



**AGENDA FOR THE
ORDINARY COUNCIL MEETING
TO BE HELD ON
THURSDAY 16 June 2016**



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DISCLAIMER

INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

PLEASE NOTE:

THE RECOMMENDATIONS CONTAINED IN THIS AGENDA ARE OFFICERS RECOMMENDATIONS ONLY AND SHOULD NOT BE ACTED UPON UNTIL COUNCIL HAS RESOLVED TO ADOPT THOSE RECOMMENDATIONS.

THE RESOLUTIONS OF COUNCIL SHOULD BE CONFIRMED BY PERUSING THE MINUTES OF THE COUNCIL MEETING AT WHICH THESE RECOMMENDATIONS WERE CONSIDERED.

MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING AN OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.

**JOHN ROBERTS
CHIEF EXECUTIVE OFFICER**

COUNCIL MEETING INFORMATION NOTES

1. Your Council generally handles all business at Ordinary or Special Council Meetings.
2. From time to time Council may form a Committee to examine subjects and then report to Council.
3. Generally all meetings are open to the public, however, from time to time Council will be required to deal with personal, legal and other sensitive matters. On those occasions Council will generally close that part of the meeting to the public. Every endeavour will be made to do this as the last item of business of the meeting.
4. Public Question Time. It is a requirement of the Local Government Act 1995 to allow at least fifteen (15) minutes for public question time following the opening and announcements at the beginning of the meeting. Should there be a series of questions the period can be extended at the discretion of the Chairman.

Written notice of each question should be given to the Chief Executive Officer fifteen (15) minutes prior to the commencement of the meeting. A summary of each question and response is included in the Minutes.

When a question is not able to be answered at the Council Meeting a written answer will be provided after the necessary research has been carried out. Council staff will endeavour to provide the answers prior to the next meeting of Council.

5. **Councillors** may from time to time have a financial interest in a matter before Council. Councillors must declare an interest and the extent of the interest in the matter on the Agenda. However, the Councillor can request the meeting to declare the matter **trivial, insignificant** or **in common with a significant number of electors** or **ratepayers**. The Councillor must leave the meeting whilst the matter is discussed and cannot vote unless those present agree as above.

Members of staff who have delegated authority from Council to act on certain matters, may from time to time have a financial interest in a matter on the Agenda. The member of staff must declare that interest and generally the Chairman of meeting will advise the Officer if he/she is to leave the meeting.

6. Agendas including an Information Bulletin are delivered to Councillors within the requirements of the Local Government Act 1995, ie seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

Should an elector wish to have a matter placed on the Agenda the relevant information should be forwarded to the Chief Executive Officer in time to allow the matter to be fully researched by staff. An Agenda item including a recommendation will then be submitted to Council for consideration. The Agenda closes the Monday week prior to the Council Meeting (ie ten (10) days prior to the meeting).

The Information Bulletin produced as part of the Agenda includes items of interest and information, which does not require a decision of Council.

7. Agendas for Ordinary Meetings are available in the Morawa Shire offices seventy two (72) hours prior to the meeting and the public are invited to secure a copy.
8. Agenda items submitted to Council will include a recommendation for Council consideration. Electors should not interpret and/or act on the recommendations until after they have been considered by Council. Please note the Disclaimer in the Agenda.
9. Public Question Time – Statutory Provisions – Local Government Act 1995.
 1. Time is to be allocated for questions to be raised by members of the public and responded to at:
 - (a) Every ordinary meeting of a council; and
 - (b) Such other meetings of councils or committees as may be prescribed

Procedures and the minimum time to be allocated for the asking of and responding to questions raised by members of the public at council or committee meetings are to be in accordance with regulations.

9A. Question Time for the Public at Certain Meeting - s5.24 (1) (b)

Local Government (Administration) Regulations 1996

- Reg 5 For the purpose of section 5.24(1)(b), the meetings at which time is to be allocated for questions to be raised by members of the public and responded to are:
- (a) every special meeting of a council; and
 - (b) every meeting of a committee to which the local government has delegated a power or duty.

Minimum Question Time for the Public – s5.24 (2)

- Reg 6 (1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is fifteen (15) minutes.
- (2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Procedures for Question Time for the Public – s5.24 (2)

Local Government (Administration) Regulations 1996

- Reg 7 (1) Procedures for the asking of and responding to questions raised by members of the public at a meeting referred to in regulation 6 (1) are to be determined:
- (a) by the person presiding at the meeting; or
 - (b) in the case where the majority of members of the council or committee present at the meeting disagree with the person presiding, by the majority of members,
- having regard to the requirements of sub regulations (2) and (3).
- (2) The time allocated to the asking and responding to questions raised by members of the public at a meeting referred to in regulation 6(1) is to precede the discussion of any matter that requires a decision to be made by the council or the committee, as the case may be.
- (3) Each member of the public who wishes to ask a question at a meeting referred to in regulation 6(1) is to be given an equal and fair opportunity to ask the question and receive a response.
- (4) Nothing in sub regulation (3) requires:
- (a) A council to answer a question that does not relate to a matter affecting the local government;
 - (b) A council at a special meeting to answer a question that does not relate to the purpose of the meeting; or
 - (c) A committee to answer a question that does not relate to a function of the committee.

10. Public Inspection of Unconfirmed Minutes (Reg 13)

A copy of the unconfirmed Minutes of Ordinary and Special Meetings will be available for public inspection in the Morawa Shire Offices within ten (10) working days after the Meeting.

**DECLARATION OF
FINANCIAL INTEREST FORM**

TO: THE CHIEF EXECUTIVE OFFICER

AS REQUIRED BY SECTION 5.65 OF THE LOCAL GOVERNMENT ACT 1995,

I HEREBY DISCLOSE MY INTEREST IN THE FOLLOWING MATTERS OF

THE AGENDA PAPERS FOR THE COUNCIL MEETING DATED _____

AGENDA ITEM No.	SUBJECT	NATURE OF INTEREST	MINUTE No.

DISCLOSING PERSON'S NAME: _____

SIGNATURE: _____ DATE: _____

NOTES:

- For the purpose of the financial interest provisions you will be treated as having a financial Interest in a matter if either you, or a person with whom you are closely associated, have a Direct or indirect financial interest or a proximity interest in the matter.
NB: it is important to note that under the Act you are deemed to have a financial interest in a matter if a person with you are closely associated has financial interest or proximity interest. It is not necessary that there be a financial effect on you.
- This notice must be given to the Chief Executive Officer prior to the meeting.
- It is the responsibility of the individual Councillor or Committee Member to disclose a Financial interest. If in doubt, seek appropriate advice.
- A person who has disclosed an interest must not preside at the part of the meeting relating to The matter, or participate in, be present during any discussion or decision-making procedure relating to the matter unless allowed to do so under Section 5.68 or 5.69 of the Local Government Act 1995.

OFFICE USE ONLY:

- PARTICULARS OF DECLARATION GIVEN TO MEETING
- PARTICULARS RECORDED IN MINUTES
- PARTICULARS RECORDED IN REGISTER.

CHIEF EXECUTIVE OFFICER _____ DATED _____

SHIRE OF MORAWA
REQUEST FOR WORKS AND SERVICES

REPORT ON REQUESTS FOR WORKS AND SERVICES REQUIRING
ATTENTION BY THE CHIEF EXECUTIVE OFFICER OR DELEGATED TO
OTHER STAFF BY THE CHIEF EXECUTIVE OFFICER FOR ACTION.

*To the Chief Executive Officer,
I submit the following for consideration at the council meeting held*

On _____
Date

Chief Executive Officer

Received Date

Filed On: _____
Date

Item No:	Subject Matter	CEO Action
1.		
2.		
3.		
4.		
5.		
6.		

Councillors Name/Signature _____

Date: _____

OFFICE USE ONLY	TICK
1. Given to Chief Executive Officer	
2. Placed on Status/Information Report	
3. Action Recorded on Report	

1 Declaration of Opening

The Shire President to declare that the meeting open at 5:30pm

1.1 Recording of Those Present

Cr K J Chappel	President
Cr D S Carslake	Deputy President
Cr D B Collins	
Cr J M Coaker	
Cr D S Agar	
Cr M J Thornton	
Cr K P Stokes	

Mr S Tindale	Acting Chief Executive Officer
Ms S Appleton	Executive Manager Development & Administration
Mrs W Gledhill	Manager of Accounting and Finance
Mr P Buist	Principal Works Manager

1.2 Apologies

1.3 Approved Leave of Absence

1.4 Welcoming of Visitors to the Meeting

1.5 Announcements by the Presiding Member without Discussion

2 Public Question Time

2.1 Response to previous public questions taken on notice

2.2 Public question time

3 Declaration of Interest

Members are to declare financial, proximity and indirect interests.

Cr Stokes has declared a proximity interest in item 7.2.4.3 as an employee of Geraldton Fuel.

4 Confirmation of Minutes of Previous Meeting

- 4.1 21 April 2016 – Ordinary Council Meeting
- 4.2 10 May 2016 - Special Council Meeting

5 Public Statements, Petitions, Presentations and Approved Deputations

6 Method of Dealing with Agenda Business

7 Reports

7.1 Reports from Committees
Nil

7.2 Reports from the Chief Executive Officer

7.2.2 Manager Finance and Accounting

7.2.3 Community Youth Development Officer

7.2.4 Executive Manager

7.2.5 Chief Executive Officer - Other

7.2 Reports from the Chief Executive Officer

<i>Item No/ Subject:</i>	7.2.1 Status Report –March 201
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	30 May 2016 John Roberts
<i>Responsible Officer:</i>	Chief Executive Officer
<i>Applicant/Proponent:</i>	Chief Executive Officer John Roberts
<i>File Number:</i>	Various
<i>Previous minute/s & Reference:</i>	21 April 2016 (Last Update to Council)

SUMMARY

The Status Report provides an update on the progress of matters that have come before Council where a decision was made.

DECLARATION OF INTEREST

The author has no interest to declare in this report.

ATTACHMENTS

Shire of Morawa May 2016 Status Report.

BACKGROUND INFORMATION

The Status Report provides an update on the progress of matters that have come before Council where a decision was made.

OFFICER'S COMMENT

As per the Status Report

COMMUNITY CONSULTATION

As per the Status Report

COUNCILLOR CONSULTATION

As per the Status Report

STATUTORY ENVIRONMENT

Shire of Morawa Meeting Procedures Local Law 2012 (Standing Orders).

POLICY IMPLICATIONS

Not Applicable

FINANCIAL IMPLICATIONS

Not Applicable

STRATEGIC IMPLICATIONS

Not Applicable

RISK MANAGEMENT

Not Applicable

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council:

Accepts the Shire of Morawa Status Report for May 2016 as tabled.

MEETING	ITEM	ACTION REQUIRED	RESPONSE	OFFICER	TIME FRAME
Mar-08	8.1.2	Sinosteel Midwest Corporation Ltd – Entry Statement Project (Gateway Project)	<ul style="list-style-type: none"> DPI has offered assistance to ensure that Ministerial Directions in relation to the Rail Siding development are met. Council has agreed to undertake an internal design review to establish suitable on ground structures going forward. CYDO has been commissioned to manage this project with initial community meeting held. Review process will incorporate the main town entry statements and a new northern entry statement along the realigned Mingenew – Morawa Road. Preliminary designs were rejected by Council at September 2010 Meeting. Public tender process initiated to seek alternate design proposals has been suspended. Shire is seeking preliminary design proposals on an array of various concepts for further Council consideration. Visiting artists from Geraldton toured site on 15th March 2011. Preliminary concept designs rejected by Council. Council Working Group established and met to identify a way forward to further the concept design process. Landscape adviser identified and visitation to site occurred on 29th November 2011 with a following submission. TPG have provided a proposal to provide a scoping design role under the Morawa Super Town Project. Council sub-committee and SMC representative met with principal consultants in Perth on 27th February 2012. Initial design proposal received and on site meeting held on 7th May 2012. Further design received for Council consideration. Informal discussion held between ACEO and Scott Whitehead (SMC) – June 2013? Topics included: <ul style="list-style-type: none"> Gateway project; Future fund; Radio tower Options now required to address status of this project: <ul style="list-style-type: none"> CEO (Sean Fletcher) met with Scott Whitehead on 20 December 2013 and had a further meeting with SMC Legal Advisor Stuart Griffiths on 22 January 2014; Discussions highlighted that SMC is willing to allocate \$100,000 to the project or this level of funding to another town based project; Council informed of status at the Briefing Forum on 11 February 2014. The former CEO suggested to Council at the February Council 	CEO	Dec-13

			<p>meeting that perhaps it was time to revisit the Gateway Project. Council suggested that this should be done at the Briefing Forum regarding the Old Morawa Hospital. Some preliminary discussion was had on 20 March 2014.</p> <ul style="list-style-type: none"> • SP, CEO & Stuart Griffiths (SMC) met on 17 July 2014 to discuss the Gateway Project and the Future Fund.. SMC stated that the \$100,000 allocation was not tied to the Gateway Project. It was suggested it could be used for community benefit infrastructure such as a childrens' playground. • CEO met with Stuart Griffiths on 19 May 2015. CEO was advised that \$40,000 is available for allocation. Discussions took place about purpose. The possibility of using the funding for adventure equipment in the Town Square was received favourably. • Sinosteel are reviewing the Minister's Order to see if the obligation is still valid. The CEO discussed the opportunity to use the funds for the Bush Trail. • The Shire CEO has invoiced Sinosteel for \$30,000. 		
Oct-09	8.1.2	Morawa Sports Ground Amenities Upgrade	<p>Hand basin in Ladies Changeroom is affected by distance from the hot water system – pressure issue. A quote has been received to improve the pressure. The quote of \$44k is prohibitive. This not a problem during the winter months as watering of the grounds not required (watering reduces water pressure). An amount of \$44,000 has been included in the 2015/16 draft budget to resolve the problem. Water corporation have been approached in April to complete this work</p>	CEO	Oct-13
Feb-10	8.2.2	Morawa Perenjori Trail Master Plan	<ul style="list-style-type: none"> • Initiate action to source grant funds to assist with development of Morawa Perenjori Trail Master Plan. R4R grant application lodged with the MWDC has been unsuccessful. Further grant funding options are being pursued. Approval for part funding for the Bush trial project has been received (\$65,000). Further funding for other projects is being sought from Lotteries West. A report was prepared for the August 2013 meeting for Council's consideration. Outcome was to defer project until Council's contribution could be budgeted. • Second application seeking \$65,000 was submitted in February 2013. There has been a delay due to State Elections in assessment of the application. Notification on the outcome of this application is expected January 2014; • Notified 5 March 2014 that the above application was unsuccessful; • The DCEO suggested on 20 March 2014 that perhaps there 	CEO	Dec-12

			<p>was an opportunity to combine the approved funding to the Gateway project. See Gateway Project comments.</p> <ul style="list-style-type: none"> See item 1. 		
Jul-10	8.1.3	Heavy Industrial Land 10781 Stage 2	<ul style="list-style-type: none"> Commence with heavy industrial land subdivision stage 2 at Lot 10781 Morawa – Yalgoo Road in accordance with Council resolution. Awaiting resolution of future access to 'Club Road' which will impact on the final lots to be made available. LandCorp has confirmed its interest and intent to develop the site into a new Industrial Estate for Morawa. Joint stakeholder meeting scheduled for 7th February 2011. One landholder has indicated a preference to returning the block to the Shire and another landholder has expressed an interest in developing the site. The latter has received Council approval to a proposed land development plan, but has not met timeframe requirements as required under contractual agreement. LandCorp land development application also received and adopted as a preferred plan by Council. WAPC currently considering subdivision application. Stage 1 – Clearing: <ul style="list-style-type: none"> Landcorp Board met in October 2013 regarding the high cost of this project and has approved Stage 1 of a three stage program. (This will include Club Rd, clearing of the access roads and land to the sub-division). Work started 3 March 2014 and is completed; Stage 2 – Headworks: <ul style="list-style-type: none"> Will be funded by Landcorp. Approval to finalise funding will not occur until November 2014 Stage 3 – Installation of Roadways: <ul style="list-style-type: none"> Funded by Landcorp with work to be done by Shire. Discussions have been held to explore the possibility of utilising surplus funds from the Town Centre projects when projects are complete in January 2015. Letters have been sent to MWDC and DRD requested that surplus funds can be reallocated to Club Rd. This has now been approved and work is scheduled to take place in late January/early February 2016. A site visit with the CEO, PWS and PO took place on 8 December 2015. 	EMDA/PWS	Dec-12

Jul-10	Urgent Business	Club Road Access	<ul style="list-style-type: none"> A cost estimate has been received to construct a new thoroughfare to the east of 'Club Road'. WNR has also issued advice offering a 5 year lease to the Shire of Morawa for continued access to 'Club Road'. During the lease term, it is proposed that both parties agree to work together as a means of jointly resolving future access or otherwise to Club Road at the completion of the 5 year term. Club road has now been included as part of the Industrial subdivision process. Department of Environment and Regulation permits approved end of December 2013. Landcorp has recommended local contractor to assist with the clearing. This work ties in with Stage 1 of Heavy Industrial Land Club Road has now been reconstructed parallel to the railway reserve. 	EMDA/PWS	Dec-13
Jun-11	8.2.1	Climate Change Risk Assessment & Adaptation Action Plan	<ul style="list-style-type: none"> Implement adaptation action plan strategies rated 'extreme' and 'high' as budgetary and human resources permit. Consideration required to start funding actions in 2015/16 No further action at this time. 	CEO	Jun-13

Council Resolutions for Actioning or Attention Completed

	Chief Executive Officer				
Mar 2014	12.1.1	Proposal to Reallocate Solar Thermal Feasibility Funding (\$500,000)	<ul style="list-style-type: none"> Letter requesting transfer of \$500,000 to the upgrade of the Morawa Airport issued 2 April 2014; This matter replaces the previous item on this matter (Western Power – September 2007) Business Plan completed and was endorsed at the December 2014 Council meeting. A request is being submitted to DRD requesting reallocation of the funding to be Tourism/Cultural precinct. 	CEO	In Progress
	Manager Accounting & Finance				
	Nil			MAF	
	Project Officer				

	Nil				
	Community Development Officer			CDO	
	Nil				

Legend

1. Text in red indicates current action.
2. Table items shaded in yellow refer to long outstanding items (generally six months or more).
3. Table items in green refer to matters within the last six months.

<i>Item No/Subject:</i>	7.2.2.1 Accounts Due For Payment
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	25/05/2016, Melissa Borg Finance Officer
<i>Responsible Officer:</i>	Finance Officer
<i>Applicant/Proponent:</i>	Manager Accounting & Finance Fred Gledhill
<i>File Number:</i>	ADM0135
<i>Previous minute/s & Reference:</i>	

SUMMARY

A list of accounts is attached for all payments made for the month of April 2016.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

List of accounts Due & Submitted to council 16 June 2016

BACKGROUND INFORMATION

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS
1996 – REG 13

The local government has delegated to the CEO the exercise of power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to prepare each month showing for each account paid since the last such list was prepared.

OFFICER'S COMMENT

Nil

STATUTORY ENVIRONMENT

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS
1996 – REG 13

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

As per list of accounts

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorses -

1. The list of accounts paid by the Chief Executive Officer under delegated authority, represented by:
 - Municipal EFT Payment Numbers EFT 8451 to EFT 8563 inclusive, amounting to \$1,053,043.42
 - Municipal Cheque Payments Numbered 11547 to 11558 and (6) totalling \$81,968.79
 - Municipal Direct Debit Payments Numbers DD4902.1 to DD4949.1 amounting to \$22,494.98
 - Payroll for April 2016
06/04/2016 - \$57,420.26
20/04/2016 - \$55,062.90

6	15/04/2016	Shire of Morawa	April 2016 Petty Cash	1	303.10
EFT8451	06/04/2016	Ashdown Ingram	Parts - PO 16790	1	266.31
EFT8452	06/04/2016	Morawa News & Gifts	Stationary and daily Paper - March 2016	1	330.59
EFT8453	06/04/2016	Morawa Drapery Store	Work Boots - PO 16896	1	163.85
EFT8454	06/04/2016	Midwest Chemical & Paper Distributors	Various Cleaning Products	1	663.34
EFT8455	06/04/2016	S & K Electrical Contracting Pty Ltd	Repairs to Light - PO 16897	1	221.10
EFT8456	06/04/2016	Local Government Managers Australia	Lift Of Program - 2015-16	1	595.01
EFT8457	06/04/2016	Covs Parts Pty Ltd	Parts - PO 271	1	325.03
EFT8459	06/04/2016	Onshore Cabinets & Furniture	Display Cabinet for sports ground	1	3,242.00
EFT8460	06/04/2016	CJD Equipment PTY LTD	Parts Repair - PO 16790	1	1,354.65
EFT8461	06/04/2016	Staples	Monthly Meter Charges - March 2016	1	875.98
EFT8462	06/04/2016	Colliers International	Rent Charges 01/03/2016 to 31/03/2016	1	423.85
EFT8463	07/04/2016	Geraldton Toyota	Purchase RAV4 AWD PET 5DR A/T Cruiser	1	35,451.21
EFT8464	07/04/2016	IRIS Consulting	Training - Records Management	1	855.00
EFT8465	08/04/2016	Australian Services Union	Payroll deductions	1	103.20
EFT8466	08/04/2016	Dr Sasha Risinger	Medical Services - 09-03-2016 to 22-03-2016	1	6,987.76
EFT8467	11/04/2016	Australian Taxation Office	March BAS 2016	1	32,416.00
EFT8468	14/04/2016	BOC Limited	Oxygen Cylinder	1	201.18

EFT8469	14/04/2016	Kats Rural	Shower Head - PO 263	1	546.92
EFT8470	14/04/2016	Landmark Operations Limited	Parts - PO 239	1	345.00
EFT8471	14/04/2016	BL & MJ Thornton Waste Removal Services	Waste Removal - March 2016	1	8,546.23
EFT8472	14/04/2016	IT Vision Australia Pty Ltd	Data Base Migration	1	1,765.50
EFT8473	14/04/2016	Everlastings Guest Homes Morawa	Catering - PO 276	1	323.00
EFT8474	14/04/2016	IXOM	Chlorine Cylinder	1	169.14
EFT8475	14/04/2016	Reliance Petroleum	March 2016 Fuel	1	509.46
EFT8476	14/04/2016	Canine Control	Ranger Services - 23/03/2016	1	940.50
EFT8477	14/04/2016	Courier Australia	Freight - Staples and Leading Edge	1	91.94
EFT8478	14/04/2016	Vidguard Security Systems	Monitoring Fee - 01/04/2016 - 30/06/2016	1	102.00
EFT8479	14/04/2016	Bunnings Group Limited	Various Good - PO 282	1	113.40
EFT8480	14/04/2016	Ocean Centre Hotel	Accommodation 01/04/2016 to 02/04/2016	1	318.50
EFT8481	14/04/2016	Leading Edge Computers Dongara & Geraldton	OKI Ink finance printer - PO 297	1	424.65
EFT8482	14/04/2016	Left of Centre Concepts & Events Pty Ltd	Media Management, Workshop, CCF Application	1	4,543.00
EFT8483	14/04/2016	Neverfail Springwater Limited	Monthly Cooler Rental	1	14.30
EFT8484	14/04/2016	Alinta Sales Pty Ltd	Power Bill - 01/03/2016 - 31/03/2016	1	285.14
EFT8485	14/04/2016	Joanne Draper	Reimbursement	1	74.10
EFT8486	14/04/2016	Grant Woodhams	MEITA Meeting - 30/03/2016	1	574.00
EFT8487	15/04/2016	Karen Chappel	Presidential Allowances & Sitting Fees December 2015 to April 16	1	8,250.00

EFT8488	15/04/2016	Mark Thornton	Sitting Fees December 2015 to April 2016	1	2,000.00
EFT8489	15/04/2016	Ken Stokes	Sitting Fees July 2015 to April 2016	1	6,000.00
EFT8490	15/04/2016	Jane Coaker	Sitting Fees December 2015 to April 2016	1	2,000.00
EFT8491	15/04/2016	Dean Carslake	Deputy President Allowance & Sitting Fees December 2015 to April 2016	1	3,062.50
EFT8492	15/04/2016	Debbie Collins	Sitting Fees December 2015 to April 2016	1	2,000.00
EFT8493	15/04/2016	Darren Agar	Sitting Fees December 2015 to April 2016	1	2,000.00
EFT8503	19/04/2016	Star Track Express	Freight Perth - Morawa	1	726.63
EFT8504	19/04/2016	Canine Control	Ranger Services 06/04/2016	1	940.50
EFT8505	19/04/2016	Cramer & Neill	Aircon Repair to AC1 and AC2 Daikin	1	1,766.05
EFT8506	19/04/2016	Winchester Industries	Supply Bitumen	1	60,632.83
EFT8507	19/04/2016	Bob Waddell Consultant	Assistance 2016/17 Annual Budget	1	66.00
EFT8508	19/04/2016	Dongara Tree Service	Prune tree around Town - 278	1	16,311.50
EFT8509	19/04/2016	Bitutek Pty Ltd	Supply, Spray and Seal Bitumen	1	189,542.92
EFT8510	19/04/2016	Deans Contracting WA Pty Ltd	Supply of Flood Damage Supervisor and Repairs	1	11,661.21
EFT8511	20/04/2016	Landmark Operations Limited	Materials - PO 232	1	258.50
EFT8512	20/04/2016	Landgate	Rural UV Gen VALS	1	3,829.65
EFT8513	20/04/2016	Frank Gilmour Pest Control	Spray ants around dam	1	380.00
EFT8514	20/04/2016	LGIS Risk Management	Regional Risk Coordinator Program 2015/2016	1	4,680.50

EFT8515	20/04/2016	Snap Osborne Park	Graphic design, printing and postage Artist Entry Form	1	795.93
EFT8516	20/04/2016	Dalwallinu Community Resource Centre	Advertising Full Page Ad - Health Expo	1	30.00
EFT8517	20/04/2016	Covs Parts Pty Ltd	Parts - PO 290	1	685.71
EFT8518	20/04/2016	Orana Cinemas	April 2016 School Holiday Program. Excursion	1	133.00
EFT8519	20/04/2016	Rylan Concrete	Lin Meters Kerbing on Club Road	1	32,560.66
EFT8520	20/04/2016	Custom Wristband	2016 Morawa Art Exhibition Opening Night Wrist Bands	1	82.50
EFT8521	20/04/2016	Easy Auto Care Pty Ltd	Alignment and tyres inflated	1	97.90
EFT8522	20/04/2016	BPH	Flood Repairs - PO 16931	1	275,092.40
EFT8523	20/04/2016	Mia Andrews	Catering for strategic meeting	1	385.00
EFT8524	20/04/2016	Kats Rural	Nails - PO 219	1	48.00
EFT8525	20/04/2016	Morawa Roadhouse	Catering for Wildflower meeting 31/3/2016	1	160.00
EFT8526	20/04/2016	Landmark Operations Limited	117 cm droppers fence	1	1,352.27
EFT8527	20/04/2016	Geraldton Fuel Company Pty Ltd	Bulk Fuel, oil and Card Purchases	1	10,476.55
EFT8528	20/04/2016	S & K Electrical Contracting Pty Ltd	check element on solar tank	1	287.65
EFT8529	20/04/2016	Courier Australia	Freight LISWA - Morawa	1	42.76
EFT8530	20/04/2016	Wesfarmers Kleenheat Gas Pty Ltd	Facility Fee - Cylinder Service	1	69.30
EFT8531	20/04/2016	MC Crushing & Screening	Supply 200tonn sand	1	2,860.00
EFT8532	20/04/2016	Joanne Draper	Reimbursement	1	63.33

EFT8533	20/04/2016	Morawa Rural Enterprises Two	Parts - PO 16789	1	575.05
EFT8534	22/04/2016	Australian Services Union	Payroll deductions	1	103.20
EFT8535	22/04/2016	Star Track Express	Freight Hitachi - Morawa	1	76.90
EFT8536	22/04/2016	S & K Electrical Contracting Pty Ltd	Repairs - PO 283	1	413.34
EFT8537	22/04/2016	GH Country Courier	Freight - Midwest Chemicals - Morawa	1	186.63
EFT8538	22/04/2016	LGIS Risk Management	Safety Representatives Training	1	1,163.24
EFT8539	22/04/2016	Country Arts WA	Annual Subscribers membership 2016	1	110.00
EFT8540	22/04/2016	Freestyle Now	Skate Pro Event - April 2016 School Holidays	1	2,486.00
EFT8541	22/04/2016	Bitutek Pty Ltd	Supply and Spray Bitumen seal	1	25,613.87
EFT8542	22/04/2016	Carlo Fernandes Photography	Image Retouch up - Cloud Chasing	1	720.00
EFT8543	22/04/2016	Boomerang Bag Borrow & Bring Back Inc	2016 Plastic Bag Free Campaign - Bag Order	1	2,331.00
EFT8544	22/04/2016	Dr Sasha Risinger	Dr Services - 21/03/2016 - 07/04/2016	1	9,678.28
EFT8545	22/04/2016	Deans Contracting WA Pty Ltd	Supply Flood Damage Supervisor and Flood Repair 04/04/2016 to 17/04/2016	1	17,866.39
EFT8546	27/04/2016	Think Water Geraldton	Parts - PO 273	1	98.90
EFT8547	27/04/2016	Hitachi Construction Machinery (Australia) Pty Ltd	Parts - PO 320	1	2,616.10
EFT8548	27/04/2016	Bunnings Group Limited	Purchase	1	91.62
EFT8549	27/04/2016	Tudor House	Banner - PO 309	1	126.50
EFT8550	27/04/2016	Peter Browne Consulting	Education Plan - April 2016 - March 2016	1	8,702.68
EFT8551	27/04/2016	Airey Taylor Consulting	Morawa Aquatic Centre Concrete Core (Condition) Survey	1	19,650.41

EFT8552	27/04/2016	Barbara Browne Consulting	Education Plan - April 2016 - March 09/16	1	6,000.00
EFT8553	27/04/2016	CMS Plumbing & Gas	Repairs - PO 348	1	918.50
EFT8554	27/04/2016	Morawa Drapery Store	Work Clothes - PO 292	1	3,673.45
EFT8555	27/04/2016	Courier Australia	Freight	1	54.73
EFT8556	27/04/2016	Greenfield Technical Services	Flood Damage Construction	1	5,595.13
EFT8557	27/04/2016	Bob Waddell Consultant	Assistance with Asset Management Plan	1	363.00
EFT8558	27/04/2016	Leading Edge Computers Dongara & Geraldton	Printer cartridges for SES printer	1	432.25
EFT8559	27/04/2016	CMS Plumbing & Gas	Repairs - PO 296	1	247.50
EFT8560	27/04/2016	Staples	Stationary Supplies	1	140.70
EFT8561	27/04/2016	WBHO Civil	Waste Water Treatment	1	25,587.51
EFT8562	27/04/2016	Colliers International	Rent 01/04/2016 to 30/04/2016	1	423.85
EFT8563	27/04/2016	BPH	Flood Repairs 18/04/2016 to 24/04/2016	1	171,502.10
11547	06/04/2016	Synergy	Power Bill Feb2016 - March 2016	1	1,687.15
11548	06/04/2016	Telstra Corporation Limited	Phone Bill Feb 2016 - March 2016	1	100.50
11549	06/04/2016	Morawa Licensed Post Office Emmlee's	Monthly Postal fees - March 2016	1	101.40
11550	06/04/2016	Australian Communications and Media Authority	License Renewal	1	511.00
11551	14/04/2016	Synergy	Power Usage - Feb 2016 to March 2016	1	3,591.15
11552	14/04/2016	Telstra Corporation Limited	Phone Usages - April 2016	1	562.05

11553	19/04/2016	Water Corporation	Water Usage Feb 2016 - April 2016	1	18,871.84
11554	20/04/2016	Water Corporation	Upgrade Service/Flow Rate - Lot 10782 Evans St Morawa	1	46,729.08
11555	20/04/2016	City of Greater Geraldton	Author Visit - 06/04/2016	1	367.00
11556	20/04/2016	Water Corporation	Water Charges - Feb - March 2016	1	6,903.61
11557	27/04/2016	Telstra Corporation Limited	Phone charges April 2016	1	2,200.56
11558	27/04/2016	Shire of Morawa	Licensing Renewal	1	40.35
DD4902.1	06/04/2016	WA Local Government Superannuation Plan	Payroll deductions	1	8,950.02
DD4902.2	06/04/2016	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	1	744.54
DD4902.3	06/04/2016	BT FINANCIAL GROUP	Superannuation contributions	1	296.76
DD4902.4	06/04/2016	MLC Nominees Pty Ltd	Superannuation contributions	1	219.69
DD4902.5	06/04/2016	Australian Super	Superannuation contributions	1	341.02
DD4902.6	06/04/2016	HOSTPLUS	Superannuation contributions	1	165.03
DD4902.7	06/04/2016	Concept One	Superannuation contributions	1	207.93
DD4923.1	20/04/2016	WA Local Government Superannuation Plan	Payroll deductions	1	8,384.70
DD4923.2	20/04/2016	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	1	693.89
DD4923.3	20/04/2016	BT FINANCIAL GROUP	Superannuation contributions	1	296.76
DD4923.4	20/04/2016	MLC Nominees Pty Ltd	Superannuation contributions	1	219.69
DD4923.5	20/04/2016	Australian Super	Superannuation contributions	1	230.41
DD4923.6	20/04/2016	HOSTPLUS	Superannuation contributions	1	149.89

DD4923.7	20/04/2016	Concept One	Superannuation contributions	1	207.93
DD4939.1	01/04/2016	Westnet Pty Ltd	Internet April 2016	1	224.75
DD4941.1	14/04/2016	Samantha May Whittington	Rent April 2016	1	300.00
DD4943.1	12/04/2016	BOQ Finance	Copier Lease BAFL	1	301.16
DD4945.1	28/04/2016	Samantha May Whittington	Rent April 2016	1	300.00
DD4949.1	05/04/2016	Bank West	Credit Card Purchases March 2016	1	260.81

REPORT TOTALS

EFT	\$ 1,053,043.42
Cheque	\$ 81,968.79
Direct Debits	\$ 22,494.98
Payroll	\$ 112,483.16
Credit Card – CEO	\$ 13.70
Credit Card – Manager Finance	\$ 0.00
Credit Card – EMDA	\$ 247.11

TOTAL **\$ 1,270,251.16**

<i>Item No/Subject</i>	7.2.2.2 Reconciliations April, 2016
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	27 April 2016, Melissa Borg Finance Officer
<i>Responsible Officer:</i>	Fred Gledhill
<i>Applicant/Proponent:</i>	Manager Accounting & Finance Fred Gledhill
<i>File Number:</i>	ADM0189
<i>Previous minute/s & Reference:</i>	

SUMMARY

Local Government (Financial Management) Regulation 34 (1) (a) states that a Local Government must prepare financial statements monthly.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Nil

BACKGROUND INFORMATION

The information provided is obtained from the Bank Reconciliations carried out for Municipal Bank/Reserves Bank and the Trust Bank to ensure all transactions have been accounted for.

OFFICER'S COMMENT

The Shire of Morawa's financial position is as follows:-

BANK BALANCES AS AT 30 April, 2016

Account	2016
Municipal Account #	\$162,865.36
Trust Account	\$10,232.23
Business Telenet Saver (Reserve) Account	\$5,496,712.56
WA Treasury O/night Facility (Super Towns) Account	\$722,206.71

BANK RECONCILIATION BALANCES

The Bank Reconciliation Balances for 30 April, 2016 with a comparison for 30 April, 2015 is as follows:

Account	2015	2016
Municipal Account #	\$1,163,611.11	\$245,762.90
Trust Account	\$8,860.55	\$10,232.23
Reserve Account	\$7,353,903.81	\$6,218,919.27

RESERVE ACCOUNT

The Reserve Funds of \$6,218,919.27 as at 30 April, 2016 were invested in:-

- Bank of Western Australia \$5,496,712.56 in the Business Telenet Saver Account and
- \$722,206.71 in the WA Treasury O/Night Facility.

Breakdown for April, 2016 with a comparison for April, 2015 is as follows:-

	2015	2016
Sports Complex Upgrade Reserve	\$0.00	\$0.00
Land & Building Reserve	\$5,135.40	\$5,231.29
Plant Reserve	\$788,152.34	\$945,177.95
Leave Reserve	\$220,941.62	\$280,898.51
Economic Development Reserve	\$105,770.66	\$107,745.72
Sewerage Reserve	\$79,425.19	\$123,736.39
Unspent Grants & Contributions Reserve	\$856,349.24	\$192,350.05
Community Development Reserve	\$1,490,430.18	\$1,392,879.44
Water Waste Management Reserve	\$0.00	\$0.00
Future Funds Reserve	\$2,155,778.05	\$2,188,392.36
Morawa Community Trust Reserve	\$18,877.49	\$11,109.12
Aged Care Units Reserve	\$8,835.67	\$173,204.54
Transfer Station Reserve	\$195,412.22	\$549,002.17
S/Towns Revitalisation Reserve	\$869,125.53	\$199,061.16
ST Solar Thermal Power Station Reserve	\$539,224.34	\$9,000.64
Business Units Reserve	\$20,445.88	\$41,129.93
TOTAL	\$7,353,903.81	\$6,218,919.27

TRANSFER OF FUNDS

NIL

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

Section 3 – Finance 3.4.7 Risk Management Controls – Monthly bank reconciliations to be prepared for each account and reported to Council Monthly

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

As per Policy Section 3 – Finance 3.4.7 Risk Management Controls

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council receive –

1. The bank reconciliation report for 30 April, 2016.

<i>Item No/Subject</i>	7.2.2.3 Monthly Financial Statements
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	8 June, 2016; Candice Smith Senior Finance Officer
<i>Responsible Officer:</i>	Manager Accounting & Finance
<i>Applicant/Proponent:</i>	Candice Smith Senior Finance Officer Manager Accounting & Finance Fred Gledhill
<i>File Number:</i>	
<i>Previous minute/s & Reference:</i>	

SUMMARY

Local Government (Financial Management) Regulation 34(1)(a) states that a Local Government must prepare financial statements monthly.

DECLARATION OF INTEREST

NIL

ATTACHMENTS

The April Monthly Financial Activity Report pertaining to Councils operations is provided under separate cover. A copy of the schedules is available if required.

OFFICER'S COMMENT

NIL

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Financial Management) Regulations.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

It is recommended that Council receive the Statement of Financial Activity and the Variance Report for the period ending the 30 April, 2016.



