



Shire of
Koorda

Ordinary Meeting of Council

Attachments

Wednesday 16 October 2019

4.30pm



North Eastern Wheatbelt Regional Organisation of Councils
Koorda | Mt Marshall | Mukinbudin | Nungarin | Trayning | Wyalkatchem

Executive Meeting

24 September 2019

Shire of Wyalkatchem Council Chambers

MINUTES

9am Integrated Planning Workshop (Stephen Grimmer)
1.00pm NEWROC Meeting

NEWROC Vision Statement

NEWROC is a strong, cohesive regional leadership group that fosters economic prosperity of member Councils.

www.newroc.com.au

ANNUAL CALENDAR OF ACTIVITIES

MONTH	ACTIVITY	MEETING
January		Executive
February	<ul style="list-style-type: none"> 🔥 Council refreshes itself on NEWROC Vision, Mission, Values (review Vision and Mission every other year) 🔥 Council reviews NEWROC project priorities 	Council
March	<ul style="list-style-type: none"> 🔥 WDC attendance to respond to NEWROC project priorities 🔥 Submit priority projects to WDC, Regional Development and WA Planning 🔥 Discussion regarding portfolios vs projects, current governance structure 	Executive
April	<ul style="list-style-type: none"> 🔥 NEWROC Budget Preparation 🔥 Review NEWTRAVEL Tourism Officer Contract - expires June 2017 	Council
May	<ul style="list-style-type: none"> 🔥 NEWROC Draft Budget Presented 🔥 NEWROC Executive Officer Contract/Hourly Rate Review (current contract expires June 2019) 🔥 Local Government Week agenda to be discussed at Executive meeting to determine if EA should attend 	Executive
June	<ul style="list-style-type: none"> 🔥 NEWROC Budget Adopted 	Council
July		Executive
August	<ul style="list-style-type: none"> 🔥 Information for Councillors pre-election 	Council
September		Executive
October	<ul style="list-style-type: none"> 🔥 NEWROC CEO and President Handover 	Council
November	<ul style="list-style-type: none"> 🔥 NEWROC Induction of new Council representatives (every other year) 🔥 Review NEWROC MoU (every other year) 	Executive
December	<ul style="list-style-type: none"> 🔥 NEWROC Drinks 	Council

ONGOING ACTIVITIES

Compliance

Media Releases

NEWROC Rotation

Shire of Mt Marshall

Shire of Nungarin

Shire of Wyalkatchem

(November 2017 – November 2019)

Shire of Koorda

Shire of Mukinbudin

Shire of Trayning

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NORTH EASTERN WHEATBELT REGIONAL ORGANISATION OF COUNCILS

Minutes for the Executive Meeting held at the Shire of Wyalkatchem Council Chambers on
Tuesday 24 September 2019 commencing at 1.00pm.

MINUTES

1. OPENING AND ANNOUNCEMENTS

NEWROC CEO, Taryn Dayman welcomed everyone and opened the meeting at 1pm

2. RECORD OF ATTENDANCE AND APOLOGIES

2.1. Attendance

Taryn Dayman	NEWROC CEO, Shire of Wyalkatchem
Darren Simmons	CEO, Shire of Koorda
John Nuttall	CEO, Shire of Mt Marshall
Adam Majid	CEO, Shire of Nungarin
Ed Nind	Finance Manager, Shire of Mukinbudin

NEWROC Officer

Caroline Robinson	Executive Officer, NEWROC
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2.2. Apologies

Brian Jones	CEO, Shire of Trayning
Dirk Sellenger	CEO, Shire of Mukinbudin

2.3. Guests

2.4. Leave of Absence Approvals / Approved

Nil

3. Declarations of Interest and Delegations Register

Nil

3.1. Delegation Register

Please find below a delegations register as per the new policy adopted in March 2017:

Description of Delegations	Delegatee	Delegated to	Approval
Records Management	CEO	NEWROC EO	Council
NEWROC Financial Management	CEO	NEWROC EO	Council Dec 2017
Bendigo Bank Signatory (NEWROC)	CEO	NEWROC EO	Council Dec 2017
Bendigo Bank Signatory (Shire of Wyalkatchem)	Council	CEO	Council Dec 2017
NEWROC Website	CEO	NEWROC EO	Council June 2017

4. Presentations

Nil

5. MINUTES OF MEETINGS

Minutes of the Executive Meeting held 23 July 2019 have previously been circulated.

RESOLUTION

That the Minutes of the Executive Meeting held on 23 July 2019 be received as a true and correct record of proceedings.

Moved D Simmons**Seconded J Nuttall****CARRIED 4/0****5.1. Business Arising**

6. FINANCIAL MATTERS

6.1. Income, Expenditure and Profit and Loss

FILE REFERENCE: 42-2 Finance Audit and Compliance
REPORTING OFFICER: Caroline Robinson
DISCLOSURE OF INTEREST: Nil
DATE: 17 September 2019
ATTACHMENT NUMBER: #1P and L
CONSULTATION: Taryn Dayman – CEO, Shire of Wyalkatchem
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENTS

Account Transactions

North Eastern Wheatbelt Regional Organisation of Councils
 For the period 1 August 2019 to 31 August 2019

Date	Description	Reference	Credit	Debit	Running Balance
BB NEWROC Funds-5557					
Opening Balance			179,137.38	0.00	179,137.38
01 Aug 2019	Bendigo Bank	Interest Received	15.23	0.00	179,152.61
01 Aug 2019	Payment: Monitor Bookkeeping Services	XERO Subscription	0.00	50.00	179,102.61
02 Aug 2019	Payment: ATO	ATO-BAS Apr-June	0.00	15,731.00	163,371.61
06 Aug 2019	Payment: Solum	Solum- EO Services July	0.00	3,520.00	159,851.61
14 Aug 2019	Payment: Shire of Koorda	Shire of Koorda 2019/20 Subs	14,300.00	0.00	174,151.61
23 Aug 2019	Payment: Shire of Mt Marshall	INV-0056	14,300.00	0.00	188,451.61
23 Aug 2019	Payment: Shire of Wyalkatchem	INV-0060	14,300.00	0.00	202,751.61
Total BB NEWROC Funds-5557			42,915.23	19,301.00	202,751.61
Closing Balance			202,751.61	0.00	202,751.61
BB Term Deposit Account-1388					
Opening Balance			150,000.00	0.00	150,000.00
26 Aug 2019	Bendigo Bank	Interest Received - Term Deposit	1,603.36	0.00	151,603.36
Total BB Term Deposit Account-1388			1,603.36	0.00	151,603.36
Closing Balance			151,603.36	0.00	151,603.36
Total			44,518.59	19,301.00	25,217.59

Balance Sheet

North Eastern Wheatbelt Regional Organisation of Councils As at 31 August 2019

31 AUG 2019

Assets

Bank

BB NEWROC Funds-5557	202,751.61
BB Term Deposit Account-1388	151,603.36
Total Bank	354,354.97

Current Assets

Sundry Debtors Control	42,900.00
Total Current Assets	42,900.00

Total Assets	397,254.97
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Liabilities

Current Liabilities

Gst Payable	3,162.47
Sundry Creditors Control	2,149.88
Total Current Liabilities	5,312.35

Total Liabilities	5,312.35
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Net Assets	391,942.62
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Equity

Current Year Earnings	73,820.20
Retained Earnings	318,122.42
Total Equity	391,942.62

RESOLUTION

That the income and expenditure from 1 August 2019 to 31 August 2019 and the P and L and balance sheet as at 31 August 2019 be received.

Moved A Majid

Seconded D Simmons

CARRIED 4/0

7. MATTERS FOR CONSIDERATION

7.1. NEWROC Strategic Planning – Project Updates

FILE REFERENCE: 041-5 Strategic and Future Planning
REPORTING OFFICER: Caroline Robinson, Executive Officer
DISCLOSURE OF INTEREST: Nil
DATE: 17 September 2019
ATTACHMENT NUMBER: #2 Project Methodology - Waste
CONSULTATION: Western Power
 Innovation Central Midlands
 Taryn Dayman
 Darren Simmons
 Giles Perryman
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENT

Below is an updated status report for the NEWROC Strategic Projects:

NEWROC STRATEGIC PROJECTS – Status Report

	NEWROC PRIORITY PROJECT as developed at February 2018 Strategy Day	PROGRESS	NEWROC EO NEXT STEP CEO SUPPORT	FUTURE FUNDING
Projects 2018	1. Renewable Energy Investigation Business Case	<ul style="list-style-type: none"> Discussion with Power Ledger following their presentation to Innovation Central Midlands MicroGrid Report released Renewable Energy Project Plan developed Stage 2 Report Completed (included DPIRD and Western Power meetings) NEWROC EO met with Western Power Design Energy Team NEWROC EO met with Steve Mason ICM regarding their energy project 		BBRF - \$20,000 under Business Case (Announced Sept 2018) Purpose – options analysis
	2. IT Services Investigation into IT support for members as well as businesses in the district	<ul style="list-style-type: none"> Presentation to Executive at May Executive meeting by IWS Corporate Three members progressing with IT Vision 	<ul style="list-style-type: none"> Formation of a IT steering group (C Robinson, A Majid) 	
	3. Regional Subsidiary Investigation and preparation	<ul style="list-style-type: none"> Executive working on charter and business plan (DRAFT) Meeting held with the Minister for Local Government February 2019 NEWROC Letter of thanks to the Minister for the meeting 	<ul style="list-style-type: none"> NEWROC CEO and NEWROC EO met with DLG and discussed the regional subsidiary regulations (16/4/19) ACTION – NEWROC to provide feedback on financial compliance and suggested amendments as well as projects we would use within a regional subsidiary structure 	

			<ul style="list-style-type: none"> Note the information sent from Tony Brown regarding regional collaboration 	
	<p>4. Telecommunications – contemporary and future focused</p> <p>Advocacy</p>	<ul style="list-style-type: none"> Crisp Wireless has developed a strategic infrastructure investment list NEWROC has commissioned a tower in the Shire of Mukinbudin In principle support for a tower in Yorkrakine Mukinbudin tower in progress 	<ul style="list-style-type: none"> Continue to promote CW for sign ups <p>John Nuttall</p>	
	<p>5. Roads Contracting to MRWA</p> <p>Investigation</p>	<ul style="list-style-type: none"> NEWROC EO spoke with Shire of Chapman Valley CEO to discuss their roads contracting service under the regional council March Executive meeting, members brought Amount (dollars) of road works that was outsourced last financial year and any previous years and the amount (dollars) of engineering that was outsourced last financial year and any previous years 	<ul style="list-style-type: none"> Project plan and sample job description developed for an engineer across the NEWROC Contact made with WDC regarding this position as a cash or in kind contribution to the Wheatbelt Secondary Freight Network – would only be considered in kind 	
2019	<p>6. Waste</p> <p>Investigation</p>	<ul style="list-style-type: none"> Improving local waste sites Giles Perryman from ASK Waste Management presented at June Council meeting NEWROC EO met with RDA Wheatbelt EO to discuss NEWROC strategic projects and waste was raised – current Board member of RDA Wheatbelt is interested in waste and our interest will be raised with the Board ASK Waste Mgt awarded work for the business case. Waste steering group formed to guide ASK Waste Mgt (Taryn, Darren and Caroline). Meeting held over the phone on Tues 11 Sept 	<ul style="list-style-type: none"> See attached new scope for ASK Waste Mgt following project steering group meeting 	

Following a project steering group teleconference with Giles Perryman of ASK Waste Management a revised methodology has been developed.

The key changes are:

- 👉 A desktop assessment of the existing landfills and their suitability as a regional facility.
- 👉 The addition of option 4. Establishing a single regional landfill, that would be supported by satellite transfer stations
- 👉 Providing information about the financial difference between remote CCTV / swipe card access compared to staffing the facilities.

In order to include these additional tasks within the original budget, the scope now excludes:

- 👉 The implementation plan and strategic actions to align with the selected option (1 – 4)
- 👉 The end of project presentation via telecom.

Members are asked to review the scope of works and provide comment.

RESOLUTION**Information is received****Moved J Nuttall****Seconded A Majid****CARRIED 4/0****Discussion:**

- 👉 Members discussed the updated methodology from ASK Waste Management following a teleconference with Taryn Dayman, Darren Simmons and the NEWROC EO
- 👉 Members agreed that the work needed to address different options with a detailed analysis (cost analysis, logistics, capital requirements, funding options, risks etc) so that NEWROC members could make an informed decision regarding waste going forward and how to implement it
- 👉 Strategic option number 4 was included for future consideration, to also help inform Waste Strategy WA response
- 👉 The Shire of Koorda is considering engaging ASK Waste Management to do some localised work as well
- 👉 Preferred timeline is to see the work completed by the November Council meeting
- 👉 NEWROC EO provided an update on the childcare project and REED's agreement to proceed further with the provision of a mobile childcare service. NEWROC EO to meet with REED CEO to determine next steps
- 👉 NEWROC EO has met with the Western Power Design team
- 👉 Members discussed the integrated planning workshop with Stephen Grimmer and agreed to add it to the list of strategic projects. The general understanding was that the members would consider a joint review in early 2020, a NEWROC Strategic Plan and individualised plans linking to it

ACTION**NEWROC EO to clarify methodology with ASK Waste Management**

7.2. Telecommunications Project

FILE REFERENCE: 035-1 Grants General
REPORTING OFFICER: Caroline Robinson
DISCLOSURE OF INTEREST: Nil
DATE: 17 September 2019
ATTACHMENT NUMBER:
CONSULTATION: Maree Gooch, Crisp Wireless
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENT

Tower in the Shire of Mukinbudin has progressed and an invoice has been received from Crisp Wireless.

Actions by the NEWROC EO:

- 👉 Survey sent to residents in Yorkrakine
- 👉 Updated Social Media flyers to promote free signup campaign sent to all CEO's
- 👉 Maildrop completed in Bencubbin, spoke to Maree to coordinate this in other towns, this is to be confirmed unfortunately too late for current promotion but could be considered for future promotions. Dependent on success of Bencubbin maildrop – this was arranged a few months back

RESOLUTION

That the information be received

Moved J Nuttall

Seconded D Simmons

CARRIED 4/0

Discussion:

- 👉 John Nuttall suggested Crisp Wireless to speak with Silver Chain regarding their take up on the internet service. NEWROC EO to speak to Crisp Wireless
- 👉 Invoice for the Mukinbudin tower has been received and will be paid
- 👉 NEWROC EO to remind Crisp Wireless to speak to the Education Department

7.3. NEWTRAVEL

FILE REFERENCE:	132 – 1 NEWTravel
REPORTING OFFICER:	Caroline Robinson
DISCLOSURE OF INTEREST:	Nil
DATE:	17 September 2019
ATTACHMENT NUMBER:	Nil
CONSULTATION:	Linda Vernon, Tourism Officer NEWTRAVEL
STATUTORY ENVIRONMENT:	Nil
VOTING REQUIREMENT:	Simple Majority

COMMENT

As per identified strategies in the NEWTravel Forward Directions Plan, NEWTravel has applied for a QANTAS grant and also a REDS grant for its proposed marketing panel.

