



SHIRE OF MORAWA
ORDINARY COUNCIL MEETING
ATTACHMENTS

Thursday, 17 March 2022



Agenda Attachments

Shire of Morawa

Ordinary Council Meeting

17 March 2022

List of Attachments

11.1 Chief Executive Officer

- 11.1.2 Adoption of Revised Policy ELM 20 Appointment of Temporary or Acting Chief Executive Officer**
Attachment 1- 11.1.2 Council Policy - ELM 20 Appointment of a Temporary or Acting Chief Executive Officer
- 11.1.4 Application for Exploration Licence – No.70/6038 on Various Lots and Reserves.**
Attachment 1 – 11.1.4– Applications for mining tenement
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Attachment 1 – 11.1.5 Compliance Audit Return 2021
- 11.1.6 Placement of Purple Bench on Winfield Street**
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11.2 Executive Manager Corporate & Community Services

- 11.2.1 Statement of Financial Activity – January 2022**
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- 11.2.2 Statement of Financial Activity – February 2022**
Attachment 1 – 11.2.1a Monthly Financial Report for the period ending 28 February 2022. Attachment 2 – 11.2.1b Bank Reconciliation for the period ending 28 February 2022.
Attachment 3 – 11.2.1c List of Accounts Paid for the period ending 28 February 2022.
- 11.2.3 Financial Management Review 2022**
Attachment 1 – 11.2.3 Financial Management Review 2022
Attachment 2 – 11.2.3 Financial Management Review Status Report
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- 11.2.5 Approval to Display Public Art for Morawa Drug Aware Youth Week.**
Attachment 1 – 11.2.6 Public Art Location 1 towards Mingenew-Morawa Road
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- 12.1 Minutes of WALGA State Council Meeting held 23 February 2022**
Attachment 1 – 12.1 Minutes of WALGA State Council Meeting 23 February 2022.



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Attachment 1

Attachment 1- Council Policy - ELM 20
Appointment of a Temporary or Acting
Chief Executive Officer

Item 11.1.2

Adoption of Revised Policy ELM 20
Appointment of Temporary or Acting
Chief Executive Officer

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ELM20 Appointment of a Temporary or Acting Chief Executive Officer

Aim	To provide the process to be followed for the temporary employment or appointment of Chief Executive Officer.
Application	Senior Employees & Councillors
Statutory Environment	<u>Local Government Act 1995</u> s.5.39 Contracts for CEO and senior employees s.5.39C Policy for temporary employment or appointment of CEO s.5.40 Principles affecting employment by Local Governments
Approval Date	
Last Review	OMC 20 August 2020
Next Review	2024
Review Period	Every 2 years

Objectives

To establish policy, in accordance with Section 5.39C of the Local Government Act 1995 ('the Act'), that details the Shire of Morawa's processes for appointing an Acting or Temporary Chief Executive Officer (CEO) for periods of less than 12 months of planned or unplanned leave or an interim vacancy in the substantive office.

Policy

This policy applies to the statutory position of Chief Executive Officer (CEO) of the Shire of Morawa.

Definitions

- (1) **Acting CEO** means a person employed or appointed to fulfil the statutory position of CEO during a period where the substantive CEO remains employed but is on planned or unplanned leave.
- (2) **Temporary CEO** means a person employed or appointed to fulfil the statutory position of CEO for the period of time between the end of the substantive CEO's employment and the appointment and commencement of a newly appointed substantive CEO.

Note: CEOs are entitled to leave conditions specified in their employment contract. Approval of CEO leave entitlements is at the written discretion of the President and approval should not be unreasonably withheld.

Acting and Temporary CEO Requirements and Qualification

- (1) When the CEO is on planned or unplanned leave, or the CEO's employment with the Local Government has ended, an Acting or Temporary CEO is to be appointed in accordance with this Policy to fulfil the functions of CEO as detailed in Section 5.41 of the *Local Government Act 1995*, and other duties as set out in the Act and associated Regulations.
- (2) Through this policy and in accordance with section 5.36(2)(a) of the Act, the Council determines that employees appointed to the substantive position(s) of Executive Manager Corporate and Community Services (EMCCS) and Executive Manager

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Works and Assets (EMWA) are considered suitably qualified to perform the role of Acting or Temporary CEO.

- (3) A person appointed to act in the position of EMCCS or EMWA is not included in the determination set out in Clause 3 (2).

Appoint Acting CEO – Planned and unplanned leave for periods up to 6 weeks

- (1) The CEO is authorised to appoint either EMCCS or EMWA in writing as Acting CEO, where the CEO is on planned or unplanned leave for periods not exceeding 6 weeks, subject to the CEO's consideration of the senior employee's performance, availability, operational requirements and where appropriate, the equitable access to the professional development opportunity.
 - a. Should the CEO deem that the at the time of leave neither employee is considered suitable then an alternate external candidate can be presented to Council for appointment by resolution.
- (2) The CEO must appoint an Acting CEO for any leave periods greater than 72 hours and less than 6 weeks.
- (3) The CEO is to immediately advise all Council Members when and for what period the EMCCS or EMWA is appointed as Acting CEO.
- (4) If the CEO is unavailable or unable to make the decision to appoint an Acting CEO in accordance with (2), then the following line of succession shall apply:
 - a. The EMCCS will be appointed as Acting CEO; or
 - b. If the EMCCS is unable to act, the EMWA will be appointed as Acting CEO; or
- (5) Council may, by resolution, extend an Acting CEO period under subclause (4) beyond 6 weeks if the substantive CEO remains unavailable or unable to perform their functions and duties.

Appoint Acting CEO for extended leave periods greater than 6 weeks but less than 12 months.

- (1) This clause applies to the following periods of extended leave:
 - Substantive CEO's Extended Planned Leave which may include accumulated annual leave, long service leave, or personal leave; and
 - Substantive CEO's Extended Unplanned Leave which may include any disruption to the substantive CEO's ability to continuously perform their functions and duties.
- (2) The Council will, by resolution, appoint an Acting CEO for periods greater than 6 weeks but less than 12 months, as follows:
 - a. Appoint one employee, or multiple employees for separate defined periods, as Acting CEO to ensure the CEO position is filled continuously for the period of extended leave; or
 - b. Conduct an external recruitment process in accordance with clause 5(1)(c)(iii).
- (3) The President will liaise with the CEO, or in their unplanned absence the EMCCS to coordinate Council reports and resolutions necessary to facilitate an Acting CEO appointment.
- (4) Subject to Council's resolution, the President will execute in writing the Acting CEO appointment with administrative assistance from the EMCCS.

Appoint Temporary CEO – Substantive Vacancy

- (1) In the event that the substantive CEO's employment with the Shire of Morawa is ending, the Council when determining to appoint a Temporary CEO may either:

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- a. by resolution, appoint either the EMCCS or EMWA as the Temporary CEO for the period of time until the substantive CEO has been recruited and commences their employment with the Local Government; or
 - b. by resolution, appoint the EMCCS or EMWA as the interim Temporary CEO for the period of time until an external recruitment process for a Temporary CEO can be completed; or
 - c. following an external recruitment process in accordance with the principles of merit and equity prescribed in section 5.40 of the Act, appoint a Temporary CEO for the period of time until the substantive CEO has been recruited and commences employment with the Local Government.
- (2) The President will liaise with the Executive Assistant to coordinate Council reports and resolutions necessary to facilitate a Temporary CEO appointment.
 - (3) The President is authorised to execute in writing the appointment of a Temporary CEO in accordance with Council's resolution/s, with administrative assistance from the Executive Assistant.

Remuneration and conditions of Acting or Temporary CEO

- (1) Unless Council otherwise resolves, an employee appointed as Acting CEO shall be remunerated at up to 90% of the cash component only of the substantive CEO's total reward package.
- (2) Council will determine by resolution, the remuneration and benefits to be offered to a Temporary CEO when entering into a contract in accordance with the requirements of Sections 5.39(1) and (2)(a) of the Act.
- (3) Subject to relevant advice, the Council retains the right to terminate or change, by resolution, any Acting or Temporary CEO appointment.

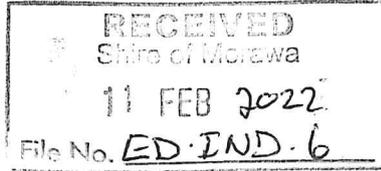
Shire of Morawa



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Attachment 1 Applications for Mining Tenement

Item 11.1.4 Application for Exploration Licence –
No.70/6038 on Various Lots and
Reserves.



Datum Peg Mining Titles Solutions
PO Box 5010 (Centrepoint)
Midland WA 6056
0459 697 769
contact@datumpeg.com.au
ABN 55 161 864 311

Chief Executive Officer
Shire Of Morowa
PO Box 14
Morowa WA 6623

4 February 2022

By Registered Mail

Attention: Chief Executive Officer

Application(s) for Exploration Licence 70/6038

Enterprise Metals Limited has applied for mining tenements within or over interests in lands that you either own, lease, manage, administer, or hold a mortgage over, being within the limits of, or may encroach into a town boundary located within, the Morowa shire.

Service of this letter satisfies the Applicant's service obligations as set out in the *Mining Act 1978* (WA) (and its regulations).

If you have any queries in respect of the application(s), please make contact to discuss.

Yours sincerely,

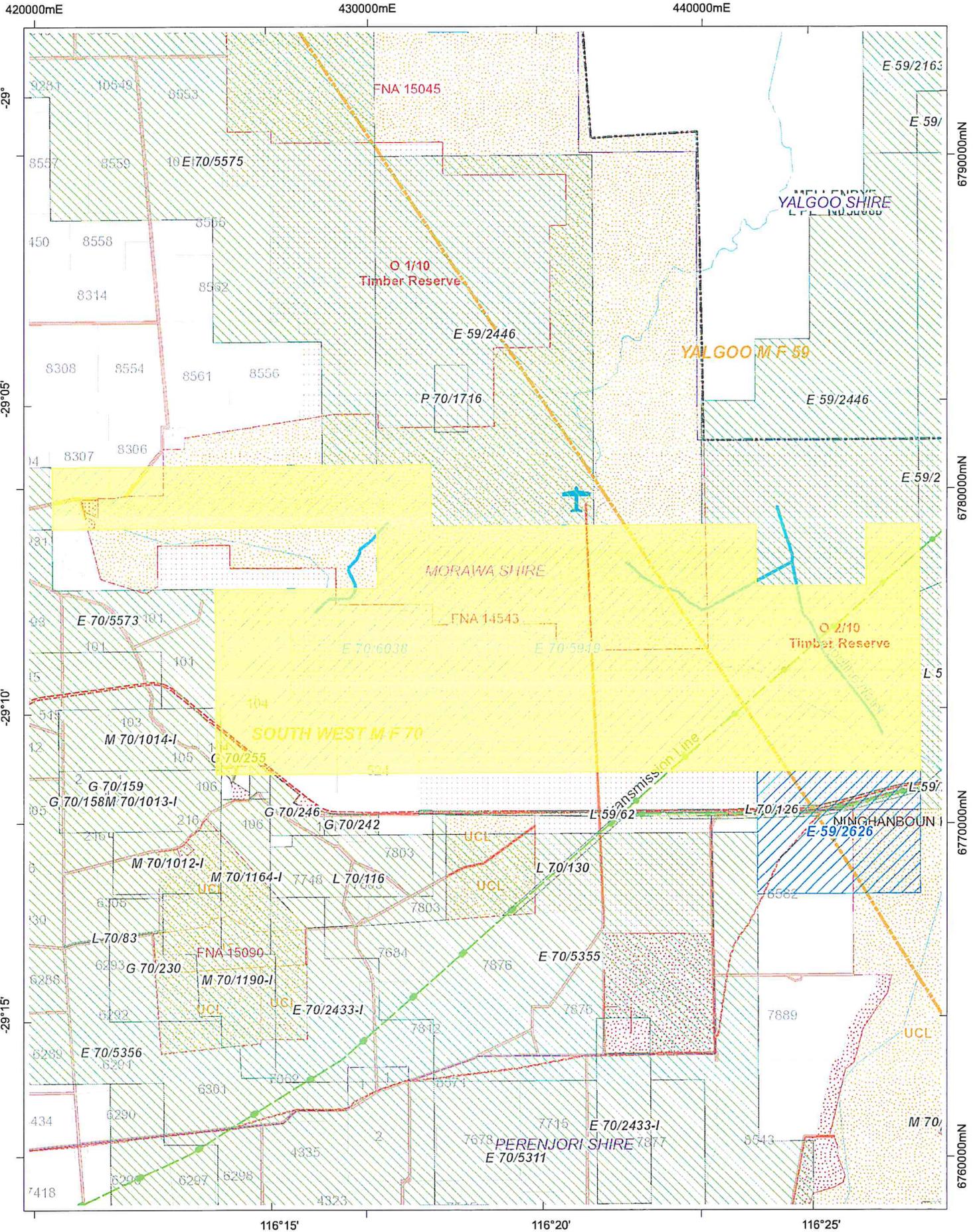
Datum Peg

Mining Titles Solutions
Agents for the Applicant

Encl: Copy of application(s)



E 70/6038, Quick Appraisal Plan



This plan has been compiled from various data sources received from a number of agencies and with information supplied by applicants for mining tenements. No responsibility is accepted for any error or omission. The Commonwealth of Australia (c) 2002, through Geoscience Australia and the Department of Defence, maintains copyright over those parts of the topographic data it has provided for display in TENGRAPH. Users wishing to use the data in its unaltered form should contact Geoscience Australia at www.ga.gov.au. Confirmation of the extent and composition of any Native Title Claims should be sought from the Native Title Spatial Services Landgate. Enclosed Pastoral Lease land and Pre 1994 mining confined to Nhamwanga Wajari and Ngalswanga ILUA Native Title determination boundary.

Scale: 1:144,448



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 70/6038
(b) Time & Date marked out (where applicable)	(b) a.m./p.m. / /		(c) SOUTH WEST
(c) Mineral Field			
For each applicant:	(d) and (e)		(f) Shares
(d) Full Name and ACN/ABN	ENTERPRISE METALS LIMITED (ACN: 123 567 073)		100
(e) Address	PO BOX 5010 (CENTREPOINT), MIDLAND, WA, 6056		
(f) No. of shares			
(g) Total No. of shares			(g) Total 100
DESCRIPTION OF GROUND APPLIED FOR:	(h) Jarrah Hill		
(For Exploration Licences see Note 1. For other Licences see Note 2. For all Licences see Note 3.)	(i) This application affects Private Property.		
	(j) Details of Private Property Affected: Subsurface rights only in respect of any private land		
(h) Locality			
(i) Datum Peg			
(j) Boundaries			
(k) Area (ha or km ²)	(k) 54 BL		
(l) Signature of applicant or agent (if agent state full name and address)	(l) Dermot Ryan SUITE 5, 44KINGS PARK RD, WEST PERTH, WA, 6005		Date: 01/02/2022

OFFICIAL USE

A NOTICE OF OBJECTION may be lodged at any mining registrar's office on or before the 8th day of March 2022 (See Note 4).

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

Received at	08:57:47	on	1 February	2022	with fees of
Application	\$1,660.00				
Rent	\$7,884.00				
TOTAL	\$9,544.00				
Receipt No:	20838085961				

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. 70/6038		
THIS SECTION MUST BE COMPLETED IN FULL FOR ALL EXPLORATION LICENCE APPLICATIONS		
LOCALITY: Jarrah Hill		
BLOCK IDENTIFIER (All three sections must be completed)		
1:1,000,000 PLAN NAME	PRIMARY NUMBER	GRATICULAR SECTION
PERTH	963	ghjkuz
PERTH	964	fghnopqrstuvwxyz
PERTH	965	lmnoqrstuvwxyz
PERTH	966	mqrw
PERTH	1035	e
PERTH	1036	abcde
PERTH	1037	abcde
PERTH	1038	ab
TOTAL BLOCKS:		54



Morawa - Compliance Audit Return 2021

Certified Copy of Return

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

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2021?	N/A	No major trading undertakings	Scott Wildgoose
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2021?	N/A	Nil	Scott Wildgoose
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2021?	N/A		Scott Wildgoose
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2021?	N/A		Scott Wildgoose
5	s3.59(5)	During 2021, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	Nil occurred	Scott Wildgoose



Delegation of Power/Duty						
No	Reference	Question	Response	Comments	Respondent	
1	s5.16	Were all delegations to committees resolved by absolute majority?	Yes		Scott Wildgoose	
2	s5.16	Were all delegations to committees in writing?	Yes		Scott Wildgoose	
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	Yes		Scott Wildgoose	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Yes		Scott Wildgoose	
5	s5.18	Has council reviewed delegations to its committees in the 2020/2021 financial year?	Yes	15/7/2021	Scott Wildgoose	
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Scott Wildgoose	
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Scott Wildgoose	
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Scott Wildgoose	
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Scott Wildgoose	
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	N/A		Scott Wildgoose	
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Scott Wildgoose	
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2020/2021 financial year?	Yes	No changes to Council	Scott Wildgoose	
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes		Scott Wildgoose	

Disclosure of Interest						
No	Reference	Question	Response	Comments	Respondent	
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Scott Wildgoose	



No	Reference	Question	Response	Comments	Respondent
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	Yes		Scott Wildgoose
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Scott Wildgoose
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes		Scott Wildgoose
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2021?	Yes		Scott Wildgoose
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Scott Wildgoose
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Scott Wildgoose
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Scott Wildgoose
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Scott Wildgoose
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Scott Wildgoose
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Scott Wildgoose
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Scott Wildgoose
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	Yes		Scott Wildgoose



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes		Scott Wildgoose
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?* *Question not applicable after 2 Feb 2021	Yes		Scott Wildgoose
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11(2) was the nature of the interest recorded in the minutes?*	Yes		Scott Wildgoose
		*Question not applicable after 2 Feb 2021			
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes		Scott Wildgoose
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	Yes		Scott Wildgoose
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	Yes		Scott Wildgoose
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?*	N/A		Scott Wildgoose
		*Question not applicable after 2 Feb 2021			
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?*	N/A		Scott Wildgoose
		*Question not applicable after 2 Feb 2021			



No	Reference	Question	Response	Comments	Respondent
22	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?	No	Adopted 20 May 2021 - just outside 3 month window but model code used in interim.	Scott Wildgoose
23	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4)?	No		Scott Wildgoose
24	s5.104(7)	Did the CEO publish an up-to-date version of the adopted code of conduct on the local government's website?	Yes		Scott Wildgoose
25	s5.51A(1) & (3)	Did the CEO prepare, and implement and publish an up-to-date version on the local government's website, a code of conduct to be observed by employees of the local government?	Yes		Scott Wildgoose

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	Yes		Scott Wildgoose
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes		Scott Wildgoose



Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	Yes	No electoral gifts	Scott Wildgoose
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A	No forms	Scott Wildgoose
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A	Blank register	Scott Wildgoose



Finance						
No	Reference	Question	Response	Comments	Respondent	
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes		Scott Wildgoose	
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A		Scott Wildgoose	
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2021 received by the local government by 31 December 2021?	Yes		Scott Wildgoose	
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes		Scott Wildgoose	
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	Yes	March 2021	Scott Wildgoose	
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	Yes	March 2021	Scott Wildgoose	
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	Yes		Scott Wildgoose	



Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Reviewed June 2020 - major review process has commenced Jan 22	Scott Wildgoose
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	21 November 2019 - plan is to be reviewed in 2022 in line with the major strategic plan review - moving forward will become an annual	Scott Wildgoose
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Scott Wildgoose

Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	Yes		Scott Wildgoose
2	s5.36(4) & s5.37 (3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	Yes		Scott Wildgoose
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	Yes		Scott Wildgoose
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	Yes		Scott Wildgoose
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes		Scott Wildgoose
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Scott Wildgoose



Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes	CEO	Scott Wildgoose
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)? Does the complaints register include all information required by section 5.121 (2)?	Yes		Scott Wildgoose
3	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes		Scott Wildgoose



Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2021? If yes, please provide the date of council's resolution to accept the report.	No	No - a Financial management Review was undertaken in February 2022 and will be completed by March 2022	Scott Wildgoose
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within the three years prior to 31 December 2021? If yes, please provide date of council's resolution to accept the report.	Yes	16 April 2020	Scott Wildgoose
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C?	Yes		Scott Wildgoose
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events ?	Yes		Scott Wildgoose
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	Yes		Scott Wildgoose
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes		Scott Wildgoose
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2020/2021 financial year and publish it on the local government's official website by 31 July 2021?	Yes		Scott Wildgoose
8	s6.4(3)	By 30 September 2021, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2021?	Yes		Scott Wildgoose
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all it's expenditure, revenue and income?	Yes		Scott Wildgoose



Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy [adopted under F&G Reg 11A(1) & (3)] in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Scott Wildgoose
2	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Scott Wildgoose
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Scott Wildgoose
4	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	Not required this year. used WALGA Panel.	Scott Wildgoose
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	Yes		Scott Wildgoose
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Scott Wildgoose
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes		Scott Wildgoose
8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	No	No late received.	Scott Wildgoose
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	N/A		Scott Wildgoose
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	N/A		Scott Wildgoose



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	Yes		Scott Wildgoose
12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A		Scott Wildgoose
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under F&G Reg 23 (1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A		Scott Wildgoose
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A		Scott Wildgoose
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A		Scott Wildgoose
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A		Scott Wildgoose
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	Yes		Scott Wildgoose
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	Yes		Scott Wildgoose
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	No		Scott Wildgoose
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Scott Wildgoose
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Scott Wildgoose



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	N/A		Scott Wildgoose

I certify this Compliance Audit Return has been adopted by council at its meeting on _____

Signed Mayor/President, Morawa

Signed CEO, Morawa

Ordinary Council Meeting 17 March 2022

**Attachment 1 Compliance Audit Return
2021**

Item 11.1.5 2021 Compliance Audit Return



Ordinary Council Meeting 17 March 2022

Attachment 1 Attachment 1- Letter of request from the Morawa CRC.

Item 11.1.6 Placement of Purple Bench on Winfield Street

To whom it may concern,

Re: Purple Bench micro grant program

The Morawa Community Resource Centre (CRC) would like to submit an application for the 2022 round of Purple Bench micro grants through Linkwest.

As a Linkwest member the Morawa CRC have the opportunity to apply for the Purple Bench program. The Purple Bench program is an installation of a park bench painted purple to honour the memory of lives lost to domestic violence and show support available including help numbers to those experiencing domestic violence.

With permission from Council the CRC would like to attain a retired bench from the Shire Depot and install the bench on the south side of the CRC main entry, between the steps and side gate entrance. The \$220 grant funding will pay for the materials to carry out the transformation including ordering and mounting the mandatory plaque.

I do hope we are successful in this approval.

With Kind regards,

A handwritten signature in black ink, appearing to be 'Diane Butler and Kristy Milloy'.

Diane Butler and Kristy Milloy
Morawa CRC

Ordinary Council Meeting 17 March 2022

Attachment 1 11.2.1a Monthly Financial Report for the period ending 31 January 2022.

Attachment 2 11.2.1b Bank reconciliation for the period ending 31 January 2022.

Attachment 3 11.2.1c List of Accounts paid for the period ending 31 January 2022.

Item 11.2.1 Statement of Financial Activity – January 2022



MORAWA

SHIRE OF MORAWA

**FOR THE YEAR ENDING
30 JUNE 2022**

**STATEMENT OF FINANCIAL
ACTIVITY**



SHIRE OF MORAWA
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 January 2022

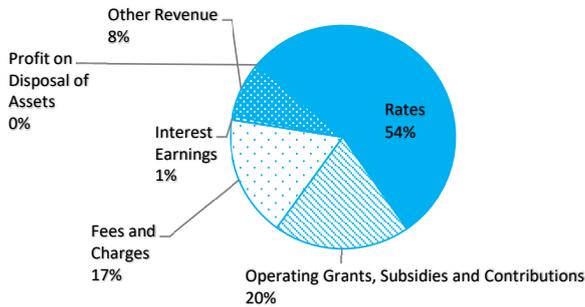
LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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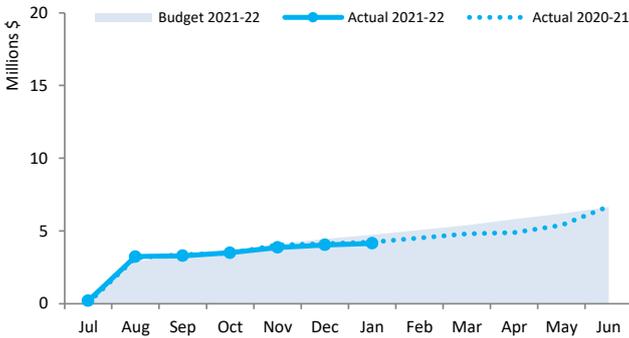
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OPERATING ACTIVITIES

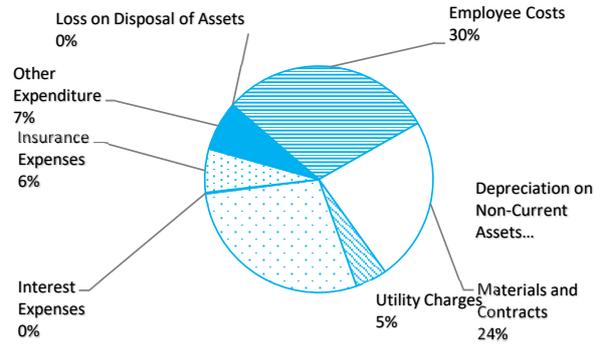
OPERATING REVENUE



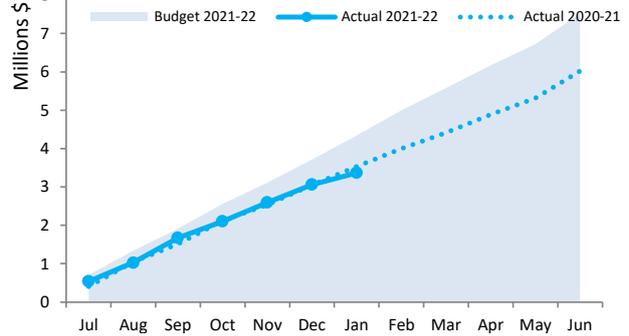
Budget Operating Revenues -v- Actual



OPERATING EXPENSES



Budget Operating Expenses -v- YTD Actual

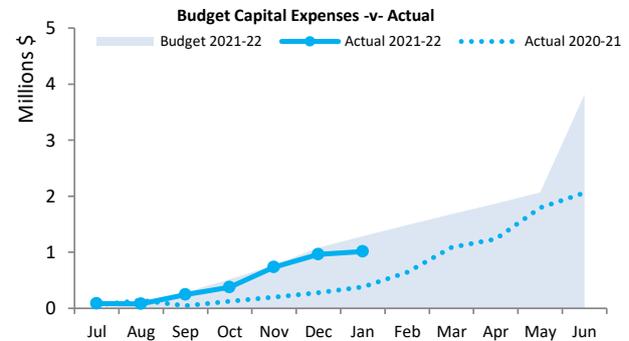


INVESTING ACTIVITIES

CAPITAL REVENUE



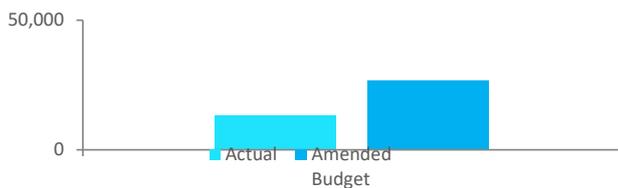
CAPITAL EXPENSES



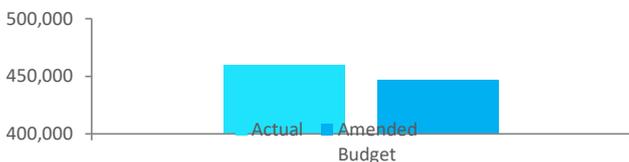
FINANCING ACTIVITIES

BORROWINGS

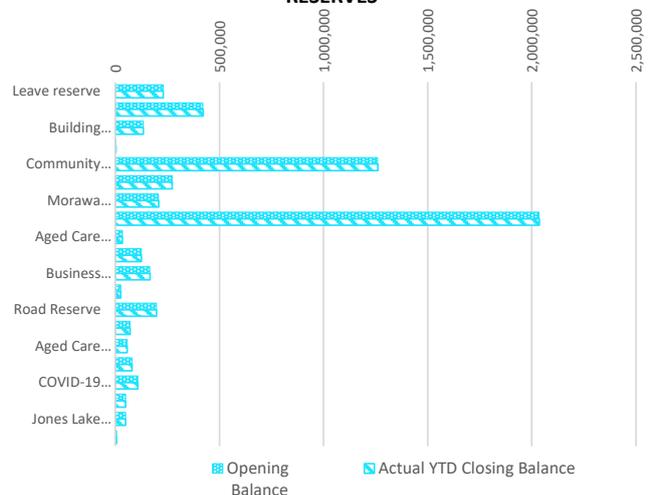
Principal Repayments



Principal Outstanding



RESERVES



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

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$2.11 M	\$2.11 M	\$2.11 M	\$0.00 M
Closing	\$0.01 M	\$2.37 M	\$2.81 M	\$0.44 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$8.05 M	% of total
Unrestricted Cash	\$2.51 M	31.2%
Restricted Cash	\$5.54 M	68.8%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$0.24 M	% Outstanding
Trade Payables	\$0.08 M	
0 to 30 Days		90.0%
30 to 90 Days		10.0%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables		
	\$0.79 M	% Collected
Rates Receivable	\$0.77 M	75.1%
Trade Receivable	\$0.02 M	% Outstanding
30 to 90 Days		0.2%
Over 90 Days		22.5%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.22 M)	\$0.92 M	\$1.51 M	\$0.59 M

Refer to Statement of Financial Activity

Rates Revenue		
	YTD Actual	% Variance
	\$2.12 M	
	YTD Budget	0.1%
	\$2.12 M	

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions		
	YTD Actual	% Variance
	\$0.77 M	
	YTD Budget	(6.6%)
	\$0.83 M	

Refer to Note 13 - Operating Grants and Contributions

Fees and Charges		
	YTD Actual	% Variance
	\$0.69 M	
	YTD Budget	1.1%
	\$0.68 M	

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.69 M)	(\$0.61 M)	(\$0.76 M)	(\$0.15 M)

Refer to Statement of Financial Activity

Proceeds on sale		
	YTD Actual	%
	\$0.04 M	
	Amended Budget	6.8%
	\$0.04 M	

Refer to Note 7 - Disposal of Assets

Asset Acquisition		
	YTD Actual	% Spent
	\$1.01 M	
	Amended Budget	(67.3%)
	\$3.09 M	

Refer to Note 8 - Capital Acquisitions

Capital Grants		
	YTD Actual	% Received
	\$0.22 M	
	Amended Budget	(84.1%)
	\$1.37 M	

Refer to Note 8 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.19 M)	(\$0.05 M)	(\$0.05 M)	\$0.00 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.01 M
Interest expense	\$0.01 M
Principal due	\$0.46 M

Refer to Note 9 - Borrowings

Reserves		
Reserves balance	\$5.54 M	
Interest earned	\$0.00 M	0.0%

Refer to Note 11 - Cash Reserves

Lease Liability	
Principal repayments	\$0.03 M
Interest expense	\$0.00 M
Principal due	\$0.06 M

Refer to Note 10 - Lease Liabilities

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

KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 31 JANUARY 2022

STATUTORY REPORTING PROGRAMS

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

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

GOVERNANCE

To manage Council's finances

Includes Members of Council, Civic Functions and Public Relations, Council Elections, Training/Education.

GENERAL PURPOSE FUNDING

To manage Council's finances

Includes Rates, Loans, Investments & Grants.

LAW, ORDER, PUBLIC SAFETY

To provide, develop & manage services in response to community needs.

Includes Emergency Services & Animal Control.

HEALTH

To provide, develop & manage services in response to community needs.

Includes Environmental Health, Medical & Health facilities.

EDUCATION AND WELFARE

To provide, develop & manage services in response to community needs.

Includes Education, Welfare & Children's Services.

HOUSING

To ensure quality housing and appropriate infrastructure is maintained.

Includes Staff & Other Housing.

COMMUNITY AMENITIES

To provide, develop & manage services in response to community needs.

Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape.

RECREATION AND CULTURE

To ensure the recreational & cultural needs of the community are met.

Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities.

TRANSPORT

To effectively manage transport infrastructure.

Includes Roads, Footpaths, Drainage, Plant & Machine Operating Costs and Airstrip Operations.

ECONOMIC SERVICES

To foster economic development, tourism & rural services in the district.

Includes Tourism, Rural Services, Economic Development & Caravan Park.

OTHER PROPERTY AND SERVICES

To provide control accounts and reporting facilities for all other operations.

Includes Private Works, Public Works Overheads, Plant Recovery Costs, Administration Overheads and any other Unclassified Items

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

STATUTORY REPORTING PROGRAMS

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)- (a)/(a)	Var.
		\$	\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	1,986,095	2,110,856	2,110,856	2,110,856	0	0.00%	
Revenue from operating activities								
Governance		50	50	0	0	0	0.00%	
General purpose funding - general rates	6	2,117,418	2,117,418	2,118,256	2,120,582	2,326	0.11%	
General purpose funding - other		1,003,600	985,600	502,727	484,887	(17,840)	(3.55%)	
Law, order and public safety		30,180	110,180	36,771	16,981	(19,790)	(53.82%)	▼
Health		14,100	36,500	21,441	8,361	(13,080)	(61.00%)	▼
Education and welfare		6,200	46,900	27,906	27,450	(456)	(1.63%)	
Housing		106,600	113,175	65,996	44,352	(21,644)	(32.80%)	▼
Community amenities		454,620	474,620	463,511	456,387	(7,124)	(1.54%)	
Recreation and culture		50,000	84,840	70,657	69,225	(1,432)	(2.03%)	
Transport		692,241	692,944	460,971	398,842	(62,129)	(13.48%)	▼
Economic services		152,272	187,772	109,583	153,799	44,216	40.35%	▲
Other property and services		410,900	419,050	218,666	149,102	(69,564)	(31.81%)	▼
		5,038,181	5,269,049	4,096,485	3,929,969	(166,516)		
Expenditure from operating activities								
Governance		(509,921)	(505,421)	(297,648)	(177,791)	119,858	40.27%	▲
General purpose funding		(264,844)	(264,844)	(150,549)	(96,614)	53,935	35.83%	▲
Law, order and public safety		(107,595)	(187,595)	(82,093)	(50,821)	31,272	38.09%	▲
Health		(196,441)	(237,314)	(130,168)	(70,924)	59,244	45.51%	▲
Education and welfare		(191,041)	(194,041)	(119,921)	(79,720)	40,201	33.52%	▲
Housing		(251,422)	(261,422)	(158,998)	(120,328)	38,670	24.32%	▲
Community amenities		(717,347)	(699,537)	(408,047)	(289,284)	118,763	29.11%	▲
Recreation and culture		(1,594,228)	(1,597,578)	(941,028)	(746,045)	194,983	20.72%	▲
Transport		(2,249,328)	(2,279,628)	(1,322,241)	(1,169,362)	152,879	11.56%	▲
Economic services		(788,860)	(813,630)	(469,760)	(310,489)	159,271	33.90%	▲
Other property and services		(476,899)	(476,899)	(262,018)	(254,406)	7,612	2.91%	
		(7,347,926)	(7,517,909)	(4,342,471)	(3,365,783)	976,688		
Non-cash amounts excluded from operating activities	1(a)	2,073,550	2,031,347	1,163,962	941,521	(222,441)	(19.11%)	▼
Amount attributable to operating activities		(236,195)	(217,513)	917,976	1,505,706	587,730		
Investing Activities								
Proceeds from non-operating grants, subsidies and contributions	14	1,335,970	1,365,970	632,086	216,622	(415,464)	(65.73%)	▼
Proceeds from disposal of assets	7	36,500	36,500	0	38,998	38,998	0.00%	▲
Payments for Infrastructure	9	(1,762,827)	(1,842,827)	(811,777)	(520,122)	291,655	(35.93%)	▲
Payments for property, plant and equipment	8	(1,147,669)	(1,251,669)	(425,821)	(492,561)	(66,740)	(15.67%)	▼
		(1,538,026)	(1,692,026)	(605,512)	(757,063)	(151,551)		
Amount attributable to investing activities		(1,538,026)	(1,692,026)	(605,512)	(757,063)	(151,551)		
Financing Activities								
Transfer from reserves	11	507,652	527,652	0	27	27	0.00%	
Payments for principal portion of lease liabilities	10	(57,413)	(57,413)	(33,488)	(28,635)	4,853	14.49%	
Repayment of debentures	9	(26,580)	(26,580)	(15,498)	(13,195)	2,303	14.86%	
Transfer to reserves	11	(635,533)	(635,533)	0	(4,139)	(4,139)	0.00%	
Amount attributable to financing activities		(211,874)	(191,874)	(48,986)	(45,941)	3,045		
Closing funding surplus / (deficit)	1(c)	0	9,443	2,374,334	2,813,558			

KEY INFORMATION

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

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

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

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

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 JANUARY 2022

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

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

SERVICE CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

BY NATURE OR TYPE

	Ref Note	Adopted Budget \$	Amended Budget \$	YTD Budget (a) \$	YTD Actual (b) \$	Var. \$ (b)-(a) \$	Var. % (b)-(a)/(a) %	Var.
Opening funding surplus / (deficit)	1(c)	1,986,095	2,110,856	2,110,856	2,110,856	0	0.00%	
Revenue from operating activities								
Rates	6	2,117,418	2,117,418	2,118,256	2,120,582	2,326	0.11%	
Operating grants, subsidies and contributions	13	1,291,680	1,477,220	825,581	771,164	(54,417)	(6.59%)	
Fees and charges		799,017	839,742	680,350	687,632	7,282	1.07%	
Interest earnings		59,300	41,300	29,265	24,236	(5,029)	(17.18%)	
Other revenue		760,235	780,635	430,299	313,704	(116,595)	(27.10%)	▼
Profit on disposal of assets	7	10,531	12,734	12,734	12,650	(84)	(0.66%)	
		5,038,181	5,269,049	4,096,485	3,929,969	(166,516)		
Expenditure from operating activities								
Employee costs		(1,959,582)	(2,019,663)	(1,138,625)	(1,021,529)	117,096	10.28%	▲
Materials and contracts		(2,232,943)	(2,359,218)	(1,323,271)	(788,286)	534,985	40.43%	▲
Utility charges		(374,592)	(386,009)	(224,700)	(150,520)	74,180	33.01%	▲
Depreciation on non-current assets		(1,991,517)	(1,991,517)	(1,161,671)	(953,957)	207,714	17.88%	▲
Interest expenses		(15,706)	(15,706)	(9,156)	(5,919)	3,237	35.35%	
Insurance expenses		(216,872)	(221,390)	(209,584)	(207,717)	1,868	0.89%	
Other expenditure		(464,150)	(471,842)	(260,439)	(237,856)	22,583	8.67%	
Loss on disposal of assets	7	(92,564)	(52,564)	(15,025)	0	15,025	100.00%	▲
		(7,347,926)	(7,517,909)	(4,342,471)	(3,365,783)	976,688		
Non-cash amounts excluded from operating activities	1(a)	2,073,550	2,031,347	1,163,962	941,521	(222,441)	(19.11%)	▼
Amount attributable to operating activities		(236,195)	(217,513)	917,976	1,505,706	587,730		
Investing activities								
Proceeds from non-operating grants, subsidies and contributions	14	1,335,970	1,365,970	632,086	216,622	(415,464)	(65.73%)	▼
Proceeds from disposal of assets	7	36,500	36,500	0	38,998	38,998	0.00%	▲
Payments for infrastructure	8	(1,762,827)	(1,842,827)	(811,777)	(520,122)	291,655	(35.93%)	↑↑↑↑
Payments for property, plant and equipment	8	(1,147,669)	(1,251,669)	(425,821)	(492,561)	(66,740)	35.93%	
		(1,538,026)	(1,692,026)	(605,512)	(757,063)	(151,551)		
Amount attributable to investing activities		(1,538,026)	(1,692,026)	(605,512)	(757,063)	(151,551)		
Financing Activities								
Transfer from reserves	11	507,652	527,652	0	27	27	0.00%	
Payments for principal portion of lease liabilities	10	(57,413)	(57,413)	(33,488)	(28,635)	4,853	14.49%	
Repayment of debentures	9	(26,580)	(26,580)	(15,498)	(13,195)	2,303	14.86%	
Transfer to reserves	11	(635,533)	(635,533)	0	(4,139)	(4,139)	0.00%	
Amount attributable to financing activities		(211,874)	(191,874)	(48,986)	(45,941)	3,045		
Closing funding surplus / (deficit)	1(c)	0	9,443	2,374,334	2,813,558			

KEY INFORMATION

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

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

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

BASIS OF PREPARATION

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

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

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

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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 financial statements. A separate statement of those monies appears at Note 15 to these financial statements.

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

GOODS AND SERVICES TAX

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

ROUNDING OFF FIGURES

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 January 2022

(a) Non-cash items excluded from operating activities

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

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities					
		\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	7	(10,531)	(12,734)	(12,734)	(12,650)
Less: Movement in liabilities associated with restricted cash		0	0	0	213
Add: Loss on asset disposals	7	92,564	52,564	15,025	0
Add: Depreciation on assets		1,991,517	1,991,517	1,161,671	953,957
Total non-cash items excluded from operating activities		2,073,550	2,031,347	1,163,962	941,521

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

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation*

32 to agree to the surplus/(deficit) after imposition of general rates.

