

SHIRE OF LEONORA

MINUTES OF AN ORDINARY COUNCIL MEETING



**MINUTES OF ORDINARY MEETING HELD
AT THE LEINSTER TAVERN, LEINSTER ON
TUESDAY 18TH AUGUST, 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 (previously approved)

- 2.1 **PRESENT**

President	J F Carter
Deputy President	P Craig
Councillors	L Petersen
	N G Johnson
	S J Heather
	G W Baker
	R Norrie
	J C Kennedy
Chief Executive Officer	JG Epis
Deputy Chief Executive Officer	B Pepper

2.2 APOLOGIES
Nil

2.3 LEAVE OF ABSENCE
Cr Dawes.

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 PETITIONS / DEPUTATIONS / PRESENTATIONS
Cr Carter congratulated Cr Johnson on receiving the “Long and Loyal Service Award” presented at Local Government Week.

7.1 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETINGS
Moved Cr Kennedy, seconded Cr Norrie that the Minutes of the Ordinary Meeting held on 21st July, 2009 be confirmed as a true and accurate record.

CARRIED (8 VOTES TO 0)

8.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION
Nil

9.0 REPORTS OF OFFICERS
9.1 CHIEF EXECUTIVE OFFICER
9.1(A) PROPOSED RESIDENTIAL SUBDIVISION

SUBMISSION TO: Meeting of Council
Meeting Date: 18th August, 2009

AGENDA REFERENCE: 9.1 (A) AUG 09

SUBJECT: Proposed Residential Subdivision

LOCATION / ADDRESS: Not Applicable

NAME OF APPLICANT: Not Applicable

FILE REFERENCE: State Planning - Department Subdivision 5.35

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 21st July, 2009

BACKGROUND

You may recall that Taylor Burrell Barnett, Town Planners and Designers were requested in July, 2008 to provide a scope of works and fee proposal to undertake the planning tasks associated with a Residential Development concept which Council accepted. Part of the brief was to prepare a residential development concept for the future street block bounded by Walton and Fitzgerald Streets, comprising approximately 20-25 single residential lots with some corner lots capable of being developed for two grouped dwellings and a revised road design that minimises road works and development costs. Depending upon the final subdivision design, a scheme amendment may be required to modify the boundaries of the applicable Residential Density Code.

In addition to the above Ms Tracy Leddin, Senior Project Planner with the Department for Planning and Infrastructure has been investigating Townsite Expansion Plans for the northern goldfields towns. Ms Leddin's participation in the project is encouraged. In fact, Roger Stein, representing Taylor Burrell Barnett did meet with Ms Leddin in Perth recently to discuss both future residential and industrial development plans for Leonora.

Taylor Burrell Barnett have provided a copy of a plan for a proposed residential zoned area off Fitzgerald Drive for review and comment. The plan has been prepared reflecting the existing drainage line, existing road connections to the east, south and west. The proposed subdivision plan will produce 106 residential lots with an average area of 788m². Lot numbers and areas can be adjusted to suit. The aim has been to produce regular lot shapes, with quite wide frontages to avoid need for use of retaining walls. The roads would be mostly north-south aligned reflecting the traditional layout of the town.

There is currently no Native Title Claimant formed for the area so it may be the opportune time to seek transfer of the land to the Shire's control.

Taylor Burrell Barnett would like to arrange a site visit to meet and discuss the plan with Council and at the same time check that the design is acceptable.

The plan as presented could be used to present a case to State Land Services for the release of the land to the Shire for future development in stages.

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

Planning fees amounting to \$25,000.00 for this purpose and other town planning scheme amendments is included in the current budget.

STRATEGIC IMPLICATIONS

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

RECOMMENDATIONS

That Council in principle, agree with the proposed residential subdivision and that Mr Roger Stein, representing Taylor Burrell Barnett be invited to attend the meeting of Council on the 15th September, 2009 to further discuss the proposal.

VOTING REQUIREMENT

Simple majority required.

Moved Cr Heather

Seconded Cr Baker

That Council in principle, agree with the proposed residential subdivision and that Mr Roger Stein, representing Taylor Burrell Barnett be invited to attend the meeting of Council on the 20th October, 2009 to further discuss the proposal.

CARRIED (8 VOTES TO 0)

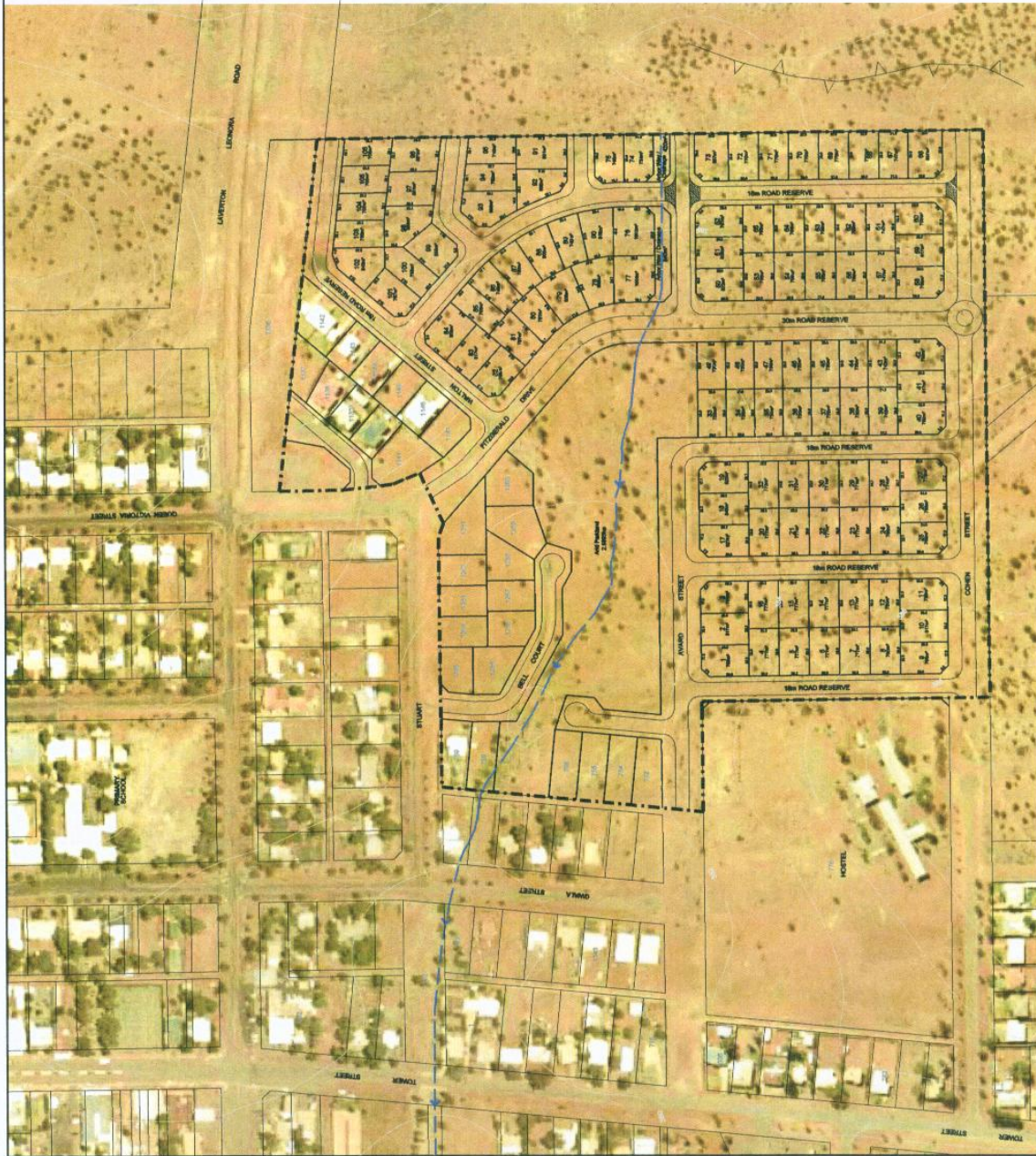
Proposed Subdivision
 FITZGERALD DRIVE - LEONORA
 A SHIRE OF LEONORA PROJECT

DATE: 18/08/2020
SCALE: 1:2000
PROJECT NO.: 2/19/2000
CLIENT: S/M/AM/8
DRAWN BY: J.M.S.
CHECKED BY: J.M.S.
DATE: 18/08/2020

Shire of Leonora
 1100 NORTH WILSON STREET
 LEONORA, WA 6340
 TELEPHONE: (08) 9423 4100
 FAX: (08) 9423 4111
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Shire of Leonora
 Planning & Design
 1100 North Wilson Street
 Leonora, WA 6340
 Telephone: (08) 9423 4100
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LEGEND
 APPLICATION AREA
 DRAINAGE LINE
 INDICATIVE BOUNDARY LINE



