



*A progressive, diverse and caring community,  
with access to modern services and infrastructure,  
in a unique part of the world*

# **MINUTES**

**of the**

**Ordinary Meeting of Council**

**held**

**WEDNESDAY 20<sup>th</sup> MARCH 2019**

Shire of Cuballing  
Council Chambers  
Campbell Street, Cuballing

# COUNCIL MEETING PROCEDURES

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an ordinary Council meeting at “Public Question Time”.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceedings, just raise your hand when the Presiding Member announces Public Question Time.
4. All other arrangements are in accordance with the Council’s standing orders, policies and decisions of the town.

## DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Cuballing for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Shire of Cuballing disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person’s or legal entity’s own risk.

In particular, and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Cuballing during the course of any meeting is not intended to be and is not taken as notice or approval from the Shire of Cuballing. The Shire of Cuballing warns that anyone who has an application lodged with the Shire of Cuballing must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of that application and any conditions attaching to the decision made by the Shire of Cuballing in respect of the application.

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## 1. **DECLARATION OF OPENING:**

The Shire President, Cr Conley, declared the meeting open at 2.00pm.

## 2. **ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:**

### 2.1.1 Attendance

Cr Mark Conley  
Cr Eliza Dowling  
Cr Scott Ballantyne  
Cr Roger Newman  
Cr Tim Haslam  
Cr Dawson Bradford

President  
Deputy President

Mr Gary Sherry  
Ms Bronwyn Dew  
Mr Bruce Brennan

Chief Executive Officer  
Deputy Chief Executive Officer  
Manager of Works and Services

Mr Paul Lewis

### 2.1.2 Apologies

Nil at this time.

### 2.1.3 Leave of Absence

Nil

## 3. **STANDING ORDERS:**

### **COUNCIL DECISION – 2019/15:**

**That Standing Orders be suspended for the duration of the meeting to allow for greater debate on items**

**Moved: Cr Dowling**

**Seconded: Cr Bradford**

**Carried 6/0**

## 4. **PUBLIC QUESTION TIME:**

### 4.1 **RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE:**

Nil

## **4.2 WRITTEN QUESTIONS PROVIDED IN ADVANCE:**

Nil

## **4.3 PUBLIC QUESTIONS FROM THE GALLERY:**

### **4.3.1 Development Approval - Lot 120 (No. 1) Ridley Street, Cuballing**

Mr Paul Lewis noted the approval granted by Council for a development at 1 Ridley Street Cuballing. Mr Lewis advised that the approval allowed for location of stockpiles of product on the northern property boundary and this was not how the construction was proceeding.

The Chief Executive Officer advised that Council was continuing to review the amended Development Approval.

## **5. APPLICATIONS FOR LEAVE OF ABSENCE:**

Nil

## **6. CONFIRMATION OF MINUTES:**

### **6.1.1 Ordinary Meeting of Council held on Wednesday 20<sup>th</sup> February 2019**

#### **COUNCIL DECISION – 2019/16:**

**That the minutes of the Ordinary Meeting of Council held on Wednesday 20<sup>th</sup> February 2019 be confirmed as a true record of proceedings.**

**Moved: Cr Dowling**

**Seconded: Cr Newman**

**Carried 6/0**

### **6.1.2 Special Meeting of Council held on Wednesday 27<sup>th</sup> February 2019**

#### **COUNCIL DECISION – 2019/17:**

**That the minutes of the Special Meeting of Council held on Wednesday 27<sup>th</sup> February 2019 be confirmed as a true record of proceedings.**

**Moved: Cr Haslam**

**Seconded: Cr Ballantyne**

**Carried 6/0**

## **7. PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS:**

Nil

## **8. DISCLOSURE OF FINANCIAL INTEREST:**

Nil

## **9. REPORTS OF OFFICERS AND COMMITTEES:**

### **9.1 DEPUTY CHIEF EXECUTIVE OFFICER:**

9.1.1	List of Accounts Submitted for Council Approval and Payment – February 2019
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File Ref. No: NA  
Disclosure of Interest: Nil  
Date: 7<sup>th</sup> March 2019  
Author: Nichole Gould  
Attachments: 9.1.1A List of February 2019 Trust Accounts  
9.1.1B List of February 2019 Municipal Accounts

#### **Summary**

**Council is to consider the February 2019 List of Accounts.**

Background – Nil

#### Comment

Council is provided at Attachments 9.1.1A and 9.1.1B with a list of payments made from each of Council's bank accounts during the month of February 2019.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

#### Options

Council may resolve:

1. the Officer's Recommendation; or
2. to not note the list of accounts.

Voting Requirements – Simple Majority

#### **COUNCIL DECISION – 2019/17:**

**That Council receives the List of Accounts for February 2019 paid under delegated authority in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996 payments including payments from Council's:**

1. **Trust Fund in February 2019 totalling \$14,891.45 included at Attachment 9.1.1A; and**
2. **Municipal Fund in February 2019 totalling \$186,216.94 included at Attachment 9.1.1B.**

**Moved: Cr Ballantyne**

**Seconded: Cr Bradford**

**Carried 6/0**

**LIST OF TRUST FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL  
FEBRUARY 2019**

<b>Chq/EFT</b>	<b>Name</b>	<b>Description</b>	<b>Amount</b>
20190201	Licensing Payments	Police Licensing Payments	1,581.15
20190204	Licensing Payments	Police Licensing Payments	71.40
20190205	Licensing Payments	Police Licensing Payments	55.65
20190206	Licensing Payments	Police Licensing Payments	1,406.10
20190207	Licensing Payments	Police Licensing Payments	126.30
20190208	Licensing Payments	Police Licensing Payments	495.40
20190211	Licensing Payments	Police Licensing Payments	1,091.30
20190212	Licensing Payments	Police Licensing Payments	5,438.15
20190214	Licensing Payments	Police Licensing Payments	861.80
20190215	Licensing Payments	Police Licensing Payments	47.60
20190218	Licensing Payments	Police Licensing Payments	149.50
20190219	Licensing Payments	Police Licensing Payments	14.95
20190220	Licensing Payments	Police Licensing Payments	169.95
20190221	Licensing Payments	Police Licensing Payments	133.30
20190222	Licensing Payments	Police Licensing Payments	1,027.10
20190225	Licensing Payments	Police Licensing Payments	375.90
20190226	Licensing Payments	Police Licensing Payments	1,121.45
20190228	Licensing Payments	Police Licensing Payments	724.45
			<b>14,891.45</b>

**LIST OF MUNICIPAL FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL  
FEBRUARY 2019**

<b>Chq/EFT</b>	<b>Description</b>	<b>Amount</b>
EFT4145	Vacate Clean to Austral Street residence	307.50
EFT4191	Cylinder Fee Rental Acetylene	26.06
EFT4192	10x loaves of mixed bread, sliced	27.00
EFT4193	Wire up new toilet donga as per quote QU165	2,150.50
EFT4194	January 2019 Building Forms	673.98
EFT4195	Water Usage at Cuballing War Memorial from October 2018 To June 2019	345.64
EFT4196	50% Subsidy for Synergy as per employment contract	340.10
EFT4197	Repair catching door in Kitchen	306.10
EFT4198	Fuel, Catering, Postage.	610.64
EFT4199	TPS No. 2 - Amendment 4 - Publication in Government Gazette - 22nd January 2019	1,597.56
EFT4200	200 copies of Great War Histories of Shire of Cuballing - As per quote	6,534.00
EFT4201	Local Planning Strategy Development	1,091.20
EFT4202	4 x Oversize signs	839.99
EFT4203	Monthly Account	8,660.75
EFT4204	Rubbish Removal - Household Service x 258	6,585.55
EFT4205	9 Ton excavator hire Drainage	12,573.00
EFT4206	50 ton 10mm washed granite as per MRD Specs	2,198.08
EFT4207	Calibrate compuload scales	1,100.00
EFT4208	Supply and install fencing at CEO house	5,747.50
EFT4209	6 x 1m sections of cable protectors	561.00
EFT4210	UV Schedule R2019/1 Dated 10/11/19 - 18/1/19	92.20
EFT4211	Account for January 2019	101.80
EFT4212	Update synergy soft to current version, Repair play account.	2,234.63
EFT4213	2x angle 50x50x6mm 4x 60x16 bolt 4x nylock lock nuts	57.24
EFT4214	Spray spiders Popanyinning Rail Precinct	165.00
EFT4215	1 x Mower deck chute	65.00
EFT4216	Air con and evaporator for UD re-gas service	531.98



<b>Chq/EFT</b>	<b>Description</b>	<b>Amount</b>
EFT4217	Hire of bomag roller	1,600.50
EFT4218	Council Meeting Meals	118.57
EFT4219	20 x pop up lawn sprinklers	520.00
EFT4220	4 x Boxes toilet rolls, Cleaning products, Sprinklers	399.00
EFT4221	2 camlock fittings	33.80
EFT4222	16 x Working at Heights Training	1,754.72
EFT4223	Find electrical fault at pump station	99.00
EFT4224	Feature survey of 81 Alton Street and 192 Campbell Street	1,650.00
EFT4225	1 x Bridgestone 20.5 r25 Tyre for Komatsu Loader	2,755.00
EFT4226	2018/19 Contribution	5,500.00
EFT4227	Bacon - Australia Day Event	110.00
EFT4228	Engineering Services Drainage	376.82
EFT4229	Contribution to Library 2018/19	8,102.00
EFT4230	Photocopier Charges	170.45
EFT4231	Repair to Deluge system. Cleaning blockages	167.64
EFT4232	Lime and cement stabilisation for sub base Popanyinning West road	42,784.90
EFT4233	Fire Uniforms	2,516.49
EFT4234	Freight Charges	28.11
EFT4235	1x Floor Mat - Medium Pile	428.33
EFT4236	Remove and replace shed at golf club	20,645.00
14717	Post Office Box Renewal	85.00
14718	AIBS - AS3959 Bushfire Verification Method Training	300.00
14719	BCITF Forms November 2018	1,346.41
14720	Council Meeting Meals	107.00
14721	Monthly Electricity Charge Street Lightning x 42 Lights	645.15
14722	Building Surveyor Services for January 2019	2,843.30
14723	Service Charge - Shire Office	662.23
14724	Water Charges - Standpipe Ridley St Cuballing	4,480.31
DD1852.1	Superannuation contributions	224.35
DD1852.2	Payroll deductions	5,289.61

<b>Chq/EFT</b>	<b>Description</b>	<b>Amount</b>
DD1852.3	Superannuation contributions	437.17
DD1852.4	Superannuation contributions	437.17
DD1852.5	Superannuation contributions	224.14
DD1852.6	Superannuation contributions	78.09
DD1852.7	Superannuation contributions	207.64
DD1852.8	Superannuation contributions	124.89
DD1855.1	Monthly Wireless Limitless Inc Calls Internet	89.99
DD1862.1	Superannuation contributions	224.35
DD1862.2	Payroll deductions	4,767.23
DD1862.3	Superannuation contributions	437.17
DD1862.4	Superannuation contributions	437.17
DD1862.5	Superannuation contributions	224.14
DD1862.6	Superannuation contributions	65.27
DD1862.7	Superannuation contributions	193.17
DD1862.8	Superannuation contributions	124.89
DD1880.1	Credit Card - Main Roads WA - Overmass Permit, Fuel, DER Waste Management Fee	711.49
20190221	ATO Clearing Account BAS	11,731.00
20190206	Rent for Grader Driver House	360.00
20190207	Interest on Graders	471.41
20190207	Loan Repayment No. 63 Graders	3,242.87
20190220	Rent for Grader Driver House	360.00
		<b>186,216.94</b>

## 9.1.2 Statement of Financial Activity

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	8 <sup>th</sup> March 2019
Author:	Bronwyn Dew, Deputy Chief Executive Officer
Attachments:	9.1.2A Statement of Financial Activity

### **Summary**

**Council is to consider the Statement of Financial Activity for February 2019.**

### **Background**

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates,
- The operating revenue, operating income, and all other income and expenses,
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period,
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period,
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result,
- Include an operating statement, and
- Any other required supporting notes.

