



ORDINARY MEETING OF COUNCIL

AGENDA

18 JUNE 2020



NOTICE OF MEETING

18 June 2020

**14 White Street
Brookton, WA 6306**

Dear Councillor, Resident or Ratepayer,

Notice is hereby given that the Ordinary Meeting of the Brookton Shire Council will be held on Thursday 18 June 2020 in the Council Chambers at the Shire Administration Centre commencing at 6.00 pm.

The business to be transacted is shown in the Agenda.

Ian D'Arcy
CHIEF EXECUTIVE OFFICER
12 June 2020

DISCLAIMER

The recommendations contained in the Agenda are subject to confirmation by Council. The Shire of Brookton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Brookton for any act, omission or statement or intimation occurring during a Council meeting.

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1.06.20 USE OF COMMON SEAL – MAY 2020

The Table below details the Use of Common Seal under delegated authority for the month of May 2020.

Use of Common Seal Register		
File Ref:	Purpose	Date Granted
A578	Lease Agreement – BCI Community Garden & Men's Shed	27 May 2020

2.06.20 DELEGATED AUTHORITY – ACTIONS PERFORMED – MAY 2020

The Table below details the actions of Council performed under delegated authority for the month May 2020.

Shire of Brookton, Delegation Register, 1.46 Building Matters – Permits, Certificates & Orders

BUILDING			
Application No.	Lot & Street	Type of Building Work	Date Granted
14-19.20	9043 Brookton Highway, Brookton	Hay Shed	19 May 2020
15-19.20	80 Jose Street, Brookton	Patio	15 May 2020

Shire of Brookton, Delegation Register, 1.41 Specific Provisions under the Town Planning Scheme No. 4.

PLANNING				
File Ref	Application Ref	Subject Land (incl. Scheme No.)	Purpose	Date Granted
P2831	2020-005	Shire of Brookton, Depot	Site Office & Storage	29 May 2020

3.06.20 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

On behalf of Council I would like to acknowledge that this meeting is being held on the traditional lands of the Nyoongar People and pay respect to all Elders, past, present and emerging. I wish to acknowledge and respect local people's continuing culture and the contribution they make to Country and its life.

4.06.20 RECORD OF ATTENDANCE/APPOLOGIES/APPROVED LEAVE OF ABSENCE**5.06.20 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE****6.06.20 PUBLIC QUESTION TIME****7.06.20 APPLICATIONS FOR LEAVE OF ABSENCE****8.06.20 PETITIONS/DEPUTATIONS/PRESENTATIONS****9.06.20 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS****9.06.20.01 ORDINARY MEETING OF COUNCIL – 21 MAY 2020**

That the minutes of the Ordinary meeting of Council held in the Shire of Brookton Council Chambers, on 21 May 2020, be confirmed as a true and correct record of the proceedings.

9.06.20.02 SPECIAL MEETING OF COUNCIL – 26 MAY 2020

That the minutes of the Special meeting of Council held in the Shire of Brookton Council Chambers, on 26 May 2020, be confirmed as a true and correct record of the proceedings.

10.06.20 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

11.06.20 DISCLOSURE OF INTERESTS

Members and Officers to declare Financial, Proximity or Impartiality Interests & submit forms to the Chief Executive Officer at the commencement of the meeting and also prior to the item.

Disclosure of Financial & Proximity Interests

- a. Members must disclose the nature of their interest in matters to be considered at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*).
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the *Local Government Act 1995*).

Disclosure of Interest Affecting Impartiality

- a. Members and staff must disclose their interest in matters to be considered at the meeting in respect of which the member or employee has given or will give advice.

12.06.20 TECHNICAL & DEVELOPMENT SERVICES REPORTS

12.06.20.01 RFQ 05/2020 – SUPPLY AND DELIVERY OF MOTOR GRADER

File No:	RFQ/05-2020
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author/s:	Danni Chard – Executive Governance Officer Ian D’Arcy – Chief Executive Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author and authorizing officer do not have an interest in this item
Voting Requirements:	Absolute Majority
Previous Report:	N/A

Summary of Item:

This item seeks Council’s approval to engage a supplier determined as best value for money through a Request for Quotation process (RFQ 05-2020) for the supply and delivery of a motor grader.

Description of Proposal:

The proposal involved the planned purchase and replacement of a Shire owned motor grader, inclusive of trading the existing Shire owned G940 Volvo grader.

Background:

The Shire currently has 2 graders (one being the Volvo for trade, and the other being a John Deer acquired 2018-19 financial year) in its fleet.

The specification for the new grader has been aimed at acquiring the most suited machine for the road works to be performed by the Shire of Brookton and at the same time standardising the current fleet to gain value for money when servicing the existing fleet.

Consultation:

This item was canvassed with Councillors as part of the Corporate Briefing Forum held in April 2020, which centered on initial budget discussion and considerations.

Furthermore, consultation has taken place with the Works Coordinator, Grader Operator, Manager of Infrastructure and Emergency, and Manager of Corporate and Community as part of the e-quote evaluation process.

Statutory Environment:

Section 3.57 of the *Local Government Act, 1995* requires all local governments to call for tenders or alternatively obtain quotes from pre-qualified suppliers under the WALGA procurement process before it can enter into a contract for the supply of goods or services.

These processes are detailed further under Regulation 11(1) of the *Local Government (Functions and General) Regulations 1996* where the value exceeds \$250,000 with Regulation 11(2)(b) granting the opportunity to call for quotes. This report aligns with Regulation 11 (2)(b).

Relevant Plans and Policy:

The change-over of the motor grader aligns with the Council’s Plant Replacement Program that has
Shire of Brookton, Agenda Ordinary Meeting of Council, 18 June 2020

recently been amended in acknowledgement the existing Volvo Grader has been having mechanical and electrical issues and maintenance and is no longer going to be support by Volvo Australia.

Financial Implications:

The funding for change-over of this plant item is to be taken from the Council's Plant and Vehicle Financial Reserve with a draw-down of \$ 410,000 (excl. GST) less a projected trade value for the Volvo Motor Grader of \$100,000 (excl. GST). This transaction was endorsed through a budget variation at a Special Meeting of Council convened on 30th April 2020.

However, with this procurement process nearing the end of this financial year the pending decision of Council to progress the purchase of a new Motor Grader in accordance with the Officer Recommendation will see a purchase order raised in the 2020-21 financial year. This means the allocation of funds from the Plant and Vehicle Financial Reserve will need to be re-assigned to the coming 2020-21 Budget and reflect the AGFRI Equipment Australia Pty Ltd submission of \$ 413,500 (excl. GST) for the John Deere 670GP Motor Grader and a trade in value of \$ 133,000 (excl. GST) for the 940 Volvo Motor Grader, with resulting change-over figure of \$ 280,500 (excl. GST). This is \$29,500 less than the budgeted amount.

Risk Assessment:

As the Shire has called for quotes from suppliers on WALGA's pre-qualified list pursuant to *Regulation 11(2)(b)* of the *Local Government (Functions and General) Regulation 1996* there is a minimal risk in relation to this purchase. However, to the contrary in Council not proceeding with change-over of the Volvo Grader there is a 'High' risk as reflected in the matrix below in relation to:

- a) Increasing costs in relation to repairs to the Volvo Grader with no technical support from Volvo Australia; and
- b) Potential disruption to the Shire works programs.

Consequence Likelihood	Insignificant	Minor	Moderate	Major	Extreme
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

Community & Strategic Objectives:

Supply and Delivery of the Motor Grader aligns with the Shire of Brookton's Corporate Compendium.

- 12 Fleet Management
 - 12.1 Review of plant replacement program
 - 12.3 Manage of plant and vehicle maintenance

Comment

The request for quotation process has been performed in the interest of ensuring a fair and equitable procurement process is performed, underpinned by the fundamental principle of 'value for money' for the Shire of Brookton rate payers.

A copy of the evaluation report and specification for quotation purposes is provided in **Attachments 12.06.20.01A** and **Attachment 12.06.20.01B** (*provided under confidential cover*) for reference.

In summary, the preferred supplier through the evaluation process is AFGRI Equipment, supplying John Deere 670GP Motor Grader.

Across the full tender assessment criteria, AFGRI Equipment's John Deere 670GP Motor Grader has scored as the best value for money. This is largely attributed to:

- AFGRI Equipment having provided the highest trade-in value for the existing Volvo Motor Grader resulting in the most favorable change-over cost.
- Purchasing a John Deere model will provide opportunity for the Shire to standardise its Graders, and therefore yield improved servicing and maintenance costs, as well saving on down time.
- The existing John Deere Grader has to date demonstrated reliable performance and is well supported by John Deere's back up service acknowledging AFGRI Equipment has an office in Pingelly.

Therefore, based on the evaluation assessment and scoring it is recommended the Council award the purchase to AFGRI Equipment as the preferred supplier.

OFFICER RECOMMENDATION

That Council:

- 1. In consideration of Regulation 11(2)(b) of the Local Government (Functions and General) Regulations, 1996 accepts Quotation 329074 date 23 April 2020 from AFGRI Equipment for:***
 - a) supply and delivery in the 2020-21 financial year of a John Deere 670GP Motor Grader; and***
 - b) the trade in (sale) of the Shire's 2014 model Volvo G940 Motor Grader in the 2020-21 financial year.***
- 2. Allocate an amount of \$ 413,500 in the 2020-21 Budget from the Plant and Vehicle Reserve for purchase of the John Deere 670GP Motor Grader taking into account a trade-in value of \$ 133,000 for the 940 Volvo Motor Grader, with a resulting change-over figure being \$ 280,500 (excl. GST).***
- 3. Request the CEO raise the purchase order in relation to points 1 and 2 above in early July 2020 and write to all the other submitters advising they were not successful on this occasion and thank them for their submissions.***

Attachments

12.06.20.01A –Specifications

12.06.20.01B – Confidential Evaluation Report (*provided under Confidential Cover*).



Shire of Brookton
14 White Street
Brookton WA 6306

REQUEST FOR QUOTATION SHORT FORM SPECIFICATION

Quotation Title:	Supply and Delivery of Motor
Quotation Number:	Grader RFQ 05-2020
Quotation Close Time and Date:	3 pm WST – Tuesday 26 th May 2020

An invitation is extended to you to submit a written quotation for the following:

The Shire of Brookton is seeking submissions for suitable Motor Graders.

Hereinafter called "Plant Machinery Equipment"

Quotations must be in accordance with the Specification, Scope of Works and Criteria. Please ensure your written Quotation is lodged prior to the Closing Time and date, being 3 pm WST – Wednesday 22nd May 2020.

Thank you in anticipation of receipt of your written Quotation. You will be advised if you have been selected as the successful Respondent in due course.

In the meantime, please direct any general and Specification enquiries to:

INFORMATION REQUESTS	
Name:	Danni Chard
Telephone:	08 9642 1106
Email:	ego@brookton.wa.gov.au

SCOPE OF WORKS / OPERATIONAL SPECIFICATIONS

Operational Specification – Supply and Delivery of Grader equivalent to John Deer 670D or better with joystick and steering wheel controls.

Background Information/Compatibility requirements

Trade of G940 Volvo

VIN: MMAJYKL10JH010896

Identification Number: UCE0G940TE0503818

Manufacturing year: 2014

Hours: 03384 1



Desired Outcomes ("Nice to haves", Conditions & Warranties, SLA's, Project benefits).

- 5 year warranty
- 5 year full service agreement including travel and labour
- Electronic joy stick controls
- Conventional tilt adjustable steering whee
- 14 foot moldboard
- Colour LCD monitor with onboard diagnostic system.
- Window tinting
- Extra (9) scarifier shanks with teeth for rear ripper scarifier.
- Halogen/LED grading lights.
- Ground level refuelling
- Ground level daily checks
- Reverse warning alarm
- 23-volt tyre inflation kit.
- Slope meter fitted inside cab,
- Radial tyres,
- Licensed and delivered to Brookton,
- Air ride seat,
- Padlocks/locks fitted to all compartments,
- Tow bar and wiring to suit rollers (broons),
- Fire extinguisher,
- 17.5R25 rims and tyres,
- Spare rim and tyre,

- LED beacons with protective housing.
- Shire name on machine to Shire specs.

Pricing

Your pricing is to include all costs associated with your equipment and costs associated with delivery to the Shire of Brookton depot.

Pricing shall be inclusive of the WALGA fee.

All pricing is to be GST inclusive.

Any other additional charges and conditions over than those nominated above shall be clearly identified in your price.

All pricing shall be submitted in the provided pricing schedule found in the Form of Quotation documentation

13.06.20 COMMUNITY SERVICES REPORTS**14.06.20 CORPORATE SERVICES REPORT****14.06.20.01 STATEMENT OF FINANCIAL ACTIVITY FOR PERIOD ENDED 31 MAY 2020**

File No:	N/A
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author/s:	Kelly D'Arcy – Senior Finance Officer
Authorising Officer:	Amy Eva - Manager Corporate and Community
Declaration of Interest:	The authors have no financial interest in this matter
Voting Requirements:	Simple Majority
Previous Report:	There is no previous meeting reference

Summary of Item:

The Statement of Financial Activity for the period ended 31 May 2020 is presented to Council.

Description of Proposal:

That Council receives the Statement of Financial Activity for the period ended 31 May 2020, as presented.

Background:

In accordance with regulation 34 of the *Local Government (Financial Management) Regulations 1996*, the Shire is to prepare a monthly Statement of Financial Activity for approval by Council.

Consultation:

Reporting officers receive monthly updates to track expenditure and income.

Statutory Environment:

Section 6.4 of the *Local Government Act 1995*.

Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

Section 6.8 of the *Local Government Act 1995*

Relevant Plans and Policy:

There is no Council Policy relevant to this issue.

The Next Generation Brookton Corporate Compendium (May 2018) - Finance Activities.

Financial Implications:

The Budget is regularly monitored on at least a monthly basis, by the Chief Executive Officer, Manager Corporate and Community (MCC), Corporate Business Officer (Compliance & Finance). Responsible Officers are also required to review their particular line items for anomalies each month, with a major review required by law, between 1 January and 31 March of each year pursuant to the *Local Government (Financial Management) Regulations 1996* (Regulation 33A).

Risk Assessment:

No risk identified as this is a reporting statement only in accordance with the regulations.

Community & Strategic Objectives:

Responsible financial management is critical to deliver on the Strategic Community Plan.

The Corporate Business Plan determines the local government's resource allocations which form the construction of the Annual Budget. The financial statements thus measure performance against the Corporate Business Plan by providing comparatives against the Annual Budget.

Comment

The Monthly Financial Report has been prepared in accordance with statutory requirements.

