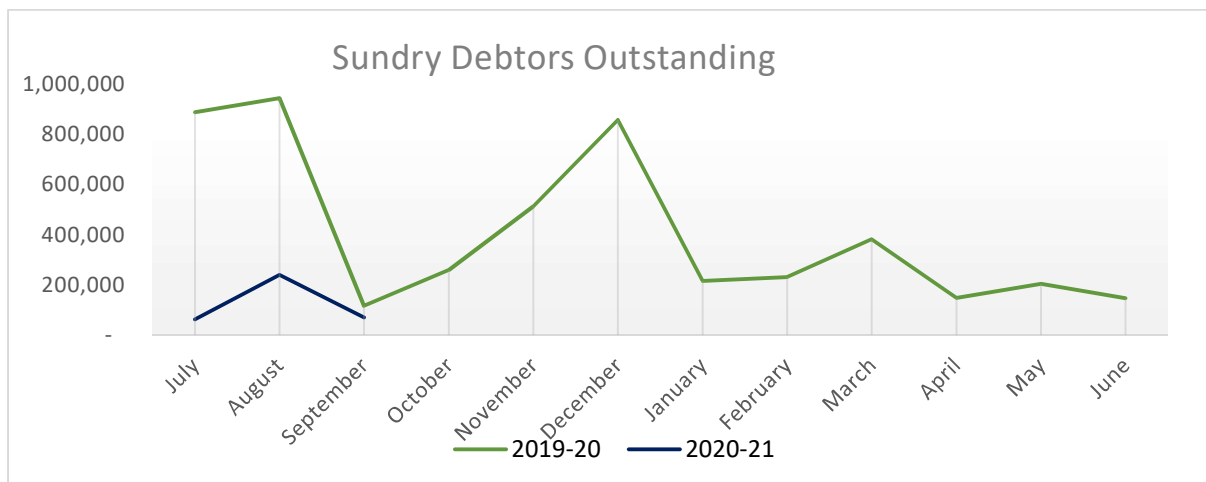
Council continues to hold a strong working capital level, with current assets at 719% of current liabilities as at 30 September 2020. The working capital level had dropped at the end of the 2019/20 financial year due to the employee provisions of \$2.48m being recognised at 30 June 2020.

## RATE DEBTORS



Council raised \$7.32 million in rates and charges in July 2020. Approximately 65% of Council's ratepayers opt not to pay through the instalment option – for these ratepayers 100% of their rates are due by the end of February 2021. Therefore, as expected and as is consistent with prior financial years, Council shows a significant rate debtor amount at 30 September 2020 of \$7.22m. This is \$0.12m higher than at the same time last financial year.

## SUNDRY DEBTORS



The total outstanding sundry debtors at 30 September 2020 was \$0.07m, a decrease of \$0.07m since 30 June 2020 and \$0.05m lower than at the same time last financial year.



## CAPITAL WORKS

A summary of Council's capital works as at 30 September 2020 is presented. As with the Operating Statement, variances are calculated as YTD actuals less the YTD current budget, with the variance also being displayed as a percentage of the YTD current budget.

Notes and explanations are provided where the variances exceed 10% and \$20,000, or where the \$ variance is greater than \$100,000.

### West Wimmera Shire Council Capital Works As at 30 September 2020

Program	YTD Actuals (\$)	Annual Current Budget (\$)	YTD Current Budget (\$)	YTD Variance (\$)	YTD Variance (%)	Note
Roads	117,774	5,816,566	1,045,023	-927,249	-88.7%	1
Kerb & Gutter	2,823	63,000	3,000	-177	-5.9%	
Bridges	2,593	450,000	12,501	-9,908	-79.3%	
Footpaths	27,250	140,000	30,000	-2,750	-9.2%	
Buildings	85,381	649,000	82,240	3,141	3.8%	
Plant	41,876	848,000	212,002	-170,126	-80.2%	2
Furniture & Equipment	0	50,000	12,500	-12,500	-100.0%	
Parks, Gardens, Other	6,189	135,000	33,750	-27,561	-81.7%	3
<b>Total</b>	<b>283,887</b>	<b>8,151,566</b>	<b>1,431,016</b>	<b>-1,147,129</b>	<b>-80%</b>	

Capital Works - Variance Notes		
1.	Roads	Capital works on roads are 88.7% (\$927,249) below the budget for the financial year to date. This variance is due to the roads capital works program only commencing towards the end of the first quarter.
2.	Plant	Plant purchases are 80.2% (\$170,126) below budget for the financial year to date. This is due to several vehicle purchases being made in the second quarter of 2021 rather than the first.
6.	Parks, Gardens, Other	Spending on Parks, Gardens and Other is currently 81.7% (\$27,561) below budget for the financial year so far as anticipated expenditure has not yet been incurred.