SHIRE OF MORAWA
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

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SHIRE OF MORAWA

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

	NOTE	APRIL 2016 Actual \$	APRIL 2016 Y-T-D Budget \$	2015/16 Budget \$	Variances Actuals to Budget \$	Variances Actual Budget to Y-T-D %
Operating						
Revenues/Sources	1,2					
Governance		85,210	73,100	99,469	85,210	0.00%
General Purpose Funding		699,345	823,660	985,278	(124,315)	(15.09%)
Law, Order, Public Safety		42,538	38,594	44,420	3,944	10.22%
Health		57,847	8,330	13,000	49,517	594.44%
Education and Welfare		9,724	364,500	448,600	(354,776)	(97.33%)
Housing		38,379	61,480	122,901	(23,101)	(37.57%)
Community Amenities		449,712	448,290	1,947,267	1,422	0.32%
Recreation and Culture		68,213	39,880	264,476	28,333	71.05%
Transport		835,879	3,331,083	3,178,920	(2,495,204)	(74.91%)
Economic Services		165,443	135,580	716,899	29,863	22.03%
Other Property and Services		52,025	91,880	92,617	(39,855)	(43.38%)
		2,504,315	5,416,377	7,913,847	(2,838,962)	(53.76%)
(Expenses)/(Applications)	1,2					
Governance		(335,620)	(378,774)	(499,849)	(335,620)	0.00%
General Purpose Funding		(147,856)	(150,660)	(193,557)	2,804	1.86%
Law, Order, Public Safety		(109,540)	(114,449)	(148,151)	4,909	4.29%
Health		(237,598)	(176,893)	(226,949)	(60,705)	(34.32%)
Education and Welfare		(224,950)	(614,410)	(769,575)	389,460	63.39%
Housing		(97,693)	(92,680)	(172,364)	(5,013)	(5.41%)
Community Amenities		(390,758)	(485,304)	(515,784)	94,546	19.48%
Recreation & Culture		(923,236)	(873,068)	(1,088,407)	(50,168)	(5.75%)
Transport		(2,262,836)	(1,782,570)	(1,816,974)	(480,266)	(26.94%)
Economic Services		(471,011)	(420,480)	(627,851)	(50,531)	(12.02%)
Other Property and Services		5,532	(50,048)	(28,878)	55,580	111.05%
		(5,195,566)	(5,139,336)	(6,088,339)	(435,004)	1.09%
Net Result Excluding Rates		(2,691,251)	277,041	1,825,508	(3,273,965)	
Adjustments for Non-Cash (Revenue) and Expenditure						
(Profit)/Loss on Asset Disposals	4	14,421	27,610	40,944	(13,189)	47.77%
Movement in Leave Reserve (Added Back)		4,182	0	0	4,182	0.00%
Movement in Deferred Pensioner Rates/ESL (nor		0	0	0	0	0.00%
Movement in Employee Benefit Provisions (non-c		0	0	0	0	0.00%
Rounding Adjustment		4	0	0	4	0.00%
Depreciation on Assets		1,424,709	1,206,310	1,386,877	218,399	(18.10%)
Capital Revenue and (Expenditure)						
Purchase Land Held for Resale	3	0	0	0	0	0.00%
Purchase Land and Buildings	3	(450,730)	(1,158,940)	(1,308,246)	708,210	61.11%
Purchase Plant and Equipment	3	(460,784)	(1,116,320)	(1,339,595)	655,536	58.72%
Purchase Furniture and Equipment	3	(10,691)	(15,290)	(18,350)	4,599	30.08%
Purchase Infrastructure Assets - Roads	3	(831,634)	(1,367,358)	(1,468,125)	535,724	39.18%
Purchase Infrastructure Assets - Footpaths	3	0	(25,000)	(30,000)	25,000	100.00%
Purchase Infrastructure Assets - Drainage	3	0	0	0	0	0.00%
Purchase Infrastructure Assets - Parks & Ovals	3	(15,970)	(17,188)	(34,374)	1,218	7.09%
Purchase Infrastructure Assets - Airfields	3	0	(2,600,000)	(2,600,000)	2,600,000	100.00%
Purchase Infrastructure Assets - Play Equip	3	0	0	0	0	0.00%
Purchase Infrastructure Assets - Sewerage	3	(23,261)	(41,510)	(49,809)	18,249	43.96%
Purchase Infrastructure Assets - Dams	3	0	0	0	0	0.00%
Purchase Infrastructure Assets - Other	3	(203,752)	(1,625,600)	(1,765,200)	1,421,848	87.47%
Proceeds from Disposal of Assets	4	5,000	71,790	77,091	(66,790)	(93.04%)
Repayment of Debentures	5	(45,688)	(58,970)	(70,783)	13,282	22.52%
Proceeds from New Debentures	5	350,000	0	0	350,000	0.00%
Advances to Community Groups		0	0	0	0	0.00%
Self-Supporting Loan Principal Income	5	0	0	0	0	0.00%
Transfers to Restricted Assets (Reserves)	6	(196,354)	(535,970)	(709,511)	339,616	63.36%
Transfers from Restricted Asset (Reserves)	6	905,381	2,021,735	2,387,648	(1,116,354)	(55.22%)
ADD Net Current Assets July 1 B/Fwd	7	1,502,727	1,401,033	1,401,033	101,694	7.26%
LESS Net Current Assets Year to Date	7	699,667	(2,240,633)	0	2,940,300	131.23%
Amount Raised from Rates	8	(1,423,358)	(1,315,994)	(2,274,892)	(107,364)	8.16%

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

Material Variances Symbol

Above Budget Expectations



Greater than 10,000 and greater than 10%

Below Budget Expectations



Less than 10,000 and less than 10%

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 9.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, 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 and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities on the statement of financial position.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Trade and Other Receivables

Collectibility of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(i) Inventories

General

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.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is complete are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(j) Fixed Assets

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

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Revaluation

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets (Continued)

Land Under Roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst this treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	50 to 100 years
Furniture and Equipment	10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years

Depreciation of Non-Current Assets (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets (Continued)

Capitalisation Threshold

Expenditure under the thresholds listed below is not capitalised. Rather, it is recorded on an asset

- Land	Nil (All Land Capitalised)
- Buildings	2,000
- Plant & Equipment	2,000
- Furniture & Equipment	1,000
- Infrastructure	5,000

Capitalisation Threshold

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(k) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (b) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(i) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which are classified as current assets.

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months of the end of the reporting period (classified as current assets).

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(m) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee Benefits

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

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

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

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

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

(p) Borrowing Costs

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.

(q) Provisions

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result to settle the obligation; and
- c) 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.

Provisions are not recognised for future operating losses.

(r) Current and Non-Current Classification

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

(s) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation of the current budget year.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

2. STATEMENT OF OBJECTIVE

The Shire of Morawa is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

GOVERNANCE

Includes members of Council, Civic Functions & Public Relations, Council Elections, Training/Education. Objective is to provide a management & administrative structure to service Council & the community.

GENERAL PURPOSE FUNDING

Includes Rates, Loans, Investments & Grants. Objective is to manage Council's finances.

LAW, ORDER, PUBLIC SAFETY

Includes Emergency Services & Animal Control. Objective is to provide, develop & manage services in response to community needs.

HEALTH

Includes Environmental Health, Medical & Health facilities. Objective is to provide, develop & manage services in response to community needs.

EDUCATION AND WELFARE

Includes Education, Welfare & Children's Services. Objective is to provide, develop & manage services in response to community needs.

HOUSING

Includes Staff & Other Housing. Objective is to ensure quality housing and appropriate infrastructure is maintained.

COMMUNITY AMENITIES

Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape. Objective is to provide, develop & manage services in response to community needs.

RECREATION AND CULTURE

Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities. Objective is to ensure the recreational & cultural needs of the community are met.

TRANSPORT

Includes Roads, Footpaths, Private Works, Machine Operating Costs, Outside Wages & Airstrip. Objective is to effectively manage transport infrastructure.

ECONOMIC SERVICES

Includes Tourism, Rural Services, Economic Development & Caravan Park. Objective is to foster economic development, tourism & rural services in the district.

OTHER PROPERTY & SERVICES

Includes Private Works, Public Works Overheads, Plant Operating Costs, Administration Overheads and Unclassified Items. Objective is to provide control accounts and reporting facilities for all other operations.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

	2015/16 Budget \$	APRIL 2016 YTD Budget \$	APRIL 2016 Actual \$
3. ACQUISITION OF ASSETS			
The following assets have been acquired during the period under review:			
<u>By Program</u>			
Governance			
Upgrade to Old Council Chambers	181,011	181,011	20,123.28
General Purpose Funding			
Health			
Ford Sedan (Doctor Vehicle)	36,924	30,770	36,924.19
Education & Welfare			
Skate Park CCTV Cameras	0	0	0.00
Housing			
Staff Housing - Postings to GL	361,235	301,030	361,235.00
Aged Person Units x 4	18,000	14,400	0.00
Community Amenities			
Cemetery Upgrade	15,000	12,500	0.00
Sewerage Upgrade	49,809	41,510	23,261.37
New Tip Site Construction	1,200,000	1,200,000	0.00
Closure/Rehabilitation Old Tip Site	20,000	20,000	0.00
Compactors/Transfer Bins for Transfer Station	40,000	33,330	0.00
Refuse Transfer Station - Storage Shed	55,000	54,999	0.00
Purchase Land For New Waste Site	300,000	300,000	0.00
Recreation and Culture			
Morawa Town Hall Kitchen Rendering	150,000	125,000	0.00
Upgrade to Pool Pump House	170,000	170,000	22,064.01
Pool Plant & Equipment	923,860	769,880	423,860.00
Sports Complex Upgrade	14,000	0	0.00
Recreation Centre Water Upgrade	44,000	0	46,729.08
Bowling Club Lighting	28,200	0	12,996.36
Skate Park CCTV Cameras	10,000	0	8,396.64
Skate Park	34,374	17,188	15,970.14
Transport			
Road Construction			
- Rural Roads Construction	857,425	830,496	390,127.47
- Townsite Roads Construction	610,700	536,862	441,506.72
Footpath Construction	30,000	25,000	0.00
Plant & Equipment - Road Plant Purchases	237,000	197,500	0.00
Airfield Infrastructure	2,600,000	2,600,000	0.00
Economic Services			
New On site Caravan	40,000	33,330	0.00
Morawa Gateway Project	40,000	32,000	0.00
Morawa Perenjori Trails Project	467,000	373,600	0.00
Phase 1 - Civic Square/Pedestrian Crossing	0	0	176,771.30
MWIP-Morawa Town Revitalisation Project	0	0	5,587.68
Other Property & Services			
Administration Furniture & Equipment	18,350	15,290	10,690.98
CEO/DCEO/MAF Vehicles	61,811	51,510	0.00
	8,613,699	7,967,206	1,996,823.12

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

3. ACQUISITION OF ASSETS (Continued)	2015/16 Budget \$	APRIL 2016 YTD Budget \$	APRIL 2016 Actual \$
The following assets have been acquired during the period under review:			
<u>By Class</u>			
Land Held for Resale	0	0	0.00
Investments	0	0	0.00
Land	0	0	0.00
Buildings	1,308,246	1,158,940	450,730.27
Plant and Equipment	1,339,595	1,116,320	460,784.19
Furniture and Equipment	18,350	15,290	10,690.98
Infrastructure Assets - Roads	1,468,125	1,367,358	831,634.19
Infrastructure Assets - Footpaths	30,000	25,000	0.00
Infrastructure Assets - Drainage/Dams	0	0	0.00
Infrastructure Assets - Parks & Ovals	34,374	17,188	15,970.14
Infrastructure Assets - Airfields	2,600,000	2,600,000	0.00
Infrastructure Assets - Playground Equipment	0	0	0.00
Infrastructure Assets - Sewerage	49,809	41,510	23,261.37
Infrastructure Assets - Dams	0	0	0.00
Infrastructure Assets - Other	1,765,200	1,625,600	203,751.98
	<u>8,613,699</u>	<u>7,967,206</u>	<u>1,996,823.12</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

4. DISPOSALS OF ASSETS

The following assets have been disposed of during the period under review:

By Program	Written Down Value		Sale Proceeds		Profit(Loss)	
	2015/16 Budget \$	APRIL 2016 Actual \$	2015/16 Budget \$	APRIL 2016 Actual \$	2015/16 Budget \$	APRIL 2016 Actual \$
Health (Asset 364) Ford FG G6 Sedan (Doctors)	24,100	19,420.82	9,091	5,000.00	(15,009)	(14,420.82)
Transport (Asset 272) Case Backhoe - P192	46,300	0.00	35,000	0.00	(11,300)	0.00
(Asset 476) Works Supervisor Vehicle	28,838	0.00	22,000	0.00	(6,838)	0.00
Economic Services	0	0.00	0	0.00	0	0.00
Other Property & Services (Asset 476) Ford Falcon Sedan - MAF	18,797	0.00	11,000	0.00	(7,797)	0.00
	118,035	19,420.82	77,091	5,000.00	(40,944)	(14,420.82)

By class of asset	Written Down Value		Sale Proceeds		Profit(Loss)	
	2015/16 Budget \$	APRIL 2016 Actual \$	2015/16 Budget \$	APRIL 2016 Actual \$	2015/16 Budget \$	APRIL 2016 Actual \$
Plant & Equipment (Asset 364) Ford FG G6 Sedan (Doctors)	24,100	19,420.82	9,091	5,000.00	(15,009)	(14,420.82)
(Asset 476) Ford Falcon Sedan - MAF	18,797	0.00	11,000	0.00	(7,797)	0.00
(Asset 272) Case Backhoe - P192	46,300	0.00	35,000	0.00	(11,300)	0.00
(Asset 476) Works Supervisor Vehicle	28,838	0.00	22,000	0.00	(6,838)	0.00
	118,035	19,420.82	77,091	5,000.00	(40,944)	(14,420.82)

Summary

Profit on Asset Disposals
Loss on Asset Disposals

2015/16 Budget \$	APRIL 2016 Actual \$
0	0.00
(40,944)	(14,420.82)
(40,944)	(14,420.82)

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-15	New Loans		Principal Repayments		Principal Outstanding	Interest Repayments	
		2015/16 Budget \$	2015/16 Actual \$	2015/16 Budget \$	2015/16 Actual \$		2015/16 Budget \$	2015/16 Actual \$
Housing								
Loan 133 - GEHA House	132,581	0	0	29,967	14,739	102,614	8,337	4,413
Loan 134 - 2 Broad Street	93,943	0	0	21,379	21,379	72,564	6,118	6,118
Loan 135 - Staff Housing	19,437	0	0	19,437	9,570	0	1,005	651
Loan 136 - 24 Harley Street - Staff Housing	0	0	350,000	0	0	0	0	0
Transport								
Loan 138 - Plant Replacement	0	0		0	0	0	0	0
Other Property & Services								
	245,961	0	350,000	70,783	45,688	175,178	15,460	11,183

All debenture repayments are to be financed by general purpose revenue.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

5. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2015/16

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Amount Used		Balance Unspent \$
	Budget \$	Actual \$					Budget \$	Actual \$	
Loan 136 - 24 Harley Street - Staff Housing	0	350,000	WATC	Debenture			0	350,000	0

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

	2015/16 Budget \$	APRIL 2016 Actual \$
6. RESERVES - CASH BACKED		
(a) Leave Reserve		
Opening Balance	276,716	276,716
Amount Set Aside / Transfer to Reserve	63,104	4,182
Amount Used / Transfer from Reserve	0	0
	<u>339,820</u>	<u>280,898</u>
(b) Sports and Recreation Facilities Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	0	0
Amount Used / Transfer from Reserve	0	0
	<u>0</u>	<u>0</u>
(c) Plant Reserve		
Opening Balance	840,201	840,201
Amount Set Aside / Transfer to Reserve	193,761	104,977
Amount Used / Transfer from Reserve	(381,409)	0
	<u>652,553</u>	<u>945,178</u>
(d) Building Reserve		
Opening Balance	5,153	5,153
Amount Set Aside / Transfer to Reserve	73,951	78
Amount Used / Transfer from Reserve	0	0
	<u>79,104</u>	<u>5,231</u>
(e) Economic Development Reserve		
Opening Balance	106,142	106,142
Amount Set Aside / Transfer to Reserve	3,109	1,604
Amount Used / Transfer from Reserve	0	0
	<u>109,251</u>	<u>107,746</u>
(f) Community Development Reserve		
Opening Balance	1,372,142	1,372,142
Amount Set Aside / Transfer to Reserve	40,183	20,738
Amount Used / Transfer from Reserve	(245,026)	0
	<u>1,167,299</u>	<u>1,392,880</u>
(g) Sewerage Reserve		
Opening Balance	121,894	121,894
Amount Set Aside / Transfer to Reserve	40,127	1,842
Amount Used / Transfer from Reserve	0	0
	<u>162,021</u>	<u>123,736</u>
(h) Unspent Grants and Contributions Reserve		
Opening Balance	982,919	982,918
Amount Set Aside / Transfer to Reserve	28,786	14,813
Amount Used / Transfer from Reserve	(926,767)	(905,381)
	<u>84,938</u>	<u>92,350</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

	2015/16 Budget \$	APRIL 2016 Actual \$
6. RESERVES (Continued)		
(i) Business Units Reserve		
Opening Balance	40,517	40,518
Amount Set Aside / Transfer to Reserve	21,187	612
Amount Used / Transfer from Reserve	0	0
	<u>61,704</u>	<u>41,130</u>
(j) Morawa Community Trust Reserve		
Opening Balance	10,944	10,944
Amount Set Aside / Transfer to Reserve	321	165
Amount Used / Transfer from Reserve	(10,100)	0
	<u>1,165</u>	<u>11,109</u>
(k) Morawa Community Future Funds Reserve		
Opening Balance	2,155,811	2,155,811
Amount Set Aside / Transfer to Reserve	63,136	32,581
Amount Used / Transfer from Reserve	(53,666)	0
	<u>2,165,281</u>	<u>2,188,392</u>
(l) Refuse Transfer Station Reserve		
Opening Balance	196,097	196,097
Amount Set Aside / Transfer to Reserve	5,743	2,964
Amount Used / Transfer from Reserve	(95,000)	0
	<u>106,840</u>	<u>199,061</u>
(m) Aged Care Units Reserve		
Opening Balance	8,867	8,867
Amount Set Aside / Transfer to Reserve	260	134
Amount Used / Transfer from Reserve	-	0
	<u>9,127</u>	<u>9,001</u>
(n) ST-N/Midlands Solar Thermal Power		
Opening Balance	541,001	540,136
Amount Set Aside / Transfer to Reserve	15,844	8,866
Amount Used / Transfer from Reserve	(500,000)	0
	<u>56,845</u>	<u>549,002</u>
(o) ST-Morawa Revitalisation Reserve		
Opening Balance	170,681	170,408
Amount Set Aside / Transfer to Reserve	4,999	2,797
Amount Used / Transfer from Reserve	(175,680)	0
	<u>0</u>	<u>173,205</u>
(p) Legal Fees Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	15,000	0
Amount Used / Transfer from Reserve	0	0
	<u>15,000</u>	<u>0</u>

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

	2015/16 Budget \$	APRIL 2016 Actual \$
6. RESERVES (Continued)		
(q) Road Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	140,000	0
Amount Used / Transfer from Reserve	0	0
	<u>140,000</u>	<u>0</u>
 Total Cash Backed Reserves	 5,150,948	 6,118,919
 Summary of Transfers To Cash Backed Reserves		
Transfers to Reserves		
Leave Reserve	63,104	4,182
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	193,761	104,977
Building Reserve	73,951	78
Economic Development Reserve	3,109	1,604
Community Development Reserve	40,183	20,738
Sewerage Reserve	40,127	1,842
Unspent Grants and Contributions Reserve	28,786	14,813
Business Units Reserve	21,187	612
Morawa Community Trust Reserve	321	165
Morawa Community Future Fund Reserve	63,136	32,581
Refuse Transfer Station Reserve	5,743	2,964
Aged Care Units Reserve	260	134
ST-N/Midlands Solar Thermal Power	15,844	8,866
ST-Morawa Revitalisation Reserve	4,999	2,797
Legal Fees Reserve	15,000	0
Road Reserve	140,000	0
	<u>709,511</u>	<u>196,354</u>
 Transfers from Reserves		
Leave Reserve	0	0
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	(381,409)	0
Building Reserve	0	0
Economic Development Reserve	0	0
Community Development Reserve	(245,026)	0
Sewerage Reserve	0	0
Unspent Grants and Contributions Reserve	(926,767)	(905,381)
Business Units Reserve	0	0
Morawa Community Trust Reserve	(10,100)	0
Morawa Community Future Fund Reserve	(53,666)	0
Refuse Transfer Station Reserve	(95,000)	0
Aged Care Units Reserve	0	0
ST-N/Midlands Solar Thermal Power	(500,000)	0
ST-Morawa Revitalisation Reserve	(175,680)	0
Legal Fees Reserve	0	0
Road Reserve	0	0
	<u>(2,387,648)</u>	<u>(905,381)</u>
 Total Transfer to/(from) Reserves	 <u>(1,678,137)</u>	 <u>(709,027)</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

6. RESERVES (Continued)

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Leave Reserve

To be used to fund leave requirements.

Sportsground Complex Upgrade Reserve

To be used to upgrade the Sporting Complex Facilities.

Plant Reserve

To be used to upgrade, replace or purchase new plant and equipment.

Building Reserve

To be used to refurbish, replace, extend or establish Council owned buildings.

Economic Development Reserve

To be used to create economic development initiatives in the local community.

Community Development Reserve

To be used for Community Projects within the Shire of Morawa

Sewerage Reserve

To be used to repair, replace or extend the sewerage facility.

Unspent Grants and Contributions Reserve

To be used as a quarantine for unspent committed funds.

Business Units Reserve

To be used to upgrade, refurbish or purchase new Business Units

Morawa Community Trust Reserve

To be used for Morawa Community Projects

Morawa Community Future Fund Reserve

To be used to provide an ongoing conduit for benefits to the people and environment of the Morawa Shire through the Sinosteel Midwest Corporation Morawa Future Fund Foundation Memorandum

Refuse Transfer Station Reserve

To be used for Morawa Landfill closure and Refuse Transfer Station implementation project -

Aged Persons Units Reserve

To be used for the maintenance of 4 Aged Care Units at the Morawa Perenjori Health Centre

ST - N/Midlands Solar Thermal Power Reserves

Super Town funds to be used for the N/Midlands Solar Thermal Power feasibility Study Project

ST-Morawa Revitalisation Reserve

Super Town funds to be used for the Morawa Town Revitalisation Project

Legal Fees Reserve

to be utilised for unforeseen Legal Fees

Road Reserve

to be utilised for future Road Construction and Maintenance

Except for the Unspent Grants and Contributions Reserve, the Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

	2014/15 B/Fwd Per 2015/16 Budget \$	2014/15 B/Fwd Per Financial Report \$	2015/16 Actual \$
7. NET CURRENT ASSETS			
Composition of Estimated Net Current Asset Position			
CURRENT ASSETS			
Cash - Unrestricted	1,086,705	769,180	246,313
Cash - Restricted Unspent Grants	0	317,600	0
Cash - Restricted Unspent Loans	0	0	0
Cash - Restricted Reserves	6,829,085	6,827,946	6,118,919
Rates - Current	248,621	242,859	406,843
Sundry Debtors	375,943	375,943	97,478
GST Receivable	78,172	78,836	86,188
Accrued Income/Prepayments	16,328	10,416	0
Provision for Doubtful Debts	(2,632)	(15,624)	(15,624)
Other Current Debtors	27	27	0
Inventories	12,905	10,124	10,124
	<u>8,645,154</u>	<u>8,617,307</u>	<u>6,950,241</u>
LESS: CURRENT LIABILITIES			
Sundry Creditors	(119,308)	(112,291)	(13,369)
Income Received in Advance	(111,331)	0	(55,620)
GST Payable	(49,793)	(50,156)	(3,811)
Payroll Creditors	0	0	0
Accrued Expenditure	0	0	0
Other Payables	(9,512)	(2,661)	(7,220)
Withholding Tax Payable	0	0	0
Payg Payable	(32,110)	(32,110)	(33,484)
Accrued Interest on Debentures	(6,864)	(5,737)	0
Accrued Salaries and Wages	(55,522)	(61,334)	0
Current Employee Benefits Provision	(307,312)	(299,061)	(299,061)
Current Loan Liability	<u>(70,783)</u>	<u>(70,783)</u>	<u>(25,095)</u>
	<u>(762,535)</u>	<u>(634,133)</u>	<u>(437,660)</u>
NET CURRENT ASSET POSITION	7,882,619	7,983,174	6,512,581
Less: Cash - Reserves - Restricted	(6,829,085)	(6,827,946)	(6,118,919)
Less: Cash - Unspent Grants - Restricted	0	0	0
Adjustment for Trust Transactions Within Muni	0	0	12
Add Back : Component of Leave Liability not Required to be Funded	276,716	276,716	280,898
Add Back : Current Loan Liability	70,783	70,783	25,095
SURPLUS/(DEFICIENCY) C/FWD	<u>1,401,033</u>	<u>1,502,727</u>	<u>699,667</u>

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2015/16 Rate Revenue \$	2015/16 Interim Rates \$	2015/16 Back Rates \$	2015/16 Total Revenue \$	2015/16 Budget \$
General Rate								
GRV Residential/Commercial	0.07199	267	2,899,072	208,698	702	0	209,400	208,698
UV Rural	0.02192	208	56,190,000	1,231,536	(108)	0	1,231,428	1,231,525
UV Mining	0.28968	17	455,557	131,966	3,642	0	135,609	137,401
Sub-Totals		492	59,544,629	1,572,201	4,236	0	1,576,437	1,577,624
Minimum Rates	Minimum \$							
GRV Residential/Commercial	271	50	40,840	13,558		0	13,558	13,550
UV Rural	271	6	48,000	1,627	0	0	1,627	1,626
UV Mining	656	12	11,145	7,872	0	0	7,872	8,528
Sub-Totals		68	99,985	23,056	0	0	23,056	23,704
Ex-Gratia Rates							1,599,494	1,601,328
							5,624	5,624
Discounts							1,605,118	1,606,952
Rates Written Off							(59,723)	(58,000)
Movement in Excess Rates							(10,704)	(1,300)
							(111,331)	0
Totals							1,423,360	1,547,652

All land except exempt land in the Shire of Morawa is rated according to its Gross Rental Value (GRV) in townships or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2015/16 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

9. TRUST FUNDS

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

Detail	Balance 01-Jul-15 \$	Amounts Received \$	Amounts Paid (\$)	Balance \$
Housing Bonds	0	2,000	0	2,000
Child Care Bonds	0	0	0	0
Bonds Hall/Rec Centre Hire	0	0	0	0
Extractive Industries Licence	0	0	0	0
Youth Centre	865	0	0	865
Council Nominations	0	320	(320)	0
Bill Johnson Unit 1 Bond	0	0	0	0
Haulmore Trailers Land Dep	4,641	0	0	4,641
Social Club Payments	0	0	0	0
Local Drug Action Group	560	100	0	660
BCITF/BRB Training Levy	2,885	229	(2,823)	291
DPI Licensing	0	0	0	0
Morawa Oval Function Centre	1,762	0	0	1,762
	10,714	2,649	(3,143)	10,220

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

10. OPERATING STATEMENT

	APRIL 2016 Actual \$	2015/16 Budget \$	2014/15 Actual \$
OPERATING REVENUES			
Governance	85,210	99,469	9,899
General Purpose Funding	2,122,705	2,532,930	4,102,157
Law, Order, Public Safety	42,538	44,420	45,841
Health	57,847	13,000	4,759
Education and Welfare	9,724	448,600	62,813
Housing	38,379	122,901	48,270
Community Amenities	449,712	1,947,267	430,274
Recreation and Culture	68,213	264,476	525,931
Transport	835,879	3,178,920	1,535,940
Economic Services	165,443	716,899	281,693
Other Property and Services	52,025	92,617	114,320
TOTAL OPERATING REVENUE	3,927,675	9,461,499	7,161,898
OPERATING EXPENSES			
Governance	335,620	499,849	427,808
General Purpose Funding	147,856	193,557	178,137
Law, Order, Public Safety	109,540	148,151	125,997
Health	237,598	226,949	205,675
Education and Welfare	224,950	769,575	233,474
Housing	97,693	172,364	112,723
Community Amenities	390,758	515,784	439,886
Recreation & Culture	923,236	1,088,407	1,213,729
Transport	2,262,836	1,816,974	2,092,360
Economic Services	471,011	627,851	3,311,506
Other Property and Services	(5,532)	28,878	(46,198)
TOTAL OPERATING EXPENSE	5,195,566	6,088,339	8,295,096
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	<u>(1,267,891)</u>	<u>3,373,160</u>	<u>(1,133,198)</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

11. BALANCE SHEET

	APRIL 2016 Actual \$	2014/15 Actual \$
CURRENT ASSETS		
Cash Assets	6,365,232	7,914,726
Receivables	574,885	692,458
Inventories	10,124	10,124
TOTAL CURRENT ASSETS	<u>6,950,241</u>	<u>8,617,308</u>
NON-CURRENT ASSETS		
Receivables	11,064	11,064
Inventories	0	0
Property, Plant and Equipment	27,090,298	26,804,567
Infrastructure	42,281,135	42,014,173
TOTAL NON-CURRENT ASSETS	<u>69,382,497</u>	<u>68,829,804</u>
TOTAL ASSETS	<u>76,332,738</u>	<u>77,447,112</u>
CURRENT LIABILITIES		
Payables	113,504	264,288
Interest-bearing Liabilities	25,095	70,783
Provisions	299,061	299,061
TOTAL CURRENT LIABILITIES	<u>437,660</u>	<u>634,132</u>
NON-CURRENT LIABILITIES		
Interest-bearing Liabilities	525,178	175,179
Provisions	30,834	30,834
TOTAL NON-CURRENT LIABILITIES	<u>556,012</u>	<u>206,013</u>
TOTAL LIABILITIES	<u>993,672</u>	<u>840,145</u>
NET ASSETS	<u>75,339,066</u>	<u>76,606,967</u>
EQUITY		
Retained Surplus	32,223,236	32,782,098
Reserves - Cash Backed	6,118,919	6,827,946
Reserves - Asset Revaluation	36,996,923	36,996,923
TOTAL EQUITY	<u>75,339,078</u>	<u>76,606,967</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016

12. FINANCIAL RATIO

	2015 YTD	2014	2013	2012
Current Ratio	5.300	7.880	1.870	2.230

The above rates are calculated as follows:

Current Ratio equals	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$
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SHIRE OF MORAWA
FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016
Report on Significant variances Greater than 10% and \$10,000

Purpose

The purpose of the Monthly Variance Report is to highlight circumstances where there is a major variance from the YTD Monthly Budget and YTD Actual figures. These variances can occur because of a change in timing of the activity, circumstances change (eg a grants were budgeted for but was not received) or changes to the original budget projections. The Report is designed to highlight these issues and explain the reason for the

The Materiality variances adopted by Council are:

Actual Variance to YTD Budget up to 5%:	Don't Report
Actual Variance exceeding 10% of YTD Budget	Use Management Discretion
Actual Variance exceeding 10% of YTD Budget and a value greater than \$10,000:	Must Report

REPORTABLE OPERATING REVENUE VARIATIONS

Health - Variance above budget expectations

Income from Doctors surgery to the Shire not budgeted for - offset with Dr Sasha's expenses

Education and Welfare - Variance below budget expectations

Industry Training Centre - timing

Housing - Variance below budget expectations

Single units are not rented out at present - no income generating from these

Community Amenities - Variance below budget expectations.

Grants for Refuse Site yet to be received - timing

Recreation & Culture - Variance above budget expectations.

Timing - small grants received - Swimming Pool \$32,000.00

Transport - Variance below expectations.

RRG & R2R funding - timing

Economic Services - Variance above budget expectations.

Wildflower Trails project invoice to Sinosteel \$30,000.00

Other Property & Services - Variance below budget expectations.

Private Works on mines roads moved to Roads Maintenance - making actuals for YTD below expectations

REPORTABLE OPERATING EXPENSE VARIATIONS

Health - Variance above budget expectations.

Expenditure to Doctors surgery from the Shire not budgeted for - offset with medicare income

Education and Welfare - Variance below budget expectations

Industry training centre expenditure yet to commence.

Child Care Mtce below budget

Community Amenities - Variance below budget expectations.

Town Planning Expenses below budget expectations

Transport - Variance above budget expectations.

Maintenance of Rural Roads within budget, Town Streets and the Depot is below budget - timing.

Department of Transport licensing reflected in budget - off set by income

Economic Services - Variance within budget expectations

Caravan Park operations under budget

North Midlands Solar Thermal Power expenditure delayed.

Other Property & Services - Variance below budget expectations.

Timing - Public Works overheads lower than anticipated

SHIRE OF MORAWA
FOR THE PERIOD 1 JULY 2015 TO 30 APRIL 2016
Report on Significant variances Greater than 10% and \$10,000

REPORTABLE NON-CASH VARIATIONS

REPORTABLE CAPITAL EXPENSE VARIATIONS

Purchase of Land & Buildings - Variance below budget expectations.

Upgrade to Old Council Chambers postponed
Town Hall Kitchen rendering not complete

Purchase of Plant & Equipment - Variance below budget expectations.

Shire vehicles not upgraded as yet - timing

Purchase of Infrastructure Assets Roads - Variance below budget expectations.

Capital Road Works for roads under budget - timing

Purchase Furniture and Equipment - Variance below budget expectations

Timing - Server Upgrade not proceeded with as yet (ordered and arriving March)

Purchase Infrastructure Assets - Other- Variance below budget expectations.

Construction of the Transfer Station in progress
Morawa Gateway Project awaiting grants - Not Proceeding with
Morawa Perenjori Trails Project awaiting grants - not proceeding with

Transfer to Reserves - Variance below budget expectations.

Transfers to Reserves - timing

REPORTABLE CAPITAL INCOME VARIATIONS

Proceeds from Disposal of Assets - Variance within budget expectations.

Transfer from Reserves - Variance below budget expectations.

Transfers to Municipal Fund - timing on completion of projects

<i>Item No/Subject:</i>	7.2.2.4 Accounts Due For Payment
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	07/06/2016, Melissa Borg Finance Officer
<i>Responsible Officer:</i>	Finance Officer
<i>Applicant/Proponent:</i>	Manager Accounting & Finance Fred Gledhill
<i>File Number:</i>	ADM0135
<i>Previous minute/s & Reference:</i>	

SUMMARY

A list of accounts is attached for all payments made for the month of May 2016.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

List of accounts Due & Submitted to council 16 June 2016

BACKGROUND INFORMATION

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS
1996 – REG 13

The local government has delegated to the CEO the exercise of power to make payments from the municipal fund or the trust fund, a list off accounts paid by the CEO is to prepare each month showing for each account paid since the last such list was prepared.

OFFICER'S COMMENT

Nil

STATUTORY ENVIRONMENT

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS
1996 – REG 13

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

As per list of accounts

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorses -

1. The list of accounts paid by the Chief Executive Officer under delegated authority, represented by:

- Municipal EFT Payment Numbers EFT 8564 to EFT 8648 inclusive, amounting to \$708,023.73
- Municipal Cheque Payments Numbered 11559 to 11569 and (6) totalling \$28,371.64
- Municipal Direct Debit Payments Numbers DD4952.1 to DD4987.1 amounting to \$29,879.75
- Payroll for May 2016
04/05/2016 - \$50,718.20
18/05/2016 - \$49,961.27

7	25/05/2016	Shire of Morawa	Petty Cash Recoup - May 2016	1	331.95
EFT8564	06/05/2016	Australian Services Union	Payroll deductions	1	103.20
EFT8565	10/05/2016	Ashdown Ingram	Parts - PO 16792	1	82.56
EFT8566	10/05/2016	Morawa News & Gifts	Paper and Stationary - April 2016	1	121.99
EFT8567	10/05/2016	Morawa Traders	Purchases - April 2016	1	180.97
EFT8568	10/05/2016	IXOM	Service Fee - Chlorine	1	163.68
EFT8569	10/05/2016	Mid West Auto Group	Service Nissan Patrol MO 340	1	820.15
EFT8570	10/05/2016	S & K Electrical Contracting Pty Ltd	Repair wind sock light at airport	1	1,755.71
EFT8571	10/05/2016	Canine Control	Ranger Services - 28/04/2016	1	1,881.00
EFT8572	10/05/2016	ML Communications	Repair to phone system at youth Centre	1	1,139.60
EFT8573	10/05/2016	Neverfail Springwater Limited	Monthly Cooler Rental - April 2016	1	14.30
EFT8574	10/05/2016	Medelect Biomedical Services	O Ring and Valve Purchases	1	60.50
EFT8575	10/05/2016	Porter Consulting Engineers	Desludging of Pond 3 - Finishing Pond Preparation of scope of works	1	6,050.00
EFT8576	10/05/2016	Orana Cinemas	April 2016 Holiday excursion cinema - ages 12-17	1	60.00
EFT8577	10/05/2016	RSM Bird Cameron	Professional Services - Interim audit 2016	1	5,491.55
EFT8578	10/05/2016	Airey Taylor Consulting	Morawa Swimming Pool - data analysis from concrete core survey	1	15,711.79
EFT8579	10/05/2016	Deans Contracting WA Pty Ltd	Flood Damage Repairs - 18/04/2016 to 24/04/2016	1	9,947.30
EFT8580	10/05/2016	Galvins Plumbing Supplies	Parts - PO 311	1	2,309.55

EFT8581	11/05/2016	IGA Morawa	IGA Purchases - March and April 2016	1	1,836.14
EFT8582	12/05/2016	Ashdown Ingram	Parts - PO 16788	1	102.30
EFT8583	12/05/2016	BOC Limited	Balloon Gas	1	16.62
EFT8584	12/05/2016	Moore Stephens	Financial Management workshop	1	2,090.00
EFT8585	12/05/2016	Landmark Operations Limited	Gas Bottles	1	284.90
EFT8586	12/05/2016	Everlastings Guest Homes Morawa	Community Meeting 28/4/2016 Catering	1	450.00
EFT8587	12/05/2016	Canine Control	Ranger Services - 04/05/2016	1	940.50
EFT8588	12/05/2016	Courier Australia	Freight - Perth - Morawa	1	23.39
EFT8589	12/05/2016	Geraldton Toyota	Admin Staff Vehicle RAV 4	1	4,231.59
EFT8590	12/05/2016	Vidguard Security Systems	Monitoring Fees - 01/05/2016 to 31/07/2016	1	115.50
EFT8591	12/05/2016	Bob Waddell Consultant	Assistance with 16/17 Annual Budget	1	2,244.00
EFT8592	12/05/2016	Snap Osborne Park	2016 Art Exhibition flyers reprint	1	279.00
EFT8593	12/05/2016	CleverPatch	Mothers Day Craft – Youth Program	1	272.26
EFT8594	12/05/2016	Joanne Draper	Reimbursement	1	61.80
EFT8595	12/05/2016	Geoff Ninnies Fong and Partners	Morawa Pool - Preparation of tender documents and engineering	1	35,200.00
EFT8596	12/05/2016	Staples	Stationary	1	49.74
EFT8597	19/05/2016	J.R. & A. Hersey Pty Ltd	Parts - PO 302	1	8,772.50
EFT8598	19/05/2016	Landmark Operations Limited	Parts - PO 303	1	47.14

EFT8599	19/05/2016	WesTrac Equipment Pty Ltd	Parts	1	105.60
EFT8600	19/05/2016	S & K Electrical Contracting Pty Ltd	Dis connect power to solar hart reconnect	1	108.90
EFT8601	19/05/2016	Leading Edge Computers Dongara & Geraldton	New IPad – CEO	1	2,133.00
EFT8602	19/05/2016	Morawa Rural Enterprises	Parts - PO 321	1	2,398.50
EFT8603	19/05/2016	Left of Centre Concepts & Events Pty Ltd	Media Management - PO 14189	1	572.00
EFT8604	19/05/2016	Atom Supply	Marking Paint - 237	1	308.35
EFT8605	19/05/2016	Covs Parts Pty Ltd	Parts - PO372	1	1,896.56
EFT8606	19/05/2016	BPH	Flood damage repairs 04/2016	1	297,029.70
EFT8607	19/05/2016	Id Consulting Pty Ltd	Yearly Subscription Fee 15/16- PO 14194	1	3,300.00
EFT8608	19/05/2016	Patience Sandland Pty Ltd	supply 37 ton cream sand for oval	1	1,385.10
EFT8609	23/05/2016	Australian Services Union	Payroll deductions	1	103.20
EFT8610	23/05/2016	Star Track Express	Freight	1	491.29
EFT8611	23/05/2016	BL & MJ Thornton Waste Removal Services	Waste Removal - April 2016	1	7,919.34
EFT8612	23/05/2016	Everlastings Guest Homes Morawa	Catering - May 2016	1	165.00
EFT8613	23/05/2016	Geraldton Fuel Company Pty Ltd	April 2016 - Fuel Purchases	1	12,814.56
EFT8614	23/05/2016	Reliance Petroleum	April 2016 Fuel Purchases	1	645.54
EFT8615	23/05/2016	S & K Electrical Contracting Pty Ltd	Test and tag all electrical equipment at shire depot	1	766.65
EFT8616	23/05/2016	GH Country Courier	Freight Dongara on Shore Cabinets - Morawa	1	330.16
EFT8617	23/05/2016	Greenfield Technical Services	Flood Damage Construction	1	4,287.80

EFT8618	23/05/2016	Morawa Rural Enterprises	Round Up - PO 349	1	347.60
EFT8619	23/05/2016	Alinta Sales Pty Ltd	Power Usage 01/04/2016 - 30/04/2016	1	199.28
EFT8620	23/05/2016	Clarkes Washing Machine Repairs	Speed Queen Washing Machine repairs	1	354.75
EFT8621	23/05/2016	Central Regional TAFE	Cert two rural operating training	1	8,779.76
EFT8622	24/05/2016	Deans Contracting WA Pty Ltd	Flood Damage Repairs 02/05/2016 to 15/05/2016	1	18,260.88
EFT8623	24/05/2016	BPH	Flood Damage Repairs 16/05/2016 to 22/05/2016	1	157,713.05
EFT8624	25/05/2016	Kats Rural	Purchases - Pliers	1	59.20
EFT8625	25/05/2016	Hitachi Construction Machinery (Australia) Pty Ltd	Parts - PO 16793	1	518.47
EFT8626	25/05/2016	Courier Australia	Freight Perth - Morawa	1	35.21
EFT8627	25/05/2016	Bob Waddell Consultant	Assistance with 16/17 Annual Budget	1	231.00
EFT8628	25/05/2016	Hille, Thompson & Delfos Surveyors & Planners	Survey work for pool upgrade	1	4,147.00
EFT8629	25/05/2016	Shire of Perenjori	Club Development Officer Contribution	1	11,000.00
EFT8630	25/05/2016	Leading Edge Computers Dongara & Geraldton	Replacement UPS for Trainee Computer	1	179.00
EFT8631	25/05/2016	Corporate Health Professionals	Audiometric Testing of staff	1	1,078.00
EFT8632	25/05/2016	Starick Tyres	Replace and fit 3 tyres	1	1,056.39
EFT8633	25/05/2016	Nothern Country Zone of WALGA	Elected Members Training Day	1	430.00
EFT8634	25/05/2016	Porter Consulting Engineers	WWTP Treatment	1	5,500.00
EFT8635	25/05/2016	Safeway Building & Renovations Pty Ltd	Aquatic Facility Upgrade	1	41,694.80

EFT8636	25/05/2016	Joanne Draper	Purchases - Youth Centre (DVD, Kitchen Equipment)	1	196.00
EFT8637	30/05/2016	Ashdown Ingram	Parts - PO 16794	1	497.55
EFT8638	30/05/2016	Star Track Express	Freight	1	354.41
EFT8639	30/05/2016	Kats Rural	Plants - PO 300	1	4,069.58
EFT8640	30/05/2016	Moore Stephens	Rates Comparison Report 15/16	1	209.00
EFT8641	30/05/2016	Landmark Operations Limited	Purchases	1	120.18
EFT8642	30/05/2016	S & K Electrical Contracting Pty Ltd	Replace fluoro at oval	1	347.23
EFT8643	30/05/2016	Courier Australia	Freight	1	8.98
EFT8644	30/05/2016	Jason Signmakers	Signs -PO 359	1	5,508.80
EFT8645	30/05/2016	Geraldton Mower & Repairs Specialists	Purchases - Po 16795	1	579.00
EFT8646	30/05/2016	Covs Parts Pty Ltd	Parts - PO 19600	1	1,536.13
EFT8647	30/05/2016	Magpie Squawk	2016 Morawa Art Exhibition Advertising	1	40.00
EFT8648	30/05/2016	John Phillips Consulting	CEO Appraisal 2016	1	3,300.00
11559	03/05/2016	Synergy	Power Usage Feb 2016 to April 2016	1	1,243.65
11560	03/05/2016	Synergy	Power Usage Feb 2016 to April 2016	1	12,124.85
11561	10/05/2016	Morawa Licensed Post Office Emmlee's	Monthly Mailing Bill - April 2016	1	236.35
11562	11/05/2016	Centrex Potash Pty Ltd	Rates refund for assessment A964 LOT E70/03777	1	1,652.64
11563	12/05/2016	Synergy	Power Usage March - April 2016	1	6,335.80

11564	12/05/2016	Telstra Corporation Limited	Phone Usage May 2016	1	288.72
11565	12/05/2016	Bonanza Inglewood	2016 Banners in the Terrace paint	1	742.35
11566	25/05/2016	Synergy	Power Usage Feb - April 2016	1	671.85
11567	25/05/2016	Telstra Corporation Limited	Phone Charges - May 2016	1	2,977.28
11568	25/05/2016	Elgas Limited	Service Charges	1	79.20
11569	30/05/2016	Synergy	Power Usage - April - May 2016	1	1,687.00
DD4952.1	04/05/2016	WA Local Government Superannuation Plan	Payroll deductions	1	8,287.59
DD4952.2	04/05/2016	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	1	744.54
DD4952.3	04/05/2016	BT FINANCIAL GROUP	Superannuation contributions	1	296.76
DD4952.4	04/05/2016	MLC Nominees Pty Ltd	Superannuation contributions	1	219.69
DD4952.5	04/05/2016	HOSTPLUS	Superannuation contributions	1	152.52
DD4952.6	04/05/2016	Concept One	Superannuation contributions	1	207.93
DD4952.7	04/05/2016	Australian Super	Superannuation contributions	1	211.36
DD4957.1	10/05/2016	Australian Taxation Office	FBT Year 15/16	1	7,631.00
DD4965.1	18/05/2016	WA Local Government Superannuation Plan	Payroll deductions	1	8,236.67
DD4965.2	18/05/2016	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	1	744.54
DD4965.3	18/05/2016	BT FINANCIAL GROUP	Superannuation contributions	1	296.76
DD4965.4	18/05/2016	MLC Nominees Pty Ltd	Superannuation contributions	1	219.69
DD4965.5	18/05/2016	HOSTPLUS	Superannuation contributions	1	137.53

DD4965.6	18/05/2016	Concept One	Superannuation contributions	1	207.93
DD4965.7	18/05/2016	Australian Super	Superannuation contributions	1	211.36
DD4979.1	12/05/2016	BOQ Finance	Copier Lease BAFL May 2016	1	301.16
DD4981.1	12/05/2016	Samantha May Whittington	Broad Av Rent May 2016	1	300.00
DD4981.2	26/05/2016	Samantha May Whittington	Broad Av Rent May 2016	1	300.00
DD4983.1	02/05/2016	Westnet Pty Ltd	Internet Charges - May 2016	1	234.75
DD4987.1	05/05/2016	BankWest	Credit Card Purchases April 2016 Paid in May 2016	1	937.97

REPORT TOTALS

EFT	\$ 708,023.73
Cheque	\$ 28,371.64
Direct Debits	\$ 29,879.75
Payroll	\$ 100,679.47
Credit Card – CEO	\$ 541.55
Credit Card – Manager Finance	\$ 121.00
Credit Card – EMDA	\$ 176.42

TOTAL **\$ 867,793.56**

<i>Item No/Subject</i>	7.2.2.5 Reconciliations May, 2016
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	07 June 2016, Melissa Borg Finance Officer
<i>Responsible Officer:</i>	Fred Gledhill
<i>Applicant/Proponent:</i>	Manager Accounting & Finance Fred Gledhill
<i>File Number:</i>	ADM0189
<i>Previous minute/s & Reference:</i>	

SUMMARY

Local Government (Financial Management) Regulation 34 (1) (a) states that a Local Government must prepare financial statements monthly.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Nil

BACKGROUND INFORMATION

The information provided is obtained from the Bank Reconciliations carried out for Municipal Bank/Reserves Bank and the Trust Bank to ensure all transactions have been accounted for.

