

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

# MINUTES

for the

**Ordinary Meeting of Council**

Held at

**2PM, WEDNESDAY 15<sup>th</sup> MARCH 2023**

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 Matters”.
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:**

Meeting Opened 2.04 pm

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

**2.1.1 Attendance**

Cr Eliza Dowling  
Cr Robert Harris  
Cr Adrian Kowald  
Cr Dawson Bradford

President  
Deputy President

Mr Stan Scott  
Mr Fred Steer  
Mr Bruce Brennan

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

Mrs Ruth Davis

130 Campbell Street, Cuballing. Resident

**2.1.2 Apologies**

Nil

**2.1.3 Leave of Absence**

Cr J. Christensen

**3. STANDING ORDERS:**

**COUNCIL RESOLUTION 2023/15**

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

**Moved Cr Kowald**

**Seconded Cr Bradford**

**CARRIED 4/0**

**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:**

Nil

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

Nil

**6. CONFIRMATION OF MINUTES:**

6.1.1 Ordinary Meeting of Council held on Wednesday 15<sup>th</sup> February 2023

**COUNCIL RESOLUTION 2023/16**

**That the Minutes of the Ordinary Meeting of Council held on Wednesday 15<sup>th</sup> February 2023 be confirmed as a true record of proceedings.**

**Moved Cr Kowald**

**Seconded Cr Harris**

**CARRIED 4/0**

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

Mrs Davis made a submission in relation to the extension of a footpath. There is a current footpath from the town centre to the gates to the Recreation Centre. Mrs Davis lives next door to the recreation centre, but the present footpath does not extend to her property. She and her husband are both experiencing mobility issues and use gophers. This can be quite dangerous where there are no footpaths.

Cr Dowling thanked Mrs Davis for her submission.

The CEO advised that her submission would be considered as part of 2023-24 budget deliberations.

**8. DISCLOSURE OF FINANCIAL INTEREST:**

**DISCLOSURE OF FINANCIAL INTEREST AND PROXIMITY INTEREST**

Members must disclose the nature of their interest in matters to be discussed at the meeting.

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting.

**DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY**

Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the Member or employee has given or will give advice.

*Cr Harris declared an impartiality interest in relation to Item 9.2.2 Cuballing Golf Club Liquor License.*

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

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

#### **9.1.1 List of Payments – February 2023**

File Ref. No:	NA
Disclosure of Interest:	Nil
Date:	8 March 2023
Author:	Narelle Rowe
Attachments:	9.1.1A List of February Municipal Accounts 9.1.1B List of Credit Card Transactions

#### **Summary**

**Council is to review payments made under delegation in February 2023.**

Background – Nil

#### Comment

Council is provided with details of payments and credit card transactions made during the month of February 2023 as listed in the attachments.

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 RESOLUTION 2023/17**

**That Council receives:**

1. **the List of Accounts paid in February 2023 under delegated authority in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, including payments from Council's Municipal Fund totalling \$871,403.99 included at Attachment 9.1.1A**
2. **a summary of transactions completed on Credit Cards by Council Staff for the period ending 28<sup>th</sup> February 2023 included at Attachment 9.1.1B**
3. **a summary of transactions completed on Coles Cards and Petty Cash for the period ending 28<sup>th</sup> February 2023.**

**Moved Cr Kowald**

**Seconded Cr Harris**

**CARRIED 4/0**

## LIST OF FEBRUARY 2023 MUNICIPAL FUND ACCOUNTS

Chq/EFT	Name	Invoice Description	Amount
DD3411.1	HOSTPLUS SUPER	Payroll deductions	809.19
DD3411.2	AWARE SUPER PTY LTD	Payroll deductions	4217.62
DD3411.3	AUSTRALIAN SUPER	Payroll deductions	1964.92
DD3411.4	MARIX SUPERANNUATION	Superannuation contributions	153.39
DD3411.5	COLONIAL FIRST STATE	Superannuation contributions	569.55
DD3411.6	MLC SUPER FUND	Superannuation contributions	145.06
PAY	Payroll Direct Debit	Payroll 18/01/2023- 31/01/2023	36336.47
EFT7656	ADVANCED TRAFFIC MANAGEMENT (WA) PTY LTD	Traffic management resources to ensure safe worksite in response to poor driver behaviour. As per schedule of rates	14695.58
EFT7657	BMR MECHANICAL PTY LTD	135,000 km Service on Hino dual cab truck	817.25
EFT7658	BRUCE BRENNAN	50% Reimbursement SYNERGY	87.51
EFT7659	BEST OFFICE SYSTEMS	Monthly photocopier charges. 2022/2023	314.26
EFT7660	CORSIGN (WA) PTY LTD	Supply Engraved Black Anodised Aluminium Plate 150mm x 100mm with two screw holes CBH Grass Roots Community Grants - Donated March 2022"	83.60
EFT7661	DEWS MINI EXCAVATIONS	Excavator Hire for Precast headwalls and pipe extensions estimate 6 days WSF007	1485.00
EFT7662	DERBAHL	Empty Yornaning Dam Toilet Sewage	440.00
EFT7663	EXTERIA STREET & PARK OUTFITTERS	Supply 1 x Oxford Gazebo 5.7m in Heritage Red & Cream inc. Fret Work, Balustrade panels, stadium bench & packaging to dyna bolt to concrete slab	44484.00
EFT7664	FARMWORKS NARROGIN	4.2 metre farm gates VEE W/Brooker	429.00
EFT7665	FIRE & SAFETY WA	Supply of Accessories & Wildland Bush Fire Uniforms - 6 x Jackets with Velcro Name, 6 x Pants, 1 x Boots with zip kit, 20 x Gloves, 10 x tinted goggles, 10 x clear goggles, 2 x Kestral Weather Meters	4063.58
EFT7666	G.S. HOBBS CONTRACTING	Hire of Final Trim Grader Operator & Machine GD655-5 as per Quote	13917.75



		16/8/22 This is to go through WALGA Preferred Supplier Program	
EFT7667	GREAT SOUTHERN FUEL SUPPLIES	Bulk Diesel Fuel Delivery	6467.74
EFT7668	HANCOCKS HOME HARDWARE	Monthly Account - Wobble-Tee Lawn Sprinkler	44.75
EFT7669	IPEC PTY LTD (TOLL)	Monthly Freight Charges Westrac	15.69
EFT7670	KALEXPRESS & QUALITY TRANSPORT	Freight Charges – Fire & Safety WA	63.14
EFT7671	LANDGATE	Monthly Interim UV & GRV Scheduled Roll. 2022/2023	173.88
EFT7672	LO-GO APPOINTMENTS	Relief officer to fill the Administration Officer Position for clearance of annual and long service leave until approximately March 31 2023. The hourly charge rate is an estimated fee of \$58.11 per hour plus GST (includes casual loading, superannuation, workers compensation insurance, public liability insurance, administration fees and margin).	2173.31
EFT7673	MARKET CREATIONS	Website design, refresh and marketing consultancy services. As per proposal #IH89	4378.00
EFT7674	MELCHIORRE PLUMBING AND GAS	Find and fix urinal blockage Popanyinning Toilets	166.65
EFT7675	NARROGIN BEARING SERVICES	Grease nipple parts for filling grease pod on Cat 938k	95.82
EFT7676	NARROGIN PUMPS SOLAR AND SPRAYING	3 Alum. Pump w/Honda GX200"	1424.42
EFT7677	PETER JOHN DENTON	5 x Grafted flowering Gum	300.00
EFT7678	PINGELLY QUALITY MEATS	Bacon for Australia day breakfast 8kg @ \$28.50/kg Please pack into 1kg bags	244.65
EFT7679	WESTRAC	20Lt drum of NLGI grade 2 grease	502.90
EFT7680	WATER WISE WATER TRUCKS AUSTRALIA PTY LTD	Permco 32cc Hydraulic Drive Gear Motor - Spline Shaft plus shipping As per quote N1021334 dated 24/01/2023	2672.57
EFT7681	ZIRCODATA PTY LTD	Monthly Archive/Storage Fees - 26/12/2022 to 25/01/2023	16.55
20190	SYNERGY	Electricity Charges - Lot 124 Campbell Street Cuballing	3506.66
DD3420.1	NATIONAL AUSTRALIA BANK	CEO Credit Card – Local Government Professionals 2022-2023 Bronze Local Government Subscription	1435.25

DD3423.1	IINET LIMITED	Monthly Internet Service Month of January 2023	89.99
EFT7683	ALLAN'S BOBCAT & TRUCK HIRE	Remove and replace Box Culverts and install Concrete floodway as per quote 18/5/22	62436.00
EFT7684	C&D CUTRI	Culvert Extensions and Insitu Headwalls on the Cuballing East Road as per quote 195	49500.00
EFT7685	CUBALLING BUILDING COMPANY	Install Disability Access Ramp to Rear of the Office Building as per Design Plan & Quote # SRR2505	39419.38
EFT7686	CUBY ROADHOUSE	CN039 DCEO Vehicle - Fuel	548.91
EFT7687	CUBY TAVERN	1 x Potato bake & garden salad	284.00
EFT7688	G.S. HOBBS CONTRACTING	Hire of Final Trim Grader Operator & Machine GD655-5 as per Quote 16/8/22 This is to go through WALGA Preferred Supplier Program	11116.89
EFT7689	GREAT SOUTHERN FUEL SUPPLIES	Bulk Diesel Fuel Delivery	10021.61
EFT7690	GREAT SOUTHERN WASTE DISPOSAL	Rubbish Removal - Recycling Service x 258 @ \$3.86 each	9435.97
EFT7691	HOWARD PORTER	2 x SVL01-24v solenoids 24v bankable including din plug	313.50
EFT7692	IT VISION	Change to Purchasing Policy rider to reflect changes to Purchasing Policy. In accordance with quote 9288	277.20
EFT7693	LO-GO APPOINTMENTS	Relief officer to fill the Administration Officer Position for clearance of annual and long service leave until approximately March 31 2023.	2141.36
EFT7694	MAKIT NARROGIN HARDWARE	Monthly Account - Materials for Shire Depot January 2023	150.00
EFT7695	MALCOLM THOMPSON PUMPS	New AGM720A Bare shaft pump + freight Ex Melbourne	10365.15
EFT7696	MARKETFORCE	Advertising for Plant Operator/General Hand. Narrogin Observer - Thursday 19/01/2023 & 26/01/2023	367.03
EFT7697	MCDUGALL WELDMENTS	Supply of Parts - Dirt Repelling Spray	21.45
EFT7698	MELCHIORRE PLUMBING AND GAS	Replace faulty RPZ at Cuballing Standpipe	1520.09
EFT7699	NARROGIN EARTHMOVING AND CONCRETE	Hire of 2 x Semi Side Tippers and Prime mover	30596.50
EFT7700	NARROGIN TOWING, CUBALLING TOWING, CUBY WINDSCREENS &	Tow abandoned car from Gaths road to Cuballing transfer station	230.00