OFFICER'S RECOMMENDATION

That Council

1. **Receives the Monthly Statements of Financial Activity for the period ending 31st May 2020, as presented in Attachment 14.06.20.01A.**

Attachments

Attachment 14.06.20.01A

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 May 2020

	Note	Adopted Annual Budget	Current Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a) 9	Var. % (b)-(a)/(b) 9	Var.
Operating Revenues		\$		\$	\$	\$	%	
Governance		13,250	57,159	49,071	47,851	(1,220)	(2.49%)	
General Purpose Funding		1,203,944	1,203,944	622,695	1,191,390	568,695	91.33%	▲
Law, Order and Public Safety		29,743	53,521	53,102	51,329	(1,773)	(3.34%)	
Health		1,100	1,100	1,075	928	(147)	(13.64%)	
Education and Welfare		4,466,911	4,466,911	4,096,303	2,142,397	(1,953,906)	(47.70%)	▼
Housing		87,209	87,209	79,926	87,331	7,405	9.26%	
Community Amenities		414,478	424,478	389,070	380,472	(8,598)	(2.21%)	
Recreation and Culture		39,682	54,682	51,322	50,368	(954)	(1.86%)	
Transport		609,666	609,666	559,314	609,814	50,500	9.03%	
Economic Services		47,950	58,650	54,634	44,778	(9,856)	(18.04%)	
Other Property and Services		36,560	39,260	36,206	81,077	44,871	123.93%	▲
Total (Excluding Rates)		6,950,493	7,056,580	5,992,718	4,687,734	(1,304,984)	(21.78%)	
Operating Expense								
Governance		(577,418)	(585,418)	(481,921)	(477,627)	4,294	0.89%	
General Purpose Funding		(218,146)	(209,146)	(191,683)	(191,114)	569	0.30%	
Law, Order and Public Safety		(225,507)	(225,507)	(208,585)	(160,680)	47,905	22.97%	▲
Health		(74,104)	(74,104)	(68,325)	(42,784)	25,541	37.38%	▲
Education and Welfare		(4,559,009)	(4,483,091)	(4,112,273)	(2,333,769)	1,778,504	43.25%	▲
Housing		(207,570)	(207,571)	(188,975)	(149,362)	39,613	20.96%	▲
Community Amenities		(513,464)	(513,464)	(470,637)	(405,826)	64,811	13.77%	▲
Recreation and Culture		(998,079)	(1,003,839)	(916,723)	(854,099)	62,624	6.83%	
Transport		(3,450,540)	(3,450,540)	(3,142,948)	(2,877,889)	265,060	8.43%	
Economic Services		(188,441)	(215,441)	(185,377)	(169,228)	16,149	8.71%	
Other Property and Services		(22,729)	(75,163)	(83,342)	(175,073)	(91,731)	(110.07%)	▼
Total		(11,035,007)	#####	(10,050,789)	(7,837,451)	2,213,338	22.02%	
Funding Balance Adjustment								
Add back Depreciation		2,910,437	2,910,437	2,667,901	2,654,450	(13,451)	(0.50%)	
Adjust (Profit)/Loss on Asset Disposal	6	1,100	1,100	1,008	(41,790)	(42,798)	(4244.45%)	▼
Disposal of Minor Equipment		0	0	0	1,042	1,042		
Adjust (Profit)/Loss on Asset Revaluation		0	0	0				
Movement in Non Cash Provisions		0	0	0		0		
Net Operating (Ex. Rates)		(1,172,977)	(1,075,168)	(1,389,162)	(536,015)	852,105	(61.34%)	
Capital Revenues								
Proceeds from Disposal of Assets	6	93,000	93,000	85,250	7,204,703	7,119,453	(8351.26%)	
Proceeds from New Debentures	5	0		0	0	0	0.00%	
Self-Supporting Loan Principal		21,296	21,296	19,521	19,070	(452)	(2.31%)	
Transfer from Reserves	5	1,000,479	1,170,669	1,073,113	770,196	(302,917)	(28.23%)	▼
Total		1,114,775	1,284,965	1,177,884	7,993,969	6,816,084		
Capital Expenses								
Land and Buildings	6	(201,000)	(257,000)	(235,583)	(96,796)	138,787	58.91%	▲
Plant and Equipment	6	(521,440)	(510,000)	(467,500)	(529,363)	(61,863)	(13.23%)	▼
Furniture and Equipment	6	(100,000)	(115,000)	(105,417)	(68,592)	36,825	34.93%	▲
Infrastructure Assets - Roads & Bridges	6	(1,043,471)	(1,100,262)	(1,008,574)	(958,923)	49,651	4.92%	
Infrastructure Assets - Sewerage	6	(32,000)	(91,000)	(83,417)	(80,809)	2,608	3.13%	
Infrastructure Assets - Richardson St Footpath	6	(30,000)	(30,000)	(27,500)	(28,535)	(1,035)	(3.77%)	
Repayment of Debentures	7	(254,174)	(254,174)	(232,993)	(252,985)	(19,992)	(8.58%)	
Transfer to Reserves	5	(1,205,975)	(1,205,975)	(1,105,477)	(8,047,016)	(6,941,539)	(627.92%)	▼
Total		(3,388,060)	(3,563,411)	(3,266,460)	(10,063,018)	(6,796,558)	208.07%	
Net Capital		(2,273,285)	(2,278,447)	(2,088,576)	(2,069,050)	19,526	(0.93%)	
Total Net Operating + Capital		(3,446,262)	(3,353,614)	(3,477,738)	(2,605,065)	871,631	25.06%	
Rate Revenue		2,310,718	2,310,718	2,310,718	2,279,697	(31,021)	(1.34%)	
Opening Funding Surplus(Deficit)		1,135,542	1,133,017	1,133,017	1,133,017	2,525	0.22%	
Closing Funding Surplus(Deficit)	3	(2)	90,121	(34,003)	807,649	843,135		

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Program by Nature and Type
For the Period Ended 31 May 2020

NOTE	2019/20	2019/20	2019/20	2019/20	Variance
	Adopted Budget	Current Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual
	\$	\$	\$	\$	\$
REVENUES FROM ORDINARY ACTIVITIES					
Rates	2,310,718	2,310,718	2,310,718	2,279,697	(31,021)
Operating Grants, Subsidies and Contributions	4,459,590	4,474,690	3,627,396	2,718,500	(908,896)
Fees and Charges	1,648,336	1,648,336	1,533,602	1,147,821	(385,781)
Interest Earnings	220,264	220,264	178,621	107,573	(71,048)
Other Revenue	86,323	86,323	132,219	122,274	(9,945)
	8,725,231	8,740,331	7,782,556	6,375,865	(1,406,691)
EXPENSES FROM ORDINARY ACTIVITIES					
Employee Costs	(1,649,585)	(1,649,587)	(1,484,596)	(1,348,831)	135,765
Materials and Contracts	(6,006,031)	(6,054,381)	(5,488,419)	(3,392,954)	2,095,465
Utilities	(174,264)	(174,264)	(162,599)	(159,000)	3,599
Depreciation	(2,910,437)	(2,910,437)	(2,667,742)	(2,654,450)	13,292
Interest Expenses	(94,529)	(94,181)	(92,154)	(89,345)	2,809
Insurance	(189,977)	(189,977)	(188,676)	(180,085)	8,591
Other Expenditure	(9,084)	(3,326)	(7,810)	(5,667)	2,143
	(11,033,907)	(11,076,153)	(10,091,996)	(7,830,330)	2,261,666
	(2,308,676)	(2,335,822)	(2,309,440)	(1,454,466)	854,974
Non-Operating Grants, Subsidies & Contributions	520,880	520,880	520,880	542,656	21,776
Profit on Asset Disposals	-	-	-	48,911	48,911
Loss on Asset Disposals	(1,100)	(1,100)	(1,100)	(7,121)	(8,221)
NET RESULT	(1,788,896)	(1,816,042)	(1,789,660)	(870,020)	917,440

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 1: MAJOR VARIANCES

Comments/Reason for Variance

OPERATING REVENUE (EXCLUDING RATES)

4 Governance	Various items including - prize from secondary freight, insurance claims, LGIS member rebate and Trust terminations per Auditors instructions
3 General Purpose Funding	Sale of Kalkarni - Budget amendment to be applied
5 Law, Order and Public Safety	Additional funds received due to overspend previous year
7 Health	Within variance threshold of \$10,000 or 10%
8 Education and Welfare	Kalkarni Sale - Budget amendments to be applied
9 Housing	Within variance threshold of \$10,000 or 10%
10 Community Amenities	Budget profile calculated over 12 mths Refuse & Sewerage rates - will self correct over time. Additional large planning fees received for CBH refurb.
11 Recreation and Culture	\$15,000 received over and above budget - Telegraph windup. Grant funds received for shadesails at oval.
12 Transport	Additional funds received for water usage from standpipe due to CBH refurb.
13 Economic Services	Within variance threshold of \$10,000 or 10%
14 Other Property and Services	Profit on Sale of Asset - Loader greater than budgeted, Insurance claims received, Fees & Charges received not in adopted budget

OPERATING EXPENSES

4 Governance	Budget profiling calculated over 12 mths for 19/20 - will self correct over time
3 General Purpose Funding	Expenses to date, lower than anticipated
5 Law, Order and Public Safety	Budget profiling calculated over 12 mths for 19/20 - will self correct over time
7 Health	Saddleback General Operating Expenses - Drs contract invoices not yet paid
8 Education and Welfare	Kalkarni Sale - Budget amendments to be applied
9 Housing	Timing Issue - will self correct
10 Community Amenities	Underspend to date on Town Planning and general operating expenditure in general, with focus on Refuse and Sewerage - will self correct over time
11 Recreation and Culture	Underspend to date will self correct over time
12 Transport	Underspend to date will self correct over time
13 Economic Services	Within variance threshold of \$10,000 or 10%
14 Other Property and Services	Employee costs up and loss on sale of asset significantly reflected here

CAPITAL REVENUE

Proceeds from Disposal of Assets	Significantly up due to sale proceeds from Kalkarni & Saddleback
Self-Supporting Loan Principal	Within variance threshold of \$10,000 or 10%
Transfer from Reserves	Reserve Transfers will be completed at maturity.

CAPITAL EXPENSES

Land and Buildings

Timing Issue - will self correct

Plant and Equipment

Timing Issue - will self correct

Furniture and Equipment

Within variance threshold of \$10,000 or 10%

Infrastructure Assets - Roads & Bridges

Timing issue, work underway.

Infrastructure Assets - Sewerage

Increased costs of CCTV assessment - timing issue will self correct

Infrastructure Assets - Concrete Footpath (Richardson St)

Timing Issue - will self correct

Repayment of Debentures

Early Payout of Loans

Transfer to Reserves

Significantly up due to sale proceeds from Kalkarni & Saddleback

OTHER ITEMS

Rate Revenue

Within variance threshold of \$10,000 or 10%

Opening Funding Surplus(Deficit)

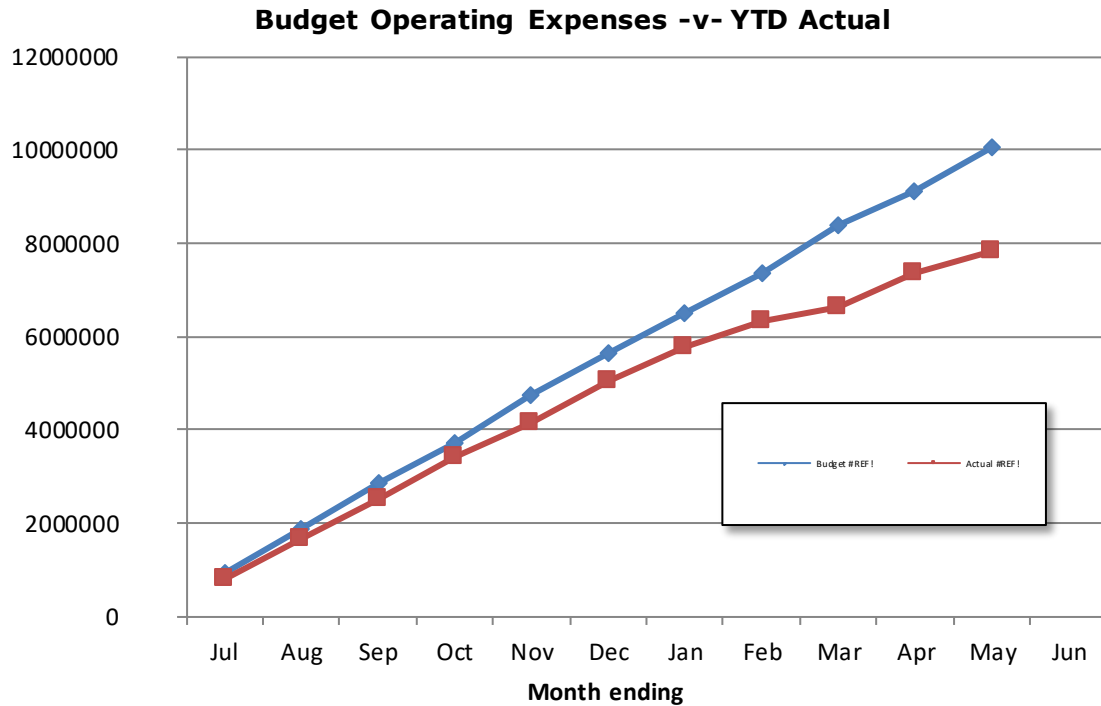
Within variance threshold of \$10,000 or 10%

Closing Funding Surplus (Deficit)