OFFICER'S COMMENT

The Shire of Morawa's financial position is as follows:-

BANK BALANCES AS AT 31 May, 2016

Account	2016
Municipal Account #	\$567,091.59
Trust Account	\$10,853.53
Business Telenet Saver (Reserve) Account	\$5,301,245.57
WA Treasury O/night Facility (Super Towns) Account	\$723,364.11

BANK RECONCILIATION BALANCES

The Bank Reconciliation Balances for 31 May, 2016 with a comparison for 31 May, 2015 is as follows:

Account	2015	2016
Municipal Account #	\$,925,349.41	\$561,290.11
Trust Account	\$8,860.55	\$10,853.53
Reserve Account	\$6,666,601.27	\$6,024,609.68

RESERVE ACCOUNT

The Reserve Funds of \$6,024,609.68 as at 31 May, 2016 were invested in:-

- Bank of Western Australia \$5,301,245.57 in the Business Telenet Saver Account and
- \$723,364.11 in the WA Treasury O/Night Facility.

Breakdown for May, 2016 with a comparison for May, 2015 is as follows:-

	2015	2016
Sports Complex Upgrade Reserve	\$0.00	\$0.00
Land & Building Reserve	\$5,144.47	\$5,238.86
Plant Reserve	\$789,544.73	\$928,134.60
Leave Reserve	\$221,331.95	\$281,304.37
Economic Development Reserve	\$105,957.52	\$107,901.40
Sewerage Reserve	\$79,565.51	\$123,915.17
Unspent Grants & Contributions Reserve	\$857,862.11	\$92,627.97
Community Development Reserve	\$1,493,063.25	\$1,374,891.96
Water Waste Management Reserve	\$0.00	\$0.00
Future Funds Reserve	\$2,159,586.55	\$2,191,554.29
Morawa Community Trust Reserve	\$18,910.84	\$11,125.17
Aged Care Units Reserve	\$8,851.28	\$173,482.04
Transfer Station Reserve	\$195,757.45	\$549,882.07
S/Towns Revitalisation Reserve	\$170,407.71	\$134,348.78
ST Solar Thermal Power Station Reserve	\$540,135.90	\$9,013.64
Business Units Reserve	\$20,482.00	\$41,189.36
TOTAL	\$6,666,601.27	\$6,024,609.68

TRANSFER OF FUNDS

NIL

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

Section 3 – Finance 3.4.7 Risk Management Controls – Monthly bank reconciliations to be prepared for each account and reported to Council Monthly

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

As per Policy Section 3 – Finance 3.4.7 Risk Management Controls

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council receive –

1. The bank reconciliation report for 31 May, 2016.

<i>Item No/Subject</i>	7.2.2.6 Monthly Financial Statements
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	8 June, 2016; Candice Smith Senior Finance Officer
<i>Responsible Officer:</i>	Manager Accounting & Finance
<i>Applicant/Proponent:</i>	Candice Smith Senior Finance Officer Manager Accounting & Finance Fred Gledhill
<i>File Number:</i>	
<i>Previous minute/s & Reference:</i>	

SUMMARY

Local Government (Financial Management) Regulation 34(1)(a) states that a Local Government must prepare financial statements monthly.

DECLARATION OF INTEREST

NIL

ATTACHMENTS

The April Monthly Financial Activity Report pertaining to Councils operations is provided under separate cover. A copy of the schedules is available if required.

OFFICER'S COMMENT

NIL

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Financial Management) Regulations.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

It is recommended that Council receive the Statement of Financial Activity and the Variance Report for the period ending the 31 May, 2016.



SHIRE OF MORAWA
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

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SHIRE OF MORAWA

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

	NOTE	MAY 2016 Actual \$	MAY 2016 Y-T-D Budget \$	2015/16 Budget \$	Variances Actuals to Budget \$	Variances Actual Budget to Y-T-D %	
Operating							
Revenues/Sources	1,2						
Governance		85,210	80,410	99,469	85,210	0.00%	
General Purpose Funding		899,480	906,026	985,278	(8,566)	(0.72%)	
Law, Order, Public Safety		42,820	47,270	44,420	(4,450)	(9.41%)	
Health		58,083	9,163	13,000	48,920	533.89%	▲
Education and Welfare		9,905	400,950	448,600	(391,045)	(97.53%)	▼
Housing		42,757	67,628	122,901	(24,871)	(36.78%)	▼
Community Amenities		450,463	643,119	1,947,267	(192,656)	(29.96%)	▼
Recreation and Culture		88,501	43,868	264,476	44,633	101.74%	▲
Transport		1,695,332	3,578,931	3,178,920	(1,883,599)	(52.63%)	▼
Economic Services		191,356	147,662	716,899	43,694	29.59%	▲
Other Property and Services		58,384	101,068	92,617	(42,684)	(42.23%)	▼
		3,622,271	6,026,095	7,913,847	(2,323,414)	(39.89%)	
(Expenses)/(Applications)	1,2						
Governance		(362,859)	(416,142)	(499,849)	(362,859)	0.00%	
General Purpose Funding		(161,167)	(165,726)	(193,557)	4,559	2.75%	
Law, Order, Public Safety		(118,086)	(125,713)	(148,151)	7,627	6.07%	
Health		(251,566)	(194,114)	(226,949)	(57,452)	(29.60%)	▲
Education and Welfare		(243,577)	(674,849)	(769,575)	431,272	63.91%	▼
Housing		(102,892)	(95,566)	(172,364)	(7,326)	(7.67%)	
Community Amenities		(423,155)	(531,135)	(515,784)	107,980	20.33%	▼
Recreation & Culture		(1,012,791)	(953,277)	(1,088,407)	(59,514)	(6.24%)	
Transport		(2,869,530)	(1,955,079)	(1,816,974)	(914,451)	(46.77%)	▲
Economic Services		(497,982)	(459,111)	(627,851)	(38,871)	(8.47%)	
Other Property and Services		9,674	(100,569)	(28,878)	110,243	109.62%	▼
		(6,033,931)	(5,671,281)	(6,088,339)	(778,792)	6.39%	
Net Result Excluding Rates		(2,411,660)	354,814	1,825,508	(3,102,205)		
Adjustments for Non-Cash (Revenue) and Expenditure							
(Profit)/Loss on Asset Disposals	4	18,933	30,371	40,944	(11,438)	37.66%	▼
Movement in Leave Reserve (Added Back)		4,588	0	0	4,588	0.00%	
Movement in Deferred Pensioner Rates/ESL (not)		0	0	0	0	0.00%	
Movement in Employee Benefit Provisions (non-c)		0	0	0	0	0.00%	
Rounding Adjustment		4	0	0	4	0.00%	
Depreciation on Assets		1,568,852	1,326,941	1,386,877	241,911	(18.23%)	▲
Capital Revenue and (Expenditure)							
Purchase Land Held for Resale	3	0	0	0	0	0.00%	
Purchase Land and Buildings	3	(543,765)	(1,204,593)	(1,308,246)	660,828	54.86%	▼
Purchase Plant and Equipment	3	(488,865)	(1,227,952)	(1,339,595)	739,087	60.19%	▼
Purchase Furniture and Equipment	3	(12,630)	(16,819)	(18,350)	4,189	24.91%	
Purchase Infrastructure Assets - Roads	3	(887,485)	(1,417,726)	(1,468,125)	530,241	37.40%	▼
Purchase Infrastructure Assets - Footpaths	3	0	(27,500)	(30,000)	27,500	100.00%	▼
Purchase Infrastructure Assets - Drainage	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Parks & Ovals	3	(15,970)	(17,188)	(34,374)	1,218	7.09%	
Purchase Infrastructure Assets - Airfields	3	0	(2,600,000)	(2,600,000)	2,600,000	100.00%	▼
Purchase Infrastructure Assets - Play Equip	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Sewerage	3	(33,761)	(45,661)	(49,809)	11,900	26.06%	▼
Purchase Infrastructure Assets - Dams	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Other	3	(213,317)	(1,676,300)	(1,765,200)	1,462,983	87.27%	▼
Proceeds from Disposal of Assets	4	29,545	72,169	77,091	(42,624)	(59.06%)	▼
Repayment of Debentures	5	(70,783)	(64,867)	(70,783)	(5,916)	(9.12%)	
Proceeds from New Debentures	5	350,000	0	0	350,000	0.00%	
Advances to Community Groups		0	0	0	0	0.00%	
Self-Supporting Loan Principal Income	5	0	0	0	0	0.00%	
Transfers to Restricted Assets (Reserves)	6	(205,454)	(589,567)	(709,511)	384,113	65.15%	▼
Transfers from Restricted Asset (Reserves)	6	1,008,790	2,218,671	2,387,648	(1,209,881)	(54.53%)	▼
ADD Net Current Assets July 1 B/Fwd	7	1,502,727	1,401,033	1,401,033	101,694	7.26%	
LESS Net Current Assets Year to Date	7	1,023,108	(2,059,531)	0	3,082,639	149.68%	
Amount Raised from Rates	8	(1,423,358)	(1,424,643)	(2,274,892)	1,285	(0.09%)	

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

Material Variances SymbolAbove Budget Expectations
Below Budget ExpectationsGreater than 10,000 and greater than 10%
Less than 10,000 and less than 10%

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 9.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, 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 and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities on the statement of financial position.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Trade and Other Receivables

Collectibility of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(i) Inventories

General

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.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is complete are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(j) Fixed Assets

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

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Revaluation

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets (Continued)

Land Under Roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst this treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	50 to 100 years
Furniture and Equipment	10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years

Depreciation of Non-Current Assets (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets (Continued)

Capitalisation Threshold

Expenditure under the thresholds listed below is not capitalised. Rather, it is recorded on an

- Land	Nil (All Land Capitalised)
- Buildings	2,000
- Plant & Equipment	2,000
- Furniture & Equipment	1,000
- Infrastructure	5,000

Capitalisation Threshold

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(k) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (b) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(i) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which are classified as current assets.

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months of the end of the reporting period (classified as current assets).

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(m) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee Benefits

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

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

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

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

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

(p) Borrowing Costs

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.

(q) Provisions

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result to settle the obligation; and
- c) 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.

Provisions are not recognised for future operating losses.

(r) Current and Non-Current Classification

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

(s) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation of the current budget year.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

2. STATEMENT OF OBJECTIVE

The Shire of Morawa is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

GOVERNANCE

Includes members of Council, Civic Functions & Public Relations, Council Elections, Training/Education. Objective is to provide a management & administrative structure to service Council & the community.

GENERAL PURPOSE FUNDING

Includes Rates, Loans, Investments & Grants. Objective is to manage Council's finances.

LAW, ORDER, PUBLIC SAFETY

Includes Emergency Services & Animal Control. Objective is to provide, develop & manage services in response to community needs.

HEALTH

Includes Environmental Health, Medical & Health facilities. Objective is to provide, develop & manage services in response to community needs.

EDUCATION AND WELFARE

Includes Education, Welfare & Children's Services. Objective is to provide, develop & manage services in response to community needs.

HOUSING

Includes Staff & Other Housing. Objective is to ensure quality housing and appropriate infrastructure is maintained.

COMMUNITY AMENITIES

Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape. Objective is to provide, develop & manage services in response to community needs.

RECREATION AND CULTURE

Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities. Objective is to ensure the recreational & cultural needs of the community are met.

TRANSPORT

Includes Roads, Footpaths, Private Works, Machine Operating Costs, Outside Wages & Airstrip. Objective is to effectively manage transport infrastructure.

ECONOMIC SERVICES

Includes Tourism, Rural Services, Economic Development & Caravan Park. Objective is to foster economic development, tourism & rural services in the district.

OTHER PROPERTY & SERVICES

Includes Private Works, Public Works Overheads, Plant Operating Costs, Administration Overheads and Unclassified Items. Objective is to provide control accounts and reporting facilities for all other operations.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

	2015/16 Budget \$	MAY 2016 YTD Budget \$	MAY 2016 Actual \$
3. ACQUISITION OF ASSETS			
The following assets have been acquired during the period under review:			
<u>By Program</u>			
Governance			
Upgrade to Old Council Chambers	181,011	181,011	20,123.28
General Purpose Funding			
Health			
Ford Sedan (Doctor Vehicle)	36,924	33,847	36,924.19
Education & Welfare			
Skate Park CCTV Cameras	0	0	0.00
Housing			
Staff Housing - Postings to GL	361,235	331,133	361,235.00
Aged Person Units x 4	18,000	16,200	0.00
Community Amenities			
Cemetery Upgrade	15,000	13,750	0.00
Sewerage Upgrade	49,809	45,661	33,761.37
New Tip Site Construction	1,200,000	1,200,000	8,053.62
Closure/Rehabilitation Old Tip Site	20,000	20,000	0.00
Compactors/Transfer Bins for Transfer Station	40,000	36,663	0.00
Refuse Transfer Station - Storage Shed	55,000	54,999	4,316.50
Purchase Land For New Waste Site	300,000	300,000	0.00
Recreation and Culture			
Morawa Town Hall Kitchen Rendering	150,000	137,500	0.00
Upgrade to Pool Pump House	170,000	170,000	110,781.82
Pool Plant & Equipment	923,860	846,868	423,860.00
Sports Complex Upgrade	14,000	0	0.00
Recreation Centre Water Upgrade	44,000	0	46,729.08
Bowling Club Lighting	28,200	0	12,996.36
Skate Park CCTV Cameras	10,000	0	8,396.64
Skate Park	34,374	17,188	15,970.14
Transport			
Road Construction			
- Rural Roads Construction	857,425	843,954	428,205.99
- Townsite Roads Construction	610,700	573,772	459,278.71
Footpath Construction	30,000	27,500	0.00
Plant & Equipment - Road Plant Purchases	237,000	217,250	0.00
Airfield Infrastructure	2,600,000	2,600,000	0.00
Economic Services			
New On site Caravan	40,000	36,663	0.00
Morawa Gateway Project	40,000	36,000	0.00
Morawa Perenjori Trails Project	467,000	420,300	0.00
Phase 1 - Civic Square/Pedestrian Crossing	0	0	178,282.40
MWIP-Morawa Town Revitalisation Project	0	0	5,587.68
Other Property & Services			
Administration Furniture & Equipment	18,350	16,819	12,630.07
CEO/DCEO/MAF Vehicles	61,811	56,661	28,081.17
	<u>8,613,699</u>	<u>8,233,739</u>	<u>2,195,792.92</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

3. ACQUISITION OF ASSETS (Continued)	2015/16 Budget \$	MAY 2016 YTD Budget \$	MAY 2016 Actual \$
The following assets have been acquired during the period under review:			
<u>By Class</u>			
Land Held for Resale	0	0	0.00
Investments	0	0	0.00
Land	0	0	0.00
Buildings	1,308,246	1,204,593	543,764.58
Plant and Equipment	1,339,595	1,227,952	488,865.36
Furniture and Equipment	18,350	16,819	12,630.07
Infrastructure Assets - Roads	1,468,125	1,417,726	887,484.70
Infrastructure Assets - Footpaths	30,000	27,500	0.00
Infrastructure Assets - Drainage/Dams	0	0	0.00
Infrastructure Assets - Parks & Ovals	34,374	17,188	15,970.14
Infrastructure Assets - Airfields	2,600,000	2,600,000	0.00
Infrastructure Assets - Playground Equipment	0	0	0.00
Infrastructure Assets - Sewerage	49,809	45,661	33,761.37
Infrastructure Assets - Dams	0	0	0.00
Infrastructure Assets - Other	1,765,200	1,676,300	213,316.70
	<u>8,613,699</u>	<u>8,233,739</u>	<u>2,195,792.92</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

4. DISPOSALS OF ASSETS

The following assets have been disposed of during the period under review:

By Program	Written Down Value		Sale Proceeds		Profit(Loss)	
	2015/16 Budget \$	MAY 2016 Actual \$	2015/16 Budget \$	MAY 2016 Actual \$	2015/16 Budget \$	MAY 2016 Actual \$
Health (Asset 364) Ford FG G6 Sedan (Doctors)	24,100	19,420.82	9,091	5,000.00	(15,009)	(14,420.82)
Transport (Asset 272) Case Backhoe - P192	46,300	0.00	35,000	0.00	(11,300)	0.00
(Asset 476) Works Supervisor Vehicle	28,838		22,000		(6,838)	0.00
Economic Services	0	0.00	0	0.00	0	0.00
Other Property & Services (Asset 476) Ford Falcon Sedan - MAF	18,797	0.00	11,000	0.00	(7,797)	0.00
(Asset 475) Toyota Hilux 4 x 4 Inspector	0	21,274.88	0	20,000.00	0	(1,274.88)
(Asset 343) Mitsubishi Outlander - Admin	0	7,782.63	0	4,545.00	0	(3,237.63)
	118,035	48,478.33	77,091	29,545.00	(40,944)	(18,933.33)

By class of asset	Written Down Value		Sale Proceeds		Profit(Loss)	
	2015/16 Budget \$	MAY 2016 Actual \$	2015/16 Budget \$	MAY 2016 Actual \$	2015/16 Budget \$	MAY 2016 Actual \$
Plant & Equipment (Asset 364) Ford FG G6 Sedan (Doctors)	24,100	19,420.82	9,091	5,000.00	(15,009)	(14,420.82)
(Asset 476) Ford Falcon Sedan - MAF	18,797	0.00	11,000	0.00	(7,797)	0.00
(Asset 272) Case Backhoe - P192	46,300	0.00	35,000	0.00	(11,300)	0.00
(Asset 476) Works Supervisor Vehicle	28,838	0.00	22,000	0.00	(6,838)	0.00
(Asset 475) Toyota Hilux 4 x 4 Inspector	0	21,274.88	0	20,000.00	0	(1,274.88)
(Asset 343) Mitsubishi Outlander - Admin	0	7,782.63	0	4,545.00	0	(3,237.63)
	118,035	48,478.33	77,091	29,545.00	(40,944)	(18,933.33)

Summary

Profit on Asset Disposals
Loss on Asset Disposals

2015/16 Budget \$	MAY 2016 Actual \$
0	0.00
(40,944)	(18,933.33)
(40,944)	(18,933.33)

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-15	New Loans		Principal Repayments		Principal Outstanding	Interest Repayments	
		2015/16 Budget \$	2015/16 Actual \$	2015/16 Budget \$	2015/16 Actual \$		2015/16 Budget \$	2015/16 Actual \$
Housing								
Loan 133 - GEHA House	132,581	0	0	29,967	29,967	102,614	8,337	4,413
Loan 134 - 2 Broad Street	93,943	0	0	21,379	21,379	72,564	6,118	6,118
Loan 135 - Staff Housing	19,437	0	0	19,437	19,437	0	1,005	651
Loan 136 - 24 Harley Street - Staff Housing	0	0	350,000	0	0	0	0	0
Transport								
Loan 138 - Plant Replacement	0	0		0	0	0	0	0
Other Property & Services								
	245,961	0	350,000	70,783	70,783	175,178	15,460	11,183

All debenture repayments are to be financed by general purpose revenue.

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

5. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2015/16

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Amount Used		Balance Unspent \$
	Budget \$	Actual \$					Budget \$	Actual \$	
Loan 136 - 24 Harley Street - Staff Housing	0	350,000	WATC	Debenture			0	350,000	0

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

	2015/16 Budget \$	MAY 2016 Actual \$
6. RESERVES - CASH BACKED		
(a) Leave Reserve		
Opening Balance	276,716	276,716
Amount Set Aside / Transfer to Reserve	63,104	4,588
Amount Used / Transfer from Reserve	0	0
	<u>339,820</u>	<u>281,304</u>
(b) Sports and Recreation Facilities Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	0	0
Amount Used / Transfer from Reserve	0	0
	<u>0</u>	<u>0</u>
(c) Plant Reserve		
Opening Balance	840,201	840,201
Amount Set Aside / Transfer to Reserve	193,761	106,343
Amount Used / Transfer from Reserve	(381,409)	(18,409)
	<u>652,553</u>	<u>928,135</u>
(d) Building Reserve		
Opening Balance	5,153	5,153
Amount Set Aside / Transfer to Reserve	73,951	85
Amount Used / Transfer from Reserve	0	0
	<u>79,104</u>	<u>5,238</u>
(e) Economic Development Reserve		
Opening Balance	106,142	106,142
Amount Set Aside / Transfer to Reserve	3,109	1,760
Amount Used / Transfer from Reserve	0	0
	<u>109,251</u>	<u>107,902</u>
(f) Community Development Reserve		
Opening Balance	1,372,142	1,372,142
Amount Set Aside / Transfer to Reserve	40,183	22,750
Amount Used / Transfer from Reserve	(245,026)	(20,000)
	<u>1,167,299</u>	<u>1,374,892</u>
(g) Sewerage Reserve		
Opening Balance	121,894	121,894
Amount Set Aside / Transfer to Reserve	40,127	2,021
Amount Used / Transfer from Reserve	0	0
	<u>162,021</u>	<u>123,915</u>
(h) Unspent Grants and Contributions Reserve		
Opening Balance	982,919	982,918
Amount Set Aside / Transfer to Reserve	28,786	15,091
Amount Used / Transfer from Reserve	(926,767)	(905,381)
	<u>84,938</u>	<u>92,628</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

	2015/16 Budget \$	MAY 2016 Actual \$
6. RESERVES (Continued)		
(i) Business Units Reserve		
Opening Balance	40,517	40,518
Amount Set Aside / Transfer to Reserve	21,187	672
Amount Used / Transfer from Reserve	0	0
	<u>61,704</u>	<u>41,189</u>
(j) Morawa Community Trust Reserve		
Opening Balance	10,944	10,944
Amount Set Aside / Transfer to Reserve	321	181
Amount Used / Transfer from Reserve	(10,100)	0
	<u>1,165</u>	<u>11,125</u>
(k) Morawa Community Future Funds Reserve		
Opening Balance	2,155,811	2,155,811
Amount Set Aside / Transfer to Reserve	63,136	35,743
Amount Used / Transfer from Reserve	(53,666)	0
	<u>2,165,281</u>	<u>2,191,554</u>
(l) Refuse Transfer Station Reserve		
Opening Balance	196,097	196,097
Amount Set Aside / Transfer to Reserve	5,743	3,251
Amount Used / Transfer from Reserve	(95,000)	(65,000)
	<u>106,840</u>	<u>134,349</u>
(m) Aged Care Units Reserve		
Opening Balance	8,867	8,867
Amount Set Aside / Transfer to Reserve	260	147
Amount Used / Transfer from Reserve	-	0
	<u>9,127</u>	<u>9,014</u>
(n) ST-N/Midlands Solar Thermal Power		
Opening Balance	541,001	540,136
Amount Set Aside / Transfer to Reserve	15,844	9,746
Amount Used / Transfer from Reserve	(500,000)	0
	<u>56,845</u>	<u>549,882</u>
(o) ST-Morawa Revitalisation Reserve		
Opening Balance	170,681	170,408
Amount Set Aside / Transfer to Reserve	4,999	3,074
Amount Used / Transfer from Reserve	(175,680)	0
	<u>0</u>	<u>173,482</u>
(p) Legal Fees Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	15,000	0
Amount Used / Transfer from Reserve	0	0
	<u>15,000</u>	<u>0</u>

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

	2015/16 Budget \$	MAY 2016 Actual \$
6. RESERVES (Continued)		
(q) Road Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	140,000	0
Amount Used / Transfer from Reserve	0	0
	<u>140,000</u>	<u>0</u>
 Total Cash Backed Reserves	 5,150,948	 6,024,610
 Summary of Transfers To Cash Backed Reserves		
Transfers to Reserves		
Leave Reserve	63,104	4,588
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	193,761	106,343
Building Reserve	73,951	85
Economic Development Reserve	3,109	1,760
Community Development Reserve	40,183	22,750
Sewerage Reserve	40,127	2,021
Unspent Grants and Contributions Reserve	28,786	15,091
Business Units Reserve	21,187	672
Morawa Community Trust Reserve	321	181
Morawa Community Future Fund Reserve	63,136	35,743
Refuse Transfer Station Reserve	5,743	3,251
Aged Care Units Reserve	260	147
ST-N/Midlands Solar Thermal Power	15,844	9,746
ST-Morawa Revitalisation Reserve	4,999	3,074
Legal Fees Reserve	15,000	0
Road Reserve	140,000	0
	<u>709,511</u>	<u>205,454</u>
 Transfers from Reserves		
Leave Reserve	0	0
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	(381,409)	(18,409)
Building Reserve	0	0
Economic Development Reserve	0	0
Community Development Reserve	(245,026)	(20,000)
Sewerage Reserve	0	0
Unspent Grants and Contributions Reserve	(926,767)	(905,381)
Business Units Reserve	0	0
Morawa Community Trust Reserve	(10,100)	0
Morawa Community Future Fund Reserve	(53,666)	0
Refuse Transfer Station Reserve	(95,000)	(65,000)
Aged Care Units Reserve	0	0
ST-N/Midlands Solar Thermal Power	(500,000)	0
ST-Morawa Revitalisation Reserve	(175,680)	0
Legal Fees Reserve	0	0
Road Reserve	0	0
	<u>(2,387,648)</u>	<u>(1,008,790)</u>
 Total Transfer to/(from) Reserves	 <u>(1,678,137)</u>	 <u>(803,337)</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

6. RESERVES (Continued)

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Leave Reserve

To be used to fund leave requirements.

Sportsground Complex Upgrade Reserve

To be used to upgrade the Sporting Complex Facilities.

Plant Reserve

To be used to upgrade, replace or purchase new plant and equipment.

Building Reserve

To be used to refurbish, replace, extend or establish Council owned buildings.

Economic Development Reserve

To be used to create economic development initiatives in the local community.

Community Development Reserve

To be used for Community Projects within the Shire of Morawa

Sewerage Reserve

To be used to repair, replace or extend the sewerage facility.

Unspent Grants and Contributions Reserve

To be used as a quarantine for unspent committed funds.

Business Units Reserve

To be used to upgrade, refurbish or purchase new Business Units

Morawa Community Trust Reserve

To be used for Morawa Community Projects

Morawa Community Future Fund Reserve

To be used to provide an ongoing conduit for benefits to the people and environment of the Morawa Shire through the Sinosteel Midwest Corporation Morawa Future Fund Foundation

Memorandum

Refuse Transfer Station Reserve

To be used for Morawa Landfill closure and Refuse Transfer Station implementation project -

Aged Persons Units Reserve

To be used for the maintenance of 4 Aged Care Units at the Morawa Perenjori Health Centre

ST - N/Midlands Solar Thermal Power Reserves

Super Town funds to be used for the N/Midlands Solar Thermal Power feasibility Study Project

ST-Morawa Revitalisation Reserve

Super Town funds to be used for the Morawa Town Revitalisation Project

Legal Fees Reserve

to be utilised for unforeseen Legal Fees

Road Reserve

to be utilised for future Road Construction and Maintenance

Except for the Unspent Grants and Contributions Reserve, the Reserves are not expected to be used within a set period as further transfers to these reserves are expected as funds are utilised.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

	2014/15 B/Fwd Per 2015/16 Budget \$	2014/15 B/Fwd Per Financial Report \$	2015/16 Actual \$
7. NET CURRENT ASSETS			
Composition of Estimated Net Current Asset Position			
CURRENT ASSETS			
Cash - Unrestricted	1,086,705	769,180	561,840
Cash - Restricted Unspent Grants	0	317,600	0
Cash - Restricted Unspent Loans	0	0	0
Cash - Restricted Reserves	6,829,085	6,827,946	6,024,610
Rates - Current	248,621	242,859	402,228
Sundry Debtors	375,943	375,943	112,307
GST Receivable	78,172	78,836	66,827
Accrued Income/Prepayments	16,328	10,416	0
Provision for Doubtful Debts	(2,632)	(15,624)	(15,624)
Other Current Debtors	27	27	0
Inventories	12,905	10,124	10,124
	<u>8,645,154</u>	<u>8,617,307</u>	<u>7,162,312</u>
LESS: CURRENT LIABILITIES			
Sundry Creditors	(119,308)	(112,291)	0
Income Received in Advance	(111,331)	0	(57,001)
GST Payable	(49,793)	(50,156)	(2,876)
Payroll Creditors	0	0	0
Accrued Expenditure	0	0	0
Other Payables	(9,512)	(2,661)	(7,506)
Withholding Tax Payable	0	0	0
Payg Payable	(32,110)	(32,110)	(29,466)
Accrued Interest on Debentures	(6,864)	(5,737)	0
Accrued Salaries and Wages	(55,522)	(61,334)	0
Current Employee Benefits Provision	(307,312)	(299,061)	(299,061)
Current Loan Liability	(70,783)	(70,783)	0
	<u>(762,535)</u>	<u>(634,133)</u>	<u>(395,910)</u>
NET CURRENT ASSET POSITION	7,882,619	7,983,174	6,766,402
Less: Cash - Reserves - Restricted	(6,829,085)	(6,827,946)	(6,024,610)
Less: Cash - Unspent Grants - Restricted	0	0	0
Adjustment for Trust Transactions Within Muni	0	0	12
Add Back : Component of Leave Liability not Required to be Funded	276,716	276,716	281,304
Add Back : Current Loan Liability	70,783	70,783	0
SURPLUS/(DEFICIENCY) C/FWD	<u>1,401,033</u>	<u>1,502,727</u>	<u>1,023,108</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2015/16 Rate Revenue \$	2015/16 Interim Rates \$	2015/16 Back Rates \$	2015/16 Total Revenue \$	2015/16 Budget \$
General Rate								
GRV Residential/Commercial	0.07199	267	2,899,072	208,698	702	0	209,400	208,698
UV Rural	0.02192	208	56,190,000	1,231,536	(108)	0	1,231,428	1,231,525
UV Mining	0.28968	17	455,557	131,966	3,642	0	135,609	137,401
Sub-Totals		492	59,544,629	1,572,201	4,236	0	1,576,437	1,577,624
Minimum Rates	Minimum \$							
GRV Residential/Commercial	271	50	40,840	13,558		0	13,558	13,550
UV Rural	271	6	48,000	1,627	0	0	1,627	1,626
UV Mining	556	12	11,145	7,872	0	0	7,872	8,528
Sub-Totals		68	99,985	23,056	0	0	23,056	23,704
Ex-Gratia Rates								
							1,599,494	1,601,328
							5,624	5,624
Discounts								
Rates Written Off							1,605,118	1,606,952
Movement in Excess Rates							(59,723)	(58,000)
							(10,704)	(1,300)
							(111,331)	0
Totals							1,423,360	1,547,652

All land except exempt land in the Shire of Morawa is rated according to its Gross Rental Value (GRV) in townships or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2015/16 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

9. TRUST FUNDS

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

Detail	Balance 01-Jul-15 \$	Amounts Received \$	Amounts Paid (\$)	Balance \$
Housing Bonds	0	2,498	0	2,498
Child Care Bonds	0	0	0	0
Bonds Hall/Rec Centre Hire	0	0	0	0
Extractive Industries Licence	0	0	0	0
Youth Centre	865	0	0	865
Council Nominations	0	320	(320)	0
Bill Johnson Unit 1 Bond	0	0	0	0
Haulmore Trailers Land Dep	4,641	0	0	4,641
Social Club Payments	0	0	0	0
Local Drug Action Group	560	100	0	660
BCITF/BRB Training Levy	2,885	352	(2,823)	414
DPI Licensing	0	0	0	0
Morawa Oval Function Centre	1,762	0	0	1,762
	<u>10,714</u>	<u>3,270</u>	<u>(3,143)</u>	<u>10,841</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

10. OPERATING STATEMENT

	MAY 2016 Actual \$	2015/16 Budget \$	2014/15 Actual \$
OPERATING REVENUES			
Governance	85,210	99,469	9,899
General Purpose Funding	2,322,820	2,532,930	4,102,157
Law, Order, Public Safety	42,820	44,420	45,841
Health	58,083	13,000	4,759
Education and Welfare	9,905	448,600	62,813
Housing	42,757	122,901	48,270
Community Amenities	450,463	1,947,267	430,274
Recreation and Culture	88,501	264,476	525,931
Transport	1,695,332	3,178,920	1,535,940
Economic Services	191,356	716,899	281,693
Other Property and Services	58,384	92,617	114,320
TOTAL OPERATING REVENUE	5,045,631	9,461,499	7,161,898
OPERATING EXPENSES			
Governance	362,859	499,849	427,808
General Purpose Funding	161,167	193,557	178,137
Law, Order, Public Safety	118,086	148,151	125,997
Health	251,566	226,949	205,675
Education and Welfare	243,577	769,575	233,474
Housing	102,892	172,364	112,723
Community Amenities	423,155	515,784	439,886
Recreation & Culture	1,012,791	1,088,407	1,213,729
Transport	2,869,530	1,816,974	2,092,360
Economic Services	497,982	627,851	3,311,506
Other Property and Services	(9,674)	28,878	(46,198)
TOTAL OPERATING EXPENSE	6,033,931	6,088,339	8,295,096
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	<u>(988,300)</u>	<u>3,373,160</u>	<u>(1,133,198)</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

11. BALANCE SHEET

	MAY 2016 Actual \$	2014/15 Actual \$
CURRENT ASSETS		
Cash Assets	6,586,450	7,914,726
Receivables	565,738	692,458
Inventories	10,124	10,124
TOTAL CURRENT ASSETS	<u>7,162,312</u>	<u>8,617,308</u>
NON-CURRENT ASSETS		
Receivables	11,064	11,064
Inventories	0	0
Property, Plant and Equipment	27,122,512	26,804,567
Infrastructure	42,274,691	42,014,173
TOTAL NON-CURRENT ASSETS	<u>69,408,267</u>	<u>68,829,804</u>
TOTAL ASSETS	<u><u>76,570,579</u></u>	<u><u>77,447,112</u></u>
CURRENT LIABILITIES		
Payables	96,849	264,288
Interest-bearing Liabilities	0	70,783
Provisions	299,061	299,061
TOTAL CURRENT LIABILITIES	<u>395,910</u>	<u>634,132</u>
NON-CURRENT LIABILITIES		
Interest-bearing Liabilities	525,178	175,179
Provisions	30,834	30,834
TOTAL NON-CURRENT LIABILITIES	<u>556,012</u>	<u>206,013</u>
TOTAL LIABILITIES	<u><u>951,922</u></u>	<u><u>840,145</u></u>
NET ASSETS	<u><u>75,618,657</u></u>	<u><u>76,606,967</u></u>
EQUITY		
Retained Surplus	32,597,136	32,782,098
Reserves - Cash Backed	6,024,610	6,827,946
Reserves - Asset Revaluation	36,996,923	36,996,923
TOTAL EQUITY	<u><u>75,618,669</u></u>	<u><u>76,606,967</u></u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016

12. FINANCIAL RATIO

	2015 YTD	2014	2013	2012
Current Ratio	9.930	7.880	1.870	2.230

The above rates are calculated as follows:

Current Ratio equals	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$
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SHIRE OF MORAWA
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016
Report on Significant variances Greater than 10% and \$10,000

Purpose

The purpose of the Monthly Variance Report is to highlight circumstances where there is a major variance from the YTD Monthly Budget and YTD Actual figures. These variances can occur because of a change in timing of the activity, circumstances change (eg a grants were budgeted for but was not received) or changes to the original budget projections. The Report is designed to highlight these issues and explain the reason for the

The Materiality variances adopted by Council are:

Actual Variance to YTD Budget up to 5%:	Don't Report
Actual Variance exceeding 10% of YTD Budget	Use Management Discretion
Actual Variance exceeding 10% of YTD Budget and a value greater than \$10,000	Must Report

REPORTABLE OPERATING REVENUE VARIATIONS

Health - Variance above budget expectations

Income from Doctors surgery to the Shire not budgeted for - offset with Dr Sasha's expenses

Education and Welfare - Variance below budget expectations

Industry Training Centre - timing

Housing - Variance below budget expectations

Single units are not rented out at present - no income generating from these
(two units have now been rented out)

Community Amenities - Variance below budget expectations.

