



**AGENDA ATTACHMENTS FOR THE
ORDINARY COUNCIL MEETING
TO BE HELD ON**

Wednesday 20 February 2019

Report Attachments

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TERMS OF REFERENCE

Audit and Risk Committee

1.0.1

Title:	1.0.1 – AUDIT AND RISK COMMITTEE TERMS OF REFERENCE
Adopted:	20 February 2019
Last Reviewed:	New
Associated Legislation:	Sections 7.1A, of the Local Government Act A1995. Regulations 16 of the Local Government (Audit) Regulations 1996
Associated Documents:	Shire of Mingenew Standing Orders Local Law 2017 1.2.2 Risk Management Policy v1 Risk Management Framework & Procedures v1 Shire of Mingenew Risk Profile 1.2.8 Code of Conduct
Review Responsibility:	Audit & Risk Committee
Delegation:	-

OBJECTIVES

The primary objective of the audit committee is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its statutory and fiscal affairs.

Reports from the committee will assist Council in discharging its legislative responsibilities of controlling the local government's affairs, determining the local government's policies and overseeing the allocation of the local government's finances and resources. The committee will ensure transparency in the local government's reporting and will liaise with the CEO to ensure the effective and efficient management of the local government's systems and processes.

The committee is to facilitate –

- the enhancement of the credibility and objectivity of internal and external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance;
- the coordination of the internal audit function with the external audit; and
- the provision of an effective means of communication between the external auditor, any internal auditor/s, the CEO and the Council.

POWERS OF THE AUDIT COMMITTEE

The Audit committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

The committee is a formally appointed committee of council and is responsible to that body. The committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The



committee does not have any management functions and cannot involve itself in management processes or procedures.

MEMBERSHIP

The committee will consist of <at least four> members with <three elected and one external> person. All members shall have full voting rights.

The CEO and employees are not members of the committee.

The CEO or his/her nominee is to be available to attend meetings to provide advice and guidance to the committee.

The local government shall provide secretarial and administrative support to the committee.

QUORUM

A quorum shall consist of at least 50% of the number of offices of committee members, unless a reduction is approved by the local government under s5.15 of the Local Government Act 1995.

INDEPENDENT MEMBERS

External persons appointed to the committee will have business or financial management/reporting knowledge and experience and be conversant with financial and other reporting requirements.

Appointments of external independent persons will be made following a public advertisement and be for a maximum term of two years. The evaluation of potential members will be reviewed by the CEO and appointments will be approved by Council.

Council may terminate the appointment any member prior to the expiry of his/her term, if:

- The Chairperson considers that the member is not making a positive contribution to the committee; or
- The member is found to be in breach of the Shire of Mingenew Code of Conduct or a serious contravention of the Local Government Act 1995; or
- A member's conduct, action or comments brings the Shire of Mingenew into disrepute.

The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives.

Reimbursement of approved expenses will be paid to each external person who is a member of the committee.

CHAIRPERSON

The position of Chairperson shall be appointed by a vote of the committee following a call for nominations for the position. The Chairperson shall be appointed for a period of not more than 12 months, after which a new process of appointment shall occur. A Chairperson may be reappointed.

MEETINGS

The committee shall meet at least four times per year.

Additional meetings shall be convened at the discretion of the presiding person.

REPORTING

Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.

The committee shall report annually to the Council summarising its activities during the previous financial year.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the committee will be -

- a. Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits;
- b. Meet with the auditor once in each year and provide a report to Council on the matters discussed and outcome of those discussions;
- c. Liaise with the CEO to ensure that the local government does everything in its power to –
 - o assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - o ensure that audits are conducted successfully and expeditiously;
- d. Examine the reports of the auditor after receiving a report from the CEO on the matters to –
 - o determine if any matters raised require action to be taken by the local government; and
 - o ensure that appropriate action is taken in respect of those matters;
- e. Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time;
- f. Review the scope of the audit plan and program and its effectiveness;
- g. Review the appropriateness of special internal audit assignments undertaken by an external auditor at the request of Council or Chief Executive Officer;
- h. Review allocation of risk and audit resources in conjunction with the Shire's Risk Profile;
- i. Review the level of resources allocated to internal audit and the scope of its authority;
- j. Review risk management policies, procedures and guidelines;
- k. Review reports of internal audits, external audits and control assurance reviews, monitor the implementation of recommendations made by the audit and review the extent to which Council and management reacts to matters raised;
- l. Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs;
- m. Review the local government's draft annual financial report, focusing on –
 - o accounting policies and practices;
 - o changes to accounting policies and practices;
 - o the process used in making significant accounting estimates;
 - o significant adjustments to the financial report (if any) arising from the audit process;
 - o compliance with accounting standards and other reporting requirements; and
 - o significant variances from prior years;
- n. Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;
- o. Address issues brought to the attention of the committee, including responding to requests from Council for advice that are within the parameters of the committee's terms of reference;
- p. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference following authorisation from the Council;
- q. Review the annual Compliance Audit Return and report to the council the results of that review, and
- r. Consider the CEO's reviews of the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative



compliance, required to be provided to the committee, and report to the council the results of those reviews.

INTERNAL AUDIT

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of an internal audit would be determined by the Audit committee, with input from the Chief Executive Officer and senior staff, based on the size of the local government's internal operations and the level of compliance to be achieved. The role differs from that of the external auditor who is appointed to report independently on the annual financial statements. The external auditor's primary role is to decide whether the annual financial statements of a local government are free of material misstatement.

There are certain functions of the internal audit that complement the external auditor's role. As the external auditor plans for an effective audit they need to assess and determine whether to include the scope, procedures and outcomes of the internal audit. The CEO must refer all internal audit reports to the Audit Committee for consideration.

An internal auditor's activities should typically include the following:

- a. review of the internal control structure, monitoring the operations of the information system and internal controls and providing recommendations for improvements;
- b. review relevant internal systems and processes, providing recommendations for efficiency or productivity gains;
- c. a risk assessment with the intention of minimising exposure to all forms of risk on the local government;
- d. examination of financial and operating information that includes detailed testing of transactions, balances and procedures;
- e. a review of the efficiency and effectiveness of operations and services including non-financial controls of a local government;
- f. a review of compliance with management policies and directives and any other internal requirements;
- g. review of the annual Compliance Audit Return;
- h. assist in the CEO's triennial reviews of the appropriateness and effectiveness of the local government's systems and procedures regarding risk management, internal control and legislative compliance; and
- i. specific tasks requested by management.

For local government, an internal auditor should report functionally to the audit committee and administratively to the CEO. It should be remembered that pursuant to section 5.41 of the Act, the CEO is responsible for the day-to-day management of council activities including the direction of staff and implicitly the internal audit function. The CEO may choose to delegate this responsibility provided always that the delegation does not directly or indirectly interfere with the ability of the Internal Auditor to conduct an internal audit function free from interference.



A clear and properly defined reporting relationship ensures that the internal auditor is empowered to perform their role working with management. The direct reporting line to the audit committee also acts as an adequate safeguard in the event of a serious breakdown in internal controls or internal control culture at senior levels in the organisation.

While it is recognised that smaller councils may not be able to justify a full-time internal auditor, a small size of operation does not justify forgoing internal audit altogether. If audit committee or management is of the view that the employment of an independent internal auditor either full-time or part-time is not warranted, it may request the council to have the internal audit function undertaken as necessary by an external contractor or expand the role of its external auditor.

The internal auditor or his or her professional company should only undertake internal audit functions that complement the internal audit and do not cloud the objectivity and independence of the external audit. An external auditor must not audit information prepared by them or their accounting practice, as this is considered incompatible with the standard of independence.

Local governments that do not establish an internal audit process but require a review of the financial management systems and procedures, may decide to use the services of the external auditor for that purpose. Such reviews are to be undertaken every four years in accordance with regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

The review of financial management systems and procedures provides the external auditor with greater assurance of systems and procedures used to prepare the annual financial statements, and whether they provide information free of material misstatement.

EXPRESSIONS OF INTEREST SOUGHT: SHIRE OF MINGENEW AUDIT COMMITTEE

ABOUT THE ROLE

The Shire of Mingenew is seeking a suitably experienced and qualified independent member for its Audit Committee.

The Shire of Mingenew Audit Committee is responsible for reviewing and making recommendations to Council regarding financial management, risk management, internal controls, legislative compliance, internal and external audit planning and reporting. Full details are available in the Audit Committee Terms of Reference.

In accordance with the terms of reference, membership shall be for a period of up to two years, but members are eligible for reappointment. Meetings are held <four> times per year.

The *Local Government Act 1995* prevents the Shire from making payment to the successful applicant, however reimbursement of all reasonable expenses associated with performance of the role will be provided.

ABOUT THE ORGANISATION

The Shire of Mingenew is a rural local government organisation located in the heart of Wildflower Country in the Mid West of Western Australia. Mingenew is situated approximately 100km south-east of Geraldton and home to the largest on-shore grain receival facility in the southern hemisphere, a growing space industry presence and a passionate and engaged community.

In introducing an independent member to its Audit Committee, Council is seeking to both improve its compliance and governance practices, as well as better utilising internal audit processes as a vehicle to identify potential improvements and operational efficiency gains for organisation.

More information about the Shire can be found at www.mingenew.wa.gov.au.

APPLY FOR THIS ROLE

Applicants are requested to provide a recent CV and cover letter detailing:

- Background, experience and qualifications relevant to the Audit Committee Terms of Reference
- Any previous involvement in Local Government, Community Organisations and Committees thereof
- Motivation for joining the Shire of Mingenew Audit Committee

For more information or to submit your application please contact Nils Hay, Chief Executive Officer.

Phone : 08 9928 1102

Email : ceo@mingenew.wa.gov.au

SHIRE OF MINGENOW – LOCAL GOVERNMENT ACT REFORM SUBMISSION

INTRODUCTION

As a small, rural local government, the Shire of Mingenow often feels that it is operating in a sector where the rules and requirements that govern it have been drafted with larger, better resourced local governments in mind. We do not believe that the one-size-fits-all approach which the Local Government Act 1995 (and associated Regulations) provides consistently delivers a compliance and governance framework which can be efficiently and cost-effectively delivered.

With a rare opportunity at hand to review this key piece of legislation, we are hopeful that the outcomes consider the resourcing challenges faced by the numerous small local governments in Western Australia. We are grateful for the opportunity to make a submission as part of this reform process, and look forward to engaging with it further as the new Act takes shape.

BENEFICIAL ENTERPRISES

We support the WALGA position regarding Beneficial Enterprises. Through the Reform process, there have been rumours circulating that Beneficial Enterprises may be a vehicle only offered to larger local governments, and we feel strongly that Beneficial Enterprises can have a positive role to play in WA's smaller, rural communities as well as in larger centres.

Small local governments, particularly those in rural and remote areas, often become the service-provider of last resort, with some Shire's undertaking operations which sit well outside the traditional scope of local government (e.g. ownership and management of commercial operations like stores and caravan parks where no commercial operator exists to do so). Whilst we hold a preference for commercial operations to remain in the hands of the private sector, where the choice is between local government intervention, or complete loss of a key local service, a suitable vehicle for that intervention (i.e. a Beneficial Enterprise) is highly desirable.

Likewise, for small local governments with limited capacity to raise revenue, Beneficial Enterprises may provide heretofore unavailable opportunities for a local government to improve its financial position without needing to resort to increasing rates.

FINANCIAL MANAGEMENT

We support WALGA's position regarding:

- Increasing the tender threshold to \$250,000 to align with the State Government threshold, with a timeframe of one financial year for individual vendors
- Amending Regulation 30(3) of the Local Government (Functions and General) Regulations 1996 to remove any financial threshold limitation on a trade-in activity.
- Empowering Councils to set and amend fees and charges for small scale goods and services, and the rental of staff housing outside the current requirements of the Act
- Removing the requirement of one month's public notice of the intent to borrow (s6.20(2) of the *Local Government Act 1995*)
- Review of s6.33 of the *Local Government Act 1995* to consider time-based differential rating
- Exempting Elected Members for Regulation 4 of the Local Government (Financial Management) Regulations 1996 (AASB124 Related Party Transactions)

We believe all of the above are common-sense amendments which will give either greater control to Local Governments over their own operations, or improve the efficiency of potentially burdensome processes.

RATES, FEES AND CHARGES

EXEMPTIONS

We are broadly supportive of WALGA's call to broadly review the justification and fairness of all rating exemption categories in the *Local Government Act 1995*, including:

- Clarification that Independent Living Units are only exempt where they qualify under the Commonwealth Aged Care Act 1997
- Eliminating exemptions for commercial (non-charitable) activities of charitable organisations, or compensating Local Governments where the state believes such organisations should remain exempt
- Amending rate equivalency payments made by LandCorp and other Government Trading Entities so that the relevant Local Government - not the State Government - is the recipient

As the home of the largest on-shore grain receival facility in the southern hemisphere, the Shire of Mingenew would also like to see a review of CBH's exemption from rates payments as part of the reform process. As a significant CBH site, much of the Shire's roadworks budget (which accounts for approximately 60% of total expenditure) directly supports CBH's activities.

Whilst we are certainly aware of and grateful for the seasonal employment and significant economic impact that CBH's operations have in Mingenew, the discretionary payment that the Shire receives from CBH is less than the rates income we derive from a number of the larger farms. Given that approximately \$200,000,000 worth of grain passed through the facility this harvest season, we believe that the consideration that the local government receives for the provision and maintenance of infrastructure is disproportionately low.

We would be keen to see a more equitable contribution process in place of the current arrangements. We are conscious, of course, for the potential of such a contribution to simply be directly passed on to local farmers and would hope that consideration of this possibility be given as part of a review of CBH's exempt status.

OTHER FEES AND CHARGES

We support LG Professionals' proposal that s6.16 (2)(b)(e) be relaxed to allow local governments to set and amend fees and charges for small scale items and rents for staff housing outside of the current requirements of the *Local Government Act 1995*.

ELECTRONIC DELIVERY OF RATES NOTICES

Amend s6.41 of the *Local Government Act 1995* to allow for electronic delivery of rates notices where a ratepayer's electronic address is known.

ADMINISTRATIVE EFFICIENCIES

A significant amount of time of Local Government officers is taken up on compliance activities and it is often difficult to demonstrate the value for money these activities deliver back to the community. Any ability the new Act has to reduce red tape will be most welcome.

LEAVE PORTABILITY

We support WALGA's advocacy position relating to introducing a General Agreement between State and Local Government to facilitate transfer of accrued leave entitlements for staff between the two sectors of government. We agree that this will assist to open up mutually beneficial opportunities for our two levels of government and our employees, to transfer between both our spheres of government.

SCALABILITY

Fundamentally, we see one of the greatest sources of administrative efficiency as the introduction of a new Act which has provision for scalability – so that the smaller shires are not faced with the same compliance burden as much larger, better resourced towns and cities. This could take a number of forms:

- A less onerous Integrated Planning and Reporting framework for smaller local governments, potentially with all key elements contained in a smaller number of key planning documents, rather than spread over many documents, all of which have their own reporting and review requirements

We accept that in making some legislative requirements 'scalable', where the lines are drawn will be an inherently imperfect science (Shire/Town/City or SAT Band are two existing options which could be utilised). Whichever method is utilised, imperfect though it may be, we believe that providing this flexibility will be of benefit to many smaller Councils.

GREATER COOPERATION

'Enforced' regionalism; establishing forms of compulsory co-operation or resources sharing for small regional groups of local governments – not as a precursor to amalgamation, but in recognition of the fact that:

- There are several <1 FTE functions which exist for smaller local governments (e.g. Environmental Health Officer, Ranger, Emergency Services Officer). Already there is voluntary resource-sharing in this space in a number of places
- The corporate document suite/governance environment for neighbouring local governments of similar size will have many similarities. Again, some sharing already exists between local governments, on a voluntary basis
- Regional cooperation is often predicated on the whims/relationships of CEOs and/or elected members, which means that the benefits of such are only realised from time to time (and tend to be cyclical as elected members and CEOs turn over). Making this cooperation compulsory will remove the cyclical nature of these practices and lock the potential benefits in over a longer term.

REGULATOR-DEVELOPED COMMON GUIDELINES/TEMPLATES

Development of common frameworks for common documents (e.g. Long Term Financial Plan, Asset Management Plan etc.). This will provide greater comparability between local governments, improved transparency and remove the need for individual local government to develop (or – in the case of smaller local governments – pay consultants to develop) a compliant document that regulatory bodies approve of. By placing responsibility upon the regulator for providing the framework, the work of the local government, and ultimate assessment of the document becomes easier.

- This could even extend as far as providing Local Government with model governance frameworks and guidelines; whilst we believe that local governments should have flexibility in determining their own operations, where there are common expectations/requirements placed on the sector by regulators, small local governments will benefit from being provided with a 'good practice' starting point to develop documentation and processes to deliver upon those expectations

LOCAL LAWS

We support the LG Professionals position regarding s3.12 and s3.16 of the *Local Government Act 1995* which would remove the need for consultation and periodic review when utilising Model Local Laws.

COMPLAINTS MANAGEMENT

The Shire of Mingenew is supportive of WALGA's position regarding amendments to manage querulous, vexatious and frivolous complaints, as well as LG Professionals' suggestion that the local government be able to declare a member of the public and their complaints vexatious, reducing or preventing that person from unreasonably interacting with the Local Government.

We would also welcome the provision of a model Complaints Management process to assist smaller local governments with the compliant and reasonable development of such, in line with the Australian/New Zealand Standard for Complaints Management.

In a small Shire and community, the potential damage that vexatious and frivolous complaints can do is significant, and the toll on individual elected members and staff cannot be understated. Any additional protection that can be afforded to elected members and staff would be valuable.

COUNCIL MEETINGS

ELECTORS' MEETINGS

We support WALGA's position regarding s5.27 of the *Local Government Act 1995* and changing the compulsory nature of Electors' General Meetings. Whilst we see the value of such meetings, ours can be very poorly attended and we would welcome being able to decide whether or not to hold such meetings.

We also support precluding the calling of an Electors' Special Meeting on the same issue within a 12 month period, unless determined otherwise by Council.

REMOTE ATTENDANCE

We support broadening the definition of a "suitable place" for attendance by telephone to include areas outside of Western Australian townsites, to allow for remote attendance at meetings by elected members from any suitable location.

We would also seek to make provision for any other suitable current (or future) telecommunications technology to be utilised, in addition to telephone (e.g. videoconferencing).

ELECTIONS

POSTAL ELECTIONS

We support WALGA's suggested amendment that postal elections should be able to be conducted by the Australian Electoral Commission and/or any other third-party provider.

The cost of holding an election is not insignificant for a small local government, whether done using internal staff or engaging the AEC. The provision of other – potentially more cost-effective – options in this space would be welcomed.

ELECTION OF SHIRE PRESIDENT/MAYOR

We support WALGA's position, nothing that Local Governments should determine whether their Shire President/Mayor will be elected by Council or the community.

ONLINE VOTING

We support changes to the Act which make provision for the use of online/electronic forms of voting in the future, as such technologies mature. Again, for a small shire, such technologies may be able to provide significant cost savings and efficiency gains, as well as increasing voter turnout.

OTHER ITEMS

PROTECTION FROM DEVOLUTION OF RESPONSIBILITY

It is widely accepted that Local Government regularly has responsibility devolved to it from higher tiers of government. This is particularly impactful for smaller local governments, where the capacity to absorb that additional workload is smallest. As such, we would ask that the revised Act makes some kind of provision for:

- Impacts upon the sector brought about from changes of other pieces of legislation
- The local government to be appropriately resourced/compensated by the relevant tier of government devolving responsibility.

Whilst we are the tier of government closest to the community, and often one of the most effective at delivery of services to our communities, we are generally unable to effectively deliver additional services forced upon us without funding or resources.

LOCAL GOVERNMENT COMMISSIONER (OR SIMILAR)

We support LG Professionals' suggestion for the introduction of a Local Government Commissioner (or similar) to take on a guidance and support role to independently assist local governments with CEO recruitment and performance reviews (with Council remaining primarily responsible).

We further support that commissioner (or other independent external body) becoming the final decision-maker in terms of CEO performance reviews or contract renewals for a period of five years where the CEO has reported an elected member to the CCC, Standards Panel or other regulatory or investigative body.

FUTURE-PROOFING

It is likely that over the life of the new Act a range of technologies (some of which are yet to be developed) will emerge and intersect with the way that Local Government operates. It is important that the new legislation takes into account emerging technologies (e.g. electronic voting, video-conferencing etc.) so that local governments can take advantage of such technologies as they emerge.

PLAIN ENGLISH DRAFTING

On behalf of Councillors, staff and our communities, we would like to request that the new Act be expressed in plain English as much as practicably possible. We understand that, at times, more complex language will be required within the legislation, but hope that the reform process is able to yield a document which is more readily understandable by all who come into contact with it.

LOCAL GOVERNMENT ACT REVIEW PRINCIPLES

That State Council endorse the following general principles as being fundamental to its response to the review of the Local Government Act:

- (a) Uphold the General Competence Principle currently embodied in the Local Government Act;
- (b) Provide for a flexible, principles-based legislative framework; and
- (c) Promote a size and scale compliance regime

BENEFICIAL ENTERPRISES

Position Statement	The Local Government Act 1995 should be amended to enable Local Governments to establish Beneficial Enterprises (formerly known as Council Controlled Organisations).
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WALGA has been advocating for Local Governments to have the ability to form Beneficial Enterprises (formerly known as Council Controlled Organisations) for approximately ten (10) years.

A Beneficial Enterprises is a standalone arm's length business entity to carry out commercial enterprises and to deliver projects and services for the community. Local Governments would have the ability to create Beneficial Enterprises through the Local Government Act, however the stand alone business entity would be governed by the Corporations Act (ie normal company law).

Beneficial Enterprises provide services and facilities that are not attractive to private investors or where there is market failure. A Beneficial Enterprise cannot carry out a regulatory function of a Local Government.

Examples

- Urban regeneration; A Land Development may not be attractive to a private developer, however the ability to develop the land may be beneficial for the Local Government in respect to strategic development/connection of an area. Or may be worth a joint venture with a developer.
- Measures to address economic decline in Regional WA – A small business may not be viable for a private citizen, however maybe considered an essential service for the Local Government. ie Could be the local Pharmacy or local mechanical workshop.

Benefits of establishing a Beneficial Enterprise include:

- (a) The ability to employ professional directors and management with experience specific to the commercial objectives of the entity;
- (b) Removal of detailed investment decisions from day-to-day political processes while retaining political oversight of the overarching objectives and strategy;
- (c) The ability to take an overall view of commercial strategy and outcomes rather than having each individual transaction within a complex chain of inter-related decisions being subject to the individual notification and approval requirements of the Local Government Act;

- (d) The ability to quarantine ratepayers from legal liability and financial risk arising from commercial or investment activities;
- (e) The ability to set clear financial and non-financial performance objectives for the entity to achieve; and
- (f) Greater flexibility to enter into joint venture and partnering relationships with the private sector on conventional commercial terms.

FINANCIAL MANAGEMENT

Tender Threshold

Position Statement	WALGA supports an increase in the tender threshold to align with the State Government tender threshold of \$250 000, with a timeframe of one financial year for individual vendors.
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Procurement

WALGA seeks inclusion of the following position, to permit a procurement activity involving a disposal trade-in activity to qualify as a broad exemption under Regulation 30(3) of the Local Government (Functions and General) Regulations:

Position Statement	That Regulation 30(3) be amended to delete any financial threshold limitation (currently \$75,000) on a disposition where it is used exclusively to purchase other property in the course of acquiring goods and services, commonly applied to a trade-in activity.
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Imposition of Fees and Charges: Section 6.16

Position Statement	That a review be undertaken to remove fees and charges from legislation and Councils be empowered to set fees and charges for Local Government services.
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Power to Borrow: Section 6.20

That Section 6.20(2) of the Local Government Act, requiring one month's public notice of the intent to borrow, be deleted.

Basis of Rates: Section 6.28

That Section 6.28 be reviewed to examine the limitations of the current methods of valuation of land, Gross Rental Value or Unimproved Value, and explore other alternatives including simplifying and providing consistency in the rating of mining activities.

Differential General Rates: Section 6.33

That Section 6.33 of the Local Government Act be reviewed in contemplation of time-based differential rating, to encourage development of vacant land.

Member Interests - Exemption from AASB 124

Elected Member obligations to declare interest are sufficiently inclusive that WALGA seeks an amendment to create an exemption under Regulation 4 of the Local Government (Financial Management) Regulations relating to AASB 124 'Related Party Transactions' of the Australian Accounting Standards (AAS).

RATES, FEES AND CHARGES

Imposition of Fees and Charges: Section 6.16

Position Statement	That a review be undertaken to remove fees and charges from legislation and Councils be empowered to set fees and charges for Local Government services.
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Rating Exemptions – Charitable Purposes: Section 6.26(2)(g)

1. Amend the Local Government Act to clarify that Independent Living Units should only be exempt from rates where they qualify under the Commonwealth Aged Care Act 1997;
2. Either:
 - (a) amend the charitable organisations section of the Local Government Act 1995 to eliminate exemptions for commercial (non-charitable) business activities of charitable organisations; or
 - (b) establish a compensatory fund for Local Governments, similar to the pensioner discount provisions, if the State Government believes charitable organisations remain exempt from payment of Local Government rates; and
3. Request that a broad review be conducted into the justification and fairness of all rating exemption categories currently prescribed under Section 6.26 of the Local Government Act.

Rating Exemptions – Rate Equivalency Payments

Position Statement	Legislation should be amended so rate equivalency payments made by LandCorp and other Government Trading Entities are made to the relevant Local Governments instead of the State Government.
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Rates or Service Charges Recoverable in Court: Section 6.56

Position Statement	That Section 6.56 be amended to clarify that all debt recovery action costs incurred by a Local Government in pursuing recovery of unpaid rates and services charges be recoverable and not be limited by reference to the 'cost of proceedings'.
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Rating Restrictions – State Agreement Acts

Position Statement	Resource projects covered by State Agreement Acts should be liable for Local Government rates.
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ADMINISTRATIVE EFFICIENCIES

Control of Certain Unvested Facilities: Section 3.53

WALGA seeks consideration that Section 3.53 be repealed and that responsibility for facilities located on Crown Land return to the State as the appropriate land manager.

Local Government Grants Commission and Local Government Advisory Board

WALGA seeks inclusion of a proposal to allow electors of a Local Government affected by any boundary change or amalgamation proposal entitlement to petition the Minister for a binding poll under Schedule 2.1 of the Local Government Act

Schedule 2.1 – Proposal to the Advisory Board, Number of Electors

That Schedule 2.1 Clause 2(1)(d) be amended so that the prescribed number of electors required to put forward a proposal for change increase from 250 (or 10% of electors) to 500 (or 10% of electors) whichever is fewer.

Schedule 2.2 – Proposal to amend names, wards and representation, Number of Electors

That Schedule 2.2 Clause 3(1) be amended so that the prescribed number of electors required to put forward a submission increase from 250 (or 10% of electors) to 500 (or 10% of electors) whichever is fewer.

Transferability of employees between State & Local Government (Questions 82-84)

A General Agreement between State and Local Government should be established to facilitate the transfer of accrued leave entitlements (annual leave, sick leave, superannuation and long service leave) for staff between the two sectors of Government. This will benefit public sector employees and employers by increasing the skills and diversity of the public sector, and lead to improved collaboration between State and Local Government.

Proof in Vehicle Offences may be shifted: Section 9.13(6)

That Section 9.13 of the Local Government Act be amended by introducing the definition of 'responsible person' to enable Local Governments to administer and apply effective provisions associated with vehicle related offences.

COMPLAINTS MANAGEMENT

Querulous, Vexatious and Frivolous Complainants

The Complaints Management commentary contemplates the issue up to the point of unresolved complaints and then references the Ombudsman resources with regard to unreasonable complainants. WALGA seeks inclusion of commentary and questions relating to Local Governments adopting within their proposed complaints management framework, the capacity to permit a Local Government to declare a member of the public a vexatious or

frivolous complainant, subject to the declaration relating to the nature of complaint and not to the person.

Amend the *Local Government Act 1995*, to:

- Enable Local Government discretion to refuse to further respond to a complainant where the CEO is of the opinion that the complaint is trivial, frivolous or vexatious or is not made in good faith, or has been determined to have been previously properly investigated and concluded, similar to the terms of section 18 of the *Parliamentary Commissioner Act 1971*.
- Provide for a complainant, who receives a Local Government discretion to refuse to deal with that complainant, to refer the Local Government's decision for third party review.
- Enable Local Government discretion to declare a member of the public a vexatious or frivolous complainant for reasons, including:
 - Abuse of process;
 - Harassing or intimidating an individual or an employee of the Local Government in relation to the complaint;
 - Unreasonably interfering with the operations of the Local Government in relation to complaint.

COUNCIL MEETINGS

Electors' General Meeting: Section 5.27

Position Statement	Section 5.27 of the Local Government Act 1995 should be amended so that Electors' General Meetings are not compulsory.
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Special Electors' Meeting: Section 5.28

That Section 5.28(1)(a) be amended:

- (a) so that the prescribed number of electors required to request a meeting increase from 100 (or 5% of electors) to 500 (or 5% of electors), whichever is fewer; and
- (b) to preclude the calling of Electors' Special Meeting on the same issue within a 12 month period, unless Council determines otherwise.

Minutes, contents of: Regulation 11

Regulation 11 should be amended to require that information presented in a Council or Committee Agenda must also be included in the Minutes to that meeting.

Revoking or Changing Decisions: Regulation 10

That Regulation 10 be amended to clarify that a revocation or change to a previous decision does not apply to Council decisions that have already been implemented.

Elected Member attendance at Council meetings by technology

The current Local Government (Administration) Regulations 1996 allows for attendance by telephone, however only if approved by Council and in a suitable place. A suitable place is then defined as in a townsite as defined in the Land Administration Act 1997. This restricts an Elected Members ability to attend the meeting to a townsite in Western Australia.

This requirement does not cater for remote locations or the ability to attend via teleconference whilst in another state or overseas. The regulations require amendment to consider allowing attendance at a meeting via technology from any location suitable to a Council.

INTERVENTIONS

Remedial intervention; Powers of appointed person; Remedial action process

In respect to remedial intervention, the appointed person should be a Departmental employee with the required qualifications and experience. This provides a connection back to the Department and its requirements.

The appointed person should only have an advice and support role. Funding of the remedial action should be by the Department where the intervention is mandatory. The Local Government to pay where the assistance is requested.

This area relates to the bigger picture of differentiating between Local Governments based on their size and scale. Suitable arrangements to determine a size and scale compliance regime should be prioritized.

ELECTIONS

Conduct of Postal Elections: Sections 4.20 and 4.61

Position Statement	The Local Government Act 1995 should be amended to allow the Australian Electoral Commission (AEC) <u>and or any other third party provider</u> to conduct postal elections.
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Voluntary Voting: Section 4.65

Position Statement	Voting in Local Government elections should remain voluntary.
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Method of Election of Mayor/President: Section 2.11

Position Statement	Local Governments should determine whether their Mayor or President will be elected by the Council or elected by the community.
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On-Line Voting

That WALGA continue to investigate online voting and other opportunities to increase voter turnout.

Method of Voting - Schedule 4.1

Position Statement	Elections should be conducted utilising the first-past-the-post (FPTP) method of voting.
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Leave of Absence when Contesting State or Federal Election

Amend the Act to require an Elected Member to take leave of absence when contesting a State or Federal election, applying from the issue of Writs. The options to consider include:

- (i) that an Elected Member remove themselves from any decision making role and not attend Council and Committee meetings; or
- (ii) that an Elected Member take leave of absence from all aspects of their role as a Councillor and not be able to perform the role as specified in Section 2.10 of the Local Government Act.



LG Act - LG Professionals WA Proposed Submission			
Section of Legislation	Title	Policy Change	Rationale for Change
2.4A	New Provision - Differentiating Between Local Governments	Insert a new provision to differentiate between local governments based on capacity. The State Administrative Tribunal Banding model is an illustration of potential grouping for local governments.	This will reduce the compliance burden on smaller local governments with limited capacity and provide additional opportunities for local governments with capacity.
2.11	Method to Elect Mayor / President	Delete the poll provisions in relation to changing the method of election of the Mayor/President. Local Governments should determine this outcome.	This will deliver consistency in the approach to change.
2.21	Disqualification Because of Convictions	Add a section which disqualifies a person if they have been convicted of an offence against the Planning and Development Act, or the Building Act, in the preceding five years.	A planning or building system conviction is potentially more serious than a Local Government Act conviction because of local government's prominent role in planning and building control and the significant personal benefits which can be illegally gained through these systems. It may also be appropriate to include breaches of other legislation.
3.12	Procedure for Making Local Laws	Eliminate the requirement to consult on model Local Laws.	Models are approved for sector wide use.
3.16	Periodic Review of Local Laws	Eliminate the periodic review requirement for model Local Laws.	Models are approved for sector wide use. They should be reviewed frequently by the body making the model with advice provided regularly to all local governments.
3.50B	New Provision - Full Closure of Bridge and Roads for Repairs	Allow a bridge and roads to be fully closed for urgent repairs and maintenance without notice, even if it will have significant adverse effects on users.	The closure of a bridge and road will often have significant adverse effects on users. However, bridges may need to be fully closed for urgent repairs if there is a sign of weakness and, currently, the Act does not provide capacity to take this action without giving local public notice if the closure will be greater than four weeks.

3.51	Notification of Affected Owners	<p>Section 3.51 of the Local Government Act 1995 concerning “Affected owners to be notified of certain proposals’ should be amended to achieve the following effects:</p> <ul style="list-style-type: none"> - To limit definition of “person having an interest” to those persons immediately adjoining the proposed road works (i.e. similar principle to town planning consultation); and - To specify that only significant, defined categories of proposed road works require local public notice under Section 3.51 (3) (a). 	To provide clarity and efficiency.
3.53	Control of Certain Unvested Facilities	That Section 3.53 be repealed and that responsibility for facilities located on Crown Land return to the State as the appropriate land manager.	To reflect the State's ownership of this land.
3.60	No Capacity to Form Body Corporates	Allow local governments with capacity to form bodies corporate (Council controlled organisations) for particular commercial activities.	Follows the New Zealand approach and enables local governments to undertake key place making activities more efficiently and effectively.
3.66	Regional Local Governments	Reduce compliance burden on regional local governments in parallel with the proposal to differentiate between local governments.	To improve the efficiency of regional local governments; in particular those undertaking limited functions.
4.20 (4) 4.61 (4)	CEO to be the Returning Officer Unless Other Arrangements Made	Allow the Commonwealth Electoral Commission or any other body competent in conducting elections to be responsible for conducting an election and, in particular, a postal election.	To enable competition and competitive efficiencies to be achieved.
4.61 (1)	Methods of Conducting an Election	Allow people to vote online if they so choose.	To reflect the use of modern technology and to increase voter turnout. Online voting should only be introduced in a technological environment which ensures the secrecy of the vote and which minimises the potential for fraudulent activity. Online voting should be offered as an additional method of voting; not as a complete replacement for postal voting.
4.88 (1)(b)	Electoral Offence: Misleading, False or Defamatory Statements	Explore the potential of making it an offence for a person to make or publish false or defamatory statements about official acts undertaken by an elected member seeking re-election during the conduct of an election campaign.	It is already an offence to make or publish false or defamatory statements in relation to personal character or conduct. It is considered appropriate that this principle carries through to false or defamatory statements about official conduct.

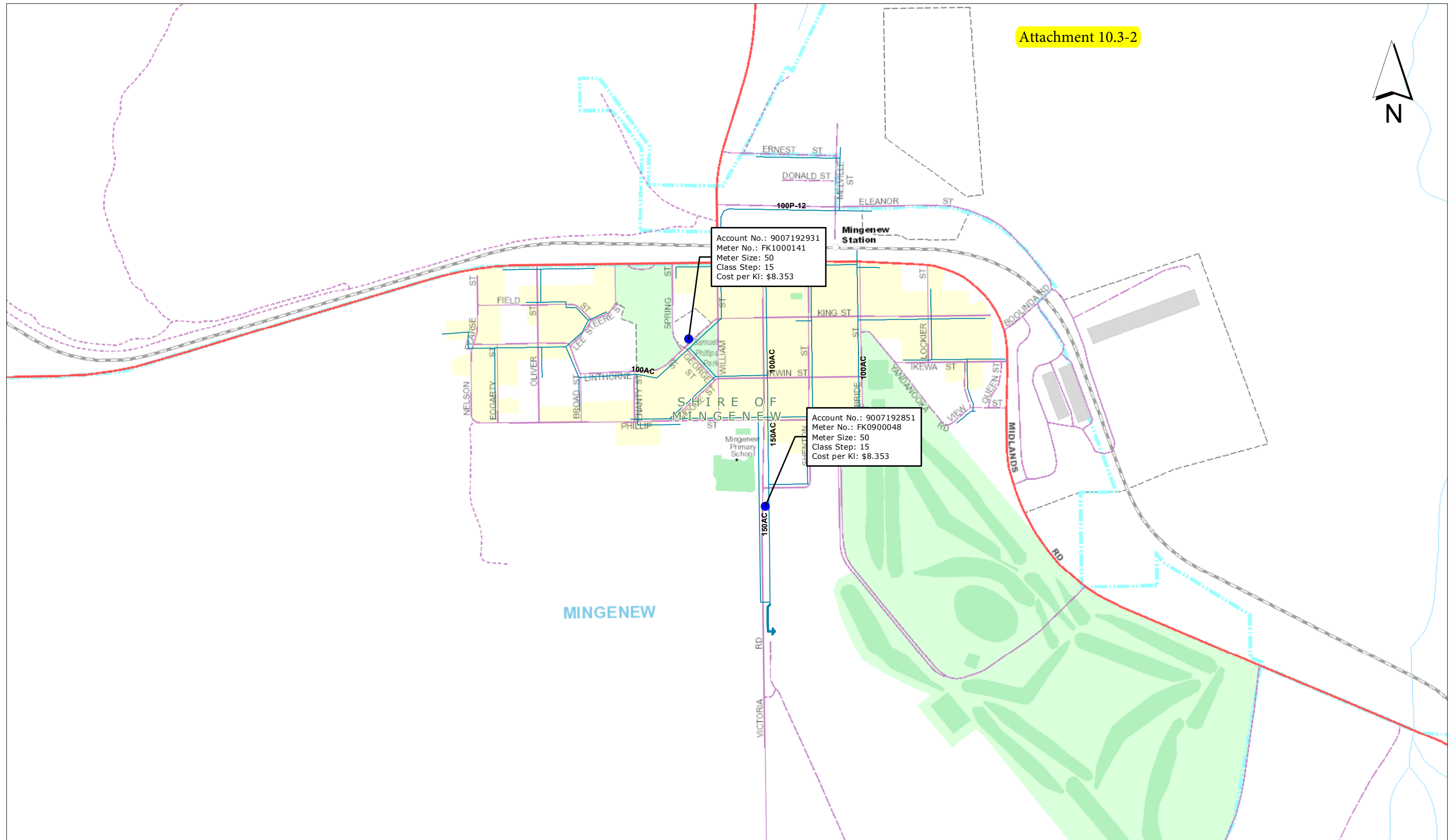
5.24B	New Provision – Vexatious People and Complaints	Insert a new provision to specifically allow a local government to declare a member of the public and their complaints vexatious. Such a declaration would prevent that person from speaking at either Council meetings or electors meetings, allow a local government to file, but not respond, to correspondence from the person, and refuse to answer phone calls.	Local governments have no explicit statutory power to prevent a member of the public from bullying, abusing or harassment, particularly when speaking at meetings. The Ombudsman has produced guidelines for dealing with vexatious people and local governments should be specifically empowered by law to declare people vexatious (which would prevent them from speaking at meetings) if the principles within this guideline are followed. Here it is noted that the State Government recently gave the Standards Panel the power to decide that people were being vexatious.
5.27	Electors' General Meetings	Remove the requirements to have Electors' General Meetings	To improve local government efficiency. The public now has numerous ways in which to engage with Councils, including special electors' meetings, and the need for annual meetings, which are often attended by a paltry number of people, is redundant.
5.28 (1)	Electors' Special Meetings	Increase the number of people required to convene a special electors' meeting.	It is too easy to gain 100 signatures to convene special electors' meetings in large local governments. This also does not correspond with the scalability needed for local governments of different sizes. To achieve this policy change the number required to call a meeting could be increased from 100 to 500 or, 10% of total number of electors, whichever is less.
5.28 (2)	Electors' Special Meetings	Limit the number of special electors' meetings which can be held on the same matter. Once a matter has been discussed at a special electors' meeting, the same matter, or a very similar matter, should not be able to be discussed at another special electors' meeting for 12 months unless Council determines otherwise.	This allows people to have their say but prohibits people unreasonably calling special electors' meetings on issues already determined.