### **Comment**

Revenue from operating activities exceeded year to date budget estimates to 28<sup>th</sup> February 2019 in a positive manner. Some key points include;

- General Purpose Funding – Rates revenue is within 1% of the budget as at 28 February 2019;
- Governance – Unbudgeted return of membership fees from the Great Southern Regional Business Association (\$3,373);
- Community Amenities – Received Department of Veterans Affairs book grant of \$6,002;
- Transport – MRWA Direct Grant amount received \$98,183 being greater than the \$57,535 budgeted and earlier than budgeted also.
- Economic Services – Standpipe charges and Building Licenses and Building Surveyor fees are less than budgeted.

Operating Expenses – The key items of variance include:

- Overall the month expenditure is below the YTD budget.
- Recreation & Culture – showing as over budget due to cost of replacement Golf Club Shed being allocated to this code. This is offset in the Recreation & Culture income account with the insurance payment for the cost of the replacement shed.

There have been no transfers either to or from reserves to date.

Detailed breakdown of all variances is provided in Note 2 of the Statement of Financial Activity.

Strategic Implications – Nil  
Statutory Environment – Nil  
Policy Implications – Nil  
Financial Implications – Nil  
Economic Implication – Nil  
Environmental Considerations – Nil  
Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. not to receive the Statement of Financial Activity.

Voting Requirements – Simple Majority

**COUNCIL DECISION – 2019/18:**

**That the Statement of Financial Activity, as included at Attachment 9.1.2A for the Shire of Cuballing for period ending 28<sup>th</sup> February 2019 be received.**

**Moved: Cr Bradford**

**Seconded: Cr Ballantyne**

**Carried 6/0**

**SHIRE OF CUBALLING**

**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the Period Ended 28 February 2019**

**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

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## MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2019

## INFORMATION

### PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 January 2019  
Prepared by: Martin Whitely, LG Corporate Solutions  
Reviewed by: Gary Sherry, Chief Executive Officer

### BASIS OF PREPARATION

#### REPORT PURPOSE

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34. Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

#### BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

#### THE LOCAL GOVERNMENT REPORTING ENTITY

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

### SIGNIFICANT ACCOUNTING POLICES

#### GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

#### CRITICAL ACCOUNTING ESTIMATES

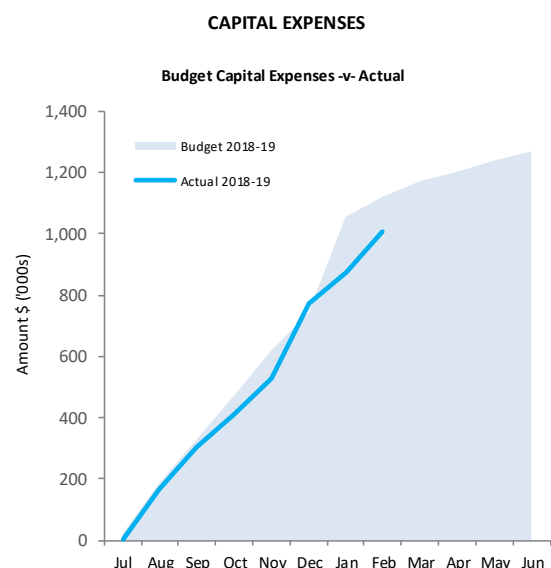
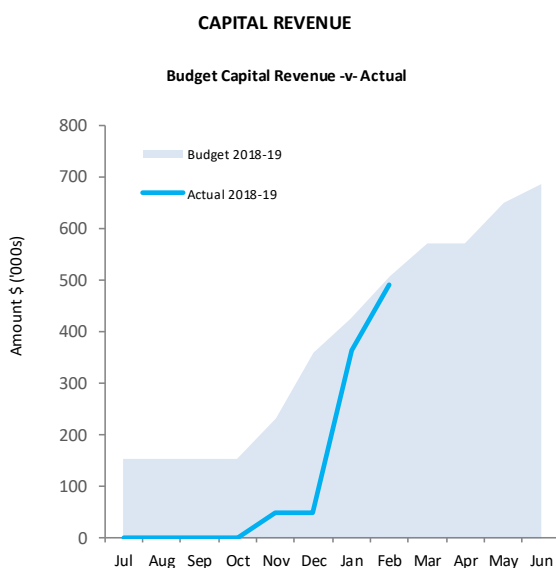
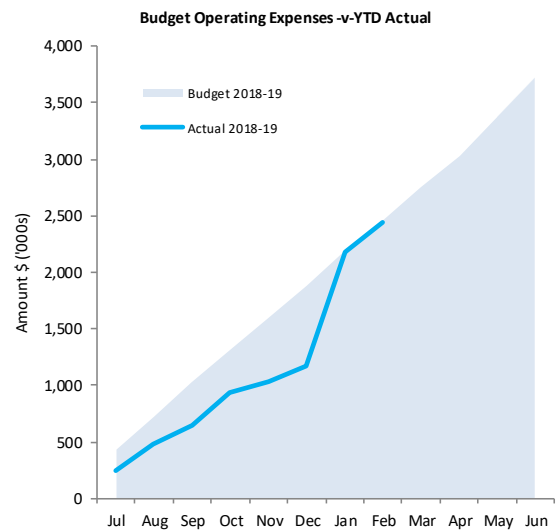
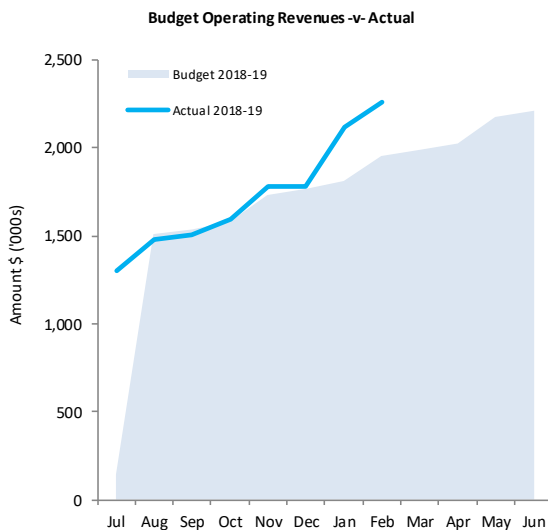
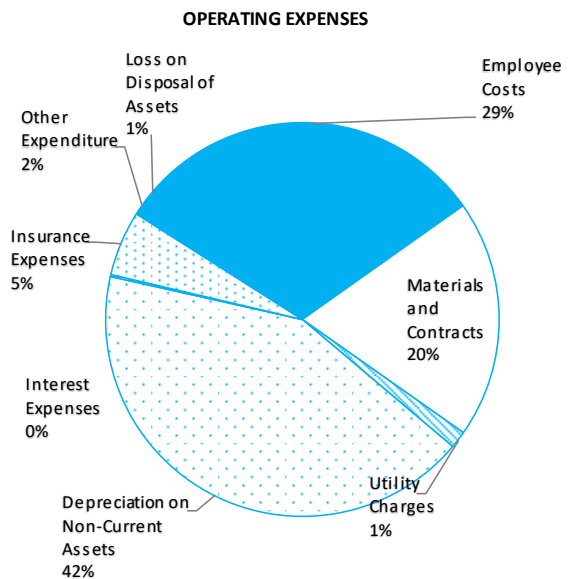
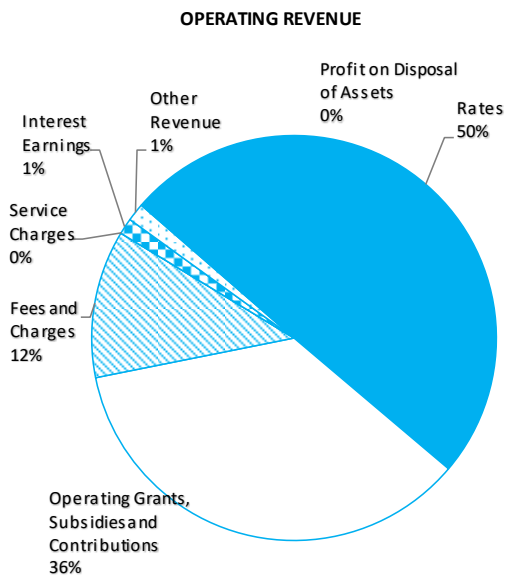
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

**MONTHLY FINANCIAL REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**SUMMARY GRAPHS**



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

## KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 28 FEBRUARY 2019

## STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
<b>GOVERNANCE</b>	Administration and operation of facilities and services to members of council, other costs that relate to tasks of elected members and ratepayers on matters which do not concern specific council activities	Complete Council meetings, Complete all Administration activities, Lobby other levels of government to support the aims of the Shire of Cuballing
<b>GENERAL PURPOSE FUNDING</b>	Rates, general purpose government grants and interest revenue	Manage Rates and collection. Maintain Property Data
<b>LAW, ORDER, PUBLIC SAFETY</b>	Supervision of various local laws, fire prevention, emergency services and animal control.	Provide ranger service, bush fire and emergency management
<b>HEALTH</b>	Inspections of septic and food control	Inspect food premises.
<b>EDUCATION AND WELFARE</b>	Support school activities	Provide activities of support of local schools
<b>HOUSING</b>	Provision and maintenance of staff housing	Provide staff & other housing
<b>COMMUNITY AMENITIES</b>	Operation of refuse sites, noise control and administration of Town Planning Scheme	Provision of waste & recycling services including the operation of the Cuballing & Popanyinning transfer stations. Also includes the provision of town planning services.
<b>RECREATION AND CULTURE</b>	Maintenance of halls, recreation centre and various reserves. Support library services in Narrogin.	Maintain halls & Civic buildings, parks and gardens and recreational facilities including managing the Dryandra Equestrian Centre lease.
<b>TRANSPORT</b>	Construction and maintenance of streets, roads, bridges, footpaths, drainage works, traffic signs, bus shelters and depot maintenance.	Maintain and protect local environmentally significant areas including the maintenance of Council roads and footpaths. Also includes the provision of vehicle licensing services.
<b>ECONOMIC SERVICES</b>	The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and standpipes.	Control of noxious weeds on council property, DrumMuster and provision of building registration services. Includes tourism and promotion and supporting the Dryandra Country Visitors Centre.
<b>OTHER PROPERTY AND SERVICES</b>	Private works operation, plant repairs and operation costs.	Includes private works, overhead and plant allocations and the provision of building surveying services.



