

# **SHIRE OF LEONORA**

## **MINUTES OF AN ORDINARY COUNCIL MEETING**



**MINUTES OF ORDINARY MEETING HELD  
IN SHIRE CHAMBERS, LEONORA ON  
TUESDAY 16<sup>TH</sup> JUNE, 2009 COMMENCING  
AT 9:30AM**

**1.0 DECLARATION OF OPENING / ANNOUNCEMENTS OF VISITORS / FINANCIAL INTEREST DISCLOSURE**

- 1.1 Cr Carter declared the meeting open at 9.35am.
- 1.2 Visitors or members of the public in attendance – Nil
- 1.3 Financial Interests Disclosure - Nil

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

- 2.1 **PRESENT**

President	J F Carter
Deputy President	P Craig
Councillors	L. Petersen
	NG Johnson
	J C Kennedy
	S J Heather
	G W Baker
	R A Norrie (Late Arrival 9.42am)
Chief Executive Officer	JG Epis
Deputy Chief Executive Officer	B Pepper

- 2.2 **APOLOGIES**  
Nil

- 2.3 **LEAVE OF ABSENCE**  
Cr Dawes - previously approved.

- 3.0 **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**  
Nil

- 4.0 **PUBLIC QUESTION TIME**  
Nil

- 5.0 **APPLICATIONS FOR LEAVE OF ABSENCE**  
Nil

- 6.0 **PETTITIONS / DEPUTATIONS / PRESENTATIONS**  
Nil

- 7.1 **CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETINGS**  
Moved Cr Craig, seconded Cr Kennedy that the Minutes of the Ordinary Meeting held on 19<sup>th</sup> May, 2009 be confirmed as a true and accurate record.

**CARRIED (7 VOTES TO 0)**

- 8.0 **ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**  
Nil

Cr Norrie entered the meeting at 9.42am.

## **9.0 REPORTS OF OFFICERS**

### **9.1 CHIEF EXECUTIVE OFFICER**

#### **9.1(A) ACCOUNTING SERVICES – REVIEW OF FEE FOR SERVICE**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 16<sup>th</sup> June, 2009

**AGENDA REFERENCE:** 9.1 (A) JUN 09

**SUBJECT:** Accounting Services – Review of Fee for Service

**LOCATION / ADDRESS:** Not Applicable

**NAME OF APPLICANT:** Not Applicable

**FILE REFERENCE:** Accounting Services 1.46

#### **AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 28<sup>th</sup> May, 2009

#### **BACKGROUND**

On the 16<sup>th</sup> November, 1999 Council resolved to appoint Haines Norton (WA) Pty Ltd to provide remote accounting services to the Shire of Leonora for a period of three years expiring on the 30<sup>th</sup> November, 2002.

On the 19<sup>th</sup> November, 2002 Council resolved to accept a further proposal submitted by Haines Norton and that the Agreement be continuous for a further three year period terminating on the 30<sup>th</sup> June, 2006. The fee at that time for providing the service amounted to \$40,800.00 per annum paid in equally monthly instalments.

The fee was subject to an annual review and in line with any Consumer Price Index increases.

Since the 1<sup>st</sup> July, 2006 the Service Agreement has continued with an annual review of the fee being undertaken. The current level for the service being provided amounts to an annual fee of \$54,000.00.

Again, like in previous years, Haines Norton will need to pass on an increase of \$500.00 per month. This equates to a new annual fee of \$60,000.00 or \$5,000.00 per month.

#### **STATUTORY ENVIRONMENT**

There are no statutory implications resulting from the recommendation of this report.

#### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

#### **FINANCIAL IMPLICATIONS**

The fee for providing the service for the 2009/2010 financial year amounts to \$60,000.00 or \$5,000.00 per month. An amount of \$60,000.00 will be included in the 2009/2010 Budget.

## **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## **RECOMMENDATIONS**

That a cost benefit analysis of the accounting service be undertaken prior to executing any further extension to the current Service Agreement and that the annual fee of \$60,000.00 for the period 1<sup>st</sup> July, 2009 to 30<sup>th</sup> June, 2010 be accepted.

## **VOTING REQUIREMENT**

Simple majority required.

**Moved Cr Baker**

**Seconded Cr Heather**

**That a cost benefit analysis of the accounting service be undertaken prior to executing any further extension to the current Service Agreement and that the annual fee of \$60,000.00 for the period 1<sup>st</sup> July, 2009 to 30<sup>th</sup> June, 2010 be accepted.**

**CARRIED (8 VOTES TO 0)**

**9.0 REPORTS OF OFFICERS**

**9.1 CHIEF EXECUTIVE OFFICER**

**9.1(B) TRANSFER OF FUNDS TO RESERVE ACCOUNTS**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 16<sup>th</sup> June, 2009

**AGENDA REFERENCE:** 9.1 (B) JUN 09

**SUBJECT:** Transfer of Funds to Reserve Accounts

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Budget 1.6

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 10<sup>th</sup> June, 2009

**BACKGROUND**

It is expected that the financial position as at 30<sup>th</sup> June, 2009 will show a surplus much greater than originally anticipated, in fact it will be of some significance.

Considering the above, Council approval is sought in having surplus funds transferred in part to three different Reserve Accounts.

- Long Service Leave Reserve Account
- Annual Leave Reserve Account
- Bowling Green Reserve Account.

**Long Service Leave Reserve Account**

The balance of the Long Service Leave Reserve Account as at 31<sup>st</sup> May, 2009 was \$73,006.80.

Council records reveal that the total of outstanding Long Service Leave entitlement (accrued hours of 200 or more) to be \$119,417.00. It is intended that an amount of \$47,000.00 be transferred to the Reserve Account prior to 30<sup>th</sup> June, 2009.

**Annual Leave Reserve Account**

It is proposed that this account be created. Annual leave in the past has simply been drawn from the Municipal Account. Again, Council records (accrued hours of 200 or more) reveal that current entitlements amount to \$112,000.00. It is intended that an amount of \$112,000.00 be transferred to this newly created account.

**Bowling Green Reserve Account**

It is proposed that this account be created. As you are aware, estimated project costs amount to between \$2.7 and \$3.3 million. Funding applications to both the State and Federal Governments have been submitted seeking substantial contributions towards the project. Not all applications will be successful, however, if governments realise that local government is making a substantial financial commitment towards a project, the more likely the funding application will be successful.

I am proposing that a surplus balance of \$300,000.00 be carried forward to the new financial year. I am suggesting that the surplus as at the 30<sup>th</sup> June, 2009 less the \$300,000.00 be transferred to this account.

## **STATUTORY ENVIRONMENT**

Local Government (Financial Management) Regulations 1996 state:

### **6.11 Reserve Accounts**

- 1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.
- 2) Subject to subsection (3), before a local government –
  - a) changes\* the purpose of a reserve account; or
  - b) uses\* the money in a reserve account for another purpose,

it must give one month's local public notice of the proposed change of purpose or proposed use.

*\*Absolute majority required.*

- 3) A local government is not required to give local public notice under subsection (2) –
  - a) where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or
  - b) in such other circumstances as are prescribed.
- 4) A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs.
- 5) Regulations may prescribe the circumstances and the manner in which a local government may set aside money for use for a purpose in a future financial year without the requirement to establish and maintain a reserve account.

## **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendation of this report.

## **FINANCIAL IMPLICATIONS**

Creating or adding to current Reserve Funds will not adversely effect the 2008/2009 financial position. In fact a surplus at the 30<sup>th</sup> June, 2009 will still be achieved.

## **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## **RECOMMENDATIONS**

- (I) That an amount of \$47,000.00 be transferred from the Municipal Account to the Long Service Leave Reserve Account.
- (II) That an amount of \$112,000.00 be transferred from the Municipal Account to the newly created Annual Leave Reserve Account.
- (III) That any surplus funds excluding (I) and (II) above and the carried forward balance of \$300,000.00 be transferred from the Municipal Fund to the newly created Bowling Green Reserve Fund.

**VOTING REQUIREMENT**

Simple majority required.

**Moved Cr Craig**

**Seconded Cr Petersen**

- (IV) That an amount of \$47,000.00 be transferred from the Municipal Account to the Long Service Leave Reserve Account.**
- (V) That an amount of \$112,000.00 be transferred from the Municipal Account to the newly created Annual Leave Reserve Account.**
- (VI) That any surplus funds excluding (I) and (II) above and the carried forward balance of \$300,000.00 be transferred from the Municipal Fund to the newly created Bowling Green Reserve Fund.**

**CARRIED (8 VOTES TO 0)**

**9.0 REPORTS OF OFFICERS**  
**9.1 CHIEF EXECUTIVE OFFICER**  
**9.1(C) INDUSTRIAL SUB-DIVISION**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 16<sup>th</sup> June, 2009

**AGENDA REFERENCE:** 9.1 (C) JUN 09

**SUBJECT:** Industrial Sub-division

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Quotes General 10.6

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 10<sup>th</sup> June, 2009

**BACKGROUND**

As you are aware Earth Australia Contracting Pty Ltd have now completed the construction and sealing of Cayzer Street, the extension of Kurrajong, Court Streets and Battery Place.

Prior to the land being auctioned it is necessary that services including water and underground power be provided to each property.

Interested Contractors were invited to quote on the installation of the entire water reticulation which included all excavating, backfill and all other works required to enable connection to individual properties.

All water pipes and other plumbing material has been purchased by the Shire of Leonora.

The following quotes for the work requested have been obtained, details as follows. Prices exclude GST.

- Forman Bros \$47,340.00
- Mine Trades and Maintenance \$54,900.00
- Pipeline Mining & Civil Contracting \$68,840.00

**STATUTORY ENVIRONMENT**

In accordance with Section 3.1 (1) of the Local Government Act 1995 being the general function of a local government to provide for the good government of persons in its district.