Grants for Refuse Site yet to be received - timing

Recreation & Culture - Variance above budget expectations.

Timing - small grants received - Swimming Pool \$32,000.00

Transport - Variance below expectations.

RRG & R2R funding - timing

Economic Services - Variance above budget expectations.

Wildflower Trails project invoice to Sinosteel \$30,000.00

Other Property & Services - Variance below budget expectations.

Private Works on mines roads moved to Roads Maintenance - making actuals for YTD below expectations

REPORTABLE OPERATING EXPENSE VARIATIONS

Health - Variance above budget expectations.

Expenditure to Doctors surgery from the Shire not budgeted for - offset with medicare income

Education and Welfare - Variance below budget expectations

Industry training centre expenditure yet to commence.
Child Care Mtce below budget

Community Amenities - Variance below budget expectations.

Town Planning Expenses below budget expectations

Transport - Variance above budget expectations.

Maintenance of Rural Roads within budget, Town Streets and the Depot is below budget - timing.
Department of Transport licensing reflected in budget - off set by income

Other Property & Services - Variance below budget expectations.

Timing - Public Works overheads lower than anticipated

SHIRE OF MORAWA
FOR THE PERIOD 1 JULY 2015 TO 31 MAY 2016
Report on Significant variances Greater than 10% and \$10,000

REPORTABLE NON-CASH VARIATIONS

REPORTABLE CAPITAL EXPENSE VARIATIONS
--

Purchase of Land & Buildings - Variance below budget expectations.

Upgrade to Old Council Chambers postponed
Town Hall Kitchen rendering not complete

Purchase of Infrastructure Assets Roads - Variance below budget expectations.

Capital Road Works for roads under budget - timing

Purchase Furniture and Equipment - Variance below budget expectations

Timing - Server Upgrade not proceeded with as yet (ordered and arriving March)

Purchase Infrastructure Assets - Other- Variance below budget expectations.

Construction of the Transfer Station in progress
Morawa Gateway Project awaiting grants - Not Proceeding with
Morawa Perenjori Trails Project awaiting grants - not proceeding with

Transfer to Reserves - Variance below budget expectations.

Transfers to Reserves - timing

REPORTABLE CAPITAL INCOME VARIATIONS

Proceeds from Disposal of Assets - Variance within budget expectations.

Transfer from Reserves - Variance below budget expectations.

Transfers to Municipal Fund - timing on completion of projects

Item/No Subject	7.2.2.7 Differential Rating-Advertising
Date of Meeting:	16 June 2016
Date & Author:	8 June 2016 Fred Gledhill
Responsible Officer:	Manager Accounting & Finance
Applicant/Proponent:	Fred Gledhill
File Number:	
Previous minute/s & Reference:	June 2015

SUMMARY

The purpose of the report is for Council to endorse;

1. The imposing of a differential rate being a differential Unimproved Valuation (UV) rate for Mining in Morawa at \$0.289681 in the valuation dollar for the 2016-2017 financial year which is the same rate in the \$ as for 2015-2016.
2. The proposal has been advertised for 21 days in accordance with the Local Government Act 1995 section 6.36 for public comment, indicating the objects of and reasons for the differential rate. *(Note – no public comment has been received).*
3. Following the advertising period seek approval from the Minister to impose a differential UV mining rate which is more than twice the lowest differential UV Rate imposed.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Statement of Objects and Reasons for Differential Rates and Minimum Payments

BACKGROUND INFORMATION

A local government may impose differential general rates based on the predominant purpose for which the land is held or used as determined by local government. Ministerial approval will need to be obtained to impose a differential rate which is more than twice the lowest differential rate imposed.

The Shire of Morawa has adopted differential rates since 2005. The current approved (2015/16) differential Unimproved Valuation (UV) Rural rate is \$0.02192 cents in the dollar and for Mining UV in Morawa is \$0.289681 cents in the dollar. The advertised differential UV Rural rate is \$0.022794 (4% increase) with the Budget UV Rural rate being \$0.02574 (3% increase) and the Mining UV at \$0.289681.

It is proposed that the UV differential Mining Rate for the Shire of Morawa for the 2016/17 financial year be forecast to be set at \$0.289681 in the dollar. This represents no increase of the Mining Rate in the dollar.

The UV mining is remains more than twice the lowest rate hence a council resolution; advertising and Ministerial approval is required prior to adopting the annual budget.

OFFICER'S COMMENT

Differential rating schemes adopted in Western Australia range from simple schemes used in pastoral/mining areas where a single differential rate is used, to those in more populated areas where many differentials may be used. It is suggested that Council continues to adopt a UV Rural Rate and a UV Mining Rate to address the perceived rating anomaly or inequality within the district. Once Council determines the proposed differential rate the proposal is required to be advertised for 21 days for public comment, indicating the objects of and reasons for the differential rate. Approval will then be sought from the Minister to impose a differential UV mining rate which is more than twice the lowest differential UV Rural rate imposed.

The proposed rate increase is consistent with the over-all current rate modelling being considered for the adoption of the 2016/2017 Shire of Morawa Annual Budget and allows for a small deviation of the annual rate in the dollar to be approved by Council in adoption of the budget.

STATUTORY ENVIRONMENT

Local Government Act 1995 Section 6.3 and 6.36

Ministerial approval will need to be obtained to impose a differential rate which is more than twice the lowest differential rate imposed.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

This will impact on the forthcoming 2016/17 financial year budget

STRATEGIC IMPLICATIONS

The Annual budget is part of the Integrated Planning requirements to feed into the Corporate Business Plan and the Strategic Community Plan.

RISK MANAGEMENT

Failure to advertise and comply with the Local Government Act 1995 will seriously impact of Councils cash flow for the 2016-2017 financial year's budget as the Department will not accept the differential rate if the rate has not been advertised.

VOTING REQUIREMENT:

Absolute Majority

OFFICER'S RECOMMENDATION

It is recommended that Council endorses:-

1. The Shire of Morawa to continue to adopt Differential Rates in formulating the 2016/17 financial year budget.
2. The proposed Differential Rate for Mining Unimproved Valuation is set at \$0.289681 cents in the dollar which is consistent with the over-all current rate modelling being considered for the adoption of the 2016/2017 Shire of Morawa Annual Budget.
3. The proposed Differential Rate for Mining as advertised for 21 days inviting public comment.
4. The Acting Chief Executive Officer be authorised to request approval of the Minister for the adoption of the proposed Unimproved Valuation Differential Rates, as at the expiry of the public notice period, no submissions have been received.



2016/2017 Differential Rates Statement of Objects and Reasons

In accordance with Section 6.36 of the Local Government Act 1995 and the notice of Council's intention to levy Differential Rates for the 2016/2017 financial year, the following are estimated Differential Rates and Minimum Payments for the Shire of Morawa and the Objects and Reasons for these Differential Rates.

<i>Rate Type</i>	<i>Rate in the Dollar (Cents)</i>	<i>Minimum \$</i>
GRV Residential/ Commercial	7.867	282.00
UV Rural	2.2794	282.00
UV Mining	28.9681	656.00

OVERALL OBJECTIVE

The overall objective of the proposed rates in the dollar and minimum payments in the 2016/2017 Budget is to provide for the net funding requirements of Council's Operational and Capital Budget. The estimated rates in the dollar and minimum payments indicated above, are based on a 4% increase on the previous year rate in the dollar for GRV Residential and Commercial Properties only, with no increase for UV Mining Properties.

The basis for the calculation of Rates is either the Gross Rental Value (GRV) or Unimproved Value (UV) for each individual property; these valuations are provided by the Valuer General's Office.

GRV Residential/Commercial

The object of the GRV rates and minimum payments is to require a fair contribution to the revenue requirements of the Shire, which include but not limited to - street lighting, entrance statements, town square, cleaning of facilities, public parks and gardens, sporting facilities, tourist information, youth centre, medical, refuse collections, aerodrome - while not risking additional financial pressure on the uses in those areas that affect their long term viability. They have been in the past, and are likely to continue into the long term future, to provide the main support for the social and economic life of the Shire.

The reasons for the levels of rates and minimum payments set is that they allow for a fair contribution to the revenue requirements of the Shire at the highest sustainable level.

UV Rural

The object of the UV Rural rates and minimum payments is to raise the amount of revenue that Council believes is required to operate efficiently and to provide the diverse range of services and facilities.

The reason that the rate in the dollar for this category is set at a comparatively low amount, is to offset the relatively high property valuations in this category. The Shire has a large pastoral and agricultural sector and it is essential that it be maintained throughout difficult times.

UV Mining Land Use

The object of the UV Mining rate is to also raise the amount of revenue that Council believes is required to operate efficiently and to provide the diverse range of services and facilities.

The reasons that the rate in the dollar has been set at a comparatively high amount is to offset the relatively low property valuations in this rating category. Being mindful that operators in the mining industry when they come to the district have the advantage of all the established Shire services and facilities which often have been provided by the rates contributed in the long term by ratepayers in other sectors, who will continue in the long term future to contribute in the same way. The maintenance of Shire assets and services for the benefit of all users, long term and short term, is a burden which to a significant extent falls upon the long term ratepayers.

On the other hand, it is not uncommon for operators in the mining sector to be present in the district for a short period with a prospect of withdrawing very substantial profits in that time exploiting the mineral resources of the district. These activities have a greater short term impact on local roads and waste management services along with other shire principal services as detailed above than that of any other rate payer. This is not a criticism and simply recognises the often transitory nature of mining enterprises. However the mining sector stands to be a beneficiary of the existence and maintenance of the Shire's assets and services to the extent that the mining operators and their connections use them.

While every effort is made to establish rates and minimum payments at the fairest possible levels, it is considered that the mining sector has the capacity to pay the UV rate at the levels proposed.

7.2.3 Community Development Officer No Reports

<i>Item No/Subject</i>	7.2.4.1 RAV Permit – Murchison Grazing Company
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	22 April 2016, Samantha Appleton
<i>Responsible Officer:</i>	Executive Manager Development and Administration
<i>Applicant/Proponent:</i>	Mr Barry Stoney, Murchison Grazing Company
<i>File Number:</i>	ADM0284
<i>Previous minute/s & Reference:</i>	

SUMMARY

Mr Barry Stoney has approached the Shire of Morawa to seek approval to operate RAV 7 network vehicles on Shire of Morawa Roads.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Letter and email from Mr Stoney

BACKGROUND INFORMATION

An application from Mr Stoney was received on 13 April 2016.

Mr Stoney has requested permission to operate a Network 7 B Double with a dog combination on Morawa South Road during harvest from 10 October 2016 to 10 January 2017.

Under Main Roads Western Australia (WA) RAV networks conditions, there is a need to seek approval by certain RAV users to travel on roads controlled by Council.

Council has previously considered restricted access application permits and resolved to approve restricted access vehicle permits on Shire roads.

OFFICER'S COMMENT

The application for the network 7 combinations meets the criteria set for Morawa South Road. This application is addressed in the resolution to Council.

Main Roads Western Australia conditions are as follows for Morawa South Road:

- A current written approval from Local Government, permitting use of the road, must be carried and produced on demand
- Speed Conditions - 10 km/h below posted speed limit.
- No operation during School Bus hours.

As with previous permit approvals, consideration may be made to restrict operations to times outside of school bus run times. Previous consultation with Rod Gillis from Main Roads Geraldton, MJ & BC Thornton (Morawa School Bus Company) and the Principal Works Manager of the Shire of Morawa it is this officers' recommendation that a condition of the RAV permit approval be that travel is restricted on the Morawa South Road between the hours of 7.00am to 8.30am and 3.00pm to 5.00pm Monday to Friday during school bus route runs.

COMMUNITY CONSULTATION

Feed-back is received at Council from road users and assists in monitoring the impact the large vehicles have on local roads and user safety.

STATUTORY ENVIRONMENT

Local Government Act 1995

Main Roads Act 1930

Feed-back is received at Council from road users and assists in monitoring the impact the large vehicles have on local roads and user safety.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Council's review of the process for issuing RAV permits provides part of an asset review for use of road infrastructure in the Shire.

Shire of Morawa Strategic Community Plan:

1.8 Well maintained local roads and ancillary infrastructure.

RISK MANAGEMENT

An approval of RAV network permits provides the Shire with consultation and a due diligence process for road users in the Shire of Morawa. Without the process Council's road network assets could become unsafe and unmanageable for

current resources. There are inherent risks to the Shire in approving this request. The main risk relates to increased road maintenance costs and the other is setting a precedent for other similar applications to follow.

The Shire of Morawa local road network has been audited and rated. The majority of Local roads are rated as a local volume RAV 2/3 roads. The requested use seeks to permit for up to RAV 7 combinations. This is within the restrictions permitted by Main Roads WA for this road.

VOTING REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

That Council approve:-

1. **A Restricted Access Vehicle (RAV) 7 networks class 2/3 to Murchison Grazing Company to operate combinations up to 36.5 metres to operate in the Shire of Morawa on local roads listed below:**

Morawa South Road from Wubin Mullewa Road to the Shire of Perenjori Boundary.

Standard Conditions of Use:

- a) Maximum speed unsealed roads 60kms/hr or 10kms/hr less than designated signage*
- b) Maximum speed sealed roads 90kms/hr or 10kms/hr less than designated signage*
- c) Maximum speed of 40kms/hr in built up areas including the Morawa Town site*
- d) Only approved routes will be permitted in the Morawa Town site*
- e) Reduce speed to 60kms/hr and moving over to give way to oncoming traffic*
- f) Headlights on at all times*
- g) Removing dust from tyres rims when entering sealed roads*
- h) Compliance with maximum gross weight limits*
- i) Vehicle length not to exceed 36.5 metres*
- j) No operation after a heavy rain fall event*
- k) No operation during school bus routes drop off and pick up times (7.00am to 8.30am and 3.00pm to 5.00pm school days)*
- l) Signage warning of oversized vehicle be in operation are placed at entry and egress points unless already in place*
- m) Vehicle to be operated as required by the Mains Roads Class 2/3 RAV permit*
- n) Entries to properties being serviced by the permit holder must be constructed for safety and to prevent damage to sealed edges and road verges. Approval may be withdrawn if damage occurs and is not repaired to the satisfaction of the Council's representative.*

Condition CA07 All operators must carry written approval from the Local Government authority permitting use of the roads

The approval will be for the period 10 October 2016 to 10 January 2017.

The applicant must seek Main Roads approval for all RAV network permits.

Murchison Grazing Company

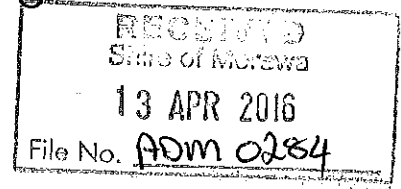
PO Box 421

Morawa

WA

6623

EMDA



ABN: 15 576 852 204

ph / fax: 08 9971 5071

Email: bestoney@bigpond.com

11 April 2016

Morawa Shire Council

My name is Barry STONEY, the owner of MO 425 - Prime Mover. My W A accredited no. is 3270 (Western Australia). My auditor is Mr. Clayton Cream

We are very happy with the C train configuration. We have operated incident free with Main Roads for the entire harvest season of 2015.

With this in mind we are asking that we be granted permission to operate a C train combination (single trailer with a dolly & B/Double combination), it will be under 36.5 metres, to travel on Morawa South Road 6.5 kms., then to Mingenew & Geraldton following shire and main road roads.

Note: We will only travel on Settlement Road (Perenjori Shire) empty both ways into & out of the property to refuel and for any maintenance problems.

Time frame for this request is 10th. October 2016 - 10 January 2017 (harvest 2016/2017).

Thank you for your time and support in hoping that you view this application favourably.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Barry Hilton Stoney'.

Barry Hilton Stoney

Owner/operator manager

ph 0428 917 757

Samantha Appleton

From: Barry & Elaine <bestoney@bigpond.com>
Sent: Friday, 15 April 2016 6:31 PM
To: Samantha Appleton
Subject: Re: Shire of Morawa Rav Permit

Good evening Samantha

The combination is Category 7 and (B)

Thank you
Barry Stoney

From: Samantha Appleton
Sent: Wednesday, April 13, 2016 3:43 PM
To: bestoney@bigpond.com
Subject: Shire of Morawa Rav Permit

Hi Barry

I am preparing your application for Council. Could you please look at the attached chart and let me know which combination is yours. I am having a little trouble reconciling your description with what is on the chart. You will need to let me know the category type (on the left hand side) and whether it is a b c or d. Thanks.

Regards

Samantha Appleton
Executive Manager Development & Administration
Shire of Morawa

Work: (08) 9971 1204
Email : em@morawa.wa.gov.au

2010 Local Government Best Practice Award Winner
2011 National Category Winner Regional Collaborations



<i>Item No/Subject</i>	7.2.4.2 Common Seal
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	13 May 2016, Samantha Appleton
<i>Responsible Officer:</i>	Executive Manager Development & Administration
<i>Applicant/Proponent:</i>	Executive Manager Development & Administration
<i>File Number:</i>	ADM 0608
<i>Previous minute/s & Reference:</i>	February 2013 Item 8.2.5

SUMMARY

Council to support the use of the common seal on amendment 2 to the Morawa Local Planning Scheme No. 2.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Copy of Amendment No. 2
Letter from WAPC.

BACKGROUND INFORMATION

The amendment to the scheme was prepared allow additional uses for part of Reserve 40563 (Lot 11747) to permit an 'Industry – Light' and 'Industry – General' to facilitate the development of the North Midlands Solar Thermal Power Plant.

OFFICER'S COMMENT

Public comment was sought on the amendment in January 2013 and the Scheme amendment was adopted by Council at the ordinary meeting of Council held 12 February 2013.

The Minister for planning advised the Shire of Morawa of a required amendment to Schedule 1 for a new definition to provide for wind or solar energy and removal of the proposed appendix 2. This has now been completed, with the documents signed and sealed by the President and the Chief Executive Officer

STATUTORY ENVIRONMENT

Town Planning Regulations 1967

21. Approval of Scheme by Minister

- (2) Within 42 days of being notified that the Minister —
- (a) has approved the Scheme; or
 - (b) has required the responsible authority to modify the Scheme in such manner as the Minister may specify before approval is given,
- the responsible authority shall —
- (c) comply with any modifications required by the Minister; and
 - [(d) *deleted*]
 - (e) forward 3 copies of the Scheme to the Commission for final approval,
- and in the case of joint planning Schemes shall forward such additional copies as the Commission may require.

Local Government Act 1995

Division 3 — Documents

9.49A. Execution of documents

- (1) A document is duly executed by a local government if —
- (a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or
 - (b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.
- (2) The common seal of a local government is not to be affixed to any document except as authorised by the local government.
- (3) The common seal of the local government is to be affixed to a document in the presence of —
- (a) the mayor or president; and
 - (b) the chief executive officer or a senior employee authorised by the chief executive officer,
- each of whom is to sign the document to attest that the common seal was so affixed.
- (4) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.
- (5) A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.

- (6) A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.
- (7) When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.

[Section 9.49A inserted by No. 17 of 2009 s. 43.]

9.49B. Contract formalities

- (1) Insofar as the formalities of making, varying or discharging a contract are concerned, a person acting under the authority of a local government may make, vary or discharge a contract in the name of or on behalf of the local government in the same manner as if that contract was made, varied or discharged by a natural person.
- (2) The making, variation or discharge of a contract in accordance with subsection (1) is effectual in law and binds the local government concerned and other parties to the contract.
- (3) Subsection (1) does not prevent a local government from making, varying or discharging a contract under its common seal.

[Section 9.49B inserted by No. 17 of 2009 s. 43.]

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil – provision is made for changes to the Local Planning Scheme.

STRATEGIC IMPLICATIONS

Shire of Morawa Strategic Community Plan

4.6 Planned, affordable and effective service delivery and infrastructure.

RISK MANAGEMENT

From previous report:

The major risk is that even after this process has been completed, we may still be unsuccessful in turning this project proposal into reality. The counter argument is that by not initiating this proposal that no change will be made to rectify the power problems that the Morawa community experience.

By proposing an 'Additional Use' zone the existing 'Rural' zone still remains in place therefore not fettering the ability of the land to continue being used for rural purposes.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorse the use of the common seal on Shire of Morawa Local Planning Scheme no. 2 Amendment 2 as amended by the Department of Planning.



SHIRE OF MORAWA
LOCAL PLANNING SCHEME NO. 2

AMENDMENT NO. 2

MINISTER FOR PLANNING

PROPOSAL TO AMEND A TOWN PLANNING SCHEME

1. LOCAL AUTHORITY: SHIRE OF MORAWA
2. DESCRIPTION OF SCHEME: LOCAL PLANNING SCHEME NO. 2
3. TYPE OF SCHEME: MUNICIPAL DISTRICT SCHEME
4. SERIAL NO. OF AMENDMENT: AMENDMENT NO. 2
5. PROPOSAL:

To include part of Reserve 40563 (Lot 11747) located on the south west corner of Morawa Three Springs Road and Mullewa-Wubin Road, Morawa in 'Appendix No. 2 – Additional Uses' with the 'Permitted Uses' being 'Industry – General' and 'Industry – Light' and the 'Development Standards/Conditions' limiting the use to 'Solar Electrical Generation Facility' with development standards as determined by Council.

MINISTER FOR PLANNING

RESOLUTION DECIDING TO AMEND A TOWN PLANNING SCHEME

SHIRE OF MORAWA

TOWN PLANNING SCHEME NO. 2

LOCAL PLANNING SCHEME

AMENDMENT NO. 2

RESOLVED that the Council in pursuance of Section 75 of the Planning and Development Act 2005, amend the above Town Planning Scheme as follows:

Approves the request from TPG to initiate an amendment to the *Shire of Morawa Local Planning Scheme No. 2* to include the part of Reserve 40563 (Lot 11747) located on the south west corner of Morawa Three Springs Road and Mullewa Wubin Road, Morawa in 'Appendix No. 2 – Additional Uses' with the 'Permitted Uses' being 'Industry – General' and 'Industry – Light' and the 'Development Standards/Conditions' limiting the use to 'Solar Electrical Generation Facility' with development standards as determined by Council.

Delegates the Chief Executive Officer to forward Town Planning Scheme Amendments to the Planning Commission for final approval in the case of:

- a. There being no submissions objecting to the proposal received during the statutory advertising period; and
- b. The date of adoption of Council's final approval shall be the date of the next Council Ordinary Meeting following the closing date of the advertising period.

CARRIED

7/0

Dated this 10 of MAY 20 16



CHIEF EXECUTIVE OFFICER

REPORT ON AMENDMENT NO. 2

TO SHIRE OF MORAWA LOCAL PLANNING SCHEME NO. 2

1. INTRODUCTION

The Shire of Morawa Local Planning Scheme No. 2 (TPS2) was gazetted on 21 May 2007.

This amendment seeks to include the part of Reserve 40563 (Lot 11747) located on the south west corner of Morawa Three Springs Road and Mullewa-Wubin Road, Morawa (being the subject site) in 'Appendix 2 – Additional Uses' to permit an 'Industry – Light' and 'Industry – General' to facilitate the development of the North Midlands Solar Thermal Power Plant.

The subject site is identified as being suitable for development of this nature as outlined in the 'Super Towns' Morawa Growth Plan, however the site is currently reserved for 'Rural' purposes in which neither a Light or General Industry uses are permitted.

Although the Shire of Morawa has made significant progress on key strategic initiatives focused on health, education, telecommunications, small business, water, aged and child care, the problem of the quality and reliability of power supplies into Morawa remains an essential and constant issue. The Morawa community experiences many periods of outages and power surges causing disruptions to residents, businesses, schools and families. Initiating the rezoning of this site will enable a Development Application to be submitted and approved to facilitate the delivery of an environmentally friendly reliable power source, technological driven employment opportunities and attract business, residential and industrial growth to Morawa and the Mid West Region.

2. SITE

The subject site comprises approximately 23ha of Lot 11747, as shown on the site plan below. The site is located at the intersection of Morawa Three Springs Road and Mullewa-Wubin Road, approximately 2 km south of the Morawa town centre and is surrounded by 'Rural' zoned land.

Refer to Figure 1 – Location Plan

Refer to Figure 2 – Site Plan

Reserve 40563 Three Springs Morawa Road is vested in by the Department of Education for use by the Western Australian College of Agriculture Morawa. The site is identified for 'Agricultural College' land use with the purpose of being an 'Agricultural School Site'.

Lot	Reserve	Volume/Folio	Diagram	Land Area	Landowner
11747	40563	3075/491	216994	398.96ha	Crown Land

Refer to Figure 3 – Aerial Plan

Figure 1 – Location Plan

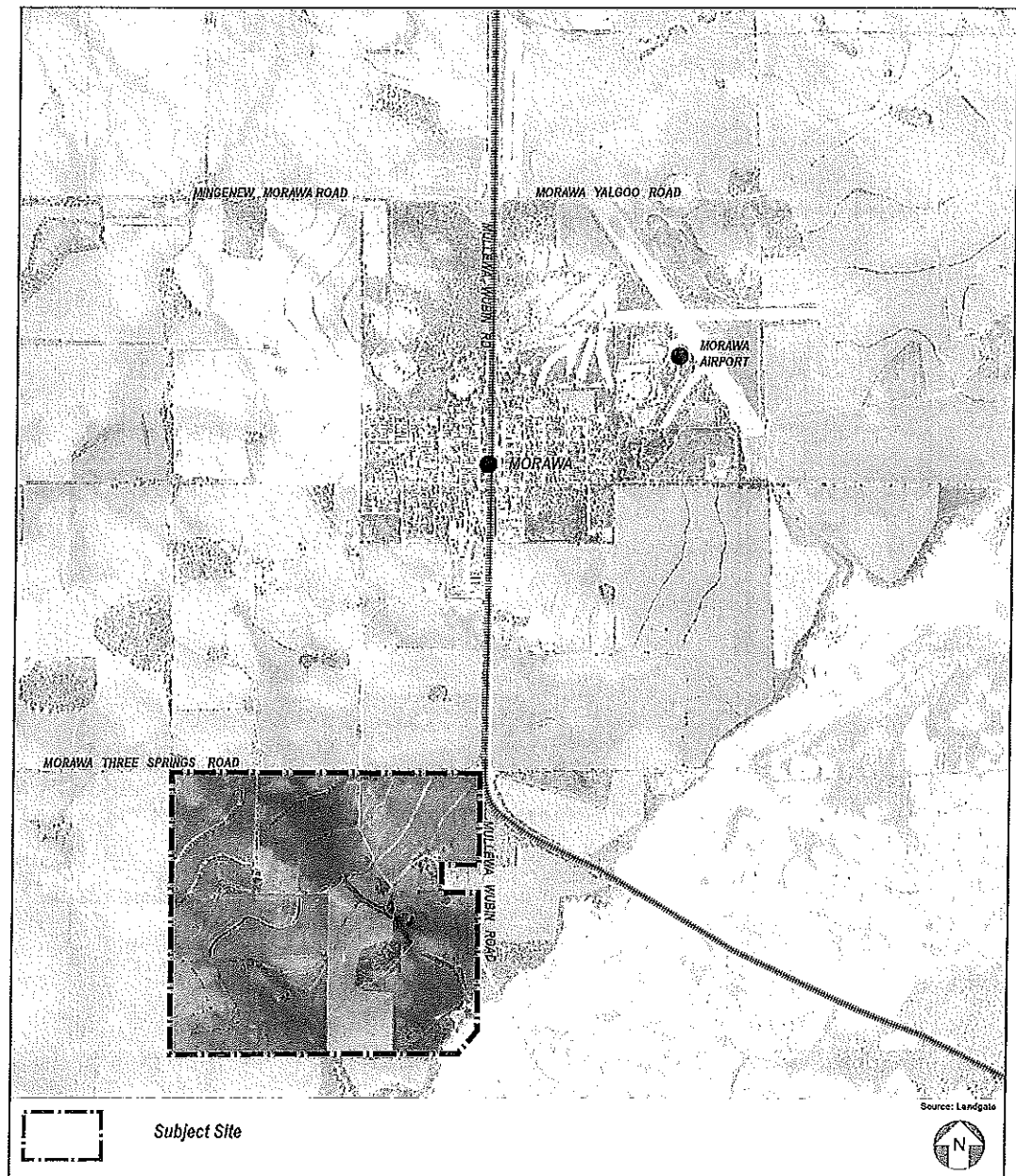


Figure 2 – Site Plan

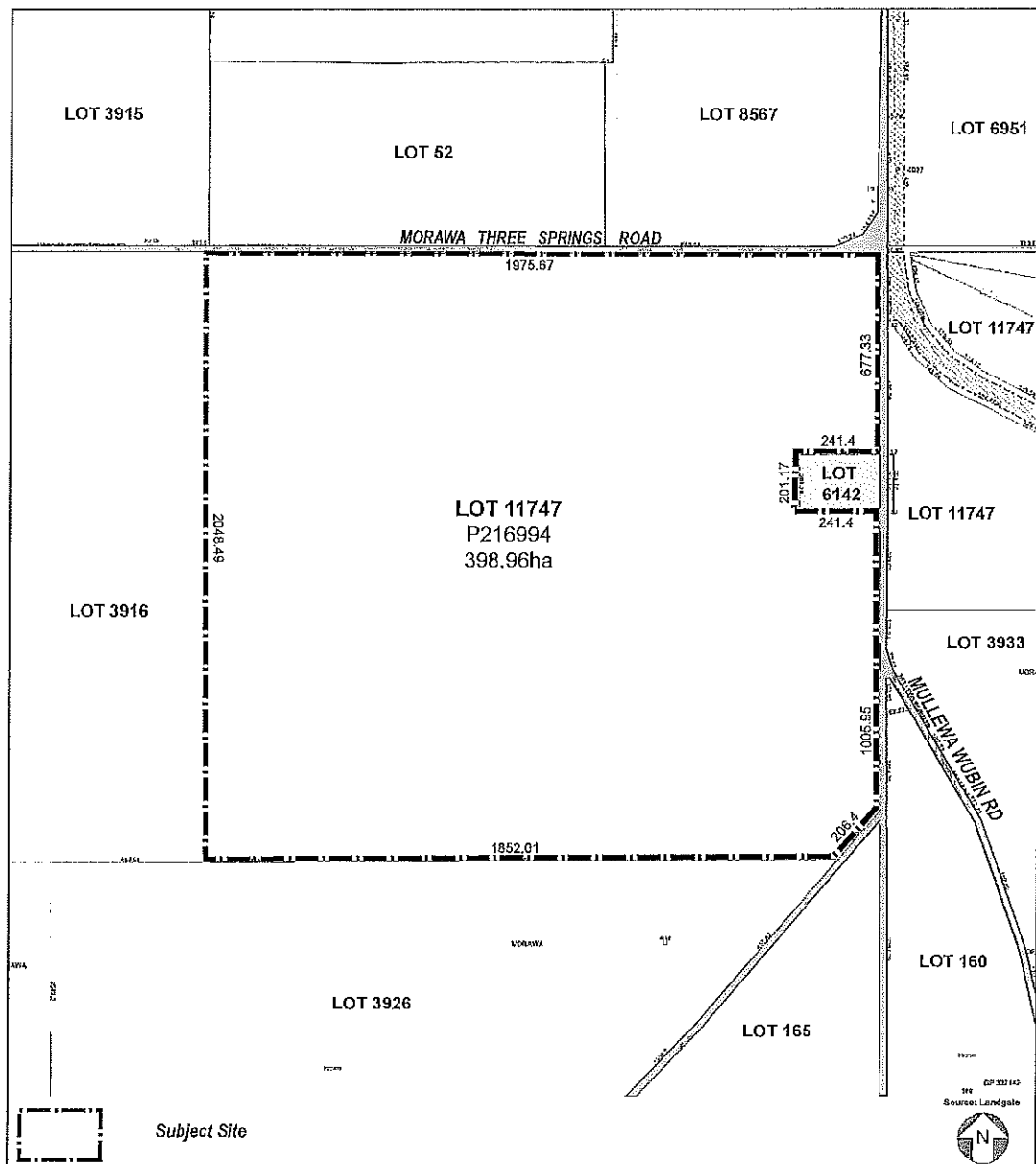
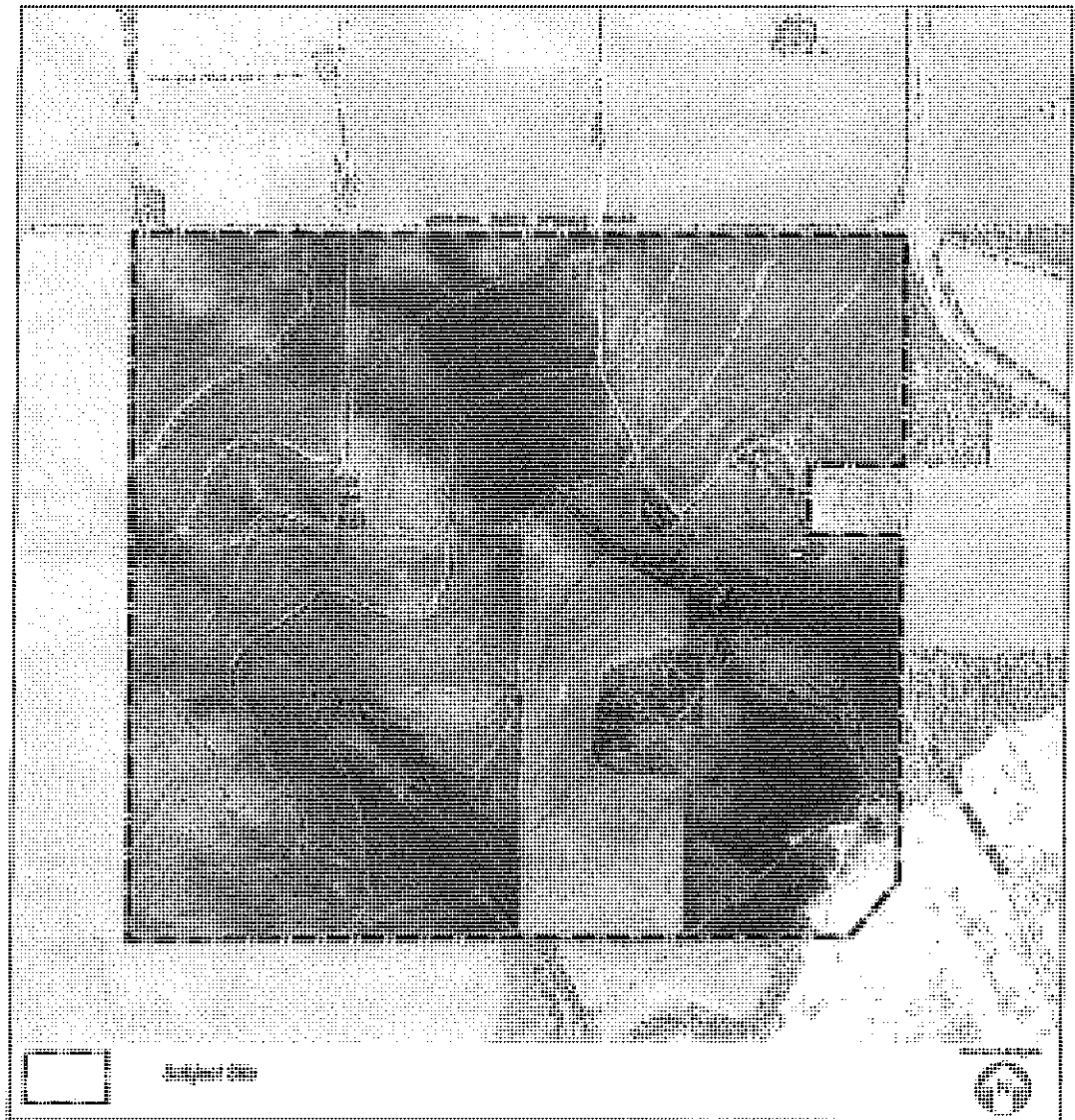


Figure 3 – Aerial Plan



3. PROPOSAL

This amendment is to include the site, which is currently zoned 'Rural' in 'Appendix 2 – Additional Uses' to facilitate the development of the North Midlands Solar Thermal Power Plant whilst still retaining the 'Rural' base zoning.

Refer to Appendix 1 – Zoning Plan

As the actual development details have yet to be finalised it cannot be determined whether the development best accords with the definition of 'Industry – General' or 'Industry – Light' under the Scheme. It is therefore proposed to allow for both definitions but place Development Standards/Conditions in Appendix 2 restricting the use to a 'Solar Electrical Generation Facility' with development standards to be determined by Council once a development application is submitted.

Through preliminary discussions between the Council and Carbon Reduction Ventures (CRV), the North Midlands Solar Thermal Power Plant is likely to be situated in the northern portion of the site. The proposed 'solar electrical generation facility' will involve the engineering combination of four systems – heat collection, heat storage and power generation and network connections to improve power reliability in the Morawa region.

The project currently includes a 3MW power generation facility including fifteen towers and associated reflective mirrors, one turbine, one back-up generator, two 200,000 litre rain water tanks, one transformer and associated shed and control system. The facility is proposed to occupy approximately 10ha of the site.

4. JUSTIFICATION

The subject site is identified in the 'Super Towns' Morawa Growth as having the potential for the development of the North Midland Solar Thermal Power Plant.

Amending the Scheme to permit the site to be included in 'Appendix 2 – Additional Use' is considered the most orderly and proper approach as it allows for the development of the North Midland Solar Thermal Power Plant while also allowing for the site to maintain its existing zoning should the power plant not eventuate or ceases operation in the future.

Morawa electricity supply is provided by a direct feeder sourced from the Three Springs Substation. The feeder is a 132 KV line and also supports the Perenjori community. The feeder is aged, deteriorating and close to maximum capacity. Morawa is part of the South West Integrated System (SWIS) and as a fringe of grid electrical connection location. The Morawa community experiences many periods of outages causing disruption to residents, businesses, schools and families. The period of these outages usually occur during the warmer summer months and are prolonged in duration. Western Power acknowledge that significant upgrade works are required to the Morawa – Perenjori Feeder, but are unable to justify any capital investment on the line due to the considered uncommercial nature of the project i.e. it wouldn't pass Economic Regulatory Authority test / approvals.

It is therefore intended to permit 'Industrial – Light' and 'Industrial – General' uses on the site to facilitate the development of an innovative new renewable energy power project (the North Midlands Solar Thermal Power Project) utilising Australian invented and developed Concentrated Solar Power (CSP) technology with energy storage. The Shire has received expressions of interest from Carbon Reduction Ventures P/L (CRV) who have undertaken considerable investigation to establish a Solar Thermal Power Station based in Morawa. From preliminary discussions, the proposed North Midlands Solar Power Project is to be developed in the northern portion of the site, however given the base zoning of 'Rural' is to remain, the entire lot is to be included within the Additional Use classification to allow for the potential expansion of the facility in the future without amending the Scheme.

The North Midlands Solar Thermal Power Project is a transformative project, in that it will enable many other new projects and private investment throughout Morawa and will provide a reliable power source to encourage new business growth and investment in Morawa and provide essential services and infrastructure to support growth.

The project will deliver major improvements in power reliability to the region, and a financial return to the community. By doing so, Morawa's status as a "Super Town" and its ability to develop as a sub-regional hub for essential services will be significantly underpinned, leveraging and enhancing the infrastructure initiatives that the Shire has already achieved. The North Midlands Solar Thermal Power Plant will also provide technological driven employment opportunities and attract business, tourist, residential and industrial growth to Morawa and the Mid West Region.

The proposed amendment and subsequent development will also facilitate the achievement of the objectives of TPS2 in that it will:

- Facilitate the timely expansion of Morawa as the community grows in conjunction with new mining developments;
- Complement the Shire's achievements in education, health, small business, telecommunications, water supplies and land development;
- Position the community to expand and develop to reach its full potential through jobs and as a local tourist landmark for the area; and
- Employment, training and economic development opportunities as Morawa diversifies its economic base from one solely reliant on agriculture to one that also includes major new mining investment/opportunities.

5. CONCLUSION

The proposed amendment will assist in the development of the North Midland Solar Thermal Power Plant to address the current problem of the quality and reliability of power supplies, which will hinder future expansion of Morawa if this issue is not addressed.