	CUBY AGRICULTURAL WINDSCREENS (TRUSTEE FOR THE LJ & JD O'CONNELL FAMILY TRUST		
EFT7701	NARROGIN STIHL	1 x Diamond tip cut off disc for Stihl TS 440	522.21
EFT7702	SHIRE OF NARROGIN	Disposal of Kerbside Collection Waste	4932.77
EFT7703	TOTAL UNDERCAR	4 x New Tyres as per quote O0890 1 x Wheel Alignment	2044.50
EFT7704	TRUCK CENTRE (WA) PTY LTD	Oil Cap	37.21
EFT7705	WA LOCAL GOVERNMENT ASSOCIATION (WALGA)	WALGA Heads of Agencies Breakfast - Cr Eliza Dowling Department of Transport	140.00
20191	SYNERGY	ELECTRICITY CHARGES - STREET LIGHTS X 43	869.93
PAY	PAYROLL DIRECT DEBIT	Payroll 01/02/2023-14/02/2023	42075.22
DD3433.1	HOSTPLUS SUPER	Payroll deductions	828.48
DD3433.2	AWARE SUPER PTY LTD	Payroll deductions	4136.63
DD3433.3	MARIX SUPERANNUATION	Superannuation contributions	348.14
DD3433.4	AUSTRALIAN SUPER	Payroll deductions	1876.39
DD3433.5	COLONIAL FIRST STATE	Superannuation contributions	574.17
DD3433.6	MLC SUPER FUND	Superannuation contributions	198.68
DD3442.2	TELSTRA	SMS Message Harvest Ban Service February 2023	310.72
EFT7706	BELVEDERE NURSERY	Supply of 20 x Prunus Nigra Trees @ \$145 each	5490.00
EFT7707	BITUTEK	Wandering Narrogin Road SLK 31.73 - 32.41 Bitumen Reseal Full service as per RFQ 11497 This is all Through WALGA Preferred Supplier program	186491.29
EFT7708	BMR Mechanical Pty Ltd	Fit hydraulic motor to water tank	613.25
EFT7709	FARMWORKS NARROGIN	2 x pallets of GP Cement 112 bags	1820.50
EFT7710	G.S. HOBBS CONTRACTING	Hire of Final Trim Grader Operator & Machine GD655-5 as per Quote 16/8/22 This is to go through WALGA Preferred Supplier Program	11990.00

EFT7711	KANYANA ENGINEERING PTY LTD	Supply & Delivery of three metal war statues as per written quote # Q27994 including delivery	8545.76
EFT7712	LANSDELL FAMILY MUSIC	Band - Desert Road Music Festival Kevin Lansdell - Lansdell Family Music 11/02/23	4000.00
EFT7713	LO-GO APPOINTMENTS	Relief officer to fill the Administration Officer Position for clearance of annual and long service leave until approximately March 31 2023.	2173.31
EFT7714	NARROGIN AUTO ELECTRICS	2 x GME Hand held two ways to replace old broken set	1288.80
EFT7715	NARROGIN CARPETS & CURTAINS	Supply & Install one wood floor plank at the back entrance door	120.00
EFT7716	NARROGIN EARTHMOVING AND CONCRETE	Excavator Hire with Rock Breaker	8756.00
EFT7717	NARROGIN FREIGHTLINES	Freight Charges - Midland Brick War Memorial	2522.06
EFT7718	STALLION HOMES	January Progress Claim for Works Complete at the Cuballing Independent Living Units	104132.29
EFT7719	WHITFORD FERTILISERS NARROGIN	Weighbridge - Waste Management	60.50
20192	SYNERGY	Electricity Charges - Lot 1 Great Southern Highway Popanyinning	372.38
20193	WATER CORPORATION	Water Charges - Commercial/Private Standpipe at Ridley Street, Cuballing Lot 301 Res 10329	50858.98
DD3441.1	TELSTRA	Phone Charges - Shire Office Landlines	291.47
EFT7720	G.S. HOBBS CONTRACTING	Hire of Semi water tanker for the Cuballing East Road This is to go Through WALGA Preferred Supplier Program - Daily Dockets 15/02/2023 to 21/02/2023	18493.75
EFT7721	FULFORD EARTHMOVING & CIVIL	Dozer Hire to push gravel @ \$1.40 cm3 in Harris pit	26675.00
DD3440.1	TELSTRA	Phone Charges - CEO Phone	282.86
			\$871,403.99

## CREDIT CARD TRANSACTIONS

SUPPLIER	DETAIL OF PURCHASE	TOTAL
LiquorBarons Narrogin	Millers Chill	57.99
Spot Covington	Annual Subscription Fee	811.31
Spot Covington	Bank Fees due to International Transaction	24.34
Blue Dog Training	White Card for Depot Worker	59
Coles Narrogin	Cleaning Supplies for Shire Office	12.30
MainRoads	RAV vehicle permit for CN10015	432.00
Midland Brick	Bricks and Limestone for War Memorial	3535.13
Mobile Tech	Power Charger for Depot Worker	40.00
Aussie Broadband	Monthly Internet Charges	79.00
Bunnings	Garden Edge Saxon for War Memorial	377.94
Mobile Tech	Screen Protector for Work Phone	25.00
Metric Fencing	Ziggy remotes and Postage Form	720.00
Aussie Broadband	Monthly Internet Charges	79.00
		<b>\$6253.01</b>

<b>PETTY CASH</b>					
<b>Item details</b>	<b>Refreshments</b>	<b>Integrated Planning-Community Consult</b>	<b>Telecommunications Equipment</b>	<b>GST 10%</b>	<b>Total</b>
	<b>04105</b>	<b>04242</b>	<b>04294</b>		
Members Refreshments & Civic Functions	3.60			0.00	\$3.60
Strategic Planning - Community Consult		15.65		0.00	\$15.65
Outside Staff Goods - Phone Case and Phone Screen Protector for Works Supervisor			140.00	14.00	\$154.00
					<b>\$173.25</b>

<b>COLES CARD</b>						
<b>Item details</b>	<b>Refreshments</b>	<b>Office Maintenance</b>	<b>Events</b>	<b>Events</b>	<b>GST 10%</b>	<b>Total</b>
	<b>04105</b>	<b>J4114</b>	<b>J132S</b>	<b>04242</b>		
Members Refreshments & Civic Functions	24.20					\$24.20
Members Refreshments & Civic Functions	40.91				4.09	\$45.00
Integrated Planning - Community Consult				124.67	0	\$124.67
Integrated Planning - Community Consult				119.48	11.95	\$131.43
Cleaning Supplies	9.09				0.91	\$10.00
						<b>\$335.30</b>

## 9.1.2 Statement of Financial Activity

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	9 March 2023
Author:	Fred Steer, Deputy Chief Executive Officer
Attachments:	9.1.2A Statement of Financial Activity

### **Summary**

**Council is to consider the Statement of Financial Activity for February 2023.**

### **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**

Operating Revenue key points include.

- General Purpose Funding – Rates were raised in July 2022;
- Transport – MRWA Direct Grant amount received;
- Transport – First 40% of Regional Road Group claim has been submitted;
- Transport – First 40% and second 40% of the 2022/2023 Wheatbelt Secondary Freight Network claim have been received;
- Transport – First 40% and second 40% of the 2021/2022 Wheatbelt Secondary Freight claim has been claim have been received in February;
- Financial Assistance Grants – third quarterly payment has been received, with the fourth payment due in late May;
- DFES – ESL grant funding – third quarterly payment has been received, fourth payment due in late May;

Operating Expenses – The key items of variance include:

- ~~Employee costs are over budget due to Public Works overheads;~~
- Insurance expenses are over budget due premiums paid in 2 instalments but allocated in budget over 12 months;
- ~~Materials and Contracts are over budget due focus on road and plant maintenance and timing for commencement of programs;~~

Detailed breakdown of material variances provided in Note 15 of the Statement of Financial Activity.

Administration Allocations have been calculated to 28<sup>th</sup> February 2023.

Depreciation expense is calculated to 28<sup>th</sup> February 2023.

The Monthly Financial Report for the period ended 28 February 2023 will be provided separately prior to commencement of the march Council meeting.

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

*Note some comments in the report were corrected at the meeting, and these are indicated by striking through.*

**COUNCIL RESOLUTION 2023/18**

**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 2023 be received.**

**Moved Cr Kowald**

**Seconded Cr Harris**

**CARRIED 4/0**



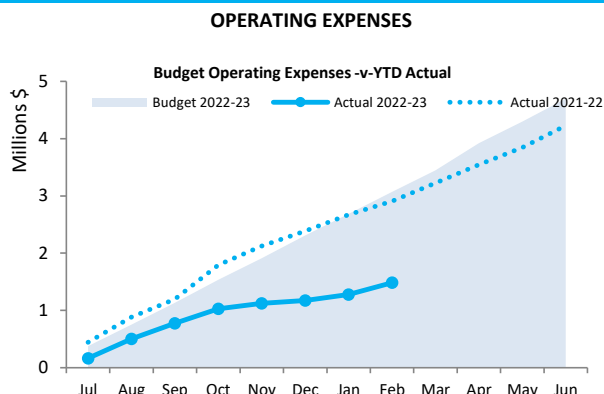
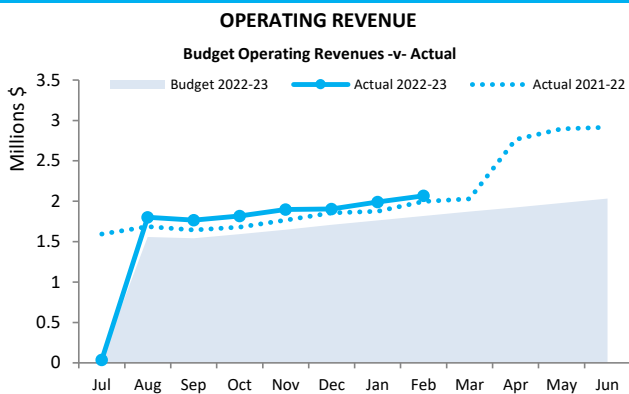
**SHIRE OF CUBALLING**  
**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the period ending 28 February 2023**

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

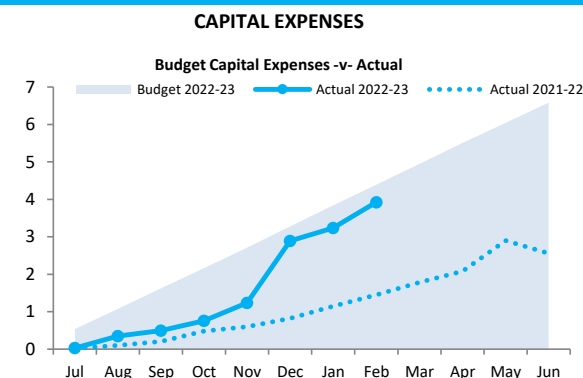
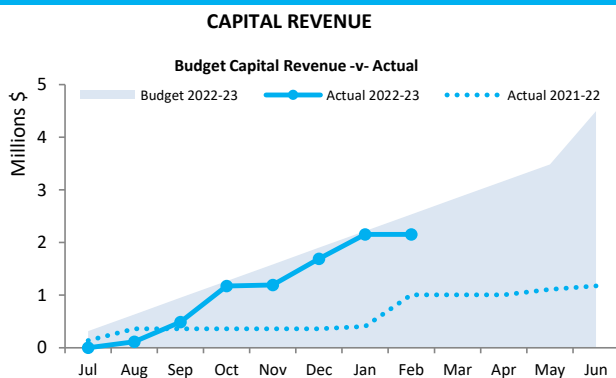
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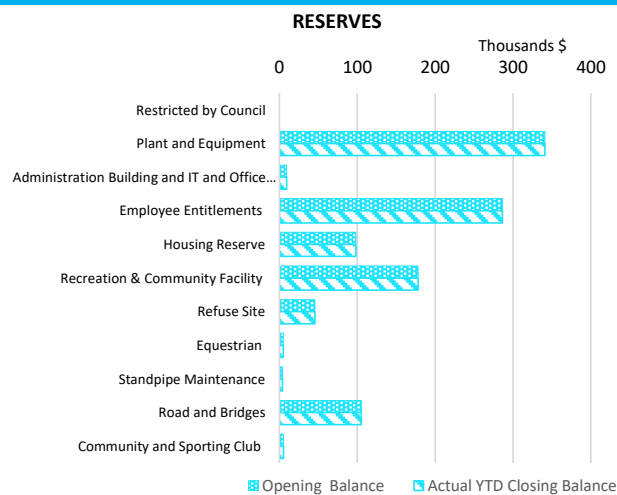
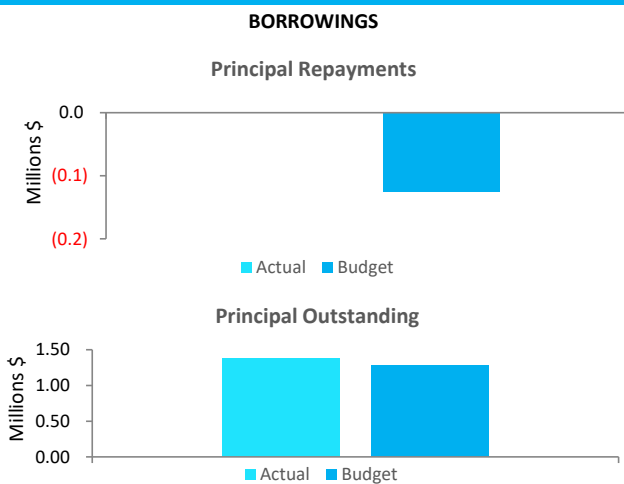
**OPERATING ACTIVITIES**