**POLICY IMPLICATIONS**

In accordance with Purchasing and Tender Policy adopted by Council on the 20<sup>th</sup> February, 2007.

**FINANCIAL IMPLICATIONS**

An amount of \$242,000.00 is included in the current budget for the development of the industrial land. This includes services for both water and power. To-date \$71,128.71 has been expended. A provision for balance of expenditure will be required in the 2009/2010 budget.



## **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## **RECOMMENDATIONS**

That the quote to install all water reticulation and associated works at the industrial site submitted by Forman Bros and amounting to \$47,340.00 excluding GST be accepted.

## **VOTING REQUIREMENT**

Simple majority required.

**Moved Cr Norrie**

**Seconded Cr Baker**

**That the quote to install all water reticulation and associated works at the industrial site submitted by Forman Bros and amounting to \$47,340.00 excluding GST be accepted.**

**CARRIED (8 VOTES TO 0)**

Mr Harry Buckingham, an observer entered the room at 9.54am.

Mr Harry Buckingham apologised for not being in attendance during Public Question Time and sought approval of Council to raise a question in regards the Uranium Summit held in Perth late May, 2009.

The President approved of his request. Mr Buckingham raised the issue of the urgency and need of Councillors and a staff member attending the Summit in Perth and what benefits were achieved as a result of their attendance.

Cr Carter responded by saying that Uranium mining is now inevitable and could be a reality in the not too distant future and that it remains a hot topic for local government and community alike. Issues of safety, safeguards, community perception and awareness were raised at the summit.

Cr Carter advised that those attending the Summit attended to broaden their knowledge on uranium, uranium mining and transport and was of the opinion that it was ratepayers money well spent.

The meeting adjourned for morning tea at 10.20am and reconvened at 10.45am, with attendance identical to that at Item 9.1(A), with the exception of Sgt Jason Raftery of the Leonora Police joining the meeting and Mr Harry Buckingham having left during morning tea.

The President, Cr Carter congratulated Sgt Raftery on the improvements that have occurred in the town.

Sgt Raftery advised that there has been a large focus on community policing - Blue Light, School Programs, Awareness of Domestic Violence and Drug Abuse.

Sgt Raftery advised that the reformation of the Roadwise Committee would be advantageous to the community with various Programs being proposed.

Paint sniffing will be an ongoing issue that will be monitored, particularly when there are repeat offenders in town.

A no-tolerance stance is being taken against domestic violence, antisocial behaviour and street drinking.

The meeting was adjourned at 11.21am and reconvened at 11.28am with attendance identical to that at Item 9.1(A).

## **9.0 REPORTS OF OFFICERS**

### **9.2 DEPUTY CHIEF EXECUTIVE OFFICER**

#### **9.2(A) MONTHLY FINANCIAL STATEMENTS**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 16<sup>th</sup> June, 2009

**AGENDA REFERENCE:** 9.2 (A) JUN 09

**SUBJECT:** Monthly Financial Statements

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Nil

#### **AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** Brad Pepper

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 11<sup>th</sup> June, 2009

#### **BACKGROUND**

In complying with the Local Government Financial Management Regulations 1996, a monthly statement of financial activity must be submitted to an Ordinary Council meeting within 2 months after the end of the month to which the statement relates. The statement of financial activity is a complex document but gives a complete overview of the “cash” financial position as at the end of each month. The statement of financial activity for each month must be adopted by Council and form part of the minutes.

It is understood that parts of the statement of financial activity have been submitted to Ordinary Council meetings previously. In reviewing the Regulations the complete statement of financial activity is to be submitted, along with the following reports that are not included in the statement.

Monthly Financial Statements submitted for adoption include:

- (a) Statement of Financial Activity – 31<sup>st</sup> May, 2009
- (b) Compilation Report
- (c) Material Variances – 31<sup>st</sup> May, 2009

## STATUTORY ENVIRONMENT

### ***Part 4 — Financial reports— s. 6.4***

34. *Financial activity statement report – s. 6.4*
- (1A) *In this regulation —*  
***committed assets*** means revenue unspent but set aside under the annual budget for a specific purpose.
34. (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
- (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) *budget estimates to the end of the month to which the statement relates;*
  - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
  - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) *the net current assets at the end of the month to which the statement relates.*
34. (2) *Each statement of financial activity is to be accompanied by documents containing —*
- (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
34. (3) *The information in a statement of financial activity may be shown —*
- (a) *according to nature and type classification; or*
  - (b) *by program; or*
  - (c) *by business unit.*
34. (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
- (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*
34. (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

## POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

## **FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation of this report.

## **STRATEGIC IMPLICATIONS**

There are no strategic implications resulting from the recommendation of this report.

## **RECOMMENDATIONS**

That the Monthly Financial Statements for the month ended 31<sup>st</sup> May, 2009 consisting of:

- (a) Statement of Financial Activity – 31<sup>st</sup> May, 2009
- (b) Compilation Report
- (c) Material Variances – 31<sup>st</sup> May, 2009

be accepted.

## **VOTING REQUIREMENT**

Simple Majority

**Moved Cr Petersen**

**Seconded Cr Kennedy**

**That the Monthly Financial Statements for the month ended 31<sup>st</sup> May, 2009 consisting of:**

- (d) **Statement of Financial Activity – 31<sup>st</sup> May, 2009**
- (e) **Compilation Report**
- (f) **Material Variances – 31<sup>st</sup> May, 2009**

**be accepted.**

**CARRIED (8 VOTES TO 0)**



**SHIRE OF LEONORA**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**TABLE OF CONTENTS**

Statement of Financial Activity	13
Notes to and Forming Part of the Statement	14 to 26
Supplementary Information	

**SHIRE OF LEONORA**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

	NOTE	31 May 2009 Actual \$	31 May 2009 Y-T-D Budget \$	2008/09 Revised Budget \$	Variences Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues/Sources</b>					
	1,2				
Governance		1,214	1,580	1,580	(23.16%)
General Purpose Funding		1,334,406	1,015,424	1,018,173	31.41%
Law, Order, Public Safety		22,615	31,808	34,700	(28.90%)
Health		16,234	15,620	17,040	3.93%
Education and Welfare		200,537	153,420	160,686	30.71%
Housing		33,160	34,118	37,220	(2.81%)
Community Amenities		64,904	150,500	151,000	(56.87%)
Recreation and Culture		308,543	191,867	1,539,919	60.81%
Transport		738,755	635,877	654,531	16.18%
Economic Services		608,368	784,785	791,015	(22.48%)
Other Property and Services		78,673	33,001	36,000	138.40%
		<u>3,407,409</u>	<u>3,048,000</u>	<u>4,441,864</u>	<u>11.79%</u>
<b>(Expenses)/(Applications)</b>					
	1,2				
Governance		(232,186)	(258,614)	(278,217)	10.22%
General Purpose Funding		(139,588)	(118,409)	(129,173)	(17.89%)
Law, Order, Public Safety		(102,112)	(137,183)	(149,153)	25.57%
Health		(329,043)	(329,169)	(359,093)	0.04%
Education and Welfare		(153,066)	(160,628)	(216,973)	4.71%
Housing		0	(498)	0	100.00%
Community Amenities		(224,158)	(265,595)	(283,222)	15.60%
Recreation & Culture		(696,832)	(872,014)	(966,046)	20.09%
Transport		(3,026,058)	(2,824,822)	(3,073,906)	(7.12%)
Economic Services		(516,357)	(589,634)	(861,253)	12.43%
Other Property and Services		102,222	(30,266)	(8,000)	437.75%
		<u>(5,317,178)</u>	<u>(5,586,832)</u>	<u>(6,325,036)</u>	<u>(4.83%)</u>
<b><u>Adjustments for Non-Cash</u></b>					
<b><u>(Revenue) and Expenditure</u></b>					
(Profit)/Loss on Asset Disposals	4	53,728	(69,760)	(68,193)	53727.00%
Depreciation on Assets		1,249,847	1,142,073	1,245,896	(9.44%)
<b><u>Capital Revenue and (Expenditure)</u></b>					
Purchase Land Held for Resale	3	0	0	(242,000)	0.00%
Purchase Land and Buildings	3	(471,313)	(471,313)	(2,204,513)	0.00%
Purchase Infrastructure Assets - Roads	3	(379,352)	(379,352)	(735,000)	0.00%
Purchase Infrastructure Assets - Other	3	(250,670)	(250,670)	(583,779)	0.00%
Purchase Plant and Equipment	3	(234,719)	(234,719)	(367,000)	0.00%
Purchase Furniture and Equipment	3	(20,451)	(20,451)	(26,000)	0.00%
Proceeds from Disposal of Assets	4	74,545	74,545	202,000	0.00%
Transfers to Reserves (Restricted Assets)	6	(721,717)	(721,717)	(1,000)	0.00%
Transfers from Reserves (Restricted Assets)	6	214	214	107,476	0.00%
ADD Net Current Assets July 1 B/Fwd	7	879,403	1,046,886	1,046,886	16.00%
LESS Net Current Assets Year to Date	7	2,040,845	1,085,303	0	(88.04%)
<b>Amount Raised from Rates</b>	8	<u>(3,771,098)</u>	<u>(3,508,399)</u>	<u>(3,508,399)</u>	

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

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

**(a) Basis of Accounting**

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

**(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.

Council currently hold no funds on behalf of other entities.

**(c) Rounding Off Figures**

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

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

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

**(e) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**(g) Trade and Other Receivables**

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectability of trade 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.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Inventories**

**General**

Inventories are valued 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.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

**Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

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

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality 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.

**Depreciation of Non-Current**

**(j) 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 periods are:

Buildings	30 to 50 years
Furniture and Equipment	2 to 15 years
Plant and Equipment	5 to 15 years
Infrastructure	10 to 40 years



**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2009.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

**(l) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(m) 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 municipality 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 Council expects to pay and includes related on-costs.

