



*A progressive, diverse and caring community,  
with access to modern services and infrastructure,  
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# MINUTES

of the

**Ordinary Meeting of Council**

held

**WEDNESDAY 17<sup>th</sup> OCTOBER 2018**

Shire of Cuballing  
Council Chambers  
Campbell Street, Cuballing

# COUNCIL MEETING PROCEDURES

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

## DISCLAIMER

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

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

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

The Shire President, Cr Conley, declared the meeting open at 2.02pm.

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

### 2.1.1 Attendance

Cr Mark Conley	President
Cr Eliza Dowling	Deputy President
Cr Scott Ballantyne	
Cr Roger Newman	
Cr Tim Haslam	
Mr Gary Sherry	Chief Executive Officer
Mr Richard Pares	Deputy Chief Executive Officer
Mr Bruce Brennan	Manager of Works and Services
Mr Paul Lewis	
Mr Cary Van Empel	

### 2.1.2 Apologies

Nil

### 2.1.3 Leave of Absence

Cr Dawson Bradford

## 3. **STANDING ORDERS:**

### **COUNCIL DECISION – 2018/96:**

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

**Moved: Cr Haslam**

**Seconded: Cr Dowling**

**Carried 5/0**

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

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

Nil

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

Nil

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

<b>4.3.1 Council Payments Queries</b>
---------------------------------------

Mr Paul Lewis asked queried payments made by Council in September and listed in the Meeting agenda at 9.1.1 including:

1. EFT3808 for *Contract Building Services Shire of Katanning*. Why is the Shire of Cuballing paying for building services for the Shire of Katanning?
2. EFT3812 is for *Accommodation for Visiting Building Officer – Up To 3 Nights Per Week – \$50 Per Night*. Why is Council paying for accommodation for a visiting Building Officer?
3. EFT3823 for *12x Scotch Fillet Steak, 12x Chicken Kebabs Butcher*. Why is the Shire of Cuballing buying steak?
4. Payment 14684 for *Refreshments for Council and Toolbox Meetings*. What expenditure does this involve?
5. Payment 14686 *Electricity Charge – U 3 22 Campbell St Cuballing* appears excessive. What expenditure does this involve?
6. Payment 14681 for *Mobile Charge – CEO Handset* appears excessive. What expenditure does this involve?
7. Payment DD1730.1 for *CEO Credit Card – AIMS Spotlight Program Mort & Christensen*. What expenditure does this involve?

In response the Chief Executive Officer, Mr Sherry, advised that

1. EFT3808 for *Contract Building Services Shire of Katanning* is the expense for purchase of contract building surveying services in the absence of Building Officer, Mr Darryle Baxter, on long service leave. The Shire of Cuballing provides building services for a fee to the Shires of Katanning, Broomehill Tambellup and Gnowangerup. The income earned from this service covers all costs and provides some additional income to Council. The income earned is not shown in the list of payments;
2. With the Building Officer on long service leave for 3 months, Council was unable to source a local replacement. The replacement contract Building Officer travels to Cuballing from Perth for 3 days work each week. As part of this contract Council is required to provide accommodation for the Officer for these 3 nights. EFT3812 is payment for providing that accommodation;
3. Council provides a BBQ meal after Council meetings. EFT3823 is the expense of the purchase of meat for this meal;

4. Council purchases refreshments provided at Council and other meetings. Payment 14684 is the cost of those purchases for September;
5. Although only U 3 22 Campbell St Cuballing is listed in the description for Payment 14686, this payment does include the cost of electricity usage for a large number of Shire properties. U 3 22 Campbell St Cuballing is the Shire administration centre;
6. Payment 14681 includes the replacement of a mobile telephone and the monthly mobile charges for all the Shire of Cuballing mobile telephones; and
7. Payment DD1730.1 for *CEO Credit Card – AIMS Spotlight Program Mort & Christensen* includes the cost of providing Supervisor training for Shire works staff with the Australian Institute of Management. Other expenditure, largely fuel purchase expenses, are also included in this payment.

#### 4.3.2 Cuballing Swap Meet – Advertising

Mr Paul Lewis asked about the role of the Shire of Cuballing in the upcoming Cuballing Swap Meet. Mr Lewis advised that the Shire of Cuballing telephone number was listed on flyers being put under car windscreens in a Narrogin car park.

In response the Chief Executive Officer, Mr Sherry, advised that the Cuballing Swap Meet was being organised by the Cuballing Mens Shed with the Shire of Cuballing providing behind the scenes administrative support. The advertising for the day was being conducted by the Cuballing Mens Shed and Mr Sherry will take up this matter with the Cuballing Mens Shed.

#### 4.3.3 Illegal Signage on Beeston Street

Mr Paul Lewis asked if the Shire of Cuballing was aware of signage advertising a house for rent on Beeston Street, Cuballing, that is very near to the road and in Mr Lewis's opinion is a hazard to road users.

The Chief Executive Officer, Mr Sherry, advised that the Shire of Cuballing was not aware and the matter would be investigated.

#### 4.3.4 Cuballing Mens Shed

Mr Carry Van Empel updated Council on the work being completed by the Cuballing Mens Shed including:

- Assisting with groundworks at the Dryandra Regional Equestrian Centre for the Dryandra Pony Club's recent ODE event;
- Holding their first Womens Shed event last week. The Womens Shed will be held weekly and is expected to grow as people who have expressed interest are able to attend;
- Looking to develop a youth program in conjunction with the Shire of Cuballing to operate from the Cuballing Mens Shed;
- The forthcoming Cuballing Swap Meet will be held in October; and
- The purchase of the new transportable toilet that is the subject of consideration by Council. Improved toilet facilities may allow activities to be completed at the Cuballing Mens Shed.

**Mr Brennan left the Meeting at 2.22pm.**

Shire President, Cr Conley, thanked Mr Van Empel for the information.

Deputy Shire President, Cr Dowling, advised that the Cuballing Mens Shed work for the Dryandra Pony Club greatly assisted the Club's volunteers and was of a very high standard.

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

Nil

**6. CONFIRMATION OF MINUTES:**

6.1.1 Ordinary Meeting of Council held on Wednesday 19<sup>th</sup> September 2018

**COUNCIL DECISION – 2018/97:**

**That the Minutes of the Ordinary Meeting of Council held on Wednesday 19<sup>th</sup> September 2018 be confirmed as a true record of proceedings.**

**Moved: Cr Dowling**

**Seconded: Cr Haslam**

**Carried 5/0**

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

Nil

**8. DISCLOSURE OF FINANCIAL INTEREST:**

**Mr Sherry declared a Direct Financial Interest in 12.1.1 in that he is the Officer being reviewed by Council**

**Mr Brennan returned to the Meeting at 2.29pm.**

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

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

<b>9.1.1</b>	<b>List of Accounts Submitted for Council Approval and Payment – September 2018</b>
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File Ref. No: NA  
Disclosure of Interest: Nil  
Date: 10<sup>th</sup> October 2018  
Author: Ashlee Nicholas  
Attachments: 9.1.1A List of September 2018 Trust Accounts  
9.1.1B List of September 2018 Municipal Accounts

#### **Summary**

**Council is to consider the September 2018 List of Accounts.**

Background – Nil

Comment

Council is provided at Attachments 9.1.1A and 9.1.1B with a list of payments made from each of Council's bank accounts during the month of September 2018.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

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

Voting Requirements – Simple Majority

#### **COUNCIL DECISION – 2018/98:**

**That Council receives the List of Accounts for September 2018 paid under delegated authority in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996 payments including payments from Council's:**

1. **Trust Fund in September 2018 totalling \$40,506.10 included at Attachment 9.1.1A; and**
2. **Municipal Fund in September 2018 totalling \$414,212.09 included at Attachment 9.1.1B.**

**Moved: Cr Haslam**

**Seconded: Cr Ballantyne**

**Carried 5/0**



**LIST OF TRUST FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL  
SEPTEMBER 2018**

<b>Chq/EFT</b>	<b>Name</b>	<b>Description</b>	<b>Amount</b>
20180904	Licensing Payments	Police Licensing Payments	479.20
20180905	Licensing Payments	Police Licensing Payments	1,998.00
20180906	Licensing Payments	Police Licensing Payments	1,463.00
20180907	Licensing Payments	Police Licensing Payments	1,056.85
20180911	Licensing Payments	Police Licensing Payments	1,377.70
20180912	Licensing Payments	Police Licensing Payments	26.85
20180913	Licensing Payments	Police Licensing Payments	5,167.95
20180914	Licensing Payments	Police Licensing Payments	683.35
20180917	Licensing Payments	Police Licensing Payments	418.70
20180918	Licensing Payments	Police Licensing Payments	767.95
20180920	Licensing Payments	Police Licensing Payments	106.30
20180921	Licensing Payments	Police Licensing Payments	19,806.50
20180925	Licensing Payments	Police Licensing Payments	667.05
20180926	Licensing Payments	Police Licensing Payments	1,252.15
20180927	Licensing Payments	Police Licensing Payments	1,717.45
20180928	Licensing Payments	Police Licensing Payments	3,517.10
			<b>40,506.10</b>

**LIST OF MUNICIPAL FUND ACCOUNTS DUE AND SUBMITTED TO COUNCIL  
SEPTEMBER 2018**

<b>Chq/EFT</b>	<b>Description</b>	<b>Amount</b>
EFT3767	Rates Refund Due to Missing the Discount Option Decided to Pay by Instalments	6,167.12
EFT3768	Purchase of Lots 7, 8, 9, 90, 91 & 92; 74 Alton Street, Austral Street & Beeston Street Cuballing	162,712.53
EFT3769	Gas Bottle Rental	128.52
EFT3770	50% Reimbursement Synergy – B Brennan	110.30
EFT3771	August 2018 Building Forms	283.25
EFT3772	Integration Of 18–19 Budget Assistance into Synergy	1,749.00
EFT3773	3 Tonne Winter Cold Mix Pot Hole Pre-Mix	1,056.00
EFT3774	Final Audit Interim Fee - Audit Visit	3,794.56
EFT3775	Postage & Freight	2,402.86
EFT3776	Install X Over Mark Conley on Williams Kondinin Rd	1,138.50
EFT3777	2018/19 ESL Levy	55,432.00
EFT3778	1 X New 2018 Holden Colorado Ls 4 X 4 Crew Cab 2.8l Utility	25,697.75
EFT3779	Town Planning Advice - General	1,020.80
EFT3780	Deliver 8000 Litres of Diesel to Shire Depot as Per Quote	11,024.80
EFT3781	1 X Croplands 60litre Mixing Tank as Per Quote L-H9353C	3,872.00
EFT3782	2 X 20 Litres of Degreaser, 4 X 5litres Hand Cleaner	514.97
EFT3783	Rubbish Removal - Household Service X 256	5,430.38
EFT3784	Shipping Charges for Stock from Jr & A Hersey	73.10
EFT3785	LG Finance Professionals Network - Professionals Development Day	100.00
EFT3786	Performance Excellence Program Fy2018	2,475.00
EFT3787	Building Services Administration	525.36
EFT3788	1 X Tire Sealant (Slime)	88.80
EFT3789	Fix and Repair CN 026 Clutch Slave Cylinder and Bleed System	1,106.60
EFT3790	Monthly Computer Licenses	981.51
EFT3791	Public Notice - Council Meeting Dates, Narrogin Observer	163.50
EFT3792	15 Sheets 2100mm Trimdek/Custom Orb	1,193.64
EFT3793	Oxygen Bottle /One Gas New Oxy/Acetylene Gas Axe Work Shop	624.02
EFT3794	Hire of Rubber Tyred Roller for August 2018	8,096.00

Chq/EFT	Description	Amount
EFT3795	2 X New Stainless Ball Taps 50mm For Yornaning Standpipe	153.27
EFT3796	Toilet Paper X6, Hand Towel X 4	530.20
EFT3797	Cuballing Kids Day Event - Performance Fee	860.20
EFT3798	Applied Synergy Soft 18-19 Tax Patch - Configure & Supply Wireless Access Point	729.00
EFT3799	Photocopier Meter Reading Dcvc4475 For July 2018	1,607.16
EFT3801	Supersonic Science Activities- CO2 Rockets, Bubbles, Vortex Cannons& Slime. Includes Supervision & Travel - 26th Sept 2018 - 3 Hours	1,248.50
EFT3802	Freight Charges for Parts	10.73
EFT3803	1 X Rear Headlight /Bottom Rear	227.35
EFT3804	1 X 234-6862 Housing 1 X 234 -6861gasket 2 X 20 Lt Coolant	412.60
EFT3805	A4 Photocopy Paper X 6 Boxes	160.07
EFT3806	Supply and Fit Hot Water System in Popo Hall	1,233.10
EFT3807	Supply & Install GPRS Dialler for Security Monitoring System. Configure & Service Control Panel	327.00
EFT3808	Contract Building Services Shire of Katanning	4,184.70
EFT3809	1x New Isuzu NPR65/45-190 Tipper with Trade CN2 As Per Quote16707, Purchased Through WALGA Preferred Supplier	55,630.00
EFT3810	Reinstall Parking and No Parking Lines in Popanyinning Town	275.00
EFT3811	1x Pallet of Asphalt in A Bag	1,718.75
EFT3812	Accommodation for Visiting Building Officer - Up To 3 Nights Per Week - \$50 Per Night	600.00
EFT3813	General Assistance - Synergy Queries	33.00
EFT3814	Replace Gas Oven Door	555.50
EFT3815	Fuel Card Use May 2018 - Building Surveyor	1,149.46
EFT3816	24 Pair Rigger Gloves XI (Cgl41nxl)	1,457.99
EFT3817	Contract Building Services Shire of Katanning	2,806.45
EFT3818	4 X Ratchet Binders	262.63
EFT3820	1x New Toyota Hilux Work Mate with Trade of CN 1557 As Per Quote 24088	26,600.00
EFT3821	Testing and Tagging All Electrical Appliances	1,045.00

Chq/EFT	Description	Amount
EFT3822	Cuballing Kids Day - Bouncy Castle	170.00
EFT3823	12x Scotch Fillet Steak, 12x Chicken Kebabs	163.29
EFT3824	1 X New Honda Pump 6.5 Hp For Road Side Sprayer	1,271.35
EFT3825	Valuation of All Bridge Structures	2,618.00
EFT3826	IT - Refresh Play Account - IT Visit and Troubleshoot Visit	931.00
EFT3828	Donation to The Student Awards Sponsorship	100.00
EFT3829	2018 Transport and Roads Forum - Scott Ballantyne	100.00
EFT3830	Empty Waste Oil at Yornaning	16.50
EFT3831	Use of Weighbridge for Waste Management - July 8 X \$5 & August 6 X \$5	77.00
EFT3832	15l Willow Jug	76.04
14677	BCITF Forms August 2018	253.50
14678	Storage of Shire Culverts and Pipe Works (Depot)	140.00
14679	Monthly Electricity Charge Street Lightning X 42 Lights From 1/8/18 - 4/9/18	1,100.95
14680	Building Surveyor Service Charges for August 2018	3,500.05
14681	Mobile Charge - CEO Handset	1,604.30
14682	Water Charges - Standpipe Cuballing East Rd	45.08
14683	Groceries	376.00
14684	Refreshments for Council and Toolbox Meetings	217.10
14685	1x Potato Bake, 1x Garden Salad, 1x Salad	165.00
14686	Electricity Charge - U 3 22 Campbell St Cuballing	3,726.95
14687	Service Charge - Shire Office	290.34
14688	Water Charge - Standpipe Yornaning Rd	87.15
DD1690.1	Superannuation Contributions	224.35
DD1690.2	Superannuation Contributions	4,820.70
DD1690.3	Superannuation Contributions	437.17
DD1690.4	Superannuation Contributions	437.17
DD1690.5	Superannuation Contributions	259.54
DD1690.6	Superannuation Contributions	67.60
DD1690.7	Superannuation Contributions	193.17
DD1690.8	Superannuation Contributions	338.71
DD1690.9	Superannuation Contributions	124.89
DD1706.1	Monthly Wireless Limitless Inc Calls Internet	89.99
DD1712.1	Superannuation Contributions	224.35
DD1712.2	Superannuation Contributions	4,726.08
DD1712.3	Superannuation Contributions	437.17

<b>Chq/EFT</b>	<b>Description</b>	<b>Amount</b>
DD1712.4	Superannuation Contributions	437.17
DD1712.5	Superannuation Contributions	224.14
DD1712.6	Superannuation Contributions	68.76
DD1712.7	Superannuation Contributions	193.17
DD1712.8	Superannuation Contributions	338.71
DD1712.9	Superannuation Contributions	124.89
DD1714.1	Superannuation Contributions	142.52
DD1730.1	CEO Credit Card - AIMS Spotlight Program Mort & Christensen	3,541.31
		<b>414,212.09</b>

## 9.1.2 Statement of Financial Activity – Period Ended 31<sup>st</sup> August 2018

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	20 <sup>th</sup> August 2018
Author:	Rick Pares, Deputy Chief Executive Officer
Attachments:	9.1.2A Statement of Financial Activity

### **Summary**

#### **Council is to consider the Statement of Financial Activity for August 2018.**

### **Background**

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

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

### **Comment**

Revenue from operating activities exceeded year to date budget estimates to 31 August in a positive manner. Some key points include;

- General Purpose Funding – Rates revenue is within 1% of the budget as at 31 August 2018;
- Governance – Unbudgeted return of membership fees from the Great Southern Regional Business Association (\$3,373);
- Community Amenities – Received Department of Veterans Affairs book grant of \$6000;
- Recreation & Culture – Yornaning Dam Grant proceeds received in July rather than in September as scheduled in budget;
- Transport – MRWA Direct Grant amount received \$98,183 being greater than the \$57,535 budgeted and earlier than budgeted also.
- Economic Services – Standpipe charges raised quarterly in October. Building Licenses and Building Surveyor fees less than budgeted but offset by lower respective costs.

Operating Expenses – The key items of variance include:

- Overall the month is closely aligned with the YTD budget. The calculation of depreciation in 2018/19 will commence in October 2018 at the earliest. This will be the first month after the signoff of asset values at 30 June 18 by the Auditor;
- Council have some savings in that material and contract purchases have been delayed as capital projects are yet to commence; and
- The Insurance expense variation is a timing matter only.

In August, the Shire completed the purchase of 74 Austral Street funded from operating revenues. To the end of August there has been little capital works undertaken because of the delayed finalisation of clearing permits.

The road plant replacement program will occur in September.

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

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

Administration Allocations have not been made in August 2018 due to the ongoing finalisation of audit adjustments.

Depreciation expense is not calculated in August 2018 due to the ongoing finalisation of audit adjustments.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

#### Options

Council may resolve:

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

Voting Requirements – Simple Majority

#### **COUNCIL DECISION – 2018/99:**

**That the Statement of Financial Activity, as included at Attachment 9.1.2A, for the Shire of Cuballing for period ending 31<sup>st</sup> August 2018 be received.**

**Moved: Cr Dowling**

**Seconded: Cr Newman**

**Carried 5/0**

**SHIRE OF CUBALLING**

**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the Period Ended 31 August 2018**

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

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**Shire of Cuballing  
Information Summary  
For the Period Ended 31 August 2018**

## Key Information

### Report Purpose

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996, Regulation 34*.

### Overview

Summary reports and graphical progressive graphs are provided on pages 2 - 3.

### Statement of Financial Activity by reporting program

Is presented on page 6 and shows a surplus as at 31 August 2018 of \$1,480,616.

### Items of Significance

The material variance adopted by the Shire of Cuballing for the 2016/17 year is \$5,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of material variance is disclosed in Note 2.

### Capital Expenditure

Land and Buildings	▲ \$	74,843	Still Costs to be spent of
Infrastructure - Roads	▲ \$	268,626	Both Job R1239A Wandering
Plant and Equipment	▲ \$	818	WEARN Radios (fire)

### Capital Revenue

Grants, Subsidies and Contributions	▼	(\$165,006)	Regional Road Grant - Yet to
Proceeds from Disposal of Assets		\$0	0

	Collected / Complete	Annual Budget	YTD Budget	YTD Actual
<b>Significant Projects</b>				
RRG - Stratherne Road 18-19	0%	\$ 135,506	\$ 90,337	\$ 500
RRG - Wandering Narrogin Road	0%	\$ 165,198	-	-
RRG - Wandering Narrogin Road 18-19	1%	\$ 274,131	\$ 182,754	\$ 3,784
<b>Grants, Subsidies and Contributions</b>				
Operating Grants, Subsidies and Contributions	0%	\$ 559,509	\$ 123,976	-
Non-operating Grants, Subsidies and Contributions:	43%	\$ 534,005	-	\$ 231,604
	21%	\$ 1,093,514	\$ 123,976	\$ 231,604
Rates Levied	101%	\$ 1,118,673	\$ 1,125,372	\$ 1,127,000

*% Compares current ytd actuals to annual budget*

### Financial Position

		Prior Year	Current Year
Adjusted Net Current Assets	77%	\$ 1,931,618	\$ 1,480,616
Cash and Equivalent - Unrestricted	87%	\$ 1,407,505	\$ 1,230,459
Cash and Equivalent - Restricted	119%	\$ 1,295,065	\$ 1,542,993
Receivables - Rates	107%	\$ 333,760	\$ 358,743
Receivables - Other	54%	\$ 225,360	\$ 121,727
Payables	6518%	\$ 3,858	\$ 251,456

*% Compares current ytd actuals to prior year actuals at the same time*

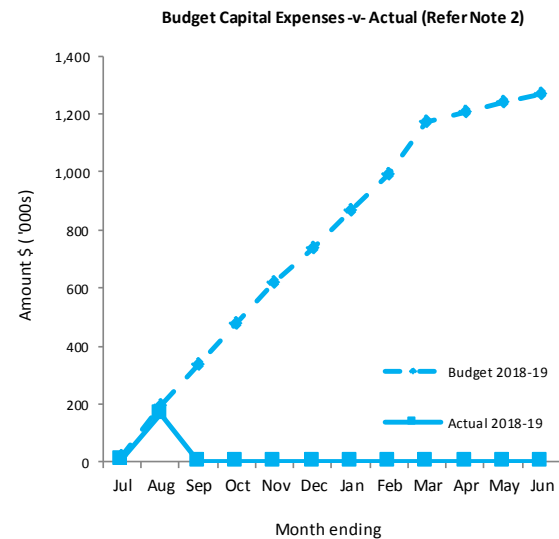
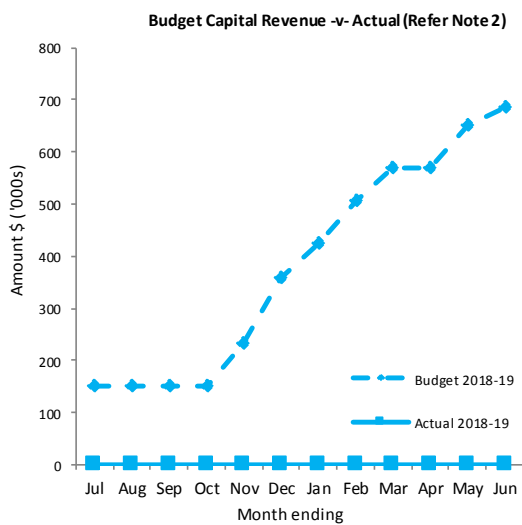
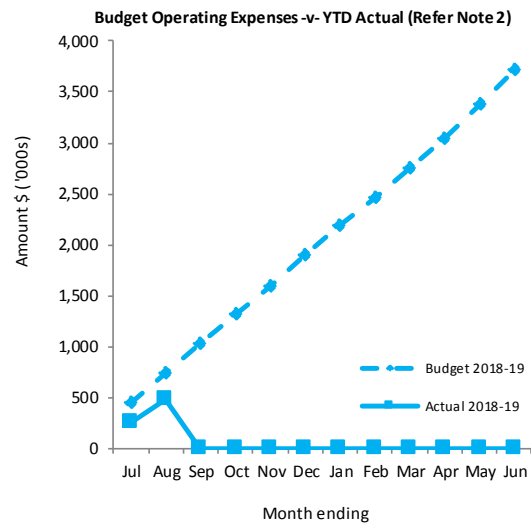
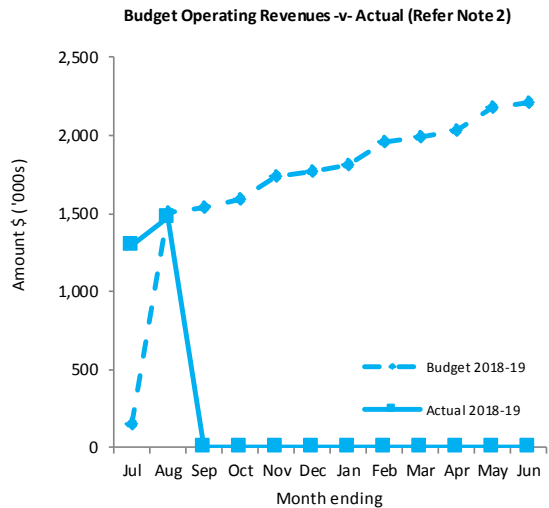
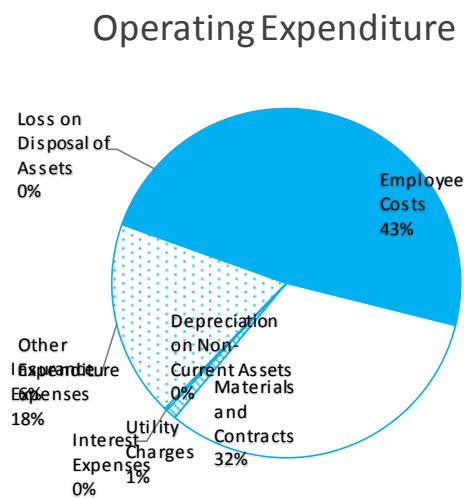
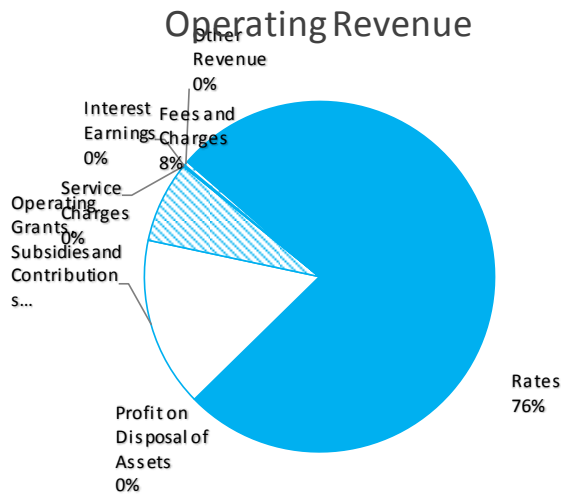
Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of