No additional financial contributions were required from members.

Linda Vernon, NEWTravel EO wrote both applications for the groups and was supported by the Central Wheatbelt Visitor Centre, WEROC and Roe Tourism.

RESOLUTION

Information is received.

Moved A Majid

Seconded D Simmons

CARRIED 4/0

Discussion:

- 👉 Members discussed the representation at NEWTravel meetings so to the updated constitution and forward projects such as the marketing expertise

7.4. NEWROC HEALTH FORUM

FILE REFERENCE: 071-1 Health General
REPORTING OFFICER: Caroline Robinson
DISCLOSURE OF INTEREST: Nil
DATE: 17 September 2019
ATTACHMENT NUMBER: #3 Health Forum Program
CONSULTATION: Marissa MacDonald, WALGA
STATUTORY ENVIRONMENT: Nil
VOTING REQUIREMENT: Simple Majority

COMMENT

The NEWROC Health Forum will be held on Friday 20 September 2019 in Trayning.

An updated program is attached.

Unfortunately Dr Walker could no longer present due to a clinical appointment and Peter Geraghty and Matthew Guile collaborated on the St John’s Ambulance presentation.

As at Tuesday 17 September, there was 43 in attendance including speakers.

Thank you to WALGA for their assistance in organizing the event.

A review of the event will take place at the Executive meeting.

RESOLUTION

Information is received

Moved J Nuttall

Seconded A Majid

CARRIED 4/0

Discussion:

- 👉 Members discussed the presentations at the NEWROC Health Forum
- 👉 NEWROC EO tried to contact the ABC Radio however no luck, Taryn Dayman may have a contact
- 👉 NEWROC EO is collecting the presentations from presenters to send out to attendees
- 👉 NEWROC EO will follow up with WALGA regarding the outcomes of the day
- 👉 NEWROC EO to email out media release

8. EMERGING NEWROC ISSUES as notified, introduced by decision of the Meeting**8.1. VAC SWIM**

- 👉 Number of rural towns who will not have VACSWIM in Dec 2019 / Jan 2020 school holidays eg. Koorda, Wyalkatchem
- 👉 Mia Davies has sent an email to Councils requesting input on the decision to not offer VACSWIM

ACTION: NEWROC to write a letter to Mia Davies regarding the VACSWIM program**9. Other Business – To Be Noted and Received**

- 👉 Darren Simmons gave a brief update on the Wheatbelt Secondary Freight project

10. 2019 MEETING SCHEDULE

29 October	Council	Trayning
26 November	Executive	TRAYNING
10 December	Council	Wyalkatchem

11. CLOSURE

NEWROC CEO Taryn Dayman thanked everyone for their attendance and closed the meeting at 2.06pm.



Final Report

State Council and Zone Structure and Process Working Group

August 2019

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Background

State Council, at its 27 March 2019 meeting, endorsed a recommendation of the Executive Committee to establish a working group to develop options to revise State Council's structure. At the State Council Blue Sky workshop held in June 2018 there was discussion relating to WALGA's structure and it was suggested that a preferred model should be developed for sector consultation.

Reviews of State Council's structure and processes were undertaken in 2011 and 2015. These reviews endorsed the current structure of State Council, but led to some modifications relating to process.

Specifically, there were two key outcomes from the 2015 review:

1. Formation of the Executive Committee – expanded the remit of the previous Finance and Services Committee to include enhanced responsibility for policy matters including interim submissions, as well as explicit responsibility for undertaking the Chief Executive Officer performance review.
2. Emerging Issues – Streamlining of emerging issues process, which has led to 15 emerging issues being considered at the last 12 State Council meetings since December 2016.

To facilitate the review, State Council formed a working group with well-defined terms of reference.

Working Group

The Working Group has been convened to develop an alternative model to the existing State Council structure for State Council consideration and then, if endorsed by State Council as worthy of further consideration, consultation with WALGA's members.

In particular, the working group could consider the:

- Composition of State Council as a representative board;
- Underpinning principle that metropolitan and country Local Governments should be equally represented on State Council;
- Role of Zones;
- Method of election of State Councillors;
- Relationship between State Council and Zones;
- Existing Zone structures and the basis for the membership of Zones;
- Method of election of the President;
- Role of the Deputy President;

- Role and membership of the Executive Committee;
- Continuing effectiveness of State Council committees such as the Selection Committee, and Honours Panel;
- Membership and efficacy of State Council Policy Teams, and Policy Forums;
- Ability of Zones to shape State Council decision-making through emerging issues;
- Interim submission process to meet Government deadlines;
- Format of State Council meetings and agendas;
- Continuing need to print and distribute hard-copy State Council agendas;
- Protocols for Zone delegates and Local Governments putting forward Zone agenda items;
- Any other matters relating to the existing structure or process of State Council, committees of State Council and Zones.

The working group has been charged by State Council with making recommendations to State Council for an alternative structural governance model for WALGA. In addition, the working group may consider making recommendations that would enhance the effectiveness of WALGA's governance processes for the benefit of members and the organisation.

Working Group Membership

The Working Group comprised of the following members:

WALGA President	President Cr Lynne Craigie OAM (Chair)
WALGA Deputy President	Mayor Tracey Roberts
State Councillor	President Cr Phil Blight
State Councillor	President Cr Karen Chappel JP
State Councillor	Cr Jan Court JP
State Councillor	President Cr Tony Dean
State Councillor	Cr Russ Fishwick JP
State Councillor	Mayor Logan Howlett JP
State Councillor	Cr Paul Kelly
State Councillor	President Cr Stephen Strange
WA Regional Cities Alliance	President Cr Harold Tracey, Shire of Broome (Meetings one and two)
	Mayor Dennis Wellington, City of Albany (Meeting three)
Country Local Government Chief Executive Officer	Annie Riordan, Shire of Harvey
Metropolitan Local Government Chief Executive Officer	Michael Parker, City of Rockingham
WALGA Chief Executive Officer	Nick Sloan
WALGA Executive Manager Governance and Organisational Services	Tony Brown
WALGA Manager Strategy and Association Governance	Tim Lane

Method and Timeline

In broad terms the Working Group adopted the following process:

1. Provision of a range of background material including the WALGA Constitution, Corporate Governance Charter, and outcomes and discussion papers from the 2015 and 2011 reviews;
2. Consideration of strengths and weaknesses of the current model;
3. Development of an alternative model or models, and additional recommendations for presentation to State Council.

The following timeline was adopted for the Working Group's process:

Stage 1 – Working Group Review

May 2019 – Working Group formed

- President to appoint State Council and member Chief Executive Officer representatives

June 2019 – Working Group Meeting One

- Confirmation of Working Group Terms of Reference and Purpose
- Consideration of Previous Review processes and outcomes
- Consideration of Governance Structures of other State Associations and Local Government New Zealand
- Discussion relating to current arrangements including strengths and weaknesses of the current model and processes
- Initial development of ideas and opportunities for change

July 2019 – Working Group Meeting Two

- Refinement of initial ideas and opportunities for change
- Development of further ideas and opportunities for change
- Development of draft recommendations

August 2019 – Working Group Meeting Three

- Confirmation of a preferred model
- Agreement regarding presentation of recommendations to State Council

Stage 2 – Consideration of Working Group Recommendations

September 2019 – State Council Consideration of Working Group Recommendations

- Endorsement of internal recommendations relating to process or procedure (if appropriate)
- Endorsement of consultation process relating to external and structural recommendations

- Implementation of internal recommendations once endorsed by State Council

October 2019-December 2019 – Sector Consultation (if required)

- Consultation on external and structural recommendations with Local Governments and Zones

March 2020 – State Council endorsement of external and structural recommendations

- State Council endorsement of external and structural recommendations
- Drafting of Constitutional Amendments (if required)
- Drafting of amendments to Corporate Governance Charter (if required)
- Implementation of endorsed recommendations

August 2020 – Constitutional Amendments (if required)

- Consideration of Constitutional Amendments at 2020 Annual General Meeting

Working Group Review

The working group first considered previous reviews undertaken by WALGA, and also investigated governance arrangements of Local Government Associations in other states of Australia and New Zealand.

Previous Reviews

Significant reviews have been undertaken in 2011 and 2015. In addition, a number of amendments to WALGA's constitution in were endorsed in 2018.

To varying degrees, these previous reviews have considered:

- The structure of State Council, including the equal representation of metropolitan and non-metropolitan members;
- The number of State Councillors and the representational nature of State Council;
- The role, number and structure of Zones;
- Changes to Committees of State Council including their role, function, membership, and delegated decision-making authority;
- Codification of existing conventions;
- Changes to the Constitution and Corporate Governance Charter to respond to changes in circumstances and legislation.

2018 Constitutional Amendments

WALGA's Constitution was amended in 2018. The amendments to the Constitution followed discussion at State Council Strategic Forums regarding:

1. Rotation of the office of the President between the metropolitan and country constituencies of State Council; and relatedly,
2. The convention that the Deputy President will be from the alternate constituency to the President.

Historically, the two issues above had been managed by 'convention', but State Council requested the secretariat to investigate codifying the above in the WALGA Constitution.

This also enabled other amendments and clarifications to be made in response to changed legislation and to reflect established practice.

Specifically, WALGA's Constitution was amended in 2018 to:

1. Codify an existing convention that the President and Deputy President of WALGA would be drawn from opposite constituencies. That is, when the President is from the metropolitan constituency, the Deputy President would be from the country constituency and when the President is from the country constituency, the Deputy President would be from the metropolitan constituency;
2. Codify an existing convention that the office of Presidency will be rotated between the metropolitan and country constituencies. That is, when a President leaves office, only State Councillors from the alternate constituency will be eligible to nominate for the office of President;
3. Clarify that eligibility criteria relating to the disqualification of State Councillors also apply to ex-officio members of State Council;
4. Ensure that members of State Council and/or Zone delegates suspended by the Minister for Local Government under Part 8 of the *Local Government Act 1995* are disqualified from State Council and/or from the Zone as appropriate. Previously, this provision referred to only one method of suspension by the Minister for Local Government; and,
5. Clarify that the President has a deliberative vote, and not a casting vote, in elections for President and Deputy President.

2015 Review of Key Governance Documents

A review of the following key governance documents was undertaken in 2015:

- Constitution
- Corporate Governance Charter
- Standing Orders

A discussion paper was produced for the 2015 Review which was structured around the following three themes:

1. Review of documentation – a review of identified issues in the three documents listed above;
2. Technical drafting – correction of technical wording and alignment across the three documents listed above; and,
3. Review of State Council and Zone processes and effectiveness.

The outcomes of this review are summarised below, with full details of review outcomes contained in the March 2016 State Council Minutes.

The Constitution was amended to:

- Add a clause requiring State Council to adopt standing orders that will apply to meetings of State Council;
- Add a clause specifying that a State Councillor would be disqualified from serving on State Council if they were suspended by the Minister for Local Government;
- Enforce a term limit on the President of two consecutive two-year terms, which existed at the time for the Deputy President; and,
- Explicitly state that the President does not have a casting vote if there is a tied vote in an office bearer election.

The Corporate Governance Charter was amended to:

- Express the role of the Deputy President;
- Clarify that the President of Local Government Professionals will have the opportunity to present a report at State Council meetings;
- Insert a provision stating that State Council must resolve to consider an 'emerging issue' prior to it being considered;
- Insert further information regarding the formation and operation of the Local Government House Trust;
- Add procedures for the management of committees with delegated powers including requirements for:
 - Terms of reference;
 - Membership and fixed two year terms;
 - Appointment process, which specifies that State Council will determine appointments of State Councillors and external representatives, and that State Council may use the Selection Committee for this purpose.

In addition, amendments were made to the Standing Orders, and a complaints handling procedure was added to the Code of Conduct.

2011 Review of Structure & Effectiveness of State Council & Zones

A Working Group was formed in late 2010 to undertake a review of the structure and effectiveness of WALGA's governance structures.

To guide the review, a discussion paper was prepared and distributed to the sector with submissions sought on the paper, as well as any other relevant matters.

The paper was structured around the following key subjects:

- Current Arrangements;
- Strengths of Current Arrangements;

- Weaknesses of Current Arrangements;
- Options for Change – Structure; and,
- Options for Change – Effectiveness.

Following feedback from the sector, and consideration by the Working Group of the sector's feedback, an item was presented to State Council that resulted in the following outcomes:

- Endorsement of current arrangements with a set of responsibilities for the Forum of Co-Chairs to be developed (note the Forum of Co-Chairs no longer exists);
- WALGA to provide additional support to Zones to enhance their advocacy role, including:
 - Provide suggestions for guest speakers and topics for consideration by Zones;
 - Provide a consistent liaison officer when requested by Zones;
 - All Zones be offered a presentation providing an overview of WALGA and its advocacy and service functions following the election of Zone delegates every two years;
 - Zone Chairs to receive an induction on the role of the Zone Chair;
 - An item to be presented to all relevant Zones seeking endorsement for their Executive Officer to attend the bi-annual WALGA Zone Executive Officer meetings.
- Development of a strategy to establish meetings between State Councillors and Members of Parliament;
- A change in State Council's calendar to move from six meetings per year to five; and,
- A review of State Council sitting fees.

Arrangements in Other States and New Zealand

The Working Group considered governance arrangements of Associations from other States of Australia as well as New Zealand.

It can be seen that State Associations of Local Government typically elect a board similar to WALGA's State Council. Some State Associations elect board members directly from the membership although most use regions or zones to elect board members to represent particular regions. In all other states, the President is elected by the membership.

A summary table below outlines the number of board members and their method of election. Note that Queensland operates with a dual structure comprising of a board and a policy executive.

Local Government Association Governance Structures Table

	WALGA	LGNSW	MAV (Victoria)	LGAT (Tas)	LGASA	LGAQ (QLD)		LGANT	LGNZ
						Board	Policy Executive		
Number of Board Members	25	19	13	8	18	4	16	9	15
President Elected by:	Board	Members (AGM)	Members (AGM)	Members (Postal vote)	Members (Postal vote)	Members (AGM)		Members (AGM)	Members (AGM)
Board Members elected by:	Zones	Members at AGM: Metro members elect metro reps / Rural members elect rural reps	Zone equivalent (12 regions)	Zone equivalent (3 regions) – one rep above population threshold, one below from each region	Zone equivalent (one metro region, six country regions, plus unincorporated areas)	Board members elected by and from policy executive	Zone equivalent (12 regions)	Members at AGM	Zones and Sector Groups

Comment on Summary Table

- **Size of Board** – while WALGA’s board contains the largest number of representatives, it can be seen that boards of local government associations tend to be relatively large. The average board size (using Queensland’s policy executive, not board) is 15.4.
- **Method of Election of President** – WALGA is an outlier: all other Presidents are elected directly by the membership. Perhaps this is a reflection of the prevalence of Council elected Mayors and Presidents in WA.
- **Method of Election of Board Members** – The majority of associations use regional groupings (equivalent to our Zones) to elect board members. The New Zealand hybrid model of electing representatives from geographic zones and sector groups (metro, provincial, rural, regional) is of interest.