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

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

## SHIRE OF LEONORA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (n) 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.

##### (o) 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 item included in the same class of obligations may be small.

##### (p) 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.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**2. STATEMENT OF OBJECTIVE**

In order to discharge its responsibilities to the community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

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

**GOVERNANCE**

Includes costs and revenues associated with the President and Councillors in the exercise of their obligations as a governing body. Items of expenditure include conference, travel, meeting attendance fees, presidential allowance, receptions, donations, subscriptions and phone rentals. Costs of advertising and conducting elections are also included. Revenues include election nomination fees and reimbursements by members for private expenses.

An administration cost is also allocated which enables staff to process Council Meeting procedures, implement all government decisions and conduct Council meetings. Cost of conducting audit of Council books of accounts and procedures is also include under this heading.

**GENERAL PURPOSE FUNDING**

*1 Rates*

- (a) GRV (gross rental value) refers to property rates for Leonora, Gwalia, Leinster and Agnew town sites and operational mines and associated infrastructure.
- (b) UV (unimproved value) refers to mining properties and tenements (other than mines and other associated infrastructure) and includes prospecting licences, exploration licences and mining leases. It also refers to broad acre rural pastoral properties.
- (c) Additional rates and rates written back refer mainly to mining rates where tenements are granted or surrendered following the adoption of the budget.
- (d) Administration charge refers to the charge levied on ratepayers electing to make payment of rates on the offered instalment plan and is based on the actual cost involved in administering this process
- (e) Administration costs allocated are the costs of maintaining records, levying and collecting all rates.

*2 Grants*

- (a) Grants Commission - a general purpose grant allocated annually by the Federal Government to all local governments. The amount is determined by various formulae devised by the Grants Commission, with a significant component being based on population.
- (b) Roads Grant - An untied road grant allocated by the Federal Government and again distributed by the Grants Commission utilising a pre-determined formula.
- (c) Administration costs allocated to grants refers to the costs associated in collection of Federal Government grants including provision and updating of data used in grants commission formula.

*3 Interest from Investments*

Includes interest received on surplus funds invested throughout the year from both operating and reserve accounts.

**LAW, ORDER, PUBLIC SAFETY**

Costs and revenues associated with animal control within the Shire and also includes fire insurance, dog control and registration.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**2. STATEMENT OF OBJECTIVE (Continued)**

**HEALTH**

Costs and revenues associated with compliance with the Health Act including inspections and approvals, food quality control, mosquito control, septic tank inspection/control, food hygiene inspection/control, contribution to doctors expenses, Royal Flying Doctor donation and notification of disease.

**EDUCATION AND WELFARE**

Provision of support for education and aged and disabled facilities within the district for the betterment of the residents.

**HOUSING**

Costs of maintaining Council owned accommodation units and collection of rentals paid by staff for use of those buildings. Costs that can be accurately attributed to other programs are allocated. Revenue associated with a State Government owned house by way of loan repayments to Council are also included.

Accommodation units include 3 houses.

**COMMUNITY AMENITIES**

Costs of collection and disposal of domestic and commercial refuse for town site of Leonora and Gwalia and maintenance of the landfill refuse site. Revenue collection by way of an annual fee for this service which is included on rate assessment notices.

Costs associated with review and administration of Council's Town Planning Scheme.

Provision of Christmas decorations in Leonora Town site.

Operation of the Leonora Cemetery.

**RECREATION AND CULTURE**

Provision and maintenance of Council owned parks, gardens and grassed oval/recreation ground at Leonora and a contribution to similar facilities within Leinster town site.

Costs of operation and maintenance of a purpose built recreation centre which includes indoor basketball court, two squash courts, kitchen, gymnasium and associated facilities and revenues collected from the public for use of these facilities.

Costs of maintenance of Council owned and provided television and radio re-transmission service which includes GWN, WIN and SBS television and WAFM and ABC fine music radio.

Costs and revenues associated with the operation and maintenance of library facilities at Leonora in conjunction with the Library Board of Western Australia.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**2. STATEMENT OF OBJECTIVE (Continued)**

**TRANSPORT**

Maintenance and improvements of 1,300 kilometres of Council controlled unsealed roads, town site footpaths and streets, drainage control, street cleaning and provision and maintenance of street trees. Costs of providing electricity for steel lights in the Leonora/Gwalia town sites and maintenance of Council's works depot and associated infrastructure.

Operation, maintenance and management of Leonora Aerodrome including runways, runway lighting, tarmac and terminal building and gardens. Purchase of aviation fuel for resale to aircraft operators.

Revenues by way of landing fees and Head Tax charges charged to all aircraft with the exception of the Royal Flying Doctors Service, lease/renting of building to all users of facilities and charges for fuel supplied to aircraft.

**ECONOMIC SERVICES**

Costs associated with tourism promotion throughout the Shire including employment of a Curator/Promotion Officer at the Gwalia Museum and historic precinct.

Contribution to employment of a Goldfields/Esperance Development Officer operating from Shire Offices - Leonora.

Contribution to costs of North Eastern Goldfields Landcare Organisation.

Costs and revenues associated with building control under building regulations, including inspections and issuing building permits.

**OTHER PROPERTY & SERVICES**

Costs and revenues for private hire of Council machinery and operators for completion of private works for ratepayers and others.

Costing allocation pools including administration, overheads, plant operation costs and salaries and wages which are all individually detailed and then allocated throughout all previously mentioned operating activities, works and services.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

<b>3. ACQUISITION OF ASSETS</b>	<b>31 May 2009 Actual \$</b>	<b>2008/09 Revised Budget \$</b>
The following assets have been acquired during the period under review:		
<b><u>By Program</u></b>		
<b>Health</b>		
Executive Vehicle 4L (EHO)	P 31,851	33,000
EHO Technical Equipment	F 0	2,000
Executive Vehicle 3L (Doctor)	P 31,851	33,000
<b>Housing</b>		
House Lot 1260 Fitzgerald Drive	L 336,530	365,000
<b>Community Amenities</b>		
Loader - Refuse	P 0	110,000
Industrial Land Development	IO 30,129	242,000
<b>Recreation and Culture</b>		
Bowling Club	L 9,800	1,050,000
Golf Clubhouse	L 34,875	700,000
<b>Transport</b>		
Court Street Construction	IR 185,208	350,000
Kurrajong Street Construction	IR 194,144	365,000
Utility - Safety Officer	P 35,442	38,000
Grids	IR 0	20,000
Genset	P 21,501	25,000
Utility - Grader Operator	P 35,442	40,000
Computer and Printer	F 4,034	5,000
Road Classifier	F 4,030	4,000
<b>Economic Services</b>		
Goldfields North Heritage Trail	IO 0	20,000
North Leonora Trail - Site Works	IO 220,541	120,472
North Leonora Trail - Signage	IO 0	70,700
North Leonora Trail - Interpretative Signs	IO 0	124,465
North Leonora Trail - Trail Maps	IO 0	14,550
North Leonora Trail - Marketing	IO 0	37,800
North Leonora Trail - Information Bay	IO 0	128,472
North Leonora Trail - Travel Book	IO 0	67,320
Old Battery Project	L 90,108	89,513
<b>Other Property and Services</b>		
Executive Vehicle 1L	P 46,781	55,000
Executive Vehicle 2L	P 31,851	33,000
Office Equipment	F 12,387	15,000
	<b>1,356,505</b>	<b>4,158,292</b>

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

		31 May 2009 Actual \$	2008/09 Revised Budget \$
<b>3. ACQUISITION OF ASSETS (Continued)</b>			
<b><u>By Class</u></b>			
Land Held for Resale	LR	0	242,000
Land and Buildings	L	471,313	2,204,513
Infrastructure Assets - Roads	IR	379,352	735,000
Infrastructure Assets - Other	IO	250,670	583,779
Plant and Equipment	P	234,719	367,000
Furniture and Equipment	F	20,451	26,000
		1,356,505	4,158,292

**4. DISPOSALS OF ASSETS**

The following assets have been disposed of during the period under review:

	Net Book Value		Sale Proceeds		Profit(Loss)
<b><u>By Program</u></b>	<b>31 May 2009 Actual \$</b>		<b>31 May 2009 Actual \$</b>		<b>31 May 2009 Actual \$</b>
<b>Other Property &amp; Services</b>					
Ford BF Falcon	22,020		12,727		(9,293)
Ford BF Falcon	20,318		12,727		(7,591)
Ford BF Fairlane	38,673		25,455		(13,218)
Ford Courier	26,583		10,909		(15,674)
Ford BF Falcon	20,679		12,727		(7,952)
	128,273		74,545		(53,728)
<b><u>By Class</u></b>	<b>31 May 2009 Actual \$</b>		<b>31 May 2009 Actual \$</b>		<b>31 May 2009 Actual \$</b>
<b>Plant and Equipment</b>	128,273		74,545		(53,728)
	128,273		74,545		(53,728)

**Summary**

Profit on Asset Disposals  
Loss on Asset Disposals

<b>2008/09 Actual</b>
(53,728)
(53,728)

**5. INFORMATION ON BORROWINGS**

- (a) Debenture Repayments  
Council has no borrowings
- (b) New Debentures  
No new borrowings in 2008-09

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

	<b>31 May 2009 Actual \$</b>	<b>2008/09 Budget \$</b>
<b>6. RESERVES</b>		
<b>Cash Backed Reserves</b>		
<b>(a) Long Service Leave Reserve</b>		
Opening Balance	71,275	71,275
Amount Set Aside / Transfer to Reserve	1,797	0
Amount Used / Transfer from Reserve	(66)	0
	<u>73,006</u>	<u>71,275</u>
<b>(b) Fire Disaster Reserve</b>		
Opening Balance	8,539	8,538
Amount Set Aside / Transfer to Reserve	1,215	1,000
Amount Used / Transfer from Reserve	(8)	0
	<u>9,746</u>	<u>9,538</u>
<b>(d) Combined Sporting Reserve</b>		
Opening Balance	107,475	107,476
Amount Set Aside / Transfer to Reserve	717,324	0
Amount Used / Transfer from Reserve	(95)	(107,476)
	<u>824,704</u>	<u>0</u>
<b>(e) Plant Purchase Reserve</b>		
Opening Balance	55,000	55,000
Amount Set Aside / Transfer to Reserve	1,381	0
Amount Used / Transfer from Reserve	(45)	0
	<u>56,336</u>	<u>55,000</u>
<b>Total Cash Backed Reserves</b>	<u>963,792</u>	<u>135,813</u>

All of the above reserve accounts are supported by money held in financial institutions.



