



# SHIRE OF WILLIAMS AGENDA

ORDINARY COUNCIL MEETING  
WEDNESDAY 18 MARCH 2020



## NOTICE OF ORDINARY MEETING OF COUNCIL

Dear Elected Member & Community Members,

You are respectfully advised the next Ordinary Meeting of the Shire of Williams will be held on Wednesday 18 March 2020, in the Shire of Williams Council Chambers, 9 Brooking Street, Williams, commencing at 3.30 pm.

Geoff McKeown  
Chief Executive Officer

### DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Williams for any act, omission or statement or intimation occurring during Council or Committee meetings. The Shire of Williams 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 or Committee meetings. Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee meeting 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 intimation of approval made by a member or officer of the Shire of Williams during the course of any meeting is not intended to be and is not to be taken as notice of approval from the Shire of Williams. The Shire of Williams warns that anyone who has any application lodged with the Shire of Williams must obtain and should only rely on written confirmation of the outcome of the application, and any conditions attaching to the decision made by the Shire of Williams in respect of the application.

## SHIRE OF WILLIAMS STRATEGIC COMMUNITY PLAN 2017-2032

### ECONOMIC

**To support industry and business development through the development of sustainable infrastructure and investment opportunities.**

**ED1.** Develop infrastructure and investment that is sustainable and an ongoing legacy to the Shire.

**ED2.** To have appropriate levels of housing to cater for population retention and growth.

### SOCIAL AND CULTURAL

**To be a safe and welcoming community where everyone is valued and has the opportunity to contribute and belong.**

**SCD1.** To provide community infrastructure and facilities that meet the needs of the population.

**SCD2.** To support a safe and healthy community with a strong sense of community pride.

**SCD3.** To recognise the vibrant history of the Shire and its rich, varied cultural heritage and natural environment is valued, respected, promoted and celebrated.

### LAND USE & ENVIRONMENT

**To have a balanced respect for our natural assets and built environment, retaining our lifestyle values and community split.**

**LUE1.** To enhance, promote, rehabilitate and leverage the natural environment so it continues to be an asset to the community.

**LUE2.** Natural assets and public open spaces are accessible, well utilised and managed.  
**LUE3.** Recognising and implementing sustainability measures.

**LUE4.** To have safe and well maintained transport network that supports local economy.

### CIVIC LEADERSHIP

**Strong civic leadership representing the whole of the Shire which engages in effective partnerships and reflects the aspirations of an engaged community.**

**CL1.** The Shire is efficient in its operations, actively listens to the community and anticipates and responds to the community needs.

**CL2.** The revenue needs of the Shire are managed in an equitable, proactive and sustainable manner.

**CL3.** Effective collaboration and shared services with other relevant Local, State and Federal Government agencies, industry and community organisations.

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## AGENDA

### 1.0 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Presiding Member, President Jarrad Logie, declared the Meeting open at 3.30pm.

### 2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

#### Elected Members

Cr Jarrad Logie - President  
Cr Natalie Major - Deputy President  
Cr Moya Carne  
Cr Gil Medlen  
Cr Simon Harding  
Cr Alex Watt  
Cr Bob Baker  
Cr Tracey Price  
Cr Bernie Panizza

#### Staff

Geoff McKeown - Chief Executive Officer  
Britt Logie - Community Development Officer  
Cara Ryan - Manager of Finance  
Manuela Lenehan - Minute Taker

Visitors – Nil  
Apologies - Nil  
Leave of Absence – Nil

### 3.0 PUBLIC QUESTION TIME

### 4.0 PETITIONS / DEPUTATIONS / PRESENTATIONS

### 5.0 DECLARATIONS OF INTEREST

DECLARATION OF INTEREST	
Name / Position	
Item No. / Subject	
Type of Interest	

## **6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

### **6.1 ORDINARY COUNCIL MEETING HELD 19/02/2020**

#### **Officer's Recommendation**

That the Minutes of the Ordinary Meeting held 19/02/2020, as previously circulated, be confirmed as a true and accurate record.

### **6.2 SPECIAL MEETING HELD XX/XX/2020**

#### **Officer's Recommendation**

That the Minutes of the Meeting held xx/xx/2020, as previously circulated, be received.

## **7.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

## **8.0 MATTERS WHICH REQUIRE DECISIONS**

## 8.1 OFFICE OF THE CHIEF EXECUTIVE OFFICER

### 8.1.1 SOUTH WEST NATIVE TITLE SETTLEMENT – LAND PARCELS

<b>File Reference</b>	11.30.35
<b>Statutory Ref.</b>	Native Title Act 1993
<b>Author &amp; Date</b>	Geoff McKeown 4 March 2020
<b>Attachments</b>	Nil

#### Background

Correspondence has been received from the Department of Planning, Lands and Heritage ("the Department") concerning the South West Native Title Settlement and specifically the proposed allocation of Crown Land under the agreement.

#### Comment

The correspondence states:

*"The State of Western Australia has committed to allocating up to 320,000 hectares of Crown land to the Noongar People to create the Noongar Land Estate, in accordance with the six registered Indigenous Land Use Agreements (ILUA) for the South West Native Title Settlement (the Settlement). The ILUAs were registered at the Native Title Tribunal on 17 October 2018 and required legal processes are currently occurring. Further information regarding the Settlement and the Noongar Land Estate can be found on the Department of the Premier and Cabinet Website via the following link: <https://www.dpc.wa.gov.au/swnts/Pages/default.aspx>*

*The Department of Planning, Lands and Heritage (DPLH) is responsible for undertaking an identification and assessment process for land parcels within the boundaries of the Settlement. This process includes referring land to relevant agencies for comment. While awaiting conclusive registration and the subsequent date upon which the Settlement becomes effective, DPLH is undertaking necessary referrals to ensure that land parcels as identified by the Noongar People are made ready for transfer.*

*Please find attached a spreadsheet comprising of land parcels identified for possible transfer. It would be appreciated if you could provide comments on each of the land parcels directly into the column labelled 'Referee Comments' in relation to the following:*

- 1. Is the Shire of Williams (Shire) supportive of the transfer of this land to the Noongar People under the Settlement?*
- 2. Does the Shire have any interest in the land?*
- 3. Does the Shire have existing or planned infrastructure within the land parcel that requires protection? If yes, please provide details and advise if access to this infrastructure will need to be maintained.*
- 4. Is the land parcel subject to any mandatory connection to services?*

5. Are any future proposals for the land identified? Please provide detail of what is proposed and in what timeframe?
6. Are there any future proposals for adjoining land that may affect the land identified in the spreadsheet? If so, in what timeframe?
7. Please advise of any proposed planning scheme amendments that may affect the zoning of this land at a State or Local government level. If a scheme amendment is to occur, what is the change proposed and when will it come into effect?
8. Please advise of any known land management issues such as site contamination, hazards, debris or rubbish dumping, unauthorised land use and environmental considerations (such as inundation or similar site constraints).
9. Please provide any additional comments on the proposed transfer of this land as part of the Settlement.

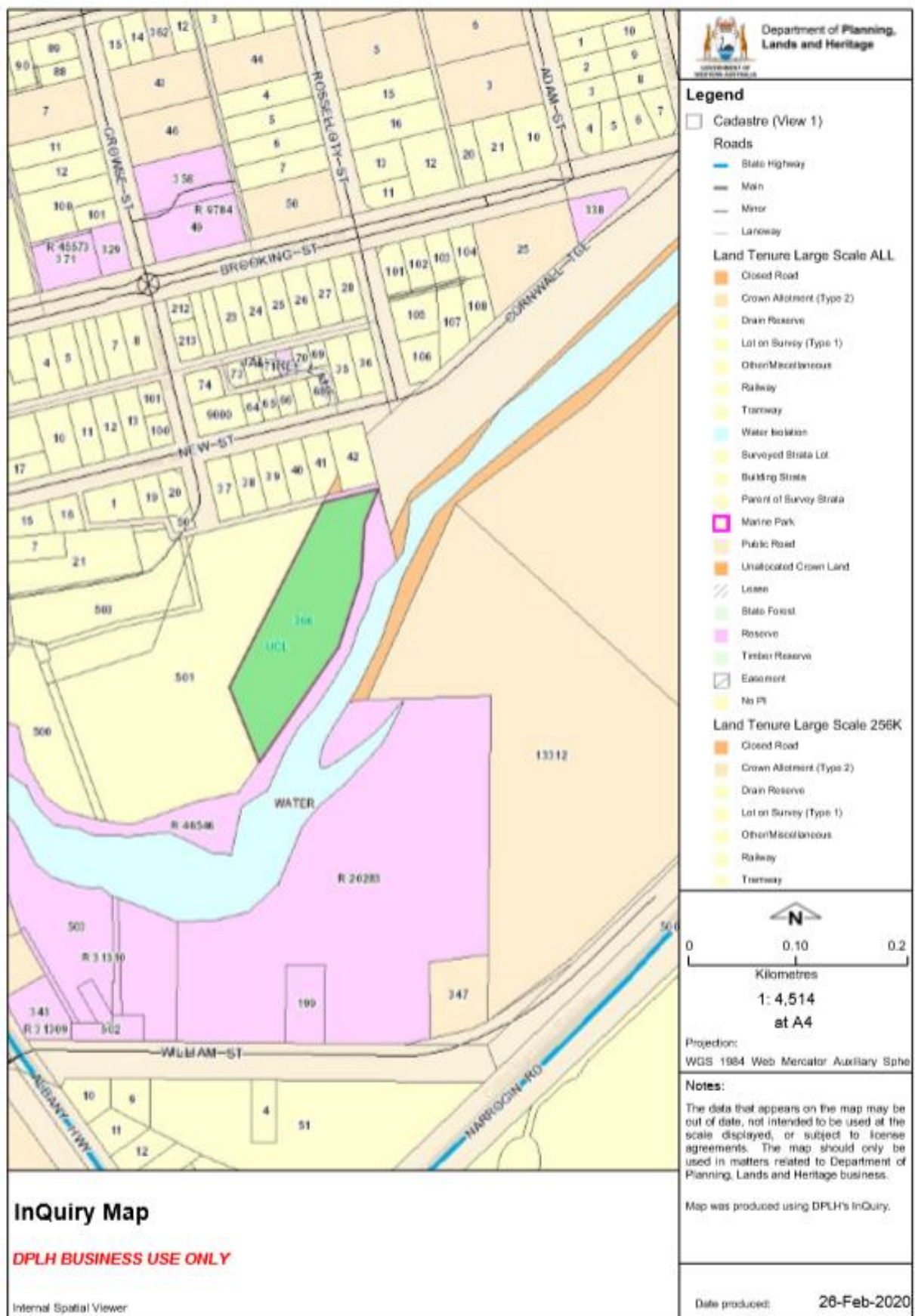
Once you have considered the land identified, the South West Settlement Project team would be pleased to receive your comments by email to [swsettlement@dplh.wa.gov.au](mailto:swsettlement@dplh.wa.gov.au). In accordance with Annexure J of the ILUAs, your advice is required to be returned within 40 days of receiving this email. As a result, please provide your comments by 9 April 2020. Should this timeframe not be achievable, please let me know as a matter of priority. Where no response is received from the Shire within the 40 day timeframe, this will be taken as having no comment on the land parcels referred.

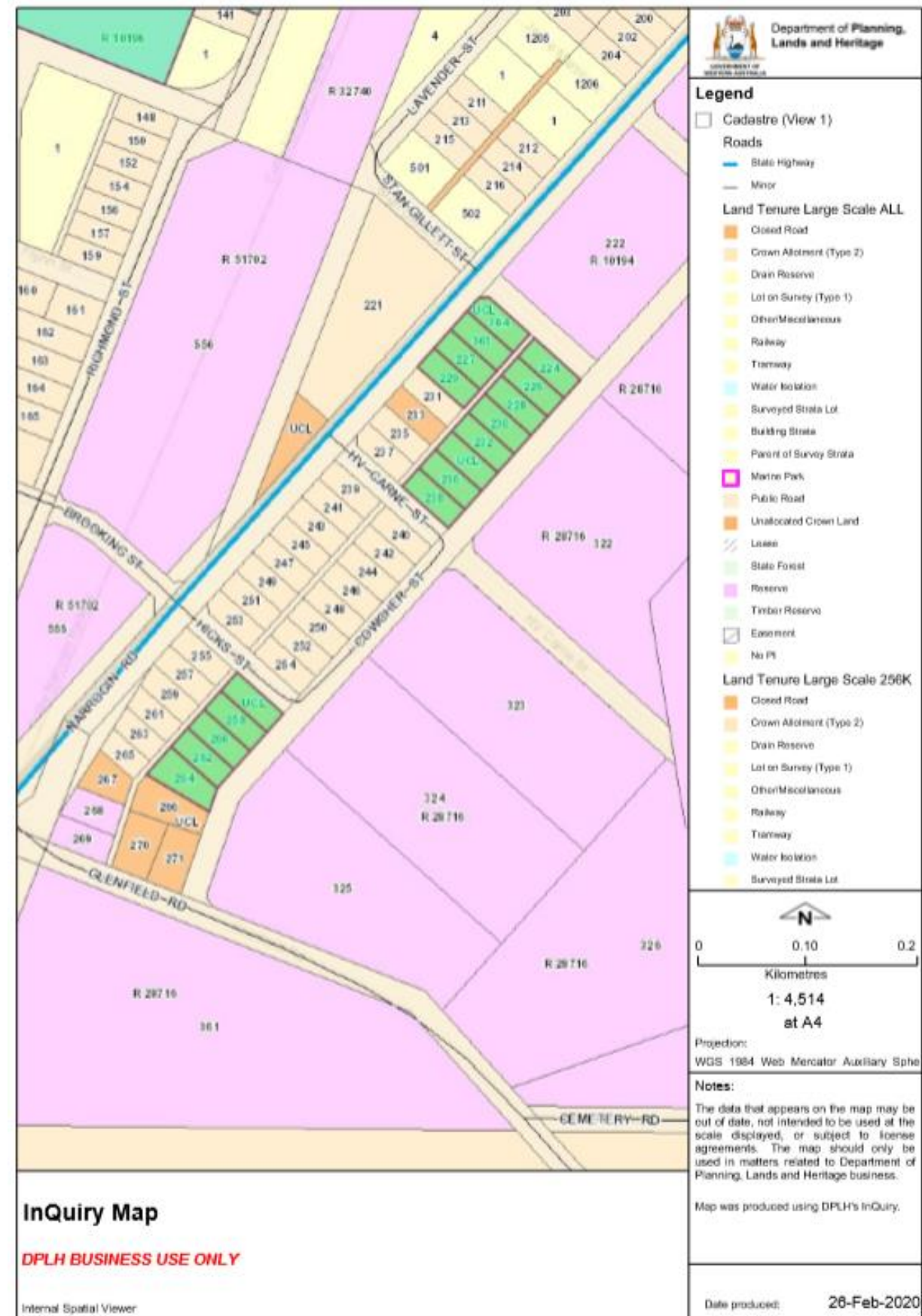
*If you have any queries, please do not hesitate to contact me on the details below."*

The Crown land parcels identified by the Department are highlighted in "green" on the following plans. An initial assessment of the land parcels raises the following issues:

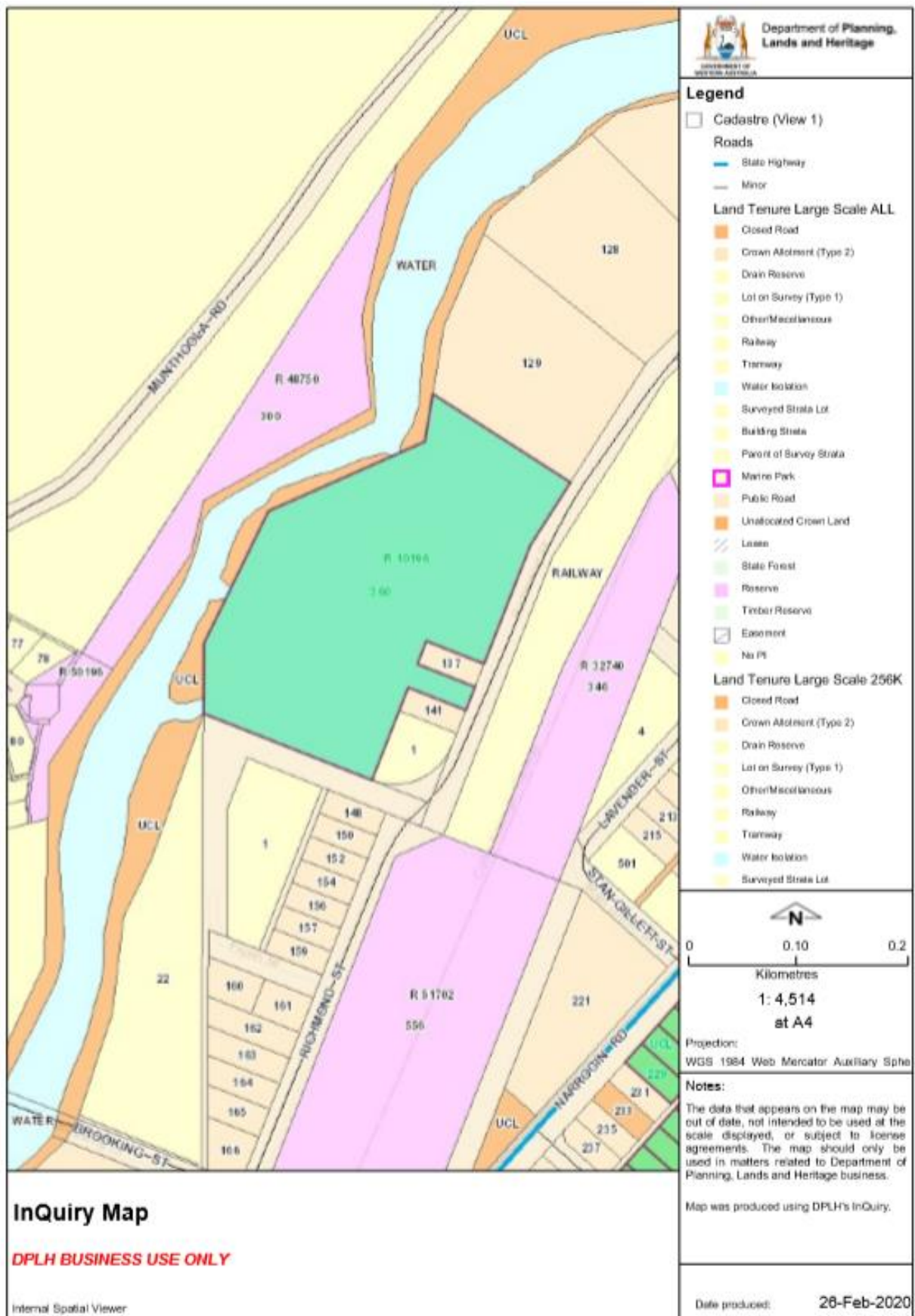
- Lot 366 – Adjacent to the Williams River and Shire pathway. Includes drainage channel and subject to inundation in one in fifty year flood event.
- Lots 224, 226, 227, 228, 229, 230, 232, 233, 234, 236, 238, 256, 258, 260, 262, 264, 266, 267, 270, 271, 363 & 364 – Zoned "Industrial" in the Shire's Town Planning Scheme. The Shire is considering discretionary "Residential" use in this zone. Not serviced by constructed roads. Uncleared native vegetation.
- Lot 360 – Adjacent to Williams River and subject to inundation each winter period. The Shire has undertaken bush fire mitigation works for DFES.











According to information provided by the WA Government the Noongar land estate will be held by the Noongar Boodja Trust. The WA Government will transfer:

- up to 300,000 hectares of land allocated as reserve or leasehold
- up to 20,000 hectares of land allocated as freehold for cultural or economic development use.

#### Management of the Noongar Land Estate

The Noongar Boodja Trust will own and manage freehold land like any other private land owner and must meet the standard land holding costs associated with freehold land, including local government rates and charges, insurance, fire service levies, and any additional land management costs.

The Noongar Boodja Trust will, in collaboration with the Noongar Regional Corporations, and other appropriate Noongar governance structures, decide whether the land allocated will be for cultural or development purposes.

#### Cultural Land

The Noongar Boodja Trust will hold and manage cultural land, in consultation with and on the recommendation of the relevant Noongar Regional Corporation(s), in a manner that has regard to the spiritual and cultural connection of the Noongar Agreement Groups to their traditional lands. Cultural Land cannot be sold or commercially developed. Standard WA Government land management requirements apply.

#### Development Land

The Noongar Boodja Trust will hold, manage, invest and develop development land in consultation with the Noongar Regional Corporations and an Investment Committee, in a manner that will generate financial benefits for the Noongar Boodja Trust Future Fund. The Investment Committee will be established by the Trust to provide guidance on investment decisions.

#### **Strategic Implications**

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

- ED 1.4 Promote land availability within the Shire for residential, industrial and commercial development.
- SCD 3.1 Advocate and support initiatives that will develop and celebrate the cultural heritage of the Shire.
- LUE 1.5 Continue to ensure appropriate compliance in fire safety mitigation measures within the townsite and work with relevant agencies to address issues on public land.

#### **Financial Implications**

If the said land becomes freehold and moves from the Crown to the Noongar Boodja Trust and it follows that land is treated as any other private land, local government rates can be raised on the land parcels.

**Voting Requirements**

Simple Majority

**Officer's Recommendation**

That Council respond to the Department of Planning, Lands and Heritage providing relevant information relating to the land parcels identified as potentially being transferred to the Noongar land estate.

## 8.1.2 LOCAL GOVERNMENT HOUSE TRUST – DEED OF VARIATION

<b>File Reference</b>	4.12.00
<b>Statutory Ref.</b>	Nil
<b>Author &amp; Date</b>	Geoff McKeown 6 March 2020
<b>Attachments</b>	Deed of Variation Clause 12 of Trust Deed 1994

### Background

Council's consent is sought, to a variation to the Trust Deed for the Local Government House Trust (The Trust) as the Shire of Williams is a unit holder and beneficiary to the Local Government House Trust, holding 3 unit/s as advised in WALGA's recent Quarterly Report Q4 2019.

The Trust's Board of Management is seeking to vary the Trust Deed in order to assist the Trust's income tax exempt status. As stipulated by the Deed, the Trust requires consent of at least 75 per cent of all beneficiaries in order to execute this variation.

As a beneficiary, the Shire of Williams is requested to consent to the attached Deed of Variation supported by a resolution of Council. The Shire is then to communicate this consent in writing, to consent for the Trustee to formally execute the Deed of Variation (Attachment 1).

### Comment

The Local Government House Trust ("The Trust") exists primarily to provide building accommodation for the Western Australian Local Government Association. Since January 2014, the Trust has provided WALGA with accommodation at 170 Railway Parade, West Leederville.

The current Trust Deed commenced in 1993 and was amended in 2002 to reflect the merger of the metropolitan and country associations into WALGA. The current Trust Deed pronounces WALGA as Trustee and unit holders as Beneficiaries, with the Trustee holding property and associated monies "upon Trust" and in proportion to the units provided.

Commencement date of the current deed is 17 February 1993, with a vesting date 79 years from commencement - which means that the Trust ends in 2072.

The Trust is exempt from income tax on the basis of being a State / Territory Body (STB) pursuant to *Division 1AB of the Income Tax Assessment Act 1936*.

### Trust Deed Variation

Trust Deed amendments set out in the Deed of Variation are based on legal advice and are intended to assist the Trust's income tax exempt status by strengthening the position that the Trust is a State / Territory Body (STB).

Legal advice identified that the Trustee's ability to retire and appoint a new Trustee might affect the Trust's classification as a State or Territory Body (STB). This view, while based upon highly technical grounds, is a risk nonetheless.

Subsequently the Deed of Variation aims to strengthen the position that the Trust is a STB through the following amendments:

1. removing the existing Trustee's power to retire and appoint a new Trustee (Clause 2.1 and 2.2 (22.3) of the Deed of Variation)
2. enabling the beneficiaries to appoint and remove a Trustee (Clause 2.2 (22.4) of the Deed of Variation), and
3. ensuring that the Board of Management is the 'governing body' of the Trust (Clause 2.3 of the Deed of Variation)

The three proposed amendments when applied to the relevant clauses inserted by the Deed of Variation dated 5 June 2002 will subsequently read as follows (proposed amendments shown in red text):

#### 1. Variation 2.1 amends clause 22.1 to point to additional clause:

22.1 Any Trustee of the Trust may retire as Trustee of the Trust. ~~The~~ **Subject to clause 22.3, the** right to appoint any new or additional trustee or trustees of the Trust is hereby vested in the retiring or continuing trustee. A corporation or incorporated association may be appointed as Trustee of the Trust.

#### 2. Variation 2.2 inserts two new clauses:

**22.3 The retiring or continuing trustee shall only be entitled to appoint any new or additional trustee of the Trust with the consent of not less than 75% of the Beneficiaries.**

**22.4 The Beneficiaries may at any time by Special Resolution:**

- (a) remove a Trustee from the office as Trustee of the Trust; and
- (b) appoint such new or additional Trustee.

#### 3. Variation 2.3 insert a new clause 13A

##### **13A Delegation to the Board of Management**

**Unless the Beneficiaries otherwise direct (such direction to be given by not less than 75% of the Beneficiaries), the Trustees shall delegate all of the powers authorities and discretions contained in subclauses (a) to (x) of clause 12 to the Board of Management. The Trustees shall, at the direction of the Board of Management, do such things as may be necessary to give effect to the exercise of a power, authority or discretion by the Board of Management.**

The first two amendments outlined above remove powers granted to the Trustee in the 2002 Deed Variation resulting from the merger to a single Association representing WA

Local Governments. These amendments which previously facilitated the transfer of trusteeship to the then new Western Australian Local Government Association are removed, but with the clarification that any appointment must be with the consent of the beneficiaries.

The final amendment intends to confirm that power rests with the Board of Management. As the Board of Management comprises Local Governments, this satisfies the requirements of a STB for tax purposes. This amendment reflects the actual operation of the Trustee in implementing the decisions of the Board of Management whilst retaining sufficient operational discretion to place and renew investments and pay suppliers.

These amendments provide greater power to beneficiaries through the Board of Management, and as such it is anticipated they will be considered acceptable.

### **Strategic Implications**

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

CL 2.2 Maintain accountability, transparency and financial responsibility.

### **Financial Implications**

There are no relevant financial implications on the Council's Budget or Long Term Financial Plan.

One Seventy (170) Railway Parade, (local government house), where WALGA is located, is owned by the Trust. The Shire of Williams owns three (3) units in the Trust that owns the 'local government house', which were valued at \$17,805 each (as at 30/6/19 as advised by WALGA).

Supporting the Deed of Variation will only strengthen WALGA's financial position. The Shire of Williams is a financial member of WALGA.

### **Voting Requirements**

Simple Majority

#### **Officer's Recommendation**

That Council, with respect to the Local Government House Trust – Deed of Variation:

1. Consent to a variation to the Trust Deed for the Local Government House Trust (The Trust) as detailed in attachment 1; and
2. Communicate this consent in writing to the Local Government House Trust's Board of Management.



**Attachment 1**

**DEED OF VARIATION**

**LOCAL GOVERNMENT HOUSE TRUST**



**LAW**

**PERTH**

11 Mounts Bay Road, Perth WA 6000

Telephone (08) 9429 2222 Facsimile: (08) 9429 2434

[eylawperth@au.ey.com](mailto:eylawperth@au.ey.com) [www.ey.com](http://www.ey.com)

Our Ref: 4WAL / 2004 7043

Attachment 1

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7. **PROPER LAW**

This Deed shall be governed by the laws of the State of Western Australia and the parties submit to the jurisdiction of the Courts of the State of Western Australia.

EXECUTED as a Deed

THE COMMON SEAL of WESTERN )  
AUSTRALIAN LOCAL GOVERNMENT )  
ASSOCIATION is hereunto affixed in the )  
presence of: )

\_\_\_\_\_  
Signature of President

\_\_\_\_\_  
Signature of Chief Executive Officer

\_\_\_\_\_  
Name of President

\_\_\_\_\_  
Name of Chief Executive Officer

Attachment 1

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2.2 insert after clause 22.2 the following:

“22.3 The retiring or continuing trustee shall only be entitled to appoint any new or additional trustee of the Trust with the consent of not less than 75% of the Beneficiaries.

22.4 The Beneficiaries may at any time by Special Resolution:

- (a) remove a Trustee from the office as trustee of the Trust; and
- (b) appoint such new or additional Trustee.

For the purposes of this clause 22.4, “Special Resolution” means a resolution passed or decision made by not less than 75% of the Beneficiaries.”

2.3 insert a new clause 13A as follows:

“13A **DELEGATION TO THE BOARD OF MANAGEMENT**

Unless the Beneficiaries otherwise direct (such direction to be given by not less than 75% of the Beneficiaries), the Trustees shall delegate all of the powers authorities and discretions contained in subclauses (a) to (x) of clause 12 to the Board of Management. The Trustees shall, at the direction of the Board of Management, do such things as may be necessary to give effect to the exercise of a power, authority or discretion by the Board of Management.”

3. **SEVERABILITY**

3.1 If any provision of this Deed is found by a competent authority (including without limitation a Court) to be void or unenforceable, then such finding shall not affect the other provisions of this Deed.

3.2 If making a subsequent amendment to this Deed avoids any invalidity or unenforceability of any provision of this Deed, the parties may elect to make that amendment, which shall be deemed for all purposes to be effective immediately prior to the occurrence of that invalidity or unenforceability.

4. **FURTHER ASSURANCES**

All parties shall make, execute and do all acts, deeds, documents and things and sign all documents which may reasonably be required to give full effect to this Deed, and the Trustee shall bear the costs of observing, performing and complying with this clause.

5. **COSTS**

The Trustee shall bear and pay the costs of and incidental to the preparation, execution and stamping of this Deed.

6. **RATIFICATION AND CONFIRMATION**

In all other respects the terms of the Trust Deed are hereby ratified and confirmed.

