



**AGENDA
ORDINARY MEETING
OF COUNCIL**

20 AUGUST 2019

NOTICE OF MEETING

Please be advised that the next

Ordinary Meeting of Council

is to be held on

Tuesday, 20 August 2019

commencing at **6:30pm**

in the Council Chambers at 73 Austin Street, Cue



Rob Madson

Chief Executive Officer

16 August 2019

DISCLAIMER

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

Please note this agenda contains recommendations, which have not yet been adopted by Council.

SHIRE OF CUE

DISCLOSURE OF FINANCIAL INTEREST AND INTERESTS AFFECTING IMPARTIALITY

To: Chief Executive Officer

As required by section 5.65(1)(a) or 5.70 of the Local Government Act 1995 and Council's Code of Conduct, I hereby declare my interest in the following matter/s included on the Agenda paper for the Council meeting to be held on _____(Date)

Item No.	Subject	Details of Interest	Type of Interest Impartial/Financial	*Extent of Interest

(see below)

* Extent of Interest only has to be declared if the Councillor also requests to remain present at a meeting, preside, or participate in discussions of the decision making process (see item 6 below). Employees must disclose extent of interest if the Council or Committee requires them to.

Name (Please Print)

Signature

Date

NB

1. This notice must be given to the Chief Executive Officer prior to the meeting or at the meeting immediately before the matter in which you have declared an interest is discussed, Section 5.65(1) (a) & (b).
2. It remains Councillors'/Employees' responsibility to make further declarations to the Council if a matter arises during the course of a meeting and no previous declarations have been made.
3. It is a Councillor's/Employee's responsibility to ensure the interest is brought to the attention of the Council/Committee when the Agenda item arises and to ensure that it is recorded in the minutes.
4. It remains the Councillor's responsibility to ensure that he/she does not vote on a matter in which a declaration has been made. The responsibility also includes the recording of particulars in the minutes to ensure they are correct when such minutes are confirmed.
5. It is recommended that when previewing Agenda, Councillors mark Agendas with items on which an interest is to be declared and complete the declaration form at the same time.
6. Councillors may be allowed to remain at meetings at which they have declared an interest and may also be allowed to preside (if applicable) and participate in discussions and the decision making process upon the declared matter subject to strict compliance with the enabling provisions of the Act and appropriately recorded resolutions of the Council. Where Councillors request consideration of such Council approval the affected Councillor must vacate the Council Chambers in the first instance whilst the Council discusses and decides upon the Councillor's application.

Remember: The responsibility to declare an interest rests with individual Councillors / Employees. If in any doubt seek legal opinion or, to be absolutely sure, make a declaration.

Office Use Only: Date/Initials

1. Particulars of declaration given to meeting _____
2. Particulars recorded in the minutes: _____
3. Signed by Chief Executive Officer _____

Local Government Act 1995 - SECT 5.23

Meetings generally open to the public

5.23.(1) Subject to subsection (2), the following are to be open to members of the public:

- (a) All Council meetings; and
 - (b) All meetings of any committee to which a local government power or duty has been delegated.
- (2) If a meeting is being held by a Council or by a committee referred to in subsection (1) (b), the Council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following --
- (a) A matter affecting an employee or employees;
 - (b) The personal affairs of any person;
 - (c) A contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;
 - (d) Legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;
 - (e) A matter that if disclosed, would reveal;
 - (i) A trade secret;
 - (ii) Information that has a commercial value to a person; or
 - (iii) Information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government;
 - (f) A matter that if disclosed, could be reasonably expected to;
 - (i) Impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
 - (ii) Endanger the security of the local government's property; or
 - (iii) Prejudice the maintenance or enforcement of a lawful measure for protecting public safety;
 - (g) Information which is the subject of a direction given under section 23 (1a) of the Parliamentary Commissioner Act 1971; and
 - (h) Such other matters as may be prescribed.
- (3) A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.

SHIRE OF CUE

REVOKING OR CHANGING DECISIONS MADE AT COUNCIL MEETINGS

Local Government (Administration) Regulations 1996 (**Regulation No.10**)

If a previous Council decision is to be changed then support for a revocation motion must be given by an **Absolute Majority** of Councillors (that is at least 4 Councillors) if a previous attempt to rescind has occurred within the past three months or, if no previous attempt has been made the support must be given by at least **1/3rd** of all Councillors (that is at least 4 Councillors).

Regulation 10(1a) also requires that the support for revocation must be in writing and signed by the required number of Councillors, including the Councillor who intends to move the revocation motion.

Any revocation motion must be carried by the kind of vote that put the motion into place in the first instance (that is, if carried originally by an Absolute Majority or Special Majority vote then the revocation motion must also be carried by that same kind of vote).

If the original motion was carried by a Simple Majority vote then any revocation motion must be carried by an Absolute Majority vote.

To the Presiding Member,

The following Councillors give notice of their support for the bringing forward to the Council meeting to be held on _____ of a motion for revocation of Council resolution number _____ as passed by the Council at its meeting held on _____

Councillor's Names

Councillor's Signature

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

SHIRE OF CUE
Ordinary Council Meeting
AGENDA

To be held in the Council Chambers, 73 Austin Street Cue on
Tuesday 20 August 2019 commencing at 6:30pm

1.	DECLARATION OF OPENING	7
2.	APOLOGIES AND APPROVED LEAVE OF ABSENCE	8
3.	DISCLOSURE OF MEMBERS' INTERESTS.....	8
4.	PUBLIC QUESTION TIME.....	8
5.	CONFIRMATION OF MINUTES.....	8
6.	APPLICATIONS FOR LEAVE OF ABSENCE	8
7.	DEPUTATIONS.....	8
8.	PETITIONS	8
9.	ANNOUNCEMENTS WITHOUT DISCUSSION	8
10.	REPORTS.....	9
10.1	ACCOUNTS & STATEMENTS OF ACCOUNTS	9
10.2	FINANCIAL STATEMENT	11
10.3	ADOPTION OF ANNUAL BUDGET FOR 2019-2020.....	13
10.4	LGIS REFUND	19
10.5	DONATION REQUEST – WHEATBELT CHRISTIAN FELLOWSHIP.....	21
10.6	CUE RIFLE RANGE RESERVE	25
10.7	PROSPECTING LICENCE CUDDINGWARRA PARKLAND	27
11.	MOTIONS BY MEMBERS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	29
12.	MOTIONS FOR CONSIDERATION AT THE NEXT MEETING	29
13.	NEW BUSINESS OF AN URGENT NATURE.....	29
14.	MATTERS FOR WHICH THE MEETING MAY BE CLOSED	29
15.	CLOSURE.....	29

1. DECLARATION OF OPENING

The Presiding Member welcomed those present and read the following disclaimer:

No responsibility whatsoever is implied or accepted by the Shire of Cue for any act, omission or statement or intimation occurring during this Meeting.

It is strongly advised that persons do not act on what is heard at this Meeting and should only rely on written confirmation of council's decision, which will be provided within fourteen (14) days of this Meeting.

PRESENT:

Councillor Ross Pigdon, Shire President

Councillor Les Price, Deputy Shire President

Councillor Ian Dennis

Councillor Ron Hogben

Councillor Leonie Fitzpatrick

Councillor Fred Spindler

Councillor Liz Houghton

STAFF:

Mr Rob Madson, Chief Executive Officer

Mr Richard Towell, Deputy Chief Executive Officer

Mrs Janelle Duncan, Coordinator Community Development

GALLERY:

2. APOLOGIES AND APPROVED LEAVE OF ABSENCE

3. DISCLOSURE OF MEMBERS' INTERESTS

4. PUBLIC QUESTION TIME

5. CONFIRMATION OF MINUTES

<i>Council Decision:</i>	Voting Requirement: Simple Majority
MOVED:	SECONDED:
That the Minutes of the Ordinary Meeting of 16 July 2019 are confirmed as a true and correct record of the meeting.	
CARRIED:	

<i>Council Decision:</i>	Voting Requirement: Simple Majority
MOVED:	SECONDED:
That the Minutes of the Special Meeting of 22 July 2019 are confirmed as a true and correct record of the meeting.	
CARRIED:	

6. APPLICATIONS FOR LEAVE OF ABSENCE

7. DEPUTATIONS

8. PETITIONS

9. ANNOUNCEMENTS WITHOUT DISCUSSION

10. REPORTS

10.1 ACCOUNTS & STATEMENTS OF ACCOUNTS

APPLICANT: Shire of Cue
DISCLOSURE OF INTEREST: Nil
AUTHOR: Richard Towell – Deputy Chief Executive Officer
DATE: 16 August 2019

Matters for Consideration:

To receive the List of Accounts Due & Submitted to Ordinary Council Meeting on 20 August 2019 as attached – see [Appendix 1](#).

Background:

The local government under its delegated authority to the CEO to make payments from the municipal and trust funds is required to prepare a list of accounts each month showing each account paid and presented to Council at the next ordinary Council meeting. The list of accounts prepared and presented to Council must form part of the minutes of that meeting.

Comments:

The list of accounts is for the month of July 2019.

Statutory Environment:

Local Government (Financial Management Regulations) 1996 – Clause 13.

Policy Implications:

Nil.

Financial Implications:

Nil.

Strategic Implications:

Nil.

Consultation:

Nil.

Officer's Recommendation:

Voting Requirement: Simple Majority

That Council endorse the payments for the period 1 July – 31 July 2019 as listed at [Appendix 1](#), which have been made in accordance with delegated authority per LGA 1995 S5.42.

Municipal Fund Bank	EFTs	7515 – 7610	\$435,732.44
Direct Debit Fund Transfer			\$ 34,995.68
Payroll			\$100,081.24
BPAY			\$ 25,444.53
Cheques			\$ -
Total			\$596,253.89

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

CARRIED:

APPENDIX 1

List of Accounts Paid July 2019

		Date	Name	Description	Amount	Bank	Type
	Direct Debit						
1	Direct Debit	02/07/2019	2 - BANK FEES	BANK FEES	- 173.28	1	FEE
2	Direct Debit	02/07/2019	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 16.98	1	FEE
3	Direct Debit	15/07/2019	2 - BANK FEES	BANK FEES	- 39.20	1	FEE
4	Direct Debit	15/07/2019	2 - BANK FEES	BANK FEES	- 9.20	1	FEE
5	Direct Debit	15/07/2019	2 - BANK FEES	BANK FEES	- 31.81	1	FEE
6	Direct Debit	03/07/2019	Caltex Australia Petroleum Pty Ltd	Fuel Card Purchases June 2019 (\$989.63)	- 989.63	1	CSH
7	Direct Debit	03/07/2019	Commonwealth Bank	Credit Cards Purchases June 2019 - Accommodation for CEO, Cr Price & Cr Pigdon to Attend ALGA National Assembly in Canberra 15/6/19 - 23/6/19 (\$5,791.27), Partner Tour for P Pigdon & C Willet at ALGA National Assembly (\$250.00) Meals for ALGA National Assembly in Canberra 15/6/19 - 23/6/19 (\$1,759.70), Taxi Fares to ALGA National Assembly (\$120.14), Skype Subscriptions for Council Meetings (\$9.90), Change of Plates for P65 - EWP (\$26.85), Transfer Fee for P85 - Flat Top Trailer (\$16.30), 3 x Boundary Marker Pegs for Bowling Green (\$89.10), 51.54lts Fuel (\$78.80), Parking for Magistrates Court Hearing with Mavia Pty Ltd (\$5.05) & Dash Cam & 4 x SD Cards for P1 - CEO Pajero (\$351.00)	- 8,498.11	1	CSH
8	Direct Debit	30/07/2019	Commonwealth Bank	Credit Card Purchase July 2019 - Spray Nozzles for P15 - Bitumen Sprayer (\$28.16), 1 x 45kg Gas Bottle for 15 Allen St (\$193.00), 12 x Excavator Keys Plus Discount for Depot (\$37.25), Land Title ID Check for 28 Dowley St - R.Madson & R.Pigdon (\$88.00), Popcorn Oil & Popcorn Bags for Cue Events (\$59.95), 55.75lts Fuel for P1 - CEO Pajero (\$83.01), Permit Fee for P38 - Prime Mover (\$50.00), Parking Fee for Visit to Civic Legal (\$6.16), Fee for Inspection of P41 - Community Bus (\$188.35), 2 x Nights Accommodation for Truck Driver to Pick Up Freight from Perth 26/6/19 - 27/6/19 (\$330.00) & Monthly Skype Subscription for Council Meetings (\$9.90)	- 1,073.78	1	CSH
9	Direct Debit	28/07/2019	Super Choice	Superannuation Contributions	- 24,163.69	1	CSH
10					- 34,995.68		
11							
12	EFT						
13	EFT7515	05/07/2019	AIT Specialists Pty Ltd	Fuel Tax Credits May 2019 (\$589.05), Fuel Tax Credits June 2019 (\$341.55)	- 930.60	1	CSH
14	EFT7516	05/07/2019	Australia Post	Postage Supply for Period Ending 30/6/19 (\$73.64)	- 73.64	1	CSH
15	EFT7517	05/07/2019	Bell & Co	Purchase of Assorted Products for Cue Events, Members Refreshments, Staff Christmas Party, Australia Day, Parks & Reserves & Staff Amenities 2018/2019 (\$1,877.13), 2 x Pallets of Rapid Set Cement Bags for Depot (\$1,698.28)	- 3,575.41	1	CSH
16	EFT7518	05/07/2019	Hille, Thompson & Delfos Surveyors & Planners	Fee to Prepare Proposed Plan for Subdivision of Cue Rifle Range (\$1,540.00)	- 1,540.00	1	CSH

List of Accounts Paid July 2019							
		Date	Name	Description	Amount	Bank	Type
17	EFT7519	05/07/2019	Kleenheat Gas	2 x LPG Bulk Refill for Tourist Park 24/6/19 (\$388.48) & 2 x 45kg Gas Cylinders for Depot (\$222.51)	- 610.99	1	CSH
18	EFT7520	05/07/2019	TechCloud Enterprises	Web Development - Redesign of Shire of Cue's Web Page (\$560.00)	- 560.00	1	CSH
19	EFT7521	05/07/2019	Totally Workwear Geraldton	5 x Shirts, 4 x Pants & 1 x Jacket for Tourist Park Manager (\$572.30)	- 572.30	1	CSH
20	EFT7522	05/07/2019	Trephleene Pty Ltd T/A Canine Control	Ranger Services for Shire of Cue 19/6/19 & 20/6/19 (\$1,397.09)	- 1,397.09	1	CSH
21	EFT7523	05/07/2019	Abrolhos Steel	Sliding door and parts for Depot Improvements, Flat steel section for Dalgarranga Road (\$1,130.80)	- 1,130.80	1	CSH
22	EFT7524	05/07/2019	Blackwoods	Twin pack lithium-ion batteries for Workshop (\$239.00)	- 239.00	1	CSH
23	EFT7525	05/07/2019	Bunnings Group Limited	Rolls of synthetic turf & nails for Austin St, Post hole pincer for Beebyn-Karbar Road, Spray paint for Workshop & other minor supplies for Pensioner Huts, Beringarra Road, Parks and Resrves (\$1,332.17), Tek Screws for Kalli Road & Sundry Supplies, Drill Bits, Chuck Adaptor & Tek Bits for Workshop (\$313.36), Ratchet Ties Down Straps for P48 - Drop Deck Trailer (\$24.70)	- 1,670.23	1	CSH
24	EFT7526	05/07/2019	Great Southern Fuel Supplies	Purchase and delivery of 8,600L of diesel to Cue Works Depot (\$12,487.02)	- 12,487.02	1	CSH
25	EFT7527	05/07/2019	Toll Ipec Pty Ltd	Freight expense for delivery of oil pressure switch for P59 - Bore Boss & dog waste bags for Tourist Park (\$39.72)	- 39.72	1	CSH
26	EFT7528	05/07/2019	WesTrac	Speed sensor & Oil Pressure Switch for P59 - Bore Boss (\$352.66)	- 352.66	1	CSH
27	EFT7529	05/07/2019	Westate Hose Supplies	Black rubber hose for P59 - Bore Boss (\$352.00)	- 352.00	1	CSH
28	EFT7530	05/07/2019	Western Independent Foods	Freight expense for delivery of Nitto air fittings for P76 - Kubota Tractor (\$13.20)	- 13.20	1	CSH
29	EFT7531	09/07/2019	HEAVY VEHICLE CERTIFICATIONS PTY LTD	Modification assessment for body change to rigid side/end tipper for P78 - Nissan Prime Mover (\$682.00)	- 682.00	1	CSH
30	EFT7532	15/07/2019	BEFOREDAWNWWIFILM PTY LTD	Platinum Sponsorship for Production of Before Dawn WW1 Film (\$22,000.00)	- 22,000.00	1	CSH
31	EFT7533	15/07/2019	Easifleet	Novated Lease for Staff Member July 2019 (\$1,213.27)	- 1,213.27	1	CSH
32	EFT7534	15/07/2019	Elite Electrical Contracting	Design Work for Electrical Installation at Pensioner Units (\$550.00)	- 550.00	1	CSH
33	EFT7535	15/07/2019	Grants Empire	Development of Lotterywest Community Spaces Application for Railway Station - Payment 1 of 2 (\$462.00)	- 462.00	1	CSH
34	EFT7536	15/07/2019	IT Vision	Renewal of SynergySoft Annual Licence Fees 1/7/19 - 30/6/20 (\$25,848.87)	- 25,848.87	1	CSH
35	EFT7537	15/07/2019	LO-GO Appointments	Fee for Contract Rates Officer to Consult Rates for Shire of Cue w/e 29/6/19 (\$49.98)	- 49.98	1	CSH
36	EFT7538	15/07/2019	Murchison Club Hotel	Meals Expense for Teach Learn Grow University Students (\$238.50)	- 238.50	1	CSH
37	EFT7539	15/07/2019	Professional Pc Support Pty Ltd	Computing/Consultancy Backup Managed Services July 2019 (\$1,826.00)	- 1,826.00	1	CSH

List of Accounts Paid July 2019							
		Date	Name	Description	Amount	Bank	Type
38	EFT7540	15/07/2019	RAMM Software Pty Ltd	RAMM Annual Support & Maintenance Fee for Period 1/7/19 - 30/6/20 (\$6,465.83)	- 6,465.83	1	CSH
39	EFT7541	15/07/2019	Isolated Children's Parents Association of WA	Sponsorship for ICPA State Conference 2020 (\$500.00)	- 500.00	1	CSH
40	EFT7542	15/07/2019	Mid West Group of Affiliated Agricultural Societies	Donation for 2019 Mid West District Flower Display (\$500.00)	- 500.00	1	CSH
41	EFT7543	15/07/2019	Shire of Cue Trust Account	Sponsorship for Variety Bash 2019 (\$2,500.00)	- 2,500.00	1	CSH
42	EFT7544	15/07/2019	Australian Taxation Office	BAS payment June 2019 (\$33,134.00)	- 33,134.00	1	CSH
43	EFT7545	15/07/2019	Building Commission	Building Services Levy Remittance June 2019 (\$113.30)	- 113.30	1	CSH
44	EFT7546	18/07/2019	Cue Roadhouse & General Store	10.01lts Fuel for P15 - Bitumen Sprayer (\$16.01) & The Guardian Newspaper for Differential Rates Advertisement (\$1.40)	- 17.41	1	CSH
45	EFT7547	18/07/2019	LO-GO Appointments	Fee for Contract Rates Officer to Consult Rates for Shire of Cue w/e 22/6/19 (\$535.21)	- 535.21	1	CSH
46	EFT7548	18/07/2019	Landgate	Consolidated Mining Tenement Roll (\$3,555.95), Mining Tenements Chargeable 16/3/19 - 9/4/19 (\$39.00) & Mining Tenements Chargeable 3/6/19 - 24/6/19 (\$124.80)	- 3,719.75	1	CSH
47	EFT7549	18/07/2019	Leslie Matthew Price	Ordinary Council Meeting 25/6/19 (\$236.00), ICT Allowance (\$290.00), Deputy Presidents Allowance (\$225.00), Travel Council Meeting 25/6/19 (\$63.37), Travel Forum Meeting 11/6/19 (\$63.37), Travel MRVC Meeting 11/6/19 (\$221.76), Travel ALGA National General Assembly 14/6/19 (\$1,384.02) & Taxi Fare for ALGA National General Assembly (\$52.13)	- 2,535.65	1	CSH
48	EFT7550	18/07/2019	BOC Limited	Annual container charges for 2019-2020 (\$727.73), Oxygen Container G Size Exchange (\$39.56)	- 767.29	1	CSH
49	EFT7551	18/07/2019	Janet Wicks	Reimbursement for Cost of Travel to Heritage Conference & WA History Society Workshop in Perth 27/4/19 - 3/5/19 (\$1,084.20)	- 1,084.20	1	CSH
50	EFT7552	18/07/2019	Murchison Country Zone WALGA	2019-2020 Membership Subscription for Murchison Country Zone (\$2,500.00)	- 2,500.00	1	CSH
51	EFT7553	18/07/2019	Parkitect Australia Pty Ltd	50% Deposit for Blue World Cup Modular Pump Track for Skate Park (\$37,070.00)	- 37,070.00	1	CSH
52	EFT7554	18/07/2019	Pragma Lawyers	Professional Fees for Matter No SCUE01 9/7/19 (\$4,752.00)	- 4,752.00	1	CSH
53	EFT7555	18/07/2019	Winc Australia Pty Ltd	Pens, Correction Tape & Clipfolders for Depot (\$24.81), 5 x Box A4 Copy Paper for Printing (\$114.28), Coffee, Sign Holders, Clipboards & Assorted Stationery for Office (\$112.65)	- 251.74	1	CSH
54	EFT7556	18/07/2019	AV Truck Services Pty Ltd	Oil line, Repair Kit & oil seal for P45 - Iveco Longnose Prime Mover (\$292.86)	- 292.86	1	CSH
55	EFT7557	18/07/2019	Atom Supply	Protective clothing for Outside Crew - gloves, safety glasses (\$777.52)	- 777.52	1	CSH
56	EFT7558	18/07/2019	Complete Rubber Pty Ltd	Rubber gaskets for Airport Lighting (\$554.40)	- 554.40	1	CSH
57	EFT7559	18/07/2019	Geraldton Mower Repair & Specialist	Whipper snipper heads for P19 - Whipper snippers (\$120.00)	- 120.00	1	CSH
58	EFT7560	18/07/2019	Neil Barnden	Contractor works for Shire of Cue 1/7/19 - 5/7/19 (\$3,080.00)	- 3,080.00	1	CSH
59	EFT7561	18/07/2019	Statewide Bearings	Batteries for P44 - International Rubbish Truck, P73 - Multipac Multi Tyre Roller & P10 - Walker Ride-on Mower (\$399.74), Fuel Filters for P78 - Nissan Prime Mover (\$82.79)	- 482.53	1	CSH