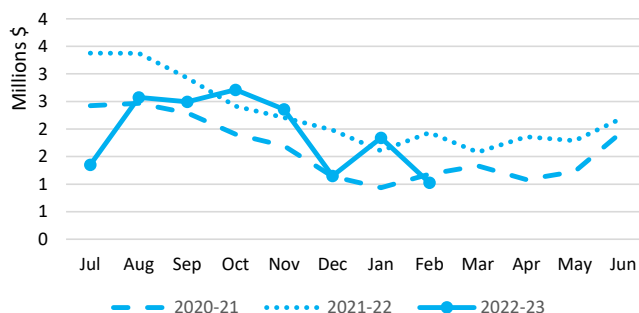
**INVESTING ACTIVITIES**



**FINANCING ACTIVITIES**



**Closing funding surplus / (deficit)**



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

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$1.51 M	\$1.51 M	\$1.49 M	(\$0.02 M)
Closing	(\$0.30 M)	(\$0.37 M)	\$1.03 M	\$1.39 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	YTD Actual	% of total
Unrestricted Cash	\$0.71 M	28.6%
Restricted Cash	\$1.78 M	71.4%

Refer to Note 2 - Cash and Financial Assets

Payables		
	YTD Actual	% Outstanding
Trade Payables	\$0.03 M	
0 to 30 Days		0.0%
Over 30 Days		0.0%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables		
	YTD Actual	% Collected
Rates Receivable	\$0.22 M	85.8%
Trade Receivable	\$0.21 M	% Outstanding
Over 30 Days		99.4%
Over 90 Days		1.3%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.72 M)	(\$0.02 M)	\$0.64 M	\$0.66 M

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	YTD Budget	% Variance
\$1.43 M	\$1.38 M	3.5%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
YTD Actual	YTD Budget	% Variance
\$0.38 M	\$0.29 M	27.9%

Refer to Note 11 - Operating Grants and Contributions

Fees and Charges		
YTD Actual	YTD Budget	% Variance
\$0.21 M	\$0.10 M	108.2%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.83 M)	(\$1.86 M)	(\$1.51 M)	\$0.35 M

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	Adopted Budget	%
\$0.26 M	\$0.25 M	3.2%

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
YTD Actual	Adopted Budget	% Spent
\$3.93 M	\$6.58 M	(40.4%)

Refer to Note 7 - Capital Acquisitions

Capital Grants		
YTD Actual	Adopted Budget	% Received
\$2.15 M	\$4.50 M	(52.1%)

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.75 M	\$0.00 M	\$0.41 M	\$0.41 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.00 M
Interest expense	(\$0.00 M)
Principal due	\$1.37 M

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$1.08 M
Interest earned	\$0.00 M

Refer to Note 9 - Cash Reserves

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 2023

## NATURE OR TYPE DESCRIPTIONS

### REVENUE

#### RATES

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

#### OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers 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 identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

#### REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

#### FEES AND CHARGES

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, and 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 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, reimbursements etc.

#### PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

### EXPENSES

#### EMPLOYEE COSTS

All costs associated 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, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, 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)

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

Shortfall between the value of assets received over the net book value for assets on their disposal.

#### DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

#### 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, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**BY NATURE OR TYPE**

	Ref	Adopted Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	%	
<b>Opening funding surplus / (deficit)</b>	1(c)	1,506,177	1,506,177	1,489,634	(16,543)	(1.10%)	
<b>Revenue from operating activities</b>							
Rates		1,378,840	1,378,840	1,427,232	48,392	3.51%	
Operating grants, subsidies and contributions	11	441,431	294,256	376,275	82,019	27.87%	▲
Fees and charges		149,696	99,712	207,600	107,888	108.20%	▲
Interest earnings		11,300	7,512	24,515	17,003	226.34%	▲
Other revenue		42,930	28,608	24,745	(3,863)	(13.50%)	
Profit on disposal of assets	6	8,833	8,833	6,750	(2,083)	(23.58%)	
		<b>2,033,030</b>	<b>1,817,761</b>	<b>2,067,117</b>	249,356	13.72%	
<b>Expenditure from operating activities</b>							
Employee costs		(1,234,563)	(822,672)	(613,819)	208,853	25.39%	▲
Materials and contracts		(1,174,371)	(784,692)	(541,221)	243,471	31.03%	▲
Utility charges		(62,635)	(41,624)	(42,972)	(1,348)	(3.24%)	
Depreciation on non-current assets		(2,035,605)	(1,357,008)	0	1,357,008	100.00%	▲
Interest expenses		(47,954)	(28,225)	1,871	30,096	106.63%	▲
Insurance expenses		(161,952)	(107,864)	(178,687)	(70,823)	(65.66%)	▼
Other expenditure		(61,810)	(41,184)	(44,412)	(3,228)	(7.84%)	
Loss on disposal of assets	6	(116,000)	(18,500)	(64,671)	(46,171)	(249.57%)	▼
		<b>(4,894,890)</b>	<b>(3,201,769)</b>	<b>(1,483,911)</b>	1,717,858	(53.65%)	
Non-cash amounts excluded from operating activities	1(a)	2,142,772	1,366,675	57,921	(1,308,754)	(95.76%)	▼
<b>Amount attributable to operating activities</b>		<b>(719,088)</b>	<b>(17,333)</b>	<b>641,127</b>	658,460	(3,798.88%)	
<b>Investing activities</b>							
Proceeds from non-operating grants, subsidies and contributions	12	4,496,101	2,534,560	2,154,401	(380,159)	(15.00%)	▼
Proceeds from disposal of assets	6	250,000	0	258,079	258,079	0.00%	▲
Payments for property, plant and equipment and infrastructure	7	(6,580,923)	(4,392,712)	(3,925,176)	467,536	10.64%	▲
<b>Amount attributable to investing activities</b>		<b>(1,834,822)</b>	<b>(1,858,152)</b>	<b>(1,512,696)</b>	345,456	(18.59%)	
<b>Financing Activities</b>							
Proceeds from new debentures	8	440,000	0	407,025	407,025	0.00%	▲
Transfer from reserves	9	444,887	0	0	0	0.00%	
Repayment of debentures	8	(124,980)	0	0	0	0.00%	
Transfer to reserves	9	(14,245)	0	0	0	0.00%	
<b>Amount attributable to financing activities</b>		<b>745,662</b>	<b>0</b>	<b>407,025</b>	407,025	0.00%	
<b>Closing funding surplus / (deficit)</b>	1(c)	<b>(302,071)</b>	<b>(369,308)</b>	<b>1,025,090</b>	1,394,398	377.57%	

**KEY INFORMATION**

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 15 for an explanation of the reasons for the variance.

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

### **BASIS OF PREPARATION**

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has 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 Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to these financial statements.

### **SIGNIFICANT ACCOUNTING POLICES**

#### **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 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 not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

#### **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.

#### **ROUNDING OFF FIGURES**

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

#### **PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 13 March 2023

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**(a) Non-cash items excluded from operating activities**

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)
<b>Non-cash items excluded from operating activities</b>				
		\$	\$	\$
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	6	(8,833)	(8,833)	(6,750)
Add: Loss on asset disposals	6	116,000	18,500	64,671
Add: Depreciation on assets		2,035,605	1,357,008	0
<b>Total non-cash items excluded from operating activities</b>		<b>2,142,772</b>	<b>1,366,675</b>	<b>57,921</b>

**(b) Adjustments to net current assets in the Statement of Financial Activity**

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		Adopted Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 28 February 2023
<b>Adjustments to net current assets</b>				
Less: Reserves - restricted cash	9	(1,078,080)	(1,078,080)	(1,078,080)
Add: Borrowings	8	124,980	84,310	84,310
Add: Provisions employee related provisions	10	260,765	270,754	270,754
<b>Total adjustments to net current assets</b>		<b>(692,335)</b>	<b>(723,016)</b>	<b>(723,016)</b>

**(c) Net current assets used in the Statement of Financial Activity**

<b>Current assets</b>				
Cash and cash equivalents	2	3,007,541	3,007,541	2,491,802
Rates receivables	3	144,603	144,603	222,452
Receivables	3	126,456	163,706	206,505
Other current assets	4	5,613	13,432	13,432
<b>Less: Current liabilities</b>				
Payables	5	(5,732)	(67,344)	(136,797)
Borrowings	8	(124,980)	(84,310)	(84,310)
Contract liabilities	10	(694,224)	(694,224)	(694,224)
Provisions	10	(260,765)	(270,754)	(270,754)
<b>Less: Total adjustments to net current assets</b>	1(b)	<b>(692,335)</b>	<b>(723,016)</b>	<b>(723,016)</b>
<b>Closing funding surplus / (deficit)</b>		<b>1,506,177</b>	<b>1,489,634</b>	<b>1,025,090</b>

**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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal Cash at Bank		(5,203)	200,000	194,797		NAB	TBA	N/A
Municipal Cash Investments (Online and at call account)		716,561	500,000	1,216,561		NAB	TBA	N/A
Term Deposits		1,664	1,078,080	1,079,744		NAB	TBA	TBA
Petty Cash		700	0	700		N/A	N/A	N/A
<b>Total</b>		<b>713,722</b>	<b>1,778,080</b>	<b>2,491,802</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		713,722	1,778,080	2,491,802	0			
		<b>713,722</b>	<b>1,778,080</b>	<b>2,491,802</b>	<b>0</b>			

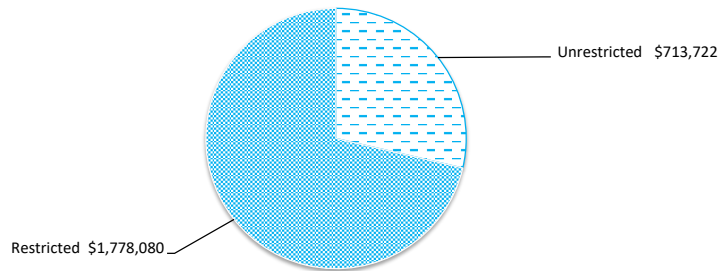
**KEY INFORMATION**

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

The local government classifies financial assets at amortised cost if both of the following criteria are met:

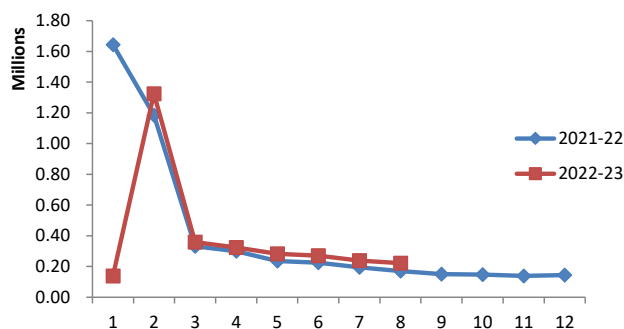
- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.





