

9.1 - Councillor Questions of which Notice has been Given - 2024-25 Budget (SJ4498)

Elected Member	Councillor Byas
Disclosure of Officers Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

The following questions were received from Councillor Byas via email on Thursday, 18 July 2024.

Question 1

When Council considered the timeline for the Budget workshops, including the advertising of the proposed rates, I queried why we were advertising them earlier than previous years. The justification given was to allow the Budget to be considered at an earlier date than it had been in previous years. In 2023 the FY23-24 Budget was considered and adopted on 31 Jul 23. The SCM for the FY24-25 Budget is being on 25 Jul 24. Given that we're not considering the Budget any earlier this year than last year, what was the actual reason for advertising rates earlier?

Officer Response

At the time of setting the original budget timetable, Officers believed the timetable was reasonable and rates advertising was timetabled to meet statutory advertising period requirements and to allow for sufficient time to compile the information prior to proposed budget adoption date of 8 July 2024.

The annual budget document is a complex document that requires a significant amount of highly technical work to produce, as well as significant amount of work to prepare information for workshops.

Since the setting of this timetable, the finance team has experienced staffing capacity issues which has had an impact on being able to deliver to the expected time frames.

In prior years, the budget process was managed by the Senior Accountant with support from the Manager Finance and an Assistant Accountant. The Assistant Accountant resigned on the 1 May 2024, and the Senior Accountant resigned on 24 May.

This has meant the development of the budget was required to be completed entirely by the Manager Finance, whilst also managing all other facets of the role.

These factors combined resulted in delays in the workshops and therefore the budget adoption dates.

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Question 2

On 06 Jun 24, Cr Duggin shared a social media post with a photo of the internal talking points provided to Council on “Commemorative Coins”. Given that this document has been made public, I have the following questions concerning their impact on the FY23-24 and FY24-25 Budgets:

- a) Can the CEO please provide the line item/project code in the FY23-24 Budget that was used to procure the “Commemorative Coins”?
- b) For FY23-24, how much money was spent on “Commemorative Coins”?
- c) Can the CEO provide the absolute majority decision of Council that authorised the expenditure on “Commemorative Coins”?
- d) If there was no Council decision, can the CEO advise under who’s authority or delegation that expenditure was authorised?
- e) The talking points note that “...the Commemorative Coin was an initiative introduced by the Shire President...”; in the absence of a Council decision, did the Shire President direct the CEO to initiate this project and expend these funds?
- f) Is there a “Commemorative Coin” allocation in the FY24-25 Budget?

Officer Response

- a) The purchase was costed to 5200-17101-6386-000 – Members of Council – Advertising and Promotions.
- b) \$736.44 ex GST for the purchase of 100 coins.
- c) Council Resolution SCM016/07/23 - 31 July 2023 SCM for Budget Adoption.
- d) Officers do not believe that the expenditure of funds on Commemorative Coins is an additional purpose.

Section 6.8 of the *Local Government Act 1995* states:

A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —

(a) is incurred in a financial year before the adoption of the annual budget by the local government; or

(b) is authorised in advance by resolution; or*

(c) is authorised in advance by the mayor or president in an emergency.

** Absolute majority required.*

(1a) In subsection (1) —

additional purpose means a purpose for which no expenditure estimate is included in the local government’s annual budget.

- e) No. The Shire President raised the idea of a Shire Coin at the weekly meetings between the Shire President and CEO. The CEO agreed to the initiative and Officers were to obtain quotes and investigate options. This topic is reflected in the notes of the Shire President/CEO catch up meeting held 23 October 2023. Officers understand the notes of these meetings are circulated to all elected members by the Shire President.



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- f) There is a line item of \$4,000 for Members of Council – Advertising and Promotions in the proposed 2024/25 Budget.

Question 3

I refer to the Keirnan Park Project Overview Reports for FY22-23 and FY23-24, the latter of which was provided to Councillors on 16 Jul 24. My questions are:

- a) The FY22-23 report breaks down expenditure by “External Costs – Consultants etc.” and “Internal Costs – Including Staff Time”. In the FY23-24 report, the descriptions have changed, categorising expenditure by “Capital Purchases” and “Capital – Supervision Cost Allocation”. Given that the line item/project codes are the same – 6600 and 7230, respectively – why has the description been changed from “External Costs – Consultants etc.” to “Capital Purchases” and “Internal Costs – Including Staff Time” to “Capital – Supervision Cost Allocation”?
- b) Given this report was made available to Councillors on 16 Jul 24, why were the questions asked during Public Question Time at the OCM 15 Jul 24 concerning consultant costs and internal costs (wages, etc.) not answered?
- c) Which position in the Shire is responsible for the project management and delivery of the Keirnan Park project?
- d) Are the Shire Officers confident that there is the internal experience and capability to manage significant projects/projects of Keirnan Park’s scope?
- e) Since the funding for Keirnan Park was provided to the Shire by the State Government, what is the total amount of money spent on all consultancy fees?
- f) Since the funding for Keirnan Park was provided to the Shire by the State Government, what is the total number of Shire Officer hours billed to this project, and what is the total cost?