**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

6. RESERVES (Continued)	<b>31 May 2009 Actual \$</b>	<b>2008/09 Budget \$</b>
<b>Summary of Transfers To Cash Backed Reserves</b>		
<b>Transfers to Reserves</b>		
Long Service Leave Reserve	1,797	0
Fire Disaster Reserve	1,215	1,000
Combined Sporting Reserve	717,324	0
Plant Purchase Reserve	1,381	0
	<u>721,717</u>	<u>1,000</u>
<b>Transfers from Reserves</b>		
Long Service Leave Reserve	(66)	0
Fire Disaster Reserve	(8)	0
Combined Sporting Reserve	(95)	(107,476)
Plant Purchase Reserve	(45)	0
	<u>(214)</u>	<u>(107,476)</u>
<b>Total Transfer to/(from) Reserves</b>	<u>721,503</u>	<u>(106,476)</u>

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

**Long Service Leave Reserve**

- This reserve is to offset Council's leave liability to it's employees.

**Fire Disaster Reserve**

- This reserve will assist in the provision of emergency contingencies in the case of fire disaster.

**Combined Sporting Reserve**

- To set aside money for the building of a combined sporting club facility within the Shire.

**Plant Replacement Reserve**

- to be used for the purchase of major plant.

None of the above reserves are expected to be used within a set period as further transfers to the reserve accounts are expected before funds are utilised.

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

	<b>31 May 2009 Actual \$</b>	<b>Brought Forward 1-Jul \$</b>
<b>7. NET CURRENT ASSETS</b>		
<b>Composition of Estimated Net Current Asset Position</b>		
 <b>CURRENT ASSETS</b>		
Cash - Unrestricted	1,817,355	757,884
Cash - Restricted	963,792	242,289
Receivables	291,533	323,799
Inventories	31,183	69,871
	3,103,863	1,393,843
 <b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	(99,226)	(272,151)
 <b>NET CURRENT ASSET POSITION</b>	3,004,637	1,121,692
Less: Cash - Reserves - Restricted	(963,792)	(242,289)
 <b>NET CURRENT ASSET POSITION</b>	2,040,845	879,403

**SHIRE OF LEONORA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2008 TO 31 MAY 2009**

**8. RATING INFORMATION**

<u>RATE TYPE</u>	Rate in \$	Number of Properties	Rateable Value \$	2008/09 Rate Revenue \$	2008/09 Interim Rates \$	2008/09 Back Rates \$	2008/09 Total Revenue \$	2008/09 Budget \$
<b>Differential General Rate</b>								
GRV	7.3500	649	9,445,469	694,833	249	0	695,082	693,303
UV Pastoral	6.8500	34	722,467	49,489	(840)	0	48,649	49,489
UV Other	10.7500	942	23,685,209	2,557,917	263,230	0	2,821,147	2,558,127
<b>Sub-Totals</b>		1,625	33,853,145	3,302,239	262,639	0	3,564,878	3,300,919
<b>Minimum Rates</b>	<b>Minimum \$</b>							
GRV	210	69	35965	14,490	0	0	14,490	15,330
UV Other	210	913	1005619	191,730	0	0	191,730	192,150
<b>Sub-Totals</b>		982	1,041,584	206,220	0	0	206,220	207,480
<b>Totals</b>							3,771,098	3,508,399

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

The general rates detailed above for the 2008/09 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

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

**9. TRUST FUNDS**

Council holds no funds on behalf of other entities



## **COMPILATION REPORT TO THE SHIRE OF LEONORA**

### **(1) Scope**

On the basis of the information provided by the Shire of Leonora, we have compiled, in accordance with APS 9 "Statement on Compilation of Financial Reports", the attached (local government) special purpose financial report of the Shire of Leonora for the period ended 31<sup>st</sup> May, 2009.

The Shire of Leonora is solely responsible for the information contained in the attached monthly (local government) special purpose financial report.

Our procedures use accounting knowledge to collect, classify and summarise the financial information, which the Shire of Leonora provided, into a financial report. Our procedures do not include verification or validation procedures. *No audit or review has been performed* and accordingly *no assurance is expressed*.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Shire of Leonora, may suffer arising from any negligence on our part.

The monthly (local government) special purpose financial report was prepared exclusively for the benefit of the Shire of Leonora. We do not accept responsibility to any other person for the contents of the financial report.

### **(2) Legislative Framework**

The Shire of Leonora is required to prepare a monthly statement of financial activity for presentation to the Council by the Local Government Act 1995 and associated Regulations.

It should be noted that the attached financial report incorporates comparison of the actual year to date figures with the year to date budget amounts and also the full year budget figures.

UHY Haines Norton



16 Lakeside Corporate  
24 Parkland Road  
OSBORNE PARK WA 60

**Shire of Leonora**  
**Material Variances as at May 31 2009**

**Variances 2008/09 Budget to Actual**  
**Month Ended 31/5/2009**

In accordance with your adopted policy the following accounts are reported for your information.

<b>ACCOUNT</b>	<b>NAME</b>	<b>Year To Date BUDGET</b>	<b>ACTUAL</b>	<b>DIFFERENCE</b>
<b>Income</b>				
I030009	Additional Mining Rates	\$ 45,834.00	\$ 323,682.00	\$ 277,848.00
I030011	Rates - Mining Written Back	\$ (46,000.00)	\$ (60,452.00)	\$ (14,452.00)
I030022	Interest Municipal	\$ 49,833.00	\$ 76,805.00	\$ 26,972.00
I030023	Interest Revenue - Reserves	\$ 26,033.00	\$ 6,106.00	\$ (19,927.00)
I080005	Youth Support Program	\$ 33,000.00	\$ 64,189.00	\$ 31,189.00
I080008	Childcare Centre Income	\$ 27,000.00	\$ 53,694.00	\$ 26,694.00
I107457	Gain on Sale of Industrial Land	\$ 90,000.00	\$ -	\$ (90,000.00)
I114172	Cont to NG Rec Officer	\$ -	\$ 92,000.00	\$ 92,000.00
I116413	Telecentre Grant - Wages	\$ 18,333.00	\$ 34,000.00	\$ 15,667.00
I126410	Landing Fees	\$ 45,833.00	\$ 81,402.00	\$ 35,569.00
I126415	Passenger Head Tax- Airport	\$ 100,833.00	\$ 184,210.00	\$ 83,377.00
I126430	Fuel at Airport - drums	\$ 45,833.00	\$ 25,678.00	\$ (20,155.00)
I132001	Grant GN Heitage Trail	\$ 271,830.00	\$ 150,000.00	\$ (121,830.00)
I132002	Contribution to Golden Gift	\$ 200,000.00	\$ 183,991.00	\$ (16,009.00)
I136497	Land Conservation Grant	\$ 27,000.00	\$ -	\$ (27,000.00)
I141450	Charges - plant hire	\$ 8,250.00	\$ 19,865.00	\$ 11,615.00
		<b>\$ 943,612.00</b>	<b>\$ 1,235,170.00</b>	<b>\$ 291,558.00</b>
<b>Expenditure</b>				
E030014	Refund of Rates	\$ 3,666.00	\$ 17,715.00	\$ (14,049.00)
E041025	Meeting Attendance fees	\$ 15,400.00	\$ 1,018.00	\$ 14,382.00
E052010	Dog Control Expenses	\$ 22,916.00	\$ 2,059.00	\$ 20,857.00
E053411	Emergency Management Plan	\$ 9,166.00	\$ 29,321.00	\$ (20,155.00)
E053412	Crime Prevention Plan	\$ 20,437.00	\$ 5,189.00	\$ 15,248.00
E074011	Contract Health Surveyor	\$ 49,500.00	\$ 60,225.00	\$ (10,725.00)
E080005	Childcare Centre Salaries	\$ 74,250.00	\$ 90,436.00	\$ (16,186.00)
E081004	Youth Support Services	\$ 39,411.00	\$ 11,009.00	\$ 28,402.00
E101020	Domestic Refuse	\$ 44,000.00	\$ 59,830.00	\$ (15,830.00)
E101030	Refuse Site Maintenance	\$ 106,666.00	\$ 56,303.00	\$ 50,363.00
E113030	Parks and Gardens	\$ 77,916.00	\$ 61,002.00	\$ 16,914.00
E113050	Sporting Leonora	\$ 36,666.00	\$ 24,537.00	\$ 12,129.00
E113060	Sporting Leinster	\$ 36,666.00	\$ 24,289.00	\$ 12,377.00
E113070	Oval	\$ 67,833.00	\$ 57,180.00	\$ 10,653.00
E113092	Swimming Pool Mtce	\$ 180,000.00	\$ 90,460.00	\$ 89,540.00