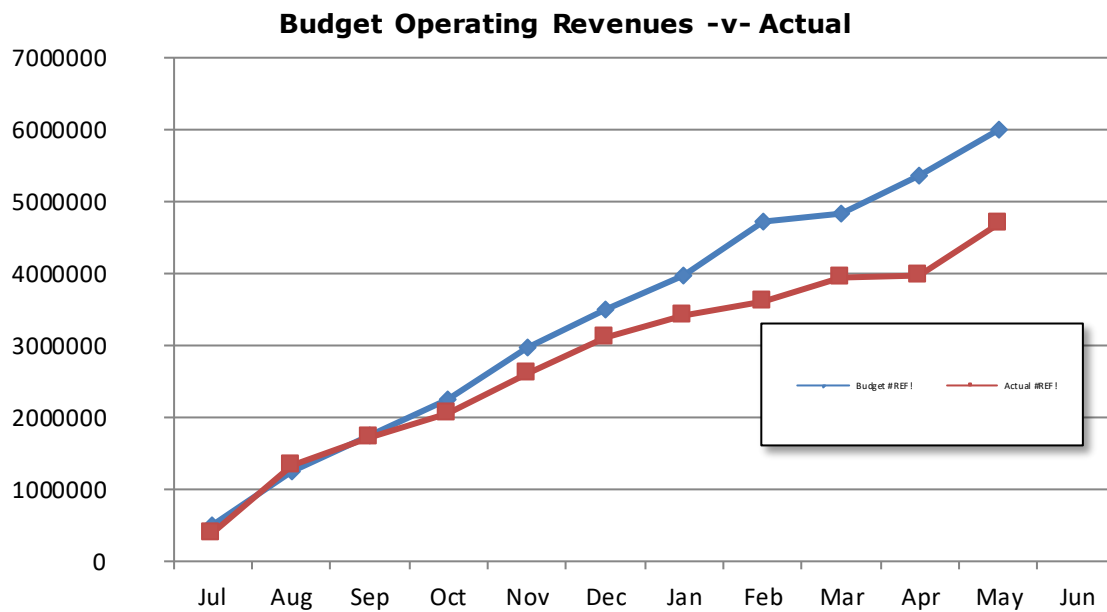
Within variance threshold of \$10,000 or 10%

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 2 - Graphical Representation - Source Statement of Financial Activity



Comments/Notes - Operating Expenses



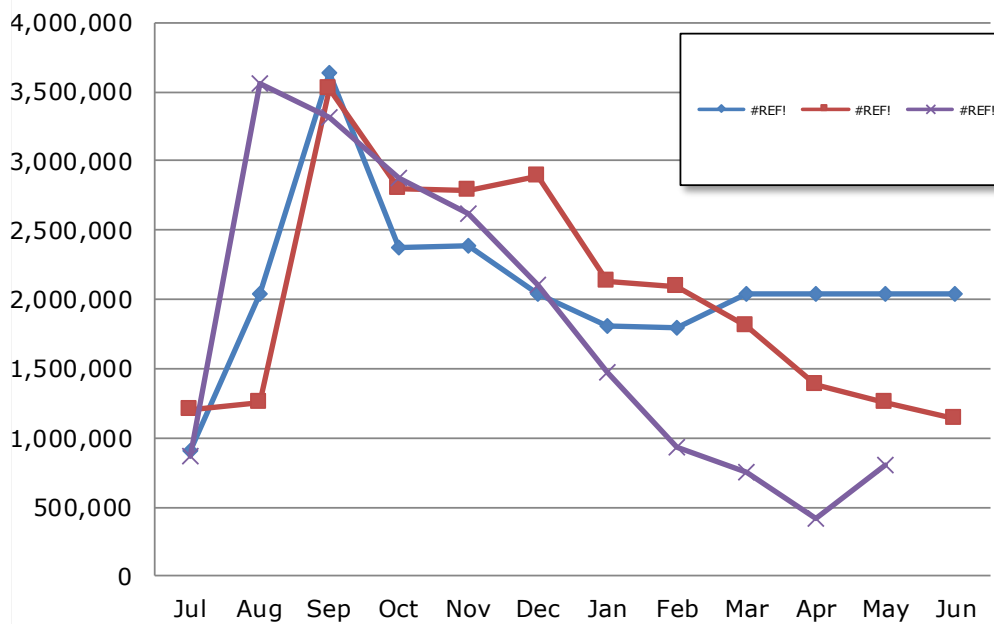
Comments/Notes - Operating Revenues

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 3: NET CURRENT FUNDING POSITION

Positive=Surplus (Negative=Deficit)				
2019-20				
Note	This Period	Same Period	Same Period	Surplus C/F 1
	\$	2018/19	2017/18	July 2019
	\$	\$	\$	\$
Current Assets	MAY 2020	MAY 2019	MAY 2018	
Cash Unrestricted	840,905	1,099,186	2,038,002	1,263,900
Cash Restricted	12,530,296	5,054,650	4,259,065	5,253,475
Receivables	131,821	4,300,893	3,476,552	4,146,803
Non-Cash provision movement	0	0	0	0
Inventories	22,740	34,953	16,322	16,487
	13,525,762	10,489,682	9,789,941	10,680,665
Less: Current Liabilities				
Payables and Provisions	(187,817)	(4,183,200)	(3,496,657)	(4,294,173)
	(187,817)	(4,183,200)	(3,496,657)	(4,294,173)
Less: Cash Restricted	(12,530,296)	(5,054,650)	(4,259,065)	(5,253,475)
Net Current Funding Position	807,649	1,251,832	2,034,219	1,133,017

Note 2 - Liquidity Over the Year



Comments - Net Current Funding Position

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 4: RECEIVABLES

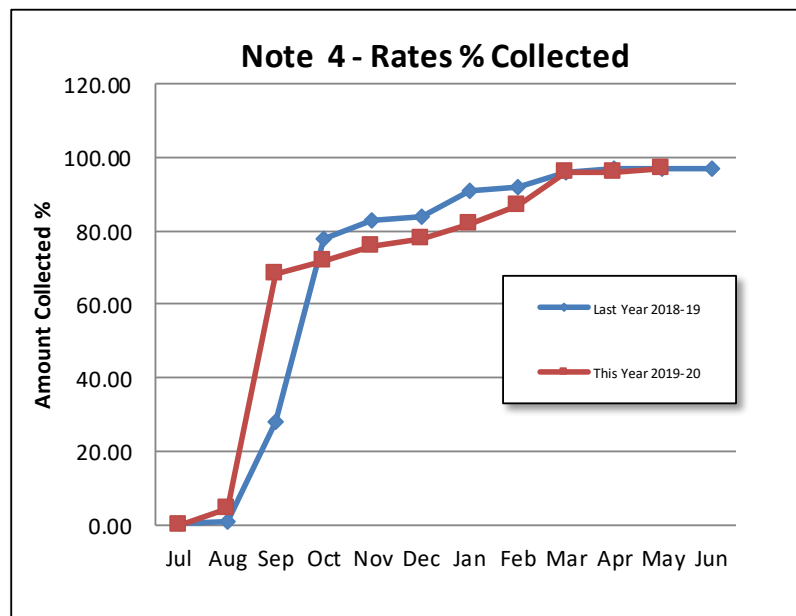
Receivables - Rates, Sewerage and Rubbish

Opening Arrears Previous Years
 Rates, Sewerage & Rubbish Levied
 this year
Less Collections to date
 Equals Current Outstanding

Net Rates Collectable

% Collected

Current 2019-20	Previous Year 2018-19
\$ 86,273	\$ 53,825
2,628,610	2,645,135
(2,630,604)	(2,464,579)
84,279	234,381
84,279	234,381
96.90%	91.32%

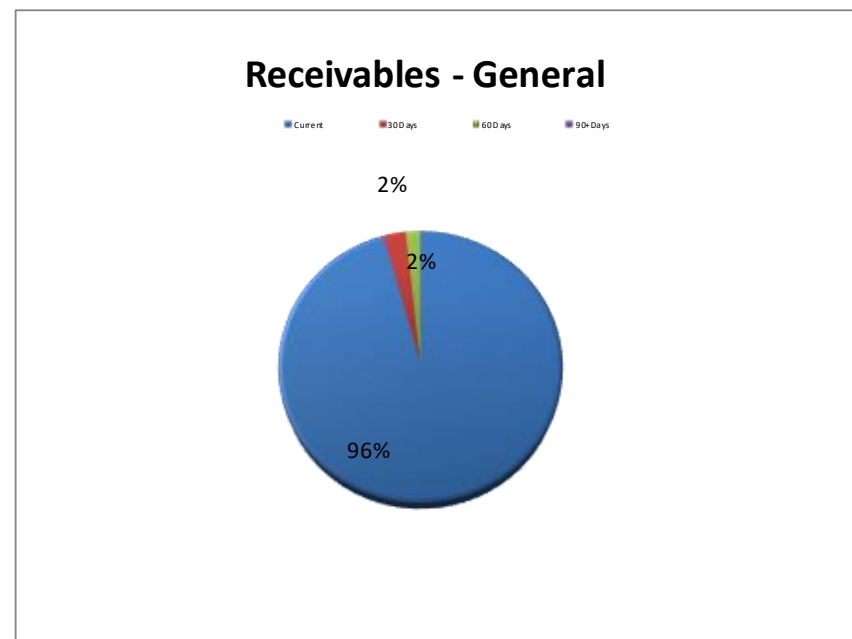


Comments/Notes - Receivables Rates, Sewerage and Rubbish

Receivables - General

Current	30 Days	60 Days	90+Days
\$ 31,546	\$ 862	\$ 545	\$ 23
Total Outstanding			32,975

Amounts shown above include GST (where applicable)



Comments/Notes - Receivables General

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 5: Cash Backed Reserves

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Adopted Budget Transfers In (+)	Current Budget Transfers In (+)	Actual Transfers In (+)	Adopted Budget Transfers Out (-)	Current Budget Transfers Out (-)	Actual Transfers Out (-)	Adopted Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$		\$	\$		\$	\$	\$
Leave Reserve	116,698	2,180	1,675	20,000	(20,000)	20,000.00		0		138,878	138,373
Plant and Vehicle Reserve and Community Bus Reserve	972,025	14,220	11,113	302,506	(302,506)	292,506.00	(502,506)	(502,506)	(491,001.41)	786,245	784,643
Land & Housing Development Reserve/Independent Living Units	1,335,350	24,956	17,656	205,781	(205,781)	180,781.00	(174,381)	(174,381)	(146,639.81)	1,391,706	1,387,147
Furniture and Equipment Reserve	80,392	1,502	697	20,000	(20,000)		(45,000)	(60,000)	(45,000.00)	56,894	36,089
Municipal Buildings & Facilities Reserve	329,433	4,522	4,679	50,000	(50,000)	50,000.00	(55,000)	(140,190)		328,955	384,112
Townscape and Footpath Reserve	103,203	989	1,500	20,000	(20,000)	20,000.00				124,192	124,703
Sewerage Scheme Reserve	368,937	6,895	5,233	55,000	(55,000)	55,000.00		(20,000)		430,832	429,170
Road and Bridge Infrastructure Reserve	399,046	8,267	6,910	220,000	(220,000)	220,000.00				627,313	625,956
Health & Wellbeing reserve	588,020	13,231	8,381	56,592	(56,592)	55,554.29	(100,000)	(100,000)		557,843	651,956
Sport & Recreation Reserve	26,206	490	341	5,000	(5,000)					31,696	26,547
Rehabilitation & Refuse Reserve	117,955	2,204	1,536	50,000	(50,000)					170,159	119,491
Saddleback Building Reserve	55,554	1,038	0				(56,592)	(56,592)	(55,554.29)	0	(0)
Caravan Park Reserve	141,635	2,647	1,844	10,000	(10,000)					154,282	143,479
Brookton Heritage/Museum Reserve	45,421	850	592	1,000	(1,000)					47,271	46,013
Kweda Hall Reserve	16,758	613	218	1,000	(1,000)					18,371	16,976
Aldersyde Hall Reserve	25,806	0	0							25,806	25,806
Railway Station Reserve	118,053	2,206	1,537	10,000	(10,000)		(35,000)	(35,000)		95,259	119,590
Madison Square Units Reserve	25,249	472	329	5,000	(5,000)					30,721	25,578
Cemetery Reserve	33,330	623	434	10,000	(10,000)					43,953	33,764
Water Harvesting Reserve	44,744	808	334	35,000	(35,000)		(32,000)	(32,000)	(32,000.00)	48,552	13,078
Developer Contribution	2,697	50	35							2,747	2,732
Cash Contingency Reserve	177,499	3,317	2,312	24,596	(24,596)			(50,000)		205,412	179,811
Brookton Aquatic Reserve	129,464	2,420	1,686	10,000	(10,000)					141,884	131,150
Capital Investment Reserve	0	0	0	0		7,084,132.45				0	7,084,132
Unspent Grants & Contributions	0	0								0	0
	5,253,475	94,500	69,042	1,111,475	(1,111,475)	7,977,973.74	(1,000,479)	(1,170,669)	(770,195.51)	5,458,971	12,530,295

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 6: CAPITAL DISPOSALS AND ACQUISITIONS

Original Budgeted Profit(Loss) of Asset Disposal			Disposals	Actual Profit(Loss) of Asset Disposal			
Net Book Value	Proceeds	Profit (Loss)		Net Book Value		Proceeds	Profit (Loss)
				\$		\$	\$
55,000	65,000	10,000	PL6 Cat Loader	55,000		102,500	47,500
26,100	18,000	(8,100)	PT13 Single Axle Truck				0
13,000	10,000	(3,000)	PM8 John Deere Mower	13,000		5,700	(7,121)
	0	0	Sale of Depot Surplus Items	0			1,042
13,238	0	0	PT11 ISUZU NH NPR 200 TIPPER - BO5367	13,238		13,573	369
0	0	0	Kalkarni Agecare Facility & Saddleback Medical Centre	7,082,931		7,082,931	(0)
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
107,338	93,000	(1,100)		7,164,169		7,204,703	41,789

Comments - Capital Disposal

Summary Acquisitions				
	Budget	Current Budget	Actual	Variance
	\$		\$	\$
Property, Plant & Equipment				
Land and Buildings	201,000	257,000	96,796	160,204
Plant & Equipment	510,000	510,000	529,363	(19,363)
Furniture & Equipment	100,000	115,000	68,592	46,408
Infrastructure				
Roadworks & Bridge Works & Footpaths	1,043,471	1,100,262	958,923	141,339
Footpath Construction - Richardson Street	30,000	30,000	28,535	1,465
Sewerage & Drainage	32,000	91,000	80,809	10,191
Totals	1,916,471	2,103,262	1,763,018	340,244

Comments - Capital Acquisitions

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 7: INFORMATION ON BORROWINGS

Note 7: INFORMATION ON BORROWINGS

Particulars	Loan Purpose	Due Date	Term (yrs)	Rate (%)	Principal 1-Jul-19 \$	New Loans \$	Principal Repayments		Principal Outstanding		Interest Repayments	
					Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$		
Self Supporting Loans												
*Loan 78 Senior Citizen's Homes	Construction of Mokine Cottages	17/06/2024	15	6.74	89,416	-	89,416	89,416	(0)	82,931	-	6,485
*Loan 79 Multifunctional Family Centre	Purchase of the Building	1/08/2020	15	5.82	-	-	-	-	-	-	-	-
	Extension and Refurbishment of the											
*Loan 82 Country Club	Club House	15/11/2027	20	6.95	237,124	-	21,296	21,296	215,828	219,260	29,182	17,864
Governance												
Loan 75 Administration	Shire Office Renovations	3/08/2026	25	6.46	47,061	-	47,061	47,061	0	43,754	9,461	3,307
Education & Welfare												
Loan 80 Kalkarni Residency	Kalkarni Residence	1/02/2026	25	5.63	72,291	-	8,451	8,689	63,840	67,800	2,754	4,491
Housing												
Loan 80 Staff Housing	Staff Housing	1/02/2026	25	5.63	119,280	-	13,944	14,337	105,336	111,871	4,545	7,409
Community Amenities												
Loan 80 Sewerage	Sewerage Extension	1/02/2026	25	5.63	50,604	-	5,916	6,082	44,688	47,460	1,928	3,144
Transport												
Loan 80 Grader	New Grader	1/02/2026	25	5.63	119,280	-	13,944	14,337	105,336	111,871	4,545	7,409
Recreation and Culture												
Loan 81 Sport & Recreation	Recreation Plan	1/11/2027	20	6.95	589,663	-	52,956	52,956	536,707	545,243	36,918	44,420
					1,324,719	-	252,985	254,174	1,071,734	1,230,190	89,333	94,529

(*) Self supporting loan financed by payments from third parties.
All other loan repayments were financed by general purpose revenue.