Rates receivable	30 June 2022	28 Feb 2023
	\$	\$
Opening arrears previous years	143,603	144,603
Levied this year	1,012,792	1,427,232
Less - collections to date	(1,011,792)	(1,349,383)
Gross rates collectable	144,603	222,452
Net rates collectable	144,603	222,452
% Collected	87.5%	85.8%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(153)	1,024	398	137,775	1,804	140,848
Percentage	(0.1%)	0.7%	0.3%	97.8%	1.3%	
<b>Balance per trial balance</b>						
Sundry receivable						140,848
GST receivable						65,657
<b>Total receivables general outstanding</b>						<b>206,505</b>

Amounts shown above include GST (where applicable)

#### KEY INFORMATION

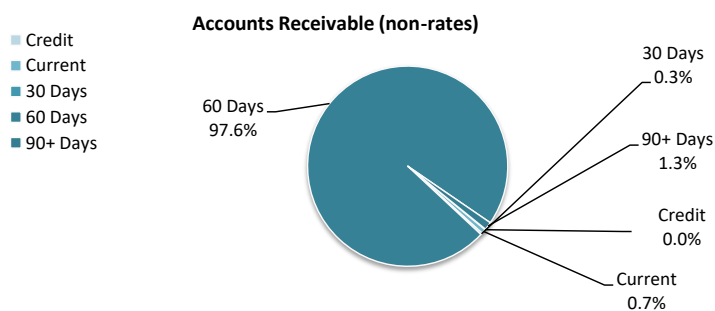
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

#### Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.



	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 28 February 2023
<b>Other current assets</b>	\$	\$	\$	\$
<b>Inventory</b>				
Fuel	13,432	0	0	13,432
<b>Total other current assets</b>	<b>13,432</b>	<b>0</b>	<b>0</b>	<b>13,432</b>

Amounts shown above include GST (where applicable)

KEY INFORMATION

**Inventory**

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.

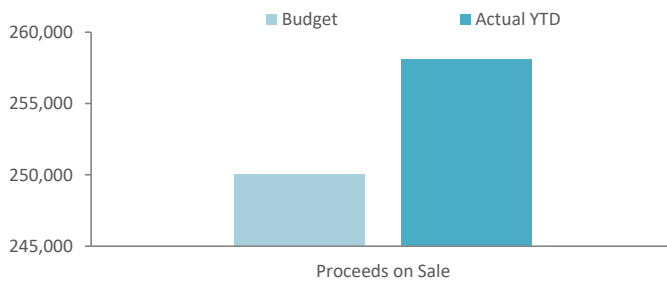
Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	0	0	0	0	0
Percentage	0%	0%	0%	0%	0%	
<b>Balance per trial balance</b>						
Sundry creditors						30,261
Accrued salaries and wages						0
ATO liabilities						33,783
Bonds & Deposits						72,753
<b>Total payables general outstanding</b>						<b>136,797</b>

Amounts shown above include GST (where applicable)

#### KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	<b>Plant and equipment</b>								
	<b>Transport</b>								
	Komatsu Grader	197,500	100,000	0	(97,500)	197,500	132,829	0	(64,671)
	Komatsu Loader	118,500	100,000	0	(18,500)	118,500	125,250	6,750	0
	Toyota Prado	41,167	50,000	8,833	0	0	0	0	0
		<b>357,167</b>	<b>250,000</b>	<b>8,833</b>	<b>(116,000)</b>	<b>316,000</b>	<b>258,079</b>	<b>6,750</b>	<b>(64,671)</b>



Capital acquisitions	Adopted		YTD Actual	Forecast 30 June Closing	YTD Actual Variance
	Budget	YTD Budget			
	\$	\$	\$		\$
Buildings	2,047,255	1,368,136	893,100	1,572,219	(475,036)
Plant and equipment	874,217	582,784	759,479	1,050,912	176,695
Infrastructure - roads	3,580,451	2,389,128	2,253,605	3,444,928	(135,523)
Infrastructure - bridges	55,000	36,664	18,992	37,328	(17,672)
Infrastructure - parks, ovals & playgrounds	24,000	16,000	0	8,000	(16,000)
<b>Payments for Capital Acquisitions</b>	<b>6,580,923</b>	<b>4,392,712</b>	<b>3,925,176</b>	<b>6,113,387</b>	<b>(467,536)</b>
<b>Capital Acquisitions Funded By:</b>					
	\$	\$	\$		\$
Capital grants and contributions	4,496,101	2,534,560	2,154,401	4,115,942	(380,159)
Borrowings	440,000	0	407,025	847,025	407,025
Other (disposals & C/Fwd)	250,000	0	258,079	508,079	258,079
Cash backed reserves					
Plant and Equipment	(340,000)		0	(340,000)	0
Housing Reserve	(20,000)		0	(20,000)	0
Recreation & Community Facility	(84,887)		0	(84,887)	0
Contribution - operations	1,839,709	1,858,152	1,105,671	1,087,228	(752,481)
<b>Capital funding total</b>	<b>6,580,923</b>	<b>4,392,712</b>	<b>3,925,176</b>	<b>6,113,387</b>	<b>(467,536)</b>

#### SIGNIFICANT ACCOUNTING POLICIES

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

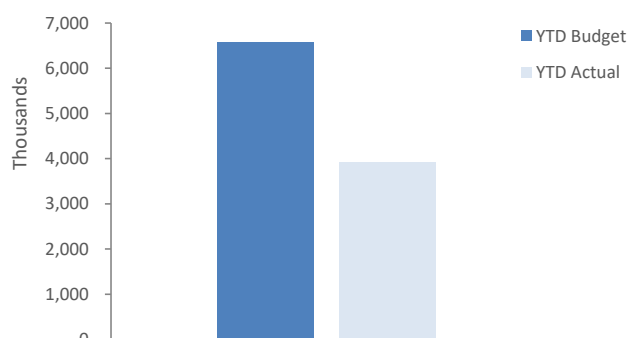
#### Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

#### Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



Level of completion indicator, please see table at the end of this note for further detail.

Account Description		Adopted			Variance (Under)/Over	
		Budget	YTD Budget	YTD Actual		
		\$	\$	\$	\$	
<b>Buildings</b>						
	C084	Aged Persons Accommodation Capital Expense	1,149,064	766,040	789,022	22,982
	C162	Cuballing Town Hall - Capital Works	250,000	166,664	5,720	(160,944)
	C164	Building Renewal - Cuballing Cwa Hall	293,304	195,528	9,708	(185,820)
	C173	Skate Park Refurbishment	15,000	10,000	5,683	(4,317)
	C186	Yornaning Dam Stage 4	0	0	6,761	6,761
	C197	Yornaning Mountain Bike Track	0	0	1,410	1,410
	C203	Cuballing War Memorial	99,887	66,576	59,871	(6,705)
	C205	Golf Club Facility Upgrade (Lrci Funds)	0	0	5,009	5,009
	J163A	Popanyinning Hall Capital Works	100,000	66,664	0	(66,664)
	11057	Record Not Found	30,000	30,000	0	(30,000)
	J4114D	Administration Office Refurbishment	100,000	60,000	0	(60,000)
	12145	Capital Expenditure - Depot Upgrade	10,000	6,664	9,916	3,252
	<b>Total Buildings</b>		<b>2,047,255</b>	<b>1,368,136</b>	<b>893,100</b>	<b>(475,036)</b>
<b>Furniture &amp; Equipment</b>						
	Nil		0	0	0	0
	<b>Total Furniture &amp; Equipment</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Plant &amp; Equipment</b>						
	12411	Two Way system for Plant	20,000	13,328	0	(13,328)
	12412	Capital Purchase - Grader	440,000	293,328	407,025	113,697
	12414	Capital Purchase - CEO Vehicle Prado GXL	57,717	38,472	0	(38,472)
	12419	Capital Expenditure - Plant & Equipment - Loader and Attachmen	350,000	233,328	347,772	114,444
	12420	Capital Expenditure - Plant & Equipment - Mower	6,500	4,328	4,682	354
	<b>Total Plant &amp; Equipment</b>		<b>874,217</b>	<b>582,784</b>	<b>759,479</b>	<b>176,695</b>
<b>Roads</b>						
	R001E	Rrg Stratherne Rd 2022/23	210,600	140,368	57,122	(83,246)
	R001D	Stratherne Road 2021/22	0	0	9,756	9,756
	R129F	Wandering-Narrogin Road 2022/23	269,400	179,584	47,588	(131,996)
	RTR014	Contine Siding Floodway	41,750	27,816	0	(27,816)
	RTR017	Roads To Recovery Reeds Road Gravel Sheeting	0	0	18,182	18,182
	RTR042	Dent Road Floodway	37,424	24,920	0	(24,920)
	RTR052	Youngs Road Floodway	40,660	27,080	0	(27,080)
	RTR056	Lol Gray Soak Road Floodway	74,927	49,936	70,648	20,712
	RTR129	R2R Wandering Narrogin Road Final Seal	40,050	26,696	69,444	42,748
	R129E	Narrogin Wandering Road 2021/22	0	0	53,627	53,627
	BS129	Blackspot - Wandering Narrogin Road	7,000	7,000	0	(7,000)
	WSF006	Wheatbelt Secondary Freight Network Cuballing East Road	1,090,148	726,752	1,278,876	552,124
	WF006D	Wheatbelt Secondary Freight Network Cuballing East Road-Devel	0	0	25,878	25,878
	WSF007	Wheatbelt Secondary Freight Network 2022/23 Cuby East Road	1,509,832	1,006,536	612,168	(394,368)
	WF007D	Wheatbelt Secondary Freight Network 2022/23 Cuby East Road-D	0	0	7,999	7,999
	WSF129	Wheatbelt Secondary Freight Narrogin Wandering Road	258,660	172,440	2,317	(170,123)
	<b>Total Roads</b>		<b>3,580,451</b>	<b>2,389,128</b>	<b>2,253,605</b>	<b>(135,523)</b>
<b>Bridges</b>						
	11214	Bridge Improvements - Capital Upgrades	55,000	36,664	18,992	(17,672)
	<b>Total Bridges</b>		<b>55,000</b>	<b>36,664</b>	<b>18,992</b>	<b>(17,672)</b>
						0
<b>Parks, Ovals &amp; Playgrounds</b>						
	11128	Expenditure - Sporting Club Upgrades	24,000	16,000	0	(16,000)
	<b>Total Parks, Ovals &amp; Playgrounds</b>		<b>24,000</b>	<b>16,000</b>	<b>0</b>	<b>(16,000)</b>
	<b>TOTAL CAPITAL EXPENDITURE</b>		<b>6,580,923</b>	<b>4,392,712</b>	<b>3,925,176</b>	<b>(467,536)</b>

Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Education and welfare</b>										
Aged Accommodation	65	850,000	0	0	0	(68,849)	850,000	781,151	1,097	(37,891)
<b>Transport</b>										
Grader	67	0	407,025	440,000	0	(40,671)	407,025	399,329	19	(7,639)
<b>Other property and services</b>										
Austral Land	64	115,572	0	0	0	(15,460)	115,572	100,112	754	(2,424)
<b>Total</b>		965,572	407,025	440,000	0	(124,980)	1,372,597	1,280,592	1,870	(47,954)
Current borrowings		124,980					84,310			
Non-current borrowings		840,592					1,288,287			
		965,572					1,372,597			

All debenture repayments were financed by general purpose revenue.

The Shire has no unspent debenture funds as at 30th June 2022, nor is it expected to have unspent funds as at 30th June 2023.

