



AGENDA

ORDINARY COUNCIL MEETING

TO BE HELD ON

THURSDAY, 19 July 2018

5.30^{PM}

SHIRE COUNCIL CHAMBERS

To be followed by CEO Briefing Forum



**WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY**

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.

**CHRIS LINNELL
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.

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| Nil | |

7.2.5 Principal Works Supervisor

Nil

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1 Declaration of Opening

The Shire President to declare 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 S Agar | |
| Cr J M Coaker | |
| Cr D B Collins | |
| Cr SD Katona | |
| Cr K Stokes | |
| Mr C Linnell | Chief Executive Officer |
| Ms S Appleton | Executive Manager Development & Administration |
| Mrs J Goodbourn | Executive Manager Corporate & Community Services |
| Ms E Cuthbert | Economic Development Manager |
| Mr R Davy | Acting Principal Works Manager |
| Mrs S Adams | Executive Assistant to CEO |

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.

4 Confirmation of Minutes of Previous Meetings

That the minutes of the Ordinary Council Meeting held on 21 June 2018 be confirmed as a true and accurate record.

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 Executive Manager Corporate & Community Services

7.2.3 Executive Manager Development & Administration

7.2.4 Economic Development Manager

Nil

7.2.5 Principal Works Manager

Nil

| | |
|-------------------------------------------|----------------------------------------------------|
| <i>Item No/ Subject:</i> | 7.2.1.1 Adoption of Corporate Business Plan |
| <i>Date of Meeting:</i> | 19 July 2018 |
| <i>Date & Author:</i> | 14 May 2018 – Chris Linnell |
| <i>Responsible Officer:</i> | Chief Executive Officer – Chris Linnell |
| <i>Applicant/Proponent:</i> | Chris Linnell |
| <i>File Number:</i> | CM.PLN.1 |
| <i>Previous minute/s & Reference:</i> | 8 May 2018 Item 3.1 - Resolution 180501 |

SUMMARY

A major review of the Corporate Business Plan (the Plan) has been undertaken following adoption of the Shire’s new Strategic Community Plan 2018 – 2028.

The document extracts and mirrors the intended primary activities following significant community engagement associated with the new Strategic Community Plan.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Attachment 1 – 7.2.1.1a Draft Shire of Morawa Corporate Business Plan 2018 – 2022

BACKGROUND INFORMATION

The Shire’s new Strategic Community Plan 2018 - 2028 was adopted by the Council on 8 May 2018.

A major review of the Corporate Business Plan 2013 – 2017 was undertaken in 2016, however no resolution to endorse the document occurred at that time.

This iteration and document, once adopted, by an absolute majority decision of the Council, will ensure that the organisation complies with regulation 19DA of the Local Government (Administration) Regulations 1996.

OFFICER'S COMMENT

The Plan recasts the priority investment decisions and advocacy projects for the next 12 months, based on the new strategic direction established in the recently adopted Strategic Community Plan 2018 - 2028.

Once adopted, the Corporate Business Plan will form the basis of the 2018/19 Annual Budget and subsequent reviews of that Plan (required annually).

COMMUNITY CONSULTATION

The Corporate Business Plan reflects the outputs of the adopted Strategic Community Plan 2018 – 2028.

The Strategic Community Plan 2018 – 2028 reflects the views of the community via several workshops, surveys, forums and engagement exercises conducted by the Shire since the minor review undertaken in 2016, by Left of Centre Concepts and Events.

These included;

Morawa Regeneration Group – October 2017

- Group Workshops in Morawa, under the banner, Morawa Regeneration Group, with an impressive 48 different residents and ratepayers contributing. It was conducted by JoynerSlot Consulting, in association with Liz Storr from Storybox, over the days of 25 and 26 October 2017. These Workshops were divided into three distinct focus groups;
 - Community (28);
 - Business (14); and
 - Farmers (6).
- It involved visioning exercises exploring interest areas as follows;
 - Social Capital;
 - Human Capital;
 - Financial Capital;
 - Built Capital;
 - Natural Capital;
 - Political Capital; and
 - Cultural Capital.

Strategic Community Plan Review – August 2017

- Focus Group Workshops in Morawa in August 2017, with 16% of the total population (96 persons), conducted by Dr Barbara Maidment, Director of the Margaret River Business Centre. These workshops were divided into the following distinct focus groups;
 - Ratepayers (2);
 - Teen students (11);
 - Young mothers (13);

- Outlying community members (Canna and Gutha) (15);
 - General community (35);
 - Senior local government staff members (8); and
 - Business owners (12).
- With the exception of the teens, which involved a less formal approach, they involved visioning exercises exploring interest areas as follows;
 - Have there been any significant changes in the organisation’s internal capacity?
 - Have there been any changes in the organisation’s external environment?
 - Review and reaffirm values;
 - Review and reaffirm vision and mission statements;
 - Review and adjust objectives, considering new objectives, actions or strategies and;
 - Priority key focus areas.

The draft Corporate Business Plan does not have a legislative requirement to be advertised, given it is seen as predominantly an internally focussed document and reflects the outputs of the Strategic Community Plan.

COUNCILLOR CONSULTATION

The Strategic Community Plan, and therefore this Corporate Business Plan, represents the community’s aspirations and vision for the future (as adopted and endorsed by Council). Accordingly, elected members were formally and specifically engaged in the informing strategies and actions from February through to May 2018.

STATUTORY ENVIRONMENT

The Local act 1995, Section 5.56 states:

“5.56. Planning for the future

(1) A local government is to plan for the future of the district.

(2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.”

Further, the Local Government (Administration) Regulations 1996, Part 5 Annual Reports and Planning for the Future - Division 3 – Planning for the Future, states:

“19DA. Corporate business plans, requirements for (Act s. 5.56)

(1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.

(2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.

(3) A corporate business plan for a district is to —

(a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government’s priorities for dealing with the objectives and aspirations of the community in the district; and

(b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and

(c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.

(4) A local government is to review the current corporate business plan for its district every year.

(5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.

(6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine whether or not to adopt the plan or the modifications. *Absolute majority required.*

(7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan."

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

In making or reviewing a Corporate Business Plan, a local government is to have regard to the capacity of its current resources and the anticipated capacity of its future resources, as evidenced by key informing strategies and plans such as the Shire's Long Term Financial Plan (LTFP), Asset Management Plans (AMPs) and Workforce Plan (WFP).

STRATEGIC IMPLICATIONS

The Corporate Business Plan, once adopted by the Council, establishes the priority investment projects and advocacy priorities for at least the next 12 months, pending the next review, required each financial year.

The outcomes then feed directly into the next iteration of the Annual Plan and the upcoming 2018/19 Annual Budget.

RISK MANAGEMENT

Under the Integrated Planning and Reporting Framework, the Shire of Morawa is required to meet the compliance requirements.

This review complies with the requirements of the Corporate Business Plan, as established by the Department of Local Government, Sport and Cultural Industries and their guidelines.

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That Council resolves to adopt the Shire of Morawa Corporate Business Plan 2018 – 2022 and allow the CEO to make final formatting and editing adjustments as per the draft Corporate Business Plan.

Shire of Morawa
Four Year
Draft Corporate Business Plan
2018 - 2022





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Strategic Community Plan

The Shire of Morawa Strategic Community Plan 2018 – 2028, was adopted by the Council in May 2018.

The Vision, Motto's, guiding Values, Objectives and Outcomes of that Plan are embedded within this '4 year slice' of that, this Corporate Business Plan 2018 – 2022, which is required to be reviewed annually.

Our Vision

A welcoming and inclusive community with diverse regional partnerships that have created a vibrant and growing economy.

Our Motto's

Shire of Morawa: Breaking New Ground
Tourism: Exploring Wildflower Country

Our Values

The Shire of Morawa aspires to be guided by the following values:

- Innovative and creative;
- Collaborative through partnerships;
- Open and accountable
- Strong leadership, governed by informed decisions; and
- Listen, communicate and respond.
- To be flexible and grow

Message from the Shire President and Chief Executive Officer

We are delighted to introduce the Shire of Morawa's Corporate Business Plan for the period 2018 to 2022.

This plan operationalises the Vision and Goals for the future of the community, and creates a framework by which the goals in the Strategic Community Plan can be achieved. The Corporate Business Plan sets the Strategic Direction and identifies priority areas of delivery and investment. It also identifies the operational risks for the Shire to achieve the community's vision, and identified required improvements. It provides an assessment of the resource capability of the Shire and determines the resources required to deliver on the priorities and projects. It also provides performance targets that will allow Council to provide a means of reporting to the community and our project partners.

The Corporate Business Plan sets out the major activities that it intends to undertake in the next four years. The Annual Budget and Annual Plan for the Shire will be developed from the Corporate Business Plan each year. This is therefore an extremely useful document for community to read and understand, as it gives a complete picture of how the Shire is working on their behalf to achieve the vision articulated in the Strategic Community Plan 2018 – 2028.

In this Corporate Business Plan, the Shire continues its support for delivering on core services, as well as advocating and providing resources to be innovative in attracting and promoting growth and diversification.

This is in direct response to the community needs expressed in the Strategic Community Plan, and will enable Morawa to fulfil its potential as a sub-regional centre.

We believe we have captured your aspirations and have reflected these in our desired outcomes. We will work in partnership with the community and other key stakeholders to deliver these outcomes using the projects we have detailed in this plan.

I look forward to continuing our focus to ensure Morawa continues to be a proud and inclusive community with committed partnerships and a strong economy.



Karen Chappel
Shire President

Chris Linnell
Chief Executive Officer

Corporate Planning

The Shire of Morawa's Integrated Strategic Planning framework drives the way we 'run our business'.

The framework has been developed according to the Integrated Planning and Reporting Framework and Guidelines which were released in October 2010. Section 5.56(1) of the *Local Government Act 1995* requires that each local government is 'to plan for the future of the district', by developing plans in accordance with the regulations.

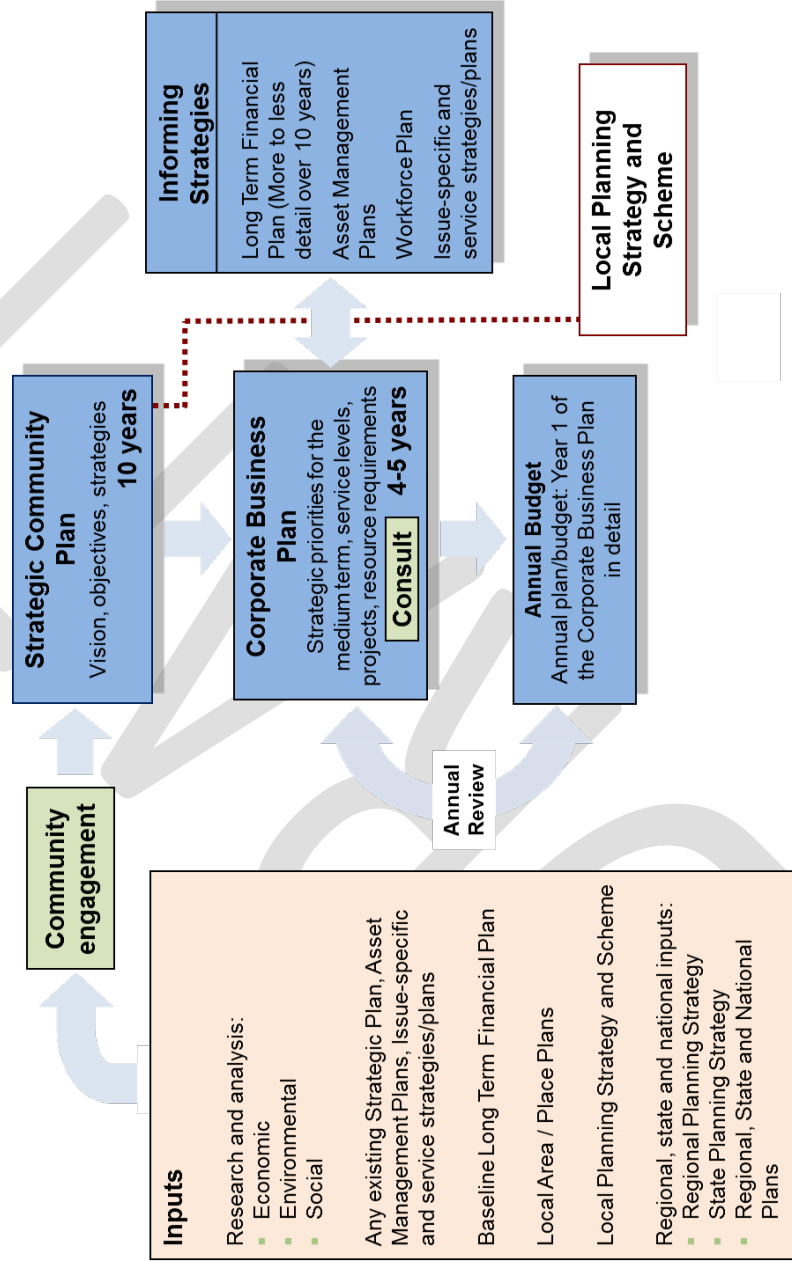


Diagram 1: Integrated Strategic Planning Framework

Framework

The framework for the Plan has the following elements:

- 10 year Strategic Community Plan which outlines our vision for the future, our values and our strategic goals. This was adopted by Council in May 2018.
- This 4 year Corporate Business Plan (2018 -2022) which details what we will do to implement the Strategic Community Plan. This document details the key projects and resources required to deliver on the Strategic Community Plan and details the planned project outputs/outcomes, estimated project costs, source of funds, project schedule and resource required to implement projects. The Corporate Business Plan also contains a risk assessment of the Shires financial and human resource capacity to implement the Plan over the 4 years.
- An Asset Management Plan which enables the Shire to plan and manage their assets so that the community's aspirations can be reached. It is based upon 'whole of life' and 'whole of organisation' approaches and the effective identification and management of risks associated with the use of assets.
- A 10 year Long-term Financial Plan which is a high level document that indicates the Shires long term financial sustainability, allows for early identification of financial issues and their longer term impacts, and shows the financial impacts of plans and strategies.
- A 4 year Workforce Development Plan which will analyse the operational capacity of the Shire, contrast that to the strategic needs created by the plans, and identify the capacity, skills and knowledge gaps and how to address them; and
- An Annual Budget which will record the planned activity and expenditure for each year and an Annual Report which provides the community with a detail account of what has been achieved each year and progress made towards the Performance Targets and achievement of Corporate Business Plan.

The Corporate Business Plan outlines what the Shire seeks to achieve in more detail via:

- 4 Pillars;
- ~~and~~ 4 Primary Objectives;
- 26 Core Outcomes; and
- 87 Strategies.

In addition to that, is the core business of the Shire of Morawa across what is classed as 11 Programs and 59 Sub-Programs.

~~What some may class as the all-important roads, rates and rubbish of what we do.~~ All of this is premised on the following core estimates, predictions and assumptions over the life of the four year plan:

- Rates: \$1.8M, 2% ↑ PA
- Population: Steady → at 758
- Turnover: \$8.5M, 2% ↑ PA
- Employees: Steady → at 24 FTE
- Assets: \$70M Net Equity and Quality ↑
- Debt: \$0.4M, No new debt – Loans ↓

- Cost Index: 2% ↑ PA
- Advocacy: Effort and Success ↑
- Political & Grant Environment: Steady →

Summary of Objectives and Outcomes

4 Pillars

4 Objectives

26 Outcomes

| | | |
|-------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Economic</p> | <p>Objective 1 A diverse, resilient and innovative economy.</p> | <p>1.1 Maintain and increase population. 1.2 Maximise business, industry and investment opportunities. 1.3 Responsive to innovation and new technologies. 1.4 Provide essential services and infrastructure to support population growth. 1.5 Planned and balanced growth. 1.6 The main street is the civic and retail heart connecting the town. 1.7 Attractive and well maintained buildings and streetscapes. 1.8 Well maintained local roads and ancillary infrastructure. 1.9 Affordable, diverse and quality accommodation options for both residential and business. 1.10 Increased investment in transport networks.</p> |
| <p>Environment</p> | <p>Objective 2 Protect and enhance the natural environment.</p> | <p>2.1 Ensure natural resources are used efficiently and effectively. 2.2 Enhance and promote rehabilitation of our native vegetation. 2.3 A Regional waste management solution to achieve zero landfill.</p> |
| <p>Social Connection</p> | <p>Objective 3 A community that is friendly, healthy and inclusive.</p> | <p>3.1 Services and facilities that meet the needs of the community. 3.2 Respect our cultural, indigenous and heritage assets. 3.3 Retain a safe environment. 3.4 A wide range of regional events. 3.5 Improved and well maintained community, recreational and civic infrastructure. 3.6 Promote and Support a healthy community. 3.7 Support an inclusive community.</p> |
| <p>Leadership & Governance</p> | <p>Objective 4 A connected community with strong leadership.</p> | <p>4.1 A well informed, connected and engaged community that actively participates. 4.2 Existing strong community and spirit and pride is fostered and encouraged. 4.3 A local government that is respected, professional and accountable. 4.4 Strong regional partnerships with government and industry. 4.5 Long term financial viability. 4.6 Attract and retain quality staff.</p> |

Detailed Economic Strategies and Actions

| Ref # | Strategy | Priority | Timeframe | Key Partners | Responsible Department | Comments | % Complete | Commence | Completion |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------|--------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|------------|
| Outcome 1.1 Maintain and increase population. | | | | | | | | | |
| 1.1.1 | Make land available for commercial and industrial uses, including progression of stage 1 industrial. | HIGH | 2 – 4 YEARS | LANDCORP | Develop. Services & Admin | Residential complete and available. Planning Stage 1 Industrial completed and approved by Council. State support required. | 20% | Commenced | 2023 |
| 1.1.2 | Investigate the feasibility of the Morawa Migration Settlement Research Program, encouraging skilled migrants to the area (part of regeneration Morawa). See 1.2.9 | HIGH | 2 – 4 YEARS | OMI, MWDC | Economic Development | 50% grant funded by FFE CDO from Year 2. \$40k contribution required in 2018/19 Budget and supported by Regeneration budget. | 10% | Commenced | 2019 |
| Outcome 1.2 Maximise business, industry and investment opportunities. | | | | | | | | | |
| 1.2.1 | Continue to liaise with CBH to upgrade and extend grain handling and storage facilities. | HIGH MEDIUM | Ongoing | CBH | Office of CEO | Stakeholder engagement. | Ongoing | Commenced | Ongoing |
| 1.2.2 | Promote Morawa as an attractive place to live and work with appropriate promotional videos suitable for different platforms, including social networking. | HIGH | Ongoing | MWDC, DRD | Economic Development | Prepare plan in-house, with \$20K matching for grants required in 2018/19 Budget. | 0% | 2018 | 2019 |
| 1.2.3 | Continue the Morawa incentives for investment (New Businesses) Program. <u>Has not been endorsed by Council</u> | HIGH | Ongoing | | Economic Development | <ul style="list-style-type: none"> Redefine incentives and market-New Budget-allocation required of \$15k pa commencing 2018/19-Incubator Unit Paint | Ongoing | Commenced | Ongoing |

| | | | | | | | | | |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------|-------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------|---------|
| 1.2.4 | Continue to support development of the tourism industry such as trail development, Aray WayBike Trail, Pop-Up Shops, and enhancement of the Morawa Caravan Park. | HIGH | Ongoing | TWA | Economic Development | Trail Development - Sinosteel funding and RDC. Popups could be part of business incentive with 1.2.3. | Ongoing | Commenced | Ongoing |
| 1.2.5 | Explore the business case for development of a Mountain Bike Trail Network. | HIGH | <1 YEAR | MWDC | Economic Development | Explore Trailswest funding for planning and construction and resource companies. \$30K contribution required in 2018/19 Budget. | 10% | Commenced | 2019 |
| 1.2.6 | Continue to support NMEITA and its strategic direction (Education Industry Training Alliance). | HIGH | < 1 YEAR | NMEITA, DoE | Office of CEO | Advocacy and support only | Ongoing | Commenced | Ongoing |
| 1.2.7 | Engage with resource and mining companies to invest in the region and commit to local employment and buying local. | HIGH | Ongoing | | Economic Development | Stakeholder engagement. | Ongoing | Commenced | Ongoing |
| 1.2.8 | Develop a Shire based Economic Development Strategy aligned with NMEDS and Regional BluePrint. | MEDIUM | <2 YEARS | MWDC | Economic Development | Seek matching funds to compliment Council's \$25K in 2018/19 Budget. | 0% | 2019 | 2019 |
| 1.2.9 | Explore any new initiatives from Morawa Regeneration Project. | HIGH | 1 - 4 YEARS | MWDC | Economic Development | New budget allocation required of \$10K pa , commencing 2019/2018/19. | 0% | 2020 | Ongoing |
| 1.2.10 | Continue to Support the Morawa Visitors Information Centre. | HIGH | Ongoing | TWA | Economic Development | In-kind services and need for the development of a Service Level Agreement. Continue with existing provision of \$20K pa (cash and in-kind). | Ongoing | Commenced | Ongoing |

| | | | | | | | | | |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------|------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------|---------|
| 1.2.11 | Continue to support the Wildflower Country Tourism Committee. | HIGH | Ongoing | TWA | Economic Development | Existing Budget allocation of approx. \$6K pa required. | Ongoing | Commenced | Ongoing |
| 1.2.12 | Develop an Industry Training Centre. | MEDIUM | 1 – 2 YEARS | NMEITA, MWDC | Office of CEO | New Budget for contribution to grant of \$10K required in 2020/21. | 0% | 2022 | 2022 |
| 1.2.13 | Develop new road signage to attract and promote Morawa-Completed | MEDIUM | <5 YEARS | MRWA | Develop. Services & Admin | Expect to be completed by 30/06/2018 subject to approval. | 60% | Commenced | 2018 |
| Outcome 1.3 Responsive to innovation and new technologies. | | | | | | | | | |
| 1.3.1 | Support DAFWA in the identification of agriculture innovations. | HIGH | Ongoing | DAFWA | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 1.3.2 | Advocating for improved telecommunication options and solutions. | HIGH | < 1 YEAR | MWDC, DRD, NMLGA | Office of CEO | High speed internet - Digital Farm Grants and blackspot analysis. | 20% | Commenced | 2020 |
| Outcome 1.4 Provide essential services and infrastructure to support population growth. | | | | | | | | | |
| 1.4.1 | Advocate and partner with Water Corp for the provision of adequate water capacity, quality and supply. | HIGH | Ongoing | WC | Develop. Services & Admin | Focussing in this period of the CBP is improving quality | 0% | 2018 | 2019 |
| 1.4.2 | Investigate and promote Morawa as ideal location to partner to explore green technologies to become independent of grid for power supplies. | MEDIUM | Ongoing | MWDC, DRD | Economic Development | TPS amended. Planning completed. Advocacy and partners to be explored. Approximate \$50K grant available for midwest local govts, subject to matching. | 10% | Commenced | 2023 |
| Outcome 1.5 Planned and balanced growth. | | | | | | | | | |
| 1.5.1 | Review North Midlands Sub-regional Economic Development Strategy-Part of 1.2.8 | MEDIUM | Ongoing | MWDC, NMLGA | Economic Development | Review document and cross # to SoM EDS. | 0% | 2019 | 2019 |

| Outcome 1.6 The main street is the civic and retail heart connecting the town. | | | | | | | | | |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------|-----------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------|---------|
| 1.6.1 | Town Centre revitalisation strategies as contained in the Morawa Growth Plan. | HIGH | 2 – 4 YEARS | MWDC, DRD | Office of CEO | Grant funds to be sought, identified & priorities fleshed out / agreed. New Budget allocation required of \$50K pa in 2019/20. | 10% | Commenced | 2023 |
| 1.6.2 | Implementation of Entrance Statement Project subject to high level community engagement. | MEDIUM | 2 – 4 YEARS | MWDC, DRD | Office of CEO | New Budget allocation required of \$20K in 2018/19 & implementation funds required in later years. | 0% | 2018 | 2021 |
| Outcome 1.7 Attractive and well maintained buildings and streetscapes. | | | | | | | | | |
| 1.7.1 | Continue to implement and fund Façade Enhancement and Policy 2.3 Heritage Colours – but through the entire Shire subject to high level community engagement. | LOW | Ongoing | | Economic Development | New Budget request of \$5K pa required to encourage and implement, commencing 2018/19. | 10% | Commenced | Ongoing |
| 1.7.2 | Continue to maintain a high standard of landscaping and maintenance with appropriate vegetation selection. | MEDIUM HIGH | Ongoing | | Works & Services | Ongoing | Ongoing | Commenced | Ongoing |
| 1.7.3 | Explore the concept, including the costs and benefits of establishing a tourism, community and cultural precinct at the old Shire Council Chambers and Town Hall. | HIGH | < 1 YEAR | MWDC, DRD | Economic Development | Planning then grant funding then construction. Initial Budget required of \$40K in 2018/19 for matching grants, later years, \$300K. | 50 30% | Commenced | 2019 |
| 1.7.4 | Encourage local residents to improve presentation of their properties including removal of those dilapidated and beyond useful life or heritage value. | MEDIUM | Ongoing | | Develop. Services & Admin | New Budget allocation required of \$5K pa commencing 2018/19 to implement. | Ongoing | Commenced | Ongoing |