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 8: CASH AND INVESTMENTS

	Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Investments \$	Total Amount \$	Institution	Maturity Date
(a) Cash Deposits								
Municipal Cash at Bank - Operating Account	0.00%	539,987				539,987	Bendigo	
Municipal Cash at Bank - Cash Management Account	0.00%	282,605				282,605	Bendigo	
Municipal Cash at Bank - Independent Living Units	0.00%	13,413				13,413	Bendigo	
Bond Fund	0.00%	4,900				4,900	Bendigo	
Trust Cash at Bank	0.00%			20,680		20,680	Bendigo	
(b) Term Deposits								
Reserves	1.20%		5,446,163			5,446,163	Bendigo	30/06/2020
Reserves	1.60%		7,084,132			7,084,132	Bendigo	20/08/2020
(c) Investments								
Bendigo Bank Shares					10,000	10,000	Bendigo	
Total		840,905	12,530,295	20,680	10,000	13,401,880		

Comments/Notes - Investments

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 9: BUDGET AMENDMENTS

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

GL Account Code	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjusted	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Adopted Budget Net Asset Surplus 30 June 2019		Opening Surplus(Deficit)				1,133,007
E111010	Additional inspections and rectification works	OCM12.19-08	Operating Expenses			10,400	1,122,607
E115010	Additional inspections and rectification works	OCM12.19-08	Operating Expenses			2,500	1,120,107
OL01661	Cover expenditure for Memorial Hall and Rail Station	OCM12.19-08	Capital Revenue		12,900		1,133,007
E113521	Replacement of Chairs at Pavillion	OCM12.19-08	Capital Expenses			10,000	1,123,007
I104010	Large development applications received not budgeted	OCM12.19-08	Operating Revenue		10,000		1,133,007
E042520	Server upgrade new cabling through office	OCM12.19-08	Capital Expenses			10,000	1,123,007
E042020	New laptops throughout office	OCM12.19-08	Operating Expenses			5,000	1,118,007
OL01641	Additional expenditure server upgrade and laptops	OCM12.19-08	Capital Revenue		15,000		1,133,007
E111020	Stronger Communities Grant - Shadesails over playground	OCM01.20-15	Operating Expenses			4,730	1,128,277
I115020	Stronger Communities Grant - Shadesails over playground	OCM01.20-15	Operating Revenue		4,730		1,133,007
E102020	CCTV investigation of sewerage pipeworks	OCM01.20-15	Operating Expenses			20,000	1,113,007
OL01691	CCTV investigation of sewerage pipeworks	OCM01.20-15	Capital Revenue		20,000		1,133,007
	Correction of Surplus after Audit of AFR 2018/2019		Opening Surplus(Deficit)			2,525	1,130,482
OL01961	Additional line and Fire service tank - Happy Valley	OCM10.19-05	Capital Revenue		50,000		1,180,482
E106540	Happy Valley - Addition line and fire service tank		Capital Expenses			50,000	1,130,482
E113510	Old Tennis Club Houese - Gut building including removal of asbestos	SCM04.20-01	Operating Expenses			10,000	1,120,482
E111511	Memorial Hall - Urgent Roof and gutter replacement	SCM04.20-01	Operating Expenses			20,000	1,100,482
E042510	Chambers - external front entry (disable ramp, pergola, courtyard fencing, seating, lighting and signage)	SCM04.20-01	Operating Expenses			12,000	1,088,482
E132020	Area Promotion - Tourist information bay upgrade and A3 tear off tourist maps	SCM04.20-01	Operating Expenses			4,000	1,084,482
E142510	Depot - Refurbishment of Transportable building as an office. Upgrade lighting throughout workshop to LED, purchase and install 40ft sea container as extension to workshop for storage.	SCM04.20-01	Capital Expenses			36,000	1,048,482
E142480	Installatoin of eye wash facility, removal of several trees, service roller doors, repairs to roof including damaged frames, saftey and security signage throughout depot and improvement of ITC connectivity.	SCM04.20-01	Operating Expenses			47,434	1,001,048
E142530	Automated fuel system - self bunded tank with monitoring systems.	SCM04.20-01	Capital Expenses			55,000	946,048
E116020	Pump Track Stage 1 earthworks for loop track performed in house	SCM04.20-01	Capital Expenses			5,000	941,048
E112530	Swimming pool - improvements including replacement media filter sand, back flushing and tank refurbishment	SCM04.20-01	Operating Expenses			16,000	925,048
E106540	Happy valley installatoin of new standpipe and automated water dispensing system	SCM04.20-01	Capital Expenses			9,000	916,048
E042534	Purchase of dual cab ute Purchase price \$35,000 less trade \$15,000 net cost \$20,000	SCM04.20-01	Capital Expenses			35,000	881,048
E053530	Purchase of new vehicle per Bushfire Risk Management Planning Program \$35,000 no trade	SCM04.20-01	Capital Expenses			35,000	846,048
E143530	Purchase of Grader, MIE vehicle, WCO vehicle and Leading hand vehicle	SCM04.20-01	Capital Expenses			475,000	371,048
OL01621	Transfer from Reserves to cover increase in budget requirements	SCM04.20-01	Capital Revenue		445,000		816,048
OL01661	Transfer from reserves to cover increase in budget requirements	SCM04.20-01	Capital Revenue		72,290		888,338
E031020	Reduced number of revaluations required this year, health check of rates system done inhouse	SCM04.20-01	Operating Expenses		9,000		897,338
E083020	Administration, Budget decrease rates dealt with as part of settlement of Kalkarni	SCM04.20-01	Operating Expenses		38,000		935,338
E084480	Property Sold 17/1/2020 no further maintenance required	SCM04.20-01	Operating Expenses		37,918		973,256
E084520	Property sold 17/1/2020 curtains for passageway not purchased	SCM04.20-01	Capital Expenses		10,000		983,256
E084510	Property sold 17/1/2020 upgrade of air conditioners included in settlement of property	SCM04.20-01	Capital Expenses		70,000		1,053,256
E114020	Unlikely to expend full budget	SCM04.20-01	Operating Expenses		12,140		1,065,396
E136010	Increase usage due to prolonged drought and construction usage	SCM04.20-01	Operating Expenses			23,000	1,042,396
E142020	Purchase of restricted Padlocks with 2 keys and 15 master keys to stop unauthorised access through unrecorded key cutting and possessions.	SCM04.20-01	Operating Expenses			5,000	1,037,396
I136010	Increase usage due to prolonged drought and construction usages.	SCM04.20-01	Operating Revenue		10,700		1,048,096
	Purchase of restricted Padlocks with 2 keys and 15 master keys to stop unauthorised access through unrecorded key cutting and possessions.	SCM04.20-01	Operating Revenue		23,500		1,071,596
I042040	Increase usage due to prolonged drought and construction usages.	SCM04.20-01	Operating Revenue		6,722		1,078,318
I054010	LGIS Rebate not expected to be received	SCM04.20-01	Operating Revenue		15,000		1,093,318
I115030	Additional funds received due to overspend on previous year	SCM04.20-01	Operating Revenue		2,700		1,096,018
I148030	Funds received from the Shire of York after the windup of SEAROC group	SCM04.20-01	Operating Revenue		17,409		1,113,426
I041020	Increase for Bushfire Risk Management Planning Officer. Shire hosting DFES position.	SCM04.20-01	Operating Revenue		17,056		1,130,482
	Closing Funding Surplus (Deficit)			0	900,064	902,589	1,130,482

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2020

Note 10: 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 For the Period 1 July 2019	Amount Received	Amount Paid	Closing Balance For the Period Ended 31 May 2020
	\$	\$	\$	\$
Housing Bonds	1,200	0	(1,200)	0
Other Bonds	12,960	8,950	(15,660)	6,250
Rates Incentive Prize	200	0	(200)	0
Staff AFL Tipping	0	0	0	0
Les McMullen Sporting Grants	0	0	0	0
Gnulla Child Care Facility	3,073	0	(3,073)	0
Wildflower Show Funds	1,240	0	(1,240)	0
Kalkarni Resident's Accounts	0	0	0	0
Public Open Space Contributions	13,820	0	0	13,820
Developer Road Contributions	(0.50)	0	0	(0.50)
Unclaimed Money	30	580	0	610
	32,523	9,530	(21,373)	20,680

1. Developer Road Contributions are:

T129 Allington - Grosser Street -\$1.00 Rounding

Road Contributions are required to be transferred out of Trust into Reserve/Muni for designated purpose.

2. Public Open Space Contribution:

T148 - Paul Webb \$13,820

Contribution to be retained in Trust as required under the Planning and Development Act 2005.

It is to be investigated whether funds can be applied against POS projects such as the Robinson Street Development.

3. Gnulla Child Care Facility

This is an aged transaction. Consider transferring funds to Muni once a designated project has been identified.

4. Housing Bond

Bond is to either be refunded, expended or transferred to the Bonds Authority.

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Sewerage Programm by Nature and Type
For the Period Ended 31 May 2020

Note 11 Sewerage Operating Statement

NOTE	2019/20 Adopted Budget \$	2019/20 YTD Budget \$	2019/20 YTD Actual \$	Variance YTD Budget vs YTD Actual \$
REVENUES FROM ORDINARY ACTIVITIES				
Sewerage Connection Fees and Charges	1,590	1,590	472	(1,118)
Annual Sewerage Rates	203,265	203,265	178,335	(24,930)
	204,855	204,855	178,807	(26,048)
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs	(1,119)	(1,026)	(2,945)	(1,919)
Materials and Contracts	(60,100)	(55,092)	(51,666)	3,426
Utilities	(8,050)	(7,379)	(3,017)	4,362
Depreciation	(39,788)	(36,472)	(36,862)	(389)
Interest Expenses	(3,144)	(2,882)	(1,928)	954
Insurance	(243)	(223)	(244)	(21)
General Operating Expenses	(1,434)	(1,315)	(3,832)	(2,518)
Allocation of Administration Expense	(38,985)	(35,736)	(34,254)	1,482
	(152,863)	(140,124)	(134,748)	5,377
	51,992	64,731	44,060	(20,671)
Add Back Depreciation	39,788	36,472	36,862	389
Non-Operating Grants, Subsidies & Contributions	-	-	-	-
Profit on Asset Disposals	-	-	-	-
Loss on Asset Disposals	-	-	-	-
Transfer to Sewerage and Drainage Reserve	55,000	50,417	55,000	(4,583)
Transfer from Sewerage and Drainage Reserve	-	-	-	-
NET RESULT	146,780	151,620	135,921	(24,865)

The Shire's Asset Management Plan (adopted at the 2016 August OCM) details required renewal expenditure of \$1.482m over the ten year period 2016 - 2027. The Shire's Long Term Financial Plan includes the following planned renewal expenditure:

2016/17 - 47,680
2017/18 - 100,000
2018/19 - 100,000
2019/20 - 100,000
2020/21 - 100,000
2021/22 - 100,000
2022/23 - 100,000
2023/24 - 100,000
2024/25 - 100,000
2025/26 - 150,000
2026/27 - 400,000

Total - 1,397,680 or approx. \$140k per annum

The Sewerage Scheme should be self funding, that is, the capital replacement cost should be amortised over the life of the infrastructure, and funded from the annual sewerage rates. Council should consider a charging model that provides for an annual transfer to the Sewer Reserve, which is equivalent to the required annual renewal expenditure i.e. \$148k per annum. As a minimum, revenue from the Scheme should cover all operating expenditure including depreciation, meaning a minimum transfer to Reserve of \$88k.