KEY INFORMATION

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023

OPERATING ACTIVITIES  
NOTE 9  
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by Council</b>									
Plant and Equipment	341,028	1,960		0	0	(340,000)	0	2,988	341,028
Administration Building and IT and Office	9,160	32		0	0	0	0	9,192	9,160
Employee Entitlements	286,388	1,067		0	0	0	0	287,455	286,388
Housing Reserve	98,316	367		0	0	(20,000)	0	78,683	98,316
Recreation & Community Facility	178,242	792		0	0	(84,887)	0	94,147	178,242
Refuse Site	45,472	205		0	0	0	0	45,677	45,472
Equestrian	4,915	50		5,245	0	0	0	10,210	4,915
Standpipe Maintenance	4,100	20		0	0	0	0	4,120	4,100
Road and Bridges	105,137	486		0	0	0	0	105,623	105,137
Community and Sporting Club	5,322	21		4,000	0	0	0	9,343	5,322
	<b>1,078,080</b>	<b>5,000</b>	<b>0</b>	<b>9,245</b>	<b>0</b>	<b>(444,887)</b>	<b>0</b>	<b>647,438</b>	<b>1,078,080</b>



	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 February 2023
<b>Other current liabilities</b>		\$		\$	\$	\$
<b>Other liabilities</b>						
- Capital grant/contribution liabilities		694,224	0	0	0	694,224
<b>Total other liabilities</b>		694,224	0	0	0	694,224
<b>Employee Related Provisions</b>						
Annual leave		95,340	0			95,340
Long service leave		175,414	0			175,414
<b>Total Employee Related Provisions</b>		270,754	0	0	0	270,754
<b>Total other current assets</b>		<b>964,978</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>964,978</b>
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 12

#### KEY INFORMATION

##### Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

##### Employee Related Provisions

###### Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

###### Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

##### Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

##### Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	YTD Revenue
	1 July 2022		(As revenue)	28 Feb 2023	28 Feb 2023			Actual
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating grants and subsidies</b>								
<b>General purpose funding</b>								
Income - Grants Commission	0	0	0	0	0	131,532	87,688	164,426
<b>Law, order, public safety</b>								
Income - Fire Prevention - Grants	0	0	0	0	0	38,997	25,992	51,523
Income Fire Mitigation Grants	0	0	0	0	0	40,000	26,664	0
<b>Education and welfare</b>								
Income Relating to Aged & Disabled - Senior Citizens	0	0	0	0	0	2,500	1,664	0
<b>Recreation and culture</b>								
Income - Youth Activity Funding	0	0	0	0	0	1,000	664	0
Income - Sporting Club Grants & Contributions	0	0	0	0	0	16,000	10,664	0
<b>Transport</b>								
Income - Grant - MRWA Direct	0	0	0	0	0	93,646	62,424	95,660
Income - Grants Commission Local Road Grant	0	0	0	0	0	103,056	68,704	41,347
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>426,731</b>	<b>284,464</b>	<b>352,956</b>
<b>Operating contributions</b>								
<b>Recreation and culture</b>								
Income - Relating to Other Recreation & Sport	0	0	0	0	0	0	0	323
<b>Economic services</b>								
Income Relating to Tourism & Area Promotion	0	0	0	0	0	4,700	3,128	3,500
<b>Other property and services</b>								
Income - Less Workers Compensation Claimed	0	0	0	0	0	10,000	6,664	19,496
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,700</b>	<b>9,792</b>	<b>23,319</b>
<b>TOTALS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>441,431</b>	<b>294,256</b>	<b>376,275</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023

NOTE 12

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD
	1 July 2022	Liability	Liability	28 Feb 2023	Liability	Budget	Budget	Revenue
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
<b>Non-operating grants and subsidies</b>								
<b>General purpose funding</b>								
Income - Phase 3 community Infrastructure Grant - LRCI	0	0	0	0	0	495,536	330,352	371,652
Income - Phase 3 Extension LRCI	0	0	0	0	0	247,768	165,176	0
<b>Education and welfare</b>								
Aged Accommodation	694,224	0	0	694,224	694,224	694,224	0	0
<b>Transport</b>								
Regional Road Grants	0	0	0	0	0	321,225	214,144	135,152
Cuballing East Wheatbelt Secondary Freight Network	0	0	0	0	0	705,958	470,632	1,647,597
WSFN - Income Wandering Narrogin Road	0	0	0	0	0	240,554	160,368	0
2022/23 Cuballing East Road Wheatbelt Secondary Freight	0	0	0	0	0	1,580,836	1,053,888	0
Roads to Recovery	0	0	0	0	0	210,000	140,000	0
	<b>694,224</b>	<b>0</b>	<b>0</b>	<b>694,224</b>	<b>694,224</b>	<b>4,496,101</b>	<b>2,534,560</b>	<b>2,154,401</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 13  
TRUST FUND**

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Description	Opening	Amount	Amount	Closing Balance
	Balance			Received
	1 July 2022			
	\$	\$	\$	\$
Cuballing Cricket Club	200	0	0	200
Department of Transport - Licensing	658	172,065	(100,170)	72,553
				0
	<b>858</b>	<b>172,065</b>	<b>(100,170)</b>	<b>72,753</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 14  
BUDGET AMENDMENTS**

Proposed 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>			\$	\$	\$	\$
	Revised Budget Net Deficit position	Proposed	Opening Surplus(Deficit)			(326,498)	24,427 (302,071)
C191	Administration Office Refurbishment	Proposed	Operating Expenses		100,000		(202,071)
				0	100,000	(326,498)	(202,071)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 15  
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 Actual materially.

The material variance adopted by Council for the 2022-23 year is \$5,000 or 10.00% whichever is the greater.

Nature or type			Explanation of positive variances	
	Var. \$	Var. %	Timing/Permanent	Comments
	\$	%		
<b>Opening funding surplus / (deficit)</b>	(16,543)	(1.10%)		Finalisation of 2021/22 Annual Financial Statements
<b>Revenue from operating activities</b>				
Rates	48,392	3.51%		Allowance for rates to be written off
Operating grants, subsidies and contributions	82,019	27.87% ▲	Permanent	Financial Assistance Grants
Fees and charges	107,888	108.20% ▲	Timing	Rubbish collection fees (\$33k), Standpipe (\$37k), Winter Ball (\$20k)
Service charges	0	0.00%		Nil
Interest earnings	17,003	226.34% ▲	Timing	Higher interest rates on investments
Other revenue	(3,863)	(13.50%)		Not Material
Profit on disposal of assets	(2,083)	(23.58%)		Not Material
<b>Expenditure from operating activities</b>				
Employee costs	208,853	25.39% ▲	Timing	Public Works Overheads
Materials and contracts	243,471	31.03% ▲	Permanent	Predominately road maintenance, plant & fire mitigation costs
Utility charges	(1,348)	(3.24%)		Not Material
Depreciation on non-current assets	1,357,008	100.00% ▲	Timing	Depreciation not calculated for 22/23 financial year
Interest expenses	30,096	106.63% ▲	Timing	Loan repayments still to be processed
Insurance expenses	(70,823)	(65.66%) ▼	Timing	Premiums paid in 2 instalments (budget has allocated over 12 months)
Other expenditure	(3,228)	(7.84%)	Timing	Not Material
Loss on disposal of assets	(46,171)	(249.57%) ▼	Timing	Sale of old grader
Non-cash amounts excluded from operating activities	(1,308,754)	(95.76%) ▼	Timing	Depreciation not processed in 22/23
<b>Investing activities</b>				
Proceeds from non-operating grants, subsidies and contributions	(380,159)	(15.00%) ▼	Timing	Income previously received and held as a contract liability for the Aged Persons Accommodation Units
Proceeds from disposal of assets	258,079	0.00% ▲	Timing	Disposal of Loader & Grader
Payments for property, plant and equipment and infrastructure	467,536	10.64% ▲	Timing	Road & Building infrastructure projects
Non-cash amounts excluded from investing activities	0	0.00%		
<b>Financing activities</b>				
Proceeds from new debentures	407,025	0.00% ▲	Timing	Loan for Grader
Transfer from reserves	0	0.00%		Nil
Payments for principal portion of lease liabilities	0	0.00%		Nil
Repayment of debentures	0	0.00%		Nil
Transfer to reserves	0	0.00%		Nil
<b>Closing funding surplus / (deficit)</b>	1,394,398	377.57%		As per the above explanations

Minutes of the Ordinary Meeting of the Shire of Cuballing held Wednesday, 15 March 2023

### 9.1.3 Budget Review 2022/2023

*NOTE: This Item was withdrawn by the CEO. One of the attachments had not been completed and some of the commentary in the report requires amendment. An updated version of the report will be presented at the April 2023 Ordinary Meeting. The CEO noted that consideration of the Report at the April 2023 meeting will still be compliant with the requirement of Regulation 33A of the Local Government (Financial Management) Regulations.*

Applicant:	N/A
File Ref. No:	ADM102
Disclosure of Interest:	Nil
Date:	10 <sup>th</sup> March 2023
Author:	Fred Steer
Attachments:	9.1.3A Budget Review Report (to be distributed under separate cover) 9.1.3B Budget review Commentary Report

#### **Summary**

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30 June 2023 for the period ended 31 January 2023 is presented for council to consider.

#### **Background**

The Local Government (Financial Management) Regulations 1996, regulation 33A as amended, requires that Local Governments conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

#### **Comment**

The budget review has been prepared to include information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards. Council adopted a 10% and a \$5,000 minimum for the reporting of material variances to be used in the statements of financial activity and the annual budget review.

These projections are estimates done to the best of the abilities of the staff involved consulting with current accounts, forecasted expenditures and current budgets. These estimates do not guarantee that the 2022/2023 projected results will match the end of year result.

The attached report provides an explanation for predicted variances shown in the Budget Review forecasts for this financial year.

The major variances found in the Budget Review:

- LRCI Phase 3+ funding deferred until 2023-2025 years resulting in an income reduction of \$247,768 but this is now funded in later years.
- \$100,000 allocated twice for Disability funding, once is G/L 04113 & also 04261 resulting in a double up.
- Increased Computer Equipment Maintenance by \$13,000 to \$60,000 to accommodate additional cost incurred on IT software and hardware maintenance & licences.
- Fire Mitigation grant income is \$40,000 under budget, due to the works being dependant on MAF funding. Application to be submitted for Round 2 of 2023.

- Maintenance to fire vehicles is \$47,000 over budget, this amount can be claimed back from FESA in full. Maintaining vehicles in 'Fit for Purpose' condition.
- Local Laws budget reduced by \$5,000 – reduced requirement for use of Government Gazette.
- Expenditure on Town Halls (CWA & AG) reduced by \$197,741 to accommodate reduction on in LRCI funding, now carried over to the 2023-2025 years.
- DREA lighting expenditure increased by \$6,000 to a total of \$30,000 to accommodate final pricing and council contribution.
- WSNF Wandering-Narrogin Road referred to 2023-2024 year reduction of \$100,232, some funds expended already but remaining becomes restricted funds.
- Loan for purchase of grader originally estimated @ \$440,000. Final purchase price of \$407,025, loan reduced accordingly @ -\$32,975.
- Parts and repairs are sitting on budget despite some major repairs.
- Maintenance on Streets & Roads is predicted to be under budget due to extensive WSNF program this year, estimated \$248,480 underspend.
- Staff training for the outside crew is under budget due to focus on WSNF. Planning is in place to recruit additional staff and keep place with natural attrition.
- WSNF Variation approved for the 2021/2022 and 2022/2023 financial years +\$451,785, this offset increased pricing across the board but also increases the cost of councils 6.67% contribution in matching funds.
- It is proposed to transfer \$27,555 to the Plant Replacement Reserve to reflect the higher sale price received for the old grader.

Based on Budget Review predictions, Council is on track to meet budget with a year-end surplus.

The Budget Review Report document will be provided separately prior to the council meeting.

Strategic Implications - Nil

Statutory Environment

Local Government (Financial Management) Regulations 1996

Part 3 Annual budget — s. 6.2

33A. Review of budget

(1) Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.

(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.

(3) A council is to consider a review submitted to it and is to determine\* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

*\*Absolute majority required.*

(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Policy Implications - Nil

Financial Implications



Based on the end of year position expected from this Budget Review, no amendments to the 2022/2023 Budget have been recommended.

Economic Implication - Nil

Environmental Considerations - Nil

Consultation - Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. not to receive the Budget Review for 2022/2023.