**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**STATUTORY REPORTING PROGRAMS**

	Ref Note	Annual Budget	YTD Budget	YTD Actual	Variance (\$)	Variance (%)	
<b>Opening Funding Surplus(Deficit)</b>	1(b)	\$ 660,426	\$ 660,426	\$ 618,610	\$ (41,816)	(6%)	
<b>Revenue from operating activities</b>							
General Purpose Funding	5	1,447,827	1,370,136	1,369,046	(1,091)	(0%)	
Governance		3,000	2,877	31,681	28,804	1,001%	▲
Law, Order and Public Safety		33,767	27,138	32,020	4,882	18%	
Health		700	350	912	562	161%	
Education and Welfare		1,000	1,000	2,000	1,000	100%	
Housing		4,680	3,120	3,060	(60)	(2%)	
Community Amenities		60,700	60,300	67,925	7,625	13%	▲
Recreation and Culture		8,545	8,545	20,925	12,379	145%	▲
Transport		247,262	199,128	512,036	312,908	157%	▲
Economic Services		83,812	65,475	14,118	(51,357)	(78%)	▼
Other Property and Services		317,500	211,667	209,606	(2,061)	(1%)	
		<b>2,208,794</b>	<b>1,949,735</b>	<b>2,263,327</b>			
<b>Expenditure from operating activities</b>							
General Purpose Funding		(74,310)	(42,957)	(32,196)	10,761	25%	▲
Governance		(152,396)	(122,956)	(110,007)	12,949	11%	▲
Law, Order and Public Safety		(178,486)	(128,885)	(118,286)	10,600	8%	
Health		(44,733)	(29,988)	(24,097)	5,892	20%	▲
Education and Welfare		(54,551)	(36,251)	(9,685)	26,566	73%	▲
Housing		(72,294)	(50,633)	(39,269)	11,364	22%	▲
Community Amenities		(343,728)	(246,769)	(203,325)	43,444	18%	▲
Recreation and Culture		(258,139)	(177,349)	(232,654)	(55,305)	(31%)	▼
Transport		(2,129,780)	(1,424,537)	(1,385,135)	39,401	3%	
Economic Services		(194,289)	(130,626)	(110,892)	19,734	15%	▲
Other Property and Services		(277,051)	(199,276)	(176,085)	23,191	12%	▲
		<b>(3,779,758)</b>	<b>(2,590,228)</b>	<b>(2,441,631)</b>			
<b>Operating activities excluded from budget</b>							
Add Back Depreciation		1,491,780	994,520	1,033,813	39,293	4%	
Adjust (Profit)/Loss on Asset Disposal	6	12,742	12,742	14,416	1,674	13%	
Adjust Provisions and Accruals		0	0	0	0		
<b>Amount attributable to operating activities</b>		<b>(66,442)</b>	<b>366,769</b>	<b>869,925</b>			
<b>Investing Activities</b>							
Non-operating Grants, Subsidies and Contributions	10	534,005	177,729	49,997	(127,732)	(72%)	▼
Proceeds from Disposal of Assets	6	36,256	36,256	34,384	(1,872)	(5%)	
Land Held for Resale		0	0	0	0		
Capital Acquisitions	7	(1,381,546)	(1,104,892)	(1,007,719)	97,173	9%	
<b>Amount attributable to investing activities</b>		<b>(811,286)</b>	<b>(890,908)</b>	<b>(923,338)</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		160,000	160,000	0	(160,000)	(100%)	▼
Repayment of Debentures	8	(45,566)	(22,370)	(22,370)	0	0%	
Transfer from Reserves	9	245,996	0	0	0		
Transfer to Reserves	9	(143,128)	(10,958)	(10,958)	0	0%	
<b>Amount attributable to financing activities</b>		<b>217,302</b>	<b>126,672</b>	<b>(33,328)</b>			
<b>Closing Funding Surplus(Deficit)</b>	1(b)	<b>0</b>	<b>262,960</b>	<b>531,869</b>			

**KEY INFORMATION**

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2018/19 year is \$5,000 or 10% whichever is the greater.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

## KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 28 FEBRUARY 2019

## NATURE OR TYPE DESCRIPTIONS

### REVENUE

#### RATES

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

#### OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

#### NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

#### PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

#### FEES AND CHARGEES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

#### SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

#### INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

#### OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

### EXPENSES

#### EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

#### MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

#### UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

#### INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

#### LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

#### DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

#### INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

#### OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**BY NATURE OR TYPE**

	Ref Note	Annual Budget	YTD Budget	YTD Actual	Variance (\$)	Variance (%)	
		\$	\$	\$	\$	%	
<b>Opening Funding Surplus (Deficit)</b>	1(b)	660,426	660,426	<b>618,610</b>	<b>(41,816)</b>	<b>(6%)</b>	
<b>Revenue from operating activities</b>							
Rates	5	1,118,672	1,125,372	<b>1,126,819</b>	1,447	0%	
Operating Grants, Subsidies and Contributions	10	626,369	490,696	<b>807,635</b>	316,939	65%	▲
Fees and Charges		400,253	290,500	<b>266,983</b>	<b>(23,517)</b>	<b>(8%)</b>	
Interest Earnings		35,000	23,667	<b>29,239</b>	5,572	24%	▲
Other Revenue		28,500	19,500	<b>32,651</b>	13,151	67%	▲
Profit on Disposal of Assets	6	0	0	<b>0</b>	0		
		<b>2,208,794</b>	<b>1,949,735</b>	<b>2,263,327</b>			
<b>Expenditure from operating activities</b>							
Employee Costs		<b>(1,173,545)</b>	<b>(806,020)</b>	<b>(703,369)</b>	102,651	13%	▲
Materials and Contracts		<b>(827,595)</b>	<b>(570,150)</b>	<b>(477,479)</b>	92,671	16%	▲
Utility Charges		<b>(51,290)</b>	<b>(34,638)</b>	<b>(34,454)</b>	184	1%	
Depreciation on Non-Current Assets		<b>(1,491,780)</b>	<b>(994,520)</b>	<b>(1,033,813)</b>	<b>(39,293)</b>	<b>(4%)</b>	
Interest Expenses		<b>(8,403)</b>	<b>(5,602)</b>	<b>(4,135)</b>	1,468	26%	
Insurance Expenses		<b>(130,445)</b>	<b>(99,129)</b>	<b>(130,415)</b>	<b>(31,286)</b>	<b>(32%)</b>	▼
Other Expenditure		<b>(83,958)</b>	<b>(67,427)</b>	<b>(43,551)</b>	23,877	35%	▲
Loss on Disposal of Assets	6	<b>(12,742)</b>	<b>(12,742)</b>	<b>(14,416)</b>	<b>(1,674)</b>		
		<b>(3,779,758)</b>	<b>(2,590,228)</b>	<b>(2,441,631)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		1,491,780	994,520	<b>1,033,813</b>	39,293	4%	
Adjust (Profit)/Loss on Asset Disposal	6	12,742	12,742	<b>14,416</b>	1,674	13%	
Adjust Provisions and Accruals		0	0	<b>0</b>	0		
<b>Amount attributable to operating activities</b>		<b>(66,442)</b>	<b>366,769</b>	<b>869,925</b>			
<b>Investing activities</b>							
Non-operating grants, subsidies and contributions	10	534,005	177,729	<b>49,997</b>	<b>(127,732)</b>	<b>(72%)</b>	▼
Proceeds from Disposal of Assets	6	36,256	36,256	<b>34,384</b>	<b>(1,872)</b>	<b>(5%)</b>	
Land held for resale		0	0	<b>0</b>	0		
Capital acquisitions	7	<b>(1,381,546)</b>	<b>(1,104,892)</b>	<b>(1,007,719)</b>	97,173	9%	
<b>Amount attributable to investing activities</b>		<b>(811,286)</b>	<b>(890,908)</b>	<b>(923,338)</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		160,000	160,000	<b>0</b>	<b>(160,000)</b>	<b>(100%)</b>	▼
Repayment of Debentures	8	<b>(45,566)</b>	<b>(22,370)</b>	<b>(22,370)</b>	0	0%	
Transfer from Reserves	9	245,996	0	<b>0</b>	0		
Transfer to Reserves	9	<b>(143,128)</b>	<b>(10,958)</b>	<b>(10,958)</b>	0	0%	
<b>Amount attributable to financing activities</b>		<b>217,302</b>	<b>126,672</b>	<b>(33,328)</b>			
<b>Closing Funding Surplus (Deficit)</b>	1(b)	<b>0</b>	<b>262,960</b>	<b>531,869</b>			

**KEY INFORMATION**

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**NOTE 1(a)  
NET CURRENT ASSETS**

**SIGNIFICANT ACCOUNTING POLICIES**

**CURRENT AND NON-CURRENT CLASSIFICATION**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

**EMPLOYEE BENEFITS**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) *Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)*

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

(ii) *Annual Leave and Long Service Leave (Long-term Benefits)*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**PROVISIONS**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

**INVENTORIES**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES  
NOTE 1(b)  
ADJUSTED NET CURRENT ASSETS

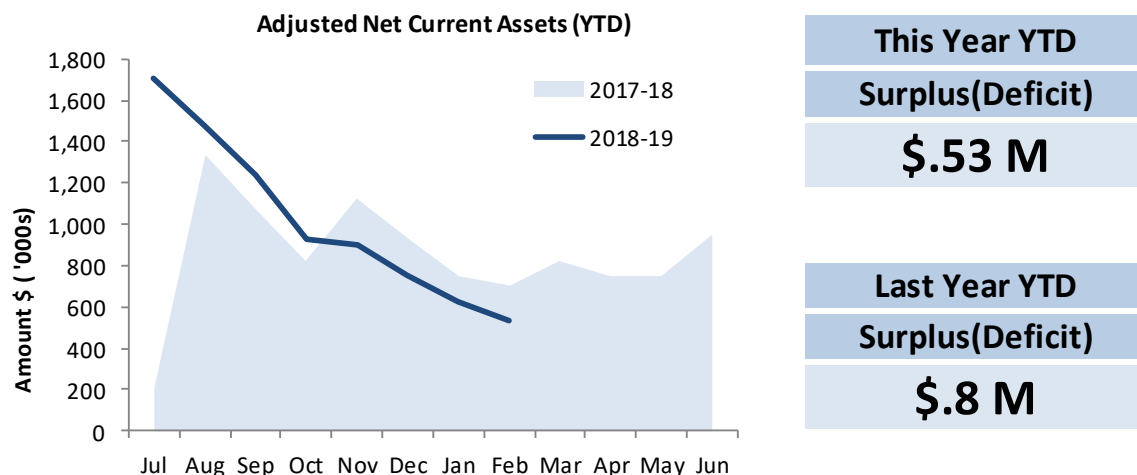
	Re Note	Last Years Closing 30 June 2018	This Time Last Year 28 Feb 2018	Year to Date Actual 28 Feb 2019
<b>Adjusted Net Current Assets</b>				
<b>Current Assets</b>				
Cash Unrestricted	3	509,330	629,249	459,010
Cash Restricted	3	1,542,991	1,306,735	1,553,949
Receivables - Rates	4	51,735	103,889	98,579
Receivables - Other	4	90,790	40,252	22,598
Loans receivable		0	0	0
ATO Receivable		0	1,850	12,417
Inventories		8,391	7,262	8,391
Land held for resale - current		0	0	0
		2,203,237	2,089,237	2,154,944
<b>Less: Current Liabilities</b>				
Payables		(41,636)	24,283	(45,811)
ATO Payables		0	(1,800)	(23,315)
Provisions - employee		(246,020)	(191,753)	(246,020)
Long term borrowings		(38,715)	(29,886)	(16,345)
		(326,371)	(199,157)	(331,492)
<b>Unadjusted Net Current Assets</b>		<b>1,876,866</b>	<b>1,890,080</b>	<b>1,823,453</b>
<b>Adjustments and exclusions permitted by FM Reg 32</b>				
Less: Cash reserves	3	(1,542,991)	(1,306,735)	(1,553,949)
Less: Land held for resale		0	0	0
Less: Loans receivable		0	0	0
Add: Provisions - employee		246,020	191,753	246,020
Add: Long term borrowings		38,715	29,886	16,345
<b>Adjusted Net Current Assets</b>		<b>618,610</b>	<b>804,985</b>	<b>531,869</b>

**SIGNIFICANT ACCOUNTING POLICIES**

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

**KEY INFORMATION**

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**NOTE 2  
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2018/19 year is \$5,000 or 10% whichever is the greater.