LOT YIELD		LOT DIMENSIONS TABLE		LOT AREA	
Block	Area	Area	No. of	Yield/ha	Area
115	15.84 ha	72m x 120m	16	100%	15.84 ha
116	15.84 ha	72m x 120m	16	100%	15.84 ha
117	15.84 ha	72m x 120m	16	100%	15.84 ha
118	15.84 ha	72m x 120m	16	100%	15.84 ha
119	15.84 ha	72m x 120m	16	100%	15.84 ha
120	15.84 ha	72m x 120m	16	100%	15.84 ha
121	15.84 ha	72m x 120m	16	100%	15.84 ha
122	15.84 ha	72m x 120m	16	100%	15.84 ha
123	15.84 ha	72m x 120m	16	100%	15.84 ha
124	15.84 ha	72m x 120m	16	100%	15.84 ha
125	15.84 ha	72m x 120m	16	100%	15.84 ha
126	15.84 ha	72m x 120m	16	100%	15.84 ha
127	15.84 ha	72m x 120m	16	100%	15.84 ha
128	15.84 ha	72m x 120m	16	100%	15.84 ha
129	15.84 ha	72m x 120m	16	100%	15.84 ha
130	15.84 ha	72m x 120m	16	100%	15.84 ha
131	15.84 ha	72m x 120m	16	100%	15.84 ha
132	15.84 ha	72m x 120m	16	100%	15.84 ha
133	15.84 ha	72m x 120m	16	100%	15.84 ha
134	15.84 ha	72m x 120m	16	100%	15.84 ha
135	15.84 ha	72m x 120m	16	100%	15.84 ha
136	15.84 ha	72m x 120m	16	100%	15.84 ha
137	15.84 ha	72m x 120m	16	100%	15.84 ha
138	15.84 ha	72m x 120m	16	100%	15.84 ha
139	15.84 ha	72m x 120m	16	100%	15.84 ha
140	15.84 ha	72m x 120m	16	100%	15.84 ha
141	15.84 ha	72m x 120m	16	100%	15.84 ha
142	15.84 ha	72m x 120m	16	100%	15.84 ha
143	15.84 ha	72m x 120m	16	100%	15.84 ha
144	15.84 ha	72m x 120m	16	100%	15.84 ha
145	15.84 ha	72m x 120m	16	100%	15.84 ha
146	15.84 ha	72m x 120m	16	100%	15.84 ha
147	15.84 ha	72m x 120m	16	100%	15.84 ha
148	15.84 ha	72m x 120m	16	100%	15.84 ha
149	15.84 ha	72m x 120m	16	100%	15.84 ha
150	15.84 ha	72m x 120m	16	100%	15.84 ha
151	15.84 ha	72m x 120m	16	100%	15.84 ha
152	15.84 ha	72m x 120m	16	100%	15.84 ha
153	15.84 ha	72m x 120m	16	100%	15.84 ha
154	15.84 ha	72m x 120m	16	100%	15.84 ha
155	15.84 ha	72m x 120m	16	100%	15.84 ha
156	15.84 ha	72m x 120m	16	100%	15.84 ha
157	15.84 ha	72m x 120m	16	100%	15.84 ha
158	15.84 ha	72m x 120m	16	100%	15.84 ha
159	15.84 ha	72m x 120m	16	100%	15.84 ha
160	15.84 ha	72m x 120m	16	100%	15.84 ha
161	15.84 ha	72m x 120m	16	100%	15.84 ha
162	15.84 ha	72m x 120m	16	100%	15.84 ha
163	15.84 ha	72m x 120m	16	100%	15.84 ha
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169	15.84 ha	72m x 120m	16	100%	15.84 ha
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184	15.84 ha	72m x 120m	16	100%	15.84 ha
185	15.84 ha	72m x 120m	16	100%	15.84 ha
186	15.84 ha	72m x 120m	16	100%	15.84 ha
187	15.84 ha	72m x 120m	16	100%	15.84 ha
188	15.84 ha	72m x 120m	16	100%	15.84 ha
189	15.84 ha	72m x 120m	16	100%	15.84 ha
190	15.84 ha	72m x 120m	16	100%	15.84 ha
191	15.84 ha	72m x 120m	16	100%	15.84 ha
192	15.84 ha	72m x 120m	16	100%	15.84 ha
193	15.84 ha	72m x 120m	16	100%	15.84 ha
194	15.84 ha	72m x 120m	16	100%	15.84 ha
195	15.84 ha	72m x 120m	16	100%	15.84 ha
196	15.84 ha	72m x 120m	16	100%	15.84 ha
197	15.84 ha	72m x 120m	16	100%	15.84 ha
198	15.84 ha	72m x 120m	16	100%	15.84 ha
199	15.84 ha	72m x 120m	16	100%	15.84 ha
200	15.84 ha	72m x 120m	16	100%	15.84 ha

Minimum Lot Size 720m²
 Minimum Lot Size 100m²
 Total Lot Area 2000m²

9.0 REPORTS OF OFFICERS

9.1 CHIEF EXECUTIVE OFFICER

9.1(B) TOWN PLANNING SCHEME N° 1 AMENDMENT N° 10

SUBMISSION TO: Meeting of Council
Meeting Date: 18th August, 2009

AGENDA REFERENCE: 9.1 (B) AUG 09

SUBJECT: Town Planning Scheme N° 1 Amendment N° 10

LOCATION / ADDRESS: Leonora

NAME OF APPLICANT: Gray and Lewis - Land Use Planner

FILE REFERENCE: Town Planning 5.33

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 31st July, 2009

BACKGROUND

Council at its meeting on the 20th February, 2007 resolved in pursuance of Section 75 of the Planning and Development Act to amend the Town Planning Scheme to reclassify portions of railway land from Reserve for Railway to Industrial Zone.

Council at its meeting in February, 2008 resolved that the Shire of Leonora Town Planning Scheme N° 1 Amendment N° 10 be adopted for final approval and that the proposed amendment be forwarded to the Western Australian Planning Commission and the Minister for Planning and Infrastructure for their consideration and approval.

On the 6th April, 2009 the Western Australian Planning Commission advised that the Minister for Planning had decided not to approve the amendment until such time as certain modifications set out in the attached Schedule were effected. The Minister determined that the modifications contained in the Schedule are substantial and are required to be advertised, and has directed that Council advertise the modifications for a period of 21 days in accordance with the provisions of regulations 20 (1) and 25 of the Town Planning Regulations 1967 subject to:

- the amendment being referred to all relevant agencies and organisations including the Water Corporation, Heritage Council, Public Transport Authority and the Australian Railway Group.

The Scheme Modification was advertised in the Kalgoorlie Miner on the 13th June, 2009 allowing 21 days in which submissions could be made in regards the proposed modification.

During the compulsory advertising period responses were received from:

- Heritage Council of Western Australia
- Australian Railway Group
- Public Transport Authority
- Water Corporation.

I did not consider the responses as submissions however an officer from the Department of Planning advises differently. Schedule of Submissions is attached. The submission from Australian Railway Group does raise issues in relation to the suitability of the land uses proposed on the site. The recommendation following this report will include a modification be made to the amendment.

STATUTORY ENVIRONMENT

In accordance with Section 75 of the Planning and Development Act, Regulations 20 (1) and 25 of the Town Planning Regulations 1967 and the Shire of Leonora Town Planning Scheme N° 1.

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

An amount of \$25,000.00 is contained within the current budget to cover general town planning expenses.

STRATEGIC IMPLICATIONS

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

RECOMMENDATIONS

That Council, having considered the submissions received, adopt for final approval Amendment N° 10 to the Shire of Leonora Town Planning Scheme N° 1, with the following modifications:

Insert in Schedule Two-Special Sites-Conditions of use:

1. The words “and may impose conditions relating to” directly after “shall have regard to”; and
2. An additional paragraph:
 - d) Compatibility of development with the adjacent rail freight operations and the buffer zone requirements of the Leonora Wastewater Treatment Plant.

VOTING REQUIREMENT

Simple majority required.

Moved Cr Craig

Seconded Cr Norrie

That Council, having considered the submissions received, adopt for final approval Amendment N° 10 to the Shire of Leonora Town Planning Scheme N° 1, with the following modifications:

Insert in Schedule Two-Special Sites-Conditions of use:

- 3. The words “and may impose conditions relating to” directly after “shall have regard to”; and**
- 4. An additional paragraph:**
 - d) Compatibility of development with the adjacent rail freight operations and the buffer zone requirements of the Leonora Wastewater Treatment Plant.**

CARRIED (8 VOTES TO 0)

**Schedule of Modifications
Shire of Leonora Town Planning Scheme No. 1
Amendment No. 10**

Scheme Map

1. Modify the Scheme Amendment Map to include the subject land in the "Special Use Zone - Heritage Place".

To ensure that the site is classified appropriately under the Shire of Leonora Town Planning Scheme No 1.

Scheme Text

Delete the existing Scheme Amendment text and replace with:

1. SCHEDULE 2 - SPECIAL SITES

LOCATION	PERMITTED USE	CONDITIONS OF USE
Former Stationmaster's House - Kurrajong Street on Deposited Plan 62275.	<p>Applications for planning consent for the uses listed below shall be determined by the Council as though they are classified as "AA" uses under clause 3.2.2</p> <p>Bed and Breakfast Office Club Premises Community Purpose Consulting Rooms Exhibition Centre Industry - Cottage Museum Medical Centre Reception Centre Restaurant Residential - Single House Veterinary Hospital</p>	<ol style="list-style-type: none"> 1. The objectives of the zone are to acknowledge the contribution that the station masters house makes to the town and to conserve and protect its cultural heritage. 2. When considering applications for planning approval, Council shall have regard to: <ol style="list-style-type: none"> a) compatibility of development with the existing heritage building and its curtilage; b) impact of the development on the historic values of the building and place; c) measures to protect and enhance the historic values of the building and place; and d) the advice and recommendations of the Heritage Council of Western Australia for the protection of the building and place. 3. Development standards for the "Town Centre Zone" as per Clause 4.3, shall apply for development on this site.