Attachment 1

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**NOW THIS DEED WITNESSES**

**1. DEFINITIONS AND INTERPRETATION**

In this Deed, unless the context otherwise requires:

- 1.1 a word importing the singular includes the plural and vice versa, and a word of any gender includes other genders;
- 1.2 another grammatical form of a defined word or expression has a corresponding meaning;
- 1.3 a reference to a clause, paragraph, recital, schedule or annexure is to a clause, paragraph or recital of, or schedule or annexure to, this Deed, and a reference to this Deed includes any schedule or annexure;
- 1.4 a reference to a document or instrument includes the document or instrument as varied, novated, altered, supplemented or replaced from time to time;
- 1.5 a reference to a person includes a natural person, the estate of an individual, a partnership, body corporate, the trustee of a trust (in the trustee's capacity as trustee of the trust), association, governmental or local authority or agency or other entity;
- 1.6 a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- 1.7 the meaning of general words is not limited by specific examples introduced by 'including, for example' or similar expressions;
- 1.8 Recitals A to H inclusive form part of and are included in this Deed;
- 1.9 headings are for ease of reference and do not affect interpretation;
- 1.10 'Deed' means this deed;
- 1.11 unless specified otherwise, terms which are defined in the Trust Deed and used in this Deed bear the same meanings in this Deed which are ascribed to them in the Trust Deed; and
- 1.12 in the event of any inconsistency between the provisions of the Trust Deed and the provisions of this Deed, the provisions of this Deed will prevail.

**2. OPERATIVE PART**

The Trustee in exercise of the power given to the Trustee by clause 21.1 of the Trust Deed and with the consent of more than 75% of the Beneficiaries hereby adds to and varies the Trust Deed and declares (inter alia) the following new or other powers authorities and discretions concerning the management, control or investment of the Trust Fund as follows:

- 2.1 delete the word "The" appearing after the words "Any trustee of the Trust may retire as trustee of the Trust." in the existing clause 22.1 and replace it with the words "Subject to clause 22.3, the";

Attachment 1

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THIS DEED dated the \_\_\_\_\_ day of \_\_\_\_\_ 2019

BY

**WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION** of Level 1, 170 Railway Parade, West Leederville in the State of Western Australia (the 'Trustee')

**RECITALS**

- A. By Deed of Trust undated but stamped 12 February 1980 ('Original Trust Deed') made between CHARLES WILSON TUCKEY, LYAL GORDON RICHARDSON, GORDON LAWRENCE KILPATRICK, HARRY STICKLAND and MAXWELL RAY FINLAYSON (the 'Original Trustees') and THE LOCAL GOVERNMENT ASSOCIATION OF WESTERN AUSTRALIA and the COUNTRY SHIRE COUNCILS ASSOCIATION (the 'Retired Trustees') the Original Trustees declared that they would hold the property therein referred to as the Headquarters and the monies therein referred to as the Trust Fund upon trust for the beneficiaries specified in the second schedule to the Original Deed upon the terms and conditions therein contained (the 'Original Trust').
- B. By Deed dated 2 October 1981 made between the Original Trustees and the Retired Trustees the Original Trustees retired and appointed the Retired Trustees as the trustees of the Original Trust in their place.
- C. By Deed dated 4 May 1994 (the 'New Deed') the Retired Trustees (in the New Deed referred to as THE LOCAL GOVERNMENT ASSOCIATION OF WESTERN AUSTRALIA (INC) and THE COUNTRY SHIRE COUNCILS ASSOCIATION OF WESTERN AUSTRALIA (INC)) agreed that the proceeds from the sale of the Headquarters and the Trust Fund and the income thereof should be from 17 February 1993 held upon the terms and conditions set out in the New Deed (the 'Trust').
- D. By Deed of Variation dated 5 June 2002 the Retired Trustees varied the New Deed (collectively, the 'Trust Deed') to provide for a new Clause 22 which provides that any trustee of the Trust may retire as trustee of the Trust and appoint a new trustee to act as trustee of the Trust and that notwithstanding that the original number of trustees of the Trust was five where a corporation or incorporated association is appointed as trustee of the Trust then it shall not be obligatory to appoint more than one new trustee.
- E. By Deed dated 6 June 2002 made between the Retired Trustees and the Trustee, the Retired Trustees retired and appointed the Trustee as the trustee of the Trust.
- F. Clause 21.1 of the Trust Deed provides that the Trustees may at any time and from time to time (with the consent of not less than 75% of the Beneficiaries) by deed revoke add to or vary the trusts of the Trust Deed or declare (inter alia) any new or other powers, authorities or discretions concerning the management, control or investment of the Trust Fund upon the terms contained therein.
- G. The Trustee wishes to add to and vary the Trust Deed and declare (inter alia) new or other powers, authorities and discretions concerning the management, control or investment of the Trust Fund in accordance with the terms of this Deed.
- H. More than 75% of the Beneficiaries have consented in writing to the variations to the New Deed and the records relating to this consent will be placed with the original of this Deed.

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**Attachment 2 Clause 12 of Trust Deed (Excerpt)**

- 10 -

demands outgoings debts and liabilities incurred in respect of the Trust Fund.

10.2 The Trustees may subject to any law in force at the time in relation to this Deed so permitting accumulate all or any part of the income arisen or arising during an accounting period and such accumulation shall be dealt with as an accretion to the Trust Fund but so that the Trustees may at any time or times resort to all such accumulations and pay or apply the whole or any part or parts thereof as if they were income of the Trust Fund for the then current accounting period.

10.3 Subject to Clause 10.2 the Trustees may at any time at their discretion pay the whole or part of the income of the Trust Fund for any accounting period to the beneficiaries in proportion to the number of units of which they are respectively registered as holders at the last day of such accounting period.

**11.0 ADVANCEMENT OF CAPITAL**

The Trustees may at any time and from time to time set aside from the capital of the Trust Fund or raise therefrom any sum or sums of money and pay the same to the beneficiaries in proportion to the number of units in respect of which they are respectively registered at the date of each such payment for their own use and benefit. The payment of any such sum or sums of capital may be made in the same manner and subject to the same provisions as contained in Clause 10.3 in relation to the payment application or setting aside of any income of the Trust Fund.

**12.0 POWERS OF INVESTMENT AND MANAGEMENT**

The Trustees shall apply and invest the Trust Fund in any of the investments from time to time authorised by law for the investment of trust funds by trustees and in addition to and without limiting the powers authorities and discretions vested in the Trustees by law and notwithstanding the trusts hereinbefore declared shall have the following powers authorities and discretions which may be exercised by the Trustees at any time and from time to time in the

**Attachment 2 Clause 12 of Trust Deed (Excerpt)**

set forth and to administer such additions under the provisions hereof;

- (v) at any time and from time to time to ascertain and fix the value of the Trust Fund in accordance with the provisions herein contained and for that purpose to engage such competent valuers or experts as the Trustees may select and the Trustees may cause the value so ascertained and fixed to be entered from time to time in a book kept for that purpose;
- (w) to appoint any date earlier than the Vesting Date to be the Vesting Date;
- (x) during an accounting period to nominate any date not more than 18 months after the date of commencement of the then current accounting period as the last day of that accounting period and thereafter the accounting period shall mean each succeeding 12 month period commencing on the day following such nominated date until the anniversary of such nominated date immediately preceding the Vesting Date and the period thereafter until the Vesting Date.

**13.0 DELEGATION OF TRUSTEE POWERS**

The Trustees if at any time they are more than one shall act jointly and may delegate the exercise of all or any of the powers authorities or discretions hereby or by law conferred on the Trustees:-

- (a) to the Board of Management constituted by clause 14.0 of this Deed, or
- (b) to any other person or persons,

and execute any power of attorney or other instrument necessary to effectuate such purpose.

**Attachment 2 Clause 12 of Trust Deed (Excerpt)**

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- (q) to take and act upon the opinion (given in writing) of a solicitor an attorney at law or counsel practising in any country where the Trust Fund or any part thereof may for the time being be or be proposed to be invested in relation to the interpretation or effect of these presents or any other document or statute or as to the administration of the trusts hereof without being liable to any of the beneficiaries in respect of any act done by the Trustees in accordance with such opinion PROVIDED THAT nothing in this provision shall prohibit or impede the Trustees from applying to any Court if it shall think fit or prohibit any unit holder from so doing;
- (r) to allow any beneficiary to occupy have custody of or use any part of the Trust Fund on any terms or conditions as to inventories repair replacement insurance outgoings or otherwise but the Trustees shall not be liable for any loss or damage which may occur to any such part of the Trust Fund during or by reason of any such occupation custody or use except insofar as such loss or damage shall be occasioned by the conscious and wilful default or neglect of the Trustees;
- (s) to permit any part of the Trust Fund to be held or registered in the name of any nominee of the Trustees and to deposit securities deeds and other documents belonging or related to the Trust Fund with any bank or solicitor;
- (t) in the event of any gift stamp or other duties fees or taxes becoming payable in any part of the world in respect of these presents or the Trust Fund or any part thereof in any circumstances to pay all or any part of such duties fees and taxes out of the Trust Fund notwithstanding that such duties fees or taxes or some part thereof are not or may not be recoverable from the Trust Fund by legal process;
- (u) to receive and accept any real or personal property by gift inter vivos or by Will or under the provisions of any other trust or otherwise from any other person as additions to the Trust Fund and to hold the same upon the trusts herein



**Attachment 2 Clause 12 of Trust Deed (Excerpt)**

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may arise under or in relation to the execution of the trusts and powers of this Deed and every determination of the Trustees in relation to any of the matters aforesaid whether made upon a question formally or actually raised or implied in any of the acts or proceedings of the Trustees in relation to the Trust Fund shall bind all parties interested therein and shall not be objected to or questioned on any ground whatsoever;

- (k) to open accounts with any bank or building society and to operate by and in all usual ways any such accounts;
- (l) to give effectual receipts and discharges for any moneys received by or on behalf of the Trustees or otherwise relating to any of the acts matters and things provided for in these presents;
- (m) to provide and set aside out of the Trust Fund or the income thereof such sum of money as the Trustees shall consider is available or necessary for and to pay or apply the same in or towards the discharge or reduction of any encumbrance debt or other liability for the time being affecting the Trust Fund or any part thereof;
- (n) to let sub-let lease or sub-lease for any period (and including to any beneficiary) and at any rental any real or personal property comprised in the Trust Fund upon any terms conditions or covenants;
- (o) to purchase take on lease sub-lease assignment hire or otherwise acquire any estate or interest in any real or personal property for any price premium rental charge payment fee or other consideration and subject to any terms conditions and covenants;
- (p) to take such action as the Trustees shall think fit for the adequate protection of any part of the Trust Fund and to do all such other things as may be incidental to the exercise of any of the powers authorities and discretions hereby or by law conferred on the Trustees;

**Attachment 2 Clause 12 of Trust Deed (Excerpt)**

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property PROVIDED THAT in the improvement or development of any part of the Trust Fund the Trustees shall not be bound by the limitation contained in Section 30(1)(c) of the Trustees Act and the Trustees shall not be bound to apply to any Court to exceed such limitation;

- (g) to pay out of the Trust Fund or the income thereof all costs charges and expenses of and incidental to the management of the Trust Fund or to the exercise of any power authority or discretion hereby or by law conferred on the Trustees or in carrying out or performing the trusts hereof which the Trustees may at any time incur including all taxes of whatever kind payable in respect of the Trust Fund and costs in any way connected with the preparation and execution of these presents;
- (h) to act as manager or to employ any persons (including a Trustee hereof or a unit holder) contractors managers solicitors accountants clerks workmen employees servants or agents to transact all or any business of whatever nature including the receipt and payment of money and to decide the remuneration to be allowed and paid and to pay all charges and expenses so incurred and to create or arrange any scheme or superannuation retirement benefit or pension for the benefit of any person so employed;
- (i) to partition or agree to the partition of or to subdivide or agree to the subdivision or strata title or agree to the strata-titling of any land or other property which or any interest in which may for the time being be subject to the trusts hereof and to pay any moneys by way of equality of partition;
- (j) to determine whether any real or personal property or any increase or decrease in amount number or value of any property or holdings of property or any profit loss receipt or payments from for or in connection with any real or personal property shall be treated as and credited or debited to capital or to income and generally to determine all matters as to which any doubt difficulty or question

**Attachment 2 Clause 12 of Trust Deed (Excerpt)**

absolute and uncontrolled discretion of the Trustees in carrying out the trusts hereof:

- (a) to invest the Trust Fund and deal with manage transpose and realise the Trust Fund or any part thereof whether real or personal property with such powers in all respects as if the Trustees were the absolute owner thereof;
- (b) to purchase or otherwise acquire any investments for cash or otherwise and upon any terms and conditions and to make any such purchase or acquisition for a sum greater than the amount of the Trust Fund for the time being and to agree to pay for any such investments wholly or in part from any future moneys which may come into the Trustees' hands including dividends profits interest or other income payable in respect of any such investments;
- (c) to sell or otherwise dispose of any real or personal property or interest therein for the time being forming the whole or part of the Trust Fund by public auction tender or private treaty at such price or prices and whether for cash or on terms and generally upon any terms and conditions and to grant options for such sale or disposition as aforesaid;
- (d)
  - (i) to borrow and raise moneys from; or
  - (ii) to secure by mortgage or otherwise howsoever the payment of or obligation to pay money to,  
  
any person (including a beneficiary) upon any terms with or without security or interest;
- (e) to vary or transpose any investments and to vary the terms of or property comprised in any security;
- (f) to hold use purchase construct demolish maintain repair renovate reconstruct develop improve sell transfer convey surrender let lease exchange take and grant options or rights in alienate mortgage charge pledge reconvey release or discharge or otherwise deal with any real or personal

**8.1.3 ELECTED MEMBER TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT**

<b>File Reference</b>	4.1.30
<b>Statutory Ref.</b>	<i>Local Government Act 1995, S5.128</i>
<b>Author &amp; Date</b>	Geoff McKeown 9 March 2020 with draft provided by Dale Stewart, CEO Shire of Narrogin
<b>Attachments</b>	Appendix 1

**Background**

This report recommends that Council adopt a Policy relating to Continuing Professional Development, and determine the preferred service provider for Elected Member Training.

The *Local Government Legislation Amendment Act 1995* received the Governor's assent on 5 July 2019. S5.128 of the Act requires Councils to adopt a policy in relation to the continuing professional development of Elected Members with a requirement for a Policy to be published on the local government website.

The Department of Local Government, Sport and Cultural Industries (DLGSC) have subsequently advised that all Council Members will need to complete the Council Member Essentials training course, within 12 months of being elected. The course has been developed to provide Council Members with the skills and knowledge to perform their roles as leaders in their district.

**Comment**

All Council Members will have to complete the Council Member Essentials course unless, in the previous five years, they have passed the Diploma of Local Government 52756WA (Elected Member) or the course titled LGASS00002 Elected Member Skill Set.

The Council Member Essentials course comprises of the following five units:

- Understanding Local Government (1/2 day) eLearning
- Serving on Council (1/2 day) eLearning
- Meeting Procedures (2 days)
- Conflicts of Interest (1 day)
- Understanding Financial Reports and Budgets (1 day)

Courses are provided by the following two organisations with several delivery options available:

Western Australian Local Government Association (WALGA)

Options	Delivery of training	Individual cost per person
Option 1	3 x individual face-to-face (at WALGA offices) plus 2 eLearning	\$2,240
Option 2	5 x individual eLearning (all 5 courses conducted online)	\$975
Option 3	5 x individual eLearning (all 5 courses conducted online (unlimited participates) Sat Band 4	\$4,000 per local government pa



\*Travel and accommodation costs need to be added to the above costs for face to face learning.