Officer Response

- a) The Shire’s chart of account refers to these transaction type as “Capital Purchases” and “Capital – Supervision Cost Allocation”. Upon producing the report in 2022/23, Officers amended the wording on the report to read “External Costs – Consultants etc.” and “Internal Costs – Including Staff Time” to allow for easy understanding of the report.
- The Shire Officers did not do this when providing the report for 2024/25, rather leaving the descriptions as they appear in the chart of account.
- b) The Manager of Finance, who was charged with collating and checking the report was on leave on the 15 July and actioned the request on the 16 July. Officers provided a response within the Councillor Communication protocol timeframes.
- c) Manager Major Projects and Senior Project Manager for Keirnan Park.
- d) The changes to the organisational structure agreed by Council which splits the Infrastructure Directorate into two, are now in place, with a new Executive Manager Operations commencing early June. This is designed to provide more time for the Director Infrastructure to oversee the successful delivery of Major Projects. In addition to this, EMG are reviewing how major projects are managed across the organisation.
- e) \$2,837,240.05 has been spent until 30 June 2024 on consultancy costs on Keirnan Park (including Stage 1A, BMX and Netball Courts).



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- f) From 1 July 2021 to 30 June 2024, 5,560 hours have been billed to the Keirnan Park project to a total cost of \$1,604,240 (including Stage 1A, BMX and Netball Courts).

Prior to 30 June 2021, the Shire did not maintain time sheets for capital projects, and it was based on a percentage of projects worked on by the project managers e.g., Officers were working on both the Library relocation and Keirnan Park and therefore costs of these Officers were split between those two projects based on an estimate of effort.

Question 4

What was the total actual Operating Expenditure for the Shire in FY21-22, FY22-23, FY23-24 and the budgeted amount for the proposed FY24-25?

Officer Response

Financial Year	Operating Expenditure (including depreciation)	Operating Expenditure (excluding depreciation)
2021/22	\$42,553,001 (depreciation \$10,581,149)	\$31,971,852
2022/23	\$46,792,815 (depreciation \$11,444,364)	\$35,348,451
2023/24 (as at 19/07/2024- End of financial year processing ongoing)	\$52,993,147 (depreciation \$15,456,685)	\$37,536,462
2024/25 Proposed Budget	\$57,885,363 (depreciation \$15,505,653)	\$42,379,710

Question 5

What was the total FTE (headcount) for the Shire in FY21-22, FY22-23, FY23-24 and the proposed FY24-25? Please break down by 'inside' and 'outside' staff.

Officer Response

As at 30 June	Inside FTE	Outside FTE	Total FTE
2021/22	156	56	212
2022/23	157.02	53*	210.02
2023/24	160.49	55	215.49
2024/25 Proposed Budget	183.95	50.89**	234.84

Note:

* In 2022/23 budget year there were three (3) outdoor worker trainee positions from the previous year that were not included. This reduced the headcount by three (3).



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** In 2024/25 budget year 3 outdoor worker position from the Waste Transfer Station were redundant and removed from the budget and a coordinator was moved to an indoor staff position.

Question 6

What was the total actual expenditure on Photography and Videography services in FY23-24, and what is the proposed budget allocation for these services in FY24-25?

Officer Response

There is not a specific budget line for Photography and Videography, however the entire Advertising and Promotions for 2023/24 across the organisation was \$241,500.

The spend specifically on Photography and Videography in 2023/24 was \$26,180.

The entire Advertising and Promotions proposed 2024/25 budget across the organisation is \$223,057. Photographic / videographic services for 2024/25 will be in line with business need and budget allocation.

Question 7

What was the total actual expenditure on Councillor Catering FY23-24, and what is the proposed budget allocation for Councillor Catering in FY24-25?

Officer Response

2023/24 – \$22,097

2024/25 proposed budget - \$20,000

Question 8

What was the total actual expenditure against “4100 – Corporate Communications” in FY23-24, and what is the proposed budget allocation for “4100 – Corporate Communications” in FY24-25?

Officer Response

2023/24 (as at 19 July 2024) – \$712,736.60

2024/25 proposed budget - \$965,688.09*

*includes 2 proposed new FTE for the value of \$213,720.

Question 9

Can the Officers confirm that there is an allocation in the FY24-25 Budget for the Mundijong Netball Courts for “Resurfacing and Drainage”? Can Officers provide the scope of the proposed works?

Officer Response

The 2024/25 proposed budget includes a budget of \$123,350 for Mundijong Netball Courts Surface and Drainage renewal.

The proposed scope of renewal of the Mundijong Netball Facility includes:

- improve surrounding drainage running onto courts.
- heavy diamond grind the entire surface to take back the old acrylic to a sound condition.



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- v out all cracking via crack chasing grinder.
- pressure wash the entire area to remove excess dirt and buildup of algae.
- fill any low areas that hold water court patch binder and grind back flush as required.
- supply and application of 1 acrylic filler coat to entire court surfaces.
- supply and application of 2 coats of high performance acrylic topcoats.
- mark out and line mark court for netball x 4 as required.

Scope **exclusions** are as follows:

- 1) renewal of Base and sub base course.
- 2) renewal of Goal posts.
- 3) renewal of Lighting and existing above ground electrical conduiting.
- 4) renewal of Boundary fencing.
- 5) renewal of canteen and toilet facilities.

Following construction works the courts will appear exactly as they do at present except for a new surface.