E113095	NGF Rec Officer - salaries	\$	-	\$	17,487.00	\$	(17,487.00)
E113097	NGF Rec Officer - other	\$	12,500.00	\$	32,711.00	\$	(20,211.00)
E114294	Repairs and Mtce Rec Centre	\$	32,083.00	\$	10,004.00	\$	22,079.00
E122040	Roadworks Mtce	\$	1,245,641.00	\$	1,163,701.00	\$	81,940.00
E122043	Bush Graders	\$	256,666.00	\$	200,089.00	\$	56,577.00
E122160	Street Cleaning	\$	82,500.00	\$	209,949.00	\$	(127,449.00)
E122180	Street Trees and Watering	\$	82,500.00	\$	112,303.00	\$	(29,803.00)
E122182	Traffic Signs	\$	11,916.00	\$	-	\$	11,916.00
E126010	Airport Maintenance	\$	82,500.00	\$	116,530.00	\$	(34,030.00)
E126050	Aviation fuel drums	\$	45,833.00	\$	22,564.00	\$	23,269.00
E132076	NG Tourism Group	\$	79,601.00	\$	48,834.00	\$	30,767.00
E132082	Reveg Project	\$	24,750.00	\$	5,261.00	\$	19,489.00
E132091	Gwalia Book Launch	\$	10,000.00	\$	-	\$	10,000.00
E142011	Salaries Admin	\$	343,750.00	\$	298,533.00	\$	45,217.00
E142110	Office Equip	\$	4,584.00	\$	19,890.00	\$	(15,306.00)
E142145	Fringe Benefits Tax	\$	6,417.00	\$	32,207.00	\$	(25,790.00)
E142240	Contribution to VROC	\$	10,000.00	\$	-	\$	10,000.00
E143030	Sick and Holiday	\$	47,667.00	\$	72,355.00	\$	(24,688.00)
E144010	Fuel and Oil	\$	256,667.00	\$	228,303.00	\$	28,364.00
E144050	Insurance & Licenses	\$	34,000.00	\$	6,627.00	\$	27,373.00
E144040	Repair Wages	\$	51,334.00	\$	12,540.00	\$	38,794.00
		\$	3,505,402.00	\$	3,200,461.00	\$	304,941.00

## 9.0 REPORTS OF OFFICERS

### 9.2 DEPUTY CHIEF EXECUTIVE OFFICER

#### 9.2(B) ACCOUNTS FOR PAYMENT

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 16<sup>th</sup> June, 2009

**AGENDA REFERENCE:** 9.2 (B) JUN 09

**SUBJECT:** Accounts for Payment

**LOCATION / ADDRESS:** Nil

**NAME OF APPLICANT:** Nil

**FILE REFERENCE:** Nil

#### AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

**NAME:** Brad Pepper

**OFFICER:** Deputy Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 10<sup>th</sup> June, 2009

#### BACKGROUND

Attached statement consists of accounts paid by Delegated Authority represented by **Vouchers 1139 to 1216** and totalling **\$475,509.25**, and accounts paid by Council Authorisation represented by **Vouchers 1217 to 1262** and totalling **\$143,225.76**.

#### POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

#### FINANCIAL IMPLICATIONS

There are no financial implications resulting from the recommendation of this report.

#### STRATEGIC IMPLICATIONS

There are no strategic implications resulting from the recommendation of this report.

#### RECOMMENDATIONS

That accounts paid by Delegated Authority represented by **Vouchers 1139 to 1216** and totalling **\$475,509.25**, and accounts paid by Council Authorisation represented by **Vouchers 1217 to 1262** and totalling **\$143,225.76** be authorised for payment.

#### VOTING REQUIREMENT

Simple Majority

**Moved Cr Norrie**

**Seconded Cr Kennedy**

**That accounts paid by Delegated Authority represented by Vouchers 1139 to 1216 and totalling \$475,509.25, and accounts paid by Council Authorisation represented by Vouchers 1217 to 1262 and totalling \$143,225.76 be authorised for payment.**

**CARRIED (8 VOTES TO 0)**

## Shire of Leonora

## Monthly Report - List of Accounts Paid by Delegated Authority

Submitted to Council on 16<sup>th</sup> June, 2009

The following list of accounts has been paid under delegation, by the Chief Executive Officer, since the previous list of accounts. Vouchers numbered from 1139 to 1216.

---

**CHIEF EXECUTIVE OFFICER**

1139	14.05.2009	P.N. White	Contract Grading	1,760.00
1140	15.05.2009	Kulbardi Hill Consulting Pty Ltd	Final Progress Payment	26,268.00
1141	15.05.2009	Sarah Zimmermann	Reimbursement – Travelling Expenses	293.39
1142	15.05.2009	J.F. Carter	Reimbursement – Conference Expenses	100.46
1143	20.05.2009	Shire of Leonora	Sal & Wages – PPE: 20.05.2009	42,833.00
1143(a)	20.05.2009	LGRCEU	Union Fees – PPE: 20.05.2009	32.80
1143(b)	20.05.2009	Shire of Leonora	Tax/Rent – PPE: 20.05.2009	13,699.00
1143(c)	20.05.2009	WALGS Plan	Superannuation – PPE: 20.05.2009	6,456.52
1143(d)	20.05.2009	Child Support Agency	Child Support – PPE: 20.05.2009	660.57
1144	20.05.2009	Nick Gagliardi	Contract Grader	9,240.00
1145	20.05.2009	Leinster Post Office	Letterbox Drop	63.00
1146	21.05.2009	Greg Loughlin	Reimbursement – Roller Blinds	419.94
1147	21.05.2009	Builders Registration Board	Builders rego Fee – B/L No: 47/08	33.50
1148	22.05.2009	Reynolds Graphics	Carious Advertising Expenses	4,515.50
1149	22.05.2009	Westland Autos	Parts and Repairs	3,191.67
1150	22.05.2009	Julie Yates	Fuel Reimbursement – Child Care Centre	137.50
1151	22.05.2009	Ginnette Black	Fuel Reimbursement – Child Care Centre	87.30
1152	22.05.2009	Horizon Power	Electricity Usage	532.30
1153	22.05.2009	National Australia Bank	Bank Fees – May 2009 Bank Statement	115.50
1154	25.05.2009	Goldsworthy Family Trust	Health & Building Contract	9,415.78
1155	25.05.2009	Australian Taxation Office	BAS April, 2009	26,023.00
1156	25.05.2009	Stodarts Travel	Airfares (Direct Deposit)	1,575.42
1157	25.05.2009	B.C.I.T.F.	BCITF Fees – B/L No: 30/08	593.40
1158	25.05.2009	Builders Registration Board	Builders Rego Fee – B/L No: 30/08	33.50
1159	26.05.2009	National Australia bank	Cash – Golden Gift Weekend 2009	25,050.00
1160	26.05.2009	Courier Australia	Freight Charges	998.82
1161	26.05.2009	Coopers Carpet Cleaning	Carpet Cleaning – Doctors Residence	350.00
1162	26.05.2009	Ms Dee Cooke	Reimbursement – Travelling Expenses	76.80
1163	26.05.2009	Central Hotel	Cash – Fashions on the Field	1,200.00
1164	27.05.2009	Jacinta Maurer	Entertainment – Golden Gift (D/Deposit)	5,000.00
1165	28.05.2009	Lisa Corrigan	Reimb. – Airfares – G/Gift (D/Deposit)	486.00
1166	28.05.2009	Stodarts Travel	Airfare – Golden Gift 2009	115.00
1167	29.05.2009	Water Corporation	Water Usage	3,482.25
1168	29.05.2009	Kalgoorlie Precast Concrete	Northern Drive Trail	23,386.00
1169	29.05.2009	Rydges Kalgoorlie	Accommodation – Nth G'flds Sport & Rec	152.10
1170	29.05.2009	Parmelia Print	Race Number – Golden Gift 2009	500.50
1171	29.05.2009	Looranah Pty Ltd	Emergency Risk Management	26,023.00
1172	29.05.2009	Great Eastern Motor Lodge	Accommodation – Child Care Centre	135.00
1173	29.05.2009	Gregory Froomes Wyllie	Audit – Northern Leonora Trail	550.00
			<b>Sub Total</b>	<b>\$235,586.52</b>