#### South Metropolitan TAFE

Training Course	Individual Fees	
	Face to face per participant at SMT	eLearning per participant
Understanding Local Government	\$450	\$250
Serving on Council	\$800	\$440
Conflicts of Interest	\$450	\$250
Understanding Financial Reports & Budgets	\$450	\$250
Meeting Procedures	\$450	\$250
All 5 courses in one amalgamated course	\$2,365	\$1,300

\*Travel and accommodation costs need to be added to the above costs for face to face learning.

#### Cost Comparison

Options		WALGA (pp)	SMTAFE (pp)
1	eLearning modules (all courses online)	\$975	\$1,300
2	3 x individual face to face (duration 4 days) 2 x eLearning (Understanding Local Government and Conflicts of Interest)	\$2,240	\$2,200

The Shire of Williams Annual Budget includes allowance for the costs associated with Elected Member training, which can be face-to-face or completed via eLearning. Elected Members have previously expressed an interest in eLearning as the preferred method of undertaking the training. The training is valid for five years.

In regard to the adoption of a policy in relation to the continuing professional development, the draft policy refer to eLearning being the Council's preference, given that this represents the best value to the Shire. However, the policy also acknowledges that there may be Elected Members who prefer to receive training face-to-face and/or opportunities to attend training which is being delivered in the region. Individual training requirements can be discussed with the Shire President or CEO.

If Elected Members have completed any of the units of training previously, they will be required to undertake the on-line assessment component only of the training which will then be auto marked and a Certificate of Achievement automatically issued.

It is recommended that WALGA be the Shire's preferred facilitator for the Council Member Essentials training at this time.

### **Strategic Implications**

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

- CL 1.3 Maintain, review and ensure relevance of Council's policies, local laws and operational plans
- CL 4.3 Provide elected member training and professional development opportunities.

### **Financial Implications**

There is an amount of \$5,000 currently available in the Members Training budget for the 2019/2020 financial year.

### **Voting Requirements**

Simple Majority

### **Officer's Recommendation**

That Council, with respect to section 5.128 of the *Local Government Act 1995*:

1. Adopt the draft Continuing Professional Development Policy as detailed in Appendix 3; and
2. Utilise the Western Australian Local Government Association (WALGA) for delivery of Council Member Essentials Training via online delivery where practical.

## APPENDIX 1

### C 3.6 Elected Member Training and Continuing Professional Development Policy

**History** Adopted March 2020 (Resolution ...)

**Author** CEO

#### Policy Statement

To ensure that Elected Members of the Shire of Williams receive appropriate information and training to enable them to understand and undertake their responsibilities and obligations.

**Statutory context** Local Government Act 1995 –  
- Section 5.127 and Section 5.128

#### Objectives

The Shire of Williams recognise the importance of providing Elected Members with the knowledge and resources that will enable them to fulfil their role in accordance with statutory compliance and community expectations and make educated and informed decisions.

Pursuant to the *Local Government Act 1995*, Elected Members must complete Council Member Essentials which incorporates the following training units:

- a) Understanding Local Government;
- b) Conflicts of Interest;
- c) Serving on Council;
- d) Meeting Procedures and Debating; and
- e) Understanding Financial Report and Budgets.

All units and associated costs will be paid for by the Shire and must be completed in the twelve months immediately following election of the Elected Member. The training is valid for a period of five years.

Additionally, the Shire will publish, on the Shire's website, training undertaken by all Elected Members pursuant to Local Government Act 1995.

It is Council's preference that the training is undertaken via the eLearning method which is the more cost efficient form of delivery. It is acknowledged however that there may be Elected Members who prefer to receive training face-to-face and/or opportunities to attend training which is being delivered in the region or in the Perth metropolitan area.

#### Procedures

Considerations for approval of the training or professional development activity include:

- The costs of attendance including registration, travel and accommodation, if required;

- The Budget provisions allowed and the uncommitted or unspent funds remaining;
- Any justification provided by the applicant when the training is submitted for approval;
- The benefits to the Shire of the person attending;
- Identified skills gaps of elected members both individually and has a collective;
- Alignment to the Shire's Strategic Objectives; and
- The number of Shire representatives already approved to attend.

Consideration of attendance at training or professional development courses, other than the online Council Member Essentials, which are deemed to be approved, are to be assessed as follows:

- Events for the Shire President must be approved by the Deputy Shire President, in conjunction with the CEO; and
- Events for Councillors must be approved by either the Council or the Shire President, in conjunction with the CEO.



#### 8.1.4 USE OF THE COMMON SEAL AND ACTIONS PERFORMED UNDER DELEGATED AUTHORITY

<b>File Reference</b>	4.50.60
<b>Statutory Ref.</b>	Sections 5.42 and 9.49A <i>Local Government Act 1995</i>
<b>Author &amp; Date</b>	Geoff McKeown 12 March 2020
<b>Attachments</b>	Nil

#### Background

The purpose of this Agenda Item is to report to Council for endorsement, the use of the Common Seal and actions performed under delegated authority requiring referral to Council.

There is a requirement under the *Local Government Act 1995* that the Delegations Register is reviewed annually by Council. A procedure included in the Delegations Register is to report to Council the activities or actions that have been performed under delegated authority. A report will be completed for Council at each meeting that identifies: (1) use of the Common Seal, and (2) actions performed under the delegated authority requiring referral to Council as per the Delegations Register.

#### Comment

Actions performed under delegation during the preceding two months are provided below:

- **Investment of Shire Monies – Delegation LGA4**

**Delegation** - The Chief Executive Officer has delegated authority, subject to Part 3 of the *Trustees Act 1962*, to invest money held in the Municipal Fund or the Trust Fund that is not, for the time being, required by the local government for any other purpose.

**Action** - The Chief Executive Officer approved a transfer of:

1. \$400,000.00 from the Overnight Cash Deposit Facility to the Municipal Fund Cash Management Account to for investment purposes;
2. \$120,000.00 from the Municipal Cash Management Fund to the Municipal Fund for payment of creditor accounts; and
3. \$100,000.00 from the Municipal Cash Management Fund to the Municipal Fund for payment of creditor accounts.

- **Payment of Creditors – Delegation FMR1**

**Delegation** - Under section 5.42 of the *Local Government Act 1995*, the Chief Executive Officer is delegated to exercise the powers or discharge the duties of the Council under Regulation 12 of the *Local Government (Financial Management) Regulations 1996*, in regard to the making of payments from the municipal and trust funds.

**Action** - Payments from the Municipal Fund and Trust Fund as per financial report attached to this Agenda.

### **Strategic Implications**

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

- CL 2.2 Maintain accountability, transparency and financial responsibility.
- CL 4.4 Monitor and ensure compliance with regulatory framework for local government business

### **Financial Implications**

Payments from the Municipal Fund and Trust Fund have been approved in the 2019/20 Annual Budget or by separate resolution of Council.

### **Voting Requirements**

Simple Majority

### **Officer's Recommendation**

That Council accepts the report "Use of Common Seal and Actions Performed under Delegated Authority" for the month of February 2020.

## 8.2 CORPORATE AND COMMUNITY SERVICES

### 8.2.1 ACCOUNTS FOR PAYMENT

<b>File Reference</b>	4.23.15
<b>Statutory Ref.</b>	Local Government (Financial Management) Regulations 1996
<b>Author &amp; Date</b>	Cara Ryan 13/03/2020
<b>Attachments</b>	Payment listing for month ending February 2020

#### Background

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the Shires municipal or trust account. In exercising their authority, and in accordance with the Local Government (Financial Management) Regulation, it is a requirement to produce a list of payments made from Councils Municipal Fund and Trust Fund bank accounts to be presented to Council in the following month.

#### Statutory Implications

*Local Government (Financial Management) Regulations 1996 - Reg 13*

(1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*

- (a) *the payee's name; and*
- (b) *the amount of the payment; and*
- (c) *the date of the payment; and*
- (d) *sufficient information to identify the transaction.*

#### Comment

The list of accounts for payment is a separate attachment to this agenda.

#### Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

CL 2.2 Maintain accountability, transparency and financial responsibility

#### Financial Implications

As listed in the recommendation below.

#### Voting Requirements

Simple Majority

#### Officer's Recommendation

That Municipal Fund EFT, Bpay, Direct Debits and Cheques 104801 – 104808 totalling \$488,855.31 and Trust EFT totalling \$130.00, approved by the Chief Executive Officer during the month of February 2020 be endorsed.

## SHIRE OF WILLIAMS PAYMENT LISTING FOR THE MONTH ENDING 29 FEBRUARY 2020

DATE	NAME	DESCRIPTION	AMOUNT
<b>MUNICIPAL - EFT, BPAY, DIRECT DEBIT &amp; CHEQUES</b>			
03/02/2020	BUILDING AND ENERGY (EFT)	BSL collection - January 2020	\$ 56.65
04/02/2020	WA SUPER	Super - January	\$ 23,414.92
04/02/2020	FDC - Phillips, Tanya.	Return funds to Tanya Philips - Paid in error to Shire	\$ 41.95
05/02/2020	FDC EDUCATORS	12 FDC Educators PE 02/02/2020	\$ 14,208.35
12/02/2020	SHIRE OF WILLIAMS	Salaries and Wages PE 12/02/2020	\$ 43,623.34
19/02/2020	FDC EDUCATORS	15 FDC Educators PE 16/02/2020	\$ 17,367.79
19/02/2020	WORKWEAR CLOTHING ONLINE	11234 - Shire Polo Shirts	\$ 249.14
21/02/2020	FUEL DISTRIBUTORS OF WA PTY LTD (EFT)	10939 - Bulk Fuel	\$ 12,588.90
24/02/2020	SHAKEY	11238 - Quindanning Mural - 50% Payment	\$ 1,650.00
26/02/2020	AGQUIRE RURAL HOLDINGS PTY LTD	11168 - January Purchases	\$ 4,893.53
26/02/2020	APV VALUERS & ASSET MANAGEMENT	10931 - Valuations	\$ 6,116.00
26/02/2020	ARGOS SAFETY & FIRE PROTECTION	10942 - Service Fire Equipment	\$ 1,305.15
26/02/2020	AVON WASTE	11015 - Monthly Refuse Charges January 2020	\$ 9,505.31
26/02/2020	BEAUREPAIRES (EFT)	11185 - Puncture Repair - Cat Grader	\$ 103.00
26/02/2020	BEST OFFICE SYSTEMS	Monthly Printing/Copying Charges	\$ 377.71
26/02/2020	BOC Ltd (EFT)	10828 - Cylinder Hire, Industrial Gases, Medical Oxygen	\$ 78.07
26/02/2020	CANNON HYGIENE	11241 - Hygiene Service	\$ 639.62
26/02/2020	CJD EQUIPMENT PTY LTD (EFT)	11186 - Parts - Volvo Excavator	\$ 133.43
26/02/2020	CONTRACT AQUATIC SERVICES	11031, 11233 - Feb Swimming Pool Management	\$ 14,443.00
26/02/2020	CORNER'S AUTOMOTIVE ELECTRICS	11175, 11223 - Batteries and Radio Installation	\$ 825.00
26/02/2020	DFES (EFT)	ESL Quarterly	\$ 17,221.52
26/02/2020	DORMAKABA AUSTRALIA PTY LTD	11239 - Automatic Door Servicing and Parts	\$ 397.39
26/02/2020	DUFF ELECTRICAL CONTRACTING	11073 - Replace to Antenna (Housing)	\$ 266.92
26/02/2020	HARMONY SOFTWARE	Educators' Software Fees, Month of Jan 2020	\$ 98.10
26/02/2020	HD TRADING CO	10941 - FDC Fundraising Items	\$ 825.55
26/02/2020	HJ and SJ HYDE	11227, 11210 - Repairs at Trotting Track	\$ 2,220.50
26/02/2020	LANDGATE (EFT)	Land Valuations - Rating	\$ 67.85
26/02/2020	LOGIE, BRITT E. (EFT)	Reimbursement of Expenses - Popcorn Machine etc.	\$ 838.62
26/02/2020	M & J DYKE PTY LTD	11172-7 - Hydraulic hoses (case loader & cat grader)	\$ 422.47
26/02/2020	MAKIT NARROGIN HARDWARE (EFT)	11216 - Materials to repair Judges' Box (Trotting)	\$ 625.94
26/02/2020	MARKETFORCE (EFT)	11226 - Election and Employment Advert Expenses	\$ 470.96
26/02/2020	McINTOSH & SON (EFT)	11179 - Parts for Case Loader	\$ 704.25
26/02/2020	MELCHIORRE PLUMBING & GAS	11224, 11074, 10936, 11076 - RPZD Tests, HWS & Other Repairs	\$ 2,636.02
26/02/2020	MJB INDUSTRIES PTY LTD (EFT)	11178 - Concrete pipes & headwalls	\$ 676.50
26/02/2020	MOORE STEPHENS	Review of Financial Management and Budget W/Shop	\$ 16,173.31
26/02/2020	NARROGIN CEILINGS	11079 - Repair ceiling damage, Pavilion	\$ 748.00
26/02/2020	PRIDEAUX, CRAIG (EFT)	Reimbursement - Tools & Materials	\$ 140.09
26/02/2020	SCAVENGER SUPPLIES (EFT)	11215 - Firefighting Foam, Goggles & Freight	\$ 1,050.50
26/02/2020	SHIRE OF WAGIN (EFT)	EHO Wages and Mileage	\$ 5,230.51
26/02/2020	SIGNS PLUS (EFT)	11230 - Councillors/Employees Name Badges	\$ 47.10
26/02/2020	SOUTH WEST ISUZU (EFT)	11182 - 15,000km Service Isuzu Tri Tipper	\$ 637.14
26/02/2020	SPEEDY STAMPS (EFT)	10934 - Pre-inked rubber stamps	\$ 209.00
26/02/2020	STAR TRACK EXPRESS	Freight - Vehicle Parts	\$ 85.60
26/02/2020	SWAT PEST CONTROL	11069-70-72 - Pest Control, Public Buildings	\$ 1,749.00
26/02/2020	TRUCK CENTRE (WA) PTY LTD	11176, 11183 - Volvo Prime Mover - Parts and Repairs	\$ 1,386.91
26/02/2020	VOLT AIR PTY LTD	10928 - Replace Circuit Braker in Main Hall	\$ 200.00
26/02/2020	WA BLUEMETAL	11165 - Aggregate Clayton, Lavender & Glenfield Rds	\$ 20,504.56
26/02/2020	WA CONTRACT RANGER SERVICES	11240 - Ranger Services	\$ 467.50
26/02/2020	WALLIS COMPUTER SOLUTIONS	10929 - Office Annual Licence and Secure Firewall Set Up	\$ 3,937.22
26/02/2020	WESTRAC (EFT)	11187 - Parts Cat Grader	\$ 1,378.59
26/02/2020	WILLIAMS BOWLING CLUB. (EFT)	TBA - 50% Contribution to Greens	\$ 5,000.00
26/02/2020	WILLIAMS GENERAL STORE (EFT)	Monthly Refreshments & Consumables, January 2020	\$ 554.75
26/02/2020	WILLIAMS NEWSAGENCY	Monthly account January 2020	\$ 107.60
26/02/2020	SHIRE OF WILLIAMS	SALARIES AND WAGES PE 26/02/2020	\$ 43,222.01
28/02/2020	BITUTEK PTY LTD (EFT)	11042 - Re-seal Williams-Darkan & York-Williams Rds	\$ 155,763.30
28/02/2020	WORKWEAR GROUP (EFT)	11010 - Staff Uniform	\$ 299.00
01/02/2020	WESTNET	CEO Internet Feb.2020	\$ 54.99
03/02/2020	CBA	CBA - Merchant Fees Jan 2020	\$ 619.97
21/02/2020	AUSTRALIAN TAXATION OFFICE	BAS - Feb 2020	\$ 2,509.00
17/02/2020	ANZ CARDS	Monthly Credit Card Expenses x3	\$ 700.03

# SHIRE OF WILLIAMS PAYMENT LISTING FOR THE MONTH ENDING 29 FEBRUARY 2020

07/02/2020	SYNERGY	Pool Electricity 17/12/19 -21/01/20	\$	1,582.55
07/02/2020	TELSTRA	Telstra - Monthly Phone & Internet Usage & Charges	\$	433.80
07/02/2020	WATER CORPORATION.	Consumption Charges	\$	12,938.05
18/02/2020	SYNERGY	Electricity - Streetlights, Monthly Charges	\$	2,408.00
18/02/2020	TELSTRA	Monthly Mobile Phone Services	\$	317.49
21/02/2020	TELSTRA	Monthly SMS Service	\$	421.12
27/02/2020	WATER CORPORATION.	Consumption Charges	\$	28,864.37
28/02/2020	SHIRE OF WILLIAMS	Registration Tradesman's Trailer	\$	20.80
				<u>\$ 488,855.31</u>

21/02/2020	Lubcke, Amy	Return Bond for SAM Trailer for Darkan Sheepfest	\$	50.00
28/02/2020	CR B PANIZZA	Return Nomination Deposit	\$	80.00
				<u>\$ 130.00</u>

## 8.2.2 FINANCIAL STATEMENTS

<b>File Reference</b>	4.23.15
<b>Statutory Ref.</b>	Local Government (Financial Management) Regulations 1996
<b>Author &amp; Date</b>	Cara Ryan 13/03/2020
<b>Attachments</b>	Financial Statements ending 29/02/2020

### Background

In accordance with the *Local Government Act 1995*, a statement of financial activity must be presented at an Ordinary Meeting of Council. This is required to be presented within two months, after the end of the month, to which the statement relates.