### Preparation

Prepared by: Richard Pares, DCEO

Reviewed by: Gary Sherry, CEO

Shire of Cuballing  
Information Summary  
For the Period Ended 31 August 2018



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

**SHIRE OF CUBALLING**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 31 August 2018**

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
<b>Opening Funding Surplus(Deficit)</b>	3	\$ 660,435	\$ 656,228	\$ 656,228	\$ 0	0%	
<b>Revenue from operating activities</b>							
Governance		3,000	62	3,590	3,528	5722%	
General Purpose Funding	9	1,447,827	1,206,596	1,199,802	(6,794)	(1%)	
Law, Order and Public Safety		33,767	6,629	558	(6,072)	(92%)	▼
Health		700	0	0	0		
Education and Welfare		1,000	0	500	500		
Housing		4,680	780	720	(60)	(8%)	
Community Amenities		60,700	59,400	66,320	6,920	12%	▲
Recreation and Culture		8,545	3,000	16,015	13,015	434%	▲
Transport		247,262	46,747	137,817	91,070	195%	▲
Economic Services		83,812	9,169	4,037	(5,131)	(56%)	▼
Other Property and Services		317,500	52,917	48,190	(4,727)	(9%)	
		<b>2,208,794</b>	<b>1,385,300</b>	<b>1,477,549</b>			
<b>Expenditure from operating activities</b>							
Governance		(152,395)	(41,733)	(44,963)	(3,230)	(8%)	
General Purpose Funding		(74,310)	(9,802)	(9,032)	769	8%	
Law, Order and Public Safety		(178,486)	(34,104)	(24,302)	9,802	29%	▲
Health		(44,733)	(7,372)	(6,429)	943	13%	▲
Education and Welfare		(54,551)	(8,975)	(2,122)	6,853	76%	▲
Housing		(72,294)	(11,161)	(7,725)	3,436	31%	▲
Community Amenities		(343,728)	(46,877)	(42,324)	4,553	10%	
Recreation and Culture		(258,139)	(53,278)	(31,994)	21,285	40%	▲
Transport		(2,129,780)	(353,862)	(236,322)	117,540	33%	▲
Economic Services		(194,289)	(32,400)	(25,725)	6,675	21%	▲
Other Property and Services		(277,053)	(38,887)	(46,518)	(7,631)	(20%)	▼
		<b>(3,779,759)</b>	<b>(638,452)</b>	<b>(477,457)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		1,491,780	248,630	0	(248,630)	(100%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	12,742	0	0	0		
Adjust Provisions and Accruals		0	0	0	0		
<b>Amount attributable to operating activities</b>		<b>(66,443)</b>	<b>995,477</b>	<b>1,000,092</b>			
<b>Investing Activities</b>							
Non-operating Grants, Subsidies and Contributions	11	534,005	165,006	0	(165,006)	(100%)	▼
Proceeds from Disposal of Assets	8	36,256	0	0	0		
Land Held for Resale		0	0	0	0		
Land and Buildings	13	(391,240)	(238,628)	(163,785)	74,843	31%	▲
Infrastructure Assets	13	(812,286)	(273,091)	(4,466)	268,626	98%	▲
Plant and Equipment	13	(176,221)	(818)	0	818	100%	▲
Furniture and Equipment	13	(1,800)	0	(431)	(431)		
<b>Amount attributable to investing activities</b>		<b>(811,286)</b>	<b>(347,532)</b>	<b>(168,682)</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		160,000	0	0	0		
Proceeds from Advances		0	0	0	0		
Self-Supporting Loan Principal		0	0	0	0		
Transfer from Reserves	7	245,996	245,996	0	(245,996)	(100%)	▼
Advances to Community Groups		0	0	0	0		
Repayment of Debentures	10	(45,566)	(6,333)	(6,333)	0	(0%)	
Transfer to Reserves	7	(143,128)	(143,128)	(690)	142,438	100%	▲
<b>Amount attributable to financing activities</b>		<b>217,302</b>	<b>96,535</b>	<b>(7,023)</b>			
<b>Closing Funding Surplus(Deficit)</b>	3	<b>(0)</b>	<b>1,400,709</b>	<b>1,480,616</b>			

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

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

Balance to Net Current Funding Surplus (Note 3)

0

-0

Budget opening surplus adjusted to reflect budget - EOFY changes for Actuals

**SHIRE OF CUBALLING**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(By Nature or Type)**  
**For the Period Ended 31 August 2018**

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>Opening Funding Surplus (Deficit)</b>	3	660,435	656,228	<b>656,228</b>	0	0%	
<b>Revenue from operating activities</b>							
Rates	9	1,118,673	1,125,372	<b>1,127,000</b>	1,628	0%	
Operating Grants, Subsidies and Contributions	11	626,369	129,797	<b>231,604</b>	101,807	78%	▲
Fees and Charges		400,253	117,464	<b>111,007</b>	(6,457)	(5%)	
Service Charges		0	0	<b>0</b>	0		
Interest Earnings		35,000	6,667	<b>2,272</b>	(4,395)	(66%)	
Other Revenue		28,500	6,000	<b>5,666</b>	(334)	(6%)	
Profit on Disposal of Assets	8	0	0	<b>0</b>	0		
		<b>2,208,795</b>	<b>1,385,300</b>	<b>1,477,549</b>			
<b>Expenditure from operating activities</b>							
Employee Costs		(923,363)	(129,349)	<b>(202,972)</b>	(73,623)	(57%)	▼
Materials and Contracts		(1,086,896)	(186,731)	<b>(153,354)</b>	33,377	18%	▲
Utility Charges		(42,170)	(7,271)	<b>(4,772)</b>	2,499	34%	▲
Depreciation on Non-Current Assets		(1,491,780)	(248,630)	<b>0</b>	248,630	100%	▲
Interest Expenses		(8,403)	(1,401)	<b>(1,096)</b>	305	22%	▲
Insurance Expenses		(130,445)	(36,530)	<b>(86,986)</b>	(50,455)	(138%)	▼
Other Expenditure		(83,958)	(28,540)	<b>(28,277)</b>	264	1%	
Loss on Disposal of Assets	8	(12,742)	0	<b>0</b>	0		
		<b>(3,779,758)</b>	<b>(638,452)</b>	<b>(477,457)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		1,491,780	248,630	<b>0</b>	(248,630)	(100%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	12,742	0	<b>0</b>	0		
Adjust Provisions and Accruals			0	<b>0</b>	0		
<b>Amount attributable to operating activities</b>		<b>(66,441)</b>	<b>995,477</b>	<b>1,000,092</b>			
<b>Investing activities</b>							
Grants, Subsidies and Contributions	11	534,005	165,006	<b>0</b>	(165,006)	(100%)	▼
Proceeds from Disposal of Assets	8	36,256		<b>0</b>	0		
Land Held for Resale	13	0	0	<b>0</b>	0		
Land and Buildings	13	(391,240)	(238,628)	<b>(163,785)</b>	74,843	31%	▲
Infrastructure Assets	13	(812,285)	(273,091)	<b>(4,466)</b>	268,626	98%	▲
Plant and Equipment	13	(176,221)	(818)	<b>0</b>	818	100%	▲
Furniture and Equipment	13	(1,800)	0	<b>(431)</b>	(431)		
<b>Amount attributable to investing activities</b>		<b>(811,285)</b>	<b>(347,532)</b>	<b>(168,682)</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		160,000	0	<b>0</b>	0		
Proceeds from Advances		0	0	<b>0</b>	0		
Self-Supporting Loan Principal		0	0	<b>0</b>	0		
Transfer from Reserves	7	245,996	245,996	<b>0</b>	(245,996)	(100%)	▼
Advances to Community Groups		0	0	<b>0</b>	0		
Repayment of Debentures	10	(45,566)	(6,333)	<b>(6,333)</b>	0	(0%)	
Transfer to Reserves	7	(143,128)	(143,128)	<b>(690)</b>	142,438	100%	▲
<b>Amount attributable to financing activities</b>		<b>217,302</b>	<b>96,535</b>	<b>(7,023)</b>			
<b>Closing Funding Surplus (Deficit)</b>	3	(0)	1,400,709	<b>1,480,616</b>	<b>79,907</b>	6%	

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

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

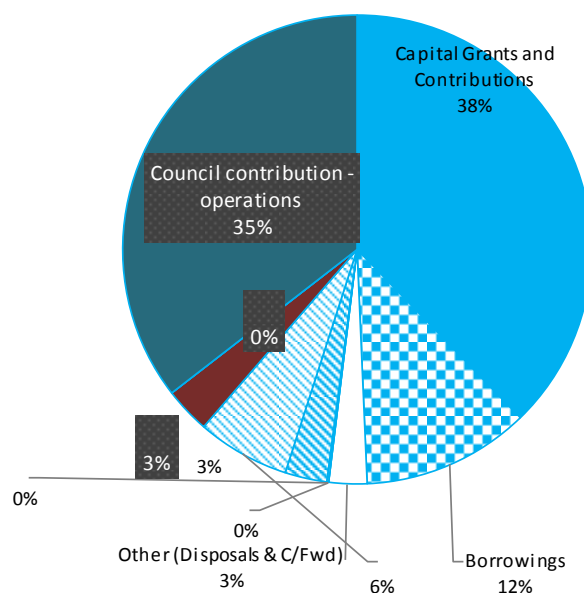
**SHIRE OF CUBALLING**  
**STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING**  
For the Period Ended 31 August 2018

**Capital Acquisitions**

	Note	YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	YTD Budget (d)	Annual Budget	YTD Actual Total (c) = (a)+(b)	Variance (d) - (c)
		\$	\$	\$	\$	\$	\$
Land and Buildings	13	0	0	238,628	391,240	163,785	(74,843)
Furniture & IT Equipment	13	0	0	0	1,800	431	
Infrastructure Assets	13	0	0	273,091	812,285	4,466	(268,626)
Plant and Equipment	13	0	0	818	176,221	0	(818)
<b>Capital Expenditure Totals</b>		0	0	512,538	1,381,546	168,682	(344,287)

**Capital acquisitions funded by:**

Capital Grants and Contributions				0	521,282	231,604	
Borrowings				0	160,000	0	
Other (Disposals & C/Fwd)				0	36,256	0	
Council contribution - Cash Backed Reserves				0	173,866	0	
Plant and Equipment Reserve				0	0	0	
Administration Building and Office Equipment Reserve				0	1,800	0	
Housing Reserve				0	40,000	0	
Recreation and Community Facility Reserve				0	88,360	0	
Refuse Site Reserve				0	43,706	0	
Grain Freight Reserve				0	0	0	
Equestrian Reserve				0	0	0	
Council contribution - operations				512,538	490,142	(62,922)	
<b>Capital Funding Total</b>				512,538	1,381,546	168,682	

**Budgeted Capital Acquisitions Funding**

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 1: Significant Accounting Policies**

**(a) Basis of Accounting**

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

**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.

**(b) The Local Government Reporting Entity**

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

**(c) Rounding Off Figures**

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

**(d) Rates, Grants, Donations and Other Contributions**

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

**(e) Goods and Services Tax**

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.

**(f) Cash and Cash Equivalents**

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

**(g) Trade and Other Receivables**

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**(h) Inventories*****General***

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

***Land Held for Resale***

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(i) Fixed Assets**

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.

**(j) Depreciation of Non-Current Assets**

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

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

<b>Asset</b>	<b>Years</b>
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
Seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths – slab	20 years

#### **(k) Trade and Other Payables**

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

#### **(l) Employee Benefits**

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

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

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

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

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

#### **(m) Interest-bearing Loans and Borrowings**

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.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### ***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

### **(n) Provisions**

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

### **(o) Current and Non-Current Classification**

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

### **(p) Nature or Type Classifications**

#### Rates

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

#### Operating Grants, Subsidies and Contributions

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

#### Non-Operating Grants, Subsidies and Contributions

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

#### Profit on Asset Disposal

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

#### Fees and 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 cannot be classified under the above headings, includes dividends, discounts, rebates etc.

Employee Costs

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

Materials and Contracts

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

Utilities (Gas, Electricity, Water, etc.)

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

Insurance

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

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

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

Other expenditure

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

**(r) Program Classifications (Function/Activity)**

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

**GOVERNANCE**

**Objective:**

To provide a decision-making process for the efficient allocation of scarce resources.

**Activities:**

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

To provide services to help ensure a safer and environmentally conscious community.

**Activities:**

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

**EDUCATION AND WELFARE**

**Objective:**

To provide services to disadvantaged persons, the elderly, children and youth.

**Activities:**

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

**HOUSING**

**Objective:**

To provide and maintain elderly residents housing.

**Activities:**

Provision and maintenance of elderly residents housing.

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the

environment and administration of town planning schemes, cemetery and public conveniences.

## **RECREATION AND CULTURE**

### **Objective:**

To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.

### **Activities:**

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

## **TRANSPORT**

### **Objective:**

To provide safe, effective and efficient transport services to the community.

### **Activities:**

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

## **ECONOMIC SERVICES**

### **Objective:**

To help promote the shire and its economic wellbeing.

### **Activities:**

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

## **OTHER PROPERTY AND SERVICES**

### **Objective:**

To monitor and control City/Town/Shire overheads operating accounts.

### **Activities:**

Private works operation, plant repair and operation costs and engineering operation costs.

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 2: Explanation of Material Variances**

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

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

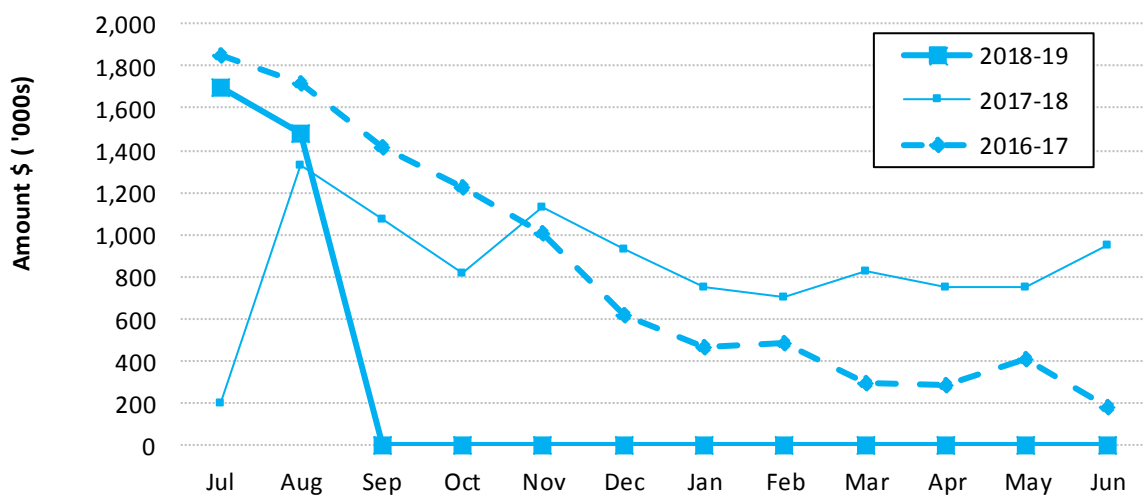
Reporting Program	Var. \$	Var. %	V	Timing/ Permane	Explanation of Variance
<b>Operating Revenues</b>	\$	%			
General Purpose Funding	(6,794)	(1%)		Timing	Within 1%
Governance	3,528	5722%		Permanent	Unbudgeted return of contribution to GRT Southern Regional Bus Assoc.
Law, Order and Public Safety	(6,072)	(92%)		Permanent	ESL Grant pmt timing
Health	0		▼		Nil
Housing	(60)	(8%)			Not material
Community Amenities	6,920	12%	▲	Timing	No rates W/off to date. Dpt Vet Affairs - bookgrant
Recreation and Culture	13,015	434%	▲	Timing	Yornanning Dam grant budgeted for Sept (early payment)
Transport	91,070	195%	▲	Permanent	Direct MRWA Grant amount received \$98,183 which is greater than budget \$57,535 and timing of payment being Aug is sooner than Oct budget.
Economic Services	(5,131)	(56%)	▼	Timing	Standpipe revenue raised as at 30/9 for the quarter. Private works slightly lower than budget. Building Lic & Surveyor Fees under budget by \$2,756 YTD
Other Property and Services	(4,727)	(9%)		Timing	Private Works & Private Works Building activities lower than budget - as are the assoc costs.
<b>Operating Expense</b>					
General Purpose Funding	769	8%		Timing	Minor difference
Governance	(3,230)	(8%)	▲	Timing	Member Subscriptions - BHW Consulting - Slightly over
Law, Order and Public Safety	9,802	29%	▲	Timing	No Depreciation (until auditor signoff)
Health	943	13%	▲		Health officer costs less than budgeted
Education & Welfare	6,853	76%	▲		Expenses relating to Aged & Disabled not yet incurred
Housing	3,436	31%	▲	Timing	CEO house maint lower than budgeted, no depreciation
Community Amenities	4,553	10%		Timing	Tip Maint and Public Conveniences costs are lower
Recreation and Culture	21,285	40%	▲	Timing	Halls Maint & Cuby Rec Centre & Oval Costs lower than Budget (\$5,867). No depreciation calculated.
Transport	117,540	33%	▲	Timing	Depot maint costs greater than budgeted (\$13,244) which will be cleaning up old depot yard, Maint on Streets & Roads over budget (\$55,490), Bridges maint is over budget (\$3,573) but this will be offset by the charges to the accident party. Depreciation YTD budget (\$187,320) not calculated till post audit.
Economic Services	6,675	21%	▲	Timing	Slightly less building Services & Admin Costs to budget, No Depreciation calculated (\$1,818)
Other Property and Services	(7,631)	(20%)	▼	Timing	All of Private Works, Building Surveyor and Staff training costs are lower than budgeted
<b>Capital Revenues</b>					
Grants, Subsidies and Contributions	(165,006)	(100%)	▼	Timing	Regional Road Grant - Yet to be Received (budgeted for July & April)
Proceeds from Disposal of Assets	0				
<b>Capital Expenses</b>					
Land and Buildings	74,843	31%	▲	Timing	Still Costs to be spent of Cornish Land Improvements (20,637) and the budgeted works for the completion of CWA Hall works yet to start (\$55,443).
Infrastructure - Roads	268,626	98%	▲	Timing	Both Job R1239A Wandering Narragin Road 18-19 & Job R001A Strathearne Road 18-19 have not progressed with regard to timing.
Plant and Equipment	818	100%	▲	Timing	WEARN Radios (fire) awaiting radio frequency access
Furniture and Equipment	(431)				No material variance
<b>Financing</b>					

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 3: Net Current Funding Position**

Positive=Surplus (Negative=Deficit)

		Last Years Closing	This Time Last Year	Current
	Note	30/06/2018	30 Aug 2017	31 Aug 2018
		\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	4	509,330	1,407,505	1,230,462
Cash Restricted	11	0	0	0
Cash Reserves	4	1,542,312	1,295,065	1,542,993
Receivables - Rates	6	51,735	333,760	358,743
Receivables - Other	6	90,631	225,360	121,727
Interest / ATO Receivable/Trust		0	7,812	12,749
Inventories		8,391	7,262	8,391
		2,202,399	3,276,764	3,275,064
<b>Less: Current Liabilities</b>				
Payables and Provisions		(3,858)	(50,081)	(251,456)
		(3,858)	(50,081)	(251,456)
Less: Cash Reserves	7	(1,542,312)	(1,295,065)	(1,542,993)
<b>Net Current Funding Position</b>		<b>656,228</b>	<b>1,931,618</b>	<b>1,480,616</b>

**Note 3 - Liquidity Over the Year****Comments - Net Current Funding Position**

FAGS Allocation in 16/17 is paid in quarterly installments, in 15/16 there was an advance.  
 FAGS Allocation in 16/17 there was a 50% Advance of 17/18 payments in June 2017

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 4: Cash and Investments**

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
<b>(a) Cash Deposits</b>							
Municipal Bank Account	1,101,257			1,101,257	CBA	0.50%	At Call
Investment Account	128,503			128,503	CBA	1.25%	At Call
Trust Bank Account			21,280	21,280	CBA	0.00%	At Call
Cash On Hand	700			700	N/A	Nil	On Hand
Reserves Account		0		0	CBA	0.00%	At Call
<b>(b) Term Deposits</b>							
Reserves Term Deposit 1		439,681		439,681	CBA	1.85%	10-Sep-18
Reserves Term Deposit 2		551,656		551,656	CBA	2.13%	01-Oct-18
Reserves Term Deposit 3		551,656		551,656	CBA	2.13%	01-Oct-18
<b>Total</b>	<b>1,230,459</b>	<b>1,542,993</b>	<b>21,280</b>	<b>2,794,732</b>			

**Comments/Notes - Investments**

Reserve Funds are on a rolling maturity schedule to maximise interest, linked to a Reserve transaction account.

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 5: 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						0
	Permanent Changes						0
							0
	Changes Due to Timing						0
							0
				0	0	0	



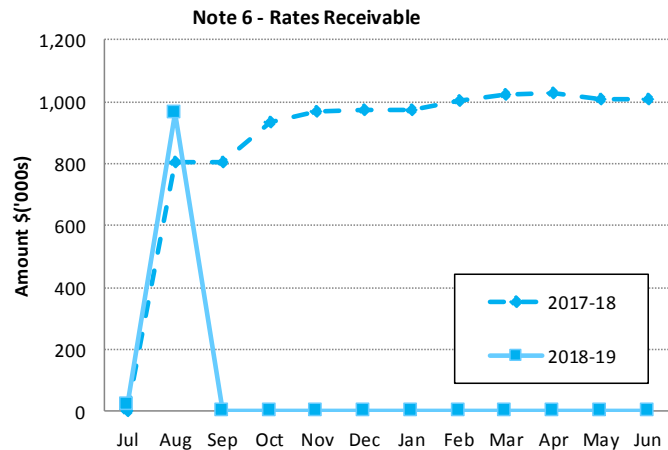
**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 6: Receivables**

Receivables - Rates Receivable	31 Aug 2018	30 June 2018
	\$	\$
Opening Arrears Previous Years	57,439	70,590
Levied this year	1,199,252	1,066,065
Less Collections to date	(964,893)	(1,079,216)
Equals Current Outstanding	<b>291,798</b>	<b>57,439</b>
<b>Net Rates Collectable</b>	<b>291,798</b>	<b>57,439</b>
% Collected	76.78%	94.95%

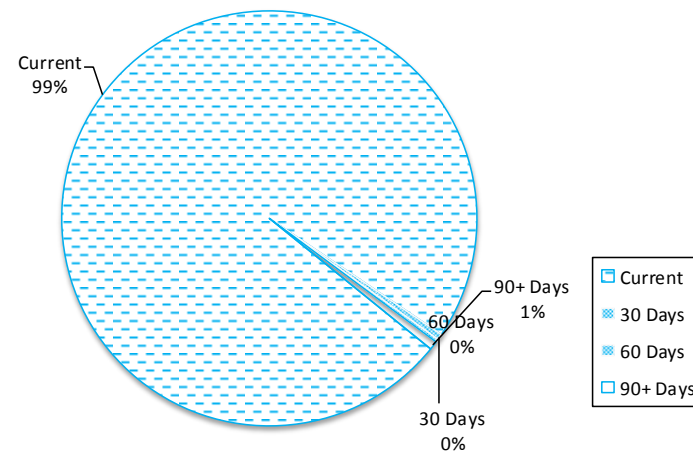
Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	120,040	569	290	828	121,727
<b>Balance per Trial Balance</b>					
Sundry Debtors					121,727
Receivables - Other					12,749
<b>Total Receivables General Outstanding</b>					<b>134,476</b>

Amounts shown above include GST (where applicable)



**Comments/Notes - Receivables Rates**  
 Rates Issue Date - 4 August 2016  
 Discount Period Ends - 25 August 2016  
 Rates Due - 8 September 2016

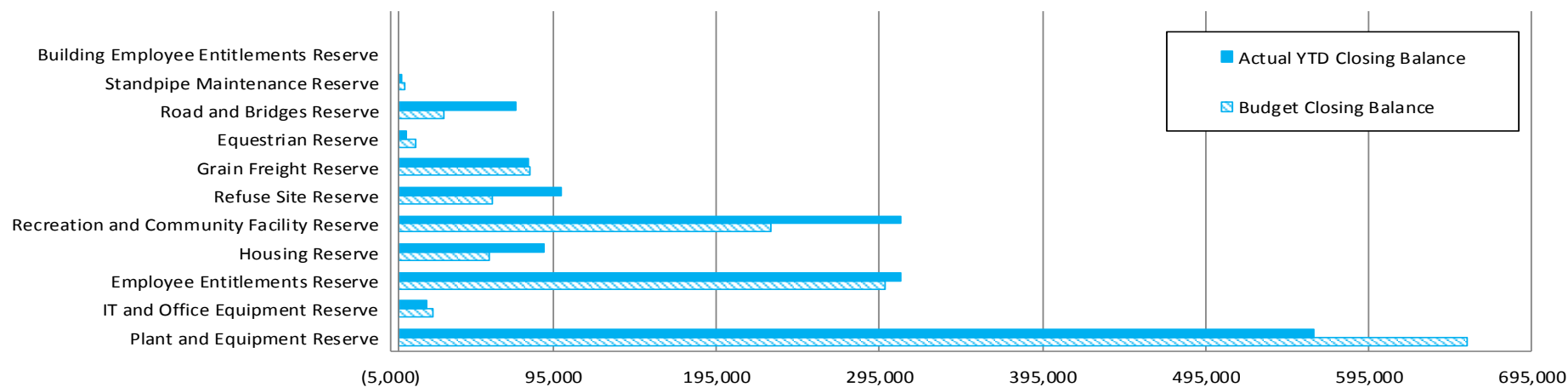
**Note 6 - Accounts Receivable (non-rates)**