Local Government New South Wales

The Board of Local Government New South Wales consists of:

- The President (which rotates between metropolitan / urban and regional / rural) elected by delegates at an annual meeting;
- The Immediate Past President (where applicable);
- Two Vice-Presidents (one from a Metropolitan/Urban council and the other from a Regional/Rural council) elected by delegates from the respective groupings at the annual general meeting;
- A Treasurer elected by delegates at the annual general meeting; and,
- 14 Committee members (7 from metropolitan / urban councils and 7 from regional / rural councils) elected by delegates at the annual general meeting. Metropolitan / urban delegates elect metropolitan / urban representatives and regional / rural delegates elect regional / rural representatives.

Municipal Association of Victoria

The Municipal Association of Victoria (MAV) is governed by a 13 member board.

The 12 members of the board (excluding the President) are elected by 12 regional groupings of Local Governments. There are six metropolitan regions and six non-metropolitan regions that each elect one board member.

The members of MAV directly elect the President at a meeting of State Council. Each member has one representative on State Council, which meets twice per year.

For clarity, MAV's State Council in this context is most similar to WALGA's Annual General Meeting and MAV's Board is similar to WALGA's State Council.

The Board elects two Deputy Presidents: one from the metropolitan regions and one from the non-metropolitan regions.

Local Government Association of Tasmania

The Local Government Association of Tasmania (LGAT) is governed by a General Management Committee of eight members.

The General Management Committee comprises:

- The President, elected by the members by postal ballot;
- The Lord Mayor of the City of Hobart, or his or her proxy;
- Six members elected from three electoral districts (North West and North Coast, Northern, and Southern) conducted via postal vote. Each electoral district is to elect one representative from Councils with a population of 20,000 or more, and one representative from a Council with a population of less than 20,000.

The General Management Committee elects a Vice President from its members.

Local Government Association of South Australia

The Local Government Association of South Australia is governed by an 18 member board consisting of the following representatives:

- The President, elected by postal vote by ordinary members (by Council resolution), noting that the President must have served at least one year on the board to be eligible to nominate for the office of President. Note the Presidency is rotated between metropolitan and non-metropolitan regions;
- The Immediate Past President, if willing and able to serve, and must still be a member of a Council of an ordinary member. The Immediate Past President undertakes the role of a board member as well as assisting the President to the extent requested by the President;
- Eight board members (and four deputy members) from the metropolitan region elected by postal vote by ordinary members from the metropolitan region;
- Representatives from the following Regions elected by the Regions:
 - Two board members (and one deputy) from Central Region;
 - Two board members (and one deputy) from River Murray Region;
 - One board member (and one deputy) from Eyre Peninsula Region;
 - One board member (and one deputy) from South East Region;
 - One board member (and one deputy) from Southern and Hills Region;
 - One board member (and one deputy) from Spencer Gulf Cities Region; and,
- One board member appointed by the board to represent unincorporated areas.

In addition, there are four Vice Presidents elected from amongst the board members: two metropolitan and two from non-metropolitan regions.

An Executive Committee is also formed comprising of the following members:

- President;
- Immediate Past President;
- The Four Vice Presidents.

The Executive Committee undertakes functions delegated by the board as well as the CEO's performance review and setting of the CEO's KPIs.

Local Government Association of Queensland

The Local Government Association of Queensland (LGAQ) employs a dual structure that comprises a Policy Executive and a Board.

The Board comprises the LGAQ President elected by the member councils at the Annual General Meeting plus three directors who are elected from and by the Policy Executive. The Board is responsible for the operation of the business of the company.

The Policy Executive is responsible for the determination of the Association's policy on behalf of member councils. The Policy Executive consists of 15 district representatives and the President. The Policy Executive appoints three Directors to join the LGAQ President in forming the LGAQ Board and meets 6 times per year to discuss and determine LGAQ policy.

The 15 representatives are elected to the Policy Executive from 'districts' by the members of those districts. The State is divided into 12 districts, with most districts represented by one member, as per the extract from the Constitution below:

The Districts are represented on the Policy Executive as follows:

- a) in the case of District No. 1 (Brisbane City Council), by one Member appointed by the Brisbane City Council;*
- b) in the case of District No. 2 (South East), by three Members elected by the Members included in that District;*
- c) in the case of District No 12 (Aboriginal and Island Councils), by two Members elected by the Members of that District;*
- d) in all other cases, by one Member for each District elected by the Members included in each respective District.*

Local Government Association of the Northern Territory

The Local Government Association of the Northern Territory (LGANT) is governed by an Executive that meets monthly and consists of nine members elected at a general meeting.

Two general meetings are held per year and Executive Members are elected for a two year term.

The President is elected at a general meeting by the members, as are the two vice presidents. One vice president is elected by municipal councils and one vice president is elected by regional and shire councils.

One member of the Executive is to be from the City of Darwin.

To nominate for a position of the Executive, an elected member must have the support of their council through a council resolution.

Local Government New Zealand

The President of Local Government New Zealand (LGNZ) is elected by a ballot of members at an annual general meeting.

The board is comprised of the President, representatives from regional groups of Local Governments called Zones and representatives from groups of similar Local Governments called Sector Groups.

Sector Groups are formed on the basis of population, as follows:

- Metropolitan Group – population above 90,000
- Provincial Group – population between 20,000 and 90,000
- Rural Group – population less than 20,000
- Regional Group – all regional councils and unitary authorities

The composition of the 15 member board, called the National Council, is as follows:

- President
- Two representatives from Zone one;
- One representative from each of Zone two, three, four, five, and six;
- Three representatives from the Metropolitan Sector Group;
- Two representatives from the Regional Sector Group; and,
- One representative from each of the Provincial and Rural Groups.

It is understood that LGNZ recently reviewed their governance arrangements and a proposal will be considered at LGNZ's upcoming AGM in July 2019 to add two members to their governing board. It is proposed that the Mayor of Auckland will become a member of the governing board as of right, and it is proposed that a Maori representative will be added to the board.

Working Group Deliberations

The Working Group discussed strengths and weaknesses of the current model, and then discussed options for consideration.

Strengths of the Current Model

The Working Group identified the following key strengths, with additional comments shown in italics. Headings, also in italics, were added to group some of the strengths together.

State-wide Representation

- State-wide representation
- All Zones have a voice
- Blanket coverage of the state
- Single Association was an absolute positive and our biggest strength is one voice
- United voice of the sector
- Input to policy development from the entire state
- The current model provides input to policy development from the entire sector
- Potential of advocacy strength – *Potential to realise greater advocacy strength dependant on empowering State Council*

Metropolitan / Country Balance

- 50/50 country/metropolitan balance
- Fair representation of the entire state
- As one organisation, country and metro issues are considered – *Sector positions should be aggregated around metro and regional issues rather than seeking to shoehorn all into one consolidated position.*
- Rotation of President from metro to country
- Rotation of Presidency – fair voice for country and metro

Zones

- Policy making – from the grassroots up through the Zones to State Council
- Zones provide a broader purpose than just deliberating the on WALGA agenda
- Presentations and deputations at Zone meetings

State Council

- State Council: broader representation leads to more balanced decision making
- Responsiveness of State Council – *Still room from improvement in terms of timing of decision making*
- Policy making through State Council – not the AGM
- No term limits for State Councillors

- Diversity of skillsets – *could be enhanced with greater attention paid to individual's skills and backgrounds*
- Diversity and understanding of opinions
- Executive Committee structure is a positive with the ability to look after the business of WALGA – *Conceptually we agree, in practice this needs further work.*
- Processes to elect president and deputy (i.e. elected from and by State Council)

Policy Teams and Policy Forums

- Ability to form policy forums
- Policy teams and policy forums successfully filter sector feedback
- Presidency limit of two two-year terms
- Content of agendas are informative and appropriate – *Content can be excessive; content needs to be streamlined*
- Use of interim submissions makes WALGA more agile
- Networking / connectivity with peers and colleagues
- Dissemination of information through a broad representative base is more effective
- Equal voice – equal opportunity to contribute to policy development
- Apolitical – not aligned to political parties. Works with current Government. – *Organisation needs to be apolitical noting individuals will have their own persuasions.*

Operations

- Sound financial and fiscal management
- Good range of services – *value proposition for members needs consistent review*
- Low fees
- Strong business, and revenue generation from business model – *Opportunity to enhance through better promotion of WALGA services; therefore we can employ good staff*
- Range of services that WALGA provides – *Services need to be reviewed to ensure value for members*
- Quality and professionalism of staff

Weaknesses of the Current Model

The Working Group identified the following key weaknesses, with additional comments shown in italics. Headings, also in italics, were added to group some of the weaknesses together.

Executive Committee

- The Executive Committee doesn't have or exercise its delegation
- State Council doesn't own the budget
- Disconnect between the Executive Committee and State Council

President: Term limits and rotation

- Losing experience due to term limits of Deputy President and President
- President should be statesperson / apolitical – best person for the job
- Rotating State Council Presidency may prevent best candidate from securing the position

State Councillor: Role of State Councillor, including Term Limits, and Desirability and Knowledge of Position

- Lack of induction for potential State Councillors
- Some zones don't appear to value representation on State Council
- Being a State Councillor isn't always seen as desirable
- Reinforcing role of State Council to individual Councils and Councillors – not generally aware of State Council role
- State Councillors need to be more accountable to their Zone
- Too slow to regenerate State Councillors – no term limit on State Councillors
- No term limit for State Councillors
- Lack of experience of newly elected State Councillors
- Time commitment required to commit effectively to State Council role

- Volume of material to be considered at Zone and State Council meetings

- Zone agenda items submitted by individual councillors without the support of the member local government
- Lack of consistency in how Zone processes are applied

- Level of engagement by zone members. Not prepared and limited contribution across zone

- Policy teams of State Council not always outcome focussed – *Maybe too short of a meeting*

- Inequity of support provided to Zones by WALGA

- Frequency of State Council meetings
- Timelines for progressing policy issues from zones to State Council – *State Council a lot quicker over the last few years with the use of emerging issues and interim submissions. Still can improve.*
- Timing of revised agenda distribution – too soon before the State Council meeting
- Explanation of 50/50 split – AGM is different to State Council

Options for Consideration

The Working Group developed some initial options for change before landing on the recommendations, which are detailed in the following section.

State Councillor Profile and Role

The Working Group discussed the role, profile, remuneration, expectations and possibility of term limits for State Councillors.

In particular, there was a focus on seeking to lift the profile of a State Councillor to make it a desirable and aspirational office. There was discussion around the remuneration for State Councillors and protocols and expectations.

Other discussion points were:

- Should there be more information in the annual report regarding State Councillor involvement and attendance at committees and zone meetings?
- Should there be a minimum experience requirement to become a State Councillor?
- Should there be a specific skill requirement to become a State Councillor?
- Should there be term limits for State Councillors?

Ultimately the Working Group determined not to recommend any term limits or skill or experience limits for State Councillors. Instead, the Working Group recommends the development of a prospectus to promote WALGA, the role of State Councillors, the importance of Zones and the role of being a Zone delegate.

Two Tier Structure

The Working Group also discussed options for implementing a two-tier governance structure. Such a model would involve State Council retaining responsibility for policy and strategic planning, with a board or executive committee with delegated responsibility for the *business* and finances of WALGA.

It was envisaged in Working Group deliberations that the Board or Executive Committee would be appointed by State Council and comprise the following membership:

- President (Chair)
- Deputy President
- Three Country State Councillors – elected by and from State Council
- Three Metropolitan State Councillors – elected by and from State Council
- An independent representative with high-level finance or business experience

Ultimately the Working Group resolved not to recommend a two-tier structure, however the Working Group believes that this is a model that may be worth pursuing in the future.

Zones

The Working Group discussed the Zone structure and how WALGA supports the Zones. The Working Group endorsed the principle that Zones are self-governing and autonomous.

The Working Group discussed development of a prospectus to be provided to Elected Members about the role of WALGA, the role of being a Zone delegate, the role of State Council and other important information. Further discussion regarding the prospectus is included in the recommendations section below.

The Working Group discussed that some Zone motions are submitted to the Zone by individual Zone delegates without a Council resolution. In response the Working Group support development of a guideline, to be included in the prospectus stating that “whilst it is best practice that a Zone motion is supported by a Council decision, Zone delegates can raise items at Zone meetings without a Council decision.”

Regional Capitals Alliance Submission

The Regional Capitals Alliance made a submission to the Working Group proposing that State Council be comprised of ten members appointed from groupings of Local Governments based on the Salaries and Allowances Tribunal bands. The Alliance’s submission is reproduced below:

Rather than 26 members of the WALGA state council, the Alliance is proposing that the state council membership be retained within 10 members. Ten members would be made up of four metropolitan and four regional council representatives based on the following criteria and two additional Independent members (with one as an Independent Chair).

Discussion around the number of Council representatives from within each Band, both metropolitan and country, considered the number of local governments they represented and the population/geographical distribution across the bands to achieve what is believed to be a more balanced representation across the sector.

The Alliance recommends WALGA consider a Local Government representation model with a total membership on the State Council of ten, based on the Local Government Band categories giving equal representation from Metropolitan and Country, notionally four members each drawn representatively from Local Governments as suggested below:

- *2 representatives from Band 1 Metropolitan*
- *1 representative from Band 2 Metropolitan*
- *1 representative from Band 3 and 4 Metropolitan*
- *1 representative from Band 1 Country*
- *1 representative from Band 2 Country*
- *2 representatives from Band 3 and 4 Country*

In addition to the above representatives it was agreed that two independent representatives also be on Council, one of which would be chair. The selection process would involve members being selected from within their bands and nominations being forwarded to a nominations committee for final determination of members where criteria such as skills base could be also used to achieve a balance of skills and experience for the Council membership. This was considered to be a more balanced representation model.

The mechanism for state council members to consult with councils within their bands would be left up to the nominated representative on the state council. In the case of a group-one, and potentially a group-two country councils, this may be done via the Regional Capital Alliance of Western Australia.

This model will in no way replace the need for governments and local governments to form voluntary regional groups such as the Kimberley Regional group or to interfere with local issues as they do now.

The Working Group thanked the Regional Capitals Alliance for their submission, but decided against progressing with the Alliance's suggestions.

There are 91 Local Governments in the group that combines Band 3 and 4 Country, and the Working Group considered that this would be too large a group of members to be represented by only two State Councillors.

Further, as discussed above, the Working Group identified broad state-wide representation and the Zone process as strengths of the current model. The Working Group considered that the Alliance's proposal would not facilitate a workable Zone model as Band 3 and 4 Country Local Governments span the state.

Other Issues

The Working Group explored a range of other issues including the process for the development of interim submissions, State Council's committee structure and the format of the State Council agenda. These issues are addressed in the Recommendations section below.