The statement of financial activity is to report on the revenue and expenditure as set out in the annual budget for the month, including explanations of any variances. *Regulation 34*, from the *Local Government (Financial Management) Regulations 1996* sets out the detail that is required to be included in the reports.

### Statutory Implications

Local Government (Financial Management) Regulations 1996 - Regulation 34.

### Comment

The attached monthly financial statements and supporting information have been compiled to meet compliance with the Local Government Act 1995 and associated Regulations.

### Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

CL 2.2 Maintain accountability, transparency and financial responsibility

### Financial Implications

As disclosed in the financial statements.

### Voting Requirements

Simple Majority

### Officer's Recommendation

That the financial statements presented for the period ending 29 February 2019 be received.



# SHIRE OF WILLIAMS

## MONTHLY FINANCIAL REPORT For the Period Ended 29 February 2020

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

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Note 7	Borrowings
Note 8	Grants and Contributions
Note 9	Trust Fund
Note 10	Budget Amendments

Prepared by : Manager of Finance  
Date prepared : All known transactions up to 12th March 2020

## **BASIS OF PREPARATION**

### **REPORT PURPOSE**

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

### **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 and to the extent they are not inconsistent with the Local Government Act 1995 and accompanying regulations), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

### **THE LOCAL GOVERNMENT REPORTING ENTITY**

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 9.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **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.

### **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.

### **ROUNDING OFF FIGURES**

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



## KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 29 FEBRUARY 2020

## STATUTORY REPORTING PROGRAMS

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

PROGRAM NAME	OBJECTIVE	ACTIVITIES
<b>GOVERNANCE</b>	To provide a decision making process for the efficient allocation of scarce resources.	Administration and operation of facilities and services to members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.
<b>GENERAL PURPOSE FUNDING</b>	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b>	To provide services to help ensure a safer community.	Supervision and enforcement of local laws, fire prevention and suppression activities and animal control.
<b>HEALTH</b>	To provide an operational framework for good community health.	Health inspection and advisory services, analytical services, mosquito control, collection agent for Williams St John Ambulance subscriptions and assist with providing medical services.
<b>EDUCATION AND WELFARE</b>	To provide a framework that enables community needs in these areas are met.	Provision and maintenance of premises for the Williams Community Resource Centre and Willi Wagtails Childcare Centre. Provide administration services for the Childcare centre.
<b>HOUSING</b>	To help ensure the availability of adequate housing for the community needs.	Management, administration and maintenance of Williams Community Homes, Sandalwood Court, Wandoo Cottages, Jamtree Lane Units and New Street units.
<b>COMMUNITY AMENITIES</b>	Provision of amenities required by the community.	Refuse management, protection of the environment, maintenance of cemeteries and public conveniences.
<b>RECREATION AND CULTURE</b>	To establish and manage efficiently all infrastructure and resources which will meet the recreational and cultural needs of the community.	Maintenance of halls, recreational facilities and reserves. Operation of Library and compilation and maintenance of local heritage register.
<b>TRANSPORT</b>	To provide safe, effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges and drainage. Cleaning and lighting of streets, depot maintenance and on-line agent for Department of Transport.
<b>ECONOMIC SERVICES</b>	Promotion of Williams and improvement of economic wellbeing of the district and its inhabitants.	Tourism services, area promotion, implementation of buildings controls, provision of standpipe water, maintenance and management of Williams Stud Breeders pavilion.
<b>OTHER PROPERTY AND SERVICES</b>	Efficient utilisation of Council resources, plant repairs and operations, management of Williams Town Planning Scheme.	Provision of private works to public, maintenance of Council plant, approvals and monitoring of town planning activities.

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

	Note	Adopted Budget (d)	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)- (a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>OPENING FUNDING SURPLUS (DEFICIT)</b>	1 (b)	394,592	394,592	<b>410,226</b>	15,634	4%	
<b>Operating Revenues</b>							
Governance		500	333	<b>1,918</b>	1,585	475%	
General Purpose Funding - Rates	5	1,924,101	1,924,101	<b>1,923,581</b>	(520)	(0%)	
General Purpose Funding - Other		306,095	229,105	<b>217,529</b>	(11,576)	(5%)	▼
Law, Order and Public Safety		69,248	57,903	<b>53,675</b>	(4,228)	(7%)	
Health		400	400	<b>300</b>	(100)	(25%)	
Education and Welfare		283,029	178,656	<b>191,379</b>	12,723	7%	▲
Housing		247,804	142,914	<b>139,405</b>	(3,509)	(2%)	
Community Amenities		203,177	183,137	<b>182,256</b>	(881)	(0%)	
Recreation and Culture		44,557	37,165	<b>37,258</b>	93	0%	
Transport		109,381	85,656	<b>80,434</b>	(5,222)	(6%)	▼
Economic Services		102,826	73,617	<b>115,447</b>	41,829	57%	▲
Other Property and Services		99,601	73,853	<b>75,674</b>	1,821	2%	
		<b>3,390,719</b>	<b>2,986,841</b>	<b>3,018,856</b>	<b>32,015</b>		
<b>Operating Expense</b>							
Governance		(205,213)	(142,427)	<b>(142,063)</b>	365	0%	
General Purpose Funding		(84,250)	(56,417)	<b>(56,012)</b>	404	1%	
Law, Order and Public Safety		(90,129)	(66,509)	<b>(67,201)</b>	(691)	(1%)	
Health		(59,671)	(39,281)	<b>(36,839)</b>	2,442	6%	▲
Education and Welfare		(320,281)	(216,921)	<b>(203,434)</b>	13,487	6%	▲
Housing		(164,844)	(122,458)	<b>(124,881)</b>	(2,423)	(2%)	
Community Amenities		(316,987)	(209,013)	<b>(177,644)</b>	31,369	15%	▲
Recreation and Culture		(710,317)	(482,082)	<b>(508,595)</b>	(26,514)	(5%)	▼
Transport		(1,598,114)	(1,059,086)	<b>(1,036,096)</b>	22,990	2%	
Economic Services		(140,753)	(95,738)	<b>(116,140)</b>	(20,401)	(21%)	▼
Other Property and Services		(104,223)	(156,191)	<b>(193,048)</b>	(36,857)	(24%)	▼
		<b>(3,794,782)</b>	<b>(2,646,122)</b>	<b>(2,661,952)</b>	<b>(15,830)</b>		
<b>Funding Balance Adjustments</b>							
Add back Depreciation		1,256,950	842,967	<b>874,299</b>	31,333	4%	
Adjust (Profit)/Loss on Asset Disposal	6	(14,160)	(2,160)	<b>(10,841)</b>	(8,681)	402%	
Adjust Provisions and Accruals		5,400	0	<b>83</b>	83		
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>844,127</b>	<b>1,181,525</b>	<b>1,220,446</b>	<b>38,920</b>		
<b>Investing Activities</b>							
Grants, Subsidies and Contributions	8	516,215	253,000	<b>253,138</b>	138	0%	
Proceeds from Disposal of Assets	6	95,000	45,000	<b>56,571</b>	11,571	26%	▲
Capital Acquisitions	6	(2,123,864)	(1,165,187)	<b>(1,168,153)</b>	(2,966)	0%	
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(1,512,649)</b>	<b>(867,187)</b>	<b>(858,444)</b>	<b>8,743</b>		
<b>Financing</b>							
Self-Supporting Loan Principal		15,475	15,475	<b>15,235</b>	(240)	(2%)	
Transfer from Reserves	3	497,232	0	<b>0</b>	0		
Repayment of Debentures		(112,942)	(70,909)	<b>(70,909)</b>	0	0%	
Transfer to Reserves	3	(125,835)	(12,067)	<b>(7,627)</b>	4,439	37%	▲
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>273,930</b>	<b>(67,501)</b>	<b>(63,302)</b>	<b>4,199</b>		
<b>NET OPERATIONS, CAPITAL, FINANCING</b>		<b>(394,592)</b>	<b>246,838</b>	<b>298,700</b>	<b>51,862</b>		
<b>CLOSING FUNDING SURPLUS (DEFICIT)</b>	1 (b)	<b>0</b>	<b>641,430</b>	<b>708,926</b>	<b>67,496</b>		

**KEY INFORMATION**

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

The material variance adopted by Council for the 2019/20 year is \$5,000 or 5% whichever is the greater.

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

## **SIGNIFICANT ACCOUNTING POLICIES**

### **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.

### **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.

### **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.

### **INVENTORIES**

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.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**OPERATING ACTIVITIES  
NOTE 1(b)  
ADJUSTED NET CURRENT ASSETS**

	Note	Year to Date Actual 29 Feb 2020	This Time Last Year 28 Feb 2019	This Years Opening 1 July 2019	Last Years Closing 30 June 2019
		\$	\$	\$	\$
<b>Current Assets</b>					
Cash Unrestricted	3	800,497	987,634	549,747	549,747
Cash Restricted	3	966,393	951,957	958,766	958,766
Receivables - Rates	4	176,723	147,865	25,269	25,269
Receivables -Other	4	131,951	39,420	89,005	89,005
Accrued Revenue		2,085	0	186,643	186,643
Loans Receivable - clubs	7	0	0	0	0
Inventories		21,355	16,986	8,384	8,384
		2,099,005	2,143,862	1,817,814	1,817,814
<b>Less: Current Liabilities</b>					
Payables		(110,188)	(283,879)	(126,179)	(126,179)
Contract Liabilities	8	(3,373)	0	(12,435)	0
Provisions		(325,680)	(341,998)	(325,681)	(325,681)
Long Term Borrowings	7	(42,033)	(44,293)	0	0
		(481,274)	(670,170)	(464,295)	(451,860)
<b>Adjustments and exclusions permitted by FM Reg 32</b>					
Less: Cash Reserves	3	(966,393)	(951,957)	(958,766)	(958,766)
Less: Loans Receivables	7	0	0	0	0
Add: Leave Entitlements Cash Backed		15,556	10,337	15,473	15,473
Add: Long Term Borrowings	7	42,033	44,293	0	0
<b>Adjusted Net Current Assets</b>		<b>708,926</b>	<b>576,365</b>	<b>410,226</b>	<b>422,661</b>

**SIGNIFICANT ACCOUNTING POLICIES**

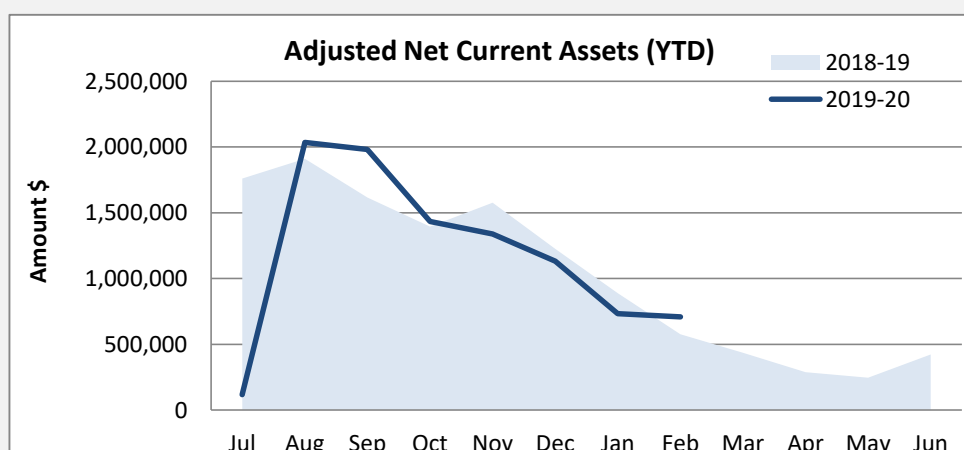
Please see Note 1 (a) for information on significant accounting policies relating to Net Current Assets.

**KEY INFORMATION**

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is negative) as presented on the Rate Setting statement.

**This Year YTD  
Surplus (Deficit)  
\$708,926**

**Last Year YTD  
Surplus(Deficit)  
\$576,365**



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**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 2019/20 year is \$5,000 or 5% whichever is the greater.