Voting Requirements – Simple Majority

**OFFICER'S RECOMMENDATION:**

**That Council adopt the Budget Review for the financial year 2022/2023 that was conducted in accordance with Regulation 33A (2) and (3) of the Local Government (Financial Management) Regulation 1996.**

SHIRE OF CUBALLING  
BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 31 JANUARY 2023  
Attachment 9.1.7B BUDGET REVIEW COMMENTARY

GL Acc	Description	Cash Increase	Cash Decrease	Explanation	Timing / Permanent
1031700	Rate Legal Costs Recovered	\$5,000		Legal cost on 6 properties higher than anticipated	Permanent
1032010	Interest Received - Municipal Account	\$15,500		Interest received on Muni account is higher than budgeted due increasing interest rates	Permanent
1032070	Phase 3 Extension LRCI		\$247,768	Government decision - funding deferred to 2023-2025 years	Permanent
1041070	Members - Subscriptions		\$6,000	Additional subscription (Taxation services) added for 2022/2023 year	Permanent
1042610	Capital Expenditure - Land & Buildings - Administration Building	\$100,000		Double up. Also allocated in 1041130	Permanent
1042440	Admin Motor Vehicle expenditure		\$4,000	Operating and plant recovery costs increased with introduction of DCEO vehicle	Permanent
1042930	Computer Equipment Maintenance		\$13,000	Increasing costs for Annual IT support, maintenance, programme fees & updates and security monitoring & training	Permanent
1051010	Maintenance of Fire Vehicles and Trailers		\$47,000	Increasing plant recovery costs for fire vehicles and trailers. To be claimed back from DFES.	Permanent
1051150	Fire Mitigation Works	\$40,000		Mitigation work dependant on MAF funding. Proposal for 22/23 stage 2 (March/April 2023) equal October 2022	Permanent
1051500	Fire Prevention Grants	\$47,000		ESL grant greater than budgeted. 4th quarter top come & reimbursement for vehicle Mtce	Permanent
1051550	Fire Mitigation Grants		\$40,000	No MAF grants in current year, planning for 2023/2024	Permanent
1053150	Local Laws	\$5,000		Publication of local laws in Government Gazette less than anticipated	Permanent
1091500	Contributions and Reimbursements for Staff Housing		\$4,680	Contributions from staff, not used since 2020/2021 (D.Christensen)	Permanent
1101550	Rubbish Collection Service	\$6,819		Rubbish collection fees	Permanent
1110480	Land & Buildings - Public Halls	\$197,741		Government decision - funding deferred to 2023-2025 years	Permanent
1111280	Sporting Club Upgrades - DREA Lighting		\$6,000	Addition funding required to complete DREA lighting project	Permanent
1111800	Sporting Club Grants & Contributions	\$4,000			Permanent
1113200	Recreation and Sport Capital Expenditure	\$50,000		Government decision - funding deferred to 2023-2025 years	Permanent
1121660	WSFN - Wandering Narrogin Road		\$100,232		Permanent
1121950	New Loan Borrowings - Loan for purchase of Grader		\$32,975	Loan reduced to reflect purchase price of Grader	Permanent
1124120	Purchase of Grader	\$32,975		Purchase of Grader cheaper than anticipated	Permanent
1132060	Community Functions - Winter Ball (J132Y)	\$16,832		Winter Ball	Permanent
1132600	Income from Winter Ball		\$19,879	Payment to Blaze Aid @ \$3047 (to check)	Permanent
1701020	Transfer (to)/from reserves		\$58,079	Proceeds from sale of Komatsu Grader @ \$32,829 & Loader \$25,250 for Plant Replacement Reserve	Permanent
1121640	WSFN - Cuby East 2020/2021	\$184,175		Increase in Grant Funding	Permanent
1121670	WSFN - Cuby East 2021/2022	\$267,610		Increase in Grant Funding	Permanent
1121270	WSFN Expenditure - Cuby East 2020/2021		\$184,175	Increase in Project Costs including council 6.667% contribution	Permanent
1121270	WSFN Expenditure - Cuby East 2021/2022		\$267,610	Increase in Project Costs including council 6.667% contribution	Permanent
1122050	Maintenance on streets and roads	\$248,480		Decrease in planned expenditure due resources focused on WSFN task	Permanent
		<b>\$1,221,132</b>	<b>\$1,031,398</b>		

## 9.2 CHIEF EXECUTIVE OFFICER:

### 9.2.1 Conduct of the 2023 Local Government Ordinary Election

Applicant:	Shire of Cuballing
File Ref. No:	ADM27
Disclosure of Interest:	Nil
Date:	7 March 2023
Author:	CEO- Stan Scott
Attachments:	9.2.1A Correspondence from WA Electoral Commission 9.2.1B Memorandum from Minister for Local Government

#### Purpose

Council is asked to consider its preferred process for the forthcoming Local Government Ordinary Election in October 2023. In particular it is proposed that Council opt for a postal election conducted by the WAEC.

#### Background

The Minister for Local Government has requested that Council's make a decision at the March 2023 round of Council meetings to determined:

- Whether to conduct in-person or postal elections;
- Whether to nominate the WA Electoral Commission to conduct the election (mandatory for postal elections);
- Whether, if conducting an in person election, to purchase the WAEC counting software to assist with dealing with preferential voting.

The WA Electoral Commission as provided a quote of \$15,000 to conduct the 2023 Ordinary Election. This costs presumes that the election will be contested, that is, more candidates than vacancies.

#### Discussion

The legislation to make the next tranche of Local Government reforms has been submitted to parliament. Given that the government controls both houses of parliament it is likely that the legislation will proceed and be enacted in time for the next election. The processing of votes under a preferential system is more complex than the existing first past the post system, and at a minimum the Shire will need the requisite software to expedite the count.

Notwithstanding the complexities of the new voting system there is a strong argument for postal voting simply based on increased voter turnout. The table below compares the voter turnout for a number of Shires at the 2021 election where postal voting was in place.

Shire	No. Electors	Turnout
Brookton	681	52%
Bruce Rock	671	59%
Dowerin	475	55%
Gnowangerup	765	44%
Perenjori	277	55%
Vic Plains (1 Ward)	164	69%
Wongan Ballidu	949	57%
Narrogin	3243	44%

The list includes mostly similar sized shires. Narrogin has also been added to provide a local example.

At the last Ordinary Election Cuballing had 652 electors and the voter turnout for was 21%. This was less than half the Narrogin voter turnout. Most similar sized local governments achieved well over 50%.

### Statutory Environment

The legislation includes the following provisions.

#### Local Government Act 1995:

#### **4.20. CEO to be returning officer unless other arrangements made**

- (1) Subject to this section the CEO is the returning officer of a local government for each election.
- (2) A local government may, having first obtained the written agreement of the person concerned and the written approval of the Electoral Commissioner, appoint\* a person other than the CEO to be the returning officer of the local government for —
  - (a) an election; or
  - (b) all elections held while the appointment of the person subsists.

*\* Absolute majority required.*

- (3) An appointment under subsection (2) —
  - (a) is to specify the term of the person's appointment; and
  - (b) has no effect if it is made after the 80<sup>th</sup> day before an election day.
- (4) **A local government may, having first obtained the written agreement of the Electoral Commissioner, declare\* the Electoral Commissioner to be responsible for the conduct of an election, or all elections conducted within a particular period of time, and, if such a declaration is made, the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.**

*\* Absolute majority required.*

- (5) A declaration under subsection (4) has no effect if it is made after the 80<sup>th</sup> day before election day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.
- (6) A declaration made under subsection (4) on or before the 80<sup>th</sup> day before election day cannot be rescinded after that 80<sup>th</sup> day.

#### **4.61. Choice of methods of conducting election**

- (1) The election can be conducted as a —  
***postal election*** which is an election at which the method of casting votes is by posting or delivering them to an electoral officer on or before election day; or

*voting in person election* which is an election at which the principal method of casting votes is by voting in person on election day but at which votes can also be cast in person before election day, or posted or delivered, in accordance with regulations.

**(2) The local government may decide\* to conduct the election as a postal election.**

**\* Absolute majority required.**

- (3) A decision under subsection (2) has no effect if it is made after the 80<sup>th</sup> day before election day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.
- (4) A decision under subsection (2) has no effect unless it is made after a declaration is made under section 4.20(4) that the Electoral Commissioner is to be responsible for the conduct of the election or in conjunction with such a declaration.**
- (5) A decision made under subsection (2) on or before the 80<sup>th</sup> day before election day cannot be rescinded after that 80<sup>th</sup> day.
- (6) For the purposes of this Act, the poll for an election is to be regarded as having been held on election day even though the election is conducted as a postal election.
- (7) Unless a resolution under subsection (2) has effect, the election is to be conducted as a voting in person election.

Policy Implications - Nil

Financial Implications

The WAEC has provided a quote of \$15,000 for the conduct of a postal election for the Ordinary Election for 2023. It assumes that the changes proposed in the new legislation are enacted. While the quote is based on 3 vacancies rather than the 4 we know we will have, the CEO has spoken to the WAEC and the cost will not increase unless there are more than 10 candidates for the available vacancies.

Economic Implication - Nil

Environmental Considerations - Nil

Consultation

The CEO discussed the advantages of postal elections at the last Council Forum

Options

Voting Requirements – Absolute Majority

**OFFICER'S RECOMMENDATION:**

**That Council:**

1. Having obtained the written agreement of the Electoral Commissioner to be responsible for the conduct of the 2023 Ordinary Election, **declares** the Electoral Commissioner to be responsible for the conduct of all Local Government Elections until 2030.
2. **Notes** that following this declaration the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.
3. **Decides** that the 2023 election, and all subsequent elections until 2030 shall be conducted as postal elections.

**COUNCIL MOTION**

**That Council:**

1. Having obtained the written agreement of the Electoral Commissioner to be responsible for the conduct of the 2023 Ordinary Election, **declares** the Electoral Commissioner to be responsible for the conduct the Local Government Elections in 2023.
2. **Notes** that following this declaration the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.
3. **Decides** that the 2023 election shall be conducted as postal elections.

**Moved Cr Kowald**

**Seconded Cr Harris**

**Lost 3/1**

**The Motion was lost because it failed to achieve an Absolute Majority**

**COUNCIL RESOLUTION 2023/19:**

**That Council decides that the 2023 Ordinary Election shall be conducted as a voting in person election**

**That Council nominates the CEO as Returning Officer for the 2023 Ordinary Election.**

**Moved Cr Bradford**

**Seconded Cr Kowald**

**CARRIED 4/0**

*Reason for decision: That Council prefers the greater engagement involved in a voting in person election and also notes that it is cheaper than a postal election.*

LGE 028

Mr Stan Scott  
Chief Executive Officer  
Shire of Cuballing  
PO Box 13  
CUBALLING WA 6311

Dear Mr Scott

**Local Government Ordinary Election: 2023**

The next local government ordinary elections are being held on 21 October 2023. While this is still some distance in the future, I have enclosed an estimate for your next ordinary election to assist in your 2023/2024 budget preparations.

The estimated cost for the 2023 election if conducted as a postal ballot is \$15,000 inc GST, which has been based on the following assumptions:

- 680 electors
- response rate of approximately 50%
- 3 vacancies
- count to be conducted at the offices of the Shire of Cuballing
- appointment of a local Returning Officer
- regular Australia Post delivery service to apply for the lodgement of the election packages.

An additional amount of \$150 will be incurred if your Council decides to opt for the Australia Post Priority Service for the lodgement of election packages.

The Commission is required by the *Local Government Act* to conduct local government elections on a full cost recovery basis and you should note that this is an estimate only and may vary depending on a range of factors.

Costs not incorporated in this estimate include:

- any legal expenses other than those that are determined to be borne by the Western Australian Electoral Commission incurred as part of an invalidity complaint lodged with the Court of Disputed Returns
- the cost of any casual staff to assist the Returning Officer on election day or night
- any unanticipated costs arising from public health requirements for the COVID-19 pandemic.

As you are aware, the Government is currently considering reforms to the *Local Government Act 1995*, which include how elections are to be conducted. In order to assist with your local government's budget planning, we have included, to the best of our knowledge, costs that will arise from the changes proposed in legislation. For example, if under the amendments your local government will be required to conduct a mayoral/presidential election this has been included.