		Last Year Closing	This Time Last Year	Year to Date
		30 June 2021	31 Jan 2021	31 Jan 2022
Adjustments to net current assets				
Less: Reserves - restricted cash	11	(5,536,472)	(5,215,156)	(5,540,585)
Less: Adjustment for Trust Transactions Within Muni		0	0	(500)
Add Back: Component of Leave Liability not Required to be Fur	12	230,503	225,348	230,716
Add: Borrowings	9	26,580	7,093	13,385
Add: Lease liabilities	10	57,413	(14,228)	28,778
Total adjustments to net current assets		(5,221,977)	(4,996,943)	(5,268,205)

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

Current assets				
Cash and cash equivalents	2	7,568,204	8,038,982	8,053,375
Rates receivables	3	501,125	703,560	746,177
Receivables	3	263,075	73,968	21,440
Other current assets	4	19,006	12,307	13,879
Less: Current liabilities				
Payables	5	(405,548)	(230,567)	(238,430)
Borrowings	9	(26,580)	(7,093)	(13,385)
Contract liabilities	12	(203,224)	(62,324)	(146,702)
Lease liabilities	10	(57,413)	14,228	(28,778)
Provisions	12	(325,812)	(370,554)	(325,812)
Less: Total adjustments to net current assets	1(b)	(5,221,977)	(4,996,943)	(5,268,205)
Closing funding surplus / (deficit)		2,110,856	3,175,565	2,813,558

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
Cash on hand								
Cash On Hand	Cash and cash equivalents	400		400			NIL	On Hand
At Call Deposits								
Municipal Cash at Bank	Cash and cash equivalents	1,485,110		1,485,110		Bankwest	0.15%	At Call
Muni Business Telenet Saver	Cash and cash equivalents	1,027,281		1,027,281		Bankwest	0.15%	At Call
CAB - Aged Care Units Reserv Units 6-9	Cash and cash equivalents	0	34,547	34,547		Bankwest	0.20%	At Call
CAB - Morawa Future Funds Interest Reserve	Cash and cash equivalents	0	207,934	207,934		Bankwest	0.20%	At Call
CAB - Leave Reserve Account	Cash and cash equivalents	0	230,716	230,716		Bankwest	0.20%	At Call
CAB - Swimming Pool Reserve	Cash and cash equivalents	0	80,868	80,868		Bankwest	0.20%	At Call
CAB - Plant Reserve	Cash and cash equivalents	0	421,366	421,366		Bankwest	0.20%	At Call
CAB - Building Reserve	Cash and cash equivalents	0	134,573	134,573		Bankwest	0.20%	At Call
CAB - Economic Development Reserve	Cash and cash equivalents	0	3,524	3,524		Bankwest	0.20%	At Call
CAB - Sewerage Reserve	Cash and cash equivalents	0	273,366	273,366		Bankwest	0.20%	At Call
CAB - Unspent Loans Reserve	Cash and cash equivalents	0	125,973	125,973		Bankwest	0.20%	At Call
CAB - Community Development Reserve	Cash and cash equivalents	0	760,288	760,288		Bankwest	0.20%	At Call
CAB - Future Funds Reserve	Cash and cash equivalents	0	435,629	435,629		Bankwest	0.20%	At Call
CAB - Business Units Reserve	Cash and cash equivalents	0	166,259	166,259		Bankwest	0.20%	At Call
CAB - Legal Reserve	Cash and cash equivalents	0	26,184	26,184		Bankwest	0.20%	At Call
CAB - Road Reserve	Cash and cash equivalents	0	197,594	197,594		Bankwest	0.20%	At Call
CAB - Aged Care ex MCC Unit 1-4	Cash and cash equivalents	0	70,841	70,841		Bankwest	0.20%	At Call
CAB - Aged Care Unit 5	Cash and cash equivalents	0	56,885	56,885		Bankwest	0.20%	At Call
CAB - COVID-19 Emergency Response	Cash and cash equivalents	0	108,451	108,451		Bankwest	0.20%	At Call
CAB - Jones Lake Rd Rehabilitation	Cash and cash equivalents	0	50,046	50,046		Bankwest	0.20%	At Call
CAB - Old Hospital	Cash and cash equivalents	0	50,046	50,046		Bankwest	0.20%	At Call
CAB - Morawa Yalgoo Road Reserve	Cash and cash equivalents	0	5,494	5,494		Bankwest	0.20%	At Call
Term Deposits								
TD: ... 8410 (Future Funds 1)	Cash and cash equivalents	0	800,000	800,000		Bankwest	0.51%	
TD: ... 8428 (Future Funds 2)	Cash and cash equivalents	0	800,000	800,000		Bankwest	0.51%	
TD: ... 8436 (Community Development Fund)	Cash and cash equivalents	0	500,000	500,000		Bankwest	0.51%	
Trust Deposits								
Trust Bank	Cash and cash equivalents	0			3,842		0.20%	At Call
Total		2,512,790	5,540,585	8,053,375	3,842			
Comprising								
Cash and cash equivalents		2,512,790	5,540,585	8,053,375	3,842			
		2,512,790	5,540,585	8,053,375	3,842			

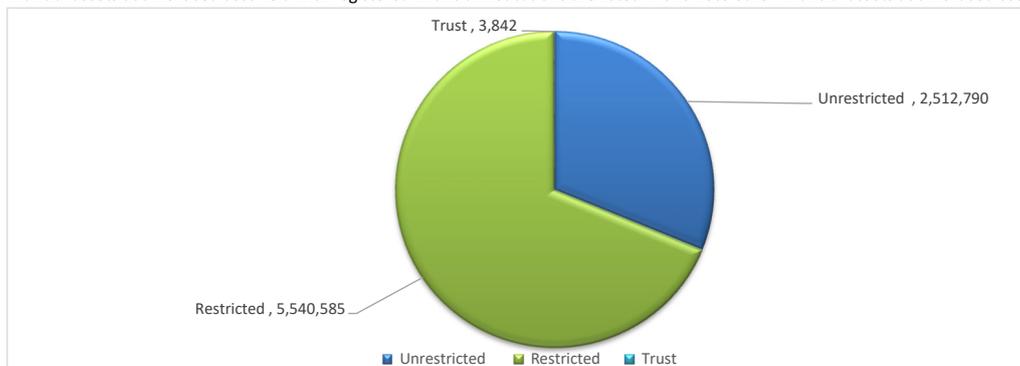
KEY INFORMATION

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

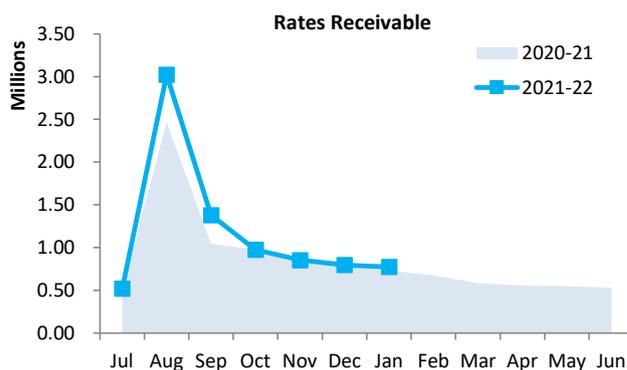
The local government classifies financial assets at amortised cost if both of the following criteria are met:

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

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



Rates receivable	30 June 2021	31 Jan 2022
	\$	\$
Opening arrears previous years	542,836	527,201
Levied this year	2,439,684	2,579,409
Less - collections to date	(2,455,319)	(2,334,358)
Equals current outstanding	527,201	772,253
Net rates collectable	527,201	772,253
% Collected	82.3%	75.1%

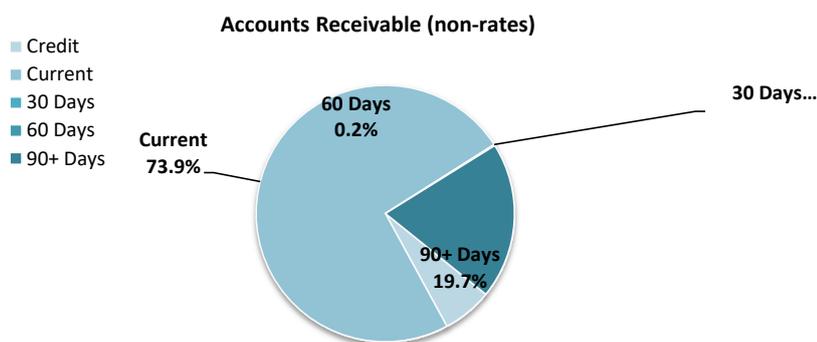


Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(2,432)	28,783	0	62	7,685	34,098
Percentage	(7.1%)	84.4%	0%	0.2%	22.5%	
Balance per trial balance						
Sundry receivable						34,098
GST receivable						12,353
Increase in Allowance for impairment of receivables from contracts with customers						(25,012)
Total receivables general outstanding						21,440

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



	Opening Balance 1 July 2021	Asset Increase	Asset Reduction	Closing Balance 31 Jan 2022
	\$	\$	\$	\$
Other current assets				
Inventory				
Fuel, Oils and Materials on Hand	13,879	0	0	13,879
Other current assets				
Accrued income	5,127	0	(5,127)	0
Total other current assets	19,006	0	(5,127)	13,879
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

Inventories are measured at the lower of cost and net realisable value.

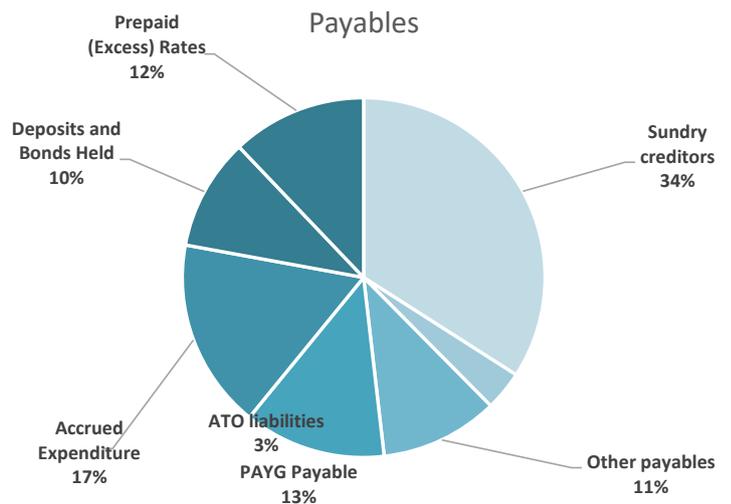
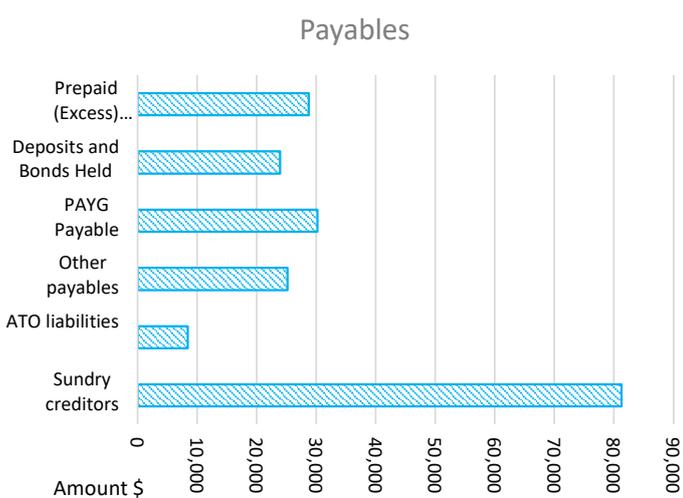
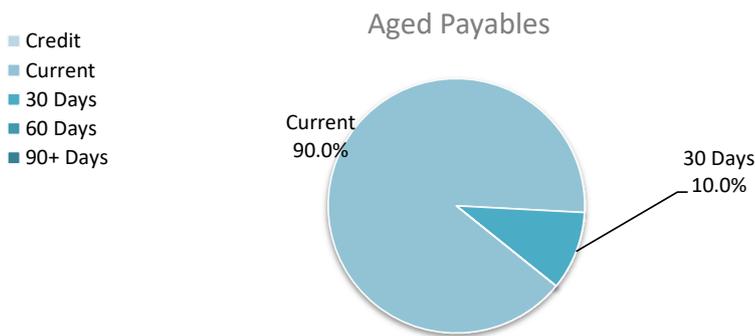
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	73,165	8,119	0	0	81,284
Percentage	0%	90%	10%	0%	0%	
Balance per trial balance						
Sundry creditors						81,284
ATO liabilities						8,433
Other payables						25,159
PAYG Payable						30,182
Accrued Expenditure						40,671
Deposits and Bonds Held						23,946
Prepaid (Excess) Rates						28,756
Total payables general outstanding						238,431

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.



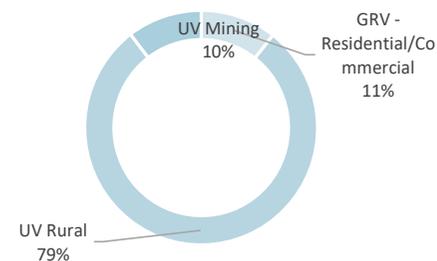
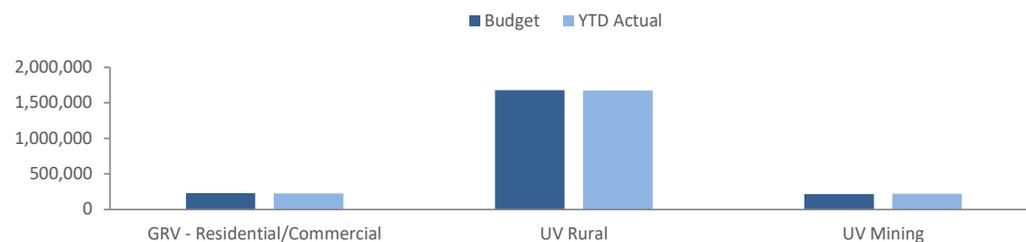
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022

OPERATING ACTIVITIES
NOTE 6
RATE REVENUE

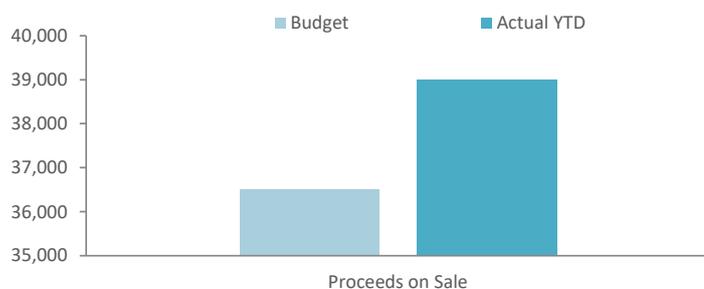
General rate revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
General Rate											
Gross rental valuations											
GRV - Residential/Commercial	8.1287	268	2,799,272	226,851	0	0	226,851	227,544	0	(3,313)	224,231
Unimproved value											
UV Rural	2.3499	206	71,392,500	1,677,241	0	0	1,677,241	1,677,653	(3,206)	533	1,674,980
UV Mining	30.1974	27	705,024	212,899	0	0	212,899	212,899	6,921	(1)	219,818
Sub-Total		501	74,896,796	2,116,991	0	0	2,116,991	2,118,096	3,715	(2,782)	2,119,029
Minimum payment	Minimum \$										
Gross rental valuations											
GRV - Residential/Commercial	312	42	27,013	13,104	0	0	13,104	13,108	0	0	13,108
Unimproved value											
UV Rural	312	8	65,800	2,496	0	0	2,496	2,497	0	0	2,497
UV Mining	683.00	7	7,411	4,781	0	0	4,781	4,781	0	0	4,781
Sub-total		57	100,224	20,381	0	0	20,381	20,386	0	0	20,386
		558	74,997,020	2,137,372	0	0	2,137,372	2,138,481	3,715	(2,782)	2,139,415
Discount							(24,366)				(24,208)
Amount from general rates							2,113,006				2,115,207
Rates Written Off							(2,000)				(1,036)
Ex-gratia rates							6,412				6,412
Total general rates							2,117,418				2,120,583

KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2021 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



Asset Ref.	Asset description	Updated Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Transport								
56	P&E - P163 Isuzu Truck	18,669	6,500	0	(12,169)			0	0
61	P&E - P172 Iveco 6700 Powerstar MO71	4,469	15,000	11,234	0			0	0
378	P&E - P167 Kubota F3680 & Catcher	15,338	5,000	0	(10,338)			0	0
606	P&E - P247 Hilux 5MT Workmate			0	0	11,401	22,635	11,234	0
	Other property and services								
564	P&E - P241 2016 Toyota RAV4 AWD	14,041	5,000	1,500	0	14,948	16,364	1,416	0
574	P&E - P243 Nissan Navara RX 000 MO	22,176	5,000	0	(17,176)			0	0
252	Toyota Prado DSL WGN A/T GXL - CEO	43,840		0	(12,881)			0	0
		118,533	36,500	12,734	(52,564)	26,349	38,998	12,650	0



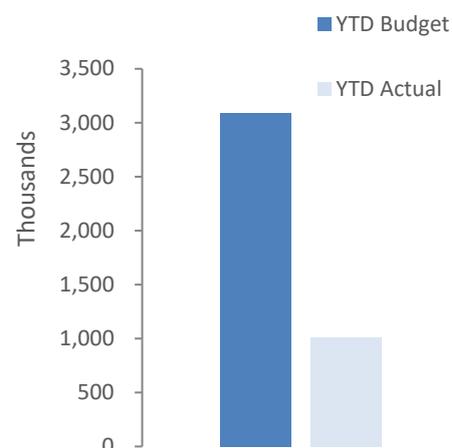
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

**INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS**

Capital acquisitions	Adopted	Amended		YTD Actual	YTD Actual Variance
	Budget	Budget	YTD Budget		
		\$	\$	\$	\$
Land and Buildings	479,669	573,669	425,821	390,019	(35,802)
Furniture and equipment	0	10,000	0	0	0
Plant and equipment	668,000	668,000	0	102,542	102,542
Infrastructure - roads	1,055,743	1,135,743	579,551	390,680	(188,871)
Infrastructure - Footpaths	128,084	128,084	64,025	1,190	(62,835)
Infrastructure - Parks & Ovals	164,000	164,000	82,000	4,055	(77,945)
Infrastructure - Sewerage	30,000	30,000	0	30,473	30,473
Infrastructure - Playground Equipment	90,000	90,000	0	0	0
Infrastructure - Other	93,000	93,000	30,206	6,938	(23,268)
Infrastructure - Airfields	202,000	202,000	55,995	86,787	30,792
Payments for Capital Acquisitions	2,910,496	3,094,496	1,237,598	1,012,684	(224,914)
Total Capital Acquisitions	2,910,496	3,094,496	1,237,598	1,012,684	(224,914)
Capital Acquisitions Funded By:					
		\$	\$	\$	\$
Capital grants and contributions	1,335,970	1,365,970	632,086	216,622	(415,464)
Other (disposals & C/Fwd)	36,500	36,500	0	38,998	38,998
Cash backed reserves					
Plant Reserve	388,500	388,500		0	0
Morawa Future Funds Interest Reserve	40,000	40,000		0	0
Swimming Pool Reserve	79,152	79,152		0	0
Contribution - operations	1,030,374	1,164,374	605,512	757,063	151,551
Capital funding total	2,910,496	3,094,496	1,237,598	1,012,684	(224,914)

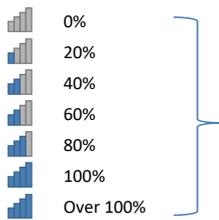
SIGNIFICANT ACCOUNTING POLICIES

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



Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

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

Account/Job Description	Adopted	Amended		YTD Actual	Variance (Under)/ Over
	Budget	Budget	YTD Budget		
Buildings					
Purchase Land & Buildings - Members of Council	0	(8,000)	(8,000)	(5,427)	2,573
Land & Bldgs - Dr's Surgery Upgrade	0	(20,000)	(15,000)	(15,698)	(698)
Land & Building Renewals	(16,000)	(16,000)	0	(8,174)	(8,174)
Purchase Land & Buildings - Staff Housing	(20,000)	(30,000)	(30,000)	0	30,000
Purchase Land & Buildings - Other Housing	0	(26,000)	(19,500)	(11,150)	8,350
Old Roads Board Building	(171,669)	(171,669)	(85,830)	(134,826)	(48,996)
LRCIP - Sports Complex	(142,000)	(172,000)	(171,996)	(151,168)	20,828
Recreation Centre - Renewals	(40,000)	(40,000)	(40,000)	0	40,000
Purchase Land and Buildings	(20,000)	(20,000)	(10,000)	0	10,000
LRCIP - Caravan Park Ablution Block Upgrade (Asset 176)	(70,000)	(70,000)	(34,995)	(61,049)	(26,054)
	(479,669)	(573,669)	(415,321)	(387,493)	27,828
Plant & Equipment					
Purchase Plant & Equipment - Road Plant Purchases	(668,000)	(668,000)	0	(102,542)	(102,542)
	(668,000)	(668,000)	0	(102,542)	(102,542)
Furniture & Equipment					
Purchase Furniture & Equipment Administration	0	(10,000)	0	0	0
	0	(10,000)	0	0	0
Infrastructure Other					
Infrastructure Other	(25,000)	(25,000)	0	0	0
Infrastructure Other - Solar Initiatives	(40,000)	(40,000)	(20,000)	0	20,000
Cemetery Noticeboard	(10,500)	(10,500)	(10,500)	(2,526)	7,974
Purchase Playground Equipment	(90,000)	(90,000)	0	0	0
LRCIP - Caravan Park Infrastructure Expansion (Asset 553)	0	0	0	(6,938)	(6,938)
WIFI System - Caravan Park/Main Street	(17,500)	(17,500)	(10,206)	0	10,206
	(183,000)	(183,000)	(40,706)	(9,464)	31,242
Infrastructure Sewerage					
Sewerage Upgrade	(30,000)	(30,000)	0	(30,473)	(30,473)
	(30,000)	(30,000)	0	(30,473)	(30,473)
Infrastructure Parks & Ovals					
Netball Courts Redevelopment Project - DLGSCI Grant funding	(164,000)	(164,000)	(82,000)	(4,055)	77,945
	(164,000)	(164,000)	(82,000)	(4,055)	77,945
Infrastructure Roads					
Morawa-Yalgoo Road	(360,500)	(360,500)	(180,240)	(181,200)	(960)
RRG Nanekine Rd - Widen and Seal FY20/21	(75,953)	(155,953)	(89,701)	(155,199)	(65,498)
Koolanooka South Road	(100,000)	(100,000)	(49,990)	(550)	49,440
Canna North East Road	(150,000)	(150,000)	(74,995)	(550)	74,445
West Gutha Rd	(112,110)	(112,110)	(56,050)	(550)	55,500
Kerbing Construction - Townsite Roads	(50,000)	(50,000)	(24,990)	0	24,990
LRCIP - Main Street Lighting Upgrade	(57,180)	(57,180)	(28,585)	(50,743)	(22,158)
Townsite Roads Construction	(150,000)	(150,000)	(75,000)	(1,887)	73,113
	(1,055,743)	(1,135,743)	(579,551)	(390,680)	188,871
Infrastructure Footpaths					
Manning Street Footpath	(62,500)	(62,500)	(31,240)	(1,190)	30,050
Shared Pathway Construction - Grant Funded	(65,584)	(65,584)	(32,785)	0	32,785
	(128,084)	(128,084)	(64,025)	(1,190)	62,835
Infrastructure Aerodrome					
Aerodrome - RADS Grant	(112,000)	(112,000)	(55,995)	(86,787)	(30,792)
Community Stewardship Grant Exp - Airport Vermin Fencing	(90,000)	(90,000)	0	0	0
	(202,000)	(202,000)	(55,995)	(86,787)	(30,792)
	(2,910,496)	(3,094,496)	(1,237,598)	(1,012,684)	224,914

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022

FINANCING ACTIVITIES
NOTE 9
BORROWINGS

Repayments - borrowings

Information on borrowings	Loan No.	1 July 2021	New Loans			Principal Repayments			Principal Outstanding			Interest Repayments		
			Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing														
24 Harley Street - Staff Housing	136	279,078	0	0	0	7,232	14,607	14,607	271,846	264,471	264,471	5,026	12,000	12,000
Recreation and culture														
Netball Courts Redevelopment	139	194,086	0	0	0	5,962	11,973	11,973	188,123	182,113	182,113	522	3,105	3,105
Total		473,164	0	0	0	13,195	26,580	26,580	459,969	446,584	446,584	5,547	15,105	15,105
Current borrowings		26,580							13,385					
Non-current borrowings		446,584							446,584					
		473,164							459,969					

All debenture repayments were financed by general purpose revenue.

Unspent borrowings

Particulars	Date Borrowed	Unspent	Borrowed	Expended	Unspent
		Balance 30/06/2021	During Year	During Year	Balance 31 Jan 2022
		\$	\$	\$	\$
Netball Courts Redevelopment	1 Sep 2020	125,973	0	0	125,973
		125,973	0	0	125,973

KEY INFORMATION

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

**FINANCING ACTIVITIES
NOTE 10
LEASE LIABILITIES**

Movement in carrying amounts

Information on leases	Lease No.	1 July 2021	New Leases			Principal Repayments			Principal Outstanding			Interest Repayments		
			Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and culture														
Lease - Gymnasium Equipment		86,335	0	0	0	28,635	57,413	57,413	57,700	28,922	28,922	372	601	601
Total		86,335	0	0	0	28,635	57,413	57,413	57,700	28,922	28,922	372	601	601
Current lease liabilities		57,413							28,778					
Non-current lease liabilities		28,922							28,922					
		86,335							57,700					

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

FOR THE PERIOD ENDED 31 JANUARY 2022

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave reserve	230,503	499	213	5,000	0		0	236,002	230,716
Plant Reserve	420,976	1,040	390	300,000	0	(388,500)	0	333,516	421,366
Building Reserve	134,448	253	124	50,000	0		0	184,701	134,573
Economic Development Reserve	3,521	8	3	12,581	0		0	16,110	3,524
Community Development Reserve	1,259,335	532	952		0		0	1,259,867	1,260,288
Sewerage Reserve	273,113	494	253	50,000	0		0	323,607	273,366
Morawa Future Funds Interest Reserve	206,821	12,070	1,086		27	(40,000)	0	178,891	207,934
Morawa Community Future Funds Reserve	2,035,350	1,598	306		0		(27)	2,036,948	2,035,629
Aged Care Units Reserve	34,506	21	42	10,000	0		0	44,527	34,547
Unspent Loans Reserve	125,973		0		0		0	125,973	125,973
Business Units Reserve	166,129	324	131		0		0	166,453	166,259
Legal Fees Reserve	26,151	58	32		0		0	26,209	26,184
Road Reserve	197,455	326	139	50,000	0		0	247,781	197,594
Aged Care ex MCC Unit 1-4 Reserve	70,749	157	91		0		0	70,906	70,841
Aged Care Unit 5 Reserve	56,794	126	91		0		0	56,920	56,885
Swimming Pool Reserve	80,808	135	60	20,000	0	(79,152)	0	21,791	80,868
COVID-19 Emergency Response Reserve	108,350	311	100		0	(20,000)	0	88,661	108,451
Old Hospital Reserve	50,000		46		0		0	50,000	50,046
Jones Lake Road Rehab Reserve	50,000		46	50,000	0		0	100,000	50,046
Morawa-Yalgoo Road Maintenance Reserve	5,489		5	70,000	0		0	75,489	5,494
	5,536,472	17,952	4,112	617,581	27	(527,652)	(27)	5,644,353	5,540,585

	Note	Opening Balance 1 July 2021	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 Jan 2022
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		203,224	0	0	56,522	146,702
Total other liabilities		203,224	0	0	56,522	146,702
Provisions						
Provision for annual leave		232,682	0	0	0	232,682
Provision for long service leave		93,129	0	0	0	93,129
Total Provisions		325,811	0	0	0	325,811
Total other current liabilities		529,035	0	0	56,522	472,513
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Operating grants, subsidies and contributions revenue

Provider	Adopted Budget Revenue	Amended Budget Revenue	Amended YTD Budget	Budget Variations	YTD Revenue Actual
	\$	\$	\$	\$	\$
Operating grants, contributions and subsidies					
General purpose funding					
Grants- FAGS WALGGC - General	595,000	595,000	297,500	(10,056)	307,556
Grants- FAGS WALGGC - Local Roads	335,000	335,000	167,500	17,914	149,586
Law, order, public safety					
Grant - ESL BFB Operating Grant	22,730	22,730	17,046	4,777	12,270
Grant - ESL BFB Operating Grant	0	80,000	13,333	13,333	0
Education and welfare					
Grant - Youth Events	2,000	8,500	8,500	(300)	8,800
Other Income	1,700	35,900	17,950	850	17,100
Community amenities					
Grants/Contributions	4,500	20,000	15,000	5,000	10,000
Drummuster Contribution	250	250	0	0	0
Recreation and culture					
Grant - NAIDOC week	3,000	1,000	0	0	0
Grant - Every Club	10,000	10,000	10,000	0	10,000
Arts & Culture Plan Grant	0	20,000	20,000	0	20,000
Australia Day Grant	0	11,840	11,840	0	11,840
Library Grant - Public Computers	0	3,000	0	0	0
Transport					
Grant - Main Roads - Direct	167,000	167,000	167,000	17,042	149,958
Street Light Subsidy	12,000	12,000	2,000	2,000	0
Maintenance Contribution -Silverlake - Morawa Yalgoo					
Road	100,000	100,000	50,000	7,480	42,520
Road Maintenance Contribution	22,500	50,000	25,000	(6,535)	31,535
Other property and services					
Income related to Unclassified	16,000	5,000	2,912	2,912	0
TOTALS	1,291,680	1,477,220	825,581	54,417	771,164

Non operating grants, subsidies and contributions revenue

Provider	Adopted Budget Revenue	Amended Budget Revenue	Amended YTD Budget	Budget Variations	YTD Revenue Actual
	\$	\$	\$	\$	\$
Non-operating grants and subsidies					
Recreation and culture					
Grant - LRCIP - Old Roads Board Building	141,669	141,669	70,834	70,834	0
Grant - DLGSCI - Netball Court Redevelopment	30,250	30,250	0	0	0
Grant - LRCIP - Golf/Bowling Club	142,000	142,000	71,000	14,478	56,522
Grant - Lotterywest - Wildflower Park	45,000	45,000	0	0	0
Grant - Solar Initiatives	10,000	10,000	0	0	0
Transport					
Grant - Regional Road Group - Road Projects	290,969	290,969	145,485	37,885	107,600
Grant - Roads to Recovery	362,110	362,110	108,633	108,633	0
Grant - WA Bicycle Network	32,792	32,792	32,792	10,292	22,500
Grant - Transport LRCIP Projects	57,180	57,180	57,180	57,180	0
Grant - RADS - Seal Aerodrome Apron	84,000	84,000	84,000	84,000	0
Grant - Community Stewardship Grant - Vermin Fence	90,000	90,000	3,000	3,000	0
Economic services					
Grant - LRCIP - Caravan Park Ablutions	50,000	50,000	29,162	29,162	0
Other property and services					
Contribution - Golf & Bowling Club	0	30,000	30,000	0	30,000
	1,335,970	1,365,970	632,086	415,464	216,622

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

**NOTE 15
TRUST FUND**

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

Description	Opening Balance	Amount	Amount	Closing Balance
	1 July 2021	Received	Paid	31 Jan 2022
	\$	\$	\$	\$
Housing Bonds	1,000	0	(1,000)	0
Drug Action Group	660	0	0	660
Excess Rent - Daphne Little	1,704	0	0	1,704
Bonds Hall/Sports Recreation	0	500	0	500
Youth Fund Raising	865	0	0	865
BRB/BCITF	113	0	0	113
	4,342	500	(1,000)	3,842

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

EXPLANATION OF MATERIAL VARIANCES

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

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Law, order and public safety	(19,790)	(53.82%) ▼			DFES & Bushfire Risk Planning Coordinator grants not received as budgeted	
Health	(13,080)	(61.00%) ▼			Reimbursement for insurance claim not yet received	
Housing	(21,644)	(32.80%) ▼			3 units currently vacant.	
Transport	(62,129)	(13.48%) ▼			Actual Income received timing is different to that budgeted for the Direct Grant and Morawa Yalgoo Road Contribution.	
Economic services	44,216	40.35% ▲	Actual Caravan Park & Building permit, sale of water income higher than budgeted.			
Other property and services	(69,564)	(31.81%) ▼			DRFAWA income not yet received	
Expenditure from operating activities						
Governance	119,858	40.27% ▲	ABC Allocations not yet processed for January, Audit fees not yet invoiced as interim audit not yet commenced, update of council website not yet commenced			
Law, order and public safety	31,272	38.09% ▲	Bushfier PPE currently underbudget, Ranger expenses currently underbudget and expenses for BRPC not yet commenced.			
Education and welfare	40,201	33.52% ▲	Youth Development Projects recently started, Youth centre equipment to be purchased.			
Housing	38,670	24.32% ▲	Staff housing expense lower than expected, Aged care unit operations 1/3 of YTD budget.			
Community amenities	118,763	29.11% ▲	Community bus expenses lower than expected, ABC allocations for January not yet completed & TPS scheme expenses lower than expected.			
Transport	152,879	11.56% ▲	Plant maintenance expenses lower than expected, ABC allocations for January not yet completed & Licensing expenses lower than budgeted.			
Economic services	159,271	33.90% ▲	Dog & Vermin control underspent & caravan park expenses lower than expected			
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	(415,464)	(65.73%) ▼			Grant funding not received as budgeted	
Payments for Infrastructure	291,655	(35.93%) ▲	Awaiting invoices for capital projects			
Payments for property, plant and equipment	(66,740)	(15.67%) ▼			Costs for property, plant & equipment higher than budgeted YTD only.	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

**NOTE 17
BUDGET AMENDMENTS**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption		Opening surplus				124,763
04101.520	Council Election Expenses	211107	Operating Expenses		4,500		129,263
04151.520	Land & Buildings - Administration	211107	Capital Expenses			(8,000)	121,263
07714.520	Old Hospital Building	211107	Operating Expenses		3,627		124,890
07755.520	Land & Buildings - Dr's Surgery	211107	Capital Expenses			(20,000)	104,890
08607.521	Other Expenses - Youth	211107	Operating Expenses			(10,000)	94,890
08609.520	Maintenance - Youth Centre	211107	Operating Expenses		7,000		101,890
08661.120	Grant Income - Youth	211107	Operating Revenue		6,500		108,390
09151.520	Land & Buildings - Staff Housing	211107	Capital Expenses			(10,000)	98,390
09251.520	Land & Buildings - Other Housing	211107	Capital Expenses			(20,000)	78,390
09350.550	Depreciation - Aged Housing	211107	Non Cash Item	6,000			78,390
10303.550	Depreciation - Sewerage	211107	Non Cash Item	(23,400)			78,390
10706.520	Projects - Community Benefit Cont.	211107	Operating Expenses			(20,000)	58,390
10716.550	Depreciation - Other Community Services	211107	Non Cash Item	(2,410)			58,390
10742.120	Grants/Contributions	211107	Operating Revenue		20,000		78,390
11104.550	Depreciation - Public Halls	211107	Non Cash Item	9,700			78,390
11206.550	Depreciation - Swimming Pool	211107	Non Cash Item	(31,300)			78,390
11308.550	Depreciation - Other Rec & Sport	211107	Non Cash Item	(23,890)			78,390
11371.120	Contributions	211107	Operating Revenue		30,000		108,390
11350.520	Land & Buildings - Other Sport & Rec	211107	Capital Expenses			(30,000)	78,390
11501.520	Library Expenses - Other	211107	Operating Expenses		1,200		79,590
11502.521	Library Software - Maint & Support	211107	Operating Expenses		1,000		80,590
12211.550	Depreciation - Infrastructure	211107	Non Cash Item	60,000			80,590
12605.550	Depreciation - Aerodrome	211107	Non Cash Item	(36,000)			80,590
13201.500	Caravan Park - Employment Expenses	211107	Operating Expenses		7,471		88,061
13203.520	Expenses - Caravan Park	211107	Operating Expenses			(10,000)	78,061
13212.550	Depreciation - Tourism	211107	Non Cash Item	7,300			78,061
13601.542	Standpipe Water Expenditure	211107	Operating Expenses			(11,943)	66,118
13607.550	Depreciation - Other Economic Services	211107	Non Cash Item	(26,000)			66,118
13630.156	Sale of Water	211107	Operating Revenue		30,000		96,118
14625.521	Postage & Freight	211107	Operating Expenses			(6,000)	90,118
14630.550	Depreciation - Admin	211107	Non Cash Item	60,000			90,118
14638.590	Loss on Disposal of Asset - Admin	211107	Non Cash Item	40,000			90,118
14831.156	Lot 501 White Ave (Wnr Ming Camp)	211107	Operating Revenue		650		90,768
03223.160	Interest Received - Municipal Account	220205	Operating Revenue			(6,000)	84,768
03224.161	Interest Received - Reserve Accounts	220205	Operating Revenue			(12,000)	72,768
05115.521	Bushfire Risk Planning Co-Ordinator	220205	Operating Expenses			(80,000)	(7,232)
05123.123	Grant - Bushfire Risk Planning Co-Ord	220205	Operating Revenue		80,000		72,768
07420.520	COVID-19 Expenditure for Recovery/Allocation	220205	Operating Expenses			(20,000)	52,768
07472.800	Transfer from COVID 19 Reserve	220205	Capital Revenue		20,000		72,768
07430.156	Other Income - Prev Svcs Admin & Inspection	220205	Operating Revenue		500		73,268
07711.521	Other Expenses - Other Health	220205	Operating Expenses			(24,500)	48,768
07730.121	Other Income - Other Health	220205	Operating Revenue		21,900		70,668
08630.120	Other Income - Other Welfare	220205	Operating Revenue		34,200		104,868
09107.521	Maint Staff House Rserve 3931 Oval House	220205	Operating Expenses			(2,000)	102,868
09199.905	Less Staff Housing Costs Recovered	220205	Operating Expenses		2,000		104,868
09130.150	Housing Rental Income	220205	Operating Revenue		3,075		107,943
09201.521	Maint Single Units	220205	Operating Expenses			(2,000)	105,943
09205.500	Maint Staff House 78 Yewers Avenue	220205	Operating Expenses			(2,000)	103,943
09236.121	Other Housing - Other Income	220205	Operating Revenue		3,500		107,443
09251.521	Purchase Land & Buildings - Other Housing	220205	Capital Expenses			(6,000)	101,443
10704.901	Operation of Cemetery	220205	Operating Expenses			(10,000)	91,443
10205.521	Waste Management Strategy	220205	Operating Expenses			25,000	116,443
10100.903	Administration Allocation - Sanitation	220205	Operating Expenses			(3,000)	113,443
11100.903	Administration Allocated - Halls	220205	Operating Expenses			(2,000)	111,443
11200.903	Administration Allocated - Swimming Pool	220205	Operating Expenses			(3,000)	108,443
11300.903	Administration Allocated - Oth Rec & Sport	220205	Operating Expenses			(3,000)	105,443
11301.903	Maintenance - Golf and Bowling Club	220205	Operating Expenses			(4,000)	101,443
11371.126	Contribution Income - Oth Recreation & Sport	220205	Operating Revenue		(30,000)		71,443
11501.520	Expenses Relating to Libraries	220205	Operating Expenses			(3,000)	68,443
11530.152	Library Income	220205	Operating Revenue		3,000		71,443

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2022**

**NOTE 17
BUDGET AMENDMENTS**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
11600.801	Administration Allocated - Oth Culture	220205	Operating Expenses			(2,000)	69,443
11612.521	Arts & Culture Plan Grant Expenditure	220205	Capital Expenses			(20,000)	49,443
11613.500	NAIDOC Week Expenses	220205	Operating Expenses			(2,200)	47,243
11614.541	Australia Day Expenditure	220205	Operating Expenses			(11,840)	35,403
11626.120	Grant Income - Arts & Culture Plan	220205	Operating Revenue		20,000		55,403
11628.111	Australia Day Income	220205	Operating Revenue		11,840		67,243
12150.520	Rural Roads Construction	220205	Operating Expenses			(80,000)	(12,757)
12200.903	Administration Allocated - Rd Maint	220205	Operating Expenses			(2,300)	(15,057)
12331.130	Profit on Disposal of Assets - Road Plant Purchase	220205	Non Cash Item	703			(15,057)
12500.903	Administration Allocated - Licensing	220205	Operating Expenses			(4,000)	(19,057)
13200.903	Administration Allocated - Tourism	220205	Operating Expenses			(3,000)	(22,057)
13210.521	Tourism Plan	220205	Operating Expenses			(20,000)	(42,057)
13330.156	Building Permit Fees	220205	Operating Expenses		3,000		(39,057)
13700.903	Administration Allocated - Ec Development	220205	Operating Expenses			(6,000)	(45,057)
13742.156	Business Unit 8 Income	220205	Operating Revenue		2,500		(42,557)
14214.502	Relocation Expenses	220205	Operating Expenses			(5,000)	(47,557)
14217.521	Engineering Costs	220205	Operating Expenses			(5,000)	(52,557)
14226.521	Medical Examination Costs	220205	Operating Expenses			(1,500)	(54,057)
14229.500	Workers Compensation Leave	220205	Operating Expenses			(6,000)	(60,057)
14242.500	Unallocated Wages	220205	Operating Expenses			(3,000)	(63,057)
14219.900	Overheads Allocated to Public Works	220205	Operating Expenses		20,500		(42,557)
14241.121	Workers Compensation Reimbursements	220205	Operating Revenue		6,000		(36,557)
14614.521	Consultancy Services - Admin	220205	Operating Expenses			(30,000)	(66,557)
14639.903	Administration Costs Allocated Across Programs	220205	Non Cash Item		56,000		(10,557)
14640.121	Income relating to Administration	220205	Operating Revenue		30,000		19,443
14674.130	Profit on Disposal of Assets - Administration	220205	Non Cash Item	1,500			19,443
14651.700	Purchase Furniture & Equipment Administration	220205	Capital Expenses			(10,000)	9,443
				42,203	399,963	(515,283)	9,443

Shire of Morawa

SCHEDULE 02 - GENERAL FUND SUMMARY Financial Statement for Period Ended 31 January 2022

		2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
		Income	Expense	Income	Expense	Income	Expense	Income	Expense
		\$	\$	\$	\$	\$	\$	\$	\$
OPERATING									
General Purpose Funding	03	3,121,018	264,844	3,103,018	264,844	2,620,983	150,549	2,605,470	96,614
Governance	04	50	509,921	50	505,421	-	297,648	0	177,791
Law, Order, Public Safety	05	30,180	107,595	110,180	187,595	36,771	82,093	16,981	50,821
Health	07	14,100	196,441	36,500	237,314	21,441	130,168	8,361	70,924
Education & Welfare	08	6,200	191,041	46,900	194,041	27,906	119,921	27,450	79,720
Housing	09	106,600	251,422	113,175	261,422	65,996	158,998	44,352	120,328
Community Amenities	10	454,620	717,347	474,620	699,537	463,511	408,047	456,387	289,284
Recreation & Culture	11	418,919	1,594,228	453,759	1,597,578	212,491	941,028	125,747	746,045
Transport	12	1,609,292	2,249,328	1,609,995	2,279,628	892,061	1,322,241	528,942	1,169,362
Economic Services	13	202,272	788,860	237,772	813,630	138,745	469,760	153,799	310,489
Other Property & Services	14	410,900	476,899	449,050	476,899	248,666	262,018	179,102	254,406
TOTAL - OPERATING		6,374,151	7,347,926	6,635,019	7,517,909	4,728,571	4,342,471	4,146,591	3,365,783
CAPITAL									
General Purpose Funding	03	0	58	0	58	0	0	0	32
Governance	04	0	0	0	8,000	0	8,000	0	5,427
Law, Order, Public Safety	05	0	25,000	0	25,000	0	0	0	0
Health	07	0	311	20,000	20,311	0	15,000	0	15,845
Education & Welfare	08	0	16,000	0	16,000	0	0	0	8,174
Housing	09	0	95,164	0	131,164	0	58,019	0	18,731
Community Amenities	10	0	140,994	0	140,994	0	10,500	0	33,299
Recreation & Culture	11	79,152	737,190	79,152	767,190	0	440,293	0	324,706
Transport	12	388,500	2,495,193	388,500	2,575,193	0	709,571	0	581,732
Economic Services	13	40,000	114,613	40,000	114,613	0	45,201	27	70,492
Other Property & Services	14	0	5,499	0	15,499	0	0	0	213
TOTAL - CAPITAL		507,652	3,630,022	527,652	3,814,022	0	1,286,584	27	1,058,652
		6,881,803	10,977,948	7,162,671	11,331,931	4,728,571	5,629,055	4,146,618	4,424,435
Less Depreciation Written Back			(1,991,517)		(1,991,517)		(1,161,671)		(953,957)
Less Profit/Loss Written Back		(10,531)	(92,564)	(12,734)	(52,564)	(12,734)	(15,025)	(12,650)	0
Less Movement in Leave Reserve - REC INT	72101		0		0		0		(213)
Plus Proceeds from Sale of Assets		36,500		36,500		0		38,998	
TOTAL REVENUE & EXPENDITURE		6,907,772	8,893,867	7,186,437	9,287,850	4,715,837	4,452,359	4,172,966	3,470,265
Surplus/Deficit July 1st B/Fwd		1,986,095		2,110,856		2,110,856		2,110,856	
		8,893,867	8,893,867	9,297,293	9,287,850	6,826,693	4,452,359	6,283,823	3,470,265
Surplus/Deficit C/Fwd			0		9,443		2,374,334		2,813,558
		8,893,867	8,893,867	9,297,293	9,297,293	6,826,693	6,826,693	6,283,823	6,283,823

Shire of Morawa
SCHEDULE 03 - GENERAL PURPOSE FUNDING
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Rates		208,272		208,272		117,551		75,361
Other General Purpose Funding		56,572		56,572		32,998		21,253
<u>OPERATING REVENUE</u>								
Rates	2,163,218		2,163,218		2,150,558		2,143,037	
Other General Purpose Funding	957,800		939,800		470,425		462,432	
SUB-TOTAL	3,121,018	264,844	3,103,018	264,844	2,620,983	150,549	2,605,470	96,614
<u>CAPITAL EXPENDITURE</u>								
Rates		0		0		0		0
Other General Purpose Funding		58		58		0		32
<u>CAPITAL REVENUE</u>								
Rates	0		0		0		0	
Other General Purpose Funding	0		0		0		0	
SUB-TOTAL	0	58	0	58	0	0	0	32
TOTAL -	3,121,018	264,902	3,103,018	264,902	2,620,983	150,549	2,605,470	96,647

Shire of Morawa
SCHEDULE 04 - GOVERNANCE
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Members of Council		406,221		401,721		244,918		176,700
Governance General		103,700		103,700		52,730		1,091
<u>OPERATING REVENUE</u>								
Members of Council	25		25		0		0	
Governance General	25		25		0		0	
SUB-TOTAL	50	509,921	50	505,421	0	297,648	0	177,791
<u>CAPITAL EXPENDITURE</u>								
Members of Council		0		8,000		8,000		5,427
Governance General		0		0		0		0
<u>CAPITAL REVENUE</u>								
Members of Council	0		0		0		0	
Governance General	0		0		0		0	
SUB-TOTAL	0	0	0	8,000	0	8,000	0	5,427
TOTAL - PROGRAMME SUMMARY	50	509,921	50	513,421	0	305,648	0	183,218

Shire of Morawa
SCHEDULE 05 - LAW, ORDER & PUBLIC SAFETY
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Fire Prevention		67,665		147,665		58,832		34,766
Animal Control		39,200		39,200		22,841		15,796
Other Law, Order & Public Safety		730		730		420		259
<u>OPERATING REVENUE</u>								
Fire Prevention	26,730		106,730		34,379		16,270	
Animal Control	3,450		3,450		2,392		712	
Other Law, Order & Public Safety	0		0		0		0	
SUB-TOTAL	30,180	107,595	110,180	187,595	36,771	82,093	16,981	50,821
<u>CAPITAL EXPENDITURE</u>								
Fire Prevention		0		0		0		0
Animal Control		0		0		0		0
Other Law, Order & Public Safety		25,000		25,000		0		0
<u>CAPITAL REVENUE</u>								
Fire Prevention	0		0		0		0	
Animal Control	0		0		0		0	
Other Law, Order & Public Safety	0		0		0		0	
SUB-TOTAL	0	25,000	0	25,000	0	0	0	0
TOTAL - PROGRAMME SUMMARY	30,180	132,595	110,180	212,595	36,771	82,093	16,981	50,821