Recommendations

The Working Group has recommended a number of reforms, which are grouped around a range of themes, below:

1. State Council Composition;
2. Role of State Councillor;
3. Elected Member Prospectus;
4. Committee Structure;
5. Submission Process;
6. Zone Support and Guidance; and,
7. State Council Agenda.

State Council Composition

The Working Group endorsed the existing composition of State Council, including the method of election from Zones.

In particular, during discussions, two of the major strengths identified by the Working Group were:

- Equal representation from both the country and metropolitan constituencies; and,
- The State-wide representation and input facilitated by WALGA's Zone and State Council structure.

Recommendation 1

That the existing composition and representational arrangements of State Council be retained.

Deputy State Councillors

The Working Group also considered the continuing necessity for Deputy State Councillors.

State Council has never lacked a quorum without the attendance of Deputy State Councillors. Further, it is difficult for Deputy State Councillors to meaningfully contribute to deliberations, in many cases, due to the background knowledge developed by State Councillors over many meetings and communications. Finally, with a governing board of 25, and with the committee changes proposed below, it is contended that there may be sufficient governance oversight without the need for Deputy representatives.

Conversely, the role of Deputy State Councillor provides opportunities for more Local Government representatives to be involved in WALGA and its governance processes, and

this may provide opportunities for succession planning. Further, having Deputy State Councillors able to step in and attend State Council meetings ensures that all Zones are represented at meetings when State Councillors are unable to attend. On this basis, the Working Group recommends that the role of Deputy State Councillor be retained.

Recommendation 2

That the role of Deputy State Councillor be retained.

Term Limits for State Councillors

The Working Group considered the issue of term limits for State Councillors. Currently there is a four-year term limit for the President and Deputy President, but no term limit for State Councillors

Following deliberations, the Working Group resolved that no term limits should be introduced for State Councillors. State Councillors are elected by Zones to be on State Council, and the Working Group considered it important that Zones have the ability to elect the “best person for the job”.

Recommendation 3

That no term limits be introduced for the role of State Councillor.

Role of State Councillor

State Councillors, as directors of a Board, are required to act consistently in the “best interests of the organisation as a whole”. This effectively means that the duties of a State Councillor are owed to all Member Local Governments.

Whilst it is recognised that State Councillors must represent the interests of their respective Zones, the interests of the Association and its collective membership must always come first.

State Councillors are also expected to report back to Zones about the policy and advocacy direction of State Council. To facilitate this, the secretariat has been providing State Councillors with a State Councillor report guide in advance of Zone meetings.

There is also an expectation that State Councillors will represent WALGA to members and promote WALGA’s services, and policy and advocacy positions and activities to the broader membership.

In addition, following a review of the Member Advisor Program, it is proposed that some State Councillors could be invited to undertake the role of Member Advisor. The aim of the program is to provide Councils and Elected Members with information and resources from a trusted peer. Member Advisors will aim to attend an ordinary Council meeting of each member Council once in a two year period and also be contactable via email and phone to assist individual Elected Members regarding any questions they may have in undertaking their roles on Council.

Recommendation 4

That a Panel of Member Advisors be established comprising of State Councillors and other Elected Members appointed by the President.

Elected Member Prospectus

The Working Group identified the need to promote key information about WALGA, the role of State Councillors and the role of Zones to ensure that becoming a State Councillor, and a Zone delegate, is a respected and sought after position.

It is proposed that a Prospectus be developed and distributed to all Elected Members immediately following the October 2019 Local Government elections. The Prospectus will be used to educate Elected Members about the Association and the avenues for involvement as a Zone delegate and a State Councillor.

Recommendation 5

That a Prospectus be prepared and distributed to all Local Governments and all Elected Members following the Local Government elections every two years highlighting the following information, with the aim of promoting the key role of Zone delegates regionally and the key role of State Councillors in leading advocacy and policy development on behalf of the Local Government in Western Australia:

- **Role of WALGA as the principal Local Government peak body;**
- **Role of State Council as WALGA's governing body;**
- **Role of a State Councillor as a key decision-maker regarding policy, advocacy and provision of services for and on behalf of the Local Government sector;**
- **Commitment required to be a State Councillor, including attendance at meetings, advocate for WALGA and the Local Government sector, report back to Zones on WALGA and State Council activity, and potentially as a Member Advisor Program mentor;**
- **Opportunities for State Councillors to advocate to Government on behalf of their region and / or particular policy issues;**

- **Role of Zones as key participants into state-level advocacy and policy development, including the formal required role of Zones and the additional opportunities for Zones;**
- **Role of Zone delegates as Council representatives at the regional level, including the obligation to report back to Council on Zone activities; and,**
- **Explanation that, while it is best practice that a Zone motion is submitted by way of a Council decision, Zone delegates can submit motions to a meeting of a Zone, which is an autonomous, self-governing body, and it is recommended that the Zone is advised whether the motion has the backing of a Council resolution.**

Committee Structure

The Working Group discussed an amended process for dealing with interim submissions to Government, which would change the purpose of the Executive Committee to be solely focused on finance and WALGA's business services, which includes preferred supply arrangements, procurement, employee relations, training and recruitment. In making this change, the Executive Committee would revert back to being called the Finance and Services Committee, providing a sharper focus and more defined role for the committee.

In addition, it is proposed that the Policy Teams would have a stronger role in shaping the development of WALGA's policy positions and submissions to Government.

Committee Membership

The following membership structure of the Finance and Services Committee and the Policy Teams is proposed as follows:

Finance and Services Committee	Environment and Waste Policy Team	Governance and Organisational Services Policy Team	Infrastructure Policy Team	People and Place Policy Team
President (Chair) Four State Councillors	Five State Councillors	Five State Councillors	Five State Councillors	Five State Councillors
External member with finance experience				

Every State Councillor would be a member of only one of the five committees providing every State Councillor with a focus on either the finance and business services of WALGA, or a specific policy portfolio. It is anticipated that these changes would encourage State

Councillors to feel ownership of their portfolio, whether it be in relation to WALGA's business services, or a particular policy and advocacy portfolio.

It is proposed that the external member on the Finance and Services committee be drawn from a wider field than just the Local Government sector. That is, there may be considerable value in appointing an external member from the private or not-for-profit sector to the committee. This appointment would be made by State Council upon the recommendation of the WALGA Selection Committee, as is current practice.

While the current Executive Committee has responsibility for the CEO's performance review, it is proposed that a separate CEO Performance Review Committee would be established from State Council, and chaired by the President, that would meet at least once per year.

Finance and Services Committee

The terms of reference of the Finance and Services Committee is proposed as follows. This reflects the terms of reference of the current Executive Committee, with the removal of the three struck out points as per below:

On behalf of State Council, and in accordance with any policies, directions or limitations set by State Council, undertake the following functions:

- *Determining key directions in relation to the establishment and/or development of new and current business opportunities that result in the delivery of outputs which enhance the financial and operational capacity of members and the Association.*
- *Adoption of business plans for the Association's service delivery units that deliver the key objectives within the Association's Strategic Plan, with regular monitoring of outcomes against agreed performance indicators.*
- *Oversee the financial management of the Association, including the recommendation of a draft annual Governance Budget to State Council, long term financial planning, monitoring/assessment of financial reports, approving and/or recommending budgetary reallocations to State Council, committing or reallocating reserve funds for special purposes, and auditing and presentation of the Association's annual accounts.*
- *Internal audit including monitoring/assessing compliance against financial and asset management and internal control policies.*
- *Oversee the delivery of business development, business management, human resource management and information management and corporate services.*
- *Establish a risk governance structure which ensures that management has implemented sound risk management policies and procedures across the Association, and which is regularly reviewed.*
- *Establish risk management and internal control performance indicators that are regularly evaluated through internal and external audit processes.*
- *Regularly report to State Council on the key activities and major decisions of the Committee.*

- ~~• Review and provide feedback on interim submissions, either in or out of session, to be put forward to government or other agencies.~~
- ~~• Act as the primary policy and advocacy support to the President and the Association.~~
- ~~• Manage the Chief Executive Officer Performance Review process on behalf of State Council.~~

Policy Teams

The terms of reference of the Policy Teams is proposed as follows, with the addition of the underlined points relating to interim submissions, and the Chair of the Policy Team playing a key role in advocacy:

- *To advise the State Council on the development, implementation and review of Association policy in the relevant areas.*
- *To ensure all policy proposals are considered in terms of their economic, social and environmental impacts.*
- *To monitor and report to State Council on the activities of State and Federal Governments in relevant policy areas.*
- *To monitor and report to State Council on the activities of the major political parties in Opposition in relevant policy areas.*
- *To investigate, research and advise the State Council on emerging strategic issues relative to the relevant policy area.*
- *To consult with Member Local Governments, key external agencies and other stakeholders on policy issues in the relevant area for the development of recommendations to the State Council.*
- *To shape the preparation of interim submissions prior to their presentation to State Council for consideration and endorsement.*
- *To assist the President, Deputy President, State Councillors and CEO in the advocacy of the Association's policy positions, with the Policy Team Chair playing a key role in advocacy to Government on policy positions related to the portfolio, including accompanying the President, Deputy President and CEO to ministerial meetings.*
- *To promote the Association's policy positions to Member Local Governments.*
- *To action directions from the State Council.*
- *To develop, monitor and report on Key Result Areas as endorsed by the State Council.*

Committee Assignment Process

Committee assignments would be determined by State Council at the March meeting in every even year (i.e. 2020, 2022 etc) following the election of the President and Deputy President. This would provide an opportunity for State Councillors to consider which of the five

committees they would like to nominate for following the State Council induction to be held at the December meeting in odd years (i.e. 2019, 2021 etc).

It is not proposed to make changes to the Selection Committee or Honours Panel.

Role of State Council

A key benefit of the proposed changes to State Council's committees, as proposed above, is that a significant proportion of the detailed policy and finance work will be undertaken by committees, allowing State Council a more strategic focus. State Council's role would be to provide strategic direction, oversee the work of committees to ensure coordination and alignment to strategy, endorsement of policy positions, and endorsement of the budget.

Recommendation 6

That:

- 1. The Committee structure, as outlined above be adopted by State Council, to take effect from December 2019;**
- 2. The Corporate Governance Charter be amended to reflect the changes to the Committee Terms of Reference and membership, as outlined; and,**
- 3. A CEO Performance Review Committee be established, to be chaired by the President and to meet at least once per year.**

Process for Preparation and Consideration of Submissions

The changes to the committee structure above, would facilitate the proposed changes to the process for the development of submissions when there is insufficient time for a submission to be included in the State Council agenda.

Where time permits, the first preference would be for a submission to be prepared, in consultation with the respective Policy Team, and included in the State Council agenda for decision to facilitate consideration and input from Zones and State Council.

In developing submissions, when inclusion in the State Council agenda is impractical, the following process is proposed in the middle column, and is presented adjacent to the current process, in the right column, to highlight and explain the differences.

	Proposed Submission Process	Current Interim Submission Process
Preparation by Secretariat	WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council, <u>input from Policy Team</u> and / or contemporary feedback from the Local Government sector.	WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council and / or contemporary feedback from the Local Government sector.
Policy Team Input	Policy Team meet to amend or endorse the draft submission to proceed to State Council. Potential for meeting to be held by video-conference.	Draft interim submission is emailed to Policy Team for feedback.
Endorsement	Draft submission is considered by State Council by Flying Minute using the Board Effect Platform.	Draft interim submission is endorsed for submission to Government by Executive Committee out-of-session.
Basis on which submitted to Government	Submission is put forward to Government as an endorsed State Council position.	Submission is put forward to Government as an interim position, subject to subsequent State Council endorsement.
Inclusion in State Council agenda	Submission is included in the next State Council agenda as an item for noting.	Submission is considered by Zones and State Council as an item for decision as part of the next State Council agenda.

Recommendation 7

That the following process be endorsed for the development, consideration and endorsement of submissions Government and other stakeholders (when there is insufficient time for it to be included in the State Council agenda), and the Corporate Governance Charter be amended to reflect the changes:

1. WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council, input from Policy Team and / or contemporary feedback from the Local Government sector.
2. Policy Team meet to amend or endorse the draft submission to proceed to State Council, with the meetings of the Policy Team to be held via teleconference or videoconference where practicable.
3. Draft submission is considered by State Council by Flying Minute using the Board Effect platform.

4. **Submission is put forward to Government as an endorsed State Council position.**
5. **Submission is included in the next State Council agenda as an item for noting.**

Zone Support and Guidance

The Working Group has discussed the level of service, and the nature of the guidance provided to Zones to assist them to perform their role and undertake other functions.

During working group deliberations it was suggested that WALGA could prepare guidance notes for Zones about their role and opportunities to undertake additional functions. This information will be included in the prospectus discussed above.

In addition, it has been suggested that the secretariat should engage with Zones about the type of services and support sought from WALGA.

Currently, most Zones employ an independent executive officer, while WALGA provides secretariat support for the following Zones:

- Central Metropolitan Zone
- East Metropolitan Zone
- Gascoyne Country Zone
- Great Eastern Country Zone
- North Metropolitan Zone
- Peel Country Zone
- South East Metropolitan Zone, and
- South Metropolitan Zone

WALGA's secretariat service is offered as a baseline service at no cost to the Zone.

In the early stages of the development of WALGA's 2019-2020 budget preparation, a business case was developed outlining an option for WALGA to provide secretariat services to all Zones. Under the scenario explored in the business case, WALGA would prepare agendas and minutes for all Zones, and each Zone would be allocated a senior staff member to act as the liaison between the Zone and the broader WALGA secretariat.

Recommendation 8

That information regarding the role of Zones, and Zone delegates, and the process for submission of Zone motions, be prepared and circulated to Zones, and included in the WALGA Elected Member Prospectus and the Corporate Governance Charter.

Recommendation 9

That:

1. **The secretariat engage with Zones regarding the services and support that WALGA provides to Zones; and,**
2. **The secretariat continues to offer baseline Zone secretariat services to Zones as appropriate.**

State Council Agenda

The Working Group has discussed the content of the State Council agenda, particularly highlighting the volume of information that is provided to Zone delegates and State Councillors.

It is proposed that the secretariat commit to reducing the length of agenda items and prepare reports that are more focused. Specifically, there will be an aim to limit agenda items to two pages with a more in-depth 'in brief' section, which will be used as an executive summary of the agenda item. A sample item is attached as an appendix.

It is also proposed, in conjunction with the more focused presentation of agenda items, that hard copy production of the State Council agenda cease. Currently, the agenda is emailed to State Councillors, Local Government CEOs and Zone delegates three to four weeks prior to the State Council meeting, and hard copy 'blue books' are posted and arrive with delegates approximately two weeks prior to the State Council meeting, usually, but not always, in time for the Zone meeting.

WALGA has budgeted \$46,344 for printing State Council agendas in the 2019-2020 financial year. This figure does not include the cost of postage to distribute the agendas, nor the staff time used to pack envelopes and packages. In addition, the reliability and timeliness of the postal service is diminishing, particularly to country and remote areas.