The proposal is consistent with the objectives of the Shire of Morawa Local Planning Scheme No. 2 and the Plants location has been identified by the 'Super Towns' Morawa Growth Plan as the most suitable location within the Shire.

Based on the above it is considered that the Shire of Morawa Scheme be amended to include part of Reserve 40563 on the corner of Morawa Three Springs Road and Mullewa-Wubin Road, Morawa, in 'Appendix 2 – Additional Uses' to allow for 'Industrial – General' and 'Industrial – Light' for the development of a Solar Thermal Power Plant.

SHIRE OF MORAWA
TOWN PLANNING SCHEME NO. 2
AMENDMENT NO. 2

1. Include a new definition into Schedule 1 to provide for wind or solar energy, as follows:

"wind or solar energy facility means premises used to generate electricity by wind force, or solar power and includes any turbine, panel, building or other structure used in, or in conjunction with, the generation of electricity by wind force or solar but does not include turbines or panels used principally to supply electricity for a domestic property, or rural use of the land or anemometers".

2. Add 'wind or solar energy facility' as a use in the Zoning Table that is a 'SA' use in the 'General Agriculture' zone and not permitted in all other zones; and
3. Remove the proposed Appendix 2 – Additional Use for a solar electrical generation facility and associated changes to scheme map 1.

Adopted by resolution of the Council of the Shire of Morawa at the Ordinary Meeting of the Council held on the 16 day of February of 2012.



SHIRE PRESIDENT



CHIEF EXECUTIVE OFFICER

Adoption

Adopted for final approval by resolution of the Shire of Morawa at the Ordinary Meeting of the Council held on the on the _____ day of _____ of 201____.

The Common Seal of the Shire of Morawa was hereunto affixed by authority of a resolution of the Council in the presence of:



SHIRE PRESIDENT



CHIEF EXECUTIVE OFFICER

RECOMMENDED/SUBMITTED
FOR FINAL APPROVAL

DELEGATED UNDER S.16 OF PLANNING
AND DEVELOPMENT ACT 2005

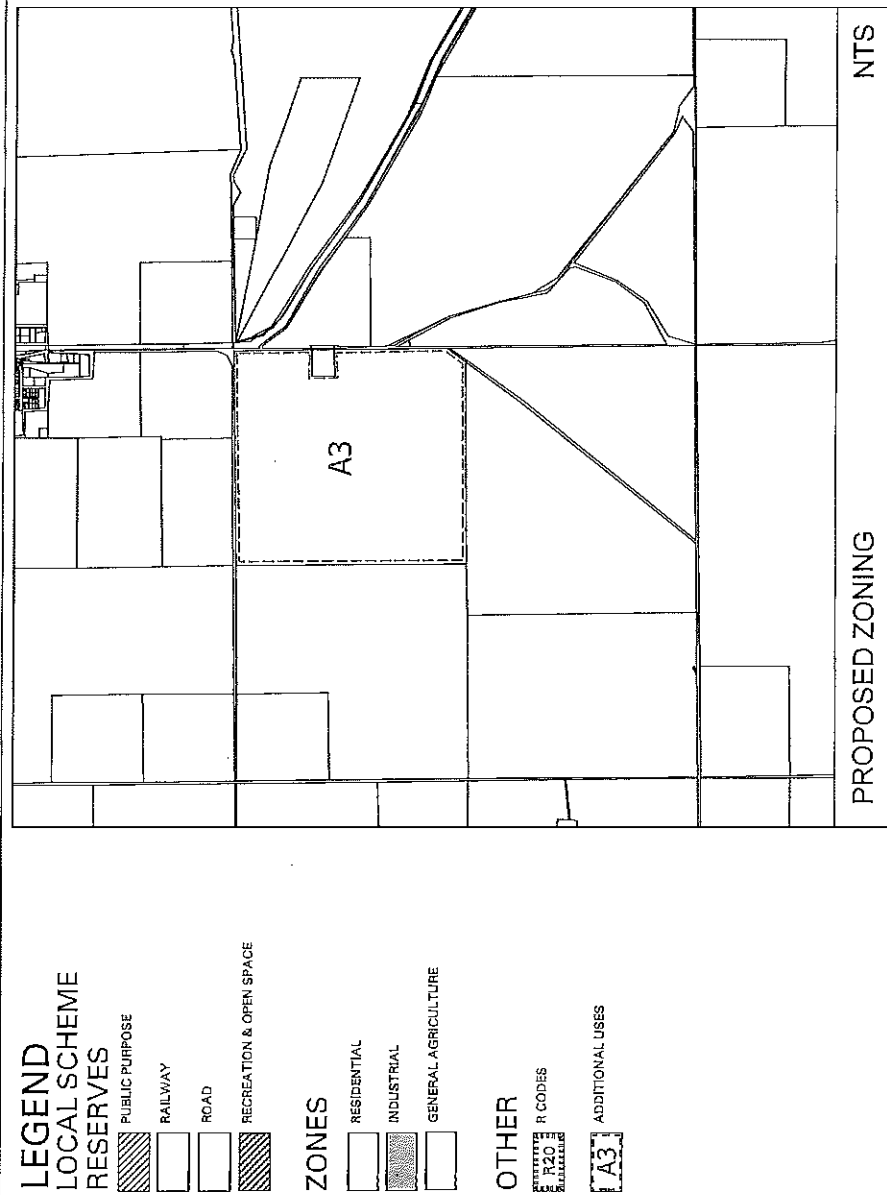
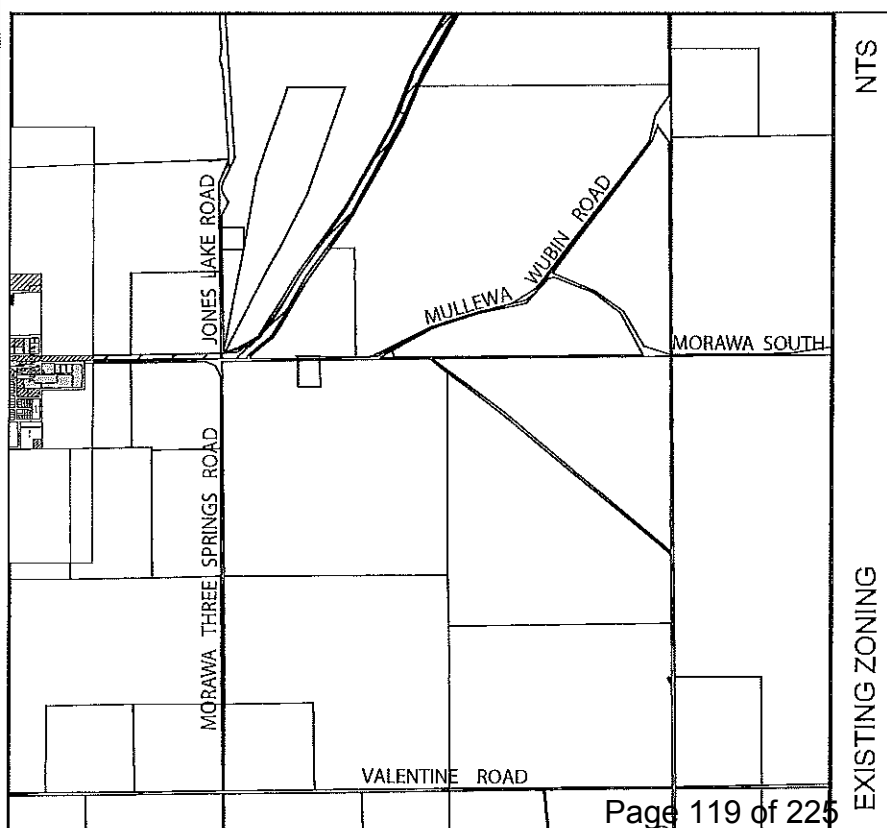
10 MAY 2016

DATE

FINAL APPROVAL GRANTED

MINISTER FOR PLANNING

DATE





Our Ref: TPS/0967
Your Ref: ADM 0230
Enquiries: Johan Gildenhuys (655 19562)

Chief Executive Officer
Shire of Morawa
PO Box 14
MORAWA WA 6623

Dear Sir

**LOCAL PLANNING SCHEME No 2
AMENDMENT No 2**

I refer to your letter of 25 February 2013 and advise that the Minister for Planning requires Council to modify the amendment in the following manner before final approval is given.

Include a new definition into Schedule 1 to provide for wind or solar energy, as follows:

"wind or solar energy facility means premises used to generate electricity by wind force, or solar power and includes any turbine, panel, building or other structure used in, or in conjunction with, the generation of electricity by wind force or solar but does not include turbines or panels used principally to supply electricity for a domestic property, rural use of the land or anemometers".

Add 'wind or solar energy facility' as a use in the Zoning Table that is a 'SA' use in the 'General Agriculture' zone and not permitted in all other zones; and

Remove the proposed Appendix 2 - Additional Use for a solar electrical generation facility and associated changes to scheme map 1.

Local government is advised that the land tenure issues are required to be resolved with the Department of Education and Department of Lands if Reserve 40563 is considered for a solar electrical generation facility.

Would you please arrange for three bound sets of amending documents to be prepared and executed in accordance with the modifications required and submit them for the Minister's endorsement of final approval.

In accordance with the provisions of regulations 21 (2) and 25 of the *Town Planning Regulations, 1967 (as amended)*, Council is required to return the



wa.gov.au

Postal address: Locked Bag 2506 Perth WA Street address: 140 William Street Perth WA 6000
Tel: (08) 655 19000 Fax: (08) 655 19001 TTY: 655 19007 Infoline: 1800 626 477
corporate@planning.wa.gov.au www.planning.wa.gov.au
ABN 35 482 341 493

executed modified amending documents to the Western Australian Planning Commission within 42 days of being notified of the Minister's decision.

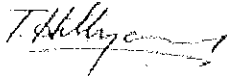
One set of amending documents are returned herewith for the purpose.

Could you please email the final modified text of the amendment, in word version, to heather.brooks@planning.wa.gov.au to assist in the reduction in costs when the notice is published in the Government Gazette.

Council is advised that in carrying out the modifications to the amending document, the *Resolution Deciding to Amend a Town/Local Planning Scheme* is not modified, and Council's initial and final approval adoption dates remain as the dates the amendment was originally adopted by Council prior to advertising (regulation 13(1)) and following advertising (regulation 17(2)).

When returning the documents to the Commission, please forward them directly to our Perth Office. This will alleviate any delays in the processing of the amendment.

Yours faithfully



Tim Hillyard
Secretary
Western Australian Planning Commission
Attach

18 August 2015

Cr Stokes has declared a proximity interest in item 7.2.4.3 as an employee of Geraldton Fuel.

<i>Item No/Subject</i>	7.2.4.3 RAV Permit – Geraldton Fuel
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	24 May 2016, Samantha Appleton
<i>Responsible Officer:</i>	Executive Manager Development & Administration
<i>Applicant/Proponent:</i>	Mr Ian Burrows, Geraldton Fuel
<i>File Number:</i>	ADM0284
<i>Previous minute/s & Reference:</i>	<i>7.2.4.3 April 2016 Minutes</i>

SUMMARY

Geraldton Fuel has approached the Shire of Morawa to request permission to operate RAV Network 6 vehicles on the Morawa Yalgoo Road.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Letter from Geraldton Fuel.
Route information supplied by Geraldton Fuel.

BACKGROUND INFORMATION

Geraldton Fuel has approached the Shire of Morawa to request permission to operate a Network 6 Class 2/3 Prime Mover, Semi-Trailer towing a dog Trailer on the Morawa Yalgoo Road. The length of the proposed vehicle is between 27.5m and 36.5m and the weight of the combination cannot exceed 87.5 tonnes. The applicant has stated that they would like a permit for 2 trips a week for a period of 5 years plus.

OFFICER'S COMMENT

The vehicle will be delivering fuel to the Deflector Mine and will be travelling the Morawa Yalgoo Road from the Wubin Mullewa Road to the boundary with the Shire of Yalgoo.

An application for a Network 7 Vehicle owned by QUBE Logistics which also services the Deflector goldmine was presented to the Ordinary meeting of Council on 21 April 2016. The resolution was as follows:

1604009 Moved: Cr Agar
Seconded: Cr Collins

That Council approve:-

1. A Restricted Access Vehicle (RAV) 7 networks class 2/3 to QUBE Logistics to operate combinations up to 36.5 metres to operate in the Shire of Morawa on local roads listed below:
Morawa Yalgoo Road from Wubin Mullewa Road to the Shire of Yalgoo Boundary.

Standard Conditions of Use:

- a) *Maximum speed unsealed roads 60kms/hr or 10kms/hr less than designated signage*
- b) *Maximum speed sealed roads 90kms/hr or 10kms/hr less than designated signage*
- c) *Maximum speed of 40kms/hr in built up areas including the Morawa Town site*
- d) *Only approved routes will be permitted in the Morawa Town site*
- e) *Reduce speed to 60kms/hr and moving over to give way to oncoming traffic*
- f) *Headlights on at all times*
- g) *Removing dust from tyres rims when entering sealed roads*
- h) *Compliance with maximum gross weight limits*
- i) *Vehicle length not to exceed 36.5 metres*
- j) *No operation after a heavy rain fall event*
- k) *No operation during school bus routes drop off and pick up times (7.00am to 8.30am and 3.00pm to 5.00pm school days)*
- l) *Signage warning of oversized vehicle be in operation are placed at entry and egress points unless already in place*
- m) *Vehicle to be operated as required by the Mains Roads Class 2/3 RAV permit*
- n) *Entries to properties being serviced by the permit holder must be constructed for safety and to prevent damage to sealed edges and road verges. Approval may be withdrawn if damage occurs and is not repaired to the satisfaction of the Council's representative.*

Condition CA07 All operators must carry written approval from the Local Government authority permitting use of the roads

The approval is to be for a period of one year, from 1 June 2016 to 31 May 2017, with Shire of Morawa staff reviewing operations six monthly. The applicant is to reapply for new approvals prior to the expiry of this permit should it wish to continue operations.

The applicant must seek Main Roads approval for all RAV network permits.

CARRIED
4/2

Comparison of this application to the QUBE application are as follows:

	QUBE	GERALDTON FUEL
MAXIMUM WEIGHT	107.5 TONNE	87.5 TONNE
MAXIMUM LENGTH	36.5 METRES	36.5 METRES
NUMBER OF AXLES	16	12

The resolution for this item has been prepared as requested by the applicant, however Council may wish to add similar conditions to the previous application by QUBE Logistics.

COMMUNITY CONSULTATION

Feed-back is received at Council from road users and assists in monitoring the impact the large vehicles have on local roads and user safety.

STATUTORY ENVIRONMENT

Local Government Act 1995

Main Roads Act 1930

Feed-back is received at Council from road users and assists in monitoring the impact the large vehicles have on local roads and user safety.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Council's review of the process for issuing RAV permits provides part of an asset review for use of road infrastructure in the Shire.

Shire of Morawa Strategic Community Plan:

1.8 Well maintained local roads and ancillary infrastructure.

RISK MANAGEMENT

An approval of RAV network permits provides the Shire with consultation and a due diligence process for road users in the Shire of Morawa. Without the process Council's road network assets could become unsafe and unmanageable for current resources. There are inherent risks to the Shire in approving this request.

The main risk relates to increased road maintenance costs and the other is setting a precedent for other similar applications to follow.

The Shire of Morawa local road network has been audited and rated. The majority of Local roads are rated as a local volume RAV 2/3 roads. The requested use seeks to permit for up to RAV 7 combinations. This is within the restrictions permitted by Main Roads WA for this road.

VOTING REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

That Council approve:-

A Restricted Access Vehicle (RAV) 6 networks class 2/3 to Geraldton Fuel to operate combinations up to 36.5 metres to operate in the Shire of Morawa on local roads listed below:

Morawa Yalgoo Road from Wubin Mullewa Road to the Shire of Yalgoo Boundary.

Standard Conditions of Use:

- a) Maximum speed unsealed roads 60kms/hr or 10kms/hr less than designated signage***
- b) Maximum speed sealed roads 90kms/hr or 10kms/hr less than designated signage***
- c) Maximum speed of 40kms/hr in built up areas including the Morawa Town site***
- d) Only approved routes will be permitted in the Morawa Town site***
- e) Reduce speed to 60kms/hr and moving over to give way to oncoming traffic***
- f) Headlights on at all times***
- g) Removing dust from tyres rims when entering sealed roads***
- h) Compliance with maximum gross weight limits***
- i) Vehicle length not to exceed 36.5 metres***
- j) No operation after a heavy rain fall event***
- k) No operation during school bus routes drop off and pick up times (7.00am to 8.30am and 3.00pm to 5.00pm school days)***
- l) Signage warning of oversized vehicle be in operation are placed at entry and egress points unless already in place***
- m) Vehicle to be operated as required by the Mains Roads Class 2/3 RAV permit***
- n) Entries to properties being serviced by the permit holder must be constructed for safety and to prevent damage to sealed edges and road verges. Approval may be withdrawn if damage occurs and is not repaired to the satisfaction of the Council's representative.***

Condition CA07 All operators must carry written approval from the Local Government authority permitting use of the roads

The approval is to be for a period of five years, from 17 June 2016 to 17 June 2021, with Shire of Morawa staff reviewing operations six monthly. The applicant is to reapply for new approvals prior to the expiry of this permit should it wish to continue operations.

The applicant must seek Main Roads approval for all RAV network permits.

Chief Executive Officer
Shire of Morawa
PO Box 14
Morawa WA 6623

Dear Sir

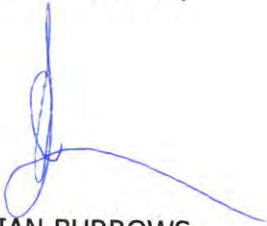
"Prime Mover, Semi-Trailer Towing 6 Axle Dog Trailer – Yalgoo/Morawa Road - Doray Deflector Mine Site"

Geraldton Fuel Company request permission to use the Morawa/Yalgoo Road [Road No: 7070076] for a Prime Mover, Semi-Trailer Towing 6 Axle Dog Trailer to cart diesel fuel from Morawa to the Doray Deflector Mine Site.

The permit will be required for 5 years plus, with 2 trips per week maximum.

Should you have any queries please do not hesitate to contact our Quality Assurance Officer, Debra Shannon, on [08] 9920 8006 or our Transport Manager, Lionel Ward on 0428 376 764.

Yours faithfully



IAN BURROWS
MANAGING DIRECTOR

24 May 2016

Head Office and Depot
Address 120 Flores Road
PO Box 119 Geraldton WA 6531
Phone (08) 9920 8000
Facsimile (08) 9920 8080
Email reception@geraldtonfuel.com.au
Web www.geraldtonfuel.com.au
ABN 29 002 844 162
ACN 002 844 162

DEFLECTOR OPERATIONS REGIONAL ROAD MAP



Perth to Geraldton:

Go from Great Northern Hwy onto
Brand Hwy to Geraldton

Perth to Morawa:

Go via Great Northern Hwy to Wubin
Then take Mullewa - Wubin Road
Via Perenjori to Morawa

<i>Item No/ Subject:</i>	7.2.4.4 Disability Access & Inclusion Plan
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	1 June 2016, Samantha Appleton
<i>Responsible Officer:</i>	Executive Manager Development and Administration
<i>Applicant/Proponent:</i>	Disability Services Commission
<i>File Number:</i>	ADM 0246
<i>Previous minute/s & Reference:</i>	

SUMMARY

This report recommends that Council endorses the Disability Access & Inclusion Plan review for 2015-16.

DECLARATION OF INTEREST

The author has no interest to declare in this report.

ATTACHMENTS

Disability Access and Inclusion Plan review.

BACKGROUND INFORMATION

Council has an obligation under the Disability Services Act 1993 to prepare and review the Disability Access & Inclusion Plan by 30 June each year.

The plan was last revised in 2014 and was lodged with the Disability Services Commission. Council adopted the revised plan in September 2015 following the Better Compliance Process Review it was discovered that the revised DAIP had not been submitted to council for approval.

The current DAIP is compliant and is designed to ensure that people with a disability have the same opportunities as other people to obtain and maintain employment with a public authority.

There has been a requirement previously under the Disability Services Act for Council to prepare and annually review a Disability Plan.

The Act was amended in December 2004 and now Local Governments are now required to develop and implement Disability Access and Inclusion Plans (DAIP's).

OFFICER'S COMMENT

The requirements of the DAIP's build on the previous Disability Service Plans so that people with disabilities can access services provided by public authorities in a way that facilitates increased independence, opportunities, and inclusion within the community.

The review has identified areas where outcomes are not being addressed and actions will be taken to address this where feasible and within budgetary constraints.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Disability Services Act 1993
Local Government Act 1995

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Generally most actions are within budgetary provisions

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

There is an inherent risk that an additional administrative burden will be placed on staff time to manage the DAIP implementation and annual reporting thereof. There is also the risk that staff resources will become stretched as a direct result of fulfilling these requirements.

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorse-

The review of the Disability Access & Inclusion Plan review for 2015-16 and submit the review to the Disability Services Commission.



Disability Access and Inclusion Plan (DAIP) Progress Reporting 2015-2016

Contact details

Organisation: Shire of Morawa
Contact person: Samantha Appleton
Phone number: 08 99711 204
Email: em@morawa.wa.gov.au

Outcome 1: Services and events

Number of strategies planned:	4
Number of strategies implemented:	4
Number of effective strategies:	4
Number of average strategies:	0
Number of ineffective strategies:	0
Number of strategies not yet evaluated:	0

Strategies and achievements for Outcome 1:

Comment on services can be obtained through talking to counter staff or managers and by lodging a service request where issues are identified. Library technology is available through the provision of taking and digital books. It is accessible and digital books can be sent out without having to visit the office. Events are organised to allow access to all community members, with most facilities being accessible. Access and inclusion is always a consideration when policies and practices are developed that determine the operations of facilities, functions and services.

Outcome 2: Buildings and other facilities

Number of strategies planned:	5
Number of strategies implemented:	4
Number of effective strategies:	3
Number of average strategies:	1
Number of ineffective strategies:	1
Number of strategies not yet evaluated:	0

Strategies and achievements for Outcome 2:

Some buildings and facilities are currently still not accessible. These are mainly older buildings that have only occasional use. Public buildings that are frequently used have good access and have been subject to major upgrades over a number of years. ACROD parking is available at major public buildings and shopping areas. These bays are clearly marked and signposted. Parks and reserves are accessible. Older public toilets in less used areas still require upgrades to meet access requirements.

Outcome 3: Information

Number of strategies planned:	3
Number of strategies implemented:	1
Number of effective strategies:	0
Number of average strategies:	1
Number of ineffective strategies:	2
Number of strategies not yet evaluated:	0

Strategies and achievements for Outcome 3:

The availability of information in alternative formats is detailed on some public documentation. Customer service staff are not aware of this or how it is done. Staff are unaware of what is meant by contemporary and universal design practices. The Shire will endeavour to discuss this with the designers of the current website.

Outcome 4: Level and quality of service

Number of strategies planned:	3
Number of strategies implemented:	1
Number of effective strategies:	0
Number of average strategies:	1
Number of ineffective strategies:	2
Number of strategies not yet evaluated:	0

Strategies and achievements for Outcome 4:

It has been identified that training of staff has not taken place and that awareness training will take place for current and future employees. Advice is sought from Disability Services when required with regard to the meeting of access needs, as well as with relevant officers with regard to legal requirements with regard to access.

Outcome 5: Complaints

Number of strategies planned:	1
Number of strategies implemented:	1
Number of effective strategies:	0
Number of average strategies:	1
Number of ineffective strategies:	0
Number of strategies not yet evaluated:	0

Strategies and achievements for Outcome 6:

A grievance process is available to all members of the public inclusive of disabled persons. Grievances can be lodged verbally or in writing. There may be a need to investigate alternative methods of lodging grievances if required.

Outcome 6: Consultation

Number of strategies planned:	4
Number of strategies implemented:	4
Number of effective strategies:	1

Number of average strategies: 3
 Number of ineffective strategies: 0
 Number of strategies not yet evaluated: 0

Strategies and achievements for Outcome 6:

Council frequently seeks feedback from the community as part of its consultation and strategic planning process. While traditional methods of communicating are used, there may be issues with all community members being aware of or able to participate in this process. The ongoing monitoring of the DAIP takes place as staff are aware of the required outcomes, many of which are addressed when planning, building and policy decisions are made.

Outcome 7: Employment

Number of strategies planned: 3
 Number of strategies implemented: 2
 Number of effective strategies: 0
 Number of average strategies: 2
 Number of ineffective strategies: 1
 Number of strategies not yet evaluated: 0

Strategies and achievements for Outcome 7:

The Shire of Morawa does not currently have any employees with a disability. While it has not actively recruited for people with a disability to fill positions, all applicants have been considered. No steps have been taken to employ anyone in a supported position at the present time.

Agents and Contractors

How you informed Agents and Contractors about your DAIP:

Referenced in a contract(s)

How Agents and Contractors report progress of outcomes to you:

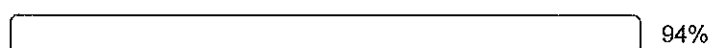
We have not required agents and contractors to report to us.

Significant DAIP strategies undertaken by your organisation's Agents and Contractors:

Continual upgrades to buildings and facilities with regard to access.

Challenges**Challenges you experienced with strategies that were planned but not implemented:**

Budgetary constraints, Lack of support / input and feedback from the community
Lack of training available in the region.

Other information about the challenges your organisation faced:[Prev](#)[Next](#)

<i>Item No/Subject</i>	7.2.4.5 Common Seal
<i>Date of Meeting:</i>	16 June 2015
<i>Date & Author:</i>	4 April 2016, Samantha Appleton
<i>Responsible Officer:</i>	Executive Manager Development & Administration
<i>Applicant/Proponent:</i>	Executive Manager Development & Administration
<i>File Number:</i>	ADM 0040
<i>Previous minute/s & Reference:</i>	

SUMMARY

Council to support the use of the common seal on Service and Lease agreements with Maddison Clark, trading as Tiny Tigers Day Care.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Contract with Maddison Clark

BACKGROUND INFORMATION

The Shire of Morawa has spent a number of months seeking an operator for the Morawa Day Care Centre. Ms Maddison Clark made enquiries about setting up a service earlier this year and is now operating out of the centre owned by the Shire with the assistance of Bright Stars of Geraldton.

OFFICER'S COMMENT

Agreements have been prepared and signed as done for previous operators of the centre. Weekly rental of \$50 per week is being paid and the Shire of Morawa will fund the first \$1,000 of the water and electricity charges for the centre annually. An inventory has been taken of equipment stored on the premises. The contracts have been signed by both parties and the common seal has been added to the contract. The contract is for a three year term commencing 26 April 2016.

STATUTORY ENVIRONMENT

Local Government Act 1995

Division 3 — Documents

9.49A. Execution of documents

- (1) A document is duly executed by a local government if —
 - (a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or
 - (b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.
- (2) The common seal of a local government is not to be affixed to any document except as authorised by the local government.
- (3) The common seal of the local government is to be affixed to a document in the presence of —
 - (a) the mayor or president; and
 - (b) the chief executive officer or a senior employee authorised by the chief executive officer,

each of whom is to sign the document to attest that the common seal was so affixed.

- (4) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.
- (5) A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.
- (6) A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.
- (7) When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.

[Section 9.49A inserted by No. 17 of 2009 s. 43.]

9.49B. Contract formalities

- (1) Insofar as the formalities of making, varying or discharging a contract are concerned, a person acting under the authority of a local government may make, vary or discharge a contract in the name of or on behalf of the local government in the same manner as if that contract was made, varied or discharged by a natural person.
- (2) The making, variation or discharge of a contract in accordance with subsection (1) is effectual in law and binds the local government concerned and other parties to the contract.
- (3) Subsection (1) does not prevent a local government from making, varying or discharging a contract under its common seal.

[Section 9.49B inserted by No. 17 of 2009 s. 43.]

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Minor – Provision has been made for costs associated as part of the 2015/16 budget.

STRATEGIC IMPLICATIONS

Shire of Morawa Strategic Community Plan

3.1 Services and facilities that met the needs of the community.

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Simple majority

OFFICER'S RECOMMENDATION

That Council:

Endorses the use of the common seal on the Service and Lease agreements between Maddison Clark (Tiny Tigers Family Day Care) and the Shire of Morawa.

THIS AGREEMENT is made on the 26th day of April 2016

BETWEEN:

THE SHIRE OF MORAWA of PO Box 14 Morawa Western Australia ("the Shire");

and

MADDISON CLARK trading as Tiny Tigers Day Care of 143 Three Springs Road Morawa Western Australia ("Tiny Tigers").

RECITALS:

- A. The Shire wishes to facilitate the obtaining and maintaining the services of an accredited Family Day Service under the Service Membership with Bright Stars Family Day Service, City of Greater Geraldton for the benefit of the District;
- B. The Shire and Tiny Tigers have reached an agreement in this regard and now wish to record it in writing.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this agreement unless the context otherwise requires:

Business means the Stock, Equipment and Business Premises owned by the Shire and conducted under the Business Name Tiny Tigers.

Business Name means the business name of "Tiny Tigers".

Business Premises means the commercial premises at which the Business is conducted, being Lot 59, 27 Dreghorn Street Morawa WA 6623

Commercial Lease means the commercial lease between the Shire as Lessor and Tiny Tigers as lessee, referred to in Clause 4.3 and attached to this deed as Attachment A.

Equipment means the furniture and equipment of the Business specified in the Asset Register set out in Schedule A to this agreement.

Stock means the stock forming part of the Business at the commencement date of the Term, as ascertained and valued at a stocktake undertaken by the parties at such commencement date.

Term means the period of three (3) years from 26 April 2016 to 26 April 2019.

Termination Date means the date when this agreement ceases pursuant to the provisions of Clause 8.

1.2 Interpretation

In this agreement, headings are for convenience only and do not affect the interpretation of this agreement and, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
 - (b) words importing a gender include any gender;
 - (c) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
 - (d) a reference to a party to a document includes that party's successors and permitted assigns;
 - (e) a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws varying, consolidating or replacing it, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute; and
 - (f) a reference to a document or agreement includes all amendments or supplements to, or replacements or novations of, that document or agreement
 - (g) the headings shall not affect the interpretation or construction of this agreement.
-

2. GRANT OF RIGHT TO OPERATE BUSINESS

2.1 Right to Operate Business

Subject to the terms and conditions of this agreement, the Shire grants to Tiny Tigers the right to use the assets of the Business, including without limitation the goodwill, the Equipment and the Stock (the "Grant"). Tiny Tigers accepts the Grant, and shall at all times during the operation of this agreement have the exclusive right to operate the Business.

2.2 Conduct of Tiny Tigers

- (a) Tiny Tigers must not do anything that may detract from the good name and reputation attached to the Business.
 - (b) During the Term and any additional term Tiny Tigers shall actively promote the Business and use their best endeavours to increase the goodwill and client base of the Business.
 - (c) During the Term and any additional term Tiny Tigers must conduct the Business in accordance with the compliance standards required to maintain service membership to Bright Stars Family Day Service and any other regulatory requirements within the day care profession.
-

2.3 Assignment, sub-licence and encumbrances

Subject to clause 10.10 Tiny Tigers shall not:

- (a) assign;
- (b) sub-licence; or
- (c) encumber,

the Grant or any assets of the Business without the prior written approval of the Shire.

3. THE GRANT PERIOD

3.1 Term of Grant

Unless earlier terminated as provided in this agreement, the Grant shall continue in full force and effect for the Term.

3.2 Renewal Term

Provided that Tiny Tigers has properly performed their obligations under this agreement and provided that neither party has given notice of termination to the other party, the Shire shall,

3.2.1

After an initial three (3) month probationary period ending 26 July 2016, the Shire will notify Tiny Tigers, by written notice one (1) month before the 26 July 2016 of their intention to extend the contract for another three (3) month term. In the event that the agreement is not extended for another three (3) month period the Shire reserves as its sole discretion, the right to give Tiny Tigers one (1) months' notice on or before the 26 July 2016 of its intention to terminate the agreement.

3.2. (a)

In the event that the agreement is extended for a second period of three (3) months this period will end on 26 October 2016. The Shire will notify Tiny Tigers, by written notice one (1) month before the 26 September 2016 of their intention to extend the contract for another three (3) month term. In the event that the agreement is not extended for another three (3) month period the Shire reserves as its sole discretion, the right to give Tiny Tigers one (1) months' notice on or before the 26 September 2016 of its intention to terminate the agreement.

3.2.(b)

In the event that the agreement is extended for a 3rd period of three (3) months this period will end on 26 December 2016.

3.2.2

Notwithstanding the above, prior to the end of the Term, if both parties agree, the parties may then negotiate a renewal of the Grant on the same conditions as are contained in this agreement (unless otherwise agreed in writing by both parties). The granting of a renewed term of the Grant is entirely within the discretion of the Shire, and nothing in this agreement shall be construed as imposing any obligation upon the Shire to grant a renewal of the Grant for any additional term or terms.

4. ACKNOWLEDGMENTS AND WARRANTIES

- 4.1** Tiny Tigers warrants that they will not contest, directly or indirectly, the ownership, title, right or interest in the goodwill of the Business.
 - 4.2** The Shire and Tiny Tigers acknowledge and agree that this agreement is conditional upon the parties entering into a commercial lease agreement (on or about the same date as the parties enter into this agreement) for the lease of the Business Premises from the Shire to Tiny Tigers, for an initial probationary period of three months, a weekly rental of fifty dollars (\$50.00) on the terms and conditions contained within the Commercial Lease.
-

5. LIABILITY

- 5.1** During the Term (and any renewed term or terms) Tiny Tigers shall be solely responsible for all loss or damage arising out of the operation of the Business or arising out of the acts or omissions of Tiny Tigers or any of their agents, servants or contractors in connection with the operation of the Business and for all claims for loss or damage to property, or for injury or death of any persons directly or indirectly resulting therefrom.
 - 5.2** Tiny Tigers agrees to indemnify and hold the Shire harmless against and from any and all claims, losses and damages specified in Clause 5.1 and against all loss arising from any breach whatsoever of this agreement
-

6. THE SHIRE'S OBLIGATIONS

6.1 The Shire's Property & Equipment Maintenance & Charges

- (a) The Shire undertakes, at its own cost, to:
 - (i) Subject to clause 7, effect any insurance policies on the Lessor's part to be effected under the Commercial Lease and to maintain both the Business Premises (including the garden and parking areas);
 - (ii) Pay all water consumption charges in relation to the Business Premises
-

to a maximum of \$1,000 per annum; and all electricity costs to a maximum of \$1,000 per annum

Pay telephone costs for a single telephone line rental cost. All other telephone costs including call charges to be paid by the Lessee.

- (iii) Pay to the relevant authorities all rates, taxes and charges levied against the Business Premises; and
 - (iv) Maintain all garden areas of the Business Premises.
-

7. TINY TIGERS' OBLIGATIONS

7.1 Operation of the Business

Tiny Tigers agrees to:

- (a) maintain the Business as an accredited Family Day Care Service at all times during the Term, and to take out and maintain all professional certificates and licences required by law or by any relevant authorities or professional body for such purposes;
- (b) maintain and update all client records in accordance with accepted industry standards;
- (c) operate the Business for a minimum of four (4) days per week;
- (d) be responsible for the employment and remuneration of all personnel employed by the Business.

7.2 Client Records

Tiny Tigers acknowledges and agrees that:

- (a) The client information and records (the "Records") used in the operation of the Business are of a confidential nature and must at all times during the Term remain with the Business and be stored within the Business Premises;
- (b) Tiny Tigers will implement all such proper systems and procedures as are necessary to maintain the security and confidentiality of the Records;
- (c) Any breach of confidentiality whatsoever in relation to the Records or removal of the Records from the Business will constitute a material breach of this agreement.

8. TERMINATION

8.1 General

Subject to clause 9.2, this agreement may be terminated at any time by either party giving one (1) months' notice in writing to the other.

8.2 Immediate termination

The Shire may terminate this agreement immediately if Tiny Tigers:

- (a) Is found by Bright Stars Family Day Services, or any court, tribunal or board, to have committed any act of wilful or grave misconduct or wilful neglect in Tiny Tigers duties as a family day service;
- (b) commits any act which may detrimentally affect the Shire, including but not limited to an act of dishonesty, fraud, wilful disobedience, misconduct or breach of duty;
- (c) commits any breach in relation to the Records, pursuant to Clause 7.2 of this agreement;
- (d) wilfully, persistently and materially breaches this agreement and does not remedy the breach within fourteen (14) days of receipt of notice in writing from the Shire specifying the breach;
- (e) fails to make any payment which pursuant to this agreement she is required to make to the Shire and does not make that payment within thirty (30) days after being requested in writing by the Shire to do so;
- (f) becomes insolvent or unable to pay her debts as they become due, or commits any act of bankruptcy or compounds with creditors; or
- (g) is of unsound mind or becomes liable to be dealt with under any law relating to mental health.

8.3 Effect of Termination

Upon termination of this agreement, Tiny Tigers right to:

- (a) operate the Business; and
- (b) remain in the Business Premises as lessee (subject to the terms and conditions of the commercial lease specified in Clause 4.3)

shall terminate forthwith.

8.4 Obligations on termination

On termination of this agreement, Tiny Tigers must return to the Shire all tangible property of the Business including, but not limited to, materials, equipment and keys held by Tiny Tigers or under their control.

8.5 No compensation

If this agreement is terminated by the Shire under this Clause 9, Tiny Tigers has no further claim against the Shire for compensation in respect of the termination.

9. MEDIATION

- 9.1** In the event of any breach by either party, or dispute between the parties as to a party's obligations under this agreement, a party will not commence legal proceedings until the mediation procedure specified in this clause has been completed PROVIDED THAT a party may apply to a court of competent jurisdiction for urgent interlocutory relief, even if the mediation procedure has not commenced or been completed.
- 9.2** The parties shall first confer in person and attempt to resolve the dispute. If the parties are unable to settle the dispute in person then the mediation procedure specified in clause 10 may be commenced at any time after seven (7) days notice by either party to the other.
- 9.3** The parties shall attempt to agree on a mediator and appoint such mediator. If a mediator cannot be agreed within seven (7) days after the notice specified in clause 10.2, any party may apply to the President of the Law Society of Western Australia to appoint a mediator. The decision of such President as to the appointment of a mediator will be final. The mediation shall commence upon such appointment of a mediator, and the parties may appoint representatives to act on their behalf at the mediation.

10. MISCELLANEOUS

10.1 Relationship

- (a) The relationships between the Shire and Tiny Tigers are strictly those of grantor and grantee, lessor and lessee and landlord and tenant, respectively.
- (b) This agreement does not constitute either party a joint venturer, partner, agent, employee or fiduciary of the other and subject to any other agreement between the Shire and Tiny Tigers, any act or omission of either party shall not bind or obligate the other except as expressly set forth in this agreement.

10.2 Governing law

- (a) This agreement shall be governed and interpreted in accordance with the laws from time to time in force in Western Australia.
- (b) The parties submit to the exclusive jurisdiction of the Courts of Western Australia.

10.3 Entire Agreement

This agreement supersedes all prior agreements and contains the entire agreement between the parties.

10.4 Successors and Assigns

The provisions of this agreement shall enure to the benefit of and be binding upon the parties and their respective representatives successors and assigns.

10.5 Legal Costs

- (a) Each party shall bear its own legal costs in relation to the negotiation, preparation and execution of this agreement.
- (b) Tiny Tigers shall bear all registration fees (if any) on this agreement and on any other payments to be made by Tiny Tigers.

10.6 Prohibition, enforceability and severance

- (a) Any provision of, or the application of any provision of, this agreement which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this agreement which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.
- (c) If a clause is void, illegal or unenforceable, it may be severed without affecting the enforceability of the other provisions in this agreement.

10.7 Waiver

- (a) The failure of either party at any time to require performance by the other party of any provision of this agreement does not affect the party's right to require the performance at any time.
- (b) The waiver by either party of a breach of any provision must not be held to be a waiver of any succeeding breach of the provision or a waiver of the provision itself.

10.8 Notices

All notices contemplated by this agreement shall be in writing and shall be deemed to be duly given or made:

- (a) in the case of delivery in person, when delivered;
- (b) in the case of delivery by post, within three days of posting by registered mail;
- (c) in the case of facsimile transmission, at the time and on the date specified on the confirmation of transmission;

to the party to whom such communication is given under this agreement.

10.9 Variation of Agreement

This agreement may be varied in writing by the parties. For the avoidance of doubt there shall be no variation, amendment, waiver or release of any provision of the agreement unless in writing signed by both parties.

10.10 No Assignment

Each party agrees that it shall not assign its rights to this agreement without the prior written consent of the other party, which may be withheld or granted on such terms as the other party considers fit.

EXECUTED by the parties as a Deed on the day, month and year set out above.