Reporting Program	Var. \$	Var. %	V	Timing/ Permane	Explanation of Variance
	\$	%			
<b>Revenue from operating activities</b>					
Governance	28,804	1,001%	▲	Permanent	GRT Southern Regional Bus Association contribution & Proceeds from Insurance Claim
General Purpose Funding	(1,091)	(0%)		Timing	Not Material
Law, Order and Public Safety	4,882	18%		Timing	Not Material
Health	562	161%		Timing	Not Material
Education and Welfare	1,000	100%		Timing	Not Material
Housing	(60)	(2%)		Timing	Not Material
Community Amenities	7,625	13%	▲	Permanent	Department of Veteran Affairs (\$6,002)
Recreation and Culture	12,379	145%	▲	Timing	Budget Profiling - Yornaning Dam Grant
Transport	312,908	157%	▲	Timing	Road funding shown as operating instead of capital (transfer between IE Codes required)
Economic Services	(51,357)	(78%)	▼	Timing	Building License Fees & Charges
Other Property and Services	(2,061)	(1%)		Timing	Not Material
<b>Expenditure from operating activities</b>					
Governance	12,949	11%	▲	Timing	Council Member Services & Admin Salaries
General Purpose Funding	10,761	25%	▲	Timing	General Admin Allocations
Law, Order and Public Safety	10,600	8%		Timing	Bush Fire Brigade Costs
Health	5,892	20%	▲	Timing	Not Material
Education and Welfare	26,566	73%	▲	Timing	Funds allocated for Aged/Seniors services
Housing	11,364	22%	▲	Timing	General building maintenance
Community Amenities	43,444	18%	▲	Timing	Refuse Site, Planning & General Admin Costs
Recreation and Culture	(55,305)	(31%)	▼	Timing	Recreation maintenance
Transport	39,401	3%		Timing	Not Material
Economic Services	19,734	15%	▲	Timing	Community Functions allocation
Other Property and Services	23,191	12%	▲	Timing	Plant & Overhead Allocations
<b>Investing Activities</b>					
Non-operating Grants, Subsidies and	(127,732)	(72%)	▼	Timing	Road funding shown as operating instead of capital (transfer between IE Codes required)
Proceeds from Disposal of Assets	(1,872)	(5%)		Timing	Not Material
Land Held for Resale	0				Not Applicable
Capital Acquisitions	97,173	9%		Timing	Budget Profiling - projects still to be progressed
<b>Financing Activities</b>					
Proceeds from New Debentures	(160,000)	(100%)	▼	Timing	Proceeds from new loan not received
Transfer from Reserves	0			Timing	Not material
Repayment of Debentures	0	0%		Timing	Not material
Transfer to Reserves	0	0%		Timing	Not material

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES  
NOTE 3  
CASH AND INVESTMENTS

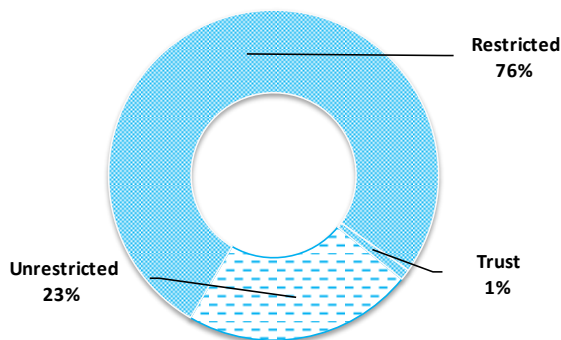
Cash and Investments	Unrestricted	Restricted	Trust	Total YTD Actual	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
<b>Cash on Hand</b>							
Petty Cash and Floats	53,223			53,223	CBA	1.50%	At Call
<b>At Call Deposits</b>							
Municipal Fund	405,788			405,788	CBA	1.90%	At Call
Trust Fund			21,341	21,341	CBA	0.00%	At Call
<b>Term Deposits</b>							
Reserve Funds		1,553,949		1,553,949	CBA	2.39%	21-Feb-19
<b>Total</b>	<b>459,010</b>	<b>1,553,949</b>	<b>21,341</b>	<b>1,981,077</b>			

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.



Total Cash	Unrestricted
<b>\$1.98 M</b>	<b>\$0.46 M</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES  
NOTE 4  
RECEIVABLES

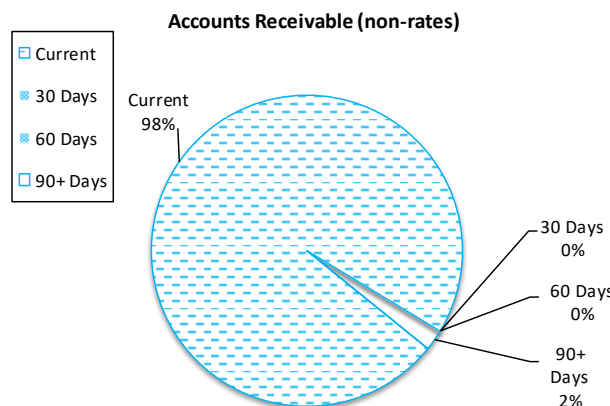
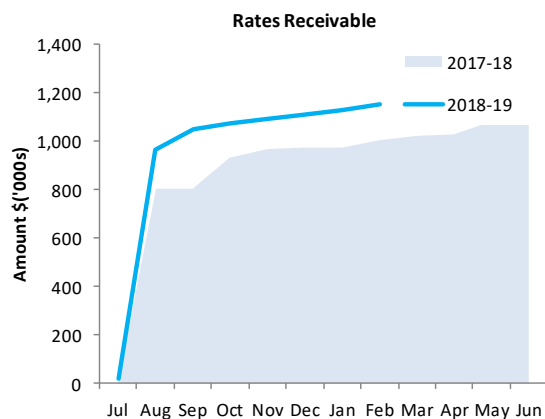
Rates Receivable	30 June 2018	28 Feb 19	Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$
Opening Arrears Previous Year	65,448	51,735	Receivables - General	22,156	0	0	494	22,650
Levied this year	1,066,065	1,199,821	Percentage	98%	0%	0%	2%	
Less Collections to date	(1,079,778)	(1,152,977)	<b>Balance per Trial Balance</b>					
Equals Current Outstanding	<b>51,735</b>	<b>98,579</b>	Sundry debtors					22,598
			GST receivable					12,417
<b>Net Rates Collectable</b>	<b>51,735</b>	<b>98,579</b>	<b>Total Receivables General Outstanding</b>					<b>35,016</b>
% Collected	95.15%	91.78%	<b>Amounts shown above include GST (where applicable)</b>					

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



<b>Debtors Due</b>
<b>\$35,016</b>
<b>Over 30 Days</b>
<b>2%</b>
<b>Over 90 Days</b>
<b>2%</b>

<b>Collected</b>	<b>Rates Due</b>
<b>92%</b>	<b>\$98,579</b>



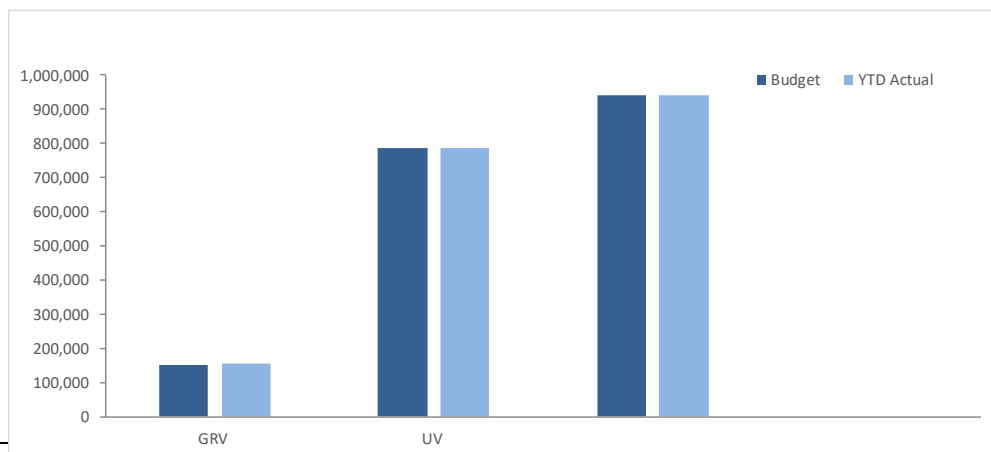
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES  
NOTE 5  
RATE REVENUE

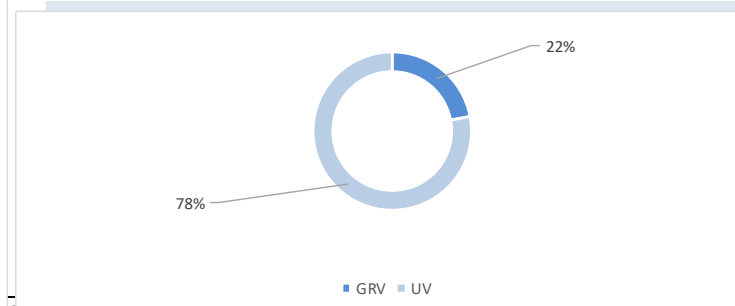
General Rate Revenue	Annual Budget							YTD Actual			
	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
<b>RATE TYPE</b>	\$			\$	\$	\$	\$	\$	\$	\$	\$
<b>Differential General Rate</b>											
GRV	7.0920	167	2,164,942	152,468	0	0	152,468	153,538	0	0	153,538
UV	0.7209	186	109,263,940	787,684	0	0	787,684	787,684	569	0	788,253
<b>Sub-total</b>		<b>353</b>	<b>111,428,882</b>	<b>940,152</b>	<b>0</b>	<b>0</b>	<b>940,152</b>	<b>941,221</b>	<b>569</b>	<b>0</b>	<b>941,791</b>
<b>Minimum</b>	\$										0
GRV	690	161	810,568	111,780	0	0	111,780	111,090	0	0	111,090
UV	930	158	14,017,700	146,940	0	0	146,940	146,940	0	0	146,940
		<b>319</b>	<b>14,828,268</b>	<b>258,720</b>	<b>0</b>	<b>0</b>	<b>258,720</b>	<b>258,030</b>	<b>0</b>	<b>0</b>	<b>258,030</b>
<b>Sub-Totals</b>		<b>672</b>	<b>126,257,150</b>	<b>1,198,872</b>	<b>0</b>	<b>0</b>	<b>1,198,872</b>	<b>1,199,251</b>	<b>569</b>	<b>0</b>	<b>1,199,821</b>
Discount							(73,500)				(72,932)
Concession / Write Offs							(6,700)				(71)
<b>Amount from General Rates</b>							<b>1,118,672</b>				<b>1,126,818</b>
Ex-Gratia Rates							0				0
<b>Total General Rates</b>							<b>1,118,672</b>				<b>1,126,818</b>

SIGNIFICANT ACCOUNTING POLICIES

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.