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
WB Eva Pavilion by Nature and Type
For the Period Ended 31 May 2020

Note 12 WB Eva Pavilion Operating Statement

	2019/20	2019/20	2019/20	Variance
	Adopted Budget	YTD Budget	YTD Actual	YTD Budget vs
	\$	\$	\$	YTD Actual
REVENUES FROM ORDINARY ACTIVITIES				
Hire Fees - WB Eva Pavilion	2,980	2,732	2,194	(538)
Sporting Club Fees	5,500	5,042	2,632	(2,410)
Gymnasium Income	11,060	10,138	6,995	(3,143)
	19,540	17,912	11,821	(6,090)
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs	(3,230)	(2,961)	(1,935)	1,025
Materials and Contracts	(34,410)	(31,543)	(42,833)	(11,290)
Utilities	(3,750)	(3,438)	(2,847)	590
Interest Expenses	(44,420)	(40,718)	(36,918)	3,800
Insurance	(4,777)	(4,379)	(4,700)	(321)
General Operating Expenses	(5,277)	(4,837)	(2,343)	2,494
Gymnasium Operating	(16,220)	(14,861)	(3,242)	11,619
	(95,864)	(87,875)	(94,819)	(3,702)
	(76,324)	(69,964)	(82,998)	(9,792)
NET RESULT	(76,324)	(69,964)	(82,998)	(9,792)

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Brookton Caravan Park and Brookton Aquatic Centre
For the Period Ended 31 May 2020

	Note	Adopted Annual Budget 2019/20	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a) 9	Var. % (b)-(a)/(b) 9
Note 13 (a): Brookton Caravan Park		\$	\$	\$	\$	%
Operating Revenue						
Caravan Park Fees		35,000	32,083	29,641	(2,443)	(7.61%)
Total Revenue		35,000	32,083	29,641	(2,443)	(7.61%)
Operating Expenses						
Brookton Caravan Park	CARAOP	(26,245)	(24,058)	(18,264)	5,794	(24.08%)
Brookton Caravan Park	MARKOP	(4,000)	(7,333)	0		
Caravan Park Depreciation		(1,042)	(955)	(957)	(2)	0.23%
Caravan Park Abc Administration Expenses		(41,822)	(38,337)	(36,747)	1,590	(4.15%)
Total		(73,109)	(70,683)	(55,968)	7,382	10.44%
Operating Surplus (Deficit)		(38,109)	(38,600)	(26,328)	4,939	13%
Excluding Non Cash Adjustments						
Add back Depreciation		1,042	955	957	2	0.23%
Net Operating Surplus (Deficit)		(37,067)	(37,645)	(25,370)	4,941	(13.13%)
Note 13 (b): Brookton Aquatic Centre						
Operating Revenue						
POOL FEES & CHARGES		10,500	9,625	11,479	1,854	19.26%
POOL GRANTS & SUBSIDIES		0	0	0	0	0.00%
Total Revenue		10,500	9,625	11,479	1,854	19.26%
Operating Expenses						
POOL EMPLOYEE COSTS		0	0	0	0	0.00%
POOL GENERAL OPERATING EXPENSES		(97,850)	(89,696)	(87,578)	2,118	(2.36%)
POOL BUILDING MAINTENANCE		(15,756)	(14,443)	(22,441)	(7,998)	55.37%
POOL DEPRECIATION		(11,839)	(10,852)	(10,872)	(20)	0.18%
POOL ABC ADMINISTRATION EXPENSES		(32,411)	(29,710)	(28,478)	1,232	(4.15%)
Total		(157,856)	(144,701)	(149,368)	(4,667)	(3.23%)
Operating Surplus (Deficit)		(147,356)	(135,076)	(137,889)	(2,813)	(2.08%)
Excluding Non Cash Adjustments						
Add back Depreciation		11,839	10,852	10,872	20	0.18%
Net Operating Surplus (Deficit)		(135,517)	(124,224)	(127,017)	(2,793)	(2.25%)

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Road Program
For the Period Ended 31 May 2020

Note 14

Description	Adopted Annual Budget	Amended Budget	YTD Actual	% Completed	Federal Funding		State Funding			Own Source Funding			
					R2R	Other	RRG	RRG Carryover	Direct Grant	FAGS	Reserve	Contributions	Muni
	\$	\$	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
Town Street Maintenance	213,058	213,058	171,230	80%	\$52,796 \$109,662 \$56,175	\$	\$	\$	\$	\$	\$	\$	213,058
Rural Road Maintenance	568,329	568,329	322,026	57%									568,329
Bridge Maintenance	121,966	121,966	65,138	53%									121,966
R2R Work Schedule													
Brookton - Kweda Road	52,796	52,796	43,129	82%									0
Yeo Road	109,662	109,662	104,559	95%									\$83,201
Corberding Road	0	56,791	46,094	81%									616
Other Construction													
Brookton - Kweda Road	124,035	124,035	0	0%									124,035
King Street	29,030	29,030	23,803	82%									29,030
Reynolds Street	173,000	173,000	99,217	57%									173,000
Boyagarra Road	110,294	110,294	86,087	78%									110,294
Noack Street	10,188	10,188	12,152	119%									10,188
RRG Approved Projects													
York - Williams Road	434,466	434,466	461,068	106%	\$302,247								132,219
	1,946,824	2,003,615	1,434,503	74%	218,633	0	302,247	0	83,201	0	0	0	1,482,735

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Capital Works Program
For the Period Ended 31 May 2020

Note 15									
Description	Adopted Annual Budget	Amended Budget	YTD Actual	% Completed	Capital Funding				
					Muni	Grants	Reserves	Sale of Assets	Total Funding
	\$	\$	\$		\$	\$	\$	\$	\$
Admin Reception Remodel	55,000	55,000	14,583	27%			55,000		55,000
Weld Crack Kitchen Floor	10,000	10,000	14,200	142%			10,000		10,000
Staff Housing Lot 324 White Street	0	0	33,641	0%					0
Railway Barrier Fence	35,000	35,000	0	0%			35,000		35,000
Cemetery New Niche Wall And Shelter	10,000	10,000	6,790	68%	10,000				10,000
Aquatic Centre Masonary Repair	11,000	11,000	6,652	60%	11,000				11,000
Upgrade Air Conditioning System	80,000	80,000	0	0%			80,000		80,000
Curtains Passageways and Activities area	10,000	10,000	0	0%			10,000		10,000
Admin Synergy Records Module	35,000	30,000	1,160	4%	30,000				30,000
Admin Server Upgrade	45,000	55,000	50,200	91%			55,000		55,000
Chairs for Pavillion	10,000	20,000	17,232	86%	20,000				20,000
Crew Cab 3 Tonne Truck	70,000	70,000	83,993	120%			70,000		70,000
Loader	290,000	290,000	295,000	102%			290,000		290,000
Skid Mounted Fibreglass Water Tank(JMAC)	27,000	27,000	22,399	83%	27,000				27,000
Truck mounted Vacuum Mulcher	18,000	18,000	11,000	61%	18,000				18,000
Road Broom	50,000	50,000	51,957	104%			50,000		50,000
3" Diesel Pump	0	0	2,694	0%	0		0		0
62" Zero Turn Mower	25,000	25,000	24,195	97%	25,000				25,000
Generators	\$30,000.00	\$30,000.00	18,189	61%	30,000				30,000
York-Williams Road	434,466	434,466	461,068	106%					0
Brookton-Kweda Road	52,796	52,796	43,129	82%		52,796			52,796
Corberding Road	0	56,791	46,094	81%		56,791			56,791
Noack Street	10,188	10,188	12,152	119%					0
Yeo Road	109,662	109,662	104,559	95%		109,662			0
South Dale Road	124,035	124,035	82,815	67%					0
King Street	29,030	29,030	23,803	82%					0
Reynolds Street	173,000	173,000	99,217	57%					0
Boyagarra Road	110,294	110,294	86,087	78%	278,766	464,705	300,000		1,043,471
Richardson Street	30,000	30,000	28,535	95%	30,000				30,000
Happy Valley Bore Field	32,000	91,000	80,809	89%			91,000		91,000
	1,916,471	2,047,262	1,722,152		479,766	683,954	1,046,000	0	2,100,058

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Grants, Subsidies and Contributions Register
For the Period Ended 31 May 2020

Note 16

Funding Provider	Project	Operating/Non-Operating	Adopted Annual Budget	Amended Budget OCM	Amount Applied For	Amount Approved	Amount Invoiced/Received	% Received
			\$	\$	\$	\$	\$	
Federal Government	KBC Grants & Subsidies	Subsidy	(3,316,026)	(3,316,026)	Recurrent	(3,316,026)	(1,536,136)	46%
Main Roads WA	Regional Road Group	Non Operating	(302,247)	(302,247)	Recurrent	(302,247)	(302,247)	100%
Federal Government	Roads to Recovery	Non Operating	(218,633)	(218,633)	Recurrent	(218,633)	(218,623)	100%
DFES	Bushfire Risk Management Grant	Non Operating	-	(17,056)	-	(17,056)	(17,056)	100%
WA Grants Commission	Other Recreation	Non Operating	-	(4,730)	-	(4,730)	(4,730)	100%
WA Grants Commission	GPG Grants Commission - General	Operating	(668,176)	(668,176)	Recurrent	(668,176)	(707,973)	106%
WA Grants Commission	GPG Grants Commission - Roads	Operating	(382,494)	(382,494)	Recurrent	(382,494)	(359,678)	94%
WA Grants Commission	GPG Grants Commission - Bridges	Operating	-	-	-	-	-	-
DFES	ESL Grant - Emergency Services Levy - Operating	Operating	(24,793)	(31,515)	Recurrent	(24,793)	(31,512)	127%
Main Roads WA	Direct Grant	Operating	(83,201)	(83,201)	Recurrent	(83,201)	(83,201)	100%
			(4,995,570)	(5,024,078)		(5,017,356)	(3,261,156)	65%

14.06.20.02 LIST OF ACCOUNTS FOR PAYMENT

File No:	N/A
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Lois Salkilld – Finance Officer
Authorising Officer:	Amy Eva - Manager Corporate and Community
Declaration of Interest:	The author has no financial interest in this matter.
Voting Requirements:	Simple Majority
Previous Report:	21 May 2020

Summary of Item:

The list of accounts for payment to 31st May 2020 are presented to Council for inspection.

Description of Proposal:

To approve the accounts for payment.

Background:

In accordance with *Local Government (Financial Management) Regulations 1996 Clause 13 (1)* schedules of all payments made through Council's bank accounts are presented to Council for inspection. Please refer to the separate attachment.

Consultation:

N/A

Statutory Environment:

Local Government (Financial Management) Regulations 1996; Clause 13 – List of Accounts.

Relevant Plans and Policy:

The Chief Executive Officer, under relevant delegation, is authorized to arrange purchase of specific items in the budget, which do not require calling tenders, providing that it is within the approved and adopted budget.

Financial Implications:

There are no financial implications relevant to this report.

Risk Assessment:

No risks identified as this is an operational reporting requirement.

Community & Strategic Objectives:

This activity is contained in the Corporate Compendium.

Comment

Totals of all payments from each of Councils bank accounts are listed below. The payment schedule is provided to Councilors' separately and not published on the Shire of Brookton website to mitigate against the potential of fraudulent activity that can arise from this practice. Members of the public can obtain the schedule from the Shire of Brookton Administration Office.

To 31st May 2020

Municipal Account

Cheque	\$ Nil
Direct Debits	\$ 138,079.67
EFT	\$ 225,197.92

Trust Account \$ Nil

Bond Account \$ Nil

OFFICER'S RECOMMENDATION

That with respect to the list of accounts for payment, Council: Note the payments authorised under delegated authority and detailed below and in the List of Accounts 30th April 2020

Municipal Account

Direct Debits	\$ 138,079.67
EFT	\$ 225,197.92

Attachments

Attachment 14.06.20.02A

Members of the public can obtain a copy of the List of Accounts attachment from the Shire Administration Office.

14.06.20.03 REDUCTION OF RECREATIONAL FEES – BROOKTON PINGELLY PANTHERS FOOTBALL CLUB INC AND BROOKTON HOCKEY CLUB

File No:	ADM 0008 ADM 0010
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Sandie Spencer - Community Liaison Officer
Authorising Officer:	Ian D'Arcy - Chief Executive Officer
Declaration of Interest:	The author has no interest in this item
Voting Requirements:	Absolute majority
Previous Report:	N/A

Summary of Item:

This item relates to a reduction of recreational fees for Brookton Pingelly Panthers Football Club Inc. and Brookton Hockey Club given the reduced 2020 season due to the COVID-19 pandemic.

Description of Proposal:

Consideration is sought from Council to halve the 2020 season recreational fees for the Football and Hockey Clubs as neither can complete a full 2020 season for their respective sports.

Background:

COVID-19 has impacted all community and sporting groups financially across the State with a plea from the State Government that respective Local Government Authorities should in every way possible assist community groups and clubs to reconvene their respective activities.

One way of achieving this has been a strong encouragement from the State Premier for local Government Councils to either waive, reduce and/or freeze adopted annual fees and charges that typically apply to the hire/use of civic facilities.

In consideration of this, and with the lifting of the COVID-19 Restrictions - Phase 3, sporting groups and other community organisations are now allowed to recommence their activities in conformity with the remaining restrictions to be further considered as part of Phase 4. This has seen the Shire Administration receive seasonal bookings from both the local Football and Hockey Clubs to restart their sports seasons, albeit shortened, and in fairness, both clubs are now seeking a 50% concession on the standard booking fees for use of the Brookton Oval and Pavilion.

Consultation:

This matter has been discussed with the Shire CEO.

Statutory Environment:

Pursuant to Section 6.16(3)(b) of the *Local Government Act, 1995* the Council may amend a fee or charge from time to time during a financial year subject to an absolute majority vote of Council.

Relevant Plans and Policy:

Council 'Policy 2.24 - Fees and Charges for Community Facilities and Active Reserves' together with Council's 'Schedule of Fees and Charges' as part of the Shire 2019-20 Budget, is applicable to this request.

Financial Implications:

The following table details the financial implications for the Shire in hiring the Brookton Oval and WB Eva Pavilion to both Clubs premised on a shortened season for training and competition games:

2019/2020 Annual Budget - Community Group Contributions:

	2019/2020 Budget Per Annum inc. GST	Proposed Discounted Fee
Football Club	\$1400.00	\$700.00
Hockey Club	\$740.00	\$370.00
Total	<u>\$2140.00</u>	<u>\$1070.00</u>

Risk Assessment:

Should the Council not support a reduction in the hire fee for the Football and Hockey Clubs it is likely:

- Neither sport will recommence
- Disappointment and possible anguish will be conveyed to Elected Members and Shire Employees from club members and supporters.
- The Council's image and reputation more broadly may be tarnished.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

Community & Strategic Objectives:

The delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, the request for a reduction in the hire fee aligns to:

Function 24 Community Support

Action 24.1 – Support seniors, youth, culture, sport / recreation group activities

Comment:

In support of the reduced fee, broadly both Football and Hockey would have ordinarily commenced in April and conclude their seasons in late August/early September. This amounts to 6 months of hire and with recommencement of competition in late June/early July it is reasonable to conclude half their season has been postponed by restriction imposed due to the COVID-19 pandemic.

Therefore, it is recommended the Council grant a 50% concession to the current hire fee applicable to each club.

OFFICER RECOMMENDATION

That Council in relation to bookings received from the Brookton-Pingelly Panther's Football Club and Brookton Hockey Club and pursuant to Section 6.16(3)(b) of the Local Government Act, 1995 endorses a 50% reduction of the annual hire fee for the remainder of the 2020 season to use of Brookton Oval and WB Eva Pavilion for their respective sports, inclusive of training and competition games.

(Absolute majority vote required)

14.06.20.04 FINANCIAL MANAGEMENT REVIEW – REGULATION 5 OF THE LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

File No:	ADM 0117
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author/s:	Amy Eva – Manager Corporate & Community
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author and authorizing officer do not have an interest in this item
Voting Requirements:	Simple Majority
Previous Report:	N/A

Summary of Item:

A Financial Management Review (FMR) has been completed and the results of the review are required to be reported to Council in accordance with Regulation 5(2) (c) the Local Government (Financial Management) Regulations 1996.

Description of Proposal:

As above.