To apply appropriate land use controls on the site.

2. Include the following definitions into Schedule One - Interpretations

"bed and breakfast" means a dwelling, used by a resident of the dwelling, to provide accommodation for persons away from their normal place of residence on a short-term commercial basis and includes the provision of breakfast;

"exhibition centre" means premises used for the display, or display and sale, of materials of an artistic, cultural or historical nature, and includes a museum or art gallery;

"industry - cottage" means a trade or light industry producing arts and crafts goods which does not fall within the definition of a home occupation and which -

- (a) does not cause injury to or adversely affect the amenity of the neighbourhood;
- (b) where operated in a residential zone, does not employ any person other than a member of the occupier's household;
- (c) is conducted in an out-building which is compatible with the principal uses to which land in the zone in which it is located may be put;
- (d) does not occupy an area in excess of 50 square metres; and
- (e) does not display a sign exceeding 0.2 square metres in area;

"medical centre" means premises, other than a hospital, used by one or more health consultant(s) for the investigation or treatment of human injuries or ailments and for general outpatient care (including preventative care, diagnosis, medical and surgical treatment, and counselling);

To apply definitions for land uses included in the special use zone.

**Schedule of Submissions
Shire of Leonora Scheme No. 1, Amendment No. 10**

No	Author of Submission	Submission Summary	Council Recommendation	WAPC Recommendation
1	Heritage Council of Western Australia Po Box 6201 East Perth WA 6892	No Objection.	Submission noted	
2	Water Corporation Locked Bag 12 Kalgoorlie WA 6433	<p>a) The subject site is wholly contained within the buffer zone for the Leonora Wastewater Treatment Plant. All land uses are to be in accordance with the land use requirements for the buffer zone.</p> <p>b) The lot is currently being subdivided with a condition that a section 70a notification is recorded on the title to alert prospective purchasers to the buffer and odours.</p>	<p>a) Uphold - proposed modification to schedule to include the buffer as an issue for Council to consider when approving development on the site.</p> <p>b) Noted</p>	
3	Public Transport Authority PO Box 8125 Perth WA 6849	No Objection to the amendment providing that the land containing the lot is fenced in accordance with the requirements imposed at the time of subdivision.	Submission noted	
4	ARG - Australia Western Railroad Pty LTD GPO Box S1488 Perth WA 6845	<p>a) The company operates round the clock rail freight services and freight depot in close proximity to the site.</p> <p>b) The proposed permitted uses may be inconsistent with the freight operation in particular of any proposed user is sensitive to the inherent nature of rail freight operations.</p> <p>c) The amendment should note the potential impacts from the operation and new developer and development should be alerted to and encompass the acceptance of this.</p>	<p>a) Noted</p> <p>b) Uphold - proposed modification to schedule to include the rail freight operation as an issue for Council to consider when approving development on the site.</p> <p>c) as per b</p>	

9.0 REPORTS OF OFFICERS

9.1 CHIEF EXECUTIVE OFFICER

9.1(C) TENDER - OVAL SPORTING FACILITY

SUBMISSION TO: Meeting of Council
Meeting Date: 18th August, 2009

AGENDA REFERENCE: 9.1 (C) AUG 09

SUBJECT: Tender - Oval Sporting Facility

LOCATION / ADDRESS: Leonora

NAME OF APPLICANT: Shire of Leonora

FILE REFERENCE: Tender General 10.7

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 12th August, 2009

BACKGROUND

On the 17th February, 2009 Council resolved to call tenders for the construction of the Oval Sporting Facility immediately plans and specifications became available and that in the meantime discussions with the Leonora Golf Club commence regarding the demolition of the existing building.

As you are aware, and with the assistance of the Mount Morgans Works Group, the building was demolished in a timely and efficient manner.

An advertisement appeared in the West Australian on the 8th and 11th July, 2009 inviting tenders from experienced competent building contractors to carry out work in the Leonora townsite as detailed in the tender documents.

The advertisement detailed tender closing time and date being 4.00pm on Wednesday 5th August, 2009.

Addendum dated 29th July, 2009 was issued advising that the Tenders closing date had been extended to close 4.00pm Tuesday 11th August, 2009. Building companies having expressed an interest were advised by email. Majstrovich Building Company was advised by phone not having email services available.

All tenders were opened by the Chief Executive Officer in the presence of the Deputy Chief Executive Officer after closing time and date.

Tenders were received from the following:

- Majstrovich Building Company \$1,014,500.00
- Robinson Buildtech \$1,212,305.35
- KMC Group \$1,270,000.00

All above tenders exclude GST.

STATUTORY ENVIRONMENT

Local Government (Functions and General) Regulations 11 states that tenders are to be publicly invited before a Local Government enters into a Contract for another person to supply goods or services if the consideration under the Contract is expected to be worth more than \$100,000.00.

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

An amount of \$1,200,000.00 is contained within the current budget for this project.

STRATEGIC IMPLICATIONS

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

RECOMMENDATIONS

That Council accepts the tender submitted by Majstrovich Building Company, the total being \$1,014,500.00 excluding GST.

VOTING REQUIREMENT

Simple majority required.

Moved Cr Johnson

Seconded Cr Petersen

That Council accepts the tender submitted by Majstrovich Building Company, the total being \$1,014,500.00 excluding GST.

CARRIED (8 VOTES TO 0)

9.0 REPORTS OF OFFICERS

9.2 DEPUTY CHIEF EXECUTIVE OFFICER

9.2(A) MONTHLY FINANCIAL STATEMENTS

SUBMISSION TO: Meeting of Council
Meeting Date: 18th August, 2009

AGENDA REFERENCE: 9.2 (A) AUG 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 August, 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.

Monthly Financial Statements submitted for adoption include:

- (a) Statement of Financial Activity – 31st July, 2009
- (b) Compilation Report

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 31st July, 2009 consisting of:

- (c) Statement of Financial Activity – 31st July, 2009
- (d) Compilation Report

be accepted.

VOTING REQUIREMENT

Simple Majority

Moved Cr Craig

Seconded Cr Johnson

That the Monthly Financial Statements for the month ended 31st July, 2009 consisting of:

- (e) **Statement of Financial Activity – 31st July, 2009**
- (f) **Compilation Report**

be accepted.

CARRIED (8 VOTES TO 0)

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

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

	NOTE	31 July 2009 Actual \$	31 July 2009 Y-T-D Budget \$	2009/10 Revised Budget \$	Variences Budget to Actual Y-T-D %
<u>Operating</u>					
Revenues					
	1,2				
Governance		0	0	10,320	100.00%
General Purpose Funding		306,610	2,233	1,749,838	100.00%
Law, Order, Public Safety		2,033	0	38,550	100.00%
Health		3,855	0	17,240	100.00%
Education and Welfare		37,583	11,415	214,836	100.00%
Housing		3,743	2,769	189,440	35.18%
Community Amenities		66,701	0	289,600	100.00%
Recreation and Culture		2,930	5,787	1,282,908	(49.37%)
Transport		25,197	23,250	986,256	8.37%
Economic Services		62,680	291	403,416	100.00%
Other Property and Services		316	0	52,700	100.00%
		511,648	45,745	5,235,104	1018.48%
(Expenses)					
	1,2				
Governance		(7,176)	(9,253)	(186,398)	22.45%
General Purpose Funding		(25,056)	(37,215)	(385,069)	32.67%
Law, Order, Public Safety		(12,118)	(14,308)	(198,457)	15.31%
Health		(52,471)	(36,077)	(441,842)	(45.44%)
Education and Welfare		(13,754)	(26,243)	(336,732)	47.59%
Housing		0	0	0	100.00%
Community Amenities		(13,336)	(24,456)	(293,591)	45.47%
Recreation & Culture		(44,210)	(83,571)	(1,015,044)	47.10%
Transport		(289,611)	(285,623)	(3,664,411)	(1.40%)
Economic Services		(19,787)	(50,693)	(981,151)	60.97%
Other Property and Services		(52,926)	(87)	(9,007)	100.00%
		(530,445)	(567,526)	(7,511,702)	(6.53%)
<u>Adjustments for Non-Cash</u>					
<u>(Revenue) and Expenditure</u>					
(Profit)/Loss on Asset Disposals	4	#REF!	6,824	(40,260)	#REF!
Depreciation on Assets		116,449	115,438	1,385,065	(0.88%)
<u>Capital Revenue and (Expenditure)</u>					
Purchase Land Held for Resale	3	(229)	0	(171,000)	100.00%
Purchase Land and Buildings	3	0	0	(4,059,542)	100.00%
Purchase Infrastructure Assets - Roads	3	0	0	0	100.00%
Purchase Infrastructure Assets - Other	3	(20,196)	0	(654,547)	100.00%
Purchase Plant and Equipment	3	0	0	(1,316,000)	100.00%
Purchase Furniture and Equipment	3	0	0	(146,500)	100.00%
Proceeds from Disposal of Assets	4	#REF!	0	882,000	100.00%
Transfers to Reserves (Restricted Assets)	6	(1,461)	(89,298)	(1,071,577)	98.36%
Transfers from Reserves (Restricted Assets)	6	18	205,521	2,466,255	99.99%
ADD Net Current Assets July 1 B/Fwd	7	518,981	694,599	694,599	25.28%
LESS Net Current Assets Year to Date	7	4,530,740	4,719,408	0	(100.00%)
Amount Raised from Rates	8	#REF!	(4,308,105)	(4,308,105)	

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 2009 TO 31 JULY 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.