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|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------|----------|------|------------------|----------------------------------------------------------------------------------------------------|---------|-----------|---------|
| 1.7.5 | Implement the Street Tree Planning, Footpath and Greening Project utilising native vegetation where possible. | MEDIUM | Ongoing | MWDC | Works & Services | Develop Greening Plan. | 0% | 2019 | Ongoing |
| Outcome 1.8 Well maintained local roads and ancillary infrastructure. | | | | | | | | | |
| 1.8.1 | Establish a prioritisation schedule and road hierarchy for the upgrade of roads infrastructure and promote successes and completion. | HIGH | < 1 YEAR | MRWA | Works & Services | Service Levels Regional Strategy \$5K 2018/19 | 0% | 2018 | 2019 |
| 1.8.2 | Maintenance and renewal of roads, and ancillary infrastructure is undertaken in accordance to Shire Asset Management Plan. | HIGH | Ongoing | MRWA | Works & Services | Ongoing | Ongoing | Commenced | Ongoing |
| 1.8.3 | Lobby government and private sector for increased road maintenance funding. | HIGH | Ongoing | MRWA | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 1.8.4 | Control roadside vegetation. | HIGH | Ongoing | MRWA | Works & Services | Continue to maintain sight lines around curves and freight and transport. | Ongoing | Commenced | Ongoing |
| 1.8.5 | Develop Footpath Development and Asset Management Plan. | MEDIUM | <2 YEARS | | Works & Services | Footpath plan to be developed in 2018/19 with \$20K Budget to be allocated each year from 2019/20. | 0% | 2019 | Ongoing |

| Outcome 1.9 Affordable, diverse and quality accommodation options for both residential and business. | | | | | | | | | |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|--------|-----------|----------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------|---------|
| 1.9.1 | Identify preferred sustainable use(s) and seek funding to redevelop the old Morawa Hospital. | HIGH | < 1 YEAR | HDWA | Office of CEO | Review whether capital funds are required in years 2-4 subject to Council's deliberations. | 15% | Commenced | 2019 |
| 1.9.2 | Investigate options and facilitate the development of a broader range of affordable and quality tourism accommodation. | LOW | < 5 YEARS | | Economic Development | Currently doing a Tourist Park Redevelopment Plan and consider becoming RV friendly. Facilitate partnerships with private operators re farmstay and B&B. Budget allocation in 2018/19 required for planning of \$10K and \$100K pa in subsequent years. | 30% | Commenced | 2019 |
| Outcome 1.10 Increased investment in transport networks. | | | | | | | | | |
| 1.10.1 | Secure funding to seal the Morawa airport. | HIGH | < 5 YEARS | MWDC, DOT, DRD, RFDS | Office of CEO | Work with potential private interests/partnerships and RADS. | 0% | 2022 | 2023 |
| 1.10.2 | Continue to lobby to widen and upgrade the Mullewa-Morawa section of the Wubin-Mullewa Rd. | HIGH | < 5 YEARS | MRWA | Office of CEO | Ensure continuation of funding in state budget for Main Roads completion. | 20% | Commenced | 2023 |
| 1.10.3 | Encourage multi-user activities of the Morawa aerodrome from within the aviation industry. | MEDIUM | Ongoing | | Economic Development | Usage somewhat limited subject to additional sealing. | Ongoing | Commenced | Ongoing |

Detailed Environment Strategies and Actions

| Ref # | Strategy | Priority | Timeframe | Key Partners | Responsible Department | Comments | % Complete | Commence | Completion |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------|-----------|--------------|------------------------|----------------------------------------------------------------|------------|-----------|------------|
| Outcome 2.1 Ensure natural resources are used efficiently and effectively. | | | | | | | | | |
| 2.1.1 | Greater communication, encouragement and promotion of recycling and recycling initiatives. | MEDIUM | Ongoing | | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 2.1.2 | Continue promotion and visitation of Karara Rangelands Park-Part of 1.2.4 | LOW | Ongoing | DER | Economic Development | New budget allocation required of \$5K pa, commencing 2018/19. | Ongoing | Commenced | Ongoing |
| 2.1.3 | Increase capacity of Town Dam to enable reuse greening initiatives. | LOW | Ongoing | WC, DOW | Economic Development | Opportunistic grants | 0% | 2023 | 2025 |
| 2.1.4 | Investigate opportunities for co-locating alternative energy opportunities. | MEDIUM | 5 YEARS | DER, DOH | Economic Development | Stakeholder engagement. | Ongoing | Commenced | Ongoing |
| Outcome 2.2 Enhance and promote rehabilitation of our native vegetation. | | | | | | | | | |
| 2.2.1 | Continue to manage feral flora and fauna. | HIGH | Ongoing | DER | Office of CEO | Contribution to the CWBA might be required in out years | Ongoing | Commenced | Ongoing |
| 2.2.2 | Rehabilitate, protect and conserve Shire controlled land, with greater emphasis on controlling Declared Pest Plants. | MEDIUM | Ongoing | | Works & Services | Ongoing | Ongoing | Commenced | Ongoing |
| 2.2.3 | Support and promote environmental management practices. | MEDIUM | Ongoing | | Works & Services | Ongoing | Ongoing | Commenced | Ongoing |

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|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------|----------|---------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|------|
| 2.2.4 | Undertake a Flora and Fauna Study. | LOW | 5 YEARS | DER | Office of CEO | Define intent and outcome - road reserves -v- Council reserves -v- DPAW -v- private. Budget allocation of \$50K required in 2021/22. | 0% | 2020 | 2022 |
| Outcome 2.3 A regional waste management solution to achieve zero landfill. | | | | | | | | | |
| 2.3.1 | Review and update Waste Management Strategy and Identify regional locations for waste collection. | HIGH | < 1 YEAR | SOP | Office of CEO | In conjunction with regional partners and grants. Budget allocation required in 2020/21 \$50K. | 15% | Commenced | 2022 |
| 2.3.2 | Investigate commercial opportunities to receive and process externally sourced liquid and solid waste. | MEDIUM | 5 YEARS | SOP, DER, DOH | Office of CEO | Project stalled as financially unviable at present. Approach Water Corp re waste solutions. | 0% | 2020 | 2023 |

Detailed Social Connection Strategies and Actions

| Ref # | Strategy | Priority | Timeframe | Key Partners | Responsible Department | Comments | % Complete | Commence | Completion |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------|--------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|------------|
| Outcome 3.1 Services and facilities that meet the needs of the community. | | | | | | | | | |
| 3.1.1 | Support the provision of adequate GP services, Dental, Allied Health and the role of NDIS and aged persons support. | HIGH | Ongoing | DoHA, WAH | Corp & Comm Services | Existing \$80K Budget allocation pa to be continued. | Ongoing | Commenced | Ongoing |
| 3.1.2 | Support and implement the NMEITA strategy and 10 Year Education Master Plan (refer to 1.2.7). | HIGH | < 1 YEAR | NMEITA | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 3.1.3 | Advocate and support the maintenance of adequate police and emergency services. | HIGH | Ongoing | FESA, WAP | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 3.1.4 | Continue to operate and resource the Morawa Youth Centre. | MEDIUM | Ongoing | DC, DSR, DCA | Corp & Comm Services | New dedicated employee commencing 2018/19. CDO moving from 0.3 to 1.0, adjustment of existing vacancies / programs to accommodate. | Ongoing | Commenced | Ongoing |
| 3.1.5 | Advocate ad continue to support the Morawa Community Resource Centre. | HIGH | Ongoing | DLG | Corp & Comm Services | Existing \$2K allocation required each year. | Ongoing | Commenced | Ongoing |
| 3.1.6 | Continue to provide Department of Transport Licensing Services. | LOW <u>MEDIUM</u> | Ongoing | DOT, WAP | Corp & Comm Services | Ongoing | Ongoing | Commenced | Ongoing |
| 3.1.7 | Continue to support the visiting Vet Services. | MEDIUM | <2 YEARS | | Corp & Comm Services | Existing \$2K allocation required in each second year. | Ongoing | Commenced | Ongoing |

| Outcome 3.2 Respect our cultural, indigenous and heritage assets. | | | | | | | | | |
|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------|-----------|---------------------------|------------------------------------------------------------------------------------------------------|---------|-----------|---------|
| 3.2.1 | Support to community activities and events. | HIGH | Ongoing | DCA, TWA | Corp & Comm Services | Existing allocation of approx. \$20K pa required. | Ongoing | Commenced | Ongoing |
| 3.2.2 | Develop a Reconciliation Action Plan (RAP) thorough high level community engagement. | MEDIUM | <2 YEARS | DOP, MWDC | Corp & Comm Services | \$10K Budget required in 2020/21 onwards | 0% | 2021 | 2022 |
| 3.2.3 | Explore opportunities and grants to appropriately repurpose heritage assets. | MEDIUM | Ongoing | HCWA | Economic Development | MHI 2018/19 - \$25K Budget required in 2018/19. | 0% | 2018 | 2019 |
| Outcome 3.3 Retain a safe environment. | | | | | | | | | |
| 3.3.1 | Continue to support visiting ranger services. | MEDIUM | Ongoing | MWRC | Develop. Services & Admin | Ongoing | Ongoing | Commenced | Ongoing |
| 3.3.2 | Develop a Public Health Plan. | LOW MEDIUM | <5 YEARS | HWA | Develop. Services & Admin | New - funds required in 2019/2022 of \$30K and /or utilise expertise of ToVP. | 0% | 2022 | 2023 |
| Outcome 3.4 A wide range of regional events. | | | | | | | | | |
| 3.4.1 | Continue to support Morawa Biannual Arts Awards and Exhibition. | HIGH | Ongoing | DCA | Economic Development | Existing net allocation of approx. \$20K pa required. | Ongoing | Commenced | Ongoing |
| 3.4.2 | Work with the community to develop and promote a community events calendar and plan with a unique or iconic event. | MEDIUM | Ongoing | | Economic Development | Indicative \$25K Budget required as seed funding in 2019/20 subject to defining intent and outcomes. | 0% | 2018 | 2019 |
| Outcome 3.5 Improved and well maintained community, recreational and civic infrastructure. | | | | | | | | | |
| 3.5.1 | Maintain community recreational and civic infrastructure in accordance to the Shire Asset Management Plans. | HIGH | Ongoing | | Works & Services | Ongoing | Ongoing | Commenced | Ongoing |

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|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------|-----|----------------------|--------------------------------------------------------------------------|---------|-----------|---------|
| 3.5.2 | Continue to implement the Sport/Recreation Master Plan to ensure Morawa recreation assets are sub-regional centre standard. | HIGH | Ongoing | DSR | Corp & Comm Services | \$50K required pa for matching grants in each Budget commencing 2018/19. | Ongoing | Commenced | Ongoing |
| Outcome 3.6 Promote and support a Healthy Community. | | | | | | | | | |
| 3.6.1 | Explore repurposing of the former Shire Chambers into a precinct for appropriate future use. <u>Part of 1.7.3</u> | HIGH | <2 YEARS | | Economic Development | New | 15% | Commenced | 2019 |
| 3.6.2 | Explore and implement outdoor gymnasium equipment. | Low | <4 YEARS | DSR | Corp & Comm Services | \$40K required for matching grants in 2021/22 Budget. | 0% | 2020 | 2021 |
| Outcome 3.7 Support an Inclusive Community. | | | | | | | | | |
| 3.7.1 | Welcome and support new community members through appropriate activities and events. | HIGH | Ongoing | OMI | Corp & Comm Services | \$2K required pa in each Budget commencing 2018/19. | Ongoing | Commenced | Ongoing |
| 3.7.2 | Encourage groups and activities that provide opportunities to come together and socialise, taking into account diversity and age. <u>Part of 3.1.4</u> | HIGH | Ongoing | | Corp & Comm Services | Tie in with CDO role | Ongoing | Commenced | Ongoing |
| 3.7.3 | Encourage activities and strategies that encourage children to be more engaged in community activities. <u>Part of 3.1.4</u> | MEDIUM | Ongoing | | Corp & Comm Services | Tie in with CDO role | 0% | 2018 | Ongoing |

Detailed Leadership & Governance Strategies and Actions

| Ref # | Strategy | Priority | Timeframe | Key Partners | Responsible Department | Comments | % Complete | Commence | Completion |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------|--------------|------------------------|-----------------------------------------------------------------|------------|-----------|------------|
| Outcome 4.1 A well informed, connected and engaged community that actively participates. | | | | | | | | | |
| 4.1.1 | Continue to produce the Snippets and develop ways of communicating and interacting more effectively. | HIGH | Ongoing | | Office of CEO | \$2K required pa in each Budget commencing 2018/19. | Ongoing | Commenced | Ongoing |
| 4.1.2 | Implement the communications and engagement plan and framework in all major initiatives. | HIGH | Ongoing | | Office of CEO | New | Ongoing | Commenced | Ongoing |
| 4.1.3 | Develop and implement community development, governance and marketing strategies in the Growth Plan. | MEDIUM | Ongoing | MWDC, DRD | Office of CEO | Review Strategies in Growth Plan. | 0% | 2019 | 2020 |
| 4.1.4 | Effectively utilise social engagement platforms such as Facebook to engage in a timely and efficient manner. | | | | Office of CEO | \$1K required pa in each Budget commencing 2018/19. | Ongoing | Commenced | Ongoing |
| Outcome 4.2 Existing strong community spirit and pride is fostered and encouraged. | | | | | | | | | |
| 4.2.1 | Continue to administer the Morawa Future Fund. | HIGH | Ongoing | SMC | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 4.2.2 | Support leaderships / youth development programs through the Morawa Youth Centre. | HIGH | Ongoing | DC, DSA, DCA | Corp & Comm Services | CDO initiatives. | 0% | 2019 | Ongoing |
| 4.2.3 | Continue to acknowledge and support volunteers and provide access to tools and information such as through the government site https://www.dsr.wa.gov.au/clubs . | HIGH | Ongoing | DC | Corp & Comm Services | Shared Club DO \$20K pa no longer - available for reallocation. | Ongoing | Commenced | Ongoing |

| Outcome 4.3 A local government that is respected, professional and accountable. | | | | | | | | | |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------|---------|---------------|---------------------------|---------|---------------------------------------------------------------------------------------|-----------|---------|
| 4.3.1 | Provision of professional training and development opportunities for Councillors. | MEDIUM | Ongoing | DLGSCI, WALGA | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 4.3.2 | Undertake annual customer satisfaction and feedback surveys. | HIGH | Ongoing | | Economic Development | Ongoing | In-house | 2019 | Ongoing |
| 4.3.3 | Maintain a high standard of customer service and record keeping. | HIGH | Ongoing | | Corp & Comm Services | Ongoing | Develop Customer Service Charter aligned with values. | Commenced | Ongoing |
| Outcome 4.4 Strong regional partnerships with government and industry. | | | | | | | | | |
| 4.4.1 | Deliver services as a sub-regional hub for the North Midlands. | HIGH | Ongoing | MWDC, NMLGA | Economic Development | Ongoing | Currently deliver road sweeping services and look to expand into other opportunities. | Commenced | Ongoing |
| Outcome 4.5 Long term financial viability. | | | | | | | | | |
| 4.5.1 | Maintain a Financial Health Indicator (FHI) score within acceptable benchmarks | HIGH | Ongoing | DLGSCI | Corp & Comm Services | Ongoing | Ongoing | Commenced | Ongoing |
| 4.5.2 | Continue to assess quality and usage of the Shire's services, facilities and assets. <u>Part of 4.3.2</u> | MEDIUM | Ongoing | | Develop. Services & Admin | Ongoing | Results from Customer Service Survey and develop service level statistics. | Commenced | Ongoing |

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|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|---------|--------|---------------|------------------------------------------------------|-----|-----------|------|
| 4.5.3 | Ensure currency of all required IPRF documents including Assets Management Plans, Plant Replacement Programs, Corporate Business Plans and Long Term Financial Plans. | HIGH | Ongoing | DLGSCI | Office of CEO | \$15K required pa in each Budget commencing 2018/19. | 60% | Commenced | 2019 |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|---------|--------|---------------|------------------------------------------------------|-----|-----------|------|

Outcome 4.6 Attract and retain quality staff.

| | | | | | | | | | |
|-------|-----------------------------------------------------------------------------------------------------|--------|-------------|---------------|---------------|-------------------------------------------------------|---------|-----------|---------|
| 4.6.1 | Continue to provide staff training and development. | HIGH | Ongoing | DLGSCI, WALGA | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 4.6.2 | Provide quality affordable rental housing for staff. | MEDIUM | Ongoing | DOH | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |
| 4.6.3 | Provide traineeships and workforce re-entry programs within the Shire. | HIGH | Ongoing | WALGA | Office of CEO | \$70K pa required in each Budget, commencing 2018/19. | 0% | 2018 | Ongoing |
| 4.6.4 | Develop a staff attraction and retention strategy. | HIGH | 1 – 2 YEARS | WALGA | Office of CEO | New | 0% | 2018 | 2019 |
| 4.6.5 | Provision of appropriate professional development opportunities for Staff. Part of 4.6.1 | HIGH | Ongoing | WALGA, NMLGA | Office of CEO | Ongoing | Ongoing | Commenced | Ongoing |

Overview of Programs and Sub-Programs

The table following this page details the corresponding income, expenditure and full time equivalent employees (FTEs) required to service the relevant Program and Sub-Program *in each year* (per annum or PA) of the 4 year Plan.

- Sub-Programs are based on the Departments of Local Governments required reporting structure. Details of what is contained in each Sub-Program can be found on pages 59-71 of the WA Local Government Accounting Manual [here](#). Note that the Shire of Morawa does not necessarily have facilities or perform services in every Sub-Program, and where that is the case, expenditure and / or employee resources required, are disclosed as 0.
- Estimates are based on the 2017/18 Budget, Long Term Financial Plan and service levels and facilities being retained similar to 2017/18 levels.
- All estimates are expressed in 2018 dollars and for simplicity are not adjusted for inflation over the life the Plan.
- Capital expenditure, where required, is not listed separately, but included under the heading 'Expenditure'.
- Significant variations of expenditure may occur from year to year within a Sub-Program predominantly due to asset expansion or renewal expenditure.
- The Total Full Time Employees (FTEs) listed against each of the Sub-Programs, when added to the FTE's associated with the 87 strategies, makes up the full employment resource required for each year of the Plan (that is: 24.0).
- The estimated Net Cost PA can fluctuate from year to year due to variations in Capital Expenditure.
- Where the figure has a leading negative symbol (-), in the Net Cost PA column, it indicates that the Sub-Program generates income greater than the cost of providing or producing the facility/service(s).
- Notewell that the expenditure column includes 'non-cash' asset depreciation expenses.