It is argued that the money spent on printing, packing and posting State Council agendas would be better invested in providing more support to Zones or in other aspects of WALGA's operations.

For the reasons discussed above, it is proposed that the State Council agenda be provided to Local Governments and delegates in electronic format only, commencing in March 2020.

Finally, it is proposed that a process is implemented whereby State Council agenda items for decision are considered by Councils, either in formal Council meetings, or in briefing or concept forums. It would be beneficial for State Council agenda items for decision to be considered by Council in a formal or informal meeting to:

- Enhance awareness of contemporary strategic advocacy and policy issues; and,
- Enable the Councils to provide guidance and direction to their Zone representatives.

Recommendation 10

That:

- 1. The secretariat develop templates and processes to reduce the length of State Council agenda items;**
- 2. Following consultation with the sector, production of hard copy agendas cease beginning with the March 2020 meeting of State Council; and,**
- 3. A process be implemented, in consultation with the Local Government sector, to enable Councils to consider items for decision in the State Council agenda to raise awareness of contemporary strategic advocacy and policy issues and to enable Councils to provide guidance and direction to their Zone representatives.**

Consultation and Implementation

This report will be presented to State Council as an item under separate cover at the 6 September 2019 State Council meeting.

A number of the recommendations proposed by the Working Group are recommended for immediate implementation because they have a time critical component due to the Local Government elections and the election of State Councillors and are:

- Operational in nature representing core activities – recommendations 5 and 8; or,
- Focused on internal State Council processes – recommendations 6 and 7.

It is recommended that consultation be undertaken on the following recommendations relating to:

- The governance structure – recommendations 1, 2, 3 and 4;
- Zone support and guidance – recommendation 9; and,
- State Council agenda processes – recommendation 10.

It is recommended that the full report be provided to WALGA members immediately following the 6 September 2019 meeting of State Council, with feedback sought by late October. An item for Zone and State Council consideration will then be included in the December 2019 State Council agenda.

This broadly aligns with the methodology outlined on pages 6 and 7 of this report.

Appendix 1 – Sample State Council Agenda Item

Interim Submission to Salaries and Allowances Tribunal – Elected Member Fees and Allowances (05-034-01-0019 TL)

By Tim Lane, Manager Strategy and Association Governance

Recommendation

That the interim submission to the Salaries and Allowances Tribunal relating to Elected Member Fees and Allowances be endorsed.

In Brief

- WALGA has prepared a submission to the Salaries and Allowances Tribunal relating to Fees and Allowances payable to Elected Members to input into the Tribunal's 2019 determination;
- The Submission argues for an increase on the basis of the following four main arguments:
 - i. Vibrant democracy and good governance: fees and allowances payable to Elected Members should be sufficient to ensure that a diversity of candidates from a range of backgrounds. Further, corporate governance literature suggests that diverse leadership groups make better decisions;
 - ii. Demands of the role: as the complexity of Local Government increases, and the demands placed upon Elected Members grow in the social media age, the remuneration paid to Elected Members for their significant time commitment must compensate for the personal and opportunity costs of taking on a significant community leadership position;
 - iii. Skills and training: as Elected Members continue to undertake training – and with the implementation of the State Government's universal Elected Member training policy likely to occur in the near future – the time that Elected Members spend on professional development should be recognised by the fees and allowances framework; and,
 - iv. Economic erosion: in recent years there have been a number of 'no increase' determinations in relation to Elected Member fees and allowances, which means that the relative value of Elected Member fees and allowances have eroded over time. WALGA contends that this trend should be arrested and fees and allowances should be increased.
- WALGA's submission argues for an increase to the Elected Member fees and allowances payable to Elected Members in the order of three percent, with the Salaries and Allowances Tribunal to consider appropriate economic indicators and increasing training requirements in future years.

Attachment

Submission to the Salaries and Allowances Tribunal: Local Government Elected Member Fees and Allowances

Policy Implications *(Only if relevant)*

WALGA previously advocated for the Salaries and Allowances Tribunal to be given jurisdictional authority to determine Elected Member fees and allowances. The attached interim submission is consistent with existing WALGA policy.

Budgetary Implications *(Only if relevant)*

Background

WALGA advocated strongly for the Salaries and Allowances Tribunal to be given jurisdictional authority to determine Elected Member fees and allowances when fees and allowances were contained in regulations. Following WALGA's advocacy, the Salaries and Allowances Tribunal has been determining Elected Member fees and allowances since 2013.

WALGA, along with Local Governments and other stakeholders, was invited to make a submission in relation to the Salaries and Allowances Tribunal's current remuneration inquiry relating to Local Government Chief Executive Officers and Elected Members.

WALGA has developed a submission in relation to Elected Member remuneration on behalf of the Local Government sector due to increasing feedback that the current remuneration framework is inadequate for the increasing complexity of Local Government and the growing demands of the role of an Elected Member.

The attached submission was endorsed by State Council's Executive Committee at their 20 February meeting and submitted to the Salaries and Allowances Tribunal on 21 February 2019 on an interim basis pending Zone and State Council consideration.

Comment

The Submission argues for an increase to Elected Member fees and allowances in the order of three percent on the basis of four main arguments.

Firstly, Local Government plays a key role in Australian democracy and fees and allowances payable to Elected Members should be sufficient to ensure a diversity of candidates from a range of backgrounds are willing and able to nominate for important community representative positions. In addition, the corporate governance literature argues convincingly, with empirical evidence, that diverse boards and leadership teams make better decisions.

Secondly, the complexity of Local Government responsibilities are increasing and so are the demands placed upon Local Government Elected Members in the social media age. The fees and allowances framework must acknowledge the personal and opportunity costs faced by Elected Members in undertaking their role.

Thirdly, as Elected Members continue to engage in training and professional development – and with the implementation of the State Government's universal Elected Member training policy expected in the near future – the time that Elected Members spend on professional development should be recognised by the fees and allowances framework.

Finally, there have been a number of 'no increase' determinations in recent years, partly due to the broader economic context in Western Australia, but this has led to the economic erosion of the fees and allowances relative to the broader community. WALGA's submission contends that this economic erosion should be arrested and reversed.

WALGA's submission argues for an increase to the Elected Member fees and allowances payable to Elected Members in the order of three percent, with the Salaries and Allowances Tribunal to consider appropriate economic indicators and increasing training requirements in future years.

The interim submission is attached for State Council consideration.

SHIRE OF KOORDA

MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the period ending 30 September 2019

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

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PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 07 October 2019

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996 , Regulation 34* . Note: The statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 13.

SIGNIFICANT ACCOUNTING POLICES

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

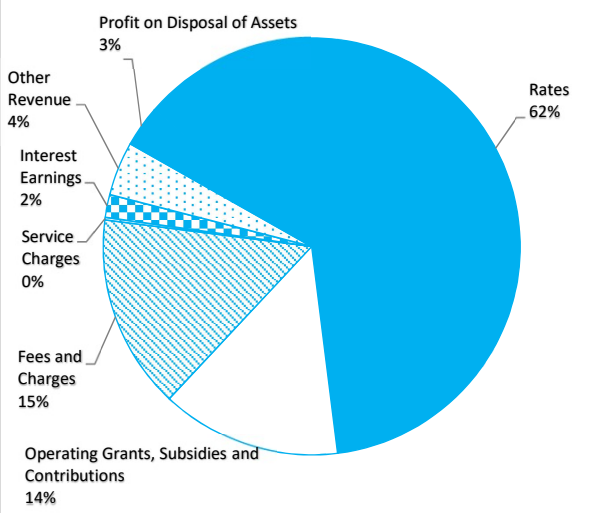
CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

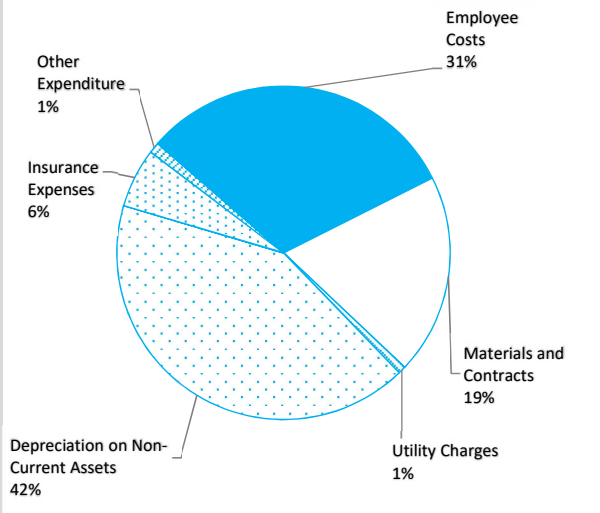
ROUNDING OFF FIGURES

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

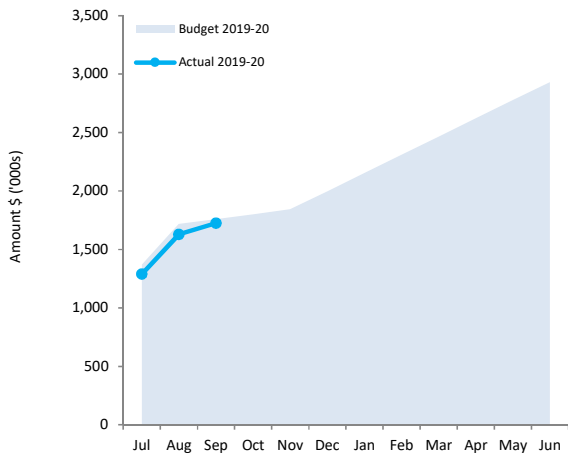
OPERATING REVENUE



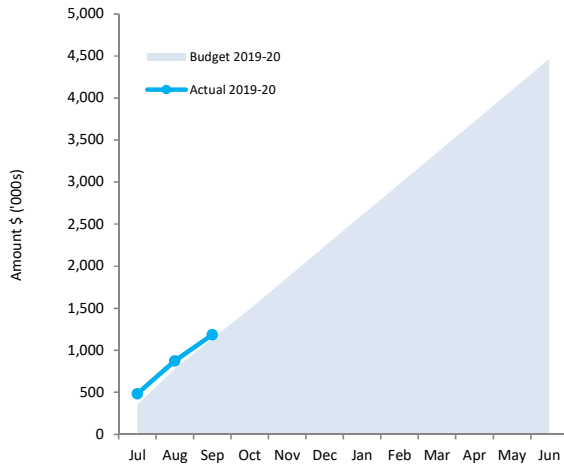
OPERATING EXPENSES



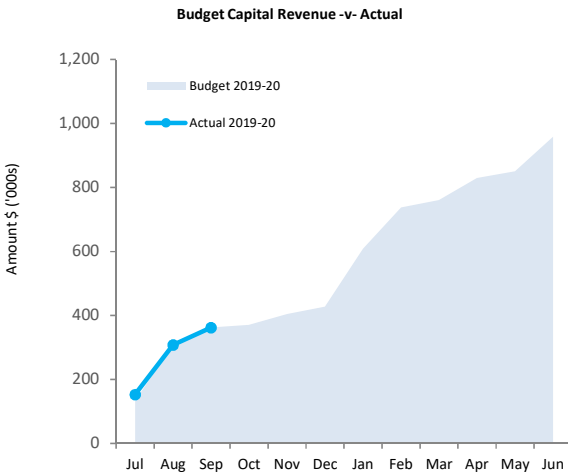
Budget Operating Revenues -v- Actual



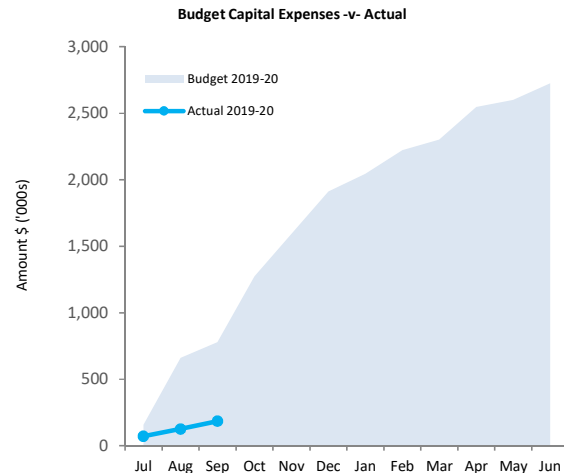
Budget Operating Expenses -v-YTD Actual



CAPITAL REVENUE



CAPITAL EXPENSES



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

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

GOVERNANCE	ACTIVITIES
To provide decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
GENERAL PURPOSE FUNDING	
To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	
To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	
To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE	
To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.
HOUSING	
To provide and maintain elderly residents housing.	Provision and maintenance of elderly residents housing.
COMMUNITY AMENITIES	
To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
RECREATION AND CULTURE	
To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
TRANSPORT	
To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
ECONOMIC SERVICES	
To help promote the Shire and its economic well being.	Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building control.
OTHER PROPERTY AND SERVICES	
To monitor and control Council's overheads operating accounts.	Private works operation, plant repair and operation costs and engineering operation costs.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

STATUTORY REPORTING PROGRAMS

	Ref Note	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	821,674	821,674	1,054,444	232,770	28.33%	
Revenue from operating activities							
Governance		84,952	14,158	0	(14,158)	(100.00%)	▼
General purpose funding - rates	6	1,066,030	1,066,030	1,063,124	(2,906)	(0.27%)	
General purpose funding - other		1,085,370	271,018	269,922	(1,096)	(0.40%)	
Law, order and public safety		17,707	250	2,257	2,007	802.80%	
Health		7,060	1,752	3,471	1,719	98.12%	
Housing		198,676	49,671	48,913	(758)	(1.53%)	
Community amenities		189,792	180,804	180,839	35	0.02%	
Recreation and culture		100,621	10,652	76,121	65,469	614.62%	▲
Transport		81,310	144,000	54,091	(89,909)	(62.44%)	▼
Economic services		30,740	8,276	10,768	2,492	30.11%	
Other property and services		69,006	11,751	15,745	3,994	33.99%	
		2,931,264	1,758,362	1,725,251	(33,111)		
Expenditure from operating activities							
Governance		(525,166)	(119,147)	(115,036)	4,111	3.45%	
General purpose funding		(109,923)	(26,105)	(26,279)	(174)	(0.67%)	
Law, order and public safety		(95,704)	(27,753)	(24,508)	3,245	11.69%	
Health		(171,075)	(28,055)	(20,975)	7,080	25.24%	
Education and welfare		(46,892)	(26,854)	(26,616)	238	0.89%	
Housing		(286,896)	(71,726)	(76,689)	(4,963)	(6.92%)	
Community amenities		(315,127)	(80,032)	(64,106)	15,926	19.90%	▲
Recreation and culture		(981,774)	(227,940)	(227,317)	623	0.27%	
Transport		(1,675,147)	(463,528)	(535,836)	(72,308)	(15.60%)	▼
Economic services		(252,828)	(64,576)	(65,784)	(1,208)	(1.87%)	
Other property and services		(5,789)	(1,449)	(1,541)	(92)	(6.35%)	
		(4,466,321)	(1,137,165)	(1,184,687)	(47,522)		
Non-cash amounts excluded from operating activities	1(a)	2,021,707	548,538	520,355	(28,183)	(5.14%)	
Amount attributable to operating activities		486,650	1,169,735	1,060,919	(108,816)		
Investing Activities							
Proceeds from non-operating grants, subsidies and contributions	12	694,971	273,305	272,921	(384)	(0.14%)	
Proceeds from disposal of assets	7	264,000	89,407	89,407	0	0.00%	
Purchase of property, plant and equipment	8	(2,725,000)	(777,756)	(184,957)	592,799	76.22%	▲
Amount attributable to investing activities		(1,766,029)	(415,044)	177,371	592,415		
Financing Activities							
Transfer from reserves	9	1,093,000	0	0	0	0.00%	
Transfer to reserves	9	(635,295)	(29,055)	(29,055)	0	0.00%	
Amount attributable to financing activities		457,705	(29,055)	(29,055)	0		
Closing funding surplus / (deficit)	1(c)	0	1,547,310	2,263,679			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold. Refer to threshold. Refer to Note 14 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2019-20 year is \$10,000 or 10.00% whichever is the greater.