Background:

The Local Government (Financial Management) Regulations, 1996 require the Chief Executive Officer (CEO) to undertake a review of the appropriateness and effectiveness of the Shire’s financial management systems and procedures, listed as follows:

- Bank Reconciliations
- Trust Funds
- Receipts and Receivables
- Rates
- Fees and Charges
- Purchases, Payments and Payables (Including Purchase Orders)
- Payroll
- Credit Card Procedures
- Fixed Assets (Including Acquisition and Disposal of Property)
- Budget
- Financial Reports
- Audit Committee
- Insurance
- Storage of Documents/Record Keeping

This review is required to be undertaken no less than once in every four financial years, with the outcome of the review to be reported to Council.

The Shire’s previous Financial Management Review was performed in 2015.

Consultation:

To comply with this requirement, the Shire Administration consulted with the Officer of Auditor General (the Shire’s appointed auditor) to undertake the review as part of their annual audit process for 2019

that has involved members of the Shire's finance team and the CEO.

Statutory Environment:

As mentioned, this review has been performed in accordance with Regulation 5(2)(c) the Local Government (Financial Management) Regulations, 1996.

Relevant Plans and Policy:

There are no plans or policies applicable to this matter, although there are financial procedures that are referenced in the review document present as **Attachment 14.06.20.04A** to this report.

Financial Implications:

There are no specific Financial Implications applicable to this matter.

Risk Assessment:

There is a risk in the CEO not undertaking an Financial Management Review and reporting the results to Council at least once every four years would result in a non-compliance against Regulation 5(2)(c) the Local Government (Financial Management) Regulations, 1996 with this being reported to the Department of Local Government. It is therefore assessed that the risk from an accountability perspective for the organisation is 'High'.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

Community & Strategic Objectives:

This proposal broadly aligns with the Shire of Brookton Corporate Business Plan Corporate Compendium in relation to:

Outcome 5.1 – Effective leadership and governance.

Outcome 5.3 - Effective and efficient corporate and administrative services.

Comment:

As reflected in the attached Review Report, the Shire Administration has examined the financial systems
Shire of Brookton, Agenda Ordinary Meeting of Council, 18 June 2020

and procedures for the period 1 July 2019 to 31 March 2020, with the results of the Financial Management Review indicating an overall effectiveness performance, notwithstanding there are some minor matters that require a level of improvement that will be worked through with the Council's Audit and Risk Committee.

OFFICER RECOMMENDATION

That Council accepts the Financial Management Review Report 2019 provided as Attachment 14.06.20.04A to this agenda item and notes the management comments and recommendations within the Report.

Attachments

Attachment 14.06.20.04A

Regulation 5(2)(c) Review

Chief Executive Officer's Responsibility for Maintaining and Reviewing Financial Management Systems and Procedures

The CEO is responsible for implementing policies, procedures and controls which are designed to ensure the effective and efficient management of the Shires resources. In accordance with regulation 5(2)(c) of the Local Government (Financial Management) Regulation 1996 (as amended).

The CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures. At least once in every four financial years the CEO is to report the results of those reviews to Council.

The period of this review is from 1 July 2019 to 31 March 2020 with the following financial systems and procedures being examined:-

- Bank Reconciliations
- Trust Funds
- Receipts and Receivables
- Rates
- Fees and Charges
- Purchases, Payments and Payables (Including Purchase Orders)
- Payroll
- Credit Card Procedures
- Fixed Assets (Including Acquisition and Disposal of Property)
- Budget
- Financial Reports
- Audit Committee
- Insurance
- Storage of Documents/Record Keeping

The review has not examined compliance with provisions of *the Local Government Act, 1995* and the subsidiary regulations that are non-financial in nature.

OVERVIEW OF FINDINGS

A summary of our findings and detailed observations may be found in Parts 1.0 and 2.0 on the following pages.

Addressing the issues highlighted will help to ensure the controls and procedures established are not compromised in the future and the integrity of the financial management system is maintained.

1.0 Summary of Findings

The following is a brief summary of matters noted for improvement together with our assessment of the level of risk in relation to each item:

KEY						
S	System and Procedures	H	High Risk			
C	Compliance Matter	M	Medium Risk			
		L	Low Risk			
FINDINGS				PAGE	NATURE	RISK
BANK RECONCILIATION AND PETTY CASH Bank reconciliations are up to date, inclusive of preparation and Reviewed by Senior Management				4	S	L
TRUST FUNDS Trust bank reconciliations have been performed. Holding Errors identified have been corrected.				5	S	L
RECEIPTS AND RECEIVABLES Controls and procedures are in place and operating effectively and are appropriate.				6	S	L
RATES Controls and procedures are in place, appropriate and operating effectively.				8	S	L
FEES AND CHARGES Controls and procedures are in place, appropriate and operating effectively.				9	S	L
PURCHASES, PAYMENTS AND PAYABLES (INCLUDING PURCHASE ORDERS) Controls and procedures are in place, appropriate and operating effectively.				10	S	L
PAYROLL Controls and procedures are in place, appropriate and operating effectively. Opportunity for improvement in processes.				11	S	M
CREDIT CARD PROCEDURES Controls and procedures are in place, appropriate and operating effectively.				13	S	L
FIXED ASSETS Are properly accounted for and supporting controls are operating effectively.				14	S	L
BUDGET Statutory requirements met.				15	S	L
FINANCIAL REPORTS Reports completed and found to be of satisfactory standard and in compliance with legislative requirements.				16	S	L
AUDIT COMMITTEE Active and effective audit committee in compliance with the Act.				17	S	L
INSURANCE Policies current and reviewed.				18	S	L
STORAGE OF DOCUMENTS / RECORD KEEPING Significant progress in implementation new electronic				19	S	H

recording system. Current manual system does not meet compliance with State Records Act 2000.				
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Please Note: The assessment of risk as detailed above is our assessment based on the circumstances surrounding the procedures performed. An assessment of "Low Risk" is to be read in the context of our assessment of risk to the organisation as a whole. It is not intended to indicate no further action is required. Our assessments are provided solely to assist you understand the nature of the matters raised and to prioritise any remedial action.

2.0 Areas Examined with Detailed Observations and Comments

2.1 Bank Reconciliations and Petty Cash

Bank Reconciliations

An examination of bank reconciliations and procedures for the period under review noted they are up to date as well as being prepared regularly and promptly for all bank accounts:

- a) The Municipal bank reconciliations is performed daily by the Senior Finance Officer and reviewed for accuracy and completeness by the Manager Corporate and Community.
- b) The Trust, Bond & Reserves bank reconciliations are performed monthly by the Senior Finance Officer and reviewed for accuracy and completeness by the Manager Corporate and Community.

Comment: Bank reconciliations are of primary control importance and are the catalyst for many transactions in other ledger accounts. They should be complete and properly reconciled on a timely basis, to ensure the reliability of any financial information presented.

The review by the Manager of Corporate and Community should seek to confirm the accuracy of the reconciliation and should be evidenced accordingly.

Management Response:

At present all bank reconciliations are up to date, inclusive of preparation and review with signing off by Senior Management.

Petty Cash

The Shire's petty cash is stored in the safe located in the administration area.

The purpose of the petty cash is to cover minor incidental expenditure (ie stationery etc.) on the basis that they are urgent and minor in nature and do not require normal procurement procedures. The total amount of petty cash float is \$50.

Whoever uses the petty cash completes the 'Petty Cash Voucher' book and includes details of the reimbursement (ie: net amount, date and description of purchase) and attaches the receipt for reimbursement.

At the end of the month, the Administration Officer completes a spreadsheet detailing the money used and attaching all supporting receipts and petty cash voucher. It is then sent to the Manager Corporate and Community for checking and authorisation.

Management Response:

An examination of the petty cash system and procedures for the period under review revealed that controls and procedures are operating effectively and are appropriate for the Shire's current scope of operations. The review identified the petty cash system had not been used in the past 18 months.

2.2 Trust Funds

The following matters are brought to your attention:

- a) Auditor Officer General 2019 Audit identified the Trust held funds not required under legislation to be held.
- b) The Trust bank reconciliations have been performed regularly and reviewed by the senior manager, most recently the Manager Corporate and Community independently of preparation.

Comment: To help ensure Trust bank reconciliations are correct, they should be prepared regularly and promptly. They should be signed and dated by the preparer and should also be reviewed by a senior staff member independent of preparation. This review should seek to confirm the accuracy of the reconciliation and should be evidenced accordingly.

Management Response:

Trust funds held by the Shire were examined to determine proper accountability in the Shire's financial management system and compliance with regulatory requirements. All monies held in the Trust fund that were not required have been transferred out and reconciled.

2.3 Receipts and Receivables

Sundry Debtors

The Debtors module is automatically interfaced with the general ledger in Synergy. On a monthly basis, the Senior Finance Officer generates the following reports:

- a) Debtor Ledger Report - which shows all outstanding transactions to date
- b) Debtor Trial Balance - which shows the break of outstanding transaction to date and
- c) General Ledger Detail Trial Balance.

The Senior Finance officer reviews the reports to ensure that the Debtor Module (Subsidiary ledger) reconciles to the General Ledger. Once the reconciliation is completed, the reports are sent to the Manager Corporate and Community for review and approval.

Comment: Reconciliations are of primary control importance and should be complete and properly reconciled on a timely basis, to ensure the reliability of any financial information presented and total receivables is justified.

Management Response:

Controls and procedures are considered to be operating effectively and are appropriate for the Shire's current scope of operations.

Receipting

Daily Reconciliation of cash and cheques received:

- a) Money can be received via BPoint, direct bank deposit and front counter (cash, cheques and EFT).
- b) Money is receipted into Synergy on a daily basis by the Administration Officer (Cash, Cheque and EFT) and the Senior Finance Officer (BPoint and direct deposits into bank account).
- c) When revenue is received a copy of the receipt is printed and provided to the customer on request. It is subsequently entered into Synergy.

At the end of the day, the Administration Officer or Assistant Administration Officer performs the following:

- a) Cash, cheques and EFT are processed as a Batch in Synergy. The 'Receipting Batch Totals' report (includes cash, cheques and EFT receipted during the day) is printed from Synergy.
- b) The cash and cheques are then counted and agreed to the 'Receipting Batch Totals' report.
- c) The End of Day Reconciliation Form is then completed and signed by the Administration Officer.

Reconciliation of the receipting system with cash received:

1. The Assistant/Administration Officer prints the following reports:
 - a) Bank Deposit Listing - details of money intake for the day
 - b) Audit Trail - details of amounts receipted for the day
 - c) Receipts by system - breakdown of amounts receipted
2. The Administration Officer then ensures that all amounts reconcile and that there are no discrepancies.
3. If discrepancies identified, those are investigated and followed up on.

4. Once all amounts have been reconciled, the Administration Officer then signs off on the 'Cash Receipting Bank Deposit Listing' (part of the Bank Deposit Listing report) to confirm that all amounts agree.
5. The reconciliation is then stored in the safe overnight.
6. The next morning the Senior Finance Officer reviews the reconciliation, investigates any variances identified, updates the batch then prints the following reports
 - a) GL Impact Statement - details of GL accounts money was receipted to
 - b) Receipting Update Report - details of receipts by receipt type
7. The Senior Finance Officer then signs off as reviewed.

The following morning the administration officer or assistant administration officer counts the money to ensure the float at the start of day is correct. (this employee is the alternate to the one who balanced the previous night where possible).

Comment: To help ensure the completeness and accuracy of subsidiary ledgers, the general ledger should be reconciled to the respective subsidiary ledgers on a regular basis. These reconciliations should be signed and dated by the responsible officer and should be independently reviewed with accompanying evidence by a more senior officer.

Management Response:

An examination of the receipts and receivables and procedures for the period under review revealed that controls and procedures are operating effectively and are appropriate for the Shire's current scope of operations.

Procedures reviewed in place for revenue cycle:

1. *Fees and Charges*
2. *Billing*
3. *Mail Opening*
4. *Receipting,*
5. *Changes to debtor master file,*
6. *Interface/General Ledger Update*
7. *Security over cash until banked*
8. *Segregation of Duties*

2.4 Rates

The Shire currently has the following processes in place:

1. Rates are Calculated through the valuations being uploaded onto Synergy by Finance Officer from rolls provided by Landgate. The Council approves rates and this is recorded in the Council meeting minutes.
2. Procedures in place for monitoring and treatment of outstanding rates and debtors, and amendments to the rates master file with approval required from council.
3. Reconciliation is prepared on a monthly basis then reviewed and approved by the Manager Corporate and Community separate to the preparation process.
4. The Administration has the Audit Trail switch which highlights all changes within the rates system and by whom. This is checked by the Senior Finance Officer as part of the end of month procedure.
5. Shire currently has and recently reviewed Policy 2.21 - Financial Hardship to assistance ratepayers.

The following matter is brought to the Council's attention:

1. The Shire does not have a logging process to review changes made to rates or values within the Synergy system.

Comment: To help ensure statutory compliance, care should be rendered when setting rates and values ensuring changes made are reviewed and signed off by Senior Management on a timely and regular basis.

Management Response:

An examination of the rates system and procedures for the period under review revealed that controls and procedures are operating effectively and while appropriate for the Shire's current scope of operations, although further consideration will be undertaken to recording of accountability in this area.

2.5 Fees and Charges

Fees and Charges imposed at the time of budget adoption were found to be in accordance with legislative requirements.

The following matter is brought to the Council's attention:

1. The Officer of Auditor General during the 2018 Audit identified the Shire had no logging in process for reviews of system changes.

Comment: To help ensure statutory compliance, care should be rendered when setting fees and charges ensuring changes made are reviewed and signed off by Senior Management on a timely and regular basis.

Management Response:

The Shire has since put in place the following:

- *Removed access to the Creditor and Debtor module from the shared account.*
- *Audit trails are to be completed and reviewed monthly with access logs being created and checked monthly. Currently, a process is required to be developed for reviewing the changes made to fees and charges within Synergy – procedure to be prepared on request and authorisation of changes.*

In future, access logs will be created and checked monthly. The Shire will develop a process for reviewing the changes made to fees and charges within Synergy.

2.6 Purchases, Payments and Payables (Including Purchase Orders)

Procedures reviewed and implemented:

1. Purchase Order requisition needs to be printed and authorised in accordance with the delegation Register.
2. The Shire currently has procedures in place for:
 - a) Ordering
 - b) Invoice Processing
 - c) Payment
 - d) Changed to creditor Masterfile
 - e) Adjustment and Non-Routine transactions
3. Reconciliation is required between Invoice and Purchase Order.
4. Policy Manual, 2.36 Procurement Policy in place.

The following matter is brought to the Council's attention:

Purchasing Policies and Procedures were identified by the Officer of Auditor General during the 2018 Audit with notation that contractual payments were being authorised by a staff member outside their purchasing delegation limit. Additionally, the 2019 Audit identified no documented procedure over the authorisation and payment of accounts.