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>	\$	%			
Governance	1,585	475%			
General Purpose Funding - Rates	(520)	(0%)			
General Purpose Funding - Other	(11,576)	(5%)	▼	Permanent	Interest earned on investments will not meet budget expectations due to low interest rates.
Law, Order and Public Safety	(4,228)	(7%)			
Health	(100)	(25%)			
Education and Welfare	12,723	7%	▲	Timing	Childcare fees exceeding YTD Budget expectations
Housing	(3,509)	(2%)			
Community Amenities	(881)	(0%)			
Recreation and Culture	93	0%			
Transport	(5,222)	(6%)	▼	Permanent	Variance in Storm Damage Funding Accrual to Actual Paid
Economic Services	41,829	57%	▲	Permanent	Water Sales unusually high due to usage by Main Roads for Bridge works.
Other Property and Services	1,821	2%		Permanent	Reimbursement for Paid Parental Leave and Workers Compensation Payments
<b>Operating Expense</b>					
Governance	365	0%			
General Purpose Funding	404	1%			
Law, Order and Public Safety	(691)	(1%)			
Health	2,442	6%	▲	Timing	Delay in expenditure incurred for Medical Services
Education and Welfare	13,487	6%	▲	Timing	Delay in expenditure of Family Day Care and Childcare building and maintenance expenditure.
Housing	(2,423)	(2%)			
Community Amenities	31,369	15%	▲	Permanent	Expenditure for Waste Collection below budget expectation due to delay in new Waste Contract commencing.
Recreation and Culture	(26,514)	(5%)	▼	Permanent	Additional mulching required for the Lions Park and completion of landscaping for Industrial Land Marjidin Way.
Transport	22,990	2%	▲	Permanent	Wages allocation for Rural Road Maintenance spent in Recreation and Culture.
Economic Services	(20,401)	(21%)	▼	Permanent	Standpipe water charge higher than budget estimate and additional expenditure for installation of phone line at 6 Marjidin way as approved by Council (Res 116/20)
Other Property and Services	(36,857)	(24%)	▼	Timing	Works overheads underallocation due to Christmas holidays should gradually increase over the remainder of year.
<b>Investing Activities</b>					
Grants, Subsidies and Contributions	138	0%			
Proceeds from Disposal of Assets	11,571	26%	▲	Permanent	Trade-in of Toyota Prado and Isuzu DMAX higher than budget expectations.
Capital Expenses	(2,966)	0%			

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**OPERATING ACTIVITIES  
NOTE 3  
CASH AND INVESTMENTS**

**CASH AND INVESTMENTS**

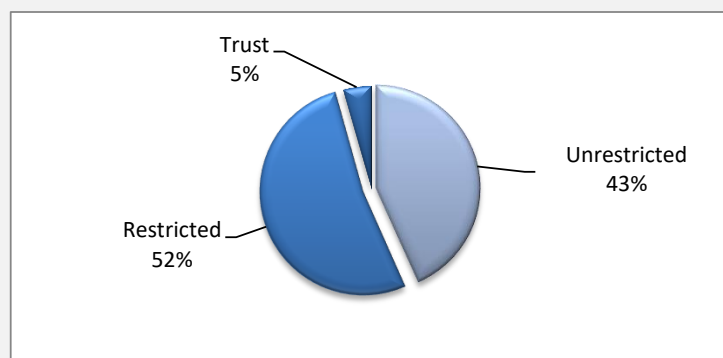
	Unrestricted	Restricted	Trust	Total YTD Actual	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
<b>Cash on Hand</b>							
Petty Cash & Floats	600			600		0.00%	On Hand
<b>Cash Deposits</b>							
Municipal Bank Account	115,285			115,285	ANZ	0.00%	At Call
Municipal Cash Investment	182,182			182,182	ANZ	0.10%	At Call
Trust Bank Account			80,248	80,248	ANZ	0.00%	At Call
<b>Term Deposits</b>							
Reserves		966,393		966,393	ANZ	1.35%	26-May-20
<b>Treasury</b>				0			
Overnight Cash Deposit	502,429		0	502,429	Treasury	0.70%	Overnight
<b>Total</b>	<b>800,497</b>	<b>966,393</b>	<b>80,248</b>	<b>1,847,137</b>			

**SIGNIFICANT ACCOUNTING POLICIES**

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.

**KEY INFORMATION**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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.



Total Cash	Unrestricted
<b>\$1.85 M</b>	<b>\$0.8 M</b>

**CASH BACKED RESERVES**

Reserve Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave Reserve	15,473	400	83	5,000	0	0	0	20,873	15,556
Plant Reserve	216,013	5,500	2,168	40,000	0	(160,000)	0	101,513	218,181
Building Reserve	446,758	6,800	3,230	40,000	0	(240,000)	0	253,558	449,988
Joint Venture Housing Reserve	94,194	1,500	653	10,000	0	0	0	105,694	94,847
Recreation Facilities Reserve	121,445	2,500	964	0	0	(35,000)	0	88,945	122,409
Art Acquisition Reserve	11,651	300	93	0	0	(8,000)	0	3,951	11,744
Refuse Site Reserve	53,232	1,000	437	0	0	(54,232)	0	0	53,669
Community Chest Reserve	0	100	0	12,735	0	0	0	12,835	0
	<b>958,766</b>	<b>18,100</b>	<b>7,627</b>	<b>107,735</b>	<b>0</b>	<b>(497,232)</b>	<b>0</b>	<b>587,369</b>	<b>966,393</b>



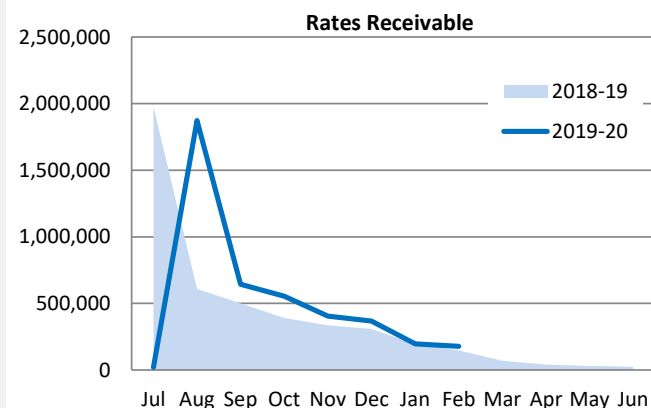
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**OPERATING ACTIVITIES  
NOTE 4  
RECEIVABLES**

Receivables - Rates Receivable	29 Feb 2020	30 June 2019
	\$	\$
Opening Arrears Previous Years	25,034	26,607
Rates - Levied this year	1,890,111	1,816,428
Rubbish - Levied this year	155,506	107,488
ESL - Levied this year	57,547	56,011
Less Collections to date	(1,951,473)	(1,981,500)
<b>Equals Current Outstanding</b>	<b>176,723</b>	<b>25,034</b>
<b>Net Rates Collectable</b>	<b>176,723</b>	<b>25,034</b>
% Collected	91.70%	98.75%

**KEY INFORMATION**

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



**Collected**

**92%**

**Rates Due**

**\$176,723**

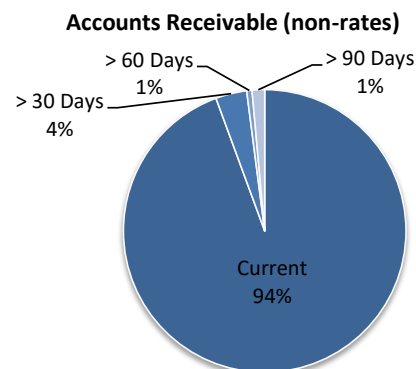
Receivables - General	Current	> 30 Days	> 60 Days	> 90 Days
	\$	\$	\$	\$
Receivables - General	124,557	4,698	807	1,888
Percentage	94.40%	3.56%	0.61%	1.43%

**Total Receivables General Outstanding 131,951**

**Amounts shown above include GST (where applicable)**

**SIGNIFICANT ACCOUNTING POLICIES**

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.



**Debtors Due**

**\$131,951**

**Over 30 Days**

**5.60%**

**Over 90 Days**

**1.43%**

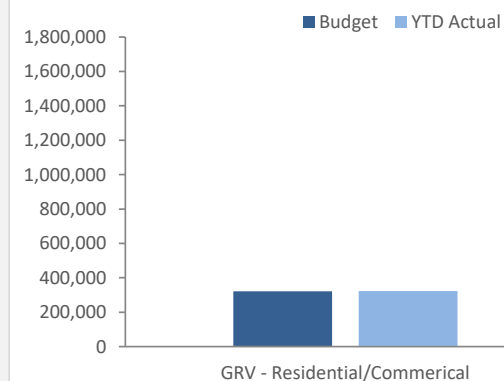
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**OPERATING ACTIVITIES  
NOTE 5  
RATE REVENUE**

General Rate Revenue				Budget			YTD Actual				
	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE	\$			\$	\$	\$	\$	\$	\$	\$	\$
General Rate											
GRV - Residential/Commerical	0.073256	166	2,841,050	208,124	0	0	208,124	213,644	279	0	213,923
UV - Rural/Mining	0.007011	240	212,240,000	1,488,015	0	0	1,488,015	1,503,672	(817)	0	1,502,855
Minimum Payment											
	Minimum \$										
GRV - Residential/Commercial	720	158	725,595	113,760	0	0	113,760	108,720	0	0	108,720
UV - Rural/Mining	925	86	7,683,100	79,550	0	0	79,550	64,075		0	64,075
Sub-Totals		650	223,489,745	1,889,449	0	0	1,889,449	1,890,111	(817)	0	1,889,573
Amount from General Rates							1,889,449				1,889,573
Ex-Gratia Rates							34,652				34,329
Total General Rates							1,924,101				1,923,902

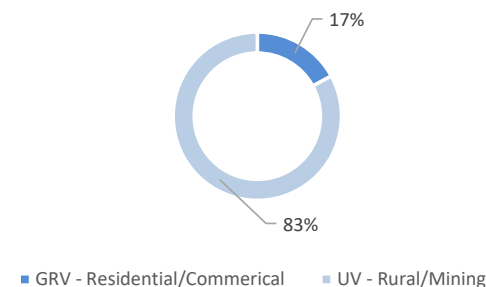
**SIGNIFICANT ACCOUNTING POLICIES**

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.



**General Rates**

Budget	YTD Actual	%
<b>\$1.89 M</b>	<b>\$1.89 M</b>	<b>100%</b>



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**INVESTING ACTIVITIES  
NOTE 6  
CAPITAL DETAILS**

Capital Acquisitions	Annual Budget	YTD Budget	YTD Actual Total	YTD Budget Variance
	\$	\$	\$	\$
Land & Buildings	303,420	245,236	<b>240,064</b>	5,172
Plant & Equipment	510,000	230,000	<b>237,284</b>	(7,284)
Furniture & Equipment	0	0	<b>0</b>	0
Infrastructure - Roads	1,146,599	586,451	<b>597,528</b>	(11,077)
Parks, Gardens, Recreation Facilities	163,845	103,500	<b>93,277</b>	10,223
<b>Capital Expenditure Totals</b>	<b>2,123,864</b>	<b>1,165,187</b>	<b>1,168,153</b>	<b>(2,966)</b>

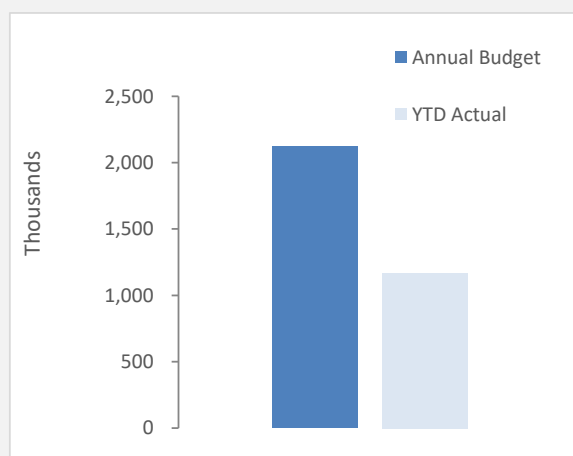
**Capital Acquisitions Funded By:**

	\$	\$	\$	\$
Capital grants and contributions	<b>516,215</b>	<b>253,138</b>	<b>253,138</b>	0
Borrowings	<b>0</b>	<b>0</b>	<b>0</b>	0
Other (Disposals & C/Fwd)	<b>95,000</b>	<b>45,000</b>	<b>56,571</b>	11,571
Cash Backed Reserves				0
Plant Replacement Reserve	116,967	0	<b>0</b>	0
Building Reserve	75,000	0	<b>0</b>	0
Recreation Facilities Reserve	85,000	0	<b>0</b>	0
Contribution - operations	<b>1,235,682</b>	<b>867,050</b>	<b>858,444</b>	(8,605)
<b>Capital Funding Total</b>	<b>2,123,864</b>	<b>1,165,187</b>	<b>1,168,153</b>	<b>2,966</b>

**SIGNIFICANT ACCOUNTING POLICIES**

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

**KEY INFORMATION**



Acquisitions	Annual Budget	YTD Actual	% Spent
	<b>\$2.12 M</b>	<b>\$1.17 M</b>	<b>55%</b>
Capital Grant	Annual Budget	YTD Actual	% Received
	<b>\$0.52 M</b>	<b>\$0.25 M</b>	<b>49%</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020

INVESTING ACTIVITIES  
NOTE 6  
CAPITAL DETAILS (Continued)

CAPITAL DISPOSALS

Asset Description	Budget			YTD Actual		
	Net Book Value	Proceeds	Profit / (Loss)	Net Book Value	Proceeds	Profit / (Loss)
	\$		\$			
Toyota Prado - 16WL	24,629	32,000	7,371	21,698	35,742	14,044
Isuzu DMAX - WL5802	12,712	8,000	(4,712)	18,217	16,420	(1,797)
Holden Rodeo - WL826	3,500	3,000	(500)	3,362	2,309	(1,053)
Case Front End Loader - WL5639	37,500	50,000	12,500	0	0	0
Toro Ride On Mower - WL5302	2,499	2,000	(499)	2,453	2,100	(353)
	<b>80,840</b>	<b>95,000</b>	<b>14,160</b>	<b>45,730</b>	<b>56,571</b>	<b>10,841</b>

CAPITAL ACQUISITIONS

% of Completion	Infrastructure Assets	Annual Budget	YTD Budget	YTD Actual	Variance (Under)/Over
100%	Refurbishment - 1 x Single Person Unit - New Street	31,117	31,117	30,748	369
100%	Upgrade Drainage - Single Person Units - New Street	11,119	11,119	5,380	5,739
-	Building Refurbishment	11,116	0	0	0
100%	Land Acquisition MRWA Albany Hwy	200,000	200,000	200,000	0
10%	Mens Shed	15,068	3,000	3,936	(936)
-	Recreation Ground Grandstand Refurbishment	35,000	0	0	0
	<b>Land &amp; Buildings Total</b>	<b>303,420</b>	<b>245,236</b>	<b>240,064</b>	<b>5,172</b>
100%	Ride on Mower	12,000	12,000	12,040	(40)
100%	CEO Vehicle - 16WL	55,000	55,000	43,924	11,076
100%	FDC Vehicle	34,000	34,000	33,409	591
100%	Light Vehicle - WL5802	33,000	33,000	36,784	(3,784)
100%	Semi Watercart	60,000	60,000	80,000	(20,000)
-	Front End Loader	280,000	0	0	0
100%	Minor Plant	10,000	10,000	7,000	3,000
100%	Utility - WL826	26,000	26,000	24,127	1,873
	<b>Plant &amp; Equipment Total</b>	<b>510,000</b>	<b>230,000</b>	<b>237,284</b>	<b>(7,284)</b>
50%	PROJECT GRANT - Williams Darkan Rd - Reseal	202,350	108,000	106,743	1,257
100%	PROJECT GRANT - Pingelly Road - Seal	207,451	207,451	236,932	(29,481)
60%	RTR - York Williams Road - Reseal	70,000	45,000	45,560	(560)
80%	RTR - Clayton Road - Seal Widening	75,000	75,000	74,569	431
-	RTR - Wangeling Gully Rd - Gravel Sheetting	51,112	0	0	0
-	COUNCIL FUNDED - Zilko Road - Widening of Culverts	26,000	0	0	0
50%	COUNCIL FUNDED - Zilko Road - Gravel Sheetting	45,000	24,000	24,696	(696)
5%	COUNCIL FUNDED - Marradong Rd (Pavement Repairs)	52,055	2,000	1,575	425
-	COUNCIL FUNDED - Carne/Narrakine Rd (Pavement Repairs)	22,050	0	0	0
80%	COUNCIL FUNDED - Lavender/Forrest/Stan Gillett (Seal)	89,895	70,000	72,736	(2,736)
-	COUNCIL FUNDED - Rural Roads - Gravel Sheetting	98,347	0	0	0
5%	COUNCIL FUNDED - Townsite Drainage	50,027	25,000	5,186	19,814
-	CARPARK - Lions Park	95,000	0	76	(76)
50%	FOOTPATH - Albany Hwy/Piesse Street	62,312	30,000	29,454	546
	<b>Roads Total</b>	<b>1,146,599</b>	<b>586,451</b>	<b>597,528</b>	<b>(11,077)</b>
100%	Commissioning Transfer Station	54,441	45,000	29,641	15,359
95%	Oval/Trotting Track Fencing	34,404	33,500	37,012	(3,512)
	Swimming Pool - Refurb Basins	20,000	0	0	0
100%	Standpipe Water Metre System	25,000	25,000	26,624	(1,624)
-	Lions Park Development - Signage	30,000	0	0	0
	<b>Infrastructure - Other Total</b>	<b>163,845</b>	<b>103,500</b>	<b>93,277</b>	<b>10,223</b>
	<b>Capital Expenditure Total</b>	<b>2,123,864</b>	<b>1,165,187</b>	<b>1,168,153</b>	<b>(2,966)</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**FINANCING ACTIVITIES  
NOTE 7  
BORROWINGS**

Information on Borrowings	Principal 30 June 19	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget
Particulars	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>									
Loan #68 IT Equipment	3,884	0	0	3,884	3,884	0	0	63	63
<b>Transport</b>									
Loan #67 Grader	100,168	0	0	19,360	39,051	80,808	61,117	1,713	3,095
<b>Other Property and Services</b>									
Loan #65 Industrial Land	196,079	0	0	5,565	11,307	190,514	184,772	6,245	12,313
Loan #66 Industrial Land	152,383	0	0	5,857	11,837	146,526	140,546	3,177	6,232
Loan #70 Industrial Shed	224,847	0	0	20,768	31,387	204,079	193,460	6,635	6,635
	677,362	0	0	55,434	97,466	621,928	579,896	17,833	28,338
<b>Self supporting loans</b>									
<b>Recreation and Culture</b>									
Loan #69 Williams Bowling Club	138,464	0	0	15,475	15,475	122,989	122,989	2,181	4,241
	138,464	0	0	15,475	15,475	122,989	122,989	2,181	4,241
<b>Total</b>	815,826	0	0	70,909	112,941	744,917	702,885	20,014	32,579

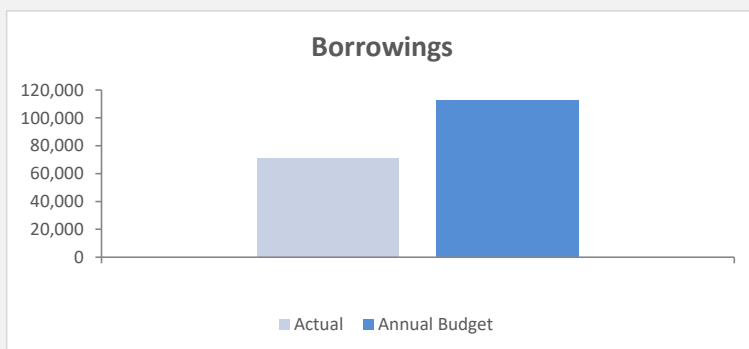
All debenture repayments were financed by general purpose revenue.

**SIGNIFICANT ACCOUNTING POLICIES**

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.

**KEY INFORMATION**

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



**Principal Repayments**  
**\$70,909**

**Interest Earned**  
**\$10,298**

**Interest Expense**  
**\$20,014**

**Reserves Bal**  
**\$966,393**

**Loans Due**  
**\$744,917**

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020

NOTE 8  
GRANTS & CONTRIBUTIONS

Program/Details	Unspent Grants, Subsidies and Contributions Liability				2019-20 Budget	Variations Additions (Deletions)	Operating	Non Operating	YTD Revenue	Not Received
	Liability 1-Jul	Increase Liability	Decrease (as Revenue)	Current Liability 29-Feb						
<b>GENERAL PURPOSE FUNDING</b>					\$	\$	\$	\$	\$	\$
Equalisation Grant	0	0	0	0	87,342	0	87,342	0	82,333	5,009
Local Road Grant	0	0	0	0	171,153	0	171,153	0	106,990	64,163
<b>LAW, ORDER, PUBLIC SAFETY</b>										
ESL Administration Grant	0	0	0	0	4,000	0	4,000	0	4,000	0
ESL Maintenance Grant	9,062	0	(9,062)	0	36,248	0	36,248	0	23,943	12,305
(MAF RfR) 2019-20 Round 1	0	0	0	0	0	25,000	25,000	0	25,000	0
<b>EDUCATION &amp; WELFARE</b>										
Federal Sustainability Grant	0	0	0	0	44,000	0	44,000	0	22,000	22,000
<b>HOUSING</b>										
NRAS - Contribution	0	0	0	0	55,572	0	55,572	0	13,990	41,582
<b>COMMUNITY AMENITIES</b>										
PHCC - Contribution to NRM Officer	0	0	0	0	5,000	0	5,000	0	0	5,000
Feral Pig Funding	3,373	0	0	3,373	3,373	0	3,373	0	0	3,373
<b>RECREATION AND CULTURE</b>										
Trotting Track - Fencing	0	0	0	0	12,000	0	0	12,000	0	12,000
<b>TRANSPORT</b>										
Direct Grant	0	0	0	0	74,631	0	74,631	0	74,631	0
Road Project Grant	0	109,280	(109,280)	0	276,933	0	0	276,933	192,260	84,673
Country Pathways Grant	0	0	0	0	31,170	0	0	31,170	23,378	7,793
Roads to Recovery	0	0	0	0	196,112	0	0	196,112	37,500	158,612
Street Lighting Subsidy	0	0	0	0	5,700	0	5,700	0	0	5,700
<b>TOTALS</b>	<b>12,435</b>	<b>109,280</b>	<b>(118,342)</b>	<b>3,373</b>	<b>1,003,234</b>	<b>25,000</b>	<b>512,019</b>	<b>516,215</b>	<b>606,024</b>	<b>422,210</b>

KEY INFORMATION

Operating	Annual Budget	YTD Actual	% Received
	<b>\$.48 M</b>	<b>\$.33 M</b>	<b>68%</b>
Non- Operating	Annual Budget	YTD Actual	% Received
	<b>\$.52 M</b>	<b>\$.25 M</b>	<b>49%</b>



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**NOTE 9  
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:

<b>Description</b>	<b>Opening Balance 1 Jul 19</b>	<b>Amount Received</b>	<b>Amount Paid</b>	<b>Closing Balance 29 Feb 2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Nomination Deposits	0	640	(450)	190
Housing Bonds	1,000	1,308	(2,308)	0
Building Retention	19,369	0	(19,369)	0
Subdivision Bond	0	0	0	0
Sale of Land for rates	60,007	0	0	60,007
Public Open Space Contributions	20,000	0	0	20,000
Bonds	0	50	0	50
	<b>100,376</b>	<b>1,998</b>	<b>(22,127)</b>	<b>80,247</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 29 FEBRUARY 2020

## NOTE 10 BUDGET AMENDMENTS

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

[illegible]

**8.2.3 2019/2020 BUDGET REVIEW**

<b>File Reference</b>	4.21.25
<b>Statutory Ref.</b>	Local Government Act 1995 Section 6.12 (1)
<b>Author &amp; Date</b>	Cara Ryan 13 March 2020
<b>Attachments</b>	2019/2020 Budget Review Report

**Background**

A Statement of Financial Activity incorporating year-to-date budget variations and forecasts to 30 June 2020 for the period ending 29 February 2020 is presented to Council for adoption. The Local Government (Financial Management) Regulations 1996, Regulation 33A as amended, requires that local governments conduct a budget review between 1 January and 31 March in each financial year. The results of the review and accompanying report from the review must be presented to Council within 30 days of the review. The review and determination is then to be provided to the Department of Local Government within 30 days of the adoption of the review.

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

**REVENUE**

Increase in General Purpose component of Federal Assistance Grant.	\$22,435
Reduction in Local Road Grant component of Federal Assistance Grant.	(\$28,500)
Interest earnings for Council cash reserves below budget expectations.	(\$13,000)
Reduced funds for ESL Maintenance Grant.	(\$7,905)
Slight increase in income earned on Childcare Services.	\$2,000
Difference in WANDRAA accrued at June 19 to actual paid.	(\$5,944)
Increase in sale of standpipe water.	\$32,000
Sale of materials expected to be below budget expectations.	(\$10,000)
Reimbursements received for Parental leave & Workers compensation.	\$12,400
Income for outsourcing of administration staff reduced.	(\$5,000)
<b>TOTAL ADJUSTED REVENUE</b>	<b>(\$1,514)</b>

**EXPENDITURE**

Saving on operating costs associated with running Family Day Care.	\$11,000
Waste collection costs below budget estimate.	\$22,000
Wage costs for parks, gardens and recreation higher than budget calculation and are with rural road maintenance costs.	(\$25,000)
Wage costs for rural road maintenance lower than budget calculations. To be apportioned to parks, gardens and capital road project works.	\$60,000
Increased costs for water supply.	(\$20,000)
Additional expenditure for installation of phone line, Marjidin Way.	(\$5,000)
Savings in plant operating costs.	\$10,000
Payments for workers compensation and parental leave, which have been reimbursed.	(\$12,400)
<b>TOTAL ADJUSTED EXPENDITURE</b>	<b>\$40,600</b>

### CAPITAL REVENUE

Trade-in for Holden Rodeo Ute exceeded budget estimate.	\$8,000
Trade-in for Loader expected to exceed budget estimate.	\$15,000
<b>CAPITAL FUNDING</b>	<b>\$23,000</b>

### CAPITAL EXPENDITURE

Postponing drainage works for town and New St single person units.	\$30,000
Replacement of CEO vehicle and Loader under budget.	\$50,076
Cost of new semi watercart more expensive than budget estimate.	(\$20,000)
Wages allocation for Road Project Works to exceed budget estimates.	(\$35,000)
Sealing costs for Clayton Rd and Lavender Street more expensive.	(\$13,350)
Savings on costs to establish Waste Transfer Station.	\$10,000
Postpone signage for Lions Park.	\$30,000
<b>CAPITAL EXPENDITURE</b>	<b>\$51,726</b>

### OTHER ITEMS

Increase in Opening Surplus	\$15,634
Reduced need to transfer funds from Reserves	(\$50,000)
<b>OTHER ITEMS</b>	<b>(\$34,366)</b>

### Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017-2032. Specifically it relates to the following strategies:

CL 2.2 Maintain accountability, transparency and financial responsibility.

### Financial Implications

Due to the combined value of the above adjustments the balanced budget is now predicted to be a surplus of \$79,446. This predicted surplus includes a timing adjustment of \$60,000, which is required to be carried over to the 2020-2021 Budget. This is for the construction of a sign for the Lions Park and for continuation on solutions for drainage within the town site.

### Voting Requirements

Simple Majority

### Officer's Recommendation

That Council adopts the 2019/2020 Budget Review for the period 1 July 2019 to 29 February 2020, as presented in the 2019/2020 Budget Review Report.



# SHIRE OF WILLIAMS

## BUDGET REVIEW REPORT

For the Period Ended 29 February 2020

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

### **TABLE OF CONTENTS**

Statement of Budget Review by Program

Note 1      Basis of Preparation

Note 2      Net Current Funding

Note 3      Predicted Variances

Note 4      Budget Amendments

Prepared by : Manager of Finance  
Date prepared : All known transactions up to 12th March 2020

**STATEMENT OF BUDGET REVIEW  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**STATUTORY REPORTING PROGRAM**

YTD Budget vs YTD Actual				Predicted			
	Note	YTD Budget (a)	YTD Actual (b)	Adopted Budget (c)	Variance (d)	Forecast Year End + (c) (c) + (d)	
<b>OPENING FUNDING SURPLUS (DEFICIT)</b>	3.1	\$ 394,592	\$ 410,226	\$ 394,592	\$ 15,634	<b>410,226</b>	▲
<b>Operating Revenues</b>							
Governance		333	1,918	500	0	<b>500</b>	
General Purpose Funding - Rates		1,924,101	1,923,581	1,924,101	0	<b>1,924,101</b>	
General Purpose Funding - Other	3.2.3	229,105	217,529	306,095	(19,065)	<b>287,030</b>	▼
Law, Order and Public Safety	3.2.4	57,903	53,675	69,248	(7,905)	<b>61,343</b>	▼
Health		400	300	400	0	<b>400</b>	
Education and Welfare	3.2.6	178,656	191,379	283,029	2,000	<b>285,029</b>	▲
Housing		142,914	139,405	247,804	0	<b>247,804</b>	
Community Amenities		183,137	182,256	203,177	0	<b>203,177</b>	
Recreation and Culture		37,165	37,258	44,557	0	<b>44,557</b>	
Transport	3.2.10	85,656	80,434	109,381	(5,944)	<b>103,437</b>	▼
Economic Services	3.2.11	73,617	115,447	102,826	32,000	<b>134,826</b>	▲
Other Property and Services	3.2.12	73,853	75,674	99,601	(2,600)	<b>97,001</b>	▼
		<b>2,986,841</b>	<b>3,018,856</b>	<b>3,390,719</b>	<b>(1,514)</b>	<b>3,389,205</b>	
<b>Operating Expense</b>							
Governance		(142,427)	(142,063)	(205,213)	0	<b>(205,213)</b>	
General Purpose Funding		(56,417)	(56,012)	(84,250)	0	<b>(84,250)</b>	
Law, Order and Public Safety		(66,509)	(67,201)	(90,129)	0	<b>(90,129)</b>	
Health		(39,281)	(36,839)	(59,671)	0	<b>(59,671)</b>	
Education and Welfare	3.3.5	(216,921)	(203,434)	(320,281)	11,000	<b>(309,281)</b>	▲
Housing		(122,458)	(124,881)	(164,844)	0	<b>(164,844)</b>	
Community Amenities	3.3.7	(209,013)	(177,644)	(316,987)	22,000	<b>(294,987)</b>	▲
Recreation and Culture	3.3.8	(482,082)	(508,595)	(710,317)	(25,000)	<b>(735,317)</b>	▼
Transport	3.3.9	(1,059,086)	(1,036,096)	(1,598,114)	60,000	<b>(1,538,114)</b>	▲
Economic Services	3.3.10	(95,738)	(116,140)	(140,753)	(25,000)	<b>(165,753)</b>	▼
Other Property and Services	3.3.11	(156,191)	(193,048)	(104,223)	(2,400)	<b>(106,623)</b>	▼
		<b>(2,646,122)</b>	<b>(2,661,952)</b>	<b>(3,794,782)</b>	<b>40,600</b>	<b>(3,754,182)</b>	
<b>Funding Balance Adjustments</b>							
Add back Depreciation		842,967	874,299	1,256,950	0	<b>1,256,950</b>	
Adjust (Profit)/Loss on Asset Disposal		(2,160)	(10,841)	(14,160)	0	<b>(14,160)</b>	
Adjust Provisions and Accruals		0	83	5,400	0	<b>5,400</b>	
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,181,525</b>	<b>1,220,446</b>	<b>844,127</b>	<b>39,086</b>	<b>883,213</b>	
<b>Investing Activities</b>							
Grants, Subsidies and Contributions		253,000	253,138	516,215	0	<b>516,215</b>	
Proceeds from Disposal of Assets	3.5.2	45,000	56,571	95,000	23,000	<b>118,000</b>	▲
Capital Acquisitions	3.5.3	(1,165,187)	(1,168,153)	(2,123,864)	51,726	<b>(2,072,138)</b>	▲
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(867,187)</b>	<b>(858,444)</b>	<b>(1,512,649)</b>	<b>74,726</b>	<b>(1,437,923)</b>	
<b>Financing</b>							
Self-Supporting Loan Principal		15,475	15,235	15,475	0	<b>15,475</b>	
Transfer from Reserves	3.6.2	0	0	497,232	(50,000)	<b>447,232</b>	▼
Repayment of Debentures		(70,909)	(70,909)	(112,942)	0	<b>(112,942)</b>	
Transfer to Reserves		(12,067)	(7,627)	(125,835)	0	<b>(125,835)</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>(67,501)</b>	<b>(63,302)</b>	<b>273,930</b>	<b>(50,000)</b>	<b>223,930</b>	
<b>NET OPERATIONS, CAPITAL, FINANCING</b>		<b>246,838</b>	<b>298,700</b>	<b>(394,592)</b>	<b>63,812</b>	<b>(330,780)</b>	
<b>CLOSING FUNDING SURPLUS (DEFICIT)</b>	2 (a)	<b>641,430</b>	<b>708,926</b>	<b>0</b>	<b>79,446</b>	<b>79,446</b>	

**KEY INFORMATION**

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer Note 2 for an explanation of the reasons for the variance.  
The material variance adopted by Council for the 2019/20 year is \$5,000 or 5% whichever is the greater.  
This statement is to be read in conjunction with the accompanying Financial Statements and notes.