General Rates		
Budget	YTD Actual	%
<b>\$1.12 M</b>	<b>\$1.13 M</b>	<b>101%</b>

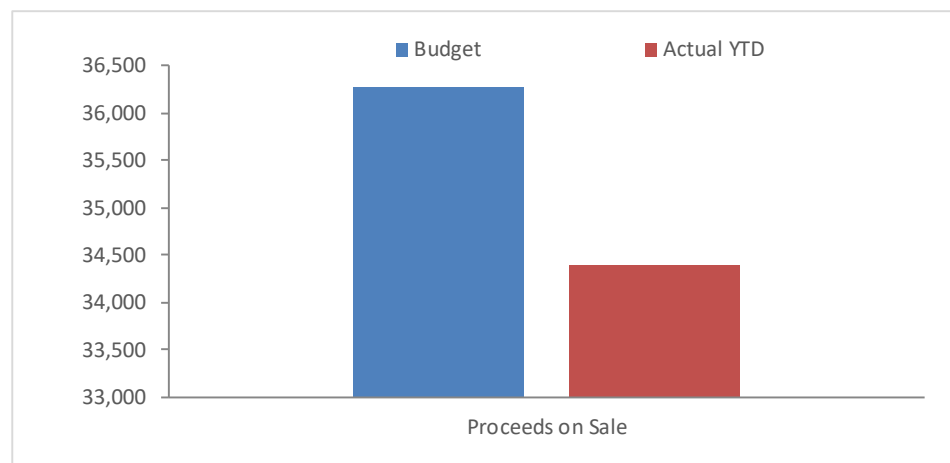


**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**OPERATING ACTIVITIES  
NOTE 6  
DISPOSAL OF ASSETS**

Asset Ref.	Asset Description	Amended Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	
10087	CN1 2014 Holden Colorado Dual Cab Utility (CN 1 )	18,102	17,166		(936)	18,000	17,112		(888)
10062	Isuzu NPR 300 Truck (CN 2)	22,448	12,727		(9,721)	22,400	12,727		(9,673)
10078	Mazda Traytop Utility (CN1557)	8,448	6,363		(2,085)	8,400	4,545		(3,855)
		<b>48,998</b>	<b>36,256</b>	<b>0</b>	<b>(12,742)</b>	<b>48,800</b>	<b>34,384</b>	<b>0</b>	<b>(14,416)</b>

**KEY INFORMATION**



Proceeds on Sale		
Budget	YTD Actual	%
<b>\$36,256</b>	<b>\$34,384</b>	<b>95%</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

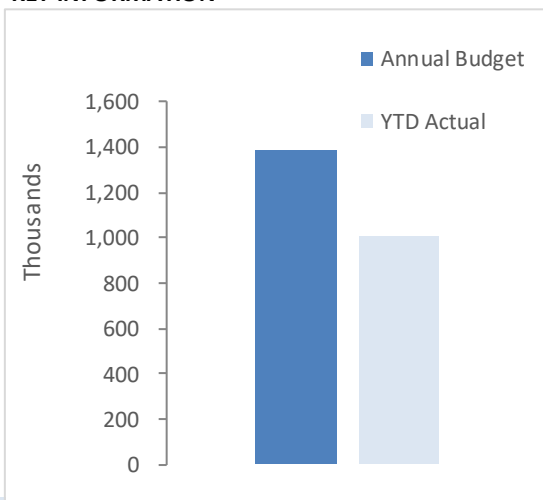
INVESTING ACTIVITIES  
NOTE 7  
CAPITAL ACQUISITIONS

Capital Acquisitions	Amended		YTD Actual Total	YTD Budget Variance
	Annual Budget	YTD Budget		
	\$	\$	\$	\$
Land & Buildings	391,240	328,034	185,596	142,438
Plant & Equipment	176,221	176,221	160,998	15,223
Furniture & Equipment	1,800	0	431	(431)
Roads	805,835	600,637	656,765	(56,128)
Recreation	0	0	0	0
Parks, Gardens, Recreation Facilities	0	0	0	0
Other Infrastructure	6,450	0	3,929	(3,929)
<b>Capital Expenditure Totals</b>	<b>1,381,546</b>	<b>1,104,892</b>	<b>1,007,719</b>	<b>97,173</b>
<b>Capital Acquisitions Funded By:</b>				
	\$	\$	\$	\$
Capital grants and contributions	534,005	177,729	49,997	(127,732)
Borrowings	160,000	160,000	0	(160,000)
Other (Disposals & C/Fwd)	36,256	36,256	34,384	(1,872)
Cash Backed Reserves				
Infrastructure Reserve	0	0	0	0
Pensioner Unit Maintenance Reserve	1,800	0	0	0
Plant Replacement Reserve	40,000	0	0	0
Contribution - operations	609,486	730,908	923,338	192,430
<b>Capital Funding Total</b>	<b>1,381,546</b>	<b>1,104,892</b>	<b>1,007,719</b>	<b>(97,173)</b>

**SIGNIFICANT ACCOUNTING POLICIES**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**KEY INFORMATION**

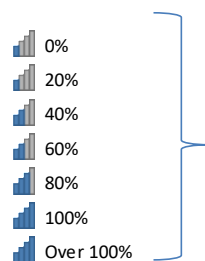


Acquisitions	Annual Budget	YTD Actual	% Spent
	<b>\$1.38 M</b>	<b>\$1.01 M</b>	<b>73%</b>
Capital Grant	Annual Budget	YTD Actual	% Received
	<b>\$.53 M</b>	<b>\$.05 M</b>	<b>9%</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

INVESTING ACTIVITIES  
NOTE 7  
CAPITAL ACQUISITIONS (CONTINUED)

Capital Expenditure Total  
Level of Completion Indicators



Percentage YTD Actual to Annual Budget  
Expenditure over budget highlighted in red.

% of

Completion Level of completion indicator

		Acc / Job	Annual Budget	YTD Budget	YTD Actual	Variance
<b>Capital Expenditure</b>						
<b>Land</b>						
0.94	Lot 74 Austral Street Improvements	12126	183,185	183,185	172,041	11,144
<b>Buildings</b>						
1.00	Toilet Block Cuby Fire Station	10517	0	0	46	(46)
1.00	Mens Shed	10743	0	0	159	(159)
1.00	Cuballing Transfer Station Sealing	J601	0	0	124	(124)
0.00	Cuballing Transfer Station Sealing	J601A	40,916	0	0	0
0.82	Popanyinning Shed Floor Concrete	J601B	3,960	0	3,240	(3,240)
0.20	Popanyinning Tip Shed Gates	J601C	3,838	1,763	750	1,013
0.00	Waste Oil Transfer Station Cuballing Relocation	J601E	31,488	31,488	15	31,473
0.90	Building Renewal - Cuballing Recreation Centre	C165	4,140	0	3,740	(3,740)
0.00	Building Renewal - Cuballing Memorial Park	C176	49,530	49,530	0	49,530
0.04	Building Renewal - Yornaning Dam	C187	12,115	0	441	(441)
0.71	Lions Park Shelter	C192A	6,625	6,625	4,721	1,904
0.01	Cwa Hall Works	C195A	55,443	55,443	318	55,125
<b>Total Land &amp; Buildings</b>			<b>391,240</b>	<b>328,034</b>	<b>185,596</b>	<b>142,438</b>

<b>Plant &amp; Equipment</b>							
0.99		Isuzu Hino 3.5T Truck	12405	63,900	63,900	63,300	600
0.93		ESO Dual Cab 4x4 Utility	12406	43,073	43,073	40,021	3,052
1.05		KevRek 550s Crane	12407	7,300	7,300	7,700	(400)
0.92		Solar Powered Variable Message Board	12408	23,130	23,130	21,250	1,880
0.00		Directional Signage	12409	8,000	8,000	0	8,000
0.96		4x2 Tipping Utility - with Kevrek Crane	12410	30,000	30,000	28,727	1,273
0.00		VHF Radio WEARN - Hand Held (x2)	05170	818	818	0	818
<b>Total Plant &amp; Equipment</b>				<b>176,221</b>	<b>176,221</b>	<b>160,998</b>	<b>15,223</b>
<b>Furniture &amp; Equipment</b>							
0.24		Councillor Ipads	04265	1,800	0	431	(431)
<b>Total Furniture &amp; Equipment</b>				<b>1,800</b>	<b>0</b>	<b>431</b>	<b>(431)</b>
<b>Infrastructure - Roads</b>							
0.00		Watering Road Bridge Widening	B001	40,000	0	0	0
1.00		RRG - Stratherne Road 17/18	R001	0	0	1,026	(1,026)
1.15		RRG- Stratherne Road 18/19	R001A	135,506	135,506	156,181	(20,675)
1.07		RRG - Wandering Narrogin Road 17/18	R129	165,198	0	176,244	(176,244)
0.41		RRG - Wandering Narrogin 18/19	R129A	274,131	274,131	113,496	160,635
1.00		Popanyinning West Widening R2R	R002	0	0	801	(801)
1.00		Popanyinning West Road Realignment R2R 16/17	R002B	0	0	1,867	(1,867)
1.08		Popanyinning East Road Resealing	R004C	10,080	10,080	10,869	(789)
1.01		Popanyinning West Reconstruction	R004D	172,836	172,836	174,046	(1,210)
2.75		Reeds Road Gravel Sheeting	R004F	8,084	8,084	22,234	(14,150)
<b>Total Road Infrastructure</b>				<b>805,835</b>	<b>600,637</b>	<b>656,765</b>	<b>(56,128)</b>
<b>Recreation</b>							
1.00		Nil					
<b>Total Recreation</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Parks, Ovals &amp; Playgrounds</b>							
1.00		Nil					
<b>Total Parks, Ovals &amp; Playgrounds</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Infrastructure</b>							
1.00		Popanyinning Gravel Pit Fencing	C198	6,450	0	3,929	(3,929)
<b>Total Other Infrastructure</b>				<b>6,450</b>	<b>0</b>	<b>3,929</b>	<b>(3,929)</b>
0.73		<b>TOTAL CAPITAL EXPENDITURE</b>		<b>1,381,546</b>	<b>1,104,892</b>	<b>1,007,719</b>	<b>97,173</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

FINANCING ACTIVITIES  
NOTE 8  
BORROWINGS

Information on Borrowings	2017/18	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget
<b>Transport</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan 63 - Graders	150,655	0	0	22,370	38,704	131,518	111,951 0	4,135	5,867
<b>Economic Services</b>									
Loan 64 - Lot 74 Austral St	0	0	160,000	0	6,862	0	153,138	0	2,536
<b>Total</b>	150,655	0	160,000	22,370	45,566	131,518	265,089	4,135	8,403

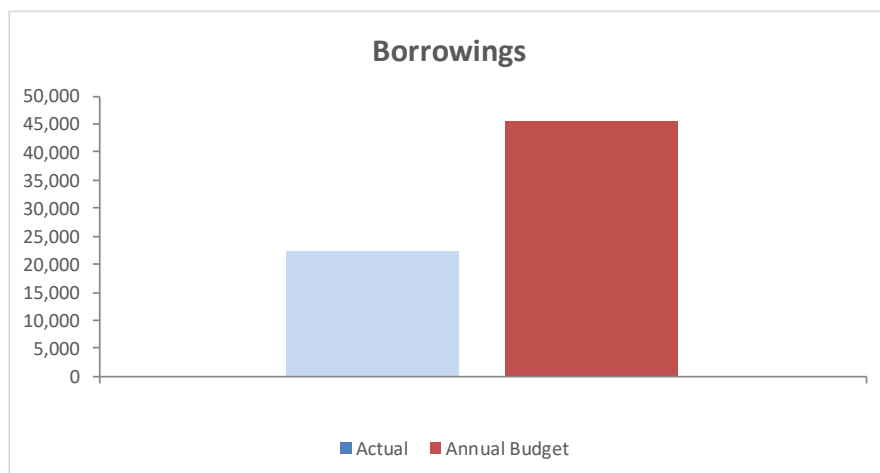
All debenture repayments were financed by general purpose revenue.