5.36A + B	New Provision - Public Sector Commission / Local Government Commissioner Role	<p>Insert a new section which would require the Public Sector Commission to expand its role or an introduction of a Local Government Commissioner to take on a guidance and support role to independently assist local government with CEO recruitment and performance reviews, with Council still being primarily responsible.</p> <p>That, in circumstances where the CEO reports an Elected Member to either the CCC, the Standards Panel or any other regulatory or investigative body, an independent commissioner become the final decision maker in terms of the CEO's performance review or contract renewal for a period of five years.</p>	<p>CEO recruitment and performance review would benefit from the guidance and support of an independent authority.</p> <p>When a CEO reports an Elected Member or Members, those reported will form an opinion about the CEO which will bias future decision making on the performance of the CEO. To eliminate this bias, an independent authority should become the final decision maker in terms of the CEO's performance and contract renewal.</p>
5.90B New Training Provision	New Provision - training budget and plan for officers	Require each local government to have a training budget and plan for professional development for officers.	This will facilitate capacity building within the sector.
6.14	Power to Invest	Allow local governments with capacity to invest in accordance with the Trustees Act in the manner that existed prior to the Global Financial Crisis.	<p>The Global Financial Crisis was a once in a generation experience (1987 and 1929 were the two previous financial crashes of extreme magnitude). Legislation should not be based on a worst case scenario but on a routine and general operating environment.</p> <p>Prior to the Global Financial Crisis, the previous legislation was adequately controlling local government investments.</p>
6.16 (2)(b) (e)	Imposition of Fees and Charges	<p>Many local governments will supply small consumer items at a variety of facilities. These include selling theatre tickets, supplying food and drink at venues. Non-metropolitan local governments also set rents for staff housing, etc.</p> <p>It is impractical to require local governments to establish fees at the start of the year for these items which respond to consumer demand in a commercial environment.</p> <p>The legislation for fees and charges need to be agile and flexible for local government to make changes throughout the year.</p>	Allow local governments to set and amend fees and charges for small scale goods and services and the rental of staff housing outside of the current requirements of the Act.
6.20 (2)	Power to Borrow	That Section 6.20(2) of the Local Government Act, requiring one month's public notice of the intent to borrow, be deleted.	This is particularly pertinent for small local governments needing funds for crisis recovery. The one month requirements in emergency situations is not practical and does not allow for an agile approach.

6.26 (2)	Rateable Land	Introduce a requirement for State Government trading enterprises, including the Housing Authority, to pay rates on their commercial land rather than making rate equivalent payments to the State Government.	It is inappropriate for State Government trading enterprises to pay rate equivalents to the State Government when it is local government which constructs the local roads used by these enterprises and which collects the rubbish generated.
6.26 (2)	Rateable Land	Require resource projects which are covered by State Agreement Acts to pay local government rates where possible.	It is inappropriate for the State Government to waive local government rates when negotiating State agreements.
6.26 (2)(g)	Rateable Land	Amend to exclude independent living units for seniors from being a charitable purpose for which a rate exemption can be claimed.	Independent living units are generally provided at market rates so there is no charity for the user. This outcome was acknowledged in a State Government report about a decade ago.
6.28 6.33(1)	Basis for Rates and Differential General Rates	Enabling differential rating based on the time land remains vacant is supported as suggested in the WALGA Discussion Paper.	While local governments can introduce a differential rate for vacant land, this rate applies to all vacant land. It is appropriate to differentiate between land held vacant for long periods for speculative or hording purposes and land which is vacant on a short term, interim basis. It would be up to a local government to determine the number of years which would divide one category from the other.
6.41	Service of Rate Notice	Amend the provisions around the service of rate notices to allow for electronic delivery of notices where a ratepayer's electronic address is known.	The Act was developed in an era when the internet hardly existed. Electronic communications are now commonplace and used for significant financial transactions.
6.41 6.45(1)	Options for Payment of Rates	Amend to reduce prescription and increase flexibility in relation to rate payment options.	This will improve efficiency and responsiveness to ratepayers.
6.56	Recovery of Rates in Court	Amend to clarify that all debt recovery action costs incurred by a Local Government in pursuing recovery of unpaid rates and services charges be recoverable and not be limited by reference to 'cost of proceedings'.	To improve operational effectiveness.
Schedule 2.1 2(1)(d)	Creating, Changing and Abolishing Districts	Increase the number of electors required to put forward a proposal for boundary change from 250 to 500. Attentively, applying a scalability approach here again.	The current number is considered too small and does not take into account the varying different sizes of local governments.
Schedule 2.2 2.3(1)(a)	Provisions About Wards	Increase the number of electors required to put forward a proposal for ward change from 250 to 500. Attentively, applying a scalability approach here again.	The current number is considered too small and does not take into account the varying different sizes of local governments.
Administration Regulations - LG Professionals WA Proposed Submission			
Section of Regulations	Title	Policy Change	Rationale for Change

10	Revoking or Changing Decisions	Amend Regulation 10 to assist clarifying the rights of a Councillor to seek a revocation or change. Particularly amend to reflect situations where part of a multiple part motion has not been completed.	Regulation 10 provides a mechanism for the revocation or change to a previous decision of Council. It does not however, contain any provision clarifying that the provisions do not apply to Council decisions that have already been implemented. This regulatory deficiency is currently managed administratively, but warrants an appropriate amendment to assist clarify the rights of a Councillor to seek a revocation or change.
19B	Payment to Employee in Addition to Contract or Award	Amend to state that the number of positions within the salary band should be identified, rather than the number of employees entitled to the salary. In addition, increase the \$100,000 to an amount which reflects inflation since the value was initially legislated. Further, increase the amount in future years in line with salary increases determined by the Salaries and Allowances Tribunal.	This reflects the fact that it is important to identify the positions paid over \$100,000 rather than the number of employees that fill the positions. Further, inflation is devaluating the \$100,000 amount each year.
Financial Management Regulations - LG Professionals WA Proposed Submission			
Section of Regulations	Title	Policy Change	Rationale for Change
4	Exempt from AASB 124	That Regulation 4 of the Local Government (Financial Management) Regulations be amended to provide an exemption from the application of AASB 124 'Related Party Transactions' of the Australian Accounting Standards (AAS).	Local government legislation provides adequate transparency.
Functions and General Regulations - LG Professionals WA Proposed Submission			
Section of Regulations	Title	Policy Change	Rationale for Change
4A	Regional Price Preference (RPP)	Add clarification that regional local government can apply their RPP's policy to all purchases, including those under the tender threshold.	Clarity required and to provide consistency.
11 (1)	Tender Threshold	Increase the tender threshold to align with the State Government tender threshold (\$250,000). Further clarity is also required on whether the threshold applies to total project cost, and the implications on rolling contracts which its annual cost is under the threshold.	Increasing the tender threshold improves local government efficiency and aligns to State agency requirements.
30 (3)	Disposition of Property	That Regulation 30(3) be amended to delete any financial threshold limitation (currently \$75,000 on a disposition) where it is used exclusively to purchase other property in the course of acquiring goods and services, commonly applied to a trade-in activity.	To improve local government efficiency and operational effectiveness.
Long Service Leave Regulations - LG Professionals WA Proposed Submission			
Section of Regulations	Title	Policy Change	Rationale for Change

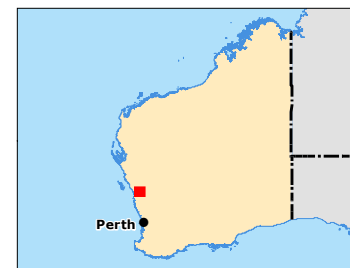
7 (1)(d)	Taking Leave	Amends so that employees can take long service leave in more than three separate periods.	To reflect contemporary practice, allow employees to take their long service leave in more than three separate periods, subject to the agreement of the employer.
Regional Subsidiary Regulations - LG Professionals WA Proposed Submission			
Section of Regulations	Title	Policy Change	Rationale for Change
8	No Capacity to Undertake Trading Undertaking or Land Transaction	Remove the restrictions on land transactions and commencing a trading undertaking.	A regional subsidiary should be able to acquire land in its own rights (such as land for a waste transfer station) and conduct a commercial enterprise (such as the sale of goods received at the transfer station).
11	Power to Borrow	Remove the restriction on borrowing.	A regional subsidiary should be able to borrow money in its own right



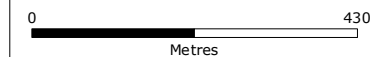
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Water Standpipe Class

● 0	● 4	● 9	● 14
● 1	● 5	● 10	● 15
● 2	● 6	● 11	
● 3	● 7	● 12	
	● 8	● 13	



1:10,000 at A3



Coordinate System: GDA 1994 MGA Zone 50
 Vertical Datum: AHD

AUTHOR: CHONGV1 DATE: 6/07/2018

BRANCH: DTG - MAPPING & GEOSPATIAL

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**SHIRE OF MINGENEW
 Standpipe Locations**

Fixed Standpipes



Frequently Asked Questions

Pricing for Local Government owned Fixed Standpipes in country regions is changing. This factsheet is provided to address frequently asked questions. This pricing structure relates to potable water only.

What is changing?

Local Government Authorities (LGAs) are entitled to access concessional pricing for water used for their own purposes. This will not change; however high flow rate LGA owned fixed standpipes that are publicly accessible will no longer be charged concessional rates and commercial rates will instead apply.

Who does this pricing change affect?

This change will affect users of high flow LGA owned fixed standpipes in country areas. Although the price is charged to the LGA directly, the costs may be passed on to businesses, farmers and properties not connected to the scheme.

How will rates and charges be applied to fixed standpipes?

The new pricing structure is linked to the size of the standpipe meter, as this determines the flow rate. Small standpipes (20mm and 25mm) generally deliver between 20 – 40 litres per minute. Large standpipes (any pipe larger than 25mm) generally deliver from 80 litres per minute and above.

All LGA standpipes with a meter size of 20mm or 25mm will receive concessional rates and are to be used by the LGA or for community purposes only (such as drought assistance for farmers or households not connected to scheme water when a drought condition is announced by the Government). All standpipes with a meter size above 25mm will be charged at a commercial rate, but an exemption to consumption charges will apply for water used for fire-fighting purposes.

Standpipes with a meter above 25mm that are located in a shire depot or locked for Shire use only will be able to access the concessional rate by providing evidence of the ability to control user access.

There will be no change to Fire Standpipes or fixed standpipes installed on privately owned property.

Why is 25mm the cut off for a concessional service?

The lower flow rate is less likely to be able to deliver more than 49 kilolitres per day, which would qualify for a Major Consumer Agreement. Anything above 25mm is viewed as being used for a commercial purpose.

What are the new prices for Standpipe use?

¹ The new pricing structure is outlined in Appendix 1.

Why are these changes being made?

Some commercial customers have in the past accessed LGA owned standpipes with concessional rates which are below the regulated Town Class rate for the location as set by Government. Water is a precious resource and is regulated like any other valuable natural resource and correct pricing must be enforced.

When the incorrect water rates are used, it creates inequity and results in the community and State Government subsidising the activities of private enterprises on an unequal basis.

Fixed standpipes provide an essential source of water for customers who are remote from reticulated water schemes, amenities to communities by enabling local governments to maintain street trees and undertake minor building activities, and enable economic growth by supplying businesses that rely on carted water as an input to production

These changes will ensure the rate commercial customers pay is consistent across the state.



When do the changes come in to effect?

The changes will be effective from the 1 July 2019.

Why are water use charges higher for customers in regional areas?

Prices for water use in most regional towns are higher than in the metropolitan area because the cost of supplying water is higher, usually due to their remote location and smaller population size (where costs are spread over fewer customers).

The maximum charge per kilolitre i.e. \$8.353/kL for non-residential customers (in 2018-19) protects customers from very high water bills, even when the cost of providing water services may be substantially higher than this.

How can Shires better manage and control the use of standpipes?

Many standpipe infrastructure suppliers offer control systems for standpipes. Some Shires already have these installed for better management of their own standpipes.

Water Corporation can provide contact information for these suppliers, or information on which Shires have them installed, so you can speak to them directly on costs involved in making the change and understand the benefits of such a system.

Can contractors working on Local Government projects access a Local Authority standpipe if required as part of the project?

Contractors working on Shire projects are permitted to use locked LA standpipes, thereby minimising the volumetric costs incurred by Local Government. Contractors are not entitled to use an LA standpipe for other commercial purposes. They will need to access a Commercial standpipe from the 1 July 2019.

Can Local Government still obtain a concessional rate for any water taken from a Commercial standpipe for Shire purposes?

Yes, but there will now be a requirement to provide evidence of the volume taken. Local Government will need to submit a Claim form via the Water Corporation website to obtain the concessional rate from a Commercial standpipe.

Can Shires continue to on-sell water?

Yes, Shires are able to set the price for on-selling at their discretion.

My Shire has been charging GST on water from a local government owned standpipe to third parties, can this continue?

No, charging GST on water is not allowed. The ruling surrounding this is outlined by the Australian Tax Office via their website – www.ato.gov.au.

There are no 'small' standpipes in our Shire, how will we access the concessional rates?

Upon request, Water Corporation will provide the installation of one 20mm or 25mm connection, as nominated by the LGA, free of installation and administration fees (but not Standard Infrastructure Contributions) as part of the implementation of the new charging regime.



The current Infrastructure Contribution charges applicable for a Community standpipe are:

Meter size (mm)	Flow rate range: Guaranteed minimum to flow-controlled maximum (L/Minute)	2018-19
20 Base level of service	20 – 49	\$2,211
25	40 - 59	\$4,422
25	60 – 82	\$6,633

To take up this offer, the Water Corporation must be advised as soon as possible. The free connection offer will not be available after the 1 July 2019.

Can Shires request a free commercial size LA standpipe as part of the planned change?

No, Water Corporation is only providing free infrastructure for a 20-25mm service.

Is there an ‘amnesty’ period?

No. All affected users are being provided with more than six months’ notice to ensure a smooth understanding and transition prior to the change on the 1 July 2019.

Do standpipes require backflow prevention?

Yes. It is the owner of the standpipes responsibility to ensure suitable high rated backflow prevention is installed. These devices also require annual testing. Your licensed plumbing contractor certified in backflow prevention, will be able to assist you in meeting these backflow requirements.

Does backflow prevention impact on water pressure?

Yes. Some forms of backflow prevention will reduce water pressure and flow rate downstream of the device. If water pressure and flow rate is critical for the activities on your property, you need to consult with a licensed plumbing contractor or hydraulics consultant before choosing and installing a backflow prevention device.

Are the design standards for new standpipes changing?

Yes, all new standpipes will require the installation of a gate valve to ensure adequate control over water flow when standpipes are turned on and off to prevent water hammering in the pipes.

This requirement is for all new standpipes only, however if an existing standpipe has been identified as constantly being a problem, the Water Corporation will discuss an upgrade to a gate valve option with the cost being borne by the standpipe owner. Having a gate valve installed will help reduce breakages in the water pipes, which customers are currently being billed for if evidence shows the standpipe is being impacted through water hammering occurring from the standpipe.

Will any costs relating to installing a storage tank at the standpipe for access to higher flow rates be covered or subsidised by the Water Corporation?



No, this will be the responsibility of the standpipe owner. The owner would make an assessment as to the need for this service for their customers.

If a Shire no longer requires a fixed standpipe, what is the charge for it to be decommissioned?

The cost to decommission a fixed standpipe is \$769.57 (based on pricing for 2018\2019). This cost applies across all meter sizes and the Water Corporation will provide this for free.

How do Shires notify their users of the change?

All affected shires will be notified in person or in writing and supporting documentation such as brochures will be available to assist with communicating to users. More information will be available at www.watercorporation.com.au/home/business/starting-up/fixed-standpipes (available from April 2019).

Water Corporation can also be contacted by current users for further information if required.

What are the options for charging the costs associated with accessing water from a standpipe?

- Coin operated
- Swipe card (prepay or post pay options available)
- Credit card
- Honesty system – part of this project will be to encourage these systems to cease or be better controlled.

Ideally, a more controlled standpipe is the best option for everyone. The Water Corporation can assist in providing information on WA suppliers who offer controlled systems if required or direct owners to Shires who currently have these automated control systems in place to offer further advice.

How do I know if commercial users are accessing water from our Shire use meter, we work on an honesty system?

Shires are responsible for knowing who is using their standpipes and if it is being used inappropriately. Introducing a control system may support this, e.g. Swipe card or managed within LGA depot to identify major users.

Why is the cost of water going up for commercial users when we have been accessing water without any issue?

Water is a valuable resource and regulated charges are set by the State Government based on its use. Pricing of water is based on a 'user pays' principle and in regional Western Australia it has not been implemented according to legislation for fixed standpipes. Having a regulated pricing structure ensures all users are paying the correct rate for water use no matter where they are located across the State.

Current usage patterns on fixed standpipes have shown that commercial suppliers are getting charged at the concessional level by accessing LGA standpipes which is inequitable for other commercial operators that are charged correctly.

Accessing large volumes of water from a fixed standpipe can also cause water supply issues to other users on the scheme and any large users need to be directed to the Water Corporation to be set up on a major consumer agreement.

Will high-flow standpipes be accessible for commercial use?

Yes, but they will now be charged a commercial rate and not have access to concessional rates.



However if more than 49 kilolitres per day is required, the Shire should direct these commercial users (if known) to the Water Corporation so a Major Consumer Agreement can be set up instead.

From time to time, Water Corporation may restrict access if the high usage affects other users on the scheme.

What happens in drought conditions for the price of water to farmers?

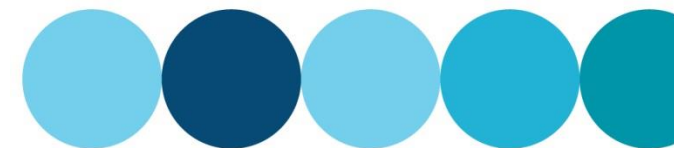
A 'Water Deficiency Declaration' is a government response to safeguard the commercial interests of farmers during very dry periods.

When a state government declared drought zone exists, all large shire-owned fixed standpipes will be made available at concessional rates to the community for drought relief in accordance with the terms of the declaration conditions. If conditions for commercial use relief are not specified then standard rates will apply.

If water carters are hired by farmers to transport water during a drought, this cost is the responsibility of the farmer and water will be available at the concessional rate since the end use is for the farmer.

How do I get more information?

Contact your local Shire or the Water Corporation.



Fixed Standpipes FAQ

Appendix 1- New Standpipe Charges

Type of standpipe: (Water Corporation code)	Rates 2018/2019 New Description
Local Authority Standpipe	<p>Use: For use by Shire only – must be locked or within a depot and not available for public access.</p> <p>Meter: Can be any size service as long as it is for direct Shire use. Contractor access is for Shire projects only.</p> <p>Service Charge: No Service Charge.</p> <p>Commercial Class 1 tariff: \$2.534 per kilolitre (kL).</p>
Community Use Standpipe	<p>Use: Available to assist local farmers for topping up their water tanks, households not connected to schemes etc. Limited use by Shire for their own purposes.</p> <p>Meter: 20mm and 25mm standpipes that are publicly accessible.</p> <p>Storage tanks can be installed by Shires at these sites to improve accessibility to larger volumes of water in a timely manner if required.</p> <p>Service Charge: 20mm Service Charge only.</p> <p>Farmlands tariff: \$2.534 per kilolitre (kL).</p>
Commercial Standpipe	<p>Use: For use by commercial customers; may include major road building, water carting for large projects, and farming.</p> <p>Meter: Any meter above 25mm.</p> <p>Service Charge: Meter-based service charges (according to the size of the meter).</p> <p>Town based charges: ranging from \$2.534 cents to \$8.353 per kilolitre.</p>
Fire Standpipe	<p>Remains as is – no changes to current concessions. However, if a fire standpipe remains unlocked, Commercial charges will apply</p> <p>Service Charge: No Fee. 100% discount.</p> <p>Water Use Charge: No Fee.</p> <p>Note: Currently some Shire standpipes have signs advising they are for fire-fighting only and are unlocked. Shires will need to implement a locked system or commercial rates apply, unless evidence provided it was for fire-fighting purposes, to obtain a refund.</p>
Water Corporation standpipe	<p>Offer to handover/gift these standpipes to Shires where there is a desire to manage an additional service. If Shires are not interested, service to be disconnected.</p> <p>Charge to handover: No charge.</p>
Private, Recycled and non-potable standpipes	<p>Remains as is – no changes.</p>



Using a fixed standpipe in regional Western Australia



What is a fixed standpipe?

A fixed standpipe is a metered service which provides access to bulk water supplies directly from a point on a water supply main.

In regional WA, fixed standpipes connected to our service can be privately owned or owned by local government. Some local government owned fixed standpipes are available for use by the community and businesses.

Fixed standpipes provide an essential source of water for people in communities who are remote from reticulated water schemes and may otherwise have limited or no water for household purposes, firefighting or to supplement water for stock. Businesses remote from a reticulated water supply may rely on water carted from fixed standpipes to provide essential input to their business for production and for staff amenity.

Accessing existing fixed standpipes

To access a fixed standpipe, please contact the local shire in the area you require water. They will be able to advise where the publicly accessible standpipes are located.

If you require more than 49 kilolitres per day for any purpose, you must contact Water Corporation to discuss your needs.

It is the user's responsibility to ask the shire for advice on how to safely access the fixed standpipe before operating it as the ongoing maintenance and repair of these is managed by the shire.

Type of fixed standpipes	Description
Local Authority Standpipe	<p>Use: For use by shire only – locked and no public access available.</p> <p>Meter: Can be any size service as long as it is for direct Shire use.</p>
Community Use Standpipe	<p>Use: Available for public use to assist local farmers, households not connected to the water schemes and limited use by shire for their own purposes.</p> <p>Meter: Only available for 20mm and 25mm standpipes that are publicly accessible.</p> <p>Farmlands tariff applies to each kilolitre of water used.</p>
Commercial or Private Standpipe	<p>Use: Available for public use by commercial customers; may include major road building, water carting for large projects, farming.</p> <p>If greater than 49 kilolitres per day is required, contact Water Corporation for alternative options.</p> <p>Meter: Any meter above 25mm</p> <p>Town based charges apply which are regulated by the government.</p>
Fire Standpipe	<p>For fire fighting only - Access by DFES and volunteer fire fighting units. No public access and should be locked or controlled to limit access.</p>

Public access usage costs

The cost per kilolitre (1000 litres) of water from a public fixed standpipe is determined by the size and the flow rate of the meter.

Low flow rate fixed standpipes are charged a discounted rate and are provided for the benefit of households, farmers or the local shire. These fixed standpipes are 20mm or 25mm in size only.

Commercial users are encouraged to use high flow standpipes. High flow standpipes are charged the town based rate and are open for use by the general public. These are above 25mm in size.

Charging town based tariffs for high flow rate fixed standpipes provides consistency and equity across all commercial users in Western Australia. This ensures some businesses are not unfairly accessing subsidised rates.

Charges also vary between shires. Your local shire will be able to provide up-to-date information on the current rates.

Fixed fire standpipes exist for fire fighting and training purposes only. They generally have high flow rates to assist with firefighting and are controlled to limit access. They are not available for general public use.

Relevant fees and charges for fixed standpipes are updated annually and can be accessed on the Water Corporation website.

Need a new fixed standpipe?

If public standpipes are not available, you can apply for a permanent or temporary fixed standpipe online through BuilderNet on the Water Corporation website.

Please note fixed standpipes are a last resort to be used when all other alternative water sources are not available or do not meet the water quality requirements.

Temporary fixed standpipes can only be provided where there is capacity in the scheme to support the additional demand. Please note, all temporary services, including fixed standpipes, are charged a minimum 6 month infrastructure charge even if the service is required for a shorter duration.

How to apply for a new fixed standpipe

All applicants requiring access to water from a fixed standpipe for dust suppression must demonstrate that all alternative water sources have been thoroughly investigated prior to requesting a fixed standpipe water service from the water supply scheme.

The alternatives could include:

- water courses
- bores
- dams
- drilling of a bore – apply to the Department of Water and Environmental Regulation and allow 3 months for your application to be assessed.

Water Corporation will need you to provide evidence of sourcing alternative water sources prior to approving a fixed standpipe being used for dust suppression.

How to apply for a temporary fixed standpipe service

Once you have accessed the Water Corporation website, select BuilderNet under Quicklinks on the homepage. Request a temporary water service by selecting 'Lodge a water service application' and completing the form.

You will also need to complete and attach the Temporary Service Form - 'Water supply application' prior to submission.

If you need assistance to complete the application form, please call our BuilderNet Help Line on **1800 016 015** or use the online chat service. Both services are available during business hours.

How to apply for a permanent service

Once you have logged into BuilderNet, you can request the type of service you require by selecting 'Lodge a water service application' and completing the form.

Permanent fixed standpipe fees will be discussed as part of the application process and will depend on the infrastructure chosen and flow rate required.

The following fees apply for a fixed standpipe service:

- an administrative fee
- infrastructure contributions
- by-law charges for each kilolitre of water used
- connection and disconnection fees
- loss or damage to the water meter or water service (if applicable)
- annual service charge for non-local government fixed standpipes.



Drought conditions

A 'Water Deficiency Declaration' is a government response to safeguard the use of this precious resource during very dry periods.

When a state government declared drought zone exists, all large shire-owned fixed standpipes will be made available at concessional rates to the community for drought relief in accordance with the terms of the declaration conditions. If conditions for commercial use relief are not specified then standard rates will apply.

User responsibilities

- Public standpipes that develop a fault or are damaged must be reported to the shire.
- You must ask the shire for advice on how to safely access the fixed standpipe before operating it.
- From time to time, Water Corporation may declare a public fixed standpipe is not to be used for operational reasons. You must comply with this directive to ensure protection of the drinking water supply.
- Do not access water from a fire fighting standpipe as these are for use by DFES or volunteer country fire services only.
- It is the responsibility of the standpipe owner to ensure suitable high rated backflow prevention is installed. These devices require annual testing. Your licensed plumbing contractor certified in backflow prevention will be able to assist you in meeting these requirements.



Other information

For further information on fixed standpipes, please visit the Water Corporation website at watercorporation.com.au or phone our BuilderNet Help Line on **1800 016 015** for assistance in completing an application.



13 13 85 Account Enquiries (8am - 5pm weekdays)
13 13 75 Faults, Emergencies and Security (24 hours)
13 36 77 National Relay Service

This information is available in alternative formats on request.

watercorporation.com.au/contact

ISBN 1 74043 967 8

September 2018

MONTHLY FINANCIAL REPORT

For the Period Ended 31 December 2018

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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Shire of Mingenew
Compilation Report
For the Period Ended 31 December 2018

Report Purpose

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

Overview

Summary reports and graphical progressive graphs are provided on page 3, 4 and 5.
No matters of significance are noted.

Statement of Financial Activity by reporting program

Is presented on page 6 and shows a surplus as at 31 December 2018 of \$1,559,460.

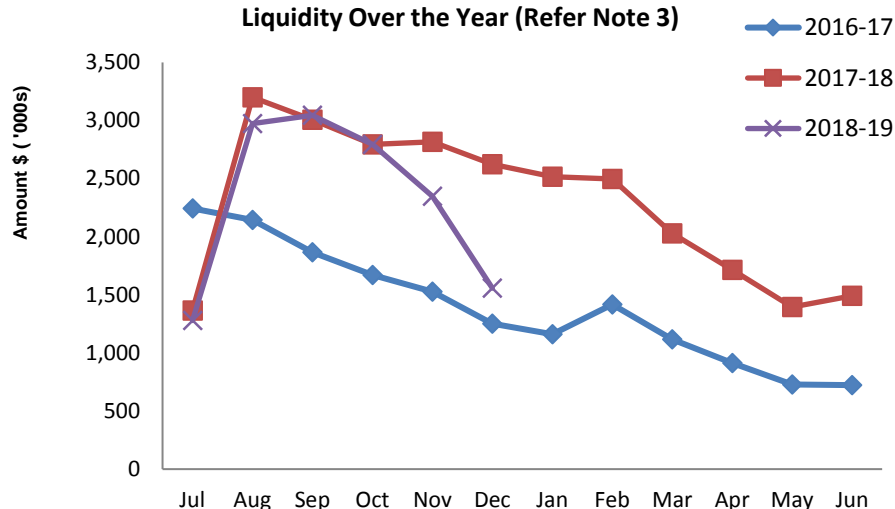
Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary.

Preparation

Prepared by: Cherie Delmage
Reviewed by: Jeremy Clapham
Date prepared: 8/02/2019
Date reviewed: 12/02/2019

Shire of Mingenew
Monthly Summary Information
For the Period Ended 31 December 2018

Liquidity Over the Year (Refer Note 3)



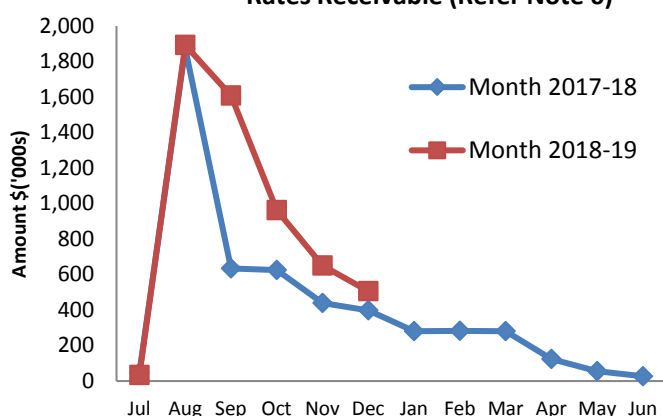
**Cash and Cash Equivalents
as at period end**

Unrestricted	\$ 327,106
Restricted	\$ 1,130,403
	<u>\$ 1,457,510</u>

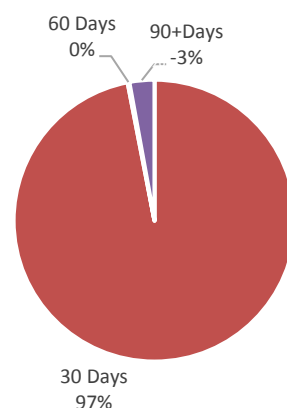
Receivables

Rates	\$ 408,981
Other	\$ 72,833
	<u>\$ 481,814</u>

Rates Receivable (Refer Note 6)



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



Comments

Rates to be issued on 30 August 2018
 First instalment due 5 October 2018
 Final notices were issued 3rd October 2016
 Second Instalment due 6 December 2018
 Third instalment due 7 February 2019
 4th & Final instalment due 8 April 2019

SUMMARY OF BILLING

Rates	1,865,526
Rubbish	65,394
ESL	29,438
	<u>1,960,358</u>

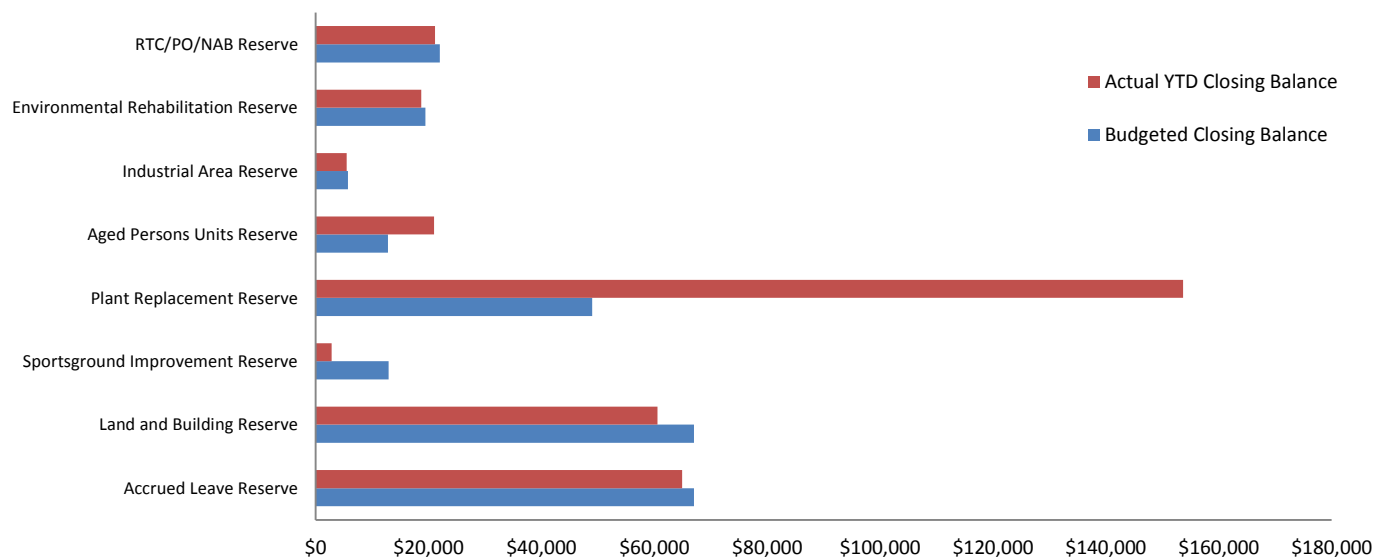
This information is to be read in conjunction with the accompanying Financial Statements and notes.