**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 7: Cash Backed Reserve**

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment Reserve	560,993	6,547	251	88,362	0	0	0	655,902	561,244
IT and Office Equipment Reserve	17,398	203	8	5,000	0	(1,800)	0	20,801	17,406
Employee Entitlements Reserve	308,227	3,597	138	14,766	0	(27,730)	0	298,860	308,365
Housing Reserve	89,441	1,045	40	5,000	0	(40,000)	0	55,486	89,481
Recreation and Community Facility Reserve	308,070	3,595	138	5,000	0	(88,360)	0	228,305	308,208
Refuse Site Reserve	99,795	1,165	45	0	0	(43,706)	0	57,254	99,840
Grain Freight Reserve	79,788	931	36	0	0	0	0	80,719	79,824
Equestrian Reserve	5,034	59	2	5,000	0	0	0	10,093	5,036
Road and Bridges Reserve	71,566	835	32	0	0	(44,400)	0	28,001	71,598
Standpipe Maintenance Reserve	2,000	23	1	2,000	0	0	0	4,023	2,001
Building Employee Entitlements Reserve	0	0	0	0	0	0	0	0	0
	<b>1,542,312</b>	<b>18,000</b>	<b>690</b>	<b>125,128</b>	<b>0</b>	<b>(245,996)</b>	<b>0</b>	<b>1,439,444</b>	<b>1,543,002</b>

**Note 7 - Year To Date Reserve Balance to End of Year Estimate**

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 8: Disposal of Assets**

Asset Number	Asset Description	YTD Actual				Amended Budget			
		Net Book Value	Proceeds	Profit (Loss)		Net Book Value	Proceeds	Profit (Loss)	
		\$	\$	\$	\$	\$	\$	\$	\$
	<b>Plant and Equipment</b>								
P105	CN1 2014 Holden Colorado Dcab Utility	0	0			18,000	17,166		(834)
P152	CN2 Isuzu NPR 300 Truck	0	0			22,400	12,727		(9,673)
P107	CN1557 Mazda Traytop Utility	0	0			8,400	6,363		(2,037)
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,800</b>	<b>36,256</b>	<b>0</b>	<b>(12,544)</b>

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 9: Rating Information**

	Rate in	Number of Properties	Rateable Value	YTD Actual			Adopted Budget				
				Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
<b>RATE TYPE</b>	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Differential General Rate</b>											
GRV	7.0920	167	2,149,860	152,468	0	0	152,468	152,468	0	0	152,468
UV	0.7209	186	109,263,940	787,684	949	0	788,633	787,684	0	0	787,684
<b>Sub-Totals</b>		<b>353</b>	<b>111,413,800</b>	<b>940,152</b>	<b>949</b>	<b>0</b>	<b>941,101</b>	<b>940,152</b>	<b>0</b>	<b>0</b>	<b>940,152</b>
<b>Minimum Payment</b>	<b>\$</b>										
GRV	690.00	162	810,568	111,780	0	0	111,780	111,780	0	0	111,780
UV	930.00	158	14,017,700	146,940	0	0	146,940	146,940	0	0	146,940
<b>Sub-Totals</b>		<b>320</b>	<b>14,828,268</b>	<b>258,720</b>	<b>0</b>	<b>0</b>	<b>258,720</b>	<b>258,720</b>	<b>0</b>	<b>0</b>	<b>258,720</b>
		<b>673</b>	<b>126,242,068</b>	<b>1,198,872</b>	<b>949</b>	<b>0</b>	<b>1,199,821</b>	<b>1,198,872</b>	<b>0</b>	<b>0</b>	<b>1,198,872</b>
Discount							(72,821)				(73,500)
<b>Amount from General Rates</b>							<b>1,127,000</b>				<b>1,125,372</b>
Ex-Gratia Rates							0				0
Write Off							0				(6,700)
Specified Area Rates							0				0
<b>Totals</b>							<b>1,127,000</b>				<b>1,118,672</b>

**Comments - Rating Information**

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

The general rates detailed above for the 2018/19 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

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

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 10: Information on Borrowings**

## (a) Debenture Repayments

Particulars	Loan Date	Years	Principal at 1/07/2018	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
					Actual	Amended Budget	Actual	Amended Budget	Actual	Amended Budget
					\$	\$	\$	\$	\$	\$
<b>Transport</b>										
Loan 64 - Cornish Land	31/08/2018	10	0	160,000		6,862	0	(6,862)	-	2,536
Loan 63 - Graders	7/02/2014	8	150,655		6,333	38,704	144,322	111,951	1,096	7,534
			150,655	160,000	6,333	45,566	144,322	105,089	1,096	10,070

All debenture repayments were financed by general purpose revenue.

## (b) New Debentures

No new debentures were raised during the reporting period.

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 11: Grants and Contributions**

	Grant Provider	Type	Opening	Budget		YTD	Annual	Post	Program	Expected	YTD Actual	
			Balance	Operating	Capital	Budget	Budget	Variations		(d)+(e)	Revenue	
			(a)				(d)	(e)				
				\$	\$	\$				\$		
<b>General Purpose Funding</b>												
	Grants Commission - General	WALGGC	Operating	0	289,730	0	72,433	289,730		3	289,730	69,541
	Grants Commission - Roads	WALGGC	Operating	0	179,727	0	44,914	179,727		12	179,727	38,361
	Grants Youth Development Grant	Youth Development	Operating	0	0	0	0	0		3	0	0
	Great Southern Business Development Group		Operating	0	0	0	0	0		4		3,373
<b>Law, Order and Public Safety</b>												
	DFES Grant -	Dept. of Fire & Emergency Serv.	Non-operating	0		0	0			5	0	0
	DFES Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating	0	30,517	0	6,629	30,517		5	30,517	0
<b>Recreation and Culture</b>												
	Grants - Kidsport	Dept. of Communities	Operating	0	0	0	0	0		11	0	0
	DREC	R4R, Lotterywest, Contributions	Non-operating	0	0	0	0	0		11	0	0
	Yornaning Dam Upgrades	National Resource Mangement	Operating	0	0	12,723	0	12,723		11	12,723	10,909
<b>Transport</b>												
	Direct Grant - Main Roads	Main Roads WA	Operating	0	57,535	0	0	57,535		12	57,535	98,183
	Grant - MRWA Project	Main Roads WA	Operating							12	0	0
	Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	0	0	191,270	0	191,270		12	191,270	0
	RRG Grants - Capital Projects	Regional Road Group	Non-operating	0	0	330,012	0	330,012		12	330,012	0
<b>Community Amenities</b>												
	History Book Grant	Dept of Vet Affairs	Operating	0	0	0	0	0		10		6,002
<b>Education &amp; Welfare</b>												
	Goodthings Foundation - Digital Literacy	Aged & Disabled Dept.	Operating	0	0	0	0	0		8	0	500
<b>Economic Services</b>												
	Youth Day Grant	Dept. of Communities	Operating	0	1,000	0	0	1,000		13	1,000	2,500
	Volunteer Day Grant	Dept. of Communities	Operating	0	1,000	0	0	1,000		13	1,000	0
	Kid's Day Go for 2&5	Healthways	Operating	0	0	0	0	0		13	0	0
	Seniors Day Grant	Dept. of Communities	Operating	0	0	0	0	0		13	0	0
	Other											2,235
<b>TOTALS</b>				<b>0</b>	<b>559,509</b>	<b>534,005</b>	<b>123,976</b>	<b>1,093,514</b>	<b>0</b>		<b>1,093,514</b>	<b>231,604</b>
<b>SUMMARY</b>												
	Operating	Operating Grants, Subsidies and Contributions		0	559,509	12,723	123,976	572,232	0		559,509	
		other										0
	Operating - Tied	Tied - Operating Grants, Subsidies and Contributions		0	0	0	0	0	0		0	0
	Non-operating	Non-operating Grants, Subsidies and Contributions		0	0	521,282	0	521,282	0		521,282	231,604
<b>TOTALS</b>				<b>0</b>	<b>559,509</b>	<b>534,005</b>	<b>123,976</b>	<b>1,093,514</b>	<b>0</b>		<b>1,080,791</b>	<b>231,604</b>

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 12: Trust Fund**

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

Description	Opening Balance 01 Jul 2018	Amount Received	Amount Paid	Closing Balance 31 Aug 2018
	\$	\$	\$	\$
Bonds - Building	6,889	0	0	6,889
Bonds - Hall Hire	1,150	0	0	1,150
Badmington Club	20	0	0	20
Commodine Tennis Club	2,990	0	0	2,990
Cuballing Country Festival	1,099	0	0	1,099
Cuballing Cricket Club	200	0	0	200
Yornaning Dam	0	0	0	0
Cuballing Football Association	566	0	0	566
Environment and Townscape Trust Fund	6,362	0	0	6,362
Police Licensing	1,573	33,536	(35,030)	79
Swipe Cards	1,605	0	0	1,605
Reimbursements	320	0	0	320
	<b>22,774</b>	<b>33,536</b>	<b>(35,030)</b>	<b>21,280</b>

SHIRE OF CUBALLING  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 31 August 2018

**Note 13: Capital Acquisitions**

excludes office equipment

Assets	Account	YTD Actual			Budget			Strategic Reference / Comment	
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance		
		\$	\$	\$	\$	\$	\$		
<i>Level of completion indicator, please see table at the end of this note for further detail.</i>									
<b>Furniture &amp; IT Equipment</b>									
	Councillor iPads	04265	(1,800)	-431	(1,800)	0	(431)	Councillor iPads x 2	
<b>Furniture &amp; IT Equipment - Governance Total</b>			<b>(1,800)</b>	<b>0</b>	<b>(431)</b>	<b>(1,800)</b>	<b>0</b>	<b>(431)</b>	
<b>Law order &amp; Public Safety</b>									
	VHF Radio WEARN - Hand Held (x2)	05170	(818)	0	(818)	0	0	Fire Hand Held Radio's	
<b>Furniture &amp; IT Equipment - Governance Total</b>			<b>(818)</b>	<b>0</b>	<b>(818)</b>	<b>0</b>	<b>0</b>		
<b>Land &amp; Buildings</b>									
<b>Land &amp; Buildings Infrastructure</b>									
<b>Cornish land</b>									
0.89	Cornish Land & Improvements	12126	(23,185)	-162,548	(183,185)	(183,185)	20,637	C196A	
<b>Recreation And Culture -Law Order &amp; Public Safety</b>									
	Lions Park Shelter	11320		(6,625)	0	(6,625)	0	C192A	
	Building Renewal - Cuballing CWA Hall	11320		(55,443)	0	(55,443)	55,443	C195A	
	Building Renewal - Cuballing Fire Station	10517	(46)	(46)	0	0	(46)	last Yr Job	
	Building Renewal - Cuballing Memorial Park	11230		(49,530)	0	(49,530)	0	C176	
	Building Renewal - Cuballing Recreation Centre	11230		(4,140)	0	(4,140)	0	C165	
	Building Renewal - Yornaning Dam	11230	(12,115)	(441)	(12,115)	0	(441)	C187	
<b>Recreation And Culture - Governance Total</b>			<b>(35,346)</b>	<b>(115,738)</b>	<b>(163,036)</b>	<b>(311,038)</b>	<b>(238,628)</b>	<b>75,593</b>	
<b>Community Amenities</b>									
	Cuballing Transfer Station - Sealing	10742	(40,916)	0	(40,916)	0	0	J601A - Sealing	
	Popanyinning Tip Shed Floor - Concrete	10742	(3,960)	0	(3,960)	0	0	J601B - Concrete	
	Popanyinning Tip Shed Gates	10742	(3,838)	(750)	(3,838)	0	(750)	J601C - Gates	
	Cuballing Transfer Station - Waste Oil Relocation	10742	(31,488)	0	(31,488)	0	0	J601E - Relocation Waste Oil	
<b>Community Amenities Total</b>			<b>(80,202)</b>	<b>0</b>	<b>(750)</b>	<b>(80,202)</b>	<b>0</b>	<b>(750)</b>	
<b>Land &amp; Buildings Total</b>			<b>(115,548)</b>	<b>(115,738)</b>	<b>(163,785)</b>	<b>(391,240)</b>	<b>(238,628)</b>	<b>74,843</b>	
<b>Other Infrastructure</b>									
<b>Economic Services</b>									
	Popanyinning Gravel Pit - Fencing	13605	(6,450)	0	(6,450)	0	0	C198	
<b>Economic Services Total</b>			<b>(6,450)</b>	<b>0</b>	<b>(6,450)</b>	<b>0</b>	<b>0</b>		
<b>Other Infrastructure Total</b>			<b>(6,450)</b>	<b>0</b>	<b>(6,450)</b>	<b>0</b>	<b>0</b>		
<b>Plant , Equip. &amp; Vehicles</b>									
<b>Transport</b>									
	Isuzu Hino 3.5T Truck	12405		(63,900)	0	(63,900)	0	Budget - Purchase September	
	ESO Dual Cab 4x4 Utility	12405		(43,073)	0	(43,073)	0	Budget - Purchase August	
	Kevrek 550s Crane	12405		(7,300)	0	(7,300)	0	Budget - Purchase August	
	Solar Powered Variable Message Board	12405	(23,130)	0	(23,130)	0	0	Budget - Purchase November	
	Directional Signage	12405	(8,000)	0	(8,000)	0	0	Budget - Purchase October	
	4x2 Tipping Utility - with Kevrek Crane	12405		(30,000)	0	(30,000)	0	Budget - Purchase August	
<b>Transport Total</b>			<b>(31,130)</b>	<b>(144,273)</b>	<b>0</b>	<b>(175,403)</b>	<b>0</b>	<b>0</b>	
<b>Plant , Equip. &amp; Vehicles Total</b>			<b>(31,130)</b>	<b>(144,273)</b>	<b>0</b>	<b>(175,403)</b>	<b>0</b>	<b>0</b>	
<b>Roads</b>									
<b>Transport</b>									
	RRG - Wandering Narrogin Road	12115	(165,198)	0	(165,198)	0	0	R129	
	RRG - Wandering Narrogin Road 18-19	12115	(274,131)	(3,784)	(274,131)	(182,754)	178,970	R129A	
	RRG - Stratherne Road 18-19	12115	(135,506)	(500)	(135,506)	(90,337)	89,837	R001A	
	Wandering Road bridge Widening Contribution	12115	(40,000)	0	(40,000)	0	0	R002	
	R2R - Popanyinning East - Cement Stabilising	12120		(10,080)	0	(10,080)	0	R004C	
	R2R - Popanyinning East - Gravel Sheetting	12120		(172,836)	(182)	(172,836)	0	(182)	R004D
	R2R - Cuballing East Road Reseals	12120		(8,084)	0	(8,084)	0	R004F	
<b>Transport Total</b>			<b>(614,835)</b>	<b>(191,000)</b>	<b>(4,466)</b>	<b>(805,835)</b>	<b>(273,091)</b>	<b>268,626</b>	
<b>Roads Total</b>			<b>(614,835)</b>	<b>(191,000)</b>	<b>(4,466)</b>	<b>(805,835)</b>	<b>(273,091)</b>	<b>268,626</b>	
<b>Capital Expenditure Total</b>			<b>(770,581)</b>	<b>(451,011)</b>	<b>(168,682)</b>	<b>(1,381,546)</b>	<b>(511,720)</b>	<b>343,038</b>	
<b>Level of Completion Indicators</b>									
	0%								
	20%								
	40%								
	60%								
	80%								
	100%								
	Over 100%								

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



### 9.1.3 Statement of Financial Activity – Period Ended 30<sup>th</sup> September 2018

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	11 <sup>th</sup> October 2018
Author:	Rick Pares, Deputy Chief Executive Officer
Attachments:	9.1.3A Statement of Financial Activity

#### **Summary**

**Council is to consider the Statement of Financial Activity for September 2018.**

#### **Background**

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

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

#### **Comment**

The revenue from operating activities exceeded the year to date Budget to September 2018 in a positive manner. Some key points include:

- General Purpose Funding – Rates revenue actual value is aligned with Budget;
- Governance – Unbudgeted return of membership fees from the Great Southern Regional Business Association of \$3,373 has been received;
- Community Amenities – Received Department of Veterans Affairs book grant of \$6000;
- Transport – MRWA Direct Grant amount received \$98,183 being greater than the \$57,535 budgeted and earlier than budgeted also. Council will also receive a recoup of damage to the bridge on Wandering Narrogin Road. This income is offset by extra operating cost; and
- Economic Services – Standpipe charges raised are less than budgeted. Building Licenses and Building Surveyor fees less than budgeted. These reductions in income are offset by lower respective costs.

Operating Expenses – the key items of variances include:

- Overall the month is closely aligned with the YTD budget. The calculation of depreciation in 2018/19 will commence in October 2018 at the earliest. This will be the first month after the signoff of asset values at 30 June 18 by the Auditor;
- Council has made savings of \$78,235 in that material and contract expenses have been delayed as the capital projects are yet to commence. The insurance expense variation is a timing matter only. Plant operation tyre and fuel costs are reduced by \$22,000 on budget; and

- Employee costs are currently exceeding budget year to date by \$112K,00. This increase is because all due to labour only being utilised in operational projects including road maintenance, depot maintenance and gardening activities. Council has not been able to commence capital projects in the time frames included in the Council budget. As the year progresses these costs are expected to return to budget estimates with less operational activities and more capital project works.

In the month of September, the Shire crystallised the purchase of the three road plant items – see Note 13. The realised proceeds on the sale of the 3 vehicles traded were very close to the budgeted values provided by the Manager Works & Services.

To the end of September there has been very little road capital works undertaken. Only gravel sheeting on Reeds Road has been completed. This delay is explained by the delay in finalising clearing permits. Council may need to discuss the reallocation of the Roads to Recovery funding of \$172,836 currently allocated to Popanyinning West Road – Reconstruction. Roads to Recovery funding must be spent within the 2018/19. This is the 5<sup>th</sup> and final year of this program and all outstanding allocations need to be spent in the current financial year and cannot be passed into the next year as Council has done in the past.

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

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

Administration Allocations have not been made in September 2018 due to ongoing finalisation of audit adjustments.

Depreciation expense is not calculated in September 2018 due to the ongoing finalisation of audit adjustments.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

#### Options

Council may resolve:

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

Voting Requirements – Simple Majority

#### **COUNCIL DECISION – 2018/100:**

**That the Statement of Financial Activity, as included at Attachment 9.1.3A, for the Shire of Cuballing for period ending 30<sup>th</sup> September 2018 be received.**

**Moved: Cr Ballantyne**

**Seconded: Cr Dowling**

**Carried 5/0**

**SHIRE OF CUBALLING**

**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the Period Ended 30 September 2018**

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

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**Shire of Cuballing  
Information Summary  
For the Period Ended 30 September 2018**

## Key Information

### Report Purpose

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996, Regulation 34*.

### Overview

Summary reports and graphical progressive graphs are provided on pages 2 - 3.

### Statement of Financial Activity by reporting program

Is presented on page 6 and shows a surplus as at 30 September 2018 of \$1,235,160.

### Items of Significance

The material variance adopted by the Shire of Cuballing for the 2016/17 year is \$5,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of material variance is disclosed in Note 2.

### Capital Expenditure

Land and Buildings	▲	\$ 74,828	Still Costs to be spent of
Infrastructure - Roads	▲	\$ 400,822	Both Job R1239A Wandering
Plant and Equipment	▲	\$ 26,116	WEARN Radios (fire)

### Capital Revenue

Grants, Subsidies and Contributions	▼	(\$177,729)	Regional Road Grant - Yet to
Proceeds from Disposal of Assets		(\$1,872)	Proceeds on sale of 3 Road vehicles (Note 8) slightly less

	Collected / Complete	Annual Budget	YTD Budget	YTD Actual
<b>Significant Projects</b>				
RRG - Stratherne Road 18-19	1%	\$ 135,506	\$ 135,506	\$ 710
RRG - Wandering Narrogin Road 17-18	0%	\$ 165,198	\$ -	\$ -
RRG - Wandering Narrogin Road 18-19	1%	\$ 274,131	\$ 274,131	\$ 3,994
<b>Grants, Subsidies and Contributions</b>				
Operating Grants, Subsidies and Contributions	0%	\$ 559,509	\$ 128,521	\$ -
Non-operating Grants, Subsidies and Contributions:	46%	\$ 534,005	\$ 1,000	\$ 243,746
	22%	\$ 1,093,514	\$ 129,521	\$ 243,746
Rates Levied	101%	\$ 1,118,673	\$ 1,125,372	\$ 1,127,045

% Compares current ytd actuals to annual budget

### Financial Position

		Prior Year	Current Year
Adjusted Net Current Assets	77%	\$ 1,610,351	\$ 1,235,160
Cash and Equivalent - Unrestricted	74%	\$ 1,310,917	\$ 968,039
Cash and Equivalent - Restricted	119%	\$ 1,295,065	\$ 1,543,706
Receivables - Rates	87%	\$ 250,609	\$ 218,441
Receivables - Other	99%	\$ 28,207	\$ 27,947
Payables	437%	\$ 3,858	\$ 16,844

% Compares current ytd actuals to prior year actuals at the same time

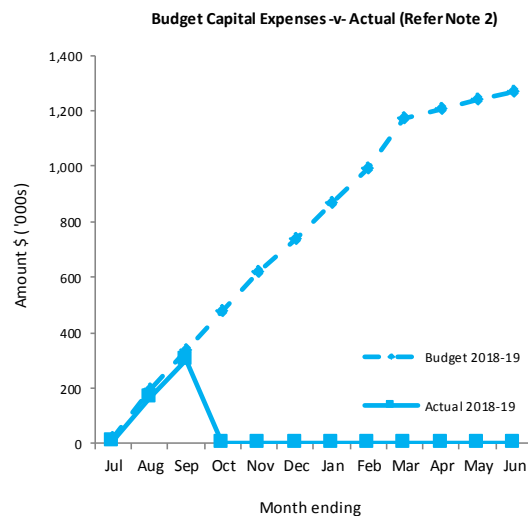
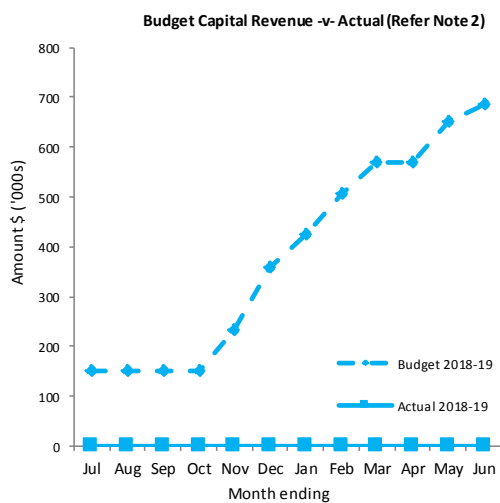
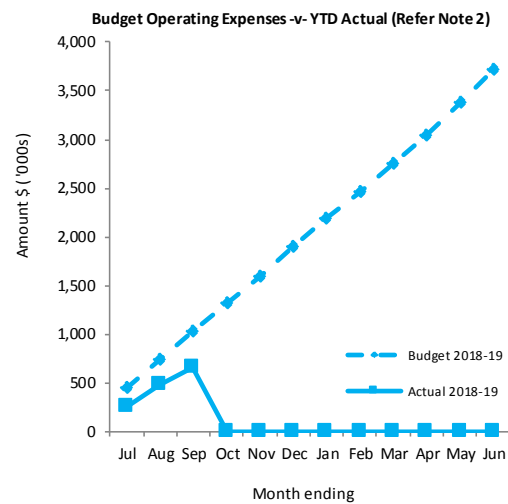
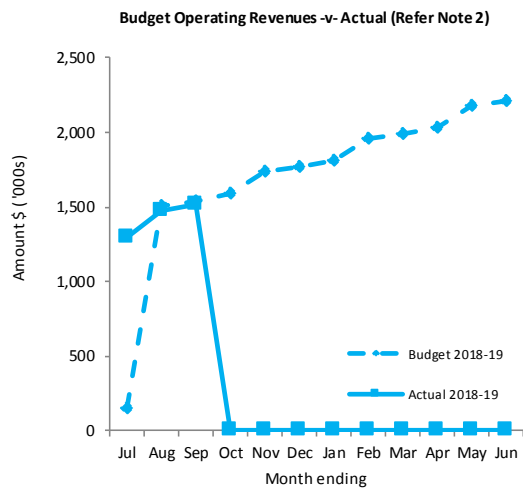
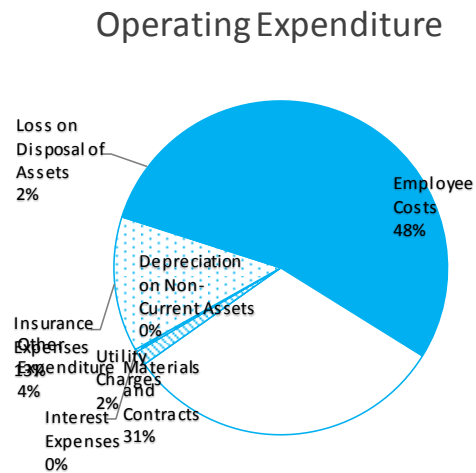
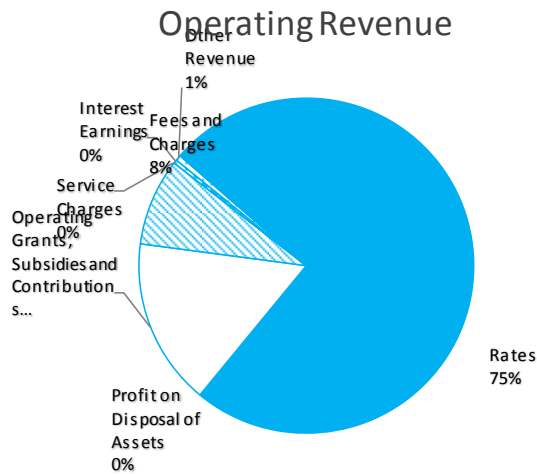
Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of

### Preparation

Prepared by: Richard Pares, DCEO

Reviewed by: Gary Sherry, CEO

Shire of Cuballing  
Information Summary  
For the Period Ended 30 September 2018