Comment: The Shire's Procurement policy 2.36 was updated and adopted at the Ordinary Council Meeting to address this matter.

Additionally, the process for payments was documented including procedures for processing of timely payments. Furthermore, training is now provided to new employees in this area of governance.

Management Response:

An examination of the current Purchases, Payments and Payables procedures for the period under review revealed that controls and procedures are operating more effectively and are appropriate for the Shire's current scope of operations.

2.7 Payroll

The Shire currently has the following processes in place:

- 1 Hiring
- 2 Terminating
- 3 Timesheets
- 4 Leave Bookings
- 5 Reconciliation
- 6 Leave Accruals
- 7 Manual Adjustments
- 8 Payroll Payments
- 9 Physical Security
- 10 Segregation of Duties

The Shire currently has a number of Policies in place to address conditions of employment.

An independent Senior Management Officer is required to verify any changes to payroll details before such changes are processed. In terms of payroll payment runs, these too are reviewed and verified by an independent Senior Management Officer. However, an audit trail review does not form part of the Shire's current practices/processes. Management are of the view that there are sufficient preventative controls already in place.

Before payment, a reconciliation of payments is performed by the ODO and reviewed by the CEO. The CEO (as part of the review) will ensure that payroll batches match the payroll EFT batch/payment from the bank account.

The following matter is brought to your attention:

- a) During December 2018 major finance procedures were documented and updated. During this time, the payroll process underwent review.
- b) During the 2018 Audit the Officer of Auditor General identified the payroll payments were authorised by a staff member outside purchasing delegation limit. Furthermore, during the 2019 Audit it was identified no documented procedure over the authorisation and payment of accounts.
- c) The systems audit trail report for changes made to payroll details, including bank details, is not reviewed by a senior staff member at every payment run.

Comment: To help ensure all changes to payroll details in the system are correct and hence all payments are genuine, the system's audit trail report showing all changes made to the system should be printed and reviewed by a senior staff member independent of processing prior to the processing of each payment run.

This independent review should seek to confirm the integrity of the changes in the system against appropriate authorisations and should be evidenced accordingly.

Management Response:

Overall reporting was completed satisfactorily. Controls and procedures are operating effectively and are appropriate for the Shire's current scope of operations.

However, to improve all pays are genuine and all salaries and wages are complete and correctly posted into the general ledger, salaries and wages should be reconciled every pay run to the payroll summary report and documented for review by a senior staff member independent of preparation. The independent review should seek to confirm the accuracy of the reconciliation and should be evidenced accordingly.

A Senior Management Officer is required to verify any changes to payroll details before such changes are processed. However, an audit trail review does not form part of the Shire's current practices/processes. Management are of the view that there are sufficient preventative controls already in place.

2.8 Credit Card Procedures

The Shire currently has a credit card policy 2.18 in place. This policy helps to ensure robust and stringent controls always remain over the Shire's credit card expenditure.

In order to enhance daily purchasing processes and reduce administrative costs, the Shire of Brookton will authorise the issue, by its preferred financial services provider, of corporate credit cards with a maximum credit limit of \$10,000, under delegated authority of the Chief Executive Officer. The Shire has 3 credit cards in use with a total combine limit of \$10,000.

Comment: Imperative to ensure robust and stringent controls always remain over the Shire's credit card expenditure.

Management Response:

An examination of the credit card procedures for the period under review revealed that controls and procedures are operating effectively and are appropriate for the Shire's current scope of operations.

2.9 Fixed Assets (Including Acquisition and Disposal of Property)

The Shire currently has Policy 2.16 Significant Accounting Policies in place.

The following matter is brought to the Council's attention:

1. In June 2019 the Auditor of Officer General identified the Depreciation Policy during the 2019 Audit – Useful Life of assets in policy appear to be excessive and may not reflect the life in the asset register. As a result, the Asset Management Plan and Long-Term Financial Plan shall be reviewed as part of policy review annually.

Comment: The fixed assets management system including controls over acquisition and disposal of assets, updating of the fixed assets register, depreciation of fixed assets and reconciliation of the fixed assets register to the general ledger should be conducted on a regular basis.

Management Response:

We concluded fixed assets are properly accounted for and supporting controls are operating effectively. Asset Management Plan progressing with Manager Infrastructure and Emergency now employed and Contractor. Fair Valuations have been completed for Plant, Equipment, Furniture, Land and Buildings. Asset Management and ROMAN data for roads requires review.

2.10 Budget

The budget document for the year ended 30 June 2020 and documents surrounding budget adoption were reviewed to ensure compliance with regulatory requirements.

The following matter is brought to the Council's attention:

1. A Review of the Long-Term Financial Plan (LTFP) which forms part of the Integrated Planning and Reporting Framework that flows information through to the annual budget is subject to review every two years. Moore Stephens Financial Consultant have been engaged to perform review of the LTFP, however the Shire is awaiting information from the Asset Management Plan, currently at 70% completion and projected to be finalized by September 2022.
2. A draft Workforce Plan template compiled has also been initiated however is waiting for full re-alignment of officer duties. Currently at 20% completion.

Management Response:

The budget document for the year ended 30 June 2020 and documents surrounding budget adoption were reviewed to ensure compliance with regulatory requirements. All statutory requirements were satisfactorily met, and the budget was of satisfactory form and content.

2.11 Financial Reports

Comment: Financial analysis and reporting help to answer a host of vital questions on all aspects of the Shires financial activities, giving both internal and external stakeholders an accurate, comprehensive snapshot of the metrics they need to make decisions and take informed action.

Management Response:

The following reports were reviewed for compliance with legislative requirements:

- Annual Report.
- Annual Financial Report.
- Monthly Financial Reports.

All were found to be of a satisfactory standard and in compliance with legislative requirements.

2.12 Audit Committee

The Committee has been established in accordance with Part 7 of the *Local Government Act, 1995* and constitutes an advisory committee formally appointed by and responsible to the Council.

This Committee does not have any:

1. Executive powers.
2. Authority to implement actions in areas over which management has responsibility.
3. Financial responsibility; nor
4. Management functions.

It is independent of the Shire's Administration with fundamental oversight and a need to focus on matters relating to internal and external audit, and risk exposure and mitigation pertinent to the Shire of Brookton.

Accordingly, the Committee's is to assist the Shire Council in:

- Liaising with the Office of the Auditor General (AOG),
- Overseeing external and internal audit functions.
- Promoting high level, the transparency and accountability of the Shire's financial management systems and reporting.
- Managing its risk exposure; and
- Driving a culture of continuous improvement.

Furthermore, the Committee is to report to Council with appropriate advice and recommendations on matters relevant to this Terms of Reference to facilitate decision making by Council in the discharge of responsibilities pursuant to statutory requirements.

Management Response:

Council's establishment of its audit committee and the constituted membership was examined and found to be in compliance with the requirements of the Act.

2.13 Insurance

Comment: The core of any insurance plan is to offer the Shire protection. Providing protection and mitigating risk is the simple motive of insurance.

Management Response:

Discussions with staff and review of policy documents revealed policies are current. An annual review of insurance risks occurs inclusive of LGIS, with a representative attending the Shire office. Subsequently the Shire's Finance Officer prepares a report that is submitted to LGIS.

2.14 Storage of Documents/Record Keeping

Review and update of the Records Management Plan is to be completed in accordance with the *State Records Act, 2000*. The review has commenced pending recent delay with change in the Senior Management positions.

The upgrade of Records Management System requires an electronic records management system to be introduced. The current manual system does not meet compliance with the *State Records Act, 2000*. This has resulted in an ERM system being purchased in 2019, with the process having commenced to set parameters around electronic records in early 2020. Currently the implementation of the 'e-records' is approximately 30% progressed.

Comment: Keeping accurate and up-to-date records is vital to the success of the Shire. Records kept will be one of the most important management tools the Shire possesses and, therefore, it should be allocated due to importance.

Management Response:

Progress has been made and is continuing to progress under the oversight of the CEO. The Shire's Business Classification Scheme has been finalised, with an experienced contractor being engaged for employee guidance. Altus Software has been installed with It Visions in the process of inputting our Business Classification Scheme into Altus. The Shire Administration is satisfied significant progress has been made to complete this task by December 2020.

15.06.20 GOVERNANCE

15.06.20.01 COMMUNITY FUNDING AND DONATIONS POLICY – COVID-19

File No:	ADM 0660
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Danni Chard – Executive Governance Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author and authorising officer do not have a specific interest in this item
Voting Requirements:	Simple Majority
Previous Report:	20 February 2020

Summary of Item:

This item seeks Council’s endorsement to amending “Policy 2.34 – Community Funding and Donations” to afford greater opportunities of access to funding by Community Groups and organisations under the Community Chest Funding Program during the recovery from the COVID-19 pandemic.

Description of Proposal:

As above.

Background:

The Community Funding and Donations Policy was adopted by Council to instil an equitable grants funding program accessible to all Community Groups, organisations and in some instances, individuals within the Shire of Brookton.

With the global COVID-19 pandemic community groups have been forced to cancel events and place all activities on hold affecting their income streams. However, with restrictions being eased there is an expectation that Committee Groups will be looking to become active yet have limited financial capacity to do so. To assist it is proposed that Council effectively double the grant pool and slightly change Policy 2.34 with three grant programs contained within the Policy being amended to support an increase in funding availability and access for Community Groups.

To this end, a copy of Policy 2.34 with amendments highlighted in red text is presented as **Attachment 15.06.20.01A**.

Consultation:

This matter has been discussed by Councillors at their Corporate Briefing Forum held in May 2020.

Statutory Environment:

Council’s role in determining, reviewing and amending Local Government’s Policies is defined in Section 2.7(2)(b) of the *Local Government Act, 1995*.

Relevant Plans and Policy:

There are no other existing plans or policies that apply to this matter.

Financial Implications:

There will be financial impacts on the 2020/2021 Shire’s financial budget should Council endorse the *Shire of Brookton, Agenda Ordinary Meeting of Council, 18 June 2020*

changes to this policy. The current 2019/2020 budget provides an allocation of \$20,000 prescribed for the Community Chest Fund. For the 2020/2021 budget it is suggested the budget allocation be doubled to \$40,000 acknowledging this amount requires ratification through the budget preparation process.

Risk Assessment:

In Council accepting the increase to the Community Chest Fund, this will provide multiple local community groups the opportunity to apply for grants where they may have previously missed out due to another Community Group securing the funding. Accordingly, the risk has been assessed as "Low".

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

Community & Strategic Objectives:

This proposal relates to:

- ✓ The BROOKTON Strategic Community Plan <2027 and aligns to the following objectives of the Brookton 20.
 - 4. Jobs and Volunteering
 - 9. Community Engagement
 - 16. Community Activity and Visitor Eventing
- ✓ The delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, this funding amendments aligns to:

- 1. Governance
 - 1.1 Review policy manual
- 24. Community Support

- 24.1 Support seniors, youth, cultural, sport/recreation group activities
- 24.6 Establish/co-ordinate community grants program

Comment

Explanation of the three grant programs with recommended changes is detailed below:

✓ Community & Strategic Partnership Grants

Currently, this program offers the highest grant funding where presently an application can potentially qualify for up to \$10,000 from the total allocation per annum of \$20,000. This means if two individual applications were received and supported at the maximum amount allowable there would be no further funding available to other groups within the same financial year.

However, in amending Policy 2.34 by increasing the total pool to say \$40,000, with a maximum of 50% of the total fund set aside for this program in the Shire's annual budget, there will still be 50% of the total annual allocation available for the other programs detailed in this Policy.

✓ Community Support Grants

This program present allocates a maximum of \$3,000 cash support for each application based on an equal matching financial contribution.

It is proposed that this amount be increased to up to \$6,000 per application with the matched funding being amended to one third contribution from the community group.

✓ Equipment Purchase Grant

The maximum presently allocated for this program is \$500 with it suggested this be increased to \$1,000 cash support per financial year for the purchase of equipment. The requirement to match funding on a 'dollar for dollar' basis is to remain unchanged.

As mentioned, the above changes to Policy 2.34 will provide increased opportunity for community groups to progress with their respective projects and activities as we move into the recovery phase of COVID-19.

OFFICER'S RECOMMENDATION

That Council pursuant to Section 2.7(2)(b) of the Local Government Act 1995 amends 'Policy 2.34 – Community Funding and Donations', as presented in Attachment 15.06.20.01A to this report.

Attachments

15.06.20.01A – Policy 2.34 - Community Funding and Donations

2.34 COMMUNITY FUNDING AND DONTATIONS POLICY

Directorate:	Corporate			
Statutory Environment:				
Council Adoption:	Date:	Jun 2018	Resolution #:	13.06.18.04
Last Amended:	Date:	Feb 2020	Resolution #:	OCM 02.20-08
Review Date:	June 2021			

Introduction:

While there are many and varied needs for funding assistance across all types of community groups and organisations, this is also a need to present a guided and consistent approach to the allocation of funding by the Local Government. Accordingly, this policy seeks to provide clarity around the types and levels of funding allocation exclusively to community groups and organisations within the Brookton municipality or are jointly associated with a neighbouring municipality.

Policy Objective:

The objectives of this policy are to ensure:

- The Shire assists with delivery of essential community events, programs, projects and services that meet the objectives of the current Strategic Community Plan and Innovations Pathway.
- Council allocates financial support to the community in the most effective and transparent manner that includes the types and levels of funding provided to the community.
- All applications received which fall within the policy and its associated guidelines are equally considered for support.
- Council maintains an equitable, transparent and consistent process in distributing funding.

Financial Implications:

The implementation of this policy is supported by funds allocated in the Shire of Brookton's annual budget process through its Community Chest fund. This allocation will be set at \$20,000 inclusive of any unallocated funding being carried over from one financial year to the next financial year and 25% being taken for the Community Fund and Donations Financial Reserve until the reserve is exhausted, unless otherwise determined by Council at adoption of the annual budget each year.

Once the funding is exhausted, no further funding will be allocated until the next financial year.