Detailed Programs and Sub-Programs

| 11 Programs | 59 Sub-Programs | Est. Income PA | Est. Exp PA | Est. Net Cost PA | Responsible Department | Comments (relating to the life of the Plan) | F T E |
|----------------------------|---------------------------------------------------|----------------|-------------|------------------|---------------------------|--------------------------------------------------------------------------|-------|
| General Purpose Funding | Rates | \$1,832,145 | \$170,621 | \$1,661,524 | Corp & Comm Services | 2% increase pa | 0.25 |
| | Other General Purpose Funding | \$1,682,322 | \$14,781 | \$1,667,541 | Corp & Comm Services | Stable | 0.10 |
| Governance | Members of Council | \$70,010 | \$512,386 | \$442,376 | Office of CEO | Stable | 0.60 |
| | Administration (Other Governance) | \$- | \$125,950 | \$125,950 | Develop. Services & Admin | Vic. Park MOU, Complying IPRF | 1.40 |
| Law, Order & Public Safety | Fire Prevention | \$22,905 | \$46,605 | \$23,700 | Develop. Services & Admin | Stable - shared CFESM continuing | 0.15 |
| | Animal Control | \$3,325 | \$37,281 | \$33,956 | Develop. Services & Admin | Stable - contracted services | 0.13 |
| | Other Law, Order & Public Safety | \$- | \$- | \$- | Develop. Services & Admin | Stable | 0.10 |
| Health | Maternal & Infant Health | \$- | \$755 | \$755 | Not applicable | Not applicable | 0.00 |
| | Preventative Services - Immunisation | \$- | \$- | \$- | Not applicable | Not applicable | 0.00 |
| | Preventative Services - Meat Inspection | \$350 | \$350 | \$- | Develop. Services & Admin | Stable - contracted services | 0.10 |
| | Preventative Services - Health Admin & Inspection | \$- | \$6,190 | \$6,190 | Develop. Services & Admin | Stable, new Health & Wellbeing Plan, continuation of contracted services | 0.10 |

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|--|-------------------------------------------|-----------|-----------|-----------|---------------------------|---------------------------|----------------|--|------|
| | Preventative Services - Pest Control | \$- | \$5,404 | \$5,404 | \$5,404 | Works & Services | Stable | | 0.00 |
| | Preventative Services - Other | \$- | \$- | \$- | \$- | Not applicable | Not applicable | | 0.00 |
| | Other Health | \$5,000 | \$19,094 | \$14,094 | Office of CEO | Stable | Stable | | 0.12 |
| | Pre-Schools | \$550,000 | \$557,293 | \$7,293 | Develop. Services & Admin | Stable | Stable | | 0.00 |
| | Other Education | \$- | \$- | \$- | Office of CEO | Stable | Stable | | 0.00 |
| | Care of Families & Children | \$2,000 | \$31,010 | \$29,010 | Develop. Services & Admin | Stable | Stable | | 0.05 |
| | Aged & Disabled - Senior Citizens Centres | \$- | \$- | \$- | Not applicable | Not applicable | Not applicable | | 0.00 |
| | Aged & Disabled - Meals on Wheels | \$- | \$- | \$- | Not applicable | Not applicable | Not applicable | | 0.00 |
| | Aged & Disabled - Other | \$87,297 | \$114,198 | \$26,901 | Develop. Services & Admin | Stable | Stable | | 0.00 |
| | Other Welfare | \$131,899 | \$210,701 | \$78,802 | Corp & Comm Services | Youth Services increasing | Stable | | 0.30 |
| | Staff Housing | \$2,250 | \$205,881 | \$203,631 | Develop. Services & Admin | Stable | Stable | | 1.00 |
| | Housing Other | \$58,214 | \$126,451 | \$68,237 | Develop. Services & Admin | Stable | Stable | | 0.20 |
| | Sanitation - Household | \$102,140 | \$363,885 | \$261,745 | Develop. Services & Admin | Stable | Stable | | 0.20 |
| | Sanitation - Other | \$77,760 | \$101,434 | \$23,674 | Develop. Services & Admin | Stable | Stable | | 0.10 |
| | Sewerage | \$330,691 | \$245,421 | -\$85,270 | Works & Services | Stable | Stable | | 0.50 |
| | Urban Stormwater Drainage | \$- | \$9,902 | \$9,902 | Works & Services | Stable | Stable | | 0.20 |
| | Protection Environment | \$- | \$- | \$- | Not applicable | Not applicable | Not applicable | | 0.00 |
| | Town Planning & Regional Development | \$3,000 | \$35,572 | \$32,572 | Develop. Services & Admin | New TPS and LPS | | | 0.10 |
| | Other Community Amenities | \$150,500 | \$255,619 | \$105,119 | Develop. Services & Admin | Stable | Stable | | 0.30 |

| | | | | | | | |
|----------------------|------------------------------------------|-------------|-------------|-------------|---------------------------|----------------|------|
| Recreation & Culture | Public Halls, Civic Centres | \$2,000 | \$148,489 | \$146,489 | Develop. Services & Admin | Stable | 0.20 |
| | Swimming Areas & Beaches | \$53,000 | \$317,452 | \$264,452 | Develop. Services & Admin | Stable | 1.20 |
| | Other Recreation & Sport | \$14,014 | \$676,952 | \$662,938 | Works & Services | Stable | 2.20 |
| | Television & Radio Re-Broadcasting | \$- | \$3,169 | \$3,169 | Not applicable | Not applicable | 0.00 |
| | Libraries | \$200 | \$25,866 | \$25,666 | Corp & Comm Services | Stable | 0.10 |
| | Heritage | \$- | \$- | \$- | Develop. Services & Admin | Stable | 0.10 |
| | Other Culture | \$- | \$71,955 | \$71,955 | Develop. Services & Admin | Stable | 0.10 |
| | Streets, Roads, Bridges, Depots | \$1,023,772 | \$3,164,839 | \$2,141,067 | Works & Services | Stable | 6.40 |
| | Road Plant Purchases | \$- | \$108,412 | \$108,412 | Works & Services | Stable | 0.20 |
| | Parking Facilities | \$- | \$2,853 | \$2,853 | Works & Services | Stable | 0.10 |
| Transport | Traffic Control (DOT)(Vehicle Licensing) | \$18,500 | \$54,547 | \$36,047 | Corp & Comm Services | Stable | 0.40 |
| | Aerodromes | \$60,422 | \$82,348 | \$21,926 | Works & Services | Stable | 0.30 |
| | Water Transport Facilities | \$- | \$- | \$- | Not applicable | Not applicable | 0.00 |
| | Rural Services | \$- | \$29,688 | \$29,688 | Works & Services | Stable | 0.30 |
| | Tourism & Area Promotion | \$190,110 | \$384,417 | \$194,307 | Economic Development | Stable | 2.00 |
| | Building Control | \$4,055 | \$30,389 | \$26,334 | Develop. Services & Admin | Stable | 0.20 |
| | Saleyards & Markets | \$- | \$- | \$- | Not applicable | Not applicable | 0.00 |
| | Plant Nurseries | \$- | \$- | \$- | Not applicable | Stable | 0.00 |
| | Economic Development | \$270,852 | \$434,403 | \$163,551 | Economic Development | Stable | 1.70 |
| | Public Utility Services | \$- | \$- | \$- | Not applicable | Not applicable | 0.00 |
| Economic Services | | | | | | | |
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| | Other Economic Services | \$10,000 | \$64,393 | \$54,393 | Develop. Services & Admin | Stable | 0.10 |
| | Private Works | \$30,000 | \$36,294 | \$6,294 | Works & Services | Stable | 0.50 |
| | Admin Overheads | \$159,184 | \$30,482 | -\$128,702 | Corp & Comm Services | Stable | 0.10 |
| | Public Works Overheads | \$9,000 | \$93 | -\$8,907 | Works & Services | Stable | 0.00 |
| | Plant Operation Costs | \$40,000 | \$- | -\$40,000 | Works & Services | Stable | 1.10 |
| | Salaries & Wages | \$- | \$- | \$- | Office of CEO | Stable | 0.70 |
| | Business Unit Operations | \$- | \$- | \$- | Not applicable | Not applicable | 0.00 |
| | Unclassified | \$1,000 | \$- | -\$1,000 | Not applicable | Not applicable | 0.00 |
| | Town Planning Schemes | \$- | \$- | \$- | Not applicable | Not applicable | 0.00 |
| | Totals | \$6,997,917 | \$8,863,825 | \$1,865,908 | | | 24.00 |

Other Property & Services

Program Delivery

The Corporate Business Plan includes a Delivery Program with require specific project plans and actions for the work to be achieved in the next four years. Not all will necessarily be commenced nor completed, in the next four years, but all have been included to assist the annual review process in being able to either re-prioritise, or indeed bring new projects on line as other projects are completed.

The projects refer specifically to projects or programs that are the responsibility of Council to implement, in conjunction with key partners. Other projects that will be implemented in the Shire, but are not being managed by the Shire, are also mentioned but apart from officer time in advocacy or support, do not necessarily require budgeted dollars.

The Projects are linked to Objectives under the Strategic Community Plan and the Programs and Sub-Programs are the core business of the Shire. Together they form the total development and core program for the Shire. The categories under the Strategic Plan are:

1. Economic
2. Environment
3. Social
4. Community Leadership

All outcomes detailed in the Strategic Community Plan have a corresponding and matching Project or Program area. This is shown by the Strategic Community Plan link in the project box in each project or program plan. Some outcomes in the Strategic Community Plan are very general, and some of those have been grouped together into project areas to be achieved in a grouped program.

Resource Capability

This Plan for the Shire reflects the changes post the demise of the SuperTowns Project and declining access to grants, following tightening of the State's 'fiscal belt'. Some of the projects from the Strategic Community Plan are beyond the current capacity of the Shire to achieve with current resourcing, so have been noted as future priorities and that will need to be reviewed in subsequent revisions of this document, or brought forward if external funding becomes available. The net result of this approach is the overall resources required to implement the Corporate Business Plan (CBP) across the next four years are within the capacity of existing staff resources.

The Full Time Equivalent (FTE) requirements for 2018/2019 to 2022/2023 to implement this plan are:

- CBP Projects – Existing employees levels
- Program & Sub-Program Areas – 24.00.

These estimated FTE's are within current staffing allocations. The Plan will be able to be delivered within current capacities. There are therefore no new workforce requirements created by this plan, although it is acknowledged that the Plan highlights an increasing desire to move into support of young persons (youth) and also by looking at the introduction of a rolling trainee program in relevant areas. These will be subject to specific Budget deliberation of the Council in each Budget year and may be partly available to be resourced and coordinated with and from existing program areas.

Key issues for the Shire are the key person dependencies created by the flat and small staff structure. This will create challenges for the Shire in managing succession planning for key roles.

This to some extent is intended to be overcome with the recent signing of an Memorandum of Understanding (MOU) with the Town of Victoria Park to share expertise in speciality areas. This will also need to be addressed in more detail in subsequent revisions of the Workforce Plan for the Shire.

The financial requirements outlined in the plan indicate that the Plan is achievable with a *discretionary* 'spend' on priority Strategies and Outcomes required in Year 1 (2018/19) of the Plan being approximately \$300,000.

This sum is somewhat of a 'stretch' target to existing discretionary levels of expenditure, based on the established base year Budget of 2017/18.

The Plan is predicated on an average rate revenue increase of 2% per annum, generally in line with cost price indices for local government in the present economic outlook and fiscally constrained environment.

Physical Assets of the Shire

Council provides a range of infrastructure, land and building and other assets to enable services to be delivered to the community.

This plan covers the following assets:

- Roads comprising roadways (974 km);
- culverts (324), railway crossings (15);
- road signs (727), floodways (115); and
- footpaths (13.8 km) and kerbing.

Buildings comprising:

- Council/ depot (3)
- Public/civic (10); and
- Housing (19).

Other assets covering:

- Recreation (5);
- Public/civic (4);
- Vehicles, Furniture, Plant & Equipment; and
- Airport (2).

What does it Cost?

There are two key indicators of cost to provide the services.

- The life cycle cost being the average cost over the life cycle of the asset; and
- The total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years covered by Council's long term financial plan.

The life cycle cost to meet the existing need of Council's infrastructure assets is estimated currently at \$2,2M per annum, excluding extraneous activities such as one off flood damage events and the cost of inflation. Meeting this level of spending would then enable both the asset renewal and asset sustainability ratio's to achieve an acceptable standard of at least 1.0. Over the life of this Plan, the aim is to move towards achieving that benchmark target. This will require efficiencies in operations to be found and those savings covered into asset preservation in the first 4 years of the Corporate Business Plan, rather than expansion or enhancement necessarily.

Operational Risk Assessment

The following section outlines key systems, processes and resources of the Shire and assesses the current risks to those areas and proposes mitigation measures to be adopted where impact is high.

| Risk | Assessment of Risk | Impact | Mitigation |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Asset Base | Depreciating asset base which cannot be maintained on revenue base. | MEDIUM Long term the Shire will face increasing challenges to develop new infrastructure or community projects and maintain existing assets. | Rationalise existing asset base at every opportunity and only add high value projects that deliver clear outcomes, including revenue generation opportunities. Continue to invest in regional processes that optimise revenue base of the Shires in the region. |
| Project Management | Projects are managed by staff based upon individual systems and there is no consistent project management system in place | HIGH Projects need to be fully planned to enable most efficient work flows within organisation and community. | Continue to develop Project Management Training for required staff. Implement electronic project management system and ensure all projects are managed through system. |
| Stakeholder Management System | Stakeholders are managed by Key staff and Councillors through on going communication, without a clear managed process. | MEDIUM The current system works as the organisation is small, however increasing the project load will cause the current system to be put under pressure. Loss of any individual will cause loss of key relationships. | Stakeholder relationships to be managed through an electronic management system which records interactions, relationships and follow-up actions required. |
| ICT system | Current ICT system is sufficient for current resourcing. | MEDIUM ICT systems can quickly reach their tipping point, and the functionality of new technology can greatly enhance workforce productivity. | Monitor effectiveness and remote access and communication systems between staff and Councillors. |

| | | | |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| HR Processes | Succession Planning challenging due to size of organisation. Attraction and retention of key staff has been difficult in the region. Active Performance management is required to build the organisational culture that is desired. | HIGH Having the right team is critical to any successful organisation. Building that team over time and retaining key skill sets will be essential to build efforts to increase productivity. | Introduce a formalised mentoring approach that supports strong HR management at Senior levels. Implement excellent HR systems. Build the regional workforce in roles that are best delivered at that level. Provide flexible working arrangements for staff, and ensure childcare is provided in the community. |
| Workforce Planning and Cost Modelling | Key cost of organisation is labour cost and work utilisation of all roles difficult to assess, hence make cost control difficult to implement. | HIGH Some roles can be over-utilised and some under and without appropriate work force planning the mismatch is difficult to detect or remedy. | Effective job planning, detailed job descriptions, and monitoring or work output to be implemented to ensure over and under productivity can be managed. |
| Skills Development | Skills gaps and development to overcome gaps could be a risk. | MEDIUM Over reliance on key staff and consequent burn-out and low morale | A broader based set of skills can be developed in the organization to ensure key person dependency is lessened. |
| Workforce | Capacity to develop a high performing organisation that is highly productive and utilises the core staff cost to the best outcome for the community. | HIGH High performing parts of any organisation are affected by lower performance and the culture is set by the “lowest bar” over time. Building a high performance culture is a function of good systems, modelling behaviour and consistent leadership. | Implement systems to monitor work output and measure performance of all staff. All Senior Staff to display values that show productivity and effectiveness is critical. Ensure staff understand staff costs to community outcomes is important to Council. |
| Council | The task of balancing fiscal responsibility and responding to the community is a key risk for Council. | HIGH Ongoing good leadership is critical within the Council group, as cohesive responsible decision making will be. | Community expectations about what Council can deliver need to be managed. All consultation processes need the clear context of the fiscal responsibility required by the Shire. |

Internal Analysis

Required improvements

The following proposed improvements for the internal management of the Shire will support the core goals of developing the community and improving financial sustainability. They relate to the mitigation measures outlined in the risk analysis.

- Invest in electronic data management systems that protect data integrity against individual work practices, establish Standard Operating Procedures and monitor their implementation. All staff to be trained in the system.
- Implement electronic project management system and ensure all projects are managed through the system.
- Stakeholder relationships to be managed through an electronic management system which records interactions, relationships and follow-up actions required.
- Monitor effectiveness and remote access and communication systems between staff and Councillors.
- Introduce a formalised mentoring approach that supports strong HR management at Senior levels.
- Implement excellent HR systems.
- Utilise the MOU with the Town of Victoria Park to deliver mutual benefits, particularly in best practice and performance systems.
- Provide flexible working arrangements for staff, and ensure childcare is provided in the community.
- Effective job planning, detailed job descriptions, and monitoring or work output to be implemented to ensure over and under productivity can be managed.
- Implement systems to monitor work output and measure performance of all staff. All Senior Staff to display values that show productivity and effectiveness is critical.
- Ensure staff understand staff costs to community outcomes are critical to the community and Council.
- Rationalise existing asset base at every opportunity and only add high value projects that deliver clear outcomes, including revenue generation opportunities.
- Continue to invest in regional processes that optimise revenue base of the Shires in the region.

Measuring Our Success

The aim of this Plan is to align the community's visions and aspirations for the future to the Shire's objectives and resultant strategies and plans. These objectives will be measured by both quantifiable and non-quantifiable outcomes. The Shire will use the following two *primary* types of measures, to identify how we progress towards our objectives.

Community Satisfaction

As part of the formulation of this plan, the community was asked to provide feedback on the importance of existing services and facilities provided, and the level of satisfaction with these services and facilities.

By initiating annual community satisfaction surveys, the Shire will obtain an indication of ongoing community satisfaction levels to guide the prioritisation of the delivery of this plan and to ensure continual alignment and, importantly, comparing over time with our own improvements, and hopefully benchmark partners and peers.

Key Performance Measures

Key performance measures will be monitored and reported, which will then be able to provide an indication as to what extent the Shire is meeting the stated objectives. A combination of measures will be developed by the Shire, along with a base level and target level for each measure. In time, it is hoped that many of these will be able to be benchmarked against industry peers.

An example of some of the measures which will be used for each objective is provided in the table.

| Pillars | Objectives | Key Performance Measures |
|------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Economic | A diverse, resilient and innovative economy. | <ul style="list-style-type: none"> Population statistics No. of business licences Vacancy rates (business and residential) No. of building approvals |
| Environment | Protect and enhance the natural environment. | <ul style="list-style-type: none"> Percentage of waste placed in landfill Energy usage statistics Revegetation initiatives undertaken Incidence of feral animals |
| Social Connection | A community that is friendly, healthy and inclusive. | <ul style="list-style-type: none"> Crime rates Community participation rates Community satisfaction levels No. of community & cultural events |
| Leadership & Governance | A connected community with strong leadership. | <ul style="list-style-type: none"> Financial ratios Long-term financial viability Asset sustainability ratios Employee retention levels |

Review Requirements

This Corporate Business Plan is required be reviewed, modified and adopted (by an absolute majority decision of the Council) each and every year, pursuant to regulation 19DA of the Local Government (Administration) Regulations 1996.

Therefore, this Plan should be subject to a review prior to the 2019/20 Budget.



References & Acknowledgements

The Shire of Morawa Corporate Business Plan 2018 - 2022 has been developed through compilation of a number of reports, including the inaugural Plan, the 2016 Update and a workshop with the Chief Executive Officer and Senior Staff of the Shire.

Much of the information contained in this Plan has been derived from documents in the public domain and in liaison with key stakeholders via community and specific focus group workshops.

We have also made reference to the following key informing strategies and documents, or other sources and documents, during the preparation of the plan:

| | |
|------------------------------------------------------------------------------|------------------------------------------------------|
| Shire of Morawa Strategic Community Plan 2018 - 2028 | Shire of Morawa Corporate Business Plan Update 2016 |
| Shire of Morawa Community Profile - a Snapshot December 2017 | North Midlands Economic Development Strategy 2012 |
| .id The Population Experts. | Morawa SuperTown Growth and Implementation Plan 2012 |
| Shire of Morawa Corporate Business Plan 2013 | Midwest Regional Blueprint 2050 (produced 2015) |
| Shire of Morawa, Morawa Prospectus 2012 | Midwest Investment Plan 2011 |
| Shire of Morawa Long Term Financial Plan 2016 (Draft) | Midwest Innovation Agenda 2016 |
| Shire of Morawa Disability Access & Inclusion Plan 2013-2019 (reviewed 2014) | Midwest Tourism Development Strategy 2014 |
| Shire of Morawa Tourism Development Strategic Plan 2012-2017 | Midwest Digital & Communication Strategy |
| Morawa Sport & Recreation Masterplan 2011 | WA Master Bike Strategy 2015-2020 |
| Shire of Morawa Envisio Corporate Planning Status Report February 2018 | ABS Census Data 2016, 2011 |
| Shire of Morawa Local Planning Scheme No.2 | Morawa Regeneration Findings Report 2017 |
| Shire of Morawa Workforce Plan 2013-2017 | Morawa Regeneration Report 2017 |
| Shire of Morawa Asset Management Plans 2011 | North Midlands Economic Development Strategy 2012 |
| Shire of Morawa Annual Budget 2017/18 | Morawa SuperTown Growth and Implementation Plan 2012 |
| Shire of Morawa Plan for the Future Facilitation Report 2010 | Midwest Regional Blueprint 2050 (produced 2015) |
| Shire of Morawa Annual Report 2016/17 | 10 year Education & Training Masterplan 2016 |

Disclaimer

This report has been prepared for the purposes set out in the brief and scope engagement agreed between the Shire of Morawa and LG Services WA.

Any reliance placed by a third party on this report is that party's sole responsibility. The information contained herein is believed to be reliable and accurate, however, no guarantee is given as to its accuracy and reliability, and no responsibility or liability for any information, opinions or commentary contained herein, or for any consequences of its use, will be accepted by LG Services WA, nor any members or by any person involved in the preparation of this report.

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| <i>Item No/ Subject:</i> | 7.2.1.2 Morawa Regeneration Project – Budget |
| <i>Date of Meeting:</i> | 19 July 2018 |
| <i>Date & Author:</i> | 9 July 2018 – Chris Linnell |
| <i>Responsible Officer:</i> | Chris Linnell – Chief Executive Officer |
| <i>Applicant/Proponent:</i> | Chris Linnell |
| <i>File Number:</i> | ED.PRJ.12 |
| <i>Previous minute/s & Reference:</i> | Ordinary Council Meeting – 20 September 2018 Item 12.1.2 - Resolution 1708013 |

SUMMARY

The purpose of this report is to seek approval from Council to further support the implementation of the Regeneration Morawa Project by way of budget allocation.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Attachment 1 – 7.2.1.2a Morawa Regeneration Project Report

BACKGROUND INFORMATION

In September 2017 the Shire of Morawa engaged Farmbiosis and JoynerSlot Consulting to undertake work towards the Morawa Regeneration Project, which is initially focused on population stability but includes opportunity for growth in the district.