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

**SHIRE OF CUBALLING**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 30 September 2018**

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)- (a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>Opening Funding Surplus(Deficit)</b>	3	660,435	656,228	<b>656,228</b>	0	0%	
<b>Revenue from operating activities</b>							
Governance		3,000	92	<b>3,670</b>	3,577	3868%	
General Purpose Funding	9	1,447,827	1,209,855	<b>1,205,016</b>	(4,838)	(0%)	
Law, Order and Public Safety		33,767	6,629	<b>8,382</b>	1,752	26%	
Health		700	175	<b>0</b>	(175)	(100%)	
Education and Welfare		1,000	1,000	<b>1,000</b>	0	0%	
Housing		4,680	1,170	<b>1,080</b>	(90)	(8%)	
Community Amenities		60,700	59,600	<b>66,320</b>	6,720	11%	▲
Recreation and Culture		8,545	21,268	<b>16,115</b>	(5,154)	(24%)	▼
Transport		247,262	34,691	<b>147,969</b>	113,278	327%	▲
Economic Services		83,812	13,753	<b>4,749</b>	(9,004)	(65%)	▼
Other Property and Services		317,500	79,375	<b>57,030</b>	(22,345)	(28%)	▼
		<b>2,208,794</b>	<b>1,427,609</b>	<b>1,511,330</b>			
<b>Expenditure from operating activities</b>							
Governance		(152,395)	(62,845)	<b>(50,469)</b>	12,375	20%	▲
General Purpose Funding		(74,310)	(16,577)	<b>(13,226)</b>	3,351	20%	▲
Law, Order and Public Safety		(178,486)	(46,482)	<b>(28,355)</b>	18,127	39%	▲
Health		(44,733)	(11,058)	<b>(9,607)</b>	1,451	13%	▲
Education and Welfare		(54,551)	(13,638)	<b>(3,157)</b>	10,481	77%	▲
Housing		(72,294)	(19,776)	<b>(10,056)</b>	9,721	49%	▲
Community Amenities		(343,728)	(70,743)	<b>(65,074)</b>	5,669	8%	
Recreation and Culture		(258,139)	(74,476)	<b>(46,666)</b>	27,809	37%	▲
Transport		(2,129,780)	(542,875)	<b>(373,409)</b>	169,466	31%	▲
Economic Services		(194,289)	(48,771)	<b>(34,334)</b>	14,437	30%	▲
Other Property and Services		(277,053)	(71,973)	<b>(30,831)</b>	41,142	57%	▲
		<b>(3,779,759)</b>	<b>(979,214)</b>	<b>(665,185)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		1,491,780	372,945	<b>0</b>	(372,945)	(100%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	12,742	12,742	<b>14,416</b>	1,674	13%	
Adjust Provisions and Accruals		0	0	<b>0</b>	0		
<b>Amount attributable to operating activities</b>		<b>(66,443)</b>	<b>834,082</b>	<b>860,560</b>			
<b>Investing Activities</b>							
Non-operating Grants, Subsidies and Contributions	11	534,005	177,729	<b>0</b>	(177,729)	(100%)	▼
Proceeds from Disposal of Assets	8	36,256	36,256	<b>34,384</b>	(1,872)	(5%)	
Land Held for Resale		0	0	<b>0</b>	0		
Land and Buildings	13	(391,240)	(238,628)	<b>(163,800)</b>	74,828	31%	▲
Infrastructure Assets	13	(812,286)	(409,637)	<b>(8,815)</b>	400,822	98%	▲
Plant and Equipment	13	(176,221)	(158,164)	<b>(132,048)</b>	26,116	17%	▲
Furniture and Equipment	13	(1,800)	0	<b>(431)</b>	(431)		
<b>Amount attributable to investing activities</b>		<b>(811,286)</b>	<b>(592,444)</b>	<b>(270,710)</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		160,000	0	<b>0</b>	0		
Proceeds from Advances		0	0	<b>0</b>	0		
Self-Supporting Loan Principal		0	0	<b>0</b>	0		
Transfer from Reserves	7	245,996	245,996	<b>0</b>	(245,996)	(100%)	▼
Advances to Community Groups		0	0	<b>0</b>	0		
Repayment of Debentures	10	(45,566)	(9,517)	<b>(9,517)</b>	0	0%	
Transfer to Reserves	7	(143,128)	(143,128)	<b>(1,402)</b>	141,726	99%	▲
<b>Amount attributable to financing activities</b>		<b>217,302</b>	<b>93,351</b>	<b>(10,919)</b>			
<b>Closing Funding Surplus(Deficit)</b>	3	<b>(0)</b>	<b>991,217</b>	<b>1,235,160</b>			

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

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

Balance to Net Current Funding Surplus (Note 3)

0

-0

Budget opening surplus adjusted to reflect budget - EOFY changes for Actuals

**SHIRE OF CUBALLING**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(By Nature or Type)**  
**For the Period Ended 30 September 2018**

	Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>Opening Funding Surplus (Deficit)</b>	3	660,435	656,228	<b>656,228</b>	0	0%	
<b>Revenue from operating activities</b>							
Rates	9	1,118,673	1,125,372	<b>1,127,045</b>	1,673	0%	
Operating Grants, Subsidies and Contributions	11	626,369	134,708	<b>243,746</b>	109,038	81%	▲
Fees and Charges		400,253	149,779	<b>127,140</b>	(22,638)	(15%)	▼
Service Charges		0	0	<b>0</b>	0		
Interest Earnings		35,000	9,500	<b>5,481</b>	(4,019)	(42%)	
Other Revenue		28,500	8,250	<b>7,918</b>	(332)	(4%)	
Profit on Disposal of Assets	8	0	0	<b>0</b>	0		
		<b>2,208,795</b>	<b>1,427,609</b>	<b>1,511,330</b>			
<b>Expenditure from operating activities</b>							
Employee Costs		(923,363)	(202,885)	<b>(315,726)</b>	(112,841)	(56%)	▼
Materials and Contracts		(1,086,896)	(286,777)	<b>(208,542)</b>	78,235	27%	▲
Utility Charges		(42,170)	(11,527)	<b>(9,359)</b>	2,167	19%	▲
Depreciation on Non-Current Assets		(1,491,780)	(372,945)	<b>0</b>	372,945	100%	▲
Interest Expenses		(8,403)	(2,101)	<b>(1,626)</b>	475	23%	▲
Insurance Expenses		(130,445)	(44,611)	<b>(87,039)</b>	(42,428)	(95%)	▼
Other Expenditure		(83,958)	(45,626)	<b>(28,477)</b>	17,149	38%	▲
Loss on Disposal of Assets	8	(12,742)	(12,742)	<b>(14,416)</b>	(1,674)	(13%)	
		<b>(3,779,758)</b>	<b>(979,214)</b>	<b>(665,185)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		1,491,780	372,945	<b>0</b>	(372,945)	(100%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	12,742	12,742	<b>14,416</b>	1,674	13%	
Adjust Provisions and Accruals			0	<b>0</b>	0		
<b>Amount attributable to operating activities</b>		<b>(66,441)</b>	<b>834,082</b>	<b>860,561</b>			
<b>Investing activities</b>							
Grants, Subsidies and Contributions	11	534,005	177,729	<b>0</b>	(177,729)	(100%)	▼
Proceeds from Disposal of Assets	8	36,256	36,256	<b>34,384</b>	(1,872)	(5%)	
Land Held for Resale	13	0	0	<b>0</b>	0		
Land and Buildings	13	(391,240)	(238,628)	<b>(163,800)</b>	74,828	31%	▲
Infrastructure Assets	13	(812,285)	(409,637)	<b>(8,815)</b>	400,822	98%	▲
Plant and Equipment	13	(176,221)	(158,164)	<b>(132,048)</b>	26,116	17%	▲
Furniture and Equipment	13	(1,800)	0	<b>(431)</b>	(431)		
<b>Amount attributable to investing activities</b>		<b>(811,285)</b>	<b>(592,444)</b>	<b>(270,710)</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		160,000	0	<b>0</b>	0		
Proceeds from Advances		0	0	<b>0</b>	0		
Self-Supporting Loan Principal		0	0	<b>0</b>	0		
Transfer from Reserves	7	245,996	245,996	<b>0</b>	(245,996)	(100%)	▼
Advances to Community Groups		0	0	<b>0</b>	0		
Repayment of Debentures	10	(45,566)	(9,517)	<b>(9,517)</b>	0	0%	
Transfer to Reserves	7	(143,128)	(143,128)	<b>(1,403)</b>	141,725	99%	▲
<b>Amount attributable to financing activities</b>		<b>217,302</b>	<b>93,351</b>	<b>(10,920)</b>			
<b>Closing Funding Surplus (Deficit)</b>	3	(0)	991,217	<b>1,235,160</b>	<b>243,943</b>	25%	▲

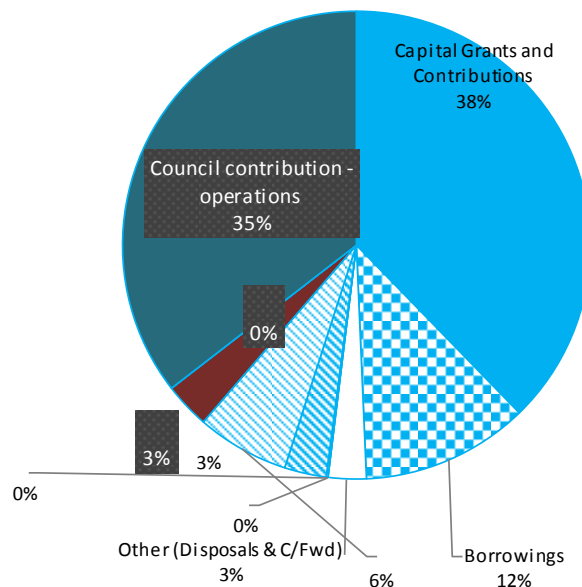
Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

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

**SHIRE OF CUBALLING**  
**STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING**  
For the Period Ended 30 September 2018

**Capital Acquisitions**

	Note	YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	YTD Budget (d)	Annual Budget	YTD Actual Total (c) = (a)+(b)	Variance (d) - (c)
		\$	\$	\$	\$	\$	\$
Land and Buildings	13	0	0	238,628	391,240	163,800	(74,828)
Furniture & IT Equipment	13	0	0	0	1,800	431	
Infrastructure Assets	13	0	0	409,637	812,285	8,815	(400,822)
Plant and Equipment	13	0	0	158,164	176,221	132,048	(26,116)
<b>Capital Expenditure Totals</b>		0	0	806,429	1,381,546	305,094	(501,766)
<b>Capital acquisitions funded by:</b>							
Capital Grants and Contributions				1,000	521,282	243,746	
Borrowings				0	160,000	0	
Other (Disposals & C/Fwd)				36,256	36,256	34,384	
Council contribution - Cash Backed Reserves				0	173,866	0	
Plant and Equipment Reserve				0	0	0	
Administration Building and Office Equipment Reserve				0	1,800	0	
Housing Reserve				0	40,000	0	
Recreation and Community Facility Reserve				0	88,360	0	
Refuse Site Reserve				0	43,706	0	
Grain Freight Reserve				0	0	0	
Equestrian Reserve				0	0	0	
Council contribution - operations				769,173	490,142	26,964	
<b>Capital Funding Total</b>				806,429	1,381,546	305,094	

**Budgeted Capital Acquisitions Funding**



**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 August 2018**

**Note 1: Significant Accounting Policies**

**(a) Basis of Accounting**

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

**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.

**(b) The Local Government Reporting Entity**

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

**(c) Rounding Off Figures**

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

**(d) Rates, Grants, Donations and Other Contributions**

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

**(e) Goods and Services Tax**

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.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank

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

#### **(g) Trade and Other Receivables**

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

#### **(h) Inventories**

##### **General**

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

##### **Land Held for Resale**

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

#### **(i) Fixed Assets**

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.

#### **(j) Depreciation of Non-Current Assets**

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

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

<b>Asset</b>	<b>Years</b>
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement	50 years

Asset	Years
Seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths – slab	20 years

### (k) Trade and Other Payables

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

### (l) Employee Benefits

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

- (i) *Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)*  
The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire has a present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Shire expects to pay and includes related on-costs.
- (ii) *Annual Leave and Long Service Leave (Long-term Benefits)*  
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

### (m) Interest-bearing Loans and Borrowings

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.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(n) Provisions**

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

**(o) Current and Non-Current Classification**

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

**(p) Nature or Type Classifications**

Rates

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

Operating Grants, Subsidies and Contributions

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

Non-Operating Grants, Subsidies and Contributions

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

Profit on Asset Disposal

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

Fees and 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 cannot be classified under the above headings, includes dividends, discounts, rebates etc.

Employee Costs

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

Materials and Contracts

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

Utilities (Gas, Electricity, Water, etc.)

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

Insurance

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

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

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

Other expenditure

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

**(r) Program Classifications (Function/Activity)**

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

## **GOVERNANCE**

### **Objective:**

To provide a decision-making process for the efficient allocation of scarce resources.

### **Activities:**

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

## **GENERAL PURPOSE FUNDING**

### **Objective:**

To collect revenue to allow for the provision of services.

### **Activities:**

Rates, general purpose government grants and interest revenue.

## **LAW, ORDER, PUBLIC SAFETY**

### **Objective:**

To provide services to help ensure a safer and environmentally conscious community.

### **Activities:**

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

## **HEALTH**

### **Objective:**

To provide an operational framework for environmental and community health.

### **Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

## **EDUCATION AND WELFARE**

### **Objective:**

To provide services to disadvantaged persons, the elderly, children and youth.

### **Activities:**

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

## **HOUSING**

### **Objective:**

To provide and maintain elderly residents housing.

### **Activities:**

Provision and maintenance of elderly residents housing.

## **COMMUNITY AMENITIES**

### **Objective:**

To provide services required by the community.

### **Activities:**

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

## **RECREATION AND CULTURE**

### **Objective:**

To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.

**Activities:**

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

**TRANSPORT**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control City/Town/Shire overheads operating accounts.

**Activities:**

Private works operation, plant repair and operation costs and engineering operation costs.

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 2: Explanation of Material Variances**

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

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

Reporting Program	Var. \$	Var. %	Variance	Timing/ Permane	Explanation of Variance
<b>Operating Revenues</b>					
	\$	%			
General Purpose Funding	(4,838)	(0%)		Timing	Within 1%
Governance	3,577	3868%		Permanent	Unbudgeted return of contribution to GRT Southern Regional Bus Assoc.
Law, Order and Public Safety	1,752	26%		Permanent	Op Grant greater than budget /timing
Health	(175)	(100%)			Not material
Housing	(90)	(8%)			Not material
Community Amenities	6,720	11%	▲	Timing	No rates W/off to date - History Book - Dept of Vet Affairs Grant (\$6,001.82)
Recreation and Culture	(5,154)	(24%)	▼	Timing	Equestrian Centre Lease Fee budgeted for September - absent
Transport	113,278	327%	▲	Permanent	Direct MRWA Grant amount received (\$98,183) which is greater than budget (\$57,535) and timing of payment being Aug is sooner than Oct budget. The excess balance is the invoice we raised to Portform Constructions for damaging our bridge (Wandering/Narrogin Rd) Note Excess costs in operating costs in transport program.
Economic Services	(9,004)	(65%)	▼	Timing	Standpipe revenue raised as at 30/9 for the quarter (3k) down on budget. Local Building Fees & Charges under budget by (6k.)
Other Property and Services	(22,345)	(28%)	▼	Timing	Private Works Building Lic, Fees down YTD (15.3k). Workers Comp reimbursement Claim down (6k) - timing.
<b>Operating Expense</b>					
General Purpose Funding	3,351	20%	▲	Timing	Admin alloc less than budgets - no legal fees incurred to date.
Governance	12,375	20%	▲	Timing	Member Training & Conference Costs are down as are the Audit Expenses (\$5,670) -Timing.
Law, Order and Public Safety	18,127	39%	▲	Timing	Wages for Firefighting & Firebreaks are down (\$3,966) - expect more costs in Oct. No Depreciation charges until auditor signoff.
Health	1,451	13%	▲		General Admin Fee and EHO salary less than budgeted.
Education & Welfare	10,481	77%	▲		Expenses relating to Aged & Disabled not yet incurred
Housing	9,721	49%	▲	Timing	CEO house maint lower than budgeted (\$6,800), no depreciation expense.
Community Amenities	5,669	8%		Timing	Tip Maint (\$5,948) and Public Conveniences (\$2,793) costs are lower
Recreation and Culture	27,809	37%	▲	Timing	Halls Maint & Cuby Rec Centre & Oval Costs (\$5,451) lower than Budget - Expect Costs in October. No depreciation calculated (20k).
Transport	169,466	31%	▲	Timing	Depot maint costs greater than budgeted (\$15,054) which will be cleaning up of old depot yard, Maint on Streets & Roads over budget (\$97,667) YTD, Bridges maint is over budget but this will be offset by the charges to the accident causing party. Depreciation YTD budget (\$281k) not calculated till post audit. The variance equates to the Depreciation cost, less the cost overruns exactly.



## Attachment 9.1.3A

Economic Services	14,437	30%	▲	Timing	Costs relating to Tourism & Area Promotion down (\$1,038). Community Functions down (\$1,722). Building Services Costs down (\$3,402). Standpipe costs down (\$1,814). Depreciation not calculated, budget down (\$2,728). Drum Muster & Landcare Costs down (\$1,855)
Other Property and Services	41,142	57%	▲	Timing	Expenditure private Works down (\$12,396). Building Supervisor Wages down (\$2,307). Building Surveyor Costs down (\$8,004). Staff Training costs (\$1,615). Significantly Fuel & Oil with Tyres costs down (\$22,452)

### Capital Revenues

Grants, Subsidies and Contributions	(177,729)	(100%)	▼	Timing	Regional Road Grant - Yet to be Received (budgeted for July & April)
Proceeds from Disposal of Assets	(1,872)	(5%)			Proceeds on sale of 3 Road vehicles (Note 8) slightly less than budget. Very close by Bruce.

### Capital Expenses

Land and Buildings	74,828	31%	▲	Timing	Still Costs to be spent of Cornish Land Improvements (20,637) and the budgeted works for the completion of CWA Hall works yet to start (\$55,443).
Infrastructure - Roads	400,822	98%	▲	Timing	Both Job R1239A Wandering Narrogin Road 18-19 & Job R001A Strathearne Road 18-19 have not progressed with regard to timing. May look at reallocation of RRG funding to other capital works projects - subject to Council ratification.
Plant and Equipment	26,116	17%	▲	Timing	WEARN Radios (fire) awaiting radio frequency access. Variable Message Board & Directional Signage make up the variance.
Furniture and Equipment	(431)				No material variance

### Financing

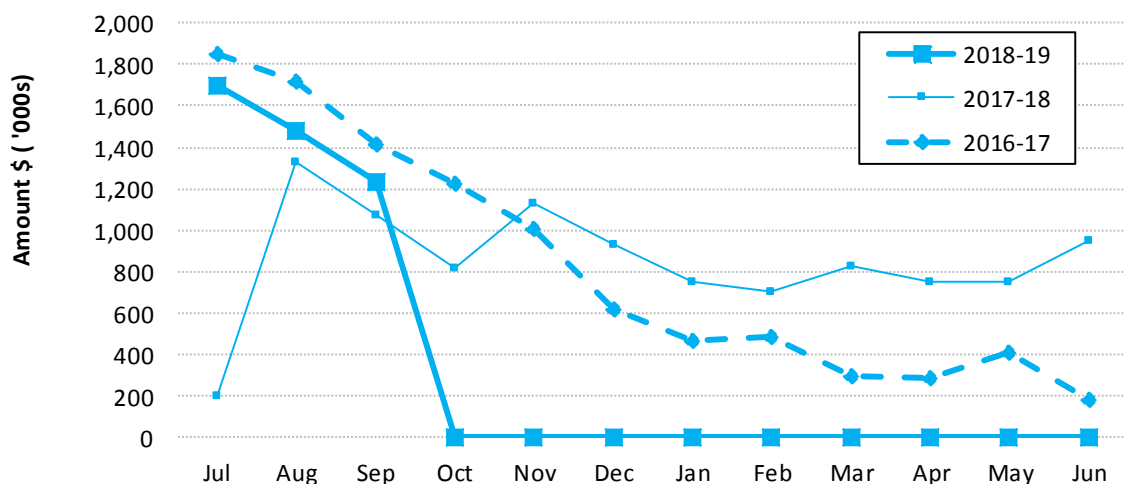
Loan Principal	0	0%			Matches Loan Schedule
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**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 3: Net Current Funding Position**

Positive=Surplus (Negative=Deficit)

		Last Years Closing	This Time Last Year	Current
	Note	30/06/2018	29 Sep 2017	30 Sep 2018
		\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	4	509,330	1,310,917	968,039
Cash Restricted	11	0	0	0
Cash Reserves	4	1,542,312	1,295,065	1,543,706
Receivables - Rates	6	51,735	250,609	218,441
Receivables - Other	6	90,631	28,207	27,947
Interest / ATO Receivable/Trust		0	25,368	29,186
Inventories		8,391	7,262	8,391
		2,202,399	2,917,428	2,795,710
<b>Less: Current Liabilities</b>				
Payables and Provisions		(3,858)	(12,012)	(16,844)
		(3,858)	(12,012)	(16,844)
Less: Cash Reserves	7	(1,542,312)	(1,295,065)	(1,543,706)
<b>Net Current Funding Position</b>		<b>656,228</b>	<b>1,610,351</b>	<b>1,235,160</b>

**Note 3 - Liquidity Over the Year****Comments - Net Current Funding Position**

FAGS Allocation in 16/17 is paid in quarterly installments, in 15/16 there was an advance.  
 FAGS Allocation in 16/17 there was a 50% Advance of 17/18 payments in June 2017

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 4: Cash and Investments**

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
<b>(a) Cash Deposits</b>							
Municipal Bank Account	38,836			38,836	CBA	0.50%	At Call
Investment Account	928,503			928,503	CBA	1.25%	At Call
Trust Bank Account			22,475	22,475	CBA	0.00%	At Call
Cash On Hand	700			700	N/A	Nil	On Hand
Reserves Account		0		0	CBA	0.00%	At Call
<b>(b) Term Deposits</b>							
Reserves Term Deposit 1		440,394		440,394	CBA	2.23%	12-Nov-18
Reserves Term Deposit 2		551,656		551,656	CBA	1.25%	01-Oct-18
Reserves Term Deposit 3		551,656		551,656	CBA	1.25%	01-Oct-18
<b>Total</b>	<b>968,039</b>	<b>1,543,706</b>	<b>22,475</b>	<b>2,534,220</b>			

**Comments/Notes - Investments**

Reserve Funds are on a rolling maturity schedule to maximise interest, linked to a Reserve transaction account.

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 5: 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						0
	Permanent Changes						0
							0
	Changes Due to Timing						0
							0
				0	0	0	

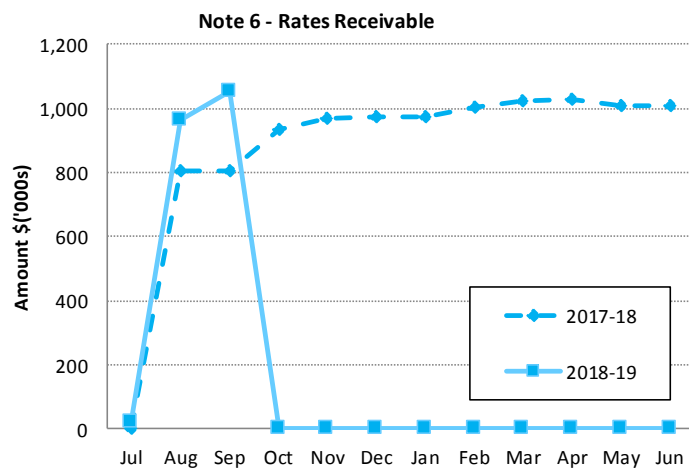
**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 6: Receivables**

Receivables - Rates Receivable	30 Sep 2018	30 June 2018
	\$	\$
Opening Arrears Previous Years	57,439	70,590
Levied this year	1,199,252	1,066,065
Less Collections to date	(1,052,226)	(1,079,216)
Equals Current Outstanding	<b>204,465</b>	<b>57,439</b>
<b>Net Rates Collectable</b>	<b>204,465</b>	<b>57,439</b>
% Collected	83.73%	94.95%

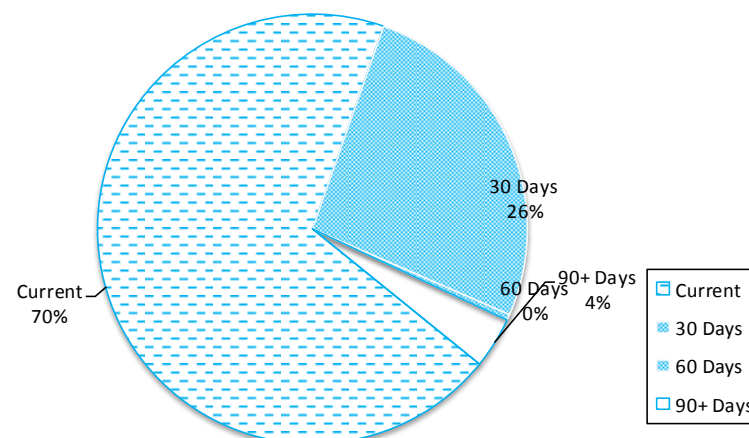
Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	19,435	7,312	122	1,079	27,947
<b>Balance per Trial Balance</b>					
Sundry Debtors					27,947
Receivables - Other					29,186
<b>Total Receivables General Outstanding</b>					<b>57,133</b>

Amounts shown above include GST (where applicable)



**Comments/Notes - Receivables Rates**  
 Rates Issue Date - 4 August 2016  
 Discount Period Ends - 25 August 2016  
 Rates Due - 8 September 2016