Policy Content:

The Shire's Funding & Donations policy consists of three funding programs:

- Annual Grants
- Matched Funding Grants
- Community Donations

Annual Grants:

Funding category	Funding Amount	Guidelines
Community & Strategic Partnership Grants	Maximum of 50% of the total fund (prescribed within the Shire's annual budget) to a maximum of \$10,000 per application as \$10,000 cash support per financial year.	- Only available to groups and organisations within an incorporated body framework. - Designed to increase community access to essential events, programs, capital projects and services with a broad benefit. - Demonstrates a high level of community supports or need for the event, program, capital project or service. - Organisations with existing partnerships will be required to provide proof of all acquittals for the previous funding term and an audited financial statement from the previous financial year as a part of the application. - Applications for this category are limited to one application per organization every year. - Applications can be made at any time throughout the year.
Community Support Grants	Maximum \$63,000 cash support per financial year. With matched funding of 1/3 – Community Group and 2/3 Shire Grant.	- Only available to incorporated bodies. - Available to applicants to support a community project, program or event. - Applicants must demonstrate their ability to <u>match</u> Shire of Brookton grant support. - Applications can be made at any time throughout the year.
Equipment Purchase Grant	Maximum of \$1,000.00 \$500.00 cash support per financial year.	- Only available to incorporated bodies. - Can be used for the purchase of equipment, uniforms etc. - Applications must demonstrate the benefit of the equipment purchase to the wider community. - Equipment purchased must remain the property of the organization and not be for the exclusive use of any individual. - Applicants must demonstrate their ability to <u>match</u> Shire of Brookton grant support. - Applications can be made at any time throughout the year.

Community Donations:

Funding category	Funding Amount	Guidelines
Individual Donation	Maximum \$500.00 cash per financial year per individual. Maximum of \$500.00 per financial year for school based individuals who are boarding away from their principle place of residence that is located in the Shire of Brookton.	- Funding can be used for travel program attendance fees associated with participation in State, National or International representation in sport, arts, music or cultural programs. - Documented evidence of costs must be presented to the Shire as part of the application.
Not for Profit Community groups member donation	Maximum \$500.00 cash per financial year per group.	- Funding can be used for travel or program attendance fees associated with participation in State, National, or International representation in sport, arts, music or social or cultural programs or conferences. - Funding to assist the Shire in staging a civic or community

		event (i.e. Australia Day Celebrations)*. *Requires simplified letter to CEO detailing function to be performed and funding sought.
Not for Profit Community Organisation Utilities Financial Assistance Donation	Maximum \$750.00 per year per incorporated organization	As annual donation toward offsetting the cost of utilities (gas, electricity, water) incurred by the organization who own and occupy their own building within the Shire of Brookton. Satisfactory evidence of such costs being incurred by the organization in the same financial year must be produced. The utilities must be in the name of the organization seeking the donation. The organization must demonstrate financial need for such support.

Funding received through the above programs can consist of cash, in kind contributions and fee waivers.

No donation or grants will be issued:

- a) To any individual or organisation based outside the Shire of Brookton.
- b) For activities that constitutes the administrative function or celebration of a particular group or organisation.

Delegated Authority:

The CEO is authorised by Council, following consultation with the Shire President to approve an application (subject to the application meeting the guidelines contained within this policy) for an amount not exceeding \$500.00 in cases where the application is of an urgent nature or where the request falls outside the normal cycle of Ordinary Council meetings and cannot be processed in the normal Council meeting cycle.

Where the CEO has approved an application, the CEO will, at the next available Ordinary Council meeting, inform the Council in writing of the application and the amount granted.

Guidelines for Funding and Donations Policy:

The information included in these guidelines applies to applications received in response to Community Funding & Donations Policy.

1. Selection Criteria

The Shire of Brookton will assess all applications for funding, grants and donations against the following criteria:

- a) The organization is a Not for Profit or Community Organisation permanently operating in the Shire of Brookton municipality.
- b) The person is an individual person permanently residing in the Shire of Brookton municipality or an individual boarding at school outside of Brookton whose family still permanently resides in the Shire of Brookton municipality.
- c) The demonstrated positive contribution the project or organization will make to the community.
- d) The applicant certified within the application that they are authorized to apply for the Shire of Brookton support and to represent the applicant organization or individual.
- e) The applicant certified that the information provided in the application is true and correct and can provide evidence upon request.
- f) Sufficient financial information has been provided to clearly identify the full project budget and the items on which the funding will be spent.

- g) Where required, sufficient financial information supporting the viability of Applicant Organisations has been provided.
- h) The applicant has the resources and capacity to carry out the activities specified in the application.
- i) The availability of equipment, services and required staff hours for in kind contribution requests.

This Policy does not Apply to the following:

- a) Capital projects that do not offer broad community benefit, as determined by Council.
- b) Commercial organisations and businesses,
- c) Any organization (whether commercial or not for profit) whose primary activity or office is outside the Shire of Brookton Municipal boundary.
- d) Retrospective costs.
- e) Deficit funding for organisations that are experiencing a shortfall in revenue.
- f) Core organisation operating costs i.e. staff wages and training costs, utilities, lighting costs, lease fees, rates, levy's, and other administrative costs and conduct of meetings and celebrations etc. except where the incorporated not for profit organisation is seeking assistance under the "Not for Profit Community Organisation Utilities Financial Assistance Donation" section of tis Policy and the guidelines for this donation category are satisfied.
- g) Applications from organisations that have confirmed Community Partnership Funding support in the same financial year.
- h) Organisations or individuals with outstanding debts to the Shire of Brookton or outstanding funding acquittals.
- i) Non-incorporated organisations, unless they are supported by an Auspice Organisation or utilising the support to become incorporated.
- j) Applications from Commonwealth or State Government Organisations.

2. Application and Approvals Process

- a) All funding requests are to be made in writing through the completion of an application form.
- b) Applications for Community Partnership Grants and Matched Funding Grants and Community Donations can be lodged at any time throughout the year. Applications should be lodged a minimum of 6 weeks prior to the event or program commencement date.
- c) Applicants for Matched Funding Grants and Community Donations will generally be given written advice of the outcome of their application (subject to submission of all required documentation) following the next available Ordinary Council Meeting.
- d) Should an organisation act as an Auspice Organisation for individuals applying for support, this will not impede their ability to apply for support themselves. However, Auspice Organisations are responsible for acquittals being completed and will be ineligible to receive support until all acquittals for projects they are supporting are received.

- e) Organisations will not receive funding unless acquittals for previous support have been completed and received by the Shire.
- f) Organisations can submit multiple applications per financial year for Matched Funding Grants, but the maximum support they can receive is \$3,000 per financial year.
- g) Individuals can submit multiple applications per financial year for Community Donations, provided subsequent applications are for a different program (sport, arts, music, social or cultural). The maximum support individuals residing in the Shire of Brookton municipality can receive is \$500 per financial year. The maximum support an individual boarding at school can receive is \$500 per financial year.
- h) Grants and Donations will only be issued subject to funding being available.
- i) The Chief Executive Officer is to submit quarterly reports to the Audit and Risk Committee detailing all Matched Funding Grants and Community Donations that have been made since the previous quarter.
- j) Under no circumstances must the Shire of Brookton Municipal Budget allocation be exceeded.

3. Recognition of Shire of Brookton support

The Shire of Brookton must be recognised for the support provided for all Annual Grants, Matched Funding Grants and Community Donations. Recognition requirements for all funding programs must be detailed to the Shire as part of the application process.

4. Acquittals and Unspent Grant Funds

Successful applicants will be required to provide acquittal documentation to the Shire of Brookton within 30 days of the completion of the project.

Acquittal documentation will include:

- a) Measuring qualitative aspects, such as the success of the activity
- b) Financial information, such as receipts accounting for the expenditure of monies
- c) Examples of promotional materials applicable to the project
- d) Evidence of agreed recognition requirements
- e) Photos from the event or program (where applicable).

Funds which are unspent at the completion of the event, program, project, activity or service must be returned to the Shire of Brookton within 60 days. Further funding will not be available until an acquittal and unspent funds (if applicable) have been received.

15.06.20.02 AUTHORISATION OF DUAL FIRE CONTROL OFFICERS – SHIRES OF WANDERING, PINGELLY AND CORRIGIN

File No:	ADM 0191
Date of Meeting:	18 June 2020
Location/Address:	N/A
Name of Applicant:	Shire of Wandering, Shire of Pingelly and Shire of Corrigin
Name of Owner:	N/A
Author/s:	Danni Chard – Executive Governance Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirements:	Simple Majority
Previous Report:	N/A

Summary of Item:

In accordance with legislative requirements the Council is required to formal appoint its Bushfire Control Officers. This is done to ensure compliance and lawfully legitimise their authorisation under *Bush Fires Act 1954*, in fulfilling their duty.

Description of Proposal:

This report seeks Council’s consideration to appointing Dual Fire Control Officers from the Shire of Wandering, Shire of Pingelly and Shire of Corrigin.

Background:

Council has been requested by the Shire of Beverley to appoint Dual Fire Control Officers under the *Bush Fires Act, 1954* to empower these volunteers to act in their appointed roles across the municipal boundary.

This includes the appointment of the following people in the capacity of Dual Fire Control Officer from the:

Shire of Wandering:

- Mr P Monk
- Mr GR Parsons

Shire of Pingelly:

- Rodney Leonard Shaddick
- Robert Alexander Kirk
- Jeffrey Bernard Edwards
- Victor Arthur Lee
- Malcolm Leslie Cunningham
- Adam Lindsay Watts

Shire of Corrigin:

- Ray Hathaway
- Braden Grylls

A copy of the letter from the Shire of Wandering are provided at **Attachment 15.06.20.02A**, a copy of the letter from the Shire of Pingelly at **Attachment 15.06.20.02B**, and a copy of the letter from the Shire of Corrigin at **Attachment 15.06.20.02C**.

Consultation:

There has been no consultation in relation to this matter.

Statutory Environment:

As mentioned the appointment of a Dual Fire Control Officer for the 2020/21 Bush Fire season is undertaken in accordance with Section 38 of the *Bush Fires Act, 1954*.

Relevant Plans and Policy:

There are no plans or policies applicable to this proposal.

Financial Implications:

There is no impost on the Shire's finances in relation to this matter.

Risk Assessment:

Without the required authorisation from Council there is a perceived high level risk in relation to the duties performed by the newly appointed Dual Fire Control Officers, which could be deemed unlawful and potentially invalid should their actions be challenged through a judicial process. Therefore, the level of risk is assessed against the following matrix table as 'Medium'.

Consequence	Insignificant	Minor	Moderate	Major	Extreme
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
LOW	Monitor for continuous improvement.
MEDIUM	Comply with risk reduction measures to keep risk as low as reasonably practical.
HIGH	Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable.
SEVERE	Unacceptable. Risk reduction measures must be implemented before proceeding.

Community & Strategic Objectives:

This proposal relates to the delivery of core business and services detailed in the Shire of Brookton Corporate Compendium – May 2018, duly appended to the Next Generation BROOKTON Corporate Business Plan <2021.

Specifically, this appointment aligns to:

8. Emergency Management

Comment

Nil.

OFFICER'S RECOMMENDATION

That Council appoints under Section 38 of the Bush Fires Act, 1954 the following people from the:

Shire of Wandering:

- ***Mr P Monk***
- ***Mr GR Parsons***

Shire of Pingelly:

- ***Rodney Leonard Shaddick***
- ***Robert Alexander Kirk***
- ***Jeffrey Bernard Edwards***
- ***Victor Arthur Lee***
- ***Malcolm Leslie Cunningham***
- ***Adam Lindsay Watts***

Shire of Corrigin:

- ***Ray Hathaway***
- ***Braden Grylls***

as authorised officers in the capacity of Dual Fire Control Officer for 2020/2021 Bush Fire Season.

Attachment

15.06.20.02A – Letter from Shire of Wandering

15.06.20.02B – Letter from Shire of Pingelly

15.06.20.02C – Letter from Shire of Corrigin

SHIRE OF WANDERING

22 Watts Street, Wandering, WA. 6308
Ph: 08 9884 1056
www.wandering.wa.gov.au



Our Ref: 05.051.05108 / BF9
Your Ref:
Enquiries: Belinda Knight

Ian D'Arcy
Chief Executive Officer
PO Box 42
BROOKTON WA 6306

Dear Ian,

DUAL FIRE CONTROL OFFICER APPOINTMENTS - 2020/2021

Council wishes to inform you of the following Dual Fire Control Officers with the Shire of Brookton:

Mr P Monk

Mr GR Parsons

If Council's request is approved, please arrange the necessary local advertising.

Should you have any questions in regard to this matter, please contact the Shire Office on (08) 9884 1056 or email admin@wandering.wa.gov.au.

Kind Regards,

A handwritten signature in blue ink, appearing to be "Belinda Knight".

Belinda Knight
CHIEF EXECUTIVE OFFICER

25 May 2020

Wandering Road District
Established 1874

YOUR REF:

OUR REF: ADM0313/OWS202561

ENQUIRIES: Sheryl Squiers



4 June 2020

Mr I D'Arcy
Chief Executive Officer
Shire of Brookton
PO Box 42
BROOKTON WA 6306

Dear Ian

Appointment of Dual Fire Control Officers 2020/21

Council is seeking the appointment of the following Dual Fire Control Officers with the Shire of Brookton for the 2020/21 fire season:

Rodney Leonard Shaddick
Robert Alexander Kirk
Jeffrey Bernard Edwards
Victor Arthur Lee
Malcolm Leslie Cunningham
Adam Lindsay Watts

If Council's request is approved, please arrange the necessary local advertising.

Should you have any questions in regard to this matter, please contact Sheryl Squiers, Administration Officer Technical on (08) 9887 1066 or email aot@pingelly.wa.gov.au.

Yours sincerely

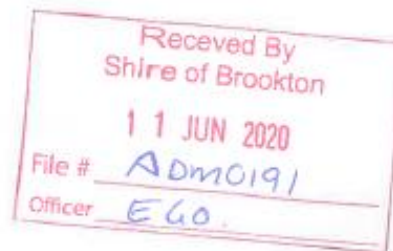
A handwritten signature in black ink, appearing to read "Julie Burton".

Julie Burton
Chief Executive Officer



PO Box 221, Corrigin WA 6375
T: 9063 2203
F: 9063 2005
E: shire@corrigin.wa.gov.au

Our Ref: ES 0001
Contact: Kirsten Biglin
es@corrigin.wa.gov.au



21 May 2020

Mr Ian D'Arcy
Chief Executive Officer
Shire of Brookton
PO Box 42
BROOKTON WA 6306

Dear Ian

RE: APPOINTMENT OF DUAL FIRE CONTROL OFFICERS 2020/2021

The Shire of Corrigin requests the following people be appointed as Dual Bush Fire Control Officers by the Shire of Brookton for the 2020/2021 bush fire season:

- **Ray Hathaway**
- **Braden Grylls**

Yours sincerely

Natalie Manton
Chief Executive Officer

16.06.20	ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
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17.06.20	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING
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18.06.20	CONFIDENTIAL REPORTS
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19.06.20	NEXT MEETING & CLOSURE
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The next Ordinary meeting of the Council will be held on 16 July 2020 commencing at 6.00 pm.