Shire of Leonora				
Monthly Report - List of Accounts Paid by Delegated Authority				
Submitted to Council on the 16 <sup>th</sup> June, 2009				
Vouch. No.	Date	Payee's Name	Particulars	Payment Made By Delegated Authority.
			<b>Balance B/Fwd</b>	<b>\$235,586.52</b>
1174	29.05.2009	Australia's Golden Outback	Advertising – Northern Goldfields	4,197.65
1175	29.05.2009	DCC Construction Pty Ltd	Town Park Pavilion	14,879.04
1176	29.05.2009	Jennifer Brand	Reimbursement – Golden Gift 2009	324.00
1177	29.05.2009	Shire of Coolgardie	Reimbursement – Emergency Management	2,791.00
1178	29.05.2009	Pipeline Mining & Civil Cont.	Fencing & Tree Holes – Lot 1260 Fitzgerald	9,757.00
1179	29.05.2009	Shire of Leonora	Reimbursement – Emergency Management	2,970.00
1180	29.05.2009	Freestyle Now Promotions	Entertainment – Golden Gift 2009	5,400.00
1181	29.05.2009	Telstra	Phone & Internet Usage	179.25
1182	29.05.2009	Toucan Display Systems	Bannerstand – Advance Tourism	792.00
1183	29.05.2009	Reliance Petroleum	Various Fuel & Oil Costs	47,172.32
1184	29.05.2009	Tafe Central WA	Enrolment Fees – Rec Centre	522.25
1185	29.05.2009	Esplanade Hotel Fremantle	Accommodation – Uranium Conference	1,431.20
1186	29.05.2009	National Australia Bank	Bank Fees – May 2009 Bank Statement	62.62
1187	31.05.2009	Kaila McKnight	1 <sup>st</sup> – Female Elite Mile	6,000.00
1188	31.05.2009	Lisa Corrigan	2 <sup>nd</sup> – Female Elite Mile	4,000.00
1189	31.05.2009	Nikki Molan	3 <sup>rd</sup> – Female Elite Mile	2,000.00
1190	31.05.2009	Sabrina Vorster	4 <sup>th</sup> – Female Elite Mile	1,500.00
1191	31.05.2009	Emily Jackson	5 <sup>th</sup> – Female Elite Mile	1,000.00
1192	31.05.2009	Collis Birmingham	1 <sup>st</sup> – Male Elite Mile	6,000.00
1193	31.05.2009	Jeremy Roff	2 <sup>nd</sup> – Male Elite Mile	4,000.00
1194	31.05.2009	Chris De Boer	3 <sup>rd</sup> – Male Elite Mile	2,000.00
1195	31.05.2009	Kale Symons	4 <sup>th</sup> – Male Elite Mile	1,500.00
1196	31.05.2009	Sam Burke	5 <sup>th</sup> – Male Elite Mile	1,000.00
1197	31.05.2009	National Australia Bank	Bank Fees – May 2009 Bank Statement	145.10
1198	02.06.2009	Central Hotel	Moneghetti Medal Prize Money – GG 2009	1,000.00
1199	03.06.2009	Shire of Leonora	Salaries Wages (DD)- PPE: 03.06.2009	52,129.00
1199(a)	03.06.2009	L.G.R.C.E.U.	Union Fees – PPE: 03.06.2009	32.80
1199(b)	03.06.2009	Shire of Leonora	Tax/Rent – PPE: 03.06.2009	17,818.68
1199(c)	03.06.2009	W.A.L.G.S. Plan	Superannuation – PPE: 03.06.2009	7,287.22
1199(d)	03.06.2009	Child Support Agency	Child Support – PPE: 03.06.2009	660.57
1200	03.06.2009	Deputy Commissioner of Taxation	Fringe Benefits Tax	3,752.71
1201	03.06.2009	BJ & FA Roff	Airfare Reimbursement - Golden Gift 09	350.00
1202	04.06.2009	PN White	Contract Grading	8,600.00
1203	04.06.2009	Dave Fleming	Repairs to Paving - Tower Street	1,800.00
1204	04.06.2009	Looranah Pty Ltd	Preparation Final Acquittal Aware Project	2,305.00
1205	08.06.2009	Hot Chilli Source	Expendable Tools & Freight	1,606.00
1206	08.06.2009	BOC Limited	Expendable Tools & Freight	331.67
1207	08.06.2009	Elite Imaging Australia	Expendable Tools & Freight	208.90
1208	08.06.2009	Horizon Power	Electricity Usage	1,892.85
1209	08.06.2009	Mine Trades & Maintenance	Maintenance - Information Centre	118.25
1210	08.06.2009	QK Technologies Pty Ltd	QikKids Annual Licence - Child Care Centre	715.00
			<b>Sub Total</b>	<b>\$455,818.60</b>

Shire of Leonora

Monthly Report - List of Accounts Paid by Delegated Authority

Submitted to Council on the 16<sup>th</sup> June, 2009

Vouch. No.	Date	Payee's Name	Particulars	Payment Made By Delegated Authority.
			<b>Balance B/Fwd</b>	<b>\$455,818.60</b>
1211	08.06.2009	Road & Traffic Services	Line Marking	15,093.10
1212	08.06.2009	Sheena Schroff	Reimbursement - Travel Expenses	101.45
1213	08.06.2009	Telstra	Phone & Internet Usage	3,252.36
1214	08.06.2009	Visi Max	Oval & Dog Control Expenses	35.00
1215	08.06.2009	WesTrac	Parts and Repairs	646.64
1216	09.06.2009	Shire of Menzies	Emergency Management Plan Expenses	562.10
			<b>GRAND TOTAL</b>	<b>\$475,509.25</b>

Shire of Leonora

Monthly Report - List of Accounts Paid by Authorisation of Council

Submitted to Council on the 16<sup>th</sup> June, 2009

Vouchers numbered from 1139 to 1216 **and direct bank transactions** totaling \$475,509.25 submitted to each member of the Council on Tuesday 16<sup>th</sup> June, 2009 have been checked and are fully supported by vouchers and duly certified invoices with checks being carried out as to prices, computations and costing.

CHIEF EXECUTIVE OFFICER

1217	09.06.2009	Avis - Leinster	Vehicle Hire	263.99
1218	09.06.2009	Air Liquide WA Pty Ltd	Medical Supplies - Medical Centre	83.38
1219	09.06.2009	BT & MA Salmon	Street Maintenance	6,248.00
1220	09.06.2009	Coyles Mower & Chainsaw Centre	Purchase of One Honda Brushcutter	739.00
1221	09.06.2009	Cockburn Cement Ltd	Roadworks	2,951.08
1222	09.06.2009	Central Hotel	Gym Equipment - Rec Centre	500.00
1223	09.06.2009	Corporate Express	Stationery	1,008.49
1224	09.06.2009	Courier Australia	Courier Charges	74.79
1225	09.06.2009	Dell Australia Pty Ltd	Office Equipment	1,916.20
1226	09.06.2009	Dep for Planning & Infrastructure	Licence & Insurance Policies	797.40
1227	09.06.2009	Enesar Pty Ltd	Consulting Fees - Airport	5,175.50
1228	09.06.2009	Forman Bros	Various Maintenance & Repairs	18,453.60
1229	09.06.2009	Goldfields Dean Autoglass	Windscreen - P4	375.00
1230	09.06.2009	Leonora Gwalia Historical Museum	Accommodation - Golden Gift 2009	770.00
1231	09.06.2009	Heatley Sales	Clothing - Golden Gift 2009	2,078.09
1232	09.06.2009	JR & A Hersey Pty Ltd	Expendable Tools & Freight	2,154.26
1233	09.06.2009	Kalgoorlie Trophy & Engraving	Medals - Golden Gift 2009	225.00
1234	09.06.2009	Leonora Post Office	Postage Charges	410.00
1235	09.06.2009	Landgate	Valuations - Mining Tenements	696.00
1236	09.06.2009	McLean Print	Printing Costs - Envelopes	176.00
1237	09.06.2009	Mackay Projects Pty Ltd	Engineering Services	24,618.00
1238	09.06.2009	Marlou Contracting	Earthworks	2,420.00
1239	09.06.2009	Midland Brick	Pavers - Lot 1260 Fitzgerald Drive	3,004.36
1240	09.06.2009	On-Line Business Equipment	Service Agreement & Toners	1,272.83
1241	09.06.2009	Office National	Service Agreement & Toners	2,442.82
1242	09.06.2009	Nicholson Agencies	Cleaning Supplies	151.54
1243	09.06.2009	Powerchill Electrical	Maintenance - Leonora Airport	220.00
1244	09.06.2009	Poitier Medical Practice	Medical Services	10,697.00
1245	09.06.2009	Stationery Plus	Community Grant-Leinster Telecentre	943.20
1246	09.06.2009	Skippers Aviation Pty Ltd	Aircraft Charter - Golden Gift 2009	17,138.00
1247	09.06.2009	SJ & JA Heather	Rent - Centrelink	1,429.89
1248	09.06.2009	Tourism Western Australia	Window Display - WA Visitor Centre	385.00
1249	09.06.2009	Truck Centre (WA) Pty Ltd	Parts and Repairs	1,659.89
1250	09.06.2009	Toll Ipec	Freight Charges	276.56
1251	09.06.2009	Toll Priority	Freight Charges	155.94
1252	09.06.2009	UHY Haines Norton	Accounting Fees	6,820.00
1253	09.06.2009	Water Corporation	Water Usage	3,129.30
1254	09.06.2009	WA Football Commission	Auskick Packs	1,650.00
1255	09.06.2009	Bunnings Building Supplies	Parks & Gardens, Assorted Supplies	3,639.17
			<b>Sub Total</b>	<b>\$127,149.28</b>



**9.3 ENVIRONMENTAL HEALTH AND BUILDING OFFICER**

Nil

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

**A. ELECTED MEMBERS**

Nil

**B. OFFICERS**

**Moved Cr Baker                      Seconded Cr Johnson**

That new business of an urgent nature be allowed to be introduced.

**CARRIED (8 VOTES TO 0)**

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

**10.1 CHIEF EXECUTIVE OFFICER**

**10.1(B) WARD BOUNDARIES AND REPRESENTATION REVIEW**

**SUBMISSION TO:** Meeting of Council  
Meeting Date: 16<sup>th</sup> June, 2009

**AGENDA REFERENCE:** 10.1 (B) JUN 09

**SUBJECT:** Ward Boundaries and Representation Review

**LOCATION / ADDRESS:** Leonora

**NAME OF APPLICANT:** Shire of Leonora

**FILE REFERENCE:** Ward and Boundaries 2.9

**AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT**

**NAME:** James Gregory Epis

**OFFICER:** Chief Executive Officer

**INTEREST DISCLOSURE:** Nil

**DATE:** 15<sup>th</sup> June, 2009

**BACKGROUND**

At the ordinary meeting of Council held on the 17<sup>th</sup> March, 2009 it was resolved to initiate a review of Ward Boundaries and Representation and that a discussion paper be prepared in readiness for the April meeting of Council.

A discussion paper was presented to the Council meeting on the 21<sup>st</sup> April, 2009 and a public notice of the Review of Wards and Representation was advertised in the Kalgoorlie Miner on the 23<sup>rd</sup> April, 2009. Members of the public were invited to make written submissions about any aspect of Ward Boundaries and Representation by the 5<sup>th</sup> June, 2009. A discussion paper was made available outlining the current situation and various alternative options for both Ward Boundaries and Representation.

No submissions were received by the close of business on the 5<sup>th</sup> June, 2009.

Report on Review of Wards and Representation follows this report.

## STATUTORY ENVIRONMENT

Schedule 2.2 of the Local Government Act requires local government to carry out reviews of the ward boundaries and the number of councillors for each ward (schedule 2.2 (6) and (7)) state:

**“6. Local Governments with Wards to Review Periodically**

A local government the district of which is divided into wards is to carryout reviews of –

- (a) it’s ward boundaries; and
- (b) the number of offices of councillor for each ward,

from time to time so that not more than 8 years elapse between successive reviews.