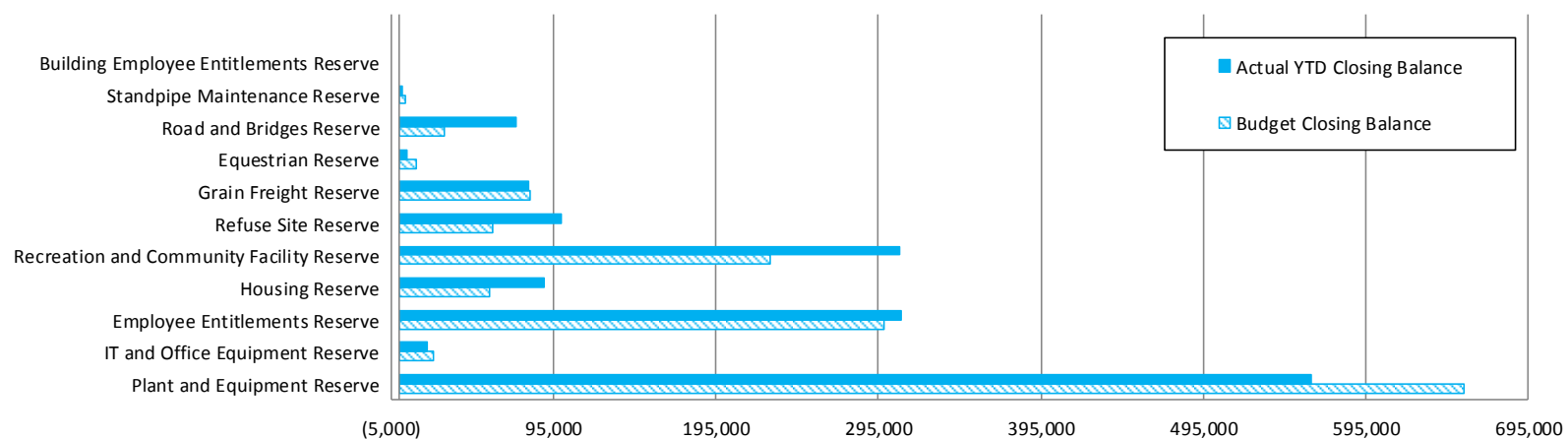
**Note 6 - Accounts Receivable (non-rates)**



**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 7: Cash Backed Reserve**

<b>Name</b>	<b>Opening Balance</b>	<b>Budget Interest Earned</b>	<b>Actual Interest Earned</b>	<b>Budget Transfers In (+)</b>	<b>Actual Transfers In (+)</b>	<b>Budget Transfers Out (-)</b>	<b>Transfers Out (-)</b>	<b>Budget Closing Balance</b>	<b>Actual YTD Closing Balance</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment Reserve	560,993	6,547	510	88,362	0	0	0	655,902	561,503
IT and Office Equipment Reserve	17,398	203	16	5,000	0	(1,800)	0	20,801	17,414
Employee Entitlements Reserve	308,227	3,597	280	14,766	0	(27,730)	0	298,860	308,507
Housing Reserve	89,441	1,045	81	5,000	0	(40,000)	0	55,486	89,522
Recreation and Community Facility Reserve	308,070	3,595	280	5,000	0	(88,360)	0	228,305	308,350
Refuse Site Reserve	99,795	1,165	91	0	0	(43,706)	0	57,254	99,886
Grain Freight Reserve	79,788	931	73	0	0	0	0	80,719	79,861
Equestrian Reserve	5,034	59	5	5,000	0	0	0	10,093	5,039
Road and Bridges Reserve	71,566	835	65	0	0	(44,400)	0	28,001	71,631
Standpipe Maintenance Reserve	2,000	23	2	2,000	0	0	0	4,023	2,002
Building Employee Entitlements Reserve	0	0	0	0	0	0	0	0	0
	<b>1,542,312</b>	<b>18,000</b>	<b>1,403</b>	<b>125,128</b>	<b>0</b>	<b>(245,996)</b>	<b>0</b>	<b>1,439,444</b>	<b>1,543,715</b>

**Note 7 - Year To Date Reserve Balance to End of Year Estimate**

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 8: Disposal of Assets**

Asset Number	Asset Description	YTD Actual				Amended Budget			
		Net Book Value	Proceeds	Profit (Loss)	Net Book Value	Proceeds	Profit (Loss)		
		\$	\$	\$	\$	\$	\$	\$	
	<b>Plant and Equipment</b>								
10087	CN1 2014 Holden Colorado Dcab Utility	18,000	17,112	(888)	18,102	17,166	(936)		
10062	CN2 Isuzu NPR 300 Truck	22,400	12,727	(9,673)	22,448	12,727	(9,721)		
10078	CN1557 Mazda Traytop Utility	8,400	4,545	(3,855)	8,448	6,363	(2,085)		
		0							
		<b>48,800</b>	<b>34,384</b>	<b>0</b>	<b>48,998</b>	<b>36,256</b>	<b>0</b>	<b>(12,742)</b>	

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

Note 9: Rating Information	Rate in	Number of Properties	Rateable Value	YTD Actual			Adopted Budget				
				Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
<b>RATE TYPE</b>	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Differential General Rate</b>											
GRV	7.0920	167	2,149,860	152,468	0	0	152,468	152,468	0	0	152,468
UV	0.7209	186	109,263,940	787,684	949	0	788,633	787,684	0	0	787,684
<b>Sub-Totals</b>		<b>353</b>	<b>111,413,800</b>	<b>940,152</b>	<b>949</b>	<b>0</b>	<b>941,101</b>	<b>940,152</b>	<b>0</b>	<b>0</b>	<b>940,152</b>
<b>Minimum Payment</b>	<b>Minimum \$</b>										
GRV	690.00	162	810,568	111,780	0	0	111,780	111,780	0	0	111,780
UV	930.00	158	14,017,700	146,940	0	0	146,940	146,940	0	0	146,940
<b>Sub-Totals</b>		<b>320</b>	<b>14,828,268</b>	<b>258,720</b>	<b>0</b>	<b>0</b>	<b>258,720</b>	<b>258,720</b>	<b>0</b>	<b>0</b>	<b>258,720</b>
		<b>673</b>	<b>126,242,068</b>	<b>1,198,872</b>	<b>949</b>	<b>0</b>	<b>1,199,821</b>	<b>1,198,872</b>	<b>0</b>	<b>0</b>	<b>1,198,872</b>
Discount							(72,766)				(73,500)
<b>Amount from General Rates</b>							<b>1,127,055</b>				<b>1,125,372</b>
Ex-Gratia Rates							0				0
Write Off							(10)				(6,700)
Specified Area Rates							0				0
<b>Totals</b>							<b>1,127,045</b>				<b>1,118,672</b>

**Comments - Rating Information**

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

The general rates detailed above for the 2018/19 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

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



**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 10: Information on Borrowings**

## (a) Debenture Repayments

Particulars	Loan Date	Years	Principal at 1/07/2018	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
					Actual	Amended Budget	Actual	Amended Budget	Actual	Amended Budget
					\$	\$	\$	\$	\$	\$
<b>Transport</b>										
Loan 64 - Cornish Land	31/08/2018	10	0	160,000		6,862	0	(6,862)	-	2,536
Loan 63 - Graders	7/02/2014	8	150,655		9,517	38,704	141,138	111,951	1,626	7,534
			150,655	160,000	9,517	45,566	141,138	105,089	1,626	10,070

All debenture repayments were financed by general purpose revenue.

## (b) New Debentures

No new debentures were raised during the reporting period.

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

## Note 11: Grants and Contributions

	Grant Provider	Type	Opening Balance (a)	Budget		YTD Budget	Annual Budget (d)	Post Variations (e)	Program	Expected (d)+(e)	YTD Actual Revenue
				Operating	Capital						
				\$	\$	\$					\$
<b>General Purpose Funding</b>											
	Grants Commission - General	WALGGC	Operating	0	289,730	0	72,433	289,730	3	289,730	69,541
	Grants Commission - Roads	WALGGC	Operating	0	179,727	0	44,914	179,727	12	179,727	38,361
	Grants Youth Development Grant	Youth Development	Operating	0	0	0	0	0	3	0	0
	Great Southern Business Development Group		Operating	0	0	0	0	0	4		3,373
<b>Law, Order and Public Safety</b>											
	DFES Grant -	Dept. of Fire & Emergency Serv.	Non-operating	0		0	0		5	0	0
	DFES Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating	0	30,517	0	6,629	30,517	5	30,517	7,824
<b>Recreation and Culture</b>											
	Grants - Kidsport	Dept. of Communities	Operating	0	0	0	0	0	11	0	0
	DREC	R4R, Lotterywest, Contributions	Non-operating	0	0	0	0	0	11	0	0
	Yornaning Dam Upgrades	National Resource Mangement	Operating	0	0	12,723	0	12,723	11	12,723	10,909
<b>Transport</b>											
	Direct Grant - Main Roads	Main Roads WA	Operating	0	57,535	0	4,545	57,535	12	57,535	98,183
	Grant - MRWA Project	Main Roads WA	Operating						12	0	0
	Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	0	0	191,270	0	191,270	12	191,270	0
	RRG Grants - Capital Projects	Regional Road Group	Non-operating	0	0	330,012	1,000	330,012	12	330,012	0
<b>Community Amenities</b>											
	History Book Grant	Dept of Vet Affairs	Operating	0	0	0	0	0	10		6,002
<b>Education &amp; Welfare</b>											
	Goodthings Foundation - Digital Literacy	Aged & Disabled Dept.	Operating	0	0	0	0	0	8	0	1,000
<b>Economic Services</b>											
	Youth Day Grant	Dept. of Communities	Operating	0	1,000	0	0	1,000	13	1,000	2,500
	Volunteer Day Grant	Dept. of Communities	Operating	0	1,000	0	0	1,000	13	1,000	0
	Kid's Day Go for 2&5	Healthways	Operating	0	0	0	0	0	13	0	0
	Seniors Day Grant	Dept. of Communities	Operating	0	0	0	0	0	13	0	0
	Other										6,054
<b>TOTALS</b>				<b>0</b>	<b>559,509</b>	<b>534,005</b>	<b>129,521</b>	<b>1,093,514</b>	<b>0</b>	<b>1,093,514</b>	<b>243,746</b>
<b>SUMMARY</b>											
	Operating	Operating Grants, Subsidies and Contributions		0	559,509	12,723	128,521	572,232	0	559,509	
		other									0
	Operating - Tied	Tied - Operating Grants, Subsidies and Contributions		0	0	0	0	0	0	0	0
	Non-operating	Non-operating Grants, Subsidies and Contributions		0	0	521,282	1,000	521,282	0	521,282	243,746
<b>TOTALS</b>				<b>0</b>	<b>559,509</b>	<b>534,005</b>	<b>129,521</b>	<b>1,093,514</b>	<b>0</b>	<b>1,080,791</b>	<b>243,746</b>

**SHIRE OF CUBALLING**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2018**

**Note 12: Trust Fund**

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

Description	Opening Balance 01 Jul 2018	Amount Received	Amount Paid	Closing Balance 30 Sep 2018
	\$	\$	\$	\$
Bonds - Building	6,889	0	0	6,889
Bonds - Hall Hire	1,150	0	0	1,150
Badminton Club	20	0	0	20
Commodine Tennis Club	2,990	0	0	2,990
Cuballing Country Festival	1,099	0	0	1,099
Cuballing Cricket Club	200	0	0	200
Yornaning Dam	0	0	0	0
Cuballing Football Association	566	0	0	566
Environment and Townscape Trust Fund	6,362	0	0	6,362
Police Licensing	1,573	33,536	(33,835)	1,274
Swipe Cards	1,605	0	0	1,605
Reimbursements	320	0	0	320
	<b>22,774</b>	<b>33,536</b>	<b>(33,835)</b>	<b>22,475</b>

SHIRE OF CUBALLING  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30 September 2018

Note 13: Capital Acquisitions  
excludes office equipment

Assets	Account	YTD Actual			Budget			Strategic Reference / Comment	
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance		
		\$	\$	\$	\$	\$	\$		
<i>Level of completion indicator, please see table at the end of this note for further detail.</i>									
<b>Furniture &amp; IT Equipment</b>									
	Councillor iPads	04265	(1,800)	-431	(1,800)	0	(431)	Councillor iPads x 2	
<b>Furniture &amp; IT Equipment - Governance Total</b>			<b>(1,800)</b>	<b>0</b>	<b>(431)</b>	<b>(1,800)</b>	<b>0</b>	<b>(431)</b>	
<b>Law order &amp; Public Safety</b>									
	VHF Radio WEARN - Hand Held (x2)	05170	(818)	0	(818)	0	0	Fire Hand Held Radio's	
<b>Furniture &amp; IT Equipment - Governance Total</b>			<b>(818)</b>	<b>0</b>	<b>(818)</b>	<b>0</b>	<b>0</b>		
<b>Land &amp; Buildings</b>									
<b>Land &amp; Buildings Infrastructure</b>									
<b>Cornish land</b>									
0.89	Cornish Land & Improvements	12126	(23,185)	-162,548	(183,185)	(183,185)	20,637	C196A	
<b>Recreation And Culture -Law Order &amp; Public Safety</b>									
	Lions Park Shelter	11320		(6,625)	0	(6,625)	0	C192A	
	Building Renewal - Cuballing CWA Hall	11320		(55,443)	0	(55,443)	55,443	C195A	
	Building Renewal - Cuballing Fire Station	10517	(46)	(46)	0	0	(46)	last Yr Job	
	Building Renewal - Cuballing Memorial Park	11230		(49,530)	0	(49,530)	0	C176	
	Building Renewal - Cuballing Recreation Centre	11230		(4,140)	0	(4,140)	0	C165	
	Building Renewal - Yornaning Dam	11230	(12,115)	(441)	(12,115)	0	(441)	C187	
<b>Recreation And Culture - Governance Total</b>			<b>(35,346)</b>	<b>(115,738)</b>	<b>(311,038)</b>	<b>(238,628)</b>	<b>75,593</b>		
<b>Community Amenities</b>									
	Cuballing Transfer Station - Sealing	10742	(40,916)	0	(40,916)	0	0	J601A - Sealing	
	Popanyinning Tip Shed Floor - Concrete	10742	(3,960)	0	(3,960)	0	0	J601B - Concrete	
	Popnyinning Tip Shed Gates	10742	(3,838)	(750)	(3,838)	0	(750)	J601C - Gates	
	Cuballing Transfer Station - Waste Oil Relocation	10742	(31,488)	(15)	(31,488)	0	(15)	J601E - Relocation Waste Oil	
<b>Community Amenities Total</b>			<b>(80,202)</b>	<b>0</b>	<b>(765)</b>	<b>(80,202)</b>	<b>0</b>	<b>(765)</b>	
<b>Land &amp; Buildings Total</b>			<b>(115,548)</b>	<b>(115,738)</b>	<b>(163,800)</b>	<b>(391,240)</b>	<b>(238,628)</b>	<b>74,828</b>	
<b>Other Infrastructure</b>									
<b>Economic Services</b>									
	Popanyinning Gravel Pit - Fencing	13605	(6,450)	0	(3,929)	(6,450)	0	(3,929)	C198
<b>Economic Services Total</b>			<b>(6,450)</b>	<b>0</b>	<b>(3,929)</b>	<b>(6,450)</b>	<b>0</b>	<b>(3,929)</b>	
<b>Other Infrastructure Total</b>			<b>(6,450)</b>	<b>0</b>	<b>(3,929)</b>	<b>(6,450)</b>	<b>0</b>	<b>(3,929)</b>	
<b>Plant , Equip. &amp; Vehicles</b>									
<b>Transport</b>									
	Isuzu Hino 3.5T Truck	12405		(63,900)	(63,300)	(63,900)	63,900	127,200	Budget - Purchase September
	ESO Dual Cab 4x4 Utility	12405		(43,073)	(40,021)	(43,073)	43,073	83,094	Budget - Purchase August
	Kevrek 550s Crane	12405		(7,300)	0	(7,300)	7,300	7,300	Budget - Purchase August
	Solar Powered Variable Message Board	12405	(23,130)	0	(23,130)	0	0	0	Budget - Purchase November
	Directional Signage	12405	(8,000)	0	(8,000)	0	0	0	Budget - Purchase October
	4x2 Tipping Utility - with Kevrek Crane	12405		(30,000)	(28,727)	(30,000)	43,073	71,800	Budget - Purchase August
<b>Transport Total</b>			<b>(31,130)</b>	<b>(144,273)</b>	<b>(132,048)</b>	<b>(175,403)</b>	<b>157,346</b>	<b>289,394</b>	
<b>Plant , Equip. &amp; Vehicles Total</b>			<b>(31,130)</b>	<b>(144,273)</b>	<b>(132,048)</b>	<b>(175,403)</b>	<b>157,346</b>	<b>289,394</b>	
<b>Roads</b>									
<b>Transport</b>									
	RRG - Wandering Narrogin Road 17-18	12115	(165,198)	0	(165,198)	0	0	0	R129
	RRG - Wandering Narrogin Road 18-19	12115	(274,131)	(3,994)	(274,131)	(274,131)	270,137	270,137	R129A
	RRG - Stratherne Road 18-19	12115	(135,506)	(710)	(135,506)	(135,506)	134,796	134,796	R001A
	Wandering Road bridge Widening Contribution	12115	(40,000)	0	(40,000)	0	0	0	R002
	R2R - Popanyinning East - Resealing	12120		(10,080)	0	(10,080)	0	0	R004C
	R2R - Popanyinning West - Reconstructions	12120		(172,836)	(182)	(172,836)	0	(182)	R004D
	R2R - Reeds Road - Gravel Sheetting	12120		(8,084)	0	(8,084)	0	0	R004F
<b>Transport Total</b>			<b>(614,835)</b>	<b>(191,000)</b>	<b>(4,886)</b>	<b>(805,835)</b>	<b>(409,637)</b>	<b>404,751</b>	
<b>Roads Total</b>			<b>(614,835)</b>	<b>(191,000)</b>	<b>(4,886)</b>	<b>(805,835)</b>	<b>(409,637)</b>	<b>404,751</b>	
<b>Capital Expenditure Total</b>			<b>(770,581)</b>	<b>(451,011)</b>	<b>(305,094)</b>	<b>(1,381,546)</b>	<b>(490,919)</b>	<b>764,613</b>	
<b>Level of Completion Indicators</b>									
	0%								
	20%								
	40%								
	60%								
	80%								
	100%								
	Over 100%								

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

## 9.1.4 Sale of Property – Outstanding Rates – A25 – Cuballing Street, Cuballing

Applicant: N/A  
File Ref. No: ADM132  
Disclosure of Interest: Nil  
Date: 12<sup>th</sup> October 2018  
Author: Rick Pares, Deputy Chief Executive Officer  
Attachments: Nil

### Summary

**Council is to consider the sale of property to recover the costs for unpaid Rates and recovery fees.**

### Background

Since the 2016/17 the property owner has received a Rates Notice, a Final Notice, a Final Demand and has been sent to Council's Debt Recovery in compliance with Council Policy.

In 2016/17 the property owner was successfully served a General Procedure Claim (GPC) and this has progressed to a Property Sale and Seizure Order (PSSO). The Bailiff was unable to seize enough property to recover the outstanding debt.

The next option available to the Shire for recovery is to place a PSSO against the property itself and to sell it to recover the outstanding debt.

The Shire has received no communication from the property owner and the 2016/17 Rates remain outstanding. The total debt could be recovered through a Land PSSO.

The Rates have not been paid in full on this Vacant Land since July 2016. The total outstanding as at 4<sup>th</sup> October 2018 is \$11,573.16. This amount is made up of:

• Rates 2018/19	\$ 848.20
• Rates Arrears	\$ 1,679.50
• ESL 2018/19	\$ 82.00
• ESL Arrears	\$ 146.00
• ESL Penalty Current	\$ 38.11
• Penalty Interest	\$ 1,810.76
• Legal Charges	\$ 6,218.59
• Kerbside Rubbish & Recycling Charge 2018/19	\$ 250.00
• Kerbside Rubbish & Recycling Charge Arrears	\$ 500.00

### Comment

The sale of any property to recover unpaid rates and service charges is a course of action that the Council uses as a last resort. In this instance other legal proceedings haven't been successful.

Under a PSSO ample opportunity will exist for the ratepayer to pay the Rates debt in full or accept a suitable payment plan to stop the sale of land.

The Shire's Rates Department will be handling all matters in relation to the sale of the property in conjunction with the CEO. Costs to sell the properties will be incurred and these costs are recoverable under section 6.56 of LGA. These funds will be received when the sale of the property has occurred but is expected to be an additional \$5,000.

Shire staff believes that the sale of this property will recover the outstanding debt on the property.

### Strategic Implications – Nil

### Statutory Environment

#### Local Government Act 1995

#### Section 6.55 – Recovery of rates and service charges

##### Recovery of rates and service charges

- (1) Subject to subsection (2) and the Rates and Charges (Rebates and Deferments) Act 1992 rates and service charges on land are recoverable by a local government from —
  - (i) the owner at the time of the compilation of the rate record; or
  - (ii) a person who whilst the rates or service charges are unpaid becomes the owner of the land.
- (2) A person who, by virtue of an Act relating to bankruptcy or insolvency or to the winding up of companies, has become the owner of land in the capacity of a trustee or liquidator, is not on that account personally liable to pay, out of the person's own money, rates or service charges which are already due on, or become due on that land while that person is the owner in that capacity.

\* Absolute majority required.

#### Section 6.56 – Rates or service charges recoverable in court

- (1) If a rate or service charge remains unpaid after it becomes due and payable, the local government may recover it, as well as the costs of proceedings, if any, for that recovery, in a court of competent jurisdiction.
- (2) Rates or service charges due by the same person to the local government may be included in one writ, summons, or other process.

#### Section 6.64 – Actions to be taken

- (1) If any rates or service charges which are due to a local government in respect of any rateable land have been unpaid for at least 3 years the local government may, in accordance with the appropriate provisions of this Subdivision take possession of the land and hold the land as against a person having an estate or interest in the land and —
  - (a) from time to time lease the land; or
  - (b) sell the land; or
  - (c) cause the land to be transferred to the Crown; or
  - (d) cause the land to be transferred to itself.
- (2) On taking possession of any land under this section, the local government is to give to the owner of the land such notification as is prescribed and then to affix on a conspicuous part of the land a notice, in the form or substantially in the form prescribed.
- (3) Where payment of rates or service charges imposed in respect of any land is in arrears the local government has an interest in the land in respect of which it may lodge a caveat to preclude dealings in respect of the land and may withdraw caveats so lodged by it.

\* Absolute majority required.

#### Section 6.68 – Exercise of power to sell land

- (1) Subject to subsection (2), a local government is not to exercise its power under section 6.64(1)(b) (in this Subdivision and Schedule 6.3 referred to as the power of sale) in relation to any land unless, within the period of 3 years prior to the exercise of the power of sale, the local government has at least once attempted under section 6.56 to recover money due to it.

- (2) A local government is not required to attempt under section 6.56 to recover money due to it before exercising the power of sale where the local government —
  - (a) has a reasonable belief that the cost of the proceedings under that section will equal or exceed the value of the land; or
  - (b) having made reasonable efforts to locate the owner of the property is unable to do so.
- (3A) A local government is to ensure that a decision to exercise a power of sale without having, within the period of 3 years prior to the exercise of the power of sale, attempted under section 6.56 to recover the money due to it and the reasons for the decision are recorded in the minutes of the meeting at which the decision was made.
- (3) Schedule 6.3 has effect in relation to the exercise of the power of sale.

Section 6.69 – Right to pay rates, service charges and costs, and stay proceedings

- (1) Up to 7 days prior to the time of the actual sale of any land for non-payment of rates or service charges a person having an estate or interest in the land may pay the rates or service charges and the costs and expenses incurred to that time in proceedings relating to the proposed sale.
- (2) At any time after the 7 days referred to in subsection (1) but prior to the time of the actual sale of any land the local government may, upon such terms and conditions as are agreed between the parties, accept payment of the outstanding rates or service charges.
- (3) On payment being made under subsection (1) or (2) the proceedings relating to the proposed sale are stayed and the local government is required to make such notifications and take such measures as are prescribed in relation to the payment and the cancellation of the proposed sale.

Policy Implications – Nil

Financial Implications

The successful sale of this property would settle bad debts for money owed to the Shire for outstanding Rates and recovery processes. Any costs incurred as a result of this process can be claimed back through the land sale, if applicable.

Economic Implication – Nil

Environmental Considerations – Nil

Consultation

AMPAC Debt Recovery

Options

Council may resolve:

1. the Officer's Recommendation;
2. to seize the land and lease it to recover outstanding Rates; or
3. not to resolve Officer's Recommendation and seek further information.

Voting Requirements – Absolute Majority

**Mr Brennan left the Meeting at 2.42pm.**

**Mr Brennan returned to the Meeting at 2.45pm.**

**Mr Brennan left the Meeting at 2.47pm.**

**Mr Brennan returned to the Meeting at 2.49pm.**

**COUNCIL DECISION – 2018/101:**

**That Council:**

- 1. proceed to apply a Land Property Sale and Seizure Order against Rates Assessment A25, Cuballing Street, Cuballing; and**
- 2. delegate authority to the Chief Executive Officer to finalise this transaction.**

**Moved: Cr Dowling**

**Seconded: Cr Haslam**

**Carried 5/0**



## 9.1.5 Sale of Property – Outstanding Rates – A2479 – Corrie Street, Cuballing

Applicant: N/A  
File Ref. No: ADM132  
Disclosure of Interest: Nil  
Date: 12<sup>th</sup> October 2018  
Author: Rick Pares, Deputy Chief Executive Officer  
Attachments: Nil

### **Summary**

**Council is to consider the sale of property to recover the costs for unpaid Rates and recovery fees.**

### **Background**

Since the 2014/15 Rates round the property owner has received the Rates Notice, Final Notice, Final Demand and been sent to Debt Recovery as per Council property for each year of outstanding Rates.

In 2014/15 the property owner was successfully served a General Procedure Claim (GPC) and this previously progressed to a Property Sale and Seizure Order (PSSO). The Bailiff was unable to seize enough property to recover the outstanding debt. There was insufficient equity in the property to proceed with a PSSO against the land and to sell it to recover the outstanding debt.

All other avenues for collecting the outstanding debt have been exhausted, leaving no other option than a 3-year land sale under Section 6.64 (1) (b) of the Local Government Act.

The Shire has received no communication from the property owner and the 2018/19 Rates are also outstanding. The total debt could be recovered through a 3-year Land Sale.

The Rates have not been paid in full on this Residence since June 2015 and the total outstanding as at 4<sup>th</sup> October 2018 is \$5,901.16. This amount is made up of:

• Rates 2018/19	\$ 690.00
• Rates Arrears	\$ 1,970.00
• ESL 2018/19	\$ 82.00
• ESL Arrears	\$ 214.00
• ESL Penalty Current	\$ 52.03
• Penalty Interest	\$ 995.81
• Legal Charges	\$ 1,897.32

### **Comment**

The sale of any property to recover unpaid rates and service charges is a course of action that the Shire normally wishes not to pursue, however, other legal proceedings haven't been successful in this case.

Ample opportunity will exist for the ratepayer to pay outstanding in full or offered a suitable payment plan to stop the sale of land.