Some local governments may also note an increase in costs from their 2021 ordinary costs. These include increases arising from inflation in recent years affecting salaries for Returning Officers and other staff, printing and packaging costs as well as the increase in postage announced by Australia Post. Additional costs from the Commission have been included arising from improved processing procedures and additional resources to supplement the Commission's education, complaints management, investigation and legal efforts.

In order for the Commission to be responsible for the conduct of your election, the first step required by the *Local Government Act 1995* is my written agreement to undertake the election.

As such, you may take this letter as my agreement to be responsible for the conduct of the ordinary elections in 2023 for the Shire of Cuballing in accordance with section 4.20(4) of the *Local Government Act 1995*, together with any other elections or polls that may also be required. My agreement is subject to the proviso that the Shire of Cuballing also wishes to have the election undertaken by the Western Australian Electoral Commission as a postal election.



In order to achieve this, your council would need to pass the following two motions by absolute majority:

- Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2023 ordinary elections together with any other elections or polls which may be required
- Decide, in accordance with section 4.61(2) of the *Local Government Act 1995* that the method of conducting the election will be as a postal election.

It would be greatly appreciated if this item was considered at your March council meeting, to enable the Commission to have sufficient time to work with you to effectively conduct the election.

I look forward to conducting this election for the Shire of Cuballing in anticipation of an affirmative vote by Council. If you have any further queries please contact Shani Wood Director, Election Operations on 9214 0400.

Yours sincerely



Robert Kennedy  
**ELECTORAL COMMISSIONER**

9 February 2023

Our ref: 78-11008

3 February 2023

Dear Local Government Chief Executive Officers

## **MEMORANDUM TO CHIEF EXECUTIVE OFFICERS ARRANGEMENTS FOR THE UPCOMING OCTOBER 2023 ORDINARY ELECTIONS**

As you know, the State Government is continuing to work with the local government sector to deliver the most significant package of local government reforms in more than 25 years. These reforms include several measures to strengthen local democracy and increase community engagement, including new requirements for:

- the introduction of optional preferential voting for all local government elections;
- directly-elected Mayors and Presidents for all Band 1 and 2 local governments;
- the abolition of wards for all Band 3 and 4 local governments; and
- aligning the size of councils with the size of the population of each district.

In September 2022, I wrote to all local governments to outline the implications of the reforms for each council, and pathways for implementing required changes. Since then, the majority of impacted councils have been working to consider how best to transition in changes. Many councils have since completed Ward and Representation Reviews, while others will have more substantial changes implemented through reform elections, or minor changes made to apply by default.

I would like to acknowledge and thank local governments for the constructive and proactive way they have approached this forward planning.

Further to my previous letter, the State Government is continuing to work to implement election reforms ahead of the October 2023 Ordinary Elections. The reforms will introduce Optional Preferential Voting (OPV) for all local government elections. OPV is similar to preferential voting used in State and Federal Elections, and for local government elections in every other Australian state. OPV provides that electors can preference as many or as few candidates as they decide, and there will be no transfer of preferences other than the preferences electors mark on their ballot paper.

The reforms will also include related new changes for the backfilling of vacancies, including:

- in the event that a member of the council is directly elected as the Mayor or President, the consequent vacancy can be filled by the next highest-polling candidate through the relevant district or ward council election held on the same day;
- if a vacancy arises within one year of a council member being elected at an ordinary election, that vacancy may be filled by the next highest-polling candidate; and
- the timeframes for which certain vacancies can remain unfilled ahead of an upcoming ordinary election will also be extended.

Together, these reforms will greatly reduce the need for extraordinary elections, saving costs for ratepayers and administrative burden for local governments in the longer term.

However, these changes will require specific attention on election night, and returning officers will need to identify the candidates who are next in line to fill further vacancies for inclusion on the declaration of results. Accordingly, I am writing to encourage all local governments to commence early planning for the practical arrangements for the conduct of the October 2023 Ordinary Elections.

As you would know, the council may declare the Electoral Commissioner as responsible to conduct postal elections under sections 4.20 and 4.61 of the *Local Government Act 1995* (the Act). Section 4.28 of the Act further provides that the local government is to meet the costs incurred by the Western Australian Electoral Commission (WAEC) in conducting such elections.

Alternatively, if council decides that the CEO (or other appointee) is to be the returning officer, local governments will have the option to purchase a licence for access to the WAEC's CountWA software to facilitate the counting of votes. CountWA software is used to count votes in State Elections, and involves data entry of preferences indicated on ballot papers. This provides for preferences to be counted and re-counted using the software.

If a local government decides to license the software instead of appointing the Electoral Commissioner to conduct the election, the CEO (or other appointee) will remain wholly responsible for the conduct of the count, the use of the software, the introduction of the new OPV counting and backfilling provisions, and dealing with any disputes or complaints. The WAEC will only be able to provide general assistance on accessing and using the software.

The WAEC will shortly be writing to all local governments to provide information for each council. The WAEC can also provide further information on each of these options. Please contact Phil Richards, Manager Election Events on 9214 0443 or at [Phillip.Richards@waec.wa.gov.au](mailto:Phillip.Richards@waec.wa.gov.au) if you have any queries.

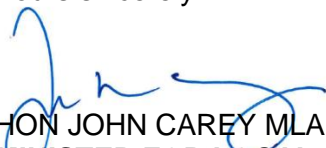
It is strongly recommended that the decision for whether to declare the Electoral Commissioner as responsible for your Ordinary Elections is put to Council at its March meeting. This will allow sufficient time for the WAEC to work with you to deliver the election, or provide you with a software licence, if preferred.

In considering potential arrangements, local governments should be mindful that the WAEC will require sufficient lead time to plan ahead. Accordingly, I strongly urge all local governments to make arrangements as early as possible, and consider the appointment of the WAEC to conduct the elections.

The Department of Local Government, Sport and Cultural Industries (DLGSC) is working closely with the WAEC to prepare further materials to assist local governments with the implementation of reforms. The DLGSC will provide further updates through LG Alerts to the sector and on the DLGSC's website. The DLGSC is also available to assist with any queries, including by email at [lghotline@dlgsc.wa.gov.au](mailto:lghotline@dlgsc.wa.gov.au) or by phone on 1300 762 511.

I have also written a letter to the Mayor or President of your local government, which contains the same information as this memorandum. That letter should be received shortly.

Yours sincerely



HON JOHN CAREY MLA  
MINISTER FOR LOCAL GOVERNMENT

## 9.2.2 Cuballing Golf Club Liquor License

Applicant:	Cuballing Golf Club
File Ref. No:	ADM 24
Disclosure of Interest:	Nil
Date:	7 March 2023
Author:	CEO- Stan Scott
Attachments:	9.2.2A Letter from Cuballing Golf Club

*Cr Harries declared an impartiality interest as he is a member and the Treasurer of the Cuballing Golf Club.*

### **Purpose**

Council is asked to consider supporting a request from the Cuballing Golf Club to seek an extension of its liquor license to include Thursdays and Fridays 11am to 10pm.

### **Background**

The Golf Club has been experiencing something of a renaissance in recent years with increasing club members and very successful events attracting players from other nearby communities.

The Shire of Cuballing won the 2022 LGIS Local Government Golf Tournament. Part of the privilege of victory is the hosting right for the 2023 tournament.

Council has approved \$50,000 funding under Round 3 of the Commonwealth funded Local Roads and Community Infrastructure Program to be applied to improvements at the Cuballing Golf Club.

As a result of the increased level of activity the Golf Club is finding that it needs to apply for occasional licenses to cover events during the year, which places additional pressure on volunteers preparing the documentation. Including the most common times for events in its normal liquor license would save considerable time and effort from volunteers.

### **Discussion**

The letter from the Cuballing Golf Club is self explanatory. The extension of the license will not compel the club to be open at the specified times, but will allow them to open without obtaining an ad hoc extension or occasional license.

### **Strategic Implications**

The Shire has as a goal to provide and promote sport, recreation and leisure facilities and programs. Any proposal that limits the imposition on volunteers is welcome.

### **Statutory Environment**

Council is not the decision maker, but its support will assist the club in gaining the support of the licensing authority.

### **Policy Implications**

The CEO has delegated authority to approve the consumption of alcohol on Council managed property but this does not extend to independently managed facilities such as the golf club.

### **Financial Implications** - Nil

Economic Implication - Nil

Environmental Considerations - Nil

Consultation - Nil

Options

Council may resolve to support or not support the application.

Voting Requirements – Simple Majority

**COUNCIL RESOLUTION 2023/20:**

**That Council supports the application by the Cuballing Golf Club to extend the hours of its liquor license to include Thursdays and Fridays from 11am to 10pm.**

**Moved Cr Bradford**

**Seconded Cr Kowald**

**CARRIED 4/0**

27 FEB 2023

Cuballing Golf Club  
Stratherne Road  
CUBALLING WA 6311

27 February 2023

Mr Stan Scott  
CEO  
Shire of Cuballing

By hand

Dear Mr Scott,

Re: Application to extend liquor license

The Cuballing Golf Club have applied to extend the trading hours on their liquor licence to include Thursdays and Fridays, 11 am through 10 pm.

We have made this application as we are starting to require more and more one off licences for events being held at the club and wish to have an extended coverage to ease the workload of the club volunteers in attending these one-off applications.

Our 2023 season will include midweek events in September, tradies day, and FFF day, and the LGIS event in August for Thursday and Friday. We also have a small group of golfers who are interested in organising scroungers of a Thursday or Friday through the season. We will again run a couple of night golf events through the summer of 23/24. These things are all reflective of a growing and vibrant golf club in our community.

A condition of the grant of the extended hours will be the approval of the Shire of Cuballing, and with this letter I seek that approval so that we may lodge it with our application.

Thanks in anticipation.



Scott Ballantyne  
Captain  
Cuballing Golf Club

I/We ....., with the authority of the Shire of Cuballing, support the Cuballing Golf club application to extend trading hours to Thursdays and Fridays.

*For and behalf of Shire of Cuballing*

*Date .*

### 9.2.3 Management of Independent Living Units

Applicant: Shire of Cuballing  
File Ref. No: ADM205  
Disclosure of Interest: Nil  
Date: 7 March 2023  
Author: CEO- Stan Scott  
Attachments:

#### **Purpose**

Council is asked to make decisions on the ongoing management of the independent living units.

#### **Background**

Council considered information at the October and November 2022 Council Forums in relation to the ongoing management of the soon to be completed independent living units in Cuballing. The units have a notional completion date of 31 March 2023 but that does not include any time for soft landscaping. A more realistic timeline is the end of May 2023.

The units were funded as part of a joint project with a number of other local governments. The grant agreement included provisions relating to the ongoing management of the units. This included:

Means testing/ allocation model	Means testing/ allocation model developed and agreed to by all Local Governments	Means testing/ allocation model approved by the Department.	30 June 2020
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#### **Management Rules**

In December 2020 Council endorsed 3 documents:

- Independent Living Seniors Accommodation – Management Practices – December 2020 (11 pages)
- Independent Living Units Housing Management Manual December 2020 (40 Pages)
- Handbook for Tenants December 2020 (23 Pages)

These documents give effect to the obligations under the funding agreement, and I believe they are mirrored by similar documents at other Local Governments that were part of the funding agreement.

#### **List A and List B**

As part of the requirement, we will have eligibility requirements for a list A and a list B. List A applicants are subject to an income and assets test. List B may only be accessed if there is no one available on list A. These are effectively waiting lists. Your priority depends on how long you have been waiting.

These requirements are based on the Department of Communities social housing policies. To vary the agreed criteria we need the permission of DPIRD.

The criteria for our units need to relate to the purpose of Council's investment. That is to allow Cuballing residents to age in place and retire locally. Therefore, to be considered people must demonstrate that they are a Cuballing resident or have a close association with Cuballing.

- List A would be pensioners meeting the above criteria;

- List B would be non-pensioners meeting the above criteria.
- The minimum age would be set at 65 years or 60 years for a person with a disability.