**7. Reviews**

- (1) Before carrying out a review a local government has to give local public notices advising –
  - (a) that the review is to be carried out; and
  - (b) that submission may be made to the local government before a day fixed by the notice, being a day that is not less than 6 weeks after the notice is first given.
- (2) In carrying out the review the local government is to consider submissions made to it before the day fixed by the notice.”

## POLICY IMPLICATIONS

There are no policy implications resulting from the recommendation of this report.

## FINANCIAL IMPLICATIONS

There are no financial implications resulting from the recommendation of this report.

## STRATEGIC IMPLICATIONS

There are no strategic implications resulting from the recommendation of this report.

## RECOMMENDATIONS

In accordance with Schedule 2.2 (9) of the Local Government Act 1995 (the Act), it is recommended to the Local Government Advisory Board that:

- 1. an order be made under s2.2 (1) abolishing the existing two ward system in favour of a no ward system, and
- 2. an order be made under s2.18 reducing the number of offices of Councillor from nine (9) to seven (7).

## VOTING REQUIREMENT

Absolute majority required.

Moved Cr Norrie

Seconded Cr Craig

In accordance with Schedule 2.2 (9) of the Local Government Act 1995 (the Act), it is recommended to the Local Government Advisory Board that:

- 3. an order be made under s2.2 (1) abolishing the existing two ward system in favour of a no ward system, and
- 4. an order be made under s2.18 reducing the number of offices of Councillor from nine (9) to seven (7).

**CARRIED (6 VOTES TO 2)**

# SHIRE OF LEONORA

## REVIEW OF WARDS AND REPRESENTATION

### 1. BACKGROUND

The Shire of Leonora has resolved to undertake a review of its ward system to comply with the requirements of the Local Government Act 1995 (The Act).

Schedule 2.2 of the Act requires local governments to carry out reviews of the ward boundaries and the number of councillors for each ward (schedule 2.2 (6) and (7)) state:

- “6. A local government the district of which is divided into wards is to carry out reviews of -
- a) its ward boundaries; and
  - b) the number of offices of councillor for each ward,

From time to time so that not more than eight (8) years elapse between successive reviews.

7. (1) Before carrying out a review a local government has to give local public notices advising -
- a) that the review is to be carried out; and
  - b) that submissions may be made to the local government before a day fixed by the notice, being a day that is not less than six (6) weeks after the notice is first given.
- (2) In carrying out the review the local government is to consider submissions made to it before the day fixed by the notice.”

The Shire of Leonora has resolved to undertake a review of its system of representation. The purpose of the review is to assess whether nine (9) Councillors and a two ward structure is still appropriate for the Shire.

The last review of representation in the Shire of Leonora was undertaken in 2002 and appeared in the Government Gazette on the 14<sup>th</sup> January, 2003.

Due to changes within the Shire, the advent of new mines, closure of some existing mines and the Minister for Local Government’s proposed Reform Process, the Council is of the opinion that a review of Wards and Councillor numbers is appropriate.

The Shire of Leonora currently has nine (9) Councillors and 750 electors with a councillor/elector ratio of one (1) Councillor to each 88.5 electors in the North Ward and one (1) Councillor to each 79.6 electors in the South Ward.

Due to the ever changing population in the mining communities of the Shire and the unrealistic figures available from the Australian Bureau of Statistics it is difficult to carry out any meaningful review.

The ABS figures for Leonora show a population of 1,680. Head counts and figures provided by mining companies indicate there are in excess of 6,000.

## **CURRENT WARD BOUNDARY SITUATION**

The Shire is currently divided into two (2) wards.

On the 14<sup>th</sup> January, 2003 the Government Gazette published the following:-

### **1. Citation**

*This Order may be cited as the District of Leonora (Change of Ward Boundaries and Representation) Order 2002.*

### **2. Abolition of existing wards (s. 2.2 (1) (d) of the Act)**

*On the first ordinary elections day after the commencement of this order, all wards in the district of Leonora are abolished.*

### **3. New wards created (s. 2.2 (1) (c) of the Act)**

*(1) On and after the first ordinary elections day after the commencement of this order, the North Ward in the district of Leonora consists of the land described in Schedule 1.*

*(2) On and after the first ordinary elections day after the commencement of this order, the South Ward in the district of Leonora consists of the land described in Schedule 2.*

### **4. Number of councillors for the new wards (s. 2.18 (3) of the Act)**

*On and after the first ordinary elections day after the commencement of this order -*

*(1) the number of offices of councillor for the North Ward in the district of Leonora is four (4); and*

*(2) the number of offices of councillor for the South Ward in the district of Leonora Ward is five (5).*

### **5. Declaration of vacant offices (s. 2.35 and 9.62 of the Act)**

*All offices of member of the council of the Shire of Leonora become vacant immediately before the first ordinary elections day after the commencement of this order.*

## **Schedule 1**

### **North Ward**

*All that portion of land bounded by lines starting from the southernmost south eastern corner of the eastern severance of Bulga Location 10 (Pastoral Lease 3114/775 - Pinnacles Station), a point on a*



*present southern boundary of the Shire of Leonora and extending northerly and east along the eastern and southern boundaries of that severance and easterly along the southern boundary of Kaluwiri Location 64 (Pastoral Lease 3114/775 - Pinnacle Station) to the southernmost south western corner of Pastoral Lease 3114/1153 - Weebo Station; thence east, north, again east, southerly, easterly and northerly along boundaries of that pastoral lease to the southernmost southern boundary of Pastoral Lease 3114/872 - Melrose Station; thence easterly, northerly and again easterly along boundaries of that pastoral lease to a north western corner of Kaluwiri Location 54 (Pastoral Lease 3114/538 - Nambi Station); thence south and east along the western and southern boundaries of that Location to a south eastern corner of that location, a point on a present eastern boundary of the Shire of Leonora and thence north, generally easterly, generally northerly, generally westerly, again generally northerly, west, generally southerly and again generally easterly along boundaries of that Shire to the starting point.*

## **Schedule 2**

### **South Ward**

*All that portion of land bounded by lines starting from the southernmost south eastern corner of the eastern severance of Bulga Location 10 (Pastoral Lease 3114/775 - Pinnacles Station), a point on a present southern boundary of the Shire of Leonora and extending northerly and east along the eastern and southern boundaries of that severance and easterly along the southern boundary of Kaluwiri Location 64 (Pastoral Lease 3114/775 - Pinnacles Station) to the southernmost south western corner of Pastoral Lease 3114/1153 - Weebo Station; thence east, north, again east, southerly, easterly and northerly along boundaries of that pastoral lease to the southernmost southern boundary of Pastoral Lease 3114/872 - Melrose Station; thence easterly, northerly and again easterly along boundaries of that pastoral lease to a north western corner of Kaluwiri Location 54 (Pastoral Lease 3114/538 - Nambi Station); thence south and east along the western and southern boundaries of that Location to a south eastern corner of that location, a point on a present eastern boundary of the Shire of Leonora and thence south, generally south easterly, generally westerly and generally northerly along boundaries of that shire to the starting point.*

## **2. CURRENT WARD BOUNDARIES**

The Shire is divided into two (2) wards known as the North Ward and the South Ward.

These are described in the Government Gazette extract of the 14<sup>th</sup> January, 2003. The North Ward has four (4) elected members and the South Ward five (5).

## **3. FACTORS TO BE CONSIDERED**

Schedule 2.2 (8) requires for the council to have regard, where applicable to the following as part of the review process.

1. Community of interest
2. Physical and topographic features
3. Demographic trends
4. Economic factors
5. Ratio of Councillors to Electors in the various wards.

### **3.1 COMMUNITY OF INTEREST**

The term community of interest has a number of elements. These include a sense of community identity and belonging, similarities in the characteristics of the residents of a community and similarities in the economic activities. It can also include dependence on the shared facilities in an area as reflected in catchment areas of local schools and sporting teams, or the circulation areas of local newspapers.

Neighbourhoods, suburbs and towns are important units in the physical, historical and social infrastructure and often generate a feeling of community and belonging.

The Shire of Leonora contains two major townsites. Leinster in the northern section of the Shire and Leonora in the southern section.

Leonora was established in 1896 following the discovery of gold in that area and Leinster in the late 1970's to service newly discovered nickel deposits.

Over the years other towns in the Shire, as we now know it, were established and have now ceased to exist. Localities such as Malcolm and Lawlers had their own Road Boards or Municipalities, which are now amalgamated into the Shire.

The townsites of Leonora and Leinster have quite separate communities of interest. Leonora is an old established town with businesses operated by private enterprise, the bulk of residences are owned privately and the facilities such as streets, street lighting, recreation, ovals, airports and so on have been provided by the local authority.

Leinster, on the other hand was originally built as a company town purely to house the nickel mines workforce and support services such as school, police, shops and contractors. All facilities were provided and maintained by the Company and the Shire of Leonora had very little involvement in the early operation of the town.

The two major townsites do however share a common interest with the whole of the Shire and service areas that produce enormous wealth for the State.

Over the years the pastoral industry has declined with a number of leases now owned or operated by mining companies, CALM and aboriginal groups.

Mining is the predominate industry and extends over the whole Shire.

Individual aboriginal communities traditionally have their own community of interest as well as sharing in the interests of other sections of the Shire.

The two wards are strongly committed to each other not only through the mining industry but through both supplying services to the mines, sports and recreation, health and other isolated area activities.

The whole of the Shire has a common interest and would be served as well by a no ward system.

### **3.2 PHYSICAL AND TOPOGRAPHIC FEATURES**

Physical and topographical features are identifiable boundaries suitable for defining local government boundaries as well as ward boundaries.

Water features such as rivers and catchment boundaries may be relevant consideration. Man made features such as railway lines and highways are also relevant.