Collectibility 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 2009 TO 31 JULY 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.

(j) Depreciation of Non-Current Assets

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

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation 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 2009 TO 31 JULY 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 2010.

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 2009 TO 31 JULY 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 2009 TO 31 JULY 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 2009 TO 31 JULY 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, 2 duplexes and a single persons quarters.

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 2009 TO 31 JULY 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 2009 TO 31 JULY 2009

	31 July 2009 Actual \$	2008/09 Revised Budget \$
3. ACQUISITION OF ASSETS		
The following assets have been acquired during the period under review:		
<u>By Program</u>		
Housing		
E192001 - 1260 Fitzgerald St	FE 0	60,000
E190001 - 3 x 2 House	LB 0	300,000
Community Amenities		
E190002 - PEP Building	LB 0	250,000
E193001 - Cemetery Entrance	IO 0	60,000
E192004 - Christmas Decorations	FE 0	20,000
E190006 - Industrial Land Development	LR 229	171,000
E190007 - PEP Building Refit	LB 0	150,000
Recreation and Culture		
E190003 - Oval Sports Facility	LB 0	1,200,000
E190004 - Leonora Lawn Bowling Facility	LB 0	2,009,542
E193002 - Playground Equipment	IO 0	50,000
E193003 - Telecentre Shade Sail	IO 0	4,000
E193004 - Malcolm Dam Improvements	IO 0	25,000
E192003 - Portable Outdoor Cinema	FE 0	8,000
E193005 - Heating Swimming Pool	IO 0	250,000
E192005 - Stage Facility	FE 0	30,000
Transport		
E191001 - New Bobcat and Attachments	PE 0	130,000
E191002 - Road Sweeper	PE 0	90,000
E191003 - Prime Mover	PE 0	200,000
E191004 - Tray top Truck	PE 0	70,000
E191005 - Grader	PE 0	410,000
E191006 - Tip truck	PE 0	150,000
E191007 - Utility	PE 0	35,000
E191008 - Utility	PE 0	35,000
E191013 - Camp Generator	PE 0	18,000
E193006 - Airport Fuel Facility	IO 0	50,000
E191014 - Vermin Control Equipment	PE 0	10,000
E191015 - Coffee Vending Machine - Airport	PE 0	8,000
Economic Services		
E193007 - Goldfields North Heritage Trail	IO 20,196	215,547
Other Property and Services		
E190005 - Office Extensions	LB 0	150,000
E192002 - IT Upgrade and Restructure	FE 0	28,500
E191009 - CEO Vehicle	PE 0	55,000
E191010 - DCEO Vehicle	PE 0	35,000
E191011 - Health Vehicle	PE 0	35,000
E191012 - Doctor Vehicle	PE 0	35,000
	<u>20,425</u>	<u>6,347,589</u>

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

	31 July 2009 Actual \$	2008/09 Revised Budget \$
3. ACQUISITION OF ASSETS (Continued)		
<u>By Class</u>		
Land for Resale	229	171,000
Land and Buildings	0	4,059,542
Infrastructure Assets - Parks and Ovals	20,196	654,547
Plant and Equipment	0	1,316,000
Furniture and Equipment	0	146,500
	20,425	6,347,589

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

The Shire of Leonora has no borrowings.

(b) New Debentures 2009/10

It is not anticipated any new borrowings will occur in 2009/10.

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

	31 July 2009 Actual \$	2009/10 Budget \$
6. RESERVES		
Cash Backed Reserves		
(a) Long Service Leave Reserve		
Opening Balance	119,484	119,484
Amount Set Aside / Transfer to Reserve	101	4,779
Amount Used / Transfer from Reserve	(1)	0
	<u>119,584</u>	<u>124,263</u>
(b) Fire Disaster Reserve		
Opening Balance	9,755	9,755
Amount Set Aside / Transfer to Reserve	8	2,430
Amount Used / Transfer from Reserve	0	0
	<u>9,763</u>	<u>12,185</u>
(d) Combined Sporting Reserve		
Opening Balance	825,458	825,458
Amount Set Aside / Transfer to Reserve	700	321,126
Amount Used / Transfer from Reserve	(9)	(1,145,720)
	<u>826,149</u>	<u>864</u>
(e) Plant Purchase Reserve		
Opening Balance	56,388	56,387
Amount Set Aside / Transfer to Reserve	47	1,127
Amount Used / Transfer from Reserve	0	(55,000)
	<u>56,435</u>	<u>2,514</u>
(f) Bowling Green Reserve		
Opening Balance	600,000	600,000
Amount Set Aside / Transfer to Reserve	510	665,535
Amount Used / Transfer from Reserve	(7)	(1,265,535)
	<u>600,503</u>	<u>0</u>
(g) Annual Leave Reserve		
Opening Balance	112,002	112,002
Amount Set Aside / Transfer to Reserve	95	4,480
Amount Used / Transfer from Reserve	(1)	0
	<u>112,096</u>	<u>116,482</u>
(h) Housing Reserve		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	0	72,100
Amount Used / Transfer from Reserve	0	0
	<u>0</u>	<u>72,100</u>
Total Cash Backed Reserves	<u>1,724,530</u>	<u>328,408</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 2009 TO 31 JULY 2009

6. RESERVES (Continued)	31 July 2009 Actual \$	2009/10 Budget \$
Summary of Transfers		
To Cash Backed Reserves		
Transfers to Reserves		
Long Service Leave Reserve	101	4,779
Fire Disaster Reserve	8	2,430
Combined Sporting Reserve	700	321,126
Plant Purchase Reserve	47	1,127
Bowling Green Reserve	510	665,535
Annual Leave Reserve	95	4,480
Housing Reserve	0	72,100
	1,461	1,071,577
Transfers from Reserves		
Long Service Leave Reserve	(1)	0
Fire Disaster Reserve	0	0
Combined Sporting Reserve	(9)	(1,145,720)
Plant Purchase Reserve	0	(55,000)
Bowling Green Reserve	(7)	(1,265,535)
Annual Leave Reserve	(1)	0
Housing Reserve	0	0
	(18)	(2,466,255)
Total Transfer to/(from) Reserves	1,443	(1,394,678)

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.

Bowling Green Reserve

- to be used for the maintenance of the bowling green.

Annual Leave Reserve

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

Housing Reserve

- To set aside money for the building of housing within the Shire.

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 2009 TO 31 JULY 2009

	31 July 2009 Actual \$	Brought Forward 1-Jul \$
7. NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
 CURRENT ASSETS		
Cash - Unrestricted	523,903	500,809
Cash - Restricted	1,724,530	1,723,086
Receivables	4,310,061	262,656
Inventories	11,697	32,448
	6,570,191	2,518,999
 LESS: CURRENT LIABILITIES		
Payables and Provisions	(314,921)	(276,932)
NET CURRENT ASSET POSITION	6,255,270	2,242,067
Less: Cash - Reserves - Restricted	(1,724,530)	(1,723,086)
NET CURRENT ASSET POSITION	4,530,740	518,981

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

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2009/10 Rate Revenue \$	2009/10 Interim Rates \$	2009/10 Back Rates \$	2009/10 Total Revenue \$	2009/10 Budget \$
Differential General Rate								
GRV	0.0753	575	9,550,728	702,858	0	0	702,858	703,357
UV Pastoral	0.0702	28	707,188	49,645	0	0	49,645	49,644
UV Other	0.1102	1,225	26,622,891	2,985,998	(51,574)	0	2,934,424	3,389,704
Sub-Totals		1,828	36,880,807	3,738,501	(51,574)	0	3,686,927	4,142,705
Minimum Rates	Minimum \$							
GRV	220	70	37,515	15,400	0	0	15,400	15,400
UV Pastoral	220	2	4,668	440	0	0	440	440
UV Other	220	1,069	1,211,468	240,106	(6,851)	0	233,255	236,060
Sub-Totals		1,141	1,253,651	255,946	(6,851)	0	249,095	251,900
Totals							3,936,022	4,394,605
	Write-offs						(47)	(86,500)
							3,935,975	4,308,105

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 2009/10 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 31st July, 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

9.0 REPORTS OF OFFICERS

9.2 DEPUTY CHIEF EXECUTIVE OFFICER

9.2(B) ACCOUNTS FOR PAYMENT

SUBMISSION TO: Meeting of Council
Meeting Date: 18th August, 2009

AGENDA REFERENCE: 9.2 (B) AUG 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: 11th August 2009

BACKGROUND

Attached statement consists of accounts paid by Delegated Authority represented by **Vouchers 6 to 56** and totalling **\$448,726.69**, and accounts paid by Council Authorisation represented by **Vouchers 57 to 107** and totalling **\$141,128.70**.

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 6 to 56** and totalling **\$448,726.69**, and accounts paid by Council Authorisation represented by **Vouchers 57 to 107** and totalling **\$141,128.70** be authorised for payment.

VOTING REQUIREMENT

Simple Majority

Moved Cr Heather

Seconded Cr Johnson

That accounts paid by Delegated Authority represented by Vouchers 6 to 56 and totalling \$448,726.69, and accounts paid by Council Authorisation represented by Vouchers 57 to 107 and totalling \$141,128.70 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 18th August, 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 6 to 56.