Shire of Morawa
SCHEDULE 07 - HEALTH
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Preventative Services - Meat Inspection		350		350		203		0
Preventative Services - Inspections & Admin		52,264		72,264		33,818		4,320
Preventative Services - Pest Control		5,635		5,635		3,269		2,557
Other Health		138,192		159,065		92,878		64,047
<u>OPERATING REVENUE</u>								
Preventative Services - Meat Inspection	350		350		350		0	
Preventative Services - Inspections & Admin	250		750		441		669	
Preventative Services - Pest Control	0		0		0		0	
Other Health	13,500		35,400		20,650		7,692	
SUB-TOTAL	14,100	196,441	36,500	237,314	21,441	130,168	8,361	70,924
<u>CAPITAL EXPENDITURE</u>								
Preventative Services - Meat Inspection		0		0		0		0
Preventative Services - Inspections & Admin		311		311		0		100
Preventative Services - Pest Control		0		0		0		0
Other Health		0		20,000		15,000		15,745
<u>CAPITAL REVENUE</u>								
Preventative Services - Meat Inspection	0		0		0		0	
Preventative Services - Inspections & Admin	0		20,000		0		0	
Preventative Services - Pest Control	0		0		0		0	
Other Health	0		0		0		0	
SUB-TOTAL	0	311	20,000	20,311	0	15,000	0	15,845
TOTAL - PROGRAMME SUMMARY	14,100	196,752	56,500	257,625	21,441	145,168	8,361	86,769

Shire of Morawa
SCHEDULE 08 - EDUCATION & WELFARE
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING EXPENDITURE								
Other Education		6,601		6,601		4,947		4,131
Care of Families & Children		16,500		16,500		9,597		8,271
Other Welfare		167,940		170,940		105,377		67,318
OPERATING REVENUE								
Other Education	0		0		0		0	
Care of Families & Children	2,500		2,500		1,456		1,550	
Other Welfare	3,700		44,400		26,450		25,900	
SUB-TOTAL	6,200	191,041	46,900	194,041	27,906	119,921	27,450	79,720
CAPITAL EXPENDITURE								
Other Education		0		0		0		0
Care of Families & Children		16,000		16,000		0		8,174
Other Welfare		0		0		0		0
CAPITAL REVENUE								
Other Education	0		0		0		0	
Care of Families & Children	0		0		0		0	
Other Welfare	0		0		0		0	
SUB-TOTAL	0	16,000	0	16,000	0	0	0	8,174
TOTAL - PROGRAMME SUMMARY	6,200	207,041	46,900	210,041	27,906	119,921	27,450	87,895

Shire of Morawa
SCHEDULE 09 - HOUSING
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Staff Housing		111,768		111,768		69,652		51,378
Other Housing		84,654		88,654		52,364		37,916
Aged Housing		55,000		61,000		36,982		31,034
<u>OPERATING REVENUE</u>								
Staff Housing	7,500		10,575		6,167		2,001	
Other Housing	34,300		37,800		22,050		17,870	
Aged Housing	64,800		64,800		37,779		24,481	
SUB-TOTAL	106,600	251,422	113,175	261,422	65,996	158,998	44,352	120,328
<u>CAPITAL EXPENDITURE</u>								
Staff Housing		84,860		94,860		38,519		7,357
Other Housing		0		26,000		19,500		11,150
Aged Housing		10,304		10,304		0		224
<u>CAPITAL REVENUE</u>								
Staff Housing	0		0		0		0	
Other Housing	0		0		0		0	
Aged Housing	0		0		0		0	
SUB-TOTAL	0	95,164	0	131,164	0	58,019	0	18,731
TOTAL - PROGRAMME SUMMARY	106,600	346,586	113,175	392,586	65,996	217,017	44,352	139,059

Shire of Morawa
SCHEDULE 10 - COMMUNITY AMENITIES
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Sanitation - Household Refuse		245,731		248,731		145,026		105,755
Sanitation - Other		105,589		80,589		46,984		34,154
Sewerage		168,800		145,400		86,106		61,904
Urban Stormwater Drainage		9,313		9,313		5,418		0
Town Planning & Regional Development		70,347		70,347		41,027		24,420
Other Community Amenities		117,567		145,157		83,486		63,052
<u>OPERATING REVENUE</u>								
Sanitation - Household Refuse	107,420		107,420		106,744		106,219	
Sanitation - Other	72,525		72,525		72,275		69,327	
Sewerage	265,875		265,875		264,375		264,962	
Urban Stormwater Drainage	0		0		0		0	
Town Planning & Regional Development	3,500		3,500		2,037		3,972	
Other Community Amenities	5,300		25,300		18,080		11,907	
SUB-TOTAL	454,620	717,347	474,620	699,537	463,511	408,047	456,387	289,284
<u>CAPITAL EXPENDITURE</u>								
Sanitation - Household Refuse		50,000		50,000		0		46
Sanitation - Other		0		0		0		0
Sewerage		80,494		80,494		0		30,726
Urban Stormwater Drainage		0		0		0		0
Other Community Amenities		10,500		10,500		10,500		2,526
<u>CAPITAL REVENUE</u>								
Sanitation - Household Refuse	0		0		0		0	
Sanitation - Other	0		0		0		0	
Sewerage	0		0		0		0	
Urban Stormwater Drainage	0		0		0		0	
Environmental Protection	0		0		0		0	
Town Planning & Regional Development	0		0		0		0	
Other Community Amenities	0		0		0		0	
SUB-TOTAL	0	140,994	0	140,994	0	10,500	0	33,299
TOTAL - PROGRAMME SUMMARY	454,620	858,341	474,620	840,531	463,511	418,547	456,387	322,583

Shire of Morawa
SCHEDULE 11 - RECREATION & CULTURE
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING EXPENDITURE								
Public Halls and Civic Centres		165,084		176,784		108,723		105,889
Swimming Areas & Beaches		436,230		407,930		241,072		171,796
Other Recreation and Sport		895,997		879,107		521,126		421,223
TV and Radio Re-broadcasting		2,000		2,000		1,249		500
Libraries		25,781		26,581		15,498		9,595
Other Culture		69,136		105,176		53,360		37,042
OPERATING REVENUE								
Public Halls and Civic Centres	153,169		153,169		71,709		0	
Swimming Areas & Beaches	17,000		17,000		10,162		12,089	
Other Recreation and Sport	247,750		247,750		98,780		81,817	
TV and Radio Re-broadcasting	0		0		0		0	
Libraries	0		3,000		0		0	
Other Culture	1,000		32,840		31,840		31,840	
SUB-TOTAL	418,919	1,594,228	453,759	1,597,578	212,491	941,028	125,747	746,045
CAPITAL EXPENDITURE								
Public Halls and Civic Centres		211,669		211,669		105,830		134,826
Swimming Areas & Beaches		20,135		20,135		0		60
Other Recreation and Sport		505,386		535,386		334,463		189,820
TV and Radio Re-broadcasting		0		0		0		0
Libraries		0		0		0		0
Other Culture		0		0		0		0
CAPITAL REVENUE								
Public Halls and Civic Centres	0		0		0		0	
Swimming Areas & Beaches	79,152		79,152		0		0	
Other Recreation and Sport	0		0		0		0	
TV and Radio Re-broadcasting	0		0		0		0	
Libraries	0		0		0		0	
Other Culture	0		0		0		0	
SUB-TOTAL	79,152	737,190	79,152	767,190	0	440,293	0	324,706
TOTAL - PROGRAMME SUMMARY	498,071	2,331,418	532,911	2,364,768	212,491	1,381,321	125,747	1,070,751

Shire of Morawa
SCHEDULE 12 - TRANSPORT
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING EXPENDITURE								
Construction Roads, Bridges and Depots		0		0		0		0
Maintenance Roads, Bridges and Depots		1,739,684		1,801,984		1,054,850		953,275
Plant Purchases		39,899		39,899		10,143		2,778
Transport Licensing		352,210		356,210		207,781		178,671
Aerodromes		117,535		81,535		49,467		34,637
OPERATING REVENUE								
Construction Roads, Bridges and Depots	743,051		743,051		344,090		130,100	
Maintenance Roads, Bridges and Depots	329,000		329,000		244,000		224,013	
Plant Purchases	11,031		11,734		11,521		11,234	
Transport Licensing	352,210		352,210		205,450		163,595	
Aerodromes	174,000		174,000		87,000		0	
SUB-TOTAL	1,609,292	2,249,328	1,609,995	2,279,628	892,061	1,322,241	528,942	1,169,362
CAPITAL EXPENDITURE								
Construction Roads, Bridges and Depots		1,254,153		1,334,153		653,576		392,009
Maintenance Roads, Bridges and Depots		70,000		70,000		0		5
Plant Purchases		969,040		969,040		0		102,932
Aerodromes		202,000		202,000		55,995		86,787
CAPITAL REVENUE								
Construction Roads, Bridges and Depots	0		0		0		0	
Maintenance Roads, Bridges and Depots	0		0		0		0	
Plant Purchases	388,500		388,500		0		0	
Aerodromes	0		0		0		0	
SUB-TOTAL	388,500	2,495,193	388,500	2,575,193	0	709,571	0	581,732
TOTAL - PROGRAMME SUMMARY	1,997,792	4,744,521	1,998,495	4,854,821	892,061	2,031,812	528,942	1,751,094

Shire of Morawa
SCHEDULE 13 - ECONOMIC SERVICES
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22		2021-22		2021-22		2021-22	
	Adopted Budget		Amended		YTD Budget		YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Rural Services		30,383		30,383		17,689		9,527
Tourism & Area Promotion		299,012		331,839		190,195		148,416
Building Control		45,085		45,085		26,292		17,383
Other Economic Services		80,494		66,437		38,724		34,029
Economic Development		333,886		339,886		196,860		101,133
<u>OPERATING REVENUE</u>								
Rural Services	0		0		0		0	
Tourism & Area Promotion	182,500		182,500		106,545		109,191	
Building Control	3,200		6,200		3,612		5,093	
Other Economic Services	3,500		33,500		19,537		32,711	
Economic Development	13,072		15,572		9,051		6,804	
SUB-TOTAL	202,272	788,860	237,772	813,630	138,745	469,760	153,799	310,489
<u>CAPITAL EXPENDITURE</u>								
Rural Services		0		0		0		0
Tourism & Area Promotion		87,500		87,500		45,201		67,987
Building Control		0		0		0		0
Other Economic Services		0		0		0		0
Economic Development		27,113		27,113		0		2,506
<u>CAPITAL REVENUE</u>								
Rural Services	0		0		0		0	
Tourism & Area Promotion	0		0		0		0	
Building Control	0		0		0		0	
Other Economic Services	0		0		0		0	
Economic Development	40,000		40,000		0		27	
SUB-TOTAL	40,000	114,613	40,000	114,613	0	45,201	27	70,492
TOTAL - PROGRAMME SUMMARY	242,272	903,473	277,772	928,243	138,745	514,961	153,826	380,981

Shire of Morawa
SCHEDULE 14 - OTHER PROPERTY & SERVICES
Financial Statement for Period Ended
31 January 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Private Works		26,899		26,899		15,680		8,932
Public Works Overheads		0		0		(3,372)		(50,214)
Plant Operation Costs		0		0		15,144		61,718
Stock, Fuels and Oils		0		0		0		(20,026)
Administration		0		0		1,249		98,546
Unclassified		450,000		450,000		233,317		155,449
<u>OPERATING REVENUE</u>								
Private Works	39,600		39,600		23,100		8,272	
Public Works Overheads	0		6,000		6,000		5,277	
Plant Operation Costs	35,000		35,000		17,500		23,557	
Stock, Fuels and Oils	300		300		175		175	
Administration	10,000		41,500		37,331		40,171	
Unclassified	326,000		326,650		164,560		101,650	
SUB-TOTAL	410,900	476,899	449,050	476,899	248,666	262,018	179,102	254,406
<u>CAPITAL EXPENDITURE</u>								
Administration		5,499		15,499		0		213
<u>CAPITAL REVENUE</u>								
Administration	0		0		0		0	
SUB-TOTAL	0	5,499	0	15,499	0	0	0	213
TOTAL - PROGRAMME SUMMARY	410,900	482,398	449,050	492,398	248,666	262,018	179,102	254,619

Shire of Morawa
Bank Reconciliation Report
For Period Ending 31 January 2022

	Municipal Account	Municipal Online Saver	Trust Account	Reserve Account	Term Deposits - Reserves
Balance as per Bank Statement	1,480,813.47	1,027,280.71	3,342.41	3,440,584.50	2,100,000.00
Balance as per General Ledger	1,485,109.76	1,027,280.71	3,342.41	3,440,584.50	2,100,000.00
Less Unpresented Payments Synergy Bill	(4,695.29)				
Plus Outstanding Deposits Rates payment error	399.00				
Difference	1,480,813.47 0.00	1,027,280.71 0.00	3,342.41 0.00	3,440,584.50 0.00	2,100,000.00 0.00

Shire of Morawa

List of Payments Report

For Period Ending 31 January 2021

Chq/EFT	Date	Name	Description	Amount	Bank
EFT14977	07/01/2022	Australian Services Union	Payroll deductions	77.70	1
EFT14978	07/01/2022	Department of Human Services	Payroll deductions	600.21	1
EFT14979	11/01/2022	Enterprise Metals Limited	Rates refund for assessment A10895 LOT E59/02393	789.08	
EFT14980	13/01/2022	Rip-It Security Shredding (Primecode Pty Ltd)	Records archiving and storage December 2021	177.50	
EFT14981	13/01/2022	Star Track Express	Freight Charges Dec 2021	46.55	
EFT14982	13/01/2022	Synergy	electricity expenses 27/10/2021 - 29/12/2021	583.69	
EFT14983	13/01/2022	Morawa Drapery Store	Steel Blue zip work boots for Nathan Edwards	569.85	
EFT14984	13/01/2022	Morawa Traders	Refreshments for council meetings and admin xmas party December 2021	1,087.26	
EFT14985	13/01/2022	Nutrien Ag Solutions	Freight for Battery an solar panel	74.00	
EFT14986	13/01/2022	WesTrac Equipment Pty Ltd	279-5267 Insert CAT 12M MOTOR GRADER (2019) - P261	379.37	
EFT14987	13/01/2022	Purcher International Pty Ltd	2992544 filter oil	48.98	
EFT14988	13/01/2022	Refuel Australia	Fuel card purchases for December 2021	188.57	
EFT14989	13/01/2022	Hitachi Construction Machinery (Australia) Pty Ltd	1632302242 breather: air	150.55	
EFT14990	13/01/2022	Canine Control	Ranger services Tuesday 21 December 2021	937.66	
EFT14991	13/01/2022	GH Country Courier	Freight for the period December 2021	478.44	
EFT14992	13/01/2022	Royal Life Saving Australia	3 year registration to Royal Life Saving WA	440.00	
EFT14993	13/01/2022	Sigma Companies Group Pty Ltd	Handle Assy 2x2 Gyro as quoted	343.95	
EFT14994	13/01/2022	Cramer & Neill	Unit 1 19 Dreghorn St Replacement of evaporative unit and dropper	12,887.68	
EFT14995	13/01/2022	All Decor	Unit 1, 48 Yewers Ave To supply and install 89mm vertical blinds in Affinity blackout fabric to sliding door, includes fabric wrapped bottom rails and matching chains	636.00	
EFT14996	13/01/2022	Total Toilets	Clean an service 1 trailer mount toilet	1,037.65	

Shire of Morawa

List of Payments Report

For Period Ending 31 January 2021

Chq/EFT	Date	Name	Description	Amount	Bank
EFT14997	13/01/2022	Wallis Computer Solutions	computer system support request for December 2021	145.20	
EFT14998	13/01/2022	RAC	Businesswise assist renewal	216.00	
EFT14999	13/01/2022	MEEDAC Incorporated	Management of the transfer station and recycling station to receive waste December 2021	7,007.00	1
EFT15000	13/01/2022	Great Southern Fuel Supplies	Fuel card purchases for December 2021	298.40	1
EFT15001	13/01/2022	Aquatic Services WA Pty Ltd	Repairs to the Chlorine Probe at the pool	4,296.60	1
EFT15002	13/01/2022	Visimax	Infingement notices	66.48	1
EFT15003	13/01/2022	Avon Waste	279 x 4 weeks Domestic waste collection -Mondays	6,599.04	1
EFT15004	13/01/2022	Little West Wood	Postage December 2021	215.58	1
EFT15005	13/01/2022	Resonline Pty Ltd	Monthly subscription to room manager booking software	122.10	1
EFT15006	13/01/2022	Redi Hire Solutions Red sunset WA Pty Ltd	Hire of jack hammer	160.00	1
EFT15007	13/01/2022	Rick Ryan	Food supplied for Fire training	112.30	1
EFT15008	20/01/2022	Australian Services Union	Payroll deductions	77.70	1
EFT15009	20/01/2022	Department of Human Services	Payroll deductions	600.21	1
EFT15010	21/01/2022	Synergy	Electricity expenses 22/10/2021 - 6/01/2022	2,122.62	1
EFT15011	21/01/2022	Kats Rural	Washer Tap - YE washer tap yellow 1/2",-1378.20"	1.00	1
EFT15012	21/01/2022	Nutrien Ag Solutions	x 8.5 kg Kwik gas exchange	79.99	1
EFT15013	21/01/2022	WesTrac Equipment Pty Ltd	One service kit sk0289 CW34-J3H	877.62	1
EFT15014	21/01/2022	Geraldton Ceramics	5m2 of 150 x 150 lanka white tiles	219.36	1
EFT15015	21/01/2022	Refuel Australia	ad /Blue	54.00	1
EFT15016	21/01/2022	Hitachi Construction Machinery (Australia) Pty Ltd	HCA-ZW180-5B-2000F zw180-5b 2000 hour filter kit	1,655.48	1
EFT15017	21/01/2022	OCLC (UK) Ltd	Amlib library maintenance service 11/01/2022 - 10/01/2022	1,734.99	1

Shire of Morawa

List of Payments Report

For Period Ending 31 January 2021

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15018	21/01/2022	Winchester Industries	supply of cracker dust delivered morawa shire depot	629.20	1
EFT15019	21/01/2022	Greenfield Technical Services	Consultant to assist the Shire with DRFA WA processes in	11,922.51	1
EFT15020	21/01/2022	Bunnings Group Limited	3x OZtrail Base Pods Gazebo Weights Kit - 4 Pack	220.05	1
EFT15021	21/01/2022	Shire of Mingenew	Velpic Quarterly Fee - October to December 2021	146.30	1
EFT15022	21/01/2022	Getaway Outdoors Geraldton	Gazebo premium 3.0- Grey Wildtrak CA5107	1,068.00	1
EFT15023	21/01/2022	Nadia Katona	Refund of bond for bus hire	300.00	1
EFT15024	21/01/2022	RJ & LJ King	16.6 R28Armour tyre fitted	3,366.44	1
EFT15025	21/01/2022	Infinitum Technologies Pty Ltd	Barracuda AES filtering & Sentinel 12 month contract. \$280 p/m	308.00	1
EFT15026	21/01/2022	Mitchell and Brown Communications Vidguard	Quarterly security monitoring at Drs surgery 1/01/2022 - 31/03/2022	102.00	1
EFT15027	21/01/2022	Morawa Rural Pty Ltd T/AS Morawa Rural Enterprises	battery 710 cca delco	740.00	1
EFT15028	21/01/2022	Sports Power Geraldton	YACWA Grant for Summer Holiday Program - Equipment	1,226.73	1
EFT15029	21/01/2022	Breeze Connect Pty Ltd	Admin office VOIP telephone lines 1/12/2021 - 31/12/2021	232.00	1
EFT15030	21/01/2022	NodeOne NodeOne Pty Ltd	Nodeone fixed wireless N1 home Fast February 2022	119.00	1
EFT15031	21/01/2022	Bubbas Enterprises P/L T/as Epic Painting &	Prepare and paint internal surfaces of Morawa Medical	12,588.07	1
EFT15032	21/01/2022	Jenjo Games Pty Ltd	Giant Outdoor Games for Australia Day Ceremony	751.00	1
EFT15033	21/01/2022	Blue planet Surfshop PTY LTD t/as Willocks	YACWA Summer Holiday Grant - Skatepark Equipment for	610.95	1
EFT15034	21/01/2022	Seek	Seek Advertising for Executive Manager Works & Assets position	590.00	1
EFT15035	31/01/2022	Karen Jeanette Chappel	Member sitting fee cr Karen Chapple	8,250.00	1
EFT15036	31/01/2022	Shirley Denise Katona	Member sitting feer Shirley Katona	2,000.00	1
EFT15037	31/01/2022	Kenneth Peter Stokes	Member sitting fee cr Ken Stokes	3,062.50	1
EFT15038	31/01/2022	Jane Coaker	Member sitting fee cr Jane Coaker	2,000.00	1

Shire of Morawa

List of Payments Report

For Period Ending 31 January 2021

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15039	31/01/2022	Yvette A Harris	Member sitting fee Yvette Harris	2,000.00	1
EFT15040	31/01/2022	Dean Stuart Carslake	Member sitting fee cr Dean Carslake	2,000.00	1
EFT15041	31/01/2022	Debbie Collins	Member sitting fee cr Debbie Collins	2,000.00	1

Total EFT Payments 104,429.11

12026	11/01/2022	Water Corporation	Water expenses 21/10/2021 - 11/12/2021	26,738.11	
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Total Cheque Payments 26,738.11

DD8150.1	05/01/2022	Aware Super	Payroll deductions	3,959.95	1
DD8150.2	05/01/2022	MLC Super Fund	Superannuation contributions	269.37	1
DD8150.3	05/01/2022	Commonwealth Bank Group Super	Superannuation contributions	20.29	1
DD8150.4	05/01/2022	Sunsuper	Superannuation contributions	240.00	1
DD8150.5	05/01/2022	mobiSuper	Superannuation contributions	229.23	1
DD8150.6	05/01/2022	HOSTPLUS Superannuation Fund	Superannuation contributions	843.23	1
DD8150.7	05/01/2022	Australian Super	Superannuation contributions	1,102.42	1
DD8150.8	05/01/2022	BT FINANCIAL GROUP	Superannuation contributions	348.17	1
DD8150.9	05/01/2022	MLC Super Fund	Superannuation contributions	545.68	1
DD8157.1	04/01/2022	Exetel Pty Ltd	Internet fibre optic charges 1/01/2022 - 31/01/2022	1,375.00	1
DD8159.1	05/01/2022	Telstra Corporation Limited	Telephone expenses 16/12/2021 - 15/01/2022	508.30	1
DD8161.1	06/01/2022	Telstra Corporation Limited	Telephone expenses 16/12/2021 - 15/01/2022	50.00	1
DD8163.1	06/01/2022	Synergy	Electricity expenses 18/10/2021 - 14/12/2021	232.54	1
DD8170.1	10/01/2022	Synergy	Electricity expenses 18/11/2021 - 16/12/2021	3,401.82	1
DD8173.1	10/01/2022	Synergy	Electricity expenses 18/11/2021 - 16/12/2021	1,871.89	1
DD8187.1	13/01/2022	Synergy	Electricity expenses 22/10/2021 - 21/12/2021	6,788.99	1
DD8188.1	12/01/2022	Synergy	Electricity expenses 21/10/2021 - 20/12/2021	3,523.36	1
DD8190.1	17/01/2022	Synergy	Electricity expenses 25/10/2022 - 23/12/2022	554.27	1

Shire of Morawa

List of Payments Report

For Period Ending 31 January 2021

Chq/EFT	Date	Name	Description	Amount	Bank
DD8196.1	13/01/2022	Synergy	Was processed as a DD when should have been a normal creditors	132.07	1
DD8198.1	18/01/2022	Telstra Corporation Limited	Telephone expenses 28/12/2021 - 27/01/2022	454.39	1
DD8200.1	19/01/2022	Aware Super	Payroll deductions	3,947.02	
DD8200.2	19/01/2022	MLC Super Fund	Superannuation contributions	249.81	
DD8200.3	19/01/2022	Commonwealth Bank Group Super	Superannuation contributions	126.81	
DD8200.4	19/01/2022	Sunsuper	Superannuation contributions	240.00	
DD8200.5	19/01/2022	mobiSuper	Superannuation contributions	289.65	
DD8200.6	19/01/2022	HOSTPLUS Superannuation Fund	Superannuation contributions	804.44	
DD8200.7	19/01/2022	BT FINANCIAL GROUP	Superannuation contributions	348.17	
DD8200.8	19/01/2022	MLC Super Fund	Superannuation contributions	569.85	
DD8200.9	19/01/2022	Australian Super	Superannuation contributions	1,191.02	
DD8206.1	24/01/2022	Telstra Corporation Limited	Telephone expenses 2/1/2022 - 2/02/2022 Doctors house	659.58	
DD8208.1	25/01/2022	Synergy	Electricity expenses 2/12/2021 - 4/1/2022	3,880.24	
DD8219.1	12/01/2022	Synergy	Electricity expenses 21/10/2021 - 20/12/2021	609.84	
DD8225.1	20/01/2022	Synergy	correction	132.07	
DD8230.1	13/01/2022	Synergy	correction	264.14	
DD8232.1	12/01/2022	Synergy	Correction	484.08	
DD8241.1	13/01/2022	Synergy	Electricity expenses 22/10/2022 - 21/12/2022	118.08	1
DD8150.10	05/01/2022	CBUS	Superannuation contributions	221.40	1
DD8150.11	05/01/2022	Prime Super	Superannuation contributions	223.06	1
DD8150.12	05/01/2022	Hawkins Super	Superannuation contributions	494.80	1
DD8200.10	19/01/2022	CBUS	Superannuation contributions	225.28	1
DD8200.11	19/01/2022	Prime Super	Superannuation contributions	223.06	1

Total Direct Debit Payments **42,323.03**

	04/01/2022	Bank West	Bank Charges For December	63.80	1
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Shire of Morawa List of Payments Report

For Period Ending 31 January 2021

Chq/EFT	Date	Name	Description	Amount	Bank
	04/01/2022	Bank West	Merchant Fees for December 2021	179.58	1
	06/01/2022	Bank West	Payroll for 6/01/2022	53,992.15	1
	20/01/2022	Bank West	Payroll for 20/01/2022	56,589.72	1

Total Bank Transfers/ Payments 110,825.25

2122-07.03	06/01/2022	BankWest	Corporate card purchases in December 2021	672.56	1
	EMCCS - Corporate Credit Card				
	29/12/2021	Canva Pty Ltd	Canva Pro Annual Subscription	167.88	
	29/12/2021	BIG W Joondalup	Wireless computer mouse	21.00	
	29/12/2021	7 ELEVEN	Petrol For Shire vehicle 02MO	55.07	
	2/12/2021	Bridgestone Tyre	Replace Tyre due to Puncture damage	407.00	
			Sub Total	650.95	
	CEO - Corporate Credit Card				
	7/12/2021	ZOOM.US	Zoom Standard Pro Monthly Subscription	20.99	
	7/12/2021	Bankwest	Zoom monthly subscription foreign transaction fee	0.62	
			Sub Total	21.61	

TOTAL Corporate Credit Card Payment 672.56

Ordinary Council Meeting 17 March 2022

Attachment 1 11.2.1a Monthly Financial Report for the period ending 31 February 2022.

Attachment 2 11.2.1b Bank reconciliation for the period ending 31 February 2022.

Attachment 3 11.2.1c List of Accounts paid for period ending 31 February 2022.

Item 11.2.2 Statement of Financial Activity – February 2022



MORAWA

SHIRE OF MORAWA

**FOR THE YEAR ENDING
30 JUNE 2022**

**STATEMENT OF FINANCIAL
ACTIVITY**



SHIRE OF MORAWA
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 28 February 2022

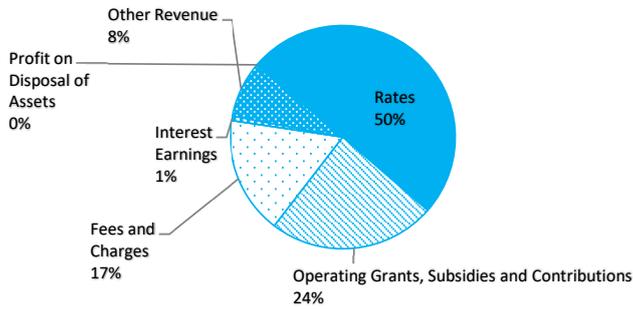
LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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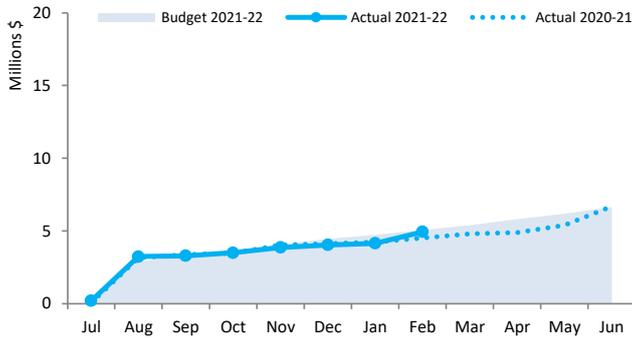
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OPERATING ACTIVITIES

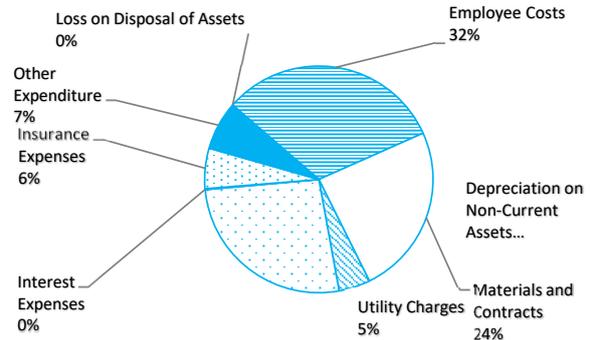
OPERATING REVENUE



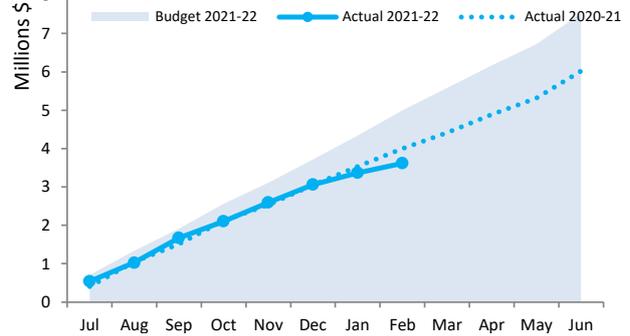
Budget Operating Revenues -v- Actual



OPERATING EXPENSES

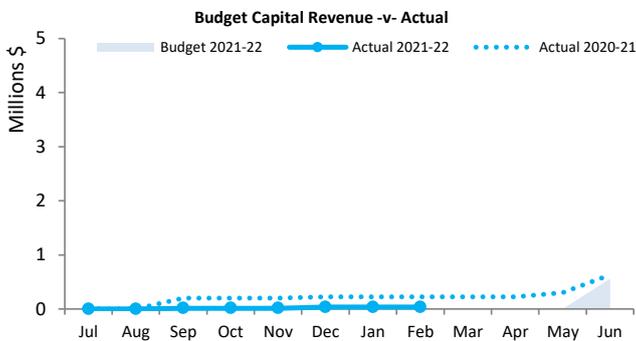


Budget Operating Expenses -v- YTD Actual

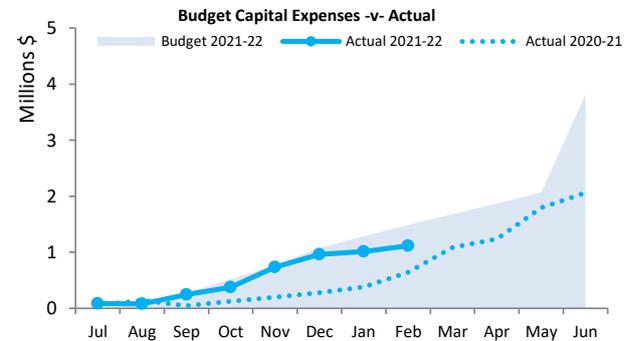


INVESTING ACTIVITIES

CAPITAL REVENUE



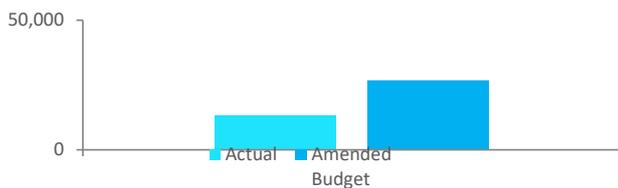
CAPITAL EXPENSES



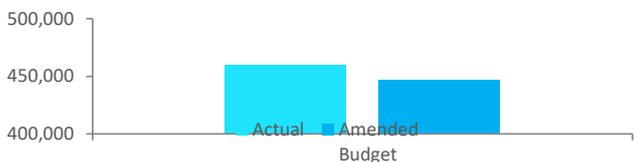
FINANCING ACTIVITIES

BORROWINGS

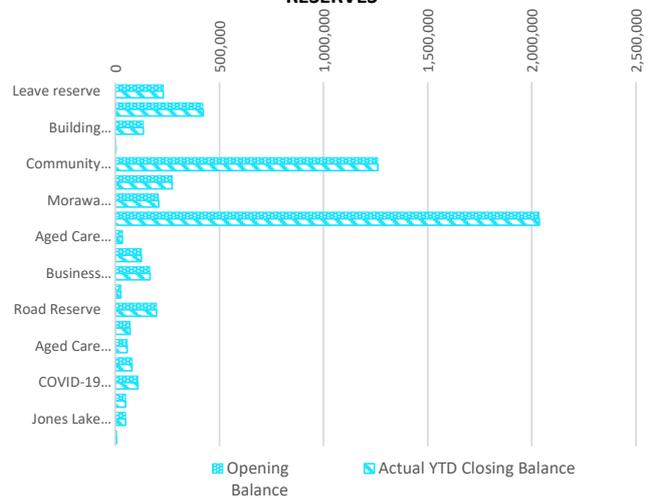
Principal Repayments



Principal Outstanding



RESERVES



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

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$2.11 M	\$2.11 M	\$2.11 M	\$0.00 M
Closing	\$0.01 M	\$2.01 M	\$3.24 M	\$1.22 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$2.85 M	34.0%
Restricted Cash	\$5.54 M	66.0%
Total	\$8.39 M	

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$	% Outstanding
Trade Payables	\$0.07 M	
0 to 30 Days		100.0%
30 to 90 Days		0.0%
Over 90 Days		0%
Total	\$0.21 M	

Refer to Note 5 - Payables

Receivables		
	\$	% Collected
Rates Receivable	\$0.68 M	78%
Trade Receivable	\$0.02 M	% Outstanding
30 to 90 Days		15.2%
Over 90 Days		16%
Total	\$0.70 M	

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.22 M)	\$0.75 M	\$1.57 M	\$0.81 M

Refer to Statement of Financial Activity

Rates Revenue		
	\$	% Variance
YTD Actual	\$2.12 M	
YTD Budget	\$2.12 M	0.1%

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$1.02 M	
YTD Budget	\$1.07 M	(5.1%)

Refer to Note 13 - Operating Grants and Contributions

Fees and Charges		
	\$	% Variance
YTD Actual	\$0.72 M	
YTD Budget	\$0.71 M	0.8%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.69 M)	(\$0.80 M)	(\$0.38 M)	\$0.42 M

Refer to Statement of Financial Activity

Proceeds on sale		
	\$	%
YTD Actual	\$0.04 M	
Amended Budget	\$0.04 M	6.8%

Refer to Note 7 - Disposal of Assets

Asset Acquisition		
	\$	% Spent
YTD Actual	\$1.12 M	
Amended Budget	\$3.09 M	(63.9%)

Refer to Note 8 - Capital Acquisitions

Capital Grants		
	\$	% Received
YTD Actual	\$0.70 M	
Amended Budget	\$1.37 M	(49.0%)

Refer to Note 8 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.19 M)	(\$0.06 M)	(\$0.06 M)	(\$0.00 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.01 M
Interest expense	\$0.01 M
Principal due	\$0.46 M

Refer to Note 9 - Borrowings

Reserves		
Reserves balance	\$5.54 M	
Interest earned	\$0.00 M	0.0%

Refer to Note 11 - Cash Reserves

Lease Liability	
Principal repayments	\$0.04 M
Interest expense	\$0.00 M
Principal due	\$0.04 M

Refer to Note 10 - Lease Liabilities

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

KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 28 FEBRUARY 2022

STATUTORY REPORTING PROGRAMS

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

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

GOVERNANCE

To manage Council's finances

Includes Members of Council, Civic Functions and Public Relations, Council Elections, Training/Education.

GENERAL PURPOSE FUNDING

To manage Council's finances

Includes Rates, Loans, Investments & Grants.

LAW, ORDER, PUBLIC SAFETY

To provide, develop & manage services in response to community needs.

Includes Emergency Services & Animal Control.

HEALTH

To provide, develop & manage services in response to community needs.

Includes Environmental Health, Medical & Health facilities.

EDUCATION AND WELFARE

To provide, develop & manage services in response to community needs.

Includes Education, Welfare & Children's Services.

HOUSING

To ensure quality housing and appropriate infrastructure is maintained.

Includes Staff & Other Housing.

COMMUNITY AMENITIES

To provide, develop & manage services in response to community needs.

Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape.

RECREATION AND CULTURE

To ensure the recreational & cultural needs of the community are met.

Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities.

TRANSPORT

To effectively manage transport infrastructure.

Includes Roads, Footpaths, Drainage, Plant & Machine Operating Costs and Airstrip Operations.

ECONOMIC SERVICES

To foster economic development, tourism & rural services in the district.

Includes Tourism, Rural Services, Economic Development & Caravan Park.

OTHER PROPERTY AND SERVICES

To provide control accounts and reporting facilities for all other operations.

Includes Private Works, Public Works Overheads, Plant Recovery Costs, Administration Overheads and any other Unclassified Items

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

STATUTORY REPORTING PROGRAMS

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)- (a)/(a)	Var.
		\$	\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	1,986,095	2,110,856	2,110,856	2,110,856	0	0.00%	
Revenue from operating activities								
Governance		50	50	0	0	0	0.00%	
General purpose funding - general rates	6	2,117,418	2,117,418	2,118,090	2,120,582	2,492	0.12%	
General purpose funding - other		1,003,600	985,600	739,628	717,016	(22,612)	(3.06%)	
Law, order and public safety		30,180	110,180	50,313	16,981	(33,332)	(66.25%)	▼
Health		14,100	36,500	24,454	8,361	(16,093)	(65.81%)	▼
Education and welfare		6,200	46,900	28,114	27,605	(509)	(1.81%)	
Housing		106,600	113,175	75,424	52,845	(22,579)	(29.94%)	▼
Community amenities		454,620	474,620	464,374	456,446	(7,928)	(1.71%)	
Recreation and culture		50,000	84,840	74,488	82,924	8,436	11.33%	
Transport		692,241	692,944	492,362	409,195	(83,167)	(16.89%)	▼
Economic services		152,272	187,772	125,202	165,697	40,495	32.34%	▲
Other property and services		410,900	419,050	223,240	182,359	(40,881)	(18.31%)	▼
		5,038,181	5,269,049	4,415,689	4,240,013	(175,676)		
Expenditure from operating activities								
Governance		(509,921)	(505,421)	(322,745)	(179,630)	143,115	44.34%	▲
General purpose funding		(264,844)	(264,844)	(172,056)	(97,213)	74,843	43.50%	▲
Law, order and public safety		(107,595)	(187,595)	(101,426)	(56,681)	44,745	44.12%	▲
Health		(196,441)	(237,314)	(148,702)	(99,958)	48,744	32.78%	▲
Education and welfare		(191,041)	(194,041)	(137,072)	(91,294)	45,778	33.40%	▲
Housing		(251,422)	(261,422)	(179,244)	(132,996)	46,248	25.80%	▲
Community amenities		(717,347)	(699,537)	(469,235)	(310,414)	158,821	33.85%	▲
Recreation and culture		(1,594,228)	(1,597,578)	(1,077,014)	(801,490)	275,524	25.58%	▲
Transport		(2,249,328)	(2,279,628)	(1,509,161)	(1,205,831)	303,330	20.10%	▲
Economic services		(788,860)	(813,630)	(546,458)	(326,261)	220,197	40.30%	▲
Other property and services		(476,899)	(476,899)	(331,117)	(313,300)	17,817	5.38%	
		(7,347,926)	(7,517,909)	(4,994,230)	(3,615,069)	1,379,161		
Non-cash amounts excluded from operating activities	1(a)	2,073,550	2,031,347	1,332,920	941,539	(391,381)	(29.36%)	▼
Amount attributable to operating activities		(236,195)	(217,513)	754,379	1,566,483	812,104		
Investing Activities								
Proceeds from non-operating grants, subsidies and contributions	14	1,335,970	1,365,970	636,252	697,130	60,878	9.57%	
Proceeds from disposal of assets	7	36,500	36,500	0	38,998	38,998	0.00%	▲
Payments for Infrastructure	9	(1,762,827)	(1,842,827)	(968,852)	(601,689)	367,163	(37.90%)	▲
Payments for property, plant and equipment	8	(1,147,669)	(1,251,669)	(463,486)	(514,774)	(51,288)	(11.07%)	▼
		(1,538,026)	(1,692,026)	(796,086)	(380,335)	415,751		
Amount attributable to investing activities		(1,538,026)	(1,692,026)	(796,086)	(380,335)	415,751		
Financing Activities								
Transfer from reserves	11	507,652	527,652	0	27	27	0.00%	
Payments for principal portion of lease liabilities	10	(57,413)	(57,413)	(38,272)	(43,006)	(4,734)	(12.37%)	
Repayment of debentures	9	(26,580)	(26,580)	(17,712)	(13,195)	4,517	25.50%	
Transfer to reserves	11	(635,533)	(635,533)	0	(4,403)	(4,403)	0.00%	
Amount attributable to financing activities		(211,874)	(191,874)	(55,984)	(60,576)	(4,592)		
Closing funding surplus / (deficit)	1(c)	0	9,443	2,013,165	3,236,428			

KEY INFORMATION

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

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

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

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

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 28 FEBRUARY 2022

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

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

SERVICE CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

BY NATURE OR TYPE

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	1,986,095	2,110,856	2,110,856	2,110,856	0	0.00%	
Revenue from operating activities								
Rates	6	2,117,418	2,117,418	2,118,090	2,120,582	2,492	0.12%	
Operating grants, subsidies and contributions	13	1,291,680	1,477,220	1,073,830	1,019,101	(54,729)	(5.10%)	
Fees and charges		799,017	839,742	713,879	719,859	5,980	0.84%	
Interest earnings		59,300	41,300	32,600	27,464	(5,136)	(15.75%)	
Other revenue		760,235	780,635	464,556	340,357	(124,199)	(26.74%)	▼
Profit on disposal of assets	7	10,531	12,734	12,734	12,650	(84)	(0.66%)	
		5,038,181	5,269,049	4,415,689	4,240,013	(175,676)		
Expenditure from operating activities								
Employee costs		(1,959,582)	(2,019,663)	(1,356,795)	(1,154,424)	202,371	14.92%	▲
Materials and contracts		(2,232,943)	(2,359,218)	(1,510,905)	(880,857)	630,048	41.70%	▲
Utility charges		(374,592)	(386,009)	(256,800)	(160,880)	95,920	37.35%	▲
Depreciation on non-current assets		(1,991,517)	(1,991,517)	(1,327,624)	(953,957)	373,667	28.15%	▲
Interest expenses		(15,706)	(15,706)	(10,464)	(6,051)	4,413	42.17%	
Insurance expenses		(216,872)	(221,390)	(212,128)	(207,717)	4,412	2.08%	
Other expenditure		(464,150)	(471,842)	(301,484)	(251,183)	50,301	16.68%	▲
Loss on disposal of assets	7	(92,564)	(52,564)	(18,030)	0	18,030	100.00%	▲
		(7,347,926)	(7,517,909)	(4,994,230)	(3,615,069)	1,379,161		
Non-cash amounts excluded from operating activities	1(a)	2,073,550	2,031,347	1,332,920	941,539	(391,381)	(29.36%)	▼
Amount attributable to operating activities		(236,195)	(217,513)	754,379	1,566,483	812,104		
Investing activities								
Proceeds from non-operating grants, subsidies and contributions	14	1,335,970	1,365,970	636,252	697,130	60,878	9.57%	
Proceeds from disposal of assets	7	36,500	36,500	0	38,998	38,998	0.00%	▲
Payments for infrastructure	8	(1,762,827)	(1,842,827)	(968,852)	(601,689)	367,163	(37.90%)	↑↑↑↑↑
Payments for property, plant and equipment	8	(1,147,669)	(1,251,669)	(463,486)	(514,774)	(51,288)	37.90%	
		(1,538,026)	(1,692,026)	(796,086)	(380,335)	415,751		
Amount attributable to investing activities		(1,538,026)	(1,692,026)	(796,086)	(380,335)	415,751		
Financing Activities								
Transfer from reserves	11	507,652	527,652	0	27	27	0.00%	
Payments for principal portion of lease liabilities	10	(57,413)	(57,413)	(38,272)	(43,006)	(4,734)	(12.37%)	
Repayment of debentures	9	(26,580)	(26,580)	(17,712)	(13,195)	4,517	25.50%	
Transfer to reserves	11	(635,533)	(635,533)	0	(4,403)	(4,403)	0.00%	
Amount attributable to financing activities		(211,874)	(191,874)	(55,984)	(60,576)	(4,592)		
Closing funding surplus / (deficit)	1(c)	0	9,443	2,013,165	3,236,428			

KEY INFORMATION

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

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

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

BASIS OF PREPARATION

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

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

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

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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 financial statements. A separate statement of those monies appears at Note 15 to these financial statements.