**SIGNIFICANT ACCOUNTING POLICIES**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

**KEY INFORMATION**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.



Principal Repayments	\$22,370
Interest Earned	\$29,239
Interest Expense	\$4,135
Reserves Bal	\$1.56 M
Loans Due	\$.13 M

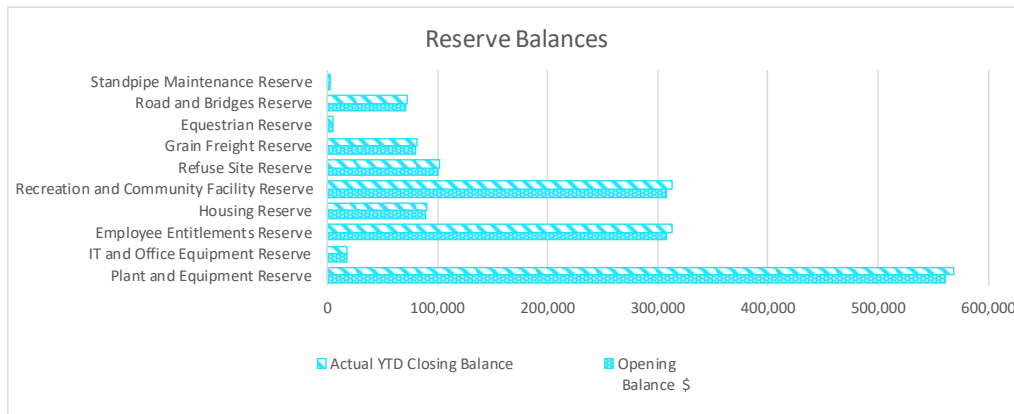
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

OPERATING ACTIVITIES  
NOTE 9  
CASH AND INVESTMENTS

Cash Backed Reserve

Reserve Name	Opening	Budget Interest	Actual Interest	Budget Transfers	Actual Transfers	Budget Transfers	Actual Transfers	Budget Closing	Actual YTD
	Balance	Earned	Earned	In (+)	In (+)	Out (-)	Out (-)	Balance	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment Reserve	561,189	6,547	3,986	88,362	3,986	0	0	656,098	569,161
IT and Office Equipment Reserve	17,414	203	124	5,000	124	(1,800)	0	20,817	17,662
Employee Entitlements Reserve	308,356	3,597	2,190	14,766	2,190	(27,730)	0	298,989	312,735
Housing Reserve	89,484	1,045	635	5,000	635	(40,000)	0	55,529	90,755
Recreation and Community Facility Reserve	308,226	3,595	2,189	5,000	2,189	(88,360)	0	228,461	312,603
Refuse Site Reserve	99,864	1,165	709	0	709	(43,706)	0	57,323	101,282
Grain Freight Reserve	79,829	931	567	0	567	0	0	80,760	80,963
Equestrian Reserve	5,034	59	36	5,000	36	0	0	10,093	5,106
Road and Bridges Reserve	71,603	835	508	0	14	(44,400)	0	28,038	72,126
Standpipe Maintenance Reserve	2,000	23	14	2,000	508	0	0	4,023	2,523
	<b>1,543,000</b>	<b>18,000</b>	<b>10,958</b>	<b>125,128</b>	<b>10,958</b>	<b>(245,996)</b>	<b>0</b>	<b>1,440,132</b>	<b>1,564,915</b>

KEY INFORMATION



Grants and Contributions

Description	Annual Budget	YTD Budget	YTD Actual	Variance
<b>Operating grants, subsidies and contributions</b>				
<b>General Purpose Funding</b>				
Grants Commission - General Purpose	289,730	217,298	208,622	(8,676)
<b>Governance</b>				
Great Southern Business Development Group	0	0	3,373	3,373
Insurance & Other Reimbursements	2,880	2,797	27,776	24,980
<b>Law, Order &amp; Public Safety</b>				
DFES - Bush Fire Brigades	30,517	23,888	27,384	3,496
<b>Education &amp; Welfare</b>				
Good Things Foundation	1,000	1,000	2,000	1,000
<b>Housing</b>				
Rental Income	4,680	3,120	3,060	(60)
<b>Community Amenities</b>				
Cemetery	500	500	80	(420)
<b>Recreation &amp; Culture</b>				
Yornaning Dam	0	0	10,909	10,909
Kidsport	1,000	1,000	2,500	1,500
<b>Transport</b>				
Main Roads - RRG	0	0	283,132	283,132
Main Roads - Direct Grant	57,535	57,535	98,183	40,648
Grants Commission - Roads Component	179,727	134,759	115,083	(19,676)
Reimbursement - Damage to Bridge September 2018	0	0	9,460	9,460
<b>Economic Services</b>				
Youth Day	1,000	1,000	0	(1,000)
Volunteers Day	1,000	1,000	0	(1,000)
Seniors Day	500	500	0	(500)
Tourism & Area Promotion	26,300	26,300	0	(26,300)
<b>Other Property &amp; Services</b>				
Workers Compensation	30,000	20,000	16,073	(3,927)
<b>Operating grants, subsidies and contributions Total</b>	<b>626,369</b>	<b>490,696</b>	<b>807,635</b>	<b>316,939</b>
<b>Non-operating grants, subsidies and contributions</b>				
<b>Recreation &amp; Culture</b>				
Yornaning Dam	12,723	12,723	0	(12,723)
<b>Transport</b>				
Main Roads - RRG	330,012	165,006	0	(165,006)
Roads to Recovery (RTR)	191,270	0	0	0
RTR - Special Bridge Grants	0	0	49,997	49,997
<b>Non-operating grants, subsidies and contributions Total</b>	<b>534,005</b>	<b>177,729</b>	<b>49,997</b>	<b>(127,732)</b>
<b>Grand Total</b>	<b>1,160,374</b>	<b>668,425</b>	<b>857,632</b>	<b>189,207</b>

KEY INFORMATION

Some reclassification between Operating & Capital grants, contributions & reimbursements is required



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

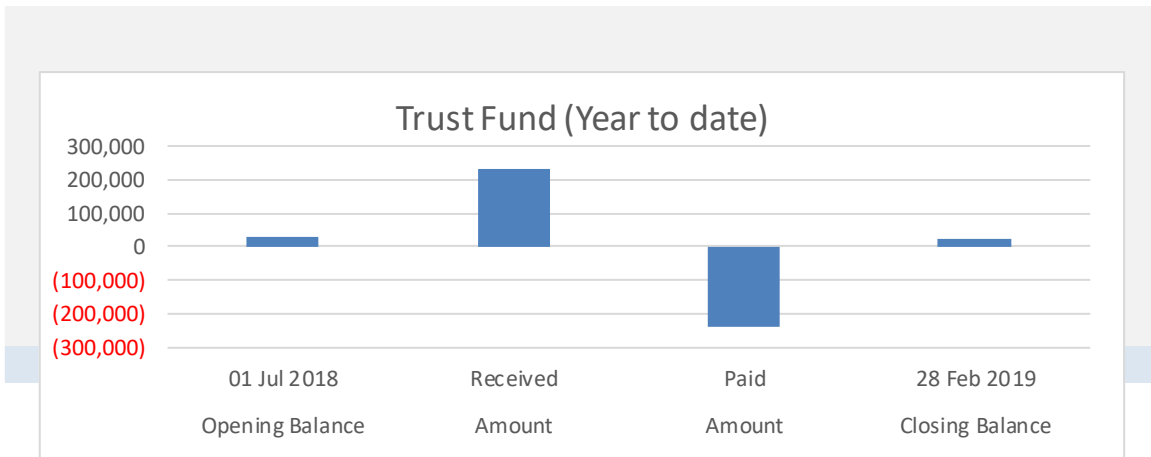
**NOTE 11  
TRUST FUND**

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

Description	Opening Balance 01 Jul 2018	Amount Received	Amount Paid	Closing Balance 28 Feb 2019
	\$	\$	\$	\$
Bonds - Building	6,889	0	0	6,889
Bonds - Hall Hire	1,150	400	(400)	1,150
Badminton Club	20	0	0	20
Commodine Tennis Club	2,990	0	(200)	2,790
Cuballing Country Festival	1,099	0	0	1,099
Cuballing Cricket Club	200	0	0	200
Yornaning Dam	0	0	0	0
Cuballing Football Association	566	0	0	566
Environment and Townscape Trust Fund	6,362	0	0	6,362
Police Licensing	3,487	233,359	(237,963)	(1,116)
Swipe Cards	1,605	0	0	1,605
Reimbursements	1,698	0	0	1,698
Unknown Deposits	0	77		77
	<b>26,067</b>	<b>233,836</b>	<b>(238,563)</b>	<b>21,341</b>

**KEY INFORMATION**

Trust out of balance by \$77.49



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**NOTE 12  
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	<b>Budget Adoption</b>		Opening Surplus				0
	<b>Permanent Changes</b>						
	Nil						0
	Nil						0
	Nil						0
	Nil						0
				0	0	0	

**ADDITIONAL INFORMATION**

Note 12 to be completed as part of budget review process and/or as per Council Resolutions during the financial year

### 9.1.3 Sale of Obsolete or Surplus Equipment

Applicant: N/A  
File Ref. No: ADM 260  
Disclosure of Interest: Nil  
Date: 8<sup>th</sup> March 2019  
Author: Bronwyn Dew, Deputy CEO  
Attachments: Nil

#### **Summary**

**Council is to consider the sale of Council's obsolete or surplus plant items.**

#### **Background**

Council recently advertised the sale of three (3) items of obsolete or surplus equipment being

1. Pressure Cleaner
2. Cement Mixer
3. 4,000 Diesel tank and frame



#### **SALE OF OBSOLETE OR SURPLUS EQUIPMENT**

The Shire of Cuballing is offering for sale the following obsolete or surplus equipment:

1	<b>Pressure cleaner</b> Operational but needs work
2	<b>Cement mixer</b> Operational
3	<b>4,000 litre diesel tank and frame</b> Ground fill piping included Fill nozzle and hose included

Pictures of the obsolete or surplus equipment can be found at [www.cuballing.wa.gov.au](http://www.cuballing.wa.gov.au).

#### **Conditions of Sale**

1. Everything sold on "as is – where is" basis. No guarantees or warranty provided. Inspections of equipment is strongly encouraged.
2. All the obsolete or surplus equipment is located at the Shire of Cuballing Depot, Austral Street, Cuballing. All equipment sold must be collected from this site during normal business hours.
3. Written offers are required for all equipment.
4. Offers for purchase are sought until 4pm, Friday 1<sup>st</sup> March 2019.
5. Written offers can be made by stating your name and contact details and the amount of an offer for a piece or pieces of equipment by:
  - emailing [enquiries@cuballing.wa.gov.au](mailto:enquiries@cuballing.wa.gov.au);
  - Mail to PO Box 13, Cuballing WA 6311; or
  - Dropping a written offer to the Shire of Cuballing Office, Campbell Street, Cuballing during office hours.
6. Further information and inspections can be arranged by contacting Manager Works and Services Bruce Brennan on 0427 836 061 during normal business hours or by email at [supervisor@cuballing.wa.gov.au](mailto:supervisor@cuballing.wa.gov.au).

Members of the public were invited to submit an offer in writing to purchase the items to Council by 4pm, Friday 1<sup>st</sup> March 2019.