The Shire's Rates Department will be handling all matters in relation to the sale of the property in conjunction with the CEO and Council's Debt Recovery agent. Costs to sell the properties will be incurred and recoverable under section 6.56 of LGA. These funds will be received when

the sale of the property has occurred but is expected to be an additional \$5,000 approximately. The process may take up to 18 months to complete.

If the property fails to sell at a public auction, the property can be transferred into the Shire of Cuballing's name, for approximately \$2,000.

Shire staff believe that the sale of this property will recover the outstanding debt on the property and further stop the property incurring further rating and penalty interest.

Strategic Implications – Nil

### Statutory Environment

#### Local Government Act 1995

#### Section 6.55 – Recovery of rates and service charges

##### Recovery of rates and service charges

- (1) Subject to subsection (2) and the Rates and Charges (Rebates and Deferments) Act 1992 rates and service charges on land are recoverable by a local government from —
  - (i) the owner at the time of the compilation of the rate record; or
  - (ii) a person who whilst the rates or service charges are unpaid becomes the owner of the land.
- (2) A person who, by virtue of an Act relating to bankruptcy or insolvency or to the winding up of companies, has become the owner of land in the capacity of a trustee or liquidator, is not on that account personally liable to pay, out of the person's own money, rates or service charges which are already due on, or become due on that land while that person is the owner in that capacity.

\* Absolute majority required.

#### Section 6.56 – Rates or service charges recoverable in court

- (1) If a rate or service charge remains unpaid after it becomes due and payable, the local government may recover it, as well as the costs of proceedings, if any, for that recovery, in a court of competent jurisdiction.
- (2) Rates or service charges due by the same person to the local government may be included in one writ, summons, or other process.

#### Section 6.64 – Actions to be taken

- (1) If any rates or service charges which are due to a local government in respect of any rateable land have been unpaid for at least 3 years the local government may, in accordance with the appropriate provisions of this Subdivision take possession of the land and hold the land as against a person having an estate or interest in the land and —
  - (a) from time to time lease the land; or
  - (b) sell the land; or
  - (c) cause the land to be transferred to the Crown; or
  - (d) cause the land to be transferred to itself.
- (2) On taking possession of any land under this section, the local government is to give to the owner of the land such notification as is prescribed and then to affix on a conspicuous part of the land a notice, in the form or substantially in the form prescribed.
- (3) Where payment of rates or service charges imposed in respect of any land is in arrears the local government has an interest in the land in respect of which it may lodge a caveat to preclude dealings in respect of the land and may withdraw caveats so lodged by it.

\* Absolute majority required.

#### Section 6.68 – Exercise of power to sell land

- (1) Subject to subsection (2), a local government is not to exercise its power under section 6.64(1)(b) (in this Subdivision and Schedule 6.3 referred to as the power of sale) in relation to any land unless, within the period of 3 years prior to the exercise of the power of sale, the local government has at least once attempted under section 6.56 to recover money due to it.
- (2) A local government is not required to attempt under section 6.56 to recover money due to it before exercising the power of sale where the local government —
  - (a) has a reasonable belief that the cost of the proceedings under that section will equal or exceed the value of the land; or
  - (b) having made reasonable efforts to locate the owner of the property is unable to do so.
- (3A) A local government is to ensure that a decision to exercise a power of sale without having, within the period of 3 years prior to the exercise of the power of sale, attempted under section 6.56 to recover the money due to it and the reasons for the decision are recorded in the minutes of the meeting at which the decision was made.
- (3) Schedule 6.3 has effect in relation to the exercise of the power of sale.

#### Section 6.69 – Right to pay rates, service charges and costs, and stay proceedings

- (1) Up to 7 days prior to the time of the actual sale of any land for non payment of rates or service charges a person having an estate or interest in the land may pay the rates or service charges and the costs and expenses incurred to that time in proceedings relating to the proposed sale.
- (2) At any time after the 7 days referred to in subsection (1) but prior to the time of the actual sale of any land the local government may, upon such terms and conditions as are agreed between the parties, accept payment of the outstanding rates or service charges.
- (3) On payment being made under subsection (1) or (2) the proceedings relating to the proposed sale are stayed and the local government is required to make such notifications and take such measures as are prescribed in relation to the payment and the cancellation of the proposed sale.

Policy Implications – Nil

Financial Implications

The successful sale of this property would settle bad debts for money owed to the Shire for outstanding Rates and recovery processes. Any costs incurred as a result of this process can be claimed back through the land sale, if applicable.

Economic Implication – Nil

Environmental Considerations – Nil

Consultation

Leanne Shields, Rates Officer  
AMPAC Debt Recovery

Options

Council may resolve:

1. the Officer's Recommendation;
2. to seize the land and lease it to recover outstanding Rates; or
3. to defer and seek further and seek further information.

Voting Requirements – Absolute Majority

**COUNCIL DECISION – 2018/102:**

**That Council:**

- 1. pursuant to Section 6.64(1)(b) of the Local Government Act 1995, proceed to sale of Rates Assessment A2479 being property at Corrie Street, Cuballing; and**
- 2. delegate authority to the CEO to finalise this transaction.**

**Moved: Cr Dowling**

**Seconded: Cr Haslam**

**Carried 5/0**

## 9.2 CHIEF EXECUTIVE OFFICER:

9.2.1	Cuballing Mens' Shed Redevelopment – New, Transportable Unused Disabled Toilet
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Applicant:	N/A
File Ref. No:	ADM81
Disclosure of Interest:	Nil
Date:	26 <sup>th</sup> May 2017
Author:	Gary Sherry
Attachments:	9.2.1A Existing Design of Cuballing Mens' Shed Refurbishment 9.2.1B Photographs of the new, transportable unused disabled toilet

### Summary

**Council is to consider support to the Cuballing Mens Shed to redevelop their facility in the Shire Depot at 97 Alton Street, Cuballing to install a new, transportable unused disabled toilet.**

### Background

The Cuballing Mens' Shed has been established since 2010 and follows the principles of the Australian Mens' Shed Association, which are as follows:

The Australian Men's Sheds Association recognizes a Men's Shed as any community-based, non-profit, non-commercial organization that is accessible to all men and whose primary activity is the provision of a safe, friendly and healing environment where men are able to work on meaningful projects at their own pace in their own time in the company of other men. A major objective is to advance the well-being and health of their male members and to encourage social inclusion.

The Cuballing Mens' Shed endeavours to be as self supporting as possible and fundraises by collecting scrap metal and aluminium cans. The Cuballing Mens' Shed contributes to the wellbeing of menfolk in the community by providing a means of social inclusion and activity.

In 2014 Council and the Cuballing Mens' Shed entered into a lease for the Mens' Shed located on the Shire Depot Site at 97 Alton Street, Cuballing.

Council provides utilities of electricity and water from the Shire Depot supply. In the past Council has provided Oxygen, Acetylene and Argon gases and the cylinder rental for those gases, however the Cuballing Mens' Shed now purchase their own supply at a cheaper rate.

The Cuballing Mens' Shed are looking to improve and expand the use of their building. Women's events, a school holiday program for children, sculpture workshops for the wider community and activities for local aged people have all been proposed. The first Womens' Shed was held on Thursday 11<sup>th</sup> October 2018.

However to offer hold these type of programs from this building, the facility needs to include a toilet, small kitchen and a small meeting room facility.

A number of Councillors inspected the Cuballing Mens' Shed and the proposed changes on Wednesday 8<sup>th</sup> August 2018.

The Cuballing Mens' Shed have considered and discussed various options to improve their facility. At the September 2018 Ordinary Meeting, Council considered a draft plan from the Cuballing Mens' Shed.

At this meeting Council resolved in the following manner:

**COUNCIL DECISION – 2018/89:**

That Council:

1. support the Cuballing Mens' Shed plans, included at Attachment 9.2.3A to upgrade the Mens' Shed at 97 Alton Street, Cuballing;
2. agree to consider financial support in the 2019/20 financial year to implement the Cuballing Mens' Shed plans;
3. continue to provide in-kind assistance the Cuballing Mens' Shed Inc to develop funding options for implementing their plans; and
4. request staff to review existing sewage waste disposal facilities at the Cuballing CWA Hall, Cuballing Agricultural Hall, Shire of Cuballing Depot and Cuballing Mens' Shed and develop any option required to improve these facilities.

Moved: Cr Ballantyne

Seconded: Cr Newman

Carried 6/0

Council has not budgeted for any expenditure on this project in their 2018/19 Budget. Any expenditure needs to be authorised by Council.

Comment

The Cuballing Mens' Shed have now purchased a new, transportable unused disabled toilet at auction for \$8,250. A drawing of the proposed new design to incorporate this toilet into the Cuballing Mens' Shed is included at Attachment 9.2.1A. This modified design has the toilet facility located externally, where previous design drafts had an internal toilet. Photographs of the toilet are included at Attachment 9.2.1B.

The Cuballing Mens' Shed are now seeking Council's assistance to install the toilet at the Shed at the Shire depot site at 97 Alton Street as per the plan supported by Council

The Cuballing Mens' Shed will continue to support this project and are very willing to complete works in kind to assist the installations. Such works will include transportation of the building and the digging of required foundations and plumbing.

Whilst the installation of this facility can be completed now, the long-term sewerage facilities at Lot 97 Austral Street and the neighbouring Cuballing Agricultural Hall and CWA Hall will need to be upgraded in the near future.

Strategic Implications

**SOCIAL – Our Community, Neighbourhoods, Recreation and Culture.**

Goals

- A healthy and caring community which has strong support for all ages and abilities.
- A safe community where residents feel secure and comfortable at home, work and play.
- A healthy community engaging in positive and rewarding lifestyles with access to recreational and leisure opportunities.
- A vibrant community, enjoying access to a wide range of quality arts and cultural activities.

	Strategy	Outcome
1.1	Create a vibrant social environment that is accessible and inclusive for all ages and abilities.	The community feel welcome involved and connected to each other.
1.3	Encourage and support volunteers and community groups.	Active and growing volunteer and community groups.

	Strategy	Outcome
1.4	Facilitate improved access to health and welfare programs and education opportunities.	The community has access to a broad range of improving health and welfare programs and education opportunities.
1.5	Provide and promote sport, recreation and leisure facilities and programs.	A variety of accessible sport and recreation opportunities and activities.
1.6	Support local arts and cultural activities.	A variety of arts and cultural activities can be pursued by locals
1.7	Create and maintain a safe environment for the community.	A feeling of safety within our neighbourhoods and a sense of being looked out for.
1.8	Manage environmental health risks in the Shire.	A Shire which seeks to mitigate environmental health risks to ensure a healthy and safe community.

## ECONOMY – Our Economy, Infrastructure, Systems and Services.

### Goals

- Community infrastructure and services delivered in a timely manner, are well utilised, effective and meet the expectations of the community.
- Managing community assets in a whole of life and economically sustainable manner.

	Strategy	Outcome
3.1	Deliver a diverse range of affordable services and infrastructure across the Shire.	A range of services, facilities and programs that the broadest community can access.
3.2	Ensure essential services and infrastructure are aligned to community needs now and in the future.	Services and infrastructure which meets the needs of the broadest community and responds to changing priorities.
3.4	Create and strengthen partnerships to advocate for and deliver community facilities, and services and major infrastructure.	The community has access to a range of education, health, cultural, recreational and transport opportunities to maximise their potential.
3.5	Maintain a robust asset management practices and maintenance programs.	Assets which meet the expectations of the community.

## Statutory Environment

### Local Government Act (1995)

#### 6.8. Expenditure from municipal fund not included in annual budget

- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
- is incurred in a financial year before the adoption of the annual budget by the local government; or
  - is authorised in advance by resolution\*; or
  - is authorised in advance by the mayor or president in an emergency.

\* Absolute majority required.

- (1a) In subsection (1) —  
additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.

## Policy Implications – Nil

### Financial Implications

Staff anticipate savings in other building projects included in the 2018/19 Budget that will offset expenditure of \$10,000 on the installation of a transportable disabled toilet at 97 Austral Street.

The Cuballing Mens' Shed have made a significant financial contribution to this project and will make future in-kind contributions where possible to the project.

### Economic Implication – Nil

### Social Implication

The Cuballing Mens' Shed is vibrant community organisation whose older male members meets weekly. The group provide volunteer assistance to a range of good community causes.

### Environmental Considerations – Nil

### Consultation

Cuballing Mens' Shed Inc.

### Options

Council may resolve:

Council may resolve:

1. the Officer's Recommendation;
2. an amended Officer's Recommendation that also includes a different financial commitment to in 2018/19;
3. to not support the Cuballing Mens' Shed Inc plans, included at Attachment 9.2.1B to upgrade the Mens' Shed at 97 Alton Street, Cuballing.

### Voting Requirements – Absolute Majority

#### **COUNCIL DECISION – 2018/103:**

#### **That Council authorises:**

1. the installation of the new, unused, transportable disabled toilet, pictured at Attachment 9.2.1B, at the Cuballing Mens Shed Inc facility at 97 Alton Street in keeping with the design included at Attachment 9.2.1A; and
2. out of budget expenditure of up to \$10,000 to complete plumbing and electrical works and building and sewage licence requirements.

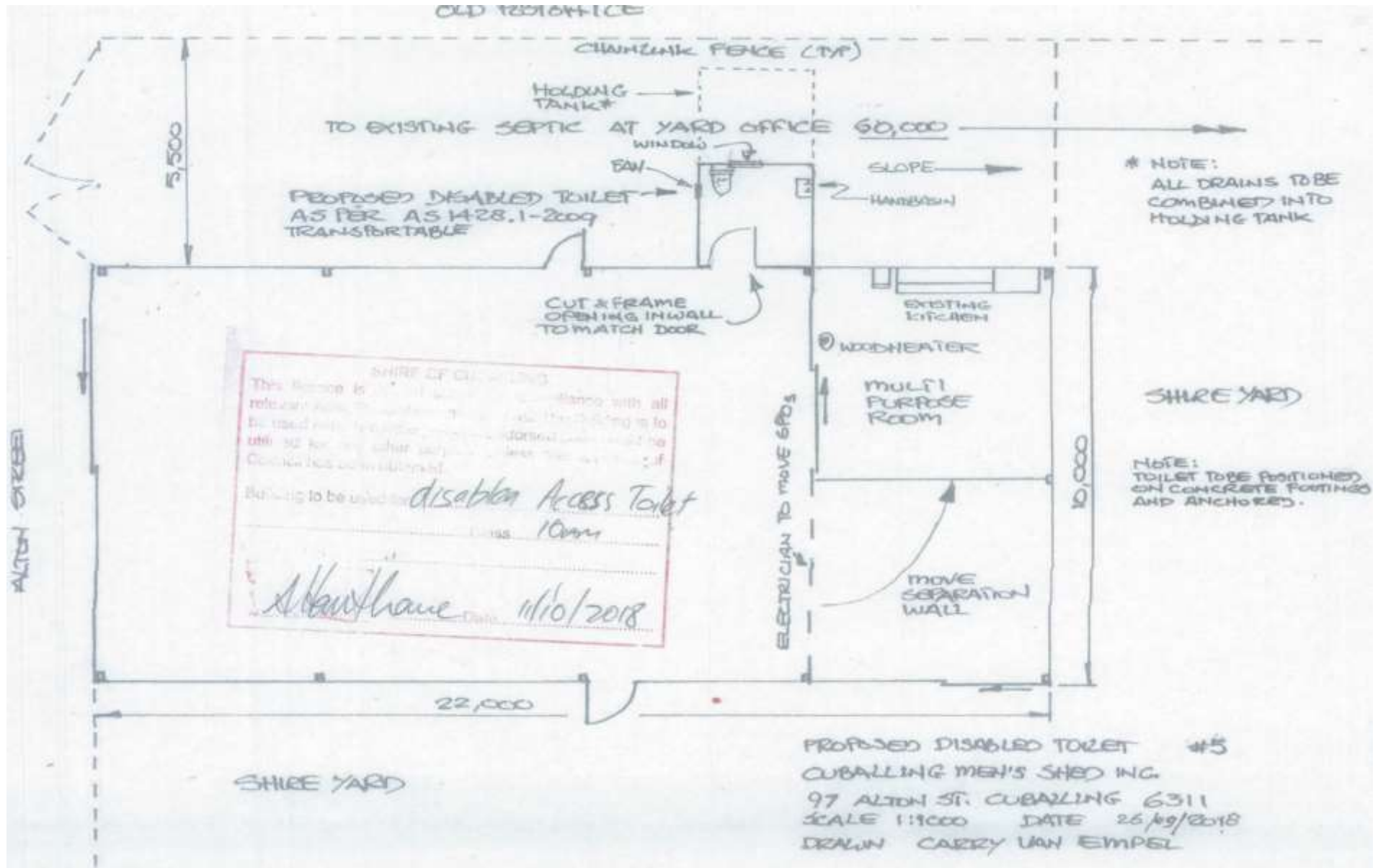
Moved: Cr Haslam

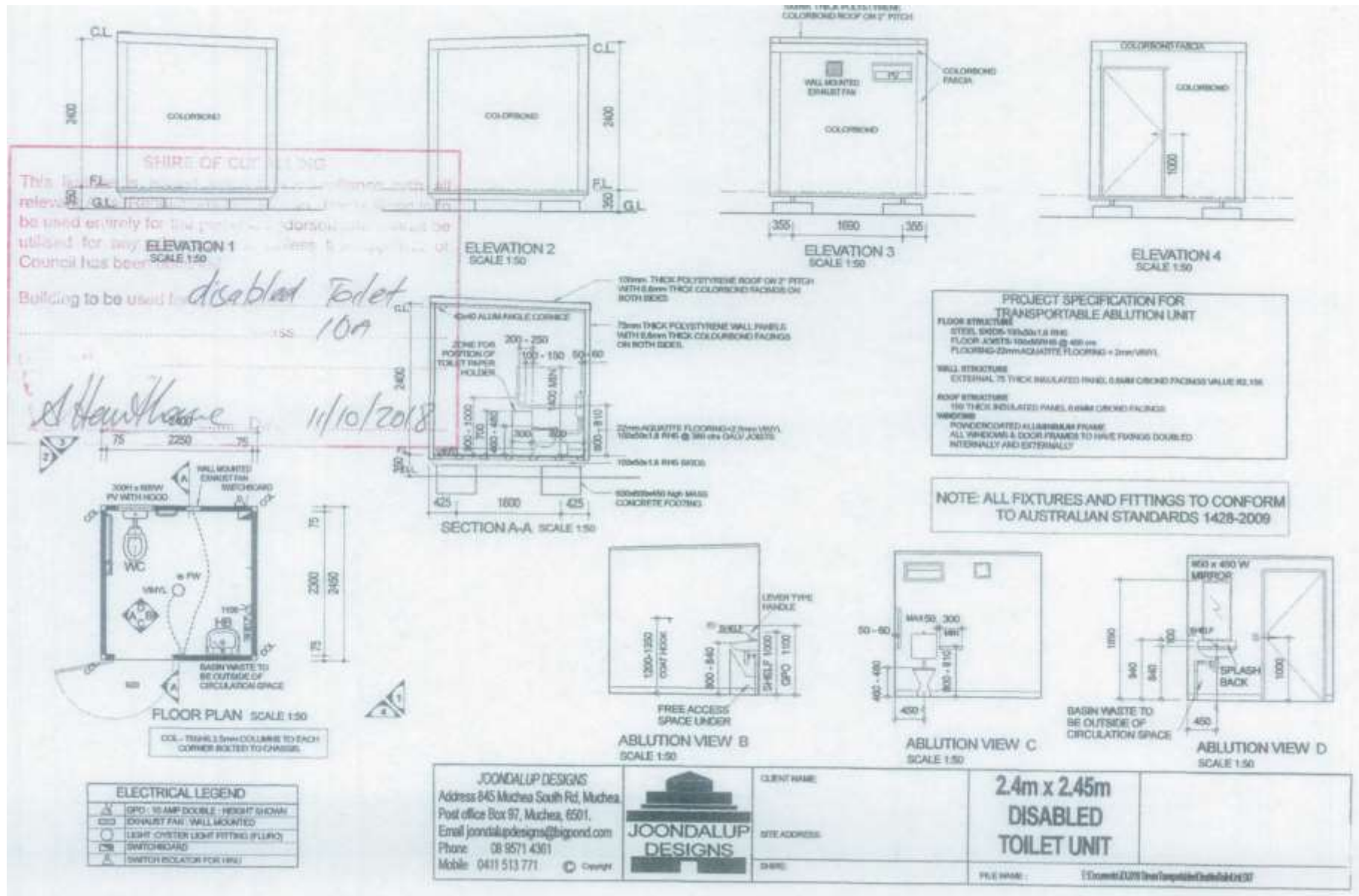
Seconded: Cr Newman

Carried 5/0

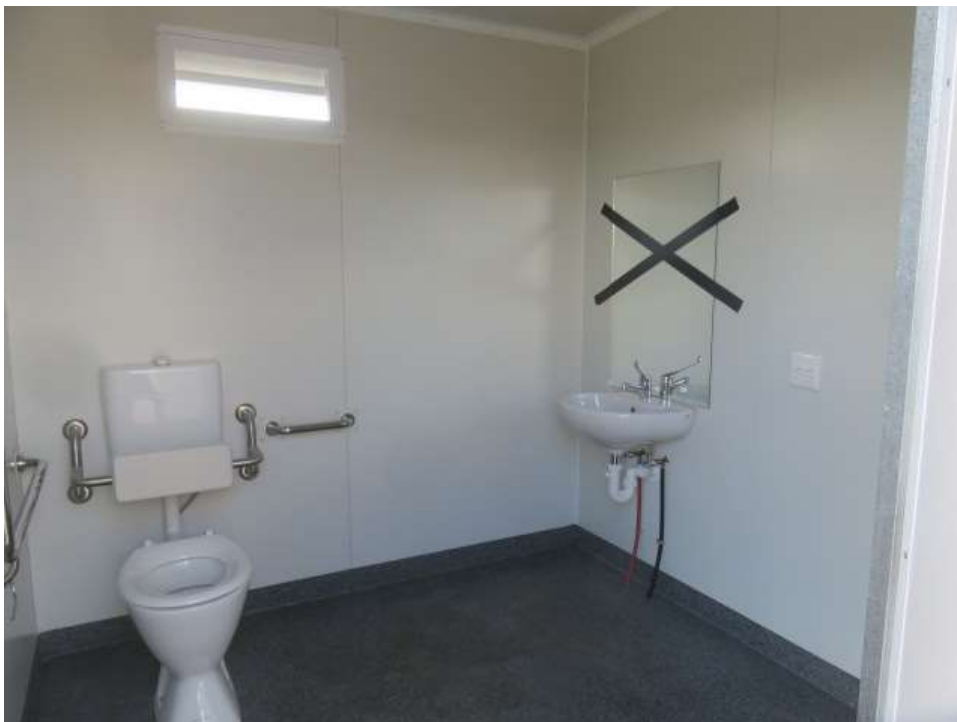
Mr Van Empel left the meeting at 3.07pm.











9.2.2	Wheatbelt South Aged Housing Alliance – Building Better Regions Fund – Grant Application
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Applicant:	N/A
File Ref. No:	ADM81
Disclosure of Interest:	Nil
Date:	12 <sup>th</sup> October 2018
Author:	Gary Sherry
Attachments:	9.2.2A Maps of potential aged accommodation site in Cuballing

### **Summary**

**Council is to consider amending the site of the Aged Persons Units in Cuballing that will be the subject of a future grant application to the Building Better Regions Funds by the Wheatbelt South Aged Housing Alliance.**

### **Background**

Council has joined together with other local governments in the Wheatbelt South Region to progress a project that has the aim of constructing dedicated aged persons independent living units in the separate communities

The interested local governments committed to a Memorandum of Understanding (MOU) that outlined the objectives of the Wheatbelt South Aged Housing Alliance (WSAHA), the nature of the collaboration and the responsibilities of the members. The Shires of Corrigin, Cuballing, Kondinin, Kulin, Narembeen, Narrogin, Wandering, Wickepin and the Town of Narrogin signed the MOU. The WSAHA have continued to meet semi-regularly and wish to continue to seek alternative funding sources for aged housing in the region.

The Shire of Wickepin has agreed to be the lead agency for the Alliance and has nominated a Project Coordinator.

The WSAHA did successfully apply for Royalties for Regions Funding to construct 38 units throughout the region with a \$12,977,555 total grant. The Shire of Cuballing was to receive \$1,062,000 from Royalties to Regions to construct 4 two-bedroom independent living units in Cuballing in 2018/19. However, this approval by the previous State Government, but the incoming State Government has withdrawn that approval.

The Shire of Wickepin is about to commence preparation of an application for 20 aged units for the WSAHA. Of those Councils who participated in the Royalties for Regional application, the Shires of Kulin, and Wandering have withdrawn and the Shire of Corrigin may only construct 2, not four, units.

The Shire of Cuballing will need to show commitment to the project. It is expected that the grant participants will complete a new MOU, expressing their financial commitment to this application.

With the reduced number of units being constructed, the fixed costs – management, financial oversight, etc – will be spread over fewer units, increasing the cost. The Royalties for Regions application had a cost of approximately \$64,000 per unit. With the change in grant source and reduced number of units this is estimated to increase to about \$91,000 per unit.

The Officer Recommendation suggests that Council consider approval a contribution of up to \$110,000 per unit. Further consideration by Council would be required for a project contribution of greater than this amount.

## Comment

Council has previously considered two sites for Aged Housing in Cuballing. Explanation and summary of these lots are outlined below.

Lot	18 Andover Street	192 Campbell Street	81 Alton Street	81 Alton Street & 192 Campbell Street
Lot area – M <sup>2</sup>	3,585	1,161	1,134	2,295
Zoning	R10	R20	R20	R20
Minimum Lot size permitted – M <sup>2</sup>	1,000	500	500	500
No Units per site	3.585	2.322	2.268	4.59

### *18 Andover Street*

18 Andover Street is a Reserve 49201 vested in Council for the purpose of Aged Persons Accommodation. This reserve purpose was changed in July 2007 and the lot has been the subject of every Council application for aged funding since.

Shire administration always believed that this site was zoned R20 because Council sought an scheme amendment to do this. However the lots was rezoned from R5 to only R10. Council can only fit 3 units on this site under Council's Town Planning Scheme.