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

GOODS AND SERVICES TAX

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

ROUNDING OFF FIGURES

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 28 February 2022

(a) Non-cash items excluded from operating activities

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

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities					
		\$	\$	\$	\$
Adjustments to operating activities					
Less: Profit on asset disposals	7	(10,531)	(12,734)	(12,734)	(12,650)
Less: Movement in liabilities associated with restricted cash		0	0	0	232
Add: Loss on asset disposals	7	92,564	52,564	18,030	0
Add: Depreciation on assets		1,991,517	1,991,517	1,327,624	953,957
Total non-cash items excluded from operating activities		2,073,550	2,031,347	1,332,920	941,539

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

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation*

32 to agree to the surplus/(deficit) after imposition of general rates.

		Last Year Closing	This Time Last Year	Year to Date
		30 June 2021	28 Feb 2021	28 Feb 2022
Adjustments to net current assets				
Less: Reserves - restricted cash	11	(5,536,472)	(5,215,634)	(5,540,848)
Less: Adjustment for Trust Transactions Within Muni		0	0	0
Add Back: Component of Leave Liability not Required to be Fur	12	230,503	225,382	230,734
Add: Borrowings	9	26,580	7,093	13,385
Add: Lease liabilities	10	57,413	14,264	14,407
Total adjustments to net current assets		(5,221,977)	(4,968,895)	(5,282,322)

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

Current assets

Cash and cash equivalents	2	7,568,204	7,933,159	8,391,704
Rates receivables	3	501,125	645,087	656,081
Receivables	3	263,075	102,364	21,752
Other current assets	4	19,006	12,307	13,879

Less: Current liabilities

Payables	5	(405,548)	(375,433)	(206,407)
Borrowings	9	(26,580)	(7,093)	(13,385)
Contract liabilities	12	(203,224)	(62,324)	(4,655)
Lease liabilities	10	(57,413)	(14,264)	(14,407)
Provisions	12	(325,812)	(370,554)	(325,812)
Less: Total adjustments to net current assets	1(b)	(5,221,977)	(4,968,895)	(5,282,322)

Closing funding surplus / (deficit)

2,110,856 2,894,355 3,236,428

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Cash on hand								
Cash On Hand	Cash and cash equivalents	400		400			NIL	On Hand
At Call Deposits								
Municipal Cash at Bank	Cash and cash equivalents	1,823,096		1,823,096		Bankwest	0.15%	At Call
Muni Business Telenet Saver	Cash and cash equivalents	1,027,360		1,027,360		Bankwest	0.15%	At Call
CAB - Aged Care Units Reserv Units 6-9	Cash and cash equivalents	0	34,553	34,553		Bankwest	0.20%	At Call
CAB - Morawa Future Funds Interest Reserve	Cash and cash equivalents	0	207,950	207,950		Bankwest	0.20%	At Call
CAB - Leave Reserve Account	Cash and cash equivalents	0	230,734	230,734		Bankwest	0.20%	At Call
CAB - Swimming Pool Reserve	Cash and cash equivalents	0	80,870	80,870		Bankwest	0.20%	At Call
CAB - Plant Reserve	Cash and cash equivalents	0	421,400	421,400		Bankwest	0.20%	At Call
CAB - Building Reserve	Cash and cash equivalents	0	134,584	134,584		Bankwest	0.20%	At Call
CAB - Economic Development Reserve	Cash and cash equivalents	0	3,525	3,525		Bankwest	0.20%	At Call
CAB - Sewerage Reserve	Cash and cash equivalents	0	273,388	273,388		Bankwest	0.20%	At Call
CAB - Unspent Loans Reserve	Cash and cash equivalents	0	125,973	125,973		Bankwest	0.20%	At Call
CAB - Community Development Reserve	Cash and cash equivalents	0	760,348	760,348		Bankwest	0.20%	At Call
CAB - Future Funds Reserve	Cash and cash equivalents	0	435,664	435,664		Bankwest	0.20%	At Call
CAB - Business Units Reserve	Cash and cash equivalents	0	166,266	166,266		Bankwest	0.20%	At Call
CAB - Legal Reserve	Cash and cash equivalents	0	26,188	26,188		Bankwest	0.20%	At Call
CAB - Road Reserve	Cash and cash equivalents	0	197,597	197,597		Bankwest	0.20%	At Call
CAB - Aged Care ex MCC Unit 1-4	Cash and cash equivalents	0	70,854	70,854		Bankwest	0.20%	At Call
CAB - Aged Care Unit 5	Cash and cash equivalents	0	56,901	56,901		Bankwest	0.20%	At Call
CAB - COVID-19 Emergency Response	Cash and cash equivalents	0	108,459	108,459		Bankwest	0.20%	At Call
CAB - Jones Lake Rd Rehabilitation	Cash and cash equivalents	0	50,050	50,050		Bankwest	0.20%	At Call
CAB - Old Hospital	Cash and cash equivalents	0	50,050	50,050		Bankwest	0.20%	At Call
CAB - Morawa Yalgoo Road Reserve	Cash and cash equivalents	0	5,495	5,495		Bankwest	0.20%	At Call
Term Deposits								
TD: ... 8410 (Future Funds 1)	Cash and cash equivalents	0	800,000	800,000		Bankwest	0.51%	
TD: ... 8428 (Future Funds 2)	Cash and cash equivalents	0	800,000	800,000		Bankwest	0.51%	
TD: ... 8436 (Community Development Fund)	Cash and cash equivalents	0	500,000	500,000		Bankwest	0.51%	
Trust Deposits								
Trust Bank	Cash and cash equivalents	0			3,342		0.20%	At Call
Total		2,850,855	5,540,848	8,391,704	3,342			
Comprising								
Cash and cash equivalents		2,850,855	5,540,848	8,391,704	3,342			
		2,850,855	5,540,848	8,391,704	3,342			

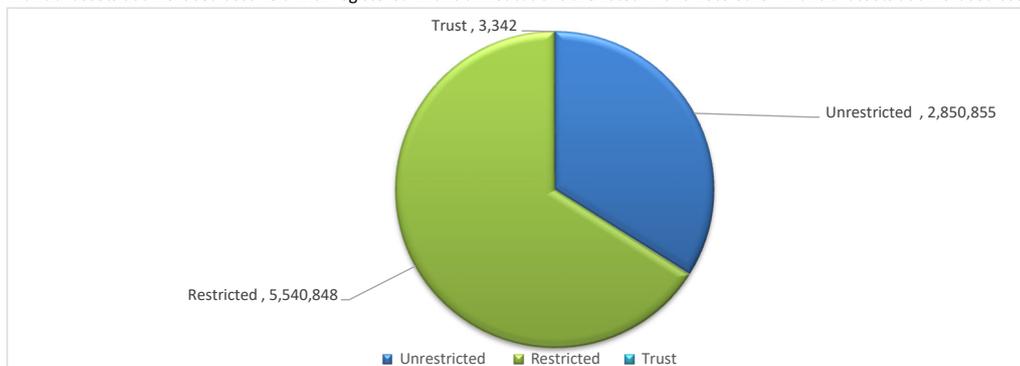
KEY INFORMATION

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

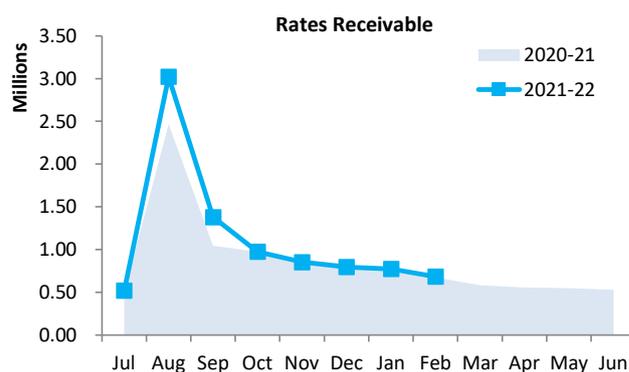
The local government classifies financial assets at amortised cost if both of the following criteria are met:

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

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



Rates receivable	30 June 2021	28 Feb 2022
	\$	\$
Opening arrears previous years	542,836	527,201
Levied this year	2,439,684	2,579,409
Less - collections to date	(2,455,319)	(2,424,453)
Equals current outstanding	527,201	682,157
Net rates collectable	527,201	682,157
% Collected	82.3%	78%

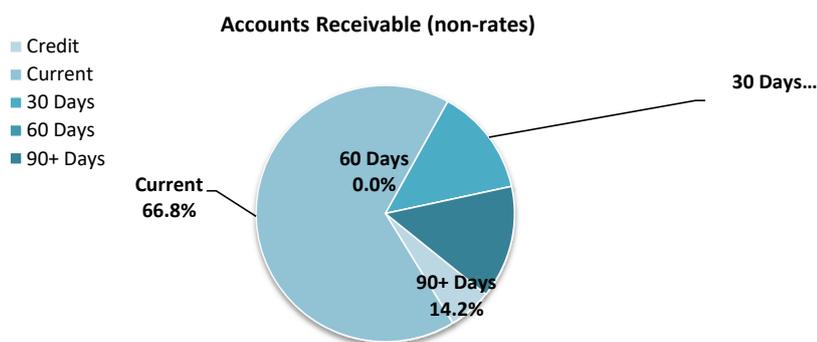


Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(1,851)	22,752	4,608	0	4,852	30,360
Percentage	(6.1%)	74.9%	15.2%	0%	16%	
Balance per trial balance						
Sundry receivable						30,360
GST receivable						16,405
Increase in Allowance for impairment of receivables from contracts with customers						(25,012)
Total receivables general outstanding						21,753

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



	Opening Balance 1 July 2021	Asset Increase	Asset Reduction	Closing Balance 28 Feb 2022
	\$	\$	\$	\$
Other current assets				
Inventory				
Fuel, Oils and Materials on Hand	13,879	0	0	13,879
Other current assets				
Accrued income	5,127	0	(5,127)	0
Total other current assets	19,006	0	(5,127)	13,879
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

Inventories are measured at the lower of cost and net realisable value.

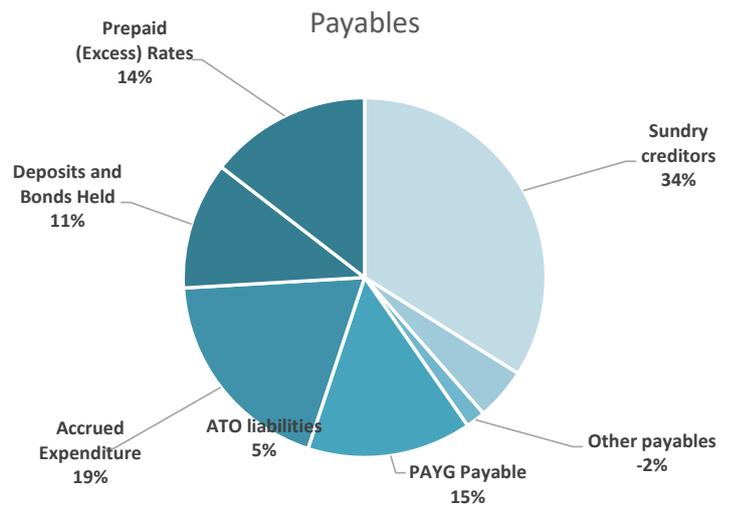
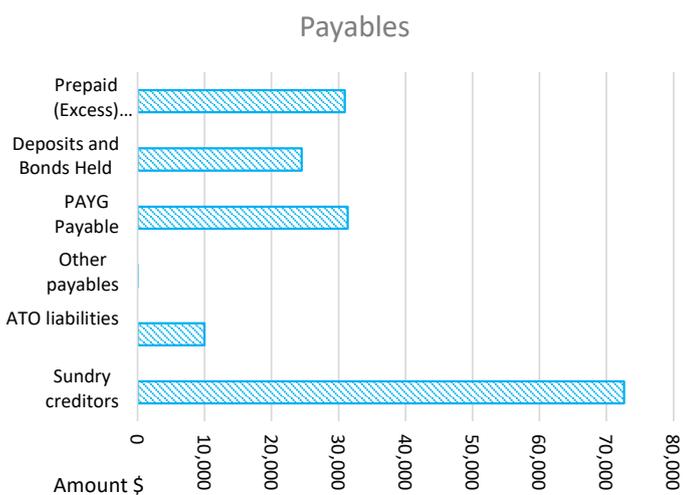
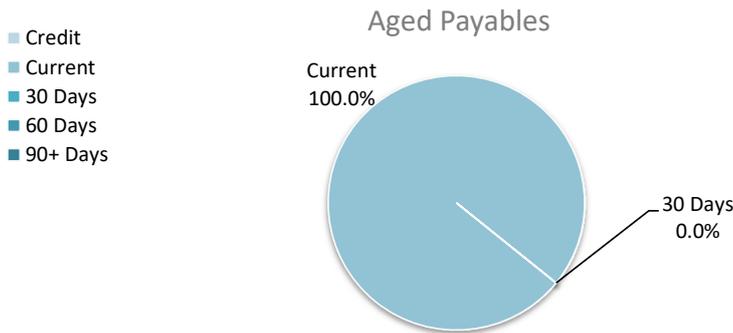
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	72,610	0	0	0	72,610
Percentage	0%	100%	0%	0%	0%	
Balance per trial balance						
Sundry creditors						72,610
ATO liabilities						10,011
Other payables						(3,734)
PAYG Payable						31,386
Accrued Expenditure						40,671
Deposits and Bonds Held						24,506
Prepaid (Excess) Rates						30,957
Total payables general outstanding						206,407

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.



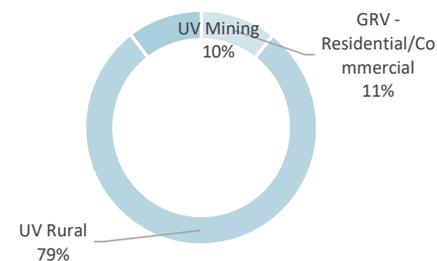
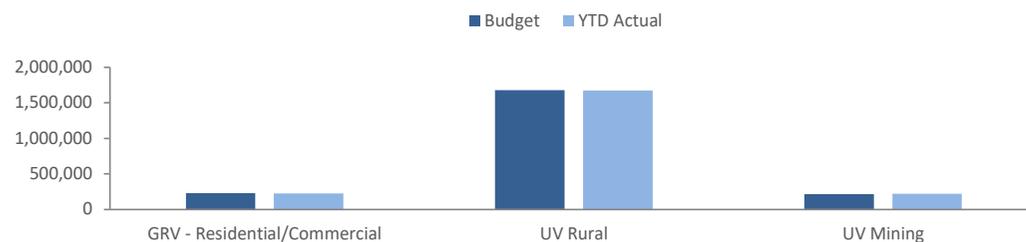
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022

OPERATING ACTIVITIES
NOTE 6
RATE REVENUE

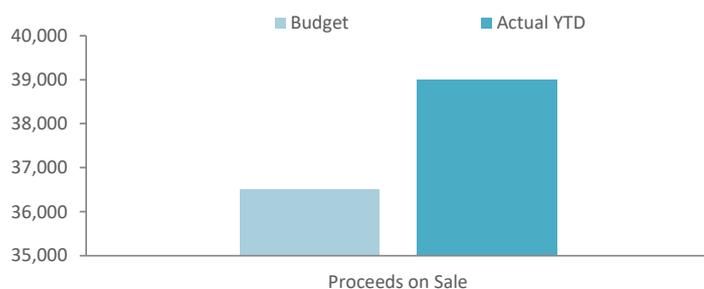
General rate revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
General Rate											
Gross rental valuations											
GRV - Residential/Commercial	8.1287	268	2,799,272	226,851	0	0	226,851	227,544	0	(3,313)	224,231
Unimproved value											
UV Rural	2.3499	206	71,392,500	1,677,241	0	0	1,677,241	1,677,653	(3,206)	533	1,674,980
UV Mining	30.1974	27	705,024	212,899	0	0	212,899	212,899	6,921	(1)	219,818
Sub-Total		501	74,896,796	2,116,991	0	0	2,116,991	2,118,096	3,715	(2,782)	2,119,029
Minimum payment	Minimum \$										
Gross rental valuations											
GRV - Residential/Commercial	312	42	27,013	13,104	0	0	13,104	13,108	0	0	13,108
Unimproved value											
UV Rural	312	8	65,800	2,496	0	0	2,496	2,497	0	0	2,497
UV Mining	683.00	7	7,411	4,781	0	0	4,781	4,781	0	0	4,781
Sub-total		57	100,224	20,381	0	0	20,381	20,386	0	0	20,386
		558	74,997,020	2,137,372	0	0	2,137,372	2,138,481	3,715	(2,782)	2,139,415
Discount							(24,366)				(24,208)
Amount from general rates							2,113,006				2,115,207
Rates Written Off							(2,000)				(1,036)
Ex-gratia rates							6,412				6,412
Total general rates							2,117,418				2,120,583

KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2021 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



Asset Ref.	Asset description	Updated Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Transport								
56	P&E - P163 Isuzu Truck	18,669	6,500	0	(12,169)			0	0
61	P&E - P172 Iveco 6700 Powerstar MO71	4,469	15,000	11,234	0			0	0
378	P&E - P167 Kubota F3680 & Catcher	15,338	5,000	0	(10,338)			0	0
606	P&E - P247 Hilux 5MT Workmate			0	0	11,401	22,635	11,234	0
	Other property and services								
564	P&E - P241 2016 Toyota RAV4 AWD	14,041	5,000	1,500	0	14,948	16,364	1,416	0
574	P&E - P243 Nissan Navara RX 000 MO	22,176	5,000	0	(17,176)			0	0
252	Toyota Prado DSL WGN A/T GXL - CEO	43,840		0	(12,881)			0	0
		118,533	36,500	12,734	(52,564)	26,349	38,998	12,650	0



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

**INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS**

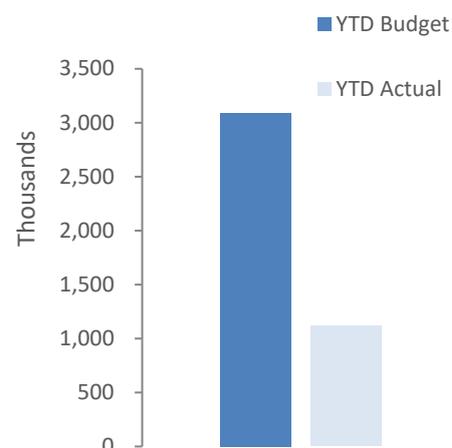
Capital acquisitions	Adopted	Amended		YTD Actual	YTD Actual Variance
	Budget	Budget	YTD Budget		
		\$	\$	\$	\$
Land and Buildings	479,669	573,669	463,486	412,232	(51,254)
Furniture and equipment	0	10,000	0	0	0
Plant and equipment	668,000	668,000	0	102,542	102,542
Infrastructure - roads	1,055,743	1,135,743	690,764	451,877	(238,887)
Infrastructure - Footpaths	128,084	128,084	76,830	2,837	(73,993)
Infrastructure - Parks & Ovals	164,000	164,000	98,400	22,777	(75,623)
Infrastructure - Sewerage	30,000	30,000	0	30,473	30,473
Infrastructure - Playground Equipment	90,000	90,000	0	0	0
Infrastructure - Other	93,000	93,000	35,664	6,938	(28,726)
Infrastructure - Airfields	202,000	202,000	67,194	86,787	19,593
Payments for Capital Acquisitions	2,910,496	3,094,496	1,432,338	1,116,463	(315,875)
Total Capital Acquisitions	2,910,496	3,094,496	1,432,338	1,116,463	(315,875)

Capital Acquisitions Funded By:

		\$	\$	\$	\$
Capital grants and contributions	1,335,970	1,365,970	636,252	697,130	60,878
Other (disposals & C/Fwd)	36,500	36,500	0	38,998	38,998
Cash backed reserves					
Plant Reserve	388,500	388,500		0	0
Morawa Future Funds Interest Reserve	40,000	40,000		0	0
Swimming Pool Reserve	79,152	79,152		0	0
Contribution - operations	1,030,374	1,164,374	796,086	380,335	(415,751)
Capital funding total	2,910,496	3,094,496	1,432,338	1,116,463	(315,875)

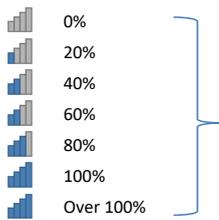
SIGNIFICANT ACCOUNTING POLICIES

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



Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

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

Account/Job Description	Adopted		Amended		Variance (Under)/ Over
	Budget	Budget	YTD Budget	YTD Actual	
Buildings					
Purchase Land & Buildings - Members of Council	0	(8,000)	(8,000)	(5,427)	2,573
Land & Bldgs - Dr's Surgery Upgrade	0	(20,000)	(20,000)	(15,698)	4,302
Land & Building Renewals	(16,000)	(16,000)	0	(8,174)	(8,174)
Purchase Land & Buildings - Staff Housing	(20,000)	(30,000)	(30,000)	0	30,000
Purchase Land & Buildings - Other Housing	0	(26,000)	(26,000)	(11,150)	14,850
Old Roads Board Building	(171,669)	(171,669)	(102,996)	(155,325)	(52,329)
LRCIP - Sports Complex	(142,000)	(172,000)	(171,996)	(151,168)	20,828
Recreation Centre - Renewals	(40,000)	(40,000)	(40,000)	0	40,000
Purchase Land and Buildings	(20,000)	(20,000)	(12,000)	0	12,000
LRCIP - Caravan Park Ablution Block Upgrade (Asset 176)	(70,000)	(70,000)	(41,994)	(62,763)	(20,769)
	(479,669)	(573,669)	(452,986)	(409,706)	43,280
Plant & Equipment					
Purchase Plant & Equipment - Road Plant Purchases	(668,000)	(668,000)	0	(102,542)	(102,542)
	(668,000)	(668,000)	0	(102,542)	(102,542)
Furniture & Equipment					
Purchase Furniture & Equipment Administration	0	(10,000)	0	0	0
	0	(10,000)	0	0	0
Infrastructure Other					
Infrastructure Other	(25,000)	(25,000)	0	0	0
Infrastructure Other - Solar Initiatives	(40,000)	(40,000)	(24,000)	0	24,000
Cemetery Noticeboard	(10,500)	(10,500)	(10,500)	(2,526)	7,974
Purchase Playground Equipment	(90,000)	(90,000)	0	0	0
LRCIP - Caravan Park Infrastructure Expansion (Asset 553)	0	0	0	(6,938)	(6,938)
WIFI System - Caravan Park/Main Street	(17,500)	(17,500)	(11,664)	0	11,664
	(183,000)	(183,000)	(46,164)	(9,464)	36,700
Infrastructure Sewerage					
Sewerage Upgrade	(30,000)	(30,000)	0	(30,473)	(30,473)
	(30,000)	(30,000)	0	(30,473)	(30,473)
Infrastructure Parks & Ovals					
Netball Courts Redevelopment Project - DLGSCI Grant funding	(164,000)	(164,000)	(98,400)	(22,777)	75,623
	(164,000)	(164,000)	(98,400)	(22,777)	75,623
Infrastructure Roads					
Morawa-Yalgoo Road	(360,500)	(360,500)	(216,288)	(235,693)	(19,405)
RRG Nanekine Rd - Widen and Seal FY20/21	(75,953)	(155,953)	(102,944)	(155,199)	(52,255)
Koolanooka South Road	(100,000)	(100,000)	(59,988)	(550)	59,438
Canna North East Road	(150,000)	(150,000)	(89,994)	(550)	89,444
West Gutha Rd	(112,110)	(112,110)	(67,260)	(550)	66,710
Kerbing Construction - Townsite Roads	(50,000)	(50,000)	(29,988)	0	29,988
LRCIP - Main Street Lighting Upgrade	(57,180)	(57,180)	(34,302)	(50,743)	(16,441)
Townsite Roads Construction	(150,000)	(150,000)	(90,000)	(8,592)	81,408
	(1,055,743)	(1,135,743)	(690,764)	(451,877)	238,887
Infrastructure Footpaths					
Manning Street Footpath	(62,500)	(62,500)	(37,488)	(1,190)	36,298
Shared Pathway Construction - Grant Funded	(65,584)	(65,584)	(39,342)	(1,647)	37,695
	(128,084)	(128,084)	(76,830)	(2,837)	73,993
Infrastructure Aerodrome					
Aerodrome - RADS Grant	(112,000)	(112,000)	(67,194)	(86,787)	(19,593)
Community Stewardship Grant Exp - Airport Vermin Fencing	(90,000)	(90,000)	0	0	0
	(202,000)	(202,000)	(67,194)	(86,787)	(19,593)
	(2,910,496)	(3,094,496)	(1,432,338)	(1,116,463)	315,875

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022

FINANCING ACTIVITIES
NOTE 9
BORROWINGS

Repayments - borrowings

Information on borrowings	Loan No.	1 July 2021	New Loans			Principal Repayments			Principal Outstanding			Interest Repayments		
			Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing														
24 Harley Street - Staff Housing	136	279,078	0	0	0	7,232	14,607	14,607	271,846	264,471	264,471	5,026	12,000	12,000
Recreation and culture														
Netball Courts Redevelopment	139	194,086	0	0	0	5,962	11,973	11,973	188,123	182,113	182,113	522	3,105	3,105
Total		473,164	0	0	0	13,195	26,580	26,580	459,969	446,584	446,584	5,547	15,105	15,105
Current borrowings		26,580							13,385					
Non-current borrowings		446,584							446,584					
		473,164							459,969					

All debenture repayments were financed by general purpose revenue.

Unspent borrowings

Particulars	Date Borrowed	Unspent	Borrowed	Expended	Unspent
		Balance 30/06/2021	During Year	During Year	Balance 28 Feb 2022
		\$	\$	\$	\$
Netball Courts Redevelopment	1 Sep 2020	125,973	0	0	125,973
		125,973	0	0	125,973

KEY INFORMATION

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

**FINANCING ACTIVITIES
NOTE 10
LEASE LIABILITIES**

Movement in carrying amounts

Information on leases	Lease No.	1 July 2021	New Leases			Principal Repayments			Principal Outstanding			Interest Repayments		
			Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget	Actual	Amended Budget	Adopted Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and culture														
Lease - Gymnasium Equipment		86,335	0	0	0	43,006	57,413	57,413	43,329	28,922	28,922	504	601	601
Total		86,335	0	0	0	43,006	57,413	57,413	43,329	28,922	28,922	504	601	601
Current lease liabilities		57,413							14,407					
Non-current lease liabilities		28,922							28,922					
		86,335							43,329					

All lease repayments were financed by general purpose revenue.

KEY INFORMATION

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

FOR THE PERIOD ENDED 28 FEBRUARY 2022

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave reserve	230,503	499	232	5,000	0		0	236,002	230,734
Plant Reserve	420,976	1,040	423	300,000	0	(388,500)	0	333,516	421,400
Building Reserve	134,448	253	135	50,000	0		0	184,701	134,584
Economic Development Reserve	3,521	8	4	12,581	0		0	16,110	3,525
Community Development Reserve	1,259,335	532	1,013		0		0	1,259,867	1,260,348
Sewerage Reserve	273,113	494	275	50,000	0		0	323,607	273,388
Morawa Future Funds Interest Reserve	206,821	12,070	1,103		27	(40,000)	0	178,891	207,950
Morawa Community Future Funds Reserve	2,035,350	1,598	341		0		(27)	2,036,948	2,035,664
Aged Care Units Reserve	34,506	21	47	10,000	0		0	44,527	34,553
Unspent Loans Reserve	125,973		0		0		0	125,973	125,973
Business Units Reserve	166,129	324	137		0		0	166,453	166,266
Legal Fees Reserve	26,151	58	37		0		0	26,209	26,188
Road Reserve	197,455	326	141	50,000	0		0	247,781	197,597
Aged Care ex MCC Unit 1-4 Reserve	70,749	157	105		0		0	70,906	70,854
Aged Care Unit 5 Reserve	56,794	126	106		0		0	56,920	56,901
Swimming Pool Reserve	80,808	135	62	20,000	0	(79,152)	0	21,791	80,870
COVID-19 Emergency Response Reserve	108,350	311	109		0	(20,000)	0	88,661	108,459
Old Hospital Reserve	50,000		50		0		0	50,000	50,050
Jones Lake Road Rehab Reserve	50,000		50	50,000	0		0	100,000	50,050
Morawa-Yalgoo Road Maintenance Reserve	5,489		6	70,000	0		0	75,489	5,495
	5,536,472	17,952	4,376	617,581	27	(527,652)	(27)	5,644,353	5,540,848

	Note	Opening Balance 1 July 2021	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 Feb 2022
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		203,224	0	0	198,569	4,655
Total other liabilities		203,224	0	0	198,569	4,655
Provisions						
Provision for annual leave		232,682	0	0	0	232,682
Provision for long service leave		93,129	0	0	0	93,129
Total Provisions		325,811	0	0	0	325,811
Total other current liabilities		529,035	0	0	198,569	330,466
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Operating grants, subsidies and contributions revenue

Provider	Adopted Budget Revenue	Amended Budget Revenue	Amended YTD Budget	Budget Variations	YTD Revenue Actual
	\$	\$	\$	\$	\$
Operating grants, contributions and subsidies					
General purpose funding					
Grants- FAGS WALGGC - General	595,000	595,000	446,250	(15,083)	461,333
Grants- FAGS WALGGC - Local Roads	335,000	335,000	251,250	26,871	224,379
Law, order, public safety					
Grant - ESL BFB Operating Grant	22,730	22,730	17,046	4,777	12,270
Grant - ESL BFB Operating Grant	0	80,000	26,666	26,666	0
Education and welfare					
Grant - Youth Events	2,000	8,500	8,500	(300)	8,800
Other Income	1,700	35,900	17,950	850	17,100
Community amenities					
Grants/Contributions	4,500	20,000	15,000	5,000	10,000
Drummuster Contribution	250	250	0	0	0
Recreation and culture					
Grant - NAIDOC week	3,000	1,000	0	0	0
Grant - Every Club	10,000	10,000	10,000	0	10,000
Arts & Culture Plan Grant	0	20,000	20,000	0	20,000
Australia Day Grant	0	11,840	11,840	0	11,840
Library Grant - Public Computers	0	3,000	0	0	0
Transport					
Grant - Main Roads - Direct	167,000	167,000	167,000	17,042	149,958
Street Light Subsidy	12,000	12,000	4,000	4,000	0
Maintenance Contribution -Silverlake - Morawa Yalgoo					
Road	100,000	100,000	50,000	7,480	42,520
Road Maintenance Contribution	22,500	50,000	25,000	(6,535)	31,535
Other property and services					
Income related to Unclassified	16,000	5,000	3,328	(16,038)	19,366
TOTALS	1,291,680	1,477,220	1,073,830	54,729	1,019,101

Non operating grants, subsidies and contributions revenue

Provider	Adopted Budget Revenue	Amended Budget Revenue	Amended YTD Budget	Budget Variations	YTD Revenue Actual
	\$	\$	\$	\$	\$
Non-operating grants and subsidies					
Recreation and culture					
Grant - LRCIP - Old Roads Board Building	141,669	141,669	70,834	(28,335)	99,169
Grant - DLGSCI - Netball Court Redevelopment	30,250	30,250	0	0	0
Grant - LRCIP - Golf/Bowling Club	142,000	142,000	71,000	(28,400)	99,400
Grant - Lotterywest - Wildflower Park	45,000	45,000	0	0	0
Grant - Solar Initiatives	10,000	10,000	0	0	0
Transport					
Grant - Regional Road Group - Road Projects	290,969	290,969	145,485	(226,115)	371,600
Grant - Roads to Recovery	362,110	362,110	108,633	108,633	0
Grant - WA Bicycle Network	32,792	32,792	32,792	2,792	30,000
Grant - Transport LRCIP Projects	57,180	57,180	57,180	57,180	0
Grant - RADS - Seal Aerodrome Apron	84,000	84,000	84,000	18,936	65,064
Grant - Community Stewardship Grant - Vermin Fence	90,000	90,000	3,000	3,000	0
Economic services					
Grant - LRCIP - Caravan Park Ablutions	50,000	50,000	33,328	33,328	0
Other property and services					
Contribution - Golf & Bowling Club	0	30,000	30,000	(1,897)	31,897
	1,335,970	1,365,970	636,252	(60,878)	697,130

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

**NOTE 15
TRUST FUND**

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

Description	Opening Balance	Amount	Amount	Closing Balance
	1 July 2021	Received	Paid	28 Feb 2022
	\$	\$	\$	\$
Housing Bonds	1,000	0	(1,000)	0
Drug Action Group	660	0	0	660
Excess Rent - Daphne Little	1,704	0	0	1,704
Hide Bonds Hall/Sports Recreation	0	0	0	0
Youth Fund Raising	865	0	0	865
BRB/BCITF	113	0	0	113
	4,342	0	(1,000)	3,342

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

EXPLANATION OF MATERIAL VARIANCES

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

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Law, order and public safety	(33,332)	(66.25%) ▼			DFES & Bushfire Risk Planning Coordinator grants not received as budgeted	
Health	(16,093)	(65.81%) ▼			Reimbursement for insurance claim not yet received	
Housing	(22,579)	(29.94%) ▼			3 units currently vacant.	
Transport	(83,167)	(16.89%) ▼			Actual Income received timing is different to that budgeted for the Direct Grant and Morawa Yalgoo Road Contribution.	
Economic services	40,495	32.34% ▲	Actual Caravan Park & Building permit, sale of water income higher than budgeted.			
Other property and services	(40,881)	(18.31%) ▼			DRFAWA income not yet received	
Expenditure from operating activities						
Governance	143,115	44.34% ▲	ABC Allocations not yet processed for January, Audit fees not yet invoiced as interim audit not yet commenced, update of council website not yet commenced			
Law, order and public safety	44,745	44.12% ▲	Bushfire PPE currently underbudget, Ranger expenses currently underbudget and expenses for BRPC not yet commenced.			
Education and welfare	45,778	33.40% ▲	Youth Development Projects recently started, Youth centre equipment to be purchased.			
Housing	46,248	25.80% ▲	Staff housing expense lower than expected, Aged care unit operations 1/3 of YTD budget.			
Community amenities	158,821	33.85% ▲	Community bus expenses lower than expected, ABC allocations for January not yet completed & TPS scheme expenses lower than expected.			
Transport	303,330	20.10% ▲	Plant maintenance expenses lower than expected, ABC allocations for January not yet completed & Licensing expenses lower than budgeted.			
Economic services	220,197	40.30% ▲	Dog & Vermin control underspent & caravan park expenses lower than expected			
Investing activities						
Payments for Infrastructure	367,163	(37.90%) ▲	Awaiting invoices for capital projects			
Payments for property, plant and equipment	(51,288)	(11.07%) ▼			Costs for property, plant & equipment higher than budgeted YTD only.	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022

NOTE 17
BUDGET AMENDMENTS

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption		Opening surplus				124,763
04101.520	Council Election Expenses	211107	Operating Expenses		4,500		129,263
04151.520	Land & Buildings - Administration	211107	Capital Expenses			(8,000)	121,263
07714.520	Old Hospital Building	211107	Operating Expenses		3,627		124,890
07755.520	Land & Buildings - Dr's Surgery	211107	Capital Expenses			(20,000)	104,890
08607.521	Other Expenses - Youth	211107	Operating Expenses			(10,000)	94,890
08609.520	Maintenance - Youth Centre	211107	Operating Expenses		7,000		101,890
08661.120	Grant Income - Youth	211107	Operating Revenue		6,500		108,390
09151.520	Land & Buildings - Staff Housing	211107	Capital Expenses			(10,000)	98,390
09251.520	Land & Buildings - Other Housing	211107	Capital Expenses			(20,000)	78,390
09350.550	Depreciation - Aged Housing	211107	Non Cash Item	6,000			78,390
10303.550	Depreciation - Sewerage	211107	Non Cash Item	(23,400)			78,390
10706.520	Projects - Community Benefit Cont.	211107	Operating Expenses			(20,000)	58,390
10716.550	Depreciation - Other Community Services	211107	Non Cash Item	(2,410)			58,390
10742.120	Grants/Contributions	211107	Operating Revenue		20,000		78,390
11104.550	Depreciation - Public Halls	211107	Non Cash Item	9,700			78,390
11206.550	Depreciation - Swimming Pool	211107	Non Cash Item	(31,300)			78,390
11308.550	Depreciation - Other Rec & Sport	211107	Non Cash Item	(23,890)			78,390
11371.120	Contributions	211107	Operating Revenue		30,000		108,390
11350.520	Land & Buildings - Other Sport & Rec	211107	Capital Expenses			(30,000)	78,390
11501.520	Library Expenses - Other	211107	Operating Expenses		1,200		79,590
11502.521	Library Software - Maint & Support	211107	Operating Expenses		1,000		80,590
12211.550	Depreciation - Infrastructure	211107	Non Cash Item	60,000			80,590
12605.550	Depreciation - Aerodrome	211107	Non Cash Item	(36,000)			80,590
13201.500	Caravan Park - Employment Expenses	211107	Operating Expenses		7,471		88,061
13203.520	Expenses - Caravan Park	211107	Operating Expenses			(10,000)	78,061
13212.550	Depreciation - Tourism	211107	Non Cash Item	7,300			78,061
13601.542	Standpipe Water Expenditure	211107	Operating Expenses			(11,943)	66,118
13607.550	Depreciation - Other Economic Services	211107	Non Cash Item	(26,000)			66,118
13630.156	Sale of Water	211107	Operating Revenue		30,000		96,118
14625.521	Postage & Freight	211107	Operating Expenses			(6,000)	90,118
14630.550	Depreciation - Admin	211107	Non Cash Item	60,000			90,118
14638.590	Loss on Disposal of Asset - Admin	211107	Non Cash Item	40,000			90,118
14831.156	Lot 501 White Ave (Wnr Ming Camp)	211107	Operating Revenue		650		90,768
03223.160	Interest Received - Municipal Account	220205	Operating Revenue			(6,000)	84,768
03224.161	Interest Received - Reserve Accounts	220205	Operating Revenue			(12,000)	72,768
05115.521	Bushfire Risk Planning Co-Ordinator	220205	Operating Expenses			(80,000)	(7,232)
05123.123	Grant - Bushfire Risk Planning Co-Ord	220205	Operating Revenue		80,000		72,768
07420.520	COVID-19 Expenditure for Recovery/Allocation	220205	Operating Expenses			(20,000)	52,768
07472.800	Transfer from COVID 19 Reserve	220205	Capital Revenue		20,000		72,768
07430.156	Other Income - Prev Svcs Admin & Inspection	220205	Operating Revenue		500		73,268
07711.521	Other Expenses - Other Health	220205	Operating Expenses			(24,500)	48,768
07730.121	Other Income - Other Health	220205	Operating Revenue		21,900		70,668
08630.120	Other Income - Other Welfare	220205	Operating Revenue		34,200		104,868
09107.521	Maint Staff House Rserve 3931 Oval House	220205	Operating Expenses			(2,000)	102,868
09199.905	Less Staff Housing Costs Recovered	220205	Operating Expenses		2,000		104,868
09130.150	Housing Rental Income	220205	Operating Revenue		3,075		107,943
09201.521	Maint Single Units	220205	Operating Expenses			(2,000)	105,943
09205.500	Maint Staff House 78 Yewers Avenue	220205	Operating Expenses			(2,000)	103,943
09236.121	Other Housing - Other Income	220205	Operating Revenue		3,500		107,443
09251.521	Purchase Land & Buildings - Other Housing	220205	Capital Expenses			(6,000)	101,443
10704.901	Operation of Cemetery	220205	Operating Expenses			(10,000)	91,443
10205.521	Waste Management Strategy	220205	Operating Expenses			25,000	116,443
10100.903	Administration Allocation - Sanitation	220205	Operating Expenses			(3,000)	113,443
11100.903	Administration Allocated - Halls	220205	Operating Expenses			(2,000)	111,443
11200.903	Administration Allocated - Swimming Pool	220205	Operating Expenses			(3,000)	108,443
11300.903	Administration Allocated - Oth Rec & Sport	220205	Operating Expenses			(3,000)	105,443
11301.903	Maintenance - Golf and Bowling Club	220205	Operating Expenses			(4,000)	101,443
11371.126	Contribution Income - Oth Recreation & Sport	220205	Operating Revenue		(30,000)		71,443
11501.520	Expenses Relating to Libraries	220205	Operating Expenses			(3,000)	68,443
11530.152	Library Income	220205	Operating Revenue		3,000		71,443

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

**NOTE 17
BUDGET AMENDMENTS**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
11600.801	Administration Allocated - Oth Culture	220205	Operating Expenses			(2,000)	69,443
11612.521	Arts & Culture Plan Grant Expenditure	220205	Capital Expenses			(20,000)	49,443
11613.500	NAIDOC Week Expenses	220205	Operating Expenses			(2,200)	47,243
11614.541	Australia Day Expenditure	220205	Operating Expenses			(11,840)	35,403
11626.120	Grant Income - Arts & Culture Plan	220205	Operating Revenue		20,000		55,403
11628.111	Australia Day Income	220205	Operating Revenue		11,840		67,243
12150.520	Rural Roads Construction	220205	Operating Expenses			(80,000)	(12,757)
12200.903	Administration Allocated - Rd Maint	220205	Operating Expenses			(2,300)	(15,057)
12331.130	Profit on Disposal of Assets - Road Plant Purchase	220205	Non Cash Item	703			(15,057)
12500.903	Administration Allocated - Licensing	220205	Operating Expenses			(4,000)	(19,057)
13200.903	Administration Allocated - Tourism	220205	Operating Expenses			(3,000)	(22,057)
13210.521	Tourism Plan	220205	Operating Expenses			(20,000)	(42,057)
13330.156	Building Permit Fees	220205	Operating Expenses		3,000		(39,057)
13700.903	Administration Allocated - Ec Development	220205	Operating Expenses			(6,000)	(45,057)
13742.156	Business Unit 8 Income	220205	Operating Revenue		2,500		(42,557)
14214.502	Relocation Expenses	220205	Operating Expenses			(5,000)	(47,557)
14217.521	Engineering Costs	220205	Operating Expenses			(5,000)	(52,557)
14226.521	Medical Examination Costs	220205	Operating Expenses			(1,500)	(54,057)
14229.500	Workers Compensation Leave	220205	Operating Expenses			(6,000)	(60,057)
14242.500	Unallocated Wages	220205	Operating Expenses			(3,000)	(63,057)
14219.900	Overheads Allocated to Public Works	220205	Operating Expenses		20,500		(42,557)
14241.121	Workers Compensation Reimbursements	220205	Operating Revenue		6,000		(36,557)
14614.521	Consultancy Services - Admin	220205	Operating Expenses			(30,000)	(66,557)
14639.903	Administration Costs Allocated Across Programs	220205	Non Cash Item		56,000		(10,557)
14640.121	Income relating to Administration	220205	Operating Revenue		30,000		19,443
14674.130	Profit on Disposal of Assets - Administration	220205	Non Cash Item	1,500			19,443
14651.700	Purchase Furniture & Equipment Administration	220205	Capital Expenses			(10,000)	9,443
				42,203	399,963	(515,283)	9,443

Shire of Morawa

SCHEDULE 02 - GENERAL FUND SUMMARY Financial Statement for Period Ended 28 February 2022

		2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
		Income	Expense	Income	Expense	Income	Expense	Income	Expense
		\$	\$	\$	\$	\$	\$	\$	\$
OPERATING									
General Purpose Funding	03	3,121,018	264,844	3,103,018	264,844	2,857,718	172,056	2,837,599	97,213
Governance	04	50	509,921	50	505,421	-	322,745	0	179,630
Law, Order, Public Safety	05	30,180	107,595	110,180	187,595	50,313	101,426	16,981	56,681
Health	07	14,100	196,441	36,500	237,314	24,454	148,702	8,361	99,958
Education & Welfare	08	6,200	191,041	46,900	194,041	28,114	137,072	27,605	91,294
Housing	09	106,600	251,422	113,175	261,422	75,424	179,244	52,845	132,996
Community Amenities	10	454,620	717,347	474,620	699,537	464,374	469,235	456,446	310,414
Recreation & Culture	11	418,919	1,594,228	453,759	1,597,578	216,322	1,077,014	281,493	801,490
Transport	12	1,609,292	2,249,328	1,609,995	2,279,628	923,452	1,509,161	875,859	1,205,831
Economic Services	13	202,272	788,860	237,772	813,630	158,530	546,458	165,697	326,261
Other Property & Services	14	410,900	476,899	449,050	476,899	253,240	331,117	214,256	313,300
TOTAL - OPERATING		6,374,151	7,347,926	6,635,019	7,517,909	5,051,941	4,994,230	4,937,142	3,615,069
CAPITAL									
General Purpose Funding	03	0	58	0	58	0	0	0	37
Governance	04	0	0	0	8,000	0	8,000	0	5,427
Law, Order, Public Safety	05	0	25,000	0	25,000	0	0	0	0
Health	07	0	311	20,000	20,311	0	20,000	0	15,857
Education & Welfare	08	0	16,000	0	16,000	0	0	0	8,174
Housing	09	0	95,164	0	131,164	0	65,736	0	18,776
Community Amenities	10	0	140,994	0	140,994	0	10,500	0	33,324
Recreation & Culture	11	79,152	737,190	79,152	767,190	0	483,640	0	378,300
Transport	12	388,500	2,495,193	388,500	2,575,193	0	846,788	0	644,613
Economic Services	13	40,000	114,613	40,000	114,613	0	53,658	27	72,325
Other Property & Services	14	0	5,499	0	15,499	0	0	0	232
TOTAL - CAPITAL		507,652	3,630,022	527,652	3,814,022	0	1,488,322	27	1,177,066
		6,881,803	10,977,948	7,162,671	11,331,931	5,051,941	6,482,552	4,937,169	4,792,135
Less Depreciation Written Back			(1,991,517)		(1,991,517)		(1,327,624)		(953,957)
Less Profit/Loss Written Back		(10,531)	(92,564)	(12,734)	(52,564)	(12,734)	(18,030)	(12,650)	0
Less Movement in Leave Reserve - REC INT	72101		0		0		0		(232)
Plus Proceeds from Sale of Assets		36,500		36,500		0		38,998	
TOTAL REVENUE & EXPENDITURE		6,907,772	8,893,867	7,186,437	9,287,850	5,039,207	5,136,898	4,963,518	3,837,946
Surplus/Deficit July 1st B/Fwd		1,986,095		2,110,856		2,110,856		2,110,856	
		8,893,867	8,893,867	9,297,293	9,287,850	7,150,063	5,136,898	7,074,374	3,837,946
Surplus/Deficit C/Fwd			0		9,443		2,013,165		3,236,428
		8,893,867	8,893,867	9,297,293	9,297,293	7,150,063	7,150,063	7,074,374	7,074,374