Consistent with other parts of the goldfields the Shire of Leonora is devoid of physical or topographic features that readily identify or influence the selection of boundaries.

The Goldfields Highway which runs north and south through the Shire is not suited as a boundary and the existing boundaries of the North and South Wards was based on pastoral lease boundaries and has little relevance to the current review.

### **3.3 DEMOGRAPHIC TRENDS**

Several measurements of characteristics of human populations, such as population size, and its distribution by age, sex, occupation and location provide important demographic information. Current and projected population characteristics will be relevant as well as similarities and differences between areas within the local government.

The Australian Bureau of Statistics figures do not reflect a true indication of any of the above.

Recent population figures show a decline which is detrimental to the Shire in many ways, especially in grant allocations.

The Fly-In, Fly Out policies adopted by mining companies and mine site contractors are the main cause of the low ABS figures. There are significant mines scattered throughout the Shire for gold, nickel and other lesser minerals and the possibility of uranium mining due to commence in the next few years.

Development in shires such as Leonora does not mean an increase in ABS population figures.

### **3.4 ECONOMIC FACTORS**

Economic factors can be broadly interpreted to include any factor that reflects the character of economic activities and resources in the area. This may include the industries that occur in a local government (or the release of land for these) and the distribution of community assets and infrastructure such as road networks.

Rating income for the financial year ended 30<sup>th</sup> June, 2008.

<b>VALUATIONS</b>	<b>2007/2008</b>
Gross Rental Valuations	660,714
Unimproved Valuations	2,096,817
<b>TOTAL</b>	<b>\$2,757,531</b>

The price of gold in recent times has been exceptionally high whilst the price of nickel has resulted in mines in these areas being closed or production reduced. Exploration has been reduced and will have an effect in the 2009/2010 financial year.

Mining provides the bulk of the Unimproved Valuation rates. It is difficult to allocate mining tenements to wards with any degree of accuracy.

There is little activity in release of land for subdivisional purposes in either ward. Road grants are allocated on an annual basis in the areas of greatest need regardless of wards.

Any reduction in Rates, Government Grants (State and Federal) or decline in the use of services such as rubbish, recreation, airport etc. would place a burden on remaining ratepayers and users.

Economic activities in the shire are more likely to affect the whole district as compared to any particular ward as they exist on each other. Any change in ward boundaries would not change this situation.

Tourism provides another industry in the shire but on a very minor scale compared to mining. It does however keep alive the very historic significance of this area of the goldfields.

#### 4. RATIO OF COUNCILLORS TO ELECTORS IN THE TWO WARDS

*It is expected that each local government will have ratios of electors to councillors across the wards in its district.*

##### Existing Wards and Representation Figures as at 5<sup>th</sup> July, 2002

WARD	NUMBER OF ELECTORS	ENTITLEMENT	COUNCILLORS	ELECTOR/ COUNCILLOR
South	524	5.28	5	1:104.2 + 5.02%
North	369	3.72	4	1:92.25 - 7.12%
<b>TOTAL</b>	<b>893</b>	<b>9.00</b>	<b>9</b>	<b>1:99.22</b>

##### Figures as at May, 2009

WARD	NUMBER OF ELECTORS	ENTITLEMENT	COUNCILLORS	ELECTOR/ COUNCILLOR
South	377	4.68	5	1:75.4
North	313	4.1	4	1:78.5
<b>TOTAL</b>	<b>690</b>	<b>8.78</b>	<b>9</b>	<b>1:76.7</b>

It should be noted that of the four (4) Councillors representing the North Ward two (2) of the Councillors actually reside in the South Ward. In effect this means there are seven (7) Councillors in the South Ward and two (2) in the North Ward.

There is no obvious reason to consider an increase in wards which leaves two options.

Option 1. Maintain the existing two ward system.

Option 2. Abolish the existing system.

A reduction in elected member numbers could be considered at the same time.

## **OPTION 1 - MAINTAIN EXISTING TWO WARD SYSTEM**

The following is an assessment of the current situation against the factors:

### **Community of Interest**

The existing ward boundaries reflect to a degree the local interests of the wards, however the over-riding factor is that the economy of the shire is largely dependent on one industry which means the wards would not survive without the mining industry. The main community of interest lies in the district not in the wards.

### **Physical and Topographic Factors**

The existing ward boundaries have no real influence on the wards. Ward elected members live in other wards. Members represent the whole of the district and very mindful that the mining activities are situated over the whole shire.

### **Demographic Trends**

The demographic trends are not likely to influence the areas within the district unless there are major changes to work force practices such as fly-in fly-out by the mining industry.

### **Economic Factors**

As indicated in Community of Interest the economy of the Shire relies heavily on the mining industry. A down turn in mining would have an effect on all wards.

### **Ration of Councillors to Electors**

As can be seen from previous tables each elected member in the Shire of Leonora represents between 75 and 78 electors. This is considered to be low and consideration is being given to reducing the number to seven (7). This reduction would result in each elected member representing approximately 100 electors.

## **OPTION 2 - ESTABLISH A NO-WARD SYSTEM**

### **Community of Interest**

The mining industry is district wide and as a consequence a significant portion of contractors regardless of which ward they operate from work throughout the district.

Commercial suppliers also service both wards as do suppliers from other centres such as Kalgoorlie-Boulder.

The majority of the Shire are on fly-in fly-out arrangements and normal types of Community of Interest do not have the same significant as other areas such as the Wheatbelt, Southwest and Midwest regions.

## **Physical and Topographical Factors**

In a No Ward System physical and topographical factors would have little impact on council representation.

## **Demographic Trends**

These trends are not likely to influence the area within the district unless there are major changes to work force practices such as abolishing fly-in fly-out and establishing permanent housing for mine workers and contractors.

## **Economic Factors**

The economy of the Shire relies heavily on the mining industry. A down turn in mining would have the same effect on the district regardless on whether wards exist or not.

## **Ratio of Councillors to Electors**

If elected member numbers were reduced to seven (7) it would result in approximately 100 electors to each Councillor.

## **NO WARD OPTION**

If council was to strongly embrace structural reform by abolishing wards it would avoid the circumstances of having councillors residing in wards they do not represent. Currently there are two of the four north ward members living outside of that ward.

Section 2.10 (1) of the Act states that the role of councillors is to represent the interests of the district. It is clearly the role of an elected member to represent the whole shire not a ward.

The No Ward Option would clearly acknowledge the compliance with Section 2.10 (a) and at the same time avoid the imbalance in representation between the wards.

If a reduction in councillor numbers were to be considered in conjunction with a No Wards System, there would be a smoother transition.

It should be noted that a number of local authorities in the state have abolished wards in recent times. Feedback indicates that the system work well and that generally, all areas of their local government continue to have representation.

## **WHICH OPTION IS BEST**

To determine which option is the best for the district, council will need to look closely at the five criterias.

## **Community Interest**

It is clear that the district and its population rely heavily on the mining industry regardless of where in the shire they live. The mining industry are the largest employees and there is very little alternative employment.

## **Physical and Topographic Factors**

There are no significant physical features in the district that could influence ward boundaries.

## **Demographic Trends**

In recent years there has been little activity in providing permanent residences outside of the Leonora and Leinster townsites. Mining companies rely on a fly-in fly-out workforce where the employees rarely show on the Federal, State or Local Government electoral rolls for the district.

This in effect means that services are being provided for a significant proportion of people who are not electors. This situation is unlikely to change.

A static population could be expected in the future unless there is major mining development in the area.

## **Economic Factors**

Regardless of the ward boundaries the economic viability of the shire is dependent on the mining industry.

## **Ratio of Councillors to Electors**

### **Option 1 - Existing Two Ward System**

A ward system will always require review and boundary changes to comply with tolerance criteria.

### **Option 2 - Establish a No-Ward System**

Acknowledges compliance with Section 2.10 (a) of the Local Government Act and at the same time avoid the imbalance in representation between the wards.

## **Reduction on Councillor Numbers**

The question to be asked, is how many members are desirable to enable the effective function of the Shire?

*Section 2.17 (2) of the Act States:*

*If the method of filling the office of mayor or president is election by the council, the council is to consist of not less than six (6) nor more than fifteen (15) councillors of who -*

- a) one is to hold the office of mayor or president as well as the office of councillor; and*
- b) another is to hold the office of deputy mayor or deputy president as well as the office of councillor.*

It can be seen that the largest local authority is restricted to fifteen (15) councillors and the smallest to six (6).

It is now known that the Minister for Local Government desires Councils to have between six (6) and nine (9) elected members. Unfortunately no guidelines are available on how councils will fit in between those numbers.

There is nothing to suggest that seven (7) members would not be unreasonable for the Shire of Leonora and give efficient and effective representation.

It could be anticipated that a proposal to abolish wards and reduce councillor members to seven (7) would achieve a number of objectives including:

- Avoidance of the regular problems caused by imbalance in ward representation and the requirement to adhere to the 10% Tolerance criteria.
- Focus the Council's attention to district rather than ward issues.
- A genuine attempt towards structural reform.

### **Suggested Recommendation**

That it be recommended to the Local Government Advisory Board that:

- 1) an order be made under Section 2.2 (1) of the Local Government Act 1995 abolishing the existing Two Ward System in favour of a No Ward System; and
- 2) an order be made under Section 2.18 of the Local Government Act 1995 reducing the number of offices of Councillor from nine (9) to seven (7).



**11.0 NEXT MEETING**

**Moved Cr Johnson            Seconded Cr Kennedy**

1.        That next months meeting be changed to the 14<sup>th</sup> July, 2009 to be held in Council Chambers at 9.30am.
2.        That the August meeting be held in Leinster.

**CARRIED (8 VOTES TO 0)**

**12.0 CLOSURE OF MEETING**

Cr Carter declared the meeting closed at 12.59pm.