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

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 SEPTEMBER 2019

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

PROFIT ON ASSET DISPOSAL

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

FEES AND CHARGES

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

SERVICE CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

BY NATURE OR TYPE

	Ref Note	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	821,674	821,674	1,054,444	232,770	28.33%	▲
Revenue from operating activities							
Rates	6	1,066,030	1,066,030	1,063,124	(2,906)	(0.27%)	
Operating grants, subsidies and contributions	11	1,204,333	396,406	241,003	(155,403)	(39.20%)	▼
Fees and charges		470,794	249,205	259,794	10,589	4.25%	
Service charges		3,450	3,450	3,450	0	0.00%	
Interest earnings		148,500	35,398	30,503	(4,895)	(13.83%)	
Other revenue		35,870	6,870	72,082	65,212	949.23%	▲
Profit on disposal of assets	7	2,287	1,003	55,295	54,292	5412.96%	▲
		2,931,264	1,758,362	1,725,251	(33,111)		
Expenditure from operating activities							
Employee costs		(1,837,387)	(448,016)	(369,642)	78,374	17.49%	▲
Materials and contracts		(320,190)	(28,858)	(230,403)	(201,545)	(698.40%)	▼
Utility charges		(32,500)	(9,252)	(9,097)	155	1.68%	
Depreciation on non-current assets		(1,946,506)	(486,624)	(494,698)	(8,074)	(1.66%)	
Insurance expenses		(120,000)	(69,500)	(68,287)	1,213	1.75%	
Other expenditure		(132,250)	(31,998)	(12,560)	19,438	60.75%	▲
Loss on disposal of assets	7	(77,488)	(62,917)	0	62,917	100.00%	▲
		(4,466,321)	(1,137,165)	(1,184,687)	(47,522)		
Non-cash amounts excluded from operating activities	1(a)	2,021,707	548,538	520,355	(28,183)	(5.14%)	
Amount attributable to operating activities		486,650	1,169,735	1,060,919	(108,816)		
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	12	694,971	273,305	272,921	(384)	(0.14%)	
Proceeds from disposal of assets	7	264,000	89,407	89,407	0	0.00%	
Payments for property, plant and equipment	8	(2,725,000)	(777,756)	(184,957)	592,799	(76.22%)	▲
Amount attributable to investing activities		(1,766,029)	(415,044)	177,371	592,415		
Financing Activities							
Transfer from reserves	9	1,093,000	0	0	0	0.00%	
Transfer to reserves	9	(635,295)	(29,055)	(29,055)	0	0.00%	
Amount attributable to financing activities		457,705	(29,055)	(29,055)	0		
Closing funding surplus / (deficit)	1(c)	0	1,547,310	2,263,679			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 14 for an explanation of the reasons for the variance.

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

Please refer to the compilation report

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	7	(2,287)	(1,003)	(55,295)
Contract liabilities not expected to be cleared at year end		0	0	80,952
Add: Loss on asset disposals	7	77,488	62,917	0
Add: Depreciation on assets		1,946,506	486,624	494,698
Total non-cash items excluded from operating activities		2,021,707	548,538	520,355

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation* 32 to agree to the surplus/(deficit) after imposition of general rates.

		Last Year Closing 30 June 2019	This Time Last Year 30 September 2018	Year to Date 30 September 2019
Adjustments to net current assets				
Less: Reserves - restricted cash	9	(5,623,122)	(5,588,215)	(5,652,177)
Less: Non-current rates receivable		0	(19,996)	0
Add: Borrowings		0	(5,000)	0
Add: Provisions - employee	10	220,118	213,977	220,118
Add: Change in accounting policy		1,196	0	49,225
Total adjustments to net current assets		(5,401,808)	(5,399,234)	(5,382,834)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	6,120,009	7,445,620	7,596,877
Financial assets at amortised cost		894,984	0	0
Rates receivables	3	102,623	322,747	313,963
Receivables	3	85,380	190,346	101,991
Other current assets	4	14,987	53,971	14,987
Less: Current liabilities				
Payables	5	(541,613)	(146,792)	(131,139)
Contract liabilities	10	0	0	(30,048)
Provisions	10	(220,118)	(213,977)	(220,118)
Less: Total adjustments to net current assets	1(b)	(5,401,808)	(5,399,234)	(5,382,834)
Closing funding surplus / (deficit)		1,054,444	2,252,681	2,263,679

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Cash on hand								
Municipal Account	Cash and cash equivalents	858,654	0	858,654	0	Bendigo Bank	Variable	Nil
Licensing Account	Cash and cash equivalents	10,693	0	10,693	0	Bendigo Bank	Variable	Nil
Savings Account	Cash and cash equivalents	1,038,993	0	1,038,993	0	Bendigo Bank	Variable	Nil
ATM Control Account	Cash and cash equivalents	11,700	0	11,700	0	Bendigo Bank	Nil	Nil
ATM Cash Account	Cash and cash equivalents	23,300	0	23,300	0	Bendigo Bank	Nil	Nil
Cash on Hand	Cash and cash equivalents	1,360	0	1,360	0	On hand	Nil	Nil
Term Deposit XXXXXX932	Cash and cash equivalents	0	4,752,568	4,752,568	0	Bendigo Bank	1.65%	Dec 2019
Term Deposit XXXXXX965	Cash and cash equivalents	0	899,609	899,609	0	Bendigo Bank	1.65%	Dec 2019
Trust Account	Cash and cash equivalents	0	0	0	5,605	Bendigo Bank	Variable	Nil
Total		1,944,700	5,652,177	7,596,877	5,605			
Comprising								
Cash and cash equivalents		1,944,700	5,652,177	7,596,877	5,605			
		1,944,700	5,652,177	7,596,877	5,605			

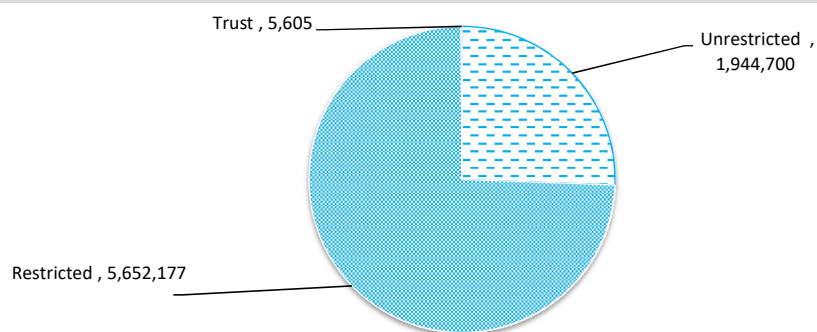
KEY INFORMATION

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

The local government classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Total Cash	Unrestricted
\$7.6 M	\$1.94 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

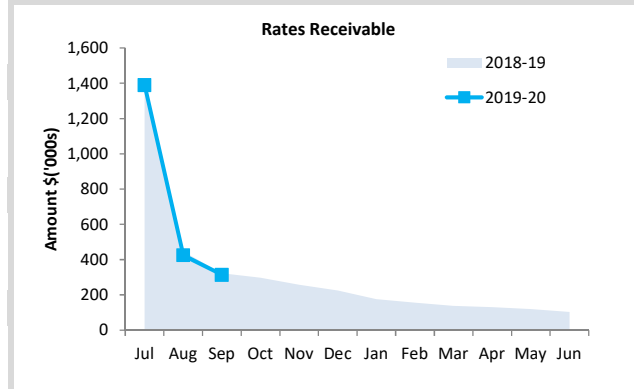
**OPERATING ACTIVITIES
NOTE 3
RECEIVABLES**

Rates receivable	30 Jun 2019	30 Sep 19
	\$	\$
Opening arrears previous years	107,650	102,623
Levied this year	1,041,439	1,063,124
Less - collections to date	(1,046,466)	(851,784)
Equals current outstanding	102,623	313,963
Net rates collectable	102,623	313,963
% Collected	91.1%	73.1%

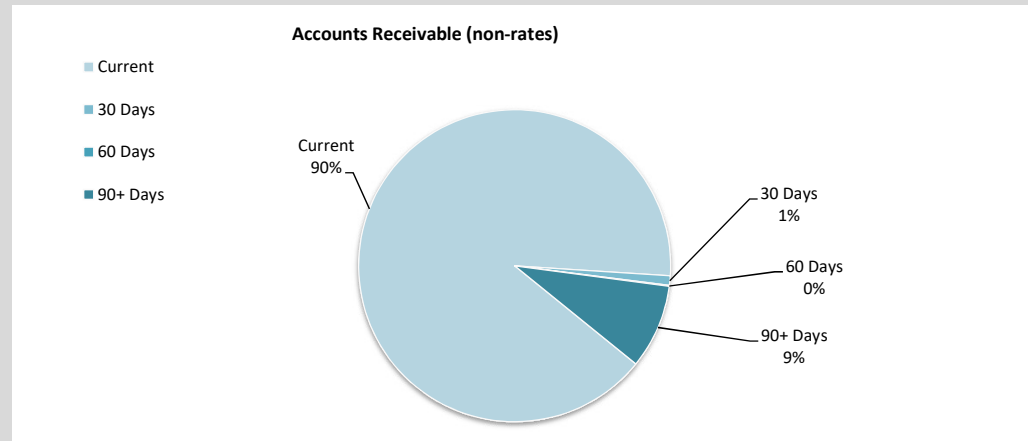
Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	89,898	984	100	8,685	99,667
Percentage	0.0%	90.2%	1%	0.1%	8.7%	
Balance per trial balance						
Sundry receivable						99,667
Allowance for impairment of receivables						(2,676)
Sport club loan						5,000
Total receivables general outstanding						101,991
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



Collected	Rates Due
73.1%	\$313,963



Debtors Due
\$101,991
Over 30 Days
10%
Over 90 Days
8.7%

	Opening Balance 1 July 2019	Asset Increase	Asset Reduction	Closing Balance 30 September 2019
Other current assets	\$	\$	\$	\$
Inventory				
Stock on Hand	14,987	0	0	14,987
Total other current assets				14,987

Amounts shown above include GST (where applicable)

KEY INFORMATION

Inventory

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

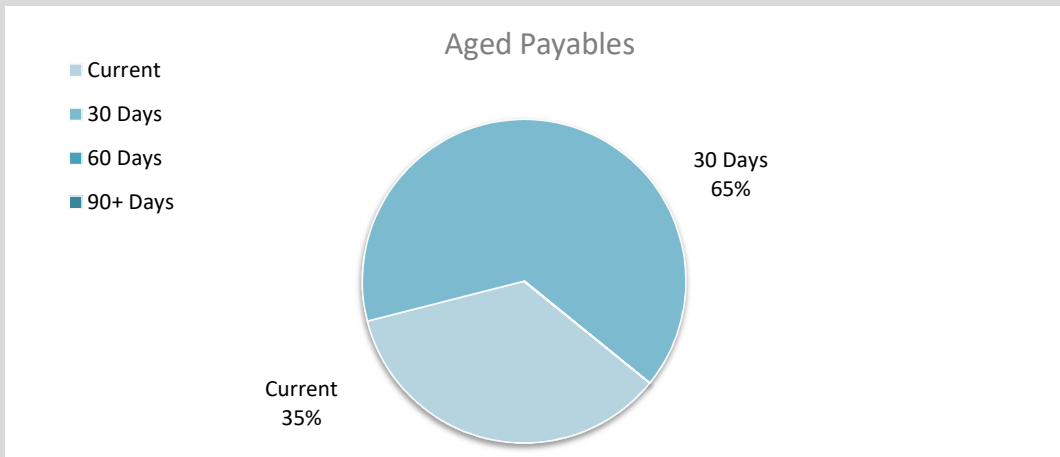
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	13,865	25,524	0	0	39,389
Percentage	0%	35.2%	64.8%	0%	0%	
Balance per trial balance						
Sundry creditors						39,389
ATO liabilities						27,793
Credit card						2,660
Housing Bonds						14,115
Other payables						47,182
Total payables general outstanding						131,139

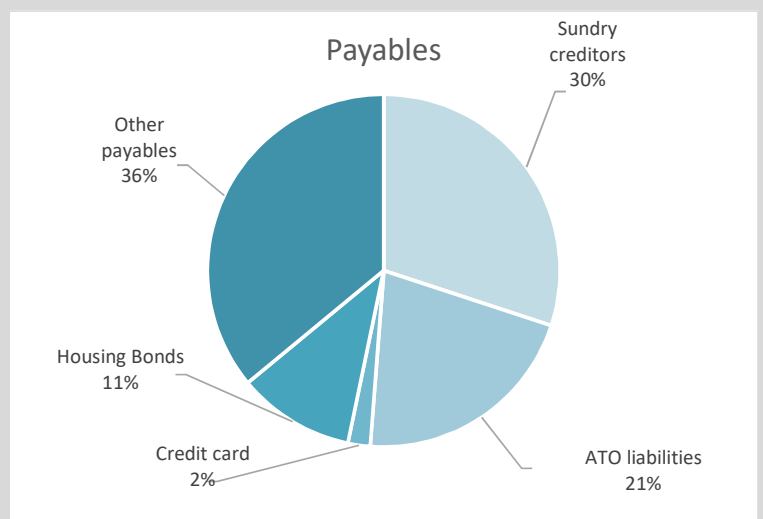
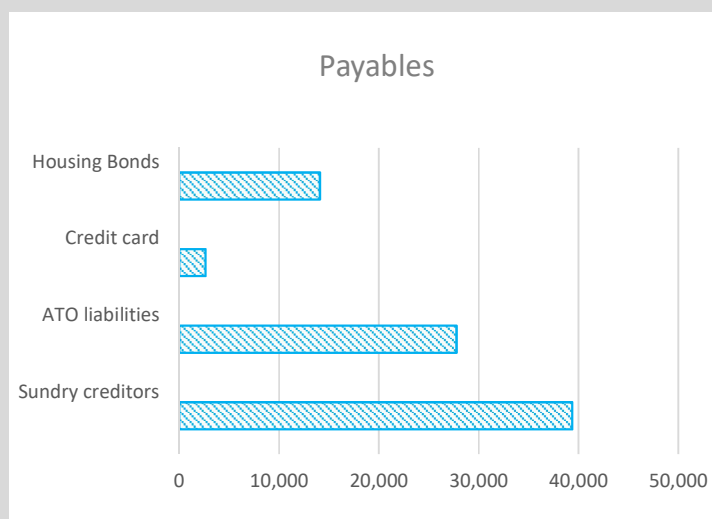
Amounts shown above include GST (where applicable)