The following offers were received by the closing date for submissions:

Item	Highest Offer	Other Offer
Pressure Cleaner	\$201.50	\$80.00
Cement Mixer	\$170.00	\$100.00
Diesel tank & stand	\$1,315.00	\$1,262.00

Strategic Implications - Nil

### Statutory Environment

Local Government Act 1995

#### 3.58. Disposing of property

- (1) In this section —  
*dispose* includes to sell, lease, or otherwise dispose of, whether absolutely or not;  
*property* includes the whole or any part of the interest of a local government in property, but does not include money.
- (2) Except as stated in this section, a local government can only dispose of property to —
- the highest bidder at public auction; or
  - the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.
- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —
- it gives local public notice of the proposed disposition —
    - describing the property concerned; and
    - giving details of the proposed disposition; and
    - inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;
- and
- it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.
- (4) The details of a proposed disposition that are required by subsection (3)(a)(ii) include —
- the names of all other parties concerned; and
  - the consideration to be received by the local government for the disposition; and
  - the market value of the disposition —
    - as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or
    - as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.

Local Government (Functions and General) Regulations 1996

#### 30. Dispositions of property excluded from Act s. 3.58

- (1) A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.
- (3) A disposition of property other than land is an exempt disposition if —
- its market value is less than \$20 000; or
  - it is disposed of as part of the consideration for other property that the local government is acquiring for a consideration the total value of which is not more, or worth more, than \$50 000.

Policy Implications – Nil

Financial Implications

In considering the disposal of the three items Council should recognise that

- the items are obsolete or surplus to Council requirements;
- the items are sold on “as is - where is” basis with no guarantee or warranty provided; and
- purchaser is responsible for collecting the items during normal business hours.

Economic Implications – Nil

Social Implications – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

The Council can resolve:

1. the Officer’s Recommendation;
2. to not sell the three obsolete or surplus items; or
3. defer and seek additional information stating the reasons for such decision.

Voting Requirements – Simple Majority

**COUNCIL DECISION – 2019/19:**

**That Council sell the following obsolete equipment:**

<b>1. Pressure Cleaner</b>	<b>Renae Mahar</b>	<b>\$201.50</b>
<b>2. Cement Mixer</b>	<b>John Buisse</b>	<b>\$170.00</b>
<b>3. Diesel Tank &amp; Stand</b>	<b>Mark Furphy</b>	<b>\$1,315.00</b>

**Moved: Cr Newman**

**Seconded: Cr Dowling**

**Carried 6/0**

## 9.2 CHIEF EXECUTIVE OFFICER:

### 9.2.1 2018 Compliance Audit Return

Applicant:	N/A
File Ref. No:	ADM 35
Disclosure of Interest:	Nil
Date:	12 <sup>th</sup> March 2019
Author:	Gary Sherry
Attachments:	9.2.1A draft 2018 Compliance Audit Return

#### Summary

**Council is to consider the draft Compliance Audit Return for the period 1<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018 and a recommendation for action by the Shire of Cuballing Audit Committee.**

#### Background

The Compliance Audit Return (CAR) is a Department of Local Government, Sport and Cultural Industries (DLGSCI) prepared check list of some of the statutory requirements for Local Governments were required to comply with in the twelve months to 31<sup>st</sup> December 2018.

While the structure of the 2018 CAR is generally similar to that of previous years, the DLGSCI has kept the reduced number of areas of compliance covered in recent CAR's to those considered high risk. The CAR contains substantially fewer questions, reducing the size of the CAR from the previous 27 pages in 2010 to 10 pages for 2017.

Regulation 14 of the Local Government (Audit) Regulations requires that a local government's Audit Committee reviews the CAR and reports the results of that review to the Council prior to adoption by Council and submission to the DLGC.

The Statutory Compliance Audit Return is to be:

1. presented to the Audit Committee for consideration at a meeting of the Audit Committee; by Council;
2. recommended for Adoption by Council at an Audit Committee Meeting;
3. presented to the Council at a meeting of Council;
4. adopted by the Council; and
5. the adoption recorded in the minutes of the meeting at which it is adopted.

After the Compliance Audit Return has been presented to Council, a certified copy of the return, along with the relevant section of the minutes and any additional information explaining or qualifying the compliance audit is to be submitted to the Executive Director, Department of Local Government, by 31<sup>st</sup> March 2019.

#### Comment

Council's Audit Committee is to consider the CAR 2018 prior to the March 2018 Ordinary Council Meeting. The draft Compliance Audit Return 2018 is included at Attachment 9.2.1A.

The Audit Committee is anticipated to make a recommendation to Council for formal adoption.

The 2018 Compliance Audit Return included the following matters of non-compliance:

<b>Integrated Planning and Reporting</b>				
No	Reference	Question	Response	Comments
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	No	A Corporate Business plan is currently being prepared.
<b>Finance</b>				
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2018 received by the local government by 31 December 2018.	No	The Audit Report was received on 26 February 2019
15	Audit Reg 17	Has the CEO reviewed the appropriateness and effectiveness of the local government's systems and procedures in accordance with regulation 17 of the Local Government (Audit) Regulations 1996.	No	The CEO did not formally complete a review of the local government's systems and procedures in accordance with regulation 17 of the Local Government (Audit) Regulations 1996 in 2018. The most recent review was completed in December 2016.

Strategic Implications – Nil at this time

### Statutory Environment

Local Government Act 1995

7.13. Regulations as to audits

- (1) Regulations may make provision —
- (aa) as to the functions of the CEO and the audit committee in relation to audits carried out under this Part and reports made on those audits;
  - (ab) as to the functions of audit committees, including the selection and recommendation of an auditor;
  - (ac) as to the procedure to be followed in selecting an auditor;
  - (ad) as to the contents of the annual report to be prepared by an audit committee;
  - (ae) as to monitoring action taken in respect of any matters raised in a report by an auditor;
    - (a) with respect to matters to be included in agreements between local governments and auditors;
    - (b) for notifications and reports to be given in relation to agreements between local governments and auditors, including any variations to, or termination of such agreements;
    - (ba) as to the copies of agreements between local governments and auditors being provided to the Department;
    - (c) as to the manner in which an application may be made to the Minister for approval as an auditor;
    - (d) in relation to approved auditors, for —
      - (i) reviews of, and reports on, the quality of audits conducted;
      - (ii) the withdrawal by the Minister of approval as an auditor;

- (iii) applications to the State Administrative Tribunal for the review of decisions to withdraw approval;
  - (e) for the exercise or performance by auditors of their powers and duties under this Part;
  - (f) as to the matters to be addressed by auditors in their reports;
  - (g) requiring auditors to provide the Minister with such information as to audits carried out by them under this Part as is prescribed;
  - (h) prescribing the circumstances in which an auditor is to be considered to have a conflict of interest and requiring auditors to disclose in their reports such information as to a possible conflict of interest as is prescribed;
  - (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —
    - (i) of a financial nature or not; or
    - (ii) under this Act or another written law.
- (2) Regulations may also make any provision about audit committees that may be made under section 5.25 in relation to committees.

#### Local Government (Audit) Regulations

#### 13. Prescribed statutory requirements for which compliance audit needed (Act s. 7.13(1)(i))

For the purposes of section 7.13(1)(i) the statutory requirements set forth in the Table to this regulation are prescribed.

Table

<b>Local Government Act 1995</b>		
s. 3.57	s. 3.58(3) and (4)	s. 3.59(2), (4) and (5)
s. 5.16	s. 5.17	s. 5.18
s. 5.36(4)	s. 5.37(2) and (3)	s. 5.42
s. 5.43	s. 5.44(2)	s. 5.45(1)(b)
s. 5.46	s. 5.67	s. 5.68(2)
s. 5.70	s. 5.73	s. 5.75
s. 5.76	s. 5.77	s. 5.88
s. 5.89A	s. 5.103	s. 5.120
s. 5.121	s. 7.1A	s. 7.1B
s. 7.3	s. 7.6(3)	s. 7.9(1)
s. 7.12A		
<b>Local Government (Administration) Regulations 1996</b>		
r. 18A	r. 18C	r. 18E
r. 18F	r. 18G	r. 19
r. 19C	r. 19DA	r. 22
r. 23	r. 28	r. 34B
r. 34C		
<b>Local Government (Audit) Regulations 1996</b>		
r. 7	r. 10	
<b>Local Government (Elections) Regulations 1997</b>		
r. 30G		
<b>Local Government (Functions and General) Regulations 1996</b>		
r. 7	r. 9	r. 10



r. 11A	r. 11	r. 12
r. 14(1), (3) and (5)	r. 15	r. 16
r. 17	r. 18(1) and (4)	r. 19
r. 21	r. 22	r. 23
r. 24	r. 24AD(2), (4) and (6)	r. 24AE
r. 24AF	r. 24AG	r. 24AH(1) and (3)
r. 24AI	r. 24E	r. 24F
<b>Local Government (Rules of Conduct) Regulations 2007</b>		
r. 11		

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
  - (a) presented to the council at a meeting of the council; and
  - (b) adopted by the council; and
  - (c) recorded in the minutes of the meeting at which it is adopted.

Policy Implications – Nil

Financial Implications – Nil

Economic Implications – Nil

Social Implications – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

The Council can resolve:

1. the Audit Committee's Recommendation; or
2. defer and seek additional information.

Voting Requirements – Simple Majority

**COUNCIL DECISION – 2019/20:**

**That Council:**

- 1. adopts the completed Local Government Compliance Audit Return for the period 1<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018 and the President and Chief Executive Officer be authorised to sign the joint certification and return to the Director General of the Department of Local Government and Communities as required; and**
- 2. notes the non-compliance matter and requests that the Chief Executive Officer ensure the area of non-compliance is addressed.**

**Moved: Cr Dowling**

**Seconded: Cr Newman**

**Carried 6/0**



## Cuballing - Compliance Audit Return 2018

### Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

<b>Commercial Enterprises by Local Governments</b>					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2018.	N/A		Gary Sherry
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2018.	N/A		Gary Sherry
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2018.	N/A		Gary Sherry
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2018.	N/A		Gary Sherry
5	s3.59(5)	Did the Council, during 2018, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Gary Sherry

<b>Delegation of Power / Duty</b>					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	N/A		Gary Sherry
2	s5.16, 5.18	5.17, Were all delegations to committees in writing.	N/A		Gary Sherry
3	s5.16, 5.18	5.17, Were all delegations to committees within the limits specified in section 5.17.	N/A		Gary Sherry

<b>Delegation of Power / Duty</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	N/A		Gary Sherry
5	s5.18	Has Council reviewed delegations to its committees in the 2017/2018 financial year.	N/A		Gary Sherry
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Gary Sherry
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Gary Sherry
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		Gary Sherry
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		Gary Sherry
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes		Gary Sherry
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Gary Sherry
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2017/2018 financial year.	Yes		Gary Sherry
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	Yes		Gary Sherry

<b>Disclosure of Interest</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Gary Sherry

<b>Disclosure of Interest</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	N/A		Gary Sherry
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Gary Sherry
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	N/A		Gary Sherry
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		Gary Sherry
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2018.	Yes		Gary Sherry
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2018.	Yes		Gary Sherry
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Gary Sherry
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Gary Sherry
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		Gary Sherry
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Gary Sherry

<b>Disclosure of Interest</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Gary Sherry
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Gary Sherry
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		Gary Sherry
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		Gary Sherry
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Gary Sherry

<b>Disposal of Property</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	N/A		Gary Sherry

<b>Disposal of Property</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	N/A		Gary Sherry