Shire of Morawa
SCHEDULE 03 - GENERAL PURPOSE FUNDING
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Rates		208,272		208,272		134,344		75,960
Other General Purpose Funding		56,572		56,572		37,712		21,253
<u>OPERATING REVENUE</u>								
Rates	2,163,218		2,163,218		2,154,018		2,146,119	
Other General Purpose Funding	957,800		939,800		703,700		691,480	
SUB-TOTAL	3,121,018	264,844	3,103,018	264,844	2,857,718	172,056	2,837,599	97,213
<u>CAPITAL EXPENDITURE</u>								
Rates		0		0		0		0
Other General Purpose Funding		58		58		0		37
<u>CAPITAL REVENUE</u>								
Rates	0		0		0		0	
Other General Purpose Funding	0		0		0		0	
SUB-TOTAL	0	58	0	58	0	0	0	37
TOTAL -	3,121,018	264,902	3,103,018	264,902	2,857,718	172,056	2,837,599	97,250

Shire of Morawa
SCHEDULE 04 - GOVERNANCE
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22		2021-22		2021-22		2021-22	
	Adopted Budget		Amended Budget		YTD Budget		YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Members of Council		406,221		401,721		265,125		178,539
Governance General		103,700		103,700		57,620		1,091
<u>OPERATING REVENUE</u>								
Members of Council	25		25		0		0	
Governance General	25		25		0		0	
SUB-TOTAL	50	509,921	50	505,421	0	322,745	0	179,630
<u>CAPITAL EXPENDITURE</u>								
Members of Council		0		8,000		8,000		5,427
Governance General		0		0		0		0
<u>CAPITAL REVENUE</u>								
Members of Council	0		0		0		0	
Governance General	0		0		0		0	
SUB-TOTAL	0	0	0	8,000	0	8,000	0	5,427
TOTAL - PROGRAMME SUMMARY	50	509,921	50	513,421	0	330,745	0	185,057

Shire of Morawa
SCHEDULE 05 - LAW, ORDER & PUBLIC SAFETY
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22		2021-22		2021-22		2021-22	
	Adopted Budget		Amended Budget		YTD Budget		YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Fire Prevention		67,665		147,665		74,842		38,927
Animal Control		39,200		39,200		26,104		17,495
Other Law, Order & Public Safety		730		730		480		259
<u>OPERATING REVENUE</u>								
Fire Prevention	26,730		106,730		47,712		16,270	
Animal Control	3,450		3,450		2,601		712	
Other Law, Order & Public Safety	0		0		0		0	
SUB-TOTAL	30,180	107,595	110,180	187,595	50,313	101,426	16,981	56,681
<u>CAPITAL EXPENDITURE</u>								
Fire Prevention		0		0		0		0
Animal Control		0		0		0		0
Other Law, Order & Public Safety		25,000		25,000		0		0
<u>CAPITAL REVENUE</u>								
Fire Prevention	0		0		0		0	
Animal Control	0		0		0		0	
Other Law, Order & Public Safety	0		0		0		0	
SUB-TOTAL	0	25,000	0	25,000	0	0	0	0
TOTAL - PROGRAMME SUMMARY	30,180	132,595	110,180	212,595	50,313	101,426	16,981	56,681

Shire of Morawa
SCHEDULE 07 - HEALTH
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Preventative Services - Meat Inspection		350		350		232		0
Preventative Services - Inspections & Admin		52,264		72,264		41,506		7,852
Preventative Services - Pest Control		5,635		5,635		3,736		2,557
Other Health		138,192		159,065		103,228		89,550
<u>OPERATING REVENUE</u>								
Preventative Services - Meat Inspection	350		350		350		0	
Preventative Services - Inspections & Admin	250		750		504		669	
Preventative Services - Pest Control	0		0		0		0	
Other Health	13,500		35,400		23,600		7,692	
SUB-TOTAL	14,100	196,441	36,500	237,314	24,454	148,702	8,361	99,958
<u>CAPITAL EXPENDITURE</u>								
Preventative Services - Meat Inspection		0		0		0		0
Preventative Services - Inspections & Admin		311		311		0		109
Preventative Services - Pest Control		0		0		0		0
Other Health		0		20,000		20,000		15,749
<u>CAPITAL REVENUE</u>								
Preventative Services - Meat Inspection	0		0		0		0	
Preventative Services - Inspections & Admin	0		20,000		0		0	
Preventative Services - Pest Control	0		0		0		0	
Other Health	0		0		0		0	
SUB-TOTAL	0	311	20,000	20,311	0	20,000	0	15,857
TOTAL - PROGRAMME SUMMARY	14,100	196,752	56,500	257,625	24,454	168,702	8,361	115,815

Shire of Morawa
SCHEDULE 08 - EDUCATION & WELFARE
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Other Education		6,601		6,601		5,276		4,131
Care of Families & Children		16,500		16,500		10,968		9,438
Other Welfare		167,940		170,940		120,828		77,725
<u>OPERATING REVENUE</u>								
Other Education	0		0		0		0	
Care of Families & Children	2,500		2,500		1,664		1,705	
Other Welfare	3,700		44,400		26,450		25,900	
SUB-TOTAL	6,200	191,041	46,900	194,041	28,114	137,072	27,605	91,294
<u>CAPITAL EXPENDITURE</u>								
Other Education		0		0		0		0
Care of Families & Children		16,000		16,000		0		8,174
Other Welfare		0		0		0		0
<u>CAPITAL REVENUE</u>								
Other Education	0		0		0		0	
Care of Families & Children	0		0		0		0	
Other Welfare	0		0		0		0	
SUB-TOTAL	0	16,000	0	16,000	0	0	0	8,174
TOTAL - PROGRAMME SUMMARY	6,200	207,041	46,900	210,041	28,114	137,072	27,605	99,468

Shire of Morawa
SCHEDULE 09 - HOUSING
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Staff Housing		111,768		111,768		77,976		61,660
Other Housing		84,654		88,654		59,578		39,037
Aged Housing		55,000		61,000		41,690		32,299
<u>OPERATING REVENUE</u>								
Staff Housing	7,500		10,575		7,048		2,301	
Other Housing	34,300		37,800		25,200		20,406	
Aged Housing	64,800		64,800		43,176		30,138	
SUB-TOTAL	106,600	251,422	113,175	261,422	75,424	179,244	52,845	132,996
<u>CAPITAL EXPENDITURE</u>								
Staff Housing		84,860		94,860		39,736		7,367
Other Housing		0		26,000		26,000		11,150
Aged Housing		10,304		10,304		0		258
<u>CAPITAL REVENUE</u>								
Staff Housing	0		0		0		0	
Other Housing	0		0		0		0	
Aged Housing	0		0		0		0	
SUB-TOTAL	0	95,164	0	131,164	0	65,736	0	18,776
TOTAL - PROGRAMME SUMMARY	106,600	346,586	113,175	392,586	75,424	244,980	52,845	151,773

Shire of Morawa
SCHEDULE 10 - COMMUNITY AMENITIES
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Sanitation - Household Refuse		245,731		248,731		165,744		119,060
Sanitation - Other		105,589		80,589		53,696		38,015
Sewerage		168,800		145,400		97,953		64,761
Urban Stormwater Drainage		9,313		9,313		6,192		0
Town Planning & Regional Development		70,347		70,347		46,888		24,420
Other Community Amenities		117,567		145,157		98,762		64,158
<u>OPERATING REVENUE</u>								
Sanitation - Household Refuse	107,420		107,420		106,876		106,219	
Sanitation - Other	72,525		72,525		72,275		69,327	
Sewerage	265,875		265,875		264,375		264,962	
Urban Stormwater Drainage	0		0		0		0	
Town Planning & Regional Development	3,500		3,500		2,328		3,972	
Other Community Amenities	5,300		25,300		18,520		11,966	
SUB-TOTAL	454,620	717,347	474,620	699,537	464,374	469,235	456,446	310,414
<u>CAPITAL EXPENDITURE</u>								
Sanitation - Household Refuse		50,000		50,000		0		50
Sanitation - Other		0		0		0		0
Sewerage		80,494		80,494		0		30,748
Urban Stormwater Drainage		0		0		0		0
Other Community Amenities		10,500		10,500		10,500		2,526
<u>CAPITAL REVENUE</u>								
Sanitation - Household Refuse	0		0		0		0	
Sanitation - Other	0		0		0		0	
Sewerage	0		0		0		0	
Urban Stormwater Drainage	0		0		0		0	
Environmental Protection	0		0		0		0	
Town Planning & Regional Development	0		0		0		0	
Other Community Amenities	0		0		0		0	
SUB-TOTAL	0	140,994	0	140,994	0	10,500	0	33,324
TOTAL - PROGRAMME SUMMARY	454,620	858,341	474,620	840,531	464,374	479,735	456,446	343,739

Shire of Morawa
SCHEDULE 11 - RECREATION & CULTURE
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended Budget		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING EXPENDITURE								
Public Halls and Civic Centres		165,084		176,784		122,322		106,601
Swimming Areas & Beaches		436,230		407,930		279,283		190,818
Other Recreation and Sport		895,997		879,107		592,601		448,982
TV and Radio Re-broadcasting		2,000		2,000		1,399		1,137
Libraries		25,781		26,581		17,712		9,595
Other Culture		69,136		105,176		63,697		44,357
OPERATING REVENUE								
Public Halls and Civic Centres	153,169		153,169		71,834		99,442	
Swimming Areas & Beaches	17,000		17,000		13,328		16,454	
Other Recreation and Sport	247,750		247,750		99,320		128,257	
TV and Radio Re-broadcasting	0		0		0		0	
Libraries	0		3,000		0		0	
Other Culture	1,000		32,840		31,840		37,340	
SUB-TOTAL	418,919	1,594,228	453,759	1,597,578	216,322	1,077,014	281,493	801,490
CAPITAL EXPENDITURE								
Public Halls and Civic Centres		211,669		211,669		126,996		155,325
Swimming Areas & Beaches		20,135		20,135		0		62
Other Recreation and Sport		505,386		535,386		356,644		222,913
TV and Radio Re-broadcasting		0		0		0		0
Libraries		0		0		0		0
Other Culture		0		0		0		0
CAPITAL REVENUE								
Public Halls and Civic Centres	0		0		0		0	
Swimming Areas & Beaches	79,152		79,152		0		0	
Other Recreation and Sport	0		0		0		0	
TV and Radio Re-broadcasting	0		0		0		0	
Libraries	0		0		0		0	
Other Culture	0		0		0		0	
SUB-TOTAL	79,152	737,190	79,152	767,190	0	483,640	0	378,300
TOTAL - PROGRAMME SUMMARY	498,071	2,331,418	532,911	2,364,768	216,322	1,560,654	281,493	1,179,790

Shire of Morawa
SCHEDULE 12 - TRANSPORT
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING EXPENDITURE								
Construction Roads, Bridges and Depots		0		0		0		0
Maintenance Roads, Bridges and Depots		1,739,684		1,801,984		1,204,230		977,874
Plant Purchases		39,899		39,899		11,592		2,778
Transport Licensing		352,210		356,210		237,464		189,394
Aerodromes		117,535		81,535		55,875		35,786
OPERATING REVENUE								
Construction Roads, Bridges and Depots	743,051		743,051		344,090		401,600	
Maintenance Roads, Bridges and Depots	329,000		329,000		246,000		224,013	
Plant Purchases	11,031		11,734		11,562		11,234	
Transport Licensing	352,210		352,210		234,800		173,948	
Aerodromes	174,000		174,000		87,000		65,064	
SUB-TOTAL	1,609,292	2,249,328	1,609,995	2,279,628	923,452	1,509,161	875,859	1,205,831
CAPITAL EXPENDITURE								
Construction Roads, Bridges and Depots		1,254,153		1,334,153		779,594		454,855
Maintenance Roads, Bridges and Depots		70,000		70,000		0		6
Plant Purchases		969,040		969,040		0		102,965
Aerodromes		202,000		202,000		67,194		86,787
CAPITAL REVENUE								
Construction Roads, Bridges and Depots	0		0		0		0	
Maintenance Roads, Bridges and Depots	0		0		0		0	
Plant Purchases	388,500		388,500		0		0	
Aerodromes	0		0		0		0	
SUB-TOTAL	388,500	2,495,193	388,500	2,575,193	0	846,788	0	644,613
TOTAL - PROGRAMME SUMMARY	1,997,792	4,744,521	1,998,495	4,854,821	923,452	2,355,949	875,859	1,850,444

Shire of Morawa
SCHEDULE 13 - ECONOMIC SERVICES
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22 Adopted Budget		2021-22 Amended		2021-22 YTD Budget		2021-22 YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Rural Services		30,383		30,383		20,216		10,161
Tourism & Area Promotion		299,012		331,839		218,464		157,762
Building Control		45,085		45,085		30,048		17,383
Other Economic Services		80,494		66,437		44,256		34,029
Economic Development		333,886		339,886		233,474		106,925
<u>OPERATING REVENUE</u>								
Rural Services	0		0		0		0	
Tourism & Area Promotion	182,500		182,500		121,730		121,089	
Building Control	3,200		6,200		4,128		5,093	
Other Economic Services	3,500		33,500		22,328		32,711	
Economic Development	13,072		15,572		10,344		6,804	
SUB-TOTAL	202,272	788,860	237,772	813,630	158,530	546,458	165,697	326,261
<u>CAPITAL EXPENDITURE</u>								
Rural Services		0		0		0		0
Tourism & Area Promotion		87,500		87,500		53,658		69,701
Building Control		0		0		0		0
Other Economic Services		0		0		0		0
Economic Development		27,113		27,113		0		2,624
<u>CAPITAL REVENUE</u>								
Rural Services	0		0		0		0	
Tourism & Area Promotion	0		0		0		0	
Building Control	0		0		0		0	
Other Economic Services	0		0		0		0	
Economic Development	40,000		40,000		0		27	
SUB-TOTAL	40,000	114,613	40,000	114,613	0	53,658	27	72,325
TOTAL - PROGRAMME SUMMARY	242,272	903,473	277,772	928,243	158,530	600,116	165,724	398,586

Shire of Morawa
SCHEDULE 14 - OTHER PROPERTY & SERVICES
Financial Statement for Period Ended
28 February 2022

PROGRAMME SUMMARY	2021-22		2021-22		2021-22		2021-22	
	Adopted Budget		Amended Budget		YTD Budget		YTD Actuals	
	Income	Expense	Income	Expense	Income	Expense	Income	Expense
	\$	\$	\$	\$	\$	\$	\$	\$
<u>OPERATING EXPENDITURE</u>								
Private Works		26,899		26,899		17,920		12,082
Public Works Overheads		0		0		1,164		(79,082)
Plant Operation Costs		0		0		12,105		73,964
Stock, Fuels and Oils		0		0		0		(36,258)
Administration		0		0		23,280		186,181
Unclassified		450,000		450,000		276,648		156,413
<u>OPERATING REVENUE</u>								
Private Works	39,600		39,600		26,400		11,364	
Public Works Overheads	0		6,000		6,000		5,277	
Plant Operation Costs	35,000		35,000		17,500		33,606	
Stock, Fuels and Oils	300		300		200		175	
Administration	10,000		41,500		38,164		42,818	
Unclassified	326,000		326,650		164,976		121,016	
SUB-TOTAL	410,900	476,899	449,050	476,899	253,240	331,117	214,256	313,300
<u>CAPITAL EXPENDITURE</u>								
Administration		5,499		15,499		0		232
<u>CAPITAL REVENUE</u>								
Administration	0		0		0		0	
SUB-TOTAL	0	5,499	0	15,499	0	0	0	232
TOTAL - PROGRAMME SUMMARY	410,900	482,398	449,050	492,398	253,240	331,117	214,256	313,532

Shire of Morawa
Bank Reconciliation Report
For Period Ending 28 February 2022

	Municipal Account	Municipal Online Saver	Trust Account	Reserve Account	Term Deposits - Reserves
Balance as per Bank Statement	1,821,216.95	1,027,359.52	3,342.41	3,440,848.36	2,100,000.00
Balance as per General Ledger	1,823,095.63	1,027,359.52	3,342.41	3,440,848.36	2,100,000.00
Less Unpresented Payments Telstra Bill	-454.39				
Plus Outstanding Deposits Cash Bank deposits	-1,424.29				
Difference	1,821,216.95 0.00	1,027,359.52 0.00	3,342.41 0.00	3,440,848.36 0.00	2,100,000.00 0.00

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15042	03/02/2022	Australian Services Union	Payroll deductions	77.70	1
EFT15043	03/02/2022	Department of Human Services	Payroll deductions	600.21	1
EFT15044	04/02/2022	St John Ambulance	Defibulator pads - Canna Bush Fire brigade	483.00	1
EFT15045	04/02/2022	Morawa Medical Centre	Pre employment medical for staff	247.50	1
EFT15046	04/02/2022	WesTrac Equipment Pty Ltd	Parts for Caterpillar CW34 Compactors (Roller) P227	1,493.71	1
EFT15047	04/02/2022	Midwest Chemical & Paper Distributors	Hand Sanitiser 3x 5lts	214.50	1
EFT15048	04/02/2022	Choices Flooring Geraldton	To supply and install double roller blinds in Admin Building	5,970.00	1
EFT15049	04/02/2022	Refuel Australia	Supply of oils for vehicles	1,012.00	1
EFT15050	04/02/2022	Canine Control	Ranger services January 2022	1,875.32	1
EFT15051	04/02/2022	Sigma Companies Group Pty Ltd	Sigma Pool Stabiliser - Fast Dissolver 45KG	129.25	1
EFT15052	04/02/2022	Shire of Perenjori	CESM shared costs	4,107.66	1
EFT15053	04/02/2022	Reece Pty Ltd	Supply of vanity units for the caravan park ablutions.	3,150.40	1
EFT15054	04/02/2022	Total Toilets	Hire of trailer mounted toilet from 01/10/21 to 30/ 25/12/21 Morawa Yalgoo Rd	790.76	1
EFT15055	04/02/2022	Xylem	Repair to NP3102-180-MT460-03.1-ZZZ Sewage Pump service order 0004246707	6,031.84	1
EFT15056	04/02/2022	Protector Fire Services	service all fire extinguisher	6,639.88	1
EFT15057	04/02/2022	Office Works	YACWA Grant Office works Art and Craft Kits for Youth Centre programing	288.95	1
EFT15058	04/02/2022	RJ & LJ King	Repair loader tyre 20.5 r25 an one o ring	132.00	1
EFT15059	04/02/2022	Pat's Mobile Mechanical	Install new fan to 670 gp Grader	228.80	1
EFT15060	04/02/2022	Toll Transport Pty Ltd	Freight charges for the period January 2022	76.98	1
EFT15061	04/02/2022	G W Mechanical (Glen Wallace)	50000 Klm Service Ford Ranger Double Cab	408.25	1
EFT15062	04/02/2022	RelianSys Pty Ltd	RelianSys Governance Suite 12 month subscription	2,145.00	1
EFT15063	04/02/2022	Westoz Movers Pty Ltd t/as Spartan Removals & Transport	CovidSafe Grant Perth to Morawa transport for Bean Bags for Australia Day Movie	850.00	1
EFT15064	04/02/2022	Kmart	Australia Day, CovidSafe, Citizenship and Event	251.00	1

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15065	04/02/2022	Vanguard Publishing T/as Premium	Shire editorial in Australia's Golden Outback 2022 Holiday	1,842.50	1
EFT15066	04/02/2022	century 21 Team Brockhurst	Advertising for Auction of 2 properties	1,263.00	1
EFT15067	04/02/2022	Winc	Stationary supplies	50.49	1
EFT15068	04/02/2022	E & MJ Rosher Pty Ltd	Parts for Kubota F3680 & Catcher MO3533	59.61	1
EFT15069	09/02/2022	Rip-It Security Shredding (Primecode Pty	Records archiving and storage January 2022	104.50	1
EFT15070	09/02/2022	Star Track Express	Freight Charges January 2022	198.49	1
EFT15071	09/02/2022	Nutrien Ag Solutions	Vinidex Blueline Poly 75mm x100m	1,314.01	1
EFT15072	09/02/2022	WesTrac Equipment Pty Ltd	Rocker cover seal Part no 2720388	223.77	1
EFT15073	09/02/2022	Refuel Australia	supply 10000 lt diesel to shire depot	16,496.00	1
EFT15074	09/02/2022	Bunnings Group Limited	Materials to fix bridge at information bay	711.60	1
EFT15075	09/02/2022	Blackwoods - (J Blackwood & Son PTY Limited)	2 x Touch Free Dispenser on Stand - 01654427 as per quote 201137399900	550.00	1
EFT15076	09/02/2022	Office Works	Logitech Conference cameras, headphones and USB -C to USB Adapters	467.24	1
EFT15077	09/02/2022	Infinitum Technologies Pty Ltd	Acrobat Pro Renewal	739.20	1
EFT15078	09/02/2022	Morawa Rural Pty Ltd T/AS Morawa Rural Enterprises	Batteries for wind sock lights	1,030.35	1
EFT15079	09/02/2022	Five Star	Photocopier usage 1/12/2021 - 31/12/2021	439.51	1
EFT15080	09/02/2022	Toll Transport Pty Ltd	Freight charges for the periodember 2021	15.42	1
EFT15081	09/02/2022	Australia Day Council Of WA Inc	Auspire Australia Day awards- Certificates and medallions (EXTRA) on Po 5145	12.50	1
EFT15082	09/02/2022	Cohesis Pty Ltd	Cohesis Pty Ltd, ICT - CYBER SECURITY.	2,747.25	1
EFT15083	09/02/2022	Grandstand Agency	Hire of Entertainment/ band (Then Again) for Australia Day Community Breakfast.	2,310.00	1
EFT15084	09/02/2022	Ambient Lounge Home Ambience PTY LTD	Final payment for Supernova bean bag chairs	3,522.75	1
EFT15085	10/02/2022	Morawa Drapery Store	Work boots	169.95	1
EFT15086	10/02/2022	Think Water Geraldton	PVCE100 45pvc Elbow 100mm cat 10	151.60	1

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15087	10/02/2022	Mitchell & Brown	Multifunction oven WVG613WCLP - 11 Broad Ave	1,125.00	1
EFT15088	10/02/2022	Total Toilets	Hire of toilet for month of January	1,244.04	1
EFT15089	10/02/2022	Blackwoods - (J Blackwood & Son PTY Limited)	part no 01434328 Mask Fabric 3Ply anti- microbial BLK PK25	435.60	1
EFT15090	10/02/2022	RJ & LJ King	1300x80x20 smooth set tyre an fit tyres	1,848.00	1
EFT15091	10/02/2022	Morawa Rural Pty Ltd T/AS Morawa Rural Enterprises	Supply Battery S95D31RHD, bags of rags &hydrauic ram	1,797.35	1
EFT15092	10/02/2022	Pat's Mobile Mechanical	Service and Repairs to shire vehicles	6,128.10	1
EFT15093	10/02/2022	Ramsay Construction Pty Ltd	Health and Building Services for December 2021	1,540.00	1
EFT15094	10/02/2022	One day pool Assisntant	Pool Assistant for the Morawa Swimming Pool.	400.00	1
EFT15095	11/02/2022	Australian Taxation Office	ATO Bas - January 2022	16,224.00	1
EFT15096	16/02/2022	IGA Morawa	IGA account for December 2021 to January 2022	1,937.03	1
EFT15097	17/02/2022	St John Ambulance	3 x Large Leisure First Aid Kit plus Free Bites & Stings	315.00	1
EFT15098	17/02/2022	Landgate	Rural UV interim valuations Shared	288.88	1
EFT15099	17/02/2022	Canine Control	Ranger services 31/1/2022 - 2/2/2022	937.66	1
EFT15100	17/02/2022	ML Communications	eMG100 phone system and 4 handsets - as Quoted - Medical Centre	5,635.38	1
EFT15101	17/02/2022	McLeods Barristers and Solicitors	Assistance with sale process for 43 Valentine Street & 22 Richter Avenue MORAWA	573.88	1
EFT15102	17/02/2022	Ausco Modular Pty Ltd	Refund on rent for August 2021on Ausco camp	100.00	1
EFT15103	17/02/2022	Infinitum Technologies Pty Ltd	Barracuda AES filtering & Sentinel 12 month contract.	308.00	1
EFT15104	17/02/2022	Mitchell and Brown Communications Vidguard	Quarterly security monitoring at Youth centre 1/2/2022 - 30/4/2022	165.50	1
EFT15105	17/02/2022	Five Star	toners for admin photocopier	19.20	1
EFT15106	17/02/2022	Toll Transport Pty Ltd	Freight charges for the period November 2021	444.54	1
EFT15107	17/02/2022	Breeze Connect Pty Ltd	Admin office VOIP telephone lines 1/1/2022 - 31/1/2022	232.00	1

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15108	17/02/2022	Resonline Pty Ltd	Monthly subscription to room manager booking software January 2022	122.10	1
EFT15109	17/02/2022	Kirsty Bertram	Refund on gym toggle	10.00	1
EFT15110	17/02/2022	Mojisola Arannilewa	Refund on gym toggle	10.00	1
EFT15111	17/02/2022	Australian Services Union	Payroll deductions	77.70	1
EFT15112	17/02/2022	Department of Human Services	Payroll deductions	600.21	1
EFT15113	18/02/2022	Sigma Companies Group Pty Ltd	Testing equipment for the Pool	206.80	1
EFT15114	18/02/2022	Eastman Poletti Sherwood Pty Ltd	Consultancy & Practical Completion of Roads Board Building	4,993.51	1
EFT15115	18/02/2022	Wallis Computer Solutions	Replacement of IT equipment at Dr's Surgery - Insurance Claim	6,572.02	1
EFT15116	22/02/2022	Morawa Medical Centre	Pre-employment medical	247.50	1
EFT15117	22/02/2022	Refuel Australia	It ADBLUE BULK	81.00	1
EFT15118	22/02/2022	Think Water Geraldton	Hunter Node 1 station with valves and new solenoid valves	1,107.30	1
EFT15119	22/02/2022	GH Country Courier	Freight for the period January 2022	702.38	1
EFT15120	22/02/2022	Marketforce	Advertising in The West Australian (08/01/22, 12/01/22 & 15/01/22) for Executive Manager of Works & Assets Positon	1,539.87	1
EFT15121	22/02/2022	Australian Communications and Media Authority	ACMA Licence renewal notice 23/03/2022 - 23/03/2023	637.00	1
EFT15122	22/02/2022	Greenfield Technical Services	Consultant to assist the Shire with DRFA WA processes in response to Cyclone Seroja.	1,060.68	1
EFT15123	22/02/2022	Local Government Professionals Australia WA	LG Finance Professionals Conference 17-18 March 2022	1,120.00	1
EFT15124	22/02/2022	Truckline	Spare parts for vehicle maintenance	162.23	1
EFT15125	22/02/2022	Blackwoods - (J Blackwood & Son PTY Limited)	Bactericidal wipes and disinfectant aerosol spraaay	296.82	1

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15126	22/02/2022	Office Works	Desk, Screens & Keyboard for working from home	1,217.19	1
EFT15127	22/02/2022	MEEDAC Incorporated	Management of the transfer station and recycling station to receive waste January 2022	7,007.00	1
EFT15128	22/02/2022	Great Southern Fuel Supplies	Fuel card purchases December 2021 - January 2022	501.22	1
EFT15129	22/02/2022	Infinitum Technologies Pty Ltd	Monthly IT support February 2022	4,423.10	1
EFT15130	22/02/2022	Avon Waste	Waste removal services	7,190.40	1
EFT15131	22/02/2022	Five Star	Photocopier usage charges - January 2022	639.55	1
EFT15132	22/02/2022	Maia Financial Pty Limited	Lease principal repayment for gymnasium equipment for period 1 Feb 22 - 30 Apr 2022	15,953.67	1
EFT15133	22/02/2022	G W Mechanical (Glen Wallace)	Fit two tyres	88.00	1
EFT15134	28/02/2022	North Midlands Electrical	Electrical works to the Old Shire office / chambers - switchboard upgrade	8,119.84	1
EFT15135	28/02/2022	St John Ambulance	First Aid kit for car	95.00	1
EFT15136	28/02/2022	TP & MB Shields	Supply Flashing for Patio	263.23	1
EFT15137	28/02/2022	WesTrac Equipment Pty Ltd	x 135 - 9395 Edge - cutting	404.64	1
EFT15138	28/02/2022	Midwest Chemical & Paper Distributors	Cleaning chemicals.	2,179.54	1
EFT15139	28/02/2022	Cramer & Neill	Replace motor on air conditioner	2,279.05	1
EFT15140	28/02/2022	Winchester Industries	5mm washed Aggregate delivered to the Depot	7,375.00	1
EFT15141	28/02/2022	CS Legal	Shire of Morawa debt recovery	264.00	1
EFT15142	28/02/2022	Mid West Chamber of Commerce & Industry	Mid West Chamber of Commerce and Industry Membership	1,078.00	1
EFT15143	28/02/2022	Crystal Printing Solutions Pty Ltd	DL envelopes for Admin	632.00	1
EFT15144	28/02/2022	Wallis Computer Solutions	Replacement of computers, printer and other hardware damaged due to a lightning strike.	15,081.94	1
EFT15145	28/02/2022	AFGRI	Repairs and Maintenance to shire vehicles & plant	9,427.54	1
EFT15146	28/02/2022	Herrings Coastal Plumbing & Gas	To supply and install a new instantaneous hot water unit to Business Unit 2	1,782.20	1

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
EFT15147	28/02/2022	Central Regional TAFE	Test and Tag face to face course	420.00	1
EFT15148	28/02/2022	AFGRI Equipment AFGRI Equipment Australia PTY LTD	Wiring harness and yokes for maintenance of plant & equipment.	3,328.83	1
EFT15149	28/02/2022	Bubbas Enterprises P/L T/as Epic Painting & Decorating	Painting office and entry at Old Road Board	9,435.14	1
EFT15150	28/02/2022	G W Mechanical (Glen Wallace)	130,000 klm service	432.25	1
EFT15151	28/02/2022	BCJ Plastic Products	Supply sneeze guard as quoted with updated specs	1,127.50	1
EFT15152	28/02/2022	BRPC Employee	Reimbursement expenses BRPC	181.13	1
EFT15153	28/02/2022	Winc	Stationary for admin	378.00	1

Total EFT Payments 234,175.69

12027	09/02/2022	Shire of Morawa	Payment of Rates A683	10,658.79	1
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Total Cheque Payments 10,658.79

DD8187.2	13/02/2022	Synergy	Electricity expenses 22/10/2021 - 21/12/2021	270.39	1
DD8213.1	01/02/2022	Exetel Pty Ltd	Internet fibre optic charges for 1/02/2022 - 28/02/2022	1,375.00	1
DD8215.1	02/02/2022	Aware Super	Payroll deductions	4,171.00	1
DD8215.2	02/02/2022	MLC Super Fund	Superannuation contributions	249.81	1
DD8215.3	02/02/2022	Commonwealth Bank Group Super	Superannuation contributions	121.74	1
DD8215.4	02/02/2022	Sunsuper	Superannuation contributions	338.33	1
DD8215.5	02/02/2022	mobiSuper	Superannuation contributions	329.62	1
DD8215.6	02/02/2022	HOSTPLUS Superannuation Fund	Superannuation contributions	804.44	1
DD8215.7	02/02/2022	Australian Super	Superannuation contributions	1,153.97	1
DD8215.8	02/02/2022	BT FINANCIAL GROUP	Superannuation contributions	348.17	1
DD8215.9	02/02/2022	MLC Super Fund	Superannuation contributions	499.32	1
DD8221.1	04/02/2022	Telstra Corporation Limited	Telephone expenses 16/01/2022 - 15/02/2022	319.94	1

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
DD8221.2	18/02/2022	Telstra Corporation Limited	Telephone expenses 16/01/2022 - 15/02/2022	50.00	1
DD8221.3	04/02/2022	De Lage Landen Pty Ltd	Photocopier lease payments in February 2022	265.91	1
DD8235.1	08/02/2022	Synergy	Electricity expenses 21/12/2021 - 18/01/2022	229.47	1
DD8245.1	10/02/2022	Synergy	Electricity expenses 16/12/2021 - 20/01/2022	4,502.31	1
DD8255.1	16/02/2022	Aware Super	Payroll deductions	4,959.31	1
DD8255.2	16/02/2022	MLC Super Fund	Superannuation contributions	249.81	1
DD8255.3	16/02/2022	Commonwealth Bank Group Super	Superannuation contributions	138.65	1
DD8255.4	16/02/2022	Sunsuper	Superannuation contributions	160.00	1
DD8255.5	16/02/2022	mobiSuper	Superannuation contributions	307.33	1
DD8255.6	16/02/2022	HOSTPLUS Superannuation Fund	Superannuation contributions	804.44	1
DD8255.7	16/02/2022	Australian Super	Superannuation contributions	1,273.00	1
DD8255.8	16/02/2022	BT FINANCIAL GROUP	Superannuation contributions	348.17	1
DD8255.9	16/02/2022	MLC Super Fund	Superannuation contributions	516.32	1
DD8263.1	21/02/2022	Synergy	Electricity expenses 16/12/2021 - 20/02/2022	1,787.51	1
DD8263.2	21/02/2022	Telstra Corporation Limited	Telephone expenses 1/02/2022 0 1/03/2022	115.13	1
DD8265.1	22/02/2022	Synergy	Electricity expenses 4/01/2022 - 1/02/2022	4,009.58	1
DD8268.1	24/02/2022	Telstra Corporation Limited	Telephone expenses 1/02/2022 - 1/03/2022	741.19	1
DD8215.10	02/02/2022	CBUS	Superannuation contributions	198.33	1
DD8215.11	02/02/2022	Prime Super	Superannuation contributions	223.06	1
DD8215.12	02/02/2022	Hawkins Super	Superannuation contributions	594.34	1
DD8255.10	16/02/2022	CBUS	Superannuation contributions	198.33	1
DD8255.11	16/02/2022	Prime Super	Superannuation contributions	223.06	1
DD8255.12	16/02/2022	Hawkins Super	Superannuation contributions	571.89	1

Total Direct Debit Payments 32,448.87

Shire of Morawa List of Payments Report

For Period Ending 28 February 2022

Chq/EFT	Date	Name	Description	Amount	Bank
	01/02/2022	Bank West	Bank Charges	63.60	1
	03/02/2022	Bank West	Merchant Fees	380.72	1
	03/02/2022	Payroll	Payroll for Pay cycle 20/01/22 to 2/02/2022	58,442.92	1
	17/02/2022	Payroll	Payroll for Pay cycle 3/02/22 to 16/02/2022	59,594.10	1

Total Bank Transfers/ Payments 118,481.34

2122-08.06	07/02/2022	BankWest	Corporate card purchases in January 2022	662.60	1
		EMCCS - Corporate Credit Card			
	31/12/2021	Office Works	Office stationary & computer cables	376.96	
	8/01/2022	EG Group	Fuel For 02MO	101.03	
	14/01/2022	Checked.com.au	Police Clearance Check for employee	64.00	
	19/01/2022	Dun Direct	Fuel For 02MO	60.00	
			Sub Total	601.99	
		CEO - Corporate Credit Card			
	5/01/2022	ZOOM.US	Zoom Standard Pro Monthly Subscription	20.99	
	5/01/2022	Foreign Transaction Fee	Zoom monthly subscription foreign transaction fee	0.62	
	28/01/2022	Bank West	Annual Fee	39.00	
			Sub Total	60.61	

TOTAL Corporate Credit Card Payment 662.60

Shire of Morawa



Ordinary Council Meeting 17 March 2022

Attachment 1 Financial Management Review 2022

Attachment 2 Financial Management Review
Status Report

Item 11.2.3 Financial Management Review



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Monitoring Activities (MA):

Risk area	Monitoring activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
Annual Budget	Monthly actuals are compared to budget and significant variances fully investigated and explained		NIL					
Financial reporting	Through the presentation of the Monthly Statement of Financial Activity (SFA) to council actual results are compared to budget each month; management reviews, investigates and explains significant variances		NIL					
Grants	Management regularly reviews all grant income and monitors compliance with both the terms of grants and council's grant policy (including claiming funds on a timely basis).		NIL					
	Through the SFA grant revenue is compared to budget; management reviews, investigates and explains significant variances.		NIL					
Receipting	Income is compared to budget regularly in the SFA; management reviews, investigates and explains significant variances.		NIL					
	Statements of accounts receivable are sent to customers enabling review. (Exception 1)		We noted no evidence of statements for accounts receivable being sent to customers prior to January 2022.	Development and Implementation of an Accounts Receivable Executive Policy & Procedure	EMCCS & ARO	December 2022	Instructions have been given to responsible officer to ensure that statements are sent out monthly.	
Rates	Management reviews rates ageing profile on a monthly basis and investigates any outstanding items.		NIL					
	Actual rate revenue is compared to budget; management reviews, investigates and explains significant variances.		NIL					
	Annual valuation update is balanced prior to the generation of rates; this is reconciled to the rate record and reviewed.		NIL					
	Interim valuation updates are balanced prior to the generation of the interim rates; this is reconciled to the rate record and reviewed.		NIL					
Receivables	Receivables and revenue are compared to budget monthly; management reviews, investigates and explains significant variances.		NIL					



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Monitoring activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
	Management reviews provision for doubtful debts on a regular basis.		NIL					
	Management reviews debtors ageing profile on a monthly basis and investigates any outstanding items.		NIL					
	Trade receivables age listing reconciliation to the general ledger is reviewed at least monthly.		NIL					
Bank accounts and banking	Management reviews journal transactions to the bank account.		NIL					
	Management reviews bank reconciliations monthly to confirm large outstanding items are adequately explained and subsequently resolved.		NIL					
Investments	Review the council investment performance regularly.		NIL					
	Actual investment income compared to budget on a regular basis; management reviews, investigates and explains significant variances.		NIL					
	Investments register maintained in accordance with regulations and investment policy.		NIL					
	Reconciliation of investment register to general ledger routinely prepared and reviewed.		NIL					
Payroll	Management reviews employee costs against budget on a monthly basis and investigates any outstanding items.		NIL					
	Management reviews employee costs against budget on a monthly basis and investigates any outstanding items.		NIL					
	Salary and hourly payroll reports (including compensation and withholding information) are reviewed and approved by management before payments are approved.		NIL					
	The payroll deduction table data is periodically reviewed by management for accuracy and ongoing pertinence.		NIL					
	Management reviews a selection of salary sacrifice calculations for accuracy and compliance with statutory requirements; identified errors are promptly corrected.		NIL					



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Monitoring activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
	Each pay run is reviewed prior to authorisation for payment for consistency with prior pay runs and for abnormal items such as overtime.		NIL					
Purchasing, procurement and payments	Actual expenditure is compared to budget monthly; management reviews, investigates and explains significant variances.		NIL					
	A list of all payments is prepared and presented monthly to the council; management reviews, investigates and explains any unusual or large payments.		NIL					
	Management reviews supporting documentation before approving payments.		NIL					
Trade payables	Management reviews trade payables ageing profile on a monthly basis and investigates any outstanding items.		NIL					
	Trade payables age reconciliation to the general ledger is reviewed at least monthly.		NIL					
Fixed Assets	Management compare actual fixed asset balance to budget; management reviews, investigates and explains significant variances.		NIL					
	Activity recorded in fixed asset register is reviewed by management, including comparison to the capital budget.		NIL					
	Management regularly reviews valuation of fixed assets (i.e. methodology and useful lives of assets) to ensure that assets' valuation is appropriate and in accordance with Australian Accounting Standards. (Exception 2)		Unable to obtain evidence of management's review of fixed assets (methodology & Useful lives).	Development and implementation of year end procedures that ensure asset depreciation rates and useful lives are reviewed and evidence retained.	EMCCS & CCSO	June 2022		
	Management reviews depreciation rates and methodology (at least annually) to ensure that rates and remaining useful lives are reasonable. (Exception 2)		Unable to obtain evidence of management's review of depreciation rates and methodology.		EMCCS & CCSO	June 2022		
	Fixed asset register to the general ledger reconciliation is prepared and reviewed routinely. (Exception 3)		From the review it was noted that the last time the fixed asset register had been reconciled to the general ledger was June 2021.	Development and implementation of month end procedures that encompass all reconciliations required to be done.	EMCCS & CCSO	June 2023	Monthly financial report template has been updated to include asset reconciliation.	
Borrowings	Borrowings actual and interest charges are compared to budget monthly;		NIL					



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Monitoring activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
	management reviews, investigates and explains significant variances.							
Journals	All journals are independently reviewed (including check to ensure correct account allocation) and contain sufficient support information.		NIL					
General IT Risks	Regular IT audits performed focusing on data accuracy, retention, recovery and security. Results of these IT Audits reviewed by management and action plan promptly implemented.		NIL					

Key control (KC) activities

Risk area	Key control activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
Financial Report Preparation	Employees responsible for financial report preparation are competent and adequately trained.		NIL					
	All journal entries require supporting documentation. Any non-routine entries require documented approval prior to being posted.		NIL					
	Accounting software used contains application controls that prevent or detect an error from occurring.		NIL					
Payroll	Payroll staff are competent for their assigned tasks, adequately trained and supervised.		NIL					
	Payroll staff are competent for their assigned tasks, adequately trained and supervised.		NIL					
	Approval in writing is obtained before adding new employees to payroll.		NIL					
	Signed and dated approval of each employee's pay rate is documented on employee file.		NIL					
	Timesheets and totals of hours worked are approved before being processed for payment		NIL					
	Procedures exist to ensure terminated employees are immediately removed from payroll.		NIL					



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Key control activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
	Payroll register is reconciled to the general ledger and reviewed by a senior officer independent of payroll.		NIL					
	Costs by sub program, are compared to budget.		NIL					
	Staff required to take their leave entitlements annually.		NIL					
Revenue	Rates/debtors officers are competent for their assigned tasks, adequately trained and supervised.		NIL					
	Monthly statements are issued to trade debtors. (Exception 1)		We noted no evidence of statements for accounts receivable being sent to customers prior to January 2022.	Development and Implementation of an Accounts Receivable Executive Policy & Procedure	EMCCS & ARO	December 2022	Instructions have been given to responsible officer to ensure that statements are sent out monthly.	
	Rates are raised in line with the approved budgeted rate in the dollar. (Exception 4)		We noted that the rate in the dollar in Note 1 of the Budget was displayed to 5 decimal places where in the Council Resolution it was to 6 decimal places.	Ensure that the rounding is to the same decimal place on all documents	EMCCS	June 2022		
	The rate record is updated and reconciled monthly to the Valuer Generals Office (VGO) records.		NIL					
	Documented procedures are in place to ensure the VGO is informed of any building works approved. (Exception 5)		The Shire does not have documented procedures to ensure the VGO is informed of any building works approved.	Ensure that a procedure is written and followed when a permit is issued and is reportable	EMCCS & Rates Officer	June 2023		
	The rates ledger is reconciled to the General Ledger. (Exception 6)		On review of the monthly rates reconciliation, it was found that a hard copy of the general ledger balance was not saved with the reconciliation so the reported balance could not be verified.	Ensure that a copy of the General Ledger balances is included as part of the reconciliation.	EMCCS & Rates Officer	March 2022	This process has already been implemented.	24 Feb 2022
	The rates ledger is reconciled to the General Ledger.		NIL					
	Automatic or manual checks are performed on serial continuity of invoice documents		NIL					
	Credit note approvals are independent accounts receivable (Exception 7)		We noted that; 1) There is no formal process for the raising and approval of credit notes; and	Development and Implementation of an Accounts Receivable Executive Policy & Procedure	EMCCS & ARO	June 2022		