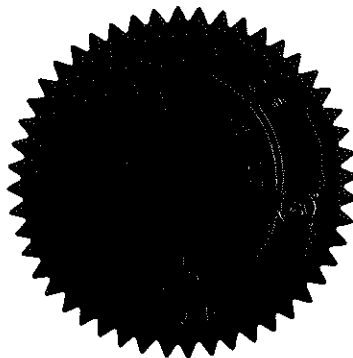
Executed by the **SHIRE OF MORAWA** under
its Common Seal in the presence of:



Shire President



Chief Executive Officer



SIGNED by **MADDISON CLARK** trading as
Tiny Tigers in the presence of:



Witness:



Name (please print)

"Attachment A"

DATED 26 April 2016

THE SHIRE OF MORAWA

("The Lessor")

- and -

**MADDISON CLARK
trading as
Tiny Tigers Family Day Care Centre**

("The Lessee")

DEED OF COMMERCIAL LEASE

THIS LEASE is made on the 26th day of April 2016 between the following parties:

THE SHIRE OF MORAWA of PO Box 14, Morawa, Western Australia ("Lessor")

and

MADDISON CLARK of 143 Three Springs Road Morawa WA 6623 ("Lessee")

RECITALS

- A. The Shire of Morawa wishes to facilitate the maintaining of a day care family services of a qualified and accredited day care service provider in its district;
- B. On 26 April 2016 the parties executed a Day Care Services Agreement covering the period from 26 April 2016 subject to three (3) month renewal periods. Notwithstanding, section 3.2 Renewal Term, this tenancy agreement is associated with that Agreement and has a grant term that will terminate 26 January 2017 (the 'FDCSA') and ;
- C. The Lessee has agreed to lease the Day Care Centre from the Shire of Morawa on commercial terms and conditions.

AGREEMENT

The Lessor and the Lessee covenant and agree to the lease by the Lessor to the Lessee of the Premises at the Annual Rent and all of the other rentals reserved by this lease, for the Term and upon and subject to the terms, covenants, conditions, provisions, agreements, obligations and stipulations contained in, and implied by, this lease and upon and subject to the covenants and powers implied in every memorandum of lease by virtue of the Transfer of Land Act 1893 of the State so far as not expressly or by necessary implication negated or modified by this lease and agree and declare as follows:

1 Definitions and Interpretation

1.1 Definitions

In this lease, unless the contrary intention appears:

"Monthly Rent" means the rent specified in Item 6(a) of the Schedule payable at the times and in the manner stated in this lease.

"Arbitration Act" means the Commercial Arbitration Act 1985 of the State.

"Building" means the building or buildings now, or at any time after the date of execution of this lease, erected on the Land of which the Premises forms part and which operates as a commercial building and includes all structures, buildings and other improvements now, or at any time after the date of execution of this lease, on, or forming part of, that building and all plant, machinery, fittings and equipment in that building.

"Business Day" means a day on which banks are open for general banking business in Perth, not being a Saturday, Sunday or public holiday in Perth.

"Commencement Date" means the date of commencement of this lease specified in Item 3(a) of the Schedule.

"Common Area" means all those parts of the Land and Building not demised to any lessee and set aside by the Lessor for use by the Lessee and the Lessee's respective customers, employees, invitees and licensees and other occupants of the Building, and not leased to any person including all walkways, stairways, pavements, entrances, passages, parking areas, driveways, landscaped and paved areas, toilets and washrooms thereon or therein.

"Corporation" means any body corporate.

"CPI" means the consumer price index compiled by the Australian Bureau of Statistics for Perth (Capital City) (all groups index numbers) or any substitute for that index accepted by the Government of the Commonwealth of Australia from time to time provided that if the index number base adopted by the Australian Statistician for the index number at any time is updated the index number is to be appropriately adjusted as from the same time. If at any time either or both the Consumer Price Index and the index number is discontinued or suspended or, in the reasonable opinion of the Lessor, substantially is altered there is to be substituted for the Consumer Price Index and the index number the alternative method of computing changes in the cost of living which is mutually agreed in writing between the Lessor and the Lessee during the period of 14 days after written notice given by the Lessor to the Lessee or, failing that agreement, which in the opinion of an expert appointed by the President for the time being of the Institute of Chartered Accountants (Western Australia Division) at the request of the Lessor or the Lessee or both of them most closely reflects changes in the cost of living for the Metropolitan Region (the costs of that expert being borne by the Lessor and the Lessee in equal shares).

"GST" refers to the goods and services tax under the GST Act (and includes all tax in the nature of a consumption tax, value added tax or other like tax);

"GST Act" means A New Tax System (Goods and Services Tax) Act 1999, as amended;

"Land" means the land described in Item 1 of the Schedule and includes any revised description of that land from time to time in the event of a subdivision, amalgamation or resumption of that land.

"Lessee's Covenants" means the terms, covenants, conditions, agreements, provisions, obligations and stipulations contained in, and implied by this lease which are required to be observed and performed by a person other than the Lessor.

"Lessee's Visitors" mean the servants, employees, agents, contractors, subcontractors, sub-Lessees, invitees, licensees and lawful visitors of the Lessee and any person claiming through, or under, the Lessee.

"Lessor" includes the registered proprietor for the time being of the Land and the person in whom the benefit of this lease, of the receipt of Annual Rent and of the performance of the Lessee's Covenants is vested from time to time.

"Managing Agent" means a person appointed by the Lessor from time to time to manage and operate the Building as a commercial building and includes any company established by the Lessor for that purpose.

"Metropolitan Region" means the region described in the Metropolitan Region Town Planning Scheme Act 1959 of the State.

"Option Term" means the further term of this lease specified in Item 4 of the Schedule.

"Permitted Use" means the business referred to in Item 8 of the Schedule and any use or business permitted from time to time by the Lessor under this lease.

"Premises" means the premises described in Item 2 of the Schedule together with the fixtures, fittings, plant, machinery and equipment of the Lessor forming part of, or annexed or affixed to, those premises.

"Rate of Interest" means the rate at the relevant time or most recent time specified by the Lessor being its overdraft rate on borrowings or facilities from its bankers in amounts not exceeding \$100,000 and if at any time the Lessor has no overdraft borrowings or facilities then the general overdraft rate charged from time to time on unsecured borrowing by the Commonwealth Trading Bank of Australia on amounts not exceeding \$100,000.

"Rental Period" means the period between the Commencement Date and the first Review Date, the period between each subsequent Review Date, the period

between the Termination Date and the Review Date immediately preceding the Termination Date and, if the Term is extended or renewed, the period between the date of expiration of the extended or renewed term and the Review Date immediately preceding the date of expiration of the extended or renewed term.

“Retail Shops Act” means the Commercial Tenancy (Retail Shops) Agreements Act 1985 of the State.

“Review Date” means any of the dates specified in Item 6(b) of the Schedule upon which the Annual Rent is to be reviewed.

“Schedule” means the schedule to this lease.

“The State” means the State of Western Australia.

“Strata Titles Act” means the Strata Titles Act 1985 of the State.

“Term” means the term of this lease commencing on the Commencement Date and expiring on the Termination Date and, when the context requires, includes any shorter term (in the event of the early determination of the Term), any extension or renewal of that term, any Option Term and any holding over of the Term, of any Option Term, or of any extension or renewal of those terms.

“Termination Date” means the date on which the Term would expire by effluxion of time being the date referred to in Item 3(b) of the Schedule and, when the context requires, includes the date of expiry of the Option Term.

“This Lease” means this lease (including the Schedule) as from time to time amended, varied, supplemented, replaced, extended, renewed or assigned as permitted by this lease, and includes every deed varying this lease.

“Total Lettable Area” means the total floor area of all those parts of the Building leased or licensed by the Lessor and designed to be leased or licensed to lessees at a commercial rental and not including any part of the Building now or at any time after the date of execution of this lease leased or licensed or intended by the Lessor or designed to be leased or licensed at a nominal rental and lettable area has a corresponding meaning.

1.2 Interpretation

In this lease, unless the contrary intention appears:

- (a) headings, underlining and numbering are for convenience only and do not affect the interpretation of this lease;
- (b) words importing the singular include the plural and vice versa;

- (c) words importing a gender include every gender;
- (d) an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate;
- (e) a reference to a thing includes a part of that thing;
- (f) references to parts, clauses, parties and the Schedule are references to parts and clauses of, and parties and the Schedule to, this lease;
- (g) a reference to a statute, regulation, proclamation, ordinance or by-law includes every statute, regulation, proclamation, ordinance or by-law varying, consolidating or replacing it, and a reference to a statute includes every regulation, proclamation, ordinance or by-law issued under that statute;
- (h) a reference to an agreement includes an undertaking, deed, agreement, guarantee or legally enforceable arrangement or understanding, whether or not in writing;
- (i) a reference to an asset includes all property of any nature, as well as a business, and all rights, revenues and benefits;
- (j) a reference to a document includes an agreement in writing, or a certificate, notice, instrument or other document of any kind and includes every permitted amendment, variation or supplement to, or replacement or novation of, that document;
- (k) a reference to a party to this lease or to another document referred to in this lease includes that party's successors and permitted assigns;
- (l) where a day on or by which a thing is required to be done is not a Business Day, that thing is to be done on or by the succeeding Business Day;
- (m) a covenant or agreement by more than one person binds, and is enforceable against, those persons jointly and each of them severally;
- (n) in the interpretation of this lease, no rules of construction apply to the disadvantage of a party because that party was responsible for the drafting of this lease or of a part of this lease.

- (o) a reference in this lease to a sub-clause, paragraph or sub-paragraph is a reference to a sub-clause, paragraph or sub-paragraph of the clause or definition in which the reference appears; and
- (p) where the words including or includes are used, they are taken to be followed by the words but not limited to.

1.3 Moratorium not to apply

Unless application is mandatory by law, any statute, proclamation, order, regulation or moratorium, present or future, State or Federal, does not apply to this lease so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise affect prejudicially any rights, powers, privileges, remedies or discretions given or accruing to the Lessor.

1.4 Severance

If any part of this lease is or becomes void, voidable or unenforceable, this lease is to be read and construed as if that part had been severed from this lease so that all parts not void, voidable or unenforceable remain in full force and effect and unaffected by that severance.

1.5 Whole agreement

The covenants and provisions contained in this lease expressly or by statutory implication cover and comprise the whole of the agreement between the parties and no further or other covenants or provisions whether in respect of the Premises or otherwise are to be regarded as being implied in this lease or to arise between the parties by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking, given or made by any party to another on or prior to the execution of this lease and the existence of any implication or collateral or other agreement is negated by this lease.

1.6 No partnership or agency

Nothing contained in this lease is to be regarded as creating, or is to be construed by the parties nor by any third party as creating, the relationship of partnership, of principal and agent or of joint venture between the parties and neither the method of computation of Rent nor any other provision in this lease nor any act of the parties are to be regarded as creating any relationship between the parties other than the relationship of Lessor and Lessee upon the terms and conditions as provided in this lease.

1.7 Governing law and jurisdiction

This lease is governed by the laws of the State and of the applicable laws of the Commonwealth of Australia and the parties submit irrevocably to the non-exclusive jurisdiction of the courts of the State and, where applicable, of the courts of the Commonwealth of Australia.

1.8 Acknowledgment by Lessee

The Lessee acknowledges that the covenants on the part of the Lessor bind:

- (a) where the Lessor has entered into this lease as trustee of a trust, the trustee for the time being of the trust but only so long as the Land is an asset of that trust; and
- (b) subject to the provisions of clause 1.9, the person entitled to be the registered proprietor of the Land for the time being but not so as to render the Lessor liable personally in damages for any breach except in the case of the Lessor's own acts or defaults or those of its employees or agents while the Lessor remains the registered proprietor of the Land.

1.9 Limitation of liability of Lessor

The covenants on the part of the Lessor bind the registered proprietor or proprietors for the time being of the Land but do not render the present or any subsequent registered proprietor or proprietors of the Land liable in damages for any breach of those covenants except while that person remains the registered proprietor of the Land.

2 LEASE

2.1 Lease

By this lease the Lessor being registered or entitled to be registered as the proprietor of an estate in fee simple of the Land leases to the Lessee all the Premises reserving and excepting to the Lessor the right to install, maintain, use, repair, alter and replace pipes, ducts, conduits and wires leading through the Premises and to pass and run gas, water, sewerage, heat, oil, electricity and other power through those pipes, ducts, conduits and wires and to enter upon the Premises for those purposes.

3 TERM, OPTION TERM AND RENTAL PROVISIONS

3.1 Term

This lease commences on the Commencement Date and expires on the Termination Date.

3.2 Option Term

This lease is for a fixed term and no expectation or promise shall be construed by this agreement to give rise to a promise to extend or offer a renewal of the lease by the Lessor to the Lessee.

3.3 Lessor's entitlement to refuse to grant Option Term

If the Lessee gives the Lessee's Notice to the Lessor requesting the option of renewal of the Term, the Lessor is at its sole discretion entitled to refuse to grant a lease for the renewed term the subject of the Lessee's Notice.

3.4 Place for payment of Annual Rent

All payments of Rent and other moneys to be made under this lease are to be made at the place specified in Item 5 of the Schedule without any prior demand therefore and without any abatement, deduction or set-off whatsoever otherwise than as provided in this lease.

3.5 Rent

The Lessee is to pay the Rent together with GST to the Lessor during the Term at the times and by the instalments specified in Item 6(a) of the Schedule and reviewable at the times and in the manner stated in clause 3.6.

3.6 Review of Rent

- (a) Rent shall be reviewed on the dates and using the method of review specified in Item 6 of the Schedule.
- (b) Despite anything in sub-clause (a), the Rent payable after any Review Date shall not be less than the Rent payable (or which but for rent reduced or rent free periods would be payable) immediately prior to that Review Date.

3.7 Payment of rates and taxes etc

- (a) During the Term the Lessee duly and punctually is to pay and discharge all outgoings now or hereafter imposed payable or charged upon the

Premises or otherwise chargeable against or to the Lessor except as otherwise stated in Item 7 of the Schedule, together with any Interest Charges thereon.

(d) Amounts otherwise payable do not include GST

Except where express provision is made to the contrary, and subject to this clause, the consideration payable by any party under this Lease represents the value of any taxable supply for which payment is to be made.

(e) Liability to pay any GST

Subject to clause 3.7(h), if a party makes a taxable supply in connection with this Lease for a consideration, which under clause 3.7(d), represents its value, then the party liable to pay for the taxable supply must also pay, at the same time and in the same manner as the value is otherwise payable, the amount of any GST payable in respect of the taxable supply.

(f) Outgoings which are not a taxable supply

If this lease requires the Lessee to reimburse or indemnify the Lessor for any outgoings or liability and the provision of that outgoing or liability is not a taxable supply then the amount to be paid is the amount of the outgoings or liability net of any input tax credit received or receivable by the Lessor for making the creditable acquisition of the relevant supply.

(g) Outgoings which are a taxable supply

If this lease requires the Lessee to reimburse or indemnify the Lessor for any outgoings or liability and the provision of that outgoing or liability to the Lessee by the Lessor under this lease is a taxable supply then if:-

- (i) the purchasing of the relevant good or service was for the Lessor a creditable acquisition then the consideration to be paid by the Lessee for the taxable supply made by the Lessor to the Lessee will be the same as the consideration paid by the Lessor when it made the creditable acquisition; or
- (ii) the purchasing of the relevant good or service was for the Lessor not a creditable acquisition then the consideration to be paid by the Lessee for the taxable supply made by the Lessor to the Lessee will be 110% of the amount paid for the good or service when it was purchased by the Lessor.

(h) Tax Invoice

A party's right to payment under clause 3.7(e), or for any other taxable supply made under this lease, is subject to a valid tax invoice being delivered to the party liable to pay for the taxable supply prior to any such payment being required to be made.

(i) Adjustment Note

- (i) If an adjustment event occurs in relation to any supply or acquisition that takes place between the parties to this lease then the relevant party will issue an adjustment note for the adjustment that arises from the adjustment event within fourteen (14) days of becoming aware of the adjustment required.
- (ii) If an adjustment event occurs because a party is required to pay to the other party additional consideration for a taxable supply that has already taken place under this lease then that additional consideration does not need to be paid until the party which is the recipient of the taxable supply has received from the party which is the supplier the appropriate adjustment note.

(j) Statement of GST paid is Conclusive

A written statement given to the Lessee by the Lessor of the amount of GST that the Lessor pays or is liable to pay or account for is conclusive as between the parties except in the case of an obvious error.

(k) GST on Rates & Taxes & Others

The price quoted for rates, taxes, repairs, maintenance, and other outgoings under this Lease are exclusive of GST.

3.8 Payment of water consumption, electricity and telephone

The Lessor shall be liable for all water consumption costs to a maximum of \$1,000 per annum.

The Lessor shall be liable for all electricity costs to a maximum of \$1,000 per annum.

The Lessor shall be liable for a single telephone line rental cost. All other telephone costs including call charges to be paid by the Lessee.

4 REPAIRS AND MAINTENANCE OF PREMISES

4.1 Repairs and maintenance by Lessor and Lessee

At all times during the Term and for as long as the Lessee may remain in occupation, the Lessor is to maintain, replace, repair and keep the Premises, (other than the private or non-common areas) and including the gardens and parking areas, in good, clean, substantial and reasonable repair and condition. The Lessee is responsible for the repair and maintenance obligations in relation to the private areas of the Premises.

4.2 Lessor's power to view and repair

- (a) The Lessor, with the Lessor's agents and workmen and with all necessary materials and appliances, may enter upon the Premises at all reasonable times and without previous notice to view the state of repair thereof and to serve upon the Lessee a written notice of any defect requiring the Lessee to repair the same in accordance with any of the Lessee's Covenants. If the Lessee defaults in repairing any defect according to the notice within 21 days of the date of the notice the Lessor, with the Lessor's agents and workmen and/or any person authorised by the Lessor and with all necessary materials and appliances, may enter the Premises and execute all or any of the required repairs which the Lessor thinks fit and on demand the Lessee is to pay to the Lessor the costs of remedying the default and the Lessor may recover the costs by action or otherwise as for rent in arrears.
- (b) The Lessor, with the Lessor's agents and workmen and with all necessary materials and appliances, may enter upon the Premises at all reasonable times and without previous notice and to carry out any repairs which in the opinion of the Lessor are of an emergency nature. If the Lessor under this power carries out any repairs which should be carried out by the Lessee in accordance with the Lessee's Covenants then the cost of those repairs is to be paid by the Lessee to the Lessor upon demand.
- (c) In the event of the early determination of the Term (or of any extension or renewal of the Term) the Lessor, with the Lessor's agents and workmen and with all necessary materials and appliances, may enter upon the Premises at all reasonable times and without previous notice and to carry out any repairs which the Lessee has failed to undertake in accordance with the covenants set forth herein. If the Lessor under this power carries out any repairs which should be carried out by the Lessee in accordance with the Lessee's Covenants then the cost of those repairs is to be paid by the Lessee to the Lessor upon demand.

4.3 Notification of defect

The Lessee is to give to the Lessor prompt written notice of any accident to, or defect or want of repair to the structure of, or in any service to, or fittings in, the Premises and of any circumstances likely to be or cause any danger, risk or hazard to the Premises or any person therein.

4.4 Surrender of Premises

- (a) At the expiration or sooner determination of this lease the Lessee is to surrender and deliver up possession of the Premises to the Lessor clean and free from rubbish in good, clean, substantial and reasonable repair and condition in accordance with the Lessee's Covenants; to surrender all keys for the Premises to the Lessor at the place then fixed for the payment of Annual Rent; to inform the Lessor of all combinations on locks, safes and vaults (if any) in the Premises; and to have all mechanical and air conditioning or cooling equipment (if any) certified by some competent authority or maintenance contractor to be in sound working condition having regard to its age and reasonable wear and tear.
- (b) The Lessee is to remove all the Lessee's fixtures and fittings, signs, placards or other advertising media before delivering up possession of the Premises to the Lessor as aforesaid and to repair any damage to the Premises caused thereby.
- (c) The Lessee's obligations to observe and perform the covenants in this clause are to survive the expiration or other termination of this lease.

5 OPERATION AND PERMITTED USE OF PREMISES

5.1 Permitted Use

Throughout the Term the Lessee is to use the Premises solely for the Permitted Use, to keep the same open for that use or purpose during the usual business hours generally applicable to a business of a comparable nature; at all times to conduct the Permitted Use in a reputable manner; and not to permit or suffer the same to be used for any other purpose without the prior written consent of the Lessor.

5.2 Conduct of operations on Premises

By this lease, the Lessee covenants and agrees with the Lessor as follows:

- (a) not to exercise carry on permit or suffer in or upon the Premises any noxious noisome obstructive or offensive act, trade, business, occupation

or calling nor to do permit or suffer any act, matter or thing to be done in or upon the Premises which may cause annoyance, nuisance, grievance, damage or disturbance to the occupiers or owners of the adjoining or neighbouring premises;

- (b) not without the prior written consent of the Lessor on each occasion (which consent is not to be unreasonably withheld) and other than in conformity with the requirements of any local or other authority to paint or place or permit the painting or placing on the Premises of any exterior signs, placards or other advertising media and to observe the reasonable directions of the Lessor in relation to the size and character of any signs permitted by the Lessor;
- (c) not to use or permit the use of any portion of the Premises for sleeping purposes or as sleeping apartments;
- (d) not without the prior written consent of the Lessor to conduct any auction, fire or bankruptcy sale on or from the Premises;
- (e) to keep the immediate surroundings of the Premises in a thorough state of cleanliness; to store all garbage, rubbish and refuse in a proper hygienic manner within the Premises and to attend to the expeditious disposal thereof and to observe any directions given from time to time by the Lessor relating thereto; to keep all drains inside the Premises clean and free from obstruction; and to receive and deliver goods and merchandise only in the manner and at the times and in the areas designated from time to time by the Lessor;
- (f) not to burn any garbage, refuse or rubbish except in an incinerator or incinerators and in the place or places which are approved from time to time by the Lessor and any local or other authority for that purpose;
- (g) not to use or permit the water closets, lavatories, grease traps and other sanitary appliances to be used for any purpose other than that for which they were constructed and not to do or suffer to be done any act or thing that might choke or otherwise affect or damage the same;
- (h) not without the prior written consent of the Lessor to use or permit or suffer to be used chemicals, burning fluids, or alcohol in lighting the Premises or any other method than by electricity nor to use or permit or suffer to be used any method of heating other than by electricity, gas, oil or solid fuel;
- (i) to take all proper precautions to keep the Premises free from rodents, vermin, insects, pests, birds and animals and in the event of failing to do so if so required by the Lessor, but at the cost of the Lessee, to employ

from time to time or periodically pest exterminators appointed by the Lessor for that purpose;

- (j) not to make any alteration or addition in or to the Premises nor install any fitting or equipment particularly any water, gas or electrical fixture, equipment or appliances or apparatus for illuminating, air conditioning, heating, cooling or ventilating the Premises nor to injure, mark, paint, drill or deface in any way the walls, ceilings, partitions, floors or other parts of the Premises nor to overload or otherwise harm the same without the prior written consent of the Lessor on each occasion.

5.3 Occupational Safety and Health Act 1984

- (a) The Lessee agrees that, for the purposes of the Occupational Safety and Health Act 1984 of the State, the Lessee has control of the Premises.
- (b) The Lessee hereby releases and indemnifies and agrees to keep indemnified the Lessor from and against all actions, claims, demands, losses, damages, costs and expenses for or in respect of which the Lessor shall or may be or become liable by reason of the Occupational Safety and Health Act 1984 of the State in respect of the Premises or its use.

6 INSURANCE AND INDEMNITY

6.1 Insurance policies

- (a) Unless otherwise agreed the Lessor is to effect and keep in force at all times during the continuance of this Lease in the respective names of the Lessee and the Lessor and any mortgagee of the Land for their respective rights and interests the policies of insurance as are specified in Item 9 of the Schedule and which unless otherwise stated in Item 9 of the Schedule are to be at the expense of the Lessee.
- (b) The party effecting any policy of insurance under this lease if required by any other party forthwith is to produce to the other party a copy of any policy of insurance so effected and a current certificate of renewal in respect thereof.
- (c) Where the Lessee is liable for the costs of insurance as provided in this clause and the Premises comprise only part of a building erected on the Land the Lessee is to pay the whole of the insurance expense insofar as the expense relates to a policy taken out in respect of the Premises only but where the insurance expense relates to a policy taken out in respect of the whole of the Building the Lessee is only liable for the Lessee's

proportionate part of the insurance expense being the same proportion as the lettable area of the Premises bears to the Total Lettable Area of the Building.

6.2 Indemnification of Lessor

The Lessee is to indemnify and keep indemnified the Lessor from and against all claims, demands, writs, summonses, actions, suits, proceedings, judgments, orders, decrees, damages, costs, losses and expenses of any nature whatsoever which the Lessor suffers or incurs in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Premises or the use by the Lessee of the Premises or any part thereof or to any person or the property of any person using or entering on or near the Premises howsoever occasioned or wheresoever it may occur.

6.3 Increase in Lessor's insurance premium

- (a) The Lessee is not without the prior written consent of the Lessor to bring to, or keep any article or thing or do any act, matter or thing upon, the Premises which increases or may increase the rate of premium under any policy of insurance taken out by the Lessor in respect of the Premises or any part or parts thereof;
- (b) If the Lessee brings or keeps any article or thing of that nature upon the Premises or does any act, matter or thing of that nature upon the Premises then the Lessee is to pay the amount of the increased premium to the Lessor upon demand.

6.4 Avoidance of Lessor's policy

- (a) At all times in the Lessee's use of the Premises the Lessee is to comply with the requirements of the relevant authorities and all laws and regulations for the time being relating to fires and the provisions of any and every relevant statute, regulation and ordinance.
- (b) If the Lessee does or permits to be done any act, matter or thing which has the effect of invalidating or avoiding any policy of insurance taken out by, or effected under this lease for the benefit of, the Lessor then the Lessee is responsible for any damage or loss which the Lessor suffers or incurs as a result thereof.

6.5 Lessee's risk

The Lessee is to use and occupy the Premises at the Lessee's own risk and by this clause the Lessee releases to the full extent permitted by law the Lessor and

the Lessor's agents, servants, contractors and employees from all claims and demands of every kind resulting from any accident, damage or injury occurring therein.

7 Covenants by Lessor

The Lessor covenants with the Lessee that:

7.1 Quiet enjoyment

Subject to the Lessee paying the Annual Rent reserved by this lease and observing and performing all the Lessee's Covenants the Lessee is able to, and may, peaceably possess and enjoy the Premises without any interruption or disturbance from the Lessor or any person or persons lawfully claiming under or in trust from the Lessor.

7.2 Payment of rates and taxes etc

The Lessor duly and punctually is to pay and discharge all the taxes, rates charges and other outgoings specified in Item 7 of the Schedule now or at any time after the date of execution of this lease imposed, payable or charged upon the Land or otherwise chargeable against or to the Lessor.

8 DEFAULTS BY LESSEE

8.1 Right of re-entry

(a) If:

- (1) the Annual Rent or any part of it at any time is in arrears and unpaid for 14 days after the same has become due (whether any formal or legal demand therefore has been made or not); or
- (2) the Lessee at any time fails or neglects to perform or observe any of the other Lessee's Covenants and the default is continued for a period of 14 days after service of a notice calling upon the Lessee to remedy the breach or default; or
- (3) the Lessee while the Premises or any part thereof remain vested in the Lessee being a company enters into liquidation (whether compulsory or voluntary but not being a voluntary liquidation for the purpose of amalgamation or reconstruction) or enters into arrangement or composition for the benefit of the Lessee's creditors

or not being a company the Lessee assigns the Lessee's estate or enter into a deed of arrangement for the benefit of the Lessee's creditors (provided always that any deed of assignment or deed of arrangement made under the Bankruptcy Act 1966 (Commonwealth) and any act or actions by or against the Lessee or the Lessee's property which is or may be deemed to be an act of bankruptcy under the Bankruptcy Act is excluded from the operation of this subclause); or

- (4) any execution either by writ or warrant or by appointment of a controller, receiver, manager, receiver and manager or other like officer is levied on or against any of the property or assets of the Lessee and not satisfied within 30 days; or
- (5) the Lessee abandons possession of the Premises, or the Premises are vacated,

then and in any of those cases (but subject always to the Bankruptcy Act 1966) the Lessee will be deemed to be in default under this lease and it will be lawful, in the discretion of the Lessor, for the Lessor or any person or persons duly authorised by the Lessor to re-enter the Premises or any part thereof in the name of the whole and to hold and enjoy peaceably the Premises thenceforth as if this lease had not been made but without prejudice to any right of action or remedy of the Lessor in respect of the breach, non-performance or non-observance of any of the Lessee's Covenants and thereupon the Lessor will be freed and discharged from any action, claim or obligation howsoever arising to the Lessee.

- (b) For the purposes of re-entry the Lessor or the Lessor's appointed agent or servant has power to open, by any means, any door or fastening for the purpose of resuming possession of the Premises and to expel and remove all persons, furniture and other property therefrom (without being liable for any action for trespass assault or other proceedings whatsoever for so doing).

8.2 Acceptance of Annual Rent etc not to prejudice Lessor's rights

Acceptance of Annual Rent or other money payable by the Lessee under this lease by the Lessor after default by the Lessee under this lease is without prejudice to the exercise by the Lessor of the powers conferred upon the Lessor by clause 8.1 or any other right, power or privilege of the Lessor under this lease and will not operate as an election by the Lessor, either to exercise or not to exercise, any of the Lessor's rights, powers or privileges.

8.3 Entry of Lessor not to constitute forfeiture

- (a) If the Lessee vacates or abandons the Premises during the continuance of this Lease (whether or not the Lessee ceases to pay the Annual Rent and other amounts payable under to this lease) then in the absence of a notice by the Lessor accepting the surrender of the Lessee's interest under this lease or a formal notice of forfeiture or re-entry being served on the Lessee by the Lessor none of the following events constitutes a re-entry or forfeiture or waiver of the Lessor's rights to recover in full all Annual Rent and other amounts from time to time payable by the Lessee under this lease:

- (1) acceptance of the keys;
- (2) entry into the Premises by the Lessor, or by any person on the Lessor's behalf, for the purpose of inspection or for the purpose of showing the Premises to prospective lessees or licensees;
- (3) the advertising of the Premises for reletting.

- (b) This lease is to be regarded as continuing in full force and effect until the date of whichever of the following first occurs:

- (1) a new lessee or licensee actually commences to occupy the Premises;
- (2) the expiration of the Term; or
- (3) any formal re-entry by the Lessor of which the Lessor gives notice to the Lessee,

and any entry by the Lessor until such date is deemed to be an entry by the leave and licence of the Lessee.

8.4 Lessor's right to remedy defaults

The Lessor may, but is not obliged to, remedy at any time without notice any default by the Lessee under this lease and whenever the Lessor so elects all costs and expenses incurred by the Lessor (including legal costs and expenses) in remedying a default are to be paid by the Lessee to the Lessor on demand.

8.5 Effect of waivers of default

No consent or waiver expressed or implied by the Lessor to, or of, any breach of any covenant, condition or duty of the Lessee is to be construed as a consent or

waiver to, or of, any other breach of the same or any other covenant, condition or duty.

8.6 Damages claimable after re-entry

In regard to payment of the Annual Rent, outgoings and any other moneys payable by the Lessee to the Lessor under this lease (for the purposes of this clause Lease Money) the time for payment is to be of the essence, and in addition to any rights of action or remedies of the Lessor referred to in clause 8.1 the Lessor is entitled in any case where the Lessor has re-entered the Premises as a result of non-payment of the Lease Money or any part thereof or any other failure on the part of the Lessee to perform or observe the Lessee's Covenants, to recover as damages from the Lessee the difference between the amount of the Lease Money for that part of the Term as had not expired at the date of that re-entry, and the amount of Lease Money it reasonably may be anticipated the Lessor will receive for that period from another or other Lessees.

9 ADDITIONAL COVENANTS BY LESSEE

9.1 Compliance with legislation and notices

- (a) The Lessee is to comply with and observe at the Lessee's own expense all present and future legislation, regulations, by-laws or orders of any competent authority affecting the use or cleanliness of the Premises by the Lessee and with all notices received either by the Lessor or the Lessee from any statutory or public authority including notices requiring the carrying out of any repairs, alterations or works and to keep the Lessor indemnified in respect of all those matters provided that nothing contained in this lease makes it obligatory upon the Lessee to carry out any work of a structural nature except as may be required or necessary by reason of the Lessee's business or the Lessee's use of the Premises and that in the event of any dispute arising as to whether any work is of a structural nature the question in dispute is to be determined by an architect or structural engineer to be nominated by the Lessor and to act as an expert and not as an arbitrator and whose fees are to be paid by the party against whom the decision is made.
- (b) Without limitation to the generality of the foregoing the Lessee is to do all things and comply and observe all requirements contained in the Factories and Shops Act 1963 of the State and to obtain and maintain any permits or certificates of registration which that Act may require to be obtained or maintained.
- (c) In default of compliance by the Lessee the Lessor, with workmen and others and with all necessary materials and appliances, may enter upon

the Premises and do any act for the purpose of complying therewith and for that purpose the Lessee hereby irrevocably appoints the Lessor to be the Lessee's true and lawful attorney and any expense incurred by the Lessor in doing so constitutes a liquidated debt and is payable to the Lessor by the Lessee on demand.

9.2 Licences and permits

The Lessee is to keep in force all licences and permits required for the carrying on of any business conducted by the Lessee in or upon the Premises.

9.3 Lessee not to assign

- (a) The Lessee must not assign a part or parts of the Premises or of this lease or any estate or interest in a part or parts of the Premises or of this lease.
- (b) The Lessor must not sub-let or part with possession or occupation of the whole or any part or parts of the Premises.
- (c) The Lessee shall not assign the whole of the Premises or of this lease without the prior written consent of the Lessor which consent is not to be unreasonably withheld and if the Lessee wishes to assign the whole of the Premises or of this lease (whole assignment) the Lessee must give at least 1 month's written notice of the proposed whole assignment to the Lessor or the Managing Agent setting out the details of the proposed assignee whereupon the following conditions apply and the Lessor may be considered to be acting reasonably in withholding consent if the following conditions are not satisfied:
 - (1) The Lessee must satisfy the Lessor that the proposed assignee is a reputable and responsible person of good financial standing and the onus of proving those facts are upon the Lessee to the satisfaction of the Lessor.
 - (2) The Lessee must execute and procure the execution of an assignment of this Lease by the proposed assignee and by those guarantors who are required under sub-paragraph (c)(3) and to which the Lessor is a party and which is in a form approved of by the Lessor and its solicitors and must deliver that assignment so executed to the Lessor.
 - (3) Where the proposed assignee is a corporation, the performance of the covenants by the proposed assignee with the Lessor contained in the assignment are to be guaranteed in the assignment by those

directors and/or principal shareholders of that corporation and/or by those third parties whom the Lessor requires.

- (4) All Annual Rent and other rents and moneys payable under this lease then owing must be paid and there must not be any existing unremedied breach of the Lessee's Covenants, provided that breaches which have been waived by the Lessor are not to be regarded as unremedied breaches for the purposes of this subparagraph.
- (5) The Lessee must pay to the Lessor all costs, charges and expenses incurred by the Lessor of and incidental to any enquiries which are made by, or on behalf of, the Lessor as to the responsibility, solvency, fitness and suitability of any proposed assignee and of and incidental to the preparation and approval of the form of assignments.
- (6) The proposed assignee must pay to the Managing Agent its fees for arranging the assignment calculated in accordance with the current scale of fees authorised under the Real Estate and Business Agents Act 1978 of the State.
- (d) The covenants and agreements on the part of any assignee with the Lessor contained in any assignment shall be deemed to be supplementary to those contained in this lease and shall not in any way relieve or be deemed to relieve the Lessee from the Lessee's liabilities hereunder.
- (e) Where the Lessee is a corporation (other than a public company listed on an Australian Associated Stock Exchange) any change in the principal shareholding of the Lessee shall be deemed to be an assignment of this lease and the Lessee shall not permit any such change without the consent of the Lessor which consent shall not be unreasonably withheld if the provisions of this clause are complied with.

9.4 No statutory right to assign

Sections 80 and 82 of the Property Law Act 1969 of the State are hereby expressly excluded and shall not apply.

9.5 Forbidding of registration of lease or lodging of absolute caveats etc

- (a) Neither the Lessee nor any agent or other person on behalf of the Lessee is to register this lease or lodge a caveat against the Land or any part thereof other than a subject to claim caveat to protect the Lessee's interests under this lease which caveat is to be withdrawn by the Lessee at the Lessee's expense at the expiration of the Term.

- (b) If this lease is registered, or the Lessee lodges an absolute caveat, or the Lessee fails to withdraw any subject to claim caveat upon the expiration of the Term, the Lessee in consideration of the Lessor having granted this lease irrevocably constitutes and appoints the Lessor and if the Lessor is a corporation each and every one of the directors and other officers of the Lessor jointly and severally the agent and attorney of the Lessee to surrender and withdraw the registration of this lease or caveat (as the case may be) and for those purposes to sign any withdrawals, surrenders and any other instruments and documents and to do all acts, matters and things necessary or expedient for carrying out the powers granted in this clause and by this lease the Lessee ratifies, confirms and allows and agrees to ratify, confirm and allow all and whatsoever the Lessor lawfully does or causes to be done under or by virtue of this clause the cost of which is to be borne and paid by the Lessee.

9.6 Legal costs

The Lessor will pay all costs associated with the preparing this lease.

10 MISCELLANEOUS PROVISIONS

10.1 Total or partial destruction

If the Premises comprise a part or the whole of the Building and that Building is destroyed or damaged by fire, flood, lightning, storm, tempest or other disabling cause so as to render the Building substantially unfit for use and occupation or so as to render the rebuilding or reconstruction of the Building in its previous form impractical or undesirable in the opinion of the Lessor then:

- (a) This lease may be terminated without compensation by either the Lessor or the Lessee by written notice to the other provided that in the latter case the Lessor has failed to rebuild or reinstate the Building within a reasonable time after being requested to do so in writing by the Lessee.
- (b) Any termination as aforesaid is without prejudice to the rights of either party in respect of any antecedent breach, matter or thing.
- (c) Nothing contained or implied in this lease is deemed to impose any obligation on the Lessor to rebuild or reinstate or make fit for use and occupation the Building.
- (d) Upon the happening of any damage or destruction as aforesaid the Annual Rent payable by the Lessee or a proportionate part thereof according to the nature and extent of the damage sustained is to abate

until the Building has been rebuilt or reinstated or made fit for use or occupation or until this lease is terminated pursuant to the provisions of sub-clause (a) and in the event of any dispute arising out of the provisions of this clause the same is to be referred to arbitration under the Arbitration Act.

Despite anything in this clause expressed or implied the Lessee has no right of termination and the liability of the Lessee to pay the Annual Rent is not to abate if the destruction or damage was caused or contributed to by the Lessee or the Lessee's employees, workmen, contractors, lawful visitors or invitees.

10.2 Alterations and additions

The Lessor reserves the right to add on to or alter the Premises and by this lease the Lessee agrees that the Lessor is at liberty to do so provided that any alterations or additions are carried out with reasonable dispatch and provided further that the Premises to be made available to the Lessee for the balance of the term of this lease are of comparable size and situation to the Premises.

10.3 Holding over

Should the Lessee continue to occupy the Premises beyond the expiration of the Term with the consent of the Lessor the Lessee does so under this lease as a monthly Lessee at a monthly rent equal to one twelfth of the total of the Annual Rent paid by the Lessee for the last lease year of the Term the tenancy being determinable by one month's written notice given by either party to the other and the Lessee remains entitled and subject to the rights and obligations contained herein.

10.4 Notices

Any notice:

- (a) must be in writing addressed to each party at its respective address shown in this lease or to any other address specified by any party to the sender by notice;
- (b) must be signed by an officer of, or under the common seal of, the sender or in the case of the Lessor by its solicitor or managing agent;
- (c) is to be regarded as being given by the sender and received by the addressee:
 - (1) if by delivery in person or by cable, when delivered to the addressee;

(2) if by post, 3 Business Days from and including the date of postage to the addressee; and

(3) if by facsimile transmission, when received by the addressee,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 p.m. (addressee's time) it is to be regarded as being given at 9.00am (addressee's time) on the succeeding Business Day; and

(d) can be relied upon by the addressee, and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

10.5 Inspection and "To Let" Notices

At all reasonable times during the Term the Lessee is to permit the Lessor to exhibit the Premises to prospective Lessees or purchasers and at all times within the 3 months immediately preceding the termination of this lease is to permit the Lessor to affix and exhibit where the Lessor thinks fit the usual To Let notice, with the name and address of the Lessor and/or the Lessor's agents thereon and the Lessee is not to remove the notice without the prior written consent of the Lessor.

10.6 Interest on default

In the event of any payment of Annual Rent or any other moneys payable by the Lessee to the Lessor under this lease not being paid on due date the Lessee is to pay to the Lessor interest on all outstanding payments at the Rate of Interest computed from the date the same has become due and payable or paid (as the case may be) that interest to accrue from day to day and to be payable and paid on demand.

10.7 Special clauses

The special clauses set out in Item 10 of the Schedule are, and are to be regarded as being, incorporated into, and to form part of, this lease.

10.8 Arbitration Act - legal representation

Where it is necessary for any dispute under this lease to be determined by an arbitrator or umpire under the Arbitration Act then each party to the proceedings before an arbitrator or umpire may be represented by a duly qualified legal practitioner.

SCHEDULE

Item 1 Land

The land situated at and more particularly described as Lot 59, 27 Dreghorn Street, Morawa, Western Australia

Item 2 Premises

The Day Care Centre and all buildings constructed on the Land.

Item 3 Term

(a) Commencement Date

26 April 2016 expiring 26 July 2016 (Probation Period),
First renewal period 26 July 2016 expiring 26 October 2016.
Second renewal Period 26 October 2016 expiring 26 January 2017

(b) Termination Date

26 January 2017

Item 4 Option Term

As per section 3.2 Renewal Term in Day Care Service Agreement

Item 5 Place for payment of Annual Rent

All rent shall be paid to such person and place as the Lessor shall from time to time direct the Lessee in writing.

Item 6 Rent and Review

(a) Annual Rent

\$50 fifty dollars per week, plus GST, payable in arrears by equal four weekly instalments of \$200 plus GST.

(b) Review Dates

After the initial three (3) month period the Lessor reserves the right to review the rent payable.

(c) Method of Rent Review

The Lessor and Lessee shall within one (1) month before the start of the second (2) three (3) month period negotiate with the Lessee concerning the rental increase. The Lessee agrees to provide the lessor with the details of the businesses' month to month fees

charged/revenue collected. The total fees collected for three (3) month revenue may be used to determine an appropriate rental payable based on a per centum (%) of the (3) month revenue. This rent so determined shall be the rental payable for the subsequent three (3) month period.

Such increase shall be approved by the Morawa Shire Council.

(d) Rent Review – Consumer Price Index

For purposes of (C) above this may be considered by both parties when negotiating any increase in the initial rental amount.

(e) Rent Review - Current Market Value

For purposes of (C) above this may be considered by both parties when negotiating any increase in the initial rental amount.

Item 7 Rates and taxes payable by the Lessor

Nil.

Item 8 Permitted Use

The carrying on of the business of a Family Day Care, known as "Tiny Tigers Family Day Care".

Item 9 Particulars of insurance

(a) Policy to be effected by the Lessor at the Lessee's expense:

A policy insuring the Premises for the replacement value thereof against loss or damage by fire, lightning, thunderbolt, storm, tempest, rainwater, water, earthquake, flood, impact, explosion, aircraft, riots, strikes and other malicious acts, removal of debris, and to include additional clauses relating to extra cost of reinstatement, alteration and occupancy, architects fees, automatic reinstatement, capital additions, hazardous goods, temporary removal and any other risks which may seem to the Lessor to be reasonably necessary or expedient.

(b) **Policies to be effected by the Lessee at the Lessee's expense:**

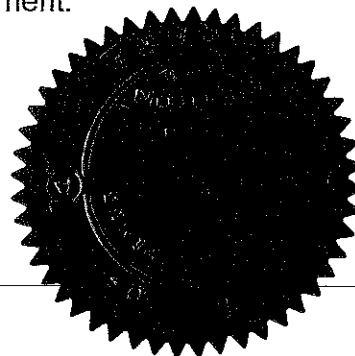
- (1) A policy insuring against breakage or damage from any cause of all external and internal glass fixed to, and forming part of, the Premises for the market value and cost of replacement thereof.
- (2) A public liability policy for an amount of indemnity of not less than \$10,000,000 (or any higher sum which is reasonably determined by the Lessor from time to time).

Item 10 Special clauses

The Lessor and the Lessee agree that this deed of Commercial lease is subject to the provisions of the Family Day Care Services Agreement ("FDCSA") entered into between the parties on and the provisions of the FDCSA are to prevail to the extent that there is any inconsistency with this agreement.

EXECUTED by the parties as a Deed.

Executed by the Shire of Morawa
under its Common Seal in the
presence of: }



Randy Legrand
Shire President

J. E. R. D.
Chief Executive Officer

SIGNED by **MADDISON CLARK**
trading as **Tiny Tigers Day Care** in
the presence of: }

Maddison Clark

[Signature]

Witness:

Molly-Jane Humble
Name (please print)

PLAY GROUP	
Item	Quantity
<i>Main Room</i>	
White Board	1
Pinup Board	1
Chalk Board	3
White Bookshelf	1
Fridge	1
Microwave	1
Oven	1
Couch	1
Wall Mirrors	3
Book shelf	2
Small tables	2
Toy Kitchen set	1
Toy laundry Set	1
Toy Trolley	1
<i>Office</i>	
Filing Cabinet	1
Desk	1
Chairs	2
Dressing Table	1
Mirror	1
Changing bed	1
<i>Nursery</i>	
Cots	2
Mattress	2
Blinds	2
<i>Outside-Back</i>	
Easel	1

DONGA - Laundry	
Item	Quantity
Washing machine	1
Cabinet	1
Kids Chair	1
Dryer	1

DAY CARE	
Item	Quantity
<i>Front Room</i>	
World Globe	1
Kids Chairs	8
4 Seat Pram	1
Pram	1
Kids Dressing table	1
Whiteboard	1
Hessian Wall hanging	1
<i>Kitchen</i>	
Fridge	1
Microwave	1
Toaster	1
Drying rack	1
<i>Main room</i>	
Long tables	2
Couch	2
TV Cabinet	1
large pinup Boards	4
Toy bed	1
Toy Dressing table	1
Lamp	1
Puppet Stage	1
Toy Post office Box	1
Mats	3
Calendar/Weather wall hanging	1
<i>Outside-front</i>	
Table	1
Chairs	4
<i>Outside-Back</i>	
table	1
Large Tarp	1
<i>Nursery</i>	
Mattress	5
kids Beds (blue)	4

Landlord: J. E. Roko

Tenant: Mark

7.2.6 Chief Executive Officer - Other

<i>Item No/Subject:</i>	7.2.5.1 Strategic Plan Update and Progress Report
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	30 May 2016 John Roberts
<i>Responsible Officer:</i>	Chief Executive Officer
<i>Applicant/Proponent:</i>	Chief Executive Officer John Roberts
<i>File Number:</i>	Various
<i>Previous minute/s & Reference:</i>	21 April 2016 (Last update to Council)

SUMMARY

The Strategic Plan Update and Progress Report provides an update on the progress of matters under the Integrated Planning and Reporting Process including the:

- Shire of Morawa Strategic Community Plan 2012, and
- Corporate Business Plan.

Other updates are also provided regarding the informing strategies including:

- The Long Term Financial Plan;
- The Asset Management Plan; and
- The Workforce Plan.

DECLARATION OF INTEREST

The author has no interest to declare in this report.

ATTACHMENTS

- 2015/16 Project Summary Report;
- Shire of Morawa May 2016 *Strategic Plan Update and Progress Report*.

BACKGROUND INFORMATION

The Strategic Plan Update and Progress Report is provided to Council each month for information. The Strategic Community Plan was adopted 21 June 2012. A desktop review was undertaken on 12 September 2014 and adopted by Council on 18 September 2014. The four year review of the Strategic Community Plan has commenced with an Elected Member workshop held on the 10 March 2016.

Currently, the Strategic Community Plan has 106 actions listed:

Objective	Actions	Projects 2015/16	Programs 2015/16	Comment
1. A diverse, resilient and innovative economy	44	9	3	This objective is divided into 2 sub-objectives with 9 key projects and 3 programs covering 27 of the 44 actions which are due for completion in 2014/15
2. Protect and enhance the natural environment	13	5	0	5 key projects covering 13 strategic actions are required to be completed for 2014/15
3. A community that is friendly, healthy and inclusive	26	5	0	5 key projects covering 17 of the 26 actions are due for completion for 2014/15
4. A connected community with strong leadership	23	3	1	3 key projects and one program area covering 18 actions are due for completion for 2014/15

Table One: Summary of Strategic Actions

Accordingly, the progress of the projects and program areas covering the strategic actions for 2015/16 are tracked within the Corporate Business Plan. This is because:

- This plan has the projects or actions the Shire is required to achieve over a four year period to meet the objectives listed in the Strategic Community Plan;
- This approach will also ensure there is a cross link with the Status Report where Council has made a decision regarding the projects listed in the Corporate Business Plan from time to time; and
- The Corporate Business Plan also acknowledges the key operating costs for each program area and the external stakeholders.

Informing Strategies

Other reports that need consideration in terms of their impact on the Strategic Community Plan include the following informing strategies:

Long Term Financial Plan

The long term financial plan is currently being reviewed. A budget allocation has been included in the 2015/16 budget.

Status

No change - The Long Term Financial Plan (LTFP) requires updating. Moore Stephens (formerly UHY Haines Norton) have provided a quote which has been included in the 2015/16 Budget. The LTFP is currently being updated.

Asset Management Plan

All of the Asset Management Plan (AMP) have now been reviewed.

Status

Greenfield Technical Services have undertaken a full assessment of road infrastructure condition and fair values.

Roman II has been updated with local road data.

A consultant, Ben Symmonds, has been engaged to update the Shire's Asset Management Plans. This is has now been completed and the AMP have been sent to Moore Stephens for inclusion in the Shire's Long Term Financial Plan.

Workforce Plan

The Workforce Plan is monitored by the Department of Local Government and Communities. This plan requires an assessment by staff.

Status

A final review is now required.

Information Communication and Technology (ICT) Plan

Although the ICT is not a formal requirement, the Department of Local Government and Communities highly recommends that such a plan is developed and implemented and provides the appropriate framework for such a plan on its website.

It should be noted that the Shire of Morawa does not have such a plan.

Status

Development of such a plan is required in line with the Local Government Audit Regulations - Regulation 17. The CEO will discuss with the Shire's IT contractor.

Other Key Informing Strategies

Other key plans that impact on the Strategic Community Plan and the Corporate Business Plan include the Local Planning Scheme and Strategy, the Growth Plan, the Mid West Investment Plan and the North Midlands Economic Plan and Mid West Blueprint. Generally, links are made back from the Corporate Business Plan to the applicable project within this plan.

Risk Management Framework and Compliance Plan

The Shire CEO was required to have in place by the 31 December 2014 the following:

- A risk management policy;
- A risk management framework including processes, procedures and reporting; and
- A compliance plan

The CEO prepared a report to the audit committee on the appropriateness and effectiveness of the Shire's Risk Management systems and procedures in December 2014. This concluded the project.

OFFICER'S COMMENT

Strategic Community Plan

Further to the above, the success of the Strategic Community Plan (SCP) is based on the outcomes of the Corporate Business Plan and the key performance measures (KPIs) that have formed part of the SCP since March 2014. The key performance measures show the desired trend to be achieved for each objective (Economic, Environment, Social and Governance). The key performance measures were inserted into the SCP at the Council meeting on 20 March 2014. The four year review of the

Strategic Community Plan has commenced with an Elected Member workshop held on the 10 March 2016. A draft of the updated strategic directions has been compiled and distributed to Elected Members for comment. A community survey will be circulated in early July followed by a community consultation presentation.

Corporate Business Plan

The Corporate Business Plan Report is provided to Council each month. Accordingly, a summary report and full copy of the Corporate Business Plan report for May 2016 is attached.

In short, the progress of the Corporate Business Plan is summarised as follows:

Projects

Under the Corporate Business Plan, there are 35 projects that are monitored:

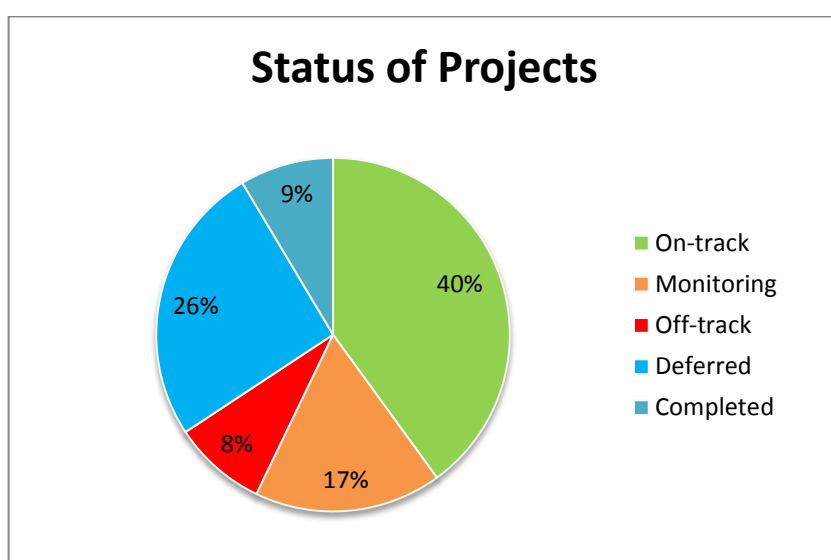


Chart 1: Breakdown on Status of Projects for 2015/16

The key things to note regarding Chart 1 - Breakdown on Status of Projects are:

Status Type	Status	Comment
Overall Completion	In terms of overall completion (i.e. the percentage of each project completed divided by the number of projects underway), this is 56.81%.	

On-track	There are 14 (40%) projects on track (3, 5, 7, 8, 12, 13, 14, 21, 29, 31, 32, 33, 34, & 35).	
Monitoring	6 (17%) projects are at the monitoring level (4, 10, 18, 19, 20 and 27)	
Off-track	In total there are 3 (8%) projects off track (9, 15 and 30).	<p>The impacts on these projects include:</p> <ul style="list-style-type: none"> • Staff resourcing in terms of key roles has been a constant issue regarding consistency and progressing of goals i.e. the long term vacancy of the CEO position (Project 9 lacked a project owner and Project 30 – Gateway Project is subject to further discussions with the key funding stakeholder) Discussions took place with Sinosteel on 17 July 2014. • The second key issue has been waiting on the approval of funding or resources for key projects: <ul style="list-style-type: none"> - Scrapping of Commonwealth funding programs e.g. RADF5 (Project 5 - Town Hall project). The tender specification has been developed. - MWDC requirement to continually review business cases (Project 15) ; • Thirdly competing re-allocation of resources undermining the strategic focus e.g. ongoing maintenance of key assets not provided for. However, the Asset Management Plan should improve this over time.
Completed	3 (9%) projects have been completed. (1, 2, and 26)	
Deferred	There are nine projects (26%) deferred due to fiscal constraints and other resourcing issues or because the priority has changed (6, 11, 16, 17, 22, 23, 24, 25 & 28);	There is no change to the status of these projects following the desktop review of the Strategic Community Plan in August 2014.

Programs

Under the Corporate Business Plan, there are four key program areas that are monitored:

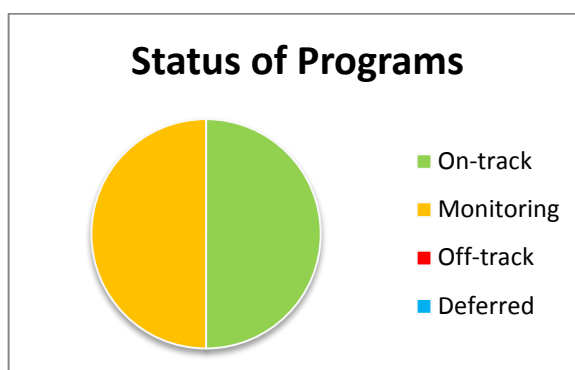


Chart 2: Breakdown on Status of Programs for 2015/16

Chart 2 indicates that of the four program areas, two are on track; Governance (67%); and Sports Facilities and Programs (85%). and two are being monitored Roads (107%); and Ongoing Health Care Provision (105%); The programs on track are subject to key operational or day to day activities and are affected by seasonal issues.

Some of the Flood Damage costs are at present included in the Roads costings, and the Health Care provision is high due to unbudgeted expenses for locum doctors and the medical centre renovations.

COMMUNITY CONSULTATION

As per the Strategic Plan Update and Progress Report

COUNCILLOR CONSULTATION

As per previous reports to Council and the Information and CEO Briefing Sessions (Forums).

STATUTORY ENVIRONMENT

Local Government (Administration) Regulations 1996 Part 5 Annual Reports and Planning for the Future - Division 3 – Planning for the Future

POLICY IMPLICATIONS

Not Applicable

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

As per the reporting requirements regarding the Strategic Community Plan and the Corporate Business Plan.

RISK MANAGEMENT

Under the Integrated Planning and Reporting Framework, the Shire of Morawa is required to meet the compliance requirements. By meeting each of the key requirements regarding Integrated Planning and Reporting, the Shire will avoid further scrutiny and action by the Department of Local Government and Communities.

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council:

Accepts the Shire of Morawa Strategic Plan Update and Progress Report, for May 2016, as tabled.

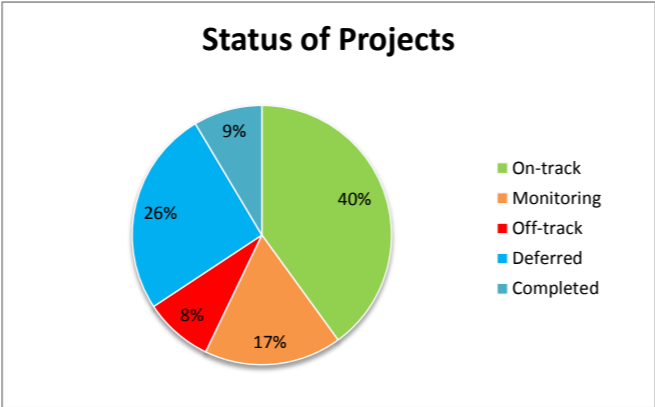
SUMMARY OF CORPORATE BUSINESS PLAN STATUS 2015/2016

No.	Project	Who	Start	Cost	Cost Remaining	% Completed	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	Greater Sports Ground Development	PO				100												
2	Sports Club Development Officer	CEO				100												
3	Recreational Facility Development	PO				95												
4	Morawa Community Care	EMDA				95												
5	Refurbish Old Chambers	CEO				85												
6	Childcare Centre Development	CEO				0												
7	Community Group Support	CDO				39												
8	Community Engagement & Communication	CEO				50												
9	Trails Strategy	CEO				20												
10	Waste Management Project	CEO				45												
11	Water Supply Development	CEO				0												
12	Solar Thermal Power Station - Feasibilty Study	CEO				95												
13	Waste Water Plant Upgrade	EMDA				90												
14	Sustainability Program	EMDA				0												
15	Develop Industry Training Centre	PO				25												
16	Migration Settlement Scheme (Research)	CEO				0												
17	Develop Additional Business Incubator Units	CEO				0												
18	Industry Attraction & Retention Project	CEO				83												
19	Local Tourism Industry Development	CDO				0												
20	Upgrade Morawa Airport	CEO				50												
21	Upgrade Major Roads and Annual Road Program	PWS				100												
22	Key Worker Housing	CEO				0												
23	Staff Housing	EMDA				0												
24	Expansion Van Park	CEO				0												
25	Lifestyle Village for the Aged	CEO				0												
26	Main Street Project	PO				100												
27	Wireless and Mobile Blackspot Coverage	CEO				50												
28	Powerline Upgrade	CEO				0												
29	Land Development	CEO				75												
30	Gateway Project Plans	CEO				10												
31	Omnibus Scheme Development	PO				93												
32	Old Morawa Hospital	CEO				80												
33	Leadership and Mentoring Young People	CDO				60												
34	Leadership and Advocacy Role	CEO				83												
35	Invest in Council's Capacity	CEO				83												
	Total					65.62												

Program Areas							Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1 Sports Facilities and Programs	CDO					85												
2 Ongoing Healthcare Provision	CEO					105												
3 Roads	PWS					107												
4 Governance	EMDA					67												
Total						91.00												

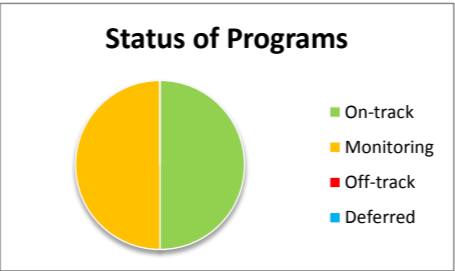
Status
On-track
Monitoring
Off-track
Deferred
Completed

Projects
14
6
3
9
3



Status
On-track
Monitoring
Off-track
Deferred

Programs
2
2
0
0



Overview

The Shire of Morawa Corporate Business Plan Report sets out the key objectives to be achieved for the reporting year in question based on the Shire's Strategic Community Plan. In this case it is 2015/16. The report is presented to Council each month with an update on the status of each project and relevant program area and an assessment of the Corporate Business Plan (CBP) overall.

Objective: A friendly community that is healthy, passionate, caring and inclusive

Program Area: Recreation & Leisure

Goal: Provide and promote sport, recreation and leisure facilities and programs

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Greater Sports Ground Project <p>Project management 0.0 FTE 2014/15</p> <p>Percentage Completed: 100%</p>	High	3.5.2	CEO	0	2,800,000	0	0	Department of Sport and Recreation	<ul style="list-style-type: none"> The ramp adjacent to the playground has proved problematic due to regulations regarding disable access. An alternative option will be presented to the Briefing Session 30 May 2016. Hot water in female showers a problem. An amount of \$44k has been included in the 15/16 budget to resolve the problem. Water corporation are being engaged to complete the work in May 2016 <p>Increased Sporting Participation</p> <ul style="list-style-type: none"> Club membership numbers reported by clubs <p>Increased Usage</p> <ul style="list-style-type: none"> Additional events reported by Sporting Committee. To date: two events held
<ul style="list-style-type: none"> Sports Club Development Officer – Regional Project <p>Project management 0 FTE</p> <p>Percentage Completed: 100%</p>	Medium	3.1.7	CEO, Shire of Three Springs	0	12,500	12,500	12,500	<ul style="list-style-type: none"> Department of Sport and Recreation Shire of Three Springs Shire of Perenjori Shire of Mingenew 	<ul style="list-style-type: none"> Lara Stanley has commenced employment in the role and had discussions with the CEO and CDO regarding required outcomes for Morawa. <p>Increased Support for Members & Volunteers</p> <ul style="list-style-type: none"> Membership numbers <p>Club Officials trained in financial and corporate governance</p> <ul style="list-style-type: none"> Clubs report improvement
<ul style="list-style-type: none"> Recreational Facility 	Medium	3.5.3	CEO	0				Department of Sport	Swimming Pool (Works 2015/16 -

Development: 3.1 Swimming Pool Upgrade 3.2 Construction of the Skate Park Project management 0.1 FTE Percentage Completed: 70% 3.1: 90% 3.2 100%					800,000	400,000	0	and Recreation	\$566,605) <ul style="list-style-type: none"> Steps: <ul style="list-style-type: none"> Tender has been awarded to Safeway Building & Renovations The new shed has been erected. The filtration equipment has been installed. A new backwash tank will be installed early in 2015/16 Repairs to the existing balance tank will be undertaken as per the contract. This tank will need to be replaced in the next 5 years. A number of delays and contractual disagreements have occurred and the current estimate for opening the pool is 21 November 2015. The floor surface of the pool has deteriorated since August 2015 and will need to be restored. Following an independent assessment Council have directed the CEO to call tenders for works to tile the floor, walls, and wet deck surfaces. Prior to calling tenders specialist engineers have been engaged to assess if concrete cancer is present. A report for this is due on 15 April 2016. The pool has been surveyed so that design plans can be prepared for the tiling tender specifications. Tenders have been called with a closing date of 1 June 2016.
Program Area Operating Cost: <ul style="list-style-type: none"> Undertake ongoing maintenance and management of the Sports facilities and programs 	Ongoing			775,000	790,000	805,000	821,000		Reduction of Vandalism <ul style="list-style-type: none"> Maintenance costs (reduced) Improved School Attendance <ul style="list-style-type: none"> School attendance records
									Recurrent Cost post 2017: \$905,233 Staff Required: 3 FTE 2015/16 Budget \$911,316 Cost YTD: \$773,471 Note: (Swimming Pools & Other Recreation)

Percentage Completed: 85%									
Program Area: Health Provision									
Goal: Support ongoing health care provision through existing arrangements									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
Program Area Operating Cost: <ul style="list-style-type: none"> Support the implementation of the North Midlands Primary Care Project Support the provision of adequate GP services Support the Three Springs Dental Service Percentage Completed: 105%	Ongoing	3.1.1, 3.1.2, 3.1.3, 3.1.4		251,884	256,900	262,000	267,000		Note: <ul style="list-style-type: none"> Budget 2015/16: \$226,948 Expenditure for 2015/16: \$237,597; Recurrent Cost post 2017: \$272,000 Staff Required: 0.02 FTE

Program Area: Community Amenities									
Goal: Provide and promote sport, recreation and leisure facilities and programs									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Morawa Community Care <p>Project management 0.6 FTE</p> <p>Percentage Completed: 95% 4 Units: 100% Management: 90%</p>	High	1.9.1	CEO	528,800	420,718	40,000	40,000	Morawa Community Care	Construction 2013: <ul style="list-style-type: none"> Construction of the 4 units completed Cost post 2013/14 are recurrent costs. Will need revaluation Management: <ul style="list-style-type: none"> Committee commenced 18 March 2014 and identified action matrix; Draft service delivery plan and policies developed and considered 13/05/14; Handover of units underway 30 April 2014; Sean Fletcher has been engaged to finalise the transfer of the Morawa Aged Care Units to the Shire. Transfer of land management order underway. The Department of Housing are proposing a deed of assignment transferring the interests of the MCC to the Shire. This option negates the need for a new JV agreement which has caused a significant time delay. Application and information packs have been prepared and will be marketed. A Deed of Novation has been presented to the 18 December 2015

									OCM. <ul style="list-style-type: none"> The Management Order has been received. Shire staff is now working to complete the final agreements with a view to concluding the transfer of the JV and MCC units by 30 June 2016. <hr/> Elderly people age in their home community <ul style="list-style-type: none"> Census figures Older people able to live independently <ul style="list-style-type: none"> Increase in number aged people staying in community
<ul style="list-style-type: none"> Refurbish Old Council Chambers <p>Percentage Completed: 85%</p>	High	1.7.3	CEO	0	220,000			LotteryWest	<ul style="list-style-type: none"> Capital Works for 2015/16 set at \$181,011. Funded: <ul style="list-style-type: none"> Municipal 45,026 Lotterywest: 90,595 Reserve: 45,026 Quotes have now been obtained for the remaining works. Use for the building to be discussed at the October briefing session This work has now been placed on-hold as the funds may be needed to fund the unexpected swimming pool works. Future use of the old Shire office was discussed at the SCP workshop held on 10 March 2016. It was agreed the future use was to be tourism and cultural purposes. It is proposed to request the reallocation of the Solar Thermal Feasibility Study funds to this project. This option has now been placed on hold pending the outcome of an amended business case for the airstrip. Increased level volunteer activity <ul style="list-style-type: none"> Annual survey Volunteering statistics available every census Older people able to live independently <ul style="list-style-type: none"> Number community activities per year monitored <p>Note: regular use is occurring.</p>
<ul style="list-style-type: none"> Childcare Centre 	Medium	3.1.8	CEO	0	0	0	0	<ul style="list-style-type: none"> Department of 	<ul style="list-style-type: none"> Deferred post 2015/16

development Project management 0.2 FTE Percentage Completed: N/A								<ul style="list-style-type: none"> Communities Mid West Development Commission LotteryWest 	<ul style="list-style-type: none"> Expected cost \$750,000 Expected completion date 2018 Additional childcare places available to the community <ul style="list-style-type: none"> Uptake of service Employment opportunities in the caring industry <ul style="list-style-type: none"> Number of people employed Respite care available to parents <ul style="list-style-type: none"> Respite visits number per annum
<ul style="list-style-type: none"> Community Group Support: <ul style="list-style-type: none"> Billaranga Arts Studio Morawa Historical Society Community events Morawa CRC Biennial Arts Festival Morawa Future Fund Community connectedness forum Morawa Chamber of Commerce Project management 0.1 FTE Percentage Completed: 39%	Medium	3.2.2, 3.2.4, 3.2.5, 3.4.1	CEO	35,000	35,000	35,000	35,000		<ul style="list-style-type: none"> Future Fund agreement has been completed. The fund will be accessible in 2015/16 based on 2014/15 interest earnings. CEO engaged with CCI Power supply has been connected to the new Historical Society shed. Budget 2015/16 <ul style="list-style-type: none"> YTD: <ul style="list-style-type: none"> Arts Festival \$10,000 Museum: \$1,000 Depreciation: \$9,922 Costs 2015/16 <ul style="list-style-type: none"> YTD: <ul style="list-style-type: none"> Arts Festival \$3,154 Museum: \$3,293 Depreciation: \$8,252 Recurrent costs post 2016 are \$35,000 per annum <hr/> Community events enhance liveability of community <ul style="list-style-type: none"> Reports to Council community groups Community feedback on events <ul style="list-style-type: none"> Annual community survey
<ul style="list-style-type: none"> Community Engagement and Communication Project management 0.05 FTE Percentage Completed: 50%	Medium	4.1.1, 4.1.2	CEO	1,020	1,020	1,020	1,020		Costs 2014/15 <ul style="list-style-type: none"> Met through Public Relations Budget (\$21,000) Recurrent costs post 2016 are \$1,020 per annum Communication strategy and media consultant (Left of Centre LOC) have been included in the 15/16 budget at \$11,000. LOC have set up a Facebook page and are preparing content for media and Shire Snippets.

									Good relationship between community and Council <ul style="list-style-type: none"> Annual community survey
<ul style="list-style-type: none"> Trails Strategy Project management 0.1 FTE Percentage Completed: 20% 	Medium	1.7.2	CEO	0	0	260,000	0	<ul style="list-style-type: none"> LotteryWest Department of Regional Development 	Morawa Perenjori Wildflower Drive Trail <ul style="list-style-type: none"> R4R Grant required listed in 2013/14 Budget: \$467,000 - Pending Town Heritage Walk Trails 2014/15 <ul style="list-style-type: none"> \$65,000 Lotterywest application unsuccessful (7 March 2014) \$65,000 Shire contribution not budgeted Bush Trails 2014/15? <ul style="list-style-type: none"> \$65,000 application "parked" with Lotterywest subject to Council contribution ; \$65,000 Shire contribution required Recurrent cost post 2016: \$5,000 PA 2015/16 <ul style="list-style-type: none"> Wildflower Drive trail \$138,915 Town Heritage Walk \$128,970 Bush Trail \$198,690 Total \$467,000 has been included in the budget but only \$65,000 is funded. This is to be amended in the 15/16 mid year review. Funding is to sought from Lotterywest, DRD are funding \$40,000 (from town centre revitalisation project) and it hoped this will be matched by Sinosteel. Increased level of community activity and activation trails <ul style="list-style-type: none"> Annual community survey
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Objective: Protect and enhance the natural environment and sense of place									
Program Area: Environment									
Goal: Protect and enhance the natural environment									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Waste Management – Regional Project 	High	2.4	CEO, MWRC	0	360,000	0	0	Shires of Carnamah, Coorow, Mullewa,	<ul style="list-style-type: none"> Capital works for tip set at \$265,000. Funded by Refuse Station Reserve

<p>Project management 0.15 FTE</p> <p>Percentage Completed: 45%</p>								<p>Perenjori, Three Springs and Mingenew</p>	<ul style="list-style-type: none"> Recurrent costs post 2016: \$60,000; Joint project identified between Shire of Morawa and Shire of Perenjori: <ul style="list-style-type: none"> DCEO successfully applied for \$5,000 in planning funding; Joint approach discussed on 9 December 2013 at meeting between Presidents, Deputy President and CEO's - Agreed this is a key project. Dallywater Consulting have developed strategic plan which was presented to Council on 17 July 2014 Application for funding in the Waste Authority Regional Funding Program was lodged on 27 June 2014. The assessment has been concluded and unfortunately the application was not successful. The application was highly regarded but lack of site and proximity to Geraldton went against the proposal. The CEO has met with CEOs from Morawa, Perenjori, Three Springs and Mingenew to discuss a regional solution. The meeting took place on 14 April 2015. CEO has received data from neighbouring Shires and is in the process of collating it. CEO has discussed with Karara and Sinosteel the possibility of purchasing or leasing a portion of Dingle Dell as a possible site for location of a landfill site. CEO has met with Avon Waste and Dallywater to determine the optimum size of transfer bins and collection methods. CEO has visited potential sites during February. Quotes have been obtained for the waste bins and shed for the transfer station and orders have been placed with delivery scheduled for May/June 2016. It is proposed to man the Transfer Station for a trial period of 6 months <p>Coordinated waste management by Shires</p> <ul style="list-style-type: none"> Removal of waste to sub-regional
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<ul style="list-style-type: none"> Water Supply Development <p>Project management 0.05 FTE</p> <p>Percentage Completed: N/A</p>	Medium	1.4.1	CEO	0	0	0	Unknown	<ul style="list-style-type: none"> Water Corporation Department of Water 	station <ul style="list-style-type: none"> Recurrent costs post 2016: Unknown Drainage re greening of the Town. Not until 2015/16 Stage Three SuperTowns. Subject to be raised with the Minister at the WALGA Convention in August 2014. <hr/> Future water needs secured <ul style="list-style-type: none"> Water storage constructed
<ul style="list-style-type: none"> Solar Thermal Power Station Feasibility Study <p>Project management 0.1 FTE</p> <p>Percentage Completed: 95%</p>	Medium	1.3.1	Project Officer	0	500,000	0	0	<ul style="list-style-type: none"> Western Power Public utilities Office 	<ul style="list-style-type: none"> Legal advice received re reallocation of \$500,000 to another project; Shire President and CEO met with Paul Rosair 17 February 2014 to discuss; Project suspended indefinitely; Letter issued to DRD 2 April 2014 seeking reallocation of funding to Airport Project. Adjusted the SCP at September 2014 Review Recurrent costs post 2016: \$60,000 <hr/> Feasibility study completed <ul style="list-style-type: none"> Completion. (Note: The feasibility study will not proceed) Endorsement key agencies Satisfaction Western Power, Public utilities Office
<ul style="list-style-type: none"> Water Supply Development and Waste Water Plant Upgrade <p>Project management 0.05 FTE</p> <p>Percentage Completed: 90%</p>	Medium	1.4.4, 2.1.1, 2.1.3	CEO	0	140,000	0	0	<ul style="list-style-type: none"> Watercorp 	Works for 2015/16 <ul style="list-style-type: none"> One pond remaining (\$49,681). This was completed in April 2016. Funding from Reserve. Recurrent costs post 2016: Unknown <hr/> Overflow managed in winter <ul style="list-style-type: none"> Nil events Improved use of waste water for irrigation <ul style="list-style-type: none"> Reduced potable water usage
<ul style="list-style-type: none"> Sustainability Program: <ul style="list-style-type: none"> Identify policies to manage carbon sequestration Implement the Climate Change and Adaption 	Medium	2.1.5, 2.1.6, 2.2.1, 2.2.2, 2.2.3	DCEO	0	0	0	0	<ul style="list-style-type: none"> 	2015/16 <ul style="list-style-type: none"> Costs are as per in accordance with the EHO role; Sequestration policies to be included in LPS and Strategy; The Climate Change Risk Assessment

<ul style="list-style-type: none"> Plan Continue to manage feral flora and fauna Rehabilitate, protect and conserve Shire controlled land Support and promote environmental management practices <p>Project management 0.1 FTE</p> <p>Percentage Completed: 0%</p>									<p>& Adaption Action Plan was included in the 2015/16 budget but will be removed in the mid-year review;</p> <ul style="list-style-type: none"> Flora & Fauna pests in conjunction with Department of Agriculture Bio-Security Officer in Morawa; Shire has rehabilitation policy in place; Environmental management practices are supported through implementation of relevant infrastructure; Continuing monitoring and upgrading of key facilities <p>Sustainability initiatives achieved</p> <ul style="list-style-type: none"> Set of nominated activities achieved
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Objective: A diverse, resilient and innovative economy

Program Area: Economic Services

Goal: Provide economic services that drive growth and development of the Shire

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Develop Industry Training Centre <p>Project management 0.1 FTE</p> <p>Percentage Completed: 25%</p>	High	1.2.8, 3.1.5	MEITA & Shire	0	508,404	0	0	<ul style="list-style-type: none"> MWDC, Durack Institute, Department of Training & Workforce Development, Karara Mining Limited 	<ul style="list-style-type: none"> Training Centre expenditure: <ul style="list-style-type: none"> 2013/14 set at \$433,908; Funded through Mid West Investment Plan; Business case reviewed and submitted to MWRC Board 28 November 2013. Further changes completed: <ul style="list-style-type: none"> Improve in-kind contribution re project management; Develop job description form for training coordinator. 13 December 2013 the MWDC Board approved funding for this project; Final estimate received Business Case reviewed and submitted to MWDC. The business case needs to be re-drafted following discussions with the MWDC. Design and specifications have been prepared by EPS. CEO has received updated letters of support from Doray, Karara and Marrak. The project was shelved on the advice of MWDC, however following discussions between the CEO and SP the business is being updated by

									<p>LOC.</p> <ul style="list-style-type: none"> It was agreed at the SCP workshop held on 10 March 2016 that further submissions for grant funding will not be made at present. Recurrent cost post 2016: \$80,000 <p>Students demand training and gain jobs in the mining industry as a result</p> <ul style="list-style-type: none"> Annual student numbers, conversion to employment <p>Specialist training provided through facility</p> <ul style="list-style-type: none"> Educational staff numbers (increase)
<ul style="list-style-type: none"> Migration Settlement Scheme (Research) <p>Project management 0.3 FTE</p> <p>Percentage Completed: N/A</p>	Medium	Super Town Growth Implementation Plan	CEO	0	0	0	0	<ul style="list-style-type: none"> Department of Immigration, Department of Training and Workforce Development 	<ul style="list-style-type: none"> Deferred post 2015/16 Expected cost \$45,000 <p>Sustainable increase in population</p> <ul style="list-style-type: none"> Population trends
<ul style="list-style-type: none"> Develop Additional Business Incubator Units <p>Project management 0.2 FTE</p> <p>Percentage Completed: N/A</p>	Medium	1.9.7	CEO	0	0	0	0	<ul style="list-style-type: none"> MWDC, MEITS 	<ul style="list-style-type: none"> Deferred post 2015/16 Costs not identified <p>New business established</p> <ul style="list-style-type: none"> New business establishment
<ul style="list-style-type: none"> Industry Attraction and Retention Project <p>Regional Resource – Investment Coordinator: 1.25 FTE (Funded MWIP)</p> <p>Project management 0.08 FTE</p> <p>Percentage Completed: 83%</p>	High	1.2.5, 1.5.2	Super Towns Project Manager	85,800	100,000	100,000	100,000	<ul style="list-style-type: none"> MWDC, MWCCI, Other Shires 	<p>2011/12</p> <ul style="list-style-type: none"> PRACYS developed Growth & Implementation Plan <p>2012/13</p> <ul style="list-style-type: none"> PRACYS commenced North Midlands Economic Development Strategy (\$85,800 inc GST); Prospectus reviewed January 2013 <p>2013/14</p> <ul style="list-style-type: none"> PRACYS developing North Midlands Economic Development Strategy: <ul style="list-style-type: none"> Framework finalised December 2013 Working Group established Feb 2014 (CEOs meeting 13 April 2014 for briefing); Investment plan required (attraction process defined)? Funding of \$100,000 pa from CLGF/Mid West Investment Plan not

									requested?; • Project requires revaluation 2014 • Regional Resource Coordinator employed and prospectus issued? 2015 No further progress <hr/> Service gaps filled • Reported by community Increased business activity • Applications recorded • Reported by CCI
• Local Tourism Industry Development Support Visitor Information Centre 0.02 FTE Project management 0.02 FTE Percentage Completed: 50%	Medium	1.2.7, 1.2.10, 1.2.11	CEO	0	50,000	0	0	• Wildflower Way Committee, Local Tourism Group	2015/16 • CEO & CDO are attending Wildflower Country Committee meetings • \$40,000 allocated for the Caravan park Caretaker accommodation to be cfwd from 14/15 to 15/16. This has now been ordered and will be installed by July 2016. • A temporary caretaker has been appointed for the period July to September. This was a huge success in 2015. <hr/> Increase in visitor numbers • Visitor numbers Caravan park Wildflower Way project • Completion of project

Objective: Morawa is a comfortable and welcoming place to live, work and visit

Program Area: Transport Infrastructure and Services

Goal: Provide transport linkages and infrastructure which enables industry and community to grow and develop

Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
• Upgrade Morawa Airport Project development support 0.02 FTE 13/14 Project management: 0.2 FTE – External 14/15	High	1.10.1, 1.10.2	Project Officer	0	40,000	1,000,000	1,500,000	RDAF	2013/14 • New airport road sealed Feb 2014; • An EOI has been requested by MDC for \$900k funding. This was submitted by 11 July 2014. • Business Plans have been requested by DRD for the reallocation of \$500k Solar Thermal funds and \$1m

<p>Asset management: 0.2 FTE - ongoing</p> <p>Percentage Completed: 50%</p>									<p>Blackspot funds. These are now complete and were endorsed by Council at the December 2014 OCM.</p> <ul style="list-style-type: none"> • • 2014/15 • • CEO has received letters of support from Doray, Karara., RFDS and Marrak. • CEO has received letter from DRD informing the Shire that the reallocation of mobile blackspot funding has not been approved. <p>2015/16</p> <ul style="list-style-type: none"> • Following discussions with the MWDC and DRD the CEO has prepared a new business case which will include a number of funding options. • The business case option 1 (full upgrade) was endorsed by the MWDC subject to a commitment by Doray to use the airstrip. • The CEO is to discuss the project again with the MWDC on 14 March 2016, following the receipt of 2 letters received from DRD regarding the reallocation of the Solar Thermal Funding. • Discussions with DRD and MWDC indicate this project will not be supported. • MWDC have significantly amended the airport business case and this will be presented to MWDC in May 2016. <hr/> <p>Commencement commercial facility</p> <ul style="list-style-type: none"> • Commencement <p>Improved transport hub to the region</p> <ul style="list-style-type: none"> • Volume traffic flow <p>Service hub RFDS</p> <ul style="list-style-type: none"> • Usage
<ul style="list-style-type: none"> • Upgrade Major Roads and Annual Road Program <p>Project management:</p>	Medium	1.8	Works Manager	1,580,000	1,580,000	1,580,000	1,580,000	Department of Main Roads	<p>2015/16 (\$1,755,396) YTD: \$858,548</p> <p>Completed</p> <ul style="list-style-type: none"> • Recurrent cost post 2016: \$1.6M

Percentage Completed: 100%									Road safety <ul style="list-style-type: none"> Survey Asset maintenance <ul style="list-style-type: none"> Improvement in asset ratios
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Program Area Operating Cost: Percentage Completed: 107%	Ongoing		Works Manager	2,059,403	2,100,000	2,142,000	2,185,000		2015/16 (\$1,649,388) Staff Required: 11 FTE Cost YTD: \$1,758,287 Recurrent Cost post 2017: \$2.23M
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Program Area: Housing									
Goal: Provide housing for all needs (staff, aged, tourism) to facilitate growth and development									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Key Worker Housing Percentage Completed: N/A	Medium	1.9.3	CEO	0	0	0	0	Department of Housing	Project deferred until development of next corporate business plan
<ul style="list-style-type: none"> Staff Housing Project management 0.1 FTE Percentage Completed: N/A	High	1.9.5	CEO	0	0	350,000	350,000	Royalties for Regions - CLGF	2014/15 <ul style="list-style-type: none"> \$139,316 has been allocated for maintenance Recurrent cost post 2016: \$14,000 <hr/> Houses constructed <ul style="list-style-type: none"> Houses in place Staff satisfaction with housing <ul style="list-style-type: none"> Staff satisfaction (annual survey)
<ul style="list-style-type: none"> Expansion Caravan Park Project management 0.2 FTE Percentage Completed: N/A	Medium	1.2.9, 1.9.6	CEO	0	0	0	0		Project deferred until development of next corporate business plan: <ul style="list-style-type: none"> 4 dwellings constructed; Budget \$500,000 from Shire funds <hr/> Additional people stay in town <ul style="list-style-type: none"> Accommodation statistics

									Additional expenditure <ul style="list-style-type: none">Increased estimated expenditure
<ul style="list-style-type: none"> Lifestyle Village for Aged Care <p>Project management 0.3 FTE</p> <p>Percentage Completed: N/A</p>	Medium	1.9.1	CEO EDO	0	0	0	0	MWDC, RFR – CLGF, Morawa Community Care	Project deferred until development of next corporate business plan: <ul style="list-style-type: none"> Plan and feasibility study for additional aged care housing; Budget \$10M from various sources.

Note:

No key activity is occurring for this goal in 2015/16

Program Area: Town Centre Revitalisation									
Goal:									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Main Street Project <p>Landcorp Project Management 1 FTE funded</p> <p>Project support: 0.5 FTE – External 13/14</p> <p>Percentage Completed: 100%</p> <p>Stage 1: 100%</p> <p>Stage 2: 100%</p>	High	1.7.1, 1.7.5, 1.6.1	Project Officer	0	3,536,000	2,200,000	0	SuperTowns Project – R4R	<ul style="list-style-type: none"> The main street of Morawa will be revitalised to provide new opportunities for community interaction and an increased level of retail and commercial services: <ul style="list-style-type: none"> Freight Realignment (Stage 1) - 2013/14/15 Civic Square (Stage 2) - 2013/14/15 Recurrent costs of \$50,000 Stage 3 deferred beyond 2015/16 Stage 4 deferred beyond 2015/15 Stage 5 commenced pending funding <p>2013/14</p> <ul style="list-style-type: none"> Additional funding of \$2.536M announced 12 February 2014. ; <ul style="list-style-type: none"> Preferred tenderer (BCL Group) selected by Emerge and endorsed by Council on 31 July 2014. <p>2014/15</p> <ul style="list-style-type: none"> Work has commenced on

									<div>project.</div> <div><div>○ BCL proposed a redesign due to ground levels. New design not acceptable to Council. Emerge have been requested to keep amended design close to the original. Amended design went to OCM in October.</div></div> <div>2015/16</div> <div><div>○</div><div><div>• Projects completed. Now in defects period.</div><div>• Morawa Stone and the clock are outstanding items. Emerge and BCL are meeting with Shire staff on 30 May 2016 to resolve issues.</div></div></div> <div>Civic Square constructed</div> <div><div>• Project opened 30 April 2015. A commemorative plaque has been installed under the clock tower.</div></div>
<div><div>• Wireless and Mobile Blackspot Coverage</div><div>Project involves Shires of Morawa, Mingenew, Perenjori and Three Springs and MWDC</div><div>Project management: 0.1</div><div>Percentage Completed: 50%</div></div>	High	1.3.2, 1.3.4	Project Officer	0	375,000	0	0	CLGF	<div>Shire of Morawa coordinating update to project business case. Funding required is as follows:</div> <div><div>○ Merkanooka (\$680,000)</div><div><div>▪ CLGF – R: \$ 83,333</div><div>▪ MWIP: \$534,167</div><div>▪ Shire Funds: \$ 62,500</div></div></div> <div><div>○ Morawa East High (\$942,000):</div><div><div>▪ CLGF – R: \$500,000</div><div>▪ MWIP: \$379,500</div><div>▪ Shire Funds: \$ 62,500</div></div></div> <div><div>• Business went to the MWDC Board on 28 February 2014;</div><div>• Minister Redman announced 7 March 2014 \$1M approved from CLGF – R;</div><div>• FAA for project received by CEO. Advised DRD awaiting outcome of MWIP decision before project milestones developed;</div><div>• MWDC Board advised 19/03/14 it does not support EOI. Advice issued to participating shire presidents;</div><div>• Issue also referred to Shane Love MLA to discuss with Minister Redman;</div><div>• Council briefed on current position 20 March 2014. Indicated that funding should now go to the upgrading of the Morawa Airport;</div></div>

									<ul style="list-style-type: none"> CEOs have had preliminary discussions on allocation of funding to the Airport project; Item will be required by Council to seek reallocation of funding (May OCM 2014); Letter of support received from Shire of Mingenew 29 April 2014. See comments under item 20. <p>Note: The 2013/14 Budget contained an additional \$250,000 from the Community Development Reserve for electrical works</p> <hr/> <p>Meets community standards</p> <ul style="list-style-type: none"> Monitoring data speed <p>Increase coverage and reliability</p> <ul style="list-style-type: none"> Telstra
<ul style="list-style-type: none"> Power Line Upgrade <p>Project management: 0.1</p> <p>Percentage Completed: N/A</p>	Medium	1.4.2	MWDC	0	0	0	0	Wester Power	<p>Project deferred until development of next corporate business plan:</p> <ul style="list-style-type: none"> Must be externally funded; Budget \$7M
<ul style="list-style-type: none"> Land Development – Residential and Industrial <p>Project management: Landcorp?</p> <p>Percentage Completed: 100%</p> <ul style="list-style-type: none"> Residential: 100% Industrial: 50% 	High	1.1.2	CEO	800,000 Landcorp	900,000 Landcorp			Landcorp	<p>Costs for 2012/13, 13/14 met by Landcorp:</p> <ul style="list-style-type: none"> 38 residential lots 50 industrial lots <p>2014/15 Residential Sub-division</p> <ul style="list-style-type: none"> First stage of residential sub-division completed – 8 blocks. Non yet sold. <p>2015/16 Industrial Sub-division</p> <ul style="list-style-type: none"> First stage of industrial sub-division – 6 blocks. Clearing re Club Road completed 8 March 2014. Part of the surplus from the Town Centre projects is being used to fund the sealing of Club Road. An amount of \$174,000 has been included in the 15/16 draft budget to relocate Club Road The realignment and sealing of Club road has been completed. Kerbing has

									<p>occurred. Brookfield and Landcorp have been advised.</p> <hr/> <p>Lots successfully developed</p> <ul style="list-style-type: none"> Sale of lots
<ul style="list-style-type: none"> Gateway Project Plans <p>Project management: 0.1</p> <p>Percentage Completed: 10%</p>	High	1.2.3, 1.6.1	CEO	0	250,000	0	0	Sinosteel	<ul style="list-style-type: none"> Designs received previously. Matters to be determined: level of funding, Munckton Road, the design (tower) Funding sources : <ul style="list-style-type: none"> Sinosteel: \$200,000. Stated in CBP confirmed. However, only \$30,000 put aside; Shire: \$50,000 to be budgeted. Has not happened. 13/14 Budget \$250,000 Sinosteel? SMC are now offering \$100,000 The CEO and SP have met with SMC on 17 July 2014 to discuss. SMC contribution to the gateway project. SMC agreed the contribution was not tied. CEO has requested Emerge to develop a nature playground concept for the town square. Recurrent costs post 2016 \$2,500 <hr/> <p>Formal entry will provide sense of place</p> <ul style="list-style-type: none"> Annual community survey Visitor survey conducted visitor centre
<ul style="list-style-type: none"> Omnibus Scheme Development <p>Project management: 0.2</p> <p>Percentage Completed: 93%</p> <ul style="list-style-type: none"> Omnibus: 100% Urban Design: 90% LP Strategy: 90% 	Medium	1.5.1	Planning Officer CEO	0	350,000	300,000	0	WAPC, EPA	<p>2013/14 \$232,844 in Budget</p> <ul style="list-style-type: none"> Urban Design Guidelines developed: <ul style="list-style-type: none"> Individual meetings held with business owners; Staff briefed 25 February 2014; Community meeting to be rescheduled; Mike Davis briefed Council 17 April 2014 – matter deferred pending corrections submitted to May meeting Omnibus amendments due 30/06/14, presented to Council 19 June 2014. Public comment period closed 7 July 2014. No submissions received at present. Scheme strategy changes due

									30/09/14 • 2015/16 • Council will be fully briefed at the July 2016 briefing session to conclude the project. Budget \$79,450 YTD \$41,761 • <hr/> LP Strategy and Scheme • Completed report WAPC Omnibus • Completed report WAPC Urban design guidelines • Endorsement by Shire of Morawa as policy
• Old Morawa Hospital Project management: 0.05 Percentage Completed: 80%	Medium	1.9.4	CEO	0	50,000	0	0	MWDC, R4R	2013/14 • \$50,000 not budgeted; • Technical report received 16/11/13. Cost of report: \$3,900 funded from Consultancy Services Admin; • Scope of report discussed with Council 11 February 2014; • Separate site visit and briefing completed 20 March 2014; • Extension for management order (Intention to Take): <ul style="list-style-type: none"> Sort by CEO/DCEO/PO 3 April 2014 as current order expires in May 2014; Order approved until further notice • Further resolution on use of site required. • CEO has obtained a new legal opinion. This will be discussed at the briefing session on 301 May 2016. <hr/> Hospital is renewed as community asset • Project completion and new community use

Objective: A collaborative and connected community with strong and vibrant leadership

Program Area: Governance and Leadership

Goal: Provide high levels of governance to lead and successfully manage the Shire and program of services for the community									
Project	Priority	SCP Link	Who	12/13 \$	13/14 \$	14/15 \$	15/16 \$	Stakeholders	Progress (Including Performance Indicators)
<ul style="list-style-type: none"> Leadership and Mentoring – Young people <p>Project management 0.01 FTE</p> <p>Percentage Completed: 66%</p>	High	3.1.9	CYDO	0	120,000	120,000	120,000	<ul style="list-style-type: none"> Morawa Youth Centre 	<p>2013/14</p> <ul style="list-style-type: none"> Operating \$112,634; Projects \$24,200 (Grants): <p>2014/15</p> <ul style="list-style-type: none"> Operating \$158,892 YTD \$15,396; <p>2015/16</p> <ul style="list-style-type: none"> Operating \$282,605 Projects \$96,275 (Grants \$42,500) YTD \$187,011 <hr/> <p>Young people move into leadership role</p> <ul style="list-style-type: none"> Number in community organisations and Council
<ul style="list-style-type: none"> Leadership and Advocacy Role: <ul style="list-style-type: none"> CBH to upgrade and extend facilities Lobby for access to education system Advocate with State Government to deliver NBN Advocate with Western Power for an upgrade of the Morawa Three Springs Feeder Lobby State Government to retain grain on rail Lobby for Roads Funding Engage with State Government re Kadji Kadji Station Advocate for visiting specialist and allied health Advocate for adequate police and emergency services <p>Project management 0.1 FTE</p> <p>Percentage Completed: 83%</p>	High	1.2.1, 1.3.4	CEO	0	0	0	0	<ul style="list-style-type: none"> All major service providers, State and Australian Government Agencies 	<p>Met through normal operating costs</p> <p>2013/14</p> <ul style="list-style-type: none"> CBH: Has changed focus? No further action Education System: MEITA project – Interim Business Case completed; NBN: Satellite to Mt Campbell; Optic to Town; Western Power – Townsite has been upgraded, but feeder line under review see Status Report; Grain on Rail: Watching Brief; Kadji Kadji: Conservation watching brief; Specialist & Allied Health: <ul style="list-style-type: none"> GP expanding practice, RFDS Dental Van in place; Police & Emergency Services: LEMC and CESM Program in place; Participated in Northern Zone Conference; <hr/> <p>Agencies and Service Providers meet community needs</p> <ul style="list-style-type: none"> Annual community survey
<ul style="list-style-type: none"> Invest in Council's Capacity 	High	4.3.1, 4.3.2,	CEO	0	0	0	0		Met through normal operating costs:

<p>Oversee Management of Shire 0.1 FTE</p> <p>Integrated Strategic Planning Support: 0.2 FTE</p> <p>Annual Customer Survey: 0.1 FTE</p> <p>Percentage Completed: 83%</p>		<p>4.3.3, 4.4.1, 4.4.2, 4.5.1, 4.5.2, 4.5.3, 4.6.1, 4.6.2, 4.7.1, 4.7.2, 4.8.1, 4.8.3</p>							<p>Staff Training and Development</p> <ul style="list-style-type: none"> PWOH: \$34,438 Administration \$10,000 <p>Professional Development Councillors</p> <ul style="list-style-type: none"> \$4,000. <p>Traineeships</p> <ul style="list-style-type: none"> \$21,700. CII Student 5 day a week engaged <p>Whole of Life Costings</p> <ul style="list-style-type: none"> 12/13 Plant & Equipment 13/14 Land & Buildings 14/15 Road Infrastructure 15/16 Furniture & Equipment <p>Implemented IPR Framework</p> <ul style="list-style-type: none"> SCP 21/06/12; CBP 20/06/13; Department requested modifications to SCP by 31 March 2014 – completed 25/03/14; SCP reviewed in September 2014. A full review will occur in February 2016. Risk Management policy, compliance plan and strategy now complete. Endorsed by Council November 2014. (Reg. 17). Commenced and completed in August 2014 by LGIS. Endorsed by Council in December 2014 <p>Review Council Policies and Local Laws</p> <ul style="list-style-type: none"> The review of policies has been completed and will be presented to Council August 2015. Local Laws review will be undertaken in 2016/17. <p>Compliance with all Legislation and LG Act</p> <ul style="list-style-type: none"> Annual Compliance Return 2014 completed and submitted in March 2015. PID annual survey completed, 30 June 2014 FOI annual return completed 30 June 2014 A governance calendar has been compiled.
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									Delivery of Services as Sub-Regional Hub <ul style="list-style-type: none"> Ongoing Shared Services, further discussions to take place. Annual Customer Surveys <ul style="list-style-type: none"> Process to be revisited during 2015/16 Excellence in governance, management and leadership <ul style="list-style-type: none"> Annual community survey
Program Area Operating Cost: Percentage Completed: 67%	Ongoing		CEO	836,083	852,000	869,000	886,000		2015/16 YTD (\$47,072) Staff Required: 1 FTE Members of Council Budget: \$376,187 Actual: \$305,882 Governance – General Budget: \$123,662 YTD Actual: \$29,737 Recurrent Cost post 2017: \$903,000

Assessment

The following matrix is a summary assessment on the status of the Corporate Business Plan:

Criterion	Key Requirements	Progress/Comment	Tracking
Assessment of Projects	Projects (35):	Projects <ul style="list-style-type: none"> Staff resourcing in terms of key roles had been a constant issue 	

	<p>Projects on-track: 14</p> <p>Projects monitored: 5</p> <p>Projects off-track: 4</p> <p>Projects deferred: 9</p> <p>Projects completed: 3</p> <p>Percentage Completed: 50.35%</p> <p>Program Areas-Operating (4):</p> <p>Monitor 0</p> <p>On-track 4</p> <p>Off-track 0</p>	<p>regarding consistency and progressing of goals i.e. the long term vacancy of the CEO position;</p> <ul style="list-style-type: none"> The second key issue has been the constant waiting on the approval of funding or resources for key projects: <ul style="list-style-type: none"> State Cabinet – continual delays whilst it makes a decision (Town Centre Revitalisation and Freight Road Re-alignment); Scrapping of Commonwealth funding programs e.g. RADF5 (Town Hall project); Changes to Royalties for Regions (CLGF) funding or not meeting acquittal requirements (Includes key funding regarding the Morawa Swimming Pool); MWDC requirement to continually review business cases; Competition regarding the availability of bitumen for major road projects (has been secured for Feb 2014, so will be on track) The majority of projects with monitoring status, although they have a low completion status, are on track in terms of where they are regarding the timeline of the project. <p>Program Areas-Operating</p> <p>Each program area – operating although they have a monitoring status and off-track status, are on track in terms of normal operations for this time of year.</p>	
Resource Capability (Staff)	<ul style="list-style-type: none"> CBP: 2.08 FTE Programs: 24.07 FTE Project Officer funded externally MWRC setting up support re: <ul style="list-style-type: none"> Human Resource Management Higher Level Financial Management Engineering Health and Building Succession planning/mentoring 	<p>The key issue here is that the MWRC has dissolved and so is no longer in a position to provide additional support. In particular:</p> <ul style="list-style-type: none"> HRM appears to be lacking; Higher level financial management appears to be lacking; Engineering support has fallen over; Health and building support has fallen over. Now using City of Greater Geraldton, however this is proving a difficult relationship. CEO is currently assessing these issues. <p>The balance between SuperTowns and local government operations is impacting on staff. Key impacts include:</p> <ul style="list-style-type: none"> The struggle to provide consistent governance support; Records management constantly suffers; Front line services constantly interrupt administration support. 	

		Resource sharing with Shire of Perenjori is now being explored to help address the above. CEO has made contact with Perenjori CEO to discuss further.	
Assets of the Shire	Whole of Life costs for the next 10 years are put at \$2,426,700 per annum	No change. However, this may change once the review of the asset management plans are completed at the end of 2015.	
Financial Estimates of the SCP	Funding: <ul style="list-style-type: none"> Shire Contribution \$3,041,238 CLGF – Regional: \$ 250,000 CLGF – Local: \$ 718,000 Mid West DC: \$3,049,980 Other: \$5,147,500 Financial Ratios <ul style="list-style-type: none"> It is not believed that the CBP will negatively impact on the ratios Will need recalculation in line with the long term financial plan 	Funding: As per Assessment of Projects: <ul style="list-style-type: none"> CLGF – R for Mobile Blackspot Tower Project of \$583,333 (out of \$1M approved 7 March 2014); CLGF – L 358,000 for 2012/13 is subject to reinstatement as part of the State Budget process for 2014/15 Financial Ratios The 2014/15 auditor's report puts three ratios within acceptable limits and three that are borderline	
Operational Risk Assessment	Consists of three key elements: <ul style="list-style-type: none"> Systems Processes Resources 	A Corporate Risk Management Plan and Matrix has been prepared for the Shire Document Management <ul style="list-style-type: none"> Staff is in the process of setting up electronic records management. Project Management <ul style="list-style-type: none"> A project management policy has been prepared and was endorsed by Council at the October 2014 Council Meeting Stakeholder Management System <ul style="list-style-type: none"> Not in place. CEO is currently developing this. ICT System <ul style="list-style-type: none"> Current system is adequate for needs. Requires optimisation of its use. An ICT Strategic Plan is required. HR Processes <ul style="list-style-type: none"> Training and development is budgeted for; Flexible work arrangements are in place; Recruitment processes have been improved since November 2013 (recruitment start up sheet and interview assessment sheet introduced); Performance review process has been developed and is currently underway and will be completed by end of September 2015. Workforce Planning and Cost Modelling	

		<ul style="list-style-type: none"> • Performance management system required; • A review of JDFs (PDs) is being undertaken and is due to be completed by end of September 2015. <p>Skills Development See HR processes and Workforce Planning and Cost Modelling</p> <p>Workforce</p> <ul style="list-style-type: none"> • Corporate Business Plan monthly report developed and implemented December 2013; • Also see workforce planning and cost modelling. <p>Council</p> <ul style="list-style-type: none"> • Engagement of community regarding the role of the Shire and Council's responsibilities is required; • Review of the community engagement policy required; <p>Asset Base</p> <ul style="list-style-type: none"> • Rationalisation of assets will occur with the adoption of the asset management plans; • Collaborative regional processes that optimise the revenue base is occurring 	
Internal Analysis (Required Improvements)	<p>There are 10 key improvements required:</p> <ol style="list-style-type: none"> 1. Invest in electronic data management 2. Implement electronic project management. Microsoft Project software purchased. 3. Stakeholder relationships managed electronically. A stakeholder schedule will be developed early 2015/16. 4. Communication systems between staff and councillors 5. Formal HR mentoring for senior staff 6. Implement HR systems 7. Effective job planning, detailed JDFs are being developed. 8. Implement work output monitoring systems 9. Rationalise asset base at every opportunity 10. Continue to invest in regional processes that optimise Shire revenue base 	See Operational Risk Assessment	

Measuring Our Success	<p>The Key Performance Measures are:</p> <ul style="list-style-type: none"> • Community satisfaction telecommunication services (AS); • Community satisfaction town amenity (AS); • Community satisfaction housing supply (AS); • Community satisfaction other services (AS) • Number houses built per year; • Land availability for projects; • Nil waste targets achieved; • All residents able to access primary health care service within 24 hour target; • Number cultural events held; • Annual community satisfaction with cultural, heritage and recreation services (AS); • Volunteering rate each census period; • Community satisfaction with engagement with Council (AS); • Improvement in financial ratios • Low employee turnover • Successful fundraising for key projects 50% target 	<p>Annual Survey (AS) Outcomes:</p> <ul style="list-style-type: none"> • Survey process is in place. Satisfaction levels developed based on Shire of Morawa Community Engagement Report 2012. <p>House Built Statistics:</p> <ul style="list-style-type: none"> • To be determined (possibly 2 per annum) <p>Waste Targets</p> <ul style="list-style-type: none"> • Closure of Landfill by 2016; Subregional centre in place 2016 <p>Primary Health Care Access (24 hour)</p> <ul style="list-style-type: none"> • Increase satisfaction rating from 2.23 – 2.93. <p>Cultural Events</p> <ul style="list-style-type: none"> • There are 12 – 15 events in place a year. • Arts festival in place <p>Volunteering Rate (ABS Census)</p> <ul style="list-style-type: none"> • To be ascertained <p>Financial Ratios</p> <ul style="list-style-type: none"> • These are now compiled and form part of the 2014/15 annual financial statements. <p>Employee Turnover</p> <ul style="list-style-type: none"> • Currently 7%. The benchmark for local government is 12%-16% <p>Successful Fundraising for key Projects = 50%</p> <ul style="list-style-type: none"> • Grants approved to date include: <ul style="list-style-type: none"> ◦ RADS funding \$20,000 to develop Airport Masterplan. Shire contribution will be \$20,000; ◦ DER - Waste Management Strategic Plan: \$5,000. Shire's contribution \$5,000. • It would be appropriate to develop a grants plan and matrix to Identify, track and summarise all grants received
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Legend	
Off-track (0-49% completed)	
Monitor (50-69% completed)	
On-track (70–100% completed)	
Projects deferred until a later date	
Project completed	

<i>Item No/Subject</i>	7.2.5.2 Common Seal – Medical Service Agreement
<i>Date of Meeting:</i>	21 April 2016
<i>Date & Author:</i>	8 June 2016, Stephen Tindale
<i>Responsible Officer:</i>	Acting CEO
<i>Applicant/Proponent:</i>	Acting CEO
<i>File Number:</i>	ADM 0608
<i>Previous minute/s & Reference:</i>	26 January 2016 - Item 4.1

SUMMARY

Council support is sought for the use of the common seal on three agreements with Dr Adebola Adeiye namely:

- The right to operate the business (medical service) of the Morawa Medical Centre at Lot 201 Caulfield Street Morawa
- The lease of the land and buildings at Lot 201 Caulfield Street, Morawa
- The lease of the residence at Lot 370 Waddilove Road, Morawa

DECLARATION OF INTEREST

Nil

ATTACHMENTS (CONFIDENTIAL)

Business (medical service) agreement and attached commercial and residential leases.

BACKGROUND INFORMATION

This matter was last reported on at the January 2016 ordinary Council meeting where it was resolved to endorse draft business and lease agreements for negotiation and subsequent execution.

OFFICER'S COMMENT

Negotiations have been completed and the three agreements have been signed and returned by Dr Adeiye for execution by the Shire.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The agreements have already been budgeted for.

Currently the Shire of Morawa provides support funding for the 2015-2016 financial year to the practice to the value of \$13,667.

STRATEGIC IMPLICATIONS

The Shire of Morawa Strategic Community Plan has as a social objective *A community that is friendly, healthy and inclusive.*

One of intended outcomes is *Services and facilities that meet the needs of the community.*

RISK MANAGEMENT

The risk to the Shires of Morawa and Perenjori relates to the ongoing provision of GP services.

VOTING REQUIREMENTS

Simple majority.

OFFICER'S RECOMMENDATION

That Council support for the use of the common seal on three agreements with Dr Adebola Adeiye namely:

- The right to operate the business (medical service) of the Morawa Medical Centre at Lot 201 Caulfield Street Morawa
- The lease of the land and buildings at Lot 201 Caulfield Street, Morawa
- The lease of the residence at Lot 370 Waddilove Road, Morawa

<i>Item No/Subject</i>	7.2.5.3 Old Morawa Hospital – Management Order
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	9 June 2016, Stephen Tindale
<i>Responsible Officer:</i>	Acting CEO
<i>Applicant/Proponent:</i>	Acting CEO
<i>File Number:</i>	ADM 0537
<i>Previous minute/s & Reference:</i>	August 2013 Item 8.3.1

SUMMARY

Council support is sought for the Shire President and the CEO to enter into discussions with the State Government representatives in relation to the Shire of Morawa's current and future interests in the Old Morawa Hospital.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Correspondence from the Department of Lands (DoL) dated 3 February 2016 and 25 May 2016.

BACKGROUND INFORMATION

In 2008, at the request of the Shire of Morawa, the Department of Health (DoH), in conjunction with the Department of Lands (DoL) agreed to transfer custody and control of the old hospital to the Shire for community and educational purposes.

As the old hospital was at risk of vandalism/deterioration if left vacant and the Shire's desire for the avoidance of such risk, the DoH was in agreement to transferring all responsibility for the buildings to the Shire which was very keen to take occupancy. Accordingly it was decided to progress a Deed to facilitate early possession of the site in favour of the Shire of Morawa. The DoL had no objection to such an action.

The State Solicitor's Office then prepared the necessary Deed which was provided to the Shire in August 2008 but wasn't executed by the Shire until November 2009.

Under the Deed the Shire is responsible for the land (including the building on the land) as if it were the owner. Further, it has greater responsibilities than an owner because –

1. it has contractual obligations to the State to 'keep and maintain all Improvements including maintenance of a structural nature';
2. it is required to maintain a public liability insurance policy for not less than \$10M in respect of any one claim and
3. it is subject to the indemnity obligations to the Minister under clause 2.2.

The Shire is also precluded from dealing with its interests in the land without the prior written consent of the Minister.

This situation, will continue until the land is transferred to the Shire – unless, in the meantime, the Shire can persuade the State to renegotiate the terms of the Deed.

The proposed transfer of the land to the Shire is a separate matter, although clearly related. The Deed records that 'the Minister has agreed to arrange for the transfer of the land to the Shire free of cost for use by the Shire for community and educational purposes' The Deed does not indicate how this agreement to transfer land was reached, or the terms (if any) in which it is recorded.

As it stands, the Shire is therefore legally obliged to proceed with the transfer of land and the State could obtain a court order (for 'specific performance') requiring the Shire to proceed with the transfer.

The legal position would continue to apply unless the Shire is able to persuade the State not to proceed with the transfer, or to renegotiate the terms of any transfer. For example, if the Shire does not have the financial resources to maintain the buildings on the land 'for community and educational purposes', the Shire may seek to persuade the State that the purpose of the use should be changed to permit a less financially onerous community use – such as, perhaps, a passive recreational use.

As evidenced by the correspondence from DoL dated 3 February 2016 (see Attachment1) it appears the transfer of the land to the Shire of Morawa has already been given effect with the creation of Reserve 52057 and its vesting in the Shire of Morawa for the purpose of 'Shire Requirements.' If the Shire of Morawa is to lease the land, then it is required to provide "...written evidence of the following:

- a. *The length of the term that the Shire requires for the management Order to have the power to lease – 10 or 21 years;*
- b. *Advice on how a Management order with the power to lease will confer an economic or social benefit on the State, region or locality of Morawa...*
- c. *A letter that indemnifies the Minister for lands against any costs that may arise from the taking of Native title rights and interests as a result of granting the Shire a Management Order with the power to lease.*

Under the Shire's Town Planning Scheme 2, permitted uses of the land are

- Aged or Dependent Persons Dwelling

- Caretakers Dwelling
- Residential Building
- Transient Workforce Accommodation
- Tourist Accommodation
- Grouped Dwelling
- Multiple Dwelling

OFFICER'S COMMENT

Enquiries are being made of Department of Lands to ascertain whether the deed of agreement has indeed expired with the issue of Management Order M979138 to the Shire for Reserve 52057.

If that is the case, then the following obligations to the State have expired as well:-

- to keep and maintain all improvements including maintenance of a structural nature';
- to maintain a public liability insurance policy for not less than \$10M in respect of any one claim and
- to indemnify the Minister

If it is not the case, then the Shire is now being asked to constrain itself with more obligations in relation to any potential lease of the land.

In either event, Council support for the Shire President and the CEO to enter into discussions with the State Government representatives in relation to the Shire of Morawa's current and future interests in the Old Morawa Hospital would be prudent.

Without that support, events could unfold in unanticipated ways.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

These are entirely dependent on the use to which the land is put.

STRATEGIC IMPLICATIONS

The Shire's Strategic Community Plan has the economic objective of *A diverse and resilient economy*. Associated outcomes include

- *Maximise business, industry and investment opportunities*
- *Attractive and well maintained buildings and streetscapes*

- *Affordable, diverse and quality accommodation options for both residential and business.*

It may be worth noting that the Old Morawa Hospital does not appear on Morawa's *Listing of Heritage Places*.

RISK MANAGEMENT

There is potential reputational risk to the Shire if the Old Morawa Hospital continues to languish on Reserve land.

There are significant financial risks attached to any refurbishment of the Old Morawa Hospital associated with current building codes and the removal of asbestos.

VOTING REQUIREMENTS

Simple

OFFICER'S RECOMMENDATION

That Council support the Shire President and the CEO in entering into discussions with the State Government representatives in relation to the Shire of Morawa's current and future interests in the Old Morawa Hospital.



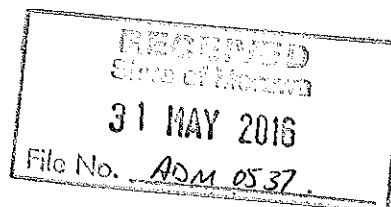
Government of Western Australia
Department of Lands

EMDA

Our Ref: 00280-2015 Job No: 151092
Enquiries: LISA NICHOLAS
Ph: (08) 6552 4436 Fax: (08) 6552 4417
Email : lisa.nicholas@lands.wa.gov.au

25 May 2016

Shire of Morawa
PO Box 14
MORAWA WA 6623



Attention: Chief Executive Office

**RE: PROPOSED MANAGEMENT ORDER WITH POWER TO LEASE – RESERVE
52057 – SHIRE OF MORAWA**

I refer to my letter dated 3 February 2016 to the Shire of Morawa regarding the abovementioned land proposal. A copy of this letter is enclosed for your reference.

To date no response to my letter has been received at this Office. Thus your early attention to this matter would be most appreciated.

If you have any queries or require further information please do not hesitate to contact me on the details listed on the top right-hand side of this letter.

Thank you.

Yours Sincerely

LISA NICHOLAS
For Case Manager
MID WEST GASCOYNE REGION
REGIONAL AND METROPOLITAN SERVICES



Government of Western Australia
Department of Lands

Our Ref: 280-2015 Job No: 151092
Enquiries: LISA NICHOLAS
Ph: (08) 6552 4436 Fax: (08) 6552 4417
Email : lisa.nicholas@lands.wa.gov.au

3 February 2016

Shire of Morawa
PO Box 14
MORAWA WA 6623

Attention: Chief Executive Officer

**RE: PROPOSED MANAGEMENT ORDER WITH POWER TO LEASE – RESERVE
52057 – SHIRE OF MORAWA**

Reserve 52057 is currently registered over Lot 557 on Deposited Plan 403492 for the purpose of 'Shire Requirements' and is under Management Order M979138 to the Shire of Morawa.

A SmartPlan image of Reserve 52057 hatched in red is enclosed for your reference.

The Department of Lands is now undertaking the required process to have the Shire's Management Order M979138 amended to include the power to lease the Land. Please note that this process will be subjected to the Native Title 'future act' process as well.

To facilitate this process further, the Shire is required to provide DoL with written evidence of the following:

- a. The length of term that the Shire requires for the Management Order to have the power to lease – 10 or 21 years;
- b. Advice on how a Management Order with the power to lease will confer an economic or social benefit on the State, region or locality of Morawa (see Section 165 of the *Land Administration Act 1997*); and
- c. A letter that indemnifies the Minister for Lands against any costs that may arise from the taking of Native Title rights and interests as a result of granting the Shire a Management Order with the power to lease.

Please do not hesitate to contact me on the details at the top right-hand side of this letter if you have any questions or require further information.

Yours Sincerely

LISA NICHOLAS
For Case Manager
MID WEST GASCOYNE REGION
REGIONAL AND METROPOLITAN SERVICES

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Figure 1. The effect of the concentration of the *Agrobacterium* strain on the transformation efficiency of *Agrobacterium* strain 101. The concentration of the *Agrobacterium* strain 101 was varied from 10 to 1000 cells/ml. The transformation efficiency was determined by the number of transformants per 100 cells. The data are the mean \pm SD of three independent experiments. The transformation efficiency was significantly higher at 100 cells/ml than at 10 and 1000 cells/ml ($P < 0.05$).

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<i>Item No/Subject</i>	7.2.5.4 Evaside Rd/Stephens Rd Intersection
<i>Date of Meeting:</i>	16 June 2016
<i>Date & Author:</i>	16 June 2016, Stephen Tindale
<i>Responsible Officer:</i>	Acting CEO
<i>Applicant/Proponent:</i>	Acting CEO
<i>File Number:</i>	ROADS 135 and 016
<i>Previous minute/s & Reference:</i>	

SUMMARY

Council to support the preparation of a design and cost estimate for the realignment of Stephens Road to form a formal Tintersection with Evaside Road.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Nil

BACKGROUND INFORMATION

The intersection of Stephens Road with Evaside Road has been a source of concern for some years now following its construction by Brookfield Rail.

After some delay, the Shire has received the following email advice from the Network Manager for Mid West Gascoyne Region of Main Roads WA.

Sorry for the delay in replying.

As discussed some months ago the intersection has been reviewed however will be difficult to control due to the current alignment and the intersection being unsealed and additional treatment is limited unless major works are completed at the intersection.

The current intersection layout with Stephens Road intersecting Evaside Road on an obtuse angle allows south bound traffic on Stephens Road turning left onto Evaside Road to enter at a higher speed than normal even though there are limited sight lines to traffic on Evaside Road. The existing layout with Give way control is suitable for the location and installing Stop control may not change the current practice as the area will not have ongoing enforcement.

To improve sight lines for southbound traffic on Evaside Road to sight traffic on Stephens Road considerable vegetation would be required to be removed.

Minor type signage can be added to the existing layout which includes the following.

- *Give way ahead sign installed 180 metres prior to the intersection.*
- *Hazard board (MR-HM-3) at the stem of the intersection*

These items will not change behaviour at the intersection however may highlight the termination point at the intersection.

Whilst Council may not approve due to funding a realignment of the intersection to form a formal intersection would be a safer outcome.

Would Council consider closing the section of Stephens Road between Evaside Road and Gutha East Road?

OFFICER'S COMMENT

The Acting CEO inspected the intersection on Tuesday 7th June 2016 and concurs with all of the observations of Main Roads Network Manager.

While the intersection may be suitable for the location, it is the behaviour of motorists that is the chief cause for concern and more so because of the absence of a sealed surface.

As a result the Shire has recently installed guide posts and a Give Way sign and guide posts in order to slow traffic heading south on Evaside Road off Stephens Road.

While this may reduce traffic speeds, it is fairly obvious that the intersection will continue to operate more as a Y intersection rather than a safer T intersection.

The simplest and safest solution is to shift the Stephens Road intersection north and create a formal T intersection.

It is understood that the height of the existing road intersection is also a cause for concern as is the half metre narrowing of Evaside Road heading immediately south of the existing intersection.

While the Network Manager has not addressed these two issues, it is believed that the height of the road has to remain as is in order to protect the adjacent level crossing on the railway line.

The narrowing of Evaside Road as it heads south may be less of a concern with the proposed relocation of the intersection away from the existing intersection but nonetheless should be looked at with any redesign of the intersection.

Once the Shire has prepared a design and cost estimates for the new T intersection, it can then go to Brookfield Rail with a clear understanding of what needs to happen.

The Acting CEO has spoken with former CEO Gavin Treasure on the matter and he has advised that he has no recollection of the Shire ever having approved the current layout of the intersection. If any approvals were obtained for its construction then they are likely to have been internal to Brookfield Rail given that Evaside Road falls within the rail easement and is outside direct Shire and MRWA control.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Minor – some expense will be incurred in obtaining engineering plans and an cost estimate.

STRATEGIC IMPLICATIONS

One of the Objectives of the Strategic Community Plan is *A diverse, resilient and innovative community*. One of the desired outcomes is *Well maintained local roads and ancillary infrastructure*.

RISK MANAGEMENT

While the existing intersection may be suitable for the location, there are risks attached to motorists who feel they can ignore road rules.

VOTING REQUIREMENTS

Simple

OFFICER'S RECOMMENDATION

That the Shire of Morawa obtain design plans and cost estimates for a relocated Evaside Road/ Stephens Road intersection.

7.2.5.5 Late Item Tender Swimming Pool Tiling report will be sent separately

- 7.2.5.6 Correspondence
- 7.2.5.7 Information Bulletin

- 8. **New Business of an Urgent Nature**
- 9. **Applications for Leave of Absence**
- 10. **Motions of Which Previous Notice Has Been Given**
- 11. **Questions from Members without Notice**
- 12. **Meeting Closed**
 - 12.1 Matters for which the meeting may be closed
 - 12.2 Public reading of resolutions that may be made public
- 13. **Closure**

Next Meeting

Ordinary Meeting 21 July 2016