CHIEF EXECUTIVE OFFICER

6	10.07.2009	Lee Jeavons	Fuel Reimbursement	150.00
7	10.07.2009	National Australia Bank	Mastercard Charges - B/S July 09	965.00
8	13.07.2009	National Australia Bank	Bank Fees - B/S July 09	15.00
9	15.07.2009	Shire of Leonora	Salaries & Wages – PPE: 15.07.2009	43,745.00
9(a)	15.07.2009	L.G.R.C.E.U.	Union Fees – PPE: 15.07.2009	16.40
9(b)	15.07.2009	Shire of Leonora	Tax/Rent – PPE: 15.07.2009	15,023.27
9(c)	15.07.2009	W.A.L.G.S. Plan	Superannuation – PPE: 15.07.2009	6,719.28
9(d)	15.07.2009	Child Support Agency	Child Support – PPE: 15.07.2009	660.57
10	15.07.2009	P N White	Contract Grading	7,960.00
11	16.07.2009	S. Williamson	Contract Grading	3,240.00
12	16.07.2009	N. Gagliardi	Contract Grading	8,680.00
13	16.07.2009	Shire of Laverton	Rental for NG Rec Officer	1,200.00
14	21.07.2009	National Australia Bank	Bank Fees – July 2009 Bank Stm	112.00
15	24.07.2009	BOC Limited	Expendable Tools and Freight	1,001.24
16	24.07.2009	Child Australia	Workshop Expenses - Child Care Cnt	55.00
17	24.07.2009	Dept for Planning & Infrastructure	Licence & 3 rd Party Insurances	4,664.40
18	24.07.2009	Horizon Power	Electricity Usage	571.85
19	24.07.2009	Reliance Petroleum	Fuel Card Charges	316.73
20	24.07.2009	Scarborough Tennis Academy	Community Grant - Leinster Sport & Rec	3,960.00
21	24.07.2009	Telstra	Phone Usage	69.94
22	24.07.2009	Water Corporation	Annual Service Charges	6,340.65
23	24.07.2009	Goldsworthy Family Trust	Health & Building Contract	10,416.67
24	24.07.2009	Esanda Finance	GEDC Vehicle – July 2009 B/Stm	35.00
25	27.07.2009	Liliana Sputore	Community Grant	5,000.00
26	29.07.2009	Shire of Leonora	Salaries & Wages (D/D) PPE: 29.07.2009	50,525.00
26(a)	29.07.2009	L.G.R.C.E.U.	Union Fees – PPE: 29.07.2009	16.40
26(b)	29.07.2009	Shire of Leonora	Tax/Rent – PPE: 29.07.2009	16,994.29
26(c)	29.07.2009	W.A.L.G.S. Plan	Superannuation – PPE: 29.07.2009	7,393.58
26(d)	29.07.2009	Child Support Agency	Child Support – PPE: 29.07.2009	660.57
27	30.07.2009	Chubb Security	ATM Running Costs	2,393.15
28	30.07.2009	Forman Bros	Park, Oval & Recreation Centre Works	764.50
29	30.07.2009	Telstra	Phone Usage - Medical Centre	259.03
30	30.07.2009	Leonora Racing Club Inc.	Sponsorship - Golden Gift 2009	5,000.00
31	30.07.2009	Rene Reddingius	Donation - John Forrest Re-enactment	2,000.00
32	30.07.2009	LGIS Insurance Services	Various Insurances	Cancelled
33	30.07.2009	Water Corporation	Preparation of Notification	228.80
34	31.07.2009	National Australia Bank	Bank Fees – July 2009, Bank Statement	122.50
35	31.07.2009	P N White	Contract Grading	9,120.00
36	31.07.2009	National Australia Bank	Bank Fees – July 2009 Bank Statement	154.40
			Sub Total	\$390,081.20

Shire of Leonora

Monthly Report - List of Accounts Paid by Authorisation of Council

Submitted to Council on the 18th August, 2009

Vouchers numbered from 6 to 56 and direct bank transactions totaling \$448,726.69 submitted to each member of the Council on Tuesday 18th August, 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

57	10.08.2009	Atom Supply	Parks and Gardens	64.56
58	10.08.2009	Butsons Building Service	Accommodation	4,070.00
59	10.08.2009	Air BP	Aviation Fuel	6,186.61
60	10.08.2009	Bitz (Australia) Pty Ltd	Various Parts and Repairs	717.97
61	10.08.2009	Bridgestone Australia Ltd	Tyres - P6	1,363.69
62	10.08.2009	Courier Australia	Courier Charges	432.80
63	10.08.2009	Credipac - TPA	Legal Expenses	134.64
64	10.08.2009	Dep. For Planning & Infrastructure	Licence & 3 rd Party Insurances	48.60
65	10.08.2009	Earth Australia Contracting P/L	Road Maintenance	7,078.50
66	11.08.2009	Filters Elite	Parts, Repairs & Depot Maintenance	349.75
67	11.08.2009	FESA	ESL Quarter 1 2008/09	90.54
68	11.08.2009	Goldfields Commercial Security	Security Services	9,771.13
69	11.08.2009	Goldfields Toyota	Vehicle Parts - Australasian Safari	1,083.65
70	11.08.2009	Leonora Gwalia Historical Museum	Sponsorship - Piano Recital	800.00
71	11.08.2009	Horizon Power	Electricity Usage	714.50
72	11.08.2009	Hot Chilli Source	Depot Maintenance	1,643.40
73	11.08.2009	IP Systems Pty Ltd	Phone & Internet Usage - Medical Cnt	239.21
74	11.08.2009	Johnson Gold Partnership	Earthworks	275.00
75	11.08.2009	Kalgoorlie Retravision	Camp Requisites	534.00
76	11.08.2009	Kalgoorlie Goldfields Visitor Centre	Advertising Charges	2,650.00
77	11.08.2009	Kerion Pty Ltd	Airfares	2,155.10
78	11.08.2009	Leonora Post Office	Postal Charges	493.34
79	11.08.2009	Local Government Managers Aust.	Membership Subscriptions	1,966.00
80	11.08.2009	Landgate	Valuations	1,043.75
81	11.08.2009	Mine Trades & Maintenance	Installation of Windsock - Agnew	551.10
82	11.08.2009	Minesite Glass & Mechanical	Parts and Repairs - P2119	670.68
83	11.08.2009	Nicholson Agencies	Various Cleaning Supplies	2,238.79
84	11.08.2009	On-Line Business Equipment	Service Agreement - Telecentre	679.15
85	11.08.2009	Office National	Service Agreement	728.04
86	11.08.2009	National Childcare Accreditation	Annual Registration	172.40
87	11.08.2009	Penns Cartage Contractors	Freight Charges	66.00
88	11.08.2009	Ruffnuts Pty Ltd	Parts and Repairs - P2087	300.30
89	11.08.2009	Royal Flying Doctor Services	Donation	2,000.00
90	11.08.2009	Random House Australia	Books - "And Be Home Before Dark"	681.55
91	11.08.2009	Snap Printing	Printing of Rate Notices	842.95
92	11.08.2009	Sunny Brushware	Parts & Repairs - P472	662.20
93	11.08.2009	Shire of Leonora	Hall Hire - Youth Services	16.50
94	11.08.2009	Shire of Katanning	Intermunicipal Golf Day	460.00
95	11.08.2009	Shire of Leonora	Rate Charges	7,935.58
			Sub Total	\$61,911.98

Shire of Leonora

Monthly Report - List of Accounts Paid by Authorisation of Council

Submitted to Council on the 18th August, 2009

Vouch. No.	Date	Payee's Name	Particulars	Payment Made By Delegated Authority.
			Balance B/Fwd	\$61,911.98
96	11.08.2009	Tecline Pty Ltd	Accommodation & Meals	1,408.00
97	11.08.2009	Toll Priority	Freight Charges	289.22
98	11.08.2009	Toll Ipec	Freight Charges	260.33
99	11.08.2009	WA Country Health Services	Rent - Medical Centre	826.40
100	11.08.2009	Whitehouse Hotel	Refreshments	135.00
101	11.08.2009	WA Rangers Association	Conference Expenses	450.00
102	11.08.2009	Westland Autos	Parts and Repairs - P6	915.18
103	11.08.2009	Water Corporation	Water Usage	4,757.35
104	11.08.2009	Water Corporation	Industrial Development Works	66,452.10
105	11.08.2009	Ocean Beach Hotel	Accommodation & Meals - Rec Centre	2,009.43
106	11.08.2009	BOC Limited	Expendable Tools & Freight	173.71
107	11.08.2009	Butsons Building Service	Accommodation - Child Care Centre	1,540.00
			GRAND TOTAL	\$141,128.70

9.0 REPORTS OF OFFICERS

9.2 DEPUTY CHIEF EXECUTIVE OFFICER

9.2(C) 2009/2010 FINAL BUDGET FOR ADOPTION

SUBMISSION TO: Meeting of Council
Meeting Date: 18th August, 2009

AGENDA REFERENCE: 9.2 (C) AUG 09

SUBJECT: 2009/2010 Final Budget for Adoption

AUTHOR: Brad Pepper

POSITION: Deputy Chief Executive Officer

INTEREST DISCLOSURE: Nil

DATE: 5th August, 2009

BACKGROUND

Attached is the 2009/2010 Final Budget and associated requirements for consideration and subsequent adoption.

Based on Agenda Item 9.2 (A) Draft Budget for Adoption, at the Ordinary Council Meeting on the 14th July 2009, the Final Budget for 2009 – 2010 (attached in file form) is presented for Adoption by council.