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Key control activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
			2) Credit notes are raised by the accounts receivable officer					
Receivables/Receipting	Staff handling cash receipts and managing receivables are competent for their assigned tasks, adequately trained and supervised.		NIL					
	Bank reconciliation is prepared monthly (with statements from bank) and management approval documented. (Exception 8)		3 accounts linked to term deposits did not have a monthly bank reconciliation prepared. These accounts have the interest earned on the investments receipted to them and it is then transferred to the Reserve Telenet account. As the 3 accounts were not reconciled the interest deposited into the accounts were not receipted into Synergy.	Management will move to have the 3 accounts closed and all interest earnings to be paid directly into the Telenet Account, which is reconciled monthly, and the interest allocated across the reserves.	EMCCS	March 2022	Bank has been contacted to determine why the request for interest not to be deposited into these 3 accounts was deactivated.	
	Customers are informed (signs, etc.) that they should obtain receipts. (Exception 9)		From the review of receipting, there was no evidence that customers are informed that they should obtain receipts.	A sign will be placed at the front counter telling customers that they should obtain a receipt and a procedure will be implemented that ensures that email or over the phone transactions are sent a copy of the receipt.	EMCCS & CSO	May 2022		
	Pre-numbered cash receipts are issued for every cash sale. Serial continuity is reviewed periodically and checked against cash deposits data.		NIL					
	When opening mail, cheques are stamped "for deposit only" with the local government bank account number. Cheques received are listed, totalled and reviewed before deposit. (Exception 10)		The Shire does not maintain a cheque register evidencing that cheques have been stamped "for deposit only" with the Shires bank details, and that the cheques are listed, totalled and reviewed before deposit.	Management will ensure that all cheques received by mail are recorded in a cheque register.	EMCCS & CSO	June 2022		
	All receipts cash/cheques are deposited on a regular and timely basis.		NIL					
	Reconciliation of daily deposit total to receivable posting and cash sales is prepared and reviewed.		NIL					
	A reconciliation of aged receivables to control accounts is prepared monthly and management approval documented. (Exception 11)		On review of 2 monthly aged receivables reconciliations, we noted 1 instance where the reconciliation had no evidence of management approval.	Development and Implementation of an Accounts Receivable Executive Policy & Procedure	EMCCS & ARO	December 2022		
	Procedures exist to ensure receipts are recorded in the correct period.		NIL					



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Key control activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed	
	Significant overdue customer accounts are investigated by management and actions taken documented. (Exception 12)		On review it was noted that there were significantly overdue customers' accounts and credit balances on others.	Development and Implementation of an Accounts Receivable Executive Policy & Procedure	EMCCS & ARO	December 2022	In January a review was carried out and reviewed by EMCCS on all overdue customers and actions taken. Customer accounts in credit were due to rental properties not having the monthly invoices raised against the income received.		
Purchases, payables, Payments	Personnel responsible for the purchasing, shipping, receiving and payable functions are competent, adequately trained and supervised.		NIL						
	Management reviews outstanding cheques on period-end bank reconciliation.		NIL						
	Pre-numbered cheques are used EFT's are allocated a sequential number for each creditor payment and details for every number is documented. Spoiled cheques are clearly marked "VOID" and cancelled.		NIL						
	The purchasing policy clearly defines who can issue purchase requisitions/orders and to what dollar limit.		NIL						
	Access to purchasing, receiving, accounts payable, and inventory records is restricted to authorised personnel.		NIL						
	Spending limits are set by budget or individual levels of authority. These limits are monitored by the system or manually.		NIL						
	A list of preferred suppliers is maintained and used where possible.		NIL						
	A list of preferred suppliers is maintained and used where possible. (Exception 13)			On review of corporate credit cards, it was noted that one employee did not have a Corporate Credit Card Holder Agreement. A later appointed employee did have an agreement.	A Corporate Credit Card Holder Agreement should be issued to all employees that are to hold a credit card for Shire purchases	EMCCS	February 2022	The employee has since signed the implemented Corporate Credit Card Holder Agreement.	February 2022
	Pre-numbered purchase orders and receiving reports are used and exceptions are approved and documented.		NIL						
Period-end procedures exist to detect and account for unprocessed goods/service receipts.		NIL							



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Key control activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed	
	Personnel receiving goods do not perform any accounting functions.		NIL						
	Personnel receiving goods do not perform any accounting functions.		NIL						
	Aged report of open orders is reviewed each month and old/unusual items are investigated.		NIL						
	Unit prices on invoices received are checked against price lists, quotes or approved purchase orders. Invoices are checked for correct calculations, discounts, taxes and freight before payment (Exception 14)			<p>From the sample of 23, we noted 6 instances where the invoice did not reconcile to the purchased order. These related to:</p> <ol style="list-style-type: none"> 1) Purchase order raised for the amount of a rejected quote 2) Multiyear service contracts did not reflect the escalation inn pricing; and 3) GST Incorrectly accounted for 	Implement the Draft Accounts Payable Executive Policy and Procedure.	EMCCS	April 2022	The procedure has been completed and is ready for review by the CEO. The Policy is yet to be completed.	
	System has checks to prevent duplicate payments on same order.		NIL						
	A list of accounts for payments is prepared in line with the legislation and authorised by council or a person with delegated authority before cheques are signed or EFT is authorised.		NIL						
	Signing officers examine supporting documentation to payments and document approval.		NIL						
	All cheques must be made out to authorised vendors and cannot be made out to "cash".		NIL						
	A reconciliation of the accounts payable sub ledger to the general journal is prepared monthly and approved by management.		NIL						
	Suppliers' statements are reconciled to accounts payable monthly and reviewed by management. (Exception 15)			Review of accounts payable found that supplier statements are not reconciled against accounts monthly and reviewed by management.	Management are happy with the current controls it has in place and believes there is no benefit to carrying out this time consuming process.	EMCCS	February 2022	No Action to be taken	February 2022
Procedures exist to ensure payments are recorded in the correct period.		NIL							



SHIRE OF MORAWA – STATUS REPORT – FINANCIAL MANAGEMENT REVIEW 2022

Risk area	Key control activities to be verified	Risk Rating	Issue Identified	Planned Action	Responsible Officer	Timeline	Action to Date	Date Completed
	Procedures exist to ensure all bank accounts and signatories are authorised by council.		NIL					
	The accounting policy for when goods should be capitalised is documented and clearly understood by accounting personnel.		NIL					
	Management regularly compares actual purchases (costs and expenses) to budgeted purchases and investigates and documents variances.		NIL					
	Management follows up creditor queries on a timely basis.		NIL					
	Management addresses the reasons for debit balance creditor accounts on a timely basis.		NIL					

Risk Matrix

Controls in place satisfactory	Minor	Moderate	Significant

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25 February 2022

Mr Scott Wildgoose
Chief Executive Officer
Shire of Morawa
PO Box 14
Morawa WA 6623

Dear Mr Wildgoose

Report of Factual Findings

1 The objective and scope of the engagement

We have performed the procedures agreed with you to report factual findings for the purpose of assisting you in determining the appropriateness and effectiveness of the financial management systems and procedures in accordance with regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*. The procedures performed are detailed in the engagement letter of 2 February 2022 and described below with respect to the Shire of Morawa (**Shire**) for the period 1 July 2021 to 31 January 2022.

2 The Chief Executive Officer's responsibility for the procedures agreed

As the Chief Executive Officer (**CEO**), you are responsible for the adequacy or otherwise of the procedures agreed to be performed by us. You are responsible for determining whether the factual findings provided by us, in combination with any other information obtained, provide a reasonable basis for any conclusions which you or other intended users wish to draw on the subject matter.

3 Assurance practitioner's responsibility

Our responsibility is to report factual findings obtained from conducting the procedures agreed. We conducted the engagement in accordance with Standard on Related Services ASRS 4400 *Agreed-Upon Procedures Engagements to Report Factual Findings*. We have complied with ethical requirements equivalent to those applicable to Other Assurance Engagements, including independence.

Because the agreed-upon procedures do not constitute either a reasonable or limited assurance engagement in accordance with AUASB standards, we do not express any conclusion and provide no assurance on the appropriateness and effectiveness of the financial management systems and procedures in accordance with regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

4 Procedures performed.

We have performed the following procedures, which are the minimum level of monitoring activities and key control activities listed in Section 7.3 of the Western Australian Local Government Accounting Manual Edition 3 issued by the Department of Local Government, Sport and Cultural Industries in September 2012 and report to you the factual findings resulting from our work:

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The procedures applied in order to satisfy ourselves with the findings, on a sample basis, were as follows:

- Inspection;
- Observation;
- External confirmation;
- Re-calculation;
- Re-performance; and
- Enquiry.

5 Factual findings:

5.1 Monitoring activities

Risk area	Monitoring activities to be verified	Source	Sample Size	Error or Exceptions noted
Annual Budget	Monthly actuals are compared to budget and significant variances fully investigated and explained	Monthly statement of financial activity	2	No exceptions noted
Financial reporting	Through the presentation of the Monthly Statement of Financial Activity (SFA) to council actual results are compared to budget each month; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
Grants	a) Management regularly reviews all grant income and monitors compliance with both the terms of grants and council's grant policy (including claiming funds on a timely basis).	Monthly statement of financial activity	2	No exceptions noted
	b) Through the SFA, grant revenue is compared to budget; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
Receipting	a) Income is compared to budget regularly in the SFA; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
	b) Statements of accounts receivable are sent to customers enabling review.	Statements	2	Exception noted. Refer to Exception 1
Rates	a) Management reviews rates ageing profile on a monthly basis and investigates any outstanding items.	Monthly statement of financial activity	2	No exceptions noted

Risk area	Monitoring activities to be verified	Source	Sample Size	Error or Exceptions noted
	b) Actual rate revenue is compared to budget; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
	c) Annual valuation update is balanced prior to the generation of rates; this is reconciled to the rate record and reviewed.	Valuation reconciliation	1	No exceptions noted
	d) Interim valuation updates are balanced prior to the generation of the interim rates; this is reconciled to the rate record and reviewed.	Valuation reconciliation	1	No exceptions noted
Receivables	a) Receivables and revenue are compared to budget monthly; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
	b) Management reviews provision for doubtful debts on a regular basis.	Monthly statement of financial activity	2	No exceptions noted
	c) Management reviews debtors ageing profile on a monthly basis and investigates any outstanding items.	Monthly statement of financial activity	2	No exceptions noted
	d) Trade receivables age listing reconciliation to the general ledger is reviewed at least monthly.	Reconciliation	2	No exceptions noted
Bank accounts and banking	a) Management reviews journal transactions to the bank account.	Bank reconciliations	2	No exceptions noted
	b) Management reviews bank reconciliations monthly to confirm large outstanding items are adequately explained and subsequently resolved.	Bank reconciliations	2	No exceptions noted
Investments	a) Review the council investment performance regularly.	Monthly statement of financial activity	2	No exceptions noted
	b) Actual investment income compared to budget on a regular basis; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted

Risk area	Monitoring activities to be verified	Source	Sample Size	Error or Exceptions noted
	c) Investments register maintained in accordance with regulations and investment policy.	Investment register	2	No exceptions noted
	d) Reconciliation of investment register to general ledger routinely prepared and reviewed.	Investment register reconciliation	2	No exceptions noted
Payroll	a) Management reviews employee costs against budget on a monthly basis and investigates any outstanding items.	Monthly statement of financial activity	2	No exceptions noted
	b) Each departmental manager performs a regular review of reports detailing all employees listed on payroll master file; all unusual items are investigated.	Employee master file reports	2	No exceptions noted
	c) Salary and hourly payroll reports (including compensation and withholding information) are reviewed and approved by management before payments are approved.	Payroll reports	3	No exceptions noted
	d) The payroll deduction table data is periodically reviewed by management for accuracy and ongoing pertinence.	Payroll reports	3	No exceptions noted
	e) Management reviews a selection of salary sacrifice calculations for accuracy and compliance with statutory requirements; identified errors are promptly corrected.	Payroll reports	3	No exceptions noted
	f) Each pay run is reviewed prior to authorisation for payment for consistency with prior pay runs and for abnormal items such as overtime.	Payroll reports	3	No exceptions noted
Purchasing, procurement and payments	a) Actual expenditure is compared to budget monthly; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted

Risk area	Monitoring activities to be verified	Source	Sample Size	Error or Exceptions noted
	b) A list of all payments is prepared and presented monthly to the council; management reviews, investigates and explains any unusual or large payments.	Accounts and statement of accounts report presented to Council	2	No exceptions noted
	c) Management reviews supporting documentation before approving payments.	Payment listings	3	No exceptions noted
Trade payables	a) Management reviews trade payables ageing profile on a monthly basis and investigates any outstanding items.	Monthly statement of financial activity	2	No exceptions noted
	b) Trade payables age reconciliation to the general ledger is reviewed at least monthly.	Trade payables age reconciliation	2	No exceptions noted
Fixed Assets	a) Management compare actual fixed asset balance to budget; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
	b) Activity recorded in fixed asset register is reviewed by management, including comparison to the capital budget.	Asset register	2	No exceptions noted
	c) Management regularly reviews valuation of fixed assets (i.e. methodology and useful lives of assets) to ensure that assets' valuation is appropriate and in accordance with Australian Accounting Standards.	Revaluation reports	1	Exception noted. Refer to Exception 2
	d) Management reviews depreciation rates and methodology (at least annually) to ensure that rates and remaining useful lives are reasonable.	Asset register	1	Exception noted. Refer to Exception 2
	e) Fixed asset register to the general ledger reconciliation is prepared and reviewed routinely.	Fixed asset register reconciliation	1	Exception noted. Refer to Exception 3

Risk area	Monitoring activities to be verified	Source	Sample Size	Error or Exceptions noted
Borrowings	Borrowings actual and interest charges are compared to budget monthly; management reviews, investigates and explains significant variances.	Monthly statement of financial activity	2	No exceptions noted
Journals	All journals are independently reviewed (including check to ensure correct account allocation) and contain sufficient support information.	Journal listing	1	No exceptions noted
General IT Risks	Regular IT audits performed focusing on data accuracy, retention, recovery and security. Results of these IT Audits reviewed by management and action plan promptly implemented.	IT audit reports	1	No exceptions noted

5.2 Key control activities

Risk area	Key control activities to be verified	Source	Sample Size	Error or Exceptions noted
Financial Report Preparation	a) Employees responsible for financial report preparation are competent and adequately trained.	HR records	1	No exceptions noted
	b) All journal entries require supporting documentation. Any non-routine entries require documented approval prior to being posted.	Journal support	1	No exceptions noted
	c) Accounting software used contains application controls that prevent or detect an error from occurring.	Synergy application controls	1	No exceptions noted
Payroll	a) Payroll staff are competent for their assigned tasks, adequately trained and supervised.	HR records	1	No exceptions noted
	b) Persons processing payroll are independent of other payroll functions, such as hiring/firing of staff, timekeeping and EFT payment.	Payroll walkthrough	1	No exceptions noted
	c) Approval in writing is obtained before adding new employees to payroll.	Evidence of approval	1	No exceptions noted

Risk area	Key control activities to be verified	Source	Sample Size	Error or Exceptions noted
	d) Signed and dated approval of each employee's pay rate is documented on employee file.	Evidence of approval	1	No exceptions noted
	e) Timesheets and totals of hours worked are approved before being processed for payment	Timesheets	3	No exceptions noted
	f) Procedures exist to ensure terminated employees are immediately removed from payroll.	Terminations	2	No exceptions noted
	g) Payroll register is reconciled to the general ledger and reviewed by a senior officer independent of payroll.	Payroll register reconciliation	3	No exceptions noted
	h) Costs by sub program, are compared to budget.	Payroll reports	3	No exceptions noted
	i) Staff required to take their leave entitlements annually.	Leave balances report	2	No exceptions noted
Revenue	a) Rates/debtors officers are competent for their assigned tasks, adequately trained and supervised.	HR records	1	No exceptions noted
	b) Monthly statements are issued to trade debtors.	Monthly statements	2	Exception noted. Refer to Exception 1
	c) Rates are raised in line with the approved budgeted rate in the dollar.	Rates notices	1	Exception noted. Refer to Exception 4
	d) The rate record is updated and reconciled monthly to the Valuer Generals Office (VGO) records.	Rates reconciliation	2	No exceptions noted
	e) Documented procedures are in place to ensure the VGO is informed of any building works approved.	Rates walkthrough	1	Exception noted. Refer to Exception 5
	f) The rates ledger is reconciled to the General ledger.	Rates reconciliations	1	Exception noted. Refer to Exception 6
	g) The approved schedule of Fees and Charges is used for invoice preparation. Exceptions require documentation and approval	Receipts sample	5	No exceptions noted

Risk area	Key control activities to be verified	Source	Sample Size	Error or Exceptions noted
	h) Automatic or manual checks are performed on serial continuity of invoice documents.	Synergy system controls	1	No exceptions noted
	i) Credit note approvals are independent of accounts receivable.	Credit notes	3	Exception noted. Refer to Exception 7
Receivables / Receipting	a) Staff handling cash receipts and managing receivables are competent for their assigned tasks, adequately trained and supervised.	HR records	1	No exceptions noted
	b) Bank reconciliation is prepared monthly (with statements from bank) and management approval documented.	Bank reconciliations	2	Exception noted. Refer to Exception 8
	c) Customers are informed (signs, etc.) that they should obtain receipts.	Observation	1	Exception noted. Refer to Exception 9
	d) Pre-numbered cash receipts are issued for every cash sale. Serial continuity is reviewed periodically and checked against cash deposits data.	Cash receipts sequence	1	No exceptions noted
	e) When opening mail, cheques are stamped "for deposit only" with the local government bank account number. Cheques received are listed, totalled and reviewed before deposit.	Cash deposit batches	3	Exception noted. Refer to Exception 10
	f) All receipts cash/cheques are deposited on a regular and timely basis.	Cash deposit batches	3	No exceptions noted
	g) Reconciliation of daily deposit total to receivable posting and cash sales is prepared and reviewed.	Daily deposit reconciliations	3	No exceptions noted
	h) A reconciliation of aged receivables to control accounts is prepared monthly and management approval documented.	Aged receivables reconciliation	2	Exception noted. Refer to Exception 11
	i) Procedures exist to ensure receipts are recorded in the correct period.	Receipts walkthrough	1	No exceptions noted

Risk area	Key control activities to be verified	Source	Sample Size	Error or Exceptions noted
	j) Significant overdue customer accounts are investigated by management and actions taken documented.	Client prepared documentation	1	Exception noted. Refer to Exception 12
Purchases, payables, payments	a) Personnel responsible for the purchasing, shipping, receiving and payable functions are competent, adequately trained and supervised.	HR records	1	No exceptions noted
	b) Management reviews outstanding cheques on period-end bank reconciliation.	Bank reconciliations	2	No exceptions noted
	c) Pre-numbered cheques are used EFT's are allocated a sequential number for each creditor payment and details for every number is documented. Spoiled cheques are clearly marked "VOID" and cancelled.	Cheques and EFT batches	3	No exceptions noted
	d) The purchasing policy clearly defines who can issue purchase requisitions/orders and to what dollar limit.	Purchasing policy	1	No exceptions noted
	e) Access to purchasing, receiving, accounts payable, and inventory records is restricted to authorised personnel.	Synergy controls	1	No exceptions noted
	f) Spending limits are set by budget or individual levels of authority. These limits are monitored by the system or manually.	Synergy controls	1	No exceptions noted
	g) A list of preferred suppliers is maintained and used where possible.	Client prepared documentation	1	No exceptions noted
	h) Controls exist to ensure corporate buying cards/credit cards are only issued to authorised staff and personal purchases are not allowed.	Credit card policy	1	Exception noted. Refer to Exception 13
	i) Pre-numbered purchase orders and receiving reports are used and exceptions are approved and documented.	Purchase order sequence	1	No exceptions noted

Risk area	Key control activities to be verified	Source	Sample Size	Error or Exceptions noted
	j) Period-end procedures exist to detect and account for unprocessed goods/service receipts.	Client prepared documentation	1	No exceptions noted
	k) Personnel receiving goods do not perform any accounting functions.	Purchases walkthrough	1	No exceptions noted
	l) An aged accounts payable listing is reconciled to general ledger each month and exceptions investigated by management.	Aged accounts payable reconciliation	2	No exceptions noted
	m) Aged report of open orders is reviewed each month and old/unusual items are investigated.	Aged report of open orders	3	No exceptions noted
	n) Unit prices on invoices received are checked against price lists, quotes or approved purchase orders. Invoices are checked for correct calculations, discounts, taxes and freight before payment	Client prepared documentation	23	Exception noted. Refer to Exception 14
	o) System has checks to prevent duplicate payments on same order.	Synergy controls	2	No exceptions noted
	p) A list of accounts for payments is prepared in line with the legislation and authorised by council or a person with delegated authority before cheques are signed or EFT is authorised.	Accounts and statement of accounts report presented to Council	5	No exceptions noted
	q) Signing officers examine supporting documentation to payments and document approval.	Payment batch documentation	1	No exceptions noted
	r) All cheques must be made out to authorised vendors and cannot be made out to "cash".	Cheque butts	2	No exceptions noted
	s) A reconciliation of the accounts payable sub ledger to the general ledger is prepared monthly and approved by management.	Accounts payable sub ledger reconciliation	2	No exceptions noted
t) Suppliers' statements are reconciled to accounts payable monthly and reviewed by management.	Supplier statements reconciliations	1	Exception noted. Refer to Exception 15	

Risk area	Key control activities to be verified	Source	Sample Size	Error or Exceptions noted
	u) Procedures exist to ensure payments are recorded in the correct period.	Purchases walkthrough	1	No exceptions noted
	v) Procedures exist to ensure all bank accounts and signatories are authorised by council.	Cash cycle documentation	1	No exceptions noted
	w) The accounting policy for when goods should be capitalised is documented and clearly understood by accounting personnel.	Accounting policy, capital purchases	1	No exceptions noted
	x) Management regularly compares actual purchases (costs and expenses) to budgeted purchases and investigates and documents variances.	Monthly statement of financial activity	2	No exceptions noted
	y) Management follows up creditor queries on a timely basis.	Aged creditor listing	2	No exceptions noted
	z) Management addresses the reasons for debit balance creditor accounts on a timely basis.	Aged creditor listing	2	No exceptions noted

6 Recommendations

Although the primary purpose of our engagement was to enable us to issue the above described report, we also provide you with recommendations in Appendix A for strengthening controls, if such matters are observed during the process of the engagement. While issues raised may not represent deficiencies in the appropriateness and effectiveness of the financial management systems and procedures, our recommendations will address areas where we believe controls could be improved.

7 Restriction on distribution and use of report

This report is intended solely for the use of the Shire for the purpose set out above. As the intended user of our report, it is for you and other intended users to assess both the procedures and our factual findings to determine whether they provide, in combination with any other information you have obtained, a reasonable basis for any conclusions which you wish to draw on the subject matter. As required by ASRS 4400, distribution of this report is restricted to those parties that have agreed the procedures to be performed with us and other intended users identified in the terms of the engagement (since others, unaware of the reasons for the procedures, may misinterpret the results). Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than the Shire for any consequences of reliance on this report for any purpose.

RSM AUSTRALIA PTY LTD

A handwritten signature in blue ink, appearing to read 'T Bate', written over a faint yellow rectangular background.

Geraldton, WA
Dated: 25 February 2022

T BATE
Principal

SHIRE OF MORAWA**FINANCIAL MANAGEMENT REVIEW****SEVEN MONTHS ENDED 31 JANUARY 2022****FINDINGS IDENTIFIED DURING THE REVIEW**

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1 - Statements of accounts receivable should be sent to customers enabling review. - Monthly Statements should be issued to trade debtors		✓	
2 - Management should regularly review valuation of fixed assets (i.e. methodology and useful lives of assets to ensure that assets' valuation is appropriate and in accordance with Australian Accounting Standards. - Management should review depreciation rates and methodology (at least annually) to ensure that rates and remaining useful lives are reasonable.		✓	
3 The fixed asset register should be reconciled to the general ledger and reviewed routinely.		✓	
4 Rates raised should be in line with the approved budgeted rate in the dollar.			✓
5 The Shire should have documented procedures to ensure the Valuer Generals Office is informed of any building works.			✓
6 The rates ledger should be reconciled to the general ledger.		✓	
7 Credit note approvals should be independent of accounts receivable.		✓	
8 Bank reconciliations should be prepared monthly (with statements from bank) and management approval documented.		✓	
9 Customers should be informed (signs, etc) that they should obtain receipts.			✓
10 When opening mail, cheques should be stamped "for deposit only" with the local government bank account number. Cheques should be listed, totalled and reviewed before deposit.			✓

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
11 Reconciliation of aged receivables to control accounts should be prepared monthly and management approval documented.		✓	
12 Significant overdue customer accounts should be investigated by management and actions taken documented.		✓	
13 The Shire should have controls to ensure corporate buying cards/credit cards are only issued to authorised staff and personal purchases are not allowed.		✓	
14 Unit prices on invoices received are checked against price lists, quotes or approved purchase orders. Invoices are checked for correct calculations, discounts, taxes and freight before payment.		✓	
15 Suppliers' statements should be reconciled to accounts payable monthly and reviewed by management.			✓

SHIRE OF MORAWA**FINANCIAL MANAGEMENT REVIEW****SEVEN MONTHS ENDED 31 JANUARY 2022****FINDINGS IDENTIFIED DURING THE REVIEW****KEY TO RATINGS**

The Ratings in this management letter are based on the 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. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed 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
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 1

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*:

1. Statements of accounts receivable should be sent to customers enabling review; and
2. Monthly statements should be issued to trade debtors.

Finding:

From our sample of two months, we did not note any evidence of statements of accounts receivable being sent to customers enabling review. We note from January 2022, the Shire has implemented a procedure whereby statements of accounts receivable are sent to customers and this is documented on the aged receivables reconciliation.

Rating: Moderate

Implication:

Sending statements of accounts receivable to customers enabling review assists in the collection of outstanding balances and reduces the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

The Shire should maintain the process implemented from January 2022 whereby statements of accounts receivable are issued to customers and this is documented on the aged receivables reconciliation.

Management Comment:

Management agrees and will develop an executive policy and procedure for Accounts Receivable.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 2

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*:

1. Management should regularly review valuation of fixed assets (i.e. methodology and useful lives of assets) to ensure that assets' valuation is appropriate and in accordance with Australian Accounting Standards; and
2. Management should review depreciation rates and methodology (at least annually) to ensure that rates and remaining useful lives are reasonable.

Finding:

From our review of fixed assets, we were unable to obtain evidence of management's:

1. Review of fixed assets (i.e. methodology and useful lives of assets); or
2. Review of depreciation rates and methodology.

Rating: Moderate

Implication:

Review of fixed assets (i.e. methodology and useful lives of assets) and review of depreciation rates and methodology reduces the risk of misstatements in the Shire's financial reporting.

Recommendation:

The Shire should document and retain evidence of its:

1. Review of fixed assets (i.e. methodology and useful lives of assets); or
2. Review of depreciation rates and methodology.

Management Comment:

Management will develop and implement year end procedures that ensure asset depreciation rates and useful lives are reviewed and evidence of the review retained.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 3

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, the fixed asset register should be reconciled to the general ledger and reviewed routinely.

Finding:

From our review of fixed assets, we noted that the last time the fixed asset register had been reconciled to the general ledger was 30 June 2021. We note that the asset register was yet to be rolled forward due to the 2021 audit still taking place and that current year capital expenditure had been reported to Council in the monthly statement of financial activity.

Rating: Moderate

Implication:

Routinely reconciling the fixed asset register to the general ledger reduces the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

The Shire should routinely reconcile the fixed asset register to the general ledger. Even where the asset register is not able to be updated, general ledger balances should be reviewed to ensure they represent valid reconciling items.

Management Comment:

Management will develop and implement month end procedures that encompass all reconciliations required to be done.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 4

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, Rates raised should be in line with the approved budgeted rate in the dollar.

Finding:

From our review of rates, we noted that the rate in the dollar in Note 1 of the 2022 Budget for the respective rating categories was displayed to five decimal places, where the rate in the dollar per the council resolution to adopt the budget was to six decimal places. We note that rates were raised in accordance with the Council Resolution and further that the rate in the dollar in Note 1 of the 2022 Budget was entered to six decimal places.

Rating: Minor

Implication:

The rate in the dollar for the respective rating categories as displayed in Note 1 of the 2022 Budget differs to the adopted rate in the dollar per the Council Resolution.

Recommendation:

For future Budgets, management should ensure that the rate in the dollar for the respective rating categories presented in the Budget matches the Council Resolution.

Management Comment:

Management agrees with this and will ensure that the rounding is to the same decimal places on all documents.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 5

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, the Shire should have documented procedures to ensure the Valuer Generals Office (VGO) is informed of any building works approved.

Finding:

From our review of rating procedures, the Shire does not have documented procedures to ensure the VGO is informed of any building works approved.

Rating: Minor

Implication:

Approved building works could impact the rateable value of properties. Where the VGO is not notified of approved building works, this could result in the rateable value of a property being understated and in turn result in rates being undercharged.

Recommendation:

The Shire should implement documented procedures to ensure the VGO is informed of any building works approved.

Management Comment:

Management will ensure that a procedure is written and followed when a permit is issued if it is reportable.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 6

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, the rates ledger should be reconciled to the general ledger.

Finding:

From our review of one monthly rates ledger reconciliation, we noted that general ledger balances used in the reconciliation were obtained from Synergysoft via excel integration. A hard copy of the general ledger balance at the date of the reconciliation was not saved with the reconciliation. We were unable to agree the reconciled balance at the date of the reconciliation to the general ledger at the date of our fieldwork.

Rating: Moderate

Implication:

We were unable to verify that the rates ledger had been correctly reconciled to the general ledger. Reconciling the rates ledger to the general ledger reduces the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

Due to the nature of the Synergysoft rating module, it is possible for transactions to be entered in Synergysoft which alter the general ledger balance compared to the reconciliation. The Shire should therefore save an extract of the general ledger balance at the date of the rates ledger reconciliation as evidence of the reconciled balance.

Management Comment:

Management will ensure that a copy of the GL is taken and included with the reconciliation so that the balances can be proven at a future time.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 7

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, credit note approvals should be independent of accounts receivable.

Finding:

From our review of credit notes, we noted that:

1. The Shire does not have a formal process for raising and approval of credit notes and for two of three credit notes tested (67%) there was no evidence of approval of the credit note; and
2. Credit notes are raised by the accounts receivable officer.

Rating: Moderate

Implication:

The lack of formal process for the raising of credit notes and the ability for the accounts receivable officer to raise credit notes increases the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

The Shire should develop a formal process for the raising and approval of credit notes.

Management Comment:

Management will develop and implement an Accounts Receivable Executive Policy and procedure to incorporate the request for a credit note. A form will be developed to assist with this procedure.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 8

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, Bank reconciliations should be prepared monthly (with statements from bank) and management approval documented.

Finding:

From our review of bank reconciliations, we noted:

1. Three accounts where monthly bank reconciliations were not prepared. These three accounts receive interest from Term Deposits upon maturity which is then manually transferred to a cash management account. These accounts are not recorded in the Synergy chart of accounts; and
2. The December 2021 reconciliation for the Telenet Saver: General Reserve account excluded interest earned on this account for the month.

Rating: Moderate

Implication:

1. Unreconciled and unrecorded bank accounts increase the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.
2. If transaction listings are saved rather than bank statements, there is a risk that errors from previous periods could remain undetected during the reconciliation process.

Recommendation:

1. Reconciliations should be prepared for all bank accounts on at least a monthly basis.
2. All bank accounts should be recorded in Synergy. As the three accounts identified above are only used to receive interest from term deposits, we would recommend closing these accounts and directing interest on term deposits to be paid directly to the Telenet Saver account.

Management Comment:

Management agrees with the 3 accounts not being reconciled and will move at getting them closed and the interest that is deposited into them be redirected to the single reserve account that is reconciled monthly.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 9

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, customers should be informed (signs, etc) that they should obtain receipts.

Finding:

From our review of receipting, we did not note evidence that customers are informed (signs, etc) that they should obtain receipts.

Rating: Minor

Implication:

Issuing receipts to customers reduces the risk of fraud, errors and omissions relating to receipts from customers remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting.

Recommendation:

The Shire should implement procedures (signs, etc) to inform customers that they should obtain receipts.

Management Comment:

Management will place a sign telling customers to obtain a receipt and implement a procedure to ensure that any payments received by email or phone will be sent a copy of a receipt via email.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 10

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, when opening mail, cheques should be stamped “for deposit only” with the local government bank account number. Cheques should be listed, totalled and reviewed before deposit.

Finding:

Whilst a limited number of cheques are received, the Shire does not maintain a cheque register evidencing that cheques have been stamped “for deposit only” with the Shire’s bank account number or that cheques are listed, totalled and reviewed before deposit.

Rating: Minor

Implication:

Maintaining a cheque register evidencing that cheques have been stamped “for deposit only” with the Shire’s bank account number, and that cheques received have been listed, totalled and reviewed, reduces the risk of fraud, errors and omissions relating to receipts from customers remaining undetected, which in turn could lead to misstatements in the Shire’s financial reporting.

Recommendation:

The Shire should maintain a cheque register as outlined above.

Management Comment:

Management agree that a cheque register should be kept for cheques received in the mail.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 11

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, reconciliation of aged receivables to control accounts should be prepared monthly and management approval documented.

Finding:

From our review of two monthly aged receivables reconciliations, we noted one instance (50%) where the reconciliation had no evidence of management approval documented.

Rating: Moderate

Implication:

Documented management approval of the monthly reconciliation of aged receivables to control accounts reduces the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

The Shire should ensure that monthly reconciliations of aged receivables to control accounts have management approval documented.

Management Comment:

Management reviewed the reconciliations from July to January and found no other reconciliation that had not been signed. The reconciliation that was not signed had been checked by the EMCCS but was not signed. This process will be included in the Accounts Receivable Policy & Procedure that management has agreed to develop and implement.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 12

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, significant overdue customer accounts should be investigated by management and actions taken documented.

Finding:

From our review of two monthly reconciliations of aged receivables to control accounts, we noted significantly overdue customer accounts and credit balances without any evidence of investigation by management and actions taken. We note from January 2022, the Shire has implemented a procedure whereby significantly overdue customer accounts are investigated by management and actions taken documented. There has also been a corresponding decrease in significantly overdue customer accounts and credit balances at 31 January 2022.

Rating: Moderate

Implication:

Investigating significant overdue customer accounts and documentation of actions taken reduces the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

The Shire should maintain the process implemented from January 2022 whereby significant overdue customer accounts are investigated by management and actions taken are documented.

Management Comment:

Management agrees to continue with the new process implemented but would like to note that the credit balances were for all Council's rental properties that are receipted as the money is received but invoices are raised monthly. The credit balances during October – December were exacerbated due to staff shortage and have since been rectified.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 13

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, the Shire should have controls to ensure corporate buying cards/credit cards are only issued to authorised staff and personal purchases are not allowed.

Finding:

From our review of corporate credit cards, it was noted that one employee did not have a Corporate Credit Card Holder Agreement. We note that the Shire has since implemented a Corporate Credit Card Holder Agreement for a later appointed employee.

Rating: Moderate

Implication:

The lack of a signed Corporate Credit Card Holder agreement increases the risk of corporate credit cards being used outside of policy, which in turn could lead to misstatements in the Shire's financial reporting. There is a further risk of non-compliance with regulation 5(2)(a) of the *Local Government (Financial Management) Regulations 1996* which requires the CEO to ensure that the resources of the local government are effectively and efficiently managed.

Recommendation:

A Corporate Credit Card Holder Agreement should be issued to and signed by the employee identified above.

Management Comment:

Management agrees. The document has since been completed and signed by the employee.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 14

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, unit prices on invoices received are checked against price lists, quotes or approved purchase orders. Invoices are checked for correct calculations, discounts, taxes and freight before payment.

Finding:

From our sample of twenty-three, we noted six instances (26%) where the invoice did not reconcile to the purchase order. For the noted exceptions, these related to:

1. Purchase orders raised for the amount of rejected quotes (rather than the approved quote);
2. Multiyear service contracts where the purchase order did not correctly reflect the escalation in pricing; and
3. GST incorrectly accounted for on purchase orders.

Rating: Moderate

Implication:

Reconciliation of invoices to purchase orders ensures that errors are identified and only correct amounts are paid.

Recommendation:

Invoices should be reconciled to purchase orders prior to approval for payment. Where variances between the purchase order and invoice are identified, these should be investigated and explained.

Management Comment:

Management agrees and has since implemented an Accounts Payable Executive Policy and procedure but would like to note the following:

The Shire has historically allowed a discrepancy of 10% between the purchase order and the invoice which covers any errors in the handling of GST or minor increases in product value.

1. Management agree that a purchase order should never be raised for the amount of a rejected quote rather than the approved quote.
2. This was a minor amount only and would have been covered by the 10% variation.
3. Non-financial staff that raise purchase orders for others to sign find it difficult to understand GST and how it applies to orders. Those staff signing the orders should ensure that the amounts are correct prior to signing. More training will be provided to staff on how to raise orders.

SHIRE OF MORAWA
FINANCIAL MANAGEMENT REVIEW
SEVEN MONTHS ENDED 31 JANUARY 2022
FINDINGS IDENTIFIED DURING THE REVIEW

Exception 15

Monitoring or Key Control Activity:

As per Section 7.3 of the *Western Australian Local Government Accounting Manual Edition 3*, suppliers' statements should be reconciled to accounts payable monthly and reviewed by management.

Finding:

From our review of accounts payable, we noted that suppliers' statements are not reconciled to accounts payable monthly and reviewed by management.

Rating: Minor

Implication:

Reconciling suppliers' statements to accounts payable reduces the risk of fraud, errors and omissions remaining undetected, which in turn could lead to misstatements in the Shire's financial reporting.

Recommendation:

The Shire should consider reconciling suppliers' statements to accounts payable monthly or if current controls are considered adequate.

Management Comment:

Management are happy with the current controls it has in place and believes there is no benefit to carrying out this time consuming process.

Ordinary Council Meeting 17 March 2022

**Attachment 1 10.1 Report on Significant Matter
(Section 7.12A(4a) of the Local
Government Act 1995)**

Item 11.2.4 Report on Significant Matter raised in
Annual Financial Report Audit Opinion



Shire of Morawa

**Annual Financial Report Audit for Year Ended 30
June 2021**

**Report on Significant Matter (Section 7.12A (4a) of
the Local Government Act 1995)**

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Background

The Shire of Morawa (Shire) is required to prepare an audited Annual Financial Report each year under the Local Government Act 1995 (the Act). The Shire's auditor is the Office of the Auditor General (OAG).

The Shire's Annual Financial Report for the period ended 30 June 2021 was completed in December 2021 and signed Independent Auditors Report (**Appendix A**) was dated 21 December 2021.

Section 7.12A (4a) states that a Local Government must prepare a report addressing any matters identified as significant by the auditor in the audit report, stating what action the local government has taken or intends to take with respect to each of those matters.

The OAG Independent Auditor's Report shown in **Appendix A** identifies one matter identified as significant through the audit of the Shire's annual financial report.

As such this report has been prepared to meet the requirements of Section 7.12A and to address the significant adverse trend identified by the OAG.

Summary of Ratios

Regulation 50 of the Local Government (Financial Management) Regulations 1996 requires the inclusion of seven ratios in the Annual Financial Report.

Regulation 50: Financial ratios to be included in annual financial report

The annual financial report is to include, for the financial year covered by the annual financial report and the 2 preceding financial years –

1. the current ratio; and
2. the asset consumption ratio; and
3. the asset renewal funding ratio; and
4. the asset sustainability ratio; and
5. the debt service cover ratio, and
6. the operating surplus ratio; and
7. the own source revenue coverage ratio.

The OAG has identified that the Shire's Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries' (DLGSCI) standard for the last three years. I would like to note that the 2019/2020 Audit Opinion also had the Asset Sustainability Ratio listed as having an adverse trend, which the Shire has managed to turnaround during 2020/2021.

Shire of Morawa's Position

The following ratio data has been taken from the Annual Financial Statements for the year ending 2019 & 2021.

	2017	2018	2019	2020	2021
Operating Surplus Ratio	0.19	-0.54	-0.32	-0.51	-0.28
Meets Benchmark?	Yes	No	No	No	No

Table 1: Colour coded ratio analysis 2017-2021 from Annual Financial Statements (Shire of Morawa)

This ratio has been in the negative for the last four (4) years with an improvement showing between 2020 and 2021. The results of this ratio are affected by Council's ability to raise own source revenue to cover its operational needs and shows that increases to rates and charges over time have not been adequate to cover the increases to expenditure. Covid-19 had a significant affect during the 2020 financial year as Council did not increase any of its fees or charges as the expected impact of the pandemic on the community was unknown.

The Shire typically takes a cautious and conscientious approach to expenditure and the use of rate payer funds, which is highlighted by the Shire's reserve management practices supported by associated policies.

For the financial year ended 30 June 2021 the Shire had a reserve fund balance of \$5.5m, \$300k higher than 2020 and around 2.8 times the Shire's annual rates income. The Shire is confident of its financial health even if the Operating Surplus Ratio indicates a significant adverse trend.

The Shire also monitors its use of borrowings very closely and will only borrow if necessary to carry out suitable capital investments. Council currently has borrowings to the value of \$473k. This indicates that the Shire is unlikely to face significant financial impacts from being unable to repay its debts and is evident by the Shire's positive current ratio of 4.59%.

Addressing the Significant Matter

The Shire plans to address the significant matter identified by the OAG in the following ways.

1. Undertake a review of its Long-Term Financial Plan/Strategic Resource Plan including Asset Management Plans
2. Review operational expenditure
3. Review operating income

1. Undertake a review of Long-Term Financial Plan

The Shire has instigated a review of its long-term financial plan which unfortunately has not yet been completed due to limited staff resources, and whilst this has been contracted to Moore Australia, staff input is still necessary.

A review of the Shire's long term financial plan may identify further areas where refinements can be made, but it should be noted that in previous versions of the Long-Term Financial Plan the Shire expected both the Operating Surplus Ratio and Asset

Sustainability Ratio ratios to be below the DLGSCI's standard/baseline, this was not seen as detrimental to the Shire's financial viability.

In terms of long-term financial planning the Shire will also be reviewing its depreciation rates. Since 2016 the Shire's total asset base has only increased by 3% but its annual depreciation has increased by 30%, indicating a higher depreciation for assets year on year or some newly purchased assets having short useful lives. The Shire's asset replacement and renewal expenditure has remained relatively consistent at around \$1.5m per year. Whilst depreciation and ratios may suggest a higher level of capital renewal and replacement is required this needs to be balanced against the level of usage of assets.

3. Review Operating Expenditure

It should be noted that the Shire's general operating expenditure is at a very similar position as it was when the Long-Term Financial Plan was last revised which demonstrates the Shire's prudent approach towards expenditure.

One of the Shire's biggest expenditure areas is transport, specifically road maintenance which is necessary to support the agricultural economy. As such it is unlikely many savings will be achievable in this area.

One area the Shire is looking to save funds is on utilities, given utility providers continue to increase charge rates year on year. The Shire has recently signed a new contract with Synergy which gives some relief on the cost of power on our high consumption facilities. We are also planning to complete asset upgrades on other Shire properties in the form of Solar Panels to reduce power consumption. Unfortunately to implement this type of installation will incur significant capital expenditure which will need to be spread over a few years to achieve.

The continuation of prudent financial management and cost rationalization should see improvement of the Shire's Operating Surplus Ratio over time.

4. Review Operating Income

One of the main factors affecting the Shire's ability to invest in asset renewal and improve its Operating Surplus Ratio is income.

Since 2016 the Shire's total income from rates has increased from \$1.3m to \$1.9m, with no increase in population. Although the Shire could impose significant rate increases to improve its ratios, this would not be in the best interest of the community. Rates will need to continue to increase by more than inflation and wage increases to maintain the Shire's ability to cover its operational expenditure and asset renewal needs but large increases are unlikely.

Another way to increase the potential income from rates is by substantially increasing the Shire's population and property development. The Shire's population has declined over several years and much of the land in the townsite is undeveloped. The Shire's strategic community plan and previously the Regeneration Morawa initiative has placed an emphasis on population growth and economic development. The Shire continues to invest in this area, but it is unlikely the Shire will see marked improvements

in the short term but over the longer term it is envisaged that growth will positively contribute to financial sustainability.

Other income components have been largely negative. Interest income from the Shire's reserve and bank accounts dropped from \$62k in 2019/2020 to \$27k in 2020/2021 a drop of 43% even though reserves increased by \$300k and is expected to be even lower in coming financial years.

Income from Fees and Charges is reviewed annually as part of the budget process, but whilst the Shire could consider implementing a significant increase it must consider the impact on the community when undertaking this course of action. Many of Shire's fees are legislated or have been set based on expenditure. Other areas are deemed to be a community service such as the swimming pool, so the charge does not cover costs.

Conclusion

The significant adverse trend in the Shire's financial position identified by the OAG in response to three consecutive years of below par performance for the Operating Surplus Ratio is not something that can be easily fixed during one financial year.

The Shire of Morawa is committed to exploring avenues to increase operating revenues and rationalize costs, however as an organization with a strategic vision to create a welcoming and inclusive community with a vibrant and growing economy, all operational changes must be reviewed in a strategic context in terms of the longer-term effects it might have on our community.