List of Accounts Paid July 2019							
		Date	Name	Description	Amount	Bank	Type
60	EFT7562	18/07/2019	Truckline - Geraldton	Service kit for P78 - Nissan Prime Mover, Bushes for P72 - Iveco Daycab Prime Mover & Loader Binder & Chain for P74 - Mini Digger Trailer (\$407.50)	- 407.50	1	CSH
61	EFT7563	19/07/2019	Atyeo's Environmental Health Services Pty Ltd	Environmental Health Services - Cue 10/06/2019 - 24/06/2019 (\$2,881.67)	- 2,881.67	1	CSH
62	EFT7564	19/07/2019	Cutting Edges Equipment Parts	Dozer track chains, bolts and nuts for P51 - CAT D6 Dozer (\$10,527.00)	- 10,527.00	1	CSH
63	EFT7565	19/07/2019	H & J Jones & Sons	Fencing contractor works for dog enclosure at Tourist Park & new fencing at Old Municipal Chambers (\$9,130.00)	- 9,130.00	1	CSH
64	EFT7566	19/07/2019	Integrity Sampling	Staff random testing May 19 (\$3,113.00)	- 3,113.00	1	CSH
65	EFT7567	19/07/2019	Sun City Plumbing	Repairs to burst water main at SH09 - 12 Chesson St Staff House (\$132.00)	- 132.00	1	CSH
66	EFT7568	25/07/2019	Elite Electrical Contracting	Labour to disconnect and reconnect hot water system and replace outdoor power point at Oval Change Rooms (\$638.00), Labour & Materials to Replace Outdoor Lights & Repair Damaged Power Point in Depot (\$490.82)	- 1,128.82	1	CSH
67	EFT7569	25/07/2019	F.L Costello & Co	2x Speed Queen washing machines for Tourist Park (\$7,480.00)	- 7,480.00	1	CSH
68	EFT7570	25/07/2019	Mark Smith Pty Ltd	Pump out septic tank at RV Park (\$880.00), Labour to Unblock Drains at Male Ablution Block in Tourist Park (\$110.00), Repairs to Water Filtration Unit at tourist Park (\$827.81) & Labour to Unblock Urinal at Tourist Park (\$548.90)	- 2,366.71	1	CSH
69	EFT7571	25/07/2019	Purcher - International Pty Ltd	Clamp cylinder for P23 - JCB Backhoe (\$290.95)	- 290.95	1	CSH
70	EFT7572	25/07/2019	Statewide Bearings	Air filters for P76 - Kubota Tractor (\$267.58) & Fan Belts for P58 - Kubota Mower (\$148.50)	- 416.08	1	CSH
71	EFT7573	25/07/2019	WesTrac	Hose for P71 - CAT Mini Excavator (\$38.54)	- 38.54	1	CSH
72	EFT7574	25/07/2019	Bitutek Pty Ltd	Supply of 3,500L of CRS emulsion for Road Patching (\$3,272.50)	- 3,272.50	1	CSH
73	EFT7575	25/07/2019	Bunnings Group Limited	Brass fittings, rustguard paint & galvanised pipe for P15 - Bitumen sprayer, Citrus trees & shrubs for SH08 - 10 Chesson St Staff House & Street Trees (\$322.38)	- 322.38	1	CSH
74	EFT7576	25/07/2019	Digga West & Earthparts WA	Tungsten carbide tips & teeth for borer attachment on P76 - Kubota Tractor (\$457.60)	- 457.60	1	CSH
75	EFT7577	25/07/2019	Golden West Lubricants	Transmission oil for Prime Mover trucks & grease cartridges for workshop (\$180.84)	- 180.84	1	CSH
76	EFT7578	25/07/2019	Purcher - International Pty Ltd	Windscreen stoneguard for P75 - Fuso Canter (Road Crew) (\$459.18)	- 459.18	1	CSH
77	EFT7579	25/07/2019	Statewide Bearings	Couplings for P15 - Bitumen Sprayer (\$100.10)	- 100.10	1	CSH
78	EFT7580	25/07/2019	Western Independent Foods	Freight expense for delivery of clothing for office staff & protective clothing for outside crew - gloves, safety glasses (\$41.80), Freight Expense for Delivery of Couplings for P15 - Bitumen Sprayer (\$13.20)	- 55.00	1	CSH

List of Accounts Paid July 2019							
		Date	Name	Description	Amount	Bank	Type
79	EFT7581	25/07/2019	ELIZABETH HOUGHTON	Ordinary Council Meeting & Audit Committee Meeting 16/7/19 (\$357.00), Special Meeting 22/7/19 (\$238.00), ICT Allowance (\$290.00)	- 885.00	1	CSH
80	EFT7582	25/07/2019	Frederick William Spindler	Ordinary Council Meeting & Audit Committee Meeting 16/7/19 (\$357.00), Special Meeting 22/7/19 (\$238.00), ICT Allowance (\$290.00)	- 885.00	1	CSH
81	EFT7583	25/07/2019	Ian W Dennis	Ordinary Council Meeting & Audit Committee Meeting 16/7/19 (\$357.00), Special Meeting 22/7/19 (\$238.00), LEMC Meeting 23/7/19 (\$119.00), ICT Allowance (\$290.00)	- 1,004.00	1	CSH
82	EFT7584	25/07/2019	Leonie Fitzpatrick	Ordinary Council Meeting & Audit Committee Meeting 16/7/19 (\$357.00), ICT Allowance (\$290.00), ICT Allowance for May & June 2019 (\$580.00)	- 1,227.00	1	CSH
83	EFT7585	25/07/2019	Leslie Matthew Price	Ordinary Council Meeting & Audit Committee Meeting 16/7/19 (\$357.00), Special Meeting 22/7/19 (\$238.00), Deputy Presidents Allowance (\$227.00), ICT Allowance (\$290.00), Travel Council Meeting & Audit Meeting 16/7/19 (\$63.37), Travel Special Meeting 22/7/19 (\$63.37)	- 1,238.74	1	CSH
84	EFT7586	25/07/2019	RONALD PAUL CLIVE HOGBEN	Ordinary Council Meeting & Audit Committee Meeting 16/7/19 (\$357.00), Special Meeting 22/7/19 (\$238.00), ICT Allowance (\$290.00), ICT Allowance June 2019 (\$290.00)	- 1,175.00	1	CSH
85	EFT7587	25/07/2019	ROSS WILLIAM PIGDON	Presidents Allowance (\$900.00), ICT Allowance (\$290.00), Return Travel to Attend National General Assembly (\$1,302.97), Ordinary Council Meeting & audit Committee Meeting 16/7/19 (\$609.00), Special Meeting 22/7/19 (\$490.00), Presidents Allowance (\$908.00) & ICT Allowance (\$290.00)	- 4,789.97	1	CSH
86	EFT7588	25/07/2019	LGIS BROKING	Insurance Renewals from 30/6/19 - 30/6/20 - Motor Vehicle/Plant (\$57,328.07), Personal Accident & Sickness (\$15,118.07), Travel (\$825.00), Personal Accident (\$467.50), Salary Continuance (\$4,825.24), Marine Cargo (\$660.00), Cyber Liability (\$1,650.00) & Management Liability (\$7,160.56)	- 88,034.44	1	CSH
87	EFT7589	25/07/2019	LGIS WA	Insurance Renewals from 30/6/19 - 30/6/20 - Property - First Instalment (\$29,938.19), 2019/20 Contributions Credit - First Instalment (-\$2,327.05), Bushfire (\$1,650.00), Workcare - First Instalment (\$24,296.89), Crime (\$1,268.71) & Liability - First Instalment (\$13,472.62)	- 68,299.36	1	CSH
88	EFT7590	25/07/2019	Bentley's Highline	Final Payment for Tyre Fitters Cover for Depot & Waste Oil Shelter (\$8,250.00)	- 8,250.00	1	CSH
89	EFT7591	25/07/2019	Justin Willett	Reimbursement for Payment of Electricity Bill Dated 4/6/19 (\$186.56)	- 186.56	1	CSH
90	EFT7592	25/07/2019	Local Government Professionals Australia	2019-2020 Council Corporate Membership (\$1,473.00), 2019 - 2020 Memberships for R.Madson & R.Towell (\$1,062.00)	- 2,535.00	1	CSH
91	EFT7593	25/07/2019	Local Health Authorities Analytical Committee	Analytical Services for 2019/2020 (\$396.00)	- 396.00	1	CSH

List of Accounts Paid July 2019							
		Date	Name	Description	Amount	Bank	Type
92	EFT7594	25/07/2019	Shire of Meekatharra	Reimbursement for 2 x Outside Staff to Attend Part 2 of Supervisors Training Course in Meekatharra 3/7/19 - 5/7/19 (\$1,300.00)	- 1,300.00	1	CSH
93	EFT7595	25/07/2019	Central Regional TAFE	Training and assessment for Certificate 2 Rural Ops for 10 x staff (\$3,151.78)	- 3,151.78	1	CSH
94	EFT7596	25/07/2019	Hare and Forbes	Centre drill, drill set, carbide lathe tool & Lathe Tool Holders for Workshop (\$366.50)	- 366.50	1	CSH
95	EFT7597	25/07/2019	John Papas Trailers	Replacement gate and peaked rod for P85 - Tandem Axle Flat Top Trailer (\$450.00)	- 450.00	1	CSH
96	EFT7598	25/07/2019	MOOREVIEW PLANTS & TREES	Shrubs & trees for Street Trees (\$545.00)	- 545.00	1	CSH
97	EFT7599	25/07/2019	Sun City Plumbing	Replace hot water systems at Oval Change Rooms, 23 Allen St Staff House & 57 Marshall St Staff House (\$7,413.99) & Connection of Urinal at Tourist Park (\$449.90)	- 7,863.89	1	CSH
98	EFT7600	25/07/2019	WesTrac	Track press hire for P51 - CAT 6 Dozer (\$905.28)	- 905.28	1	CSH
99	EFT7601	25/07/2019	Cue Roadhouse & General Store	32.88lts Fuel for P15 - Bitumen Sprayer (\$52.57), 9.43lts Fuel for P76 - Kubota Tractor (\$15.08), 21.11lts Fuel for P65 - EWP (\$33.75), 10 x Rounds of Sandwiches for Forum Meeting 9/7/19 (\$50.00), Credit for 5 x Rounds of Sandwiches Charged for Twice (- \$25.00)	- 126.40	1	CSH
100	EFT7602	25/07/2019	Five Star	Konica Minolta C454e Black/Colour Meter Read 13/7/19 (\$600.92)	- 600.92	1	CSH
101	EFT7603	25/07/2019	LO-GO Appointments	Fee for Contract Rates Officer to Consult Rates for Shire of Cue w/e 6/7/19 (\$655.92) & w/e 13/7/19 (\$281.63)	- 937.55	1	CSH
102	EFT7604	25/07/2019	Midland Super A-Mart Pty Ltd	1x Spacemaster Babylon Extra Large Robe with 4 Panel Doors for Tourist Park Staff House (\$749.25)	- 749.25	1	CSH
103	EFT7605	25/07/2019	Murchison Club Hotel	Meals for 8 people following Council Meeting 16/7/19 (\$405.00)	- 405.00	1	CSH
104	EFT7606	25/07/2019	Professional Pc Support Pty Ltd	Computing/Consultancy Backup Managed Services August 2019 (\$1,826.00)	- 1,826.00	1	CSH
105	EFT7607	25/07/2019	State Library of WA	Delivery of Better Beginnings Program 2019/2020 (\$5.50)	- 5.50	1	CSH
106	EFT7608	25/07/2019	Trephleene Pty Ltd T/A Canine Control	Ranger Services for Shire of Cue 4/7/19 (\$1,466.94)	- 1,466.94	1	CSH
107	EFT7609	25/07/2019	WALGA	WALGA Subscriptions from 1/7/19 - 30/6/20 (\$12,975.12)	- 12,975.12	1	CSH
108	EFT7610	29/07/2019	Cash - Petty Cash	Petty cash expenditure to June 2019 - Number plate change for P22, Anzac day wreaths, Truck learners permit (\$222.40)	- 222.40	1	CSH
109					- 435,732.44		
110							

10.2 FINANCIAL STATEMENT

APPLICANT: Shire of Cue
DISCLOSURE OF INTEREST: Nil
AUTHOR: Richard Towell – Deputy Chief Executive Officer
DATE: 16 August 2019

Matters for Consideration:

The Statement of Financial Activity for the period ended 31 July 2019 including the following reports:

- Statement of Financial Activity
- Significant Accounting Policies
- Graphical Representation – Source Statement of Financial Activity
- Net Current Funding Position
- Cash and Investments
- Major Variances
- Budget Amendments
- Receivables
- Grants and Contributions
- Cash Backed Reserve
- Capital Disposals and Acquisitions
- Trust Fund

see [Appendix 2](#).

Background:

Under the *Local Government (Financial Management Regulations 1996)*, a monthly Statement of Financial Activity must be submitted to an Ordinary Council meeting within 2 months after the end of the month to which the statement relates. The statement of financial activity is a complex document but presents a complete overview of the financial position of the local government at the end of each month. The Statement of Financial Activity for each month must be adopted by Council and form part of the minutes.

Comments:

The Statement of Financial Activity is for the month of July 2019.

Statutory Environment:

Local Government (Financial Management Regulations) 1996 – Clause 14.

Policy Implications:

Nil.

Financial Implications:

Nil.

Strategic Implications:

Nil.

Consultation:

RSM Australia Pty Ltd.

Officer's Recommendation:

Voting Requirement: Simple Majority

That Council receive the Financial Statements, prepared in accordance with the Local Government (Financial Management) Regulations, for the period ended 31 July 2019, as presented at [Appendix 2](#).

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

CARRIED:

APPENDIX 2



Shire of Cue

73 Austin Street Cue WA 6640

PO Box 84 Cue WA 6640

T +61 (0) 8 9943 0988

www.cue.wa.gov.au

SHIRE OF CUE

MONTHLY FINANCIAL REPORT

For the Month Ended 31 July 2019

SHIRE OF CUE
MONTHLY FINANCIAL REPORT
For the Month Ended 31 July 2019
CONTENTS PAGE

General

Note

Compilation Report

Executive Summary

Financial Statements

Statement of Comprehensive Income by Nature or Type

Statement of Comprehensive Income by Program

Statement of Capital Acquisitions and Funding

Notes to the Statement of Financial Activity

Significant Accounting Policies Note 1

Explanation of Material Variances Note 2

Net Current Funding Position Note 3

Cash and Investments Note 4

Trust Fund Note 5

Receivables Note 6

Cash Backed Reserves Note 7

Capital Disposals Note 8

Capital Acquisitions Note 9

Rating Information Note 10

Information on Borrowings Note 11

Grants and Contributions Note 12

Budget Amendments Note 13

RSM Australia Pty Ltd

Level 1, 12 Bayly Street Geraldton WA 6530

PO Box 61 Geraldton WA 6531

T +61 (0) 8 9920 7400

F +61 (0) 8 9920 7450

www.rsm.com.au

Compilation Report

To the Council

Shire of Cue

Scope

We have compiled the accompanying special purpose financial statements.

The specific purpose for which the special purpose financial report has been prepared is to provide information relating to the financial performance and financial position of the Shire that satisfies the information needs of the Council and the *Local Government Act 1995* and associated regulations.

The responsibility of the Shire

The Shire is solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the Council and the *Local Government Act 1995* and associated regulations.

Our responsibility

On the basis of information provided by the Shire, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

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

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

This report was prepared for the benefit of the Council of the Shire of Cue and the purpose identified above. We do not accept responsibility to any other person for the content of the report.



Signed at GERALDTON

Date 16th August 2019

RSM Australia Pty Ltd
Chartered Accountants

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

SHIRE OF CUE
MONTHLY FINANCIAL REPORT
For the Month Ended 31 July 2019
EXECUTIVE SUMMARY

Report Purpose

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

Overview

Summary reports and graphical progressive graphs are provided on pages 2 - 3. Data is displayed as Year to Date (YTD) where applicable.

Statement of Financial Activity by Reporting Program

Is presented on page 4 and shows a surplus as at 31 July 2019 of \$2,889,867.

Items of Significance

The material variance adopted by the Shire of Cue for the 2019/20 year is \$25,000 or 10%, whichever is greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. The remaining items considered to be of material variance are disclosed in Note 2.

Significant Revenue and Expenditure

Capital Expenditure

	▲	Variance	
Land and Buildings		\$224,785	See Note 9 (Timing of projects)
Plant and Equipment		\$67,750	See Note 9 (Timing of plant replacement)
Infrastructure - Roads		\$76,906	See Note 9 (Timing of roads projects)
Infrastructure - Other		\$66,123	See Note 9 (Timing of projects)

Capital Revenue

Non-operating Grants, Subsidies and Contributions (\$13,267) Timing of grants and contributions

	Collected / Completed %	Annual Budget⁺ \$	YTD Budget \$	YTD Actual \$
Significant Projects				
GROH Houses	0%	980,000	81,666	-
Old Railway Building and Youth Centre	0%	513,000	42,749	-
Caravan Park House and Office	0%	400,000	33,333	-
Roads to Recovery	3%	400,000	33,334	11,853
Deep Sewerage Plan	0%	240,000	20,000	-
	0%	2,533,000	211,082	11,853
Grants, Subsidies and Contributions				
Operating Grants, Subsidies and Contributions	0%	1,390,264	115,852	3,105
Non-operating Grants, Subsidies and Contributions	7%	1,410,545	117,545	104,278
	4%	2,800,809	233,396	107,383
Rates Levied	0%	2,337,128	(3,750)	(423)

% - Compares current YTD actuals to the Annual Budget

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

Financial Position

Account	Collected / Completed %	Prior Year 31 Jul 2018 \$	Current Year 31 Jul 2019 \$
Adjusted Net Current Assets	351%	1,103,258	3,869,867
Cash and Equivalent - Unrestricted	418%	879,231	3,677,200
Cash and Equivalent - Restricted	92%	6,225,038	5,703,197
Receivables - Rates	131%	241,438	317,226
Receivables - Other	106%	46,224	48,833
Payables	134%	118,483	158,383

% - Compares current YTD actuals to prior Year actuals

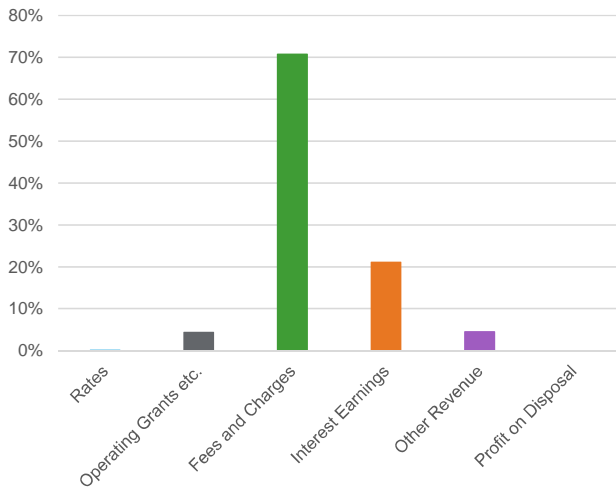
Note: The statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