A considerable sum at \$649,599 has been carried forward from 2008-2009 and is attributed to grant funding being received early and to be spent in 2009-2010 including an operating carry forward of \$300,000.

\$97,852	09-10 FAGS - received in June 09
\$153,034	09-10 FAGS - received in June 09
\$300,000	Operating funds for July 09
\$20,000	Graffiti grant – received in June 09
\$570,886	Total allocated funds to carry forward
\$123,713	Surplus carried forward into general revenue to 2009-2010

STATUTORY ENVIRONMENT

Part 3 — Annual budget — s. 6.2

22. Form of annual budget — s. 6.2(1)

- (1) *The annual budget of a local government is to be in a form that includes the following —*
 - (a) *an income statement;*
 - (b) *a cash flow statement;*
 - [(c) *deleted*]
 - (d) *a rate setting statement showing details of—*
 - (i) *the revenue and expenditure that have been taken into account to determine the budget deficiency; and*
 - (ii) *the total amount of the general rates to be imposed; and*
 - (iii) *any deficit or surplus remaining after the imposition of the general rates;*
 - (e) *in relation to the rates proposed to be imposed by the local government, the information set forth in regulation 23;*
 - (f) *in relation to the service charges proposed to be imposed by the local government, the information set forth in regulation 24;*
 - (g) *in relation to the fees and charges proposed to be imposed by the local government, whether under the Act or under any other written law, the information set forth in regulation 25;*
 - (h) *in relation to —*
 - (i) *any discount or other incentive proposed to be granted for early payment of any amount of money;*
 - (ii) *the proposed waiver or grant of a concession in relation to any amount of money; or*

- (iii) *the proposed writing off of any amount of money, the information set forth in regulation 26;*
 - (i) *notes containing the information set forth in regulation 27 and such other supporting notes, tables and other information as the local government considers will assist in the interpretation of the annual budget.*
- (2) *The financial information disclosed in the annual budget, other than the cash flow statement, is to be compiled on an accrual accounting basis.*
[Regulation 22 amended in Gazette 20 Jun 1997 p. 2839; 31 Mar 2005 p. 1048; 20 Jun 2008 p. 2722-3.]

23. Rates information

The annual budget is to include —

(a) *in relation to general rates —*

(i) *the objects of, and reasons for, any differential rates imposed under section 6.33 and any differential minimum payments imposed under section 6.35(6)(c);*

[(ii) deleted]

(iii) *for each general rate —*

(I) *the rate in the dollar;*

(II) *whether the basis for the rate is the gross rental value or the unimproved value of land;*

(III) *an estimate of the number of properties to which the rate will apply;*

(IV) *an estimate of the total rateable values of the properties referred to in Item (III);*

(V) *the amount it is estimated will be imposed by way of —*

(A) *the rate;*

(B) *interim rates; and*

(C) *back rates;*

and

(iv) *for each differential general rate, the characteristics which form the basis for the imposition of the rate;*

(b) *if a differential general rate or minimum payment differs from the proposed rate or payment set forth in the local public notice given under section 6.36 —*

(i) *details of the rate or payment set forth in the public notice; and*

(ii) *reasons for the difference;*

(c) *in relation to each minimum payment —*

[(i) deleted]

(ii) *the amount of the minimum payment;*

[(iii), (iv) deleted]

(v) *an estimate of the total rateable values of the properties to which the minimum payment is to apply;*

(vi) *an estimate of the total number of properties to which each minimum payment is to apply; and*

(vii) *the amount it is estimated will be imposed by way of each —*

(I) *minimum payment;*

(II) *interim minimum payment; and*

(III) *back minimum payment;*

and

(d) *for each specified area rate —*

(i) *the purpose of the rate;*

(ii) *the rate in the dollar;*

(iii) *a brief description identifying the area within which the rate is to be imposed;*

(iv) *whether the basis for the rate is the gross rental value or the unimproved value of land;*

(v) *an estimate of the total rateable values of the properties rated on gross rental value or rated on unimproved value, as the case requires;*

(vi) *the amount it is estimated will be imposed by way of —*

(I) *the rate;*

(II) *interim rates; and*

(III) *back rates;*

and

(vii) *how the proceeds of the rate are to be applied, including an estimate of —*

(I) *the amount to be applied;*

(II) *the amount to be set aside in a reserve account; and*

(III) *the amount to be applied from the reserve account.*

[Regulation 23 amended in Gazette 20 Jun 1997 p. 2840.]

24. Service charges information

In relation to each service charge, the annual budget is to include —

- (a) *details of the nature of the service for which the service charge is imposed;*
- (b) *the objects of, and reasons for, the service charge;*
- (c) *the amount of the service charge;*
- (d) *an estimate of the total amount to be imposed by way of the service charge;*
- (e) *if the service charge is to be imposed on land in a defined part of the district, a brief description identifying the area within which the service charge is to be imposed; and*
- (f) *details of how the proceeds of the service charge are to be applied, including an estimate of —*
 - (i) *the amount to be applied;*
 - (ii) *the amount to be set aside in a reserve account; and*
 - (iii) *the amount to be applied from the reserve account.*

25. Fees and charges information

In relation to fees and charges imposed under the Act or any other written law, the annual budget is to include an estimate of the total revenue from the fees or charges from each program.

26. Discount, incentive, concession, waiver and write-off information

- (1) *The annual budget is to include for each discount or other incentive proposed to be granted for early payment of any money and in respect of each waiver or concession proposed in relation to any money —*
 - (a) *in respect of a discount —*
 - (i) *the amount of the discount, or the percentage discount, to be allowed; and*
 - (ii) *the circumstances in which the discount will be granted;*
 - and*
 - [(b) *deleted*]
 - (c) *in relation to a waiver or concession —*
 - (i) *a brief description of the waiver or concession;*
 - (ii) *a statement of the circumstances in which it will be granted;*
 - (iii) *details of the persons or class of persons to whom it is available; and*
 - (iv) *the objects of, and reasons for, the waiver or concession.*
- (2) *The annual budget is to include, separately in relation to all general rates, each specified area rate, each service charge and all fees and charges imposed under the Act or any other written law an estimate of —*
 - (a) *the total amount of the discounts which may be granted;*
 - (b) *the total cost to the local government of each incentive scheme;*
 - (c) *the total cost, or reduction of revenue, to the local government of a waiver or grant of a concession; and*
 - (d) *the total amount of money to be written off.*

[Regulation 26 amended in Gazette 20 Jun 1997 p. 2840.]

27. Budget notes

The annual budget is to include or be accompanied by notes detailing —

- (a) *if the local government is to charge interest for the late payment of a rate or service charge —*
 - (i) *the rate of interest; and*
 - (ii) *an estimate of the total amount of revenue from the imposition of the interest;*
- (b) *if the local government is to charge interest under section 6.13 for the late payment of any amount of money —*
 - (i) *the rate of interest; and*
 - (ii) *an estimate of the total amount of revenue from the imposition of the interest;*
- (c) *the instalment options of the local government under section 6.45 including —*
 - (i) *the due dates of each instalment under each option;*

and, where applicable —

 - (ii) *the rate of interest;*
 - (iii) *the additional charge; and*
 - (iv) *an estimate of the total amount of revenue from the imposition of the interest and additional charge;*
- (d) *in relation to the disposal of a class of assets —*
 - (i) *the net book value of that class of assets;*
 - (ii) *an estimate of the sale price of the class of assets; and*
 - (iii) *an estimate of the profit or loss on the sale of that class of assets;*
- (e) *in relation to investment by the local government, the information set forth in regulation 28;*

- (f) *in relation to the borrowings of the local government, the information set forth in regulation 29;*
- (g) *in relation to each reserve account, an estimate of —*
 - (i) *the opening balance brought forward on 1 July;*
 - (ii) *the amount to be set aside during the financial year;*
 - (iii) *the amount to be used during the financial year; and*
 - (iv) *the closing balance at 30 June;*
- (h) *if all or part of the money in a reserve account is to be used or set aside for a purpose other than the purpose for which the account was established —*
 - (i) *the proposed purpose;*
 - (ii) *an estimate of the amount to be used or set aside; and*
 - (iii) *the objects of, and reasons for, the change of use or purpose;*
- (i) *separately, in relation to each trading undertaking —*
 - (i) *in the form of an income statement, projected revenue and expenditure; and*
 - (ii) *such other information as is necessary to provide full and complete information on the undertaking;*
- (j) *in relation to each major trading undertaking, all other estimated revenue and expenditure which is not included in the income statement referred to in paragraph (i)(i) but which has been used in the pricing structure for goods or services to be provided by the undertaking;*
- (k) *separately, in relation to each major land transaction (according to nature or type classification) —*
 - (i) *an estimate of revenue and expenditure for the financial year;*
 - (ii) *where the transaction was initially entered into in a previous financial year, the estimated assets and liabilities at 1 July of the year for which the annual budget is prepared; and*
 - (iii) *such other information as is necessary to provide full and complete information on the transaction;*
- (l) *in relation to fees, expenses or allowances proposed to be paid to council members, the mayor or the president —*
 - (i) *the nature of the fee, expense or allowance; and*
 - (ii) *an estimate of the total amount or value of each class of fee, expense or allowance;*
- (m) *in relation to each program, the type of activities within the program; and*
- (n) *in relation to depreciation on non-current assets, an estimate of the depreciation for the financial year included in the operating expenditure for each program in the income statement.*

[Regulation 27 amended in Gazette 20 Jun 1997 p. 2840; 31 Mar 2005 p. 1048 and 1053; 20 Jun 2008 p. 2723.]