A review of long-term financial planning should highlight any areas of financial concern and allow the Shire to adapt its practices to maintain financial viability. Funds held in reserve are designed for strategic benefit but still provide the Shire with capacity to invest in asset renewal if necessary.

No obvious quick wins are evident to improve the Shire's financial ratios, however it is debated as to whether the Operating Surplus Ratio alone represent a significant adverse trend in the Shire's position. The Shire has very minimal debt and holds money in reserve and has limited chance of encountering financial hardship in the near future.

The Shire encourages the Minister for Local Government to engage with the OAG, WALGA and LG Professionals to review the Department's financial ratios and their relevance to regional/remote communities and the different operational environments in which they operate.



Auditor General

INDEPENDENT AUDITOR'S REPORT 2021 Shire of Morawa

To the Councillors of the Shire of Morawa

Report on the audit of the annual financial report

Opinion

I have audited the financial report of the Shire of Morawa (Shire) which comprises:

- the Statement of Financial Position at 30 June 2021, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information
- the Statement by the Chief Executive Officer.

In my opinion the financial report of the Shire of Morawa:

- is based on proper accounts and records
- fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2021 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities section below. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards. The CEO is also responsible for managing internal control (as required by the CEO) to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibility for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on other legal and regulatory requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
 - a) The Operating Surplus Ratio as reported in Note 31 of the annual financial report is below the Department of Local Government, Sport and Cultural Industries basic standard for all 3 years reported in the annual financial report.
- (ii) The following material matters indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
 - a) A review of the appropriateness and effectiveness of the Shire's financial management systems and procedures was not completed by the CEO at least once every three financial years, as required by section 5(2)(c) of the Local Government (Financial Management) Regulations 1996. The last review took place for the financial year ended 30 June 2016.
 - b) Bank reconciliations for the municipal account was not reconciled until 17 August 2021, which resulted in 32 backdated payments totalling \$158,301 not being identified in a timely manner. These were subsequently corrected during the audit.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the financial report were supported by verifiable information and reasonable assumptions.

Other information

The other information is the information in the entity's annual report for the year ended 30 June 2021, but not the financial report and my auditor's report. The CEO is responsible for the preparation and the Council for overseeing the other information.

My opinion does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Morawa for the year ended 30 June 2021 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
21 December 2021

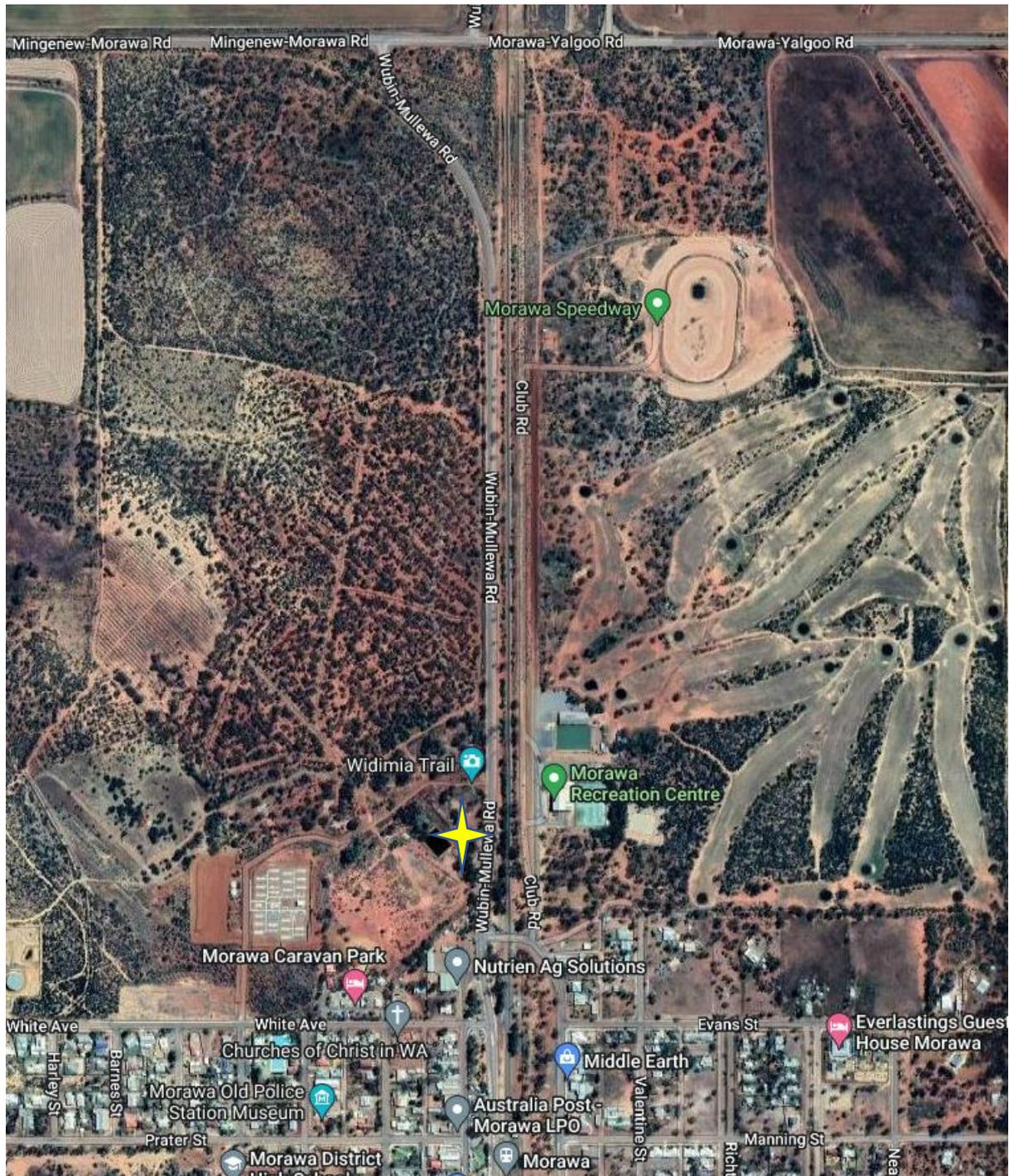
Ordinary Council Meeting 17 March 2022

Attachment 1 Public Art Location 1 towards Mingenew-Morawa Road

Attachment 2 Public Art Location 2 towards Perenjori

Item 11.2.5 Approval to Display Public Art for Morawa Drug Aware Youth Week.

Location towards Mingenew-Morawa Rd



Shire land, potential temporary location for art piece.

Wubin-Mullewa Road before Soloman Tce

Location towards Perenjori



Shire land, potential temporary location for art piece.

Wubin-Mullewa Road near town entry visitors stop point.

Shire of Morawa



Ordinary Council Meeting 17 March 2022

Attachment 1 Minutes of WALGA State Council Meeting
23 February 2022

Item 12.1 Minutes of WALGA State Council Meeting
held 23 February 2022



State Council

Full Minutes

Special Meeting

23 February 2022

Via MS Teams

ORDER OF PROCEEDINGS

OPEN and WELCOME

The Chair declared the meeting open at **4:00pm**.

1. ATTENDANCE, APOLOGIES & ANNOUNCEMENTS

1.1 Attendance

Members	Acting President of WALGA, Northern Country Zone - Chair	President Cr Karen Chappel JP
	Avon-Midland Country Zone	Cr Ken Seymour
	Central Country Zone	President Cr Phillip Blight
	Central Metropolitan Zone	Cr Paul Kelly
	Central Metropolitan Zone	Cr Helen Sadler
	East Metropolitan Zone	Cr Catherine Ehrhardt
	East Metropolitan Zone	Cr John Daw
	Goldfields Esperance Country Zone	President Cr Laurene Bonza
	Gascoyne Country Zone	President Cr Eddie Smith (Deputy)
	Great Eastern Country Zone	President Cr Stephen Strange
	Great Southern Country Zone	President Cr Chris Pavlovich
	Kimberley Country Zone	Cr Chris Mitchell JP
	Murchison Country Zone	Cr Les Price
	North Metropolitan Zone	Cr Frank Cvitan JP
	North Metropolitan Zone	Mayor Mark Irwin
	North Metropolitan Zone	Cr Russ Fishwick JP
	Peel Country Zone	President Cr Michelle Rich
	Pilbara Country Zone	Mayor Peter Long
	South East Metropolitan Zone	Cr Carl Celedin
	South East Metropolitan Zone	Mayor Ruth Butterfield
	South Metropolitan Zone	Cr Doug Thompson
	South Metropolitan Zone	Mayor Carol Adams OAM
	South Metropolitan Zone	Mayor Logan Howlett JP
	South West Country Zone	President Cr Tony Dean
Secretariat	Chief Executive Officer	Mr Nick Sloan
	EM Governance & Organisational Services	Mr Tony Brown
	EM Infrastructure	Mr Ian Duncan
	Acting EM Strategy, Policy & Planning	Ms Nicole Matthews
	Principal Special Projects and Acting EM Communications	Ms Narelle Cant
	Acting EM Commercial	Mr Craig Hansom
	Manager Strategy & Association Governance	Mr Tim Lane
	Manager Governance & Procurement	Mr James McGovern
	Principal, Policy and Advocacy	Ms Kelly McManus
	Governance Specialist	Ms Lyn Fogg
	Governance Specialist	Mr Willem Bouwer
	Procurement Specialist	Ms Tania Narkevich
	Executive Officer Governance	Ms Kathy Robertson
Observers	Deputy State Councillor, Avon-Midland Country Zone	President Cr Rosemary Madacsi
	Deputy State Councillor, Central Country Zone	President Cr Katrina Crute
	Deputy State Councillor, Central Metropolitan Zone	Cr Kerry Smith

Deputy State Councillor, East Metropolitan Zone	Cr Paige McNeil
Deputy State Councillor, Northern Country Zone	President Cr Moira Girando
Deputy State Councillor, Peel Country Zone	Cr Lauren Strange
Deputy State Councillor, South East Metropolitan Zone	Cr Melissa Northcott
City of Albany Chief Executive Officer	Mr Andrew Sharpe
City of Albany Executive Director Corporate and Commercial Services	Mr Duncan Olde
City of Bayswater Councillor	Cr Giorgia Johnson

1.2 Apologies

- State Councillor President Cr Cheryl Cowell, Gascoyne Country Zone
- The Rt. Hon. Lord Mayor Basil Zempilas
- LG Professionals WA President, Ms Annie Riordan

1.3 Announcements

1.3.1 Acknowledgement of Country

WALGA acknowledges the Whadjuk Nyoongar people, the Traditional Custodians of the land on which we meet in person today and acknowledges the Traditional Custodians of the lands on which people are remotely participating in this meeting and pays respect to their Elders past, present and emerging.

1.3.2 Vale Troy Pickard

WA Local Government Association State Council and Staff are greatly saddened at the passing of former WALGA President Troy Pickard.

Mr Pickard was committed to bringing about positive change for his local communities in Stirling and Joondalup and a passionate advocate for the sector at both the State and National level as President of WALGA and the Australian Local Government Association.

Across his 15 years of service as an Elected Member, Troy made an immense contribution to the local communities of Stirling and Joondalup, both as a Councillor and in leadership roles of Deputy Mayor and Mayor.

Mr Pickard made great strides in representing the WA Local Government sector in his roles as WALGA President from 2010 and 2015 and Deputy President for three years prior; and on the national stage as ALGA President from 2014 to 2016 and Deputy President from 2010 to 2014.

He also achieved significant wins for the Local Government sector in his role as ALGA President including securing \$1.1 billion dollars in additional road funding, which formed the biggest single funding commitment from any Federal Government since Federation to the Local Government sector at the time.

Troy will be sadly missed and we offer our condolences to his family and friends.

The Chair provided an opportunity for State Councillors to make comments acknowledging the significant contribution made by Troy.

2. DECLARATIONS OF INTEREST

Pursuant to our Code of Conduct, State Councillors must declare to the Chair any potential conflict of interest they have in a matter before State Council as soon as they become aware of it.

Nil

3. MATTER FOR DECISION

3.1 Local Government Reform Proposal Submission

By Tony Brown, Executive Manager, Governance and Organisational Services & James McGovern, Manager Governance and Procurement

WALGA RECOMMENDATION

1. That the recommendations contained in the *'Local Government Reform Proposal Submission'* be endorsed.
2. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

Executive Summary

- The Minister for Local Government, Hon. John Carey MLA, commenced the consultation period for the Local Government Reform Proposals on 10 November 2021.
- WALGA distributed a Discussion Paper to the sector on 24 November 2021, including commentary on the sector's current positions contained in the reform proposals together with recommendations on new positions required on matters not canvassed in the reforms.
- Feedback from Local Governments was initially requested by 5pm on Wednesday, 12 January 2022, however this was adjusted following the Minister's extension to the consultation period.
- WALGA received 65 submissions by close of response on Friday, 28 January 2022

Attachments

- Local Government Reform Proposal Submission

Policy Implications

The adoption of advocacy positions will inform WALGA policy positions and will be incorporated in WALGA's [Advocacy Positions Manual](#).

Budgetary Implications

Nil

Background

The proposed Local Government Reforms are based on six themes:

1. Earlier intervention, effective regulation and stronger penalties
2. Reducing red tape, increasing consistency and simplicity
3. Greater transparency and accountability
4. Stronger local democracy and community engagement
5. Clear roles and responsibilities
6. Improved financial management and reporting.

Information is available on the [Department of Local Government, Sport and Cultural Industries](#) website.

Comment

65 Local Governments responded by 28 January 2022, categorized by band as follows:

- Band 1 – 17%
- Band 2 – 15%
- Band 3 – 22%
- Band 4 – 46%

The overall response indicates majority support for many of the proposed reforms, most commonly where reforms align with current sector advocacy positions.

There was strong commentary from the sector on the following proposed reforms that were not supported:

Item 6.6 Audit Committees – 89% Opposed

The proposed reform to require a majority of independent members on Audit Committees, and mandate that the Audit Committee chair be an independent person, was strongly challenged. The fundamental purpose of an Audit Committee is to provide the vehicle for governance of a Local Government's affairs, a primary role of Council under Section 2.7(1)(a) of the *Local Government Act 1995* ('the Act'). For this reason, the sector supports a Council Member majority on Audit Committees and acknowledges the role of the Office of the Auditor General as the independent auditor of Local Governments. The sector confirmed that appointing independent members to Audit Committees is supported and practiced, and that Audit Committees can elect an independent member as Chair under provisions of s.5.12 of the Act. The sector supports the concept of shared regional Audit Committees on proviso there be a majority of Council Members, and the payment of meeting fees or defined reimbursements to independent Audit Committee members be legislatively authorised (State Council resolution no. 293.7/2021).

Item 4.3 Introduction of Preferential Voting – 85% Opposed

The sector remains in favour of the first past the post method of vote counting. Risk of the infiltration of party politics, and that preference swapping leading to alliances among candidates has potential for factionalisation of Councils were pre-eminent in the response. First past the post voting remains favoured on the grounds of its simplicity, efficiency, ease of voter understanding, transparency and candidates campaigning based on the merits of the individual. However, if 'first past the post' is not retained then optional preferential voting is preferred.

Item 4.4 Public Vote to Elect Mayor or President of Band 1 and 2 Local Governments – 66% Opposed

Retaining the discretion to choose between popularly-elected Mayors and Presidents of Band 1 and 2 Local Governments remains the favoured option. Respondents queried the lack of detailed benefit of the proposal to enshrine one system of election over another, commenting that the alternate method of election provided under s.2.11 and s.2.12 of the Act permits both a Local Government and electors of the district to exercise agency for change.

Item 4.5 Tiered Limits on the Number of Councillors – 67% Opposed

There is broad support for WALGA's proposed option that Local Governments with populations up to 5,000 be represented by between 5 and 7 Council Members. The remaining categories of representation are supported.

Item 3.5 Chief Executive Officer Key Performance Indicators – 62% Opposed

There is support for the reporting of CEO KPI's that reflect the strategic direction and operational function of the Local Government, to the exclusion of reporting KPI's of a confidential nature (i.e workplace or risk-based matters). There is also support for the exclusion of reporting performance review results which is regarded as a private matter between employer and employee to be maintained as a confidential record of the Local Government.

Local Governments were requested to provide comment on the reform proposal under Item 5.7 'Remove WALGA from the Act'.

The basis of the reform proposal is a recommendation from the Local Government Review Panel that WALGA not be constituted under the Act, with the following comment:

The Panel deliberated the merits of WALGA being constituted under the Local Government Act and determined that it was not appropriate to incorporate a member body under this legislation. This created confusion as to the extent of the Minister's powers over the organisation and WALGA's level of independence.¹

WALGA has concerns that unforeseen negative consequences might arise should the reform proposal proceed in the absence of surety for the protection of the preferred supplier program and mutual insurance scheme provisions that are currently embedded in the Act, the merits of which are supported by the Review Panel. WALGA will continue with the due diligence review of the broader implications of the proposal and will consult further with member Local Governments.

There is significant commentary throughout the sector response that the proposed reforms lack necessary detail in terms of how they will be operationalized, and the associated implications to Local Government in terms of implementation cost and resourcing. WALGA supports the view that additional information is required and that it should be part of future consultation. It is recommended the Minister for Local Government provide assurance that the detail of each proposed reform be the subject of further consultation with the sector.

It is also recommended that once a comprehensive and detailed consultation process has concluded, that WALGA participates in the legislative drafting process to provide an operational perspective necessary to the development of a workable Local Government Act Amendment Bill.

Zone Resolutions

Avon Midland Country Zone	WALGA recommendation supported
Central Metropolitan Zone	WALGA recommendation supported
Gascoyne Zone	WALGA recommendation supported
Kimberley Zone	WALGA recommendation supported
North Metropolitan Zone	WALGA recommendation supported
Pilbara Zone	WALGA recommendation supported
South East Metropolitan Zone	WALGA recommendation supported

SOUTH METROPOLITAN ZONE

1. That the following recommendations contained in the '*Local Government Reform Proposal Submission*' be endorsed subject to the following amendment;
 - a. Item 5.4 Local Governments May Pay Superannuation Contributions for Elected Members – support
 - WALGA supports mandating Local Governments superannuation contributions for Elected Members
2. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and

¹ Local Government Review Panel - Final Report '*Recommendations for a new Local Government Act for Western Australia*' May 2020, page 46

- b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

PEEL COUNTRY ZONE

1. That the recommendations contained in the '*Local Government Reform Proposal Submission*' be endorsed.
2. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.
3. Given the strong feedback from the Sector, that the following recommendations be removed from the reform package:
 - a. Having the majority of the Audit Committee members, including the Chair, be removed;
 - b. Preferential Voting in Local Government Elections be removed;
 - c. Publicly Elected Mayor/Presidents mandate be removed;
 - d. Tiered Limits on the number of Councillors; and that
 - e. CEO Performance Review results remain confidential.

EAST METROPOLITAN ZONE

1. That the recommendations contained in the '*Local Government Reform Proposal Submission*' be endorsed, subject to the following amendment:
 - a. Deletion of optional preferential voting from the submission recommendation for Item 4.3 Introduction for Preferential Voting.
2. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

GREAT EASTERN COUNTRY ZONE

1. That the recommendations contained in the '*Local Government Reform Proposal Submission*' be endorsed, subject to:
 - a. Item 2.2: Support on the basis that there cannot be a one size fits all State-wide approach to crossovers.
2. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

GOLDFIELDS ESPERANCE COUNTRY ZONE

GVROC support the WALGA recommendation as presented.

GVROC also request WALGA State Council to note and consider the Goldfields Zone concerns around continual requests for special electors' meetings being called (e.g. currently around Covid-19 Mandates but also in general) and consider making provision of some form of protection for LGAs in the Act/Regulations that does not allow continued requests on the same matter once Council has resolved a decision for a specified time period (e.g. normal decisions of Councils cannot be revisited at another meeting for at least three months).

SOUTH WEST COUNTRY ZONE

The South West Country Zone supports the WALGA recommendation as presented.

That WALGA advocate to the Minister for Local Government to amend the *Local Government Act 1995* to provide protections against the misuse of special electors meetings by:

1. prohibiting a matter previously considered being resubmitted; and
2. ensuring that motions to be considered are relevant to Local Government.

GREAT SOUTHERN COUNTRY ZONE

That the Great Southern Zone of WALGA:

1. Supports the comments and recommendations made by WALGA in its Local Government Reform Proposal Submission, and
2. Opposes the following three Reform Proposals, namely:
 - 3.5 Chief Executive Officer Key Performance Indicators,
 - 4.3 Introduction of Preferential Voting, and
 - 6.6 Audit Committees

NORTHERN COUNTRY ZONE

1. That the Northern Country Zone of WALGA's position on WALGA's recommendations in the Local Government Reform Proposal Submission is as shown in the table below; and
2. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

REFORM ITEM	NCZ POSITION ON WALGA RECOMMENDATION	COMMENT
3.5 CEO KPIs to be Published	Not Supported	

REFORM ITEM	NCZ POSITION ON WALGA RECOMMENDATION	COMMENT
4.1 Community and Stakeholder Engagement Charters	Conditional Support	1. Depending upon nature/scope of charter this may simply form an additional compliance requirement with no practical benefit – particularly in smaller shires where there is often strong and regular community engagement by virtue of community size - optional for Tier 3 and 4 Local Governments. 2. Agree with Model Charter, but not mandated
5.4 Local Governments May Pay Superannuation Contributions for Elected Members	Not Supported	
5.6 Standardised Election Caretaker Period	Not Supported	
6.6 Audit Committees	Not Supported	

CENTRAL COUNTRY ZONE

1. That the recommendations contained in the ‘Local Government Reform Proposal *Submission*’ be endorsed, subject to the following amendments:
 - a. Item 1.6 Vexatious complaints – Support, subject to:
 - i. The Information Commissioner should also have the power to declare repeated FOI requests as vexatious.
 - ii. Legislation to include the ability of a person to lodge an appeal with the Inspector.
 - b. Item 1.7 Minor Other reforms – Support, subject to:
 - i. Do not support the Minister being the author/publisher of guidance notices.
 - ii. Initial guidance notices should be published by the DG, Dept of Local Government, with subsequent corrective guidance notices coming from the Inspector.
 - iii. Any guidance advice/notices provided should recognise its resourcing implications.
 - c. Item 3.1 Recording and Live Streaming Council meetings – Not Supported
 - d. Item 3.2 Recording All votes – Not Supported
 - e. Item 5.2.3 Elected Member role clarity – Support subject to including reference to the requirement for Councillors to ‘support the decisions of the Council’ which will be important when communicating the decisions of the Council to the community (sub dot point 5).
 - f. Item 5.2.4 CEO Role clarity – Support subject to including reference that the CEO is responsible for the recruitment, and performance management of all staff as indicated in the current Act/Regulations.
 - g. Item 6.2 Simplify Strategic and Financial Planning – Not Supported
 - h. Item 6.6 Audit Committees – Support subject to the requirement for independent members being mandatory not applying to Band 3 and 4 Local Governments.
 - i. Item 3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published – Not Supported
2. That WALGA:

- a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
- b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

MURCHISON COUNTRY ZONE

1. That the Murchison Country Zone of WALGA support the recommendations contained in the Local Government Reform proposal submission subject to the following provisions:

PROPOSED REFORMS	MCZ POSITION ON WALGA RECOMMENDATION	COMMENT
1.5 Rapid Red Card Resolutions	Supported – see comment	The red card should be item specific therefore the Councillor is not removed for the whole meeting.
2.1 Resource Sharing	Supported – see comment	Distances are too vast for the sharing of CEO's in the Murchison. This is already being done for other services where practicable but see no need to enshrine into legislation.
2.6 Standardised Meeting Procedures, Including Public Question Time	Not Supported	We don't agree that small LG's use the same standing orders as a City does. It should be up to each individual council.
3.1 Recordings and Live Streaming of All Council Meetings	Not Supported	
3.2 Recording All Votes in Council Minutes	Not Supported	Our response is we would like it to remain optional.
3.3 Clearer Guidance for Meeting Items that may be Confidential	Supported	We do not support the recording being submitted to the Department on confidential items
3.4 Additional Online Registers	Not Supported	
3.5 CEO KPI's be Published	Not Supported	
4.1 Community and Stakeholder Engagement Charters	Not Supported	
4.5 Tiered Limits on the Number of Councillors	Not Supported and strongly opposed	
5.4 Local Governments May Pay Superannuation Contributions for Elected Members	Not Supported	

5.6 Standardised Election Caretaker period	Not Supported	
5.8 CEO Recruitment	Not Supported	
6.3 Rates and Revenue Policy	Supported with the following considerations – see comment	Acknowledges that mining rates are significantly different to other UV rates and create a new category of rating therefore negating the annual need to apply for Ministerial approval to raise mining rates that are consistently more than two times the pastoral rates. This could also be considered for GRV mining camps. Review of section 6.26 of LG Act in relation to land that is exempt from rates.
6.6 Audit Committees	Not Supported and strongly opposed	
6.7 Building Upgrade Finance	Not Supported	

2. That WALGA:
- a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.

SECRETARIAT COMMENT

There is significant commentary throughout the sector response that the proposed reforms lack necessary detail in terms of how they will be operationalized, and the associated implications to Local Government in terms of implementation cost and resourcing. Additional information is required and should be part of future consultation. It is recommended the Minister for Local Government provide assurance that the detail of each proposed reform be the subject of further consultation with the sector.

Noting the importance of the sector's involvement through WALGA in the detailed design of the proposals, it is suggested that the order of the recommendations be reversed.

COMPOSITE RECOMMENDATION

Moved: Mayor Ruth Butterfield
Seconded: Cr Paul Kelly

1. That WALGA:
 - a. seek assurance from the Minister for Local Government that further detail on the proposed reforms will be provided to the sector for comment prior to the formulation of a draft Local Government Act Amendment Bill; and
 - b. seek a formal commitment from the Minister for Local Government that WALGA actively participates in the legislative drafting process necessary to formulate a draft Local Government Act Amendment Bill.
2. That the recommendations contained in the '*Local Government Reform Proposal Submission*' be endorsed subject to:
 - a. Item 1.6 Vexatious Complaint Referrals: Support proposed reform subject to the legislation to include the ability of a person to lodge an appeal with the Inspector.
 - b. Item 3.3 Clearer Guidance for Meeting Items that may be Confidential: Support proposed reform subject to deleting the requirement to provide confidential items to the DLGSC.
 - c. Item 4.3 Introduction of Preferential Voting:
 1. Oppose the proposal for preferential voting and support 'first past the post' as the method of counting votes.
 2. However, if 'first past the post' is not retained then optional preferential voting is preferred.
 - d. Item 4.4 Public Vote to Elect the Mayor and President: Oppose this proposal and support retaining the current provision, that the election of Mayors and Presidents be at the discretion of each Local Government.
 - e. Item 5.2.4 CEO Role: Support proposed reform subject to including reference that the CEO is responsible for the recruitment, and performance management of all staff as indicated in the current Act/Regulations.
 - f. Additional Reform Proposal: Elector's Meetings: That WALGA advocate to the Minister for Local Government to amend the *Local Government Act 1995* to provide protections against the misuse of special electors meetings by:
 1. prohibiting a matter previously considered being resubmitted; and
 2. ensuring that motions to be considered are relevant to Local Government.

RESOLUTION 312.1/2022

CARRIED BY ABSOLUTE MAJORITY

4 CLOSURE

There being no further business, the Chair declared the meeting closed at **4:38pm**.

Local Government Reform Proposal

Submission

February 2022

About WALGA

The WA Local Government Association (WALGA) is working for Local Government in Western Australia. As the peak industry body, WALGA advocates on behalf of 139 Western Australian Local Governments. As the united voice of Local Government in Western Australia, WALGA is an independent, membership-based organization representing and supporting the work and interests of Local Governments in Western Australia. WALGA provides an essential voice for 1,215 Elected Members, approximately 22,000 Local Government employees (16,500 Full Time Equivalents) as well as over 2.5 million constituents of Local Governments in Western Australia.

Contacts

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Local Government Act Review Process

WALGA, through consultation with the Local Government Sector, endorsed sector advocacy positions relating to Local Government Act amendments in March 2019 and December 2020. These advocacy positions were developed considering (but not limited to):

- The Department of Local Government, Sport and Cultural Industries (DLGSC) consultation on Act Reform (2017-2020)
- The City of Perth Inquiry Report (mid 2020)
- The State Parliament's Select Committee Report into Local Government (late 2020)

In December 2020, WALGA endorsed the following principles for any review of the Local Government Act:

Local Government Reform – WALGA Principles

That the following key principles be embodied in the Local Government Act:

1. Uphold the general competence principle currently embodied in the Local Government Act
2. Provide for a flexible, principles-based legislative framework
3. Promote a size and scale compliance regime
4. Promote enabling legislation that empowers Local Government to carry out activities beneficial to its community taking into consideration Local Governments' role in creating a sustainable and resilient community through:
 - a. Economic development
 - b. Environmental protection, and
 - c. Social advancement
5. Avoid red tape and 'de-clutter' the extensive regulatory regime that underpins the Local Government Act, and
6. The State Government must not assign legislative responsibilities to Local Governments unless there is provision for resources required to fulfil the responsibilities.

It is worth noting that of the above principles, items 1, 2 and 3 are addressed in these legislative reform proposals and principles 4 and 5 are partially addressed.

Local Government Response

WALGA released the Local Government Reform Proposals – Summary of Proposed Reforms Discussion Paper on 24 November 2021, calling for a response by 28 January 2022.

This document is based on submissions made by 65 respondent Local Governments. The overall response indicates majority support for many of the proposed reforms, most commonly where reforms align with current sector advocacy positions.

Key Issues

The submissions included strong commentary on the following proposed reforms that are of concern:

Item 6.6 Audit Committees

The proposed reform to require a majority of independent members on Audit Committees, and mandate that the Audit Committee chair be an independent person, was strongly challenged. A fundamental purpose of an Audit Committee is to provide the vehicle for governance of a Local Government's affairs, and this links directly with the role of Council under Section 2.7(1)(a) of the *Local Government Act* ('the Act'). For this

Local Government Reform Proposal Submission

reason, the sector supports a Council Member majority on Audit Committees and acknowledges the role of the Office of the Auditor General as the independent auditor of Local Governments. The sector confirmed that appointing independent members to Audit Committees is supported and practiced, and that Audit Committees can elect an independent member as Chair under provisions of s.5.12 of the Act. The sector supports the concept of shared regional Audit Committees on proviso there be a majority of Council Members, and the payment of meetings fees or defined reimbursements to independent Audit Committee members be legislatively authorised.

Item 4.3 Introduction of Preferential Voting

The sector remains in favour of the first past the post method of vote counting. Risk of the infiltration of party politics, and that preference swapping leading to alliances amongst candidates has potential for factionalisation of Councils, were pre-eminent in the response. 'First past the post' voting remains favoured on the grounds of its simplicity, efficiency, ease of voter understanding, transparency and candidates campaigning based on the merits of the individual. However, if 'first past the post' is not retained, then optional preferential voting is preferred.

Item 4.4 Public Vote to Elect Mayor or President of Band 1 and 2 Local Governments

Retaining the discretion to choose between popularly-elected Mayors and Presidents of Band 1 and 2 Local Governments remains the favoured option. Respondents queried the lack of detailed benefit of the proposal to enshrine one system of election over another, commenting that the alternate method of election provided under s.2.11 and s.2.12 of the Act permits both a Local Government and electors of the district to exercise agency for change.

Item 4.5 Tiered Limits on the Number of Councillors

There is broad support for WALGA's proposed option that Local Governments with populations up to 5,000 be represented by between 5 and 7 Council Members. The remaining categories of representation are supported.

Item 3.5 Chief Executive Officer Key Performance Indicators

There is support for the reporting of CEO KPIs that reflect the strategic direction and operational function of the Local Government, to the exclusion of reporting KPIs of a confidential nature (i.e. workplace or risk-based matters). There is also support for the exclusion of reporting performance review results which is regarded as a private matter between employer and employee, to be maintained as a confidential record of the Local Government.

The following provides a detailed response to each legislative reform proposal.

Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>1.1 Early Intervention Powers</p>	
<ul style="list-style-type: none"> • It is proposed to establish a Chief Inspector of Local Government (the Inspector), supported by an Office of the Local Government Inspector (the Inspectorate). • The Inspector would receive minor and serious complaints about elected members. • The Inspector would oversee complaints relating to local government CEOs. • Local Governments would still be responsible for dealing with minor behavioural complaints. • The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified. • The Inspector would have the authority to assess, triage, refer, investigate, or close complaints, having regard to various public interest criteria – considering laws such as the <i>Corruption, Crime and Misconduct Act 2003</i>, the <i>Occupational Safety and Health Act 1984</i>, the <i>Building Act 2011</i>, and other legislation. • The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism. • The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations. • The Inspector would be supported by a panel of Local Government Monitors (see item 1.2). • The existing Local Government Standards Panel would be replaced with a new Conduct Panel (see item 1.3). • Penalties for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4). • These reforms would be supported by new powers to more quickly resolve issues within local government (see items 1.5 and 1.6). 	<p>Current Local Government Position Items 1.1, 1.2 and 1.3 generally align with WALGA Advocacy Position 2.6.8 - ‘Establish Office of Independent Assessor’</p> <p><i>The Local Government sector supports:</i></p> <ol style="list-style-type: none"> 1. <i>Establishing an Office of the Independent Assessor to replace the Standards Panel to provide an independent body to receive, investigate and assess complaints against Elected Members and undertake inquiries.</i> 2. <i>Remove the CEO from being involved in processing complaints.</i> 3. <i>That an early intervention framework of monitoring to support Local Governments be provided with any associated costs to be the responsibility of the State Government.</i> 4. <i>An external oversight model for local level behavioural complaints made under Council Member, Committee Member and Candidate Codes of Conduct, that is closely aligned to the Victorian Councillor Complaints Framework.</i> <p>Comment The Local Government sector is in favour of early intervention and a swift response to potentially disruptive or dysfunctional behaviours. The Proposed Reforms state ‘<i>Local Governments would still be responsible for dealing with minor behavioural complaints</i>’ and therefore do not go as far as the Sector’s recent request for an external oversight model for the independent assessment of local level complaints (State Council Res: 264.5/2021 – September 2021). However this will be mitigated with the Inspector able to respond to a Local Government having unresolved matters by appointing a monitor to assist the Local Government.</p> <p>It is expected the Local Government Inspectorate would be funded by the State Government, however it is noted that the cost of the Local Government Monitors and the Conduct Panel would be borne by the Local Government concerned.</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
	<p><u>Recommendation – Items 1.1 to 1.3</u></p> <ol style="list-style-type: none"> 1. Support the proposed reforms as they align with the sectors position on external oversight and support. 2. Request the Minister to explore alternate mechanisms for resolving local level complaints.
<p>1.2 Local Government Monitors</p>	
<ul style="list-style-type: none"> • A panel of Local Government Monitors would be established. • Monitors could be appointed by the Inspector to go into a local government and try to resolve problems. • The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence. • Monitors would be qualified specialists, such as: <ul style="list-style-type: none"> ○ Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators ○ Dispute resolution experts - to address the breakdown of professional working relationships ○ Certified Practicing Accountants and other financial specialists - to assist with financial management and reporting issues ○ Governance specialists and lawyers - to assist councils resolve legal issues ○ HR and procurement experts - to help with processes like recruiting a CEO or undertaking a major land transaction. • Only the Inspector would have the power to appoint Monitors. • Local governments would be able to make requests to the Inspector to appoint Monitors for a specific purpose. <p>Monitor Case Study 1 – Financial Management</p> <p>The Inspector receives information that a local government is not collecting rates correctly under the <i>Local Government Act 1995</i>. Upon initial review, the Inspector identifies that there may be a problem. The Inspector appoints a Monitor who specialises in financial management in local government. The Monitor visits the local government and identifies that the system used to manage rates is not correctly issuing rates notices. The Monitor works with</p>	<p>As above</p> <p><u>Recommendation – Items 1.1 to 1.3</u></p> <ol style="list-style-type: none"> 1. Support the proposed reforms as they align with the sectors position on external oversight and support. 2. Request the Minister to explore alternate mechanisms for resolving local level complaints.

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>the local government to rectify the error, and issue corrections to impacted ratepayers.</p> <p>Monitor Case Study 2 – Dispute Resolution The Inspector receives a complaint from one councillor that another councillor is repeatedly publishing derogatory personal attacks against another councillor on social media, and that the issue has not been able to be resolved at the local government level. The Inspector identifies that there has been a relationship breakdown between the two councillors due to a disagreement on council.</p> <p>The Inspector appoints a Monitor to host mediation sessions between the councillors. The Monitor works with the councillors to address the dispute. Through regular meetings, the councillors agree to a working relationship based on the council’s code of conduct. After the mediation, the Monitor occasionally makes contact with both councillors to ensure there is a cordial working relationship between the councillors.</p>	
<p>1.3 Conduct Panel</p>	
<ul style="list-style-type: none"> • The Standards Panel is proposed to be replaced with a new Local Government Conduct Panel. • The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to serve on the Conduct Panel. • The Inspector would provide evidence to the Conduct Panel for adjudication. • The Conduct Panel would have powers to impose stronger penalties – potentially including being able to suspend councillors for up to three months, with an appeal mechanism. • For very serious or repeated breaches of the Local Government Act, the Conduct Panel would have the power to recommend prosecution through the courts. • Any person who is subject to a complaint before the Conduct Panel would have the right to address the Conduct Panel before the Panel makes a decision. 	<p>As above</p> <p><u>Recommendation – Items 1.1 to 1.3</u></p> <ol style="list-style-type: none"> 1. Support the proposed reforms as they align with the sectors position on external oversight and support. 2. Request the Minister to explore alternate mechanisms for resolving local level complaints.

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>1.4 Review of Penalties</p>	
<ul style="list-style-type: none"> • Penalties for breaching the Local Government Act are proposed to be strengthened. • It is proposed that the suspension of councillors (for up to three months) is established as the main penalty where a councillor breaches the Local Government Act or Regulations on more than one occasion. • Councillors who are disqualified would not be eligible for sitting fees or allowances. They will also not be able to attend meetings, or use their official office (such as their title or council email address). • It is proposed that a councillor who is suspended multiple times may become disqualified from office. • Councillors who do not complete mandatory training within a certain timeframe will also not be able to receive sitting fees or allowances. 	<p><u>Current Local Government Position</u> Items 1.4 and 1.5 <u>expand upon</u> Advocacy Position 2.6.9 - ‘Stand Down Proposal’</p> <p><i>WALGA supports, in principle, a proposal for an individual elected member to be ‘stood down’ from their duties when they are under investigation, have been charged, or when their continued presence prevents Council from properly discharging its functions or affects the Council’s reputation, subject to further policy development work being undertaken. Further policy development of the Stand Down Provisions must involve active consultation with WALGA and specific consideration of the following issues of concern to the Sector:</i></p> <ol style="list-style-type: none"> 1. <i>That the Department of Local Government endeavour to ensure established principles of natural justice and procedural fairness are embodied in all aspects of the proposed Stand Down Provisions; and</i> 2. <i>That activities associated with the term ‘disruptive behaviour’, presented as reason to stand down a defined Elected Member on the basis their continued presence may make a Council unworkable, are thoroughly examined and clearly identified to ensure there is awareness, consistency and opportunity for avoidance.</i> <p>Comment The Local Government sector has long-standing advocacy positions supporting stronger penalties as a deterrent to disruptive Council Member behaviours. Clear guidance will be required to ensure there is consistent application of the power given to Presiding Members.</p> <p><u>Recommendation - Item 1.4</u> Supported</p>
<p>1.5 Rapid Red Card Resolutions</p>	
<ul style="list-style-type: none"> • It is proposed that Standing Orders are made consistent across Western Australia (see item 2.6). Published recordings of all meetings would also become standard (item 3.1). 	