The first part, or Stage 1, of this project involved the following key areas:

Phase 1 – Community and Business Workshops and Meetings

Objective – to meet and understand the broader Morawa community and assess their appetite and ‘buy in’ for a Morawa Regeneration project. To identify key stakeholders to drive the project and assess the ‘entrepreneurial’ spirit for innovative projects. To ascertain interest in, and commitment to, community regeneration initiative and how the current activities of the group/s might intersect with regeneration activities.

Phase 2 – Business Research – local businesses

Objective – identify opportunities/gaps for new business. This is timely as it coincides with the newly appointed Economic Development Manager.

Phase 3 – Council Workshop

Objective - present findings and work through with Council priority projects and timeline. Establish 'steering group'. Create enabling environment. Strategise partnerships – government agencies and departments, Karara Mining, MEEDAC.

The full report from the consultants was presented to a Council workshop in December 2017 outlining the findings from this work and highlighting opportunities as well as identifying 'orchestrators' or 'ambassadors' of change. – Attachment 1.

OFFICER'S COMMENT

Since the report to Council in December the resourcing of this project has been scaled back to a minimum. The rationale for this approach was twofold. Firstly, the budget allocation towards this project was close to being spent and quotes from Farmbiosis and JoynerSlot Consulting to support its continuation pushed cost well past current budget allocation. Secondly, other higher priorities needed resource allocation for the Shire to be compliant, such as the finalisation of the Strategic Community Plan (SCP).

With the SCP now completed and the Corporate Business Plan close to adoption it is timely to refocus on the Regeneration Morawa Project.

As highlighted earlier in this report the current consultant's work has captured the outcomes from the engagement process. Moving forward the Shire needs to develop an Action Plan that can clearly highlight initiatives that are bold, sustainable and support more than one outcome, along with the 'orchestrators' or 'ambassadors' of change that can champion these initiatives.

With the 2018/19 budget being considered by Council in August 2018 it is recommended that funding of \$100,000 be allocated from reserve to support the continuation of the Morawa Regeneration Project. As mentioned in the consultant's report '*The challenge is to be bold and support ideas that are sustainable, support more than one outcome and have the capacity to build on existing initiatives*'.

An allocation from reserve is the only practical means of continuing with the project as the discretionary budget is committed with planning projects. It will also show the community the Council's commitment to the vision of Regeneration Morawa; population stability with opportunity for growth.

COMMUNITY CONSULTATION

Significant engagement was undertaken during Stage 1 of the Regeneration Morawa Project.

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

It is recommended that \$100,000 is allocated from Community Development Reserve (*to be used for Community Projects within the Shire of Morawa*) to support the Regeneration Morawa Project. The budget would be allocated over two areas. The first area would see \$30,000 utilised to continue the use of independent professional consultants that have experience in this type of work. The remaining \$70,000 would be used to support grant applications and/or to implement initiatives.

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That with regard to the request for a budget allocation to continue the Morawa Regeneration Project, Council;

- Direct the CEO to allocate \$100,000 from the Community Development Reserve Account to the Regeneration Morawa Project as part of the 2018/2019 budget .
- Resolve to consider this as part of the 2018/2019 budget process.

REPORT

Morawa Regeneration Project

Prepared for

Shire of Morawa

December 2017



Farmbiosis

JoynerSlot
CONSULTING

Disclaimer

This report has been prepared for the Shire of Morawa. The information contained in this document has been prepared with care by the authors and all reasonable attention has been taken in preparation of the project findings, however no liability for the accuracy of third party data can be entered into. This document is only for use of the party to whom it is addressed, and the authors disclaim any responsibility to any third party acting upon or using the whole or part of its contents.

In July 2017, the Shire of Morawa (Shire), keen to develop something tangible, realistic and achievable with its community, engaged Joynerslot Consulting and Farmbiosis to collaborate on the Morawa Regeneration Project. For the Shire, population stability, with an opportunity for growth, is an important factor regarding the district.

The objectives of Morawa Regeneration Project – Stage 1 were as follows;

Phase 1 – Community and Business Workshops and Meetings

Objective – to meet and understand the broader Morawa community and assess their appetite and ‘buy in’ for a Morawa Regeneration project. To identify key stakeholders to drive the project and assess the ‘entrepreneurial’ spirit for innovative projects. To ascertain interest in, and commitment to, community regeneration initiative and how the current activities of the group/s might intersect with regeneration activities.

Phase 2 – Business Research – local businesses

Objective – identify opportunities/gaps for new business. This is timely as it coincides with the newly appointed Economic Development Manager.

Phase 3 – Council Workshop

Objective - present findings and work through with Council priority projects and timeline. Establish ‘steering group’. Create enabling environment. Strategise partnerships – government agencies and departments, Karara Mining, MEEDAC etc.

It was essential that each phase of the project remained fluid with the ability to modify and adapt. This proved to be vitally important to ensure that the whole community remained included and engaged. We responded to information and data gathered from the community and amended our methodology in response to all stakeholders and potential partners. Subsequent meetings with the newly appointed Chief Executive Officer were required to continue a collaborative, inclusive approach to the project.

A review of available demographic data and analysis of recent trends was conducted. Engagement with the local community, farmers, local businesses and relevant stakeholders provided an invaluable ‘snap shot’ of the appetite from the Morawa community for regeneration.

The robust engagement resulted in the identification of individuals who have a diverse array of skills, expertise and knowledge to assist in various regeneration projects. An impressive 42 people participated in the workshops with 20 males and 22 females. The ratio of gender, and diversity of age evidences the communities dedication and commitment. Meetings with Karara Mining and MEEDAC identified strong partnerships and innovative projects and opportunities.

After meeting with the Business Group, and upon further consultation with the CEO, a review was conducted on the outcomes and deliverables of Phase 2 – Business Research. As the Business Group had progressed works in this space it was agreed that the funds would be better allocated elsewhere.

Community, Business and Farmers' Group Workshops Objectives and Methodology

Workshop objectives

- To inspire participants about what community regeneration could look like for Morawa;
- To start a conversation about regeneration for our community and how the strength and motivation must start from within the community using the resources we already have;
- To provide examples of other regional regeneration initiatives and the impact on their communities;
- To identify the key assets within this community that could be mobilised and leveraged to create new opportunities and regeneration projects; and
- To establish a list of individuals from within the Morawa community who have a diverse array of skills, expertise and knowledge that may assist in various regeneration projects.

At the commencement of all the workshops three examples of regeneration initiatives in other regional communities were presented:

1. Recent regional repopulation program in Dalwallinu WA, which started with the aim of recruiting unskilled labor to meet local business needs by encouraging humanitarian refugee settlement into the local community (as part of the national settlement program focused on regional areas). Ultimately, the program saw skilled workers coming to Dalwallinu and, in turn, bringing their families to Australia (and to Dalwallinu in particular), applying for Australian residency and many now becoming Australian citizens;
2. Long term community diversification and migration program at Katanning WA based on the demand for skilled and unskilled workers in the local abattoir; and
3. Repopulation initiative in Nhill VIC, for humanitarian refugees supported in their relocation with farm-based housing, agricultural work and integration support programs.

The facilitated workshops guided participants through the following exercises:

1. Community visioning – participants were asked to close their eyes and imagine Morawa when it was absolutely thriving – to think about how it sounded, felt and how it made them feel.
2. Pride in our community - understanding the activities, people, moments and events that make people most proud of their community can help us to recognise the community's strengths and the times when people felt that Morawa was at its best. From these experiences, we can identify attributes that may become the platform for future regeneration. In pairs, participants discussed the following two questions:
 - What are two things that make you proud of Morawa?
 - Describe a time in recent memory when the Morawa community came together and worked well.

3. Community capitals and assets brainstorm - identifying the assets that already exist within the community, which can be drawn upon for future regeneration initiatives. Identifying assets rather than gaps or deficits is important, as it helps to point out the positive attributes of the community. Assets are the skills, knowledge and resources that we want to keep, to build upon and to sustain for future generations. Assets can be physical things such as a building or iconic landmark, or intangible things like the work of volunteers or the strong links between families. Individuals have assets and so do businesses, groups, towns and community groups.

Each group was also asked to consider, who are the people across our community (and considering diversity of age, gender, experience) with the following skills:

- Organising and coordinating
- Planning and strategy
- Communicating – face to face, written, public speaking
- Connecting people
- Influencing others
- Financial management and business planning
- Mentoring

(Refer Morawa Summary of Findings report.)

Orchestrating a Change to Regenerate Morawa

Ultimately it will only be a coordinated approach that is successful. Like a jigsaw puzzle, the ultimate success is the totality of all the pieces as they come together to complete the picture. As we join clusters of the pieces of the jigsaw together we start to see reward for effort.

Momentum may be lost if we just create projects that remain isolated for too long or stakeholders and partners cannot see other pieces coming together. It is the establishment and scaling up of a range of projects that collectively creates something special. Something that ultimately multiplies in the efficiencies and capabilities of this collaborative regenerative approach to landscape, community and economic regeneration. As the pieces come together we get this vertical and horizontal integration of projects that transform the jigsaw into a more three-dimensional image. It is the demonstration of this that will provide real inspiration and act as a catalyst of change.

The perception is that “big visions require big thinkers and big enablers of change” but we also like the statement “from little things big things grow”. Everyone is important to enable change. There have been talks about ‘orchestrators’ through participation with stakeholders to identify the enabling factors to create regeneration. This approach is paramount to any change.

Without broad stakeholder commitment to support, implement and demonstrate the value of this approach, change will be difficult.

Looking forward

Improving diversity in production and seeking opportunities to value add wherever possible will have a positive impact on regenerating landscapes, providing extra jobs and ensuring greater financial security.

This is not a quick solution. We have all become accustomed to treating a problem and seeing a result that provides immediate benefit. A process of reflection with an honest examination of “business as usual” is also needed along with openness to innovative ideas and alternative approaches. This is not about immediate wide spread change, but a preparedness for looking, investigating and implementing projects that can be scaled up when beneficial.

Local Opportunities

Morawa is fortunate that there are already two great examples that demonstrate this innovative approach. The horticulture and poultry enterprise at Innovation Park, and the Coaker's Barramundi operation are prime examples. An opportunity to support and value add to these types of business innovation could provide some early wins.

Discussions with Karara Mining have identified that there is a significant number of people based in for work. Establishing a partnership to attract permanent employees for resettlement as opposed to transient labour not only benefits Karara but also has the potential to attract permanent residents and their families. Exploration of a project to produce more food products to supply to the minesite and opportunities to provide mechanical services would also create jobs.

Our meeting with MEEDAC identified that they are looking to employ a further 20 people within the next 4-5 years. Developing a partnership to assist with the attraction of workers, and as above, ignite another resident attraction and settlement project.

A valuable list of identified 'orchestrators' or 'ambassadors' of change has been gathered from the Engagement Workshops. These community members will provide essential expertise and skills for establishing steering groups for each individual project.

The challenge is to be bold and support ideas that are sustainable, support more than one outcome and have the capacity to build on existing initiatives.

These ideas are the basis for orchestrating a change towards Regeneration Morawa.

| | |
|-----------------------------------------------|-----------------------------------------------------------------------------------|
| <i>Item No/Subject:</i> | 7.2.2.1 Accounts Due For Payment – June 2018 |
| <i>Date of Meeting:</i> | 19 July 2018 |
| <i>Date & Author:</i> | 12 July 2018 – Candice Murphy Senior Finance Officer |
| <i>Responsible Officer:</i> | Jenny Goodbourn – Executive Manager Corporate & Community Services |
| <i>Applicant/Proponent:</i> | Executive Manager Corporate & Community Services |
| <i>File Number:</i> | FM.CRD.1 |
| <i>Previous minute/s & Reference:</i> | |

SUMMARY

A list of accounts is attached for all payments made for the month of June 2018

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Attachment 1 - 7.2.2.1a List of accounts due and submitted

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

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996 – Reg 13

POLICY IMPLICATIONS

Section 3 – Finance 3.6 Use of Corporate Credit Cards Policy

FINANCIAL IMPLICATIONS

As per list of accounts

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

As per Policy Section 3 – Finance 3.11 Risk Management Controls

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council resolve to endorse the list of accounts paid by the Chief Executive Officer under delegated authority, represented by:

- Municipal EFT Payment Numbers EFT10815 to EFT10911 inclusive, amounting to \$857,312.07
- Municipal Cheque Payments Numbered 11839 to 11849 amounting to \$13,310.26
- Municipal Direct Debit Payments Numbers DD6120.1 to DD6164.3 amounting to \$18,099.45
- Payroll for May 2018
13/06/2018 - \$ 47,640.92
27/06/2018 - \$ 47,401.79
- Credit Card Payment June 2018
\$1,583.43

7.2.2.1a List of accounts due and submitted

| | | | | | |
|----------|------------|-------------------------------------------|-------------------------------------------------------------|---|------------|
| EFT10815 | 01/06/2018 | Australian Services Union | Payroll deductions | 1 | 82.35 |
| EFT10816 | 01/06/2018 | Department of Human Services | Payroll deductions | 1 | 334.24 |
| EFT10817 | 06/06/2018 | Department of Fire and Emergency Services | 2017/18 ESLB Quarter 4 Contribution | 1 | 4,155.85 |
| EFT10818 | 06/06/2018 | Metal Artwork Creations | Name plaque for Shirley Katona | 1 | 12.93 |
| EFT10819 | 06/06/2018 | Landmark Operations Limited | Chicken wire fencing for separation of hockey and netball | 1 | 160.60 |
| EFT10820 | 06/06/2018 | WesTrac Equipment Pty Ltd | Various Filters and parts for grader | 1 | 1,782.43 |
| EFT10821 | 06/06/2018 | Midwest Chemical & Paper Distributors | Cleaning Products Shire Admin Building | 1 | 1,202.80 |
| EFT10822 | 06/06/2018 | Purcher International Pty Ltd | Duplex Distribution - P172 | 1 | 524.19 |
| EFT10823 | 06/06/2018 | S & K Electrical Contracting Pty Ltd | Damage at Hockey and Netball lights | 1 | 5,521.42 |
| EFT10824 | 06/06/2018 | Conway Highbury | Acting Principal Works Supervisor - May 18 | 1 | 11,880.00 |
| EFT10825 | 06/06/2018 | Cramer & Neill | Drain Valve Assembly 24 Volt | 1 | 500.46 |
| EFT10826 | 06/06/2018 | Neverfail Springwater Limited | Rental 22/5/2018 to 22/6/2018 | 1 | 14.30 |
| EFT10827 | 06/06/2018 | Covs Parts Pty Ltd | Various Parts | 1 | 363.33 |
| EFT10828 | 06/06/2018 | The Peninsula | Accommodation - Financial Management Workshops | 1 | 390.00 |
| EFT10829 | 06/06/2018 | Harvey Norman Electrics Geraldton | Vacuum cleaner for office | 1 | 796.00 |
| EFT10830 | 06/06/2018 | HIP Pocket Workwear Safety Geraldton | Name plaques for Honour boards Council Chambers & Town Hall | 1 | 192.50 |
| EFT10831 | 06/06/2018 | WINC Australia | Printing 20/4/2018 to 20/5/2018 | 1 | 792.11 |
| EFT10832 | 08/06/2018 | Boral Resources (W.A) Limited | Supply of Bitumen Spray and Seal Nanekine Road 17/18 | 1 | 104,380.65 |
| EFT10833 | 08/06/2018 | Dean's Contracting WA Pty Ltd | Flood Damage Supervision 16/05/2018 - 22/05/2018 | 1 | 11,440.44 |

| | | | | | |
|----------|------------|----------------------------------------|------------------------------------------------------------------|---|------------|
| EFT10834 | 08/06/2018 | BPH | Flood Damage 16/05/2018 - 22/05/2018 | 1 | 113,808.75 |
| EFT10835 | 08/06/2018 | Star Track Express | Freight | 1 | 43.25 |
| EFT10836 | 08/06/2018 | BOC Limited | Annual container service charge 1/6/2018 to 31/5/2018 | 1 | 757.18 |
| EFT10837 | 08/06/2018 | Kats Rural | Planter boxes for the Winfield streetscape clean up - Deposit | 1 | 424.00 |
| EFT10838 | 08/06/2018 | Moore Stephens | Purchase revised Budget model for 2018/19 | 1 | 660.00 |
| EFT10839 | 08/06/2018 | Canine Control | Rangers services 17 th May 2018 | 1 | 982.72 |
| EFT10840 | 08/06/2018 | Courier Australia | Freight | 1 | 20.88 |
| EFT10841 | 08/06/2018 | Austral Mercantile Collections Pty Ltd | Collections fees for May 18 | 1 | 191.95 |
| EFT10842 | 08/06/2018 | ChemCentre | Water sample – Sewerage Ponds | 1 | 237.60 |
| EFT10843 | 08/06/2018 | Bob Waddell & Associates Pty Ltd | Presentation of Monthly financial statements and annual budget | 1 | 264.00 |
| EFT10844 | 08/06/2018 | Herrings Coastal Plumbing & Gas | Change out Gas Stove and unblock drain - 24 Harley St | 1 | 304.88 |
| EFT10845 | 08/06/2018 | Kats Cartage | Truck hire with Operator - Nanekine Road | 1 | 5,098.00 |
| EFT10846 | 08/06/2018 | Structerre Consulting Engineers | Hydraulic Engineer Services - Aged housing water connection | 1 | 2,035.00 |
| EFT10847 | 08/06/2018 | Colliers | Rent 1/6/2018 to 30/6/2018 | 1 | 423.85 |
| EFT10848 | 15/06/2018 | Australian Services Union | Payroll deductions | 1 | 82.35 |
| EFT10849 | 15/06/2018 | Department of Human Services | Payroll deductions | 1 | 334.24 |
| EFT10850 | 19/06/2018 | Greenfield Technical Services | Flood Damage 2017 Flood Damage Superintendent and Administration | 1 | 9,832.90 |
| EFT10851 | 19/06/2018 | Dean's Contracting WA Pty Ltd | Flood Damage Supervisor 30/05/2018 - 07/06/2018 | 1 | 14,693.03 |

| | | | | | |
|----------|------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------|
| EFT10852 | 19/06/2018 | BPH | Flood Damage repairs 30/05/2018 - 07/06/2018 | 1 | 157,800.50 |
| EFT10853 | 20/06/2018 | Morawa News & Gifts | Stationary and papers for the month of May | 1 | 144.52 |
| EFT10854 | 20/06/2018 | Morawa Community Resource Centre | Hire of Conference Room | 1 | 90.00 |
| EFT10855 | 20/06/2018 | St John Ambulance | New battery for defibrillator | 1 | 243.00 |
| EFT10856 | 20/06/2018 | Star Track Express | Freight | 1 | 5.08 |
| EFT10857 | 20/06/2018 | Kats Rural | Planter boxes for the Winfield streetscape clean-up | 1 | 3,816.00 |
| EFT10858 | 20/06/2018 | Landmark Operations Limited | Gas bottle for CEO house | 1 | 125.00 |
| EFT10859 | 20/06/2018 | Market Creations | Business Cards for Ellie Cuthbert | 1 | 154.00 |
| EFT10860 | 20/06/2018 | Refuel Australia | Card purchases for May 18 | 1 | 1,382.60 |
| EFT10861 | 20/06/2018 | S & K Electrical Contracting Pty Ltd | RCD smoke alarm testing | 1 | 1,989.63 |
| EFT10862 | 20/06/2018 | Marketforce | Advertising of Local Laws - the West Australian 9 May 2018 | 1 | 1,304.19 |
| EFT10863 | 20/06/2018 | Bunnings Group Limited | Rope | 1 | 95.00 |
| EFT10864 | 20/06/2018 | Geraldton Mower & Repairs Specialists | Balance of invoice not paid on original | 1 | 55.00 |
| EFT10865 | 20/06/2018 | Alinta Sales Pty Ltd | Usage 01/5/2018 - 31/05/2018 | 1 | 108.58 |
| EFT10866 | 20/06/2018 | Dongara Tree Service | Remove overhanging branches Town Park Winfield Street, grind Stumps on Stokes Road, Remove trees and grind stumps Barnes Street, trim overhanging branches Winfield Street | 1 | 2,255.00 |
| EFT10867 | 20/06/2018 | Coates Hire | Hire of Roller for Stephens Roads R2R016 | 1 | 12,897.79 |
| EFT10868 | 20/06/2018 | IGA Morawa | Purchases for May 18 | 1 | 415.65 |

| | | | | | |
|----------|------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------|---|-----------|
| EFT10869 | 20/06/2018 | MEEDAC Incorporated | 120 hours Tip Attendant - 4/5, 7/5, 11/5, 14/5, 18/5, 21/5, 25/5 and 28/5. | 1 | 5,100.00 |
| EFT10870 | 20/06/2018 | Great Southern Fuel Supplies | Card purchases for May 18 | 1 | 1,201.28 |
| EFT10871 | 20/06/2018 | Shap Joondalup | Part payment Biennial Art Awards & Exhibition Entry form, Poster design, Catalogue and Opening Night Tickets | 1 | 470.86 |
| EFT10872 | 20/06/2018 | Carol Penn | Refund for council Nominations - Carol Penn | 1 | 80.00 |
| EFT10873 | 20/06/2018 | Avon Waste | May collection | 1 | 6,376.90 |
| EFT10874 | 20/06/2018 | Grant Woodhams | Chair MEITA meeting 10/5/2018 | 1 | 574.00 |
| EFT10875 | 20/06/2018 | Incite Security | Monthly Monitoring Service Sports ground | 1 | 116.99 |
| EFT10876 | 27/06/2018 | Australian Services Union | Payroll deductions | 1 | 82.35 |
| EFT10877 | 27/06/2018 | Department of Human Services | Payroll deductions | 1 | 334.24 |
| EFT10878 | 29/06/2018 | Bitutek Pty Ltd | Reseal Offszanka Road 13,600m2 | 1 | 71,767.34 |
| EFT10879 | 29/06/2018 | Creative Spaces | Final Invoice Heritage Trail Sign design and construction of each Information signage/plinth. | 1 | 9,058.50 |
| EFT10880 | 29/06/2018 | Midwest Chemical & Paper Distributors | Various Cleaning Products | 1 | 118.32 |
| EFT10881 | 29/06/2018 | Courier Australia | Freight | 1 | 20.88 |
| EFT10882 | 29/06/2018 | Bob Waddell & Associates Pty Ltd | Assistance with asset register reconciling | 1 | 66.00 |
| EFT10883 | 29/06/2018 | Bunnings Group Limited | Treated Pine x 20, 3 x Screws batten | 1 | 1,070.53 |
| EFT10884 | 29/06/2018 | Starick Tyres | 4 x new tyres CEO car | 1 | 1,440.12 |
| EFT10885 | 29/06/2018 | Covs Parts Pty Ltd | Drill bits and Locktite | 1 | 83.05 |