KEY INFORMATION

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



Creditors Due
\$131,139
Over 30 Days
65%
Over 90 Days
0%



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

OPERATING ACTIVITIES
NOTE 6
RATE REVENUE

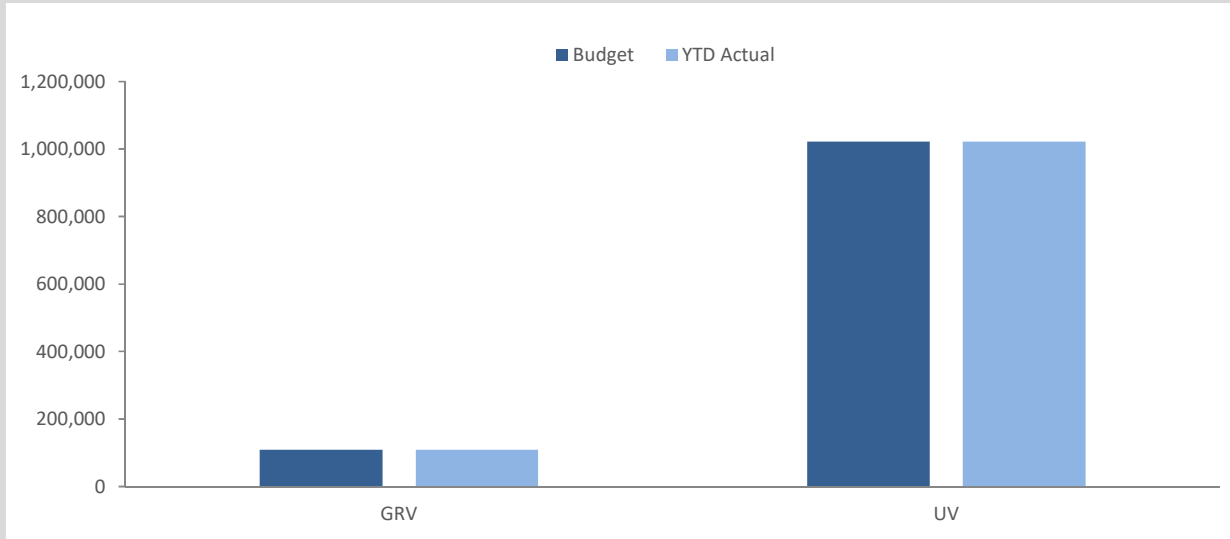
General rate revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
Gross rental value											
GRV	0.113500	135	959,752	108,932	0	0	108,932	108,850	0	0	108,850
Unimproved value											
UV	0.019330	218	52,870,500	1,022,198	0	0	1,022,198	1,022,198	(46)	0	1,022,152
Sub-Total		353	53,830,252	1,131,130	0	0	1,131,130	1,131,048	(46)	0	1,131,002
Minimum payment	Minimum \$										
Gross rental value											
GRV	400	26	26,790	10,400	0	0	10,400	10,800	0	0	10,800
Unimproved value											
UV	400	25	231,348	10,000	0	0	10,000	10,400	0	0	10,400
Sub-total		51	258,138	20,400	0	0	20,400	21,200	0	0	21,200
Discount							(85,500)				(89,078)
Amount from general rates							1,066,030				1,063,124
Total general rates							1,066,030				1,063,124

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

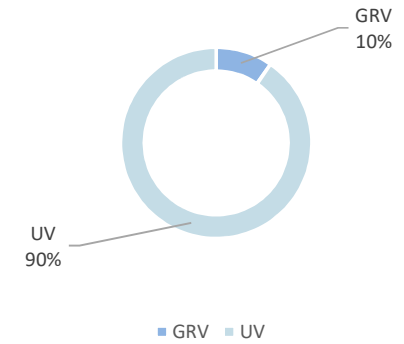
**OPERATING ACTIVITIES
NOTE 6
RATE REVENUE**

KEY INFORMATION

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

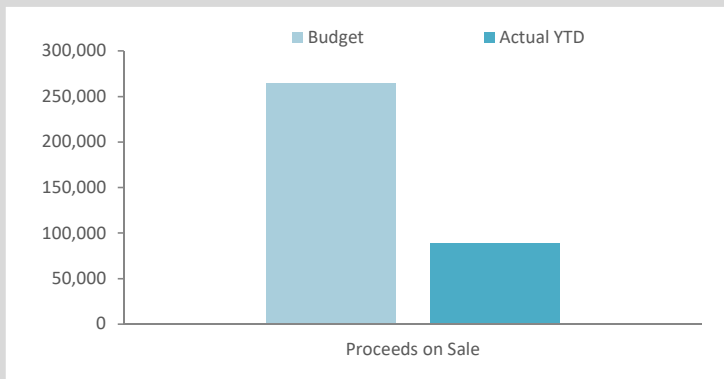


General Rates		
Budget	YTD Actual	%
\$1.07 M	\$1.06 M	99.73%



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Transport								
	WS Ute 1 (KD000)	39,719	40,000	281	0	0	0	0	0
	Low Loader/Float (KD031)	22,019	10,000	0	(12,019)	0	16,364	16,364	0
	Volvo Grader (KD019)	132,917	70,000	0	(62,917)	0	37,727	37,727	0
	Ranger Gardener Ute (KD058)	13,776	12,000	0	(1,776)	0	0	0	0
	Other property and services								
	CEO 1 (KD0)	33,997	35,000	1,003	0	34,112	35,316	1,204	0
	CEO 2 (KD0)	33,997	35,000	1,003	0	0	0	0	0
	DCEO 1 (OKD)	31,388	31,000	0	(388)	0	0	0	0
	DCEO 1 (OKD)	31,388	31,000	0	(388)	0	0	0	0
		339,201	264,000	2,287	(77,488)	34,112	89,407	55,295	0

KEY INFORMATION



Proceeds on sale		
Annual Budget	YTD Actual	%
\$264,000	\$89,407	34%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

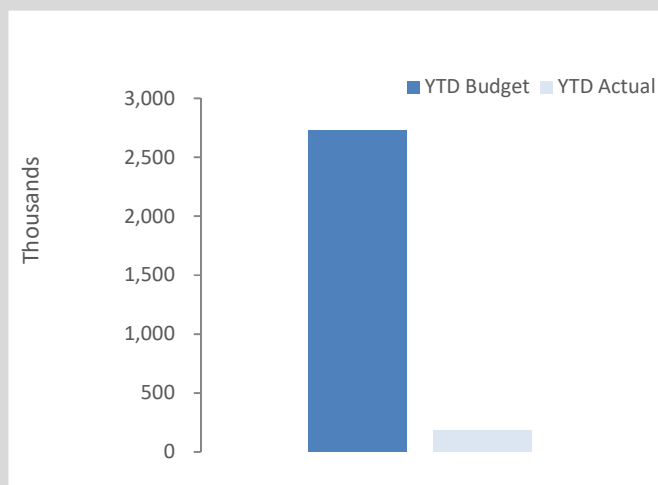
INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Building and Improvements	520,000	0	0	0
Plant and Equipment	637,000	425,000	89,852	(335,148)
Furniture and Equipment	157,000	0	0	0
Roads	1,326,000	331,506	95,105	(236,401)
Other Infrastructure	85,000	21,250	0	(21,250)
Capital Expenditure Totals	2,725,000	777,756	184,957	(592,799)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	694,971	273,305	272,921	(384)
Other (disposals & C/Fwd)	264,000	89,407	89,407	0
Cash backed reserves				
Plant and equipment	353,000	0	0	0
Building	520,000	0	0	0
Recreation	70,000	0	0	0
IT & Admin	150,000	0	0	0
Contribution - operations	673,029	415,044	(177,371)	(592,415)
Capital funding total	2,725,000	777,756	184,957	(592,799)

SIGNIFICANT ACCOUNTING POLICIES

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

KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$2.73 M	\$0.18 M	7%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$0.69 M	\$0.27 M	39%

Capital Acquisitions	Adopted Annual Budget	YTD Budget	YTD Actual	Variance (Under)/ Over
Building and Improvements	\$	\$	\$	
Lot 282 (Simmons)	20,000	0	0	0
Lot 274 (Segond)	10,000	0	0	0
Yalambee Units	25,000	0	0	0
L550DEF Newcarlbeon UF	50,000	0	0	0
Lot 204 (GROH)	40,000	0	0	0
L164C (GROH)	350,000	0	0	0
Caravan Park Chalets	25,000	0	0	0
TOTAL - Building and Improvements	520,000	0	0	0
Plant & Equipment				
WS Ute 1 (Mar)	55,000	0	0	0
P31 L/Loader Float (Nov)	40,000	40,000	50,000	10,000
P19 Volvo Grader	345,000	345,000	0	(345,000)
P58 Garden Ford Ranger Tip Ute	30,000	0	0	0
Misc Plant	15,000	0	0	0
Exc. Vehicle 1 (Aug)	40,000	40,000	39,852	(148)
Exc. Vehicle 2 (Jan)	40,000	0	0	0
DCEO Vehicle	36,000	0	0	0
DCEO Vehicle	36,000	0	0	0
TOTAL - Plant & Equipment	637,000	425,000	89,852	(335,148)
Furniture & Equipment				
Depot	7,000	0	0	0
Servers/Computers	150,000	0	0	0
TOTAL - Furniture & Equipment	157,000	0	0	0
Roads				
Koorda Kulja W/Seal	150,000	37,500	0	(37,500)
Koorda Kulja Reseal 9.00-12.50	90,000	22,500	413	(22,087)
Koorda Kulja Reseal 29.00-31.00	60,000	15,000	1,579	(13,421)
Burakin Wialki Reseal	150,000	37,500	69,020	31,520
Koorda Dowerin W/Seal	150,000	37,500	0	(37,500)
Koorda Dowerin Reseal	71,000	17,751	581	(17,170)
Cadoux Koorda Recon	150,000	37,500	0	(37,500)
Burakin Wialki W/Seal	150,000	37,500	6,761	(30,739)
Commonwealth Ref/Sheet	70,000	17,502	0	(17,502)
Kulja Central Ref/Sheet	56,000	14,001	0	(14,001)
Mollerin Rock Sth Ref/Sheet	90,000	22,500	0	(22,500)
Wilson Ref/Sheet	90,000	22,500	0	(22,500)
Koorda Kulja Shoulders	49,000	12,252	16,751	4,499
TOTAL - Roads	1,326,000	331,506	95,105	(236,401)
Other Infrastructure				
Rec (Recycled Water System)	70,000	17,500	0	(17,500)
Footpaths	15,000	3,750	0	(3,750)
TOTAL - Other Infrastructure	85,000	21,250	0	(21,250)
	2,725,000	777,756	184,957	(592,799)

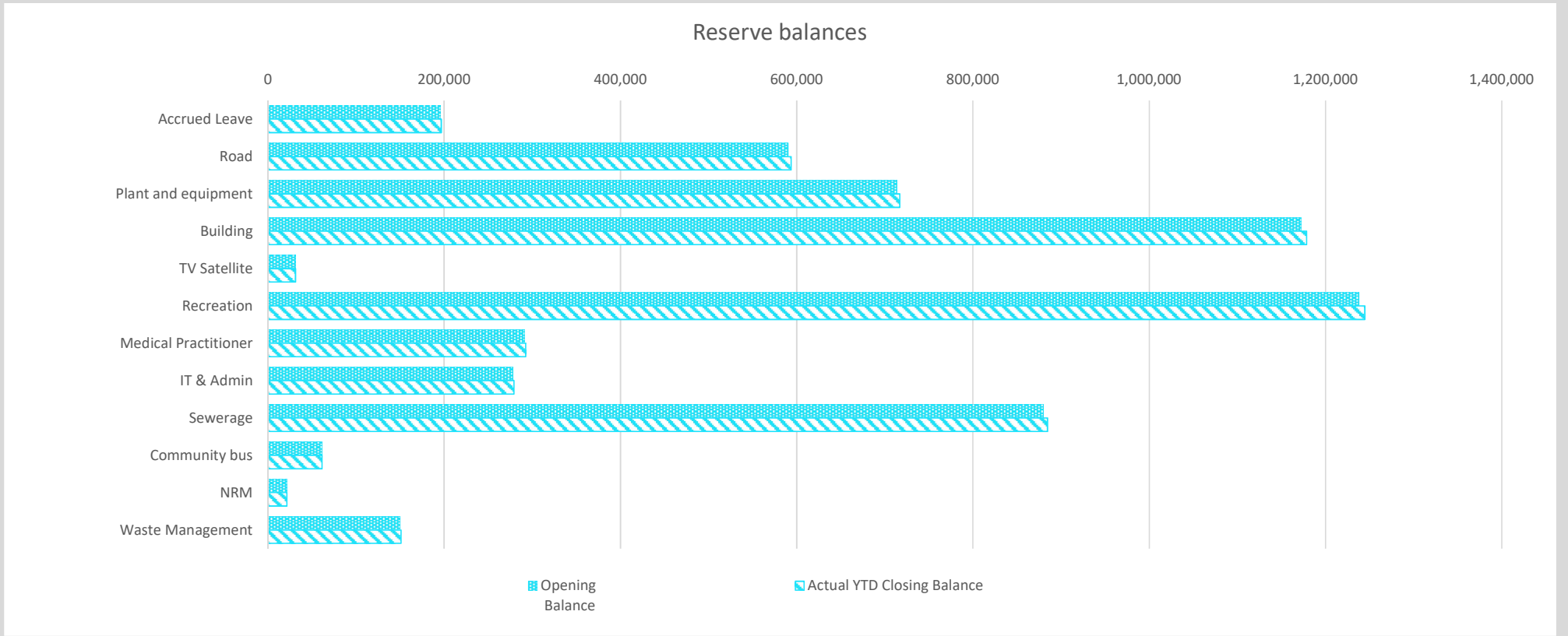
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