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<ul style="list-style-type: none"> • It is proposed that Presiding Members have the power to “red card” any attendee (including councillors) who unreasonably and repeatedly interrupt council meetings. This power would: <ul style="list-style-type: none"> ○ Require the Presiding Member to issue a clear first warning ○ If the disruptions continue, the Presiding Member will have the power to “red card” that person, who must be silent for the rest of the meeting. A councillor issued with a red card will still vote, but must not speak or move motions ○ If the person continues to be disruptive, the Presiding Member can instruct that they leave the meeting. • Any Presiding Member who uses the “red card” or ejection power will be required to notify the Inspector. • Where an elected member refuses to comply with an instruction to be silent or leave, or where it can be demonstrated that the presiding member has not followed the law in using these powers, penalties can be imposed through a review by the Inspector. 	<p><u>Recommendation - Item 1.5</u> Supported subject to a provision permitting council members to call a point of order to overrule the presiding member by absolute majority.</p>
<p>1.6 Vexatious Complaint Referrals</p>	
<ul style="list-style-type: none"> • Local governments already have a general responsibility to provide ratepayers and members of the public with assistance in responding to queries about the local government’s operations. Local governments should resolve queries and complaints in a respectful, transparent and equitable manner. • Unfortunately, local government resources can become unreasonably diverted when a person makes repeated vexatious queries, especially after a local government has already provided a substantial response to the person’s query. • It is proposed that if a person makes repeated complaints to a local government CEO that are vexatious, the CEO will have the power to refer that person’s complaints to the Inspectorate, which after assessment of the facts may then rule the complaint vexatious. 	<p><u>Current Local Government Position</u> Item 1.6 <u>expands upon</u> Advocacy Position 2.6.11 – ‘Vexatious complainants in relation to FOI applications’ <i>WALGA advocates for the Freedom of Information Act 1992 (WA) to be reviewed, including consideration of:</i></p> <ol style="list-style-type: none"> 1. <i>Enabling the Information Commissioner to declare vexatious applicants similar to the provisions of section 114 of the Right to Information Act 2009 (QLD);</i> 2. <i>Enabling an agency to recover reasonable costs incurred through the processing of a Freedom of Information access application where the application is subsequently withdrawn; and</i> 3. <i>Modernisation to address the use of electronic communications and information.</i> <p>Comment The Act has been expanded significantly in recent years to permit an increased level of public involvement, scrutiny and access to information</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
	<p>relating to the decisions, operations and affairs of Local Government in WA. Introducing a means to limit capacity for unreasonable complainants to negatively impact Local Governments will provide a necessary balance between the openness and transparency of the sector and the reasonable entitlement of citizens to interact with their Local Government.</p> <p><u>Recommendation – Item 1.6</u> Supported, subject to the legislation including the ability of a person to lodge an appeal with the Inspector.</p>
1.7 Minor Other Reforms	
<ul style="list-style-type: none"> • Potential other reforms to strengthen guidance for local governments are being considered. • For example, one option being considered is the potential use of sector-wide guidance notices. Guidance notices could be published by the Minister or Inspector, to give specific direction for how local governments should meet the requirements of the Local Government Act and Regulations. For instance, the Minister could publish guidance notices to clarify the process for how potential conflicts of interests should be managed. • It is also proposed (see item 1.1) that the Inspector has the power to issue notices to individual local governments to require them to rectify non-compliance with the Act or Regulations. 	<p><u>Current Local Government Position</u> Item 1.7 aligns with Advocacy Position 2.6 - ‘Support DLGSC as service provider / capacity builder’</p> <p><i>WALGA supports the continuance of the Department of Local Government, Sport and Cultural Industries as a direct service provider of compliance and recommend the Department fund its capacity building role through the utilisation of third party service providers. In addition, WALGA calls on the State Government to ensure there is proper resourcing of the Department of Local Government, Sport and Cultural Industries to conduct timely inquiries and interventions when instigated under the provisions of the Local Government Act 1995.</i></p> <p>Comment Operational guidance from the Department of Local Government, Sport and Cultural Industries leads to consistent understanding and application of statutory provisions by Local Government. The proposed reform that the Inspector issue non-compliance notices appears to replicate the Minister’s powers under Section 9.14A – ‘Notice to prevent continuing contravention’.</p> <p><u>Recommendation – Item 1.7</u> Supported</p>

Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
2.1 Resource Sharing	
<ul style="list-style-type: none"> • Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees. • Local governments in bands 2, 3 or 4 would be able to appoint a shared CEO at up to two salary bands above the highest band. For example, a band 3 and a band 4 council sharing a CEO could remunerate to the level of band 1. 	<p><u>Current Local Government Position</u> Item 2.1 aligns with Advocacy Position 2.6 – Local Government Legislation – ‘Avoid red tape and ‘de-clutter’ the extensive regulatory regime that underpins the Local Government Act’ and Advocacy Position 2.3.1 - ‘Regional Collaboration’.</p> <p><i>Local Governments should be empowered to form single and joint subsidiaries, and beneficial enterprises. In addition, compliance requirements of Regional Councils should be reviewed and reduced.</i></p> <p>Comment The proposed reforms will rely upon statutory provisions that enable and enhance regional collaboration. Recent over-regulation of Regional Subsidiaries in 2016 resulted in no subsidiaries being formed since that time.</p> <p><u>Recommendation – Item 2.1</u> Supported</p>
2.2 Standardisation of Crossovers	
<ul style="list-style-type: none"> • It is proposed to amend the <i>Local Government (Uniform Local Provisions) Regulations 1996</i> to standardise the process for approving crossovers for residential properties and residential developments on local roads. • A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this. • The DLGSC will work with the sector to develop standardised design and construction standards. 	<p><u>Current Local Government Position</u></p> <p>Comment WALGA developed the Template Crossover Guideline and Specification resource in 2017 and have been part of the Minister’s working group on red tape reduction that has been looking at standardisation of crossovers.</p> <p>It is envisaged that the process for crossovers will be standardised, however the design standards would be different dependant on location.</p> <p><u>Recommendation – Item 2.2</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
2.3 Introduce Innovation Provisions	
<ul style="list-style-type: none"> • New provisions are proposed to allow exemptions from certain requirements of the <i>Local Government Act 1995</i>, for: <ul style="list-style-type: none"> ○ Short-term trials and pilot projects ○ Urgent responses to emergencies. 	<p>Comment It is arguable communities expect all levels of Government will apply innovative solutions to complex and emerging issues difficult to resolve by traditional means. Exemptions constructed with appropriate checks and balances, particularly where expenditure of public funds are concerned, has potential to facilitate efficient and effective outcomes.</p> <p><u>Recommendation – Item 2.3</u> Supported</p>
2.4 Streamline Local Laws	
<ul style="list-style-type: none"> • It is proposed that local laws would only need to be reviewed by the local government every 15 years. • Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable. • Local governments adopting Model Local Laws will have reduced advertising requirements. 	<p><u>Current Local Government Position</u> Items 2.4, 2.5 and 2.6 <u>expand upon</u> Advocacy Position 2.6.35 - ‘Local law-making process should be simplified’.</p> <p><i>The Local Law making process should be simplified as follows:</i></p> <ul style="list-style-type: none"> • <i>The requirement to give state-wide notice should be reviewed, with consideration given to Local Governments only being required to provide local public notice;</i> • <i>Eliminate the requirement to consult on local laws when a model is used;</i> • <i>Consider deleting the requirement to review local laws periodically. Local Governments, by administering local laws, will determine when it is necessary to amend or revoke a local law; and</i> • <i>Introduce certification of local laws by a legal practitioner in place of scrutiny by Parliament’s Delegated Legislation Committee.</i> <p>Comment Proposed reforms meet the Sector’s preference for simplified local law-making processes. Model local laws are supported, whilst recognising the models themselves will require review by State Government departments with the relevant administrative responsibility. For example, the Model Local Law (Standing Orders) 1998 formed the basis of many Local Government meeting procedures local law but no review was completed. This model was</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
	<p>superseded by individual local laws with added contemporary provisions. This pattern will repeat itself if model local laws are not reviewed to remain contemporary to the Sector’s requirements.</p> <p><u>Recommendation – Items 2.4 to 2.6</u> Supported</p>
<p>2.5 Simplifying Approvals for Small Business and Community Events</p>	
<ul style="list-style-type: none"> • Proposed reforms would introduce greater consistency for approvals for: <ul style="list-style-type: none"> ○ alfresco and outdoor dining ○ minor small business signage rules ○ running community events. 	<p>As above</p> <p><u>Recommendation – Items 2.4 to 2.6</u> Supported</p>
<p>2.6 Standardised Meeting Procedures, Including Public Question Time</p>	
<ul style="list-style-type: none"> • To provide greater clarity for ratepayers and applicants for decisions made by council, it is proposed that the meeting procedures and standing orders for all local government meetings, including for public question time, are standardised across the State. • Regulations would introduce standard requirements for public question time, and the procedures for meetings generally. • Members of the public across all local governments would have the same opportunities to address council and ask questions. 	<p>As above</p> <p><u>Recommendation – Items 2.4 to 2.6</u> Supported</p>
<p>2.7 Regional Subsidiaries</p>	
<ul style="list-style-type: none"> • Work is continuing to consider how Regional Subsidiaries can be best established to: <ul style="list-style-type: none"> ○ Enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments ○ Provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds ○ Where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk 	<p><u>Current Local Government Position</u> Item 2.7 aligns with Advocacy Position 2.3.1 - ‘Regional Collaboration’: <i>Local Governments should be empowered to form single and joint subsidiaries, and beneficial enterprises. In addition, compliance requirements of Regional Councils should be reviewed and reduced.</i></p> <p>Comment Under the Regional Subsidiary model, two or more Local Governments can</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<ul style="list-style-type: none"> ○ Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments. 	<p>establish a regional subsidiary to undertake a shared service function on behalf of its member Local Governments. The model provides increased flexibility when compared to the Regional Local Government model because regional subsidiaries are primarily governed and regulated by a charter rather than legislation. While the regional subsidiary model’s governance structure is primarily representative, it allows independent and commercially focussed directors to be appointed to the board of management.</p> <p>A key advantage of the regional subsidiary model is the use of a charter, as opposed to legislation, as the primary governance and regulatory instrument. Accordingly, the legislative provisions governing the establishment of regional subsidiaries should be light, leaving most of the regulation to the regional subsidiary charter, which can be adapted to suit the specific circumstances of each regional subsidiary.</p> <p><u>Recommendation – Item 2.7</u> Supported subject to the use of a charter as the primary governance and regulatory instrument.</p>

Theme 3: Greater Transparency & Accountability

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
3.1 Recordings and Live-Streaming of All Council Meetings	
<ul style="list-style-type: none"> • It is proposed that all local governments will be required to record meetings. • Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives. • Band 1 and 2 are larger local governments are generally located in larger urban areas, with generally very good telecommunications infrastructure, and many already have audio-visual equipment. • Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives. • Several local governments already use platforms such as YouTube, Microsoft Teams, and Vimeo to stream and publish meeting recordings. • Limited exceptions would be made for meetings held outside the ordinary council chambers, where audio recordings may be used. • Recognising their generally smaller scale, typically smaller operating budget, and potential to be in more remote locations, band 3 and 4 local governments would be required to record and publish audio recordings, at a minimum. These local governments would still be encouraged to livestream or video record meetings. • All council meeting recordings would need to be published at the same time as the meeting minutes. Recordings of all confidential items would also need to be submitted to the DLGSC for archiving. 	<p><u>Current Local Government Position</u> Item 3.1 expands upon Advocacy Position 2.6 – ‘Promote a size and scale compliance regime’ and Advocacy Position 2.6.31 - ‘Attendance at Council Meetings by Technology’</p> <p><i>A review of the ability of Elected Members to log into Council meetings should be undertaken.</i></p> <p>Comment Local Governments introducing electronic meeting procedures and the means for remote public attendance in response to the COVID-19 pandemic led to a swift uptake of streaming Council meetings. The proposed reform that Band 1 and 2 Local Governments will be required to livestream meetings may be problematic where technical capability such as reliable bandwidth impacts the district.</p> <p>The sector does not support the requirement to submit recordings of confidential items to the Department. Confidential items may include legal advice which is subject to legal privilege. Such privilege is at risk of being lost by the dissemination of the advice.</p> <p><u>Recommendation – Item 3.1</u></p> <ol style="list-style-type: none"> 1. Support live streaming the ordinary and special council meetings of Band 1 and 2 Local Governments and audio recording the ordinary and special council meetings of Band 3 and 4 Local Governments. 2. Do not support archiving the recordings of confidential matters by the Department of Local Government, Sport and Cultural Industries.

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
3.2 Recording All Votes in Council Minutes	
<ul style="list-style-type: none"> To support the transparency of decision-making by councillors, it is proposed that the individual votes cast by all councillors for all council resolutions would be required to be published in the council minutes, and identify those for, against, on leave, absent or who left the chamber. Regulations would prescribe how votes are to be consistently minuted. 	<p>Comment There is an evolving common practice that Council Minutes record the vote of each Council Member present at a meeting.</p> <p><u>Recommendation – Item 3.2</u> Supported</p>
3.3 Clearer Guidance for Meeting Items that may be Confidential	
<ul style="list-style-type: none"> Recognising the importance of open and transparent decision-making, it is considered that confidential meetings and confidential meeting items should only be used in limited, specific circumstances. It is proposed to make the Act more specific in prescribing items that may be confidential, and items that should remain open to the public. Items not prescribed as being confidential could still be held as confidential items only with the prior written consent of the Inspector. All confidential items would be required to be audio recorded, with those recordings submitted to the DLGSC (see Item 3.1). 	<p>Comment Clarifying the provisions of the Act has broad support within the sector. New reforms requiring Local Governments to video or audio record Council meetings (Item 3.1) will add to the formal record of proceedings that includes written Minutes. While being supported, the requirement to provide audio recordings of confidential matters to the DLGSC is queried on the basis that written and audio records can be readily accessed from a Local Government if required.</p> <p>The sector has concerns with submitting confidential items to the DLGSC is supported.</p> <p><u>Recommendation – Item 3.3</u> Supported, subject to deleting the requirement to provide confidential items to the DLGSC.</p>
3.4 Additional Online Registers	
<ul style="list-style-type: none"> It is proposed to require local governments to report specific information in online registers on the local government’s website. Regulations would prescribe the information to be included. The following new registers, each updated quarterly, are proposed: <ul style="list-style-type: none"> Lease Register to capture information about the leases the local government is party to (either as lessor or lessee) Community Grants Register to outline all grants and funding 	<p>Comment This proposal follows recent Act amendments that ensure a range of information is published on Local Government websites. WALGA has sought clarity that the contracts register excludes contracts of employment.</p> <p><u>Recommendation – Item 3.4</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>provided by the local government</p> <ul style="list-style-type: none"> ○ Interests Disclosure Register which collates all disclosures made by elected members about their interests related to matters considered by council ○ Applicant Contribution Register accounting for funds collected from applicant contributions, such as cash-in-lieu for public open space and car parking ○ Contracts Register that discloses all contracts above \$100,000. 	
<p>3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published</p>	
<ul style="list-style-type: none"> ● To provide for minimum transparency, it is proposed to mandate that the KPIs agreed as performance metrics for CEOs: <ul style="list-style-type: none"> ○ Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period) ○ The KPIs and the results be published in the minutes of the performance review meeting (at the end of the period) ○ The CEO has a right to provide written comments to be published alongside the KPIs and results to provide context as may be appropriate (for instance, the impact of events in that year that may have influenced the results against KPIs). 	<p>Comment</p> <p>In principle, this proposal has some merit and would be particularly effective if all CEO KPIs consistently reflect Strategic Community Plans and Corporate Business Plans of Local Governments, together with KPIs reflective of the CEO’s statutory functions under Section 5.41 of the Act. This approach would inform the community of the CEO’s performance related to the strategic direction and operational function of the Local Government.</p> <p>In practice, the drafting of statutory provisions will require sensitive consideration of certain KPIs i.e. those relating to issues affecting the workplace or identified risk-based concerns, to reflect the way Audit Committees currently deal with some internal control, risk and legislative compliance issues confidentially. This approach will protect the interests of Local Governments and other parties associated with such KPIs. It would be prudent for exemptions to be provided, based on matters of confidentiality. The proposed reforms and recent Act amendments signal a clear intent to permit closer community involvement and scrutiny of Local Government. However, negative consequences are likely if Local Government Council’s responsibility as the employing authority of the CEO became blurred due to perceived community entitlement to comment, question and influence KPIs and the performance review process. Additionally, the publication of CEO KPI’s will elevate this employment position to a high degree of public scrutiny seldom evident in the public or private sector, if at all. It is worth investigating whether the proposed reforms considered whether this factor could impact on the recruitment of</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
	<p>CEO's, particularly from outside the Local Government sector. The results of performance reviews should be confidential information between the employer and employee and should not be published and should remain within the confidential human resource records of the organisation.</p> <p><u>Recommendation – Item 3.5</u></p> <ol style="list-style-type: none"> 1. Conditionally support the reporting of CEO KPIs that are consistent with the strategic direction and operational function of the Local Government, subject to exemptions for publishing KPI's of a confidential nature; 2. Do not support the results of performance reviews being published.

Theme 4: Stronger Local Democracy and Community Engagement

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>4.1 Community and Stakeholder Engagement Charters</p>	
<ul style="list-style-type: none"> It is proposed to introduce a requirement for local governments to prepare a community and stakeholder engagement charter which sets out how local government will communicate processes and decisions with their community. A model Charter would be published to assist local governments who wish to adopt a standard form. 	<p><u>Current Local Government Position</u> Items 4.1 and 4.2 generally align with Advocacy Position 2.6.34 - ‘Support responsive, aspirational and innovative community engagement principles’</p> <p><i>The Local Government sector supports:</i></p> <ol style="list-style-type: none"> Responsive, aspirational and innovative community engagement principles Encapsulation of aims and principles in a community engagement policy, and The option of hosting an Annual Community Meeting to present on past performance and outline future prospects and plans. <p>Comment As indicated in Item 4.1 commentary, many Local Governments have already developed stakeholder engagement charters, or similar engagement strategies, that reflect their unique communities of interest. The development of guidance by the DLGSC, based on standards such as the International Standard for Public Participation practice, is supported in favour of taking a prescriptive approach or conducting a survey for the sake of a survey. Item 4.2 has potential to provide benchmarking of community satisfaction levels across Band 1 and 2 Local Governments.</p> <p><u>Recommendation – Item 4.1</u> Supported</p>
<p>4.2 Ratepayer Satisfaction Surveys (Band 1 and 2 local governments only)</p>	
<ul style="list-style-type: none"> It is proposed to introduce a requirement that every four years, all local governments in bands 1 and 2 hold an independently-managed ratepayer satisfaction survey. Results would be required to be reported publicly at a council meeting 	<p><u>Recommendation – Item 4.2</u> Support the conduct of community, rather than ratepayer, satisfaction surveys.</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>and published on the local government’s website.</p> <ul style="list-style-type: none"> All local governments would be required to publish a response to the results. 	
<p>4.3 Introduction of Preferential Voting</p>	
<ul style="list-style-type: none"> Preferential voting is proposed be adopted as the method to replace the current first past the post system in local government elections. In preferential voting, voters number candidates in order of their preferences. Preferential voting is used in State and Federal elections in Western Australia (and in other states). This provides voters with more choice and control over who they elect. All other states use a form of preferential voting for local government. 	<p><u>Current Local Government Position</u> Item 4.3 <u>does not align</u> with Advocacy Position 2.5.1 – ‘First Past the Post voting system’</p> <p><i>The Local Government sector supports:</i></p> <ol style="list-style-type: none"> Four year terms with a two year spill Greater participation in Local Government elections The option to hold elections through: <ul style="list-style-type: none"> Online voting Postal voting, and In-person voting Voting at Local Government elections to be voluntary The first past the post method of counting votes <p>Comment</p> <p>It should be noted that the sector’s advocacy against compulsory voting and ‘All in, All out’ 4 year terms has been successful and these items are not included in the reform proposals.</p> <p>The introduction of preferential voting will be a return to the system of voting prior to the <i>Local Government Act 1995</i>. The Local Government Advisory Board reported on voting systems in 2006 (<i>Local Government Structural Reform in Western Australia: Ensuring the Future Sustainability of Communities</i>) and provided the following comments in support of both first past the post voting and preferential voting: <i>‘Comments in support of retaining first past the post include:</i></p> <ul style="list-style-type: none"> Quick to count. Preferential voting is time consuming to count. Easily understood. Removes politics out of campaigning. Preferential will encourage

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
	<p><i>alliances formed for the distribution of preferences and party politics into local government.</i></p> <ul style="list-style-type: none"> • <i>Preferential voting allows election rigging through alliances or ‘dummy’ candidates.</i> • <i>In a preferential system, the person that receives the highest number of first preference votes does not necessarily get elected.’</i> <p><i>‘Comments in support of replacing first past the post include:</i></p> <ul style="list-style-type: none"> • <i>Preferential voting is more democratic and removes an area of confusion.</i> • <i>Preferential voting ensures that the most popular candidates are elected who best reflect the will of the voters.</i> • <i>Preferential system should be introduced. In FPP elections, candidates work together to get votes for each other. Preferential would make it more difficult for this practice to take place.</i> • <i>FPP does not adequately reflect the wishes of electors when there are three candidates or more.</i> • <i>FPP is unsuitable when there is more than one vacancy.</i> • <i>Allows for a greater representation from a range of interest groups and prevents domination of elections by mainstream party politics.’</i> <p>The Sector supports first past the post voting for its simplicity and fundamental apolitical nature, therefore the proposed reforms are not supported.</p> <p>A number of Local Governments raised the need for a fall back position if this proposal is progressed by the State Government. Optional Preferential voting was considered as the better preferential voting system according to the feedback.</p> <p><u>Recommendation – Item 4.3</u></p> <ol style="list-style-type: none"> 1. Oppose the proposal for preferential voting and support first past the post method of counting votes. 2. However, if ‘first past the post’ is not retained then optional preferential voting is preferred.

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
4.4 Public Vote to Elect the Mayor and President	
<ul style="list-style-type: none"> • Mayors and Presidents of all local governments perform an important public leadership role within their local communities. • Band 1 and 2 local governments generally have larger councils than those in bands 3 and 4. • Accordingly, it is proposed that the Mayor or President for all band 1 and 2 councils is to be elected through a vote of the electors of the district. Councils in bands 3 and 4 would retain the current system. • A number of Band 1 and Band 2 councils have already moved towards Public Vote to Elect the Mayor and President in recent years, including City of Stirling and City of Rockingham. 	<p><u>Current Local Government Position</u> Item 4.4 does not align with Advocacy Position 2.5.2 - ‘Election of Mayors and Presidents be at the discretion of Local Government.’ <i>Local Governments should determine whether their Mayor or President will be elected by the Council or elected by the community.</i></p> <p>Comment There are 43 Band 1 and 2 Local Governments with 22 popularly electing the Mayor or President: Band 1 - 15 Band 2 - 7</p> <p>The remaining 21 Local Governments have a Council-elected Mayor or President. The sector does not support a requirement for the role of Mayor or President to be determined by electors. The sector considers that its current system of having the Mayor elected directly by Council assists in ensuring the Mayor/President has the support of the majority of Council. Further, it assists in avoiding party politics.</p> <p><u>Recommendation – Item 4.4</u> Oppose this proposal and support retaining the current provision, that the election of Mayors and Presidents be at the discretion of each Local Government.</p>
4.5 Tiered Limits on the Number of Councillors	
<ul style="list-style-type: none"> • It is proposed to limit the number of councillors based on the population of the entire local government. • Some smaller local governments have already been moving to having smaller councils to reduce costs for ratepayers. • The Local Government Panel Report proposed: <ul style="list-style-type: none"> ○ For a population of up to 5,000 – five councillors (including the President) 	<p><u>Current Local Government Position</u> Item 4.5 does not align with Advocacy Position 2.5.1 – ‘Councils consist of between six and 15 (including the Mayor/President)’ <i>Local Governments being enabled to determine the number of Elected Members required on the Council between six and 15 (including the Mayor/President)</i></p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<ul style="list-style-type: none"> ○ population of between 5,000 and 75,000 – five to nine councillors (including the Mayor/President) ○ population of above 75,000 – nine to fifteen councillors (including Mayor). 	<p>Comment The proposed reform to restrict Local Governments with populations under 5,000 to 5 Council Members does not reflect the varied communities of interest within this grouping. Some Local Governments are essentially regional centres such as the Shires of Katanning (9), Dandaragan (9), Merredin (9), Moora (9) and Northampton (9) (current Councillor numbers bracketed). Local Governments such as the Shire of Ngaanyatjarraku (9) manage substantial land areas, manage isolated communities such as the Shire of Meekatharra (7) and culturally diverse communities such as the Shire of Christmas Island (9). Some Local Governments with populations up to 5,000 warrant a greater number of Councillors to effectively share the representative role that Council Members play within their communities.</p> <p>The additional proposed reforms in population categories over 5,000 generally reflect the current Councillor numbers.</p> <p><u>Recommendation – Item 4.5</u> Recommend 5 to 7 Council Members for populations up to 5,000 and support the remaining proposed reforms.</p>
<p>4.6 No Wards for Small Councils (Band 3 and 4 Councils only)</p>	
<ul style="list-style-type: none"> ● It is proposed that the use of wards for councils in bands 3 and 4 is abolished. ● Wards increase the complexity of elections, as this requires multiple versions of ballot papers to be prepared for a local government’s election. ● In smaller local governments, the population of wards can be very small. ● These wards often have councillors elected unopposed, or elect a councillor with a very small number of votes. Some local governments have ward councillors elected with less than 50 votes. ● There has been a trend in smaller local governments looking to reduce the use of wards, with only 10 councils in bands 3 and 4 still having wards. 	<p>Comment The proposed reform to discontinue wards in Band 3 and 4 Local Governments brings alignment with the majority and provides that affected Local Governments will no longer have to conduct 8 year ward reviews or make representation to the Local Government Advisory Board to revert to a no wards system.</p> <p>Remaining proposed reforms will improve and clarify election processes.</p> <p><u>Recommendation – Items 4.6 to 4.9</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>4.7 Electoral Reform – Clear Lease Requirements for Candidate and Voter Eligibility</p>	
<ul style="list-style-type: none"> • Reforms are proposed to prevent the use of “sham leases” in council elections. Sham leases are where a person creates a lease only to be able to vote or run as a candidate for council. • The City of Perth Inquiry Report identified sham leases as an issue. • Electoral rules are proposed to be strengthened: <ul style="list-style-type: none"> ○ A minimum lease period of 12 months will be required for anyone to register a person to vote or run for council. ○ Home based businesses will not be eligible to register a person to vote or run for council, because any residents are already the eligible voter(s) for that address. ○ Clarifying the minimum criteria for leases eligible to register a person to vote or run for council. • The reforms would include minimum lease periods to qualify as a registered business (minimum of 12 months), and the exclusion of home based businesses (where the resident is already eligible) and very small sub-leases. • The basis of eligibility for each candidate (e.g. type of property and suburb of property) is proposed to be published, including in the candidate pack for electors. 	<p>As above</p> <p><u>Recommendation – Items 4.6 to 4.9</u> Supported</p>
<p>4.8 Reform of Candidate Profiles</p>	
<ul style="list-style-type: none"> • Further work will be undertaken to evaluate how longer candidate profiles could be accommodated. • Longer candidate profiles would provide more information to electors, potentially through publishing profiles online. • It is important to have sufficient information available to assist electors make informed decisions when casting their vote. 	<p>As above</p> <p><u>Recommendation – Items 4.6 to 4.9</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>4.9 Minor Other Electoral Reforms</p>	
<ul style="list-style-type: none"> • Minor other electoral reforms are proposed to include: <ul style="list-style-type: none"> ○ The introduction of standard processes for vote re-counts if there is a very small margin between candidates (e.g. where there is a margin of less than 10 votes a recount will always be required) ○ The introduction of more specific rules concerning local government council candidates' use of electoral rolls. 	<p>As above</p> <p><u>Recommendation – Items 4.6 to 4.9</u> Supported</p>

Theme 5: Clear Roles and Responsibilities

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
5.1 Introduce Principles in the Act	
<ul style="list-style-type: none"> • It is proposed to include new principles in the Act, including: <ul style="list-style-type: none"> ○ The recognition of Aboriginal Western Australians ○ Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal) ○ Community Engagement ○ Financial Management. 	<p><u>Current Local Government Position</u> Item 5.1 generally aligns with Advocacy Position 2.6 - Legislative Intent <i>Provide flexible, principles-based legislative framework.</i></p> <p><u>Recommendation – Item 5.1</u> Supported</p>
5.2 Greater Role Clarity	
<ul style="list-style-type: none"> • The Local Government Act Review Panel recommended that roles and responsibilities of elected members and senior staff be better defined in law. • It is proposed that these roles and responsibilities are further defined in the legislation. • These proposed roles will be open to further consultation and input. These roles would be further strengthened through Council Communications Agreements (see item 5.3). <p>5.2.1 - Mayor or President Role</p> <ul style="list-style-type: none"> • It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President. • While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Mayor or President is responsible for: <ul style="list-style-type: none"> ○ Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council ○ Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act ○ Developing and maintaining professional working relationships between councillors and the CEO ○ Performing civic and ceremonial duties on behalf of the local 	<p><u>Current Local Government Position</u> Item 5.2 aligns with Advocacy Position 2.6.36 - ‘Roles and Responsibilities’</p> <p><i>That clarification of roles and responsibilities for Mayors/ Presidents, Councillors and CEOs be reviewed to ensure that there is no ambiguity.</i></p> <p><u>Recommendation – Item 5.2</u> Supported</p> <p><u>Recommendation – Item 5.2.1</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<ul style="list-style-type: none"> ○ Communicating the decisions and resolutions of council to stakeholders and the public ○ Developing and maintaining professional working relationships with all other councillors and the CEO ○ Maintaining and developing their knowledge and skills relevant to local government ○ Facilitating public engagement with local government. <p>It is proposed that elected members should not be able to use their title (e.g. “Councillor”, “Mayor”, or “President”) and associated resources of their office (such as email address) unless they are performing their role in their official capacity.</p> <p>5.2.4 - CEO Role</p> <ul style="list-style-type: none"> ● The <i>Local Government Act 1995</i> requires local governments to employ a CEO to run the local government administration and implement the decisions of council. ● To provide greater clarity, it is proposed to amend the Act to specify the roles and responsibilities of all local government CEOs. ● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the CEO of a local government is responsible for: <ul style="list-style-type: none"> ○ Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions ○ Facilitating the implementation of council decisions ○ Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council ○ Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council ○ Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3) ○ Overseeing the compliance of the operations of the local government with State and Federal legislation on behalf of the council ○ Implementing and maintaining systems to enable effective planning, management, and reporting on behalf of the council. 	<p>5.2.4 There is the requirement for more detail for this item. The general direction of the proposal is supported, subject to including reference that the CEO is responsible for the recruitment and performance management of all staff as indicated in the current Act/Regulations.</p> <p><u>Recommendation – Items 5.2.4</u> Supported, subject to including reference that the CEO is responsible for the recruitment and performance management of all staff as indicated in the current Act/Regulations.</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>5.3 Council Communication Agreements</p>	
<ul style="list-style-type: none"> • In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided. • It is proposed that local governments will need to have Council Communications Agreements between the council and the CEO. • These Council Communication Agreements would clearly specify the information that is to be provided to councillors, how it will be provided, and the timeframes for when it will be provided. • A template would be published by DLGSC. This default template will come into force if a council and CEO do not make a specific other agreement within a certain timeframe following any election. 	<p>Comment The availability of information not already in the public domain to Councillors under Section 5.92 of the Act can become contentious in the absence of a clear statement in support of the function the Council Member is performing. This can place CEO's in the invidious position of ruling on the availability of a record of the Local Government, when it is also their function under Section 5.41(h) of the Act to <i>'ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law'</i>. Consistent availability of information motivates this proposed reform and it does not appear that individual Council Communication Agreements will be a means to that end. There is a better case for a uniform approach in the form of a regulated Agreement, in much the same way that the Communication Agreements between Ministers and agencies are based on provisions of the <i>Public Sector Management Act 1994</i>.</p> <p><u>Recommendation – Item 5.3</u> Support a consistent, regulated Communications Agreement.</p>
<p>5.4 Local Governments May Pay Superannuation Contributions for Elected Members</p>	
<ul style="list-style-type: none"> • It is proposed that local governments should be able to decide, through a vote of council, to pay superannuation contributions for elected members. These contributions would be additional to existing allowances. • Superannuation is widely recognised as an important entitlement to provide long term financial security. • Other states have already moved to allow councils to make superannuation contributions for councillors. • Allowing council to provide superannuation is important part of encouraging equality for people represented on council – particularly for women and younger people. • Providing superannuation to councillors recognises that the commitment to elected office can reduce a person's opportunity to undertake employment and earn superannuation contributions. 	<p>Comment WALGA was in the process of consulting with the sector when this reform was announced. The feedback to date from Local Governments has majority support. The proposed discretionary approach will permit Local Governments to exercise general competence powers to make their own determination on paying superannuation to Council Members.</p> <p><u>Recommendation – Item 5.4</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>5.5 Local Governments May Establish Education Allowances</p>	
<ul style="list-style-type: none"> • Local governments will have the option of contributing to the education expenses for councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council. • Councils will be able to decide on a policy for education expenses, up to a maximum yearly value for each councillor. Councils may also decide not to make this entitlement available to elected members. • Any allowance would only be able to be used for tuition fees for courses, such as training programs, diplomas, and university studies, which relate to local government. • Where it is made available, this allowance will help councillors further develop skills to assist with making informed decisions on important questions before council, and also provide professional development opportunities for councillors. 	<p><u>Current Local Government Position</u> Item 5.5 <u>generally aligns</u> with Advocacy Position 2.8 - Elected Member Training <i>Support Local Governments being required to establish an Elected Member Training Policy to encourage training and include budgetary provision of funding for Elected Members;</i></p> <p>Comment The proposal augments recent Act amendments that require Local Governments to adopt a professional development policy for Council Members. Many Local Governments now budget for training requirements that align with the policy statement.</p> <p><u>Recommendation – Item 5.5</u> Supported</p>
<p>5.6 Standardised Election Caretaker period</p>	
<ul style="list-style-type: none"> • A statewide caretaker period for local governments is proposed. • All local governments across the State would have the same clearly defined election period, during which: <ul style="list-style-type: none"> ○ Councils do not make major decisions with criteria to be developed defining ‘major’ ○ Incumbent councillors who nominate for re-election are not to represent the local government, act on behalf of the council, or use local government resources to support campaigning activities. <p>There are consistent election conduct rules for all candidates.</p>	<p>Comment WALGA developed a template Caretaker Policy in 2017 on request for a consistent approach. There are no know instances where Caretaker Policy have led to unforeseen or unmanageable consequences impacting on decision-making functions.</p> <p><u>Recommendation – Item 5.6</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
5.7 Remove WALGA from the Act	
<ul style="list-style-type: none"> The Local Government Panel Report recommended that WALGA not be constituted under the <i>Local Government Act 1995</i>. Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity. 	<p>Comment WALGA is conducting its own due diligence on this proposal, previously identified in the Local Government Review Panel Report. The outcome of this reform would require a transition of WALGA from a body constituted under the Act to an incorporated association. It is important to the Local Government sector that the provisions relating to the mutual self-insurance scheme and tender exempt prequalified supply panels remain in the Act and are not affected by this proposal. Further work is being carried out by WALGA to fully understand the effect this proposal will have on WALGA and the sector.</p> <p>Recommendation – Item 5.7</p> <ol style="list-style-type: none"> Support for this proposal is subject to WALGA undertaking further due diligence on the broader implications of the proposal and subsequent consultation with the sector. Any proposed reforms ensure that: <ol style="list-style-type: none"> The Local Government Act retain statutory provisions permitting WALGA to provide the sector with the mutual self-insurance scheme and preferred supplier program tender exemptions; and There be no disadvantages to WALGA’s capacity to provide services and represent the interests of the sector.
5.8 CEO Recruitment	
<ul style="list-style-type: none"> It is proposed that DLGSC establishes a panel of approved panel members to perform the role of the independent person on CEO recruitment panels. Councils will be able to select an independent person from the approved list. <p>Councils will still be able to appoint people outside of the panel with the approval of the Inspector.</p>	<p>Comment The proposed reform augments the CEO Standards in relation to recruitment introduced in February 2021.</p> <p>Recommendation – Item 5.8 Supported on the proviso that no cost is associated with the use of the approved panel.</p>

Theme 6: Improved Financial Management and Reporting

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
6.1 Model Financial Statements and Tiered Financial Reporting	
<ul style="list-style-type: none"> • The Minister strongly believes in transparency and accountability in local government. The public rightly expects the highest standards of integrity, good governance, and prudent financial management in local government. • It is critically important that clear information about the financial position of local governments is openly available to ratepayers. Financial information also supports community decision-making about local government services and projects. • Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments. • The Office of the Auditor General has identified opportunities to improve financial reporting, to make statements clearer, and reduce unnecessary complexity. • Recognising the difference in the complexity of smaller and larger local governments, it is proposed that financial reporting requirements should be tiered – meaning that larger local governments will have greater financial reporting requirements than smaller local governments. • It is proposed to establish standard templates for Annual Financial Statements for band 1 and 2 councils, and simpler, clearer financial statements for band 3 and 4. • Online Registers, updated quarterly (see item 3.4), would provide faster and greater transparency than current annual reports. Standard templates will be published for use by local governments. • Simpler Strategic and Financial Planning (item 6.2) would also improve the budgeting process. 	<p><u>Current Local Government Position</u> Items 6.1 and 6.2 generally align with Advocacy Position 2.6 – Support a size and scale compliance regime and Advocacy Position 2.6.24 – Financial Management and Procurement.</p> <p><i>The Local Government sector:</i></p> <ol style="list-style-type: none"> 1. <i>Requests the Minister for Local Government to direct the Department of Local Government to prepare a Model set of Financial Statements and Annual Budget Statements for the Local Government sector, in consultation with the Office of the Auditor General.</i> 2. <i>Requests the Department of Local Government to re-assess the amount of detail required to be included in annual financial reports, in particular for small and medium sized entities as suggested by the Office of Auditor General.</i> <p>Comment The Sector has a long-standing position for a broad review of the financial management and reporting provisions of the Act, which remain largely unchanged since commencing in 1996.</p> <p><u>Recommendation – Item 6.1 Supported</u></p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>6.2 Simplify Strategic and Financial Planning</p>	
<ul style="list-style-type: none"> • Having clear information about the finances of local government is an important part of enabling informed public and ratepayer engagement and input to decision-making. • The framework for financial planning should be based around information being clear, transparent, and easy to understand for all ratepayers and members of the public. • In order to provide more consistency and clarity across the State, it is proposed that greater use of templates is introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers. • Local governments would be required to adopt a standard set of plans, and there will be templates published by the DLGSC for use or adaption by local governments. • It is proposed that the plans that are required are: <ul style="list-style-type: none"> ○ Simplified Council Plans that replace existing Strategic Community Plans and set high-level objectives, with a new plan required at least every eight years. These will be short-form plans, with a template available from the DLGSC ○ Simplified Asset Management Plans to consistently forecast costs of maintaining the local government’s assets. A new plan will be required at least every ten years, though local governments should update the plan regularly if the local government gains or disposes of major assets (e.g. land, buildings, or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape ○ Simplified Long Term Financial Plans will outline any long term financial management and sustainability issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years ○ A new Rates and Revenue Policy (see item 6.3) that identifies the approximate value of rates that will need to be collected in future years (referencing the Asset Management Plan and Long Term Financial Plan) – providing a forecast to ratepayers (updated at least every four years) 	<p>As above</p> <p><u>Recommendation – Item 6.2</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<ul style="list-style-type: none"> ○ The use of simple, one-page Service Proposals and Project Proposals that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become Service Plans and Project Plans added to the yearly budget if approved by council. This provides clear transparency for what the functions and initiatives of the local government cost to deliver. Templates will be available for use by local governments 	
6.3 Rates and Revenue Policy	
<ul style="list-style-type: none"> • The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum costs for maintaining essential infrastructure. • A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services. • The Policy would need to reflect the Asset Management Plan and the Long Term Financial Plan (see item 6.2), providing a forecast of what rates would need to be, to cover unavoidable costs. • A template would be published for use or adaption by all local governments. • The Local Government Panel Report included this recommendation. 	<p><u>Current Local Government Position</u> Item 6.3 generally aligns with Advocacy Position 2.1.6 - Rate Setting and WALGA's Rate Setting Policy Statement. <i>Councils' deliberative rate setting processes reference their Integrated Planning Framework – a thorough strategic, financial and asset management planning process – and draw upon the community's willingness and capacity to pay.</i></p> <p><u>Recommendation – Item 6.3</u> Supported</p>
6.4 Monthly Reporting of Credit Card Statements	
<ul style="list-style-type: none"> • The statements of a local government's credit cards used by local government employees will be required to be tabled at council at meetings on a monthly basis. • This provides oversight of incidental local government spending. 	<p><u>Comment</u> This proposed reform reflects widespread common practice for credit card transactions to be included in monthly financial reports and lists of accounts paid.</p> <p><u>Recommendation – Item 6.4</u> Supported</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
<p>6.5 Amended Financial Ratios</p>	
<ul style="list-style-type: none"> Financial ratios will be reviewed in detail, building on work already underway by the DLGSC. The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful. 	<p><u>Current Local Government Position</u> Item 6.5 <u>aligns</u> with Advocacy Position 2.6.25 - Review and reduce financial ratios. <i>Advocate to the Minister for Local Government to amend the Local Government (Financial Management) Regulations 1996 to prescribe the following ratios:</i></p> <ol style="list-style-type: none"> Operating Surplus Ratio, Net Financial Liabilities Ratio, Debt Service Coverage Ratio, and Current Ratio. <p><u>Recommendation – Item 6.5 Supported</u></p>
<p>6.6 Audit Committees</p>	
<ul style="list-style-type: none"> To ensure independent oversight, it is proposed the Chair of any Audit Committee be required to be an independent person who is not on council or an employee of the local government. Audit Committees would also need to consider proactive risk management. To reduce costs, it is proposed that local governments should be able to establish shared Regional Audit Committees. The Committees would be able to include council members but would be required to include a majority of independent members and an independent chairperson. 	<p><u>Current Local Government Position</u> Item 6.6 <u>does not align</u> with Advocacy Position 2.2.4 – Accountability and Audit</p> <p><i>That audit committees of Local Government, led and overseen by the Council, have a clearly defined role with an Elected Member majority and chair.</i></p> <p>Comment The Sector’s view is well established, that the Council must maintain, and be seen by the community to have, majority involvement and investment in the purpose of an Audit Committee. There is sector support for some independent members on the Audit Committee, however not a majority.</p> <p>The dual effect of the proposed reform is to guarantee a place for a majority of independent persons on Audit Committees, with the additional requirement that an independent person Chair this Committee. Presently, not all Local Government Audit Committees are able to include an independent person. This may be for a variety of reasons not least of which</p>

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
	<p>is a lack of suitable, available candidates with the required qualification, skill and experience.</p> <p>It would be counter-productive if the proposed reforms led to the appointment of unsuitable independent persons to a skills-based role. The concept of Regional Audit Committees has apparent merit in this case but there is no detail regarding practicalities; for example, is the Regional Audit Committee intended to include the same independent persons who will meet separately with each Local Government within the region?</p> <p>There is too little certainty that the imperative question of appropriate representation will be managed as a consequence of the proposed reforms for it to be supported.</p> <p>The proposal for the Audit Committees to also consider proactive risk management is supported.</p> <p><u>Recommendation – Item 6.6</u></p> <ol style="list-style-type: none"> 1. Support the role of the Office of the Auditor General as the responsible entity for independent oversight of Local Government audits. 2. Support Audit Committees of Local Government <u>with an Elected Member majority</u> including independent members, and to consider proactive risk management issues. 3. Support the proposal to establish shared regional Audit Committees 4. Support the appointment of an independent member as chair of the Audit Committee to remain at the discretion of each Local Government. 5. Support the payment of meeting fees or defined reimbursements to independent Audit Committee members.

PROPOSED REFORMS	WALGA COMMENTS & RECOMMENDATIONS
6.7 Building Upgrade Finance	
<ul style="list-style-type: none"> Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures. This would allow local governments to lend funds to improve buildings within their district. Limits and checks and balances would be established to ensure that financial risks are proactively managed. 	<p><u>Current Local Government Position</u> Item 6.7 aligns with Advocacy Position 2.6.26 - Building Upgrade Finance.</p> <p><i>The Local Government Act 1995 should be amended to enable a Building Upgrade Finance mechanism in Western Australia.</i></p> <p>Comment Building Upgrade Finance would enable Local Governments to guarantee finance for building upgrades for non-residential property owners. In addition to building upgrades to achieve environmental outcomes, Local Governments have identified an opportunity to use this approach to finance general upgrades to increase the commercial appeal of buildings for potential tenants. In this way, BUF is viewed as means to encourage economic investment to meet the challenges of a soft commercial lease market and achieve economic growth.</p> <p><u>Recommendation – Item 6.7</u> Supported</p>
6.8 Cost of Waste Service to be Specified on Rates Notices	
<ul style="list-style-type: none"> It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service). This would provide transparency and awareness of costs for ratepayers. 	<p>Comment This proposed reform will require a relatively simple calculation.</p> <p><u>Recommendation – Item 6.8</u> Supported</p>

Additional Reform Proposals

In December 2020, WALGA State Council considered the sector's feedback on the discussion paper 'Advocacy Positions for a New Local Government Act: Key Issues from Recent Inquiries into Local Government' (Rec: 142.6/2020).

It is **recommended** that the Local Government Reform Proposals process be conducted in alignment with the following WALGA advocacy position.

Legislative Intent

That the following key principles be embodied in the Local Government Act:

1. Uphold the general competence principle currently embodied in the Local Government Act
2. Provide for a flexible, principles-based legislative framework
3. Promote a size and scale compliance regime
4. Promote enabling legislation that empowers Local Government to carry out activities beneficial to its community taking into consideration Local Governments' role in creating a sustainable and resilient community through:
 - a. Economic development;
 - b. Environmental protection; and
 - c. Social advancement
5. Avoid red tape and 'de-clutter' the extensive regulatory regime that underpins the Local Government Act, and
6. The State Government must not assign legislative responsibilities to Local Governments unless there is provision for resources required to fulfil the responsibilities.

It is **recommended** that the following additional advocacy positions be included in the sector's response:

Rating Exemptions

That an independent review of all rate exemptions be undertaken.

Fees and Charges

That:

1. An independent review be undertaken to remove fees and charges from legislation and regulation; and
2. Local Government be empowered to set fees and charges for Local Government services.

Financial Management and Procurement

That the Local Government sector:

- Supports Local Governments being able to use freehold land to secure debt; and
- Supports the alignment of Local Government procurement thresholds, rules and policies with the State Government.

Disposal of Property Exemption

Regulation 30 (3) of the *Local Government (Functions and General) Regulations 1996* should not include any financial threshold limitation on a disposition where it is used exclusively to purchase other property. The current limit is \$75,000 and this type of activity commonly applies to a trade-in situation.

Tender Exemption General Practitioner Services

That the reform proposals provide for inclusion of a tender exemption for General Practitioner (GP) services under Part 4, Division 2 of the *Local Government (Functions and General) Regulations 1996*, to support Local Governments to secure and retain necessary primary health care services for their communities.

Elector's Meetings

That WALGA advocate to the Minister for Local Government to amend the *Local Government Act 1995* to provide protections against the misuse of special electors meetings by:

1. prohibiting a matter previously considered being resubmitted; and
2. ensuring that motions to be considered are relevant to Local Government.

Technical Amendment Proposals

WALGA's Governance and Organisational Service team monitors the Local Government Act and associated regulations for inconsistencies and potential error. The following matters are proposed for inclusion in the reform process.

Part 4 – Elections and other Polls

<p>s.4.9 <i>Election day for extraordinary elections</i></p>	<p>Section 4.9(1)(a) provides that the President/Mayor may exercise authority to determine the extraordinary election day, if not already fixed under paragraph (b), with s.4.9(1)(b) stating 'if a day has not already been fixed under paragraph (a)'</p> <p>Additionally, s.4.17 provides for Council to determine, with approval of the Electoral Commissioner, to allow a vacancy to remain unfilled. This has potential to lead to a further anomaly in the exercise of power under s.4.9(1)(a) and (b).</p> <p><u>Recommend legislative amendment that brings chronological order to the decision-making powers for considering vacancies and determination of extraordinary election day.</u></p>
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Part 5 – Administration

<p>s.5.36(4) & (5A) Admin. r.18A(2) <i>Local government employees</i></p>	<p>Administration Regulations, Schedule.2, clause 6 requires a Local Government to advertise the position of CEO <u>if the position is vacant</u>. Regulations do not, however, prescribe classes of persons under s.5.36(5A). Compliance with Admin.r.18A(2) advertising is unrealistic when a CEO leaves the Local Governments employment with little or no notice period.</p> <p>The WALGA Template Policy for Temporary Employment or Appointment of CEO (s.5.39C), includes protocols for Temporary CEO appointments.</p> <p><u>Recommend regulations be made under s.5.36(5A) prescribing classes of persons as a 'temporary CEO appointed under short term contract, where the person appointed is NOT an existing employee of the Local Government'.</u></p>
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<p>s.5.94</p> <p><i>Public can inspect certain local government information</i></p>	<p>The Act requires public access or inspection rights for documents that contain personal information, i.e. electoral roll, owner / occupier, rate record [s.5.94(m) and (s)]. The Act only limits the right to access this information where the CEO is unable to be satisfied that the information will not be used for a commercial purpose [Admin.r.29B].</p> <p>WALGA members have expressed concern of the risks that may extend to information when combined with other personal information, for example, cyber security / identity theft risks or personal safety risks.</p> <p><u>Recommend there be an analysis of the public benefit versus public risk arising from statutory provisions that requires public disclosure of documents containing personal details (i.e. electoral rolls, rate record) in the context of the potential for this information to be manipulated or misused for improper purposes.</u></p>
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Local Government (Administration) Regulations 1996

<p>Admin.r. 29D</p> <p><i>Period for which information to be kept on official website</i></p>	<p>Requires list of council members and staff positions that provide primary and annual returns to be kept on the website for 5 years. S.5.88(3) requires returns to be removed from the register when a person is no longer relevant. Admin.r.29D is inconsistent with s.5.88(3), meaning that the names and positions will remain on the website despite the returns being removed from the Financial Interests Register.</p> <p><u>Recommend amending Admin.r.29D so that it is consistent with s.5.88(3).</u></p>
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