Council has now been advised that although Council has changed the vesting of this site from Hall site to Aged Person's Units the reserve is still subject to Native Title and may be the subject of dealing under the South West Native Title Settlement. The latest advice from the Department of Planning Lands and Heritage is that *"Legal advice is being sought as to the veracity of extinguishment of Native Title rights and interests over Reserve 49201 (i.e. seeking confirmation that Native Title rights and interests have been validly extinguished based on past act/s)."* Finalisation of this advice may take come considerable time.

### *192 Campbell Street*

192 Campbell Street is the old basketball court site directly opposite the Cuballing District Hall. This site, owned freehold by Council, was the originally preferred by Council for Aged Accommodation prior to 2007 and power was connected to this site at this time.

Shire administration always believed that this site was only zoned R10 because the scheme amendment was unsuccessful, however this is not the case. The scheme amendment was successful and the site is zoned R20 and . Council can fit 2 units on this site under Council's Town Planning Scheme.

### *81 Alton Street*

81 Alton Street is a two lot property fronting both Alton and Campbell Streets and adjoin Lot 192 Campbell Street. The two lots, owned freehold by Council, includes historic access to the rear of Alton Street lot dating from the time when the site was a shop

Shire administration always believed that this site was only zoned R10 because the scheme amendment was unsuccessful, however this is not the case. The scheme amendment was



successful and the site is zoned R20 and Council can have 2 units on this site under Council's Town Planning Scheme.

#### *192 Campbell Street & 81 Alton Street combined*

Because the 192 Campbell Street and 81 Alton Street sites are adjoining, it is open for Council to amalgamate the properties into one should there be an advantage to Council to do so. One possible advantage could be that amalgamation will improve the design and operation of sewerage treatment facilities for the four units.

#### *Review of Site selection*

The WSAHA are continuing to seek funding through the BBRF to construct aged housing across the region. The next BBRF grant application is expected in February 2018 and justification is being prepared now. If a BBRF application was successful now, the 18 Andover Street would not be available for construction. Therefore it is logical for Council to submit alternative locations in current BBRF applications until the native title issues associated with the Andover Street site are settled.

These BBRF grants are difficult to obtain and it may take some years to be successful. It is open for Council to reconsider their application at each time and a return to the Andover Street site can be considered in the future.

The appeal of aged person units at 192 Campbell Street and 81 Alton Street are that they are centrally located, have access to electricity and footpaths. The construction will also fill in gaps within the streetscape.

Should Council choose to proceed with seeking funding for units at the 192 Campbell Street and 81 Alton Street immediate further investigation of the site should occur including obtaining a concept plan, proving a sewerage treatment method and completing the required planning application.

It is also open for Council to consider a reduction in the number of units to be constructed.

#### Strategic Implications

SOCIAL – Our Community, Neighbourhoods, Recreation and Culture.

##### Goals

- A healthy and caring community which has strong support for all ages and abilities.
- A safe community where residents feel secure and comfortable at home, work and play.
- A healthy community engaging in positive and rewarding lifestyles with access to recreational and leisure opportunities.
- A vibrant community, enjoying access to a wide range of quality arts and cultural activities.

	Strategy	Outcome
1.4	Facilitate improved access to health and welfare programs and education opportunities.	The community has access to a broad range of improving health and welfare programs and education opportunities.

#### Statutory Environment

Shire of Cuballing Town Planning Scheme No. 2

Policy Implications – Nil

### Financial Implications

The signatories to the original MOU have made equal cash contributions to the Shire of Wickepin to provide for project management/financial management of the WSAHA.

Council has provided for \$40,000 expenditure in total for aged housing in 2017/18. Concept Planning would be allocated from this provision. This provision is matched by a budgeted transfer of \$40,000 from Council's Housing Reserve.

#### Current Estimates of Building Costs and Grant Income

Construction	4 units at \$350,000 per unit	\$ 1,400,000
Grant Funding	4 units at \$240,000 per unit	\$ 960,000
Cost to Council	4 units at \$110,000 per unit	\$ 440,000

The ongoing operation of the 4 Aged persons units will impact future budgets of the Shire of Cuballing. While Council could expect to receive income of about \$52,000 per annum from tenants, ongoing initial expenditure of about \$58,000 per annum. This assumption includes repayment cost of a loan for the entire cost of the construction. Over time maintenance costs could be expected to increase.

<b>Ongoing Income</b>		
Rent	\$250 per week	\$ 52,000
<b>Ongoing Expenses</b>		
Loan Repayment	20 years – \$440,000	\$ 35,000
Gardening	Staff Labour & Plant	\$ 5,200
Maintenance	Ongoing Termites, Air con, ESL	\$ 8,000
	Insurance	\$ 4,200
	Building	\$ 8,000
	Water for shared area	\$ 2,000
<b>TOTAL</b>		<b>\$ 62,400</b>

### Economic Implication

Increasing the number of houses in the Shire of Cuballing will permanently increase the local economy.

The construction of houses in the Shire of Cuballing will provide a one-off stimulus to the local and regional economy.

### Social Implication

The provision of age appropriate housing in the Shire of Cuballing is expected to allow a greater number of local residents to remain in Cuballing in their latter years.

### Environmental Considerations – Nil

### Consultation

Council has discussed the provision of aged housing in the Shire of Cuballing over a number of years. Because Council has been unable to obtain support in the past, although the matter was considered in preparing the Community Strategic Plan, but not included as a key objective.

The Shire of Cuballing regularly attends the WSAHA meetings.



## Options

Council may resolve:

1. the Officer's Recommendation;
2. to seek funding for two units located on either 192 Campbell Street and 81 Alton Street, Cuballing; or
3. to not seek to locate aged units on either 192 Campbell Street and 81 Alton Street and request staff to provide alternative sites for Council to consider aged accommodation construction.
4. to not seek to construction aged accommodation in Cuballing.

## Voting Requirements – Simple Majority

### **COUNCIL DECISION – 2018/104:**

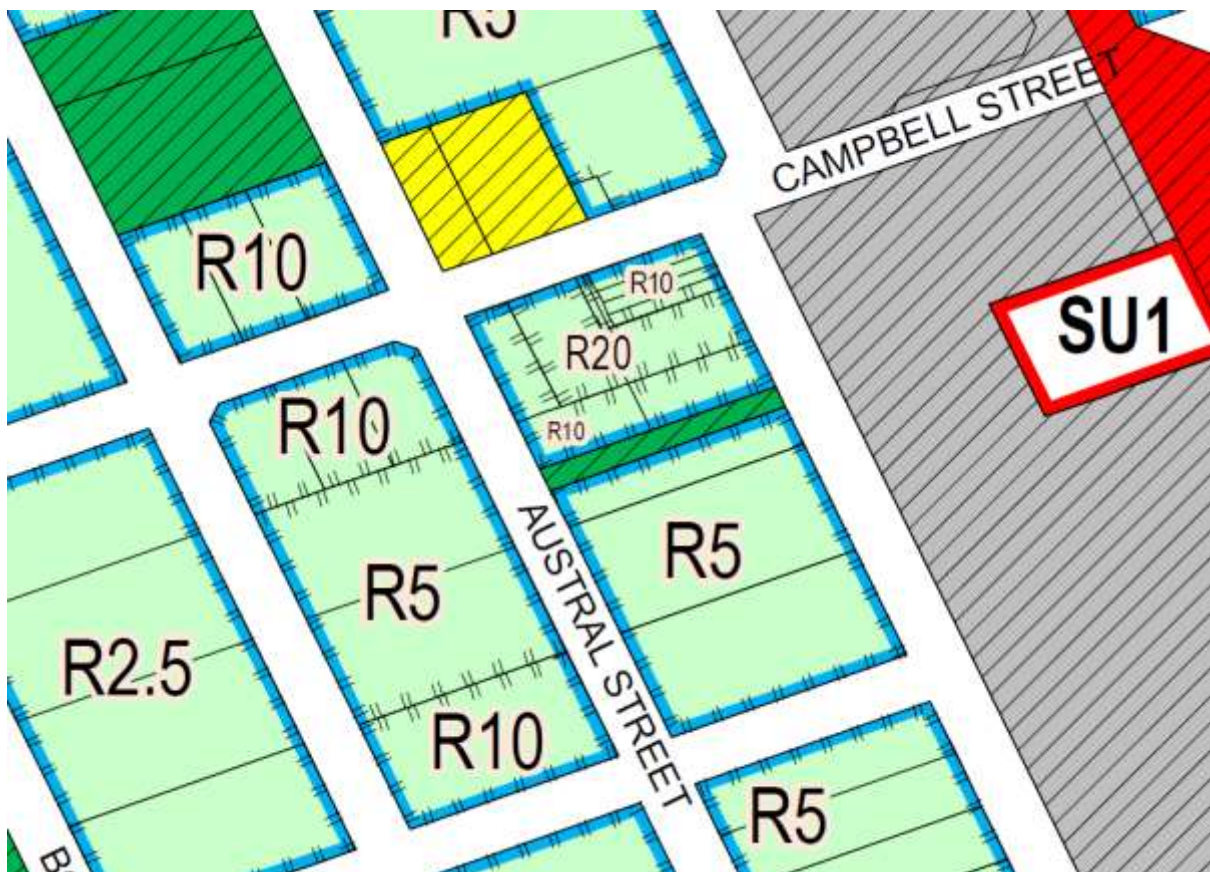
**That Council:**

1. **agree to participate in a Building Better Regions Fund application as part of the Wheatbelt South Aged Housing Alliance to construct 4 aged care units on 192 Campbell Street and 81 Alton Street, Cuballing;**
2. **authorise the Chief Executive Officer to commit Council to a financial contribution in a Building Better Regions Fund application for 4 aged units in Cuballing for a contribution of up to \$110,000 per unit;**
3. **agree to expending reserve funds to ensure the 192 Campbell Street and 81 Alton Street, Cuballing sites are ready to commence including the commencement of the design process by completing concept plans for the siting of the 4 aged units and design of a suitable sewerage disposal system; and**
4. **continues to have a preference for insitu construction rather than transportable/modular construction and for rental rather than lease for life for accommodating tenants.**

**Moved: Cr Dowling**

**Seconded: Cr Newman**

**Carried 5/0**



**9.3 MANAGER OF WORKS AND SERVICES:**

Nil

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

Nil

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

**11.1.1 Urgent Business – Tourism Board Elections & DCEO Recruitment Process**

Applicant: N/A  
File Ref. No: ADM52  
Disclosure of Interest: Nil  
Date: 15<sup>th</sup> October 2018  
Author: Gary Sherry  
Attachments: Nil

**Summary**

**Council is to consider reviewing urgent business relating to Our Golden Outback Tourism Organisation board elections and the recruitment of a Deputy CEO.**

Background – Nil

Comment

Staff are attempting to have the Agenda prepared at least a week before each Council Meeting. In completing this schedule, business of an urgent nature will arise from time to time in particular where commercial activities within the district would be delayed by Council not considering the item.

Statutory Environment

Shire of Cuballing – Standing Orders Local Law 1999 – Section 3.10:  
3.10 Urgent Business Approved By the Person Presiding or by Decision

In cases of extreme urgency or other special circumstance, matters may, with the consent of the person presiding, or by decision of the members present, be raised without notice and decided by the meeting.

Strategic Implications – Nil

Policy Implications

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation;
2. to not consider the urgent business.

Voting Requirements – Simple Majority

**COUNCIL DECISION – 2018/105:**

**That Council consider the urgent business relating to Our Golden Outback Tourism Organisation board elections and the recruitment of a Deputy CEO.**

**Moved: Cr Newman**

**Seconded: Cr Ballantyne**

**Carried 5/0**

## 11.1.2 Australia's Golden Outback – Board Elections – Endorsement of Action

Applicant:	N/A
File Ref. No:	ADM
Disclosure of Interest:	Nil
Date:	15 <sup>th</sup> October 2018
Author:	Gary Sherry
Attachments:	Nil

### Summary

**Council is to consider endorsing the action of the Chief Executive Officer to ensure the Council's vote in the board elections of the Australia's Golden Outback Regional Tourism Organisation was effective.**

### Background

Tourism WA established five Regional Tourism Organisations (RTOs) in Western Australia in 2004. Tourism WA provides funding to the RTOs that include:

- Experience Perth
- Australia's Coral Coast
- Australia's Golden Outback
- Australia's North West
- Australia's South West

Each RTO is a not-for-profit, fully incorporated body with a board. The five RTOs promote their respective regions and complement Tourism WA's strategic marketing direction.

### Comment

Australia's Golden Outback is holding its AGM in Esperance on Friday 26<sup>th</sup> October 2018. At this meeting half the AGO Board positions become vacant. Some of these will be filled automatically as only one nomination was received, but this year two nominations were received for the Whole of Region Representative.

The Shire of Cuballing is included in the Australia's Golden Outback (AGO) RTO and as a local government in the region is able to participate in elections to the AGO board.

The two nominations received were from Ms Arianne Webb of Goldfields Conferences & Events and Ms Michelle Wnuk of the Dryandra Country Visitor Centre, Narrogin. Council received:

- Candidate profiles from both Ms Arianne Webb and Ms Michelle Wnuk;
- An official AGO voting form; and
- A reply paid envelope.

The AGO constitution requires that voting forms can only be returned by mail to be received in the AGO offices by 5pm Friday 19 October 2018. Any voting forms received after this time will be declared invalid.

To ensure that a Council vote in the election was received by the required time, after discussion with Cr Conley, the Chief Executive Officer completed a vote for Ms Michelle Wnuk and returned the vote by mail as required. A vote posted after a meeting of Council would not have been received in time to be valid. Ms Wnuk was selected because of her membership of the local Dryandra Country Visitors Centre and her greater experience with the wheatbelt region.

This agenda item seeks Council to endorse this action.

### Strategic Implications

ECONOMY – Our Economy, Infrastructure, Systems and Services.

#### Goals

- Promoting sustainable and diverse economic development opportunities that make the Shire of Cuballing an attractive place to live, work and visit.

	Strategy	Outcome
3.7	Advocate and plan for local economic development in a sustainable manner.	A growing community supported by improved job opportunities and diversity in our industries, businesses and housing.

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

### Economic Implications

Tourism is also a growing industry in Cuballing with the Dryandra State Forest and the Dryandra Regional Equestrian Centre as major draw cards. Nature and heritage trails in Popanyinning provide an avenue for tourists to experience the local history and wildflowers. Local accommodation includes Lazeaway Holiday Park, the Cuballing Tavern, the Lions Dryandra Village and privately owned Bed & Breakfasts.

Social Implications – Nil

Environmental Considerations – Nil

Consultation – Nil

### Options

The Council can resolve:

1. the Officer's Recommendation; or
2. to not endorse the actions of the Chief Executive Officer.

Voting Requirements – Simple Majority

### **COUNCIL DECISION – 2018/106:**

**That Council endorse the actions of the Chief Executive Officer in making a vote on behalf of Council for Ms Michelle Wnuk in the board elections of the Australia's Golden Outback Regional Tourism Organisation.**

**Moved: Cr Newman**

**Seconded: Cr Ballantyne**

**Carried 5/0**

### 11.1.3 Deputy CEO Recruitment Process

Applicant:	N/A
File Ref. No:	ADM138
Disclosure of Interest:	Nil
Date:	15 <sup>th</sup> October 2018
Author:	Gary Sherry
Attachments:	11.1.3A Draft DCEO Application Package

#### **Summary**

**Council is to consider the process to recruit a new Deputy Chief Executive Officer (DCEO) and the salary package to be offered for this position.**

#### **Background**

Council appointed Mr Richard Pares to the position of DCEO at a Special Council Meeting on 8<sup>th</sup> December 2017. Mr Pares commenced a three year employment contract with the Shire of Cuballing on 15<sup>th</sup> January 2018.

Ms Pares has advised that he wishes to terminate his employment contract for personal reasons. Mr Pares has been flexible with Council and is willing to complete the finalisation of the 2017/18 financial year before finishing.

#### **Comment**

The DCEO's primary responsibilities are largely financial, information technology and general administration. The incumbent, because of her abilities, has had an expanded role that included administration building refurbishment, community development and human resources roles.

The position will be marketed as an entry level senior position, attracting candidates with some local government administration experience, but seeking to step to new responsibilities extend their career.

A draft employment package is included at Attachment 11.1.3A. This package includes:

- Draft advertisement;
- Information on the employment process;
- A position description/duty statement;
- Information about the position;
- Draft employment contract;

Individual aspects of the draft employment package that may be of interest to Councillors include:

- The position provides a salary depending on qualifications and experience of between \$75,000 and \$90,000;

The salary package includes components of:

- private use of a Toyota Corolla;
  - an element of private use of a dedicated mobile phone;
  - provision of home internet up to an agreed amount; and
  - relocation expenses;
- the subsidised rental of a residence in Cuballing provided by Council;

- An offer of a three to five year term. An offer of only a three year term could be an alternative;
- A police clearance and start up medical is required;
- Suggests that Council and the CEO would respond positively to study leave and professional development. This would be crucial in developing an employee in the role;
- The draft Employment Contract includes clauses that:
  - Council will commence discussions with the officer over a new contract 12 months from the expiry of this contract, with a decision to finalise the discussions made 9 months prior to the expiry (Clause 5);
  - work the reasonable hours need to carry out the duties (Clause 6.4);
  - provide for an annual performance review (Clause 8);
  - allow suspension if under charge from a criminal offence (Clause 11); and
  - allow termination of the contract by Council with three months notice (clause 14.3).

### Strategic Implications

#### GOVERNANCE & ORGANISATION – Our Council, Services, Policies and Engagement.

##### Goals

- An independent Council that is supported by an excellent organisation.
- Governance structures that ensure accountable, transparent and ethical decision making.
- Building the organisation and managing its structure, finances and assets in a sustainable manner.
- A Council that proactively engages with all elements of its community to make decisions that reflect positively on the future of the Shire of Cuballing.

	Strategy	Outcome
4.5	Be innovative in the management of Shire operations, services, staff and resources to create a resilient and financially stable Shire.	A Shire that is progressive, sustainable, resilient and adaptive to changes.
4.6	Employees actively contribute to improved operational service delivery and ensure excellent customer service.	Employees continually improve the operational service delivery and the community receives excellent customer service.

### Statutory Environment

The DCEO position is a senior staff member under sections 5.37 and 5.39 of the Local Government Act 1996.

Section 5.37 includes:

- The CEO is to inform the Council of each proposal to employ or dismiss a senior employee, and the Council may accept or reject the CEO's recommendation; and
- An advertisement for a senior employee it is to be advertised by the local government in a prescribed manner.

Section 5.39 requires that:

- the employment of the senior employee is to be governed by a written contract;
- a contract for an acting or temporary position, cannot be for a term exceeding one year and for permanent positions cannot be for a term exceeding 5 years; and



- a contract must include the expiry date, performance criteria and any other prescribed requirements.

Policy Implications – Nil

Financial Implications

The draft salary package is included at Attachment 11.1.3 that includes an estimate of upper and lower annual salary package of \$115,175 to 132,500.

It is anticipated that this salary package can be accommodated within Council's 2018/19 Budget allocations.

Economic Implication – Nil

Social Implication

The Officer will live in the subsidised residence rented by Council in Cuballing or privately obtain alternative residential accommodation outside the Shire.

Environmental Considerations – Nil  
Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation;
2. adopt the Officer's Recommendation with amendment to the DCEO employment package; or
3. to defer the matter at this time and seek additional information from staff about alternative solutions.

Voting Requirements – Simple Majority

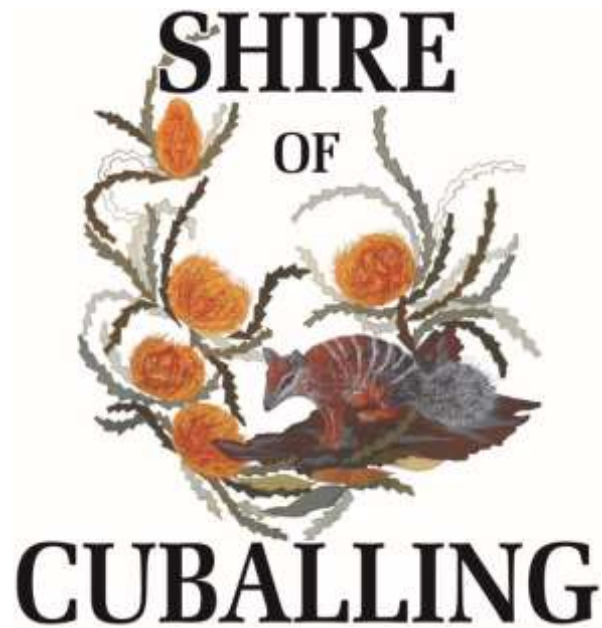
**COUNCIL DECISION – 2018/107:**

**That Council endorse the Deputy Chief Executive Officer Employment Package as included at Attachment 11.1.3A.**

**Moved: Cr Haslam**

**Seconded: Cr Ballantyne**

**Carried 5/0**



**SHIRE OF CUBALLING**

Information Package

for the position of

**Deputy Chief Executive Officer**

Corporate Services Directorate

**Applications for this position must be received by  
4:30PM on Thursday 15<sup>th</sup> November 2018**

**SHIRE OF CUBALLING**

**Deputy Chief Executive Officer**

**Up to \$132,500 Salary Package**

The Shire of Cuballing is a dynamic small rural community with a solid economic base in the established farming district with a growing population that takes advantage of the rural lifestyle.

The Shire of Cuballing is a small but progressive organisation with a strong strategic focus and a continuing emphasis on realising the potential of its people. It is expected that the successful applicant will be commencing a career in local government management and will be looking to grow their skills and experience in this role.

The Deputy CEO will be expected to guide and deliver the finance, IT and administrative functions of the Shire.

Our team values work-life balance with a flexible and a friendly working environment.

An attractive remuneration package has been offered, which includes a negotiated base salary of \$75,000 to \$90,000 per annum based on qualifications and experience.

Cuballing is located only 14 kilometres north of the regional town of Narrogin and within easy reach of the Perth metropolitan area.

An information package is available by contacting Ms Nicole Gould on 08 9883 6031 or at [www.cuballing.wa.gov.au](http://www.cuballing.wa.gov.au).

Further information regarding the position should be directed to Mr Gary Sherry on 08 9883 6031 or 0427 836 031.

Applications close with the undersigned on Thursday 15<sup>th</sup> November 2018.

**Gary Sherry**  
**Chief Executive Officer**  
**Shire of Cuballing**  
**PO Box 13**  
**CUBALLING WA 6311**

## Information for Applicants

Thank you for your interest in the advertised vacancy.

This documentation provides information to assist you in preparing your written application and to plan for the selection interview. Also enclosed is a Job Description Form.

Selection involves a written application, an interview and reference checks. Shortlisted applicants will also undergo a medical examination. A national (Federal) police clearance certificate is also required.

The essential selection requirements (Selection Criteria) are described in the Position Description Form and please apply only if you meet the essential requirements for the position.

Please ensure the Shire of Cuballing receives your application by the closing date in the advertisement. Late applications will not be accepted unless prior arrangements have been made with the Chief Executive Officer.

Your application should comprise of the following documents.

### 1. Covering Letter

A summary of your background and suitability for the position should be addressed in the covering letter, without over emphasising or going into too much detail.

### 2. Resume (Curriculum Vitae)

A Resume/Curriculum Vitae should comprise at least:

- a. A summary of your employment history starting with the most recent position. Please include dates, name of employer, position title and give brief details of the tasks that were required in each position.
- b. Include any relevant training courses you have attended in the last 2 to 3 years.
- c. A photocopy of any relevant qualifications.
- d. Any activities you have undertaken outside of work which are relevant to the position you are applying for.

### 3. Referees

- a. Provide the names and contact details of two work related referees.
- b. Describe nature of working relationship with referee.
- c. Referees should be contacted for approval before nominating them.
- d. It is preferable that one of your referees is your current supervisor. (This is optional)
- e. Only referees who can comment on your work experience should be listed.

#### **4. Preparing for the Interview**

All interview questions will be work related – that is they will relate to the selection criteria for the position you have applied for.

The same questions will be asked for every interviewee.

To prepare yourself for the interview questions consider the following:

- Re-read the Position Description Form and the selection criteria.
- Focus on the Selection Criteria and think of examples of work situations where you applied the relevant skills and abilities.
- Focus on the duties of the position and think about how you would carry them out. Think about any problem you might encounter and how you would resolve them.
- If the position has a supervisory role, think about your special responsibilities as a supervisor.
- If you have any relevant reports or other work you have done which will provide examples of your skills and abilities, you should organise examples for presentation at the interview.

#### **5. The Interview**

The following points are recommended:

- Don't assume that panel members know your suitability for the job even though you may have worked with them or have previous experience in the position you have applied for.
- Answer questions fully without unnecessary details.
- Where possible, relate your answers to direct experiences you have had.
- Feel free to ask questions to the panel.

## POSITION DESCRIPTION/DUTY STATEMENT

1. **TITLE:** Deputy Chief Executive Officer
2. **LEVEL:** Local Government Industry Award (1999)  
– Salary Package Negotiable
3. **DEPARTMENT/SECTION:** Corporate Services
4. **POSITION OBJECTIVES**
  - 4.1 Provide leadership, management, professional advice and support to the Executive Management Team and the Corporate Services Department.
  - 4.2 Develop a team approach from all staff within the Corporate Services Department, and encourage the development of staff to reach their full potential whilst overseeing the activities of the Department in a co-ordinated manner
  - 4.3 Establish best practice and quality management principles in the operations of the Corporate Services Department.
  - 4.4 To ensure (in cooperation with the Administration Officer) that all documents relating to Corporate Services Department are registered and managed in accordance with the Record Management Plan approved by Council.
  - 4.5 To provide high quality input to the Council's Annual report, operational plan, annual budget and long term financial planning in the Corporate Services Department.
5. **REQUIREMENTS OF THE JOB**
  - 5.1 Skills
    - Sound knowledge of Local Government accounting requirements, including AAS27 procedural skills.
    - Good human resources management skills
    - Sound knowledge of computer systems and the associated software
    - Excellent communication skills, both written and verbal
    - Good knowledge of the Local Government Act 1995

## 5.2 Knowledge

A sound knowledge and understanding of the following Local Government legislation/functions:

- Local Government Officers Award
- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996
- Rates & Charges (Rebates, Deferments) Act.
- Local Government Accounting Directions
- Australian Accounting Standard 27
- Municipal Employees Award
- Insurance & Workers Compensation Legislation
- Superannuation Legislation
- Taxation Legislation, including FBT & GST, as it applies to Local Government

## 5.3 Qualifications and/or Training

Accounting qualifications and/or training preferable.