Shire of Mingenew
Monthly Summary Information
For the Period Ended 31 December 2018

Capital Expenditure Program YTD (Refer Note 13)



Year To Date Reserve Balance to End of Year Estimate (Refer Note 7)



Comments

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

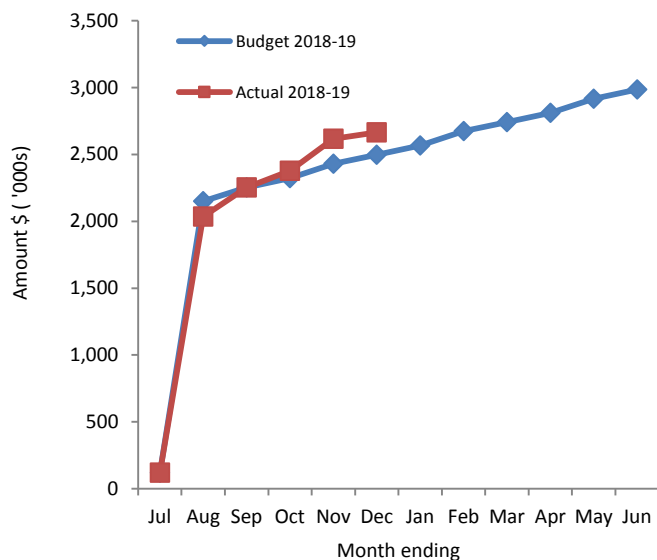
Shire of Mingenew

Monthly Summary Information

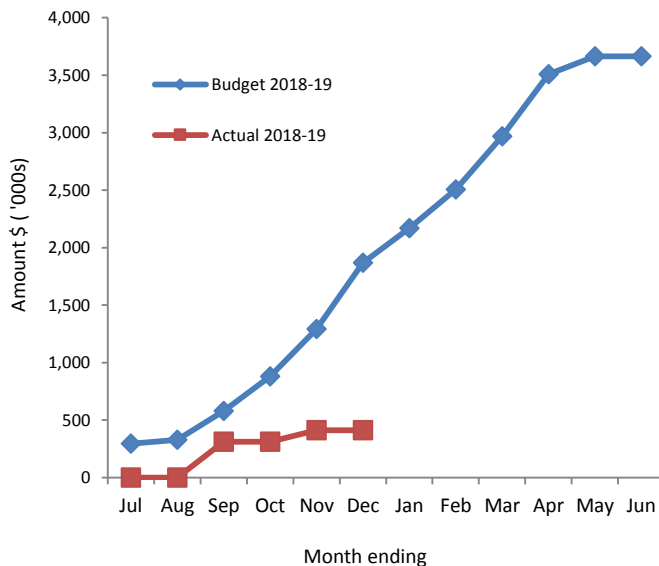
For the Period Ended 31 December 2018

Revenues

Budget Operating Revenues -v- Actual (Refer Note 2)

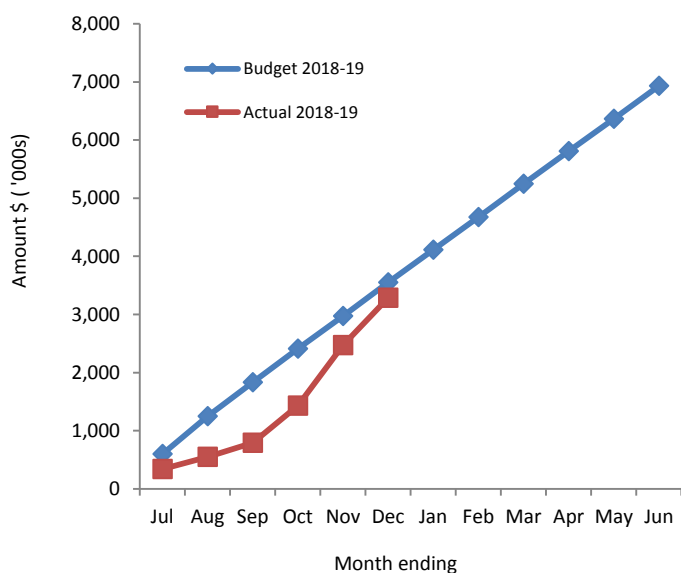


Budget Capital Revenue -v- Actual (Refer Note 2)

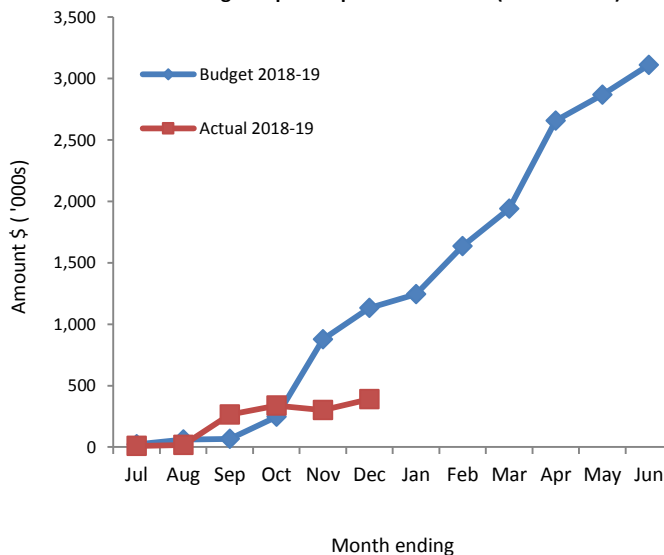


Expenditure

Budget Operating Expenses -v- YTD Actual (Refer Note 2)



Budget Capital Expenses -v- Actual (Refer Note 2)



Comments

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

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 December 2018

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Operating Revenues			\$	\$	\$	\$	%	
General Purpose Funding		2,183,109	2,177,109	2,024,026	2,040,563	16,538	0.82%	
Governance		16,669	16,669	8,322	30,173	21,851	262.57%	▲
Law, Order and Public Safety		33,037	33,037	16,508	12,436	(4,071)	(24.66%)	
Health		371	371	180	270	90	50.00%	
Education and Welfare		3,755	3,755	1,866	691	(1,175)	(62.97%)	
Housing		116,135	102,729	58,056	36,042	(22,014)	(37.92%)	▼
Community Amenities		81,372	73,722	78,282	74,772	(3,510)	(4.48%)	
Recreation and Culture		33,960	33,960	33,278	32,471	(807)	(2.43%)	
Transport		560,585	560,585	302,886	402,514	99,628	32.89%	▲
Economic Services		10,445	10,445	5,202	5,207	5	0.10%	
Other Property and Services		112,925	112,925	76,450	29,496	(46,954)	(61.42%)	▼
Total Operating Revenue		3,152,363	3,125,307	2,605,055	2,664,634	59,579		
Operating Expense								
General Purpose Funding		(94,797)	(100,797)	(47,388)	(36,998)	10,390	21.93%	▲
Governance		(255,669)	(218,578)	(190,634)	(176,066)	14,568	7.64%	
Law, Order and Public Safety		(154,914)	(154,914)	(82,777)	(59,494)	23,284	28.13%	▲
Health		(133,862)	(138,237)	(67,168)	(39,406)	27,761	41.33%	▲
Education and Welfare		(82,152)	(82,152)	(41,426)	(28,130)	13,296	32.10%	▲
Housing		(195,108)	(180,208)	(102,667)	(115,451)	(12,784)	(12.45%)	▼
Community Amenities		(258,210)	(271,710)	(129,422)	(99,292)	30,129	23.28%	▲
Recreation and Culture		(1,042,975)	(942,475)	(530,077)	(602,162)	(72,085)	(13.60%)	▼
Transport		(4,527,010)	(4,348,541)	(2,250,624)	(2,086,908)	163,715	7.27%	
Economic Services		(391,034)	(387,508)	(196,430)	(182,252)	14,178	7.22%	
Other Property and Services		(68,759)	(109,139)	(79,477)	142,212	221,689	278.93%	▲
Total Operating Expenditure		(7,204,490)	(6,934,259)	(3,718,090)	(3,283,949)	434,141		
Funding Balance Adjustments								
Add back Depreciation		1,850,261	1,850,261	925,104	728,844	(196,260)	(21.21%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(50,000)	(50,000)	(24,498)	0	24,498	(100.00%)	
Adjust Provisions and Accruals		0	0	0	0	0		
Net Cash from Operations		(2,251,866)	(2,008,691)	(212,429)	109,530	321,958		
Capital Revenues								
Grants, Subsidies and Contributions	11	3,525,415	3,525,415	1,865,822	379,755	(1,486,067)	(79.65%)	▼
Proceeds from Disposal of Assets	8	117,000	157,000	117,000	31,818	(85,182)	(72.80%)	▼
Total Capital Revenues		3,642,415	3,682,415	1,982,822	411,573	(1,571,249)		
Capital Expenses								
Land Held for Resale	13	0	0	0	0	0		
Land and Buildings	13	(110,138)	(163,321)	(4,600)	0	4,600	100.00%	▲
Infrastructure - Roads	13	(2,054,696)	(2,084,696)	(507,797)	(220,460)	287,337	56.59%	▲
Infrastructure - Footpaths	13	0	0	0	0	0		
Infrastructure - Drainage & Culverts	13	0	0	0	0	0		
Infrastructure - Other		(296,000)	(401,000)	(71,505)	(106,338)	(34,833)	(48.71%)	
Plant and Equipment	13	(370,000)	(450,000)	(289,998)	(59,091)	230,907	79.62%	▲
Furniture and Equipment	13	(10,000)	(10,000)	(5,000)	(3,483)	1,517	30.35%	▲
Total Capital Expenditure		(2,840,834)	(3,109,017)	(878,900)	(389,372)	489,528		
Net Cash from Capital Activities		801,581	573,398	1,103,922	22,201	(1,081,721)		
Financing								
Proceeds from New Debentures		0	0	0	0	0		

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 December 2018

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Proceeds from Advances		0	0	0	0	0		
Self-Supporting Loan Principal		0	0	0	0	0		
Transfer from Reserves	7	120,544	120,544	0	0	0		
Repayment of Debentures	10	(154,525)	(154,525)	(76,751)	(76,751)	0	0.00%	
Transfer to Reserves	7	(22,710)	(22,710)	(2,500)	(2,500)	0	(0.01%)	
Net Cash from Financing Activities		(56,691)	(56,691)	(79,251)	(79,250)	0		
Net Operations, Capital and Financing		(1,506,976)	(1,491,984)	812,243	52,481	(759,762)		
Opening Funding Surplus(Deficit)	3	1,506,980	1,491,987	1,491,987	1,506,980	14,992	1.00%	
Closing Funding Surplus(Deficit)	3	0	0	2,304,230	1,559,460	(744,770)		

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

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

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 December 2018

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	
Operating Revenues			\$	\$	\$	\$	%	
Rates	9	1,863,912	1,857,912	1,864,430	1,865,526	1,096	0.06%	
Operating Grants, Subsidies and Contributions	11	364,398	364,398	204,783	400,469	195,686	95.56%	▲
Fees and Charges		258,543	237,487	183,134	175,254	(7,880)	(4.30%)	
Service Charges		0	0	0	0	0		
Interest Earnings		58,710	58,710	29,316	26,848	(2,468)	(8.42%)	
Other Revenue		556,800	556,800	298,396	196,537	(101,859)	(34.14%)	▼
Profit on Disposal of Assets	8	50,000	50,000	24,996	0	(24,996)	(100.00%)	
Total Operating Revenue		3,152,363	3,125,307	2,605,055	2,664,634	59,579		
Operating Expense								
Employee Costs		(1,184,819)	(1,083,085)	(592,128)	(650,876)	(58,748)	(9.92%)	
Materials and Contracts		(3,304,271)	(3,150,044)	(1,683,977)	(1,495,280)	188,697	11.21%	▲
Utility Charges		(124,133)	(124,853)	(62,016)	(35,132)	26,884	43.35%	▲
Depreciation on Non-Current Assets		(1,850,261)	(1,850,261)	(925,104)	(728,844)	196,260	21.21%	▲
Interest Expenses		(17,799)	(17,799)	(8,900)	(10,023)	(1,123)	(12.62%)	
Insurance Expenses		(129,706)	(129,616)	(129,233)	(124,537)	4,696	3.63%	
Other Expenditure		(593,501)	(578,601)	(316,733)	(239,257)	77,475	24.46%	▲
Loss on Disposal of Assets	8	0	0	0	0	0		
Total Operating Expenditure		(7,204,490)	(6,934,259)	(3,718,090)	(3,283,949)	434,141		
Funding Balance Adjustments								
Add back Depreciation		1,850,261	1,850,261	925,104	728,844	(196,260)	(21.21%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(50,000)	(50,000)	(24,498)	0	24,498	(100.00%)	
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Grants, Subsidies and Contributions	11	3,525,415	3,525,415	1,865,822	379,755	(1,486,067)	(79.65%)	▼
Proceeds from Disposal of Assets	8	117,000	157,000	117,000	31,818	(85,182)	(72.80%)	▼
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Capital Expenses								
Land Held for Resale	13	0	0	0	0	0		
Land and Buildings	13	(110,138)	(163,321)	(4,600)	0	4,600	100.00%	▲
Infrastructure - Roads	13	(2,054,696)	(2,084,696)	(507,797)	(220,460)	287,337	0	
Infrastructure - Footpaths	13	0	0	0	0	0		
Infrastructure - Drainage & Culverts	13	0	0	0	0	0		
Infrastructure - Other	13	(296,000)	(401,000)	(71,505)	(106,338)	(34,833)		
Plant and Equipment	13	(370,000)	(450,000)	(289,998)	(59,091)	230,907	79.62%	▲
Furniture and Equipment	13	(10,000)	(10,000)	(5,000)	(3,483)	1,517	30.35%	▲
Total Capital Expenditure		(2,840,834)	(3,109,017)	(878,900)	(389,372)	489,528		
Net Cash from Capital Activities		801,581	573,398	1,103,922	22,201	(1,081,721)		
Financing								
Proceeds from New Debentures		0	0	0	0	0		
Proceeds from Advances		0	0	0	0	0		

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 December 2018

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	
Self-Supporting Loan Principal		0	0	0	0	0		
Transfer from Reserves	7	120,544	120,544	0	0	0		
Repayment of Debentures	10	(154,525)	(154,525)	(76,751)	(76,751)	0	0.00%	
Transfer to Reserves	7	(22,710)	(22,710)	(2,500)	(2,500)	0	0.01%	
Net Cash from Financing Activities		(56,691)	(56,691)	(79,251)	(79,250)	0		
Net Operations, Capital and Financing		(1,506,976)	(1,491,984)	812,243	52,480	(759,762)		
Opening Funding Surplus(Deficit)	3	1,506,980	1,491,987	1,491,987	1,506,980	14,992	1.00%	
Closing Funding Surplus(Deficit)	3	0	0	2,304,230	1,559,460	(744,770)		

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

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

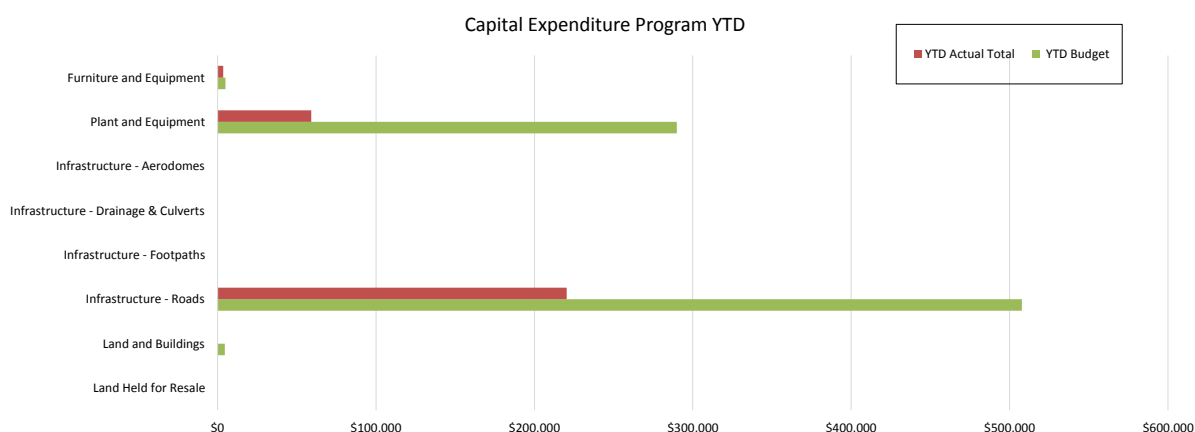
SHIRE OF MINGENEW
STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING
For the Period Ended 31 December 2018

	Note	YTD 31 12 2018		YTD 31 12 2018		Variance
		YTD Actual New /Upgrade	YTD Actual (Renewal Expenditure)	YTD Actual Total	YTD Budget	
		(a)	(b)	(c) = (a)+(b)	(d)	
		\$	\$	\$	\$	\$
Land Held for Resale	13	0	0	0	0	0
Land and Buildings	13	0	0	0	4,600	110,138
Infrastructure - Roads	13	0	220,460	220,460	507,797	2,054,696
Infrastructure - Footpaths	13	0	0	0	0	0
Infrastructure - Drainage & Culverts	13	0	0	0	0	0
Infrastructure - Aerodomes	13	0	0	0	0	0
Infrastructure -Other	13	0	106,338	106,338	71,505	296,000
Plant and Equipment	13	0	59,091	59,091	289,998	370,000
Furniture and Equipment	13	0	3,483	3,483	5,000	10,000
Capital Expenditure Totals		0	389,372	389,372	878,900	2,840,834

Funded By:

Capital Grants and Contributions	379,755	1,865,822	0	3,525,415	1,486,067
Borrowings	0	0	0	0	0
Other (Disposals & C/Fwd)	0	117,000	117,000	157,000	(117,000)
Own Source Funding - Cash Backed Reserves					
Land and Building Reserve	0	0	0	0	0
Sportsground Improvement Reserve	0	0	0	0	0
Plant Replacement Reserve	0	0	0	0	0
Aged Persons Units Reserve	0	0	0	111,463	0
Street Light Upgrade Reserve	0	0	0	9,081	0
Painted Road Reserve	0	0	0	0	0
Industrial Area Reserve	0	0	0	0	0
Total Own Source Funding - Cash Backed Reserves	0	0	0	120,544	0
Own Source Funding - Operations	9,617	(1,103,922)	2,723,834	(814,486)	1,113,539
Capital Funding Total	389,372	878,900	2,840,834	3,109,017	(489,528)

Comments and graphs



SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise.

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

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable.

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(f) Cash and Cash Equivalents

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

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

(g) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(h) Inventories

General

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

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

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

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

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

(j) Depreciation of Non-Current Assets

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

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

Buildings	25 to 50 years
Construction other than Buildings (Public Facilities)	5 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Heritage Assets	25 to 50 years
Roads	25 years
Footpaths	50 years
Sewerage Piping	75 years
Water Supply Piping and Drainage Systems	75 years

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

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

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

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

Borrowing Costs

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

(n) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

(o) Current and Non-Current Classification

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

(p) Nature or Type Classifications

Rates

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

administration fees, interest on instalments, interest on arrears and service charges.

Operating Grants, Subsidies and Contributions

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

Non-Operating Grants, Subsidies and Contributions

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

Profit on Asset Disposal

Profit on the disposal of assets including gains on the disposal of long term investments.

Losses are disclosed under the expenditure classifications.

Fees and Charges

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

Service Charges

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

Interest Earnings

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

Other Revenue / Income

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

Employee Costs

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

Materials and Contracts

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

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Utilities (Gas, Electricity, Water, etc.)

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

(q) Nature or Type Classifications (Continued)

Insurance

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

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

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

Other expenditure

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

(r) Statement of Objectives

Council has adopted a 'Plan for the future' comprising a Strategic Community Plan and Corporate Business Plan to provide the long term community vision, aspirations and objectives.

Based upon feedback received from the community the vision of the Shire is:

"Standing proud, growing strong"

The Strategic Community Plan defines the key objectives of the Shire as:

"Economic: To be a diverse and innovative economy with a range of local employment opportunities.

Environment: A sustainable natural and built environment that meets current and future community needs.

Social: A safe and welcoming community where everyone has the opportunity to contribute and belong.

Civic Leadership: A collaborative and innovative community with strong and vibrant leadership."

(s) Reporting Programs

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

GOVERNANCE

Expenses associated with provision of services to members of council and elections. Also included are costs associated with computer operations, corporate accounting, corporate records and asset management. Costs reported as administrative expenses are redistributed in accordance with the principle of activity based

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

costing (ABC).

GENERAL PURPOSE FUNDING

Rates and associated revenues, general purpose government grants, interest revenue and other miscellaneous revenues. The costs associated with raising the above mentioned revenues, eg. Valuation expenses, debt collection and overheads.

LAW, ORDER, PUBLIC SAFETY

Enforcement of Local Laws, fire prevention, animal control and provision of ranger services.

HEALTH

Health inspection services, food quality control, mosquito control and contributions towards provision of medical health services.

(s) Reporting Programs (Continued)

EDUCATION AND WELFARE

Support of day care for children. Autumn Centre for Senior Citizens.
Youth & seniors projects.

HOUSING

Provision and maintenance of rented housing accommodation for pensioners and employees.

COMMUNITY AMENITIES

Sanitation, sewerage, stormwater drainage, protection of the environment, public conveniences, cemeteries and town planning.

RECREATION AND CULTURE

Parks, gardens and recreation reserves, library services, walk trails, youth recreation,
Public halls and Mingenew Recreation Centre.

TRANSPORT

Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic control, depot operations, plant purchase and cleaning of streets.

ECONOMIC SERVICES

Tourism, community development, pest control, building services and private works.

OTHER PROPERTY & SERVICES

Plant works, plant overheads and stock of materials.

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 2: EXPLANATION OF MATERIAL VARIANCES

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
Operating Revenues	\$	%			
General Purpose Funding	16,538	0.82%			
Governance	21,851	262.57%	▲	Permanent	Relates to unbudgeted funds received for Traineeship
Law, Order and Public Safety	(4,071)	(24.66%)			
Health	90	50.00%			
Education and Welfare	(1,175)	(62.97%)			
Housing	(22,014)	(37.92%)	▼	Timing	Relates to reduction in rents received from ILUs & need to follow up staff rental income
Community Amenities	(3,510)	(4.48%)			
Recreation and Culture	(807)	(2.43%)			
Transport	99,628	32.89%	▲	Permanent	MRWA Direct Grant higher than budget
Economic Services	5	0.10%			
Other Property and Services	(46,954)	(61.42%)	▼	Permanent	MWIRSA Reimbursement deferred; offset by no expenditure to occur in 2018/2019
Operating Expenses					
General Purpose Funding	10,390	21.93%	▲	Timing	Admin Allocations require review
Governance	14,568	7.64%		Timing	Admin Allocations require review; Accounting Services underbudget
Law, Order and Public Safety	23,284	28.13%	▲	Timing	Admin Allocations require review; ESL expenditure underbudget
Health	27,761	41.33%	▲	Timing	Admin Allocations require review
Education and Welfare	13,296	32.10%	▲	Timing	Admin Allocations require review; APU Expenditure underbudget
Housing	(12,784)	(12.45%)	▼		
Community Amenities	30,129	23.28%	▲	Timing	Refuse site maintenance & asbestos management under budget
Recreation and Culture	(72,085)	(13.60%)	▼		
Transport	163,715	7.27%			
Economic Services	14,178	7.22%			
Other Property and Services	221,689	278.93%	▲	Permanent	Salaries & POC Allocations require review; also MRWIRSA Expenditure deferred as per revenue
Capital Revenues					
Grants, Subsidies and Contributions	(1,486,067)	(79.65%)	▼	Timing	RRG Projects not yet commenced so unable to claim any additional funds
Proceeds from Disposal of Assets	(85,182)	(72.80%)	▼	Timing	Asset disposal still to be processed in Synergy; requires correction

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 2: EXPLANATION OF MATERIAL VARIANCES

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
Capital Expenses					
Land Held for Resale	0				
Land and Buildings	4,600	100.00%	▲	Timing	No expenditure to date on capital L&B Projects
Infrastructure - Roads	287,337	56.59%	▲	Timing	Capital road projects deferred due to flood damage; work to start soon on RTR & RRG
Infrastructure - Footpaths	0				
Infrastructure - Drainage & Culverts	0				
Plant and Equipment	230,907	79.62%	▲	Timing	Loader purchased but not processed in the system; budget profiling
Furniture and Equipment	1,517	30.35%	▲	Timing	
Financing					
Loan Principal	0	0.00%			

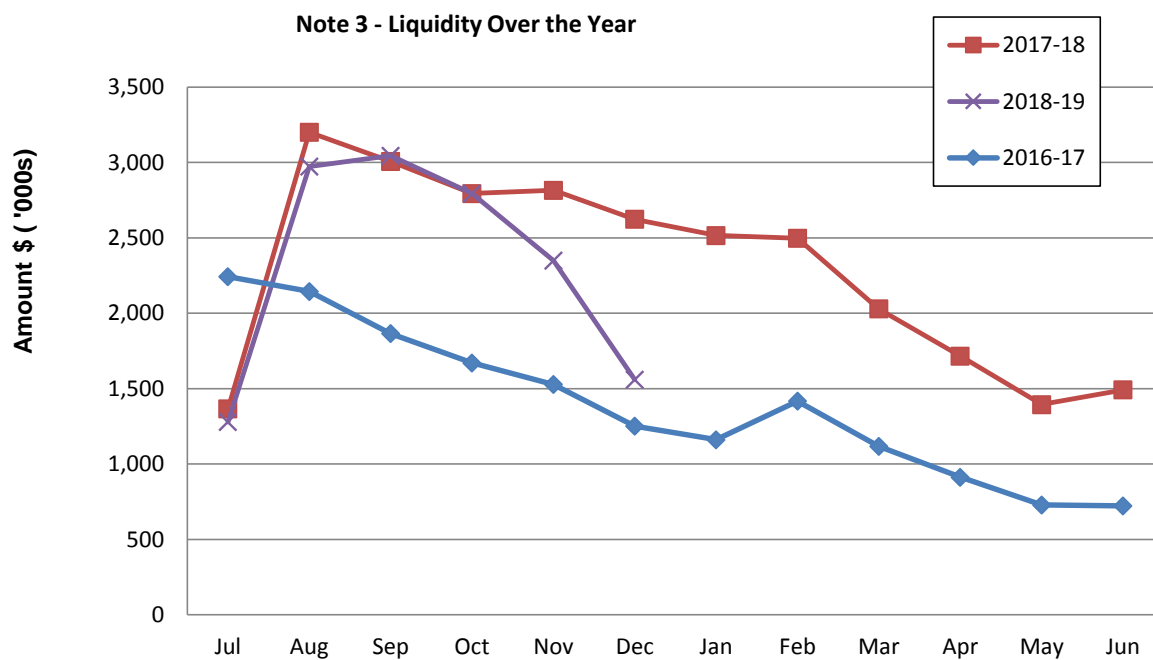
SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 3: NET CURRENT FUNDING POSITION

		Positive=Surplus (Negative=Deficit)		
	Note	YTD 31 Dec 2018	30 June 2018	YTD 31 Dec 2017
		\$	\$	\$
Current Assets				
Cash - Unrestricted	4	327,106	1,044,403	1,621,118
Cash - Restricted Reserves	4	408,823	406,324	401,872
Cash - Restricted Unspent Grants		721,580	583,500	568,498
Cash - Trust		22,586	58,784	67,504
Investments		0	0	0
Rates - Current	6	408,981	44,775	411,752
Sundry Debtors	6	72,833	21,668	45,067
Provision for Doubtful Debts		(1,585)	(1,585)	(1,585)
ESL Levy		0	0	0
GST Receivable		63,914	18,399	8,258
Receivables - Other		0	0	0
Inventories - Fuel & Materials		3,065	3,065	3,065
Inventories - Land Held for Resale		40,394	40,394	80,788
		2,067,698	2,219,727	3,206,338
Current Liabilities				
Sundry Creditors		(524)	(165,321)	(2,313)
GST Payable		(10,335)	(21,340)	(10,251)
PAYG		(22,113)	(16,111)	(15,453)
Accrued Interest on Debentures		(2,496)	(2,496)	(2,578)
Accrued Salaries & Wages		(1,977)	(1,977)	(1,977)
Current Employee Benefits Provision		(214,319)	(214,319)	(231,014)
Trust Liability		(21,575)	(58,784)	(67,504)
Current Loan Liability		(38,723)	(115,473)	(75,839)
		(312,062)	(595,822)	(406,929)
NET CURRENT ASSETS		1,755,636	1,623,905	2,799,408
Less:				
Cash - Restricted Reserves		(408,823)	(406,324)	(401,872)
Inventories - Land Held for Resale		(40,394)	(40,394)	(80,788)
Add Back:				
Current Loan Liability		38,723	115,473	75,839
Cash Backed Employee Provisions	7	214,319	214,319	231,014
Net Current Funding Position (Surplus / Deficit)		1,559,460	1,506,980	2,623,601

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 3: NET CURRENT FUNDING POSITION



Comments - Net Current Funding Position

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 4: CASH AND INVESTMENTS

	Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Total Amount \$	Institution	Maturity Date
(a) Cash Deposits							
Municipal Bank Account		312,379	0		312,379	NAB	At Call
Trust Bank Account				22,586	22,586	NAB	At Call
Cash Maximiser Account (Muni)		0	0		0	NAB	At Call
Cash On Hand	Nil	300			300	NAB	At Call
Reserve Funds	2.50%		408,823		408,823	NAB	29 December 2018
(b) Term Deposits							
Short Term Deposits	2.50%	14,427	721,580		736,007	NAB	29 December 2018
Total		327,106	1,130,403	22,586	1,480,095		

Comments/Notes - Investments

Restricted Cash

(1) Municipal Fund

Purpose for Funds Being Restricted	Funding Organisation	Due Date to be Expended	Amount
1 Nil			
2 Nil			
Sub-total			-

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 4: CASH AND INVESTMENTS

(2) Cash on Hand

Purpose for Funds Being Restricted	Funding Organisation	Date to be Expended	Amount
1 Nil			
2 Nil			
Sub-total			-

(3) Term Deposits

Purpose for Funds Being Restricted	Funding Organisation	Date to be Expended	Amount
1 Special Purpose Grants - Bridges	Financial Assistance Grants	30 June 2019	210,000
2 Special Purpose Grants - Bridges	Financial Assistance Grants	30 June 2019	498,000
3 Little Well Reserve	Lotterywest	30 June 2019	13,580
Sub-total			721,580

Shire of Mingenew
NOTES TO THE BUDGET REVIEW REPORT
For The Period Ended 31 December 2018

Note 5: BUDGET AMENDMENTS

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

GL Account / Job No.	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	Budget Adoption		Opening Surplus(Deficit)	\$	\$	\$	\$
	Actual Opening value as per audited financial report 30/06/2018				14,992	0	1,506,979
0121	Interim Rates Levied	Proposed	Operating Revenue		6,000		1,512,979
0482	Rates Legal Costs	Proposed	Operating Expenses		6,000		1,518,979
0272	Salaries (Muni Fund)	Proposed	Operating Expenses			(30,000)	1,488,979
0282	Superannuation	Proposed	Operating Expenses			(15,000)	1,473,979
0992	Employee Expenses - Other	Proposed	Operating Expenses			(5,000)	1,468,979
0302	Staff Training	Proposed	Operating Expenses			(5,000)	1,463,979
0322	Staff Conferences	Proposed	Operating Expenses		5,000		1,468,979
0422	Advertising	Proposed	Operating Expenses		8,000		1,476,979
0532	Asset Management Expenditure	Proposed	Operating Expenses		5,000		1,481,979
0562	Computer S / W Licensing & Support	Proposed	Operating Expenses			(5,000)	1,476,979
0582	CEO Recruitment Expenses	Proposed	Operating Expenses		5,000		1,481,979
1002	Maternal & Infant Health Clinic	Proposed	Operating Expenses			(5,000)	1,476,979
1582	Medical Practitioner Support	Proposed	Operating Expenses		8,655		1,485,634
1706	Rental Revenue - 4 William Street, Mingenew	Proposed	Operating Revenue		8,000		1,493,634
1707	Rental Revenue - 55 King Street, Mingenew	Proposed	Operating Revenue		10,000		1,503,634
1708	Rental Revenue - 13 Moore Street, Mingenew	Proposed	Operating Revenue		9,250		1,512,884
1716	Rental Expenditure - 4 William Street, Mingenew	Proposed	Operating Expenses			(6,500)	1,506,384
1717	Budget amendments	Proposed	Operating Expenses			(8,400)	1,497,984
1743	Rent Silver Chain	Proposed	Operating Revenue			(8,844)	1,489,140

Shire of Mingenew
NOTES TO THE BUDGET REVIEW REPORT
For The Period Ended 31 December 2018

Note 5: BUDGET AMENDMENTS

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

GL Account / Job No.	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
1773	Predicted variances	Proposed	Operating Expenses			(5,000)	1,484,140
1772	Rubbish Site Maintenance	Proposed	Operating Expenses		21,000		1,505,140
2233	Town Planning - Development Application Fees	Proposed	Operating Revenue		7,650		1,512,790
2142	Mingenew Revitalisation Plan Project	Proposed	Operating Expenses		5,000		1,517,790
2322	Public Conveniences	Proposed	Operating Expenses			(12,500)	1,505,290
2422	Public Halls	Proposed	Operating Expenses			(11,000)	1,494,290
2642	Public Gardens & Reserves	Proposed	Operating Expenses			(49,500)	1,444,790
2652	Sporting Complex & Amenities	Proposed	Operating Expenses			(40,000)	1,404,790
3322	Maintenance Grading	Proposed	Operating Expenses			(14,363)	1,390,427
3342	Asset Preservation Urban	Proposed	Operating Expenses			(31,369)	1,359,058
3352	Asset Preservation Rural	Proposed	Operating Expenses			(113,243)	1,245,815
3432	Street Cleaning	Proposed	Operating Expenses		14,500		1,260,315
3442	Traffic Signs & Control Equipment	Proposed	Operating Expenses		5,000		1,265,315
3452	Tree Pruning	Proposed	Operating Expenses			(12,000)	1,253,315
3842	Noxious Weeds / Pest Plants	Proposed	Operating Expenses		6,475		1,259,790
4332	Engineering Contractor	Proposed	Operating Expenses			(10,000)	1,249,790
7412	Tool Box Talks & Safety Team Meetings	Proposed	Operating Expenses		5,380		1,255,170
7442	Occ. H.S. & Welfare	Proposed	Operating Expenses		5,000		1,260,170
4472	Fuel & Oils	Proposed	Operating Expenses		20,000		1,280,170
4482	Tyres & Sundries	Proposed	Operating Expenses		20,000		1,300,170
2434	Town Hall Refurbishment	Proposed	Capital Expenses		36,817		1,336,987
0001	Road Construction; Own Resources	Proposed	Capital Expenses		30,000		1,366,987

Shire of Mingenew
NOTES TO THE BUDGET REVIEW REPORT
For The Period Ended 31 December 2018

Note 5: BUDGET AMENDMENTS

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

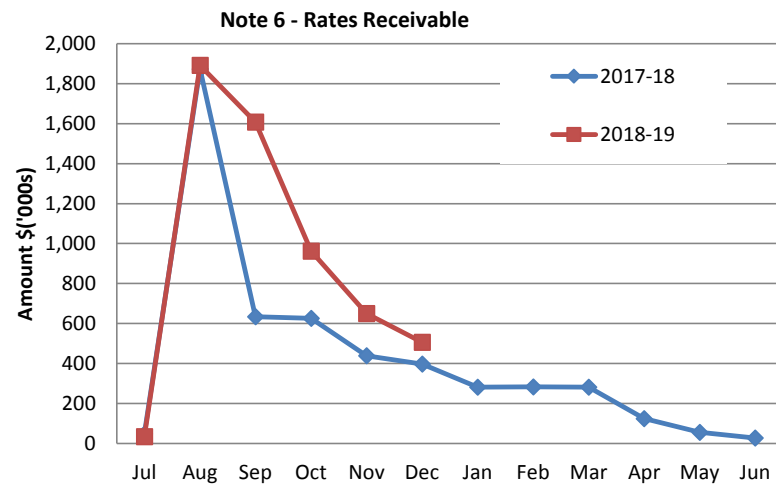
GL Account / Job No.	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
0145	Wildflower Town Entrance Statements	Proposed	Capital Expenses		5,000		1,371,987
0142	Mingenew Hill Walk Trail (Installation)	Proposed	Capital Expenses		15,000		1,386,987
3874	Digital Farm Network Project	Proposed	Capital Expenses		70,000		1,456,987
0150	Tennis Court Lighting	Proposed	Capital Expenses		15,000		1,471,987
0071	Little Well Project	Proposed	Capital Expenses			(10,000)	1,461,987
0175	Loader	Proposed	Capital Expenses		55,000		1,516,987
	Trade in of Loader	Proposed	Capital Revenue			(10,000)	1,506,987
0180	Tractor	Proposed	Capital Expenses			(20,000)	1,486,987
0170	Works Managers Vehicle - Capital Purchase	Proposed	Capital Expenses		45,000		1,531,987
0170	Trade in of Works Manager Vehicle	Proposed	Capital Revenue			(30,000)	1,501,987
5152	PO Building Maintenance - includes utility charges	Proposed	Capital Expenses			(10,000)	1,491,987
Amended Budget Cash Position as per Council Resolution				0	467,719	(467,719)	1,491,987

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 6: RECEIVABLES

Receivables - Rates & Rubbish Receivable

	YTD 31 Dec 2018	30 June 2018
	\$	\$
Opening Arrears Previous Years	44,775	83,832
Levied this year	1,865,526	1,852,748
Less Collections to date	(1,501,320)	(1,891,805)
Equals Current Outstanding	408,981	44,775
Net Rates Collectable	408,981	44,775
% Collected	78.59%	97.69%



Comments/Notes - Receivables Rates

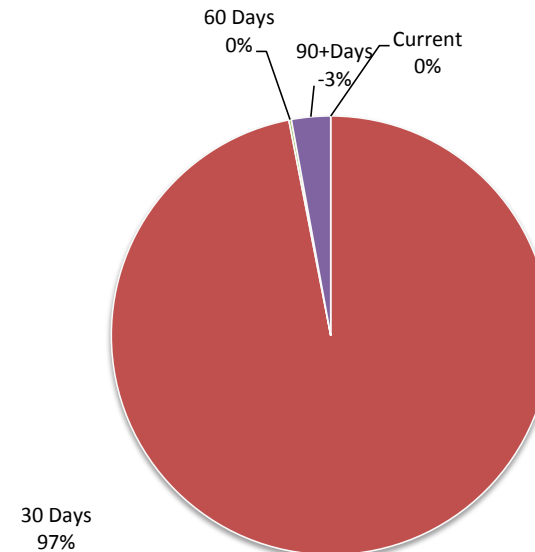
Instalment Due Dates:

Instalment 1	5-Oct-18
Instalment 2	6-Dec-18
Instalment 3	7-Feb-19
Instalment 4	8-Apr-19

Receivables - General

	Current	30 Days	60 Days	90+Days
	\$	\$	\$	\$
Receivables - General	0	74,905	147	(2,219)
Total Receivables General Outstanding				72,833

Note 6 - Accounts Receivable (non-rates)



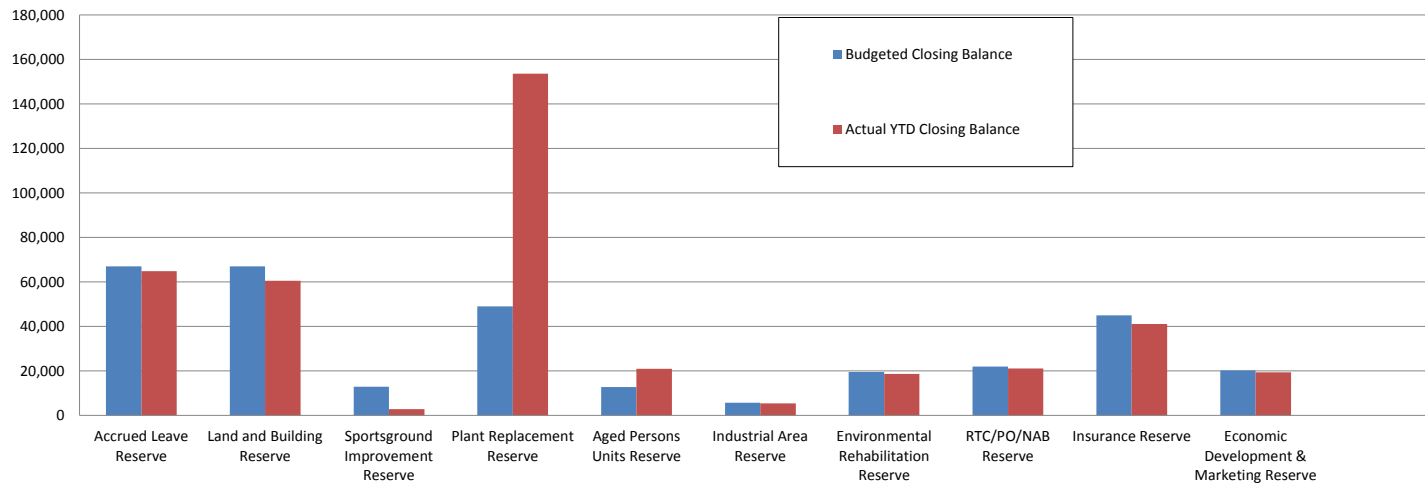
Comments/Notes - Receivables General

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 7: Cash Backed Reserve

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	YTD Actual Transfers In (+)	Budget Transfers Out (-)	YTD Actual Transfers Out (-)	Transfer out Reference	Budgeted Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$		\$	\$
Accrued Leave Reserve	64,509	1,250	397	1,250	0	0	0		67,009	64,906
Land and Building Reserve	60,169	3,425	370	3,425	0	0	0		67,019	60,539
Sportsground Improvement Reserve	2,811	60	17	10,060	0	0	0		12,931	2,829
Plant Replacement Reserve	152,727	3,875	940	3,875	0	(111,463)	0		49,014	153,667
Aged Persons Units Reserve	20,868	500	128	500	0	(9,081)	0		12,787	20,996
Industrial Area Reserve	5,454	125	34	125	0	0	0		5,704	5,487
Environmental Rehabilitation Reserve	18,570	450	114	450	0	0	0		19,470	18,684
RTC/PO/NAB Reserve	21,025	500	129	500	0	0	0		22,025	21,154
Insurance Reserve	40,882	2,025	252	2,025	0	0	0		44,932	41,134
Economic Development & Marketing Reserve	19,309	500	119	500	0	0	0		20,309	19,428
	406,324	12,710	2,500	22,710	0	(120,544)	0	0	321,200	408,823

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



SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 8 CAPITAL DISPOSALS

Actual YTD Profit/(Loss) of Asset Disposal				Disposals	Original Budget			Comments
					YTD 31 12 2018			
Cost	Accum Depn	Proceeds	Profit (Loss)		2018/2019 Budget Profit/(Loss)	2018/2019 Actual Profit/(Loss)	Variance	
\$	\$	\$	\$	Plant and Equipment	\$	\$	\$	
0			0	CEO Vehicle	1,000	0	(1,000)	
0			0	Case JC65 Tractor	9,000	0	(9,000)	
0			0	Volvo Loader	40,000	0	(40,000)	
0			0	Works Manager Vehicle	0	0	0	
0	0	0	0		50,000	0	(50,000)	

Comments - Capital Disposal/Replacements

AASB 101.10(e)

AASB 101.51

AASB 101.112

LGA S6.2(4)(b)

FM Reg 23(a)

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

9. RATING INFORMATION

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	Rate Revenue \$	2018-19 interim rates \$	2018-19 back rates \$	Actual Rate Revenue \$	2018-19 Budgeted rate revenue \$	2018-19 Budgeted interim rates \$	2018-19 Budgeted back rates \$	2018-19 Budgeted total revenue \$
General rate											
GRV - Mingenew	0.149035	127	1,103,699	164,490	2,779		167,269	164,490			164,490
GRV - Yandanooka	0.149035	2	13,884	2,069			2,069	2,069			2,069
GRV- Commercial	0.149035	14	349,700	52,118	349		52,466	52,118			52,118
GRV - Industrial	0.149035	1	12,480	1,860		198	2,058	1,860			1,860
UV Rural & Mining	0.013684	115	110,855,505	1,517,398	102		1,517,501	1,516,949			1,516,949
UV Mining	0.013684	0	0	0			0	0			0
Sub-Totals		259	112,335,268	1,737,935	3,231	198	1,741,363	1,737,485	0	0	1,737,485
Minimum payment	Minimum \$										
GRV - Mingenew	700	64	28,162	44,800	1,400	(235)	45,965	44,800			44,800
GRV - Yandanooka	700	0	0	0			0	0			0
GRV- Commercial	700	9	6200	6,300			6,300	6,300			6,300
GRV - Industrial	700	2	1,850	1,400			1,400	1,400			1,400
UV Rural & Mining	1050	23	691,595	24,150			24,150	24,150			24,150
UV Mining	1050	8	27,199	8,400	1,050	407	9,857	8,400			8,400
Sub-Totals		106	755,006	85,050	2,450	172	87,672	85,050	0	0	85,050
		365	113,090,274	1,822,985	5,681	369	1,829,035	1,822,535	0	0	1,822,535
Discounts/concessions							(1,035)				(1,035)
Total amount raised from general rates							1,828,000				1,821,500
Write offs							(60)				0
Ex Gratia Rates							37,586				36,412
Total rates							1,865,526				1,857,912

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

10. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-18	Principal Repayments		Principal Outstanding		Interest Repayments	
		YTD Actual \$	YTD Budget \$	YTD Actual \$	Budget \$	YTD Actual \$	Budget \$
Education & Welfare							
Loan 137 - Senior Citizens Buildings	87,814	10,519	21,172	77,295	66,642	1,354	2,440
Housing							
Loan 133 - Triplex	55,952	6,703	13,490	49,249	42,462	863	1,555
Loan 134 - SC Housing	42,623	5,106	10,276	37,517	32,347	657	1,185
Loan 136 - Staff Housing	106,294	12,733	25,627	93,561	80,667	1,639	2,954
Loan 142 - Staff Housing	49,086	5,905	11,935	43,181	37,151	757	1,364
Recreation & Culture							
Loan 138 - Pavilion Fitout	84,302	10,098	20,325	74,204	63,977	1,299	2,342
Transport							
Loan 139 - Roller	20,665	2,475	4,982	18,190	15,683	318	574
Loan 141 - Grader	71,754	8,595	17,300	63,159	54,454	1,106	1,994
Loan 144 - Side Tipping Trailer	49,086	5,880	11,835	43,206	37,251	757	1,364
Loan 145 - Drum Roller	72,926	8,736	17,583	64,190	55,343	1,124	2,027
	640,502	76,751	154,525	563,751	485,977	9,873	17,799

All debenture repayments were financed by general purpose revenue.

(b) New Debentures

Nil

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 11: GRANTS AND CONTRIBUTIONS

Program/Details GL	Grant Provider	Approval	2018/2019	2018/2019	Variations Additions (Deletions)	Operating	Capital	Recoup Status	
			Amended Budget Budget	Original Budget		2018/2019 Budget	2018/2019 Budget	2018/2019 YTD Actual	2018/2019 YTD Budget
		(Y/N)	\$	\$	\$	\$	\$	\$	\$
GENERAL PURPOSE FUNDING									
Financial Assistance Grant - Roads	Grants Commission	Y	139,866	139,866	0	139,866	0	74,595	69,933
Financial Assistance Grant - General	Grants Commission	Y	129,381	129,381	0	129,381	0	73,181	64,691
GOVERNANCE									
Reimbursements	Miscellaneous	Y	10,154	10,154	0	10,154	0	854	5,076
Reimbursements	Miscellaneous	Y	1,000	1,000	0	1,000	0	0	498
Reimbursements	Miscellaneous	Y	1,000	1,000	0	1,000	0	2,587	498
LAW, ORDER, PUBLIC SAFETY									
ESL Administration Grant	Department of Fire & Emergency Services	Y	4,000	4,000	0	4,000	0	0	1,998
ESL Annual Grant	Department of Fire & Emergency Services	Y	25,287	25,287	0	25,287	0	6,350	12,644
HEALTH									
Nil		N	0	0	0	0	0	0	0
EDUCATION & WELFARE									
Seniors Week Grant	COTAWA	N	1,000	1,000	0	1,000	0	0	498
Community Christmas Tree	CBH	N	2,000	2,000	0	2,000	0	455	996
HOUSING									
Independent Living Units	WCHS	Y	0	0	0	0	0	0	0
COMMUNITY AMENITIES									
Thank a Volunteer Day	Department of Local Government & Commu	N	2,000	2,000	0	2,000	0	0	996
Transfer Station	Mid West Development Commission	Y	5,000	5,000	0	0	5,000	0	2,496
RECREATION AND CULTURE									
Netball Courts	DSR	Y	121,667	121,667	0	0	121,667	66,458	66,458
TRANSPORT									
Flood Damage Funding	WANDRRA	Y	2,441,696	2,441,696	0	0	2,441,696	135,220	1,150,000
Direct Grant	Main Roads WA	Y	45,210	45,210	0	45,210	0	73,479	45,210
Blackspot Funding	Main Roads WA	Y	188,911	188,911	0	0	188,911	75,564	151,128
Regional Road Group	Main Roads WA	Y	544,674	544,674	0	0	544,674	237,733	435,740
Roads To Recovery	Department of Infrastructure	Y	223,467	223,467	0	0	223,467	0	60,000
Street Lighting	Main Roads WA	Y	2,500	2,500	0	2,500	0	0	1,248
ECONOMIC SERVICES									
DrumMuster	Reimbursements	N	1,000	1,000	0	1,000	0	0	498
OTHER PROPERTY & SERVICES									
Staff Fuel Card Reimbursements	Reimbursements	Y	0	0	0	0	0	3,135	0
Expenses Recovered	Reimbursements	Y	0	0	0	0	0	8,494	0
TOTALS			3,889,813	3,889,813	0	364,398	3,525,415	758,102	2,070,605

Grants	Operating	351,244	351,244	0		380,615	202,591
Grants	Non-operating	3,525,415	3,525,415	0		379,755	1,865,822
Contribution & Reimbursement	Operating & Non Operating	13,154	13,154			19,854	2,192
		<u>3,889,813</u>	<u>3,889,813</u>			<u>780,224</u>	<u>2,070,605</u>

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 12: TRUST FUND

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

Description	Opening Balance 1 Jul 18	Amount Received	Amount Paid	Closing Balance 31-Dec-18
	\$	\$	\$	\$
Councillors Nomination Fees	0	0	0	0
BCITF Levy	495	0	0	495
BRB Levy	1	57	(57)	1
Autumn Committee	974	0	0	974
Community Bus	2,200	1,200	(400)	3,000
ANZAC Day Breakfast Donation	501	0	0	501
Building Relocation Bond	1,000	0	0	1,000
Mid West Industry Road Safety Alliance	38,010	0	(38,010)	(0)
Mingenew Cemetery Group	4,314	0	0	4,314
Bonds	0	0	0	0
Housing Bonds	1,428	0	0	1,428
Cool Room Bond	670	0	0	670
Outdoor Camera Bond	350	0	0	350
Animal Trap Bond	0	0	0	0
Projector Screen	0	0	0	0
Other Bonds	200	0	0	200
Rates Incentive Prizes	100	0	0	100
Sinosteel Community Trust Fund	0	0	0	0
Tree Planter - LCDC	88	0	0	88
Weary Dunlop Memorial	87	0	0	87
Mingenew P & C - NBN Rental	6,376	0	0	6,376
Joan Trust	6	0	0	6
Youth Advisory Council	746	0	0	746
Centenary Committee	897	0	0	897
Community Christmas Tree	432	0	0	432
Silverchain Committee	0	0	0	0
Seniors Donations	50	0	0	50
	58,925	1,257	(38,466)	21,715

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 13: CAPITAL ACQUISITIONS

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under	Comment
Land Held for Resale							
Community Amenities							
Other Property & Services							
Industrial Area Development	4504	0	0	0	0	0	
Total Land Held for Resale		0	0	0	0	0	
Land & Buildings							
Shire Office	A001	10,000	10,000	4,600	0	10,000	
Council Chambers	A302	10,000	10,000	0	0	10,000	
Staff Housing - 2 Bedroom Key Worker Housing	H007	10,000	10,000	0	0	10,000	
Town Hall	2434	70,138	123,321	0	0	70,138	
Old Railway Station	0070	10,000	10,000	0	0	10,000	
Business Incubator	5964	0	0	0	0	0	
Total Land & Building Total		110,138	163,321	4,600	0	110,138	
Infrastructure - Drainage/Culverts							
Transport							
Moore Street Drainage	3284	0	0	0	0	0	
Transport Total		0	0	0	0	0	
Infrastructure - Footpaths							
Transport							
Midlands Road Footpaths	1291	0	0	0	0	0	
Transport Total		0	0	0	0	0	
Infrastructure - Other							
Waste Transfer Station	3084	25,000	25,000	25,000	13,706	11,294	
Little Well Project	0071	25,000	25,000	23,885	32,788	(7,788)	
Mingenew Hill Project	0142	25,000	40,000	0	7,717	17,283	

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 13: CAPITAL ACQUISITIONS

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under	Comment
Wildflower Town Entrance	0145	5,000	10,000	0	0	5,000	
Drovers Rest	0144	6,000	6,000	6,000	0	6,000	
Net Ball Court	0169	200,000	200,000	11,620	50,927	149,073	
Parks & Gardens	0	0	0	0	0	0	
Tennis Court Lights	0150	10,000	25,000	5,000	1,200	8,800	
Water Tanks & Reticulation	0167	0	0	0	0	0	
Digital Farm Network	3874	0	70,000	0	0	0	
Total Other Infrastructure		296,000	401,000	71,505	106,338	189,662	
Furniture & Office Equip.							
Chair Trolley	0014	0	0	0	0	0	
Office PCs & Laptops	A201	10,000	10,000	5,000	3,483	6,517	
Total Furniture & Office Equip.		10,000	10,000	5,000	3,483	6,517	
Plant , Equip. & Vehicles							
Governance							
CEO Vehicle Replacement	A101	60,000	0	60,000	59,091	909	
Account Closed; Incorrectly linked to Land & Buildings Category	A100	0	60,000	0	0	0	
Transport							
Works Manager Vehicle	0170	0	45,000	0	0	0	
Sundry Plant	0171	10,000	10,000	4,998	0	10,000	
Loader	0175	225,000	280,000	225,000	0	225,000	
Tractor	0180	75,000	55,000	0	0	75,000	
Total Plant, Equipment & Vehicles		370,000	450,000	289,998	59,091	310,909	
Roads & Bridges							
Roadworks Construction - Own Resources	0001	22,850	52,850	11,430	0	22,850	
Roadworks Construction - Own Resources	6073	0	0	0	9,206	(9,206)	
Yandanooka North East Road	1221	223,467	223,467	0	0	223,467	

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

Note 13: CAPITAL ACQUISITIONS

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under	Comment
Special Purpose Grant - Yarragadee Bridge	6075	0	0	0	0	0	
Special Purpose Grant - Yarragadee Bridge	1227	210,000	210,000	210,000	163,334	46,666	
Special Purpose Grant - Coalseam Bridge	1229	498,000	498,000	0	0	498,000	
Mingenew Mullewa Road Reseal (RRG)	RR65	441,500	441,500	48,000	0	441,500	
Mingenew Morawa / Yandanooka North East Intersection	BS05	45,000	45,000	0	0	45,000	
Yandanooka Melara / Narandagy / Manarra Rd Intersection	BS07	238,367	238,367	238,367	47,920	190,447	
RRG - Coalseam Road	RR61	375,512	375,512	0	0	375,512	
Total Roads & Bridges		2,054,696	2,084,696	507,797	220,460	1,834,236	
Capital Expenditure Total		2,840,834	3,109,017	878,900	389,372	2,451,462	

MONTHLY FINANCIAL REPORT

For the Period Ended 31 January 2019

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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Shire of Mingenew
Compilation Report
For the Period Ended 31 January 2019

Report Purpose

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

Overview

Summary reports and graphical progressive graphs are provided on page 3, 4 and 5.

No matters of significance are noted.

Statement of Financial Activity by reporting program

Is presented on page 6 and shows a surplus as at 31 January 2019 of \$1,314,079.

Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary.

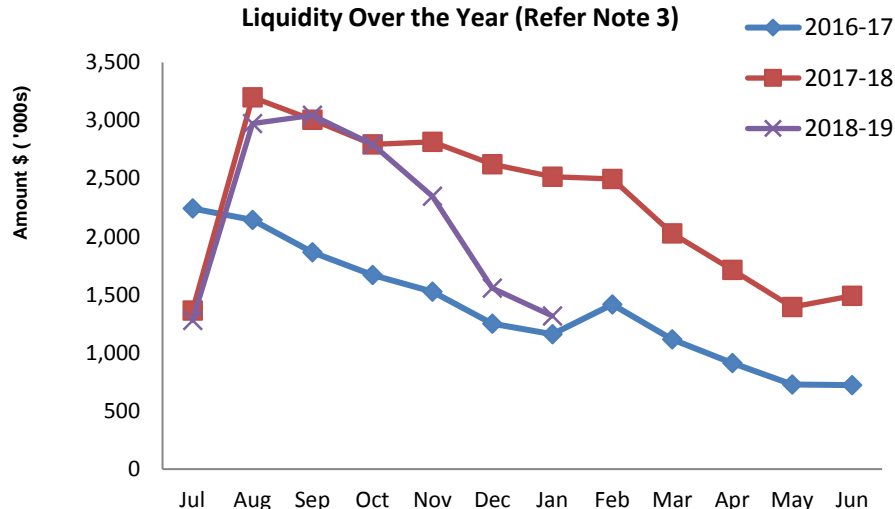
Preparation

Prepared by: Jeremy Clapham

Date prepared: 13/02/2019

Shire of Mingenew
Monthly Summary Information
For the Period Ended 31 January 2019

Liquidity Over the Year (Refer Note 3)



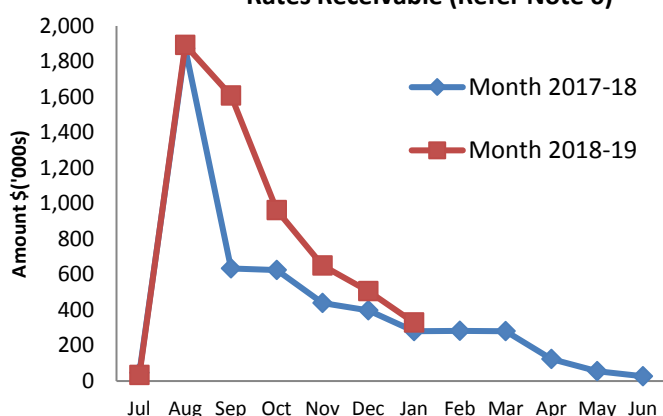
**Cash and Cash Equivalents
as at period end**

Unrestricted	\$ 371,446
Restricted	\$ 956,269
	<u>\$ 1,327,715</u>

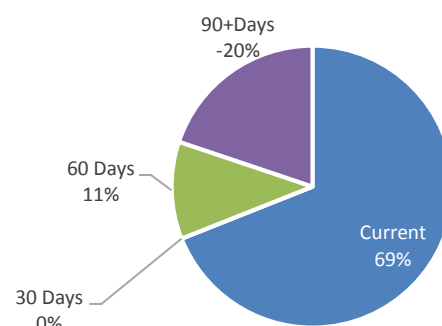
Receivables

Rates	\$ 330,070
Other	\$ 9,717
	<u>\$ 339,787</u>

Rates Receivable (Refer Note 6)



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



Comments

Rates to be issued on 30 August 2018
 First instalment due 5 October 2018
 Final notices were issued 3rd October 2016
 Second Instalment due 6 December 2018
 Third instalment due 7 February 2019
 4th & Final instalment due 8 April 2019

SUMMARY OF BILLING

Rates	1,866,148
Rubbish	65,394
ESL	29,438
	<u>1,960,980</u>

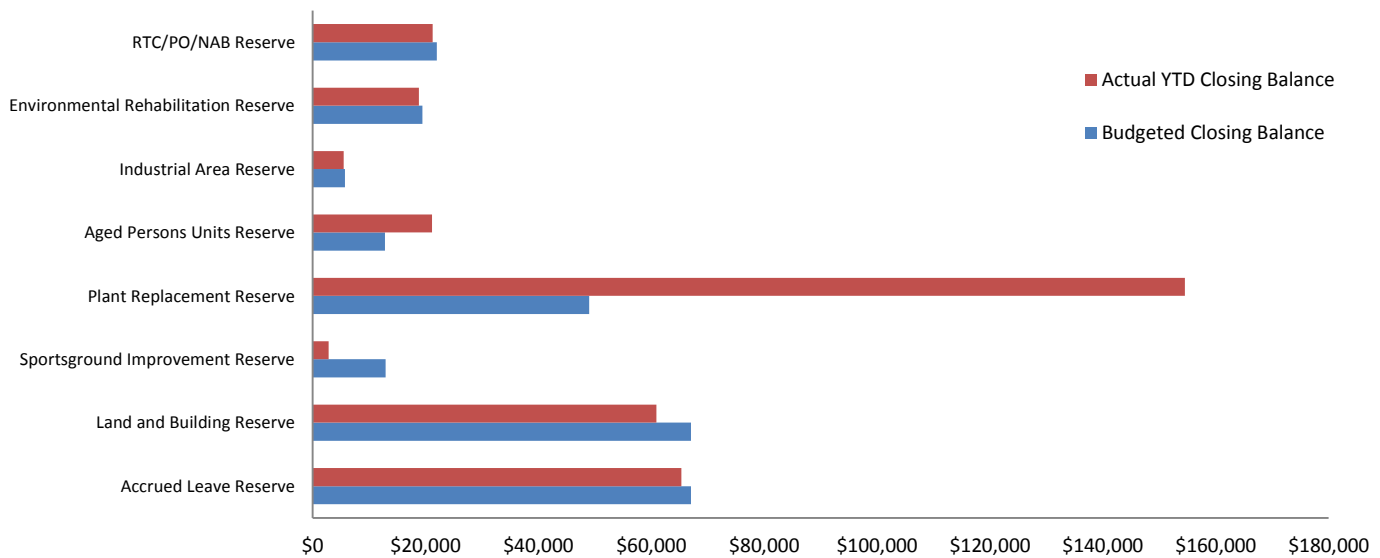
This information is to be read in conjunction with the accompanying Financial Statements and notes.

Shire of Mingenew
Monthly Summary Information
For the Period Ended 31 January 2019

Capital Expenditure Program YTD (Refer Note 13)



Year To Date Reserve Balance to End of Year Estimate (Refer Note 7)



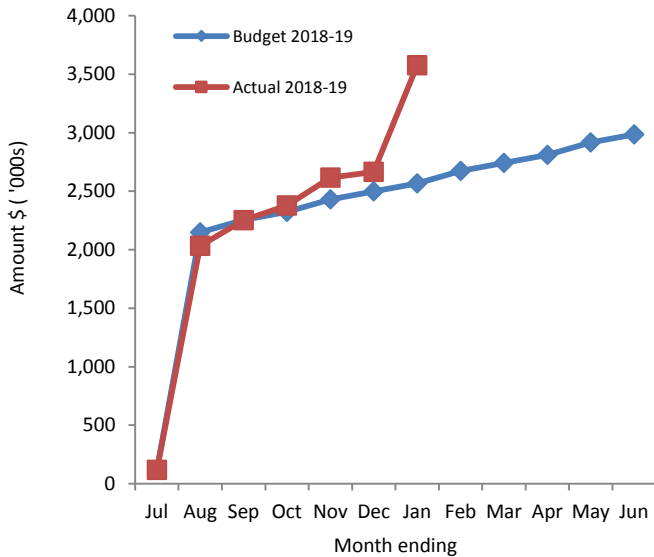
Comments

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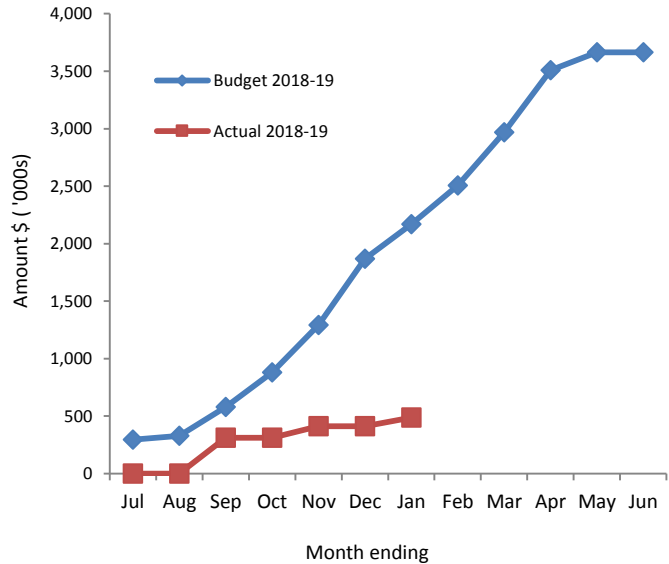
Shire of Mingenew Monthly Summary Information For the Period Ended 31 January 2019

Revenues

Budget Operating Revenues -v- Actual (Refer Note 2)

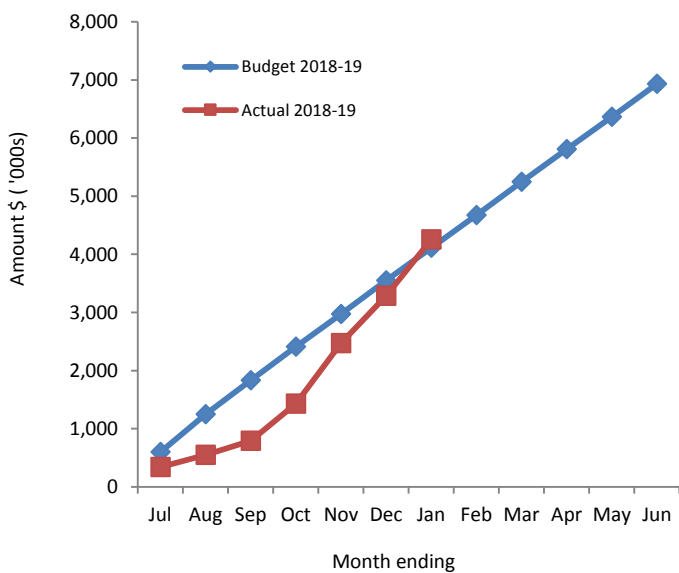


Budget Capital Revenue -v- Actual (Refer Note 2)

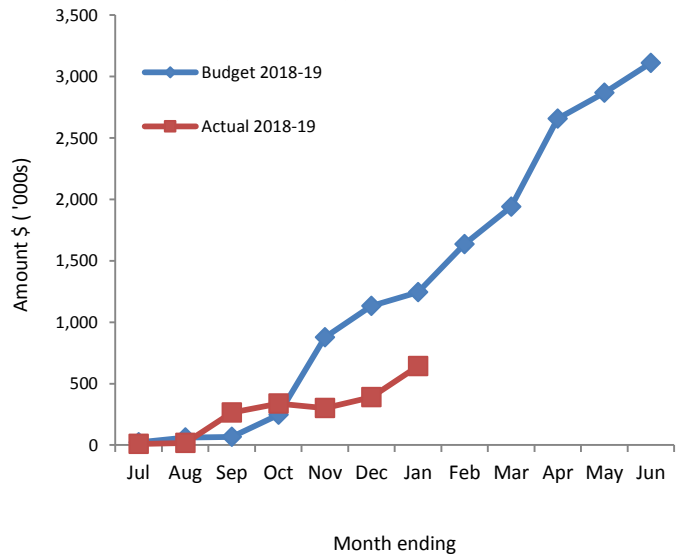


Expenditure

Budget Operating Expenses -v- YTD Actual (Refer Note 2)



Budget Capital Expenses -v- Actual (Refer Note 2)



Comments

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

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 January 2019

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Operating Revenues			\$	\$	\$	\$	%	
General Purpose Funding		2,183,109	2,177,109	2,028,102	2,047,160	19,058	0.94%	
Governance		16,669	16,669	9,709	43,286	33,577	345.83%	▲
Law, Order and Public Safety		33,037	33,037	17,152	18,819	1,667	9.72%	
Health		371	371	210	270	60	28.57%	
Education and Welfare		3,755	3,755	2,177	691	(1,486)	(68.26%)	
Housing		116,135	102,729	67,732	54,815	(12,917)	(19.07%)	▼
Community Amenities		81,372	73,722	78,792	75,108	(3,684)	(4.68%)	
Recreation and Culture		33,960	33,960	33,391	30,243	(3,148)	(9.43%)	
Transport		560,585	560,585	345,832	369,687	23,855	6.90%	
Economic Services		10,445	10,445	6,069	6,381	312	5.13%	
Other Property and Services		112,925	112,925	82,525	33,589	(48,936)	(59.30%)	▼
Total Operating Revenue		3,152,363	3,125,307	2,671,690	2,680,048	8,358		
Operating Expense								
General Purpose Funding		(94,797)	(100,797)	(55,286)	(41,424)	13,862	25.07%	▲
Governance		(255,669)	(218,578)	(200,366)	(192,491)	7,874	3.93%	
Law, Order and Public Safety		(154,914)	(154,914)	(92,870)	(68,969)	23,901	25.74%	▲
Health		(133,862)	(138,237)	(78,273)	(58,837)	19,436	24.83%	▲
Education and Welfare		(82,152)	(82,152)	(48,002)	(32,012)	15,991	33.31%	▲
Housing		(195,108)	(180,208)	(117,472)	(130,233)	(12,761)	(10.86%)	▼
Community Amenities		(258,210)	(271,710)	(150,854)	(113,111)	37,743	25.02%	▲
Recreation and Culture		(1,042,975)	(942,475)	(615,345)	(677,559)	(62,214)	(10.11%)	▼
Transport		(4,527,010)	(4,348,541)	(2,624,992)	(2,943,563)	(318,572)	(12.14%)	▼
Economic Services		(391,034)	(387,508)	(228,839)	(205,609)	23,231	10.15%	▲
Other Property and Services		(68,759)	(109,139)	(77,666)	77,905	155,572	200.31%	▲
Total Operating Expenditure		(7,204,490)	(6,934,259)	(4,289,965)	(4,385,902)	(95,937)		
Funding Balance Adjustments								
Add back Depreciation		1,850,261	1,850,261	1,079,288	856,258	(223,030)	(20.66%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(50,000)	(50,000)	(28,581)	(1,991)	26,590	(93.03%)	
Adjust Provisions and Accruals		0	0	0	0	0		
Net Cash from Operations		(2,251,866)	(2,008,691)	(567,568)	(851,588)	(284,020)		
Capital Revenues								
Grants, Subsidies and Contributions	11	3,525,415	3,525,415	2,166,238	1,280,272	(885,966)	(40.90%)	▼
Proceeds from Disposal of Assets	8	117,000	157,000	117,000	101,818	(15,182)	(12.98%)	▼
Total Capital Revenues		3,642,415	3,682,415	2,283,238	1,382,091	(901,147)		
Capital Expenses								
Land Held for Resale	13	0	0	0	0	0		
Land and Buildings	13	(110,138)	(163,321)	(10,000)	0	10,000	100.00%	▲
Infrastructure - Roads	13	(2,054,696)	(2,084,696)	(593,702)	(244,435)	349,267	58.83%	▲
Infrastructure - Footpaths	13	0	0	0	0	0		
Infrastructure - Drainage & Culverts	13	0	0	0	0	0		
Infrastructure - Other		(296,000)	(401,000)	(80,070)	(109,698)	(29,628)	(37.00%)	
Plant and Equipment	13	(370,000)	(450,000)	(365,831)	(284,091)	81,740	22.34%	▲
Furniture and Equipment	13	(10,000)	(10,000)	(5,000)	(3,483)	1,517	30.35%	▲
Total Capital Expenditure		(2,840,834)	(3,109,017)	(1,054,603)	(641,707)	412,896		
Net Cash from Capital Activities		801,581	573,398	1,228,635	740,384	(488,251)		
Financing								
Proceeds from New Debentures		0	0	0	0	0		

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 January 2019

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
Proceeds from Advances		0	0	0	0	0		
Self-Supporting Loan Principal		0	0	0	0	0		
Transfer from Reserves	7	120,544	120,544	0	0	0		
Repayment of Debentures	10	(154,525)	(154,525)	(76,751)	(76,751)	0	0.00%	
Transfer to Reserves	7	(22,710)	(22,710)	(2,500)	(4,946)	(2,446)	97.82%	▲
Net Cash from Financing Activities		(56,691)	(56,691)	(79,251)	(81,696)	(2,446)		
Net Operations, Capital and Financing		(1,506,976)	(1,491,984)	581,817	(192,900)	(774,717)		
Opening Funding Surplus(Deficit)	3	1,506,980	1,491,987	1,491,987	1,506,980	14,992	1.00%	
Closing Funding Surplus(Deficit)	3	0	0	2,073,804	1,314,079	(759,725)		

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

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

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 January 2019

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	
Operating Revenues								
Rates	9	1,863,912	\$ 1,857,912	\$ 1,864,344	\$ 1,866,148	\$ 1,804	0.10%	
Operating Grants, Subsidies and Contributions	11	364,398	364,398	206,834	271,179	64,345	31.11%	▲
Fees and Charges		258,543	237,487	195,686	208,274	12,588	6.43%	
Service Charges		0	0	0	0	0		
Interest Earnings		58,710	58,710	34,202	35,174	972	2.84%	
Other Revenue		556,800	556,800	341,462	297,282	(44,180)	(12.94%)	▼
Profit on Disposal of Assets	8	50,000	50,000	29,162	1,991	(27,171)	(93.17%)	
Total Operating Revenue		3,152,363	3,125,307	2,671,690	2,680,048	8,358		
Operating Expense								
Employee Costs		(1,184,819)	(1,083,085)	(690,816)	(757,530)	(66,714)	(9.66%)	
Materials and Contracts		(3,304,271)	(3,150,044)	(1,949,594)	(2,255,466)	(305,872)	(15.69%)	▼
Utility Charges		(124,133)	(124,853)	(72,352)	(50,126)	22,226	30.72%	▲
Depreciation on Non-Current Assets		(1,850,261)	(1,850,261)	(1,079,288)	(856,258)	223,030	20.66%	▲
Interest Expenses		(17,799)	(17,799)	(8,900)	(12,215)	(3,316)	(37.26%)	
Insurance Expenses		(129,706)	(129,616)	(129,311)	(124,537)	4,774	3.69%	
Other Expenditure		(593,501)	(578,601)	(359,705)	(329,770)	29,935	8.32%	
Loss on Disposal of Assets	8	0	0	0	0	0		
Total Operating Expenditure		(7,204,490)	(6,934,259)	(4,289,965)	(4,385,902)	(95,937)		
Funding Balance Adjustments								
Add back Depreciation		1,850,261	1,850,261	1,079,288	856,258	(223,030)	(20.66%)	▼
Adjust (Profit)/Loss on Asset Disposal	8	(50,000)	(50,000)	(28,581)	(1,991)	26,590	(93.03%)	
Adjust Provisions and Accruals		0	0	0	0	0		
Net Cash from Operations		(2,251,866)	(2,008,691)	(567,568)	(851,588)	(284,020)		
Capital Revenues								
Grants, Subsidies and Contributions	11	3,525,415	3,525,415	2,166,238	1,280,272	(885,966)	(40.90%)	▼
Proceeds from Disposal of Assets	8	117,000	157,000	117,000	101,818	(15,182)	(12.98%)	▼
Total Capital Revenues		3,642,415	3,682,415	2,283,238	1,382,091	(901,147)		
Capital Expenses								
Land Held for Resale	13	0	0	0	0	0		
Land and Buildings	13	(110,138)	(163,321)	(10,000)	0	10,000	100.00%	▲
Infrastructure - Roads	13	(2,054,696)	(2,084,696)	(593,702)	(244,435)	349,267	0	
Infrastructure - Footpaths	13	0	0	0	0	0		
Infrastructure - Drainage & Culverts	13	0	0	0	0	0		
Infrastructure - Other	13	(296,000)	(401,000)	(80,070)	(109,698)	(29,628)		
Plant and Equipment	13	(370,000)	(450,000)	(365,831)	(284,091)	81,740	22.34%	▲
Furniture and Equipment	13	(10,000)	(10,000)	(5,000)	(3,483)	1,517	30.35%	▲
Total Capital Expenditure		(2,840,834)	(3,109,017)	(1,054,603)	(641,707)	412,896		
Net Cash from Capital Activities		801,581	573,398	1,228,635	740,384	(488,251)		
Financing								
Proceeds from New Debentures		0	0	0	0	0		
Proceeds from Advances		0	0	0	0	0		

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 January 2019

	Note	2018/19 Amended Budget	2018/19 Original Budget	2018/19 YTD Budget (a)	2018/19 YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	
Self-Supporting Loan Principal		0	0	0	0	0		
Transfer from Reserves	7	120,544	120,544	0	0	0		
Repayment of Debentures	10	(154,525)	(154,525)	(76,751)	(76,751)	0	0.00%	
Transfer to Reserves	7	(22,710)	(22,710)	(2,500)	(4,946)	(2,446)	(97.82%)	
Net Cash from Financing Activities		(56,691)	(56,691)	(79,251)	(81,696)	(2,446)		
Net Operations, Capital and Financing		(1,506,976)	(1,491,984)	581,817	(192,901)	(774,717)		
Opening Funding Surplus(Deficit)	3	1,506,980	1,491,987	1,491,987	1,506,980	14,992	1.00%	
Closing Funding Surplus(Deficit)	3	0	0	2,073,804	1,314,079	(759,725)		

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

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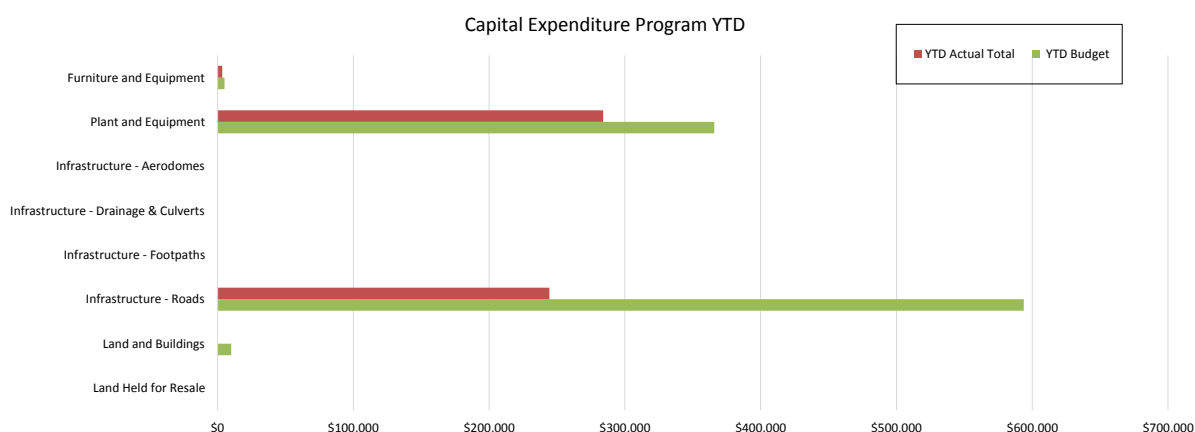
SHIRE OF MINGENEW
STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING
For the Period Ended 31 January 2019

	Note	YTD Actual New /Upgrade	YTD Actual (Renewal Expenditure)	YTD Actual Total	YTD Budget	YTD 31 01 2019 Amended Annual Budget	YTD 31 01 2019 Original Annual Budget	Variance
		(a)	(b)	(c) = (a)+(b)	(d)			(d) - (c)
		\$	\$	\$	\$	\$	\$	\$
Land Held for Resale	13	0	0	0	0	0	0	0
Land and Buildings	13	0	0	0	10,000	110,138	163,321	(10,000)
Infrastructure - Roads	13	0	244,435	244,435	593,702	2,054,696	2,084,696	(349,267)
Infrastructure - Footpaths	13	0	0	0	0	0	0	0
Infrastructure - Drainage & Culverts	13	0	0	0	0	0	0	0
Infrastructure - Aerodomes	13	0	0	0	0	0	0	0
Infrastructure -Other	13	0	109,698	109,698	80,070	296,000	401,000	29,628
Plant and Equipment	13	0	284,091	284,091	365,831	370,000	450,000	(81,740)
Furniture and Equipment	13	0	3,483	3,483	5,000	10,000	10,000	(1,517)
Capital Expenditure Totals		0	641,707	641,707	1,054,603	2,840,834	3,109,017	(412,896)

Funded By:

Capital Grants and Contributions	1,280,272	2,166,238	0	3,525,415	885,966
Borrowings	0	0	0	0	0
Other (Disposals & C/Fwd)	31,818	117,000	117,000	157,000	(85,182)
Own Source Funding - Cash Backed Reserves					
Land and Building Reserve	0	0	0	0	0
Sportsground Improvement Reserve	0	0	0	0	0
Plant Replacement Reserve	0	0	0	0	0
Aged Persons Units Reserve	0	0	102	111,463	0
Street Light Upgrade Reserve	0	0	0	9,081	0
Painted Road Reserve	0	0	0	0	0
Industrial Area Reserve	0	0	0	0	0
Total Own Source Funding - Cash Backed Reserves	(0)	0	102	120,544	(0)
Own Source Funding - Operations	(670,383)	(1,228,635)	2,723,631	(814,486)	558,252
Capital Funding Total	641,707	1,054,603	2,840,834	3,109,017	(412,896)

Comments and graphs



SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise.

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

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable.

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(f) Cash and Cash Equivalents

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

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

(g) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(h) Inventories

General

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

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

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

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

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

(j) Depreciation of Non-Current Assets

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

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

Buildings	25 to 50 years
Construction other than Buildings (Public Facilities)	5 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Heritage Assets	25 to 50 years
Roads	25 years
Footpaths	50 years
Sewerage Piping	75 years
Water Supply Piping and Drainage Systems	75 years

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

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

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

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

Borrowing Costs

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

(n) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

(o) Current and Non-Current Classification

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

(p) Nature or Type Classifications

Rates

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

administration fees, interest on instalments, interest on arrears and service charges.

Operating Grants, Subsidies and Contributions

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

Non-Operating Grants, Subsidies and Contributions

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

Profit on Asset Disposal

Profit on the disposal of assets including gains on the disposal of long term investments.

Losses are disclosed under the expenditure classifications.

Fees and Charges

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

Service Charges

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

Interest Earnings

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

Other Revenue / Income

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

Employee Costs

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

Materials and Contracts

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

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Utilities (Gas, Electricity, Water, etc.)

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

(q) Nature or Type Classifications (Continued)

Insurance

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

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

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

Other expenditure

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

(r) Statement of Objectives

Council has adopted a 'Plan for the future' comprising a Strategic Community Plan and Corporate Business Plan to provide the long term community vision, aspirations and objectives.

Based upon feedback received from the community the vision of the Shire is:

"Standing proud, growing strong"

The Strategic Community Plan defines the key objectives of the Shire as:

"Economic: To be a diverse and innovative economy with a range of local employment opportunities.

Environment: A sustainable natural and built environment that meets current and future community needs.

Social: A safe and welcoming community where everyone has the opportunity to contribute and belong.

Civic Leadership: A collaborative and innovative community with strong and vibrant leadership."

(s) Reporting Programs

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

GOVERNANCE

Expenses associated with provision of services to members of council and elections. Also included are costs associated with computer operations, corporate accounting, corporate records and asset management. Costs reported as administrative expenses are redistributed in accordance with the principle of activity based

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

costing (ABC).

GENERAL PURPOSE FUNDING

Rates and associated revenues, general purpose government grants, interest revenue and other miscellaneous revenues. The costs associated with raising the above mentioned revenues, eg. Valuation expenses, debt collection and overheads.

LAW, ORDER, PUBLIC SAFETY

Enforcement of Local Laws, fire prevention, animal control and provision of ranger services.

HEALTH

Health inspection services, food quality control, mosquito control and contributions towards provision of medical health services.

(s) Reporting Programs (Continued)

EDUCATION AND WELFARE

Support of day care for children. Autumn Centre for Senior Citizens.
Youth & seniors projects.

HOUSING

Provision and maintenance of rented housing accommodation for pensioners and employees.

COMMUNITY AMENITIES

Sanitation, sewerage, stormwater drainage, protection of the environment, public conveniences, cemeteries and town planning.

RECREATION AND CULTURE

Parks, gardens and recreation reserves, library services, walk trails, youth recreation,
Public halls and Mingenew Recreation Centre.

TRANSPORT

Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic control, depot operations, plant purchase and cleaning of streets.

ECONOMIC SERVICES

Tourism, community development, pest control, building services and private works.

OTHER PROPERTY & SERVICES

Plant works, plant overheads and stock of materials.

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 2: EXPLANATION OF MATERIAL VARIANCES

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
Operating Revenues	\$	%			
General Purpose Funding	19,058	0.94%			
Governance	33,577	345.83%	▲	Permanent	Relates to unbudgeted funds received for Traineeship
Law, Order and Public Safety	1,667	9.72%			
Health	60	28.57%			
Education and Welfare	(1,486)	(68.26%)			
Housing	(12,917)	(19.07%)	▼	Timing	Rental contracts and income are in the process of being corrected
Community Amenities	(3,684)	(4.68%)			
Recreation and Culture	(3,148)	(9.43%)			
Transport	23,855	6.90%		Permanent	MRWA Direct Grant higher than budget
Economic Services	312	5.13%			
Other Property and Services	(48,936)	(59.30%)	▼	Permanent	MWIRSA Reimbursement deferred; offset by no expenditure to occur in 2018/2019
Operating Expenses					
General Purpose Funding	13,862	25.07%	▲	Timing	Admin Allocations to be reviewed
Governance	7,874	3.93%			
Law, Order and Public Safety	23,901	25.74%	▲	Timing	Admin Allocations to be reviewed; ESL expenditure underbudget
Health	19,436	24.83%	▲	Timing	Admin Allocations to be reviewed
Education and Welfare	15,991	33.31%	▲	Timing	Admin Allocations require review; APU Expenditure underbudget
Housing	(12,761)	(10.86%)	▼	Timing	Admin Allocations to be reviewed
Community Amenities	37,743	25.02%	▲	Timing	Refuse site maintenance & asbestos management under budget
Recreation and Culture	(62,214)	(10.11%)	▼		Public gardens, reserves, sporting complexes over budget
Transport	(318,572)	(12.14%)	▼		Overspent on Maintenance Grading, Asset Preservation and Flood Damage Work
Economic Services	23,231	10.15%	▲		Admin Allocations to be reviewed
Other Property and Services	155,572	200.31%	▲	Permanent	Salaries & POC Allocations to be reviewed; also MRWIRSA Expenditure deferred as per revenue
Capital Revenues					
Grants, Subsidies and Contributions	(885,966)	(40.90%)	▼	Timing	WANDRRA grant funds started coming in after December 2018
Proceeds from Disposal of Assets	(15,182)	(12.98%)	▼	Timing	Tractor not yet traded in

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 2: EXPLANATION OF MATERIAL VARIANCES

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
Capital Expenses					
Land Held for Resale	0				
Land and Buildings	10,000	100.00%	▲	Timing	No expenditure to date on capital L&B Projects
Infrastructure - Roads	349,267	58.83%	▲	Timing	Capital road projects deferred due to flood damage; work to start soon on RTR & RRG
Infrastructure - Footpaths	0				
Infrastructure - Drainage & Culverts	0				
Plant and Equipment	81,740	22.34%	▲	Timing	Tractor not yet purchased
Furniture and Equipment	1,517	30.35%			
Financing					
Loan Principal	0	0.00%			

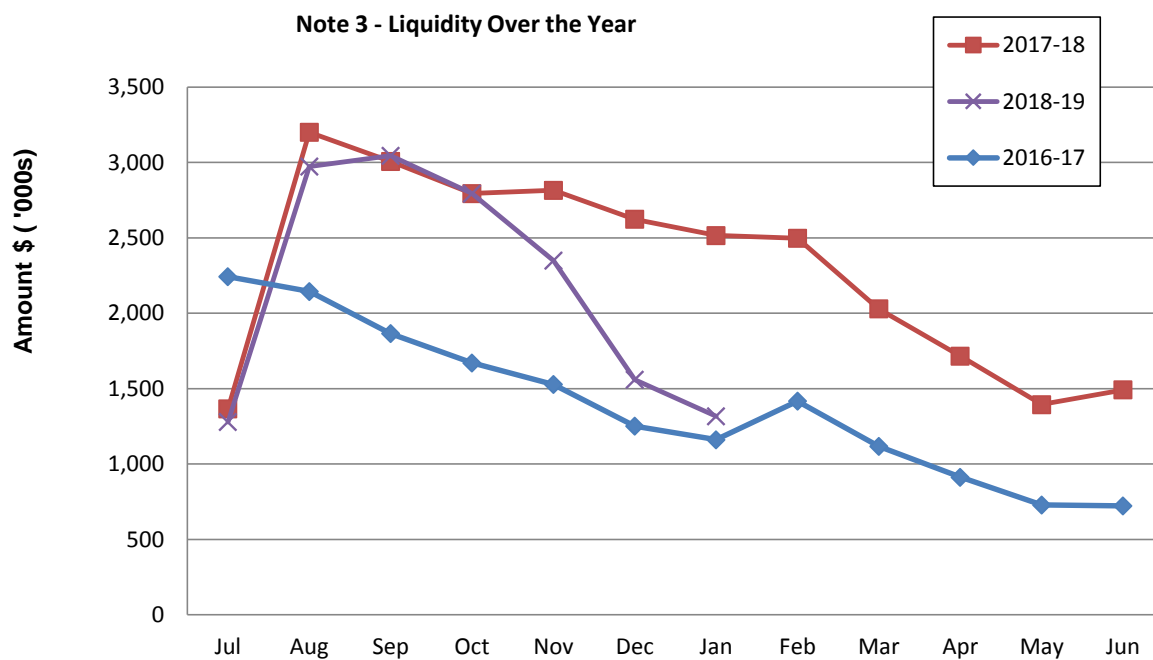
SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 3: NET CURRENT FUNDING POSITION

		Positive=Surplus (Negative=Deficit)		
	Note	YTD 31 Jan 2019	30 June 2018	YTD 31 Jan 2018
		\$	\$	\$
Current Assets				
Cash - Unrestricted	4	371,446	1,044,403	1,613,414
Cash - Restricted Reserves	4	411,269	406,324	401,872
Cash - Restricted Unspent Grants		545,000	583,500	568,498
Cash - Trust		22,586	58,784	67,504
Investments		0	0	0
Rates - Current	6	330,070	44,775	296,118
Sundry Debtors	6	9,717	21,668	93,190
Provision for Doubtful Debts		(1,585)	(1,585)	(1,585)
ESL Levy		0	0	0
GST Receivable		102,841	18,399	2,899
Receivables - Other		0	0	0
Inventories - Fuel & Materials		3,065	3,065	3,065
Inventories - Land Held for Resale		40,394	40,394	80,788
		1,834,803	2,219,727	3,125,763
Current Liabilities				
Sundry Creditors		0	(165,321)	(52,049)
GST Payable		(20,915)	(21,340)	(10,842)
PAYG		(22,052)	(16,111)	(34,160)
Accrued Interest on Debentures		(2,496)	(2,496)	(2,496)
Accrued Salaries & Wages		(1,977)	(1,977)	(1,977)
Current Employee Benefits Provision		(214,319)	(214,319)	(231,014)
Trust Liability		(21,620)	(58,784)	(67,504)
Current Loan Liability		(38,723)	(115,473)	(75,839)
		(322,102)	(595,822)	(475,882)
NET CURRENT ASSETS		1,512,701	1,623,905	2,649,881
Less:				
Cash - Restricted Reserves		(411,269)	(406,324)	(401,872)
Inventories - Land Held for Resale		(40,394)	(40,394)	(80,788)
Add Back:				
Current Loan Liability		38,723	115,473	75,839
Cash Backed Employee Provisions	7	214,319	214,319	231,014
Net Current Funding Position (Surplus / Deficit)		1,314,079	1,506,980	2,474,074

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 3: NET CURRENT FUNDING POSITION



Comments - Net Current Funding Position

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 4: CASH AND INVESTMENTS

	Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Total Amount \$	Institution	Maturity Date
(a) Cash Deposits							
Municipal Bank Account		371,146	0		371,146	NAB	At Call
Trust Bank Account				22,586	22,586	NAB	At Call
Cash Maximiser Account (Muni)		0	0		0	NAB	At Call
Cash On Hand	Nil	300			300	NAB	At Call
Reserve Funds	2.50%		411,269		411,269	NAB	31 March 2019
(b) Term Deposits							
Short Term Deposits	2.50%		545,000		545,000	NAB	31 March 2019
Total		371,446	956,269	22,586	1,350,301		

Comments/Notes - Investments

Restricted Cash

(1) Municipal Fund

Purpose for Funds Being Restricted	Funding Organisation	Due Date to be Expended	Amount
1 Nil			
2 Nil			
Sub-total			-

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 4: CASH AND INVESTMENTS

(2) Cash on Hand

Purpose for Funds Being Restricted	Funding Organisation	Date to be Expended	Amount
1 Nil			
2 Nil			
Sub-total			-

(3) Term Deposits

Purpose for Funds Being Restricted	Funding Organisation	Date to be Expended	Amount
1 Special Purpose Grants - Bridges	Financial Assistance Grants	30 June 2019	47,000
2 Special Purpose Grants - Bridges	Financial Assistance Grants	30 June 2019	498,000
Sub-total			545,000

Shire of Mingenew
NOTES TO THE BUDGET REVIEW REPORT
For The Period Ended 31 January 2019

Note 5: BUDGET AMENDMENTS

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

GL Account / Job No.	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	Budget Adoption		Opening Surplus(Deficit)	\$	\$	\$	\$
	Actual Opening value as per audited financial report 30/06/2018				14,992	0	1,506,979
0121	Interim Rates Levied	Proposed	Operating Revenue		6,000		1,512,979
0482	Rates Legal Costs	Proposed	Operating Expenses		6,000		1,518,979
0272	Salaries (Muni Fund)	Proposed	Operating Expenses			(30,000)	1,488,979
0282	Superannuation	Proposed	Operating Expenses			(15,000)	1,473,979
0992	Employee Expenses - Other	Proposed	Operating Expenses			(5,000)	1,468,979
0302	Staff Training	Proposed	Operating Expenses			(5,000)	1,463,979
0322	Staff Conferences	Proposed	Operating Expenses		5,000		1,468,979
0422	Advertising	Proposed	Operating Expenses		8,000		1,476,979
0532	Asset Management Expenditure	Proposed	Operating Expenses		5,000		1,481,979
0562	Computer S / W Licensing & Support	Proposed	Operating Expenses			(5,000)	1,476,979
0582	CEO Recruitment Expenses	Proposed	Operating Expenses		5,000		1,481,979
1002	Maternal & Infant Health Clinic	Proposed	Operating Expenses			(5,000)	1,476,979
1582	Medical Practitioner Support	Proposed	Operating Expenses		8,655		1,485,634
1706	Rental Revenue - 4 William Street, Mingenew	Proposed	Operating Revenue		8,000		1,493,634
1707	Rental Revenue - 55 King Street, Mingenew	Proposed	Operating Revenue		10,000		1,503,634
1708	Rental Revenue - 13 Moore Street, Mingenew	Proposed	Operating Revenue		9,250		1,512,884
1716	Rental Expenditure - 4 William Street, Mingenew	Proposed	Operating Expenses			(6,500)	1,506,384
1717	Budget amendments	Proposed	Operating Expenses			(8,400)	1,497,984
1743	Rent Silver Chain	Proposed	Operating Revenue			(8,844)	1,489,140

Shire of Mingenew
NOTES TO THE BUDGET REVIEW REPORT
For The Period Ended 31 January 2019

Note 5: BUDGET AMENDMENTS

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

GL Account / Job No.	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
1773	Predicted variances	Proposed	Operating Expenses			(5,000)	1,484,140
1772	Rubbish Site Maintenance	Proposed	Operating Expenses		21,000		1,505,140
2233	Town Planning - Development Application Fees	Proposed	Operating Revenue		7,650		1,512,790
2142	Mingenew Revitalisation Plan Project	Proposed	Operating Expenses		5,000		1,517,790
2322	Public Conveniences	Proposed	Operating Expenses			(12,500)	1,505,290
2422	Public Halls	Proposed	Operating Expenses			(11,000)	1,494,290
2642	Public Gardens & Reserves	Proposed	Operating Expenses			(49,500)	1,444,790
2652	Sporting Complex & Amenities	Proposed	Operating Expenses			(40,000)	1,404,790
3322	Maintenance Grading	Proposed	Operating Expenses			(14,363)	1,390,427
3342	Asset Preservation Urban	Proposed	Operating Expenses			(31,369)	1,359,058
3352	Asset Preservation Rural	Proposed	Operating Expenses			(113,243)	1,245,815
3432	Street Cleaning	Proposed	Operating Expenses		14,500		1,260,315
3442	Traffic Signs & Control Equipment	Proposed	Operating Expenses		5,000		1,265,315
3452	Tree Pruning	Proposed	Operating Expenses			(12,000)	1,253,315
3842	Noxious Weeds / Pest Plants	Proposed	Operating Expenses		6,475		1,259,790
4332	Engineering Contractor	Proposed	Operating Expenses			(10,000)	1,249,790
7412	Tool Box Talks & Safety Team Meetings	Proposed	Operating Expenses		5,380		1,255,170
7442	Occ. H.S. & Welfare	Proposed	Operating Expenses		5,000		1,260,170
4472	Fuel & Oils	Proposed	Operating Expenses		20,000		1,280,170
4482	Tyres & Sundries	Proposed	Operating Expenses		20,000		1,300,170
2434	Town Hall Refurbishment	Proposed	Capital Expenses		36,817		1,336,987
0001	Road Construction; Own Resources	Proposed	Capital Expenses		30,000		1,366,987

Shire of Mingenew
NOTES TO THE BUDGET REVIEW REPORT
For The Period Ended 31 January 2019

Note 5: BUDGET AMENDMENTS

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

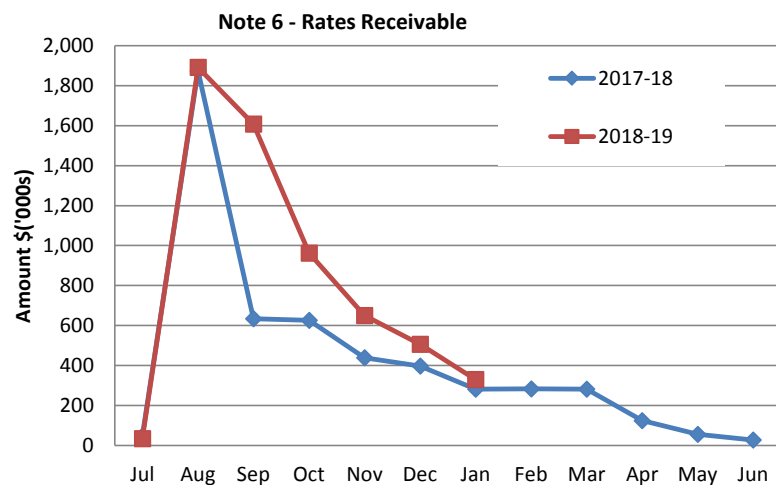
GL Account / Job No.	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
0145	Wildflower Town Entrance Statements	Proposed	Capital Expenses		5,000		1,371,987
0142	Mingenew Hill Walk Trail (Installation)	Proposed	Capital Expenses		15,000		1,386,987
3874	Digital Farm Network Project	Proposed	Capital Expenses		70,000		1,456,987
0150	Tennis Court Lighting	Proposed	Capital Expenses		15,000		1,471,987
0071	Little Well Project	Proposed	Capital Expenses			(10,000)	1,461,987
0175	Loader	Proposed	Capital Expenses		55,000		1,516,987
	Trade in of Loader	Proposed	Capital Revenue			(10,000)	1,506,987
0180	Tractor	Proposed	Capital Expenses			(20,000)	1,486,987
0170	Works Managers Vehicle - Capital Purchase	Proposed	Capital Expenses		45,000		1,531,987
0170	Trade in of Works Manager Vehicle	Proposed	Capital Revenue			(30,000)	1,501,987
5152	PO Building Maintenance - includes utility charges	Proposed	Capital Expenses			(10,000)	1,491,987
Amended Budget Cash Position as per Council Resolution				0	467,719	(467,719)	1,491,987

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 6: RECEIVABLES

Receivables - Rates & Rubbish Receivable

	YTD 31 Jan 2019	30 June 2018
	\$	\$
Opening Arrears Previous Years	44,775	83,832
Levied this year	1,866,148	1,852,748
Less Collections to date	(1,580,853)	(1,891,805)
Equals Current Outstanding	330,070	44,775
Net Rates Collectable	330,070	44,775
% Collected	82.73%	97.69%



Comments/Notes - Receivables Rates

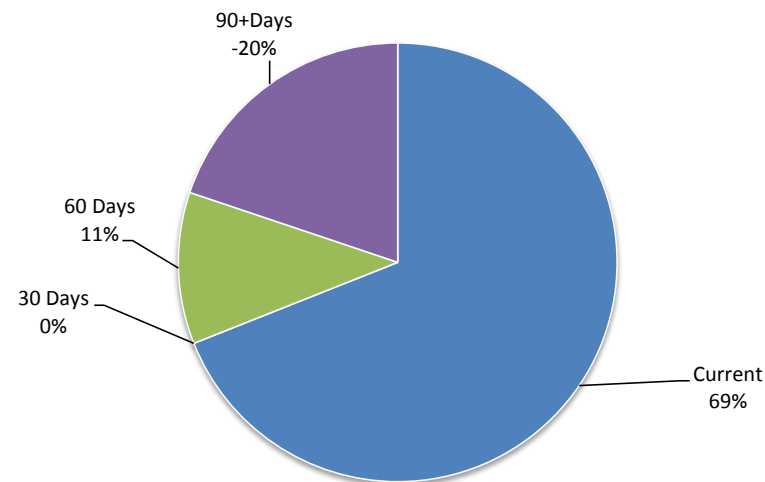
Instalment Due Dates:

Instalment 1	5-Oct-18
Instalment 2	6-Dec-18
Instalment 3	7-Feb-19
Instalment 4	8-Apr-19

Receivables - General

	Current	30 Days	60 Days	90+Days
	\$	\$	\$	\$
Receivables - General	11,113	0	1,800	(3,196)
Total Receivables General Outstanding				9,717

Note 6 - Accounts Receivable (non-rates)



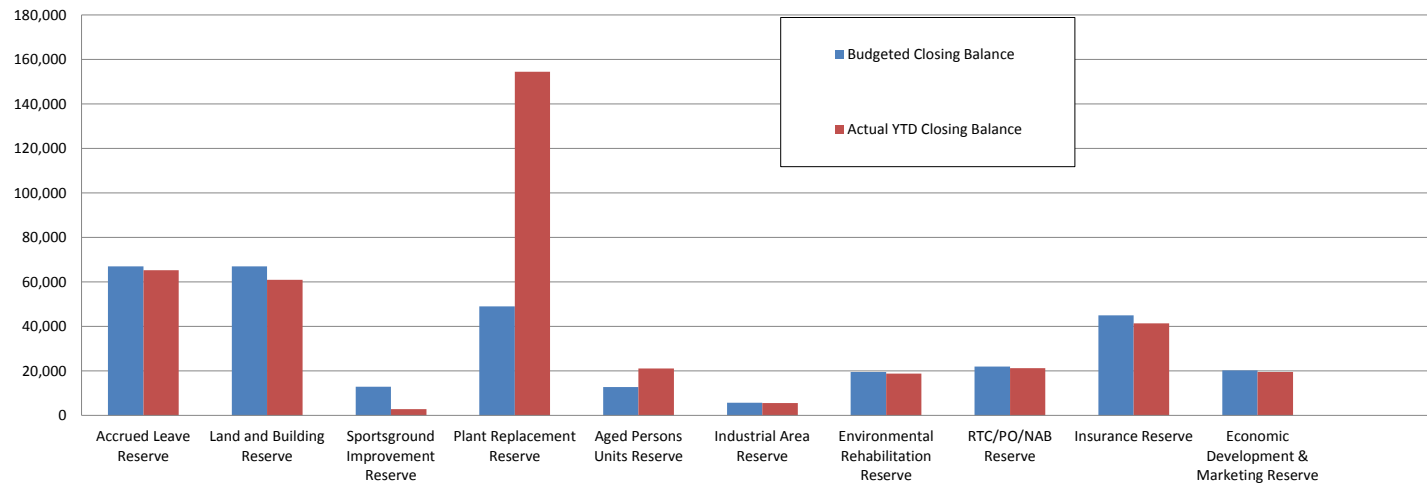
Comments/Notes - Receivables General

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 7: Cash Backed Reserve

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	YTD Actual Transfers In (+)	Budget Transfers Out (-)	YTD Actual Transfers Out (-)	Transfer out Reference	Budgeted Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$		\$	\$
Accrued Leave Reserve	64,509	1,250	802	1,250	0	0	0		67,009	65,311
Land and Building Reserve	60,169	3,425	747	3,425	0	0	0		67,019	60,916
Sportsground Improvement Reserve	2,811	60	35	10,060	0	0	0		12,931	2,846
Plant Replacement Reserve	152,727	3,875	1,897	3,875	(102)	(111,463)	0		49,014	154,523
Aged Persons Units Reserve	20,868	500	258	500	(0)	(9,081)	(0)		12,787	21,126
Industrial Area Reserve	5,454	125	68	125	0	0	0		5,704	5,521
Environmental Rehabilitation Reserve	18,570	450	231	450	0	0	0		19,470	18,800
RTC/PO/NAB Reserve	21,025	500	261	500	0	0	0		22,025	21,286
Insurance Reserve	40,882	2,025	508	2,025	0	0	0		44,932	41,390
Economic Development & Marketing Reserve	19,309	500	240	500	0	0	0		20,309	19,549
	406,324	12,710	5,047	22,710	(102)	(120,544)	(0)	0	321,200	411,269

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



SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 8 CAPITAL DISPOSALS

Actual YTD Profit/(Loss) of Asset Disposal				Disposals	Original Budget			Comments
					YTD 31 01 2019			
Cost	Accum Depn	Proceeds	Profit (Loss)		2018/2019 Budget Profit/(Loss)	2018/2019 Actual Profit/(Loss)	Variance	
\$	\$	\$	\$		\$	\$	\$	
				Plant and Equipment				
42,660	(12,833)	31,818	1,991	CEO Vehicle	1,000	1,991	991	
0			0	Case JC65 Tractor	9,000	0	(9,000)	
0			0	Volvo Loader	40,000	0	(40,000)	
0			0	Works Manager Vehicle	0	0	0	
42,660	(12,833)	31,818	1,991		50,000	1,991	(48,009)	

Comments - Capital Disposal/Replacements

AASB 101.10(e)

AASB 101.51

AASB 101.112

LGA S6.2(4)(b)

FM Reg 23(a)

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

9. RATING INFORMATION

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	Rate Revenue \$	2018-19 interim rates \$	2018-19 back rates \$	Actual Rate Revenue \$	2018-19 Budgeted rate revenue \$	2018-19 Budgeted interim rates \$	2018-19 Budgeted back rates \$	2018-19 Budgeted total revenue \$
General rate											
GRV - Mingenew	0.149035	127	1,103,699	164,490	3,453		167,943	164,490			164,490
GRV - Yandanooka	0.149035	2	13,884	2,069			2,069	2,069			2,069
GRV- Commercial	0.149035	14	349,700	52,118	349		52,466	52,118			52,118
GRV - Industrial	0.149035	1	12,480	1,860		198	2,058	1,860			1,860
UV Rural & Mining	0.013684	115	110,855,505	1,517,398	102		1,517,501	1,516,949			1,516,949
UV Mining	0.013684	0	0	0			0	0			0
Sub-Totals		259	112,335,268	1,737,935	3,904	198	1,742,037	1,737,485	0	0	1,737,485
Minimum payment	Minimum \$										
GRV - Mingenew	700	64	28,162	44,800	1,400	(235)	45,965	44,800			44,800
GRV - Yandanooka	700	0	0	0			0	0			0
GRV- Commercial	700	9	6200	6,300			6,300	6,300			6,300
GRV - Industrial	700	2	1,850	1,400			1,400	1,400			1,400
UV Rural & Mining	1050	23	691,595	24,150			24,150	24,150			24,150
UV Mining	1050	8	27,199	8,400	1,050	407	9,857	8,400			8,400
Sub-Totals		106	755,006	85,050	2,450	172	87,672	85,050	0	0	85,050
		365	113,090,274	1,822,985	6,354	369	1,829,709	1,822,535	0	0	1,822,535
Discounts/concessions							(1,035)				(1,035)
Total amount raised from general rates							1,828,674				1,821,500
Write offs							(112)				0
Ex Gratia Rates							37,586				36,412
Total rates							1,866,148				1,857,912

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

10. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-18	Principal Repayments		Principal Outstanding		Interest Repayments	
		YTD Actual \$	YTD Budget \$	YTD Actual \$	Budget \$	YTD Actual \$	Budget \$
Education & Welfare							
Loan 137 - Senior Citizens Buildings	87,814	10,519	21,172	77,295	66,642	1,654	2,440
Housing							
Loan 133 - Triplex	55,952	6,703	13,490	49,249	42,462	1,054	1,555
Loan 134 - SC Housing	42,623	5,106	10,276	37,517	32,347	803	1,185
Loan 136 - Staff Housing	106,294	12,733	25,627	93,561	80,667	2,002	2,954
Loan 142 - Staff Housing	49,086	5,905	11,935	43,181	37,151	925	1,364
Recreation & Culture							
Loan 138 - Pavilion Fitout	84,302	10,098	20,325	74,204	63,977	1,588	2,342
Transport							
Loan 139 - Roller	20,665	2,475	4,982	18,190	15,683	389	574
Loan 141 - Grader	71,754	8,595	17,300	63,159	54,454	1,352	1,994
Loan 144 - Side Tipping Trailer	49,086	5,880	11,835	43,206	37,251	925	1,364
Loan 145 - Drum Roller	72,926	8,736	17,583	64,190	55,343	1,374	2,027
	640,502	76,751	154,525	563,751	485,977	12,066	17,799

All debenture repayments were financed by general purpose revenue.

(b) New Debentures

Nil

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 11: GRANTS AND CONTRIBUTIONS

Program/Details GL	Grant Provider	Approval	2018/2019	2018/2019	Variations	Operating	Capital	Recoup Status	
			Amended Budget Budget	Original Budget	Additions (Deletions)	2018/2019 Budget	2018/2019 Budget	2018/2019 YTD Actual	2018/2019 YTD Budget
		(Y/N)	\$	\$	\$	\$	\$	\$	\$
GENERAL PURPOSE FUNDING									
Financial Assistance Grant - Roads	Grants Commission	Y	139,866	139,866	0	139,866	0	74,595	69,933
Financial Assistance Grant - General	Grants Commission	Y	129,381	129,381	0	129,381	0	73,181	64,691
GOVERNANCE									
Reimbursements	Miscellaneous	Y	10,154	10,154	0	10,154	0	854	5,922
Reimbursements	Miscellaneous	Y	1,000	1,000	0	1,000	0	0	581
Reimbursements	Miscellaneous	Y	1,000	1,000	0	1,000	0	2,976	581
LAW, ORDER, PUBLIC SAFETY									
ESL Administration Grant	Department of Fire & Emergency Services	Y	4,000	4,000	0	4,000	0	0	2,331
ESL Annual Grant	Department of Fire & Emergency Services	Y	25,287	25,287	0	25,287	0	12,700	12,644
HEALTH									
Nil		N	0	0	0	0	0	0	0
EDUCATION & WELFARE									
Seniors Week Grant	COTAWA	N	1,000	1,000	0	1,000	0	0	581
Community Christmas Tree	CBH	N	2,000	2,000	0	2,000	0	455	1,162
HOUSING									
Independent Living Units	WCHS	Y	0	0	0	0	0	0	0
COMMUNITY AMENITIES									
Thank a Volunteer Day	Department of Local Government & Commu	N	2,000	2,000	0	2,000	0	0	1,162
Transfer Station	Mid West Development Commission	Y	5,000	5,000	0	0	5,000	5,000	2,912
RECREATION AND CULTURE									
Netball Courts	DSR	Y	121,667	121,667	0	0	121,667	66,458	66,458
TRANSPORT									
Flood Damage Funding	WANDRRA	Y	2,441,696	2,441,696	0	0	2,441,696	895,517	1,450,000
Direct Grant	Main Roads WA	Y	45,210	45,210	0	45,210	0	73,479	45,210
Blackspot Funding	Main Roads WA	Y	188,911	188,911	0	0	188,911	75,564	151,128
Regional Road Group	Main Roads WA	Y	544,674	544,674	0	0	544,674	237,733	435,740
Roads To Recovery	Department of Infrastructure	Y	223,467	223,467	0	0	223,467	0	60,000
Street Lighting	Main Roads WA	Y	2,500	2,500	0	2,500	0	0	1,456
ECONOMIC SERVICES									
DrumMuster	Reimbursements	N	1,000	1,000	0	1,000	0	0	581
OTHER PROPERTY & SERVICES									
Staff Fuel Card Reimbursements	Reimbursements	Y	0	0	0	0	0	3,635	0
Expenses Recovered	Reimbursements	Y	0	0	0	0	0	9,431	0
TOTALS			3,889,813	3,889,813	0	364,398	3,525,415	1,531,575	2,373,072

Grants	Operating	351,244	351,244	0		249,500	204,642
Grants	Non-operating	3,525,415	3,525,415	0		1,280,272	2,166,238
Contribution & Reimbursement	Operating & Non Operating	13,154	13,154			21,679	2,192
		<u>3,889,813</u>	<u>3,889,813</u>			<u>1,551,451</u>	<u>2,373,072</u>

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 12: TRUST FUND

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

Description	Opening Balance 1 Jul 18	Amount Received	Amount Paid	Closing Balance 31-Jan-19
	\$	\$	\$	\$
Councillors Nomination Fees	0	0	0	0
BCITF Levy	495	0	0	495
BRB Levy	1	57	(57)	1
Autumn Committee	974	0	0	974
Community Bus	2,200	1,245	(400)	3,045
ANZAC Day Breakfast Donation	501	0	0	501
Building Relocation Bond	1,000	0	0	1,000
Mid West Industry Road Safety Alliance	38,010	0	(38,010)	(0)
Mingenew Cemetery Group	4,314	0	0	4,314
Bonds	0	0	0	0
Housing Bonds	1,428	0	0	1,428
Cool Room Bond	670	0	0	670
Outdoor Camera Bond	350	0	0	350
Animal Trap Bond	0	0	0	0
Projector Screen	0	0	0	0
Other Bonds	200	0	0	200
Rates Incentive Prizes	100	0	0	100
Sinosteel Community Trust Fund	0	0	0	0
Tree Planter - LCDC	88	0	0	88
Weary Dunlop Memorial	87	0	0	87
Mingenew P & C - NBN Rental	6,376	0	0	6,376
Joan Trust	6	0	0	6
Youth Advisory Council	746	0	0	746
Centenary Committee	897	0	0	897
Community Christmas Tree	432	0	0	432
Silverchain Committee	0	0	0	0
Seniors Donations	50	0	0	50
	58,925	1,302	(38,466)	21,760

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 13: CAPITAL ACQUISITIONS

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under	Comment
Land Held for Resale							
Community Amenities							
Other Property & Services							
Industrial Area Development	4504	0	0	0	0	0	
Total Land Held for Resale		0	0	0	0	0	
Land & Buildings							
Shire Office	A001	10,000	10,000	10,000	0	10,000	
Council Chambers	A302	10,000	10,000	0	0	10,000	
Staff Housing - 2 Bedroom Key Worker Housing	H007	10,000	10,000	0	0	10,000	
Town Hall	2434	70,138	123,321	0	0	70,138	
Old Railway Station	0070	10,000	10,000	0	0	10,000	
Business Incubator	5964	0	0	0	0	0	
Total Land & Building Total		110,138	163,321	10,000	0	110,138	
Infrastructure - Drainage/Culverts							
Transport							
Moore Street Drainage	3284	0	0	0	0	0	
Transport Total		0	0	0	0	0	
Infrastructure - Footpaths							
Transport							
Midlands Road Footpaths	1291	0	0	0	0	0	
Transport Total		0	0	0	0	0	
Infrastructure - Other							
Waste Transfer Station	3084	25,000	25,000	25,000	14,188	10,812	
Little Well Project	0071	25,000	25,000	24,070	34,840	(9,840)	
Mingenew Hill Project	0142	25,000	40,000	0	7,717	17,283	

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 13: CAPITAL ACQUISITIONS

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under	Comment
Wildflower Town Entrance	0145	5,000	10,000	0	0	5,000	
Drovers Rest	0144	6,000	6,000	6,000	0	6,000	
Net Ball Court	0169	200,000	200,000	20,000	50,927	149,073	
Parks & Gardens	0	0	0	0	0	0	
Tennis Court Lights	0150	10,000	25,000	5,000	1,200	8,800	
Water Tanks & Reticulation	0167	0	0	0	825	(825)	
Digital Farm Network	3874	0	70,000	0	0	0	
Total Other Infrastructure		296,000	401,000	80,070	109,698	186,302	
Furniture & Office Equip.							
Chair Trolley	0014	0	0	0	0	0	
Office PCs & Laptops	A201	10,000	10,000	5,000	3,483	6,517	
Total Furniture & Office Equip.		10,000	10,000	5,000	3,483	6,517	
Plant , Equip. & Vehicles							
Governance							
CEO Vehicle Replacement	A101	60,000	0	60,000	59,091	909	
Account Closed; Incorrectly linked to Land & Buildings Category	A100	0	60,000	0	0	0	
Transport							
Works Manager Vehicle	0170	0	45,000	0	0	0	
Sundry Plant	0171	10,000	10,000	5,831	0	10,000	
Loader	0175	225,000	280,000	225,000	225,000	0	
Tractor	0180	75,000	55,000	75,000	0	75,000	
Total Plant, Equipment & Vehicles		370,000	450,000	365,831	284,091	85,909	
Roads & Bridges							
Roadworks Construction - Own Resources	0001	22,850	52,850	13,335	0	22,850	
Roadworks Construction - Own Resources	6073	0	0	0	9,206	(9,206)	
Yandanooka North East Road	1221	223,467	223,467	0	0	223,467	

SHIRE OF MINGENEW
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2019

Note 13: CAPITAL ACQUISITIONS

Infrastructure Assets		Amended Annual Budget	Original Full Year Budget	YTD Budget	YTD Actual	Variance (Over)/Under	Comment
Special Purpose Grant - Yarragadee Bridge	6075	0	0	0	0	0	
Special Purpose Grant - Yarragadee Bridge	1227	210,000	210,000	210,000	163,334	46,666	
Special Purpose Grant - Coalseam Bridge	1229	498,000	498,000	0	0	498,000	
Mingenew Mullewa Road Reseal (RRG)	RR65	441,500	441,500	132,000	0	441,500	
Mingenew Morawa / Yandanooka North East Intersection	BS05	45,000	45,000	0	0	45,000	
Yandanooka Melara / Narandagy / Manarra Rd Intersection	BS07	238,367	238,367	238,367	71,895	166,472	
RRG - Coalseam Road	RR61	375,512	375,512	0	0	375,512	
Total Roads & Bridges		2,054,696	2,084,696	593,702	244,435	1,810,261	
Capital Expenditure Total		2,840,834	3,109,017	1,054,603	641,707	2,199,127	

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SHIRE OF MINGENEW
List of Accounts for 1 December 2018 to 31 December 2018

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
NOV18	07/12/2018	DE LANGE LADEN PTY LTD	Photocopier Rental Fee	M		356.80
WATC1218	31/12/2018	WA TREASURY CORP	LOAN REPAYMENT	M		42,103.55
DEC1300	17/12/2018	BUSINESS 1300	Live Answering Services December 2018	M		99.00
8578	06/12/2018	BLACKWOODS	Purchase of PPE	M		317.90
8579	06/12/2018	SYNERGY	Street Lights Power Account	M		1,893.45
8580	20/12/2018	CITY OF GREATER GERALDTON	Building Services	M		484.83
8581	20/12/2018	Department Of Transport	Annual Registration Fees	M		7,593.90
8582	20/12/2018	WATER CORPORATION	Water Account for 13 Moore Street	M		107.25
EFT12036	03/12/2018	BPH	Flood Damage Repairs	M		271,771.73
EFT12037	03/12/2018	Pro Earth Civil	Works Supervisor Relief - 10/09/2018 to 23/06/2018	M		24,488.43
EFT12038	06/12/2018	CJD EQUIPMENT	Purchase of Parts for Various Plant Items	M		204.14
EFT12039	06/12/2018	Australian Services Union	Payroll deductions	M		25.90
EFT12040	06/12/2018	AVON WASTE	Rubbish Collection Charges	M		4,874.24
EFT12041	06/12/2018	Moore Stephens	Asset Management Planning Fees	M		2,750.00
EFT12042	06/12/2018	Courier Australia	Freight Charges	M		151.38
EFT12043	06/12/2018	Clarkes Washing Machine Repairs	Oven Repair	M		337.70
EFT12044	06/12/2018	CHILD SUPPORT AGENCY	Payroll deductions	M		298.02
EFT12045	06/12/2018	Jeremy Clapham	Reimbursement of Expenses	M		429.21

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List of Accounts for 1 December 2018 to 31 December 2018

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12046	06/12/2018	DONGARA DRILLING & ELECTRICAL	Air Conditioner Repairs	M		426.58
EFT12047	06/12/2018	DONGARA BUILDING & TRADE SUPPLIES	Key Cutting	M		30.75
EFT12048	06/12/2018	EPIC ELECTRICAL	Electrical Works Completed	M		275.00
EFT12049	06/12/2018	Cassandra Eva	Expenses Claimed	M		209.03
EFT12050	06/12/2018	Frontline Fire & Rescue	Parts for Fire Ute	M		219.27
EFT12051	06/12/2018	GERALDTON MOWER & REPAIR SPECIALIST	Repairs to Toro Mower	M		1,531.10
EFT12052	06/12/2018	Geraldton Independent Building Supplies	Building Supplies	M		132.55
EFT12053	06/12/2018	GREAT NORTHERN RURAL SERVICES	Purchase of Chemicals	M		600.34
EFT12054	06/12/2018	GHD PTY LTD	WANDRRA Project Management	M		6,246.19
EFT12055	06/12/2018	GEOFF WELLS	Purchase of Oven	M		424.40
EFT12056	06/12/2018	JR & A HERSEY PTY LTD	Purchase of Various Materials	M		1,801.80
EFT12057	06/12/2018	INFINITUM TECHNOLOGIES	IT Support Charges	M		803.00
EFT12058	06/12/2018	Sarah Kempton	Expenses Claimed	M		93.55
EFT12059	06/12/2018	LGRCEU	Payroll deductions	M		20.50
EFT12060	06/12/2018	Shire Of Mingenew	Payroll deductions	M		180.00
EFT12061	06/12/2018	MINGENEW SPRING CARAVAN PARK	Acccomodation Fees	M		744.00
EFT12062	06/12/2018	MARKETFORCE	Advertising Fees	M		843.28
EFT12063	06/12/2018	MINGENEW IGA X-PRESS & LIQUOR	IGA Account for October 2018	M		851.38
EFT12064	06/12/2018	Motorpass	Fuel Purchases November 2018	M		17,777.31

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EFT12065	06/12/2018	Mach 1 Auto One	Tyre Repair Kit	M		50.48
EFT12066	06/12/2018	Mingenew Hotel Motel	Meal Costs	M		50.00
EFT12067	06/12/2018	Northern Country Zone Of Walga	Annual Subscription Fees	M		1,700.00
EFT12068	06/12/2018	Officeworks	Office Stationery	M		120.95
EFT12069	06/12/2018	Patricia Julieanne Phillips	55 King Street Rent Payment	M		800.00
EFT12070	06/12/2018	PEMCO DIESEL PTY LTD	Supply of parts for MI 262	M		198.00
EFT12071	06/12/2018	Pro Earth Civil	WANDRRA Flood Works	M		35,933.82
EFT12072	06/12/2018	SPORT AND RECREATION SURFACES	Netball Court Upgrade	M		43,979.43
EFT12073	06/12/2018	Starling Mechanical Services	Mechanical Works Completed on MI 255	M		10,010.09
EFT12074	06/12/2018	Urbis	Review of Twon Planning Scheme	M		4,195.13
EFT12075	06/12/2018	WALGA	Consultancy Project	M		2,816.00
EFT12076	06/12/2018	Wayne Angus Wynne	4 William Street Rent	M		600.00
EFT12077	06/12/2018	George Vernon Whitecross	Drum Muster Wages	M		90.57
EFT12078	06/12/2018	WILDFLOWER COUNTRY INC.	Wildflower Country Membership	M		4,950.00
EFT12079	06/12/2018	Winc	Office Stationery	M		96.14
EFT12081	20/12/2018	Five Star Business & Communications	Billing Period for November 2018	M		690.31
EFT12082	20/12/2018	CR Justin Bagley	Councillor Sitting Fees	M		904.00
EFT12083	20/12/2018	Luke James Gamble	Rates refund for assessment A255 41 KING STREET MINGENEW 6522	M		1,544.25

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12084	20/12/2018	Australian Taxation Office	November 2018 BAS	M		89.00
EFT12085	20/12/2018	Australian Services Union	Payroll deductions	M		25.90
EFT12086	20/12/2018	AUSTRALIA POST	November 2018 Postage Fees	M		229.13
EFT12087	20/12/2018	AVON WASTE	Rubbish Bin Collection Charges	M		2,416.37
EFT12088	20/12/2018	BUNNINGS Group Limited	Purchase of General Tools	M		682.03
EFT12089	20/12/2018	Ella Budrikis	Travel Reimbursment	M		337.77
EFT12090	20/12/2018	Butler Settineri	Fees for Grant Acquittal	M		880.00
EFT12091	20/12/2018	BRAMATT INSTALLATIONS WA	Air Conditioner Repairs	M		1,599.40
EFT12092	20/12/2018	BPH	Flood Damage Repairs	M		430,513.67
EFT12093	20/12/2018	CUTTING EDGES PTY LTD	Purchase of Blades	M		728.75
EFT12094	20/12/2018	CR GARY COSGROVE	Councillor Sitting Fees	M		904.00
EFT12095	20/12/2018	CATWEST	Cold Mix Charges	M		745.36
EFT12096	20/12/2018	CHILD SUPPORT AGENCY	Payroll deductions	M		298.02
EFT12097	20/12/2018	CRAIGES AUTO ELECTRICAL & AIR CONDITIONING	Air Conditioner Repairs to MI 027	M		993.29
EFT12098	20/12/2018	ELDERS LIMITED	Purchase of Boots	M		402.99
EFT12099	20/12/2018	CR LEAH EARDLEY	Councillor Sitting Fees	M		904.00
EFT12100	20/12/2018	EPIC ELECTRICAL	Electrical Works Completed	M		1,475.12
EFT12101	20/12/2018	GREAT NORTHERN RURAL SERVICES	Purchase of Sprinklers	M		2,201.65

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EFT12102	20/12/2018	GHD PTY LTD	WANDRRA Project Management	M		11,297.02
EFT12103	20/12/2018	GNC CONCRETE AND PRECAST	Concrete Works	M		3,821.40
EFT12104	20/12/2018	GREAT SOUTHERN FUEL SUPPLIES	Fuel Purchases November 2018	M		937.82
EFT12105	20/12/2018	IT Vision	Rates Consultancy Services	M		8,337.08
EFT12106	20/12/2018	SHIRE OF IRWIN	Consultant Services	M		772.82
EFT12107	20/12/2018	IRWIN PLUMBING SERVICES	Septic Tank Pump Out	M		1,694.00
EFT12108	20/12/2018	LATERAL ASPECT	Service Fee November 2018	M		3,758.33
EFT12109	20/12/2018	CR Crispian Charles Reginald Lucken	Councillor Sitting Fees	M		1,485.75
EFT12110	20/12/2018	LG Corporate Solutions	Financial Management Services	M		20,166.67
EFT12111	20/12/2018	LGRCEU	Payroll deductions	M		20.50
EFT12112	20/12/2018	Shire Of Mingenew	Payroll deductions	M		180.00
EFT12113	20/12/2018	MCDONALDS WHOLESALERS	Community Christmas Tree SUPplies	M		138.32
EFT12114	20/12/2018	STARICK TYRES	Tyres November 2018	M		424.51
EFT12115	20/12/2018	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Professional Services Provided in July 2018	M		5,250.00
EFT12116	20/12/2018	METROCOUNT	Purchase of Road Tube	M		673.20
EFT12117	20/12/2018	Kym McGlinn	Councillor Sitting Fees	M		904.00
EFT12118	20/12/2018	MINGENEW BAKERY	Bakery Account November 2018	M		195.40
EFT12119	20/12/2018	MINGENEW IGA X-PRESS & LIQUOR	IGA Account November 2018	M		484.37

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12120	20/12/2018	CR Robert William Newton	Councillor Sitting Fees	M		904.00
EFT12121	20/12/2018	CR HELEN NEWTON	Councillor Sitting Fees	M		3,361.00
EFT12122	20/12/2018	Officeworks	Purchase of Water	M		176.44
EFT12123	20/12/2018	Patricia Julieanne Phillips	55 King Street Rent Payment	M		800.00
EFT12124	20/12/2018	Perfect Computer Solutions Pty Ltd	IT Support Charges	M		1,232.50
EFT12125	20/12/2018	PEMCO DIESEL PTY LTD	Repiars to MI 541 Grader	M		4,996.32
EFT12126	20/12/2018	Pro Earth Civil	Works Supervisor Relief - 19/11/2018 to 24/11/2018	M		6,435.44
EFT12127	20/12/2018	QUALITY TRAFFIC MANAGEMENT PTY LTD	Traffic Management Control	M		2,682.90
EFT12128	20/12/2018	LANDMARK	PPE for Outdoor Staff	M		1,315.72
EFT12129	20/12/2018	SHIRE OF CHAPMAN VALLEY	Planning Services Fee	M		4,032.49
EFT12130	20/12/2018	STRUCTERRE	Investigation & Report	M		1,045.00
EFT12131	20/12/2018	Sunshower	Purchase of Sprinkler Parts	M		529.50
EFT12132	20/12/2018	Starling Mechanical Services	Mechanical Work Completed on MI 528	M		3,139.40
EFT12133	20/12/2018	ST JOHN AMBULANCE WA PTY LTD	First Aid Kit Servicing	M		986.17
EFT12134	20/12/2018	Telstra Corporation	Telstra Account November 2018	M		1,637.13
EFT12135	20/12/2018	TRAINWEST	Course Fees	M		48.75
EFT12136	20/12/2018	VELPIC	Velpic Monthly Fees	M		442.20
EFT12137	20/12/2018	Wayne Angus Wynne	4 William Street Rent Payment	M		600.00
EFT12138	20/12/2018	MINGENEW FABRICATORS	Fabrication Works Completed December 2018	M		1,811.06

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12139	20/12/2018	WEATHER WORKS AUSTRALIA	Windsock	M		726.00
EFT12140	20/12/2018	YOUNG MOTORS	Service of MI 177	M		599.57
NAB31123	31/12/2018	NAB	NAB Connect Fee December 2018	M		53.74
DOT031218	05/12/2018	DEPARTMETN OF TRANSPORT	DoT Licensing Transactions: 03/12/2018	M		3,559.60
DOT051218	07/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 05/12/2018	M		975.25
DOT061218	10/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 06/12/2018	M		339.85
DOT071218	11/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 07/12/2018	M		149.50
DD8698.1	12/12/2018	WA SUPER	Payroll deductions	M		5,046.39
DD8698.2	12/12/2018	PRIME SUPER	Superannuation contributions	M		274.04
DD8698.3	12/12/2018	Australian Super	Superannuation contributions	M		785.26
DD8698.4	12/12/2018	Sun Super	Superannuation contributions	M		307.90
DD8698.5	12/12/2018	LGIA Super	Superannuation contributions	M		951.92
DD8698.6	12/12/2018	Australlian Super	Superannuation contributions	M		232.69
DD8698.7	12/12/2018	Ioof Portfolio Service Superannuation Fund	Superannuation contributions	M		113.07
DD8698.8	12/12/2018	ANZ Smart Choice Super	Superannuation contributions	M		46.50
DD8698.9	12/12/2018	MLC SUPER FUND	Superannuation contributions	M		151.17
DD8710.1	26/12/2018	WA SUPER	Payroll deductions	M		3,974.70
DD8710.2	26/12/2018	Australian Super	Superannuation contributions	M		675.01

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
DD8710.3	26/12/2018	Sun Super	Superannuation contributions	M		314.31
DD8710.4	26/12/2018	LGIA Super	Superannuation contributions	M		951.92
DD8710.5	26/12/2018	Australlian Super	Superannuation contributions	M		153.74
DD8710.6	26/12/2018	Ioof Portfolio Service Superannuation Fund	Superannuation contributions	M		87.94
DD8710.7	26/12/2018	MLC SUPER FUND	Superannuation contributions	M		151.17
DD8710.8	26/12/2018	Host Plus Superannuation Fund	Superannuation contributions	M		201.82
DD8710.9	26/12/2018	PRIME SUPER	Superannuation contributions	M		256.01
DOT101218	12/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 10/12/2018	M		4,181.20
DOT111218	13/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 11/12/2018	M		41,904.10
WN112018	03/12/2018	WESTNET	Monthly Internet Fee	M		170.51
DOT131218	17/12/2018	DEPARTMENT OF TRANSPSORT	Licensing Transactions: 13/12/2018	M		817.30
DOT141218	18/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 18/12/2018	M		79.55
DOT171218	19/12/2018	DEPARTMENT OF TRANSPORT	Dot Licensing Transactions: 17/12/2018	M		33.50
DOT181218	20/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 18/12/2018	M		251.60
DOT191218	21/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 19/12/2018	M		1,568.30
DOT201218	24/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transaction: 20/12/2018	M		362.10
DOT211218	27/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 21/12/2018	M		22.20
DOT291118	03/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 29/11/2018	M		1,268.30
DOT301118	04/12/2018	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 30/11/2018	M		1,730.05

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
NAB311218	31/12/2018	NAB	Account Fees December 2018	M		29.70
DD8698.10	12/12/2018	Host Plus Superannuation Fund	Superannuation contributions	M		259.59
NAB3112182	31/12/2018	NAB	Service Fee December 2018	M		50.00

REPORT TOTALS

Bank Code	Bank Name	TOTAL
M	MUNI - NATIONAL AUST BANK	1,116,177.36
TOTAL		1,116,177.36

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
WESTNETJAN02/01/2019		WESTNET	INTERNET JANUARY 2018	M		313.95
	25/01/2019	Lotterywest	Return of Unspent Funds from Grant	M		2,469.50
PC0118	07/01/2019	DE LAGE LANDEN	Photocopier Lease: January 2019	M		356.80
NAB0119	02/01/2019	NAB	MERCHANT FEE JANUARY 2018	M		131.05
DEC1300	15/01/2019	BUSINESS 1300	Live Telephone Answering Services: December 2018	M		99.00
NAB2901	29/01/2019	NAB	NAB CONNECT FEE JANUARY 2019	M		64.14
NAB3101	31/01/2019	NAB	Account Fees January 2019	M		26.70
8583	07/01/2019	SYNERGY	Street Lights Power Account	M		5,644.65
8584	07/01/2019	WATER CORPORATION	Water Accounts for December 2018	M		4,434.44
8585	11/01/2019	CITY OF GREATER GERALDTON	Sirisi Dynix Membership 2018/19	M		385.20
8587	11/01/2019	SYNERGY	Rec Centre Power Account	M		4,892.60
8588	17/01/2019	SYNERGY	Yandanooka Hall Power Account	M		97.35
8589	23/01/2019	WATER CORPORATION	BP Lot Water Account	M		282.19
EFT12141	11/01/2019	Australian Services Union	Payroll deductions	M		51.80
EFT12142	11/01/2019	AVON WASTE	Rubbish Collection Charges	M		4,977.79
EFT12143	11/01/2019	BUNNINGS Group Limited	Building Materials	M		1,130.17
EFT12144	11/01/2019	Moore Stephens	Asset Management Planning	M		3,300.00
EFT12145	11/01/2019	BOC GASES	Gas Bottle Hire Charges	M		107.18

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12146	11/01/2019	Butler Settineri	Audit Fees	M		4,944.50
EFT12147	11/01/2019	BPH	Flood Damage Repairs	M		199,109.39
EFT12148	11/01/2019	CATWEST	Spray Seal Charges	M		2,257.20
EFT12149	11/01/2019	CHILD SUPPORT AGENCY	Payroll deductions	M		596.04
EFT12150	11/01/2019	CRAIGES AUTO ELECTRICAL & AIR CONDITIONING	Electrical Repairs to MI 028	M		1,241.35
EFT12151	11/01/2019	GREAT SOUTHERN FUEL SUPPLIES	Fuel Purchases December 2018	M		1,314.00
EFT12152	11/01/2019	Hitachi Construction Machinery (Australia) Pty Ltd.	Purchase of Parts for Grader	M		406.74
EFT12153	11/01/2019	IT Vision	Monthly Payroll Processing	M		2,658.70
EFT12154	11/01/2019	LATERAL ASPECT	Service Fee December 2018	M		4,927.19
EFT12155	11/01/2019	LGRCEU	Payroll deductions	M		41.00
EFT12156	11/01/2019	Shire Of Mingenew	Payroll deductions	M		321.43
EFT12157	11/01/2019	STARICK TYRES	Tyre Account December 2018	M		449.39
EFT12158	11/01/2019	MIDWEST AERO MEDICAL AIR AMBULANCE P/L	Professional Services Provided in December 2018	M		2,250.00
EFT12159	11/01/2019	MARKETFORCE	Advertising Fees	M		1,224.45
EFT12160	11/01/2019	MINGENEW BAKERY	Bakery Account December 2018	M		189.90
EFT12161	11/01/2019	Mjb Industries	Purchase of Concrete Pipes	M		1,292.50
EFT12162	11/01/2019	Motorpass	Fuel Purchases December 2018	M		15,784.40
EFT12163	11/01/2019	Mingenew Hotel Motel	Catering Costs	M		3,030.00

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12164	11/01/2019	Officeworks	Office Stationary	M		170.77
EFT12165	11/01/2019	Patricia Julieanne Phillips	55 King Street Rent	M		800.00
EFT12166	11/01/2019	SMYTH AGRI SERVICES	Purchase of Cargo Net	M		200.20
EFT12167	11/01/2019	Telstra Corporation	Telstra Account December 2018	M		1,327.67
EFT12168	11/01/2019	WESTRAC PTY LTD	Parts Sales	M		699.92
EFT12169	11/01/2019	Wayne Angus Wynne	4 William Street Rent	M		600.00
EFT12170	17/01/2019	Five Star Business & Communications	Billing Period for January 2019	M		257.36
EFT12171	17/01/2019	AUSTRALIA POST	December 2018 Postage Fees	M		182.67
EFT12172	17/01/2019	ACMA	Licence Renewal	M		111.00
EFT12173	17/01/2019	AVON WASTE	Rubbish Collection Charges	M		2,403.48
EFT12174	17/01/2019	DONGARA DRILLING & ELECTRICAL	Air Conditioner Repairs	M		1,138.71
EFT12175	17/01/2019	Dongara Tyrepower	Puncture Repair	M		114.50
EFT12176	17/01/2019	GUARDIAN PRINT & GRAPHICS	Printing Costs	M		395.00
EFT12177	17/01/2019	INFINITUM TECHNOLOGIES	IT Support Charges	M		803.00
EFT12178	17/01/2019	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA	Registration Fees	M		1,425.51
EFT12179	17/01/2019	PEST A KILL WA	Shire Office Exterra	M		3,451.25
EFT12180	17/01/2019	PEMCO DIESEL PTY LTD	Repairs to MI 541	M		1,359.05
EFT12181	17/01/2019	ST JOHN AMBULANCE IRWIN	First Aid Kit Maintenance	M		105.00

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12182	17/01/2019	Sunny Sign Company	Purchase of Signs	M		226.09
EFT12183	17/01/2019	Starling Mechanical Services	Mechanical Works Completed on MI461	M		3,555.44
EFT12184	17/01/2019	VELPIC	Velpic Monthly Fees	M		407.00
EFT12185	17/01/2019	WALGA	Course Fees	M		697.00
EFT12186	31/01/2019	Australian Services Union	Payroll deductions	M		25.90
EFT12187	31/01/2019	ABCO PRODUCTS	Purchase of Bin Liners	M		246.13
EFT12188	31/01/2019	Afgri Equipment	Mower Blades	M		192.54
EFT12189	31/01/2019	BUNNINGS Group Limited	Building Materials	M		318.16
EFT12190	31/01/2019	BPH	Flood Damage Repairs	M		480,448.98
EFT12191	31/01/2019	CHILD SUPPORT AGENCY	Payroll deductions	M		298.02
EFT12192	31/01/2019	DONGARA PLUMBING	Asbestos Removal	M		6,589.00
EFT12193	31/01/2019	ELDERS LIMITED	Purchase of Sprayer	M		309.10
EFT12194	31/01/2019	Cassandra Eva	Reimbursement Costs	M		282.20
EFT12195	31/01/2019	GHD PTY LTD	WANDRRA Project Management	M		4,543.28
EFT12196	31/01/2019	IT Vision	Rates Consultancy Services	M		275.00
EFT12197	31/01/2019	LGRCEU	Payroll deductions	M		20.50
EFT12198	31/01/2019	Shire Of Mingenew	Payroll deductions	M		100.00
EFT12199	31/01/2019	Mitchell and Brown	Purchase of Oven	M		1,280.00
EFT12200	31/01/2019	McIntosh & Son	Purchase of New Loader	M		170,500.00

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT12201	31/01/2019	Officeworks	Office Stationery	M		228.39
EFT12202	31/01/2019	Pro Earth Civil	Flood Damage Site Supervisor	M		88,118.42
EFT12203	31/01/2019	Shire Of Carnamah	Ranger Service Fee	M		3,224.16
EFT12204	31/01/2019	TYREPOWER	Fitting of New Tyres	M		3,288.01
NAB31012	31/01/2019	NAB	Account Fees January 2019	M		50.00
DOT070119	09/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 07/01/2019	M		4,437.85
DD8718.1	06/01/2019	WA SUPER	Payroll deductions	M		2,923.27
DD8718.2	06/01/2019	Australian Super	Superannuation contributions	M		472.49
DD8718.3	06/01/2019	Sun Super	Superannuation contributions	M		192.43
DD8718.4	06/01/2019	LGIA Super	Superannuation contributions	M		666.35
DD8718.5	06/01/2019	Australlian Super	Superannuation contributions	M		131.23
DD8718.6	06/01/2019	Ioof Portfolio Service Superannuation Fund	Superannuation contributions	M		58.63
DD8718.7	06/01/2019	MLC SUPER FUND	Superannuation contributions	M		105.82
DD8718.8	06/01/2019	Host Plus Superannuation Fund	Superannuation contributions	M		133.06
DD8718.9	06/01/2019	PRIME SUPER	Superannuation contributions	M		182.09
DD8732.1	20/01/2019	WA SUPER	Payroll deductions	M		3,218.22
DD8732.2	20/01/2019	Australian Super	Superannuation contributions	M		675.01
DD8732.3	20/01/2019	Sun Super	Superannuation contributions	M		307.90

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
DD8732.4	20/01/2019	LGIA Super	Superannuation contributions	M		951.92
DD8732.5	20/01/2019	Australlian Super	Superannuation contributions	M		203.06
DD8732.6	20/01/2019	Ioof Portfolio Service Superannuation Fund	Superannuation contributions	M		123.95
DD8732.7	20/01/2019	MLC SUPER FUND	Superannuation contributions	M		151.17
DD8732.8	20/01/2019	Host Plus Superannuation Fund	Superannuation contributions	M		203.06
DD8732.9	20/01/2019	PRIME SUPER	Superannuation contributions	M		256.01
DOT100119	14/01/2019	DEPARTMENT OF TRASNPORT	DoT Licensing Transactions: 10/01/2018	M		285.15
DOT110119	15/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transations: 11/01/2019	M		1,918.65
DOT150119	17/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 17/01/2019	M		7,853.85
DOT160119	18/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 16/01/2019	M		31,400.70
DOT170119	21/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 21/01/2019	M		1,503.20
DOT180119	22/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 18/01/2019	M		28.80
DOT210119	23/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 21/01/2019	M		633.95
DOT220119	24/01/2019	DEPARTMENT OF TRANSPORT	DoT Transactions: 22/01/2019	M		16,747.60
WATC230119	23/01/2019	WATC	Guarantee Fee	M		2,192.67
DOT230119	25/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 23/01/2019	M		26.85
DOT240119	29/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 24/01/2019	M		18,259.05
DOT290119	31/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transactions: 29/01/2019	M		2,315.45
DOT1401119	16/01/2019	DEPARTMENT OF TRANSPORT	DoT Licensing Transaction: 14/01/2019	M		805.85

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
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REPORT TOTALS

Bank Code	Bank Name	TOTAL
M	MUNI - NATIONAL AUST BANK	1,150,936.39
TOTAL		1,150,936.39

COUNCIL POLICY**1.1.1****Elected Members**

Title:	1.1.1 ELECTED MEMBERS ENTITLEMENTS
Adopted:	21 March 2018
Last Reviewed:	09 January 2018
Associated Legislation:	Sections 5.98, 5.98A, 5.99, 5.99A and 5.100A of the Local Government Act 1995. Regulations 30, 31, 32 and 34AC of the Local Government (Administration) Regulations 1996 Salaries and Allowances Act 1975
Associated Documents:	
Review Responsibility:	Chief Executive Officer
Delegation:	Chief Executive Officer

Previous Policy Number/s 1004, 1005, 1006

Objective:

The Shire of Mingenew's Elected Members are required to carry out certain functions and responsibilities under the Local Government Act. In order to assist in the facilitation of their roles there are entitlements that they must be provided with in order to be effective in their role.

Policy Statement:

In recognition of the complexity and demands on Elected Members in undertaking their role, the Shire of Mingenew is committed to ensuring adequate funding is included in the Annual Budget so that elected members are provided with appropriate facilities, equipment, material and information to support them in performing their duties of office and to enable attendance at Conferences or Professional Development training that has relevance to that role.

Further, the Shire of Mingenew supports the attendance of elected members at relevant conferences, seminars and meetings, and wherever possible will take advantage of appropriate and relevant training opportunities for elected members to attend.

COUNCIL POLICY
Elected Members

1.1.1

Title:	1.1.1 ELECTED MEMBERS ENTITLEMENTS v1
Adopted:	19 December 2018
Last Reviewed:	21 March 2018
Associated Legislation:	Sections 5.98, 5.98A, 5.99, 5.99A and 5.100A of the Local Government Act 1995. Regulations 30, 31, 32 and 34AC of the Local Government (Administration) Regulations 1996 Salaries and Allowances Act 1975
Associated Documents:	
Review Responsibility:	Chief Executive Officer
Delegation:	-

Previous Policy Number/s 1004, 1005, 1006, 1.1.1

Objective:

The Shire of Mingenew's Elected Members are required to carry out certain functions and responsibilities under the Local Government Act. In order to assist in the facilitation of their roles this policy details the entitlements that Elected Members must be provided with in order to be effective in their role.

Policy Statement:

In recognition of the complexity and demands on Elected Members in undertaking their role, the Shire of Mingenew is committed to ensuring adequate funding is included within the Annual Budget to allow for

- a) Elected Member compensation and reimbursement;
- b) The provision of appropriate facilities, equipment, material and information to support professional development; and
- c) Acknowledgement of service.

1. Payment of Fees and Allowances

1.1 Annual Meeting Attendance Fees in lieu of Council Meeting and Committee Meeting Attendance Fees:

- a) In lieu of paying the *President* meeting attendance fee for each prescribed meeting, the Shire will pay 33% of the maximum annual attendance fee set by the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time.
- b) In lieu of paying *Councillors* a meeting attendance fee for each prescribed meeting, the Shire will pay 40% of the maximum annual attendance fee set by the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time.
- c) Payments will be made quarterly in arrears on a pro-rata basis throughout the annual period.

1.2 Annual Local Government Allowances — President and Deputy President:

- a) The Shire will pay an Annual Local Government Allowance for the President that is 37% of the maximum set by the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time.
- b) The Shire will pay an Annual Local Government Allowance for the Deputy President that is equivalent to 25% of the President's Allowance.
- c) Payments will be made quarterly on a pro-rata basis throughout the annual period.

1.3 Conditions of Payment

- a) All allowances and fees shall be paid automatically into a nominated bank account unless an Elected Member has advised the Chief Executive Officer (CEO), in writing, that he/she does not want to claim any or part of those fees and allowances.
- b) If an Elected Member advises that he/she does not want all or part of the fees and allowances to which he/she is entitled, any subsequent request for full or additional payment will not be back-paid but accrue from the date of the CEO receiving such a request.

1.4 Information, Communication and Technology (ICT) Equipment & Use

- a) The following equipment will be issued to Elected Members upon commencement of role:
 - (i) A mobile device with keyboard or equivalent technology and inclusive of a data SIM Card.
- b) *Conditions*
 - (i) Any damage or loss of the equipment during that time is the responsibility of the Elected Member to repair and fund.
 - (ii) The equipment is strictly to be used for Shire purposes only including, researching Council related matters, Shire approved social media, Shire related pictures or filming, receiving and despatching email correspondence, diary requests and Council meeting agendas.
 - (iii) The CEO, if requested, may provide assistance to Elected Members with user training and support.
 - (iv) All information on Shire issued equipment is subject to Freedom of Information requests.
 - (v) All Councillor's will receive an @mingenew.wa.gov.au email address which is to be used for all Shire related correspondence.
 - (vi) All emails received and sent through the @mingenew.wa.gov.au email account are to be captured in the Shire's Record Keeping System.
 - (vii) Any costs associated with upgrades or additional requirements over and above the standard equipment being offered should be met by the Elected Member.
- c) An Elected Member who incurs an ICT expense, as defined by the SAT, is entitled to be reimbursed for that expense up to \$100.00 per claim, providing sufficient evidence be submitted. As such the Shire will not pay an ICT Annual Allowance.

2. Attendance at Conferences and Training within Australia

2.1 Annual Conference and Training Expense Allocation

- a) Council will determine, as apart of the annual budgetary process, the Annual Conference and Training budget, which is to be exclusive of costs associated with attendance at the Annual West Australian Local Government Week.
- b) All Elected Members shall be entitled to attend the Annual West Australian Local Government Association conference, with estimated costs to be included in the annual budget.
- a) All fees associated with a training event or conference, including travel, meals and accommodation expenses and course fees etc will be reimbursed by the Shire, to the extent listed in clause 2.6. Supporting evidence must be provided.
- b) Travel for any prescribed meeting (as prescribed in 30(3A) of the LG Regulations) or community consultation will be reimbursed by the Shire providing sufficient evidence be submitted.

2.2 Approval

- a) The CEO will approve all requests made by each Elected Member to attend any locally (within the state) provided Conference or Training within the categories outlined at clause 2.2 providing it is within the funds allocated in the Annual Budget.
- a) All interstate and overseas requests will require Council approval.
- b) Councillors whom wish to represent Council at a conference shall request nomination at a Council meeting. Council will decide by resolution to nominate such representatives as Council may consider appropriate.

2.3 Conferences and Training that May be Attended

- a) The Conferences and Training to which this policy applies shall generally be limited to the following:
 - West Australian Local Government Association and Australian Local Government Association conferences.
 - Special 'one off' conferences called for or sponsored by the West Australian Local Government Association and/or Australian Local Government Association on important issues.
 - Annual conferences of the major professions in local government and other institutions of relevance to local government activities.
 - Municipal Training Service's Councillor Induction Program.
 - West Australian Local Government Association Elected Member Training and Development.
 - Training relating to the role of Elected Members.
 - Other local government-specific training courses, workshops and forums, relating to such things as understanding the roles/responsibilities of Elected Members, meeting procedures, etc.

2.4 Community and other Consultation

- a) In order for Councillors to consult with communities in an official Shire capacity outside the Mingenew townsite, and in the case of a Council vehicle not being available (private vehicle used) the Shire will reimburse associated vehicle costs at the rate set by the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time. Additionally, accommodation and meals will be reimbursed at cost.

- b) Elected members are required to prepare a report for presentation to Council, detailing the purpose of the visit and a summary of the outcomes achieved during the consultation process.

2.5 Support Activities

- a) The Shire will pay all costs for Elected Members that are charged by organisers for support activities, including those costs relating to official luncheons, dinners and tours/inspections that are relevant to the conference and training event.

2.6 Extent of Expenses to be reimbursed

- a) The Shire will reimburse all accommodation costs associated with training and conferences providing the nightly rate is fair and reasonable.
- b) An Elected Member attending a Conference and Training event is entitled to be reimbursed for 'normally accepted' living costs while travelling. Such living costs are to be reimbursed in accordance with the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time and include, but are not limited to:
 - meals and refreshments for the Elected Member (that are not covered by the conference and Training registration costs);
 - dry-cleaning and laundry expenses; and
 - reasonable telephone, internet and facsimile charges.
- c) Elected Members will generally not be reimbursed for the cost of meals or refreshments for other people with the exception of an accompanying person as specified in 2.8 of this policy.
- d) Expenses will generally be reimbursed from the time an Elected Member leaves home to attend an event to the time the Elected Member returns home. Should an Elected Member extend a visit by leaving prior to the time necessary to arrive for the event or return after the time at which the Elected Member could have returned following the event, reimbursements will be paid:
 - for the days of the Conference and Training event only; and
 - for the cost of travel to and from the airport to the accommodation to be used for the Conference and Training.
- e) The extent to which an Elected Member can be reimbursed for intrastate and interstate travel and accommodation costs incurred in any of the circumstances referred to in regulation 32(1) of the Regulations is set by the Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time.
- f) Costs of taxi fares, ride-share services, vehicle hire and parking, which are reasonable, required and incurred in attending Conferences and Training, will be reimbursed by the Shire in accordance with Salaries and Allowances Tribunal through a determination published in the Government Gazette from time to time.
- g) All reimbursements require substantiation with details of the date, activity attended, the actual costs incurred and original receipts being provided and attached to the claim form.
- h) Should an Elected Member withdraw their registration from a conference or training course past the last cancellation date, any costs incurred by Council that cannot be recouped from event organisers shall be reimbursed to Council by that Councillor.

2.7 Air Travel

- a) All air travel must be economy class, any upgrades to other classes must be paid by the elected member

2.8 Elected Member/Delegate Accompanying Person

- a) Where an Elected Member is accompanied at a conference or training event, all costs incurred by the accompanying person, including, but not limited to, travel, breakfast, meals, registration and/or participation in any event programs, are to be borne by the Elected Member / accompanying person and not by the Shire.
- b) The exception to the above being the cost of attending any official conference/training event dinner where partners would normally attend as well as accommodation costs associated with a shared room with the Elected Member, where such costs are not above a room rate for the Elected Member alone.
- c) Where the Shire meets an account containing any expenditure or cost incurred on behalf of the accompanying person attending, such expenditure must be repaid to Shire by the Elected Member / accompanying person within 30 days of being invoiced for such expenditure following the conclusion of the conference / training event.

3. Other Entitlements

3.1 Acknowledgement of Service

- a) Council will upon retirement of Elected Members, acknowledge their service through the provision of an appropriate gift. The value of any gift provided to a retiring Elected Member is limited to the prescribed amount set out below and is in accordance with Regulation 34AC of the Local Government (Administration) Regulations 1996.
 - (i) Up to 4 years service:
A certificate of appreciation
 - (ii) Greater than 4 years and up to and including 8 years of service:
A gift up to the value of \$200
 - (iii) Greater than 8 years and up to and including 12 years of service:
A gift up to the value of \$300
 - (iv) Greater than 12 years of service:
\$300 plus \$25 per year of service to the maximum value of \$1,000.
- a) Recognition will not take the form of a cash payment.
- b) In the event that a sitting or retiring Councillor has performed an extensive range of functions on behalf of the municipality and the community which are beyond that normally associated with a Councillors day to day duties, the Council may at its discretion grant the title of "Honorary Freeman of the municipality".

COUNCIL POLICY
Administration

1.2.2

Title:	1.2.2 RISK MANAGEMENT
Adopted:	21 March 2018
Reviewed:	13 February 2018
Associated Legislation:	Local Government Act 1995 Local Government (Audit) Regulations 1996 Risk Management Standard AS/NZS ISO 31000:2009
Associated Documents:	Risk Assessment and Acceptance Criteria Tables:
Review Responsibility:	Chief Executive Officer, Governance Officer
Delegation:	-

Previous Policy Number/s 2013

Objective:

To detail the Shire's level of commitment towards the concept and resourcing of risk management.

Policy Statement:

It is the Shire's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2009 Risk Management), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public.

The Shire is committed to:

- Providing transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhancing risk versus return within our risk appetite.
- Embedding appropriate and effective controls to mitigate risk.
- Achieving effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhancing organizational resilience.
- Providing for the continuity of critical operations.



Risk Management Governance Framework

- Risk Management Policy
- Risk Management Procedures

Last Updated: September 2014

Version: 0.1

Shire of Mingenew

Prepared by: LGIS Risk Management

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Introduction

The Policy and Procedures form the Risk Management Framework for the Shire of Mingenew (“the Shire”). It sets out the Shire’s approach to the identification, assessment, management, reporting and monitoring of risks. All components of this document are based on AS/NZS ISO 31000:2009 Risk Management.

It is essential that all areas of the Shire adopt these procedures to ensure:

- Strong corporate governance.
- Compliance with relevant legislation, regulations and internal policies.
- Integrated Planning and Reporting requirements are met.
- Uncertainty and its effects on objectives is understood.

This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Shire along with existing time, resource and workload pressures.

Further information or guidance on risk management procedures is available from LGIS Risk Management.

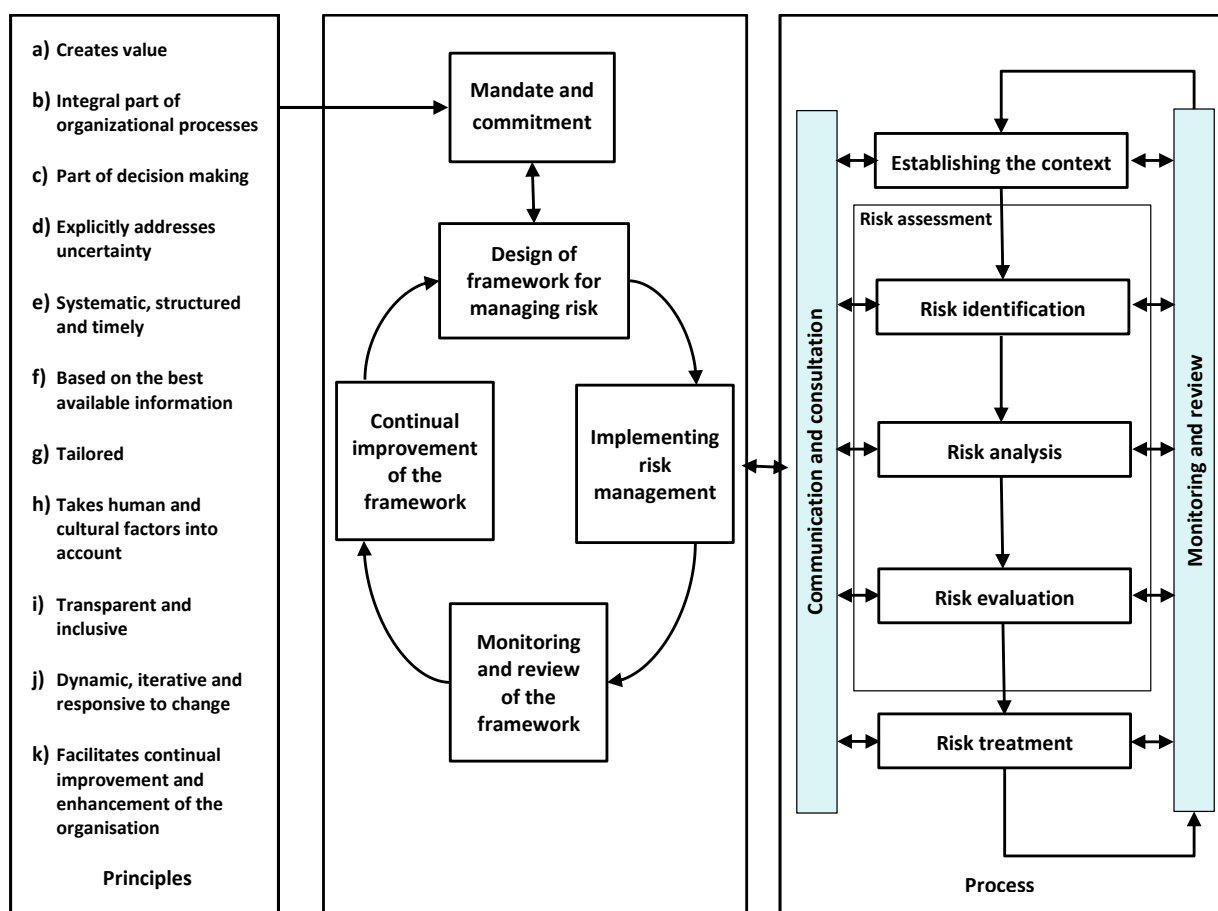


Figure 1: Risk Management Process (Source: AS/NZS 31000:2009)

Risk Management Policy

Shire Requirement

Insert policy administration details/requirements where applicable e.g. Policy name, Implementation date, Revision date, Policy owner and delegations, Referenced legislation and standards.

Purpose

The Shire of Mingenew ("the Shire") Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives.

Policy

It is the Shire's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2009 Risk management), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public.

Risk Management will form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Shire's Integrated Planning Framework.

The Shire's Management Team will determine and communicate the Risk Management Policy, Objectives and Procedures, as well as, direct and monitor implementation, practice and performance.

Every employee within the Shire is recognised as having a role in risk management from the identification of risks to implementing risk treatments and shall be invited and encouraged to participate in the process.

Consultants may be retained at times to advise and assist in the risk management process, or management of specific risks or categories of risk.

Definitions (from AS/NZS ISO 31000:2009)

Risk: Effect of uncertainty on objectives.

Note 1: An effect is a deviation from the expected – positive or negative.

Note 2: Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, product or process).

Risk Management: Coordinated activities to direct and control an organisation with regard to risk.

Risk Management Process: Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

Risk Management Objectives

- Optimise the achievement of our vision, mission, strategies, goals and objectives.
- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhance risk versus return within our risk appetite.
- Embed appropriate and effective controls to mitigate risk.
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhance organisational resilience.
- Identify and provide for the continuity of critical operations

Risk Appetite

The Shire quantified its risk appetite through the development and endorsement of the Shire's Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Procedures and are subject to ongoing review in conjunction with this policy.

All organisational risks to be reported at a corporate level are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations appetite and are to be noted within the individual risk assessment.

Roles, Responsibilities & Accountabilities

The CEO is responsible for the allocation of roles, responsibilities and accountabilities. These are documented in the Risk Management Procedures (Operational Document).

Monitor & Review

The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be kept under review by the Shire's Management Team and its employees. It will be formally reviewed within a three year cycle.

Signed:

Chief Executive Officer

Date: ____/____/____

Risk Management Procedures

Governance

Appropriate governance of risk management within the Shire of Mingenew (the “Shire”) provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of the risk management functions.
- An effective Governance Structure to support the risk framework.

Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness at least every two years.

Operating Model

The Shire has adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate & Operational Plans.

First Line of Defence

All operational areas of the Shire are considered ‘1st Line’. They are responsible for ensuring that risks (within their scope of operations) are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the decisioning of risk matters.
- Prepare risk acceptance proposals where necessary, based on level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control environment.

Second Line of Defence

The CEO (or as delegated) acts as the primary ‘2nd Line’. This position owns and manages the framework for risk management. They draft and implement the governance procedures and provide the necessary tools and training to support the 1st line process.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1st & 3rd lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1st Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Shire’s risk reporting for the CEO & Management Team and the Audit Committee.

Third Line of Defence

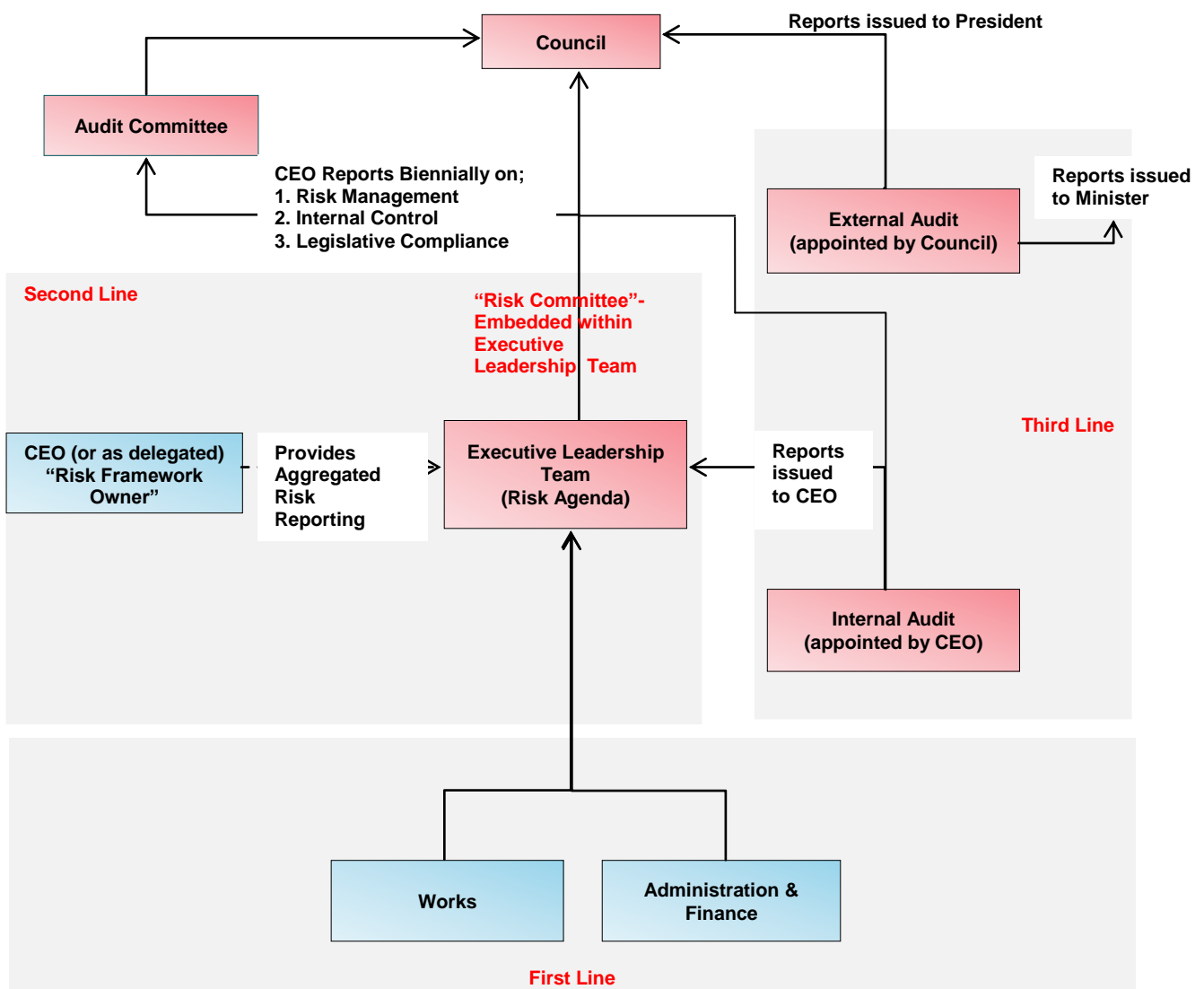
Internal & External Audit are the third line of defence, providing independent assurance to the Council, Audit Committee and Shire Management on the effectiveness of business operations and oversight frameworks (1st & 2nd Line).

Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the CEO with input from the Audit Committee.

External Audit – Appointed by the Council on the recommendation of the Audit Committee to report independently to the President and CEO on the annual financial statements only.

Governance Structure

The following diagram depicts the current operating structure for risk management within the Shire.



Roles & Responsibilities

Council

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Appoint / Engage External Auditors to report on financial statements annually.
- Establish and maintain an Audit Committee in terms of the Local Government Act.

Audit Committee

- Support Council to provide effective corporate governance.
- Oversight of all matters that relate to the conduct of External Audits.
- Must be independent, objective and autonomous in deliberations.
- Make recommendations to Council on External Auditor appointments.

CEO / Management Team (in capacity as 'Risk Committee')

- Appoint Internal Auditors as required under Local Government (Audit) regulations.
- Liaise with Council in relation to risk acceptance requirements.
- Approve and review the appropriateness and effectiveness of the Risk Management Framework.
- Drive consistent embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.
- Document decisions and actions arising from 'risk matters'.
- Own and manage the Risk Profiles at Shire Level.

CEO (or as delegated) – Risk Framework Owner

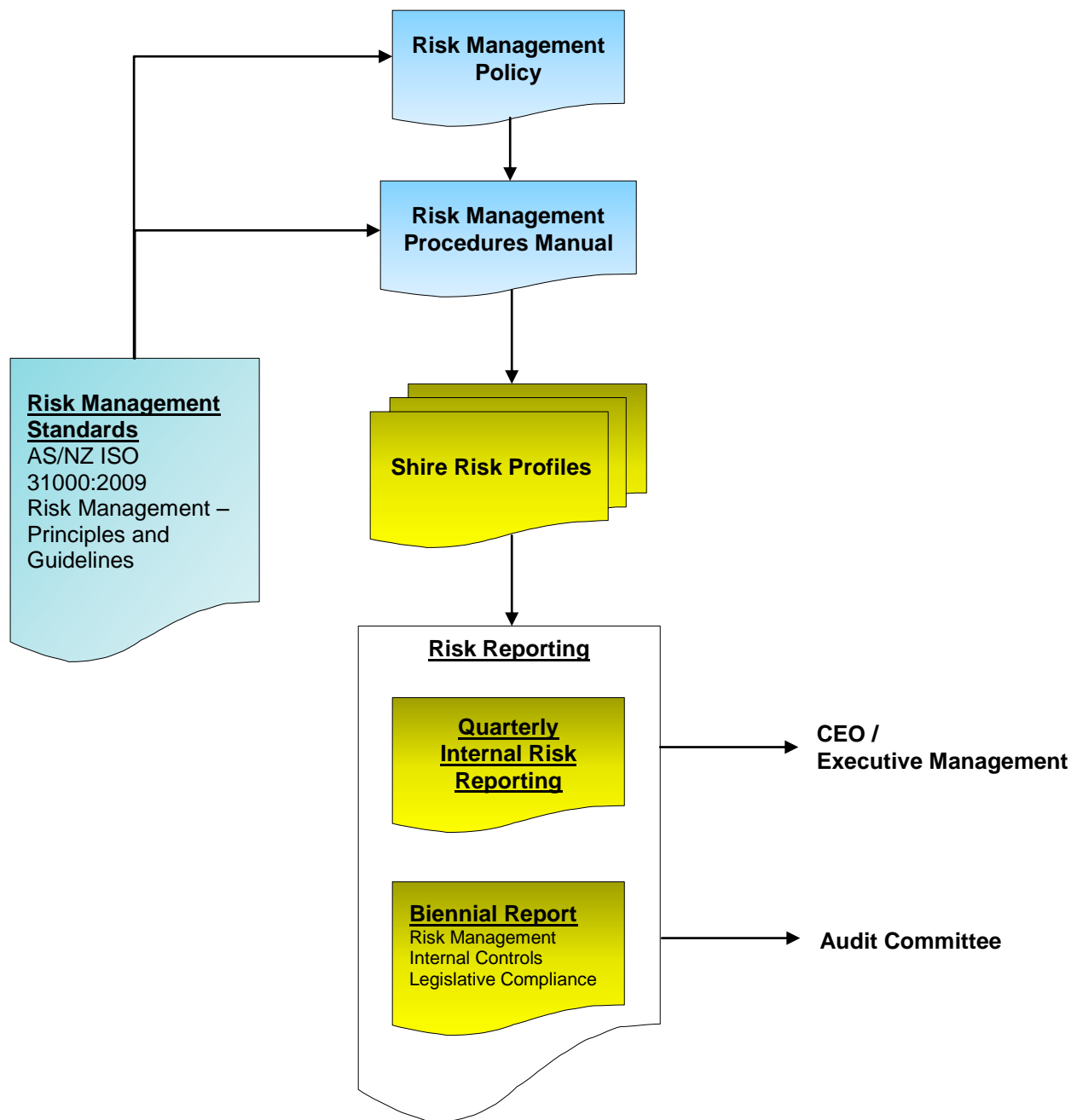
- Oversee and facilitate the Risk Management Framework.
- Support reporting requirements for Risk matters.

Work Areas

- Drive risk management culture within work areas.
- Own, manage and report on specific risk issues as required.
- Assist in the Risk & Control Management process as required.
- Highlight any emerging risks or issues accordingly.
- Incorporate 'Risk Management' into Management Meetings, by incorporating the following agenda items;
 - New or emerging risks.
 - Review existing risks.
 - Control adequacy.
 - Outstanding issues and actions.

Document Structure (Framework)

The following diagram depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.



Risk & Control Management

All Work Areas of the Shire are required to assess and manage the Risk Profiles on an ongoing basis.

Each Manager, in conjunction with the CEO (or as delegated) are accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Shire.
- Reviewed on at least a six monthly basis, unless there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported by the use of key data inputs, workshops and ongoing business engagement.

Risk & Control Assessment

To ensure alignment with ISO 31000:2009 Risk Management, the following approach is to be adopted from a Risk & Control Assessment perspective.

Establishing the Context

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

Organisational Context

The Shire's Risk Management Procedures provides the basic information and guidance regarding the organisational context to conduct a risk assessment; this includes Risk Assessment and Acceptance Criteria (Appendix A) and any other tolerance tables as developed. In addition, existing Risk Themes are to be utilised (Appendix C) where possible to assist in the categorisation of related risks.

Any changes or additions to the Risk Themes must be approved by the CEO (or as delegated).

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision making processes.

Specific Risk Assessment Context

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process. For risk assessment purposes the Shire has been divided into three levels of risk assessment context:

Strategic Context

The Shire's external environment and high level direction. Inputs to establishing the strategic risk assessment context may include;

- Organisations Vision / Mission
- Stakeholder Analysis
- Environment Scan / SWOT Analysis
- Existing Strategies / Objectives / Goals

Operational Context

The Shire's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its Key Activities i.e. what is trying to be achieved. Note: these may already be documented in business plans, budgets etc.

Project Context

Project Risk has two main components:

- **Risk in Projects** refers to the risks that may arise as a result of project activity (i.e. impacting on process, resources or IT systems) which may prevent the Shire from meeting its objectives
- **Project Risk** refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

Risk Identification

Using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, answer the following questions, capture and review the information within each Risk Profile.

- What can go wrong? / What are areas of uncertainty? (Risk Description)
- How may this risk eventuate? (Potential Causes)
- What are the current measurable activities that mitigate this risk from eventuating? (Controls)
- What are the potential consequential outcomes of the risk eventuating?

Risk Analysis

To analyse the risks the Shire's Risk Assessment and Acceptance Criteria (Appendix A) is applied:

- Based on the documented controls, analyse the risk in terms of Existing Control Ratings
- Determine relevant consequence categories and rate how bad it could be if the risk eventuated with existing controls in place (Consequence)
- Determine how likely it is that the risk will eventuate to the determined level of consequence with existing controls in place (Likelihood)
- By combining the measures of consequence and likelihood, determine the risk rating (Level of Risk)

Risk Evaluation

The Shire is to verify the risk analysis and make a risk acceptance decision based on:

- Controls Assurance (i.e. are the existing controls in use, effective, documented, up to date and relevant)
- Existing Control Rating
- Level of Risk
- Risk Acceptance Criteria (Appendix A)
- Risk versus Reward / Opportunity

The risk acceptance decision needs to be documented and those risks that are acceptable are then subject to the monitor and review process.

Note: Individual Risks or Issues may need to be escalated due to its urgency, level of risk or systemic nature.

Risk Treatment

For unacceptable risks, determine treatment options that may improve existing controls and/or reduce consequence / likelihood to an acceptable level.

Risk treatments may involve actions such as avoid, share, transfer or reduce the risk with the treatment selection and implementation to be based on;

- Cost versus benefit
- Ease of implementation
- Alignment to organisational values / objectives

Once a treatment has been fully implemented, the CEO (or as delegated) is to review the risk information and acceptance decision with the treatment now noted as a control and those risks that are acceptable then become subject to the monitor and review process (Refer to Risk Acceptance section).

Monitoring & Review

The Shire is to review all Risk Profiles at least on an annual basis or if triggered by one of the following;

- changes to context,
- a treatment is implemented,
- an incident occurs or due to audit/regulator findings.

The CEO (or as delegated) is to monitor the status of risk treatment implementation and report on, if required.

The CEO & Management Team (in capacity as 'Risk Committee) will monitor significant risks and treatment implementation as part of their normal agenda item on a quarterly basis with specific attention given to risks that meet any of the following criteria:

- Risks with a Level of Risk of High or Extreme
- Risks with Inadequate Existing Control Rating
- Risks with Consequence Rating of Catastrophic
- Risks with Likelihood Rating of Almost Certain

The design and focus of Risk Summary report will be determined from time to time on the direction of the CEO & Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Shire.

Communication & Consultation

Throughout the risk management process, stakeholders will be identified, and where relevant, be involved in or informed of outputs from the risk management process.

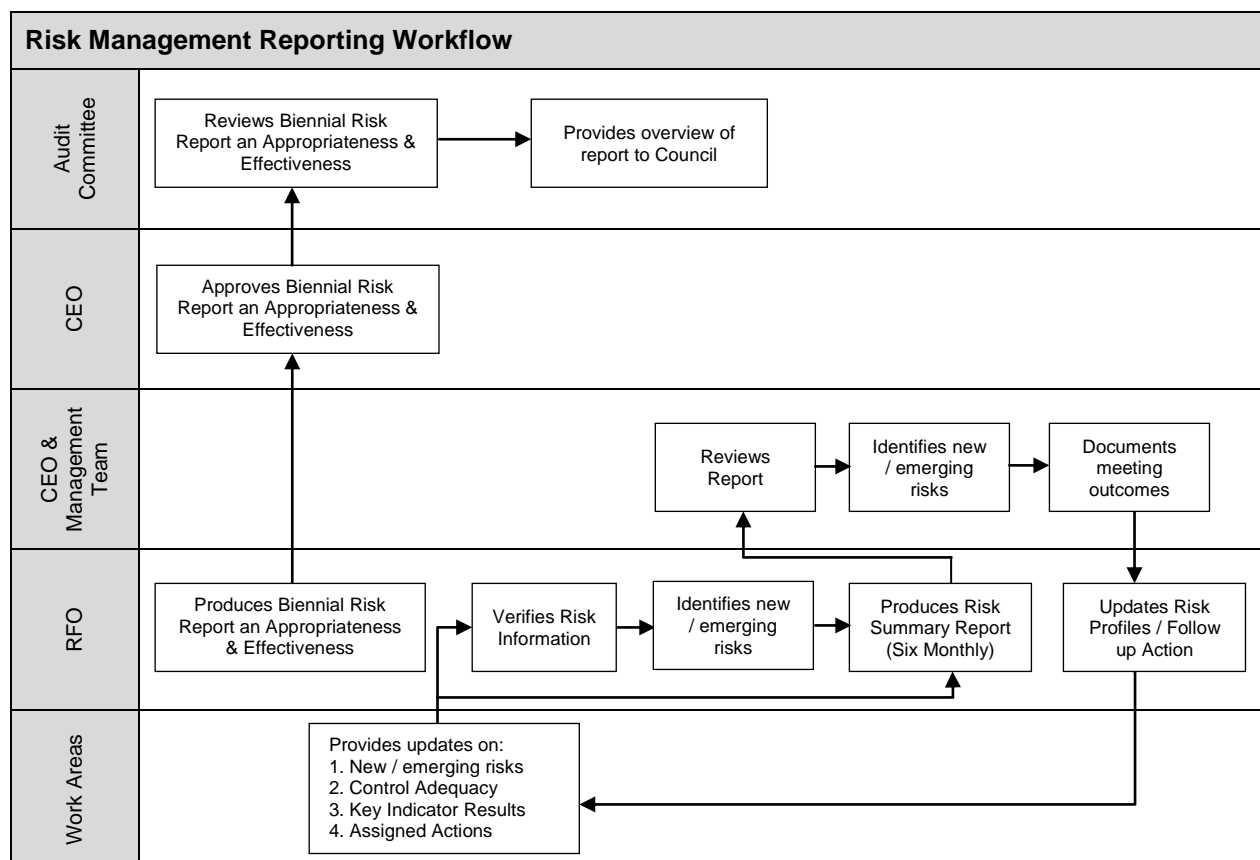
Risk management awareness and training will be provided to all staff.

Risk management will be included within the employee induction process to ensure new employees are introduced to the Shire's risk management culture.

Reporting Requirements

Coverage & Frequency

The following diagram provides a high level view of the ongoing reporting process for Risk Management.



Each Work Area is responsible for ensuring:

- They continually provide updates in relation to new, emerging risks, control effectiveness and key indicator performance to the CEO (or as delegated).
- Work through assigned actions and provide relevant updates to the CEO (or as delegated).
- Risks / Issues reported to the CEO & Management Team are reflective of the current risk and control environment.

The CEO (or as delegated) is responsible for:

- Ensuring Shire Risk Profiles are formally reviewed and updated, at least on a six monthly basis or when there has been a material restructure, change in risk ownership or change in the external environment.
- Quarterly Risk Reporting for the CEO & Management Team – Contains an overview of the Risk Summary for the Shire.
- Annual Compliance Audit Return completion and lodgement.

Key Indicators

Key Indicators (KI's) may be used for monitoring and validating key risks and controls. The following describes the process for the creation and reporting of KIs:

- Identification
- Validity of Source
- Tolerances
- Monitor & Review

Identification

The following represent the minimum standards when identifying appropriate KI's key risks and controls:

- The risk description and casual factors are fully understood
- The KI is fully relevant to the risk or control
- Predictive KI's are adopted wherever possible
- KI's provide adequate coverage over monitoring key risks and controls

Validity of Source

In all cases an assessment of the data quality, integrity and frequency must be completed to ensure that the KI data is relevant to the risk or Control.

Where possible the source of the data (data owner) should be independent to the risk owner. Overlapping KI's can be used to provide a level of assurance on data integrity.

If the data or source changes during the life of the KI, the data is required to be revalidated to ensure reporting of the KI against a consistent baseline.

Tolerances

Tolerances are set based on the Shire's Risk Appetite. They are set and agreed over three levels:

- Green – within appetite; no action required.
- Amber – the KI must be closely monitored and relevant actions set and implemented to bring the measure back within the green tolerance.
- Red – outside risk appetite; the KI must be escalated to the CEO & Management Team where appropriate management actions are to be set and implemented to bring the measure back within appetite.

Monitor & Review

All active KI's are updated as per their stated frequency of the data source.

When monitoring and reviewing KI's, the overall trend must be considered over a longer timeframe instead of individual data movements. The trend of the KI is specifically used as an input to the risk and control assessment.

Risk Acceptance

Day to day operational management decisions are generally managed under the delegated authority framework of the Shire.

Risk Acceptance is a management decision to accept, within authority levels, material risks which will remain outside appetite framework (refer Appendix A – Risk Assessment & Acceptance Criteria) for an extended period of time (generally 3 months or longer).

The following process is designed to provide a framework for those identified risks.

The 'Risk Acceptance' must be in writing, signed by the relevant Manager and cover:

- A description of the risk.
- An assessment of the risk (eg. Impact consequence, materiality, likelihood, working assumptions etc)
- Details of any mitigating action plans or treatment options in place
- An estimate of the expected remediation date.

A lack of budget / funding to remediate a material risk outside appetite is not sufficient justification in itself to accept a risk.

Accepted risks must be continually reviewed through standard operating reporting structure (ie. Management Team)

Annual Control Assurance Plan

The annual assurance plan is a monitoring schedule prepared by the CEO (or as delegated) that sets out the control assurance activities to be conducted over the next 12 months. This plan needs to consider the following components.

- Existing control adequacy ratings across the Shire's Risk Profiles.
- Consider control coverage across a range of risk themes (where commonality exists).
- Building profiles around material controls to assist in design and operating effectiveness reviews.
- Consideration to significant incidents.
- Nature of operations
- Additional or existing 2nd line assurance information / reviews (eg. HR, Financial Services, IT)
- Frequency of monitoring / checks being performed
- Review and development of Key Indicators
- Timetable for assurance activities
- Reporting requirements

Whilst this document and subsequent actions are owned by the CEO (or as delegated) input and consultation will be sought from individual Directorates.

Appendix A – Risk Assessment and Acceptance Criteria

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response
Moderate (3)	Medical type injuries	\$10,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies
Major (4)	Lost time injury	\$50,001 - \$500,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies
Catastrophic (5)	Fatality, permanent disability	More than \$500,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Measures of Likelihood			
Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Director / CEO
EXTREME	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

Existing Controls Ratings		
Rating	Foreseeable	Description
Effective	There is <u>little</u> scope for improvement.	<ol style="list-style-type: none"> Processes (Controls) operating as intended and aligned to Policies / Procedures. Subject to ongoing monitoring. Reviewed and tested regularly.
Adequate	There is <u>some</u> scope for improvement.	<ol style="list-style-type: none"> Processes (Controls) generally operating as intended, however inadequacies exist. Nil or limited monitoring. Reviewed and tested, but not regularly.
Inadequate	There is a <u>need</u> for improvement or action.	<ol style="list-style-type: none"> Processes (Controls) not operating as intended. Processes (Controls) do not exist, or are not being complied with. Have not been reviewed or tested for some time.

Appendix B – Risk Profile Template

Risk Theme			Date
This Risk Theme is defined as: <i>Definition of Theme</i>			
Potential causes include: <i>List of potential causes</i>			
Key Controls	Type	Date	Shire Rating
<i>List of Key Controls</i>			
Overall Control Ratings:			
Risk Ratings			Shire Rating
Consequence:			
Likelihood:			
Overall Risk Ratings:			
Key Indicators	Tolerance	Date	Overall Shire Result
<i>List of Key Indicators</i>			
Comments <i>Rationale for all above ratings</i>			
Current Issues / Actions / Treatments	Due Date	Responsibility	
<i>List current issues / actions / treatments</i>			

Appendix C – Risk Theme Definitions

Misconduct

Intentional activities in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority. This would include instances of:

- Relevant authorisations not obtained.
- Distributing confidential information.
- Accessing systems and / or applications without correct authority to do so.
- Misrepresenting data in reports.
- Theft by an employee
- Collusion between Internal & External parties

This does not include instances where it was not an intentional breach - refer Errors, Omissions or delays in transaction processing, or Inaccurate Advice.

External theft & fraud (inc. Cyber Crime)

Loss of funds, assets, data or unauthorised access, (whether attempts or successful) by external parties, through any means (including electronic), for the purposes of;

- Fraud – benefit or gain by deceit
- Malicious Damage – hacking, deleting, breaking or reducing the integrity or performance of systems
- Theft – stealing of data, assets or information (no deceit)

Examples include:

- Scam Invoices
- Cash or other valuables from 'Outstations'.

Business & community disruption

Failure to adequately prepare and respond to events that cause disruption to the local community and / or normal Shire business activities. The event may result in damage to buildings, property, plant & equipment (all assets). This could be a natural disaster, weather event, or an act carried out by an external party (inc. vandalism). This includes;

- Lack of (or inadequate) emergency response / business continuity plans.
- Lack of training to specific individuals or availability of appropriate emergency response.
- Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
- Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

This does not include disruptions due to IT Systems or infrastructure related failures - refer "Failure of IT & communication systems and infrastructure".

Errors, omissions, delays

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process. This includes instances of;

- Human errors, incorrect or incomplete processing
- Inaccurate recording, maintenance, testing and / or reconciliation of data.
- Errors or inadequacies in model methodology, design, calculation or implementation of models.

This may result in incomplete or inaccurate information. Consequences include;

- Inaccurate data being used for management decision making and reporting.
- Delays in service to customers
- Inaccurate data provided to customers

This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes".

Failure of IT &/or Communications Systems and Infrastructure

Instability, degradation of performance, or other failure of IT Systems, Infrastructure, Communication or Utility causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked. Examples include failures or disruptions caused by:

- Hardware &/or Software
- IT Network
- Failures of IT Vendors

This also includes where poor governance results in the breakdown of IT maintenance such as;

- Configuration management
- Performance Monitoring
- IT Incident, Problem Management & Disaster Recovery Processes

This does not include new system implementations - refer "Inadequate Change Management".

Failure to fulfil statutory, regulatory or compliance requirements

Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This could result in fines, penalties, litigation or increase scrutiny from regulators or agencies. This includes, new or proposed regulatory and legislative changes, in addition to the failure to maintain updated legal documentation (internal & public domain) to reflect changes.

This does not include Occupational Safety & Health Act (refer "Inadequate employee and visitor safety and security") or any Employment Practices based legislation (refer "Ineffective Employment practices")

It does include the Local Government Act, Health Act, Building Act, Privacy Act and all other legislative based obligations for Local Government.

Providing inaccurate advice / information

Incomplete, inadequate or inaccuracies in professional advisory activities to customers or internal staff. This could be caused by using unqualified staff, however it does not include instances relating Breach of Authority.

Inadequate project / change Management

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time requirements or scope changes. This includes:

- Inadequate Change Management Framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.
- Failure to implement new systems
- Failures of IT Project Vendors/Contractors

Inadequate Document Management Processes

Failure to adequately capture, store, archive, retrieve, provision and / or disposal of documentation. This includes:

- Contact lists.
- Procedural documents.
- 'Application' proposals/documents.
- Contracts.
- Forms, requests or other documents.

Inadequate safety and security practices

Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are:

- Inadequate Policy, Frameworks, Systems and Structure to prevent the injury of visitors, staff, contractors and/or tenants.
- Inadequate Organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc).
- Inadequate security protection measures in place for buildings, depots and other places of work (vehicle, community etc).
- Public Liability Claims, due to negligence or personal injury.
- Employee Liability Claims due to negligence or personal injury.
- Inadequate or unsafe modifications to plant & equipment.

Inadequate engagement practices

Failure to maintain effective working relationships with the Community (including Local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This invariably includes activities where communication, feedback and / or consultation is required and where it is in the best interests to do so. For example;

- Following up on any access & inclusion issues.
- Infrastructure Projects.
- Regional or District Committee attendance.
- Local Planning initiatives.
- Strategic Planning initiatives

This does not include instances whereby Community expectations have not been met for standard service provisions such as Community Events, Library Services and / or Bus/Transport services.

Inadequate asset sustainability practices

Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads, playgrounds, boat ramps and all other assets and their associated lifecycle from procurement to maintenance and ultimate disposal. Areas included in the scope are;

- Inadequate design (not fit for purpose)
- Ineffective usage (down time)
- Outputs not meeting expectations
- Inadequate maintenance activities.
- Inadequate financial management and planning.

It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.

Inadequate Supplier / Contract Management

Inadequate management of External Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes. This also includes:

- Concentration issues
- Vendor sustainability

It does not include failures in the tender process; refer "Inadequate Procurement, Disposal or Tender Practices".

Ineffective employment practices

Failure to effectively manage and lead human resources (full/part time, casuals, temporary and volunteers). This includes not having an effective Human Resources Framework in addition to not having appropriately qualified or experienced people in the right roles or not having sufficient staff numbers to achieve objectives. Other areas in this risk theme to consider are;

- Breaching employee regulations (excluding OH&S)
- Discrimination, Harassment & Bullying in the workplace
- Poor employee wellbeing (causing stress)
- Key person dependencies without effective succession planning in place
- Induction issues
- Terminations (including any tribunal issues)
- Industrial activity

Care should be taken when considering insufficient staff numbers as the underlying issue could be process inefficiencies.

Ineffective management of facilities / venues / events

Failure to effectively manage the day to day operations of facilities and / or venues. This includes;

- Inadequate procedures in place to manage the quality or availability.
- Ineffective signage
- Booking issues
- Financial interactions with hirers / users
- Oversight / provision of peripheral services (eg. cleaning / maintenance)

Inadequate environmental management.

Inadequate prevention, identification, enforcement and management of environmental issues. The scope includes;

- Lack of adequate planning and management of coastal erosion issues.
- Failure to identify and effectively manage contaminated sites (including groundwater usage).
- Waste facilities (landfill / transfer stations).
- Weed control.
- Ineffective management of water sources (reclaimed, potable)
- Illegal dumping.
- Illegal clearing / land use.

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Echelon Australia Pty Ltd trading as LGIS Risk Management
ABN 96 085 720 056

Level 3
170 Railway Parade
WEST LEEDERVILLE WA 6007
Tel 08 9483 8888
Fax 08 9483 8898

CONTACTS

Mark Harris
Senior Risk Consultant | LGIS
Tel 08 9483 8819
Mob 0438 634 808
mark.harris@jlta.com.au

COUNCIL POLICY
Administration

1.2.2

Title:	1.2.2 RISK MANAGEMENT v1
Adopted:	19 December 2018
Reviewed:	21 March 2018
Associated Legislation:	Local Government Act 1995 Local Government (Audit) Regulations 1996 Risk Management Standard AS/NZS ISO 31000:2018
Associated Documents:	Risk Assessment and Acceptance Criteria Tables: Risk Management Framework
Review Responsibility:	Audit Committee; Chief Executive Officer & Governance Officer
Delegation:	Nil

Previous Policy Number/s 2013, 1.2.2

Objective:

To detail the Shire's level of commitment towards the concept and resourcing of risk management and define its risk appetite, risk acceptance and control evaluation criteria.

Policy Statement:

It is the Shire's Policy to aim for best practice (aligned with AS/NZS ISO 31000:2018 Risk Management Guidelines), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public.

Risk management functions will be resourced appropriately to meet the size and scale of the Shire's operations and will form part of the Strategic, Operational, and Project responsibilities and be incorporated within the Shire's Integrated Planning Framework.

The Shire is committed to:

- Utilising the principles and guidelines outlined in the standard AS/NZS ISO 31000:2018;
- Appointing and resourcing the Audit Committee.
- Provide adequate budgetary provision for the financing of risk management including approved risk mitigation activities.
- Promoting a culture within the Shire of awareness and active management of risks;
- Providing regular education to its staff in risk management practices;
- Implementation of these principles in the Shire's operations through the Risk Management Framework and Procedures;
- Providing transparent and formal oversight of the risk and control environment to enable effective decision making.
- Embedding appropriate and effective controls to mitigate risk.
- Providing for the continuity of critical operations.

- Doing all the above to the best of our ability within the constraints imposed by resource availability.

Risk Appetite

As a public authority the Shire has a natural and, in some cases, statutory predisposition to a conservative appetite for risk. In particular, the Shire has little or no appetite for risk which will;

- a) Have a moderate negative impact on the Shire's long-term financial sustainability;
- b) Result in moderate breaches of legislative requirements and/or successful litigation against the Shire;
- c) Compromise the safety and welfare of staff, contractors and/or members of the community.
- d) Cause significant and irreparable damage to the environment;
- e) Result in moderate disruption to the delivery of key Shire's services;
- f) Result in any negative impact on the Shire's reputation;
- g) Result in the loss of, or otherwise unauthorised or accidental access or disclosure of confidential information.

Quantified Risk Assessment and Acceptance Criteria

The Shire's Risk Assessment and Acceptance criteria (fig1-5) has been developed to align with its conservative risk appetite. All organisational risks are to be assessed against these criteria to allow consistency and informed decision making.

For operational requirements such as projects, or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations risk acceptance criteria and are to be noted within the individual risk assessment.

Monitoring and Reporting of Organisational Risk

- a) The Shire will develop and maintain a Risk Profile (register), which will evaluate risk at an organisational level using the quantified Risk Assessment and Acceptance Criteria contained within this policy;
- b) The CEO will report to the Audit Committee on the status of the Risk Profile at least twice yearly, with the report to include:
 - I. A review of any risk escalation; and
 - II. Provide a summary of risk maturity;
- c) The Audit Committee, in consultation with the CEO, will set an annual Control Assurance Plan informed by the Organisational Risk Profile and its priority rankings;
- d) The CEO will report to the audit committee at least twice yearly on the progress and findings of the Control Assurance Plan;
- e) The Audit Committee is to review this policy on a Biennial Basis;
- f) The CEO will conduct a triennial review of financial management systems and submit to the Audit Committee as per Regulation 5 of the Local Government (Financial Management) Regulations 1996;
- g) The CEO will conduct a triennial review on risk management, legislative compliance, and internal control and submit to the Audit Committee as per Regulation 17 of the Local Government (Audit) Regulations 1996.

Figure 1- Risk Assessment Criteria- Measures of Consequence

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Legal & Compliance	Reputational	Property	Environment
Insignificant (1)	First aid injuries	Less than \$5,000	No material service interruption	Compliance: No noticeable regulatory or statutory impact Legal: Threat of litigation requiring small compensation Contract: No effect on contract performance	Unsubstantiated, low impact, low profile or 'no news' item <i>Example: gossip, online post seen by limited persons</i>	Inconsequential damage	Contained, reversible impact managed by on site response <i>Example: pick up bag of rubbish</i>
Minor (2)	Medical type injuries	\$5,001 - \$15,000	Short term temporary interruption – backlog cleared < 1 day	Compliance: Some temporary non-compliances Legal: Single minor litigation Contract: Results in meeting between parties in which contractor expresses concern	Substantiated, low impact, low news item <i>Example: online post seen by the community</i>	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response <i>Example: pick up trailer of rubbish</i>
Moderate (3)	Lost time injury <30 Days	\$15,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Compliance: Short term non-compliance but with significant regulatory requirements imposed Legal: several minor litigations Contract: Receive verbal advice that if breaches continue, a default notice may be issued	Substantiated, public embarrassment, moderate impact, moderate news profile <i>Example: local paper article, online post taken up by people outside of Shire</i>	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies <i>Example: Contractor removal of asbestos sheets</i>
Major (4)	Lost time injury >30 Days	\$50,000 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Compliance: Non-compliance results in termination of services or imposed penalties Legal: Single moderate litigation Contract: Receive written notice from contractor threatening termination if not rectified	Substantiated, public embarrassment, high impact, high news profile, third party actions <i>Example: State wide paper, TV news story, significant online presence</i>	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies <i>Example: truck/train spill of diesel of oil on road reserve</i>
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Compliance: Non-compliance results in litigation, criminal charges or significant damages or penalties Legal: Single major litigation or numerous moderate litigations Contract: Termination of contract for default	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions <i>Example: Au wide paper, TV news,</i>	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Figure 2- Evaluation of Controls Criteria

Existing Controls Ratings		
Rating	Detailed Description	Description and Action Required
Effective	No control gaps. The control is influencing the risk level and only continues monitoring is needed	Description: Control addresses risk, is officially documented, in operation and has been tested to confirm effectiveness
Moderately Effective	Few control gaps. The control is influencing the risk level however improvement is needed	Control addresses risk but documentation and/or operation of control could be improved
Partially Effective	Some control gaps that result in the control having limited influence on risk level	Description: Control addresses risk at least partially, but is not documented and/or operation of control needs to be improved Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'
Inadequate	Significant control gaps that result in the control not influencing the risk level.	Description: At best, control addresses risk, but is not documented or in operation, at worst, control does not address risk and is neither documented nor in operation. Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'

Figure 3- Risk Assessment Criteria- Measures of Likelihood

Measures of Likelihood			
Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

Figure 4- Risk Assessment Criteria- Risk Matrix

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Figure 5- Risk Acceptance Criteria

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
LOW (1-4)	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE (5-9)	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH (10-16)	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	CEO
EXTREME (16-25)	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

SHIRE OF MINGENEW

Risk Management Framework & Procedures v1

Approved 13/02/2019 by N. Hay

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1. Introduction

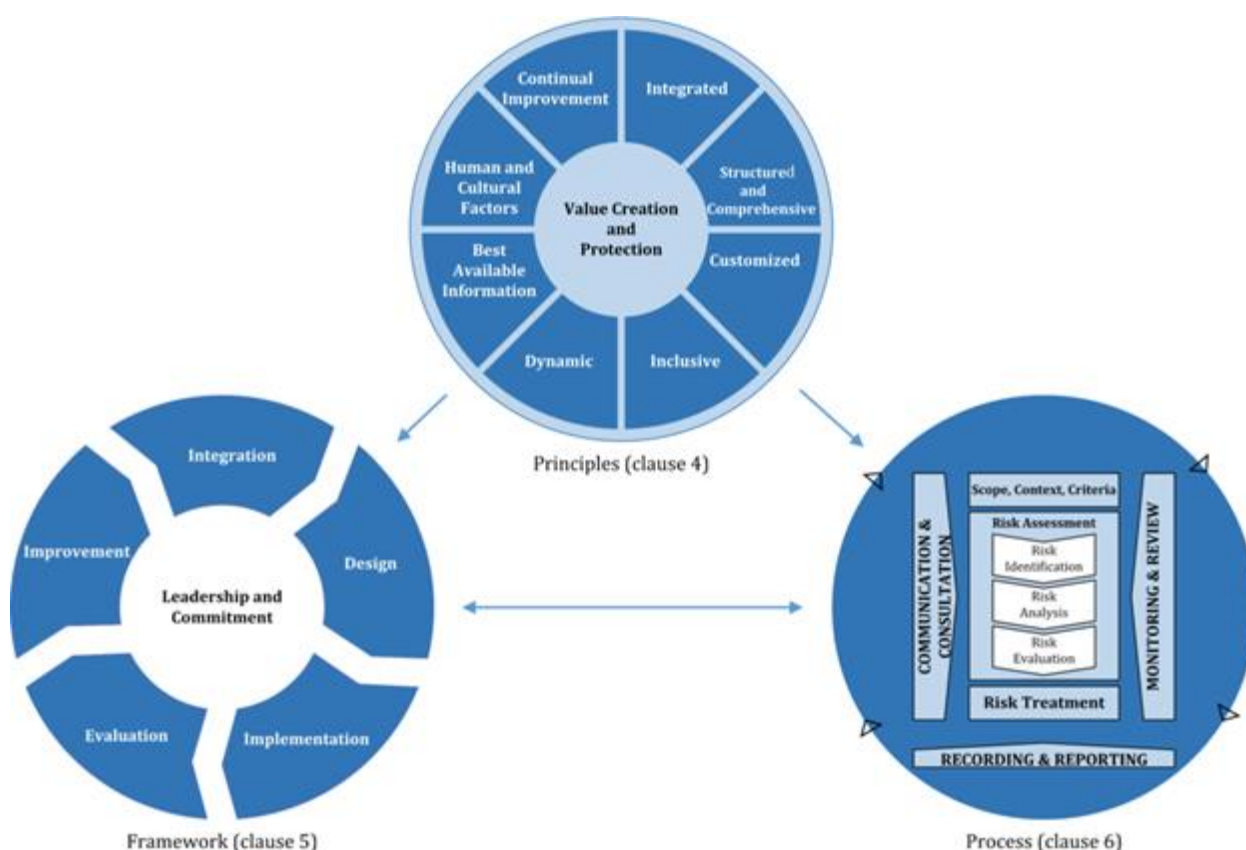
The Shire of Mingenew's (Shire) Risk Management Policy in conjunction with the components of this document encompasses the Shire's Risk Management Framework. It sets out the Shire's approach to the identification, assessment, management, reporting and monitoring of risks. All components of this document are based on AS ISO 31000:2018 Risk Management - Guidelines.

It is essential that all areas of the Shire adopt these procedures to ensure:

- Strong corporate governance.
- Compliance with relevant legislation, regulations and internal policies.
- Integrated Planning and Reporting requirements are met.
- Uncertainty, and its effects, on objectives is understood.

This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Shire along with existing time, resource and workload pressures.

Figure 1: Relationship between the risk management principles, framework and process
(Source: AS 31000:2018)



2. Governance

Appropriate governance of risk management within the Shire provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of the risk management functions.
- An effective Governance Structure to support the risk framework.

2.1 Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness biennially.

2.2 Operating Model

The Shire has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support the delivery of the Strategic, Corporate & Operational Plans.

First Line of Defence

All operational areas of the Shire are considered '1st Line'. They are responsible for ensuring that risks (within their scope of operations) are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include:

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the decisioning of risk matters.
- Prepare risk acceptance proposals where necessary, based on level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control environment.

Second Line of Defence

The Governance Officer, supported by the Chief Executive Officer, acts as the primary '2nd Line'. This position owns and manages the framework for risk management. They draft and implement the governance procedures and provide the necessary tools and training to support the 1st line process.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1st & 3rd lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1st Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Shire's risk reporting for Shire's Management Team and the Audit Committee.

Third Line of Defence

Internal & External Audit are the third line of defence, providing independent assurance to the Council, Audit Committee and Shire Management on the effectiveness of business operations and oversight frameworks (1st & 2nd Line).

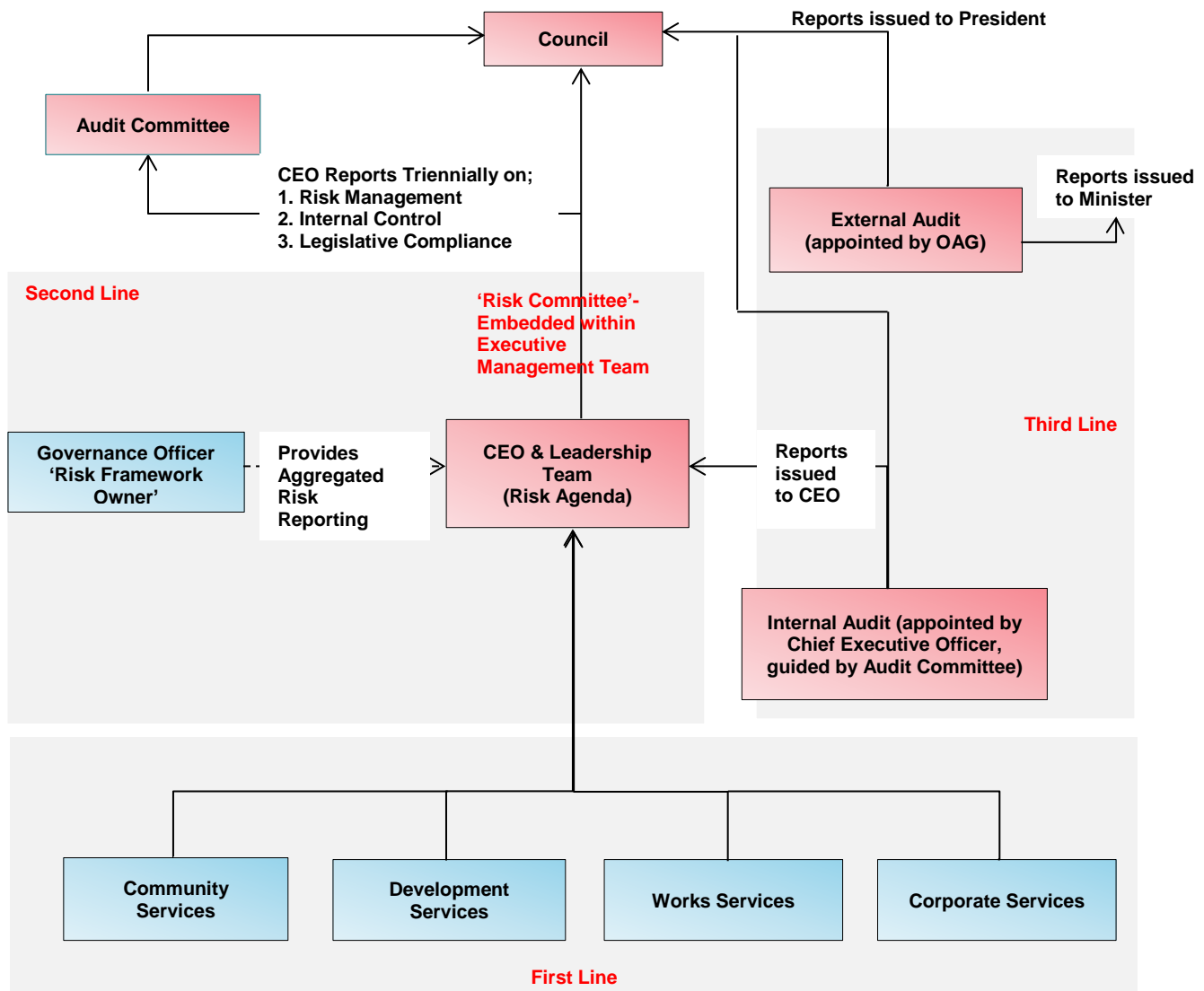
Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the Audit Committee with input from the CEO.

External Audit – Appointed by the Office of the Auditor General (OAG) to report independently to the President and CEO on the annual financial statements only.

2.3 Governance Structure

The following diagram depicts the current operating structure for risk management within the Shire.

Figure 2: Operating Model



2.4 Roles & Responsibilities

Council

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Establish and maintain an Audit Committee in compliance with the Local Government Act.

Audit Committee

- Regularly review the appropriateness and effectiveness of the Framework.

- Support Council to provide effective corporate governance.
- Assist to develop and endorse the Internal Audit Plan.
- Oversight of all matters that relate to the conduct of Internal and External Audits.
- Must be independent, objective and autonomous in deliberations.

CEO / Executive Management Team

- Appoint Internal Auditors as required under Local Government (Audit) regulations, based on Audit Committee guidance.
- Liaise with Council in relation to risk acceptance requirements.
- Approve and review the appropriateness and effectiveness of the Risk Management Framework.
- Drive consistent embedding of a risk management culture.
- Analyse and discuss emerging risks, issues and trends.
- Document decisions and actions arising from 'risk matters'.
- Own and manage the Risk Profiles at Shire Level.

Governance Officer

- Oversee and facilitate the Risk Management Framework.
- Support reporting requirements for Risk matters.

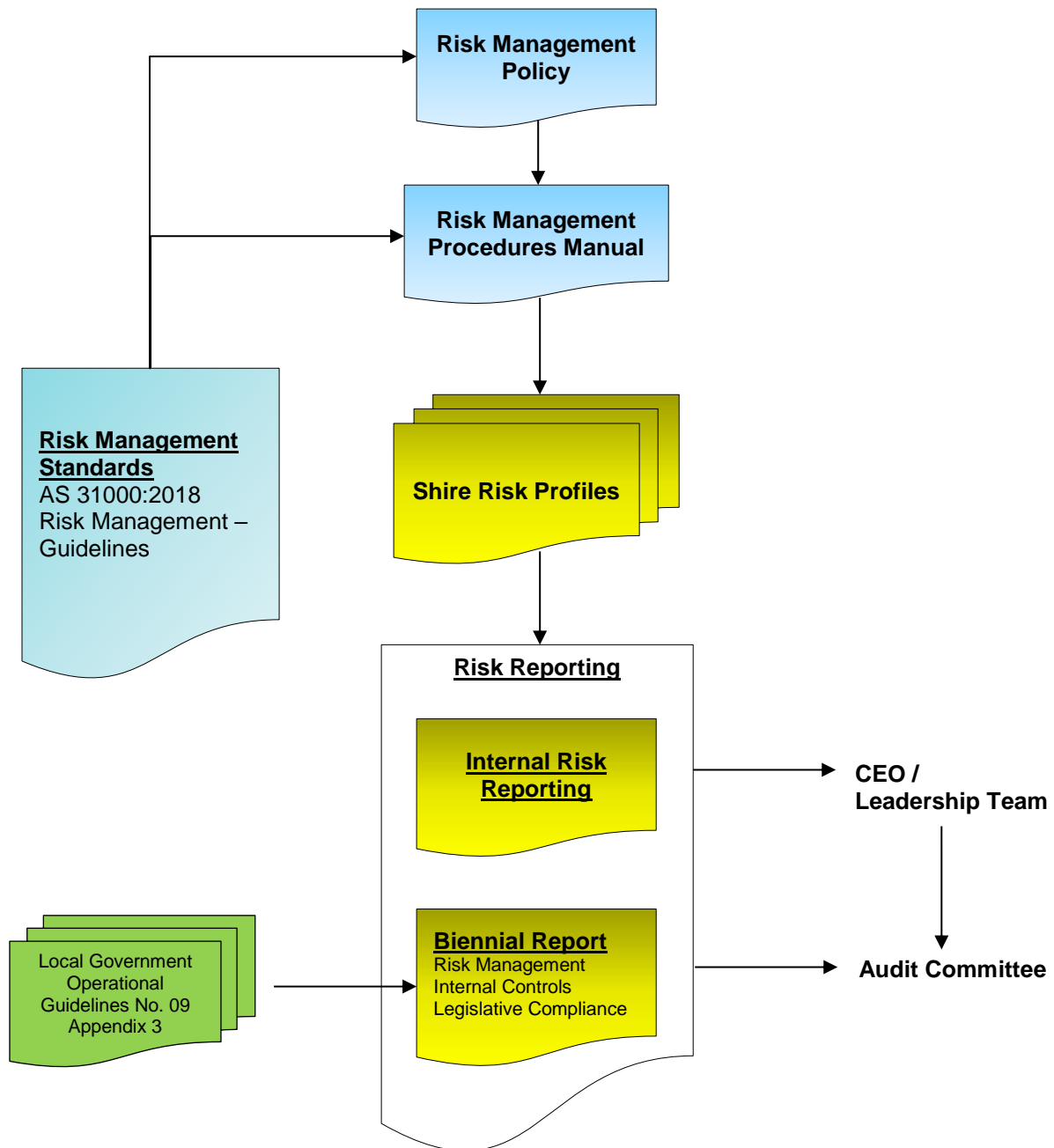
Work Areas

- Drive risk management culture within work areas.
- Own, manage and report on specific risk issues as required.
- Assist in the Risk & Control Management process as required.
- Highlight any emerging risks or issues accordingly.
- Incorporate 'Risk Management' into team meetings, by incorporating the following agenda items;
 - New or emerging risks.
 - Review existing risks.
 - Control adequacy.
 - Outstanding issues and actions.

2.5 Document Structure (Framework)

The following diagram depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.

Figure 3: Document Structure



3. Risk Management Procedures

All Work Areas of the Shire are required to assess and manage the Risk Profiles on an ongoing basis.

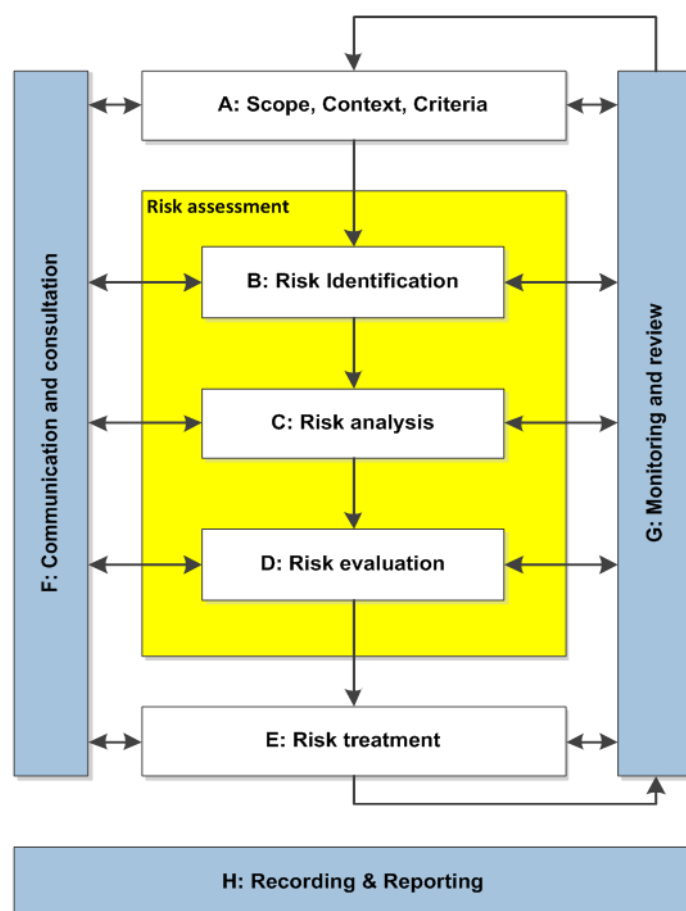
Each Manager, in conjunction with the Governance Officer are accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Shire.
- Reviewed on at least a **six-monthly basis**, unless there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported using key data inputs, workshops and ongoing business engagement.

The risk management process is standardised across all areas of the Shire. The following diagram outlines that process with the following commentary providing broad descriptions of each step.

Figure 4: Risk Management Process AS 31000:2018



3.1 Scope, Context, Criteria

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

Organisational Criteria

This includes the Risk Assessment and Acceptance Criteria (Fig 6-10) and any other tolerance tables as developed.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision-making processes.

Scope and Context

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process. Risk sources can be internal or external.

For specific risk assessment purposes, the Shire has three levels of risk assessment context:

I. Strategic Context

These risks are associated with achieving the organisation's long-term objectives. Inputs to establishing the strategic risk assessment context may include;

- Organisations Vision / Mission
- Stakeholder Analysis
- Environment Scan / SWOT Analysis
- Strategies / Objectives / Goals (Integrated Planning & Reporting)

II. Operational Context

The Shire's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its key activities i.e. what is trying to be achieved.

Project Context

Project Risk has two main components:

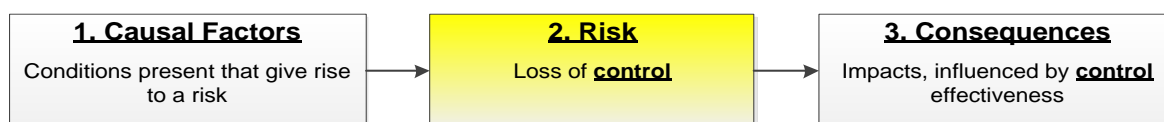
- Direct refers to the risks that may arise as a result of project activity (i.e. impacting on process, resources or IT systems) which may prevent the Shire from meeting its objectives.
- Indirect refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

3.2 Risk Identification

Once the context has been determined, the next step is to identify risks. This is the process of finding, recognising and describing risks. Risks are described as the point along an event sequence where control has been lost. An event sequence is shown below:

Figure 5: Event (risk) sequence



For the ease of management and recordkeeping, risks that are identified are to be classified into the following risk themes for collective risk analysis and documented into the Shire's Risk Profile:

- I. Misconduct
- II. Errors, Omissions and Delays
- III. Business Disruption
- IV. External Theft and Fraud
- V. IT & Communications Systems and Infrastructure
- VI. Compliance
- VII. Asset Management
- VIII. Document Management
- IX. Procedure / Contract Management
- X. Environment

- XI. Facilities and Events
- XII. Safety and Security
- XIII. Project Management
- XIV. Employment Practices

A new risk theme can be created if the risk cannot be grouped into an existing risk theme.

For each risk theme, or risk theme under review, using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, consider the below listed questions, capture and review the information. The objective is to identify potential risks that could stop the Shire from achieving its goals:

- I. *Risk What can go wrong? / What are areas of uncertainty?* (**Risk Description**- describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event).
- II. *How may this risk eventuate?* (**Potential Causes**- are the conditions that may present or the failures that may lead to the event or point in time when control is lost (risk)).
- III. *What are the current measurable activities that mitigate this risk from eventuating?* (**Controls**- are measures that modify risk. At this point in the process only existing controls should be considered).
- IV. *What are the potential consequential outcomes of the risk eventuating?* (**Consequences**- need to be impacts to the Shire. These can be health of staff, visitors or contractors; financial; interruption to services provided; non-compliance; damage to reputation or other assets or the environment. There is no need to determine the level of impact at this stage).

The reviewing of the following materials would assist in risk identification:

1. Internal and external audits
2. Insurance claims
3. Complaints and community feedback
4. Project planning
5. Performance reporting
6. Policy & procedure development
7. Incidents and systems analysis.

3.3 Risk Analysis

To analyse risk, the Shire's Risk Assessment and Acceptance Criteria is applied in the following steps:

Step 1 - Consider the effectiveness of the existing/identified key controls

Based on the documented controls, analyse the risk in terms of the Existing Control Ratings. To do this, the controls need to be reviewed from 3 perspectives:

- I. Design Effectiveness- This process reviews the 'design' of the controls to understand their potential for mitigating the risk without any 'operating' influences. Controls that have inadequate designs will never be effective, no matter if it is performed perfectly every time. There are four components to be considered in reviewing existing controls or developing new ones:
 1. Completeness – The ability to ensure the process is completed once. How will the control ensure that the process is not lost or forgotten, or potentially completed multiple times?
 2. Accuracy – The ability to ensure the process is completed accurately, that no errors are made, or components of the process missed.
 3. Timeliness – The ability to ensure that the process is completed within statutory timeframes or internal service level requirements.

4. Theft / Fraud – The ability to protect against internal misconduct or external theft / fraud-based activities.

It is very difficult to have a single control that meets all the above requirements when viewed against a Risk Theme. It is imperative that all controls are considered so that the above components can be met across several controls.

II. Operating Effectiveness- This process reviews how well the control design is being applied.

Like above, the best designed control will have no impact if it is not applied correctly.

As this generally relates to the human element of control application there are four main approaches that can be employed by management or the risk function to assist in determining the operating effectiveness and / or performance management.

1. Re-perform – this is only applicable for those short timeframe processes where they can be re-performed. The objective is to re-perform the same task, following the design to ensure that the same outcome is achieved.
2. Inspect – review the outcome of the task / process to provide assurance that the desired outcome was achieved.
3. Observe – physically watch the task / process being performed.
4. Inquire – through discussions with individuals / groups determine the relevant understanding of the process and how all components are required to mitigate any associated risk.

III. Overall Effectiveness- This is the value of the combined controls in mitigating the risk. All factors as detailed above are to be considered so that a considered qualitative value can be applied to the 'control' component of risk analysis.

Figure 6- Overall Control Effectiveness (extracted from Shire of Mingenew Risk Management Policy-1.1)

Existing Controls Ratings		
Rating	Detailed Description	Description and Action Required
Effective	No control gaps. The control is influencing the risk level and only continues monitoring is needed	Description: Control addresses risk, is officially documented, in operation and has been tested to confirm effectiveness
Moderately Effective	Few control gaps. The control is influencing the risk level however improvement is needed	Control addresses risk but documentation and/or operation of control could be improved
Partially Effective	Some control gaps that result in the control having limited influence on risk level	Description: Control addresses risk at least partially, but is not documented and/or operation of control needs to be improved Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'
Inadequate	Significant control gaps that result in the control not influencing the risk level.	Description: At best, control addresses risk, but is not documented or in operation, at worst, control does not address risk and is neither documented nor in operation. Action Required: Must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'

Step 2 – Determine the Relevant Consequence

Determine relevant consequence categories and rate how bad it could be if the risk eventuated with existing controls in place (Consequence). Use Figure 7 (below) to determine which risk rating best fits the risk's consequences.

Figure 7- Risk Consequence Matrix (extracted from Shire of Mingenew Risk Management Policy-1.1)

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Legal & Compliance	Reputational	Property	Environment
Insignificant (1)	First aid injuries	Less than \$5,000	No material service interruption	Compliance: No noticeable regulatory or statutory impact Legal: Threat of litigation requiring small compensation Contract: No effect on contract performance	Unsubstantiated, low impact, low profile or 'no news' item <i>Example: gossip, online post seen by limited persons</i>	Inconsequential damage	Contained, reversible impact managed by on site response <i>Example: pick up bag of rubbish</i>
Minor (2)	Medical type injuries	\$5,001 - \$15,000	Short term temporary interruption – backlog cleared < 1 day	Compliance: Some temporary non-compliances Legal: Single minor litigation Contract: Results in meeting between parties in which contractor expresses concern	Substantiated, low impact, low news item <i>Example: online post seen by the community</i>	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response <i>Example: pick up trailer of rubbish</i>
Moderate (3)	Lost time injury <30 Days	\$15,001 - \$50,000	Medium term temporary interruption – backlog cleared by additional resources < 1 week	Compliance: Short term non-compliance but with significant regulatory requirements imposed Legal: several minor litigations Contract: Receive verbal advice that if breaches continue, a default notice may be issued	Substantiated, public embarrassment, moderate impact, moderate news profile <i>Example: local paper article, online post taken up by people outside of Shire</i>	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies <i>Example: Contractor removal of asbestos sheets</i>
Major (4)	Lost time injury >30 Days	\$50,000 - \$150,000	Prolonged interruption of services – additional resources; performance affected < 1 month	Compliance: Non-compliance results in termination of services or imposed penalties Legal: Single moderate litigation Contract: Receive written notice from contractor threatening termination if not rectified	Substantiated, public embarrassment, high impact, high news profile, third party actions <i>Example: State wide paper, TV news story, significant online presence</i>	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies <i>Example: truck/train spill of diesel or oil on road reserve</i>
Catastrophic (5)	Fatality, permanent disability	More than \$150,000	Indeterminate prolonged interruption of services – non-performance > 1 month	Compliance: Non-compliance results in litigation, criminal charges or significant damages or penalties Legal: Single major litigation or numerous moderate litigations Contract: Termination of contract for default	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions <i>Example: Au wide paper, TV news,</i>	Extensive damage requiring prolonged period of restitution Complete loss of plant, equipment & building	Uncontained, irreversible impact

Step 3 – Determine the Likelihood of Occurrence

Determine how likely it is that the risk will eventuate to the determined level of consequence with existing controls in place (Likelihood)

Figure 8- Likelihood of Risk Occurrence (extracted from Shire of Mingenew Risk Management Policy-1.1)

Measures of Likelihood			
Level	Rating	Description	Frequency
5	Almost Certain	The event is expected to occur in most circumstances	More than once per year
4	Likely	The event will probably occur in most circumstances	At least once per year
3	Possible	The event should occur at some time	At least once in 3 years
2	Unlikely	The event could occur at some time	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances	Less than once in 15 years

Step 4– Determine the Residual Risk Rating

By combining the measures of consequence and likelihood, determine the Residual Risk Rating (Level of Risk). The 'Risk Scores' from both the 'Risk Likelihood' and 'Risk Consequences' are to be multiplied to get the 'Residual Risk Rating' (RL x RX = RR). This is to be determined using Figure 9.

Figure 9- Residual Risk Matrix (extracted from Shire of Mingenew Risk Management Policy-1.1)

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

3.4 Risk Evaluation

Risk evaluation takes the residual risk rating and applies it to the Shires risk acceptance criteria (Figure 10) to determine whether the risk is within acceptable levels to the Shire (Shire's risk tolerance), and what (if any) controls, high level actions or treatments need to be implemented.

The outcome of this evaluation will determine whether the risk is low; moderate; high or extreme.

The Residual Risk rating should be as close as possible to the Council's predetermined Risk Tolerance/Acceptance as defined in Fig 10 ('Acceptable Risk') for that Risk Category. If not, then Risk Treatment needs to occur as per the next step.

Note: Individual Risks or Issues may need to be escalated due to its urgency, level of risk or systemic nature.

Figure 10- Risk Acceptance Criteria (extracted from Shire of Mingenew Risk Management Policy-1.1)

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
LOW (1-4)	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
MODERATE (5-9)	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
HIGH (10-16)	Urgent Attention Required	Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	CEO
EXTREME (16-25)	Unacceptable	Risk only acceptable with excellent controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO / Council

3.5 Risk Treatment

If the Residual Risk is outside of Council's risk acceptance levels as quantified by figure 10, then Risk Treatment needs to occur. This involves 2 steps:

1. In all cases, regardless of the residual risk rating; controls that are rated 'Partly effective or Inadequate' in (Step 1 of Part C) must have a treatment plan (action) to improve the control effectiveness to at least 'Moderately Effective'.
2. If the residual risk rating (Step 4 of Part C) is high or extreme, treatment plans must be implemented to either:
 - a. Reduce the consequence of the risk materialising.
 - b. Reduce the likelihood of occurrence.
 (Note: these should have the desired effect of reducing the risk rating to at least moderate)

Risk treatments may involve actions such as avoid, share, transfer or reduce the risk with the treatment selection and implementation to be based on;

- I. Cost versus benefit
- II. Ease of implementation
- III. Alignment to organisational values / objectives

Once a treatment has been fully implemented, the Management Team is to review the risk information and acceptance decision with the treatment now noted as a control and those risks that are acceptable then become subject to the monitor and review process (discussed in 3.7)

3.6 Communication & Consultation

Effective communication and consultation are essential to ensure that those responsible for managing risk, and those with a vested interest, understand the basis on which decisions are made and why particular treatment / action options are selected or the reasons to accept risks have changed.

As risk is defined as the effect of uncertainty on objectives, consulting with relevant stakeholders assists in the reduction of components of uncertainty. Communicating these risks and the information surrounding the event sequence ensures decisions are based on the best available knowledge.

3.7 Monitoring, Review and Reporting

The Shire is to review all Risk Profiles at least six-monthly, or if triggered by one of the following;

- I. changes to context,
- II. a treatment is implemented,
- III. an incident occurs or due to audit/regulator findings.

The CEO (or as delegated) is to monitor the status of risk treatment implementation and report on as per the Risk Management Policy.

The CEO & Leadership Team will monitor significant risks and treatment implementation as part of their normal Team Meeting agenda item on a regular basis with specific attention given to risks that meet any of the following criteria:

- I. Risks with a Level of Risk of High or Extreme
- II. Risks with Inadequate or Partially Effective Existing Control Rating
- III. Risks with Consequence Rating of Major or Catastrophic
- IV. Risks with Likelihood Rating of Almost Certain

The design and focus of Risk Summary report will be determined from time to time on the direction of the CEO & Management Team. They will also monitor the effectiveness of the Risk Management Framework ensuring it is practical and appropriate to the Shire.

Each Work Area is responsible for ensuring:

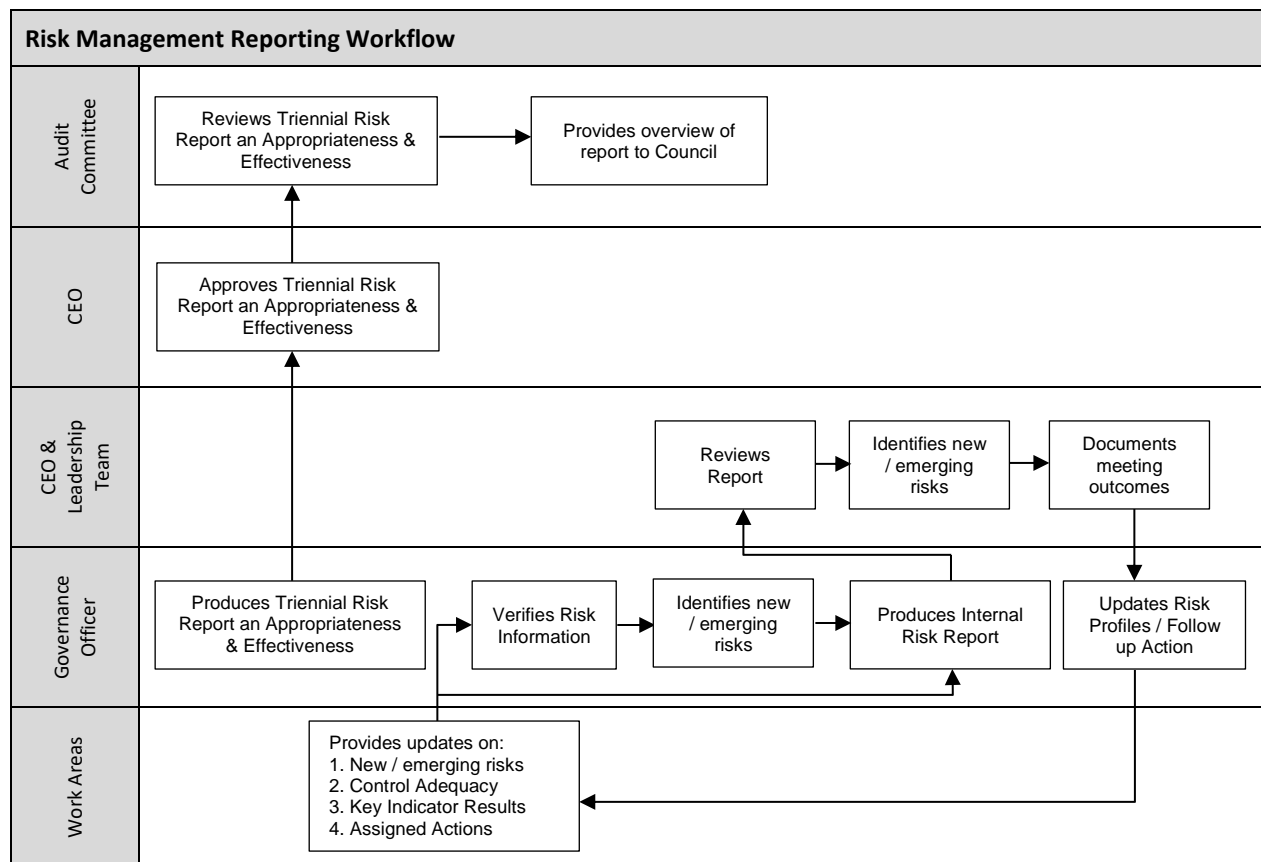
- They continually provide updates in relation to new, emerging risks, control effectiveness and key indicator performance to the Governance Officer.
- Work through assigned actions and provide relevant updates to the Governance Officer.
- Risks / Issues reported to the CEO & Leadership Team are reflective of the current risk and control environment.

The Governance Officer is responsible for:

- Ensuring Shire Risk Profiles are formally reviewed and updated, at least on a six-monthly basis or when there has been a material restructure, change in risk ownership or change in the external environment.
- Regular Risk Reporting for the CEO & Shire Management Team.
- Annual Compliance Audit Return completion and lodgement.

The following diagram provides a high-level view of the ongoing reporting process for Risk Management.

Figure 11- Risk Management Workflow



4. Annual Control Assurance Plan

The annual assurance plan is a monitoring schedule prepared by the CEO (or as delegated) that sets out the control assurance activities to be conducted over the next 12 months. This plan is to consider the following components:

- I. Existing control adequacy ratings across the Shire's Risk Profiles: Ideally the risk themes' that have a Residual Risk Rating of 'Moderately Effective' or above are to be reviewed to ensure effectiveness and adequacy of the controls.
- II. Consider control coverage across a range of risk themes (where commonality exists).
- III. Building profiles around material controls to assist in design and operating effectiveness reviews.
- IV. Consideration to significant incidents.
- V. Nature of operations
- VI. Additional or existing 2nd line assurance information / reviews (e.g. HR, Financial Services, IT)
- VII. Frequency of monitoring / checks being performed
- VIII. Review and development of Key Indicators
- IX. Timetable for assurance activities
- X. Reporting requirements

Control assurance data is gained by sampling select controls within a risk theme and analysing their effectiveness as per section 3.3 steps 1-3. Data gained is then to be entered into the Shire of Mingenew Risk Profile as evidence of review and is to be presented to the Audit Committee to reassure that Management is assessing the adequacy of risk management processes.

Whilst this document and subsequent actions are owned by the CEO (or as delegated) input and consultation will be sought from individual Directorates.