28. Investment information

The notes to the annual budget are to include, in relation to money invested by the local government, an estimate of —

- (a) *the amount to be earned from the investment of money held in reserve;*
- (b) *the amount to be earned from the investment of other money; and*
- (c) *the total earnings from investments.*

29. Borrowings information

The notes to the annual budget are to include —

- (a) *details of the unspent balance of money borrowed in the previous financial year including —*
 - (i) *an estimate of the amount brought forward on 1 July;*
 - (ii) *the purpose for which the money was borrowed;*
 - (iii) *the year in which the money was borrowed;*
 - (iv) *an estimate of the amount to be used during the financial year; and*
 - (v) *an estimate of the amount which will remain unused at 30 June;*
- (b) *in relation to a principal amount carried forward by way of over drawings on current account (**the overdraft**) from the previous financial year, details of the overdraft including —*
 - (i) *an estimate of the amount brought forward on 1 July;*
 - (ii) *the purpose for which the overdraft was established;*
 - (iii) *the year in which the overdraft was first established;*
 - (iv) *an estimate of the amount by which the overdraft will be increased or decreased during the financial year; and*
 - (v) *an estimate of the amount of overdraft which will remain at 30 June;*
- (c) *where, in the financial year to which the budget relates, it is proposed to apply all or part of any existing borrowings to a purpose other than that for which the money was borrowed, details of —*
 - (i) *the purpose for which the money was borrowed;*
 - (ii) *the purpose to which the money is to be applied;*

- (iii) *the objects of, and reasons for, the application of the money to that purpose; and*
 - (iv) *an estimate of the amount to be so applied;*
 - (d) *where, in the financial year to which the budget relates, it is proposed to exercise the power to borrow under section 6.20, details of—*
 - (i) *the purpose for which the money is to be borrowed;*
 - (ii) *an estimate of the amount to be borrowed;*
 - (iii) *the nature of the proposed financial accommodation;*
 - (iv) *an estimate of the term of the repayment;*
 - (v) *an estimate of the interest rate and other charges payable;*
 - (vi) *an estimate of the amount of the borrowings to be used during the financial year; and*
 - (vii) *an estimate of the amount which will remain unused at 30 June;*
 - (e) *where, in the financial year to which the budget relates, it is proposed to exercise the power to borrow under section 6.20 for the purpose of re-financing an existing borrowing—*
 - (i) *an estimate of the amount to be re-financed;*
 - (ii) *where the principal sum under the new loan will be different from the principal sum under the existing loan, details of the amount of the difference and of the objects of, and reasons for, the re-financing; and*
 - (iii) *a brief summary of the changes to the original terms of the borrowing it is expected will result from the re-financing;*
- and*
- (f) *in relation to the repayment of money borrowed, an estimate of—*
 - (i) *the principal liability brought forward on 1 July;*
 - (ii) *the amount of interest and other charges due to the lender during the financial year;*
 - (iii) *the amount of the reduction of the principal sum to be made during the financial year;*
 - (iv) *the principal liability which will remain at 30 June; and*
 - (v) *the amount to be financed by revenue of the local government, other than fees and charges, derived directly for the purpose of reimbursing the local government (wholly or partially) for that repayment.*

[Regulation 29 amended in Gazette 31 Mar 2005 p. 1053.]

30. Previous financial year figures to be included for comparison

- (1) *In the annual budget—*
 - (a) *the income statement for the previous financial year; and*
 - [(b) *deleted*]
 - (c) *the rate setting statement for the previous financial year; and*
 - (d) *the information referred to in regulation 27(g), 27(i)(i), 27(j), 27(k)(i), 27(k)(ii) and 29(f) for the previous financial year,*

*are to be prepared in a manner that clearly compares the estimates in the annual budget in respect of each statement or piece of information, as the case requires, with the equivalent financial results at 30 June of the previous financial year (**comparative figures**).*
- (2) *If at the time of preparation of the annual budget a financial result referred to in sub regulation (1) is not known, an estimate of that result may, if it is disclosed as an estimate, be included in the annual budget.*
[Regulation 30 amended in Gazette 20 Jun 1997 p. 2840; 20 Jun 2008 p. 2723.]

31. Net current assets at start of financial year to be shown

- (1) *The annual budget is to include the net current assets carried forward from the previous financial year.*
- (2) *If at the time of preparation of the annual budget the net current assets is not known, an estimate of that figure may, if it is disclosed as an estimate, be included in the annual budget.*
- (3) *The annual budget is to include or be accompanied by notes containing—*
 - (a) *a summary explaining the composition of the net current assets; and*
 - (b) *if the net current assets differs from the figure used in the rate setting statement, a disclosure of the difference and a brief explanation of the reason for the difference.*

[Regulation 31 amended in Gazette 20 Jun 1997 p. 2840-1.]

32. Amounts which may be excluded in calculation of budget deficiency — s. 6.2(3)

- A local government may exclude from the calculation of the budget deficiency—*
- (a) *money borrowed or to be borrowed, to the extent that it is proposed in the annual budget to remain unspent at the end of the financial year;*
 - (b) *reserves, to the extent that they are proposed in the annual budget to remain unspent at the end of the financial year;*

- (c) *in relation to a land transaction or trading undertaking, assets and liabilities, to the extent to which they are proposed in the annual budget to remain restricted to the purposes of the land transaction or trading undertaking at the end of the financial year;*
- (d) *any proposed amounts of depreciation of non-current assets;*
- (e) *assets from grants or gifts or non-cash revenue or expenditure;*
- (f) *current liabilities which, by their nature, are restricted, to the extent that they are proposed in the annual budget to remain uncleared at the end of the financial year; and*
- (g) *any other current assets which, by their nature, are restricted, to the extent that they are proposed in the annual budget to remain unused at the end of the financial year.*

33. Completion of annual budget

A copy of the annual budget of a local government is to be submitted to the Departmental CEO within 30 days of its adoption by the local government.

[Regulation 33 amended in Gazette 20 Jun 2008 p. 2723.]

POLICY IMPLICATIONS

Policies in place have been adhered to in preparation of this budget.

FINANCIAL IMPLICATIONS

The draft proposes a balanced budget with no borrowings.

STRATEGIC IMPLICATIONS

Councils adopted Plan for the Future and Strategic Plan have both been used in compilation of this budget.

RECCOMENDATION

That the attached 2009/2010 Final Budget Document, as Items listed below be adopted:

- 1) Presidents' Message (Folder Item 1)
- 2) CEOs' Message (Folder Item 2)
- 3) Statutory Budget – 2009-2010 (Folder Item 3)
- 4) Detailed budget – 2009-2010 (Folder Item 4)
- 5) Reserve Transfers – 2009-2010 (Folder Item 5)
- 6) Plant Replacement Program – 2009-2019 (Folder Item 6)
- 7) Fees and Charges (Folder Item 7)
- 8) Discounts, Concessions and Waivers (Folder Item 8)
- 9) Principle Activities Comparison (Folder Item 9)

RATING DETAIL

- GRV Rate in the \$7.53 cents
- UV Rate in the \$11.02 cents
- UV Pastoral Rate in the \$7.02 cents
- Minimum Rate GRV \$220.00 per assessment, previously advertised on 23/4/09 at \$210.00 per assessment

- Minimum Rate UV \$220.00 per assessment, previously advertised on 23/4/09 at \$210.00 per assessment
- Minimum rate for a Mining Tenement that crosses adjoining Shire boundaries \$110.00 per assessment
- Instalment plan offered be four (4) equal payments with due dated being
 - 04/09/09
 - 04/11/09
 - 04/01/10
 - 04/03/10
- The Administration Charge for payment by instalment be \$45.00 per assessment
- That there be no interest charge for late payment of rates in 2009-2010
- That there be no discount period offered for early payment of rates in 2009-2010
- Instalment plan applies to assessment in excess of \$200.00 only
- Rubbish Charges be set at
 - \$150.00 per bin per year for domestic removals and
 - \$320.00 per bin per year for commercial removals

MATERIAL VARIANCE

- In accordance with Local Government Financial Management Regulation 34 (1) (D) the material variance for the reporting period July 2009 to June 2010 be \$10,000.00.