| | | | | | |
|----------|------------|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---|----------|
| EFT10886 | 29/06/2018 | Coates Hire | Dingo Hire at \$150 per day for approximately 6 weeks to create Bush Walk Trail through reserve land | 1 | 929.79 |
| EFT10887 | 29/06/2018 | Infinitum Technologies Pty Ltd | Printer Cartridges for Finance Printer | 1 | 459.00 |
| EFT10888 | 29/06/2018 | Max & Claire Pty Ltd T/AS Ergolink | Ergonomic Office Supplies for Staff members | 1 | 1,245.55 |
| EFT10889 | 29/06/2018 | Creative Spaces | Second Invoice - Heritage Trail Sign design and construction of each information signage/plinth. | 1 | 4,070.00 |
| EFT10890 | 29/06/2018 | Star Track Express | Freight from Covs Parts Perth | 1 | 62.98 |
| EFT10891 | 29/06/2018 | Kats Rural | Replacement Oven for 36 Dreghorn | 1 | 3,906.43 |
| EFT10892 | 29/06/2018 | Midwest Chemical & Paper Distributors | Cleaning Products | 1 | 730.09 |
| EFT10893 | 29/06/2018 | S & K Electrical Contracting Pty Ltd | Repair Hot water system 18A Evans St | 1 | 109.45 |
| EFT10894 | 29/06/2018 | GH Country Courier | Freight from Purcher Geraldton | 1 | 86.22 |
| EFT10895 | 29/06/2018 | Asset Infrastructure Management | Preparation of Water Asset Management Plan as per quotation \$5900 plus travel and incidentals | 1 | 6,490.00 |
| EFT10896 | 29/06/2018 | Aceway Nominees Pty Ltd T/as City Toyota | 40,000km service - CEO Car | 1 | 620.00 |
| EFT10897 | 29/06/2018 | Creative Spaces | Two additional signs for the Bush trail | 1 | 2,875.40 |
| EFT10898 | 29/06/2018 | Haines Signs | Window stickers and contra vision of old photographs on 2 Winfield Street businesses as a part of the Morawa Heritage town Trail Walk. | 1 | 7,923.04 |
| EFT10899 | 29/06/2018 | Incite Security | CCTV repairs - Youth Centre | 1 | 272.25 |
| EFT10900 | 29/06/2018 | Ashdown Ingram | Starter Kit - P138 | 1 | 400.40 |
| EFT10901 | 29/06/2018 | Kats Rural | Safety glasses | 1 | 40.00 |
| EFT10902 | 29/06/2018 | WesTrac Equipment Pty Ltd | Hose x 2 | 1 | 262.70 |

| | | | | | |
|----------|------------|----------------------------------------------------|---------------------------------------------------------------|---|------------|
| EFT10903 | 29/06/2018 | Purcher International Pty Ltd | Valve - P172 | 1 | 222.79 |
| EFT10904 | 29/06/2018 | Refuel Australia | 11,000 litres diesel @ 1.2947 plus GST | 1 | 15,690.20 |
| EFT10905 | 29/06/2018 | Covs Parts Pty Ltd | Cut off wheel, batteries, spray and wipe cleaner | 1 | 573.96 |
| EFT10906 | 29/06/2018 | Morawa Rural Pty Ltd T/AS Morawa Rural Enterprises | 8 x Tyres P138, P219 and P228 | 1 | 4,021.30 |
| EFT10907 | 29/06/2018 | Bagoc Pty Ltd | Car service reimbursement P240 | 1 | 450.00 |
| EFT10908 | 29/06/2018 | Wheatstone Engineering Pty Ltd | Repairs to P007 | 1 | 367.95 |
| EFT10909 | 29/06/2018 | Tyrepower Geraldton | 4 x New Tyres for MO 340 | 1 | 796.00 |
| EFT10910 | 29/06/2018 | BPH | Flood Damage Repairs 13/06/2018 - 26/06/2018 | 1 | 221,717.49 |
| EFT10911 | 29/06/2018 | Undaminda | Supply of Gravel 4500 Cubic M - Nanekine Road | 1 | 7,425.00 |
| 11839 | 06/06/2018 | Shire of Morawa | 12 Months rego for P242 | 1 | 394.70 |
| 11840 | 06/06/2018 | Synergy | Usage 19 Apr to 17th May 2018 - Oval Buildings | 1 | 1,642.40 |
| 11841 | 08/06/2018 | Synergy | Usage 19/4/2018 to 24/5/2018 unit 6 Aged care - final account | 1 | 76.10 |
| 11842 | 08/06/2018 | Telstra Corporation Limited | Usage 16 th April to 15th May 2018 | 1 | 40.85 |
| 11843 | 19/06/2018 | Telstra Corporation Limited | Usage Admin mobiles | 1 | 783.31 |
| 11844 | 19/06/2018 | Morawa Licensed Post Office Emmlee's | Postage for May 18 | 1 | 168.36 |
| 11845 | 22/06/2018 | Building Commission | Permit number 03/18 BSL Levy May 18 | 1 | 56.65 |
| 11846 | 29/06/2018 | Synergy | Streetlights usage period 2 May to 1 June 2018 | 1 | 3,556.55 |
| 11847 | 29/06/2018 | Telstra Corporation Limited | Telephone usage - Admin and Depot | 1 | 1,475.57 |

| | | | | | |
|----------|------------|-----------------------------------------|----------------------------------------------|---|----------|
| 18648 | 29/06/2018 | McLeods Barristers and Solicitors | Advice - Winding up incorporated association | 1 | 5,023.37 |
| 18649 | 29/06/2018 | Elgas Limited | Service Charge x 2 41 Solomon TCE | 1 | 92.40 |
| DD6120.1 | 13/06/2018 | WA Local Government Superannuation Plan | Payroll deductions | 1 | 7,644.39 |
| DD6120.2 | 13/06/2018 | BT FINANCIAL GROUP | Superannuation contributions | 1 | 313.37 |
| DD6120.3 | 13/06/2018 | MLC Super Fund | Superannuation contributions | 1 | 232.34 |
| DD6120.4 | 13/06/2018 | Australian Super | Superannuation contributions | 1 | 223.97 |
| DD6120.5 | 13/06/2018 | LGIA Super | Superannuation contributions | 1 | 321.54 |
| DD6138.1 | 27/06/2018 | WA Local Government Superannuation Plan | Payroll deductions | 1 | 7,716.71 |
| DD6138.2 | 27/06/2018 | BT FINANCIAL GROUP | Superannuation contributions | 1 | 313.37 |
| DD6138.3 | 27/06/2018 | MLC Super Fund | Superannuation contributions | 1 | 232.34 |
| DD6138.4 | 27/06/2018 | Australian Super | Superannuation contributions | 1 | 223.97 |
| DD6138.5 | 27/06/2018 | LGIA Super | Superannuation contributions | 1 | 321.54 |
| DD6164.1 | 05/06/2018 | Bankwest | Credit Card May 2018 | 1 | 1,583.43 |
| DD6164.2 | 01/06/2018 | West net Pty Ltd | June Internet | 1 | 254.75 |
| DD6164.3 | 12/06/2018 | BOQ Finance | Photocopier Lease June 2018 | 1 | 301.16 |

REPORT TOTALS

EFT \$ 857,312.07
Cheque \$ 13,310.26
Direct Debits \$ 18,099.45
Payroll \$ 195,242.71
Credit Card \$ 1,583.43
TOTAL \$ 1,085,547.92

May-18

Business Credit Card - Chris Linnell Bankwest Mastercard

| Date | Description | Accounts | Account Description | Amount | GST |
|------------|-------------------------------------------------|-------------|--------------------------------------|---------------|--------------|
| 18/05/2018 | Tourism Conference Geraldton | 1146100.520 | Conference Expenses | 185.00 | 16.82 |
| 18/05/2018 | Accomodation Chris Linnell - Tourism Conference | 1146120.520 | Travel & Accommodation | 701.04 | 63.73 |
| | | | Total Purchases for C Linnell | 886.04 | 80.55 |

Business Credit Card - Jenny Goodbourn Bankwest Mastercard

| Date | Description | Accounts | Account Description | Amount | GST |
|------------|---------------|-------------|----------------------------------------|---------------|--------------|
| 26/05/2018 | Fuel for P242 | P242 | Toyota Rav 4 | 60.83 | 5.53 |
| 29/05/2018 | Archive Boxes | 1146260.520 | Printing & Stationery | 286.00 | 26.00 |
| | | | | 0.00 | 0.00 |
| | | | Total Purchases for J Goodbourn | 346.83 | 31.53 |

Business Credit Card - Sam Appleton

| Date | Description | Accounts | Account Description | Amount | GST |
|------------|----------------------------------|-------------|---------------------|--------|------|
| 28/04/2018 | Incorrect card accidently used | 1146210.520 | Misc/Other Expenses | 89.97 | 8.18 |
| 30/04/2018 | Police Clearance - Stevie Walley | 1146210.520 | Misc/Other Expenses | 50.24 | 4.57 |

| | | | | | |
|------------|-----------------------------------------------------|-------------|----------------------------------------|---------|-------|
| 30/04/2018 | 15Ltr Liquid Pool Acid | B11205 | Maint - Swimming Pool | 39.50 | 3.59 |
| 25/05/2018 | Printing & Laminating | 1146260.520 | Printing & Stationery | 57.60 | 5.24 |
| 26/05/2018 | Face Washers and Hand Towels for Caravan Park Units | Various | Various | 97.00 | 8.82 |
| 26/05/2018 | Stationery | 1146260.520 | Printing & Stationery | 16.25 | 1.48 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | 0.00 | |
| | | | Total Purchases for S. Appleton | 350.56 | 31.87 |
| | | | | | |
| | | | Total Fees and Charges | 1583.43 | 60.35 |

| | |
|-----------------------------------------------|-----------------------------------------------------------------------------------|
| <i>Item No/Subject</i> | 7.2.2.2 Reconciliations - June 2018 |
| <i>Date of Meeting:</i> | 19 June 2018 |
| <i>Date & Author:</i> | 12 July 2018 - Candice Murphy – Senior Finance Officer |
| <i>Responsible Officer:</i> | Jenny Goodbourn – Executive Manager Corporate & Community Services |
| <i>Applicant/Proponent:</i> | Executive Manager Corporate & Community Services |
| <i>File Number:</i> | FM.ACC.1 |
| <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 June 2018

| Account | 2018 |
|----------------------------------------------------|----------------|
| Municipal Account # | \$849,456.28 |
| Trust Account | \$15,981.76 |
| Business Telenet Saver (Reserve) Account | \$3,446,291.79 |
| WA Treasury O/night Facility (Super Towns) Account | \$37,705.30 |
| Reserve Term Deposit (Community Development) | \$500,000.00 |
| Reserve Term Deposit (Future Funds 1) | \$800,000.00 |
| Reserve Term Deposit (Future Funds 2) | \$800,000.00 |

BANK RECONCILIATION BALANCES

The Bank Reconciliation Balances for 30 June 2018 with a comparison for 30 June 2017 is as follows:

| Account | 2017 | 2018 |
|---------------------|----------------|----------------|
| Municipal Account # | \$191,146.39 | \$748,681.76 |
| Trust Account | \$14,696.94 | \$21,716.40 |
| Reserve Account | \$6,998,015.44 | \$5,583,997.09 |

RESERVE ACCOUNT

The Reserve Funds of \$5,583,997.09 as at 30 June 2018 were invested in:-

- Bank of Western Australia \$3,446,291.79 in the Business Telenet Saver Account and
- \$37,705.30 in the WA Treasury O/Night Facility
- Term Deposit (Future Funds 1) \$800,000.00
- Term Deposit (Future Funds 2) \$800,000.00
- Term Deposit (Community Development Fund) \$500,000.00

Breakdown for June 2018 with a comparison for June 2017 is as follows:

| | 2017 | 2018 |
|----------------------------------------|-----------------------|-----------------------|
| Sports Complex Upgrade Reserve | \$0.00 | \$0.00 |
| Land & Building Reserve | \$99,976.60 | \$101,089.62 |
| Plant Reserve | \$905,518.16 | \$915,608.12 |
| Leave Reserve | \$281,137.64 | \$284,270.28 |
| Economic Development Reserve | \$109,307.63 | \$110,525.66 |
| Sewerage Reserve | \$216,305.39 | \$218,715.62 |
| Unspent Grants & Contributions Reserve | \$877,389.61 | \$26,412.60 |
| Community Development Reserve | \$1,187,558.70 | \$1,217,918.17 |
| Water Waste Management Reserve | \$0.00 | \$0.00 |
| Future Funds Reserve | \$2,121,127.33 | \$2,165,470.18 |
| Morawa Future Funds Interest Reserve | \$88,035.93 | \$126,630.40 |
| Aged Care Units Reserve Units 6-9 | \$9,131.13 | \$9,233.08 |
| Aged Care Units Reserve Units 1-4 | \$67,963.59 | \$68,720.90 |
| Aged Care Units Reserve Unit 5 | \$54,557.78 | \$55,165.78 |
| Transfer Station Reserve | \$27.18 | \$27.18 |
| S/Towns Revitalisation Reserve | \$176,558.39 | \$37,705.30 |
| ST Solar Thermal Power Station Reserve | \$559,632.58 | 0 |
| Business Units Reserve | \$81,961.78 | \$82,874.96 |
| Legal Reserve | \$20,176.72 | \$20,401.57 |
| Road Reserve | \$141,649.30 | \$143,227.67 |
| TOTAL | \$6,998,015.44 | \$5,583,997.09 |

TRANSFER OF FUNDS

- *\$521,430.00 from Unspent Grants to Municipal Fund being for General FAGS paid in advance June 2017. 17 July 2017*
 - *\$299,042.00 from Unspent Grants to Municipal Fund being for Roads FAGS paid in advance June 2017. 10 August 2017*
 - *\$140,000.00 from S/Towns Revitalisation Reserve to Municipal Fund being for monies spent on project 16/17. 26 October 2017*
 - *\$37,368.00 from Future Funds Reserve to Morawa Future Funds Interest Reserve being for 85% of interest from Term Deposit that matured October 2017 and was accrued as at the 30th June 2017. For the year 2016/17*
 - *\$32,000.00 from Unspent Grants Reserve to Municipal Fund being for returning of monies for Swimming Pool Operating Grant unspent 15/16 as pool did not open. 11 January 2018*
 - *\$564,429.84 from ST Solar Thermal Power Station Reserve to Municipal Fund being for monies returned to DPIRD as project did not commence. 28 February 2018*
- **Investment Transfers**
 - *\$800,000.00 from Future Funds to Money Market Term Deposit Future Funds1 for 3 months @ 2.70% interest*
 - *\$800,000.00 from Future Funds to Money Market Term Deposit Future Funds2 for 3 months @ 2.70% interest*
 - *\$500,000.00 from Community Development Fund to Money Market Term Deposit for 3 months @ 2.70% interest*

COMMUNITY CONSULTATION

NIL

COUNCILLOR CONSULTATION

NIL

STATUTORY ENVIRONMENT

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

POLICY IMPLICATIONS

Section 3 – Finance 3.11 Risk Management Controls
Section 3 – Finance 3.4.3 Investment Policy – Delegated Authority

FINANCIAL IMPLICATIONS

As presented

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

As per Policy Section 3 – Finance 3.11 Risk Management Controls

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council resolve to receive the bank reconciliation report for 30 June 2018.

| | |
|-----------------------------------------------|-----------------------------------------------------------------------------------|
| <i>Item No/Subject:</i> | 7.2.2.3 Monthly Financial Statements – June 2018 |
| <i>Date of Meeting:</i> | 19 July 2018 |
| <i>Date & Author:</i> | 12 July 2018 - Candice Murphy – Senior Finance Officer |
| <i>Responsible Officer:</i> | Jenny Goodbourn – Executive Manager Corporate & Community Services |
| <i>Applicant/Proponent:</i> | Executive Manager Corporate & Community Services |
| <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

Attachment 1 – 7.2.2.3a June Monthly Financial Activity Report
A copy of the schedules is available if required.

BACKGROUND INFORMATION

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

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

OFFICER'S COMMENT

The actual amounts contained in the report are subject to final year end adjustment and audit and could possibly change following the annual audit which will take place during September/October. The final accounts will be confirmed by the auditor and presented to council as part of the annual financial report for 2017/2018.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

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

That Council resolve to receive the Statement of Financial Activity and the Variance Report for the period ending the 30 June 2018.



SHIRE OF MORAWA
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

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SHIRE OF MORAWA

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

| | NOTE | JUNE 2018 Actual \$ | JUNE 2018 Y-T-D Budget \$ | 2017/18 Budget \$ | Variences Actuals to Budget \$ | Variences Actual Budget to Y-T-D % | |
|-----------------------------------------------------------|------|------------------------------|------------------------------------|-------------------------|-----------------------------------------|------------------------------------------------|---|
| Operating | | | | | | | |
| Revenues/Sources | | | | | | | |
| | 1,2 | | | | | | |
| Governance | | 18,752 | 20,010 | 20,010 | 18,752 | 0.00% | |
| General Purpose Funding | | 1,727,122 | 893,350 | 897,142 | 833,772 | 93.33% | ▲ |
| Law, Order, Public Safety | | 32,077 | 26,230 | 26,230 | 5,847 | 22.29% | |
| Health | | 3,906 | 5,350 | 5,350 | (1,444) | (26.99%) | |
| Education and Welfare | | 14,402 | 133,899 | 133,899 | (119,497) | (89.24%) | ▼ |
| Housing | | 102,641 | 147,761 | 147,761 | (45,120) | (30.54%) | ▼ |
| Community Amenities | | 437,386 | 554,091 | 554,091 | (116,705) | (21.06%) | ▼ |
| Recreation and Culture | | 55,074 | 69,214 | 69,214 | (14,140) | (20.43%) | ▼ |
| Transport | | 2,265,724 | 1,092,694 | 1,092,694 | 1,173,030 | 107.35% | ▲ |
| Economic Services | | 150,733 | 223,319 | 223,319 | (72,586) | (32.50%) | ▼ |
| Other Property and Services | | 206,016 | 139,184 | 139,184 | 66,832 | 48.02% | ▲ |
| | | 5,013,833 | 3,305,102 | 3,308,894 | 1,728,741 | 51.70% | |
| (Expenses)/(Applications) | | | | | | | |
| | 1,2 | | | | | | |
| Governance | | (415,355) | (491,640) | (491,640) | (415,355) | 0.00% | |
| General Purpose Funding | | (195,624) | (174,282) | (174,282) | (21,342) | (12.25%) | ▲ |
| Law, Order, Public Safety | | (100,117) | (84,223) | (84,223) | (15,894) | (18.87%) | ▲ |
| Health | | (212,612) | (210,604) | (210,604) | (2,008) | (0.95%) | |
| Education and Welfare | | (96,308) | (800,015) | (800,015) | 703,707 | 87.96% | ▼ |
| Housing | | (313,037) | (227,201) | (313,270) | (85,836) | (37.78%) | ▲ |
| Community Amenities | | (575,334) | (741,202) | (741,202) | 165,868 | 22.38% | ▼ |
| Recreation & Culture | | (1,409,018) | (1,136,614) | (1,136,614) | (272,404) | (23.97%) | ▲ |
| Transport | | (3,321,263) | (1,598,634) | (1,598,634) | (1,722,629) | (107.76%) | ▲ |
| Economic Services | | (1,119,314) | (794,594) | (794,594) | (324,720) | (40.87%) | ▲ |
| Other Property and Services | | (76,953) | (36,296) | (36,296) | (40,657) | (112.02%) | ▲ |
| | | (7,834,935) | (6,295,305) | (6,381,374) | (2,031,270) | 24.46% | |
| Net Result Excluding Rates | | (2,821,102) | (2,990,203) | (3,072,480) | (302,529) | | |
| Adjustments for Non-Cash (Revenue) and Expenditure | | | | | | | |
| (Profit)/Loss on Asset Disposals | 4 | 284 | (13,000) | (13,000) | 13,284 | 102.18% | ▼ |
| Movement in Leave Reserve (Added Back) | | 3,133 | 0 | 0 | 3,133 | 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 | | 0 | 0 | 0 | 0 | 0.00% | |
| Depreciation on Assets | | 1,713,121 | 1,463,496 | 1,463,496 | 249,625 | (17.06%) | ▲ |
| Capital Revenue and (Expenditure) | | | | | | | |
| Purchase of Investments | | 0 | 0 | 0 | 0 | 0.00% | |
| Purchase Land Held for Resale | 3 | 0 | (20,000) | (20,000) | 20,000 | 100.00% | ▼ |
| Purchase Land and Buildings | 3 | (37,749) | (155,000) | (155,000) | 117,251 | 75.65% | ▼ |
| Purchase Plant and Equipment | 3 | 0 | (155,000) | (155,000) | 155,000 | 100.00% | ▼ |
| Purchase Furniture and Equipment | 3 | 0 | (22,870) | (22,870) | 22,870 | 100.00% | ▼ |
| Purchase Infrastructure Assets - Roads | 3 | (1,158,656) | (1,631,978) | (1,631,978) | 473,322 | 29.00% | ▼ |
| Purchase Infrastructure Assets - Footpaths | 3 | 0 | (27,937) | (27,937) | 27,937 | 100.00% | ▼ |
| Purchase Infrastructure Assets - Drainage | 3 | 0 | 0 | 0 | 0 | 0.00% | |
| Purchase Infrastructure Assets - Parks & Ovals | 3 | 0 | 0 | 0 | 0 | 0.00% | |
| Purchase Infrastructure Assets - Airfields | 3 | 0 | (10,000) | (10,000) | 10,000 | 100.00% | ▼ |
| Purchase Infrastructure Assets - Play Equip | 3 | 0 | 0 | 0 | 0 | 0.00% | |
| Purchase Infrastructure Assets - Sewerage | 3 | 0 | 0 | 0 | 0 | 0.00% | |
| Purchase Infrastructure Assets - Dams | 3 | 0 | 0 | 0 | 0 | 0.00% | |
| Purchase Infrastructure Assets - Other | 3 | (166,597) | (137,500) | (137,500) | (29,097) | (21.16%) | ▲ |
| Proceeds from Disposal of Assets | 4 | 1,091 | 15,000 | 15,000 | (13,909) | (92.73%) | ▼ |
| Repayment of Debentures | 5 | (70,815) | (70,815) | (70,815) | (0) | (0.00%) | |
| Proceeds from New Debentures | 5 | 0 | 0 | 0 | 0 | 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 | (181,128) | (278,751) | (278,751) | 97,623 | 35.02% | ▼ |
| Transfers from Restricted Asset (Reserves) | 6 | 1,594,270 | 1,892,170 | 1,892,170 | (297,900) | (15.74%) | ▼ |
| ADD Net Current Assets July 1 B/Fwd | 7 | 558,952 | 428,376 | 428,376 | 130,576 | 30.48% | |
| LESS Net Current Assets Year to Date | 7 | 1,224,073 | 86,634 | 564 | 1,137,439 | (1312.93%) | |
| Amount Raised from Rates | 8 | (1,789,269) | (1,800,645) | (1,796,852) | 11,376 | (0.63%) | |