### **Rent Setting**

An Extract of the Department of Communities Rent Setting Policy is below:

#### **5: Rent Setting Rules**

*The following rules apply for long term and transitional community housing:*

- *Providers must charge an affordable rent of no less than 25% and no higher than 30% of a households net (after tax) income;*
- *No rent can exceed the current Market Rent for any property;*
- *Commonwealth Rent Assistance (CRA) must be factored in to any determination of rent;*

The tables below set out how different rentals compare to single and couple pensioner income.

#### **Single Pensioner**

Rent Charged	Rent assistance	Effective Rent	% of Income	Social Rate
\$300.00	\$75.80	\$224.20	43.68%	\$128.00
\$290.00	\$75.80	\$214.20	41.73%	\$128.00
\$280.00	\$75.80	\$204.20	39.79%	\$128.00
\$270.00	\$75.80	\$194.20	37.84%	\$128.00
\$260.00	\$75.80	\$184.20	35.89%	\$128.00
\$250.00	\$75.80	\$174.20	33.94%	\$128.00
\$240.00	\$75.80	\$164.20	31.99%	\$128.00
\$230.00	\$75.80	\$154.20	30.04%	\$128.00
\$220.00	\$75.80	\$144.20	28.10%	\$128.00
\$210.00	\$75.80	\$134.20	26.15%	\$128.00
\$205.00	\$75.80	\$129.20	25.17%	\$128.00

#### **Pensioner Couple**

Rent Charged	Rent assistance	Effective Rent	% of Income	Social Rate
\$300.00	\$71.40	\$228.60	29.54%	\$193.00
\$290.00	\$71.40	\$218.60	28.25%	\$193.00
\$280.00	\$71.40	\$208.60	26.96%	\$193.00
\$270.00	\$71.40	\$198.60	25.67%	\$193.00
\$260.00	\$71.40	\$188.60	24.37%	\$193.00
\$250.00	\$71.40	\$178.60	23.08%	\$193.00
\$240.00	\$71.40	\$168.60	21.79%	\$193.00
\$230.00	\$71.40	\$158.60	20.50%	\$193.00
\$220.00	\$71.40	\$148.60	19.20%	\$193.00
\$210.00	\$71.40	\$138.60	17.91%	\$193.00

These tables can be deceptive as they assume that pensioners have no other source of income whereas many will have other sources of income including superannuation but still qualify for a part pension. The income cut off for a single pensioner is \$2,243.00 per fortnight. Combined for a pensioner couple is \$3,431.20.



It is proposed that, rather than assuming what people's financial position is that we set the rate as \$350 per week or 30% of net Income down to a minimum of \$300 per week, whichever is lower. This would allow us to set a reasonable rent that can be reduced in the case of hardship.

### **Discussion**

The Independent Living Units are funded through a combination of a Royalties for Regions Grant, Council resources and an \$850,000 loan. Projecting the ongoing cost of maintaining the units and repaying the loan indicates that:

The rents paid for the units do not cover the cost of the loan. If we assume:

- Rent of \$300 per week escalated at 5% per year with 90% occupancy
- Maintenance costs of \$7,500 per unit per year (including insurance and water rates) escalated at 5% per year
- The actual fixed loan repayment costs.

It will take 23 years for Council to break even. Using the same assumptions and \$350 per week rent the break even point is 19 years.

While Council's goal is to provide affordable housing and retain older residents Council's capacity to move on to the second stage is limited by the overall costs of doing so.

### **Statutory Environment**

Units would be rented under the *Residential Tenancy Act*

**Policy Implications** - Nil

**Financial Implications**

Council is seeking to provide affordable accommodation and be fiscally responsible.

**Economic Implication**

There is strong evidence that retirees are a significant economic driver.

**Environmental Considerations** - Nil

**Consultation**

Council has considered reports and the October and November Forums. With units nearing completion and the process of recruiting tenants commenced rent setting is an important issue.

**Options**

Council may adopt the officer's recommendation or make changes if preferred.

**Voting Requirements** – Absolute Majority

**COUNCIL RESOLUTION 2023/21**

**That Council set the following criteria for tenant of the Independent Living Units:**

- 1. Tenants must demonstrate that they are a Cuballing resident or have a close association with Cuballing**
- 2. Tenants must be at least 65 years of age, or 60 years of age for people with disabilities;**
- 3. The highest priority will be List A - pensioners meeting the above criteria;**
- 4. The next priority will be List B - non-pensioners meeting the above criteria.**
- 5. Should a vacancy occur the unit will be offered to the next person on list A. If there is no-one on the list A waiting list the unit will be offered to the next person on List B.**
- 6. In the event that there is no one waiting on List A of List B the CEO may exercise discretion in offering the vacant unit to a suitable person that will become eligible in future.**

**Moved Cr Bradford**

**Seconded Cr Harris**

**CARRIED 4/0**

**COUNCIL RESOLUTION 2023/22**

**That Council set the rent for the Independent Living Units on the following basis:**

**That the rent for the units be set at \$350 per week;**

**If the rent exceeds 30% of the tenants combined net income the rent will be reduced to 30% of the tenants combined net income, to a minimum of \$300 per week.**

**Council will review rents annually as part of budget deliberations and subject to the conditions of the tenancy agreement.**

**Moved Cr Harris**

**Seconded Cr Kowald**

**CARRIED 4/0**

## 9.2.4 Cuballing Commercial Standpipe

Applicant: Water Corporation  
File Ref. No: ADM 24  
Disclosure of Interest: Nil  
Date: 8 March 2023  
Author: CEO- Stan Scott  
Attachments:

### **Purpose**

Council is asked to consider moving the Cuballing Commercial Standpipe to a Major Consumer Agreement with Water Corporation.

### **Background**

One of the consequences of the considerable size of our works program on Cuballing East Road is the amount of water we are drawing from the Cuballing Standpipe.

#### **Maximum allowable usage for standpipes**

The Cuballing Standpipe and indeed all commercial and Local Government standpipes are subject to a 49kL per day limit. The standpipe in Cuballing has been drawing well in excess of this during the construction period. We have been drawing around 100kL per day in addition to another 40 - 50 KI per day from the depot standpipe.

Water Corporation have advised that if we wish to continue to draw at these rates we will need to shift to a Major Consumer Agreement with Water Corporation. We can use this agreement temporarily during construction season and revert to normal pricing for the rest of the year.

#### **Rebate for Municipal Water Usage**

In February the CEO lodged a claim with Water Corporation for a rebate on standpipe usage. Water drawn from the depot standpipe is charged at the Local Government rate of \$2.277 per Kilolitre. Water drawn from the Commercial Standpipe is charged at the Commercial rate of \$9.220 per Kilolitre.

Under the arrangements introduced when all public standpipes were switched to commercial rates Local Governments can claim a rebate for the difference between the commercial rate and the Local Government Concessional rate for water used for municipal purposes.

It appears that Water Corporation has not had too many claims for the rebate, and there was a lot of internal wrangling to decide what to do with our claim. In the end they have decided to provide the rebate, but only for usage up to the maximum 49KI per day. We have not had final advice of the amount of the rebate, but I believe it is in the order of \$20,000.

It also appears that our claim will result in a change of policy, so it is not clear what will happen to the rebate in the future.

### **Major Consumer Agreement**

The major consumer agreement allows for a usage higher than 49 KI per. The pricing model has a higher base charge and a lower per KI charge. The volumetric charge has 2 steps. The charge for up to 49 KI, and the charge for over 49 KI.

Water Corporation provided the comparison table below:

<b>MCF Charges</b>	
Base Rate (rate that applies to consumption within the daily entitlement)	\$ 3.5820 per kL
Excess Surcharge Rate (penalty rate that applies to consumption above the daily entitlement)	\$ 8.4474 per kL
<b>Monthly Capacity Charges 89kL/day</b>	<b>\$2,759 per month</b>
<b>Monthly Capacity Charges 100kL/day</b>	<b>\$3,090 per month</b>
<b>Monthly Capacity Charges 150kL/day</b>	<b>\$4,573 per month</b>

<b>Regulated Charges</b>	
Cuballing - Step 15 (\$/kL)	\$ 9.22 per kL
Annual Fixed Service Charge - Standpipe Water	\$ 1,831.14 per yr

**Comparison of \$/kL for 89kl/day over a year:**

<b>Annual Charge for 89kL/day</b>	<b>Regulated</b>	<b>MCF</b>
Volumetric	\$ 299,512	\$ 116,361
Fixed Charges	\$ 1,831	\$ 35,867
<b>Total</b>	<b>\$ 301,343</b>	<b>\$ 152,228</b>
<b><i>\$/kL equivalent</i></b>	<b>\$ 9.28</b>	<b>\$ 4.69</b>

The annual usage of 89 kL per day is based on our average usage over 12 months. In fact the usage was below 49 kL for the first 9 months and substantially higher since we started construction on Cuballing East Road.

Based on 150kL per day the calculations are:

<b>Annual Charge for 150kL/day</b>	<b>Regulated</b>	<b>MCF</b>
Volumetric	\$504,795.00	\$375,656.32
Fixed Charges	\$1,831.00	\$54,876.00
<b>Total</b>	<b>\$506,626.00</b>	<b>\$430,532.32</b>
<b><i>\$/kL equivalent</i></b>	<b>\$9.25</b>	<b>\$7.86</b>

Water Corporation also presented some other alternatives. Each of the other options involved standpipes limited to 49kL per day, and none could achieve the usage required and stay within the 49kL limit.

We could improve efficiency at the Cuballing standpipe by installing a tank. A 50,000 litre tank with a high speed pump could improve efficiency by limiting the time taken to fill trucks thereby ensuring more time putting water on the road. It could have the perverse outcome of increasing water usage.

The Major Consumer Agreement would allow us to switch back to standard standpipe arrangements outside the construction season. It is not clear whether we could claim the Local Government Rebate during these periods.

### Strategic Implications

Investment in the transport system is a significant part of the Shire's Economic Strategies in the Strategic Community Plan. There is no alternative road building water supply, and the volumes required are not deliverable under a normal standpipe agreement.

### Statutory Environment

Water Corporation has the statutory responsibility to manage the public water supply.

### Policy Implications – Nil

### Financial Implications

While the proposed arrangements will provide a cost saving over commercial rates it is still more expensive than the Local Government concessional rate. Whatever the final pricing model the cost of the bulk of the water will be charged to the Wheatbelt Secondary Freight Networks projects.

### Economic Implication - Nil

### Environmental Considerations - Nil

### Consultation - Nil

### Options

Council has little option than to authorise the CEO to enter into a Major Consumer Agreement on behalf of Council.

### Voting Requirements – Simple Majority

#### **COUNCIL RESOLUTION 2023/23:**

**That Council authorises the CEO to:**

- 1. Enter into a major consumer agreement with Water Corporation.**
- 2. That the agreement be based on the Major Consumer Agreement during 'peak' period and revert to a standard commercial standpipe 'off peak'.**
- 3. That the CEO investigate the cost of installation of a storage tank at the Cuballing Standpipe as part of 2023-24 budget deliberations.**

**Moved Cr Kowald**

**Seconded Cr Harris**

**CARRIED 5/0**

**9.3 MANAGER OF WORKS AND SERVICES:**

Nil at this time

**9.4 COMMITTEE REPORTS:**

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 at this time.

**12. CONFIDENTIAL MATTERS:**

*3.05 pm Mr Brennan and Ms Rowe left the chambers.*

<b>12.1 CONFIDENTIAL -</b>
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*3.22 pm Mr Brennan and Ms Rowe returned to the chambers.*

**13. NEXT MEETING:**

Ordinary Council Meeting, 2.00pm. Wednesday 19 April 2023 at the Shire of Cuballing Council Chambers, Campbell Street, Cuballing

**14. CLOSURE OF MEETING:**

Cr Dowling Declared the meeting closed at 3.24 pm.