VOTING REQUIREMENTS

Absolute Majority

Moved Cr Norrie

Seconded Cr Johnson

That the attached 2009/2010 Final Budget Document, as Items listed below be adopted:

- 10) Presidents' Message (Folder Item 1)**
- 11) CEOs' Message (Folder Item 2)**
- 12) Statutory Budget – 2009-2010 (Folder Item 3)**
- 13) Detailed budget – 2009-2010 (Folder Item 4)**
- 14) Reserve Transfers – 2009-2010 (Folder Item 5)**
- 15) Plant Replacement Program – 2009-2019 (Folder Item 6)**
- 16) Fees and Charges (Folder Item 7)**
- 17) Discounts, Concessions and Waivers (Folder Item 8)**
- 18) Principle Activities Comparison (Folder Item 9)**

RATING DETAIL

- **GRV Rate in the \$7.53 cents**
- **UV Rate in the \$11.02 cents**

- **UV Pastoral Rate in the \$7.02 cents**
- **Minimum Rate GRV \$220.00 per assessment, previously advertised on 23/4/09 at \$210.00 per assessment**
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 - **04/11/09**
 - **04/01/10**
 - **04/03/10**
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- **Rubbish Charges be set at**
 - **\$150.00 per bin per year for domestic removals and**
 - **\$320.00 per bin per year for commercial removals**

MATERIAL VARIANCE

- **In accordance with Local Government Financial Management Regulation 34 (1) (D) the material variance for the reporting period July 2009 to June 2010 be \$10,000.00.**

CARRIED (8 VOTES TO 0)

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

Local Government Reform/Amalgamation

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

10.1 CHIEF EXECUTIVE OFFICER

10.1(B) STRUCTURAL REFORM

SUBMISSION TO: Meeting of Council
Meeting Date:18th August, 2009

AGENDA REFERENCE: 10.1 (B) AUG 09

SUBJECT: Structural Reform

LOCATION / ADDRESS: Leonora

NAME OF APPLICANT: Shire of Leonora

FILE REFERENCE: DLGRD - Structural Reform 6.15

AUTHOR, DISCLOSURE OF ANY INTEREST AND DATE OF REPORT

NAME: James Gregory Epis

OFFICER: Chief Executive Officer

INTEREST DISCLOSURE: Author being the Chief Executive Officer of the local government has an existing Employment Agreement current until the 30th June, 2011.

DATE: 17th August, 2009

BACKGROUND

Reference is made to Agenda Reference N° 9.1 (D) MAR 09 presented to Council on the 17th March, 2009.

Members are reminded that in February 2009, the Minister for Local Government announced his wide-ranging Local Government Reform Strategies. As part of this, he has encouraged each local government within Western Australia to embrace the opportunity for voluntary amalgamations to achieve much needed structural reform in this State. As part of this initiative, the Minister is also advocating each council to have an elected member group of between six and nine.

Other key strategies of the State Government's reform package included:

- Adoption by local governments of a longer term strategic planning framework, including asset and financial management and workforce planning;
- Development of measures to enhance the skills and competency of elected members and staff;
- Examination of options to maintain local community identity and greater community representation including consideration of community-based committees;
- Identification of proposals to amend the local government legislation to facilitate local government sustainability;

- Examination of the ability for local governments to form corporate entities to undertake urban regeneration projects and other business activities;
- Identification and implementation of approaches to reduce town planning and building licence approvals times; and
- Development of measures to encourage a diverse range of citizens to stand for council.

Council at its March, 2009 meeting, eventhough not in favour of forced amalgamations resolved to -

- (I) complete reform checklist and forward to the Local Government Reform Steering Committee by 30th April, 2009;
- (II) identify and meet with neighbouring local governments to debate structural reform benefits; if any
- (III) undertake a preliminary assessment to confirm that amalgamation grouping is appropriate;
- (IV) decide if practicable on the appropriate combination of Councils;
- (V) establish a project team to co-ordinate the reform process, including the President, the CEO and one Councillor.

It was further resolved at that meeting that Shire President, Cr Jeff Carter, Deputy Shire President, Cr Peter Craig, Cr Ross Norrie and Chief Executive Officer, Jim Epis be appointed members of the Project Team to co-ordinate the reform process.

Since that time the Project Team has -

- attended Structural Reform workshops both in Perth and Kalgoorlie;
- attended meetings with individual neighbouring local governments; and
- attended meetings with Regional local governments.

Dialogue at different times, between the CEO of Leonora and the CEO's of Sandstone, Wiluna, Laverton and Menzies on the question of amalgamations has been ongoing and no doubt will continue for some time yet.

The Project Team with the support of Council sought the assistance of Mr Peter Strugnell, a local government practitioner to assist with the reform process. Mr Strugnell, a former Shire Clerk of the Shire of Leonora and former Chief Executive Officer of other local governments in the Goldfields Region has vast knowledge on this particular issue.

COMMENT

The outcomes from the various discussions with individual councils and the meeting held on the 3rd August, 2009 in the Leonora Council Chambers, attended by representatives of the:

City of Kalgoorlie-Boulder
 Shire of Coolgardie
 Shire of Dundas
 Shire of Laverton
 Shire of Leonora
 Shire of Menzies

- Clearly indicated that all of these local authorities were opposed to amalgamation;
- all were prepared to work collaborating within a regional grouping structure (GVROC);
- with the exception of Menzies the other councils were looking to reduce representation either for the 2011 elections or in a staged process; and
- begin negotiations with other Councils on Resource Sharing services.

The disadvantages of amalgamation identified were:-

- Potential loss of local identity;
- Potential loss of local representation;
- Potential loss of corporate and community knowledge;
- Substantial costs in providing suitable accommodation for increased workforce;
- Substantial costs in providing additional office space for increased workforce;
- Rationalising information technology systems;
- Loss of local employment;
- Delays in resolution of local issues;
- Total overall costs likely to be prohibitive for no return;

- Is likely to affect people's quality of life;
- Tyranny of distances between communities;
- Indigenous issues not likely to be addressed; and
- Self determination of smaller communities would be severely curtailed with a corresponding loss of social capital and economic impetus.

The Reform Process required a five (5) stage process.

Stage 1

1. Local governments complete reform checklist and forward to the Local Government Reform Steering Committee by 30 April, 2009.
2. Local governments identify and meet with potential partners.
3. Local governments undertake a preliminary assessment to confirm amalgamation grouping is appropriate.
4. Local governments decide on the appropriate combination of councils.
5. Local governments to consider the skill sets for establishing a project team to coordinate the reform process.

Stage 2

1. Establish project team.
2. Project team to meet as required.
3. Project team to consider preferred amalgamated structure.
4. Project team to consider elected member representation.
5. Project team to consider local government regional grouping.
6. Project team to consider whether State Government financial assistance to assist with facilitation or submission preparation is required.
7. Undertake community consultation providing the information from the checklist to assist undertaking.

Stage 3

1. Undertake detailed assessment for amalgamation.
2. Prepare Reform Submission having regard to:
 - amalgamation;
 - elected member representation;
 - regional grouping; and
 - transition timeline.

Stage 4

1. Councils to resolve to advise the Minister for Local Government of its intention for structural reform in relation to amalgamation, the number of councillors and regional grouping.

Stage 5

1. The finalised Reform Submission to be forward to the Minister for Local Government. Attached to this will be the council resolution, supporting documentation, including the completed checklist and amalgamation timeline.
2. Provide additional information to the Local Government Reform Steering Committee as required.

Stages 4 requirements need to be resolved in order for the submission to be completed.

To date all the neighbouring councils have indicated that amalgamation is not an option and the draft submission is being prepared on that basis. Should there be any change to this approach an alternative submission would be required.

STATUTORY ENVIRONMENT

The Local Government Act 1995 includes provisions on amalgamations in Schedule 2.1 – pertaining to the creation of a local government, boundary adjustment and abolishing districts.

Section 3.1 (2) of the Local Government Act 1995, states that the general function of a local government is to provide for the good government of persons in a district.

Section 2.7 (a) provides that Council is to oversee the allocation of local government finances and resources and to determine local government policies.

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

The State Government will provide financial assistance as needed to each local government towards the development of a Reform Submission. A grant of \$10,000.00 under the Local Governance Reform Funding Program has been applied for.

STRATEGIC IMPLICATIONS

It is claimed that the desired outcome of structural reform is a strong sustainable local government. There are a range of benefits that could be achieved through the reform process: I am sure that each Councillor has their own opinion.

- increased capacity for local government to better plan, manage and deliver services to their communities with a focus on social, environmental and economic sustainability;
- increased capacity for local government to have adequate financial and asset management plans in place;
- enhanced efficiency in the processing of planning, building and other licence applications made by business and the community;
- greater ability to attract and retain staff including the provision of further career development opportunities;
- greater competition for positions on council and, in conjunction with other reforms, potential for enhanced governance capacity;
- larger local governments with greater capacity to partner with State Federal Government, and the private sector, to further improve services to communities.

RECOMMENDATIONS

That Council advise the Minister for Local Government of the following.

1. That having consulted with the community, individual councils and councils collectively the Shire of Leonora firmly believes the disadvantages of amalgamation far outweigh the advantages. As a result Council is not considering amalgamation.
2. Council has already approached the Local Government Advisory Board to reduce the number of elected members from nine (9) to seven (7). This will take effect in 2011.
3. The preferred regional grouping will be the Goldfields Voluntary Regional Organisation of Councils (GVROC).
4. That the completed reform submission be provided to all Council members, prior to its dispatch to the Minister's office and that the Project Team be authorised to approve of submission content.

VOTING REQUIREMENT

Simple majority required.

Moved Cr Norrie

Seconded Cr Craig

That Council advise the Minister for Local Government of the following.

1. That having consulted with the community, individual councils and councils collectively the Shire of Leonora firmly believes the disadvantages of amalgamation far outweigh the advantages. As a result Council is not considering amalgamation.
2. Council has already approached the Local Government Advisory Board to reduce the number of elected members from nine (9) to seven (7). This will take effect in 2011.
3. The preferred regional grouping will be the Goldfields Voluntary Regional Organisation of Councils (GVROC).
4. That the completed reform submission be provided to all Council members, prior to its dispatch to the Minister's office and that the Project Team be authorised to approve of submission content.

CARRIED (8 VOTES TO 0)

11.0 NEXT MEETING

15th September, 2009 to be held in the Council Chambers, Leonora.

12.0 CLOSURE OF MEETING

Cr Carter declared the meeting closed at 10.51am.