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

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 2017 TO 30 JUNE 2018

| 3. ACQUISITION OF ASSETS | 2017/18 Budget \$ | JUNE 2018 YTD Budget \$ | JUNE 2018 Actual \$ |
|-------------------------------------------------------------------------|-------------------------|----------------------------------|------------------------------|
| The following assets have been acquired during the period under review: | | | |
| <u>By Program</u> | | | |
| Governance | | | |
| Upgrade to Old Council Chambers | 50,000 | 50,000 | 4,277.16 |
| General Purpose Funding | | | |
| Law, Order, Public Safety | | | |
| New fire truck | 0 | 0 | 0.00 |
| Housing | | | |
| Staff Housing - Postings to GL | 0 | 0 | 0.00 |
| Staff Housing - Lot 347 Broad - Bathroom Renovations | 0 | 0 | 0.00 |
| Staff Housing - Lot 350 Broad - Garden Shed/Carpets | 0 | 0 | 0.00 |
| Staff Housing - Reserve 3931 Oval House - Replace Fence | 0 | 0 | 0.00 |
| Dreghorn Street - Bedroom Suite | 0 | 0 | 0.00 |
| Other Housing - 2 Caulfield St (Old Doctors House)-Painting/Carpets | 0 | 0 | 0.00 |
| Other Housing - 78 Yewers Ave - kitchen Lino | 0 | 0 | 0.00 |
| 10% Deposit to Purchase Lot 559 Yewers Street | 0 | 0 | 28,636.37 |
| Aged Person Units x 4 - water metres | 60,000 | 60,000 | 4,030.00 |
| Community Amenities | | | |
| New Tip Site Construction | 70,000 | 70,000 | 0.00 |
| Community Bus | 135,000 | 135,000 | 0.00 |
| Recreation and Culture | | | |
| Storage Shed 6x6 | 10,000 | 10,000 | 0.00 |
| Diving Blocks | 10,000 | 10,000 | 4,880.00 |
| Sports Complex Upgrade | 10,000 | 10,000 | 0.00 |
| Furniture & Equipment | 20,000 | 20,000 | 0.00 |
| Morawa Interpretation Trails Project | 20,000 | 20,000 | 0.00 |
| Transport | | | |
| Road Construction | | | |
| - Rural Roads Construction | 1,483,543 | 1,483,543 | 1,041,750.97 |
| - Townsite Roads Construction | 148,435 | 148,435 | 116,905.52 |
| Footpath Construction | 27,937 | 27,937 | 0.00 |
| Airfield Lighting Upgrade | 10,000 | 10,000 | 0.00 |
| Economic Services | | | |
| Caravan Park Camp Kitchen/Caretakers Cabin | 25,000 | 25,000 | 0.00 |
| Caravan Park Concept Plan | 12,500 | 12,500 | 0.00 |
| Morawa Gateway Project | 25,000 | 25,000 | 0.00 |
| Industrial Land Development | 20,000 | 20,000 | 0.00 |
| Phase 1 - Civic Square/Pedestrian Crossing | 0 | 0 | 42,183.23 |
| Construction of Footpath - Jubilee Park | 0 | 0 | 50,025.22 |
| Morawa Perenjori Gateway Project | 0 | 0 | 69,508.65 |
| Other Property & Services | | | |
| Administration Furniture & Equipment | 2,870 | 2,870 | 0.00 |
| Generator for Admin Building | 20,000 | 20,000 | 0.00 |
| | <u>2,160,285</u> | <u>2,160,285</u> | <u>1,363,002.12</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

| 3. ACQUISITION OF ASSETS (Continued) | 2017/18 Budget \$ | JUNE 2018 YTD Budget \$ | JUNE 2018 Actual \$ |
|-------------------------------------------------------------------------|-------------------------|----------------------------------|------------------------------|
| The following assets have been acquired during the period under review: | | | |
| <u>By Class</u> | | | |
| Land Held for Resale | 20,000 | 20,000 | 0.00 |
| Investments | 0 | 0 | 0.00 |
| Land | 0 | 0 | 805.00 |
| Buildings | 155,000 | 155,000 | 36,943.53 |
| Plant and Equipment | 155,000 | 155,000 | 0.00 |
| Furniture and Equipment | 22,870 | 22,870 | 0.00 |
| Infrastructure Assets - Roads | 1,631,978 | 1,631,978 | 1,158,656.49 |
| Infrastructure Assets - Footpaths | 27,937 | 27,937 | 0.00 |
| Infrastructure Assets - Drainage/Dams | 0 | 0 | 0.00 |
| Infrastructure Assets - Parks & Ovals | 0 | 0 | 0.00 |
| Infrastructure Assets - Airfields | 10,000 | 10,000 | 0.00 |
| Infrastructure Assets - Playground Equipment | 0 | 0 | 0.00 |
| Infrastructure Assets - Sewerage | 0 | 0 | 0.00 |
| Infrastructure Assets - Dams | 0 | 0 | 0.00 |
| Infrastructure Assets - Other | 137,500 | 137,500 | 166,597.10 |
| | <u>2,160,285</u> | <u>2,160,285</u> | <u>1,363,002.12</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

| Particulars | Principal 1-Jul-16 | New Loans | | Principal Repayments | | Principal Outstanding | | Interest Repayments | |
|---------------------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| | | 2017/18 Budget \$ | 2017/18 Actual \$ | 2017/18 Budget \$ | 2017/18 Actual \$ | 2017/18 Budget \$ | 2017/18 Actual \$ | 2017/18 Budget \$ | 2017/18 Actual \$ |
| Housing | | | | | | | | | |
| Loan 133 - GEHA House | 70,621 | 0 | 0 | 34,156 | 34,156 | 36,465 | 36,465 | 4,076 | 3,458 |
| Loan 134 - 2 Broad Street | 49,838 | 0 | 0 | 24,158 | 24,158 | 25,680 | 25,680 | 3,090 | 643 |
| Loan 136 - 24 Harley Street - Staff Housing | 332,137 | 0 | 0 | 12,501 | 12,501 | 319,636 | 319,636 | 12,931 | 12,396 |
| | 452,596 | 0 | 0 | 70,814.62 | 70,815 | 381,781.38 | 381,781 | 20,097 | 16,497 |

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 2017 TO 30 JUNE 2018

| | 2017/18 Budget \$ | JUNE 2018 Actual \$ |
|-----------------------------------------------------|----------------------------------|----------------------------------------|
| 6. RESERVES - CASH BACKED | | |
| (a) Leave Reserve | | |
| Opening Balance | 281,137 | 281,138 |
| Amount Set Aside / Transfer to Reserve | 7,611 | 3,133 |
| Amount Used / Transfer from Reserve | <u>(80,000)</u> | <u>0</u> |
| | <u>208,748</u> | <u>284,270</u> |
| (b) Sports and Recreation Facilities Reserve | | |
| Opening Balance | 0 | 0 |
| Amount Set Aside / Transfer to Reserve | 0 | 0 |
| Amount Used / Transfer from Reserve | <u>0</u> | <u>0</u> |
| | <u>0</u> | <u>0</u> |
| (c) Plant Reserve | | |
| Opening Balance | 905,518 | 905,518 |
| Amount Set Aside / Transfer to Reserve | 108,411 | 10,090 |
| Amount Used / Transfer from Reserve | <u>(60,000)</u> | <u>0</u> |
| | <u>953,929</u> | <u>915,608</u> |
| (d) Building Reserve | | |
| Opening Balance | 99,976 | 99,977 |
| Amount Set Aside / Transfer to Reserve | 20,929 | 1,113 |
| Amount Used / Transfer from Reserve | <u>(50,000)</u> | <u>0</u> |
| | <u>70,905</u> | <u>101,090</u> |
| (e) Economic Development Reserve | | |
| Opening Balance | 109,308 | 109,308 |
| Amount Set Aside / Transfer to Reserve | 1,015 | 1,218 |
| Amount Used / Transfer from Reserve | <u>(25,000)</u> | <u>0</u> |
| | <u>85,323</u> | <u>110,526</u> |
| (f) Community Development Reserve | | |
| Opening Balance | 1,187,559 | 1,187,559 |
| Amount Set Aside / Transfer to Reserve | 11,030 | 30,359 |
| Amount Used / Transfer from Reserve | <u>(10,000)</u> | <u>0</u> |
| | <u>1,188,589</u> | <u>1,217,918</u> |
| (g) Sewerage Reserve | | |
| Opening Balance | 216,306 | 216,305 |
| Amount Set Aside / Transfer to Reserve | 34,528 | 2,410 |
| Amount Used / Transfer from Reserve | <u>(70,000)</u> | <u>0</u> |
| | <u>180,834</u> | <u>218,716</u> |
| (h) Unspent Grants and Contributions Reserve | | |
| Opening Balance | 877,391 | 877,390 |
| Amount Set Aside / Transfer to Reserve | 8,149 | 1,495 |
| Amount Used / Transfer from Reserve | <u>(832,972)</u> | <u>(852,472)</u> |
| | <u>52,568</u> | <u>26,413</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

| | 2017/18 Budget \$ | JUNE 2018 Actual \$ |
|--------------------------------------------------|----------------------------------|----------------------------------------|
| 6. RESERVES (Continued) | | |
| (i) Business Units Reserve | | |
| Opening Balance | 81,961 | 81,962 |
| Amount Set Aside / Transfer to Reserve | 20,761 | 913 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>102,722</u> | <u>82,875</u> |
| (j) Morawa Future Funds Interest | | |
| Opening Balance | 88,036 | 88,036 |
| Amount Set Aside / Transfer to Reserve | 12,050 | 38,594 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>100,086</u> | <u>126,630</u> |
| (k) Morawa Community Future Funds Reserve | | |
| Opening Balance | 2,121,127 | 2,121,127 |
| Amount Set Aside / Transfer to Reserve | 19,703 | 81,711 |
| Amount Used / Transfer from Reserve | (36,000) | (37,368) |
| | <u>2,104,830</u> | <u>2,165,470</u> |
| (l) Refuse Transfer Station Reserve | | |
| Opening Balance | 27 | 27 |
| Amount Set Aside / Transfer to Reserve | 0 | 0 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>27</u> | <u>27</u> |
| (m) Aged Care Units Reserve - Units 6-9 | | |
| Opening Balance | 9,131 | 9,131 |
| Amount Set Aside / Transfer to Reserve | 85 | 102 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>9,216</u> | <u>9,233</u> |
| (n) ST-N/Midlands Solar Thermal Power | | |
| Opening Balance | 559,632 | 558,966 |
| Amount Set Aside / Transfer to Reserve | 5,198 | 5,464 |
| Amount Used / Transfer from Reserve | (550,000) | (564,430) |
| | <u>14,830</u> | <u>0</u> |
| (o) ST-Morawa Revitalisation Reserve | | |
| Opening Balance | 176,558 | 176,348 |
| Amount Set Aside / Transfer to Reserve | 1,640 | 1,357 |
| Amount Used / Transfer from Reserve | (178,198) | (140,000) |
| | <u>0</u> | <u>37,705</u> |
| (p) Legal Fees Reserve | | |
| Opening Balance | 20,177 | 20,177 |
| Amount Set Aside / Transfer to Reserve | 5,187 | 225 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>25,364</u> | <u>20,402</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

| | 2017/18 Budget \$ | JUNE 2018 Actual \$ |
|-------------------------------------------------------------|----------------------------------|----------------------------------------|
| 6. RESERVES (Continued) | | |
| (q) Road Reserve | | |
| Opening Balance | 141,649 | 141,649 |
| Amount Set Aside / Transfer to Reserve | 1,316 | 1,578 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>142,965</u> | <u>143,228</u> |
| (r) Aged Care Units 1-4 | | |
| Opening Balance | 67,964 | 67,964 |
| Amount Set Aside / Transfer to Reserve | 631 | 757 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>68,595</u> | <u>68,721</u> |
| (s) Aged Care Unit 5 | | |
| Opening Balance | 54,558 | 54,558 |
| Amount Set Aside / Transfer to Reserve | 507 | 608 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>55,065</u> | <u>55,166</u> |
| (t) Swimming Pool Reserve | | |
| Opening Balance | 0 | 0 |
| Amount Set Aside / Transfer to Reserve | 20,000 | 0 |
| Amount Used / Transfer from Reserve | 0 | 0 |
| | <u>20,000</u> | <u>0</u> |
| Total Cash Backed Reserves | 5,384,596 | 5,583,997 |
| Summary of Transfers To Cash Backed Reserves | | |
| Transfers to Reserves | | |
| Leave Reserve | 7,611 | 3,133 |
| Sports and Recreation Facilities Reserve | 0 | 0 |
| Plant Reserve | 108,411 | 10,090 |
| Building Reserve | 20,929 | 1,113 |
| Economic Development Reserve | 1,015 | 1,218 |
| Community Development Reserve | 11,030 | 30,359 |
| Sewerage Reserve | 34,528 | 2,410 |
| Unspent Grants and Contributions Reserve | 8,149 | 1,495 |
| Business Units Reserve | 20,761 | 913 |
| Morawa Community Future Funds Interest | 12,050 | 38,594 |
| Morawa Community Future Fund Reserve | 19,703 | 81,711 |
| Refuse Transfer Station Reserve | 0 | 0 |
| Aged Care Units Reserve - Units 6-9 | 85 | 102 |
| ST-N/Midlands Solar Thermal Power | 5,198 | 5,464 |
| ST-Morawa Revitalisation Reserve | 1,640 | 1,357 |
| Legal Fees Reserve | 5,187 | 225 |
| Road Reserve | 1,316 | 1,578 |
| Aged Care Units 1-4 | 631 | 757 |
| Aged Care Unit 5 | 507 | 608 |
| Swimming Pool Reserve | 20,000 | 0 |
| | <u>278,751</u> | <u>181,128</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

| | 2017/18 Budget \$ | JUNE 2018 Actual \$ |
|------------------------------------------|----------------------------------|----------------------------------------|
| 6. RESERVES (Continued) | | |
| Transfers from Reserves | | |
| Leave Reserve | (80,000) | 0 |
| Sports and Recreation Facilities Reserve | 0 | 0 |
| Plant Reserve | (60,000) | 0 |
| Building Reserve | (50,000) | 0 |
| Economic Development Reserve | (25,000) | 0 |
| Community Development Reserve | (10,000) | 0 |
| Sewerage Reserve | (70,000) | 0 |
| Unspent Grants and Contributions Reserve | (832,972) | (852,472) |
| Business Units Reserve | 0 | 0 |
| Morawa Community Future Funds Interest | 0 | 0 |
| Morawa Community Future Fund Reserve | (36,000) | (37,368) |
| Refuse Transfer Station Reserve | 0 | 0 |
| Aged Care Units Reserve - Units 6-9 | 0 | 0 |
| ST-N/Midlands Solar Thermal Power | (550,000) | (564,430) |
| ST-Morawa Revitalisation Reserve | (178,198) | (140,000) |
| Legal Fees Reserve | 0 | 0 |
| Road Reserve | 0 | 0 |
| Aged Care Units 1-4 | 0 | 0 |
| Aged Care Unit 5 | 0 | 0 |
| Swimming Pool Reserve | 0 | 0 |
| | <u><u>(1,892,170)</u></u> | <u><u>(1,594,270)</u></u> |
| Total Transfer to/(from) Reserves | <u><u>(1,613,419)</u></u> | <u><u>(1,413,142)</u></u> |

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 Future Funds Interest

To be used for Morawa Community Projects

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

6. RESERVES (Continued)

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 Care Units 6-9 Reserve

To be used for the maintenance/ construction of Aged Care Units at the Morawa Perenjori

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.

Aged Care Units 1-4 Reserve

To be used for the maintenance/upgrade of Aged Care Units 1-4 at the Morawa Perenjori Health

Aged Care Unit 5 Reserve

To be used for the maintenance/upgrade Aged Care Unit 5 at the Morawa Perenjori Health

Swimming Pool Reserve

To be used for the maintenance/upgrade to Morawa Swimming Pool

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

| | 2016/17 B/Fwd Per 2017/18 Budget \$ | 2016/17 B/Fwd Per Financial Report \$ | 2017/18 Actual \$ |
|----------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------|----------------------------------|
| 7. NET CURRENT ASSETS | | | |
| Composition of Estimated Net Current Asset Position | | | |
| CURRENT ASSETS | | | |
| Cash - Unrestricted | 48,420 | (176,517) | 749,332 |
| Cash - Restricted Unspent Grants | 0 | 317,600 | 0 |
| Cash - Restricted Unspent Loans | 0 | 0 | 0 |
| Cash - Restricted Reserves | 6,998,015 | 6,997,139 | 5,583,997 |
| Rates - Current | 0 | 487,406 | 563,292 |
| Sundry Debtors | 542,642 | 48,351 | 77,352 |
| GST Receivable | 0 | 76,915 | 151,218 |
| Accrued Income/Prepayments | 0 | 109,256 | 46,756 |
| Provision for Doubtful Debts | 0 | (722) | (722) |
| Other Current Debtors | 0 | 0 | 0 |
| Inventories | 1,335 | 1,119 | 1,119 |
| | <u>7,590,412</u> | <u>7,860,547</u> | <u>7,172,344</u> |
| LESS: CURRENT LIABILITIES | | | |
| Sundry Creditors | (60,497) | (92,665) | (105,255) |
| Income Received in Advance | 0 | 0 | (59,958) |
| GST Payable | 0 | (44,535) | (3,855) |
| Payroll Creditors | 0 | 0 | 0 |
| Accrued Expenditure | 0 | (1,634) | 0 |
| Other Payables | 0 | (5,953) | 1,375 |
| Withholding Tax Payable | 0 | 0 | 0 |
| Payg Payable | 0 | (43,671) | (97,337) |
| Accrued Interest on Debentures | 0 | (3,509) | 0 |
| Accrued Salaries and Wages | 0 | (8,965) | 0 |
| Current Employee Benefits Provision | (384,662) | (384,662) | (384,662) |
| Current Loan Liability | 6,938 | (70,815) | 0 |
| | <u>(438,221)</u> | <u>(656,409)</u> | <u>(649,692)</u> |
| NET CURRENT ASSET POSITION | 7,152,191 | 7,204,138 | 6,522,652 |
| Less: Cash - Reserves - Restricted | (6,998,015) | (6,997,139) | (5,583,997) |
| Less: Cash - Unspent Grants - Restricted | 0 | 0 | 0 |
| Less: Land Held for Resale | 0 | 0 | 1,148 |
| Add Back : Component of Leave Liability not Required to be Funded | 281,138 | 281,138 | 284,270 |
| Add Back : Current Loan Liability | (6,938) | 70,815 | 0 |
| SURPLUS/(DEFICIENCY) C/FWD | <u>428,376</u> | <u>558,952</u> | <u>1,224,073</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

8. RATING INFORMATION

| RATE TYPE | Rate in \$ | Number of Properties | Rateable Value \$ | 2017/18 Rate Revenue \$ | 2017/18 Interim Rates \$ | 2017/18 Back Rates \$ | 2017/18 Total Revenue \$ | 2017/18 Budget \$ |
|-----------------------------------------------|------------|----------------------|-------------------|-------------------------|--------------------------|-----------------------|--------------------------|-------------------|
| General Rate | | | | | | | | |
| GRV Residential/Commercial | 0.07571 | 268 | 2,807,436 | 212,543 | (1,450) | 0 | 211,093 | 214,220 |
| UV Rural | 0.02304 | 202 | 63,004,000 | 1,457,564 | (814) | 0 | 1,456,750 | 1,451,801 |
| UV Mining | 0.28968 | 15 | 472,333 | 136,826 | 0 | 0 | 136,826 | 136,826 |
| Sub-Totals | | 485 | 66,283,769 | 1,806,932 | (2,264) | 0 | 1,804,669 | 1,802,847 |
| Minimum Rates | | | | | | | | |
| GRV Residential/Commercial | 290 | 46 | 27,078 | 13,340 | 0 | 0 | 13,340 | 13,050 |
| UV Rural | 290 | 6 | 53,200 | 1,740 | 0 | 0 | 1,740 | 1,740 |
| UV Mining | 656 | 11 | 11,311 | 7,216 | 0 | 0 | 7,216 | 7,216 |
| Sub-Totals | | 63 | 91,589 | 22,296 | 0 | 0 | 22,296 | 22,006 |
| Discounts | | | | | | | 1,826,965 | |
| Total amount raised from general rates | | | | | | | (37,696) | (28,000) |
| Ex-Gratia Rates | | | | | | | 1,789,269 | 1,796,853 |
| Rates Written Off | | | | | | | 5,914 | 5,792 |
| Specified Area Rates | | | | | | | (3,973) | (2,000) |
| Movement in Excess Rates | | | | | | | 0 | 0 |
| | | | | | | | (36,284) | 0 |
| Total Rates | | | | | | | 1,754,926 | 1,800,645 |

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

The general rates detailed above for the 2017/18 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 2017 TO 30 JUNE 2018