<b>Finance</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		Gary Sherry
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A		Gary Sherry
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Gary Sherry
4	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Gary Sherry
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2018 received by the local government within 30 days of completion of the audit.	Yes		Gary Sherry
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2018 received by the local government by 31 December 2018.	No	The Audit Report was received on 26 February 2019	Gary Sherry
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9(1) of the Act required action to be taken by the local government, was that action undertaken.	N/A		Gary Sherry

<b>Finance</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
8	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9(1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	N/A		Gary Sherry
9	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9(1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A		Gary Sherry
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Gary Sherry
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Gary Sherry
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Gary Sherry
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Gary Sherry
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Gary Sherry



<b>Finance</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
15	Audit Reg 17	Has the CEO reviewed the appropriateness and effectiveness of the local government's systems and procedures in accordance with regulation 17 of the Local Government (Audit) Regulations 1996.	No	The CEO did not formally complete a review of the local government's systems and procedures in accordance with regulation 17 of the Local Government (Audit) Regulations 1996 in 2018. The most recent review was completed in December 2016.	Gary Sherry
16	Audit Reg 17	If the CEO has not undertaken a review in accordance with regulation 17 of the Local Government (Audit) Regulations 1996, is a review proposed and when.	Yes	A review is proposed to be completed in 2019.	Gary Sherry

<b>Integrated Planning and Reporting</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	No	A Corporate Business plan is currently being prepared.	Gary Sherry
2	s5.56 Admin Reg 19DA (6)	Has the local government adopted a modification to the most recent Corporate Business Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	N/A		Gary Sherry
3	s5.56 Admin Reg 19C (7)	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments. This question is optional, answer N/A if you choose not to respond.	Yes	The Strategic Community Plan was adopted on 21 September 2017.	Gary Sherry

<b>Integrated Planning and Reporting</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
4	s5.56 Admin Reg 19C (7)	Has the local government adopted a modification to the most recent Strategic Community Plan. If Yes, please provide adoption date in Comments. This question is optional, answer N/A if you choose not to respond.	No		Gary Sherry
5	S5.56	Has the local government adopted an Asset Management Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	19 October 2017	Gary Sherry
6	S5.56	Has the local government adopted a Long Term Financial Plan. If Yes, in Comments please provide date of the most recent Plan, plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	19 October 2017	Gary Sherry
7	S5.56	Has the local government adopted a Workforce Plan. If Yes, in Comments please provide date of the most recent Plan plus if adopted or endorsed by Council the date of adoption or endorsement. This question is optional, answer N/A if you choose not to respond.	Yes	19 October 2017	Gary Sherry

<b>Local Government Employees</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	N/A		Gary Sherry

<b>Local Government Employees</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	Yes		Gary Sherry
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A		Gary Sherry
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A		Gary Sherry
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	Yes		Gary Sherry

<b>Official Conduct</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A		Gary Sherry
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		Gary Sherry
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Gary Sherry

<b>Official Conduct</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Gary Sherry
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		Gary Sherry
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c).	Yes		Gary Sherry

<b>Tenders for Providing Goods and Services</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	N/A		Gary Sherry
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	Yes		Gary Sherry
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice.	N/A		Gary Sherry
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	N/A		Gary Sherry

<b>Tenders for Providing Goods and Services</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	N/A		Gary Sherry
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16.	N/A		Gary Sherry
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	N/A		Gary Sherry
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	N/A		Gary Sherry
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	N/A		Gary Sherry
10	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	N/A		Gary Sherry
11	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A		Gary Sherry
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A		Gary Sherry

<b>Tenders for Providing Goods and Services</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	N/A		Gary Sherry
14	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A		Gary Sherry
15	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice.	N/A		Gary Sherry
16	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE.	N/A		Gary Sherry
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application.	N/A		Gary Sherry
18	F&G Reg 24AD(6)	If the local government to sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, notice of the variation.	N/A		Gary Sherry
19	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications.	N/A		Gary Sherry

<b>Tenders for Providing Goods and Services</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
20	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application(s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria.	N/A		Gary Sherry
21	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG.	N/A		Gary Sherry
22	F&G Reg 24AI	Did the local government send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted.	N/A		Gary Sherry
23	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A		Gary Sherry
24	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy.	N/A		Gary Sherry
25	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less.	Yes		Gary Sherry

I certify this Compliance Audit return has been adopted by Council at its meeting on 20<sup>th</sup> March 2019.

\_\_\_\_\_  
Signed Mayor / President, Cuballing

\_\_\_\_\_  
Signed CEO, Cuballing



## 9.2.2 2019/20 Plant Replacement Program

Applicant: N/A  
File Ref. No: ADM096  
Disclosure of Interest: Nil  
Date: 14<sup>th</sup> March 2019  
Author: Bruce Brennan/Gary Sherry  
Attachments: 9.2.2A draft 2018/19 Plant Replacement Program

### **Summary**

**Council is to consider adoption of a draft 2019/20 Plant Replacement Program.**

### **Background**

The Plant Replacement Program seeks to establish a replacement program to highlight the requirement to continue to optimise plant operations, reduce change over costs, limit down time and plant repair costs in a financially responsible and sustainable manner.

The Plant Replacement Program is a long term guide of Council's intentions, but each year Council will still make budget decisions based on the condition and serviceability of individual plant.

Council adopted the 2018/19 Plant Replacement Program in March 2018.

### **Comment**

The draft 2019/20 Plant Replacement Program is included at Attachment 9.3.2A.

The 2019/20 Plant Replacement Program plans for Council's capital expenditure of \$3,211,000 from 2019/20 to 2029/30.

The 2019/20 Plant Replacement Program requires a \$300,000 annual investment into plant replacements or transfers to plant reserves. This annual investment is a reduction of \$10,000 from 2018/19 because of improved costing data for the replacement of graders.

The 2019/20 Plant Replacement Program has Council utilising the Plant Reserve to make transfers into the Plant Reserve in years when there are fewer or smaller plant purchases and to make transfers from the Plant Reserve for larger plant, without utilising loan funds. In the program the closing balance of the Plant Reserve is as high as \$718,400 and as low as \$77,400 over the 11 year horizon of the program.

The Program includes an estimate of change over cost, inclusive of trade in values. All costs are in current dollars, with no allowance made for inflation, interest or increases in Council's rate income.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

### **Financial Implications**

The Plant Replacement Program will be used in preparing the 2019/20 Council Budget. With adoption of the Plant Replacement Program giving a strategic direction, staff will obtain improved cost estimates prior to budget preparation.

The Plant Replacement Program will be utilised in preparing Council's Long Term Financial Plan from time to time.

Economic Implication – Nil

Social Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

### Options

Council may resolve:

1. the Officer's Recommendation;
2. adopt a slightly amended Draft Plant Replacement Program; or
3. to have staff review the Draft Plant Replacement Program for review by Council at a future meeting of Council.

Voting Requirements – Simple Majority

### **COUNCIL DECISION – 2019/21:**

**That Council adopts the 2019/20 Plant Replacement Program included at Attachment 9.2.2A.**

**Moved: Cr Dowling**

**Seconded: Cr Newman**

**Carried 6/0**

Rego	Plant No	Machine	Comment	Date of Purchase	Purchase Estimate	Trade/Sale Estimate	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	
CN 026	P150	UD Nissan GW 400	Six Wheel Truck	Mar 11	320,000					320,000								
CN 047	P151	UD Nissan GW 400	Six Wheel Truck	Mar 11		50,000	(50,000)											
			Prime Mover		300,000		300,000											
CN 272	P262	Isuzu Giga	Prime Mover	Oct 14	250,000			250,000										
CN3455	P264	Side Tipper	Tri axle trailer	Oct 14	100,000													
CN10015	P265	Machinery Float	Trailer	Oct 16	56,000													
		Side Tipper	Tri axle trailer		100,000		100,000											
		Water Tanker	Tri axle trailer		100,000		100,000											
CN 2	P152	Truck	Small Tipper	Sep 18	80,000	15,000								65,000				
CN 157	P263	Hino	Crew Cab Truck	Nov 14	70,000			70,000										
CN 387	P261	Komatsu Grader	Grader	Mar 14	365,000	35,000						330,000						
CN 397	P260	Komatsu Grader	Grader	Mar 14	365,000	100,000		265,000										
CN 92	P202	CAT 930G	Loader	Sep 08		30,000									(30,000)			
CN1906	P209	Komatsu WA320PZ6	Loader	Nov 15	290,000						290,000							
CN 404	P204	Bomag SP Roller	Steel Drum Roller	Jul 04	210,000					210,000								
CN 151	P205	Amman MultiVP2400	Mult Tyre Roller	Aug 17	170,000											170,000		
CN 1552	P206	JD Tractor 4720	Tractor with loader	Jun 07	33,000								33,000					
CN 1806	P207	JD Tractor	Tractor with Broom/PH Digger	Jun 13	47,000								47,000					
		Backhoe			170,000										170,000			
	P266	Panther Mower	3pt Linkage Flail Mower	Oct 16	21,000									21,000				
	P255	22 KVA generator	Emergency Power Generator	Mar 15	12,000								12,000					
CN3468 CN3469	P310	Traffic Lights	Traffic Lights	Aug 15	36,000									36,000				
0 CN	P100	Holden Calais	CEO's Vehicle	Jun 17	40,000	17,000		23,000			23,000			23,000			23,000	
CN 0	P106	Colorado Utility	MWS Vehicle	Jun 17	43,000	27,000	20,000		20,000		20,000		20,000		20,000		20,000	
CN 1	P105	Colorado Utility	Crew Vehicle	Sep 18	43,000	13,000			30,000			30,000			30,000			
CN 027	P154	Holden Colorado	Building Officer	Aug 16	43,000	15,000	30,000	20,000		20,000	20,000		20,000	20,000		20,000	20,000	
CN 1557	P107	Mazda Utility	Crew Vehicle	Sep 18	37,000	7,000							30,000					
		<b>Total Expenditure</b>						<b>500,000</b>	<b>308,000</b>	<b>370,000</b>	<b>550,000</b>	<b>353,000</b>	<b>360,000</b>	<b>162,000</b>	<b>165,000</b>	<b>190,000</b>	<b>190,000</b>	<b>63,000</b>
		<b>Opening Plant Reserve Balance</b>						<b>718,400</b>	<b>518,400</b>	<b>510,400</b>	<b>440,400</b>	<b>190,400</b>	<b>137,400</b>	<b>77,400</b>	<b>215,400</b>	<b>350,400</b>	<b>460,400</b>	<b>570,400</b>
		Plant Reserve Outgoing						200,000	- 8,000	- 70,000	250,000	- 53,000	- 60,000					
		Plant Reserve Incoming												138,000	135,000	110,000	110,000	237,000
		<b>Closing Plant Reserve Balance</b>						<b>518,400</b>	<b>510,400</b>	<b>440,400</b>	<b>190,400</b>	<b>137,400</b>	<b>77,400</b>	<b>215,400</b>	<b>350,400</b>	<b>460,400</b>	<b>570,400</b>	<b>807,400</b>
		<b>Shire Expenditure</b>						<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>

**9.3 MANAGER OF WORKS AND SERVICES:**

Nil

**10. ELECTED MEMBERS' MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:**

Nil

**11. URGENT BUSINESS WITHOUT NOTICE WITH THE APPROVAL OF THE PRESIDENT OR MEETING:**

Nil

**12. CONFIDENTIAL MATTERS:**

Nil

**13. NEXT MEETING**

Ordinary Council Meeting, 2.00pm, Wednesday 17<sup>th</sup> April 2019 at the Popanyinning Town Hall, Francis Street, Popanyinning.

**14. CLOSURE OF MEETING:**

There being no further business, the Shire President, Cr Conley, closed the meeting at 2.35pm.