The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations. The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this budget. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

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

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

All monies held in the Trust Fund are excluded from the financial statements.

**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.

**2019-20 ACTUAL BALANCES**

Balances shown in this budget review report as 2019-20 Actual are as forecast at the time of budget review preparation and are subject to final adjustments.

**ROUNDING OFF FIGURES**

All figures shown in this budget review report are rounded to the nearest dollar.

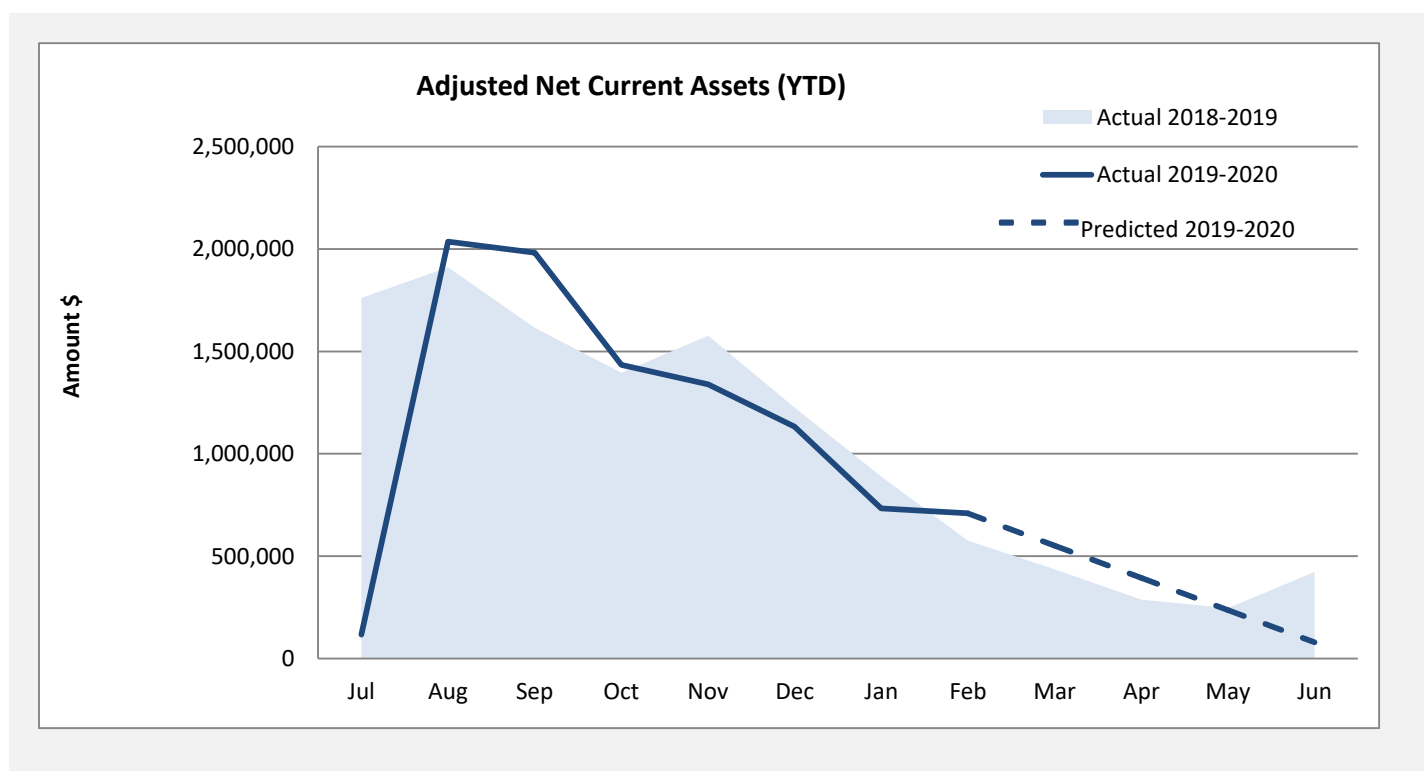
**BUDGET COMPARATIVE FIGURES**

Unless otherwise stated, the budget comparative figures shown in this budget review report relate to the original budget estimate for the relevant item of disclosure.

**NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

**NOTE 2 (a)  
NET CURRENT FUNDING POSITION**

	Actual Year to Date 29 Feb 2020	Actual Opening 1 July 2019	Actual Closing 30 June 2019	Budget Opening 1 July 2019	Budget Closing 30 June 2020
	\$	\$	\$	\$	\$
<b>Current Assets</b>					
Cash Unrestricted	800,497	549,747	549,747	547,080	149,003
Cash Restricted	966,393	958,766	958,766	971,201	590,369
Receivables - Rates	176,723	25,269	25,269	25,240	20,240
Receivables -Other	131,951	89,005	89,005	264,365	164,365
Accrued Revenue	2,085	186,643	186,643	0	0
Loans Receivable - clubs	0	0	0	15,475	15,475
Inventories	21,355	8,384	8,384	9,150	7,050
	2,099,005	1,817,814	1,817,814	1,832,511	946,502
<b>Less: Current Liabilities</b>					
Payables	(110,188)	(126,179)	(126,179)	(141,036)	(260,833)
Contract Liabilities	(3,373)	(12,435)	0	(12,435)	0
Provisions	(325,680)	(325,681)	(325,681)	(325,680)	102,491
Long Term Borrowings	(42,033)	0	0	(112,942)	(305,680)
	(481,274)	(464,295)	(451,860)	(592,093)	(464,022)
<b>Adjustments and exclusions permitted by FM Reg 32</b>					
Less: Cash Reserves	(966,393)	(958,766)	(958,766)	(958,766)	(590,369)
Less: Loans Receivables	0	0	0	(15,475)	(15,475)
Add: Leave Entitlements Cash Backed	15,556	15,473	15,473	15,473	20,873
Add: Long Term Borrowings	42,033	0	0	112,942	102,491
<b>Adjusted Net Current Assets</b>	<b>708,926</b>	<b>410,226</b>	<b>422,661</b>	<b>394,592</b>	<b>0</b>



**SIGNIFICANT ACCOUNTING POLICIES**

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, 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 shown as short term borrowings in current liabilities.

**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.

**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.

**LOANS AND RECEIVABLES**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

**TRADE AND OTHER PAYABLES**

Trade and other payables represent liabilities for goods and services provided to the Shire of Williams prior to the end of the financial year that are unpaid and arise when the Shire of Williams 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.

**CONTRACT LIABILITIES**

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

**EMPLOYEE BENEFITS**

Short-Term Employee Benefits

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

# NOTES TO THE BUDGET REVIEW REPORT FOR THE PERIOD ENDED 29 FEBRUARY 2020

## NOTE 3 PREDICTED 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 2019/20 year is \$5,000 or 5% whichever is the greater.

Reporting Program	Variance \$	
	Permanent	Timing
<b>3.1 Opening Fund Surplus (Deficit)</b>		
Minor variation to surplus due to employee provisions adjustment required at the time of audit of 2018/2019 Annual Financial Statements.	15,634	
<b>3.2 Operating Revenues</b>		
<b>3.2.1 Governance</b>		
No Material Variance		
<b>3.2.2 General Purpose Funding - Rates</b>		
No Material Variance		
<b>3.2.3 General Purpose Funding - Other</b>		
Increase in general purpose component of the Federal Assistance Grant.	22,435	
Reduction in the local road component of the Federal Assistance Grant.	(28,500)	
Under budget estimate for interest earned on Reserves and Municipal funds due to low interest rates.	(13,000)	
<b>3.2.4 Law, Order and Public Safety</b>		
Reduction in ESL funds allocation from original estimate from DFES.	(7,905)	
<b>3.2.5 Health</b>		
No Material Variance		
<b>3.2.6 Education and Welfare</b>		
Family Day Care income below budget as it commenced a month later than scheduled.	(8,000)	
Childcare fees predicted to exceed budget expectations.	10,000	
<b>3.2.7 Housing</b>		
No Material Variance		
<b>3.2.8 Community Amenities</b>		
No Material Variance		
<b>3.2.9 Recreation and Culture</b>		
No Material Variance		
<b>3.2.10 Transport</b>		
Difference in WANDRRA funding accrued at 30 June 2019 to actual paid	(5,944)	
<b>3.2.11 Economic Services</b>		
Water sales unusually high due to volumes used by contractors for Main Roads bridge works.	32,000	
<b>3.2.12 Other Property and Services</b>		
Sale of materials expected to be below budget estimate.	(10,000)	
Income received for outsourcing of administration staff.	(5,000)	
Workers Compensation and Parental Leave reimbursements.	12,400	
<b>Predicted Variances Carried Forward</b>	<b>14,120</b>	<b>0</b>

# NOTES TO THE BUDGET REVIEW REPORT FOR THE PERIOD ENDED 29 FEBRUARY 2020

## NOTE 3 PREDICTED 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 2019/20 year is \$5,000 or 5% whichever is the greater.

Reporting Program	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	14,120	0
<b><u>3.3 Operating Expenses</u></b>		
<b>3.3.1 Governance</b> No Material Variance		
<b>3.3.2 General Purpose Funding</b> No Material Variance		
<b>3.3.3 Law, Order and Public Safety</b> No Material Variance		
<b>3.3.4 Health</b> No Material Variance		
<b>3.3.5 Education and Welfare</b> Family Day Care operating expenses predicted to be below budget estimates.	11,000	
<b>3.3.6 Housing</b> No Material Variance		
<b>3.3.7 Community Amenities</b> Waste collection costs tracking below budget estimates due to delay in new waste contract commencing.	22,000	
<b>3.3.8 Recreation and Culture</b> Operating costs for parks, gardens and recreation grounds to exceed budget estimate. This is predominately wages which were allocated to Rural Road Maintenance during budget preparations.	(25,000)	
<b>3.3.9 Transport</b> Wages allocation for rural road maintenance to be apportioned to recreation and culture. Wages allocation for rural road maintenance to be apportioned to capital road projects.	25,000 35,000	
<b>3.3.10 Economic Services</b> Water supply costs to exceed budget estimate due to high water usage by contractors for bridge works. Additional expenditure required for installation of phone line at 6 Marjidin Way as approved by Council.	(20,000) (5,000)	
<b>3.3.11 Other Property and Services</b> Savings in plant operating expenditure. Additional payments for workers compensation and payments for parental leave.	10,000 (12,400)	
Predicted Variances Carried Forward	54,720	0

# NOTES TO THE BUDGET REVIEW REPORT FOR THE PERIOD ENDED 29 FEBRUARY 2020

## NOTE 3 PREDICTED 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 2019/20 year is \$5,000 or 5% whichever is the greater.

Reporting Program	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	54,720	0
<b><u>3.4 Funding Balance Adjustment</u></b>		
<b>3.4.1 Depreciation</b> No Material Variance		
<b>3.4.2 Profit/Loss on Disposals</b> No Material Variance		
<b>3.4.3 Provisions and Accruals</b> No Material Variance		
Predicted Variances Carried Forward	54,720	0
Predicted Variances Brought Forward	54,720	0
<b><u>3.5 Investing Activities</u></b>		
<b>3.5.1 Grants, Subsidies and Contributions</b> No Material Variance		
<b>3.5.2 Proceeds from Disposal of Assets</b> Trade in of Holden Rodeo Ute returned a higher price than estimated in Budget. Trade in of Loader is expected to return a higher price than estimated in Budget.	8,000 15,000	
<b>3.5.3 Capital Acquisitions</b> Remaining works for upgrading of Single Person Units drainage to be postponed Replacement of CEO vehicle under budget. Purchase of new semi watercart more expensive than budgeted. Savings expected on replacement of Front End Loader. Remaining expenditure for Townsite Drainage to be postponed to 2020/2021. Expenditure on Road Project Works to exceed budget estimates in wages costs, which have been allocated from Rural Road Maintenance. Costs for sealing works on Clayton Road to exceed budget estimate. Costs for sealing works on Lavender, Forrest and Stan Gillett streets to exceed budget estimate. Savings on costs to establish the Waste Transfer Station Lions Park Signage to be postponed to 2020/2021.	  (20,000) 39,000  (35,000)  (6,000) (7,350) 10,000	5,000    25,000    30,000
<b><u>3.6 Financing</u></b>		
<b>3.6.1 Self-Supporting Loan Principal</b> No Material Variance		
<b>3.6.2 Transfer from Reserves</b> Reserve transfer for acquisition of plant to be reduced due to saving on trade-ins and purchase of new equipment.	(50,000)	
<b>3.6.3 Repayment of Debentures</b> No Material Variance		
<b>TOTAL Predicted Variances as per Annual Budget Review</b>	<b>19,446</b>	<b>60,000</b>



NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 29 FEBRUARY 2020

NOTE 4  
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
				\$	\$	\$	\$
	<b>Budget Adoption</b>						
			Opening Surplus				0
E116010	Local Art Acquisition (Mural - Quindanning Hall)	Res 44/20	Operating Expenses			(3,000)	(3,000)
A01115	Art Acquisition Reserve (Mural - Quindanning Hall)	Res 44/20	Cashback Reserves		3,000		0
I051015	Grants & Contributions (MAF RfR) 2019-20 Round 1)	Res 123/20	Operating Revenue		25,000		25,000
E122025	Council Mtce - Projects (Mitigation Activities x 3)	Res 123/20	Operating Expenses			(25,000)	0
							0
							0
							0
							0
							0
							0
							0
				0	28,000	(28,000)	

**9.0 ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN**

**10.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

**10.1 ELECTED MEMBERS**

**10.2 OFFICERS**

**11.0 APPLICATION FOR LEAVE OF ABSENCE**

**12.0 CLOSURE OF MEETING**