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-17 \$ | Amounts Received \$ | Amounts Paid (\$) | Balance \$ |
|------------------------------------------|-------------------------------------|------------------------------------|----------------------------------|-----------------------|
| Housing Bonds | 2,000 | 3,108 | 0 | 5,108 |
| Dreghorn Unit Bonds | 1,164 | 0 | 0 | 1,164 |
| Bonds Hall/Rec Centre Hire | 100 | 800 | 0 | 900 |
| Aged Care - Bond Karl Strudwick Number 5 | 1,266 | 0 | 0 | 1,266 |
| Youth Centre | 865 | 0 | 0 | 865 |
| Council Nominations | 0 | 320 | 0 | 320 |
| 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 | 660 | 0 | 0 | 660 |
| BCITF/BRB Training Levy | 1,818 | 1,412 | (3,628) | (398) |
| Daphne Little - Excess Rent | 1,704 | 0 | 0 | 1,704 |
| Morawa Oval Function Centre | 1,763 | 500 | 0 | 2,263 |
| | <u>15,981</u> | <u>6,140</u> | <u>(3,628)</u> | <u>18,493</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

10. OPERATING STATEMENT

| | JUNE 2018 Actual \$ | 2017/18 Budget \$ | 2016/17 Actual \$ |
|-----------------------------------------------------------|----------------------------------------|----------------------------------|----------------------------------|
| OPERATING REVENUES | | | |
| Governance | 18,752 | 20,010 | 40 |
| General Purpose Funding | 3,516,391 | 2,693,995 | 4,202,543 |
| Law, Order, Public Safety | 32,077 | 26,230 | 396,038 |
| Health | 3,906 | 5,350 | 3,328 |
| Education and Welfare | 14,402 | 133,899 | 33,333 |
| Housing | 102,641 | 147,761 | 661,358 |
| Community Amenities | 437,386 | 554,091 | 439,329 |
| Recreation and Culture | 55,074 | 69,214 | 329,087 |
| Transport | 2,265,724 | 1,092,694 | 4,971,279 |
| Economic Services | 150,733 | 223,319 | 156,934 |
| Other Property and Services | 206,016 | 139,184 | 231,249 |
| TOTAL OPERATING REVENUE | 6,803,102 | 5,105,747 | 11,424,518 |
| OPERATING EXPENSES | | | |
| Governance | 415,355 | 491,640 | 449,851 |
| General Purpose Funding | 195,624 | 174,282 | 196,911 |
| Law, Order, Public Safety | 100,117 | 84,223 | 146,986 |
| Health | 212,612 | 210,604 | 155,117 |
| Education and Welfare | 96,308 | 800,015 | 176,028 |
| Housing | 313,037 | 313,270 | 152,845 |
| Community Amenities | 575,334 | 741,202 | 585,147 |
| Recreation & Culture | 1,409,018 | 1,136,614 | 1,164,884 |
| Transport | 3,321,263 | 1,598,634 | 5,175,238 |
| Economic Services | 1,119,314 | 794,594 | 415,210 |
| Other Property and Services | 76,953 | 36,296 | 62,476 |
| TOTAL OPERATING EXPENSE | 7,834,935 | 6,381,374 | 8,680,694 |
| CHANGE IN NET ASSETS RESULTING FROM OPERATIONS | <u>(1,031,833)</u> | <u>(1,275,627)</u> | <u>2,743,824</u> |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

11. BALANCE SHEET

| | JUNE 2018 Actual \$ | 2016/17 Actual \$ |
|--------------------------------------|----------------------------------------|----------------------------------|
| CURRENT ASSETS | | |
| Cash Assets | 6,333,329 | 7,138,222 |
| Receivables | 837,897 | 721,205 |
| Inventories | 1,119 | 1,119 |
| TOTAL CURRENT ASSETS | 7,172,345 | 7,860,546 |
| NON-CURRENT ASSETS | | |
| Receivables | 16,559 | 16,559 |
| Inventories | 0 | 0 |
| Property, Plant and Equipment | 22,470,126 | 23,105,106 |
| Infrastructure | 44,355,196 | 44,071,710 |
| TOTAL NON-CURRENT ASSETS | 66,841,881 | 67,193,375 |
| TOTAL ASSETS | 74,014,226 | 75,053,921 |
| CURRENT LIABILITIES | | |
| Payables | 265,031 | 200,933 |
| Interest-bearing Liabilities | 0 | 70,815 |
| Provisions | 384,662 | 384,662 |
| Trust Imbalance | (1,148) | 239,867 |
| TOTAL CURRENT LIABILITIES | 648,545 | 656,410 |
| NON-CURRENT LIABILITIES | | |
| Interest-bearing Liabilities | 381,781 | 381,782 |
| Provisions | 26,386 | 26,386 |
| TOTAL NON-CURRENT LIABILITIES | 408,167 | 408,168 |
| TOTAL LIABILITIES | 1,056,712 | 1,064,578 |
| NET ASSETS | 72,957,514 | 73,989,343 |
| EQUITY | | |
| Retained Surplus | 34,718,529 | 34,337,220 |
| Reserves - Cash Backed | 5,583,997 | 6,997,139 |
| Reserves - Asset Revaluation | 32,654,987 | 32,654,987 |
| TOTAL EQUITY | 72,957,513 | 73,989,346 |

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018

12. FINANCIAL RATIO

| | 2017/18 YTD | 2016/17 | 2015/16 | 2014/15 |
|---------------|----------------|---------|---------|---------|
| Current Ratio | 4.360 | 2.210 | 3.530 | 3.550 |

The above rates are calculated as follows:

Current Ratio equals
$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

SHIRE OF MORAWA
FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
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 variance.

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

General Purpose Funding - Variance above budget expectations

Timing - FAGS money for 18/19 received early

Education and Welfare - Variance below budget expectations

Youth Centre income decreased due to changes to operations of the Youth Centre -
Timing on grant income

Housing - Variance below budget expectations

Aged Care Units not fully utilised as budget expectations

Community Amenities - Variance below budget expectations.

Community Bus upgrade not going ahead as per budget review - income below budget expectations

Recreation & Culture - Variance below budget expectations.

Pool admissions lower than budget prediction. 32k operational grant ceased.

Transport - Variance above expectations.

Flood Damage income offset by outgoing

Economic Services - Variance below budget expectations.

Overall Caravan Park and Units income low due to slow season, Business units vacancy's no income - below budget expectations

Other Property & Services - Variance above budget expectations.

TAFE training offset with expenses, use of our equipment - above budget expectations

REPORTABLE OPERATING EXPENSE VARIATIONS

Note: Depreciation is not raised until after the audit is completed.
This affects variations across all programs

Law, Order and Public Safety - Variance above budget expectations.

Changes to SES to DFES timing

Education and Welfare - Variance below budget expectations

Industry Training centre yet to commence - not likely to commence

Housing - Variance above budget expectations.

Yewers Ave house substantial repairs when tenant vacated above budget expectations

Community Amenities - Variance below budget expectations.

Tip maintenance costs and Public Toilet Amenities expenses under budget expectations

Recreation and Culture - Variance above budget expectations.

Relief Swimming Pool Manger non budgeted item

Transport - Variance above budget expectations.

DOT licensing expenses high - offset by income. Aerodrome expenses higher than budget expectations

Economic Services - Variance above budget expectations

Solar Thermal Grant 550k sent back to department unspent

Other Property & Services - Variance above budget expectations.

Expenses offset by overheads adjusted in budget review below budget expectations

SHIRE OF MORAWA
FOR THE PERIOD 1 JULY 2017 TO 30 JUNE 2018
Report on Significant variances Greater than 10% and \$10,000

REPORTABLE NON-CASH VARIATIONS

(Profit)/Loss on Asset Disposals - Variance above budget expectations.

REPORTABLE CAPITAL EXPENSE VARIATIONS

Purchase of Land & Buildings - Variance below budget expectations.

Industrial Land Development not proceeded as yet - timing
New tip site not purchase and will not proceed this financial year

Purchase of Plant & Equipment - Variance below budget expectations.

Community Bus upgrade not proceeding this financial year
Generator for Admin Building yet to be purchased

Purchase of Furniture and Equipment - Variance below budget expectations.

Blow up play station for Swimming Pool not proceeding - was reliant on grant income

Purchase of Infrastructure Assets Roads - Variance below budget expectations.

Capital Road Works for roads under budget - timing

Purchase Infrastructure Assets - Other- Variance above budget expectations.

Timing Variance on Road Construction
Morawa Gateway Project awaiting grants
Morawa Perenjori Trails Project awaiting grants

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 Interim Audit Report |
| <i>Date of Meeting:</i> | 19 July 2018 |
| <i>Date & Author:</i> | 10 July 2018 – Jenny Goodbourn |
| <i>Responsible Officer:</i> | Chris Linnell– Chief Executive Officer |
| <i>Applicant/Proponent:</i> | Jenny Goodbourn – Executive Manager Corporate & Community Services |
| <i>File Number:</i> | FM.FRP.1 |
| <i>Previous minute/s & Reference:</i> | |

SUMMARY

The Interim Audit Report for the year ending 30 June 2018 has been received and is presented to Council.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Attachment 1 – 7.2.2.4a Annual Financial Report Interim Audit Results

BACKGROUND INFORMATION

This year has seen some major changes to the annual audit process as discussed at the Audit Committee Meeting held on 8 May 2018. In the past each Local Government appointed an independent auditor for a three year period to carry out the annual audit. With effect from the 2017/2018 financial year the Office of the Auditor General has taken over the audit responsibility for all Local Governments in WA. We were advised by the Auditor General on 13 February that they had approved RSM Bird Cameron to carry out the audit for the year ended 30 June 2018 on their behalf.

As part of the new audit process the Audit Committee had to meet with the Auditor and a representative of the Office of the Auditor General to review the Audit Planning Memorandum. The primary purpose of the Audit Planning Memorandum (APM) is to brief the Audit Committee on the proposed approach to the audit of the financial report of the Shire.

OFFICER'S COMMENT

One of the changes to come from the new approach to the audit process was the formalising of the interim audit with a management letter being produced at its completion. Previously a report and letter had only been produced at completion of the End of Year Audit.

RSM Bird Cameron were on site at the Shire on 21-22 May 2018 to conduct the interim audit and then followed up on any issues with the Executive Management Team before reporting the outcome to the Auditor General. We have now received the interim audit report from the OAG which is presented to Council for their information and/or comment.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

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

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Shire of Morawa Strategic Community Plan
4.3 A local government that is respected professional and accountable.

RISK MANAGEMENT

Establishment of appropriate internal controls and procedures minimises the risk of oversight and loss to the Shire of Morawa.

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

With regards to the Interim Audit by the Office of Auditor General, Council notes the Interim Audit Report.

RECEIVED
Shire of Morawa
27 JUN 2018
FM. AUD. 1



Our Ref: 7948

7th Floor, Albert Facey House
469 Wellington Street, Perth

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

Mail to: Perth BC
PO Box 8489
PERTH WA 6849
Tel: (08) 6557 7500
Fax: (08) 6557 7600
Email: info@audit.wa.gov.au

Dear Mr Linnell

**ANNUAL FINANCIAL REPORT
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2018**

We have completed the interim audit for the year ending 30 June 2018. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate your overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

Management Control Issues

I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the course of the interim audit. These matters have been discussed with management and their comments have been included on the attachment. The matters reported are limited to those deficiencies that were identified during the interim audit that we have concluded are of sufficient importance to merit being reported to management. Some of the matters may be included in our auditor's report in accordance with section 7.9(2) of the *Local Government Act 1995* or regulation 10(3)(a) and (b) of the *Local Government (Audit) Regulations 1996*. If so, we will inform you before we finalise the report.

This letter has been provided for the purposes of your local government and may not be suitable for other purposes.

We have forwarded a copy of this letter to the President. A copy will also be forwarded to the Minister for Local Government when we forward our auditor's report on the annual financial report to the Minister on completion of the audit.

Feel free to contact me on 6557 7716 if you would like to discuss these matters further.

Yours faithfully

pp Renubha V.

SUBHA GUNALAN
DIRECTOR FINANCIAL AUDIT
June 2018

SHIRE OF MORAWA

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

| INDEX OF FINDINGS | RATING | | |
|----------------------------------------------------|-------------|----------|-------|
| | Significant | Moderate | Minor |
| 1. PRIOR YEAR ISSUES | | | |
| 1.1 Non-compliance with internal purchasing policy | ✓ | | |
| 1.2 Excessive annual leave balances | | ✓ | |
| 2. CURRENT YEAR ISSUE | | | |
| 2.1 Notice of change of fees and charges | | ✓ | |

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

SHIRE OF MORAWA**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****1 PRIOR YEAR ISSUES****1.1 Non-compliance with internal purchasing policy****Finding 2017:**

Section 3.10 *Purchasing Policy* of the Shire's Policy Manual, as reviewed on 19 December 2016, requires that purchases meet certain conditions to comply with the *Local Government (Functions and General) Regulations 1996 Part 4* and *Local Government (Finance and General ledger) Regulations 11A (3)(b)* (the Regulations).

During our procurement testing, our audit sample identified instances of insufficient documentation to indicate that the requisite number of quotations had either been obtained or, in some cases, had not been attached to the payment record.

In addition to the above, the following exceptions were noted during sample payment testing:

- Bitutek Pty Ltd provided services in respect of the Jones Lake and Gutha East Roads, in excess of the tender threshold of \$150,000. While the Shire obtained WALGA e-quotes in terms of Section 11(2)(b) of the Regulations to satisfy the tender exemption requirements, this was not approved by Council resolution as required by the Shire's Purchasing Policy.
- Purchase orders had not been raised for certain transactions, contrary to the requirements of the Shire's purchasing policy.

Status 2018:

The Shire's purchasing policy requires written quotations be obtained for purchases, depending on the respective purchasing threshold.

During our controls testing, from a sample of 23 purchase transactions, 9 instances were identified where there was insufficient evidence of the requisite number of quotations either being obtained or, in some cases, not attached to the payment record. In such cases, the payment record did not document the reason as to why the requisite number of quotations had not been obtained.

Rating: Significant**Implication:**

Purchases may not reflect the best value for money, and/or suppliers may be unduly favoured if quotations are not obtained when required. In addition, non-compliance with the internal purchasing policy increases the risk of breaching the *Local Government (Functions and General) Regulations 1996 Part 4* and *Local Government (Financial Management) Regulations 11A (3)(b)*.

Recommendation:

The requirement for full compliance with the Shire's purchasing policy should be communicated to all staff and closely monitored by management, to ensure compliance with *Local Government (Functions and General) Regulations 1996 Part 4* and *Local Government (Financial Management) Regulations 11A (3)(b)*.

SHIRE OF MORAWA**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

If instances arise where the Shire is unable to obtain the requisite number of quotations, the reasons thereof should be recorded and attached to the purchase order at the time of the purchase being made.

Management Comment 2017:

A new Policy Manual has been passed by Council since 2016/17 financial year which now shows a clear and concise procedure for our Purchasing Policy.

Management Comment 2018:

The situation is improving. Since adoption of the revised purchasing policy in August 2017 the Shire is continuing to monitor and train employees on the correct procedures. Of the three instances raised at the interim audit, the one to Joyner Slot Consulting was for specialist services and related to work commenced prior to the new purchasing policy and it appears only their quote was obtained at that time. The other two are for contracted road works and concrete works, there may have been two quotes obtained but the works supervisor is currently on long service leave and a search of his computer and office hasn't found anything.

The Shire realises this is an important matter and all staff are now constantly reminded of the need to adhere to the purchasing policy and quote requirements.

Executive staff will prioritise this to ensure there is ongoing improvement and adherence to the policy adopted by Council.

Responsible Person: Chief Executive Officer and Manager Corporate & Community Services

Completion Date: Completed now but ongoing training of all new staff and regular reviews to ensure compliance will be undertaken.

SHIRE OF MORAWA**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****1.2 Excessive annual leave balances****Finding 2017:**

During our review we identified instances where employees have annual leave accrued balances in excess of 300 hours each.

Status 2018:

During our review at the interim phase of the audit we identified 2 instances where employees have annual leave accrued balances in excess of 300 hours each.

Rating: Moderate**Implication:**

Excessive annual leave balances accrued increases the risk of an adverse impact through excessive financial liabilities and may also indicate over-reliance on key individuals. This over-reliance can result in business interruption when the employee takes extended leave or is no longer employed by the Shire. Failure to take leave can also mask fraud.

Recommendation:

The Shire should continue to manage and monitor the excessive annual leave balances to reduce the financial liability, as well as the risk of business interruption and fraud.

Management Comment 2017:

3 staff with excessive leave entitlements have been identified and 2 are retiring within the next 4 months and one has booked and had approved long services leave to be taken within this financial year. Other staff with leave outstanding are to be contacted to book leave.

Management Comment 2018:

The situation is being addressed. One member of staff is currently on extended leave to reduce their hours, another has retired, another will be retiring in July and other leave is being arranged – there are still two staff with leave in excess of 300 hours. One of these is seasonal being the swimming pool manager who takes her leave during the closed season, the other is our payroll officer and we are working on time management to reduce TOIL and encourage leave to be utilised.

Responsible Person: Chief Executive Officer, Executive Management Team
Completion Date: 31 December 2018

SHIRE OF MORAWA**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2018****FINDINGS IDENTIFIED DURING THE INTERIM AUDIT****2 CURRENT YEAR ISSUE****2.1 Notice of change of fees and charges****Finding:**

At the 16 November 2017 Ordinary Council Meeting, Council resolved to revise the entrance fees of the Morawa Swimming Pool, effective 18 November 2017.

Local Government Act (WA) 1995 Subdivision 2 sets out the legislative requirements for Fees and Charges. S6.19 states:

6.19. Local government to give notice of fees and charges
If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of:

(a) its intention to do so; and

(b) the date from which it is proposed the fees or charges will be imposed.

Local Public Notice, as defined in Section 1.7(1)(a) of the *Act*, was not given as to the amendment to the 2017/18 Schedule of Fees and Charges for the above revision.

Rating: Moderate**Implication:**

Non-compliance with the requirements of *Local Government Act (WA) 1995* S6.19.

Recommendation:

The Shire should review policies and procedures to ensure that local public notice is given where fees and charges are imposed or amended after the annual budget has been adopted.

Management Comment:

The change to the Swimming pool fees and charges was advertised on the shire notice boards, shire social media and locally throughout the shire. However, it was not actually put in a newspaper circulating in the district as it should have been. This has now been advised to the person responsible and executive managers have been made aware of the requirements to fulfil local public notice and state-wide public notice to ensure compliance in the future.

Responsible Person:

Chief Executive Officer, Executive Management Team

Completion Date:

30 June 2018

| | |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <i>Item No/ Subject:</i> | 7.2.2.5 Sale of Land for Non-payment of Rates |
| <i>Date of Meeting:</i> | 19 July 2018 |
| <i>Date & Author:</i> | 2018 – Jenny Goodbourn |
| <i>Responsible Officer:</i> | Jenny Goodbourn – Executive Manager Corporate & Community Services |
| <i>Applicant/Proponent:</i> | Executive Manager Corporate & Community Services |
| <i>File Number:</i> | A683 |
| <i>Previous minute/s & Reference:</i> | 16 March 2016 Item 7.2.2.4 – Resolution 1603004 23 February 2017 Item 7.2.2.7 – Resolution 1702009 |

SUMMARY

Auction of Lots 12 and 13 Simpson Street, Gutha on 4 August 2018 for non-payment of rates. Lots adjoining Gutha Town Hall which occasionally get used when functions are being held at the hall.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Attachment 1 – 7.2.2.5a Form 5 – Sale of 12 Simpson Street, Gutha

BACKGROUND INFORMATION

This is an ongoing matter that has been before Council previously. The owner of the property is deceased and there has been no probate applied for on the estate. In 2009 a letter was received from the deceased's niece advising the Shire of no interest in the land and that the family wanted to return it to the Shire. However, as there is no probate, there was no executor to formally authorise this. The best way to proceed according to CS Legal was to follow the process under section 6.64 of the Local Government Act 1995 and proceed with sale of the land for non-payment of outstanding rates or service charges.

At the Ordinary Council Meeting on 23 February 2017 Council resolved:

COUNCIL RESOLUTION

1702009 *Moved:* *Cr Thornton*
 Seconded: *Cr Coaker*

That Council :

(1) Rescind motion 1603004 –

Lot 12 Simpson Street Gutha, be put up for sale due to unpaid rates of more than 3 years.

Should the property not be sold within 12 months, the property is to be transferred to the ownership of the Shire of Morawa and the Outstanding rates be written off.

CARRIED 7/0

(2) Resolves to exercise its power of sale under Part 6 Subdivision of Local Government Act 1995 (WA) over Lots 12 & 13 on Deposited Plan 142516 being all that piece of land contained in Certificate of Title Volume 1035 Folio 876, more commonly known as Lots 12 & 13 Simpson Street Gutha.

CARRIED 6/0

OFFICER'S COMMENT

The legal process to advise of the Shire's intention and to comply with necessary legislation has been undertaken and the property can now be put up for auction. In the event of the auction being unsuccessful and if after a further 12 months there has been no sale the Shire can request the land be transferred into its ownership.

The auction is scheduled for Saturday, 4 August 2018 at 11am, to be conducted at the Shire office.

Valuation of the property is thought to be negligible due to its remote location, with a market appraisal from local real estate agents being in the region of \$1,000 - \$2,000.

A reserve price will be required for the auction. Current rates and charges outstanding amount to \$3,908 and there are likely to be around another \$2,000 in charges incurred to complete the legal process and conduct the auction. It would be prudent to set a reserve to cover the outstanding charges; no or a low reserve would mean that Council would be looking at writing off the majority of the debt. A reserve of \$6,000 is recommended.

At the auction it will be necessary for a representative of the Shire to attend and able to enter into any contract of sale on behalf of the Shire that might be accepted.

At the June 2018 Ordinary Council Meeting Council passed a delegation for Disposing of Property to the CEO; however the CEO will not be available to attend the auction, being in Perth for the WALGA annual conference, and as this auction is slightly different to some of the conditions of that delegation it is requested that delegation be granted to the Executive Manager Corporate & Community Services for this specific transaction should it be required rather than the CEO making a sub-delegation.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Section 6.64 Local Government Act 1995

Section 6.68 Local Government Act 1995

Section 5.42 Local Government Act 1995

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil – Sale would have no material effect to the budget

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

In respect of the auction of Lots 12 and 13 Simpson Street, Gutha, that Council:

- Set a reserve price of \$6,000 for the auction, and
- Delegate authority to the Executive Manager Corporate & Community Services as the Shire representative to sign any contract for sale of land should it be required on the day of the auction being 4 August 2018.