Preparation

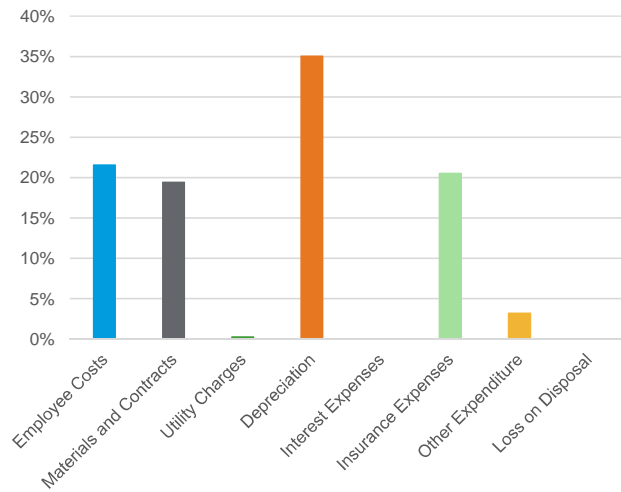
Prepared by: Sam Gevers
 Reviewed by: Travis Bate
 Date prepared: 16-Aug-19

SHIRE OF CUE
MONTHLY FINANCIAL REPORT
For the Month Ended 31 July 2019
SUMMARY GRAPHS

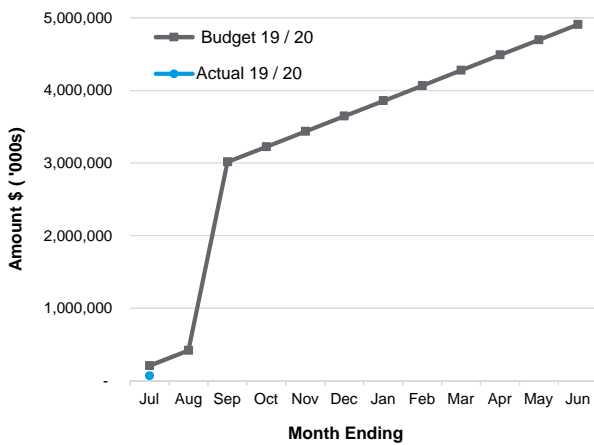
Operating Revenue



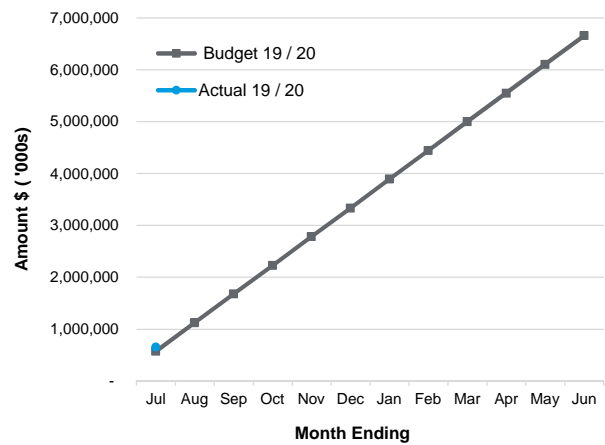
Operating Expenditure



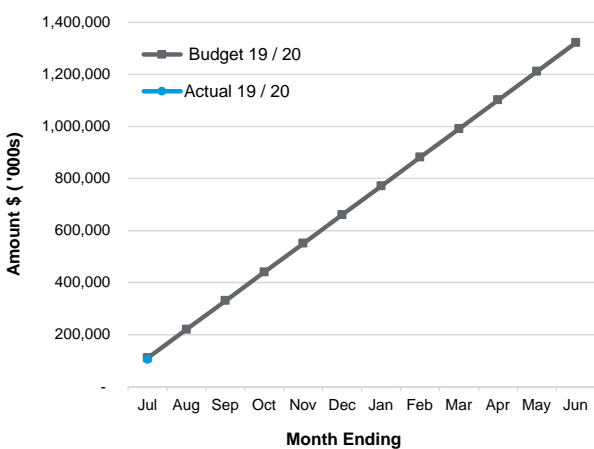
Budget Operating Revenues -v- Actual (Refer Note 2)



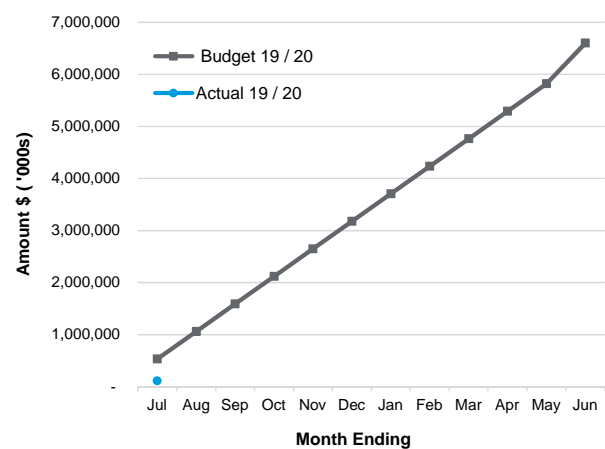
Budget Operating Expenses -v- Actual (Refer Note 2)



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



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



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

SHIRE OF CUE
STATEMENT OF COMPREHENSIVE INCOME
For the Month Ended 31 July 2019
NATURE OR TYPE

	Note	Annual Budget ⁺ \$	YTD Budget (a) \$	YTD Actual (b) \$	Var* (b) - (a) \$	Var* (b) - (a) / (a) %	Var
Opening Funding Surplus / (Deficit)	3	3,291,633	3,291,633	3,291,633			
Revenue from Operating Activities							
Rates	10	2,337,128	(3,750)	(423)	3,327	(88.72%)	
Operating Grants, Subsidies and Contributions	12	1,390,264	115,852	3,105	(112,747)	(97.32%)	▼
Fees and Charges		599,780	49,969	50,669	700	1.40%	
Interest Earnings		184,500	15,374	15,086	(288)	(1.87%)	
Other Revenue		89,400	7,447	3,190	(4,257)	(57.17%)	
Profit on Disposal of Assets	8	64,606	-	-	-		
		4,665,678	184,892	71,627			
Expenditure from Operating Activities							
Employee Costs		(1,859,507)	(154,918)	(141,228)	13,690	8.84%	
Materials and Contracts		(1,396,758)	(116,310)	(127,468)	(11,158)	(9.59%)	
Utility Charges		(286,300)	(23,840)	(1,644)	22,196	93.11%	
Depreciation on Non-current Assets		(2,809,062)	(234,079)	(229,686)	4,393	1.88%	
Interest Expenses		(8,800)	-	-	-		
Insurance Expenses		(162,850)	(13,561)	(134,560)	(120,999)	(892.26%)	▼
Other Expenditure		(225,700)	(41,802)	(21,103)	20,699	49.52%	
Loss on Disposal of Assets	8	(11,432)	-	-	-		
		(6,760,409)	(584,510)	(655,688)			
Excluded Non-cash Operating Activities							
Depreciation and Amortisation		2,809,062	234,079	229,686			
(Profit) / Loss on Asset Disposal		(53,174)	-	-			
Movement Deferred Pensioner Rates		-	-	3,968			
		661,157	(165,540)	(350,407)			
Net Amount provided from Operating Activities							
Investing Activities							
Non-operating Grants, Subsidies and Contributions	12	1,410,545	117,545	104,278	(13,267)	(11.29%)	
Proceeds from Disposal of Assets	8	210,000	-	-	-		
Land and Buildings	9	(3,260,500)	(250,877)	(26,092)	224,785	89.60%	▲
Plant and Equipment	9	(813,000)	(67,750)	-	67,750	100.00%	▲
Furniture and Equipment	9	(60,000)	(4,999)	-	4,999	100.00%	
Infrastructure Assets - Roads	9	(1,083,400)	(90,281)	(13,375)	76,906	85.19%	▲
Infrastructure Assets - Other	9	(1,637,500)	(159,833)	(93,710)	66,123	41.37%	▲
		(5,233,855)	(456,195)	(28,899)			
Financing Activities							
Proceeds from New Debentures	11	980,000	-	-	-		
Transfer from Reserves	7	809,200	-	-	-		
Repayment of Debentures	11	(45,000)	-	-	-		
Transfer to Reserves	7	(463,135)	-	(22,460)	(22,460)		
		1,281,065	-	(22,460)			
Net Amount provided from Financing Activities							
Closing Funding Surplus / (Deficit)	3	-	2,669,898	2,889,867			

* - As per draft budget at 6 August 2019, not yet adopted by Council

* - Indicates a variance between YTD Budget and YTD Actual data as per the adopted materiality threshold. Note 2 provides an explanation for the relevant variances shown above.

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

SHIRE OF CUE
STATEMENT OF COMPREHENSIVE INCOME
For the Month Ended 31 July 2019
REPORTING PROGRAM

	Note	Annual Budget ⁺ \$	YTD Budget (a) \$	YTD Actual (b) \$	Var* (b) - (a) \$	Var* (b) - (a) / (a) %	Var
Opening Funding Surplus / (Deficit)	3	3,291,633	3,291,633	3,291,633			
Revenue from Operating Activities							
Governance		-	-	-	-		
General Purpose Funding - Rates	10	2,337,128	(3,750)	(423)	3,327	(88.72%)	
General Purpose Funding - Other		1,150,464	95,868	15,196	(80,672)	(84.15%)	▼
Law, Order and Public Safety		10,500	874	-	(874)	(100.00%)	
Health		500	41	-	(41)	(100.00%)	
Education and Welfare		-	-	-	-		
Housing		25,480	2,121	1,960	(161)	(7.59%)	
Community Amenities		85,500	7,121	409	(6,712)	(94.26%)	
Recreation and Culture		7,000	580	150	(430)	(74.13%)	
Transport		557,106	41,041	9,223	(31,817)	(77.53%)	▼
Economic Services		371,200	30,931	37,623	6,692	21.64%	
Other Property and Services		120,800	10,064	7,487	(2,577)	(25.60%)	
		4,665,679	184,892	71,627			
Expenditure from Operating Activities							
Governance		(408,911)	(33,486)	(44,227)	(10,741)	(32.08%)	
General Purpose Funding		(251,573)	(20,401)	(25,693)	(5,292)	(25.94%)	
Law, Order and Public Safety		(81,399)	(6,694)	(7,921)	(1,227)	(18.33%)	
Health		(92,201)	(7,631)	(4,947)	2,684	35.17%	
Education and Welfare		(16,955)	(1,401)	(367)	1,034	73.82%	
Housing		(259,910)	(20,751)	(18,187)	2,564	12.35%	
Community Amenities		(400,186)	(32,836)	(23,363)	9,473	28.85%	
Recreation and Culture		(988,224)	(104,012)	(58,878)	45,134	43.39%	▲
Transport		(3,503,931)	(290,040)	(301,909)	(11,869)	(4.09%)	
Economic Services		(696,558)	(57,538)	(68,884)	(11,346)	(19.72%)	
Other Property and Services		(60,561)	(9,719)	(101,312)	(91,593)	(942.41%)	▼
		(6,760,410)	(584,510)	(655,688)			
Excluded Non-cash Operating Activities							
Depreciation and Amortisation		2,809,062	234,079	229,686			
(Profit) / Loss on Asset Disposal	8	(53,174)	-	-			
Movement Deferred Pensioner Rates		-	-	3,968			
Net Amount provided from Operating Activities		661,157	(165,540)	(350,408)			
Investing Activities							
Non-operating Grants, Subsidies and Contributions	12	1,410,545	117,545	104,278	(13,267)	(11.29%)	
Proceeds from Disposal of Assets	8	210,000	-	-	-		
Land and Buildings	9	(3,260,500)	(250,877)	(26,092)	224,785	89.60%	▲
Plant and Equipment	9	(813,000)	(67,750)	-	67,750	100.00%	▲
Furniture and Equipment	9	(60,000)	(4,999)	-	4,999	100.00%	
Infrastructure Assets - Roads	9	(1,083,400)	(90,281)	(13,375)	76,906	85.19%	▲
Infrastructure Assets - Other	9	(1,637,500)	(159,833)	(93,710)	66,123	41.37%	▲
		(5,233,855)	(456,195)	(28,899)			
Financing Activities							
Proceeds from New Debentures	11	980,000	-	-	-		
Transfer from Reserves	7	809,200	-	-	-		
Repayment of Debentures	11	(45,000)	-	-	-		
Transfer to Reserves	7	(463,135)	-	(22,460)	(22,460)		
Net Amount provided from Financing Activities		1,281,065	-	(22,460)			
Closing Funding Surplus / (Deficit)	3	-	2,669,898	2,889,867			

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

* - Indicates a variance between YTD Budget and YTD Actual data as per the adopted materiality threshold. Note 2 provides an explanation for the relevant variances shown above.

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

SHIRE OF CUE

STATEMENT OF CAPITAL ACQUISITIONS AND FUNDING

For the Month Ended 31 July 2019

CAPITAL ACQUISITIONS

Asset Group	Note	Annual Budget ⁺ (d) \$	YTD Budget \$	YTD Actual New / Upgrade (a) \$	YTD Actual Renewal (b) \$	YTD Actual Total (c) = (a) + (b) \$	Variance (d) - (c) \$
Land and Buildings	9	3,260,500	250,877	9,709	16,382	26,092	(3,234,408)
Plant and Equipment	9	813,000	67,750	-	-	-	(813,000)
Furniture and Equipment	9	60,000	4,999	-	-	-	(60,000)
Infrastructure Assets - Roads	9	1,083,400	90,281	-	13,375	13,375	(1,070,025)
Infrastructure Assets - Other	9	1,637,500	159,833	81,420	12,290	93,710	(1,543,790)
Total Capital Expenditure		6,854,400	573,740	91,129	42,047	133,177	(6,721,223)
Capital Acquisitions Funded by:							
Capital Grants and Contributions		1,410,545	-	-	-	-	-
Borrowings		-	-	-	-	-	-
Other (Disposals and C/Fwd)		210,000	-	-	-	-	-
Council Contribution - From Reserves							
Beringarra Road Reserve		750,000	62,500	-	-	-	-
Plant Replacement Reserve		200,000	-	-	-	-	-
Council Contribution - Operations		4,283,855	511,240	-	-	133,177	-
Total Capital Acquisitions Funding		6,854,400	573,740			133,177	

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

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

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 5.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

(e) Goods and Services Tax (GST)

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

(f) Cash and Cash Equivalents

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

(g) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(h) Inventories

General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Fixed Assets

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

(j) Depreciation of Non-current Assets

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

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

Asset	Years
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	40 years
Sewerage Piping	50 years
Water Supply Piping and Drainage Systems	75 years
Parks and Ovals	12 to 35 years
Other Infrastructure	12 to 60 years

(k) Trade and Other Payables

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

(l) Employee Benefits

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

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

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

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

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

(m) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

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

SHIRE OF CUE

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Month Ended 31 July 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

(o) Current and Non-current Classification

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

(p) Nature or Type Classifications

Rates

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

Operating Grants, Subsidies and Contributions

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

Non-operating Grants, Subsidies and Contributions

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

Profit on Asset Disposal

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

Fees and Charges

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Service Charges

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

Interest Earnings

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

Other Revenue / Income

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

Employee Costs

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

Materials and Contracts

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

Utilities (Gas, Electricity, Water, etc.)

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

Insurance

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

Loss on Asset Disposal

Loss on the disposal of fixed assets.

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation on Non-current Assets

Depreciation expense raised on all classes of assets.

Interest Expenses

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

Other Expenditure

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

(q) Program Classifications (Function / Activity)

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

GOVERNANCE

Administration and operation of facilities and services to members of Council. Other costs that relate to tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER AND PUBLIC SAFETY

Supervision of various local laws, fire prevention, emergency services and animal control.

HEALTH

Food quality and water control. Environmental Health Officer. Doctor Service.

EDUCATION AND WELFARE

Assistance to Cue Primary School, Thoo Thoo Wandii, Senior Citizens and Playgroup. Involvement in work experience programmes.

HOUSING

Provision and maintenance of staff and rental housing.

COMMUNITY AMENITIES

Rubbish collection services, maintenance of refuse sites, administration of the town planning scheme, control and co-ordination of cemeteries, and maintenance of public conveniences.

RECREATION AND CULTURE

Maintenance of Shire hall, recreation centre, Stan Gurney Memorial Park and various reserves. Operation of library and internet services. Co-ordination of Australia Day activities.

TRANSPORT

Construction and maintenance of streets, roads, footpaths, drainage works, parking facilities, traffic signs and median strips. Control and maintenance of Cue Airport.

ECONOMIC SERVICES

The regulation and provision of tourism and the Historical Photographic Collection. Maintenance of the Shire-owned Caravan Park. Building and vermin control. Employment programme administered on behalf of the Department of Employment, Workplace Relations and Small Business.

OTHER PROPERTY AND SERVICES

Private works operation, plant repair and operation costs.

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

2. EXPLANATION OF MATERIAL VARIANCES

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

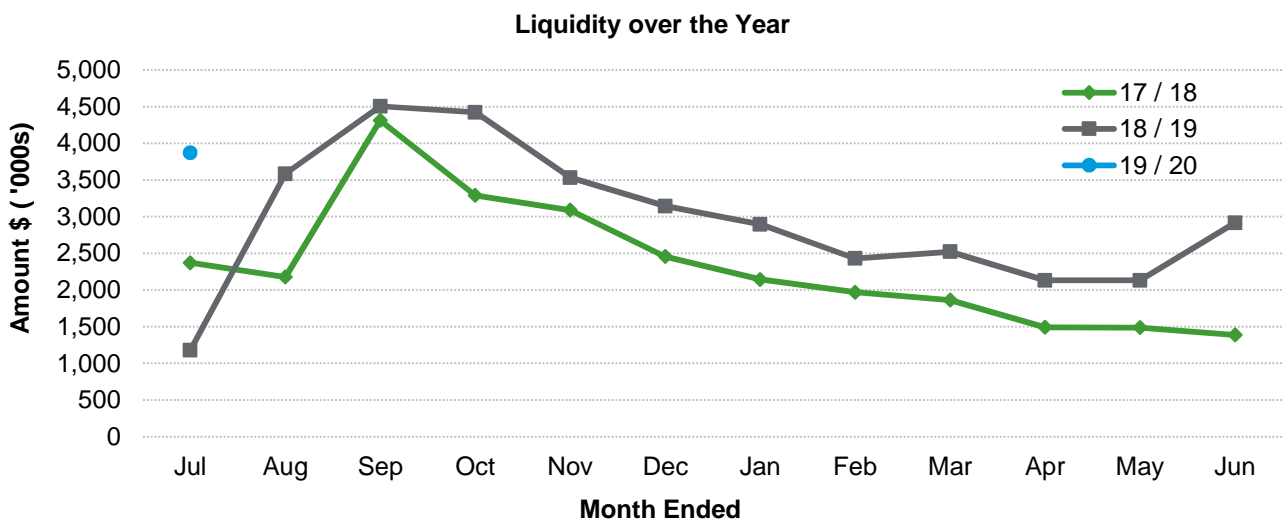
The material variance adopted by Council for the 2019/20 year is \$25,000 or 10% whichever is the greater.