## 6. KEY DUTIES/RESPONSIBILITIES

- 6.1 Development, implementation and control of Council's Record Management Plan;
- 6.2 Overall supervision and control of Council's Information Technology and Communication systems. This includes but is not limited to:
- 6.2.1 Maintenance and upgrading of Council's accounting database software;
  - 6.2.2 Maintenance and organisation of Council's website;
  - 6.2.3 Development and maintenance of appropriate policies for use of Council's Information Technology and Communication systems
- 6.3 Development, implementation and control of appropriate financial management systems in accordance with statutory requirements and Council policies including:
- 6.3.1 Preparation of the Annual Council Budget, Long Term Financial Plan and Corporate Business Plan in consultation with the Chief Executive Officer and Council;
  - 6.3.2 The compilation of annual and monthly financial reports;
  - 6.3.3 All financial activities for the shire including: debtors, creditors, payroll, rates, revenue collection, banking, cash flow, fund investments, job costings, grant claims, asset management, insurance, FBT and all day to day accounting matters; and
  - 6.3.4 Provide Council with sound advice and direction on all matters pertaining to Council's finances.

- 6.4 Manage Council's Risk Management activities including all matters pertaining to Council's insurance portfolio.
- 6.5 Development, implementation and control, in control of appropriate asset management systems in accordance with statutory requirements and Council policies:
- 6.6 Development, implementation and control of quality customer service operation within the Corporate Services Department.
- 6.10 Deputise for the Chief Executive Officer in his/her absence and have a working knowledge of the duties and responsibilities of the Chief Executive Officer
- 6.11 Other duties and tasks as assigned by the Chief Executive

## 7. ORGANISATION RELATIONSHIPS

7.1 **Responsible to:** Chief Executive Officer

7.2 **Responsible for:** 3 Administration Staff.

### 7.3 Internal & External Liaison

Internal	Chief Executive Officer Manager of Works & Services Administration Staff
----------	--

External	Shire President Councillors Residents Government Departments Local organisations Customers and stakeholders
----------	--

## 8. SELECTION CRITERIA

### Essential

- 8.1 Highly developed verbal and written communication skills
- 8.2 Developed time management skills to ensure the achievement of outcomes and accountability.
- 8.3 Ability to successfully supervise staff and work within a team environment.



- 8.4 Qualifications and experience in finance or accounting.
- 8.5 Working knowledge of computer systems and software operations, including Microsoft Excel, Word and Outlook

**Desirable**

- 8.6 A sound knowledge of Local Government legislation and particularly relating to financial requirements.
- 8.7 Demonstrated experience in a finance environment, particularly as it applies within a Local Government.
- 8.8 Working knowledge of accounting systems, with experience of IT Vision SynergySoft an advantage.
- 8.9 A sound knowledge of tax legislation as it relates to Local Government.
- 8.10 Commitment to further training and professional development

**SALARY PACKAGE**  
**Deputy Chief Executive Officer**

**1 CONTRACT OF EMPLOYMENT:**

A negotiated contract of employment of between 3 to 5 years is offered, with the possibility of an extension.

**2 INITIAL PROBATIONARY PERIOD:**

The negotiated contract of employment will be offered with an initial probationary period of six months in which time the Council may terminate this contract on 12 weeks written notice.

**3 SALARY:**

A salary will be negotiated up to \$90,000 per annum, depending on skills, experience and qualifications.

**4 HOURS OF WORK:**

Flexible working hours apply for this role. Normal office hours are from 8.30am to 5pm however the nature of the position will require an earlier start and/or a later finish on occasions.

**5 LEAVE:**

Provision of Annual, Sick and Carer's Leave will be in accordance with the Local Government Industry Award

**6 LONG SERVICE LEAVE:**

Thirteen weeks after ten years continuous Local Government service, transferable between Local Authorities within Western Australia.

**7 MOTOR VEHICLE**

A fully maintained motor vehicle will be supplied for unrestricted private use within Western Australia. The current Council vehicle allocated to this position is a Toyota Corolla or equivalent.

**8 SUPERANNUATION:**

The Council makes superannuation contributions of 9.5% of the base salary plus matching contributions of up to 6%, providing the employee makes voluntary contributions of 6% or more. The combined total of the Shire of Cuballing contribution is up to 15.5% of the specified salary.

**9 RESIDENTIAL ACCOMMODATION**

Council's strong preference is for the Officer to reside within the Shire of Cuballing.

Council offers subsidised rental of suitable accommodation in the town of Cuballing.

**10 RELOCATION EXPENSES REIMBURSEMENT:**

Council will meet the cost of the officer's relocation expenses up to \$2,500. Removal expenses are restricted to household goods, furniture and personal effects with receipts produced to claim reimbursement. The reimbursement is conditional upon repayment being required at 100% if the officer leaves within 12 months and 50% if the officer leaves within 24 months.

**11 POLICE CLEARANCE:**

Applicants are required to provide a National Police Clearance Certificate before commencing employment. Council will refund the expenses of obtaining this clearance.

**12 MEDICAL EXAMINATION:**

Applicants are required to attend a pre-employment medical prior to commencing employment. Council will refund the expenses of obtaining this medical.

**13 TELEPHONE ALLOWANCE**

A mobile phone is provided for the Officer's business use with some personal use permitted.

**14 COMPUTER USAGE:**

Internet and email provision is applicable subject to user requirements and in accordance with Council policy.

**15 STUDY ASSISTANCE:**

Employees who have enrolled for technical education relevant to their position may have a portion of enrolment fees paid upon successfully completing each nominated subject. Requests for study leave or fee reimbursements must be pre-approved by the CEO

**16 SUMMARY OF SALARY PACKAGE:**

Position	Deputy Chief Executive Officer			
Basis of Employment	Contract Staff – 3 Year Contract			
<b>Component</b>		<b>From</b>		<b>To</b>
Salary		75,000		90,000
Allowances		–		–
<b>Total Salary</b>		<b>75,000</b>		<b>90,000</b>
Superannuation	9.5%	7,125	9.5%	8,550
Superannuation	6%	4,500	6%	5,400
50% Subsidy of Electricity & Power	Yes	1,200	Yes	1,200
Uniform Allowance	Yes	500	Yes	500
Communications–Internet	Yes	850	Yes	850
Communications–Mobile Telephone	Yes	500	Yes	500
Relocation Expense	Yes	2,500	Yes	2,500
Private Use of Vehicle	Yes	10,000	Yes	10,000
Subsidised Housing	Yes	13,000	Yes	13,000
<b>Total Package</b>		<b>115,175</b>		<b>132,500</b>

**DRAFT  
CONTRACT OF EMPLOYMENT**

**SHIRE OF CUBALLING**

**&**

**DEPUTY CHIEF EXECUTIVE OFFICER**

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**THIS CONTRACT OF EMPLOYMENT**

is made on the \_\_\_\_\_ day of \_\_\_\_\_

**BETWEEN:**

- 1. Shire of Cuballing (the Local Government)  
Campbell Street (address for service of notices)  
CUBALLING WA 6311

**And**

- 2. .... (the Officer)  
..... (address for service of notices)  
.....

**1. POSITION**

The position is that of Deputy Chief Executive Officer of the Local Government.

This contract relative to that position is made under and subject to the *Local Government Act 1995*.

**2. DEFINITIONS**

In this Contract:

- 2.1 "Act" means the *Local Government Act 1995*;
- 2.2 "CEO" means the Chief Executive Officer of the Local Government;
- 2.3 "Confidential Information" means any and all confidential information, data, reports, operations, dealings, records, materials, plans, statistics, finances or other agreements and things (other than an agreement or thing which is already in the public domain), whether written or oral and of whatever type or nature relating to property, assets, liabilities, finances, dealings or functions of the Council or any undertaking from time to time carried out by the Council.
- 2.4 "Council" means the Council of the Local Government;
- 2.5 "Long Service Leave Regulations" means the Local Government (Long Service Leave) Regulations.
- 2.6 "Mediation Service" as referred to in clause 17 means an individual or company contracted to mediate a dispute between the parties.
- 2.7 "Policies" means the policies adopted by Council.
- 2.8 "Position" means the office or position defined in Clause 1.
- 2.9 "Remuneration Package" means the total of the remuneration package specified in Clause 12.
- 2.10 "Term" means, the term specified in Clause 4.

**3. CONSTRUCTION**

Unless expressed to the contrary, words importing:

3.1 The singular includes the plural and vice versa.

A reference to:

3.2 A person includes a firm, an unincorporated association, an incorporated association, a corporation and a government or statutory body or authority.

3.3 A person includes their legal personal representatives, successors and assigns.

3.4 A statute, ordinance, code, regulation, award or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

3.5 A right includes a benefit, remedy, discretion, authority or power.

3.6 An obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation.

3.7 Provisions or terms of this Contract, or another document, contract, understanding or arrangement include a reference to both express and implied provisions and terms.

3.8 This Contract or any other document includes this Contract or other document as varied or replaced and notwithstanding any change in the identity of the parties.

3.9 Writing includes any mode of representing or reproducing words in tangible and permanently visible form and includes facsimile transmissions or other electronic mail or transmissions.

3.10 Anything (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them.

3.11 Headings are for convenience only and do not effect the interpretation of this Contract.

**4. TERM OF EMPLOYMENT**

Subject to the terms and conditions contained in this contract, the Local Government will employ the Officer for a term of ..... years commencing on the .....<sup>this</sup> day of ..... 2018 and expiring on the .....<sup>th</sup> day of ..... 20.....

**5. INITIAL PROBATIONARY PERIOD**

The Officer's employment will be subject to an initial probationary period of six months. During the probationary period the Council may terminate this contract with 12 weeks written notice.

Before the end of the probationary period, the Council may terminate this Contract or extend the probationary period for a further three months, up to a total period of nine months. If the Officer's performance has met the Council's requirements, then the Officer's appointment will be confirmed.

**6. FURTHER CONTRACTS**

There is no compulsion on either the Council or the Officer to agree to a new Contract. The Council and/or the Officer shall initiate discussions not later than 12 months prior to the expiry of the Term for the parties to enter into a new Contract for a further term with the Council making a decision to finalise those discussions not later than 9 months prior to the expiry of the term of this Contract. In the event that the Council and the Officer agree to a new contract, a new contract will be executed.

**7. OFFICER'S DUTIES AND FUNCTIONS**

The Officer must carry out the duties and functions as are:

- 7.1 Set out in the Position Description and as varied from time to time by agreement between the parties.
- 7.2 Set out in the policies of the Local Government as adopted by the Local Government from time to time during the term of employment.
- 7.3 Imposed by the Act or in any other statute and associated regulations relevant to the position.

The Officer shall:

- 7.4 Work such reasonable hours as are necessary to carry out the duties and functions of the position.
- 7.5 Observe and carry out all lawful directions given by the CEO, in relation to the performance of the Officer's duties and functions under this Contract.
- 7.6 Disclose any financial or other interest relating to the business of the Local Government in accordance with the Act or which conflicts or may conflict with the discharge of the duties and functions of the office and comply with any reasonable direction given by the CEO in respect of that interest.
- 7.7 Devote the whole of their professional effort to their employment and will not hold any position or take on any activities which may in any way be seen to conflict with the Officer's obligations under this contract unless approved by the CEO.



## 8. PERFORMANCE CRITERIA

The following Responsibilities and Performance Measurement Criteria and the Key Responsibilities set out in Clause 6 of Appendix 1 apply to this contract:

**Responsibility 1 – Provide leadership, management, professional advice and support to the Executive Management Team and the Corporate Services Department.**

Authority Level – Full management authority as delegated by the CEO for operational management of the Corporate Services Department.

Measurement – 1 The Corporate Services Department is well run in accordance with relevant statute and associated guidelines and codes, Council's policies and administrative procedures, meeting operational targets and effectively meeting the needs of the Council and the community.

Measurement – 2 High standards are maintained with regard to the financial management of the Corporate Services Department.

Measurement – 3 No justifiable complaints are received from the CEO or external customers and stakeholders.

**Responsibility 2 – Develop a team approach from all staff within the Corporate Services Department, and encourage the development of staff to reach their full potential whilst overseeing the activities of the Department in a co-ordinated manner.**

Authority Level – Acts autonomously within the policies and guidelines established by the CEO and the Council.

Measurement – 1 Corporate Services Department staff are improving in the skill levels, confidence, abilities, initiative and teamwork.

**Responsibility 3 – Establish best practice and quality management principles in the operations of the Corporate Services Department.**

Authority Level – Acts autonomously within the legislation and policies and guidelines established by the CEO and the Council.

Measurement – 1 Planning and programming of all activities in the Corporate Services Department are of a high professional standard.

**Responsibility 4 – To ensure (in cooperation with Administration Officer) that all documents relating to Corporate Services Department are registered and managed in accordance with the Records Management Plan approved Council.**

- Authority Level – The Officer is expected to work in cooperation with the Records Manager/Records Officer
- Measurement – 1 High level of cooperation with records staff.
- Measurement – 2 All Corporate Services Department related documents are managed appropriately in accordance with the Document Management Plan
- Responsibility 5 – To provide high quality input to the Council’s Annual report, operational plan, annual budget and long term financial planning in the Corporate Services Department.**
- Authority Level – The Officer is expected to work cooperatively with all other staff.
- Measurement –1 High level of cooperation with all other staff
- Measurement – 2 Quality input to corporate documents, corporate plans and corporate decision making.

These performance criteria may be varied and any other criteria may be included by agreement between the parties at any time during the term of this contract.

**9. PERFORMANCE REVIEWS**

The CEO will ensure that a review of the Officer's performance is conducted annually or more frequently if the CEO or the Officer perceives there is a need to do so.

The CEO shall give the Officer a minimum of ten working days notice in writing that a performance review is to be conducted to enable the Officer sufficient time to prepare.

Where an external facilitator is to be used, both parties must agree to the nominated facilitator.

The Officer will prepare and submit to the CEO and/or facilitator an assessment of his/her own performance prior to the assessment by the CEO.

The final report on the performance of the Officer is to be prepared by the CEO and/or facilitator in consultation with the officer.

**10. CONFIDENTIAL INFORMATION**

The Officer shall not divulge any confidential information about the Local Government both during and after their term of employment with the Local Government. Confidential information includes all information and intellectual property relating to the functions and operations of the Local Government which is not made available to the public.

In the event of termination, the Officer must deliver to the Local Government all confidential information relating to the local government in the Officer 's possession and must not keep or make copies of such information.

**11. CONDUCT**

The Officer shall at all times carry out his/her duties and functions in the best interests of the Local Government and ensure that the Officer's actions do not bring the Local Government into disrepute or cause the Local Government damage.

The Officer will comply with the Employee's Code of Conduct adopted by the Local Government pursuant to section 5.103 of the Act or as prescribed in Regulations under the Act.

**12. SUSPENSION**

The Council may, during a period which the Officer is under charge with any criminal offence, suspend the Officer from duty on full pay.

### 13. REMUNERATION

The Local Government will provide the Officer with the remuneration package detailed below:

#### 13.1 Salary Package

The Officer shall be entitled to a total remuneration package of \$..... per annum, which takes into account:

- the requirement to attend Council meetings outside working hours;
- an acknowledgment that the position is measured on performance and not on the number of hours worked; and
- all additional loadings and allowances.

The components representing the remuneration package shall be:

13.2	Salary (cash component)	\$ .....	per annum
13.3	Motor Vehicle	\$ 10,000	per annum
13.4	Superannuation	\$ .....	per annum
13.7	Subsidised Residential Accommodation	\$ 13,000	per annum
13.8	Relocation Expenses	\$ 2,500	once off
13.9.1	Communications Allowance – Mobile Phone	\$ 500	per annum
12.9.2	Communications Allowance – Internet	\$ 850	per annum

#### 13.2 Salary (Cash Component)

13.2.1 The remuneration package referred to in subclause 12.1 shall be reviewed annually by Council. A review shall not result in a decrease in the remuneration package.

13.2.2 The Officer's salary shall be payable fortnightly, in arrears to an account nominated by the Officer.

#### 13.3 Motor Vehicle

13.3.1 The Local Government shall provide unlimited private use of a motor vehicle in accordance with policy as at the date of signing this contract, equivalent in value to a Toyota Corolla, for the use of the Officer.

13.3.2 The Local Government shall be responsible for all running costs of the motor vehicle including, but not limited to all registration, insurance, fuel and maintenance costs of the motor vehicle.

13.3.3 The Officer is responsible for organising for the motor vehicle to be maintained, serviced and cleaned in an appropriate manner.

13.3.4 Unlimited private use entitles the Officer and a driver designated by the Officer to use the motor vehicle for both business and private purposes in Western Australia.

#### 13.4 Superannuation

- 13.4.1 The Local Government will make superannuation contributions during the term of the contract of 15.5% subject to the Officer making contributions equivalent to 6% of their salary. The Local Government's contribution includes the Superannuation Guarantee levy.
- 13.4.2 The Officer may elect to pay additional superannuation contributions as part of a salary sacrifice arrangement with the Local Government. Such an agreement will result in a lower cash component being paid to the Officer.

### **13.5 Fringe Benefits Tax**

The Local Government shall pay any liability with respect to Fringe Benefits Tax incurred as a result of the benefits provided in this Contract, or the ordinary carrying out of Local Government business by way of functions or travelling.

### **13.6 Valuation**

The value to be allocated to each component of the Officer's total remuneration shall be determined by the Local Government in accordance with such valuation principles as it may adopt from time to time to value benefits extended to its employees.

### **13.7 Housing**

- 13.7.1 The Local Government will provide residential accommodation for the Officer at a subsidised rate.
- 13.7.2 At the commencement of the Term the rent is \$50 per week payable fortnightly in advance by the Officer.
- 13.7.3 The Officer must pay to the Local Government the rate specified in paragraph 13.7.2, as varied from time to time, pursuant to paragraph 13.7.2 in such manner as it from time to time agreed.
- 13.7.4 The Local Government will pay the water consumption costs provided that the gardens are kept in neat and tidy order.

### **13.8 Relocation Expenses**

Council will meet the cost of the Officers relocation expenses up to \$2,500 with 50% of the reimbursement to be made on commencement and 50% paid after successful completion of six (6) months service. Receipts must be produced to claim reimbursement.

### **13.9 Other Benefits**

- 13.9.1 The Officer will be permitted a level of private use of the Mobile Telephone provided for work purposes up to an amount agreed annually.
- 13.9.2 Council will provide and maintain an internet connection, for an amount agreed annually, at the Officer's residence for work purposes. The Officer is permitted private use of this connection.

**14. LEAVE**

This may include, but is not limited to:

**14.1 Annual Leave**

The Officer is entitled to four weeks' paid annual leave each year, to be taken during agreed periods.

**14.2 Long Service Leave**

Long service leave shall be in accordance with the Local Government (Long Service Leave) Regulations.

**14.3 Personal Leave**

14.3.1 The Officer is entitled to two weeks (cumulative) per annum paid personal leave when he/she is absent:

- due to personal illness or injury (sick leave); or
- for the purposes of caring for an immediate family or household member who is sick and requires the Officer's care and support (carer's leave);

14.3.2 The Officer is entitled to two days bereavement leave as non-cumulative leave on any occasion on which a member of the Officer's immediate family or household dies.

#### **14.4 Parental Leave**

Parental Leave encompasses Maternity Leave, Paternity Leave and Adoption Leave, and is available if the Officer has been employed for a 12 month period or more immediately preceding the commencement of the leave.

14.4.1 The leave is unpaid (including Public Holidays) and is available for a period of up to 52 weeks in one unbroken period. Personal leave is not available and no leave entitlements accrue during the period of Parental Leave.

14.4.2 The Officer may take any other forms of paid leave to which he/she are entitled, such as annual or long service leave, in substitution for some or all of this 52 week period. The maximum entitlement to Paternity Leave is reduced by any maternity leave taken by the Officer's spouse. Paternity Leave cannot normally be taken while the Officer's spouse is on maternity leave.

#### **14.5 Public Holidays**

The Officer shall be entitled to Western Australian Gazetted public holidays.

### **15. TERMINATION OF EMPLOYMENT**

#### **15.1 Effluxion of Time**

The employment of the Officer shall, unless a new contract is negotiated, terminate on the expiry date specified in Clause 4 of this Contract.

#### **15.2 Termination by Officer**

The Officer may terminate this contract by giving six weeks written notice to the Council.

#### **15.3 Termination by Council**

The Council may terminate this contract by giving three months written notice to the Officer.

Council may approve a payment to the Officer of up to the value of one year's remuneration if the contract has one year or more to run, or, if the contract has less than one year to run, a payment not exceeding the value of remuneration the Officer would have received if the contract had been completed.

The Officer retains the right to recourse for unfair dismissal remedies if termination is harsh, unjust or unreasonable.

#### **15.4 Summary Dismissal**

The Council may terminate the employment of the Officer in writing for a period of less than three months if:

15.4.1 The Officer commits any wilful or serious misconduct or wilful neglect in the discharge of the Officer's responsibilities or obligations under this Contract.

15.4.2 The Officer wilfully disobeys any reasonable and lawful order or direction by the Council.

15.4.3 The Officer is convicted and under sentence for a crime or has been convicted of a serious Local Government offence within the meaning of Section 2.22 of the *Act*

A payment under sub-clause 15.3 does not apply where the termination is a result of an event identified under sub-clause 15.4.1, 15.4.2 or 15.4.3.

## **16. INCONSISTENCY AND SEVERANCE**

This Contract shall be governed by and construed in accordance with the laws of the State of Western Australia.

If there is any inconsistency between this Contract and any Industrial Relations Law, the Industrial Relations Law prevails, but only to the extent of the inconsistency.

If there is any inconsistency between this Contract and the *Local Government Act 1995*, the Act prevails but only to the extent of the inconsistency.

Each provision of this document shall be read and construed independently of the other provisions of this document so that if one or more are held to be invalid for any reason whatsoever, then the remaining provisions shall be valid to the extent that they are not held to be so invalid.

If a provision of this document is found to be void or unenforceable but would be valid if some part hereof were deleted or the period of application reduced, such provision shall apply with such modification as may be necessary to make it valid and effective.

## **17. ALTERATIONS TO THIS CONTRACT**

This contract may only be varied or replaced by agreement in writing signed by the parties.

## **18. DISPUTE RESOLUTION**

In relation to any matter that may be in dispute between the Officer and the Council, the parties will:

17.1 Attempt to resolve the matter at workplace level by the Officer and the Council, or a person or a committee delegated by the Council for that purpose, meeting and conferring on the matter.

17.2 Agree to allow either party to refer the matter to mediation if the matter cannot be resolved at the workplace level.

17.3 Agree that if either party refers the matter to an independent mediator, both parties will participate in the mediation process in good faith.

17.4 Acknowledge the right of either party to appoint, in writing, another person to act on behalf of the party in relation to the mediation process. Such mediation shall operate in a manner as agreed by the parties



The cost of the mediation service will be met by the Local Government. Where an advisor is used by either party, that party will be responsible for meeting the cost of the advisor.

**19. NOTICES**

Any notice or other communication between the parties:

19.1 Must be in legible writing to the last recorded (or known) address;

19.2 Is regarded as being given to the sender and received by the addressee:

- if by person, when delivered;
- if by post, 3 business days from and including the date of postage; and
- if by facsimile transmission, whether or not legibly received, when transmitted to the addressee, but if the delivery or receipt is on a day which is not a business day or is after 4.00pm (addressee's time) it is regarded as received at 9.00am on the following business day.
- if by email, the date of receipt shown on the email.

19.3 If the sender is advised that a facsimile transmission is not legible within 2 hours after transmission, the facsimile transmission is not regarded as legible.

**20. OTHER TERMS AND CONDITIONS**

Subject to any express provision in this Contract to the contrary, each party shall bear its own legal and other costs and expenses relating directly or indirectly to the preparation of, and performance of its obligations arising out of this Contract.

**21. EXECUTION BY THE PARTIES**

**THE COMMON SEAL** of the Shire of Cuballing was hereunto affixed by authority of a resolution of the Council in the presence of:

**President**  
**Name of President** Cr M Conley

**Chief Executive Officer**  
**Name of Chief Executive Officer** Mr G A Sherry

**signed by:** \_\_\_\_\_

**in the presence of:**  
**Name of Witness** \_\_\_\_\_

Mr Sherry declared a Direct Financial Interest in 12.1.1 in that he is the Officer being reviewed by Council and left the Meeting at 3.40pm.

Mr Pares and Mr Brennan left the Meeting at 3.40 pm.  
Mr Lewis left the Meeting at 3.40pm.

## **11. CONFIDENTIAL MATTERS:**

### **12.1.1 Chief Executive Officer – Performance and Salary Review**

Applicant:	N/A
File Ref. No:	Personal
Disclosure of Interest:	Direct Financial Interest in that the author is the Officer being reviewed
Date:	11 <sup>th</sup> October 2018
Author:	Gary Sherry 12.1.1A 2018 Draft Performance Review Report
Attachments:	12.1.1B CEO Remuneration Information 12.1.1C 2019 Draft CEO KPIs

#### **COUNCIL DECISION – 2018/108:**

##### **That Council:**

- 1. completes the Chief Executive Officer performance review process by accepting the findings of the collated Chief Executive Officer Review document as presented in Attachment 12.1.1A;**
- 2. acknowledge an annual review of the Chief Executive Officer’s remuneration contained Attachment 12.1.1B;**
- 3. accept the Key Performance Indicators (KPIs) as detailed in the review document as presented in Attachment 12.1.1C and these KPIs will form the basis for measurement with the Chief Executive Officers 2018/19 Review;**
- 4. whilst acknowledging that there is no compulsion on either the Council or the Chief Executive Officer to agree to a new employment Contract, the Council shall seek to initiate discussions with the Chief Executive Officer to enter into a new employment Contract; and**
- 5. thank the Chief Executive Officer for his performance over the past 12 months.**

**Moved: Cr Newman**

**Seconded: Cr Ballantyne**

**Carried 5/0**

Mr Sherry returned to the Meeting at 4.37pm.

**12. NEXT MEETING**

Ordinary Council Meeting, 2.00pm, Wednesday 21<sup>st</sup> November 2018 at the Shire of Cuballing Council Chambers, Campbell Street, Cuballing.

**13. CLOSURE OF MEETING:**

There being no further business, the Shire President, Cr Conley, closed the meeting at 4.44pm.