Form 5

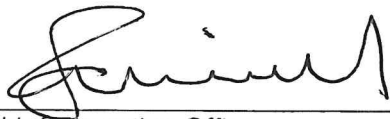
Local Government Act 1995
Local Government (Financial Management) Regulations 1996

Notice pursuant to Schedule 6.3 of the *Local Government Act 1995* of sale of land for non-payment of outstanding rates or service charges

Notice is hereby given that, under section 6.64 of the *Local Government Act 1995*, as rates and service charges having been owing for a period of at least 3 years the Shire of Morawa is to offer for sale by public auction at Shire of Morawa, Winfield Street, Morawa at 11:00AM on 4 August 2018 the land described below.

Signed for and on behalf of the Shire of Morawa

this 04 day of July 2018



Chief Executive Officer

Description of Land etc.

| | |
|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Description of land and lot or location number | Lots 12 & 13 |
| Plan or Diagram Number | Deposited Plan 142516 |
| Title Reference | Volume 1035 Folio 876 |
| Area | 2024m ² |
| Street | Simpson Street |
| Description of improvements, if any | No Improvements |
| Name of Owner | Percy William Joseph Sermon |
| Names of other persons appearing to have an estate or interest | N/A |
| Rates/service charges outstanding | \$2,054.15 |
| Other charges due on the land | \$739.29 – Emergency Services Levy and interest; \$1,114.74 – Rates/service Charges Interest; and \$2,871.70 – Legal Charges |

| | |
|-----------------------------------------------|---------------------------------------------------------------------------------------|
| <i>Item No/ Subject:</i> | 7.2.3.1 Application for Exploration Licence |
| <i>Date of Meeting:</i> | 20 July 2018 |
| <i>Date & Author:</i> | 10 July 2018 – Samantha Appleton |
| <i>Responsible Officer:</i> | Samantha Appleton Executive Manager Development and Administration |
| <i>Applicant/Proponent:</i> | Deblin Tenement Management Services on behalf of Galahad Resources Pty Ltd |
| <i>File Number:</i> | ED.IND.1 |
| <i>Previous minute/s & Reference:</i> | |

SUMMARY

Council to consider an application for an Exploration Licence by Galahad Resources Pty Ltd.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Attachment 1 - 7.2.3.1a Letter advising of application and supporting documents

BACKGROUND INFORMATION

An application has been lodged with the Mining Registrar by Devlin Tenement Management Services, acting on behalf of the Galahad Resources Pty Ltd for an Exploration Licence covering a total of 19 blocks. The land affected is in both the Morawa and Perenjori Shires, with approximately 7.5 blocks being in the Morawa Shire area.

The proposed Exploration Licence is located in an area between Koolanooka Springs Road and the southern portion of Lochada Road. The correspondent has verbally indicated that the exploration will be primarily for gold.

OFFICER'S COMMENT

As part of the approval process, where new tenements are being granted, interested parties are notified so that any objections to the proposed grant may be lodged. Objections must be lodged prior to 2 August 2018.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

MINING ACT 1978 - SECT 59

59 . Determination of application for exploration licence

(1) A person who wishes to object to the granting of an application for an exploration licence shall lodge a notice of objection within the prescribed time and in the prescribed manner.

(2) Where no notice of objection is lodged within the prescribed time, or any notice of objection is withdrawn, the mining registrar shall, unless subsection (4)(b) applies, forward to the Minister a report which recommends the grant or refusal of the exploration licence and sets out the reasons for that recommendation.

(3) The mining registrar shall —

(a) recommend the grant of the exploration licence if satisfied that the applicant has complied in all respects with the provisions of this Act; or

(b) recommend the refusal of the exploration licence if not so satisfied.

(4) Where a notice of objection —

(a) is lodged within the prescribed time; or

(b) is not lodged within the prescribed time but is lodged before the mining registrar has forwarded a report to the Minister under subsection (2) and the warden is satisfied that there are reasonable grounds for late lodgement,

and the notice of objection is not withdrawn, the warden shall hear the application for the exploration licence on a day appointed by the warden and may give any person who has lodged such a notice of objection an opportunity to be heard.

(5) The warden shall as soon as practicable after the hearing of the application forward to the Minister for the Minister's consideration —

(a) the notes of evidence; and

(b) any maps or other documents referred to in the notes of evidence; and

(c) a report which recommends the grant or refusal of the exploration licence and sets out the reasons for that recommendation.

(6) On receipt of a report under subsection (2) or (5), the Minister may grant or refuse the exploration licence as the Minister thinks fit, and irrespective of whether —

(a) the report recommends the grant or refusal of the exploration licence;

and

(b) the applicant has or has not complied in all respects with the provisions of this Act.

[Section 59 inserted by No. 58 of 1994 s. 15(1); amended by No. 39 of 2004 s. 59; No. 12 of 2010 s. 22.]

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Granting of new tenements will result in a small increase of rate income subject to the valuation of the new tenement.

STRATEGIC IMPLICATIONS

Shire of Morawa Strategic Community Plan
1.2 Maximise business, industry and investment opportunities.

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

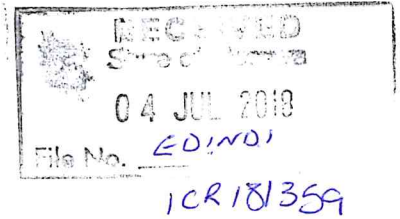
Council resolves that pursuant to the Mining Act 1978, Section 59, the Shire of Morawa does not lodge an objection to the granting of proposed Exploration Licence 70/5189.

Deblin Tenement Management Services

PO Box 456, Mount Hawthorn WA 6915
Mobile: 0402 464 190 Email: linda@deblin.com.au

29 June 2018

VIA REGISTERED POST



The CEO
Shire of Morawa
PO Box 14
Morawa WA 6623

Dear Sir,

RE: APPLICATION FOR EXPLORATION LICENCE 70/5189 BY GALAHAD RESOURCES PTY LTD

We act as tenement managers to Galahad Resources Pty Ltd who have applied for Exploration Licence 70/5189.

Pursuant to Section 33(1a) of *the Mining Act*, we are obliged to notify:-

(b) In cases of sub-surface applications (i.e. Only for land below a depth of 30 metres from the lowest part of the natural surface) then service on the clerk of the council of the municipality only – Section 33 (1a).

The above-mentioned application encroaches upon private land within your LGA, as shown in the "Quick Appraisal" provided by DMIRS.

Please find attached copies of lodged Form 21 with attachment 1 plus location plan. If you have any queries on the attached, please contact the undersigned.

Yours faithfully,

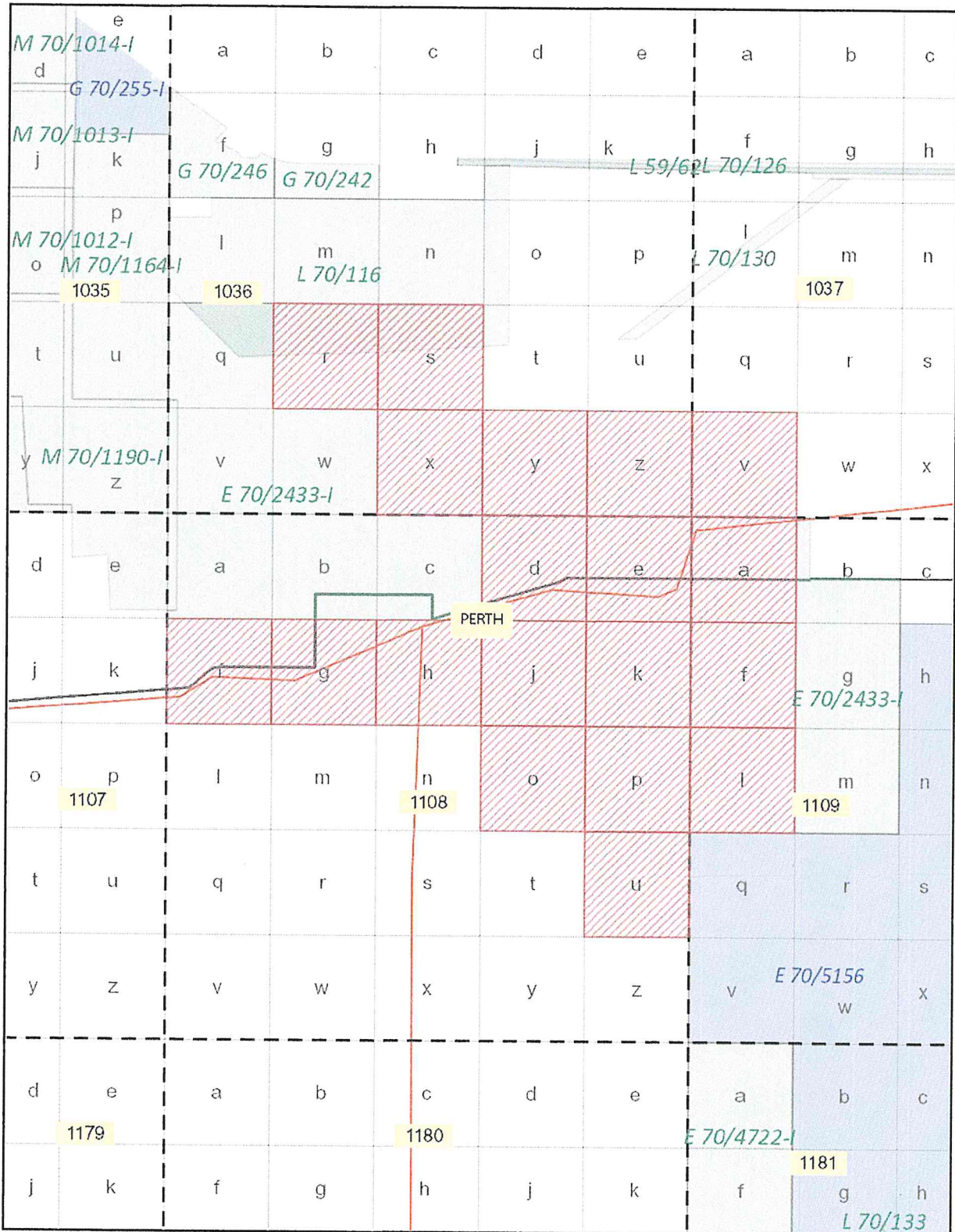
Linda Skender
Principal Consultant
Deblin Tenement Management Services
PO Box 456, Mount Hawthorn WA 6915
m 0402 464 190
e linda@deblin.com.au
enc.



Mining Act 1978
Sec. 58; Reg. 64

FORM 21 - ATTACHMENT 2
Plan Name(s) - PERTH

Time Officially Received : 28/06/2018 08:30:00
User Id : ex17874



MAP SHOWING BLOCKS APPLIED FOR IN
EXPLORATION LICENCE NO. 70/5189

Graticular Section Applied For

Form 21

WESTERN AUSTRALIA
Mining Act 1978
(Secs. 41, 58, 70C, 74, 86, 91, Reg. 64)

APPLICATION FOR MINING TENEMENT

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| (a) Type of tenement | (a) Exploration Licence | No. E 70/5189 |
| (b) Time & Date marked out (where applicable) | (b) a.m./p.m. / / | (c) SOUTH WEST |
| (c) Mineral Field | | |
| For each applicant: | | |
| (d) Full Name and ACN/ABN | (d) and (e) GALAHAD RESOURCES PTY LTD (ACN: 601 223 778) C/- DEBLIN TENEMENT MANAGEMENT SERVICES, PO BOX 456, MOUNT HAWTHORN, WA, 6915 | (f) Shares 100 |
| (e) Address | | |
| (f) No. of shares | | |
| (g) Total No. of shares | | (g) Total 100 |
| DESCRIPTION OF GROUND APPLIED FOR: (For Exploration Licences see Note 1. For other Licences see Note 2. For all Licences see Note 3.) | (h) South West (i) (j) This application affects Private Property. Details of Private Property Affected: " IN RESPECT TO PRIVATE LAND, THE TENEMENT APPLICANT IS SEEKING SUBSURFACE RIGHTS ONLY, THEREFORE SECTION 33(1a) OF THE MINING ACT 1978 APPLIES TO PRIVATE LAND NOTICES." | |
| (h) Locality | | |
| (i) Datum Peg | | |
| (j) Boundaries | | |
| (k) Area (ha or km ²) | (k) 19 BL | |

(l) Signature of applicant or agent (if agent state full name and address)
(l) Linda Maree Skender Date: 28/06/2018
THE TENEMENT MANAGER, PO BOX 456,
MOUNT HAWTHORN, WA, 6915

OFFICIAL USE

A NOTICE OF OBJECTION may be lodged at any mining registrar's office on or before the 2nd day of August 2018 (See Note 4).

Where an objection to this application is lodged the hearing will take place on a date to be set.

| | | | | |
|-------------|-------------|----|--------------|--------------|
| Received at | 08:30:00 | on | 28 June 2018 | with fees of |
| Application | \$1,362.00 | | | |
| Rent | \$2,546.00 | | | |
| TOTAL | \$3,908.00 | | | |
| Receipt No: | 84797444016 | | | |

Mining Registrar

NOTES

Note 1: EXPLORATION LICENCE

- (i) Attachments 1 and 2 form part of every application for an exploration licence and must be lodged with this form in lieu of (h), (i), (j) and (k) above.
- (ii) An application for an Exploration Licence shall be accompanied by a statement specifying method of exploration, details of the proposed work programme, estimated cost of exploration and technical and financial ability of the applicant(s).

Note 2: PROSPECTING/MISCELLANEOUS LICENCE AND MINING/GENERAL PURPOSE LEASE

- (i) This application form shall be accompanied by a map on which are clearly delineated the boundaries of the area applied for.

Note 3: GROUND AVAILABILITY

- (i) The onus is on the applicant to ensure that ground is available to be marked out and/or applied for.
- (ii) The following action should be taken to ascertain ground availability:
(a) public plan search; (b) register search; (c) ground inspection.

Note 4: ALL APPLICATIONS OVER PRIVATE LAND

The period for lodgement of an objection is within 21 days of service of this notice, or the date noted above for lodging objections, whichever is the longer period.

| | | | | | |
|---------------------------------------------------------------------------------|--|---------------------------|-------------------------------|---------------------------|-----------|
| WESTERN AUSTRALIA Mining Act 1978 Sec. 58; Reg. 64 | | | FORM 21 - ATTACHMENT 1 | | |
| EXPLORATION LICENCE NO. 70/5189 | | | | | |
| THIS SECTION MUST BE COMPLETED IN FULL FOR ALL EXPLORATION LICENCE APPLICATIONS | | | | | |
| LOCALITY: South West | | | | | |
| BLOCK IDENTIFIER (All three sections must be completed) | | | | | |
| 1:1,000,000 PLAN NAME | | PRIMARY NUMBER | | GRATICULAR SECTION | |
| PERTH | | 1036 | | rsxyz | |
| PERTH | | 1037 | | v | |
| PERTH | | 1108 | | defghjkopu | |
| PERTH | | 1109 | | afI | |
| TOTAL BLOCKS: | | | | | 19 |



Department of Mines, Industry Regulation and Safety

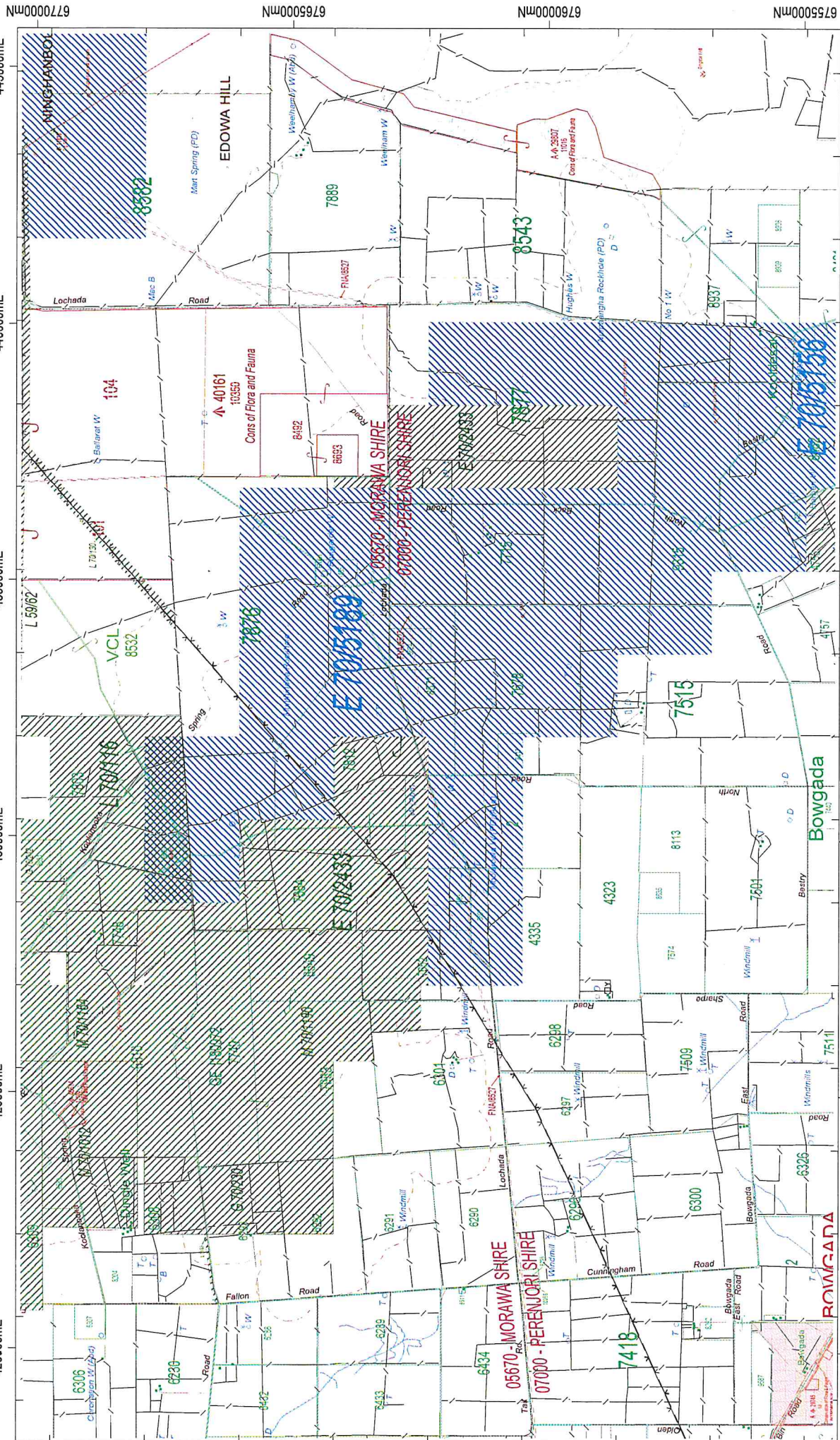
Map Grid of Australia, 1994 - Zone 50

TENGRAPH (c) 1992, 1993
10:01 AM, 10/07/2018
[Public Plan] EX17874 TGOL91

Government of Western Australia
Energy System V7.27.2

- Live Tenement
- Pending application
- Application over live tenement

440000mE



This site is for information purposes only. It does not constitute a contract. The information is provided for general information only and is not intended to be used for any specific purpose. The information is not to be relied upon for any specific purpose. The information is not to be used for any specific purpose. The information is not to be used for any specific purpose.

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**

Item No/ Subject: **12.1.1 Closure of Meeting to the Public**

Date of Meeting: **19 July 2018**

Date & Author: **10 July 2018 – Chris Linnell**

Responsible Officer: **Chris Linnell - Chief Executive Officer**

Applicant/Proponent: **Chief Executive Officer**

File Number: **GV.CMT.1**

*Previous minute/s &
Reference:*

SUMMARY

This item seeks Council's approval under s5.23 (2) (c) of the *Local Government Act 1995* to move into camera or closed session to consider a matter regarding the lease of a Business Incubator Unit and extension of the existing lease of Lot 511 White Avenue, Morawa to Ausco.

DECLARATION OF INTEREST

Nil

ATTACHMENTS

Nil

BACKGROUND INFORMATION

Nil

OFFICER'S COMMENT

In item 12.1.2 Council will be presented with the CEO's recommendation for the lease of a Business Incubator Unit and extension of the existing lease of Lot 511 White Avenue, Morawa to Ausco.

COMMUNITY CONSULTATION

Nil

COUNCILLOR CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995

Under section 5.23 (2) of the *Local Government Act 1995*, part of a council meeting may be closed, if the meeting deals with any of the following:

- (a) a matter affecting an employee or employees;
- (b) the personal affairs of any person;
- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;
- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;
- (e) a matter that if disclosed, would reveal —
 - (i) a trade secret;
 - (ii) information that has a commercial value to a person;
 - (iii) information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government;
- (f) a matter that if disclosed, could be reasonably expected to —
 - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
 - (ii) endanger the security of the local government's property;
 - (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety;
- (g) information which is the subject of a direction given under section 23(1a) of the *Parliamentary Commissioner Act 1971*; and
- (h) such other matters as may be prescribed.

Shire of Morawa Standing Orders Local Law 2011

The key parts include:

6.2 (1) The CEO may recommend that part of the meeting is closed.

6.2 (2) The Council may decide to close a meeting or part of a meeting.

6.2 (3) The presiding member is to direct everyone to leave the meeting except, members, the CEO and any officer specified.

6.2 (5) Clause 8.9 (re speaking twice)

6.2 (7) The presiding member is to ensure any resolution of the Council made while the meeting was closed is to read out including a vote of a member.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

RISK MANAGEMENT

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council closes the meeting to the public under section 5.23 (2) c) of the *Local Government Act 1995* and the *Shire of Morawa Standing Orders Local Law 2011 s 6.2 (2)* so that it can consider a matter regarding the lease of a Business Incubator Unit and extension of the existing lease of Lot 511 White Avenue, Morawa to Ausco.

12.2 Public reading of resolutions that may be made public

13. Closure

Next Meeting - Ordinary Meeting 16 August 2018