Reporting Program	Var \$	Var %	Var	Timing /	Explanation of Variance
				Permanent	
Operating Revenues					
General Purpose Funding - Other	(80,672)	(84.15%)	▼	Timing	Timing of Federal assistance Grants payments and interest earnings
Transport	(31,817)	(77.53%)	▼	Timing	Timing of road maintenance contributions
Operating Expense					
Recreation and Culture	45,134	43.39%	▲	Timing	Expenditure less than budgeted
Other Property and Services	(91,593)	(942.41%)	▼	Timing	Timing of insurance and subscription renewals
Capital Expenses					
Land and Buildings	224,785	89.60%	▲	Timing	See Note 9 (Timing of projects)
Plant and Equipment	67,750	100.00%	▲	Timing	See Note 9 (Timing of plant replacement)
Infrastructure - Roads	76,906	85.19%	▲	Timing	See Note 9 (Timing of roads projects)
Infrastructure - Other	66,123	41.37%	▲	Timing	See Note 9 (Timing of projects)
Nature or Type					
Operating Revenues					
Operating Grants, Subsidies and Contributions	(112,747)	(97.32%)	▼	Timing	Timing of contributions and payment of Federal Assistance grants
Operating Expense					
Insurance Expenses	(120,999)	(892.26%)	▼	Timing	Timing of expenditure, budget profile

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

3. NET CURRENT FUNDING POSITION

	Note	Current Month 31 Jul 2019 \$	Prior Year Closing 30 Jun 2019 \$	This Time Last Year 31 Jul 2018 \$
Current Assets				
Cash Unrestricted	4	3,677,200	2,116,238	879,231
Cash Restricted	4	5,703,197	5,680,737	6,225,038
Receivables - Rates	6(a)	317,226	324,789	241,438
Receivables - Other	6(b)	48,833	120,383	46,224
Interest / ATO Receivable		46,417	36,213	127,843
Provision for Doubtful Debts	6(a)	(66,402)	(66,402)	(66,402)
Accrued Income		93,181	1,067,298	-
Inventories		23,205	23,205	67,620
Total Current Assets		9,842,857	9,302,462	7,520,992
Current Liabilities				
Sundry Creditors		(57,695)	(59,936)	1,163
GST Payable		(37,412)	(16,909)	(32,053)
Payroll Creditors		(48,652)	(48,394)	(80,927)
Deposits and Bonds		-	-	(6,666)
Loan Liability		-	-	-
Accrued Expenses		(14,624)	(22,124)	-
Accrued Salaries and Wages		-	(71,319)	-
Total Payables		(158,383)	(218,681)	(118,483)
Provisions		(111,411)	(111,411)	(74,213)
Total Current Liabilities		(269,794)	(330,092)	(192,696)
Less: Cash Reserves	7	(5,703,197)	(5,680,737)	(6,225,038)
Add: Loan Liability		-	-	-
Net Funding Position - Surplus / (Deficit)		3,869,867	3,291,633	1,103,258



Comments / Notes

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Month Ended 31 July 2019

4. CASH AND EQUIVALENTS

	Unrestricted	Restricted	Trust	Total	Institution	Interest	Maturity
	\$	\$	\$	Amount		Rate	Date
(a) Cash Deposits				\$		%	
Cash On Hand	970			970	N/A	0.00	N/A
Cheque Account	39,431			39,431	CBA	0.00	N/A
On Call Cash Account	1,106,799			1,106,799	CBA	0.95	N/A
On Call Cash Account	500,000			500,000	CBA	1.82	21-Nov-19
On Call Cash Account	500,000			500,000	CBA	1.80	19-Aug-19
On Call Cash Account	980,000			980,000	CBA	1.76	01-Aug-19
On Call Cash Account	550,000			550,000	BOQ	2.20	18-Nov-19
Trust Account			10,040	10,040	CBA	0.00	N/A
(b) Term Deposits							
Fixed Term Deposit		1,498,410		1,498,410	CBA	1.86	18-Dec-19
Fixed Term Deposit		1,305,629		1,305,629	BOQ	2.13	25-Jan-20
Fixed Term Deposit		1,130,328		1,130,328	Bendigo	2.00	23-Oct-19
Fixed Term Deposit		638,501		638,501	Bendigo	2.20	13-Dec-19
Fixed Term Deposit		1,130,329		1,130,329	BOQ	2.20	02-Dec-19
Total Cash and Equivalents	3,677,200	5,703,197	10,040	9,390,437			

Comments / Notes

5. 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 01 Jul 2019	Amount Received	Amount Paid	Closing Balance 31 Jul 2019
	\$	\$	\$	\$
Cue LCDC	2,080	-	-	2,080
Library Bonds	1,560	-	-	1,560
Property Bonds	6,400	-	-	6,400
Total Funds in Trust	10,040	-	-	10,040

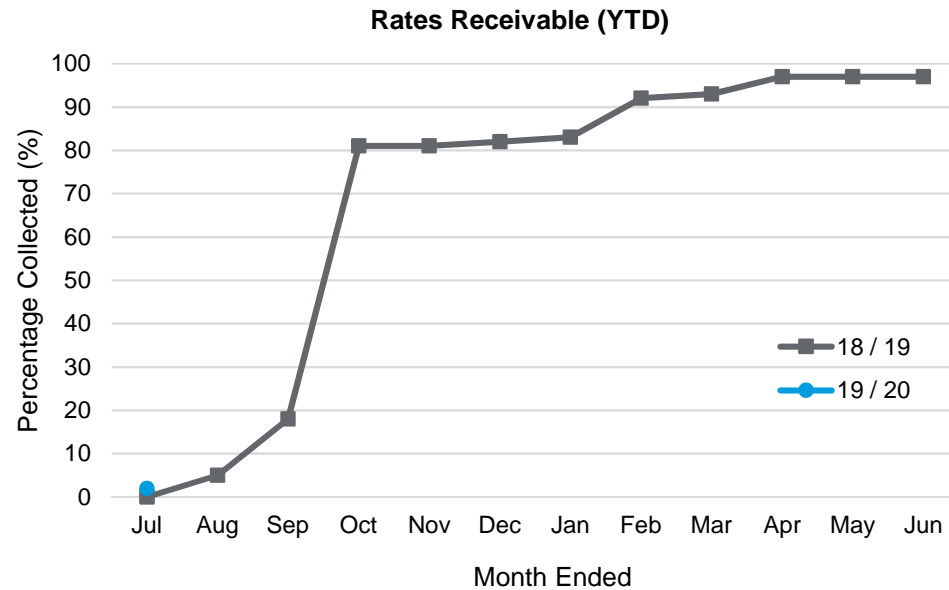
Comments / Notes

The current interest rate for this type of bank account is 0.00% when funds held are less than \$500,000

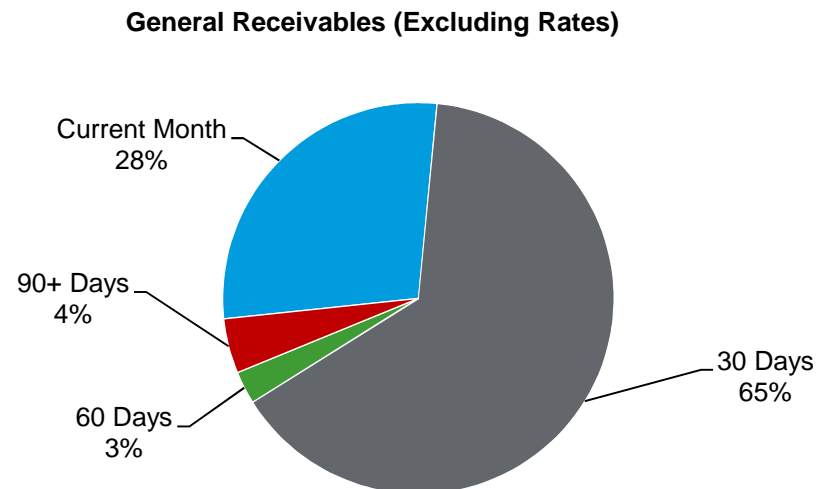
SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

6. RECEIVABLES

(a) Rates Receivable	31 Jul 2019
	\$
Rates Receivables	317,226
Provision for Doubtful Debts	(66,402)
Total Rates Receivable Outstanding	250,824
Closing Balances - Prior Year	
Current Portion	324,789
Non-current Portion	3,968
Rates Levied this Year	(423)
Closing Balances - Current Month	
Current Portion	(317,226)
Non-current Portion	(3,968)
Total Rates Collected to Date	7,140
<i>Percentage Collected</i>	<i>2%</i>



(b) General Receivables	Total
	\$
Current Month	13,766
30 Days	31,534
60 Days	1,325
90+ Days	2,208
Provision for Doubtful Debts	-
Total General Receivables Outstanding	48,833



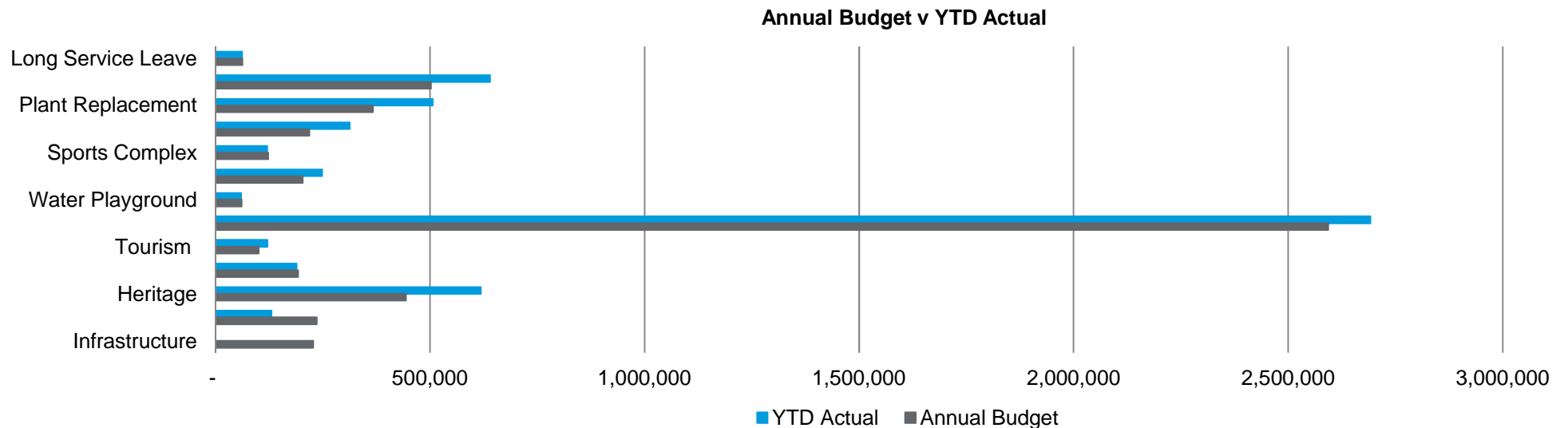
Comments / Notes

Amounts shown above include GST (where applicable)

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

7. CASH BACKED RESERVES

Reserve Name	Annual Budget ⁺				YTD Actual			Balance 31-Jul-19	
	Balance 01-Jul-19	Transfers from	Interest Received	Transfer to	Balance 30-Jun-20	Transfers from	Interest Received		Transfer to
	\$	\$	\$	\$	\$	\$	\$	\$	
Long Service Leave	62,406	-	707	-	63,113	-	120	-	62,526
Building Maintenance	637,216	(150,000)	14,888	-	502,104	-	2,519	-	639,735
Plant Replacement	504,540	(150,000)	12,526	-	367,066	-	2,122	-	506,662
Streetscape	311,762	(100,000)	7,277	-	219,039	-	1,233	-	312,995
Sports Complex	120,041	-	2,805	-	122,846	-	475	-	120,516
Caravan Park Development	247,949	(50,000)	5,796	-	203,745	-	980	-	248,929
Water Playground	59,638	-	1,399	-	61,037	-	236	-	59,874
Beringarra Road	2,681,140	(150,000)	62,307	-	2,593,447	-	10,600	-	2,691,740
Tourism	121,102	(23,000)	2,834	-	100,936	-	479	-	121,581
Housing / Land Development	188,475	-	4,418	-	192,893	-	745	-	189,220
Heritage	615,854	(186,200)	14,388	-	444,042	-	2,435	-	618,289
Road Maintenance Infrastructure	130,614	-	3,063	102,567	236,244	-	516	-	131,130
	-	-	592	227,568	228,160	-	-	-	-
Total Cash Backed Reserves	5,680,737	(809,200)	133,000	330,135	5,334,672	-	22,460	-	5,703,197



⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Month Ended 31 July 2019

8. DISPOSAL OF ASSETS

	Annual Budget ⁺				YTD Actual			
	WDV \$	Proceeds \$	Profit \$	(Loss) \$	WDV \$	Proceeds \$	Profit \$	(Loss) \$
Transport								
Plant and Equipment								
Mitsubishi Pajero Wagon 4x4 (CEO)	26,663	40,000	13,337	-	-	-	-	-
Mitsubishi Pajero Wagon 4x4 (DCEO)	26,663	40,000	13,337	-	-	-	-	-
P34 2012 Caterpillar 226B3SC Skid Steer	22,689	40,000	17,311	-	-	-	-	-
Isuzu D-Max Space Cab 4x4 (Works Manager)	24,011	35,000	10,989	-	-	-	-	-
Isuzu D-Max Dual Cab Ute 4x4 (Roads Crew)	20,368	30,000	9,632	-	-	-	-	-
P66 - S20 Ride-on Street Sweeper	26,368	15,000	-	(11,368)	-	-	-	-
P72 Iveco Eurotech MP4500 Prime Mover	10,064	10,000	-	(64)	-	-	-	-
Total Disposal of Assets	156,826	210,000	64,606	(11,432)	-	-	-	-
Total Profit or (Loss)				53,174				-

Comments / Notes

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

9. CAPITAL ACQUISITIONS

	Annual Budget ⁺ \$	YTD Budget \$	New / Upgrade \$	YTD Actual Renewal \$	Total \$	YTD Variance \$
(a) Land and Buildings						
Housing						
GROH Houses	980,000	81,666	-	-	-	81,666
Staff Housing Units	257,000	21,416	-	-	-	21,416
Staff Housing	250,000	20,833	9,709	-	9,709	11,124
Pensioner Units	100,000	8,334	-	6,132	6,132	2,202
	1,587,000	132,249	9,709	6,132	15,841	116,408
Recreation and Culture						
Old Railway Building and Youth Centre	513,000	42,749	-	-	-	42,749
Great Fingal Mine Office	250,000	-	-	-	-	-
Town Hall Upgrades	190,000	15,834	-	-	-	15,834
Town Hall Landscaping	10,000	833	-	-	-	833
Heritage Building Renovations (Bank Building)	50,000	4,168	-	-	-	4,168
Pension Hut Renovation	10,500	875	-	75	75	800
	1,023,500	64,459	-	75	75	64,384
Transport						
Works Depot Improvements	50,000	4,166	-	10,175	10,175	(6,009)
	50,000	4,166	-	10,175	10,175	(6,009)
Economic Services						
Caravan Park House and Office	400,000	33,333	-	-	-	33,333
Old Gaol Development	105,000	8,751	-	-	-	8,751
Old Municipal Building Improvements	60,000	5,001	-	-	-	5,001
	565,000	47,085	-	-	-	47,085
Other Property and Services						
Administration Building	35,000	2,918	-	-	-	2,918
	35,000	2,918	-	-	-	2,918
Total Land and Buildings	3,260,500	250,877	9,709	16,382	26,092	224,785

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Month Ended 31 July 2019

9. CAPITAL ACQUISITIONS (Continued)

	Annual Budget ⁺ \$	YTD Budget \$	New / Upgrade \$	YTD Actual Renewal \$	Total \$	YTD Variance \$
(b) Plant and Equipment						
Transport						
Prime Mover	318,000	26,500	-	-	-	26,500
Skid Steer Loader	100,000	8,333	-	-	-	8,333
Street Sweeper	75,000	6,250	-	-	-	6,250
CEO Vehicle	90,000	7,500	-	-	-	7,500
DCEO Vehicle	60,000	5,000	-	-	-	5,000
Works Vehicle	50,000	4,167	-	-	-	4,167
Road Crew Vehicle	45,000	3,750	-	-	-	3,750
Nissan Navarra 2WD	35,000	2,917	-	-	-	2,917
Workshop Equipment	25,000	2,083	-	-	-	2,083
Ride-on Mower	15,000	1,250	-	-	-	1,250
	813,000	67,750	-	-	-	67,750
Total Plant and Equipment	813,000	67,750	-	-	-	67,750
(c) Furniture and Equipment						
Governance						
Council Furniture and Equipment	10,000	833	-	-	-	833
	10,000	833	-	-	-	833
Housing						
Staff Housing	15,000	1,250	-	-	-	1,250
	15,000	1,250	-	-	-	1,250
Economic Services						
Furniture and Equipment	10,000	833	-	-	-	833
	10,000	833	-	-	-	833
Other Property and Services						
Administration Equipment	25,000	2,083	-	-	-	2,083
	25,000	2,083	-	-	-	2,083
Total Furniture and Equipment	60,000	4,999	-	-	-	4,999

* - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Month Ended 31 July 2019

9. CAPITAL ACQUISITIONS (Continued)

	Annual Budget ⁺ \$	YTD Budget \$	New / Upgrade \$	YTD Actual Renewal \$	Total \$	YTD Variance \$
(d) Infrastructure - Roads						
Transport						
Roads to Recovery	400,000	33,334	-	11,853	11,853	21,481
Flood Damage Restoration	153,400	12,783	-	-	-	12,783
MRWA Construction - RRG	180,000	14,999	-	-	-	14,999
Construction - Muni Funds Roads	180,000	14,999	-	1,521	1,521	13,478
Cue-Beringarra Road	150,000	12,500	-	-	-	12,500
Grid Widening Program	20,000	1,666	-	-	-	1,666
	1,083,400	90,281	-	13,375	13,375	76,906
Total Infrastructure - Roads	1,083,400	90,281	-	13,375	13,375	76,906

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

9. CAPITAL ACQUISITIONS (Continued)

	Annual Budget ⁺ \$	YTD Budget \$	New / Upgrade \$	YTD Actual Renewal \$	Total \$	YTD Variance \$
(e) Other Infrastructure						
Governance						
MRVC Dog Fence	52,000	4,333	-	-	-	4,333
	52,000	4,333	-	-	-	4,333
Community Amenities						
Deep Sewerage Plan	240,000	20,000	-	-	-	20,000
Waste Site - Fencing and Improvements	75,000	6,250	-	-	-	6,250
Cemetery Niche Wall	35,000	2,915	-	-	-	2,915
Waste Oil Shelter - Rubbish Tip	10,000	833	-	-	-	833
	360,000	29,998	-	-	-	29,998
Recreation and Culture						
Playground Equipment	220,000	18,332	-	-	-	18,332
Skate Park	85,000	7,084	33,700	-	33,700	(26,616)
Sporting Facilities	25,500	25,500	-	-	-	25,500
	330,500	50,916	33,700	-	33,700	17,216
Transport						
Airport Runway Resealing	196,000	16,333	-	5,194	5,194	11,139
Artificial Lawn and Retic Town Streets	45,000	3,751	-	-	-	3,751
	241,000	20,084	-	5,194	5,194	14,890
Economic Services						
Heydon Place Industrial Development	207,000	17,250	-	-	-	17,250
Tourist Park Expansion and Improvement	140,000	11,666	6,004	-	6,004	5,662
Austin Street Development	100,000	8,333	41,716	-	41,716	(33,383)
Streetscape	74,000	6,168	-	13	13	6,156
Tourist Park Improvements	40,000	3,334	-	6,800	6,800	(3,466)
RV Site	30,000	2,501	-	284	284	2,217
CCTV	25,000	2,083	-	-	-	2,083
Standpipe Automation	15,000	1,250	-	-	-	1,250
Oasis Visitor Parking	23,000	1,917	-	-	-	1,917
	654,000	54,502	47,720	7,097	54,817	(315)
Total Infrastructure - Other	1,637,500	159,833	81,420	12,290	93,710	66,123
Total Capital Expenditure	6,854,400	573,740	91,129	42,047	133,177	440,563

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Month Ended 31 July 2019

10. RATING INFORMATION

	Rateable Value	Valuation	Number of Properties	Annual Budget ⁺ Revenue	YTD Actual			Total Revenue
					Rate Revenue	Interim Rates	Back Rates	
	\$	\$	#	\$	\$	\$	\$	\$
General Rates								
GRV Residential	565,444	0.1062	94	60,050	-	-	-	-
GRV Commercial	299,208	0.1062	5	31,776	-	-	-	-
GRV Vacant Land	-	0.1062	0	-	-	-	-	-
GRV M & T Workforce	246,750	0.3000	2	74,025	-	-	-	-
UV Mining	6,925,502	0.3000	312	2,077,651	-	-	(423)	(423)
UV Pastoral	511,413	0.0843	14	43,112	-	-	-	-
Total General Rates				2,286,614	-	-	(423)	(423)
Minimum Rates								
GRV Residential	105,003	451.00	45	20,295	-	-	-	-
GRV Commercial	-	451.00	0	-	-	-	-	-
GRV Vacant Land	8,780	451.00	41	18,491	-	-	-	-
GRV M & T Workforce	-	451.00	0	-	-	-	-	-
UV Mining	95,824	451.00	124	55,924	-	-	-	-
UV Pastoral	11,933	451.00	4	1,804	-	-	-	-
Total Minimum Rates				96,514	-	-	-	-
Total General and Minimum Rates				2,383,128	-	-	(423)	(423)
Other Rate Revenue								
Rates Written-off				(50,000)				-
Discounts / Concessions				(1,000)				-
Ex-Gratia Rates				-				-
Back Rates				5,000				-
Specified Area Rates				-				-
Total Funds Raised from Rates				2,337,128				(423)

Comments / Notes

⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

11. INFORMATION ON BORROWINGS

(a) Debenture Repayments

	01 Jul 2019 \$	New Loans \$	Principal Repayments		Principal Outstanding		Interest Repayments	
			YTD Actual \$	Annual Budget ⁺ \$	YTD Actual \$	Annual Budget ⁺ \$	YTD Actual \$	Annual Budget ⁺ \$
Housing								
GROH House (WATC)	-	980,000	-	45,000	980,000	935,000	-	8,800
Total Repayments*	-	980,000	-	45,000	980,000	935,000	-	8,800

(b) New Debentures

	Amount Borrowed \$	Institution	Loan Type	Term Years	Total Interest** \$	Interest Rate %	Amount Used \$	Amount Unspent \$
Housing								
GROH House (WATC)	980,000	WATC	Fixed Rate Annuity	10	94,149	1.78%	-	980,000
					94,149		-	980,000

Comments / Notes

- * - All debenture repayments were financed by general purpose revenue
- ** - Does not include variable annual loan fee charged by WATC
- WATC - Western Australia Treasury Corporation
- ⁺ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Month Ended 31 July 2019

12. GRANTS, SUBSIDIES AND CONTRIBUTIONS

Program / Details	Grant Provider	Opening Balance \$	Operating \$	Annual Budget* Non-operating \$	Total \$	YTD Budget \$	YTD Actual \$
General Purpose Funding							
General Commission Grants	Government of WA	715,572	698,223	-	698,223	58,185	-
Roads Commission Grants	Government of WA	294,090	243,741	-	243,741	20,311	-
Law, Order and Public Safety							
ESL Grant	FESA	-	7,500	-	7,500	625	-
Community Amenities							
Deep Sewerage	Royalties for Regions	-	-	120,000	120,000	10,000	-
Recreation and Culture							
Other Culture/Heritage	Heritage Commission	-	-	580,000	580,000	48,478	-
Grant - Playground	Government of WA	-	-	70,000	70,000	5,833	-
Grant - Skate Park	Government of WA	-	-	41,545	41,545	3,462	-
Donations Received		-	800	-	800	66	-
Transport							
RRG - RRG Road Project Grant	RRG	-	-	120,000	120,000	10,000	24,000
Roads to Recovery	Australian Government	-	-	400,000	400,000	33,333	-
MRWA RRG Direct Grant	MRWA	-	75,000	-	75,000	6,250	80,278
Road Maintenance	Horizon Power	-	250,000	-	250,000	20,833	-
Airport Grants and Contributions	RADS	-	65,000	49,000	114,000	9,500	-
Economic Services							
Oasis Tourist Park	Government of WA	43,150	-	-	-	-	-
Old Gaol Development	Government of WA	-	-	30,000	30,000	2,500	-
Other Property and Services							
Diesel Fuel Rebate		-	45,000	-	45,000	3,750	3,105
Sundry Income Admin		-	5,000	-	5,000	270	-
Total Grants, Subsidies and Contributions		1,052,812	1,390,264	1,410,545	2,800,809	233,396	107,383

+ - As per draft budget at 6 August 2019, not yet adopted by Council

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Month Ended 31 July 2019

13. BUDGET AMENDMENTS

The following details the amendments made to the original budget since its adoption.

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment \$	Increase in Cash \$	Decrease in Cash \$	Running Balance \$
	Budget Adoption		Opening Surplus / (Deficit)				
	Adjustment to 1 July Opening Surplus		Opening Surplus / (Deficit)				
Amended Budget Totals				-	-	-	-

10.3 ADOPTION OF ANNUAL BUDGET FOR 2019-2020

APPLICANT: Shire of Cue
DISCLOSURE OF INTEREST: Nil
AUTHOR: Richard Towell – Deputy Chief Executive Officer
DATE: 16 August 2019

Matters for Consideration:

That Council adopt the annual budget for the 2019-2020 financial year including supporting schedules attached at [Appendix 3](#).

Background:

Section 6.2 of the Local Government Act 1995 requires Council to adopt a budget in the form and manner prescribed prior to 31 August each year. *Part 3 of the Local Government (Financial Management) Regulations 1996* stipulates the structure and content of the budget.

The draft 2019-2020 annual budget has been compiled based on the principles contained in the Shire of Cue Strategic Community Plan and Corporate Business Plan.

Comments:

The Department of Local Government recommend that the adoption of the Annual Budget is completed in various components which is why this item has three parts and is set out differently to our standard agenda items.

The budget has been prepared with estimated rates revenue of \$2,337,128 and total operating revenue of \$4,601,072.

A capital works program totalling \$6,854,400 for investment in infrastructure, property, plant and equipment is planned.

Expenditure on road infrastructure totals \$1,083,400. Road projects include Roads to Recovery funding for resealing town streets, Regional Road Group funding for Wondinong Road gravel sheeting as well as resealing works on Beringarra Cue Road and allowance for flood damage works and grid widening.

\$3,260,500 is budgeted for land and buildings including two new houses to be leased to Government Regional Officers Housing, a new Tourist Park Managers house and office, repurposing of the old railway building and into a youth centre, purchasing and restoring the old Bank of New South Wales building as well as developing staff housing and independent living facilities in the future.

Other infrastructure projects include a small wheels track and playground equipment. A contribution to the MRVC dog fence construction, a niche wall for the cemetery,

Heydon Place industrial development, resealing works at the airport, outdoor museum display and upgrades to the waste facilities.

An estimated surplus of \$3,291,633 is anticipated to be brought forward from 30 June 2019. This amount is unaudited and may change with the finalising of the end of year accounts. Any changes will be addressed as part of a future budget review.

There is a change of purpose for the Sports Complex Reserve in Note 7(c) of the budget document. The change is to expand the purpose of the reserve to be the Sports Facilities Reserve, to be used to fund maintenance and capital expenditure on the sports facilities. The previous purpose being the maintenance and capital expenditure on the sports complex. The change provides better clarity to the purpose of the Reserve.

Statutory Environment:

Local Government Act 1995, Section 6.2 – Local Governments to prepare annual budget.

Local Government (Financial Management) Regulations 1996 Part 3.

Policy Implications:

Shire of Cue Policy Manual

Financial Implications:

The 2019-2020 Budget provides Council with the opportunity to continue to provide the current level of services to the community as well as carry out significant projects that will provide benefits into the future.

Strategic Implications:

Shire of Cue Strategic Community Plan 2017 – 2027

Consultation:

Rob Madson – Chief Executive Officer

Travis Bate - RSM Australia Pty Ltd

Officer's Recommendation:

Voting Requirement: Absolute Majority

Council Decision:

Part A – Adoption of 2019-2020 Annual Budget

That pursuant to the provisions of *section 6.2 of the Local Government Act 1995* and *Part 3 of the Local Government (Financial Management) Regulations 1996*, Council adopts the 2019-2020 Statutory Budget as attached at [Appendix 3](#), which includes the following:

- Statement of Comprehensive income showing a net result for the year of \$(684,186).
- Statement of Cash Flows.
- Rate Setting Statement showing an amount required to be raised from rates of \$2,337,128
- Notes to and forming part of the Budget and significant accounting policies.
- Acquisition of assets as detailed in Note 4, totalling \$6,854,400.
- Transfer to and from Reserve Accounts as detailed in Note 7, totalling \$(346,065)

Moved:

Seconded:

Carried:

Absolute Majority Required

Council Decision

Part B – Imposition of General and Minimum Rates, Instalment Payment Arrangements, Charges and Interest.

Pursuant to *section 6.45 of the Local Government Act 1995* that the rates and charges specified hereunder and in the attached budget document be imposed on all rateable property within the district of the Shire of Cue for the 2019-2020 financial period.

- GRV Residential 10.62 cents in the dollar
- GRV Commercial 10.62 cents in the dollar
- GRV Vacant Land 10.62 cents in the dollar
- UV Mining 30.00 cents in the dollar
- UV Pastoral 8.43 cents in the dollar
- GRV M&T Workforce 30.00 cents in the dollar

- 3rd instalment due 7 February 2020
- 4th instalment due 10 April 2020

Pursuant to *section 6.51(1) and subject to section 6.51(4) of the Local Government Act 1995 and Regulation 70 of the Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 11% to be imposed on all outstanding rates and services charges and costs of proceedings to recover such charges that remain unpaid after 4 October 2019 or in the case of instalment options, on all outstanding rate amounts after the due date for payment of the instalment.

Moved:

Seconded:

Carried:

Absolute Majority Required

Council Decision:

Part C – Material Variance Reporting for 2019-2020

In accordance with *regulation 34(5) of the Local Government (Financial Management) Regulations 1996*, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2019-2020 for reporting material variances shall be 10% or \$25,000, whichever is the greater.

Moved:

Seconded:

Carried:

Simple Majority

APPENDIX 3

SHIRE OF CUE
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2020

TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Basis of Preparation	3
Statement of Comprehensive Income by Program	4
Statement of Cash Flows	6
Rate Setting Statement by Program	7
Rates and Service Charges	8
Net Current Assets	14
Reconciliation of Cash	16
Fixed Assets	17
Asset Depreciation	21
Borrowings	22
Cash Backed Reserves	24
Fees and Charges	26
Grant Revenue	26
Other Information	27
Major Land Transactions	28
Major Trading Undertaking	28
Interests in Joint Arrangements	28
Trust	29
Significant Accounting Policies - Other	30
Significant Accounting Policies - Change in Accounting Policies	31

SHIRE'S VISION

The Shire of Cue is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2020**

BY NATURE OR TYPE

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	2,337,128	2,350,695	2,283,636
Operating grants, subsidies and contributions	9	1,390,264	2,641,366	1,370,200
Fees and charges	8	599,780	549,413	453,500
Interest earnings	10(a)	184,500	221,186	182,000
Other revenue	10(b)	89,400	107,380	73,500
		<u>4,601,072</u>	<u>5,870,040</u>	<u>4,362,836</u>
Expenses				
Employee costs		(1,859,507)	(1,937,188)	(2,114,477)
Materials and contracts		(1,396,758)	(1,141,361)	(928,210)
Utility charges		(286,300)	(308,953)	(280,200)
Depreciation on non-current assets	5	(2,809,062)	(2,770,649)	(2,354,500)
Interest expenses	10(d)	(8,800)	0	0
Insurance expenses		(162,850)	(150,715)	(142,914)
Other expenditure		(225,700)	(123,885)	(208,500)
		<u>(6,748,977)</u>	<u>(6,432,751)</u>	<u>(6,028,801)</u>
Subtotal		(2,147,905)	(562,711)	(1,665,965)
Non-operating grants, subsidies and contributions	9	1,410,545	184,637	1,268,301
Profit on asset disposals	4(b)	64,606	6,722	5,000
(Loss) on disposal of assets	4(b)	(11,432)	(47,726)	0
Loss on revaluation of non current assets		0	(4,903)	0
		<u>1,463,719</u>	<u>138,730</u>	<u>1,273,301</u>
		(684,186)	(423,981)	(392,664)
Net result				
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(684,186)	(423,981)	(392,664)

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

FOR THE YEAR ENDED 30TH JUNE 2020**BASIS OF PREPARATION**

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations. The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this budget. This is not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

Accounting policies which have been adopted in the preparation of this budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire of Cue controls resources to carry on its functions have been included in the financial statements forming part of this budget.

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 14 to the budget.

2018/19 ACTUAL BALANCES

Balances shown in this budget as 2018/19 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

CHANGE IN ACCOUNTING POLICIES

On the 1 July 2019 the following new accounting policies are to be adopted and have impacted on the preparation of the budget:

- AASB 15 - *Revenue from Contracts with Customers*;
- AASB 16 - *Leases*; and
- AASB 1058 - *Income of Not-for-Profit Entities*.

Explanation of the changes arising from these standards is provided at Note 16.

KEY TERMS AND DEFINITIONS - NATURE OR TYPE**REVENUES****RATES**

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

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

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

PROFIT ON ASSET DISPOSAL

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

REVENUES (CONTINUED)**OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

FEES AND CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

EXPENSES**EMPLOYEE COSTS**

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2020**

BY REPORTING PROGRAM

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
Revenue	1, 8, 9, 10(a),(b)	\$	\$	\$
General purpose funding		3,487,592	4,538,246	3,330,835
Law, order, public safety		10,500	12,916	6,500
Health		500	1,134	500
Housing		25,480	22,080	25,200
Community amenities		85,500	77,224	75,000
Recreation and culture		7,000	6,110	9,300
Transport		492,500	709,461	450,500
Economic services		371,200	371,381	299,700
Other property and services		120,800	131,488	165,300
		4,601,072	5,870,040	4,362,835
Expenses excluding finance costs	5,10(c)(d)(e)(f)(g)			
Governance		(408,911)	(360,160)	(407,576)
General purpose funding		(251,573)	(187,714)	(256,706)
Law, order, public safety		(81,399)	(60,065)	(72,890)
Health		(92,201)	(55,249)	(70,718)
Education and welfare		(16,955)	(2,035)	(15,258)
Housing		(259,910)	(226,765)	(243,270)
Community amenities		(400,186)	(268,495)	(332,172)
Recreation and culture		(988,224)	(672,255)	(704,156)
Transport		(3,492,499)	(3,872,475)	(3,276,139)
Economic services		(696,558)	(657,794)	(610,795)
Other property and services		(60,561)	(69,744)	(39,120)
		(6,748,977)	(6,432,751)	(6,028,800)
Subtotal		(2,147,905)	(562,711)	(1,665,965)
Non-operating grants, subsidies and contributions	9	1,410,545	184,637	1,268,301
Profit on disposal of assets	4(b)	64,606	6,722	5,000
(Loss) on disposal of assets	4(b)	(11,432)	(47,726)	0
Loss on revaluation of non current assets		0	(4,903)	0
		1,463,719	138,730	1,273,301
		(684,186)	(423,981)	(392,664)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(684,186)	(423,981)	(392,664)

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

FOR THE YEAR ENDED 30TH JUNE 2020**KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS**

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

OBJECTIVES / ACTIVITIES**GOVERNANCE**

Administration and operation of facilities and services to members of Council. Other costs that relate to tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Supervision of various local laws, fire prevention, emergency services and animal control.

HEALTH

Food quality and water control. Environmental Health Officer. Doctor Service.

EDUCATION AND WELFARE

Assistance to Cue Primary School, Thoo Thoo Wandii, Senior Citizens and Playgroup. Involvement in work experience programmes.

HOUSING

Provision and maintenance of staff and rental housing.

COMMUNITY AMENITIES

Rubbish collection services, maintenance of refuse sites, administration of the town planning scheme, control and co-ordination of cemeteries, and maintenance of public conveniences.

RECREATION AND CULTURE

Maintenance of Shire hall, recreation centre, Stan Gurney Memorial Park and various reserves. Operation of library and internet services. Co-ordination of Australia Day activities.

TRANSPORT

Construction and maintenance of streets, roads, footpaths, drainage works, parking facilities, traffic signs and median strips. Control and maintenance of Cue Airport.

ECONOMIC SERVICES

The regulation and provision of tourism and the Historical Photographic Collection. Maintenance of the Shire-owned Caravan Park. Building and vermin control. Employment programme administered on behalf of the Department of Employment, Workplace Relations and Small Business.

OTHER PROPERTY AND SERVICES

Private works operation, plant repair and operation costs.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020**

BY NATURE OR TYPE

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		2,337,128	2,265,737	2,283,636
Operating grants, subsidies and contributions		2,607,562	2,797,609	2,651,341
Fees and charges		599,780	549,413	453,500
Interest earnings		184,500	221,186	182,000
Goods and services tax		0	62,917	0
Other revenue		89,400	107,380	73,500
		<u>5,818,370</u>	<u>6,004,242</u>	<u>5,643,977</u>
Payments				
Employee costs		(1,859,507)	(1,867,715)	(2,114,477)
Materials and contracts		(1,396,758)	(1,521,049)	(928,210)
Utility charges		(286,300)	(308,953)	(280,200)
Interest expenses		(8,800)	0	0
Insurance expenses		(162,850)	(150,715)	(142,914)
Other expenditure		(225,700)	(123,885)	(208,500)
		<u>(3,939,915)</u>	<u>(3,972,317)</u>	<u>(3,674,301)</u>
Net cash provided by (used in) operating activities	3	<u>1,878,455</u>	<u>2,031,925</u>	<u>1,969,676</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(4,133,500)	(873,272)	(3,396,500)
Payments for construction of infrastructure	4(a)	(2,720,900)	(1,543,565)	(2,962,634)
Non-operating grants, subsidies and contributions	9	1,410,545	184,637	1,268,301
Proceeds from sale of plant & equipment	4(b)	210,000	123,909	163,000
Net cash provided by (used in) investing activities		<u>(5,233,855)</u>	<u>(2,108,291)</u>	<u>(4,927,833)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(45,000)	0	0
Fund Transfers to Trust		0	(7,960)	0
Proceeds from new borrowings	6(b)	980,000	0	980,000
Net cash provided by (used in) financing activities		<u>935,000</u>	<u>(7,960)</u>	<u>980,000</u>
Net increase (decrease) in cash held		<u>(2,420,400)</u>	<u>(84,326)</u>	<u>(1,978,157)</u>
Cash at beginning of year		7,796,975	7,881,301	7,880,027
Cash and cash equivalents at the end of the year	3	<u><u>5,376,575</u></u>	<u><u>7,796,975</u></u>	<u><u>5,901,870</u></u>

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

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2020**

BY REPORTING PROGRAM

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2 (b)(i)	3,291,633	2,700,544	2,744,459
		3,291,633	2,700,544	2,744,459
Revenue from operating activities (excluding rates)				
General purpose funding		1,150,464	2,187,551	1,047,199
Law, order, public safety		10,500	12,916	6,500
Health		500	1,134	500
Housing		25,480	22,080	25,200
Community amenities		85,500	77,224	75,000
Recreation and culture		7,000	6,110	9,300
Transport		557,106	716,183	455,500
Economic services		371,200	371,381	299,700
Other property and services		120,800	131,488	165,300
		2,328,550	3,526,067	2,084,199
Expenditure from operating activities				
Governance		(408,911)	(360,160)	(407,576)
General purpose funding		(251,573)	(187,714)	(256,706)
Law, order, public safety		(81,399)	(60,065)	(72,890)
Health		(92,201)	(55,249)	(70,718)
Education and welfare		(16,955)	(2,035)	(15,258)
Housing		(259,910)	(226,765)	(243,270)
Community amenities		(400,186)	(268,495)	(332,172)
Recreation and culture		(988,224)	(672,255)	(704,156)
Transport		(3,503,931)	(3,920,201)	(3,276,139)
Economic services		(696,558)	(657,794)	(610,795)
Other property and services		(60,561)	(74,647)	(39,120)
		(6,760,409)	(6,485,380)	(6,028,800)
Non-cash amounts excluded from operating activities	2 (b)(ii)	2,755,888	2,840,469	2,349,500
Amount attributable to operating activities		1,615,662	2,581,700	1,149,358
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	9	1,410,545	184,637	1,268,301
Purchase property, plant and equipment	4(a)	(4,133,500)	(873,272)	(3,396,500)
Purchase and construction of infrastructure	4(a)	(2,720,900)	(1,543,565)	(2,962,634)
Proceeds from disposal of assets	4(b)	210,000	123,909	163,000
Amount attributable to investing activities		(5,233,855)	(2,108,291)	(4,927,833)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(45,000)	0	0
Proceeds from new borrowings	6(b)	980,000	0	980,000
Transfers to cash backed reserves (restricted assets)	7(a)	(463,135)	(447,471)	(435,161)
Transfers from cash backed reserves (restricted assets)	7(a)	809,200	915,000	950,000
Amount attributable to financing activities		1,281,065	467,529	1,494,839
Budgeted deficiency before general rates		(2,337,128)	940,938	(2,283,636)
Estimated amount to be raised from general rates	1	2,337,128	2,350,695	2,283,636
Net current assets at end of financial year - surplus/(deficit)	2 (b)(i)	0	3,291,633	0

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

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2019/20 Budgeted rate revenue	2019/20 Budgeted interim rates	2019/20 Budgeted back rates	2019/20 Budgeted total revenue	2018/19 Actual total revenue	2018/19 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
General Rates									
GRV Residential	0.10620	94	565,444	60,050	0	0	60,050	60,050	58,195
GRV Commercial	0.10620	5	299,208	31,776	0	0	31,776	31,776	31,776
GRV Vacant Land	0.10620	0	0	0	0	0	0	412	0
GRV M & T Workforce	0.30000	2	246,750	74,025	0	0	74,025	76,493	76,493
UV Mining	0.30000	312	6,925,502	2,077,651	0	5,000	2,082,651	2,037,936	2,027,567
UV Pastoral	0.08430	14	511,413	43,112	0	0	43,112	42,604	42,604
Sub-Totals		427	8,548,317	2,286,614	0	5,000	2,291,614	2,249,271	2,236,634
Minimum payment	\$								
Gross rental valuations									
GRV Residential	451	45	105,003	20,295	0	0	20,295	20,295	21,648
GRV Commercial	451	0	0	0	0	0	0	0	0
GRV Vacant Land	451	41	8,780	18,491	0	0	18,491	18,040	18,040
GRV M & T Workforce	451	0	0	0	0	0	0	0	0
UV Mining	451	124	95,824	55,924	0	0	55,924	62,310	51,865
UV Pastoral	451	4	11,933	1,804	0	0	1,804	1,804	1,804
Sub-Totals		214	221,540	96,514	0	0	96,514	102,449	93,357
		641	8,769,857	2,383,128	0	5,000	2,388,128	2,351,720	2,329,991
Discounts/concessions (Refer note 1(f))							(1,000)	(1,000)	(6,355)
Rates Written-off							(50,000)	(3,216)	(50,000)
Interim and Back Rates							0	3,191	10,000
Total amount raised from general rates							2,337,128	2,350,695	2,283,636
Specified area rates (Refer note 1(d))							0	0	0
Total rates							2,337,128	2,350,695	2,283,636

All land (other than exempt land) in the Shire of Cue is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Cue.

The general rates detailed for the 2019/20 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

1. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one	04 Oct 2019	15	5.00%	11%
Option two	06 Dec 2019	15	5.00%	11%
Option three	07 Feb 2020	15	5.00%	11%
Option four	10 Apr 2020	15	5.00%	11%

	2019/20 Budget revenue	2018/19 Actual revenue	2018/19 Budget revenue
	\$	\$	\$
Instalment plan interest earned	5,500	4,649	2,500
Unpaid rates and service charge interest earned	24,000	23,871	22,500
	29,500	28,520	25,000

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

1. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential general rates

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

The general rates detailed above for the 2019/20 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

The differential rates were advertised on the 28th June 2019. These rates are in accordance with the advertised schedule. Ministerial approval has been received on 14 August 2019 for the above differential rates.

Objectives and Reasons for Differential Rating

The purpose of the levying of rates is to meet Council's budget requirements in each financial year in order to deliver services and community infrastructure. Property valuations provided by the Valuer General are used as the basis for the calculation of rates each year. Section 6.33 of the *Local Government Act 1995* provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Cue. The application of differential rating maintains equity in the rating of properties across the Shire, enabling the Council to provide facilities, infrastructure and services to the entire community and visitors.

Gross Rental Value (GRV)

The *Local Government Act 1995* determines that properties of a Non-Rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer General determines the GRV for all properties within the Shire of Cue every five years and assigns a GRV. The current valuation is effective from 1 July 2015. Interim valuations are provided monthly to Council by the Valuer General for properties where changes have occurred (i.e. subdivisions or strata title of property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rates notices.

GRV General

Consists of properties located within the townsite boundaries with a predominant residential use and all other GRV rated properties that do not fit into the other GRV categories. This rate is considered by Council to be the GRV general rate by which all other GRV rated properties are assessed.

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

1. RATES AND SERVICE CHARGES (CONTINUED)

GRV Commercial

Properties used for Commercial, Town Centre or Industrial purposes and open to the public and passing trade on a regular basis (more than 100 days a year). The rate reflects a differentiation from the GRV General rate to encourage property owners to develop commercial enterprise and stimulate economic activity in the town centre and industrial area. To facilitate this, the rate applied will be the same rate in the dollar as the GRV General rate category and a discount provided in accordance with section 6.46 of the *Local Government Act*. The discounted rate will be twenty percent of rates levied for the category. The discount will only apply if the rates are paid in full by the due date. This discount is not available to properties that are minimum rated, zoned residential, home based businesses or businesses that do not offer an open shopfront to the public on the property.

This strategy has the benefit of ensuring commercial property owners pay their rates by the due date to take advantage of the discount, ensures they are aware that their rates are discounted substantially as Council is very supportive of local business and that the generous discount is not applied to those commercial property owners with outstanding rate arrears.

GRV Vacant

Consists of vacant properties located within the townsite boundaries excepting land zoned as Tourist, Commercial and Industrial.

GRV Mining and Transient Workforce Facilities

Properties used for high density Minesite accommodation exclusive of Lodging Houses. The rate reflects the cost of servicing a high density development that places a significant amount of financial pressure on Council to provide services such as road maintenance, parking control, heavy vehicle movements, litter control, rubbish site maintenance, airport infrastructure and maintenance and other amenities. It should be noted that, even in relation to services for which separate fees and charges are levied, many of these fees and charges do not recover the full cost of operating the facility or providing the service. In such cases, the difference between the revenue derived from fees and charges and the actual costs of providing the services and facilities has to be met from rates. So it is appropriate that the category of ratepayers that receive a significant benefit from the facilities make a fair contribution.

This differential rate maintains a proportional share of rating required to raise the necessary revenue to operate efficiently and provide the diverse range of services and associated infrastructure and facilities required for developed residential and urban areas. These services and facilities are available to transient workforce workers in the same manner as they are available to other residents of the Shire and the contribution from this category has been set at a level that reflects this. Council is focussed on sustainably managing its community and infrastructure assets through the funding of renewal and replacement asset programs. These programs include but are not limited to investment in the resealing of roads, replacement and development of footpath networks, refurbishing of public ablutions and other building maintenance programs. In addition, these properties have access to all other services and facilities provided by Council.

The average rates per transient workforce accommodation unit are less than the equivalent minimum rate for a single bedroom residence. Despite the lower rate per accommodation unit, transient workforce properties have the potential to have a greater impact on Council services and assets than other properties due to their number of occupants in a relatively small land parcel (i.e. concentrated bus and vehicle movements on local roads). In order to appropriately maintain and manage Councils asset and infrastructure in the longer term, a higher differential rate is proposed for this category to reflect the greater potential and actual intensity of use of Council assets and infrastructure.

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

1. RATES AND SERVICE CHARGES (CONTINUED)

Unimproved Value (UV)

Properties that are predominantly of a rural purpose are assigned an Unimproved Value that is supplied and updated by the Valuer General on an annual basis.

UV Pastoral

Consists of properties that are outside of the townsite that have a commercial use inclusive of pastoral leases or pastoral use. This category is rated to reflect the level of rating required to raise the necessary revenue to operate efficiently and provide for rural infrastructure and services in addition to the urban services and infrastructure which are available to be accessed by the properties in this category.

UV Mining

The object of this rate is to apply a base differential general rate to UV-Rated mining tenements and provide for the cost of operating all the facilities and services that are available to residents and ratepayers to use including rural roads upon which mining enterprises rely, other than those services and facilities for which separate fees and charges are levied on a cost-recovery basis. It should be noted that, even in relation to services for which separate fees and charges are levied, many of these fees and charges do not recover the full cost of operating the facility or providing the service. In such cases, the difference between the revenue derived from fees and charges and the actual costs of providing the services and facilities has to be met from rates. So it is appropriate that the category of ratepayers that receive a significant benefit from the facilities make a fair contribution.

In addition to contributing to the costs of facilities and services available to residents and ratepayers, the rate recognises the additional administrative burden and costs associated with administering this class of rates and the risks of non-collection due to tenement deaths and deregistration of mining companies, additional wear and tear on Shire assets as a result of frequent heavy vehicle use over extensive lengths of shire roads throughout the year, additional compliance burdens and costs, and unrecovered legal expenses.

The reason for the GRV Mining rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the Shire, as well as a contribution to the Shire's administrative costs proportionate to the additional risks and burdens imposed upon the Shire by Mining Ratepayers.

Minimum Rates

The setting of minimum rates within rating categories is an important method of ensuring that all properties contribute an equitable rate amount. A minimum rate of \$451.00 has been set for all rate categories.

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

1. RATES AND SERVICE CHARGES (CONTINUED)

(d) Specified Area Rate

No Specified Area Rates are expected to be levied in the 2019 / 20 financial year.

(e) Service Charges

No Service Charges are expected to be levied in the 2019 / 20 financial year.

(f) Rates discounts

Rate or fee to which discount is granted	Discount %	2019/20 Budget	2018/19 Actual	2018/19 Budget	Circumstances in which discount is granted
GRV - Commercial	20.0%	\$ 1,000	\$ 1,000	\$ 6,355	Provided to rate payers of this category whose payment of the full amount owing, including arrears and service charges is received on or before 35 days after the date appearing on the rate notice.
		<u>1,000</u>	<u>1,000</u>	<u>6,355</u>	

(g) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2020.

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

2 (a). NET CURRENT ASSETS

Note	2019/20		2018/19	
	Budget 30 June 2020	Budget 01 July 2019	Estimated Actual 30 June 2019	2018/19 Budget 30 June 2019
	\$	\$	\$	\$
Composition of estimated net current assets				
Current assets				
Cash - unrestricted	3	41,903	2,116,238	268,439
Cash - restricted reserves	3	5,334,672	5,680,737	5,633,431
Receivables		264,984	414,984	331,998
Accrued Income		0	1,067,298	0
Inventories		23,205	23,205	67,620
		5,664,764	9,302,462	6,301,488
Less: current liabilities				
Trade and other payables		(218,681)	(218,681)	(593,845)
Contract liabilities		0	(43,150)	0
Short term borrowings		0	0	0
Long term borrowings		(91,176)	0	(114,200)
Provisions		(111,411)	(111,411)	(74,212)
		(421,268)	(373,242)	(782,257)
Net current assets		5,243,496	8,929,220	5,519,231

2 (b). NET CURRENT ASSETS (CONTINUED)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Operating activities excluded from budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

Note	2019/20		2018/19	
	Budget 30 June 2020	Budget 01 July 2019	Estimated Actual 30 June 2019	2018/19 Budget 30 June 2019
	\$	\$	\$	\$
(i) Current assets and liabilities excluded from budgeted deficiency				
Net current assets	2	5,243,496	8,929,220	8,972,370
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.				
Adjustments to net current assets				
Less: Cash - restricted reserves	3	(5,334,672)	(5,680,737)	(5,633,431)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		91,176	0	114,200
Adjusted net current assets - surplus/(deficit)		0	3,248,483	3,291,633
(ii) Operating activities excluded from budgeted deficiency				
The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.				
Adjustments to operating activities				
Less: Profit on asset disposals	4(b)	(64,606)	(6,722)	(5,000)
Add: Movement in employee provisions		0	23,913	23,913
Add: Loss on disposal of assets	4(b)	11,432	47,726	0
Add: Loss on revaluation of non current assets		0	4,903	0
Add: Change in accounting policies	16	0	(43,150)	0
Add: Depreciation on assets	5	2,809,062	2,770,649	2,354,500
Non cash amounts excluded from operating activities		2,755,888	2,797,319	2,840,469
				2,349,500

(iii) Reason for adjustment to Adjusted net current assets - surplus/(deficit) on 1 July 2019

The Shire has elected to retrospectively apply the cumulative effect of applying AASB 1058 *Income of Not-for-Profit Entities* at the date of initial application of the standard, being 1 July 2019. The impact of applying the standard was to recognise unspent grants and contributions for construction of recognisable non-financial assets controlled by the Shire as a liability. The opening budgeted surplus/deficit on 1 July 2019 has been amended accordingly from the estimated actual closing surplus/deficit. Refer to note 16 for further explanation of the impact of the changes in accounting policies

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

2 (c). NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

PROVISIONS

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

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

INVENTORIES

General

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

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

Superannuation

The Shire of Cue contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Cue contributes are defined contribution plans.

TRADE AND OTHER RECEIVABLES

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

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

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

CONTRACT LIABILITIES

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

The Shire of Cue's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Shire of Cue's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

LAND HELD FOR RESALE

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

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

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

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

3. RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
Cash - unrestricted	41,903	2,116,238	268,439
Cash - restricted	5,334,672	5,680,737	5,633,431
	<u>5,376,575</u>	<u>7,796,975</u>	<u>5,901,870</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Long Service Leave Reserve	63,113	62,406	30,229
Building Maintenance Reserve	502,104	637,216	636,062
Plant Replacement Reserve	367,066	504,540	335,666
Streetscape Reserve	219,039	311,762	311,149
Sports Complex Reserve	122,846	120,041	119,824
Caravan Park Development Reserve	203,745	247,949	247,520
Water Playground Reserve	61,037	59,638	59,569
Beringarra Road Reserve	2,593,447	2,681,140	2,839,010
Tourism Reserve	100,936	121,102	120,871
Housing / Land Development Reserve	192,893	188,475	188,274
Heritage Reserve	444,042	615,854	614,783
Road Maintenance Reserve	236,244	130,614	130,474
Infrastructure Reserve	228,160	0	0
	<u>5,334,672</u>	<u>5,680,737</u>	<u>5,633,431</u>

**Reconciliation of net cash provided by
operating activities to net result**

Net result	(684,186)	(423,981)	(392,664)
Depreciation	2,809,062	2,770,649	2,354,500
(Profit)/loss on sale of asset	(53,174)	41,004	(5,000)
Loss on revaluation of non current assets	0	4,903	0
(Increase)/decrease in receivables	1,217,298	134,202	1,281,141
(Increase)/decrease in inventories	0	(3,525)	0
Increase/(decrease) in payables	0	(376,162)	0
Increase/(decrease) in employee provisions	0	69,472	0
Grants/contributions for the development of assets	(1,410,545)	(184,637)	(1,268,301)
Net cash from operating activities	<u>1,878,455</u>	<u>2,031,925</u>	<u>1,969,676</u>

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities in Note 2 - Net Current Assets.

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

4. FIXED ASSETS

(a) Acquisition of Assets

The following assets are budgeted to be acquired during the year.

Asset class	Reporting program							2019/20 Budget total	2018/19 Actual total	2018/19 Budget total
	Governance	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<i>Property, Plant and Equipment</i>										
Land and buildings										
GROH Houses	0	980,000	0	0	0	0	0	980,000		
Railway Building Development	0	0	0	513,000	0	0	0	513,000		
Caravan Park House and Office	0	0	0	0	0	400,000	0	400,000		
Staff Housing Units	0	257,000	0	0	0	0	0	257,000		
Staff housing	0	250,000	0	0	0	0	0	250,000		
Great Fingal Mine Office	0	0	0	250,000	0	0	0	250,000		
Town Hall Upgrades	0	0	0	190,000	0	0	0	190,000		
Old Gaol Development	0	0	0	0	0	105,000	0	105,000		
Pensioner Units	0	100,000	0	0	0	0	0	100,000		
Old Municipal Building	0	0	0	0	0	60,000	0	60,000		
Heritage Building (Bank Building)	0	0	0	50,000	0	0	0	50,000		
Depot Improvements	0	0	0	0	50,000	0	0	50,000		
Administration Building	0	0	0	0	0	0	35,000	35,000		
Pension Hut Renovation	0	0	0	10,500	0	0	0	10,500		
Town Hall Landscaping	0	0	0	10,000	0	0	0	10,000		
	0	1,587,000	0	1,023,500	50,000	565,000	35,000	3,260,500	176,219	2,539,000
Furniture and equipment										
Administration Equipment	0	0	0	0	0	0	25,000	25,000		
Furniture and Fixtures	0	15,000	0	0	0	10,000	0	25,000		
Office Equipment	10,000	0	0	0	0	0	0	10,000		
	10,000	15,000	0	0	0	10,000	25,000	60,000	21,797	45,000

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

4. FIXED ASSETS (CONTINUED)

(a) Acquisition of Assets (Continued)

Asset class	Reporting program							2019/20 Budget total	2018/19 Actual total	2018/19 Budget total
	Governance	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Plant and equipment										
Prime Mover	0	0	0	0	318,000	0	0	318,000		
Skid Steer Loader	0	0	0	0	100,000	0	0	100,000		
Street Sweeper	0	0	0	0	75,000	0	0	75,000		
CEO Vehicle	0	0	0	0	90,000	0	0	90,000		
DCEO Vehicle	0	0	0	0	60,000	0	0	60,000		
Works Vehicle	0	0	0	0	50,000	0	0	50,000		
Road Crew Vehicle	0	0	0	0	45,000	0	0	45,000		
Nissan Navarra 2WD	0	0	0	0	35,000	0	0	35,000		
Workshop Equipment	0	0	0	0	25,000	0	0	25,000		
Ride-on Mower	0	0	0	0	15,000	0	0	15,000		
	0	0	0	0	813,000	0	0	813,000	675,256	812,500
Total Property, Plant and Equipment	10,000	1,602,000	0	1,023,500	863,000	575,000	60,000	4,133,500	873,272	3,396,500
Infrastructure										
Road Infrastructure										
Roads to Recovery	0	0	0	0	400,000	0	0	400,000		
Flood Damage Restoration	0	0	0	0	153,400	0	0	153,400		
Municipal Funded Construction	0	0	0	0	180,000	0	0	180,000		
MRWA Construction - RRG	0	0	0	0	180,000	0	0	180,000		
Cue - Beringarra Road	0	0	0	0	150,000	0	0	150,000		
Grid Widening Program	0	0	0	0	20,000	0	0	20,000		
	0	0	0	0	1,083,400	0	0	1,083,400	1,236,131	1,878,301

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

4. FIXED ASSETS (CONTINUED)

(a) Acquisition of Assets (Continued)

Asset class	Reporting program						Other property and services	2019/20 Budget total	2018/19 Actual total	2018/19 Budget total
	Governance	Housing	Community amenities	Recreation and culture	Transport	Economic services				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Other Infrastructure										
Deep Sewerage System	0	0	240,000	0	0	0	0	240,000		
Playground and Outdoor Fitness Equipment	0	0	0	220,000	0	0	0	220,000		
Heydon Place Industrial Development	0	0	0	0	0	207,000	0	207,000		
Airport Runway Resealing	0	0	0	0	196,000	0	0	196,000		
Tourism & Area Promotion	0	0	0	0	0	140,000	0	140,000		
Austin St Development	0	0	0	0	0	100,000	0	100,000		
Skate Park	0	0	0	85,000	0	0	0	85,000		
Sporting Facilities	0	0	0	25,500	0	0	0	25,500		
Waste Site - Fencing and Improvements	0	0	75,000	0	0	0	0	75,000		
Streetscape	0	0	0	0	0	74,000	0	74,000		
MRVC - Dog Fence	52,000	0	0	0	0	0	0	52,000		
Artificial Lawn and Retic Town Streets	0	0	0	0	45,000	0	0	45,000		
Tourist Park Improvements	0	0	0	0	0	40,000	0	40,000		
Cemetery Niche Wall	0	0	35,000	0	0	0	0	35,000		
RV Site	0	0	0	0	0	30,000	0	30,000		
CCTV	0	0	0	0	0	25,000	0	25,000		
Oasis Visitor Parking Project	0	0	0	0	0	23,000	0	23,000		
Standpipe Automation	0	0	0	0	0	15,000	0	15,000		
Waste Oil Shelter (Rubbish Tip)	0	0	10,000	0	0	0	0	10,000		
	52,000	0	360,000	330,500	241,000	654,000	0	1,637,500	307,434	1,084,333
Total Infrastructure	52,000	0	360,000	330,500	1,324,400	654,000	0	2,720,900	1,543,565	2,962,634
Total acquisitions	62,000	1,602,000	360,000	1,354,000	2,187,400	1,229,000	60,000	6,854,400	2,416,837	6,359,134

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

4. FIXED ASSETS (CONTINUED)

(b) Disposals of Assets

The following assets are budgeted to be disposed of during the year.

	2019/20 Budget Net Book Value	2019/20 Budget Sale Proceeds	2019/20 Budget Profit	2019/20 Budget Loss	2018/19 Actual Net Book Value	2018/19 Actual Sale Proceeds	2018/19 Actual Profit	2018/19 Actual Loss	2018/19 Budget Net Book Value	2018/19 Budget Sale Proceeds	2018/19 Budget Profit	2018/19 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset class												
<i>Property, Plant and Equipment</i>												
Transport												
Mitsubishi Pajero Wagon 4x4 (CEO)	26,663	40,000	13,337	0								
Mitsubishi Pajero Wagon 4x4 (DCEO)	26,663	40,000	13,337	0								
P34 2012 Caterpillar 226B3SC Skid Steer	22,689	40,000	17,311	0								
Isuzu D-Max Space Cab 4x4 (Works Manager)	24,011	35,000	10,989	0								
Isuzu D-Max Dual Cab Ute 4x4 (Roads Crew)	20,368	30,000	9,632	0								
P66 - S20 Ride-on Street Sweeper	26,368	15,000	0	(11,368)								
P72 Iveco Eurotech MP4500 Prime Mover	10,064	10,000	0	(64)								
	156,826	210,000	64,606	(11,432)	164,913	123,909	6,722	(47,726)	158,000	163,000	5,000	0
Total Disposal of Assets	156,826	210,000	64,606	(11,432)	164,913	123,909	6,722	(47,726)	158,000	163,000	5,000	0

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

5. ASSET DEPRECIATION

By Program

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
Law, order, public safety	227	225	300
Health	909	900	900
Housing	35,796	35,447	31,000
Community amenities	9,530	9,420	8,800
Recreation and culture	103,850	102,342	91,000
Transport	2,115,500	2,084,953	1,788,900
Economic services	179,000	176,037	98,500
Other property and services	364,250	361,325	335,100
	2,809,062	2,770,649	2,354,500

By Class

Land and Buildings	217,243	212,505	168,200
Furniture and equipment	22,760	18,809	17,400
Plant and equipment	311,659	312,728	287,600
Road Infrastructure	1,985,000	1,954,713	1,623,100
Other Infrastructure	272,400	271,894	258,200
	2,809,062	2,770,649	2,354,500

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Major depreciation periods used for each class of depreciable asset are:

Land and Buildings	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	40 years
Sewerage Piping	50 years
Water Supply Piping Systems	75 years
Water Supply Drainage Systems	75 years
Parks and Ovals	12 to 35 years
Other Infrastructure	12 to 60 years

DEPRECIATION (CONTINUED)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2019

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Budget Principal 1 July 2019	2019/20 Budget New loans	2019/20 Budget Principal repayments	2019/20 Budget Interest repayments	Budget Principal outstanding 30 June 2020	Actual Principal 1 July 2018	2018/19 Actual New loans	2018/19 Actual Principal repayments	2018/19 Actual Interest repayments	Actual Principal outstanding 30 June 2019	Budget Principal 1 July 2018	2018/19 Budget New loans	2018/19 Budget Principal repayments	2018/19 Budget Interest repayments	Budget Principal outstanding 30 June 2019
		\$	\$	\$	\$			\$	\$	\$			\$	\$	\$
Housing															
GROH House (WATC*)	0	980,000	45,000	8,800	935,000	0	0	0	0	0	0	980,000	0	0	980,000
	0	980,000	45,000	8,800	935,000	0	0	0	0	0	0	980,000	0	0	980,000

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

* - WATC - Western Australia Treasury Corporation

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

6. INFORMATION ON BORROWINGS (CONTINUED)

(b) New borrowings - 2019/20

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges**	Amount used budget	Balance unspent
GROH House (WATC*)	WATC*	Fixed Rate Annuity	10	1.78%	\$ 980,000	\$ 94,149	\$ 980,000	\$ 0
					980,000	94,149	980,000	0

* - WATC - Western Australia Treasury Corporation

** - Does not include variable annual loan fee charged by WATC

(c) Credit Facilities

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	15,000	15,000	15,000
Loan facilities			
Loan facilities in use at balance date	935,000	0	980,000
Unused loan facilities at balance date	0	0	980,000

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2019/20 Budget				2018/19 Actual				2018/19 Budget			
	Opening Balance	Budget Transfer to	Transfer (from)	Closing Balance	Opening Balance	Actual Transfer to	Transfer (from)	Closing Balance	Opening Balance	Budget Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave Reserve	62,406	707	0	63,113	29,580	32,826	0	62,406	29,580	649	0	30,229
Building Maintenance Reserve	637,216	14,888	(150,000)	502,104	573,476	63,740	0	637,216	573,476	62,586	0	636,062
Plant Replacement Reserve	504,540	12,526	(150,000)	367,066	524,100	12,557	(32,117)	504,540	524,100	11,566	(200,000)	335,666
Streetscape Reserve	311,762	7,277	(100,000)	219,039	304,467	7,295	0	311,762	304,467	6,682	0	311,149
Sports Complex Reserve	120,041	2,805	0	122,846	107,466	12,575	0	120,041	107,466	12,358	0	119,824
Caravan Park Development Reserve	247,949	5,796	(50,000)	203,745	212,849	35,100	0	247,949	212,849	34,671	0	247,520
Water Playground Reserve	59,638	1,399	0	61,037	33,827	25,811	0	59,638	33,827	25,742	0	59,569
Beringarra Road Reserve	2,681,140	62,307	(150,000)	2,593,447	3,511,994	84,146	(915,000)	2,681,140	3,511,998	77,012	(750,000)	2,839,010
Tourism Reserve	121,102	2,834	(23,000)	100,936	92,720	28,382	0	121,102	92,720	28,151	0	120,871
Housing / Land Development Reserve	188,475	4,418	0	192,893	121,562	66,913	0	188,475	121,562	66,712	0	188,274
Heritage Reserve	615,854	14,388	(186,200)	444,042	557,497	58,357	0	615,854	557,497	57,286	0	614,783
Road Maintenance Reserve	130,614	105,630	0	236,244	78,728	51,886	0	130,614	78,728	51,746	0	130,474
Infrastructure Reserve	0	228,160	0	228,160	0	0	0	0	0	0	0	0
	5,680,737	463,135	(809,200)	5,334,672	6,148,266	479,588	(947,117)	5,680,737	6,148,270	435,161	(950,000)	5,633,431

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

7. CASH BACKED RESERVES (CONTINUED)

(b) Cash Backed Reserves - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Long Service Leave Reserve	as required	to be used to fund long service leave requirements
Building Maintenance Reserve	as required	to be used to fund maintenance and capital expenditure on Council owned building
Plant Replacement Reserve	as required	to be used for the purchase or significant overhaul of major plant
Streetscape Reserve	as required	to be used to fund streetscape improvements within the town centre of Cue
Sports Complex Reserve	as required	to be used to fund maintenance and capital expenditure on the sports complex
Caravan Park Development Reserve	as required	to be used to fund the development of the Cue Tourist Park
Water Playground Reserve	as required	to be used to fund the maintenance of the Water Playground
Beringarra Road Reserve	as required	to be used for maintenance and capital expenditure on Beringarra Road
Tourism Reserve	as required	to be used to fund and maintain Tourism related infrastructure and programs
Housing / Land Development Reserve	as required	to be used to assist with the provision of affordable housing and the establishment of an incubator hub
Heritage Reserve	as required	to be used to maintain / renovate / promote heritage places and buildings owned or under a Shire management order
Road Maintenance Reserve	as required	to be used for maintenance and capital expenditure on Shire roads
Infrastructure Reserve	as required	to be used to fund maintenance and capital expenditure for Shire's infrastructure assets

(c) Cash Backed Reserves - Change in Use

The Shire has resolved to make the following changes in the use of part of the money in a reserve account. This money is to be used or set aside for a purpose other than the purpose for which the account was established.

Cash Backed Reserve	Proposed new purpose of the reserve	Reasons and Objects of changing of the reserve	2019/20 Budget amount to be used	2019/20 Budget amount change of purpose
Sports Facilities Reserve	To be used to fund maintenance and capital expenditure on the sports facilities	Clarifying the proposed purpose of the Reserve. The previous purpose of the Reserve stated 'To be used to fund maintenance and capital expenditure on the sports complex'	\$ 0	\$ 0
			0	0

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

8. FEES & CHARGES REVENUE

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
General purpose funding	500	770	1,500
Law, order, public safety	3,000	2,514	3,000
Health	500	1,134	500
Housing	25,480	22,080	25,200
Community amenities	85,500	77,224	75,000
Recreation and culture	1,800	1,339	1,800
Transport	102,000	88,553	35,000
Economic services	357,200	340,219	285,700
Other property and services	23,800	15,580	25,800
	599,780	549,413	453,500

9. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Program:

Operating grants, subsidies and contributions

General purpose funding	941,964	1,951,626	838,700
Law, order, public safety	7,500	10,402	3,500
Recreation and culture	800	535	7,500
Transport	390,000	625,000	415,000
Economic services	0	0	14,000
Other property and services	50,000	53,803	91,500
	1,390,264	2,641,366	1,370,200

Non-operating grants, subsidies and contributions

Community amenities	120,000	0	0
Recreation and culture	691,545	0	217,000
Transport	569,000	141,487	1,018,301
Economic services	30,000	43,150	33,000
	1,410,545	184,637	1,268,301

NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

10. OTHER INFORMATION

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	133,000	167,216	135,000
- Other funds	22,000	25,449	22,000
Other interest revenue (refer note 1b)	29,500	28,520	25,000
	184,500	221,186	182,000
(b) Other revenue			
Reimbursements and recoveries	20,400	35,398	0
Other	69,000	71,982	73,500
	89,400	107,380	73,500
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	35,750	35,750	37,500
	35,750	35,750	37,500
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	8,800	0	0
	8,800	0	0
(e) Elected members remuneration			
Meeting fees	30,500	18,853	30,500
Mayor/President's allowance	10,900	9,900	10,800
Deputy Mayor/President's allowance	2,800	2,700	2,700
Travelling expenses	25,000	23,370	25,000
Telecommunications allowance	24,500	23,490	24,500
	93,700	78,313	93,500
(f) Write offs			
General rate	50,000	3,216	50,000
	50,000	3,216	50,000
(g) Low Value lease expenses			
	0	0	0

SIGNIFICANT ACCOUNTING POLICIES

LEASES

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability.

At the commencement date, a lessee shall measure the right-of-use asset at cost.

LEASES (CONTINUED)

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020****11. MAJOR LAND TRANSACTIONS**

It is not anticipated any land transactions or major land transactions will occur in 2019/20.

12. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings or major trading undertakings will occur in 2019/20.

13. INTERESTS IN JOINT ARRANGEMENTS

The Shire is not involved in any joint venture arrangements.

SIGNIFICANT ACCOUNTING POLICIES**INTERESTS IN JOINT ARRANGEMENTS**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire of Cue's interests in the assets liabilities revenue and expenses of joint operations are included in the respective line items of the financial statements.

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

14. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

Detail	Balance 1 July 2019	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2020
	\$	\$	\$	\$
Cue LCDC	2,080	0	0	2,080
	2,080	0	0	2,080

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020****15. SIGNIFICANT ACCOUNTING POLICIES - OTHER
INFORMATION****GOODS AND SERVICES TAX (GST)**

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

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

CRITICAL ACCOUNTING ESTIMATES

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

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

ROUNDING OFF FIGURES

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

COMPARATIVE FIGURES

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

BUDGET COMPARATIVE FIGURES

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

REVENUE RECOGNITION

Accounting Policies for the recognition of income and revenue from contracts with customers is described in Note 16.

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

**16. SIGNIFICANT ACCOUNTING POLICIES - CHANGE
IN ACCOUNTING POLICIES**

This note explains the impact of the adoption of AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases* and AASB 1058 *Income for Not-for-Profit Entities*.

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Shire of Cue adopted AASB 15 on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire of Cue has adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

	AASB 118 carrying amount 30 June 19	Reclassification	AASB 15 carrying amount 01 July 19
	\$	\$	\$
Contract assets	0		0
Contract liabilities - current			
Unspent grants, contributions and reimbursements	0	43,150	43,150
Developer contributions	0		0
Adjustment to retained surplus from adoption of AASB 15		(43,150)	

LEASES

On adoption of AASB 16, for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire of Cue is not required to make any adjustments on transition for leases for which the underlying asset is of low value. Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*.

INCOME FOR NOT-FOR-PROFIT ENTITIES

The Shire of Cue has adopted AASB 1058 from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire of Cue has adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods shall not be restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB as compared to AASB 1004 Contributions before the change:

	AASB 1004 carrying amount 30 June 19	Reclassification	AASB 1058 carrying amount 01 July 19
	\$	\$	\$
Trade and other payables	0	0	0
Adjustment to retained surplus from adoption of AASB 1058		0	

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised by the Shire of Cue. When the taxable event occurs the financial liability is extinguished and the Shire of Cue recognises income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration that was significantly less than fair value principally to enable the Shire of Cue to further its objectives may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

Volunteer Services in relation to Volunteer Fire Services have been recognised in budgeted revenue and budgeted expenditure as the fair value of the services can be reliably estimated and the services would have been purchased if they had not been donated.

The impact on the Shire of Cue of the changes as at 1 July 2019 is as follows:

	2019	
	\$	
Retained surplus - 30/06/2019		
Adjustment to retained surplus from adoption of AASB 15	(43,150)	
Adjustment to retained surplus from adoption of AASB 1058	0	(43,150)
Retained surplus - 01/07/2019		(43,150)

10.4 LGIS REFUND

APPLICANT: WALGA, on behalf of Local Government Insurance Services

DISCLOSURE OF INTEREST: Nil

AUTHOR: Rob Madson – Chief Executive Officer

DATE: 16 August 2019

Matters for Consideration:

Method of receiving anticipated surplus refund from LGIS scheme.

Background:

The Shire uses Local Government Insurance Services (LGIS) for the provision of its insurance needs. LGIS is a commercial subsidiary of WALGA and operates a WA Local Government self-insurance scheme for the benefit of its members. Advice has been received from WALGA that LGIS expects to report a surplus from their 2018/19 financial year operations due to a lower than anticipated number of claims and better than expected investment performance. This will allow LGIS to return a portion of insurance contributions paid.

The amount to be returned has not yet been finalised, however LGIS have requested that Council make a determination on the method of the payment, being either an immediate refund or as an offset against the Shire's 2020/21 insurance premium.

Comments:

An immediate refund to the Shire will increase available funds for 2019/20, potentially enabling additional benefit to the community in the current financial year, while offsetting the amount against 2020/21 premiums will tend to misstate expenditure for that financial year, resulting in an inaccurate representation of the true cost of insurance.

Statutory Environment:

Nil

Policy Implications:

Nil

Financial Implications:

An as yet undetermined amount will be returned to the Shire by LGIS as either income in 2019/20 or an expenditure offset in 2020/21.

Strategic Implications:

Nil

Consultation:

Ross Pigdon – Shire President

Richard Towell – Deputy CEO

Officer's Recommendation:

Voting Requirement: Simple Majority

That Council advise WALGA that the amount to be returned to the Shire from the expected 2018/19 LGIS operational surplus be paid immediately it becomes available.

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

CARRIED:

10.5 DONATION REQUEST – WHEATBELT CHRISTIAN FELLOWSHIP

APPLICANT: Pastor Geoff van Schie
 DISCLOSURE OF INTEREST: Nil
 AUTHOR: Rob Madson – Chief Executive Officer
 DATE: 13 August 2019

Matters for Consideration:

Request for financial assistance to conduct Christian values education in Murchison schools.

Background:

Pastor van Schie has been delivering a Christian values education program, known as Gospelair, to the Cue Primary School on a volunteer basis since 2015. The program is also delivered to Meekatharra, Mount Magnet and Yalgoo. A similar request for financial assistance has been made with the Shires of Mount Magnet and Yalgoo. At the meeting of April 2018, Council approved a donation of \$4,000 for the 2018/19 financial year.

Comments:

A copy of Pastor van Schie’s request, and associated support documentation, is attached at [Appendix 4](#). Wheatbelt Christian Fellowship is governed by an incorporated parent body, being the Willetton Christian Church.

Cue Primary School Principal, Catherine Jones, has provided a letter of support for Pastor van Schie’s request. A copy is attached at [Appendix 5](#).

Statutory Environment:

Nil

Policy Implications:

Council policies D2 and D16 apply.

D.2 DONATIONS AND GRANTS

D.2.1 The Council decides requests for donations and grants that are not provided for in the budget with a preference generally to those of a local nature or significance.

D.2.2 The CEO has discretion to make donations in accordance within the budget allocation made for the CEO.

D.16 PROVISION OF SPONSORSHIP AND DONATIONS

Policy Statement

Calculation of Value of Requested Donation or Sponsorship

This Policy deals with requests for donation or sponsorship from external bodies. Requests may be for a cash donation or sponsorship; in kind (provision of goods and services or waiving of fees) donation or a combination of cash and in kind.

In assessing requests for in kind donation or sponsorship, or a combination of in kind and cash sponsorship, then the value of the in kind request will be calculated. The full cost of the request (including calculated value of any in kind component) will be considered.

Donations

Donations by the Council reflect its commitment to improve the wellbeing of the community of the Shire of Cue. Because of the philanthropic nature of donations, the Council does not seek a direct cost – benefit return from the donation, and does not require a business case to be put. However, the Council does give preference to donations which will assist organisations which benefit the community of the Shire of Cue, or improve the services provided to visitors to the Shire of Cue.

Where the funds are not fully expended on the approved donation the surplus money is to be returned to the Shire.

All donations are to be acquitted in the financial year that it was granted unless prior approval is granted.

Eligibility

To be eligible to apply for a donation, the applicant must be an Association incorporated in accordance with the Associations Incorporations Act 1987 which includes organisations with religious and / or charitable objectives; and / or community based not for profit groups providing a direct service to the stakeholders and visitors of the Shire of Cue which demonstrably contribute to the wellbeing of residents and visitors, and serve to promote the development of the community.

Service Areas

The range of service areas considered for donations may include:

- a) Senior citizen's / community centre;*
- b) Community information and support services;*
- c) Youth services;*
- d) Children's services;*
- e) Emergency relief services;*

f) *Recreation services / sports clubs;*

g) *Community services;*

h) *Health services;*

i) *Education services;*

Organisations are expected to acknowledge the contribution made by the Shire of Cue.

Where a donation is approved for a specific purpose – such as purchase of equipment – the organisation is required to provide evidence of expenditure.

Assessment Process

Applications are to be made in writing to the Chief Executive Officer detailing as a minimum:

Reason for request;

Amount requested (whether monetary, in kind or a combination of both); and

If donation is to be used towards the purchase of equipment, who will ultimately be the owner of the equipment and be responsible for its upkeep / maintenance.

Any sponsorship or donation approved by the Chief Executive Officer will be funded from the G/L Account 04143 – CEO Discretionary Expenses.

Any request for sponsorship or donation which the Chief Executive Officer believes is outside his / her delegation, is in excess of the aforementioned budgetary item and / or requires the consideration of Council will be referred to Council.

Where a request for sponsorship or donations is referred to Council, the Council may decline the application or subject to sufficient funds being available in the Council's budget, approve the application.

Financial Implications:

\$4000 has been requested. The available budget allocation for donations for the 2019/20 financial year is \$10,000.

Strategic Implications:

Shire of Cue Strategic Community Plan 2017 to 2027:

Social Objective

Outcome 3.2 Encourage community participation and services

3.2.4 Support provision of emergency services, support and encourage community volunteers

Consultation:

Pastor Geoff van Schie – Wheatbelt Christian Fellowship.

Cathy Jones – Principal, Cue Primary School.

Officer's Recommendation:

Voting Requirement: Simple Majority

That Council agree to donate \$4000 to Wheatbelt Christian Fellowship to assist with the delivery of the Gospelair Christian values education program to Cue Primary School for the 2019/20 financial year.

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

CARRIED:

APPENDIX 4



Wheatbelt
Christian Fellowship



Rev Geoff van Schie
6 Booth Street
Wongan Hills WA 6603
Ph: 96711349
0408 912 973

pastor@wheatbelrchristianfellowship.org

Tuesday, July 30th 2019

Shire of Cue
C/- Mr Rob Madson
PO Box 84
Cue WA 6640
ceo@cue.wa.gov.au

Dear Rob,

As I write to the Cue Shire at this time we wish to thank you again for the generous donation of \$4,000 received last year (November 11th). This greatly assisted us last financial year to reach out to the young people in your community, seeking to instil in them values such as respect and compassion.

We continue to schedule sixteen visits to Cue each year. Having missed a few weeks earlier this year to ill health, we have with the Cue School, planned ten visits over terms three and four, with a possible extra visit to attend the school's end of year award event. I also will be attending the Holiday activity run in Mt Magnet in the next school holidays, to which Cue students are also invited. They attended the inaugural event last year.

Our vision remains the same, to walk with one generation of young people in the hope of presenting to them a positive role model and instil in them, positive Christian life values to help them live as confident and productive members of their local community. I personally remain committed to this work and God willing and health permitting, plan to continue these visits for at least another fifteen years. Beyond that, we do have a succession plan for someone to take my place.

With the start of term 4 this year, we will begin the fifth year of visits to the Cue school and community. In this new financial year, we again face the challenge of raising the funds necessary to keep up this important work. I again will personally be volunteering my services, yet we need to cover the running costs of the work.

With a view to this new financial year we ask whether the Cue Shire once again would be able to support our visits to your community with another donation to help cover our running expenses.

It remains our pleasure to come to your community to help where we can, even beyond the school. We hope you will be in a position to assist us to help you build a positive community spirit.

Yours sincerely

Rev Geoff van Schie
(Pastor Geoff)

APPENDIX 5



Care, Understanding and Excellence

Dear Rob

I write to fully support a request from Pastor Geoff Van Schie, from YouthCare, for funding from the shire to assist him with the cost involved in delivering a Values Program to students at Cue Primary School.

The Education Department has a working arrangement with YouthCare, to deliver Values Education and Pastoral Care to Education Department Schools in WA.

This is in line with the Education Department's Classroom First Strategic Plan: 'Building a Culture of High Performance and High Care in Every School'

"Every school is concerned to develop well rounded students who succeed at their school work, are happy and well adjusted, and show concern and respect for others." (p3)

"For students, support can be delivered through chaplains, school `psychologists and other staff with pastoral care responsibilities. (p4)

The WA Curriculum for Health and Physical Education also supports the Values Education program delivered by Pastor Geoff.

The section for 'Communicating and interacting for health and well-being' refers to the following desired outcomes for students:

- appreciation and encouragement of the behaviour of others through the use of manners, positive language, praise (Year 1)
- interpret the feelings of others in different situations. (Year 2)
- Behaviours that show empathy and respect for others (Year 3)
- The positive influence of respect, empathy and the valuing of differences in relationships. (Year 4)
- Skills and strategies to establish and manage relationships over time. (Year 5)
- Skills to establish and manage positive relationships, such as: showing respect and empathy, being co-operative, actively listening, being trustworthy and accepting differences. (Year 6)

Pastor Geoff has been teaching Values Education at Cue Primary School for four years. I have been present at many of his lessons. He gives our students four lessons each term. The lessons are very well organised so the students remain engaged throughout the lessons. The lessons include songs, a story and a craft activity. The songs, stories and craft activities incorporate basic Christian principles but in no way does Pastor Geoff evangelise or proselytise. The values incorporated within his lessons include respect, kindness, love, trust, respect, care and friendship.

Our students really look forward to Pastor Geoff's lessons and are always thrilled to have him work with them in the classroom. As a staff we hold him in high regard. He brings such enthusiasm, respect, compassion, care and positivity to our school.

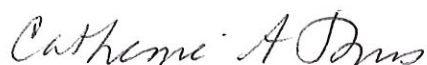
Not only does Pastor Geoff bring his wisdom, common sense and good moral role modelling to the students but he provides a warm and welcoming presence to the staff. He has a ready ear and willingness to pursue pastoral care of the staff. This is much appreciated.

You and/or your Councillors would be most welcome to visit our school to see him in action for yourselves. His visits for the rest of this term will be on Wednesday 7th Aug, Wednesday 21st Aug, Wednesday 4th Sept and Wednesday 18th Sept. His lesson begins at 11.50am and finishes at 12.30pm.

We would love to have you join us and see for yourselves the good work Pastor Geoff does for our school community.

Please give due consideration to his request.

Yours Sincerely



Catherine Jones
PRINCIPAL
CUE PRIMARY SCHOOL

10.6 CUE RIFLE RANGE RESERVE

APPLICANT: Shire of Cue
DISCLOSURE OF INTEREST: Nil
AUTHOR: Janet Wicks – Projects Officer
DATE: 7 August 2019

Matters for Consideration:

Authorising the CEO to commence consultation and negotiation with key stakeholders with regards to the excise of ground surrounding and including the Cue Rifle Range with the intent of turning this ground into a reserve.

Background:

The Cue Rifle Club has been in continuous occupation of a portion of the Yarraquin Pastoral Lease since the 1950s. It is currently located on ground that is not a reserve and, as such, has no protection from applications for mining, or from its use as grazing ground/storage for livestock. Several live tenements currently exist over the area. The adjacent Cue Pistol Club is currently protected as a reserve.

Comments:

In order to create a reserve for the Cue Rifle Club, several State Government Departments, plus Native Title Claimants, must be included in the process of negotiation to secure the land. The list of key stakeholders has been included in the Concept Plan for the Rifle Club, attached at [Appendix 6](#).

An Indigenous Land Use Agreement (ILUA) must be negotiated as part of the process of turning the Rifle Range into a reserve.

Statutory Environment:

A State Government representative has advised that it is unlikely that the governing body would consider a compulsory acquisition under Section 170 of the *Land Administration Act 1997* and Section 29 of the *Native Title Act 1993* for this reserve application. This means that it is a requirement to negotiate ILUA in this case.

Policy Implications:

Nil

Financial Implications:

A heritage consultant should be engaged to assist with the process to ensure it is conducted fairly and in a timely manner.

There is currently no funding allocated directly to the Rifle Range refurbishment.

Strategic Implications:

Strategic Community Plan

3.1.3 Provide, Maintain and improve community infrastructure

4.3.1 Maintain improve and renew infrastructure

Consultation:

Ross Pigdon – Shire President and President, Cue Rifle Club

Rob Madson – Chief Executive Officer

Richard Towell – Deputy Chief Executive Officer

Officer's Recommendation:

Voting Requirement: Simple Majority

That Council authorise the CEO to commence consultation and negotiation with key stakeholders regarding excising the area of land historically used by the Cue Rifle Club from Yarraquin Pastoral Lease in order to create a reserve for the rifle range and clubhouse facilities.

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

CARRIED:

APPENDIX 6



Concept Plan – Cue Rifle Club

Overall Concept

The Shire of Cue is working with the Cue Rifle Club to reinvigorate the sport in Cue. In working towards recreating the Association, it was recognised that the Rifle Range, on Rifle Range Road was not a reserve, with any of the protections afforded to a registered area.

The Shire of Cue has proposed to apply to excise the land that the Rifle Club uses from the associated pastoral lease (Yarraquin Pastoral Lease), and apply to have the ground granted as a reserve, to preserve its use for the community going forward.

Initial discussions have been had with Peter Savage and Lorraine Breese (current holders of the Yarraquin Pastoral Lease) regarding the current use of the land, and they have advised that they do not use that area of land. They also support the excise of the land to become a reserve. Attached is a survey plan for the intended area to be excised from the pastoral lease.

Refurbishment of the grounds

Initial conversation with Department of Local Government, Sport and Cultural Industries has indicated that they would consider a grant application to cover the costs to reinstate the club rooms as they have been out of use for an extended period of time. They will also provide grant money towards the earth works required to refurbish the shooting range. They won't cover the electronic targets.

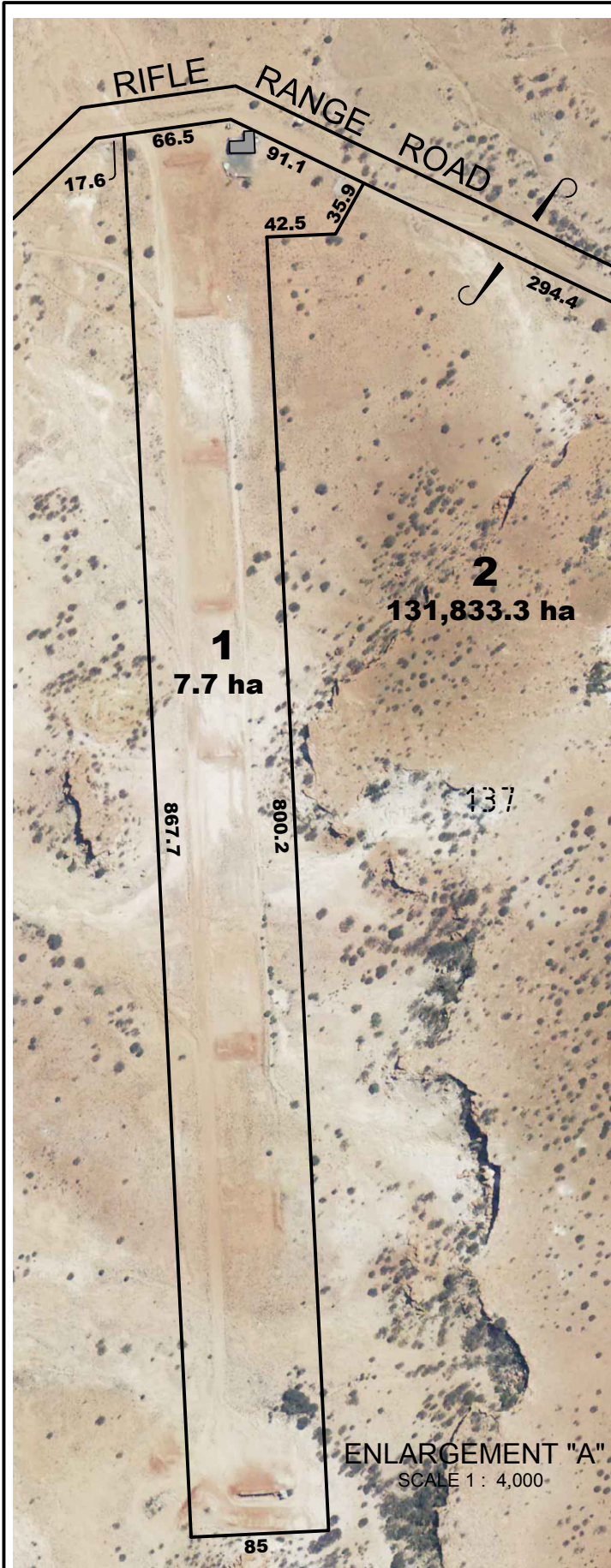
It is proposed that the Shire apply in the next round of CSRFF which closes on the 30th September 2019 for funding towards the refurbishment of this facility.

Process to excise the land

There is an extensive process required to get the ground excised from the Yarraquin Pastoral Lease and converted into a reserve.

It includes the following steps –

- Looking at negotiation to acquire the land as the advice received is that there is a very slim chance only that the state government would consider compulsorily acquiring the land.
- Negotiating its acquisition will involve liaising with the Pastoral Lands Board for their advice on the excise of the ground
- Written confirmation of approval of the acquisition of the ground from Peter and Lorraine at Yarraquin
- Department of Mines, Industry and Regulation regarding underlying mining and prospecting leases
- Department of Environmental Regulation regarding the excise as they then take responsibility for any previous contamination
- WA Rifle Association as the management order will more than likely be vested with them
- Yugunga Nya Native Title Claimant Group – an Indigenous Land Use Agreement will need to commence negotiation prior to Department Lands, Planning and Heritage being willing to look at the application any further.



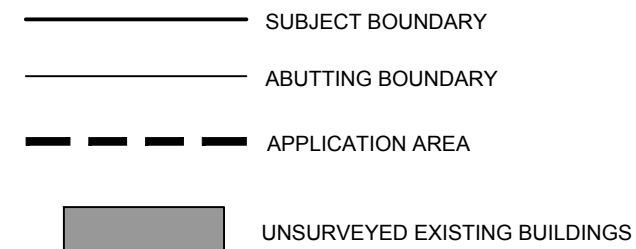
EXPLANATORY NOTE

THIS PLAN WAS PREPARED TO ACCOMPANY AN SUBMISSION TO THE DEPARTMENT OF PLANNING, LANDS & HERITAGE FOR APPROVAL TO SUBDIVIDE THE LAND DESCRIBED IN THE PLAN AND IS NOT TO BE USED FOR ANY OTHER PURPOSE OR BY ANY OTHER PERSON. HILLE, THOMPSON & DELFOS ACCEPT NO RESPONSIBILITY FOR ANY LOSS OR DAMAGE CAUSED TO ANY PERSON WHO MAY RELY ON THE INFORMATION ON THIS PLAN FOR A PURPOSE FOR WHICH IT WAS NOT INTENDED.

THE TITLE BOUNDARIES AS SHOWN HEREON WERE NOT MARKED AT THE TIME OF SURVEY AND HAVE BEEN DETERMINED BY DIGITAL CADASTRE ONLY AND NOT BY FIELD SURVEY.

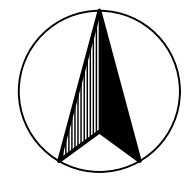
INFORMATION SHOWN HEREON IS SUBJECT TO FINAL SURVEY AND PREPARATION OF AN OFFICIAL LANDGATE DEPOSITED PLAN.

AERIAL PHOTO WAS SOURCED FROM LANDGATE. CAPTURED SEPTEMBER 2014

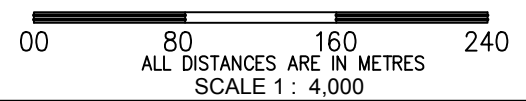
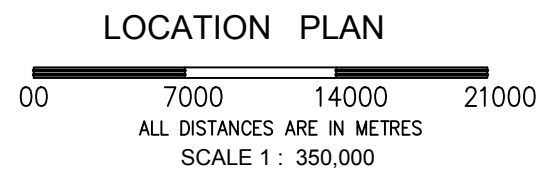
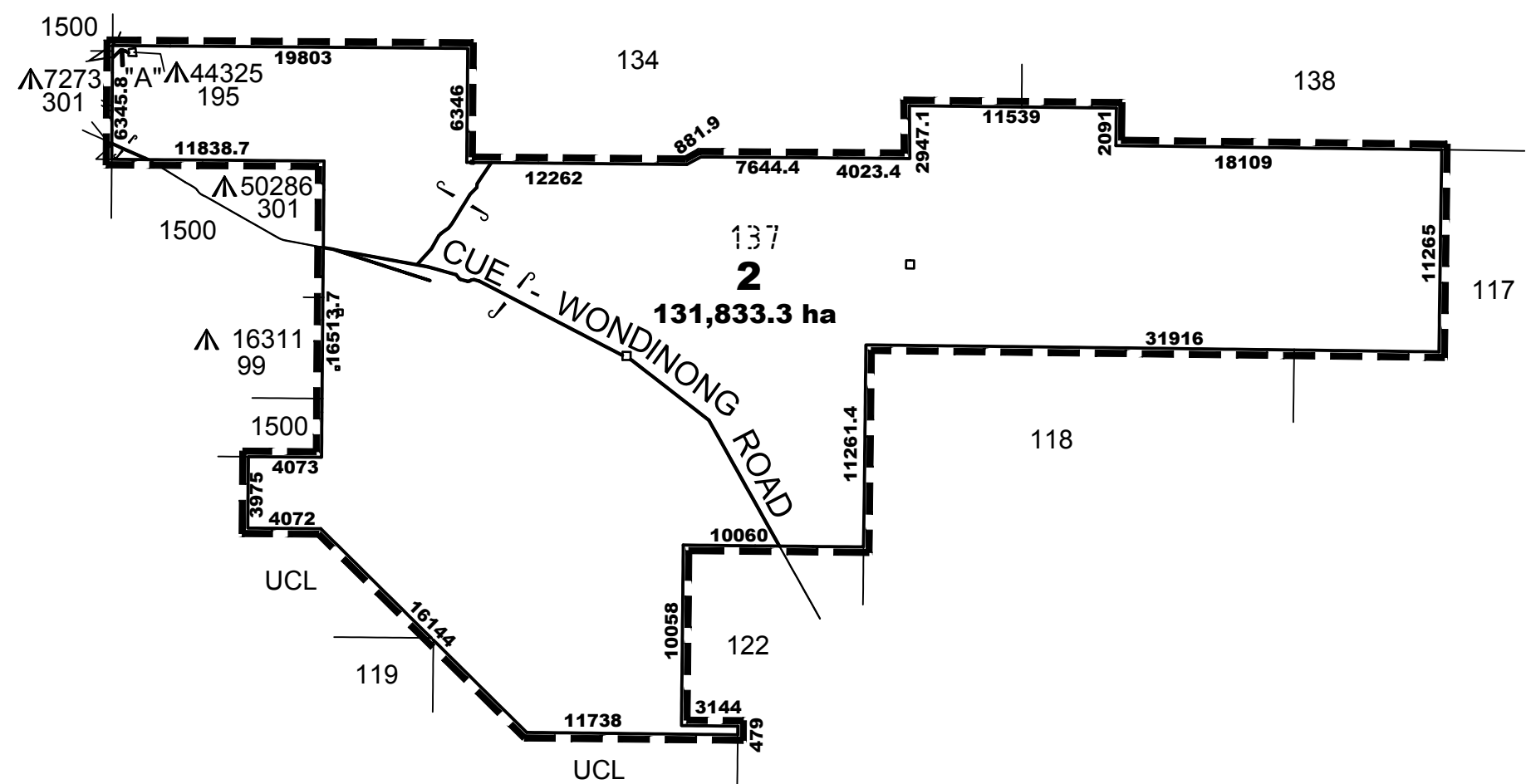


No. OF EXISTING LOTS
LOT 137 : abt 131,841ha C/T : LR3072-545

No. OF PROPOSED LOTS : 2



▲ 44325
195



REVISIONS		DESIGNED BY:	BC	13/06/19	AREA FILE:	1531
1	01/07/19	ENLARGEMENT POSITION CORRECTED	BC		CONT. INT'VAL:	N/A
0	25/06/19	ORIGINAL ISSUE	GT		V DATUM:	AHD
		CHECKED BY:			H DATUM:	MGA94z50
		APPROVED BY:			FIELD Bk:	N/A

DESIGNED BY:	BC	13/06/19	AREA FILE:	1531
DRAWN BY:	GT	25/06/19	CONT. INT'VAL:	N/A
CHECKED BY:			V DATUM:	AHD
APPROVED BY:			H DATUM:	MGA94z50
			FIELD Bk:	N/A

HTD
SURVEYORS & PLANNERS
HILLE, THOMPSON & DELFOS

24 Durlacher Street, GERALDTON W.A.
PHONE: (08) 9921 3111
EMAIL: htdsurveys@htds.com.au
WEBSITE: http://www.htds.com.au



CLIENT: SHIRE OF CUE

LOT 137 on DP 29081
PROPOSED SUBDIVISION
RIFLE RANGE ROAD, LAKE AUSTIN, SHIRE OF CUE

SCALE 1 : 4000
ALL DISTANCES IN METRES

SHEET SIZE: A3

DWG No. 22519AS1-1-1

10.7 PROSPECTING LICENCE CUDDINGWARRA PARKLAND

APPLICANT: Department of Mines, Industry Regulation and Safety

DISCLOSURE OF INTEREST: Nil

AUTHOR: Rob Madson – Chief Executive Officer

DATE: 16 August 2019

Matters for Consideration:

Provision of feedback to the Department of Mines, Industry Regulation and Safety (DMIRS) on an application for a prospecting licence which encroaches over Reserve 2638, which is currently vested in the Shire for the purposes of Parkland.

Background:

DMIRS has written to the Shire seeking Council's comments and recommendation with regard to the impact of an application for a prospecting licence which encroaches over Reserve 2638.

Comments:

Reserve 2638 is located at Cuddingwarra. The Shire accepted vesting of this Reserve, for the purposes of parkland, at the Council meeting of August 2000. No management plan has been located for the Reserve, or any indication of an intended use or purpose. A map showing the Reserve and the location of the proposed tenement (P 20/2382) is attached at [Appendix 7](#).

There are currently six live mining tenements and five live prospecting tenements encroaching on Reserve 2638, encompassing almost the entire Reserve area. There is evidence of significant historical mining activity on portions of those tenements. The addition of one more prospecting tenement, which likely replaces a previous tenement over that area, is not considered to adversely compromise the Reserve more than it already is.

Statutory Environment:

Under Sections 23 to 26 of the Mining Act 1978 mining may be carried out on certain classes of land with the written consent of the Hon. Minister for Mines, Industry Regulation and Safety.

In respect to Reserves vested with local authorities, the Minister for Mines, Industry Regulation and Safety is to first consult and obtain the recommendation of the vested authority and the responsible Minister before he can grant consent to mine.

Policy Implications:

Nil

Financial Implications:

Nil

Strategic Implications:

Nil

Consultation:

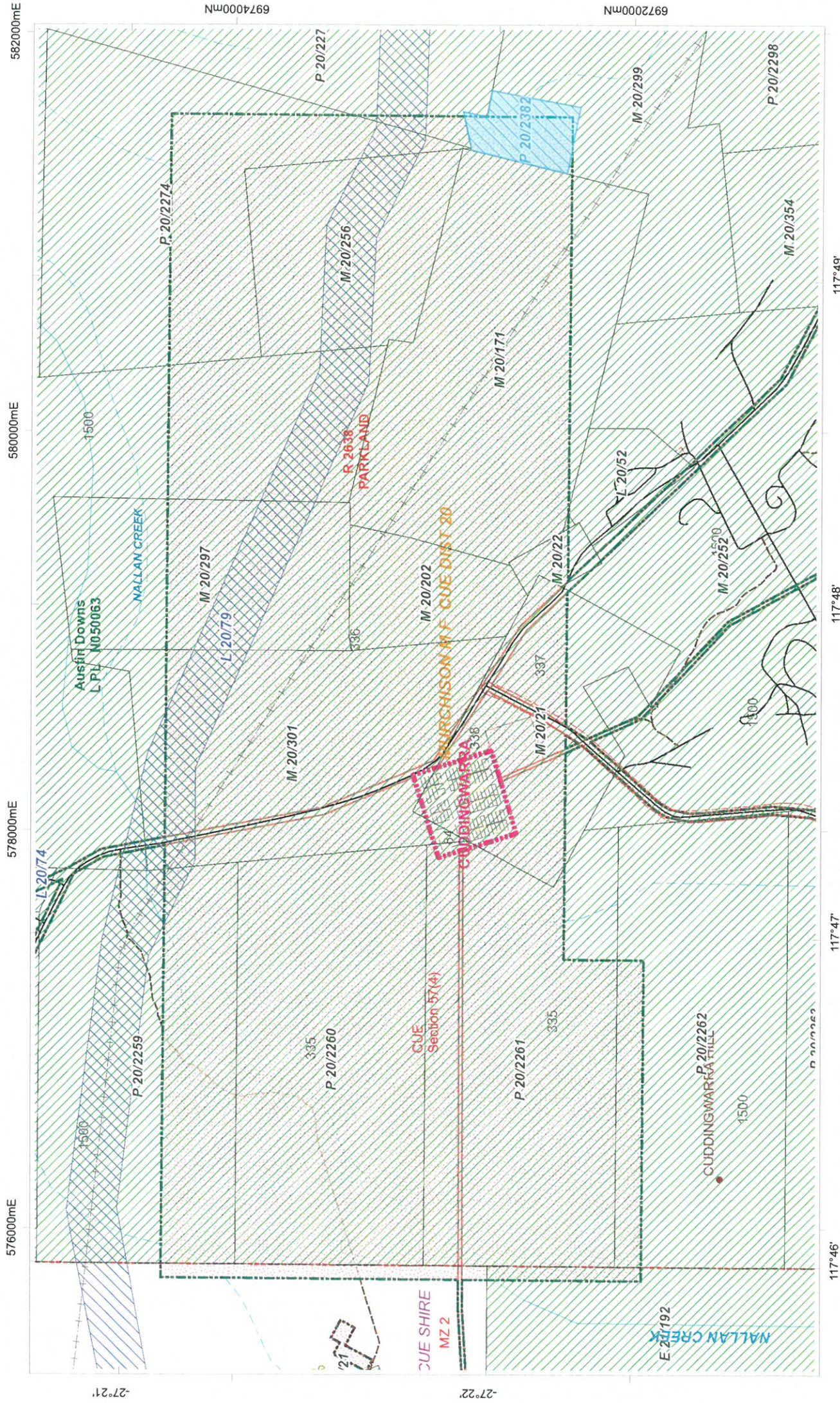
Fionna Munro – Mount Magnet Mining Registrar

Officer's Recommendation: ***Voting Requirement:*** Simple Majority

That Council advise the Department of Mines, Industry and Regulation that they have no objection to the granting of prospecting licence 20/2382 which encroaches over Reserve 2638.

<i>Council Decision:</i>	<i>Voting requirement:</i> Simple Majority
<i>MOVED:</i>	<i>SECONDED:</i>
<i>CARRIED:</i>	

APPENDIX 7



This plan has been compiled from various data sources received from a number of agencies and with information from the Department of Mines, Industry Regulation and Safety, the Department of Geoscience Australia and the Department of Defence. It is not intended to be used as a substitute for a cadastral plan. The Department of Mines, Industry Regulation and Safety maintains copyright over these parts of the geographic data it has provided for display in this plan. Users wishing to use the data for other purposes should contact the Department of Mines, Industry Regulation and Safety for more information. Enclosed Pastoral Lease land and Pre-1994 mining confined to Sharnungga Water and Agnewingga LIA. Above the determination boundary.

11. MOTIONS BY MEMBERS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12. MOTIONS FOR CONSIDERATION AT THE NEXT MEETING

13. NEW BUSINESS OF AN URGENT NATURE

14. MATTERS FOR WHICH THE MEETING MAY BE CLOSED

15. CLOSURE

The Presiding Member thanked those present for attending the meeting and declared the meeting closed at

To be confirmed at Ordinary Meeting on the 17 September 2019

Signed:.....

Presiding Member at the Meeting at which time the Minutes were confirmed.