OPERATING ACTIVITIES
NOTE 9
CASH RESERVES

Cash backed reserve

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accrued Leave	195,766	0	1,012	4,546	0	0	0	200,312	196,778
Road	590,547	0	3,050	111,391	0	0	0	701,938	593,597
Plant and equipment	713,279	0	3,686	116,563	0	(353,000)	0	476,842	716,965
Building	1,172,447	0	6,058	76,592	0	(520,000)	0	729,039	1,178,505
TV Satellite	31,136	0	161	723	0	0	0	31,859	31,297
Recreation	1,238,188	0	6,398	128,751	0	(70,000)	0	1,296,939	1,244,586
Medical Practitioner	291,116	0	1,504	6,760	0	0	0	297,876	292,620
IT & Admin	277,685	0	1,435	104,126	0	(150,000)	0	231,811	279,120
Sewerage	880,064	0	4,547	80,435	0	0	0	960,499	884,611
Community bus	61,261	0	317	1,423	0	0	0	62,684	61,578
NRM	21,520	0	111	500	0	0	0	22,020	21,631
Waste Management	150,113	0	776	3,485	0	0	0	153,598	150,889
	5,623,122	0	29,055	635,295	0	(1,093,000)	0	5,165,417	5,652,177

KEY INFORMATION



Other current liabilities	Note	Opening Balance 1 July 2019	Liability Increase	Liability Reduction	Closing Balance 30 September 2019
		\$	\$	\$	\$
Contract liabilities					
Unspent grants, contributions and reimbursements					
- operating		0	30,048	0	30,048
Total unspent grants, contributions and reimbursements		0	30,048	0	30,048
Provisions					
Annual leave		119,823	0	0	119,823
Long service leave		100,295	0	0	100,295
Total Provisions		220,118	0	0	220,118
Total other current assets					250,166
Amounts shown above include GST (where applicable)					

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11 and 12

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee benefits

Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contract liabilities

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

NOTE 11

OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase	Liability	Liability	Current	Adopted Budget	YTD	YTD Revenue
	1-Jul	in Liability	Reduction (As revenue)	30-Jun	Liability 30-Jun	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
Governance								
Grant Wheatbelt Secondary Freight Network	0	100,000	0	100,000	19,048	84,952	14,158	0
General purpose funding								
Grants Commission	0	0	0	0	0	620,000	155,000	157,117
Federal Road Grant	0	0	0	0	0	295,000	73,750	74,392
Law, order, public safety								
Subsidy - BFS	0	0	0	0	0	11,381	0	0
Recreation and culture								
Grant - Aus Sport (Netball Resurface)	0	11,000	0	11,000	11,000	11,000	0	0
Transport								
Grant - MRD Direct	0	0	0	0	0	144,000	144,000	0
Other property and services								
Grant - Diesel Fuel Rebate	0	0	0	0	0	38,000	9,498	9,494
	0	111,000	0	111,000	30,048	1,204,333	396,406	241,003
TOTALS	0	111,000	0	111,000	30,048	1,204,333	396,406	241,003

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019

NOTE 12

NON-OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent non operating grants, subsidies and contributions liability					Non operating grants, subsidies and contributions revenue		
	Liability 1-Jul	Increase in Liability	Liability Reduction (As revenue)	Liability 30-Jun	Current Liability 30-Jun	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Recreation and culture								
Grant - CSRFF Rec Ground	0	0	0	0	0	62,971	62,971	0
Transport								
Federal Roads to Recovery	0	0	0	0	0	322,000	107,334	0
Grant - Regional Road Group	0	0	0	0	0	310,000	103,000	119,600
Main roads	0	0	0	0	0	0	0	153,321
	0	0	0	0	0	694,971	273,305	272,921
TOTALS	0	0	0	0	0	694,971	273,305	272,921

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

**NOTE 13
TRUST FUND**

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

Description	Opening Balance 1 July 2019	Amount Received	Amount Paid	Closing Balance 30 Sep 2019
	\$	\$	\$	\$
Swimming Pool Committee	301	0	0	301
RRG Chairman's Travel	910	0	0	910
Koorda SES	4,394	0	0	4,394
Nominations	0	320	0	320
	5,605	320	0	5,925

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

**NOTE 14
EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2019-20 year is \$10,000 and 10.00%.

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
Revenue from operating activities	\$	%		
Governance	(14,158)	(100.00%)	▼ Timing	WSFR Contract Liability portion not journalled for first milestone in project. To send out invoices to participating Shires.
Recreation and culture	65,469	614.62%	▲ Timing	Insurance money for Drive In projector claim came in this financial year. Roads to Recovery funding not claimed and received until November. Invoices for sale of grader and low loader received in reporting month.
Transport	(89,909)	(62.44%)	▼ Timing	
Expenditure from operating activities				
Community amenities	15,926	19.90%	▲ Timing	Refuse Site, Sewerage Plant maintenance lower than anticipated and Town Planning Scheme Invoice not yet received.
Transport	(72,308)	(15.60%)	▼ Timing	Road Preservation higher than monthly budget split.
Investing activities				
Capital acquisitions	592,799	76.22%	▲ Timing	New grader acquisition not yet complete. Staff anticipate by October month end the transaction will be completed.

Monthly Report - List of Accounts Paid

Submitted to Council 16 October 2019

The following list of accounts has been paid under delegation, by the Chief Executive Officer, since the previous list of accounts. **Municipal vouchers numbered from V194 to V220 and direct bank transactions totalling \$138,129.56** submitted to each member of the Council, on Wednesday the 16 October 2019 have been checked and are fully supported by vouchers and duly certified invoices with checks being carried out as to prices, computations and costing.


Darren Simmons
 Chief Executive Officer

Vouch No.	Payment Date	Supplier's Name	Description of purchase	Payment made by delegated authority
V194	18/09/2019	Shire of Koorda	Employee Wages	38,347.17
V195	18/09/2019	Super Choice	Employee Superannuation Payments	9,035.22
V196	20/09/2019	Telstra	CEO WS DCEO	177.20
V197	20/09/2019	5 Rivers Plumbing & Gas	L20135 Replace HW Valve	282.97
V198	20/09/2019	Armadale Lock & Key	L253 CEO Office L20135 Bar Door Lock Replacement	247.00
V199	20/09/2019	Hannah Cooper	Council Supper	96.00
V200	20/09/2019	Eastern Hills Saws & Mowers	P95 2 x Tyres	158.00
V201	20/09/2019	Elders Ltd	20L Roundup, Tie Wire	203.72
V202	20/09/2019	Koorda Hotel	Refreshments Clubs & Organisations Meeting	158.00
V203	20/09/2019	Sally Jane Putt	Development Corporate Style & Branding	1,440.00
V204	20/09/2019	Shire of Mt Marshall	NEWHealth Recoup EHO July & August	4,690.13
V205	20/09/2019	St John Ambulance Wyalkatchem	First Aid Kit \$132 (Gym) Defibrillator \$1350.00 & Cabinet \$0.00	1,482.00
V206	20/09/2019	Taylor Made Rehabilitation	Gym Inductions	80.00
V207	20/09/2019	T & E Services Pty Ltd	Flu Vaccinations	110.00
V208	20/09/2019	ATO	BAS August	21,298.00
V209	22/08/2019	Telstra Bigpond	Medical Centre Internet	49.95
V210	27/09/2019	Alan Thornton	Return of Employee Housing Bond	200.00
V211	27/09/2019	Telstra	Leading Hand & SES 12 Sept - 11 Oct	24.40
V212	2/10/2019	Shire of Koorda	Employee Wages	37,028.33
V213	2/10/2019	Super Choice	Employee Superannuation Payments	8,806.88
V214	2/10/2019	DFES	September 2019 ESL Remittance	1,946.61
V215	3/10/2019	Telstra	SES Account to 16/10/19	30.00
V216	3/10/2019	Telstra	Office & Houses Bulk Account	665.43
V217	3/10/2019	Bendigo Card Services	See Summary Below	2,660.15
V218	4/10/2019	Synergy	L20135 28 Aug - 11 Sept	793.96
V219	7/10/2019	Water Corp	Bulk Bills (July - Sept 2019)	7,754.68
V220	8/10/2019	Synergy	L17933 15 Aug - 18 Sept 2019	363.76
			GRAND TOTAL	138,129.56
Bendigo Credit Card				
V217	4/09/2019	Crisp Wireless	L68 WS Internet Account	99.00
	4/09/2019	Crisp Wireless	L164B MoFA Internet Account	99.00
	4/09/2019	Crisp Wireless	L282 CEO Internet Account	99.00
	7/09/2019	Wilson Parking	Parking - Meeting With CBH	32.00
	10/09/2019	AMA Services WA Pty Ltd	Replacement Vaccine Fridge Medical Centre	1,754.50
	11/09/2019	Security Seals Online (Ebay)	Tamper Evident Cable Ties	48.00
	14/09/2019	Licensys Pty Ltd	Update Logo & Slogan on Koorda Plates	227.65
	14/09/2019	Trinity On Hampden	Accommodation - Lana Foote	99.00
	20/09/2019	Trinity On Hampden	Accommodation - Lana Foote	198.00
	30/09/2019	Bendigo Card Services	September 2019 Card Fee	4.00
				2,660.15

CASH FINANCIAL POSITION AS AT 09.10.2019**MUNICIPAL ACCOUNT****CASH AT BANK 09.10.2019**

Bendigo Municipal	803,391.92
Bendigo Licencing	17,963.30
Bendigo Savings Account	1,038,993.22
Bendigo ATM Account	5,300.00
Bendigo ATM Cash Account	29,700.00
SUB TOTAL	1,895,348.44

LESS SUNDRY CREDITORS	(53,077.35)
<i>BALANCE</i>	<u>1,842,271.09</u>

RESERVE FUNDS

ACCRUED LEAVE	196,777.62
ROAD	593,598.55
PLANT REPLACEMENT	716,964.06
BUILDING	1,073,377.57
COMMUNITY HOUSING	41,331.99
JOINT VENTURE	44,874.53
JOINT VENTURE (Johnson Place)	18,921.37
TV SATELITE	31,296.47
RECREATION	1,244,585.90
MEDICAL PRACTITIONER	292,620.61
INFORMATION TECHNOLOGY	279,119.77
SEWERAGE	884,610.97
COMMUNITY BUS	61,577.98
NRM	21,631.11
WASTE MANAGEMENT	150,888.52
<i>BALANCE</i>	<u>5,652,177.02</u>

TRUST FUNDS

Nominations	-
RRG Chairman's Travel	910.45
Koorda SES	4,393.51
Councillor Donations	320.00
Swimming Pool Committee	300.50
<i>BALANCE</i>	<u>5,924.46</u>

INVESTMENT OF COUNCIL FUNDS

Period 1 July - 30 September 2019

Reserve Funds (153 693 965)		
Place of Investment	Bendigo Term Deposit	633-000 153693965
Term of Investment	1 July - 30 September 2019	
Interest Rate	2.60%	
Opening Balance	1/07/2019	894,984.05
Interest Earned	July - September 2019	4,624.49
Transfers Out		
Transfers In		
Actual Balance 30 September 2019		899,608.54

Reinvested	1 July - 30 September 2019
Interest Rate	1.65%
Place of Investment	Bendigo Bank

Reserve Funds (153 693 932)		
Place of Investment	Bendigo Term Deposit	633-000 153693932
Term of Investment	1 July - 27 September 2019	
Interest Rate	2.00%	
Opening Balance	1/07/2019	4,728,137.61
Interest Earned	July - September 2019	24,430.87
Transfers Out		
Transfers In		
Actual Balance 30 September 2019		4,752,568.48

Reinvested	28 September - 27 December 2019
Interest Rate	1.65%
Place of Investment	Bendigo Bank

Names of Fund Invested	Accrued Leave	196,777.62
	Road	593,598.55
	Plant	716,964.06
	Building-Council	1,073,377.57
	Community Housing	41,331.99
	Joint Venture	44,874.53
	Joint Venture (Johnson Place)	18,921.37
	TV Satellite	31,296.47
	Recreation	1,244,585.90
	Medical Practitioner	292,620.61
	IT & Administration	279,119.77
	Sewerage	884,610.97
	Community Bus	61,577.98
	NRM	21,631.11
	Waste Management	150,888.52
Balance 30 September 2019		5,652,177.02

INVESTMENT OF COUNCIL FUNDS

Savings Account

Place of Investment	Bendigo Bank	633-000 158524405
Term of Investment	Ongoing	
Interest Rate	Variable	
Opening Balance	1/04/2019	188,137.05
Interest Earned	April - June 2019	856.17
Transfers From	Savings to Municipal	
Transfers To	Savings from Municipal	850,000.00
Accrued Balance 30 September 2019		1,038,993.22
Reinvested	Ongoing	
Interest Rate	Variable	
Place of Investment	Bendigo Bank	

PROPOSED DEBT RECOVERY POLICY

PURPOSE

To provide clear and appropriate debt recovery procedures which will be undertaken by the Shire of Koorda.

To ensure effective control over all invoiced debts owed to Council whilst being sympathetic to those ratepayers and debtors suffering genuine financial hardship.

POLICY

Outstanding Amounts

- All monies owed to Council are deemed to be overdue following a period of 50 days from the date of the original invoice (excluding instalments options and payment arrangements).
- At the expiration of the 50 day period Council shall issue a final notice giving the debtor a further 30 days to rectify the debt.
- At the expiration of the 30 day period, if payment has not been forthcoming, then Council will issue an overdue letter requesting payment within 14 days.
- At the expiration of the 14 day period, if payment has not been forthcoming, then council will issue a letter of intent to summons, advising of Council's ability to, in the case of rates, all legal costs will be incurred by the ratepayer and the ratepayers credit rating will be affected. Payment is requested in 7 days.
- The matter is then handed to a debt collection agency (or Fines Enforcement Registry), and all costs associated with debt collection action will be borne by the debtor.
- Prior to commencing any action to sell land under the provisions of the Local Government Act 1995, the matter is to be referred to Council for consideration.
- Interest on outstanding monies shall be calculated on a daily basis at a level set at Council's annual budget for monies outstanding for a period greater than 35 days in accordance with Section 6.13(6) of the Local Government Act.
- In cases where the owner of a leased or rented property on which municipal rates are outstanding cannot be located or refuses to settle rates owed, notices may be served on the lessee or tenant to pay to the Council the rent due under the lease/tenancy agreement as it becomes due until the amount in arrear has been paid.

That any penalty interest accrued on an outstanding rates balance of less than ten dollars be written off by Council, in accordance with the provisions of Section 6.12 of the Local Government Act 1995.

That for a rates assessment with an outstanding balance \$0 and \$1,000 that no legal action be taken against the owner. Further that the owner be advised of the outstanding amount and that they can either choose to pay the debt, or the amount will show on the next rates notice received, accruing penalty interest at the appropriate rate.

That for a rates assessment with an outstanding balance of greater than \$1,000, the matter be referred to Council's debt collecting agency for recovery action to the extent permitted under the *Local Government Act 1995* (as amended).

Arrangements to Pay Off Debt:

All requests for deferment and/or payment by instalments must be made in writing; and The ratepayer must when making application for deferment or payment by instalments provide writing:

- Details to support their payment;
- Advice as to the date payment will be finalised: