



**AGENDA
ORDINARY MEETING
OF COUNCIL**

18 AUGUST 2020

NOTICE OF MEETING

Please be advised that the next

Ordinary Meeting of Council

is to be held on

Tuesday, 18 August 2020

commencing at **6:30pm**

in the Council Chambers at 73 Austin Street, Cue

Rob Madson

Chief Executive Officer

14 August 2020

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 3 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 18 August 2020 commencing at 6:30pm

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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

Ms Stephanie Wandek, Customer Service Officer

GALLERY:

2. APOLOGIES AND APPROVED LEAVE OF ABSENCE

3. DISCLOSURE OF MEMBERS' INTERESTS

4. PUBLIC QUESTION TIME

5. CONFIRMATION OF MINUTES

Council Decision:

Voting Requirement: Simple Majority

MOVED:

SECONDED:

That the Minutes of the Ordinary Meeting 21 July 2020 are confirmed as a true and correct record of the meeting.

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: 13 August 2020

Matters for Consideration:

To receive the List of Accounts Due & Submitted to Ordinary Council Meeting on 18 August 2020 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 August 2020.

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 to 31 July 2020 as listed at [Appendix 1](#), which have been made in accordance with delegated authority per LGA 1995 S5.42.

<i>Municipal Fund Bank</i>	<i>EFTs</i>	<i>8579 - 8685</i>	<i>\$1,160,927.75</i>
<i>Direct Debit Fund Transfer</i>			<i>\$ 27,904.85</i>
<i>Payroll</i>			<i>\$ 86,381.99</i>
<i>BPAY</i>			<i>\$ 31,934.48</i>
<i>Cheques</i>			<i>\$ 0.00</i>
<i>Total</i>			<i>\$1,134,385.09</i>

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

APPENDIX 1

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
	Direct Debit						
1	Direct Debit	02/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 2.50	1	FEE
2	Direct Debit	02/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 142.90	1	FEE
3	Direct Debit	02/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 26.36	1	FEE
4	Direct Debit	15/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 29.52	1	FEE
5	Direct Debit	15/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 8.23	1	FEE
6	Direct Debit	15/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 21.64	1	FEE
7	Direct Debit	15/07/2020	1 - CBA MERCHANT FEE	CBA MERCHANT FEE	- 47.00	1	FEE
8	Direct Debit	31/07/2020	2 - BANK FEES	BANK FEES	- 60.00	1	FEE
9	Direct Debit	13/07/2020	2 - BANK FEES	BANK FEES	- 0.08	1	FEE
10	Direct Debit	09/07/2020	Caltex Australia Petroleum Pty Ltd	Fuel Card Purchases for June 2020	- 252.28	1	CSH
11	Direct debit	26/07/2020	Superchoice superannuation payment	Payroll deduction	- 19,443.45	1	CSH
12	Direct Debit	28/07/2020	Commonwealth Bank	Card Purchases July 2020. (\$7,870.89), Purchase material for reception desk (\$1,328.70), 2 Thermometer Infrared contactless (\$160.00), Training for W.A. Construction White Card for outside staff x 2 (\$118.00), Hydraulic coupling Parts for P71, mini excavator (\$76.87), Fuel for P1, CEO Landcruiser 93.94L @ 113.70 c/L (\$103.05), Skype Subscription for July 2020 (\$9.90), Accommodation for new Tourist park manager from 20/07/20- 03/08/20 (\$1,290.00), Refunds for Cancelled hotel bookings for Councillors and CEO for Local Government Week(-\$4,836.13). Renewal of Shire of Cue license registrations (\$9,620.50), paid under Department of Transport.	- 7,870.89	1	CSH
13			Total Direct Debit's		- 27,904.85		
14							

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
15	EFT						
16	EFT8579	02/07/2020	Building Commission	BSL levy for May 2020 (\$72.04)	- 72.04	1	CSH
17	EFT8580	02/07/2020	Building and Construction Industry (BCITF)	BCITF levy for May 2020 (\$104.21)	- 104.21	1	CSH
18	EFT8581	03/07/2020	WA Treasury Corporation	GROH loan repayment capital and interest (\$53,707.46)	- 53,707.46	1	CSH
19	EFT8582	03/07/2020	Australia Day Council of WA	Renewal of Gold Membership 2020-2021 (\$594.00)	- 594.00	1	CSH
20	EFT8583	03/07/2020	CS Legal	Professional and legal fees for case number 7554/2020 (\$440.20)	- 440.20	1	CSH
21	EFT8584	03/07/2020	Five Star	Konika Minolta C454e Black/ Colour meter read 13/06/20 (\$350.14)	- 350.14	1	CSH
22	EFT8585	03/07/2020	General Terrain Services Pty Ltd	Supply of contract flood damage supervisor to supervise flood damage repairs from 11/06/20 to 24/06/20 (\$22,694.89)	- 22,694.89	1	CSH
23	EFT8586	03/07/2020	Integrity Sampling	Random staff drug and alcohol testing in Cue on 17/06/2020 (\$2,832.50)	- 2,832.50	1	CSH
24	EFT8587	03/07/2020	John (JC) Curtin	Air fitting for air bags on P7 (\$19.45)	- 19.45	1	CSH
25	EFT8588	03/07/2020	Lacy Bros Pty Ltd	Supply of equipment and labour for flood damage repair from 13/06 to 24/06/20- Afghan Rock- Coodardy Rd (\$60,780.50), Beringarra-Cue Rd(\$5,755.75), Coodardy- Noondie Rd(\$193,902.50.00) and Lakeside Rd(\$1,270.50)= (\$261,709.25)	- 261,709.25	1	CSH
26	EFT8589	03/07/2020	Paper Plus Office National	Office Supplies:writing paper(\$14.96), binder (\$18.39), binder lime(\$6.12), archive box (\$62.80), binder stick (\$15.75), backing paper(\$19.01) and Avery tubeclip system(\$308.75)= (\$445.78)	- 445.78	1	CSH
27	EFT8590	03/07/2020	Pragma Lawyers	Professional fees for case ref. SCUE01 (\$2304.50) & Professional fees for re: Shire of Cue v Mavia Pty Ltd (\$6,990.50)for the period ending 26/06/20 (\$9,295.00)	- 9,295.00	1	CSH
28	EFT8591	03/07/2020	RSM Australia Pty Ltd	Accounting Services for June 2020 (\$5,676.00)	- 5,676.00	1	CSH
29	EFT8592	03/07/2020	Bunnings Group Limited	Broom, dustpan / brush, nightlight household, door chime and batteries for tourist park (\$133.59)	- 133.59	1	CSH
30	EFT8593	03/07/2020	Cue Roadhouse & General Store	Fuel for various depot equipment for the period 16/06-30/06 (\$60.16)	- 60.16	1	CSH

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
31	EFT8594	03/07/2020	Easifleet	Vehicle lease and recharge expense for staff member for the period 08/06/20 - 07/06/20 (\$1,213.27)	- 1,213.27	1	CSH
32	EFT8595	03/07/2020	Kleenheat Gas	2 X LPG Bulk Refill for Tourist Park (\$242.41)	- 242.41	1	CSH
33	EFT8596	03/07/2020	LO-GO Appointments	Fee for cotract rates officer for the week ending 27/06/20 (748.56)	- 748.56	1	CSH
34	EFT8597	03/07/2020	URL Networks Pty Ltd	VOIP Usage and charges for June20, (\$209.99)	- 209.99	1	CSH
35	EFT8598	09/07/2020	A I and A Flannagan Pty Ltd	Yellow sand for GROH House blocks (\$1,100.00)	- 1,100.00	1	CSH
36	EFT8599	09/07/2020	Bunnings Group Limited	Torches, batteries, sledgehammer handle for Workshop, Rubbish nippers for Street Cleaning (\$155.81)	- 155.81	1	CSH
37	EFT8600	09/07/2020	Golden West Lubricants	Hydraulic oil, grease cartridges for Workshop (\$825.97)	- 825.97	1	CSH
38	EFT8601	09/07/2020	Great Northern Rural Services	Fertiliser for Oval, Parks (\$1,399.75)	- 1,399.75	1	CSH
39	EFT8602	09/07/2020	Hoppys Parts R Us	Black steel sockets for P71 - CAT Mini Digger, Fittings for P39 - Water Cart, Battery terminal protector, angle grinder discs for Workshop (\$197.42)	- 197.42	1	CSH
40	EFT8603	09/07/2020	JMH Mechanical Services	Use diagnostic computer to read fault/engine codes for P61 - Mack Prime Mover (\$170.50)	- 170.50	1	CSH
41	EFT8604	09/07/2020	JR & A Hersey Pty Ltd	Drain cleaner for Public Toilets (\$323.84)	- 323.84	1	CSH
42	EFT8605	09/07/2020	L.P BREESE & P.W SAVAGE	Contractor works for Shire of Cue - Relief Mechanic 15/05/2020 - 18/06/2020 (\$2,425.50)	- 2,425.50	1	CSH
43	EFT8606	09/07/2020	Midwest Fire Protection Service & Eye Spy Security	Half yearly service of fire equipment May 2020 (\$2,773.58)	- 2,773.58	1	CSH
44	EFT8607	09/07/2020	WesTrac	Oil dipstick for P46 - CAT 950G Loader (\$117.08)	- 117.08	1	CSH
45	EFT8608	09/07/2020	General Terrain Services Pty Ltd	Supply of contract flood damage supervisor to supervise flood damage repairs from 25.062020 to 30.06.20 (\$9,509.10)	- 9,509.10	1	CSH
46	EFT8609	09/07/2020	Greenfield Technical Services	Ongoing administration of flood damage works 19/20 (\$6,514.75)	- 6,514.75	1	CSH
47	EFT8610	09/07/2020	Justin Willett	Reimbursement for electricity bill dated 01/07/20 (\$224.60)	- 224.60	1	CSH
48	EFT8612	09/07/2020	Lacy Bros Pty Ltd	Supply of equipment and labour for flood damage repair from 26.6 to 30.6 (\$101,444.75)	- 101,444.75	1	CSH
49	EFT8613	09/07/2020	Mark Smith Pty Ltd	Labour to unblock septic system at Tourist Park (\$1,477.30)	- 1,477.30	1	CSH

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
50	EFT8614	09/07/2020	Western Independent Foods	Freight expense for delivery of small carton(\$6.00), Con Note Fee (\$17.60) and freight minimum charge (\$35.50)= \$59.10 less \$21.10= (\$38.00)	- 38.00	1	CSH
51	EFT8615	09/07/2020	Horizon Power	Paid by BPAY			
52	EFT8616	09/07/2020	TELSTRA CORPORATION LTD	Paid by BPAY			
53	EFT8617	09/07/2020	Kayseco	External work o Railway Station (\$30,956.53) , Internal / External Stone work on Gaol (\$19,919.90) and Internal work on Railway Station (\$1,727.00) = (\$ 52,603.43)	- 52,603.43	1	CSH
54	EFT8618	13/07/2020	Bunnings Group Limited	Drawer slide, hinges, edging, shelf supports (\$80.99)	- 80.99	1	CSH
55	EFT8619	13/07/2020	Central West Pump Service	Solar array and fittings (\$1,094.50)	- 1,094.50	1	CSH
56	EFT8620	13/07/2020	Elite Electrical Contracting	Replace broken crib room lights with new LED lights (\$815.43)	- 815.43	1	CSH
57	EFT8621	13/07/2020	NAPA Auto Parts	Amber LED beacon for P1 - CEO Landcruiser, P2 - DCEO Jeep (\$266.20), Beacon bracket for various machinery and vehicle (\$85.80) and Rocker switch for P71 CAT Mini Digger (\$31.08) = (\$383.08)	- 383.08	1	CSH
58	EFT8622	13/07/2020	Roadtech Civil and Construction	Labour hire of grader operator for road works on various shire roads 17/05/20 to 27/05/20 (\$7,400.25)	- 7,400.25	1	CSH
59	EFT8623	13/07/2020	Sun City Plumbing	Plumbing works at public toilets (\$1,413.50)	- 1,413.50	1	CSH
60	EFT8624	13/07/2020	Toll Ipec Pty Ltd	Freight expense for delivery of oil dipstick for P46 - CAT 950 Loader, grader shanks for P70 - CAT 12M Grader, beacon for P38 - Iveco Cabover Prime Mover (\$131.13),Freight exp for delivery of hoses for P82, load binder for p74 and, Freight for hoses for P82, Freight for load binders for P74, Freight for water samples for Water Playground, GST (\$68.86), Freight for printer for work depot(\$32.02), and freight exp. for delivery of hose and gasket for P9 and auto electrical parts of work depot (\$29.90) = (\$260.27)	- 260.27	1	CSH
61	EFT8625	13/07/2020	Countrywide Fridge Lines Pty Ltd	Freight expense for delivery of oil for Workshop, building materials for Railway Station development (\$720.50)	- 720.50	1	CSH

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
62	EFT8626	13/07/2020	Joshua Oliveri	Auto electrical contractor services for Shire of Cue P9, P8 and P55 (\$3,580.00) and electrical work on P38, P44 AND Samsung excavator (\$3,230.00)= (\$6,810.00)	- 6,810.00	1	CSH
63	EFT8627	13/07/2020	Neil Barnden	Labour to erect supplied fencing at Rubbish Tip, Turkeys nest near Airport (\$10,461.00)	- 10,461.00	1	CSH
64	EFT8628	13/07/2020	WesTrac	Diagnose starting problem, parts, labour to repair fuel pump and injectors and test for P46 - CAT 950G Loader (\$9,524.09)	- 9,524.09	1	CSH
65	EFT8629	15/07/2020	AIT Specialists Pty Ltd	Completion of the review of records and determination- Fuel Tax Credits- Road Transport and Off road for the period 1st June 2020 to 30th June 2020 (\$154.33)	- 154.33	1	CSH
66	EFT8630	15/07/2020	Atyeo's Environmental Health Services Pty Ltd	Environmental health services Cue 02/06/20- 29/06/20 (\$4,464.00)	- 4,464.00	1	CSH
67	EFT8631	15/07/2020	BOC Limited	Annual container service charge for period 01.07.20 to 30.06.20 / work depot (\$887.24)	- 887.24	1	CSH
68	EFT8632	15/07/2020	Bell & Co	Richgrow Compost 25L 8.00 NET @ 9.80 (\$78.40)	- 78.40	1	CSH
69	EFT8633	15/07/2020	Bunnings Group Limited	Tie down protector for Shire's office(\$39.90)	- 39.90	1	CSH
70	EFT8634	15/07/2020	Great Northern Rural Services	Sprinkler repair for SH 01-15 Allen St/ Tourist park (\$1,523.97)	- 1,523.97	1	CSH
71	EFT8635	15/07/2020	Hi Constructions	Building works on the Cue Railway Station Tender 2020-01, (\$23,780.80)	- 23,780.80	1	CSH
72	EFT8636	15/07/2020	LO-GO Appointments	Fee for contract rates officer for the week ending 04 July 2020 (\$937.54)	- 937.54	1	CSH
73	EFT8637	20/07/2020	Atom Supply	Gloves for outside staff (\$177.24), cargo pants for outside staff (\$133.75), Beanies yellow Hi-vis Micro Fleece (\$77.33) and Jacket drill with embroidery (\$105.11)= (\$493.43)	- 493.43	1	CSH
74	EFT8638	20/07/2020	CJD Equipment	Inlet Hose for P82 (\$125.25) and inlet hose clamp and freight charge for P82(\$119.93)= (\$245.18)	- 245.18	1	CSH
75	EFT8639	20/07/2020	General Terrain Services Pty Ltd	Contract supervisor for flood damage works AGRN863 from 01.07.20-07.07.20 (\$1,642.42)	- 1,642.42	1	CSH
76	EFT8640	20/07/2020	IT Vision	Synergy Annual License Fess 01 July 2020- 30 June 2021 (\$26,588.10)	- 26,588.10	1	CSH
77	EFT8641	20/07/2020	Lacy Bros Pty Ltd	Supply of plant and operators for road flood damage repair works (\$19,434.25)	- 19,434.25	1	CSH

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
78	EFT8642	20/07/2020	Mid West Sport Federation	Membership subscription for 2019/2020 (\$50.00)	- 50.00	1	CSH
79	EFT8643	20/07/2020	Professional Pc Support Pty Ltd (PPS)	PPS Managed Service monthly billing July 2020 (\$2,172.50)	- 2,172.50	1	CSH
80	EFT8644	20/07/2020	RMS (Aust) Pty Ltd	RMS Software License and renewal support 01/08/20-31/07/21 (\$990.00)	- 990.00	1	CSH
81	EFT8645	23/07/2020	Aussie Sheds	Building surveyor services to get certificate of Design Compliance for Heydon place industrial shed (\$946.00)	- 946.00	1	CSH
82	EFT8646	23/07/2020	Bunnings Group Limited	Sundry tools and supplies for work depot (\$830.26)	- 830.26	1	CSH
83	EFT8647	23/07/2020	Elite Electrical Contracting	Payment for disconnection/reconnection of overhead service meter at railway station (\$762.10)	- 762.10	1	CSH
84	EFT8648	23/07/2020	John (JC) Curtin	Hinges for new desk at office reception (\$113.55)	- 113.55	1	CSH
85	EFT8649	23/07/2020	L.P BREESE & P.W SAVAGE	Contractor works for Shire of Cue - relief mechanic 6/7/20 - 16/7/20 (\$4,966.50), relief mechanic 29/06/20-03/07/20 (\$3,080.00) and relief mechanic 22/06/20-26/06/20 (\$3,080.00)= (\$11,126.50)	- 11,126.50	1	CSH
86	EFT8650	23/07/2020	Local Government Professionals Australia	LGPA membership for DCEO 2020-2021 (\$531.00)	- 531.00	1	CSH
87	EFT8651	23/07/2020	ModularWA	Deposit for Tourist Park Managers House (\$23,570.00)	- 23,570.00	1	CSH
88	EFT8652	23/07/2020	Murchison Country Zone WALGA	Membership Subscription for Murchison Country of Walga 2020-2021 (\$2,500.00)	- 2,500.00	1	CSH
89	EFT8653	23/07/2020	NAPA Auto Parts	LED work lamp for P73(\$250.80), heater hose 10mmx3m for P82(\$18.43) and plant sundry tools and supplies (\$361.10)= (\$630.33)	- 630.33	1	CSH
90	EFT8654	23/07/2020	Neil Barnden	Contractor works for Shire of Cue 1/7/20 - 10/7/20 (\$4,620.00) and install manhole in council chambers, repair wall and install camera (\$3,311.00)= (\$7,931.00)	- 7,931.00	1	CSH
91	EFT8655	23/07/2020	Professional Pc Support Pty Ltd (PPS)	PPS Managed Services (Cable and hardware) - (\$470.01)	- 470.01	1	CSH
92	EFT8656	23/07/2020	Western Independent Foods	1L long Life Milk & Freight expense for delivery of protective clothing for outside crew (\$104.77)	- 104.77	1	CSH
93	EFT8657	23/07/2020	LO-GO Appointments	Contracting services of rates officer for the week ending 18 July 2020 -(\$442.56)	- 442.56	1	CSH

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
94	EFT8658	23/07/2020	Murchison Club Hotel	1 x night accommodation for Professional PC Support- (\$154.00)	- 154.00	1	CSH
95	EFT8659	23/07/2020	Professional Pc Support Pty Ltd (PPS)	Kyocera 6630CIDN printer for work depot - (\$846.40) and PPS Managed services: 3cx Pro Annual License (\$737.55)= (\$1,583.95)	- 1,583.95	1	CSH
96	EFT8660	23/07/2020	Toll Ipec Pty Ltd	Freight exp for delivery of parts of various machinery (\$310.86)	- 310.86	1	CSH
97	EFT8661	23/07/2020	Truckline - Geraldton	Air Dryer for P73 (\$570.76)	- 570.76	1	CSH
98	EFT8662	23/07/2020	WALGA	WALGA Subscriptions 1 July 2020 to 30 June 2021- (\$12,975.12)	- 12,975.12	1	CSH
99	EFT8663	23/07/2020	Western Independent Foods	Freight exp for delivery of 8 foot star picket for rubbish tip / air filter, spark plug for P19 & muffler bolt for P21- (\$67.60)	- 67.60	1	CSH
100	EFT8664	23/07/2020	Elite Electrical Contracting	Repair sewerage pump at Tourist Park (\$2,502.54) & Electrical works at depot (\$862.83)= (\$3,365.37)	- 3,365.37	1	CSH
101	EFT8665	23/07/2020	Hi Constructions	Supply of new jarrah floorboards sized at 175mm x 25mm at Railway station (\$10,574.44) and repairs and gluing of railway Station (\$9,374.34)= (\$19,948.78)	- 19,948.78	1	CSH
102	EFT8666	23/07/2020	LO-GO Appointments	Contracting rates officer services for the week ending 11.07.20 (\$243.83)	- 243.83	1	CSH
103	EFT8667	23/07/2020	Local Health Authorities Analytical Committee	Analytical services for 2020-2021 (\$198.00)	- 198.00	1	CSH
104	EFT8668	23/07/2020	Midwest Lock and Safe	4 airport keys (\$24.00)	- 24.00	1	CSH
105	EFT8669	23/07/2020	Murchison Club Hotel	Pizza for all staff toolbox lunchtime meeting and webinar on 10.07.20 (\$235.00)	- 235.00	1	CSH
106	EFT8670	23/07/2020	Professional Pc Support Pty Ltd (PPS)	Agreement PPS Managed Services (\$2,314.76) and toner for office printers / freight cost(\$181.79)= (\$2,496.00)	- 2,496.55	1	CSH
107	EFT8671	23/07/2020	Trephleene Pty Ltd T/A Canine Control	Ranger services for Shire of Cue (\$1,540.28)	- 1,540.28	1	CSH
108	EFT8672	23/07/2020	Aussie Sheds	2nd installment - 72m by 15m shed as per job reference 47118 at Heydon Place Industrial Development (\$71,665.00)	- 71,665.00	1	CSH
109	EFT8673	28/07/2020	Bridgestone Tyre Centre Geraldton	Tyre for forklift 650x10 - (\$549.00)	- 549.00	1	CSH
110	EFT8674	28/07/2020	CJD Equipment	Radiator cap for P82 (\$21.60)	- 21.60	1	CSH
111	EFT8675	28/07/2020	Countrywide Fridge Lines Pty Ltd	Freight exp. for delivery of supplies for Railway Building Development and Safety products for Road work- (\$1,201.75)	- 1,201.75	1	CSH

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
112	EFT8676	28/07/2020	Digga West & Earthparts WA	TS-3 MFT Auger Tooth and PM-2 Tungsten Pilot for P76 Kubota Tractor - (\$700.15)	- 700.15	1	CSH
113	EFT8677	28/07/2020	Geraldton Mower Repair & Specialist	Air filter for Stihl FS260C (\$183.20)	- 183.20	1	CSH
114	EFT8678	28/07/2020	Great Northern Rural Services	8 foot star pickets for Rubbish Tip (\$644.60), medium gripple for Cue Wondinong and ringlock fencing roll 100m for rubbish tip (\$479.60) , NPK Blue fertiliser, blood and bone mix for Parks and Reserves (\$116.34)	- 1,240.54	1	CSH
115	EFT8679	28/07/2020	Great Southern Fuel Supplies	Purchase of 10502L of diesel delivered to Shire Depot @ \$1.1027/L ex (\$12,738.92)	- 12,738.92	1	CSH
116	EFT8680	28/07/2020	ROSS WILLIAM PIGDON	Elected Member- Expenses Claim July 2020 (\$1,846.40)	- 1,846.40	1	CSH
117	EFT8681	28/07/2020	Sun City Plumbing	Travel and accomodation exp. for the change/update tap ware, repair retic water line (\$1,287.00)	- 1,287.00	1	CSH
118	EFT8682	28/07/2020	Peter Groom Settlements	Purchase of Lot 312, 14 Chesson St., Cue (\$54,109.52) and purchase of 29 Allen St. Cue (\$16,480.59)= (\$70,590.00	- 70,590.11	1	CSH
119	EFT8683	28/07/2020	Lacy Bros Pty Ltd	Supply of plant and operators for road flood damage repair works AGRN863 commencing 02/03/2020 (\$232,281.50)	- 232,281.50	1	CSH
120	EFT8684	28/07/2020	Neil Barnden	Contractor works for Shire of Cue - 13/7/20 - 24/7/20 (\$5,390.00)	- 5,390.00	1	CSH
121	EFT8685	28/07/2020	WA Treasury Corporation	Government guarantee fee for GROH housing loan (\$3,264.45)	- 3,264.45	1	CSH
122			Total EFT's		- 1,160,927.75		
123							

List of Accounts Paid July 2020							
		Date	Name	Description	Amount	Bank	Type
124	BPAY						
	BPay	08/07/2020	TELSTRA CORPORATION LTD	Landline phone usage and charges, office phone and internet charges Shire of Cue (\$16,877.08)	- 16,932.08	1	CSH
125							
	BPay	08/07/2020	Horizon Power	Electricity supply for Cue Street Lights 01/06/20-30/06/20- (\$2,659.67)	- 2,659.67	1	CSH
126							
	BPay	22/07/2020	Horizon Power	Electricity Supply for 61 days at Chesson St./ Tourist Park- (\$8,187.61)	- 8,187.61	1	CSH
127							
	BPay	16/07/2020	Elite Electrical Contracting	Reset breaker, one of the pillars doesn't have power in Caravan Park (\$57.75)	- 57.75	1	CSH
128							
	BPay	29/07/2020	TELSTRA CORPORATION LTD	Landline phone usage and charges, office phone and internet charges for July 2020 (\$3,947.37)	- 3,947.37	1	CSH
129							
	BPay	30/07/2020	Pivotel Satellite Pty Limited	Satellite phone usage and charges, Shire of Cue July 2020 (\$150.00)	- 150.00	1	CSH
130							
	BPAY (EFT 8615)	09/07/2020	Horizon Power	Electricity bill for Sports Complex: 02/04/20 to 01/06/20 (\$232.51) and Lot 2 Austin St (Maintenance) (\$174.00)	- 406.62	1	CSH
51							
	BPAY (EFT8616)	09/07/2020	TELSTRA CORPORATION LTD	Mobile phone usage and charges , Shire of Cue and outside crew (\$432.26)	- 432.26	1	CSH
52							
	BPay	26/07/2020	DHS Official Administered Receipts CSA Account	Payroll deduction	- 626.70	1	CSH
131							
132			Total BPAY		- 31,934.48		
133							
134	PAYROLL						
135	Payroll	12/07/2020	Payroll Direct Debit Of Net Pays	Payroll Direct Debit Of Net Pays	42,138.50	1	PAY
136	Payroll	26/07/2020	Payroll Direct Debit Of Net Pays	Payroll Direct Debit Of Net Pays	44,243.49	1	PAY
			Total Payroll		86,381.99		
				TOTAL PAYMENTS	- 1,134,385.09		
				Total Direct Debits	- 27,904.85		
				Total EFTs	- 1,160,927.75		
				Total BPAY	- 31,934.48		
				Total Cheque	-		
				Total Payroll	86,381.99		
				TOTAL PAYMENTS	- 1,134,385.09		

10.2 FINANCIAL STATEMENT

APPLICANT:	Shire of Cue
DISCLOSURE OF INTEREST:	Nil
AUTHOR:	Richard Towell – Deputy Chief Executive Officer
DATE:	13 August 2020

Matters for Consideration:

The Statement of Financial Activity for the period ended 31 July 2020 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 2020.

Budget figures used in the Statement of Financial Activity are applied from the budget presented to council for adoption at item 10.4 of this agenda.

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 2020, as presented at [Appendix 2](#).

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

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 Period Ending 31 July 2020

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 14th August 2020

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

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MONTHLY FINANCIAL REPORT
For the Period Ending 31 July 2020
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SHIRE OF CUE
MONTHLY FINANCIAL REPORT
For the Period Ending 31 July 2020
EXECUTIVE SUMMARY

Statement of Financial Activity

Income Statements are presented on pages 6 - 7 showing a surplus as at 31 July 2020 of \$3,384,842

Significant Revenue and Expenditure

	Collected / Completed %	Annual Budget \$	YTD Budget \$	YTD Actual \$
Significant Projects				
Staff Unit Housing Development	0%	1,000,000	83,332	-
Pensioner Housing Development	0%	1,000,000	83,331	-
Great Fingal Mine Office	0%	2,000,000	166,666	-
Tourist Park House and Office	5%	400,000	33,331	21,427
Airport Runway Resealing	2%	1,400,000	116,665	31,000
	1%	5,800,000	483,325	52,427
Grants, Subsidies and Contributions				
Operating Grants, Subsidies and Contributions	1%	1,109,086	92,420	11,441
Non-operating Grants, Subsidies and Contributions	1%	11,512,179	959,346	62,290
	1%	12,621,265	1,051,766	73,730
Rates Levied	0%	2,365,615	197,134	(1,768)

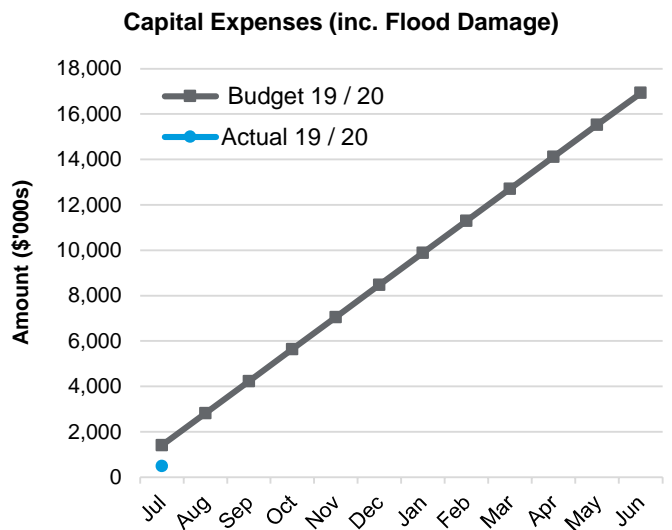
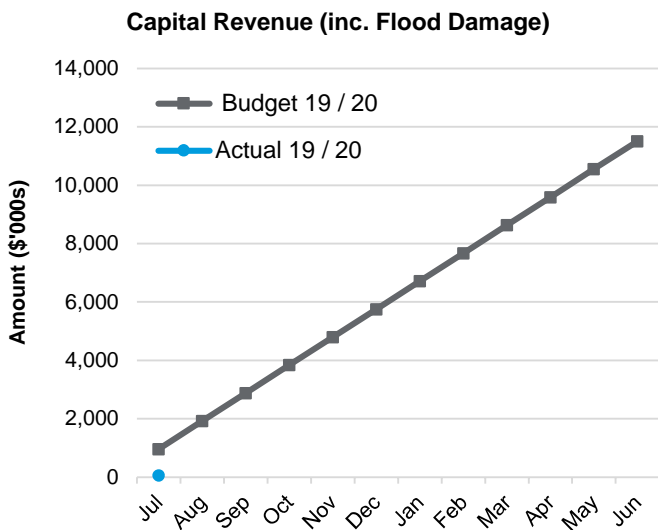
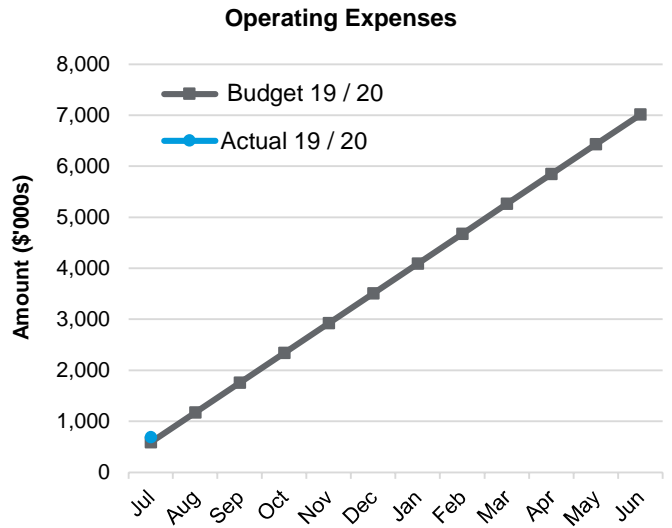
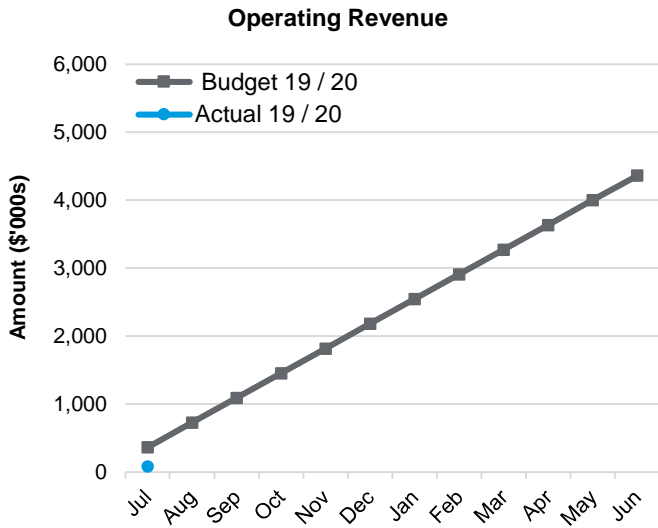
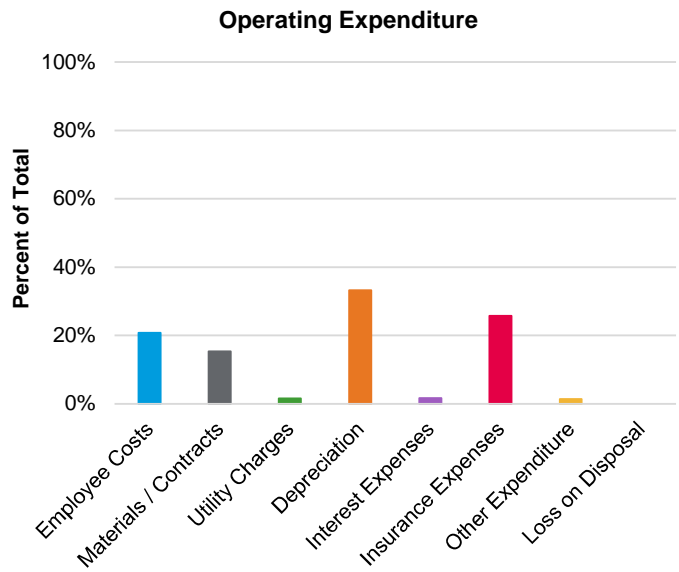
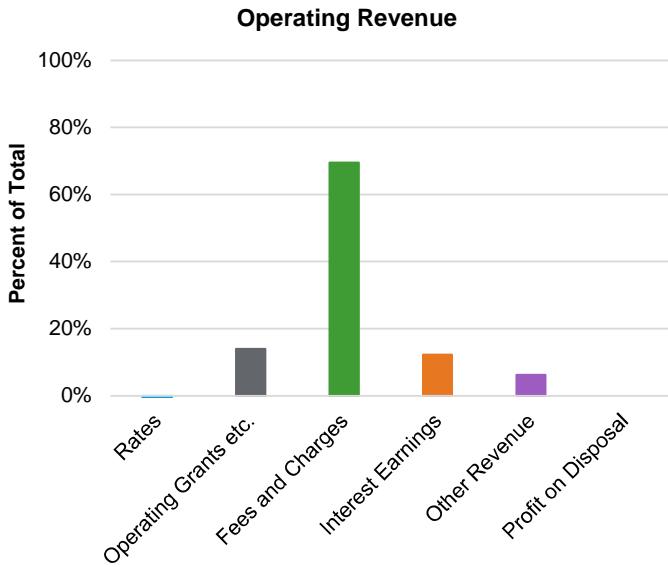
% - Compares current YTD actuals to the Annual Budget

Financial Position

Account	Difference to Prior Year %	Current Year 31 Jul 20 \$	Prior Year 31 Jul 19 \$
Adjusted Net Current Assets	87%	3,384,842	3,869,867
Cash and Equivalent - Unrestricted	81%	2,970,455	3,677,200
Cash and Equivalent - Restricted	106%	6,054,430	5,703,197
Receivables - Rates	86%	275,978	320,880
Receivables - Other	1056%	515,760	48,833
Payables	242%	392,310	162,037

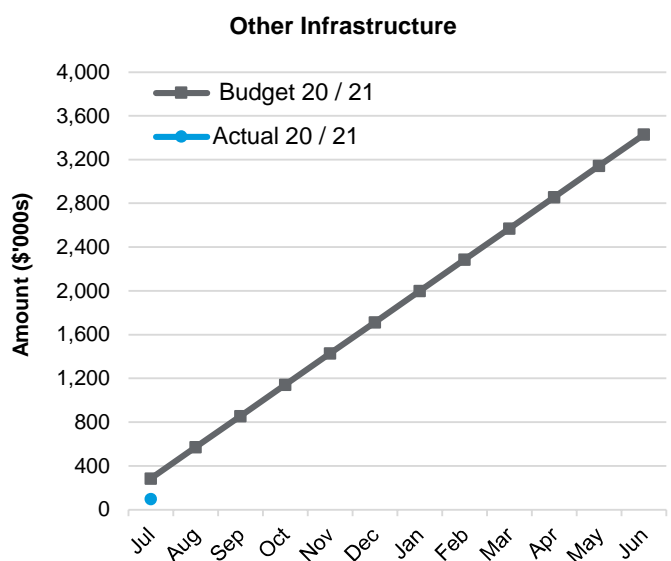
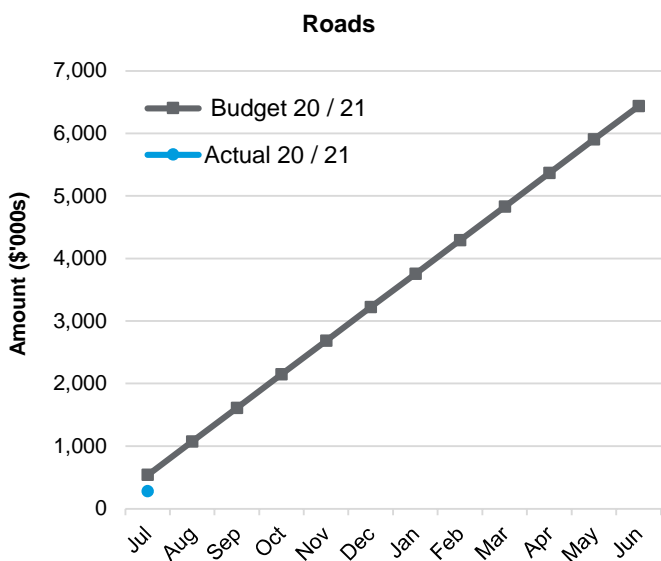
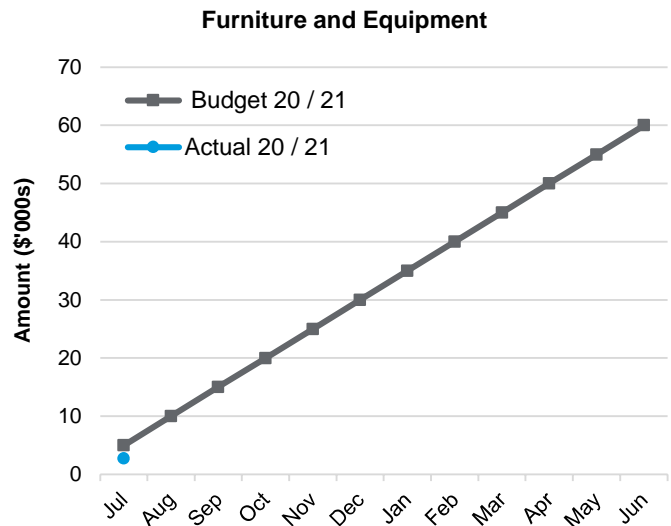
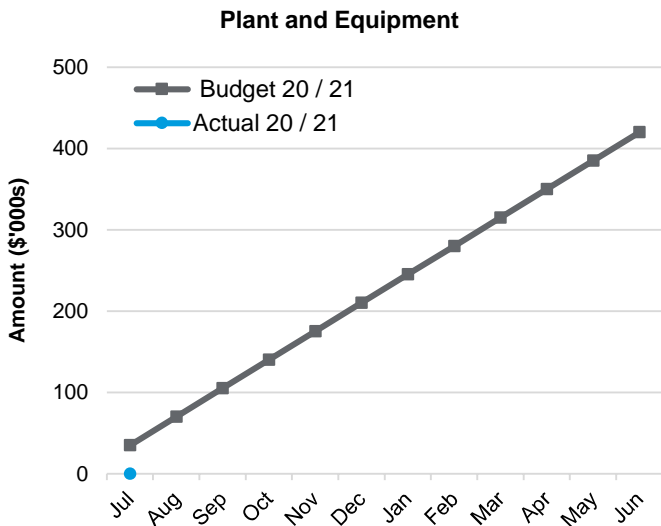
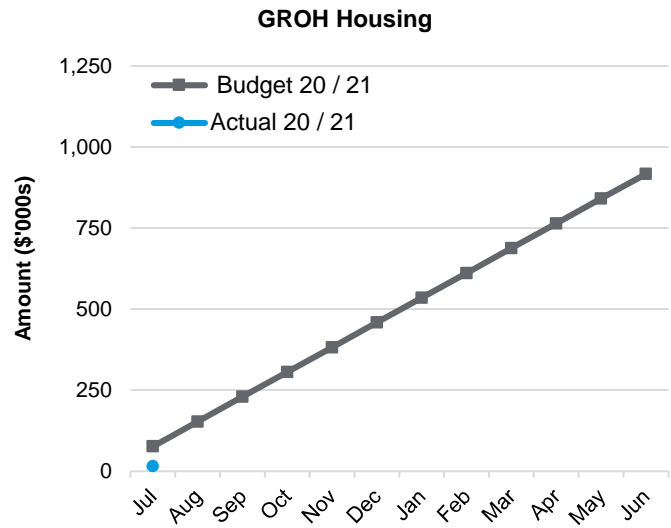
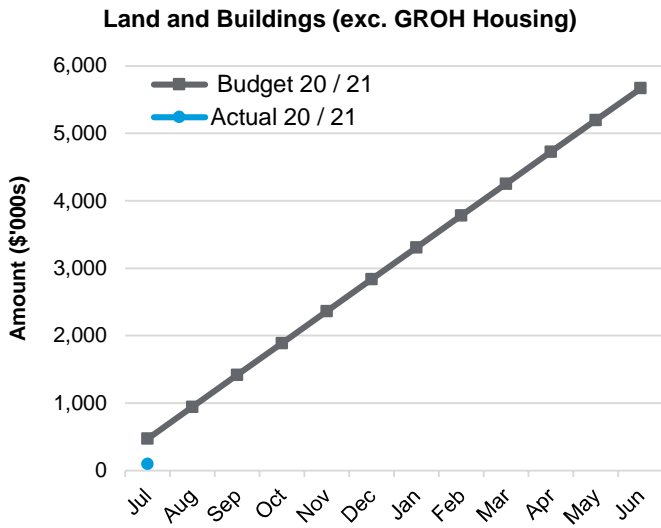
% - Compares current YTD actuals to prior year actuals

SHIRE OF CUE
MONTHLY FINANCIAL REPORT
For the Period Ending 31 July 2020
SUMMARY GRAPHS - OPERATING



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

SHIRE OF CUE
MONTHLY FINANCIAL REPORT
For the Period Ending 31 July 2020
SUMMARY GRAPHS - CAPITAL



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

SHIRE OF CUE
STATEMENT OF COMPREHENSIVE INCOME
For the Period Ending 31 July 2020

NATURE OR TYPE

	Note	Annual Budget \$	YTD Budget \$	YTD Actual \$	Var* \$	Var* %
Opening Funding Surplus / (Deficit)	3	3,924,344	3,924,344	4,245,704		
Revenue from Operating Activities						
Rates	10	2,365,615	197,134	(1,768)	(198,902)	(101%)
Grants, Subsidies and Contributions	12(a)	1,109,086	92,420	11,441	(80,979)	(88%)
Fees and Charges		640,905	53,394	56,648	3,254	6%
Interest Earnings		113,500	9,457	10,019	562	6%
Other Revenue		79,500	6,624	5,120	(1,504)	(23%)
Profit on Disposal of Assets	8	53,700	4,475	-	(4,475)	(100%)
		4,362,306	363,504	81,459		
Expenditure from Operating Activities						
Employee Costs		(2,049,988)	(170,765)	(143,252)	27,513	16%
Materials and Contracts		(1,342,851)	(111,808)	(105,970)	5,839	5%
Utility Charges		(342,750)	(28,545)	(11,168)	17,377	61%
Depreciation on Non-current Assets		(2,844,800)	(237,057)	(228,911)	8,146	3%
Interest Expenses		(22,500)	(1,875)	(11,586)	(9,711)	(518%)
Insurance Expenses		(182,555)	(15,203)	(176,938)	(161,735)	(1064%)
Other Expenditure		(228,700)	(19,052)	(9,460)	9,592	50%
Loss on Disposal of Assets	8	-	-	-	-	
		(7,014,145)	(584,305)	(687,285)		
Excluded Non-cash Operating Activities						
Depreciation and Amortisation		2,844,800	237,057	228,911		
(Profit) / Loss on Asset Disposal		(53,700)	(4,475)	-		
Movement in Deferred Pensioner Rates		-	-	-		
Net Amount from Operating Activities		139,261	11,781	(376,915)		
Investing Activities						
Grants, Subsidies and Contributions	12(b)	11,512,179	959,346	62,290	(897,056)	(94%)
Proceeds from Disposal of Assets	8	170,000	14,166	-	(14,166)	(100%)
Land and Buildings	9(a)	(6,587,500)	(548,939)	(111,886)	437,053	80%
Plant and Equipment	9(b)	(420,000)	(35,000)	-	35,000	100%
Furniture and Equipment	9(c)	(60,000)	(4,999)	(2,738)	2,261	45%
Infrastructure Assets - Roads	9(d)	(6,437,179)	(536,426)	(276,762)	259,663	48%
Infrastructure Assets - Other	9(e)	(3,429,000)	(285,724)	(97,010)	188,714	66%
Net Amount from Investing Activities		(5,251,500)	(437,576)	(426,107)		
Financing Activities						
Proceeds from New Debentures	11	-	-	-	-	
Transfer from Reserves	7	1,364,070	94,583	-	(94,583)	(100%)
Repayment of Debentures	11	(91,176)	(7,598)	(45,386)	(37,788)	(497%)
Transfer to Reserves		(85,000)	(5,000)	(12,455)	(7,455)	(149%)
Net Amount from Financing Activities		1,187,894	81,985	(57,841)		
Closing Funding Surplus / (Deficit)	3	-	3,580,534	3,384,842		

* - 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 Period Ending 31 July 2020
REPORTING PROGRAM

	Note	Annual Budget \$	YTD Budget \$	YTD Actual \$	Var* \$	Var* %
Opening Funding Surplus / (Deficit)	3	3,924,344	3,924,344	4,245,704		
Revenue from Operating Activities						
General Purpose Funding - Rates	10	2,365,615	197,134	(1,768)	(198,902)	(101%)
General Purpose Funding - Other		1,089,786	90,813	10,019	(80,794)	(89%)
Law, Order and Public Safety		10,500	874	-	(874)	(100%)
Health		1,200	99	-	(99)	(100%)
Housing		73,320	6,107	1,960	(4,147)	(68%)
Community Amenities		84,885	7,071	-	(7,071)	(100%)
Recreation and Culture		8,100	673	-	(673)	(100%)
Transport		306,700	25,557	13,057	(12,500)	(49%)
Economic Services		298,200	24,846	41,196	16,350	66%
Other Property and Services		124,000	10,330	16,995	6,665	65%
		4,362,306	363,504	81,459		
Expenditure from Operating Activities						
Governance		(397,697)	(33,133)	(31,885)	1,248	4%
General Purpose Funding		(261,447)	(21,783)	(32,923)	(11,140)	(51%)
Law, Order and Public Safety		(113,100)	(9,416)	(8,239)	1,177	13%
Health		(78,411)	(6,529)	(1,908)	4,621	71%
Education and Welfare		(74,556)	(6,207)	(397)	5,810	94%
Housing		(285,937)	(23,821)	(35,286)	(11,465)	(48%)
Community Amenities		(445,479)	(37,109)	(28,705)	8,404	23%
Recreation and Culture		(922,896)	(76,834)	(68,633)	8,201	11%
Transport		(3,671,806)	(305,960)	(271,346)	34,614	11%
Economic Services		(724,119)	(60,318)	(66,182)	(5,864)	(10%)
Other Property and Services		(38,696)	(3,195)	(141,781)	(138,586)	(4338%)
		(7,014,145)	(584,305)	(687,285)		
Excluded Non-cash Operating Activities						
Depreciation and Amortisation		2,844,800	237,057	228,911		
(Profit) / Loss on Asset Disposal		(53,700)	(4,475)	-		
Movement in Deferred Pensioner Rates		-	-	-		
Net Amount from Operating Activities		139,261	11,781	(376,915)		
Investing Activities						
Grants, Subsidies and Contributions	12(b)	11,512,179	959,346	62,290	(897,056)	(94%)
Proceeds from Disposal of Assets	8	170,000	14,166	-	(14,166)	(100%)
Land and Buildings	9(a)	(6,587,500)	(548,939)	(111,886)	437,053	80%
Plant and Equipment	9(b)	(420,000)	(35,000)	-	35,000	100%
Furniture and Equipment	9(c)	(60,000)	(4,999)	(2,738)	2,261	45%
Infrastructure Assets - Roads	9(d)	(6,437,179)	(536,426)	(276,762)	259,663	48%
Infrastructure Assets - Other	9(e)	(3,429,000)	(285,724)	(97,010)	188,714	66%
Net Amount from Investing Activities		(5,251,500)	(437,576)	(426,107)		
Financing Activities						
Proceeds from New Debentures	11	-	-	-	-	
Transfer from Reserves	7	1,364,070	94,583	-	(94,583)	(100%)
Repayment of Debentures	11	(91,176)	(7,598)	(45,386)	(37,788)	497%
Transfer to Reserves		(85,000)	(5,000)	(12,455)	(7,455)	149%
Net Amount from Financing Activities		1,187,894	81,985	(57,841)		
Closing Funding Surplus / (Deficit)	3	-	3,580,534	3,384,842		

* - 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 Period Ending 31 July 2020
CAPITAL ACQUISITIONS

Asset Group	Note	Annual Budget \$	YTD Actual Total \$	Var \$
Land and Buildings	9(a)	6,587,500	111,886	(6,475,614)
Plant and Equipment	9(b)	420,000	-	(420,000)
Furniture and Equipment	9(c)	60,000	2,738	(57,262)
Infrastructure Assets - Roads	9(d)	6,437,179	276,762	(6,160,417)
Infrastructure Assets - Other	9(e)	3,429,000	97,010	(3,331,990)
Total Capital Expenditure		<u>16,933,679</u>	<u>488,397</u>	(16,445,282)
Capital Acquisitions Funded by:				
Capital Grants and Contributions		185,000	-	(185,000)
Borrowings		-	-	-
Other (Disposals and C/Fwd)		170,000	-	(170,000)
Council Contribution - Reserves		1,364,070	-	(1,364,070)
Council Contribution - Operations		15,214,609	488,397	(14,726,212)
Total Capital Acquisitions Funding		<u>16,933,679</u>	<u>488,397</u>	

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES

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

The material variance adopted by the Shire of Cue for the 2020/21 year is \$25,000 or 10%, whichever is greater. Items considered to be of material variance are disclosed in Note 2.

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. The preparation also requires management to make judgements, estimates and assumptions which effect the application of policies and the reported amounts in the statements and notes. These estimated figures are based on historical experience or other factors believed to be reasonable under the circumstances. Therefore, the actual results may differ from these reported amounts.

Actual and Budget comparatives are presented in year to date format unless otherwise stated. The Adopted Budget is used in the report until superseded by the Budget Review.

Preparation

Prepared by: Glenn Boyes
Reviewed by: Travis Bate
Date prepared: 14 Aug 20

(a) Basis of Preparation

The following financial statements are special purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Authoritative Interpretations, the *Local Government Act 1995*, and regulations, within the context in which they relate to local governments and not-for-profit entities.

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

With the exception of the cash flow statement and rate setting information, the following report has been prepared on an accrual basis with balances measured at historical cost unless subject to fair value adjustments. Items subject to fair value adjustments include certain non-current assets, financial assets, and financial liabilities. Items such as assets, liabilities, equity, income and expenses have been recognized in accordance with the definitions and recognition criteria set out in the Framework for the Preparation and Presentation of Financial Statements.

These financial statements comply with, and supersede, the Australian Accounting Standards with the *Local Government (Financial Management) Regulations 1996* where applicable. Further information is provided in Note 1(j).

The functional and presentation currency of the report is Australian dollars.

(b) The Local Government Reporting Entity

The Australian Accounting Standards define local government as a reporting entity which can be a single entity or a group comprising a parent and all its subsidiaries. All funds controlled by the Shire in order to provide its services have formed part of the following report. Transactions and balances related to these controlled funds, such as transfers to and from reserves, were eliminated during the preparation of the report.

Funds held in Trust, which are controlled but not owned by the Shire, do not form part of the financial statements. Further information on the Shire funds in Trust are provided in Note 5.

(c) Rounding of Amounts

The Shire is an entity to which the *Local Government (Financial Management) Regulations 1996* applies and, accordingly amounts in the financial report have been rounded to the dollar except for amounts shown as a rate in the dollar. Where total assets exceed \$10,000,000 in the prior audited annual financial report, the amounts may be rounded to the nearest \$1,000.

SHIRE OF CUE

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Rates, Grants, Donations and Other Contributions

Revenue from rates, grants, donations and other contributions are recognised when; the Shire gains control over the related assets, the assets can be measured reliably, it is probable that economic benefits associated with the transaction will flow to Shire, and specific criteria relating to the type of revenue, as noted below, have been satisfied.

Conditional Grants, Subsidies and Contributions

Revenue subject to conditions or obligations are recognised as above unless the conditions or obligations were not fully performed as at the reporting date. Revenue held at reporting date by the Shire, and are subject to discharging the required conditions or obligations, are recognised as liabilities.

Rate Revenue

The Shire gains control over rate revenue at the earlier of the rating period or the receipt of rates.

(e) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (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 where applicable.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Cash and Cash Equivalents

Cash and cash equivalents normally include cash on hand, bonds and deposits, overdrafts, excess rates, unspent grant funds, on call deposits, and term deposits with maturities equal to or less than three months. Cash and cash equivalents are typically characterised as highly liquid investments with little risk of experiencing material changes in value. Further information is provided in Note 1(g)(ii).

(g) Financial Instruments

Initial Recognition and Measurement

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in further detail below:

- (i) Loans and Receivables;
- (ii) Financial Assets at Fair Value Through Profit or Loss;
- (iii) Available-for-sale Financial Assets; and
- (iv) Held-to-maturity Investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income under the heading 'Comprehensive Income / Expense'.

(i) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in the statement of comprehensive income.

In some circumstances, the Shire renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Shire does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

SHIRE OF CUE

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Financial Instruments (Continued)

(ii) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future;
- designated by the entity to be carried at fair value through profit or loss upon initial recognition; or
- which are derivatives not qualifying for hedge accounting.

Term deposits with maturities greater than three months from initial recognition are classified as FVTPL instruments.

(iii) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category.

(iv) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Shire's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in the statement of comprehensive income.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Shire's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method. Further information is provided in Note 1(k).

Impairment of Financial Assets

At the end of the annual reporting period the Shire assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment of loans and receivables are reduced through the use of an allowance account, all other impairment losses on financial assets at amortised cost are taken directly to the asset. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income. Further information is provided in Note 1(n).

De-recognition of Financial Instruments

Financial assets are de-recognised when the Shire no longer holds the rights to receive cash flows from the asset, or no longer has any significant involvement in the risks and benefits associated with it.

Financial liabilities are de-recognised when the related obligations are discharged, expired, or cancelled. Any difference between the carrying value of the liability and the consideration paid, including non-cash amounts, is recognised in the

(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 related to completion and its 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 Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Fixed Assets

Initial recognition of an asset is recognised at cost where the fair value of the asset, at the date of acquisition, is equal to or greater than \$5,000.

Subsequent Measurement

All asset classes are measured using the revaluation model. All asset classes are revalued at least every three years and no more than five years.

Impairment of Non-financial Assets

At the end of each annual reporting period the Shire determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in the statement of comprehensive income.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(j) Depreciation of Non-current Assets

Fixed assets, excluding freehold land, are depreciated on a straight-line basis over the asset's useful life to Shire, commencing when the asset is ready for use. The estimated useful lives used for each class of depreciable asset are shown below in years:

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

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Land Under Local Government Control

Regulation 16 in the *Local Government (Financial Management) Regulations 1996* prohibit certain assets to be included in the financial report of a local government and require other assets to be included. The regulation therefore supersedes the reporting requirements of AASB 1051 *Land Under Roads (p.15)* and AASB 116 *Property, Plant and Equipment (p.7)*

SHIRE OF CUE

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Fixed Assets (Continued)

Land Under Local Government Control (Continued)

Asset not to be included in the financial report include Crown Land managed by the Shire which is a public thoroughfare, and Crown land or land owned by another person which is managed or controlled by the Shire, except if it is a golf course, showground, racecourse, or any other sporting or recreational facility of State or regional significance. Therefore assets, such as land under roads, purchased after 01 July 2008 do not form part of the financial statements.

Assets required to be included under Regulation 16 include a structure or any other improvement on the land referred to above, and an easement granted to the Shire over any land.

(k) Trade and Other Payables

Trade and other payables are unpaid current liabilities owed for goods and services provided to the Council prior to the end of the financial year. The amounts are unsecured and are normally paid within 30 days of recognition.

(l) Employee Benefits

Provision is made for the Shire's liability for employee benefits arising from services rendered by employees to the end of the annual reporting period. Employee benefits that are expected to be wholly settled within one year are measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on 10 year Australia Government Bonds. Changes in the measurement of the liability are recognised in the statement of comprehensive income.

(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. Subsequent measurement is at amortised cost using the effective interest method. The annual government guarantee fee is expensed in the year incurred.

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 that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(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

The report classifies current and non-current balances as defined by the *Local Government (Financial Management) Regulations 1996*, AASB 101 *Presentation of Financial Statements*, or by another applicable regulation or interpretation.

(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.

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Nature or Type Classifications (Continued)

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, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Utilities (Gas, Electricity, Water, etc.)

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

Insurance

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

Loss on Asset Disposal

Loss on the disposal of fixed assets.

Depreciation on Non-current Assets

Depreciation expense raised on all classes of assets.

Interest Expenses

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

Other Expenditure

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

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 Period Ending 31 July 2020

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 / Permanent	Explanation of Variance
Operating Revenues					
General Purpose Funding - Rates	(198,902)	(101%)	▼	Timing	Rates not yet raised
General Purpose Funding - Other	(80,794)	(89%)	▼	Timing	Budget profile for Federal Assistance Grants
Operating Expense					
Transport	34,614	11%	▲	Timing	Expenditure less than budgeted
Other Property and Services	(138,586)	(4338%)	▼	Timing	Timing of allocations for works overheads and plant.
Capital Revenues					
Grants, Subsidies and Contributions	(897,056)	(94%)	▼	Timing	Timing of grants and contributions, including flood damage reimbursements
Capital Expenses					
Land and Buildings	437,053	80%	▲	Timing	See Note 9 (Timing of projects)
Plant and Equipment	35,000	100%	▲	Timing	See Note 9 (Timing of plant replacement)
Infrastructure - Roads	259,663	48%	▲	Timing	See Note 9 (Timing of roads projects and flood damage works)
Infrastructure - Other	188,714	66%	▲	Timing	See Note 9 (Timing of projects)
Financing					
Transfer from Reserves	(94,583)	(100%)	▼	Timing	Transfers from reserves delayed until expenditure incurred
Loan Principal	(37,788)	497%	▲	Timing	Budget profile of loan funds

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Period Ending 31 July 2020

2. EXPLANATION OF MATERIAL VARIANCES (Continued)

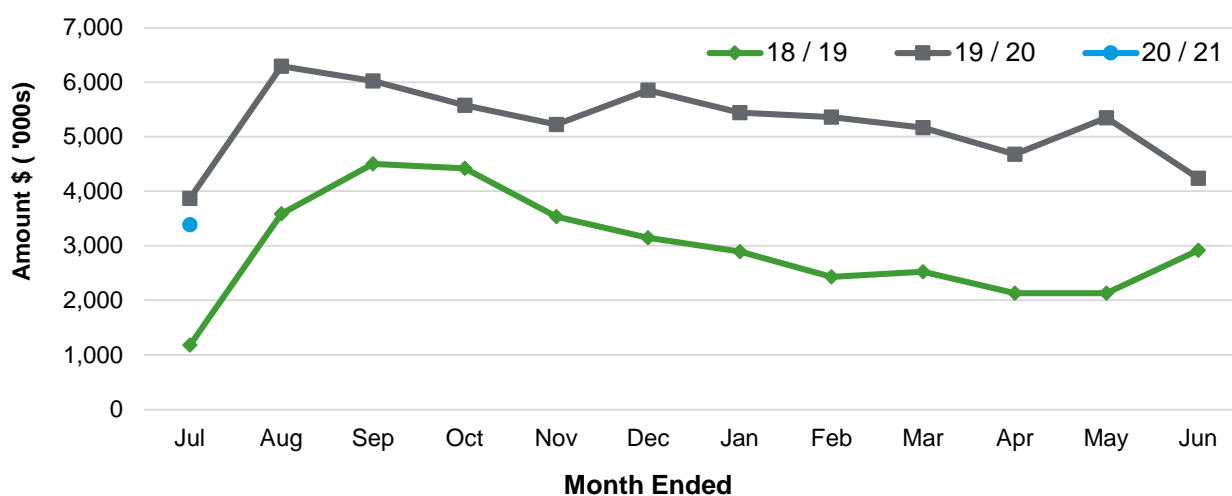
Nature or Type	Var \$	Var %	Var	Timing / Permanent	Explanation of Variance
Operating Revenues					
Rates	(198,902)	(101%)	▼	Timing	Rates not yet raised
Grants, Subsidies and Contributions	(80,979)	(88%)	▼	Timing	Timing of grants
Operating Expense					
Employee Costs	27,513	16%	▲	Permanent	Employee vacancies and staffing levels
Insurance Expenses	(161,735)	(1064%)	▼	Timing	Timing of expenditure, budget profile

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

3. NET CURRENT FUNDING POSITION

	Note	Current Month 31 Jul 20 \$	Prior Year Closing 30 Jun 20 \$	This Time Last Year 31 Jul 19 \$
Current Assets				
Cash Unrestricted	4	2,970,455	3,882,766	3,677,200
Cash Restricted	4	6,054,430	6,041,975	5,703,197
Receivables - Rates	6(a)	275,978	339,633	320,880
Receivables - Other	6(b)	515,760	292,676	48,833
Interest / ATO Receivable		77,877	120,287	46,417
Provision for Doubtful Debts		(52,260)	(52,260)	(66,402)
Accrued Income / Deposits		40,203	376,858	93,181
Inventories		28,412	16,831	23,205
Total Current Assets		9,910,855	11,018,766	9,846,511
Current Liabilities				
Sundry Creditors		(263,343)	(557,578)	(57,695)
Rates Received in Advance	6(a)	(4,821)	(2,525)	(3,654)
GST Payable		(6,775)	(9,219)	(37,412)
Payroll Creditors		(31,004)	(29,376)	(48,652)
Deposits and Bonds		(7,326)	(7,326)	-
Loan Liability	11	(45,790)	(91,176)	-
Accrued Expenses		(33,251)	-	(14,624)
Accrued Salaries and Wages		-	-	-
Total Payables		(392,310)	(697,200)	(162,037)
Provisions		(125,064)	(125,064)	(111,411)
Total Current Liabilities		(517,374)	(822,264)	(273,448)
Less: Cash Reserves	7	(6,054,430)	(6,041,975)	(5,703,197)
Less: Loan Liability (Non-current)	11	45,790	91,176	-
Net Funding Position		3,384,842	4,245,704	3,869,867

Liquidity over the Year



SHIRE OF CUE

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2020

4. CASH AND FINANCIAL ASSETS

	Unrestricted	Restricted	Trust	Total	Institution	Interest	Maturity
	\$	\$	\$	\$		Rate	Date
						%	
Cash and Cash Equivalents							
Cash On Hand	970			970	N/A	0.00	N/A
Cheque Account	66,847			66,847	CBA	0.00	N/A
On Call Cash Account	594,638			594,638	CBA	0.20	N/A
Fixed Term Deposit	993,868			993,868	CBA	0.67	26 Aug 20
Trust Account			2,080	2,080	CBA	0.00	N/A
Financial Assets at Amortised Cost							
Fixed Term Deposit	507,035			507,035	CBA	0.75	15 Mar 21
Fixed Term Deposit	507,736			507,736	CBA	0.73	18 Jan 21
At Call Term Deposit	299,361	260,139		559,500	BOQ	1.40	18 Nov 20
Fixed Term Deposit		1,519,760		1,519,760	CBA	0.75	15 Jul 21
Fixed Term Deposit		1,146,668		1,146,668	Bendigo	1.00	21 Aug 20
Fixed Term Deposit		1,147,165		1,147,165	BOQ	1.80	25 Oct 20
Fixed Term Deposit		1,330,374		1,330,374	BOQ	0.97	25 Jul 21
Fixed Term Deposit		650,323		650,323	Bendigo	1.25	11 Dec 20
Total Cash and Financial Assets	2,970,455	6,054,430	2,080	9,026,965			

5. TRUST FUND

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

Description	Opening Balance 01 Jul 20	Amount Received	Amount Paid	Closing Balance 31 Jul 20
	\$	\$	\$	\$
Cue LCDC	2,080	-	-	2,080
Total Funds in Trust	2,080	-	-	2,080

Comments / Notes

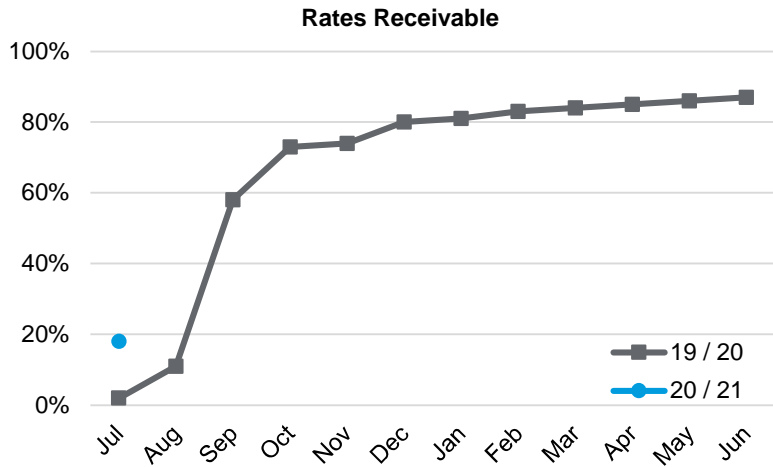
The current interest rate for this type of bank account is 0.00% when funds held are less than \$500,000

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

6. RECEIVABLES

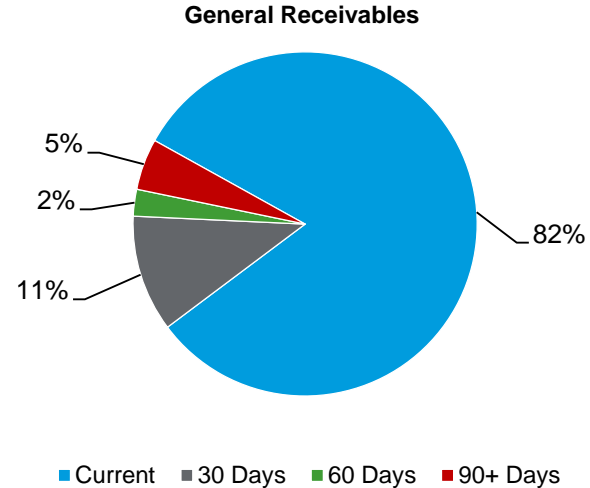
(a) Rates Receivable	31 Jul 20
	\$
Rates Receivables	275,978
Rates Received in Advance	(4,821)
Total Rates Receivable Outstanding	<u>271,157</u>

Closing Balances - Prior Year	339,633
Rates Levied this Year	(1,768)
Closing Balances - Current Month	(275,978)
Total Rates Collected to Date	<u>61,888</u>
<i>Percentage Collected</i>	<i>18%</i>



Comments / Notes

(b) General Receivables	31 Jul 20
	\$
Current	421,383
30 Days	56,504
60 Days	13,053
90+ Days	24,820
Total General Receivables Outstanding	<u>515,760</u>



Comments / Notes

Amounts shown above include GST (where applicable)

SHIRE OF CUE

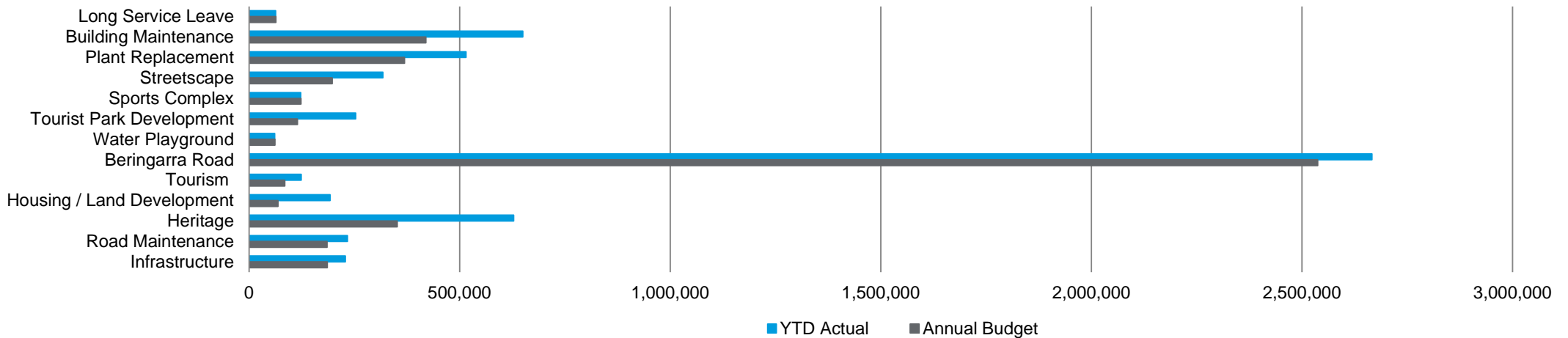
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2020

7. CASH BACKED RESERVES

Reserve Name	Annual Budget				YTD Actual				
	Balance 01 Jul 20	Transfers from	Interest Received	Transfer to	Balance 30 Jun 21	Transfers from	Interest Received	Transfer to	Balance 31 Jul 20
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave	62,945	-	625	-	63,570	-	130	-	63,075
Building Maintenance	648,556	(235,000)	6,441	-	419,997	-	1,337	-	649,893
Plant Replacement	514,091	(150,000)	5,105	-	369,196	-	1,060	-	515,151
Streetscape	317,311	(123,000)	3,151	-	197,462	-	654	-	317,965
Sports Complex	122,177	-	1,213	-	123,390	-	252	-	122,428
Tourist Park Development	252,361	(140,000)	2,506	-	114,867	-	520	-	252,882
Water Playground	60,699	-	603	-	61,302	-	125	-	60,824
Beringarra Road	2,660,835	(150,000)	26,423	-	2,537,258	-	5,485	-	2,666,320
Tourism	123,258	(40,000)	1,224	-	84,482	-	254	-	123,512
Housing / Land Development	191,829	(150,000)	1,905	25,000	68,734	-	395	-	192,224
Heritage	626,815	(281,070)	6,225	-	351,970	-	1,292	-	628,107
Road Maintenance	232,939	(50,000)	2,313	-	185,252	-	480	-	233,419
Infrastructure	228,160	(45,000)	2,266	-	185,426	-	470	-	228,630
Total Cash Backed Reserves	6,041,975	(1,364,070)	60,000	25,000	4,762,905	-	12,455	-	6,054,430

Annual Budget v YTD Actual



SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

8. DISPOSAL OF ASSETS

Annual Budget

	WDV	Proceeds	Profit	(Loss)
	\$	\$	\$	\$
Transport				
Plant and Equipment				
Caterpillar Skid Steer Loader	23,700	45,000	21,300	-
Town Crew Tipping Tray Ute	25,200	30,000	4,800	-
Toyota Landcruiser VX	62,400	85,000	22,600	-
Nissan Navarra 2WD	5,000	10,000	5,000	-
Total Disposal of Assets	116,300	170,000	53,700	-
Total Profit or (Loss)				53,700

YTD Actual

	WDV	Proceeds	Profit	(Loss)
	\$	\$	\$	\$
Transport				
Plant and Equipment				
Caterpillar Skid Steer Loader	-	-	-	-
Town Crew Tipping Tray Ute	-	-	-	-
Toyota Landcruiser VX	-	-	-	-
Nissan Navarra 2WD	-	-	-	-
Total Disposal of Assets	-	-	-	-
Total Profit or (Loss)				-

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

9. CAPITAL ACQUISITIONS

(a) Land and Buildings

	Annual Budget	YTD Budget	YTD Actual	YTD Variance
	\$	\$	\$	\$
Housing				
Staff Unit Housing Development	1,000,000	83,332	-	83,332
Pensioner Housing Development	1,000,000	83,331	-	83,331
GROH Housing	917,000	76,415	15,000	61,415
Staff Housing	250,000	20,833	52,500	(31,667)
	3,167,000	263,911	67,500	196,411
Recreation and Culture				
Great Fingal Mine Office	2,000,000	166,666	-	166,666
Old Railway Building and Youth Centre	395,000	32,916	20,673	12,243
Town Hall Upgrades	190,000	15,831	-	15,831
Heritage Building Renovations	130,000	10,831	2,285	8,546
Bowling Green Upgrade	10,000	833	-	833
	2,725,000	227,077	22,959	204,118
Transport				
Works Depot Improvements	30,000	2,500	-	2,500
	30,000	2,500	-	2,500
Economic Services				
Tourist Park House and Office	400,000	33,331	21,427	11,904
Tourist Park Ablutions	100,000	8,333	-	8,333
Old Gaol Restoration	60,000	5,000	-	5,000
Old Municipal Building Improvements	60,000	4,998	-	4,998
Pension Hut Renovation	10,500	875	-	875
	630,500	52,537	21,427	31,110
Other Property and Services				
Administration Building Improvements	35,000	2,914	-	2,914
	35,000	2,914	-	2,914
Total Land and Buildings	6,587,500	548,939	111,886	437,053

(b) Plant and Equipment

	Annual Budget	YTD Budget	YTD Actual	YTD Variance
	\$	\$	\$	\$
Transport				
Caterpillar Skid Steer Loader	120,000	10,000	-	10,000
Toyota Landcruiser VX	85,000	7,083	-	7,083
Street Sweeper	50,000	4,167	-	4,167
Town Crew Tipping Tray Ute	45,000	3,750	-	3,750
Nissan Navarra 2WD	30,000	2,500	-	2,500
Ride-on Mower	25,000	2,083	-	2,083
Excavator Grapple	15,000	1,250	-	1,250
Bitumen Sprayer	12,000	1,000	-	1,000
Road Maintenance Equipment	12,000	1,000	-	1,000
Workshop Equipment	10,000	833	-	833
Dual Axle Heavy Duty Bitumen Trailer	10,000	833	-	833
Town Maintenance Equipment	6,000	500	-	500
	420,000	35,000	-	35,000
Total Plant and Equipment	420,000	35,000	-	35,000

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

9. CAPITAL ACQUISITIONS (Continued)

(c) Furniture and Equipment

	Annual Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$
Governance				
Council Furniture and Equipment	10,000	833	-	833
	10,000	833	-	833
Housing				
Staff Housing	15,000	1,250	2,738	(1,488)
	15,000	1,250	2,738	(1,488)
Economic Services				
Pension Hut Furniture and Equipment	10,000	833	-	833
	10,000	833	-	833
Other Property and Services				
Administration Furniture and Equipment	25,000	2,083	-	2,083
	25,000	2,083	-	2,083
Total Furniture and Equipment	60,000	4,999	2,738	2,261

(d) Infrastructure - Roads

	Annual Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$
Transport				
Flood Damage Restoration	3,123,336	260,277	250,305	9,972
Wilgie Mia Road	2,100,000	175,000	-	175,000
Roads to Recovery	593,843	49,486	-	49,486
Construction - Muni Funds Roads	190,000	15,831	26,457	(10,626)
Regional Roads Group	180,000	14,999	-	14,999
Cue-Beringarra Road	150,000	12,500	-	12,500
Grid Widening Program	100,000	8,333	-	8,333
	6,437,179	536,426	276,762	259,663
Total Infrastructure - Roads	6,437,179	536,426	276,762	259,663

(e) Other Infrastructure

	Annual Budget \$	YTD Budget \$	YTD Actual \$	YTD Variance \$
Community Amenities				
Waste Site - Fencing and Improvements	325,000	27,081	-	27,081
Deep Sewerage	240,000	20,000	-	20,000
Cemetery Niche Wall	35,000	2,914	-	2,914
	600,000	49,995	-	49,995
Recreation and Culture				
Playground Equipment	220,000	18,331	-	18,331
Sporting Facilities	100,000	8,332	-	8,332
Oval Infrastructure	50,000	4,166	-	4,166
Walk and Cycle Trails	40,000	3,333	-	3,333
	410,000	34,162	-	34,162

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

9. CAPITAL ACQUISITIONS (Continued)

(e) Other Infrastructure (Continued)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance
	\$	\$	\$	\$
Transport				
Airport Runway Resealing	1,400,000	116,665	31,000	85,665
Artificial Lawn and Retic	45,000	3,748	-	3,748
	1,445,000	120,413	31,000	89,413
Economic Services				
Heydon Place Industrial Development	372,500	31,040	66,010	(34,970)
Museum Project	180,000	14,998	-	14,998
Austin Street Development	100,000	8,333	-	8,333
Garden Rock Development	100,000	8,333	-	8,333
Streetscape	75,000	6,248	-	6,248
Tourist Park Improvements	40,000	3,331	-	3,331
CCTV	33,500	2,791	-	2,791
RV Site	30,000	2,498	-	2,498
Oasis Visitor Parking Project	23,000	1,916	-	1,916
Standpipe Automation	20,000	1,666	-	1,666
	974,000	81,154	66,010	15,144
Total Infrastructure - Other	3,429,000	285,724	97,010	188,714
Total Capital Expenditure	16,933,679	1,411,088	488,397	922,691

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

10. RATING INFORMATION

	Rateable Value \$	Valuation \$	Number of Properties #	Annual Budget Revenue \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	YTD Actual Revenue \$
General Rates								
GRV Residential	561,024	0.106200	93	59,581	-	-	-	-
GRV Commercial	299,208	0.106200	5	31,776	-	-	-	-
GRV Vacant Land	-	0.106200	0	-	-	-	-	-
GRV M & T Workforce	246,750	0.300000	2	74,025	-	-	-	-
UV Mining	7,418,800	0.283334	332	2,101,999	-	-	(1,768)	(1,768)
UV Pastoral	563,097	0.076564	14	43,112	-	-	-	-
Total General Rates				2,310,493	-	-	(1,768)	(1,768)
Minimum Rates								
GRV Residential	105,129	451.00	46	20,746	-	-	-	-
GRV Commercial	-	451.00	0	-	-	-	-	-
GRV Vacant Land	8,780	451.00	41	18,491	-	-	-	-
GRV M & T Workforce	-	451.00	0	-	-	-	-	-
UV Mining	100,402	451.00	131	59,081	-	-	-	-
UV Pastoral	12,295	451.00	4	1,804	-	-	-	-
Total Minimum Rates				100,122	-	-	-	-
Total General and Minimum Rates				2,410,615	-	-	(1,768)	(1,768)
Other Rate Revenue								
Rates Written-off				(43,645)				-
Discounts / Concessions				(6,355)				-
Interim and Back Rates				5,000				-
Total Funds Raised from Rates				2,365,615				(1,768)

SHIRE OF CUE

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2020

11. INFORMATION ON BORROWINGS

(a) Debenture Repayments

	01 Jul 20	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
			YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Housing								
GROH House (WATC)	935,015	-	45,386	91,176	889,629	843,839	11,586	22,500
Total Repayments*	935,015	-	45,386	91,176	889,629	843,839	11,586	22,500

(b) Debenture Terms

	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%	77,809	902,191
					94,149		77,809	902,191

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

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

12. GRANTS, SUBSIDIES AND CONTRIBUTIONS

(a) Operating Grants, Subsidies and Contributions

	Grant Provider	Annual Budget \$	YTD Budget \$	YTD Actual \$
General Purpose Funding				
General Commission Grants	WA Government	675,264	56,272	-
Roads Commission Grants	WA Government	277,522	23,126	-
		952,786	79,398	-
Law, Order and Public Safety				
ESL Grant	FESA	7,500	625	-
		7,500	625	-
Recreation and Culture				
Donations Received		800	66	-
		800	66	-
Transport				
MRWA RRG Direct Grant	MRWA	82,500	6,875	-
Airport Grants and Contributions	RADS	25,000	2,083	-
Road Maintenance		500	41	-
		108,000	8,999	-
Other Property and Services				
Diesel Fuel Rebate		35,000	2,916	1,403
Sundry Income Admin		5,000	416	10,038
		40,000	3,332	11,441
Total Grants, Subsidies and Contributions		1,109,086	92,420	11,441

SHIRE OF CUE
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2020

12. GRANTS, SUBSIDIES AND CONTRIBUTIONS (Continued)

(b) Non-operating Grants, Subsidies and Contributions

	Grant Provider	Annual Budget \$	YTD Budget \$	YTD Actual \$
General Purpose Funding				
Local Roads / Community Infrastructure	Federal	340,000	28,333	-
		340,000	28,333	-
Housing				
Pensioner Housing Development	WA Government	700,000	58,333	-
Staff Unit Development	WA Government	500,000	41,667	-
		1,200,000	100,000	-
Community Amenities				
Deep Sewerage	Royalties for Regions	160,000	13,333	-
Waste Site Development		100,000	8,333	-
		260,000	21,666	-
Recreation and Culture				
Great Fingall Mine Development	WA Government	1,500,000	125,000	-
Great Fingall Mine Development		250,000	20,833	-
Railway Building	WA Government	330,000	27,500	-
Playground	WA Government	110,000	9,166	-
		2,190,000	182,499	-
Transport				
Flood Damage Reimbursement	DFES	3,123,336	260,278	62,290
Wilgie Mia Reimbursement		2,100,000	175,000	-
Airport Grants and Contributions	RADS	1,050,000	87,500	-
Airport Grants and Contributions		350,000	29,166	-
Roads to Recovery	Federal	593,843	49,487	-
RRG - RRG Road Project Grant	RRG	120,000	10,000	-
		7,337,179	611,431	62,290
Economic Services				
Heydon Place Industrial Development		135,000	11,250	-
Tourism and Area Promotion		50,000	4,167	-
		185,000	15,417	-
Total Grants, Subsidies and Contributions		11,512,179	959,346	62,290

SHIRE OF CUE
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Period Ending 31 July 2020

13. BUDGET AMENDMENTS

Code	Description	Resolution / Classification	Increase in Cash \$	Decrease in Cash \$	Running Balance \$
Amended Budget Totals			-	-	-

10.3 CORPORATE BUSINESS PLAN REVIEW

APPLICANT: Shire of Cue
DISCLOSURE OF INTEREST: Nil
AUTHOR: Richard Towell – Deputy Chief Executive Officer
DATE: 13 August 2020

Matters for Consideration:

To adopt the Shire of Cue’s review of the Corporate Business Plan as attached at [Appendix 3](#).

Background:

The Local Government (Administration) Regulations 1996 were amended in August of 2011 with the inclusion of regulation 19DA– Corporate Business Plans This regulation requires Councils to produce and maintain a Corporate Business Plan covering a period of at least four (4) years. The Corporate Business Plan sets out the priority actions required to achieve the objectives in the Strategic Community Plan over the next 4 years.

The Shire of Cue adopted an updated Community Strategic Plan in July 2017. This plan was developed in consultation with the community and reflects the values, goals, aspirations and vision of the broader community.

Comments:

A Local Government is required to review its Corporate Business Plan every year. This review has been undertaken as part of the 2020-2021 Annual Budget preparations with the proposed plan being updated to reflect the next four years in line with the financial forecasts adopted in the Strategic Resource Plan presented to council in April 2019.

The Corporate Business Plan links the projects identified in the Long Term Financial Plan and Asset Management Plan back to the Strategic Community Plan and forms the basis for the Annual Budget.

The Corporate Business Plan also draws upon the other planning documents which form part of Council’s integrated planning. These include the Workforce Plan and operational plans. The Corporate Business Plan shows the actions that will be undertaken to achieve each objective and the timing of each action. Some actions are ongoing while others relate to specific projects.

Statutory Environment:

Local Government Act 1995

5.56. Planning for the future

- (1) A local government is to plan for the future of the district.
- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

Local Government (Administration) Regulations 1996 – Section 19DA

11. 19DA. Corporate business plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
- (3) A corporate business plan for a district is to —
 - (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government’s priorities for dealing with the objectives and aspirations of the community in the district; and
 - (b) govern a local government’s internal business planning by expressing a local government’s priorities by reference to operations that are within the capacity of the local government’s resources; and
 - (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.
- (4) A local government is to review the current corporate business plan for its district every year.
- (5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government’s strategic community plan.
- (6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.

*Absolute majority required.

- (7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

Policy Implications:

As part of the integrated planning framework, the Corporate Plan will guide Council’s future budget decision-making processes.

Financial Implications:

The Corporate Business Plan guides the actions for the coming years to achieve the objectives in the Community Strategic Plan. Major projects over this time are expected to be funded by grant funding, reserve funds or operating revenues.

Strategic Implications:

Shire of Cue Strategic Community Plan 2017- 2027

Outcome 2.1.2: Continue to improve and review organisational plans.

Consultation:

Rob Madson - Chief Executive Officer

Travis Bate - RSM Australia Pty Ltd

Officer’s Recommendation:

Voting Requirement: Absolute Majority

To adopt the Shire of Cue’s review of the Corporate Business Plan as attached at [Appendix 3](#).

Council Decision:

Voting requirement: Absolute Majority

MOVED:

SECONDED:

CARRIED:

APPENDIX 3



Shire of Cue

Corporate Business Plan

2020 to 2024



Contents

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- Mission.....2
- Values.....2
- How to use this Plan.....3
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Vision

The Shire of Cue – Queen of the Murchison, will be a place that is liveable for residents, profitable for local enterprises and welcoming and accessible for visitors

Mission

Council will provide the leadership to provide and develop service opportunities to meet social, economic and environmental needs for the benefit of, and in partnership with, the Community

Values

Accountability

We will ensure continued compliance with our statutory obligations

Community

We will invite community participation in the development of our town and Shire

Heritage

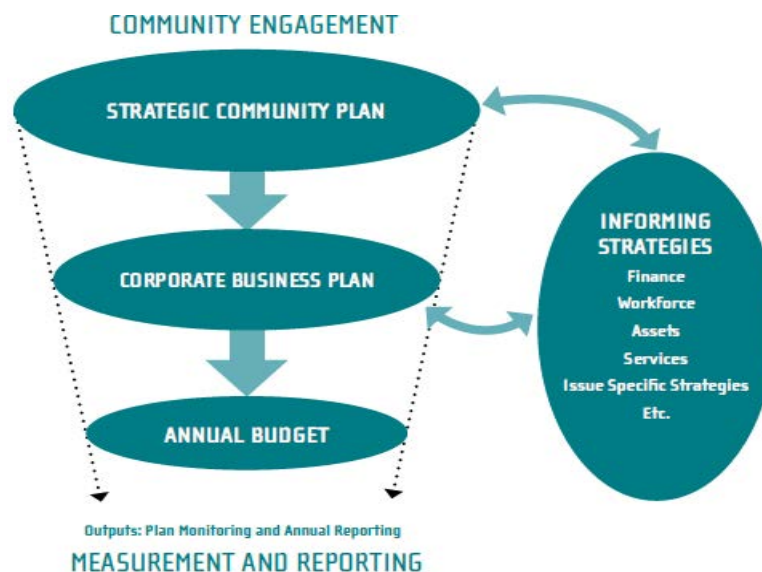
We recognise our shared responsibility as custodians of the district's rich and diverse European and Indigenous heritage

Sustainability

We will work towards ensuring that our plans and actions contribute towards the long term sustainability of the Shire of Cue

How to use this Plan

The Strategic Community Plan is a long term plan that sets out the Council's vision and strategies to achieve it over a minimum ten year period. The plan was first adopted by the Shire on behalf of the community on the 16th of June 2013. The plan is reviewed on a regular basis and every two years with a full review and adoption being undertaken in July 2017. The Corporate Business Plan provides direction over four years to outline the activities and resources required to meet the objectives of the Strategic Community Plan. The Annual Budget is driven by the actions and strategies outlined in the Corporate Business Plan. This is part of WA's Integrated Planning and Reporting Framework illustrated below:



The framework aims to ensure that:

- The community is involved in significant decisions
- The organisation is focused on the right priorities
- Assets are affordable and support the right services
- The Plan can be adapted while maintaining sustainability; and
- Other agencies are engaged on how to achieve better outcomes with and for the community.

Planning Framework

Strategic Community Plan

The Strategic Community Plan was prepared to cover a minimum period of 10 years and sets out the community's vision, aspirations and values. To achieve the vision, a series of outcomes and strategies were developed. Many strategies may be required to achieve a single outcome and many outcomes needed to achieve a single objective.

Individual strategies all require actions that may involve additional human, physical and financial resources. In addition, achieving these strategies may require a series of actions over time as they may not be able to be achieved concurrently, taking into account limited resources.

To achieve the Shire's strategic outcomes requires careful operational planning and prioritisation. This planning process is formalised as a Corporate Business Plan which operates on a rolling four-year basis.

Corporate Business Plan

The Corporate Business Plan contains details of the actions and resources (Human, Asset and Financial) to achieve each strategy and acts as an organisational guide for the Council and management.

The financial capacity and asset management practices to support the Corporate Business Plan are set out in the Strategic Resource Plan for the period. This long term planning provides a level of assurance the actions contained in the Corporate Business Plan can be adequately resourced over the next four years and highlights the long term consequences of the application of resources to undertake various projects.

Informing Strategies

Strategic Resource Plan

The Shire has developed an initial Asset Management Plan for major asset classes in accordance with Council's Asset Management Policy. The Asset Management Plan forms a component of an overall Strategic Resource Plan which addresses the Shire's current processes and sets out the steps required to continuously improve the management of Shire controlled assets.

Capital renewal estimates contained within the Strategic Resource Plan will incorporate the Asset Management Plan and the Long Term Financial Plan.

The Shire of Cue is planning for a positive and sustainable future. The Shire seeks to maintain, and where possible, improve service levels into the future while maintaining a healthy financial position.

During the development of this Corporate Business Plan, the Long Term Financial Plan was updated to confirm the financial capability to undertake the planned actions and ensure integration with this Plan. The results of this update are reflected within the Forecast Statement of Funding included within this document.

Operational Plan

The Operational Plan incorporates the Workforce and Information Technology and Communications Plans. These are necessary to deliver the objectives, outcomes and strategies of the Shire's Strategic Community Plan.

Workforce and Information Technology & Communication issues have been considered during the development of this Corporate Business Plan and the financial impacts of the Operational Plan captured within the Strategic Resource Plan. A combination of the workforce and financial constraints has influenced the prioritisation of actions within this Plan.

Review of Plan

The major review of this Plan occurred following a major review of the Strategic Community Plan in 2017. A minor review was conducted in 2020. The Corporate Business Plan will be reviewed and updated annually as part of the Shire's budget deliberations.

Forecast Statement of Funding

REVENUES	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Rate Levies (Under adopted assumptions)	2,363,221	2,451,556	2,543,193	2,638,256	2,736,872
Other Revenue	6,249,584	6,445,716	5,792,562	3,950,704	4,914,937
Revenues Sub-total	8,612,805	8,897,272	8,335,755	6,588,960	7,651,809
EXPENSES					
All Operating Expenses	(6,428,720)	(6,611,579)	(6,773,142)	(6,899,627)	(7,040,239)
Net Operating Profit/(Loss)	2,184,085	2,285,693	1,562,613	(310,667)	611,570
NON-CASH ITEMS					
(Profit)/Loss on Asset Disposals	-	-	-	-	-
Movements in Provisions and Accruals	-	-	-	-	-
Movement in Non-Current Debtors	-	-	-	-	-
Depreciation on Assets	2,605,467	2,695,977	2,763,045	2,792,611	2,833,898
Sub-total	2,605,467	2,695,977	2,763,045	2,792,611	2,833,898
CAPITAL EXPENDITURE AND REVENUE					
Development of Land Held for Resale	-	-	-	-	-
Purchase Land and Buildings	(2,907,740)	(3,180,272)	(2,599,370)	(186,682)	(663,345)
Infrastructure Assets - Roads	(1,115,003)	(1,247,072)	(1,138,525)	(1,227,517)	(1,141,239)
Infrastructure Assets - Other	(672,781)	(413,074)	(610,381)	(328,108)	(1,797,525)
Purchase Plant and Equipment	(793,222)	(680,595)	(589,988)	(737,678)	(524,181)
Purchase Furniture and Equipment	(56,734)	(60,306)	(64,021)	(67,884)	(71,901)
Proceeds Disposal of Assets	220,631	129,227	204,205	107,484	226,140
Repayment of Debentures	(85,385)	(87,896)	(90,634)	(93,379)	(96,208)
Proceeds from New Debentures	-	-	-	-	-
Self-supporting Loan Principal	-	-	-	-	-
Transfers to Reserves	(50,000)	(66,439)	(51,553)	(91,792)	(1,000)
Transfers from Reserves	670,681	624,757	614,610	143,614	623,791
Net Cash from Activities	(4,789,553)	(4,981,669)	(4,325,658)	(2,481,944)	(3,445,467)
ESTIMATED SURPLUS/(DEFICIT) JULY 1 B/FWD	-	-	-	-	-
ESTIMATED SURPLUS/(DEFICIT) JUNE 30 C/FWD	-	-	-	-	-

Capital Program

A number of actions are forecast to be undertaken during the life of the Plan which result in additional capital expenditure. The additional activities are summarised below along with an indication of the forecast capital expenditure extracted from the Strategic Resource Plan.

Project Description	Strategy No	Action No	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Cue Airport Runway Upgrade	1.1.1	1.1.1.2	105,063	-	-	-	1,739,540
Streetscape Development	1.1.2	1.1.2.2	-	-	-	56,570	-
Austin Street Development	1.1.2	1.1.2.2	-	53,845	-	-	-
Industrial Area Development	1.1.3	1.1.3.2	157,594	43,076	165,572	45,256	202,946
Staff Housing Improvements	1.2.1	1.2.1.3	56,734	60,306	64,021	67,884	71,901
RV Site Development	1.2.1	1.2.1.5	-	-	-	28,285	-
Tourist Park Expansion and Improvement	1.2.1	1.2.1.6	52,531	26,922	27,595	28,285	28,992
Historical Cottage Renovations	1.2.2	1.2.2.1	10,506	-	-	33,942	-
Refurbish of Old Jail	1.2.2	1.2.2.2	52,531	269,223	-	-	-
Eco Trail Development	1.2.3	1.2.3.3	-	-	-	45,256	-
Museum	1.2.3	1.2.3.4	105,063	-	-	-	-
Pensioner Housing Development	3.1.1	3.1.1.2	-	538,445	-	-	-
Purchase of Staff Housing	3.1.1	3.1.1.3	157,594	161,534	358,739	-	347,908
Rifle Range Road Upgrade	3.1.3	3.1.3.1	-	-	55,191	-	-
Oasis Visitor Parking Project	3.1.3	3.1.3.1	-	-	27,595	-	-
Resurface Sports Courts	3.1.3	3.1.3.4	78,797	-	-	-	-

Capital Program

Project Description	Strategy No	Action No	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Cemetery Upgrade	3.1.3	3.1.3.5	26,266	-	-	-	-
Town Hall Upgrade	3.1.3	3.1.3.6	-	-	-	28,285	-
Develop Old Railway Building into Youth Centre	3.2.1	3.2.1.1	367,719	53,845	11,038	11,314	11,597
Town Oval Infrastructure	3.2.1	3.2.1.3	-	32,307	-	28,285	-
Water Park	3.2.1	3.2.1.3	26,266	-	-	22,628	-
Playground and Outdoor Fitness Circuit	3.2.3	3.2.3.1	157,594	26,922	-	67,884	-
Dog Fence Development	4.1.1	4.1.1.3	-	-	-	22,628	-
Dual Use Pathway Program	4.3.1	4.3.1.1	153,681	159,412	145,094	124,394	149,701
Deep Sewerage System	4.3.1	4.3.1.2	200,000	300,000	500,000	-	-
Beringarra Cue Road Reseal	4.3.1	4.3.1.4	52,531	53,845	55,191	56,570	57,985
Grid Widening Project	4.3.1	4.3.1.4	21,013	86,151	22,076	90,513	23,194
Plant Replacement	4.3.1	4.3.1.4	572,591	551,368	385,783	630,194	298,041
Equipment Replacement	4.3.1	4.3.1.4	28,367	30,153	32,011	33,942	35,950
Road Maintenance and Construction	4.3.1	4.3.1.4	861,513	947,664	860,974	956,040	910,359
Old Municipal Chambers Development	4.3.2	4.3.2.1	-	-	-	-	28,992
Great Fingal Mine Office	4.3.3	4.3.3.1	2,000,000	2,000,000	2,000,000	-	-
Building Improvements	4.3.3	4.3.3.4	28,367	30,153	32,011	33,942	35,950
Recycling Initiatives	4.4.1	4.4.1.2	26,266	26,922	-	-	-
Waste Oil Facility Upgrade	4.4.4	4.4.4.2	-	-	-	28,285	-
Waste Site Fencing and Improvements	4.4.4	4.4.4.2	26,266	-	55,191	-	28,992

Economic Objective

The following tables reflect the future actions to be undertaken for each strategy.

Desired Outcomes and Strategies

The following desired outcomes and strategies have been identified as being required to achieve this objective.

Outcome 1.1 Maximise local economic opportunities to benefit the whole community

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
1.1.1	Work with the mining and pastoral sectors to grow and support local infrastructure and services	1.1.1.1	Develop aircraft storage and refuelling facilities for Cue Airport							■
		1.1.1.2	Seal runway for Cue Airport to accommodate jet arrivals and departures	■				■	■	
		1.1.1.3	Development of the Murchison Regional Vermin Council dog fence							■
		1.1.1.4	Work with local mining operators to align infrastructure development and services to benefit the community	■	■	■	■	■	■	
1.1.2	Develop main street shopping and commercial precinct by working with property owners to maintain and improve our heritage listed buildings	1.1.2.1	Explore funding opportunities to maintain and develop heritage buildings for business development	■	■	■	■	■	■	
		1.1.2.2	Develop and maintain Cue's main street, including banners and flower	■	■	■	■	■	■	
		1.1.2.3	Manage existing building and structures to ensure they are safe and comply with legislative	■	■	■	■	■	■	
1.1.3	Utilise the land available in the area for a range of new business to be self-sustaining	1.1.3.1	Investigate uses for old Power Station site	■	■	■	■	■		
		1.1.3.2	Continue to develop industrial area and incubator hub	■	■	■	■	■	■	
		1.1.3.3	Encourage and support new light industrial and retail businesses in keeping with our vision through enabling planning regulations and	■	■	■	■	■	■	
		1.1.3.4	Develop and implement an Economic Development Strategy to guide economic growth and develop a local workforce	■	■	■	■	■	■	

Economic Objective

Outcome 1.2 Develop strategies to increase number of tourists visiting the Shire

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
1.2.1	Investigate strategies to increase visitor accommodation options in the shire	1.2.1.1	Investigate strategies to increase visitor accommodation options in the	■	■	■	■	■	■	
		1.2.1.3	Develop old Tourist Park residence into Transit House	■	■	■	■	■	■	
		1.2.1.5	Develop overflow areas				■			
		1.2.1.6	Continue Tourist Park upgrade and improvements	■	■	■	■	■	■	
		1.2.1.7	Investigate and promote overnight and short stay options in the town, including renovation of existing	■	■	■	■	■	■	
1.2.2	Showcase our heritage and mining attractions	1.2.2.1	Refurbish Historic Cottages	■			■			■
		1.2.2.2	Refurbish Old Jail and investigate uses	■	■					
		1.2.2.3	Explore significance of nearby old mine sites	■	■	■	■	■	■	
1.2.3	Develop new tourism attractions to enhance and encourage visitors to stay longer	1.2.3.1	Support the existing and new local events that promote visitation to the Shire including marketing	■	■	■	■	■	■	

Economic Objective

Outcome 1.2 Develop strategies to increase number of tourists visiting the Shire

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
1.2.3		1.2.3.2	Explore the development of facilities to support tourism activities	■	■	■	■	■	■	
		1.2.3.3	Investigate establishing Eco and Indigenous heritage trails for tourist use	■	■	■	■	■	■	■
		1.2.3.4	Develop a local museum	■						■
1.2.4	To work with the Department of Mines to develop designated gold prospecting areas	1.2.4.1	Work with the Department of Mines to develop a gold prospecting park	■					■	

Leadership Objective

Outcome 2.1 A strategically focused and unified Council functioning efficiently

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
2.1.1	Continued professional development of Elected Members and Staff	2.1.1.1	Continued budget provision for staff and elected member training	■	■	■	■	■	■	
2.1.2	Continue to improve and review organisational plans	2.1.2.1	Maintain and implement strategic plans and ensure legislative compliance	■	■	■	■	■	■	
		2.1.2.2	Continue to review, update and maintain operation plans	■	■	■	■	■	■	
2.1.3	Maintain accountability and financial responsibility	2.1.3.1	Regular Council meetings and forums are held to facilitate transparent and informed decision making, including Cue Parliament	■	■	■	■	■	■	
		2.1.3.2	The Shire is represented on key local and regional organisations	■	■	■	■	■	■	
		2.1.3.3	Develop Council appropriate policies that enable good: governance, development, services and growth	■	■	■	■	■	■	

Leadership Objective

Outcome 2.2 Strengthen our communities' position for the future

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
2.2.1	Effective community and stakeholder engagement	2.2.1.1	Develop a community engagement approach to guide Council engagement with the Shires residents	■	■	■	■	■	■	■
		2.2.1.2	Use print, electronic and social media to proactively engage with residents	■	■	■	■	■	■	■
		2.2.1.3	Council actively engages and works with key State and strategic partners to advocate on behalf of the Shire	■	■	■	■	■	■	■
		2.2.1.4	Ensure residents are informed of key decisions, options considered and any implications of decisions	■	■	■	■	■	■	■
2.2.2	Maintain a strong customer focus	2.2.2.1	Develop opportunities for improved customer service through the increased use of technology	■	■	■	■	■	■	■
		2.2.2.2	Monitor and follow up community requests	■	■	■	■	■	■	■
2.2.3	Provide support to community and education groups	2.2.3.1	Provide support to community and education groups	■	■	■	■	■	■	■

Social Objective

Outcome 3.1 Community infrastructure that meets the needs of our Residents

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
3.1.1	Increase affordable housing options for existing residents and to attract new families	3.1.1.1	Investigate residential development and affordable housing options	■	■	■	■	■	■	
		3.1.1.2	Development of Aged Persons units		■					■
		3.1.1.3	Build new staff houses/units	■	■	■		■	■	
		3.1.1.4	Work with State Government to ensure effective management of local housing	■	■	■	■	■	■	
3.1.2	Lobby for improved local health services to provide greater and more timely access for the community	3.1.2.1	Work with State government to improve health services	■	■	■	■	■	■	
3.1.3	Provide, maintain and improve community infrastructure	3.1.3.1	Provide and maintain community buildings and facilities	■	■	■	■	■	■	
		3.1.3.2	Investigate opportunities to develop transportation options into Cue – air and road	■	■	■	■	■	■	
		3.1.3.3	Provide and maintain a Town Planning Scheme, subdivision and development control services	■	■	■	■	■	■	
		3.1.3.4	Surface renewal for sports courts	■						
		3.1.3.5	Cemetery infrastructure upgrades	■						
		3.1.3.6	Town Hall upgrades				■			■
3.1.4	Lobby for improved water quality	3.1.4.1	Work with State Government to improve water quality	■	■	■	■	■	■	
3.1.5	Investigate renewable energy options for the district	3.1.5.1	Explore utilisation of alternative energy sources for the Cue region	■	■	■	■	■	■	

Social Objective

Outcome 3.2 Encourage community participation and services

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
3.2.1	Develop community facilities to provide places and activities for	3.2.1.1	Refurbish old Railway station and establish a Youth Centre	■	■	■	■	■		■
		3.2.1.3	Provide and maintain community sporting and recreational facilities	■	■	■	■	■	■	
		3.2.1.4	Explore the development of a youth community centre and related	■	■	■	■	■	■	
3.2.2	Increase Aboriginal involvement and engagement in the development of the community	3.2.2.1	Explore the development and implementation of a strategy to address aboriginal housing and employment needs and which celebrates culture	■	■	■	■	■	■	
3.2.3	Encourage healthy living and social interaction	3.2.3.1	Develop a playground and outdoor fitness circuit	■	■		■			■
		3.2.3.3	Provide public library services	■	■	■	■	■	■	
3.2.4	Support provision of emergency services, support and encourage community volunteers	3.2.4.1	Continue to Support provision of emergency services, support and encourage community volunteers	■	■	■	■	■		
3.2.5	Support a safe community environment	3.2.5.1	Provide environmental health services to protect public health	■	■	■	■	■	■	
		3.2.5.2	Provide Ranger services including animal control and bushfire control	■	■	■	■	■	■	

Environmental Objective

Outcome 4.1 To protect and uphold our natural environment

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
4.1.1	Support biosecurity management within our shire	4.1.1.1	Continued support for the regional vermin proof fence	■	■	■	■	■	■	
		4.1.1.2	Provide weed management services	■	■	■	■	■	■	
		4.1.1.3	Support construction of the Murchison Vermin Cell	■	■	■	■	■	■	
		4.1.1.4	Meet regularly with pastoralists, and DEC on environmental bio-security and undertake vermin and pest control activities where appropriate	■	■	■	■	■	■	
4.1.2	Encourage locals and visitors to participate in keeping our natural bushlands free of rubbish	4.1.2.1	Encourage Visitors to pick up rubbish by providing bin bags	■	■	■	■	■	■	
4.1.3	Sustainable environmental protection	4.1.3.1	Provide natural resource management services	■	■	■	■	■	■	
4.1.4	Showcase and protect areas of natural significance	4.1.4.1	Support opportunities to showcase natural and environmental features of the Shire	■	■	■	■	■	■	
4.1.5	Ensure environmental protection regulations with regards to mining and commercial operations are adhered to	4.1.5.1	EHO reviews applications to the Shire in accordance with Legislative framework	■	■	■	■	■	■	

Outcome 4.2 Protect our indigenous cultural heritage and landscape

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
4.2.1	Maintain and protect areas of cultural significance	4.2.1.1	Investigate funding to undertake education and marketing program on indigenous sites following community consultation	■	■	■	■	■	■	
4.2.2	Seek protection and recognition of sites where appropriate	4.2.2.1	Seek protection and recognition of sites where appropriate	■	■	■	■	■	■	

Environmental Objective

Outcome 4.3 Maintain and improve our built environment

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
4.3.1	Maintain, improve and renew infrastructure	4.3.1.1	Continue councils 14 year dual use pathway plan	■	■	■	■	■	■	
		4.3.1.2	Investigate funding for a deep sewerage system for Cue town site	■	■	■				
		4.3.1.3	Lobby the state for a sewerage system as a community service obligation	■	■	■	■	■	■	
		4.3.1.4	Continue to maintain the Shire's existing assets	■	■	■	■	■	■	
4.3.2	Maintain the integrity of heritage assets	4.3.2.1	Refurbish old Municipal Chambers and investigate uses					■		■
		4.3.2.2	Manage existing building and structures to ensure they are safe and comply with legislative requirements	■	■	■	■	■	■	
4.3.3	Preserve heritage assets for future generations	4.3.3.1	Move the Great Fingall mine office into Cue town site	■	■	■				
		4.3.3.2	Investigate opportunities to purchase heritage buildings	■	■	■	■	■	■	
		4.3.3.3	Preservation of historic buildings	■	■	■	■	■	■	
		4.3.3.4	Continued development of the Gentlemen's Club building	■	■	■	■	■	■	

Environmental Objective

Outcome 4.4 Optimise waste management strategies in the shire

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
4.4.1	Lobby for the introduction of a comprehensive recycling program in the Midwest	4.4.1.1	Lobby for the introduction of a comprehensive recycling program in the Midwest	■	■	■	■	■	■	
		4.4.1.2	Establish and implement a waste management plan	■	■					
4.4.2	Encourage community participation in streetscape improvements	4.4.2.1	Austin Street revitalization and streetscape upgrades	■	■	■	■	■	■	
		4.4.2.2	Implement townscape revitalisation plan	■	■	■	■	■	■	
4.4.3	Instigate a clean-up of our town site and surrounding bushlands	4.4.3.1	Develop a strategy for a community wide waste management education program	■	■	■	■	■	■	
4.4.4	Implement actions that reduce the amount of waste which requires disposal	4.4.4.1	Provide and maintain waste collection services and transfer stations	■	■	■	■	■	■	
		4.4.4.2	Waste Site upgrades	■		■		■	■	

Outcome 4.5 Implement sustainability and protection resources for the future of the area

Strategy Ref	Strategies	Action No	Actions	2019-20	2020-21	2021-22	2022-23	2023-24	Ongoing	Future Years
4.5.1	Ensure local planning strategies consider the local environment	4.5.1.1	Ensure local planning strategies consider the local environment	■	■	■	■	■	■	
4.5.2	Support town centre and tourism strategies	4.5.2.1	Formalise a strategy for the marketing of tourism	■	■	■	■	■	■	
		4.5.2.2	Continue town beautification/revitalisation projects	■	■	■	■	■	■	

Measuring Success

The Shire will review its suite of Strategic Plans on an annual basis.

Objectives		Measures
Economic	<p>We can help grow the local economy</p> <p>Showcasing our attractions increases the number of people visiting the area</p> <p>Visitors stay longer in our community</p> <p>Short-term employees can reside in the Shire</p> <p>Increased customer spending and employment in the Shire</p>	<ul style="list-style-type: none"> • New business start ups • Business growth • Number of jobs in the Shire of Cue per 100 resident workers • Increase in building approvals • Number of visitors to the Shire
Leadership	<p>Community contribution to how local issues are managed</p> <p>Effective communication on key decisions</p> <p>A sustainable and progressive local government</p>	<ul style="list-style-type: none"> • Proportion of people who have trust and confidence in council • Proportion of people who felt confident that their say was taken into consideration
Social	<p>Essential services help us to prosper as a community</p> <p>Increased growth and participation in our community</p> <p>Our community can more easily access the range of services they need at the time they need them</p> <p>Young people are active and contributing positively in our community</p> <p>Stronger, inclusive communities across the Shire that define our identity</p>	<ul style="list-style-type: none"> • Growth in Shire of Cue population • Increase in building approvals • Residents satisfaction with Council services • Persons undertaking voluntary work for an organisation or group
Environment	<p>Protection of our resources to maintain and increase productivity</p> <p>We recognise, protect and uphold the value of our natural landscape and encourage visitors to do the same</p>	<ul style="list-style-type: none"> • Active management of Local Government natural areas of conservation value • Proportion of people who feel a sense of pride in their natural landscape

10.4 ADOPTION OF ANNUAL BUDGET FOR 2020-2021

APPLICANT:	Shire of Cue
DISCLOSURE OF INTEREST:	Nil
AUTHOR:	Richard Towell – Deputy Chief Executive Officer
DATE:	13 August 2020

Matters for Consideration:

That Council adopt the annual budget for the 2020-2021 financial year including supporting schedules attached at [Appendix 4](#).

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 2020-2021 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 \$2,365,615 and total operating revenue of \$4,308,606.

A capital works program totalling \$16,933,679 for investment in infrastructure, property, plant and equipment is planned.

Expenditure on road infrastructure totals \$6,437,179. Road projects include ongoing flood damage restoration works, construction and sealing works on Wilgie Mia Road, Roads to Recovery funding, Regional Road Group funding for Wondinong Road gravel sheeting as well as resealing works on Beringarra Cue Road and allowance for Municipal construction works and grid widening.

\$6,587,500 is budgeted for land and buildings including relocation of the Great Fingal Mine Office, restoration works to the old gaol, 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, restoring of the old Bank of New South Wales building as well as developing staff housing and independent living facilities.

Other infrastructure projects include a niche wall for the cemetery, Heydon Place industrial development, sealing of the runway at the airport, outdoor museum display and upgrades to the waste facilities to improve the management and control of the Cue refuse site.

An estimated surplus of \$3,924,344 is anticipated to be brought forward from 30 June 2020. 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.

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 2020-2021 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 2020-2021 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 2020-2021 Statutory Budget as attached at [Appendix 4](#), which includes the following:

- Statement of Comprehensive income showing a net result for the year of \$8,860,340.
- Statement of Cash Flows.
- Rate Setting Statement showing an amount required to be raised from rates of \$2,365,615
- Notes to and forming part of the Budget and significant accounting policies.
- Acquisition of assets as detailed in Note 4, totalling \$16,933,679.
- Transfer to and from Reserve Accounts as detailed in Note 7, totalling \$(1,279,070)

Council Decision:

Voting requirement: Absolute Majority

MOVED:

SECONDED:

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 2020-2021 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 28.3334 cents in the dollar
- UV Pastoral 7.6564 cents in the dollar
- GRV M&T Workforce 30.00 cents in the dollar
- GRV Residential and Commercial minimum rate \$451
- GRV Vacant Land Minimum Rate \$451
- UV Mining Minimum Rate \$451
- UV Pastoral Minimum Rate \$451

For properties that fit the definition of GRV Commercial under the Objects and Reasons for differential rates, a discount of 20% of the current rates levied will be offered to ratepayers whose payment of the full amount owing including arrears and service charges is received by the single payment due date.

Pursuant to *section 6.46 of the Local Government Act 1995*, Council offers an incentive for the payment of the 2020-2021 rates and charges by the single payment due date by the way of lottery draw for the cash prizes of:

- i. First Prize \$600.00
- ii. Second Prize \$300.00
- iii. Third Prize \$100.00

The terms and conditions that apply to the rates incentive prize are:

- To be eligible for the draw, all outstanding rates and charges must be received on or before the due date of 5 October 2020.
- All ratepayers are eligible.

The drawing of the winners for the above prizes will take place during the Council meeting held on 17 November 2020.

Pursuant to *section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996* Council adopts a charge of \$15 for the four instalment option.

Pursuant to *section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 3% where the ratepayer has elected to pay rates and service charges through an instalment option.

Pursuant to *section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996*, Council nominates the following due dates for payment in full and by instalments:

- Full payment and 1st instalment due 5 October 2020
- 2nd instalment due 7 December 2020
- 3rd instalment due 8 February 2021
- 4th instalment due 12 April 2021

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 8% to be imposed on all outstanding rates and services charges and costs of proceedings to recover such charges that remain unpaid after 5 October 2020 or in the case of instalment options, on all outstanding rate amounts after the due date for payment of the instalment.

Council Decision:	Voting requirement: Absolute Majority
MOVED:	SECONDED:

Part C – Material Variance Reporting for 2020-2021

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 2020-2021 for reporting material variances shall be 10% or \$25,000, whichever is the greater.

Council Decision:	Voting requirement: Simple Majority
MOVED:	SECONDED:

APPENDIX 4

SHIRE OF CUE
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2021
LOCAL GOVERNMENT ACT 1995

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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.

RSM Australia Pty Ltd

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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 14th August 2020

RSM Australia Pty Ltd
Chartered Accountants

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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

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SHIRE OF CUE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	2,365,615	2,392,737	2,337,128
Grants, subsidies and contributions	9(a)	1,109,086	2,080,476	1,390,264
Fees and charges	8	640,905	489,592	599,780
Interest earnings	11(a)(i)	113,500	170,091	184,500
Other revenue	11(a)(ii)	79,500	69,612	89,400
		<u>4,308,606</u>	<u>5,202,510</u>	<u>4,601,072</u>
Expenses				
Employee costs		(2,049,988)	(1,725,813)	(1,859,507)
Materials and contracts		(1,342,851)	(806,755)	(1,396,758)
Utility charges		(342,750)	(268,406)	(286,300)
Depreciation on non-current assets	5	(2,844,800)	(2,746,947)	(2,809,062)
Interest expenses	11(b)(ii)	(22,500)	(12,180)	(8,800)
Insurance expenses		(182,555)	(163,816)	(162,850)
Other expenditure		(228,700)	(75,914)	(225,700)
		<u>(7,014,145)</u>	<u>(5,799,831)</u>	<u>(6,748,977)</u>
Subtotal		<u>(2,705,539)</u>	<u>(597,322)</u>	<u>(2,147,905)</u>
Grants, subsidies and contributions	9(b)	11,512,179	1,661,493	1,410,545
Profit on asset disposals	4(c)	53,700	3,966	64,606
Loss on asset disposals	4(c)	0	(7,051)	(11,432)
		<u>11,565,879</u>	<u>1,658,408</u>	<u>1,463,719</u>
Net result		8,860,340	1,061,087	(684,186)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		8,860,340	1,061,087	(684,186)

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

SHIRE OF CUE

NOTES TO AND FORMING PART OF THE BUDGET FOR THE YEAR ENDED 30 JUNE 2021

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 15 to the budget.

2019/20 ACTUAL BALANCES

Balances shown in this budget as 2019/20 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 2020 the following new accounting policies are to be adopted and may impact the preparation of the budget:

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 is not expected to impact the annual budget. Specific impacts of AASB 2018-7 have not been identified.

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 and concessions 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 and amortisation 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.

SHIRE OF CUE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
Revenue		\$	\$	\$
General purpose funding		3,455,401	4,497,477	3,487,592
Law, order, public safety		10,500	8,712	10,500
Health		1,200	1,208	500
Housing		73,320	25,480	25,480
Community amenities		84,885	72,303	85,500
Recreation and culture		8,100	6,093	7,000
Transport		253,000	272,576	492,500
Economic services		298,200	219,327	371,200
Other property and services		124,000	99,333	120,800
		<u>4,308,606</u>	<u>5,202,510</u>	<u>4,601,072</u>
Expenses excluding finance costs				
Governance		(397,697)	(255,266)	(408,911)
General purpose funding		(261,447)	(204,087)	(251,573)
Law, order, public safety		(113,100)	(58,323)	(81,399)
Health		(78,411)	(46,080)	(92,201)
Education and welfare		(74,556)	(2,590)	(16,955)
Housing		(285,937)	(192,795)	(259,910)
Community amenities		(445,479)	(322,339)	(400,186)
Recreation and culture		(922,896)	(623,146)	(988,224)
Transport		(3,671,806)	(3,475,027)	(3,492,499)
Economic services		(724,119)	(604,124)	(696,558)
Other property and services		(38,696)	(16,055)	(60,561)
		<u>(7,014,145)</u>	<u>(5,799,831)</u>	<u>(6,748,977)</u>
Subtotal		<u>(2,705,539)</u>	<u>(597,322)</u>	<u>(2,147,905)</u>
Grants, subsidies and contributions	9(b)	11,512,179	1,661,493	1,410,545
Profit on disposal of assets	4(c)	53,700	3,966	64,606
(Loss) on disposal of assets	4(c)	0	(7,051)	(11,432)
		<u>11,565,879</u>	<u>1,658,408</u>	<u>1,463,719</u>
Net result		<u>8,860,340</u>	<u>1,061,087</u>	<u>(684,186)</u>
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income		<u><u>8,860,340</u></u>	<u><u>1,061,087</u></u>	<u><u>(684,186)</u></u>

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

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

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.

OBJECTIVE/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.

HEALTH

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

EDUCATION AND WELFARE

Assistance to Cue Primary School, Thoo Thoo Wandu, 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
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	2,365,615	2,333,772	2,337,128
Operating grants, subsidies and contributions	1,238,846	2,776,286	2,607,562
Fees and charges	640,905	489,592	599,780
Interest earnings	113,500	170,091	184,500
Other revenue	79,500	69,324	89,400
	<u>4,438,366</u>	<u>5,839,066</u>	<u>5,818,370</u>
Payments			
Employee costs	(2,049,988)	(1,811,632)	(1,859,507)
Materials and contracts	(1,373,851)	(315,664)	(1,396,758)
Utility charges	(342,750)	(268,406)	(286,300)
Interest expenses	(22,500)	(12,180)	(8,800)
Insurance expenses	(182,555)	(163,816)	(162,850)
Other expenditure	(228,700)	(75,914)	(225,700)
	<u>(4,200,345)</u>	<u>(2,647,611)</u>	<u>(3,939,915)</u>
Net cash provided by (used in) operating activities	3 <u>238,021</u>	<u>3,191,454</u>	<u>1,878,455</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	4(a) (7,067,500)	(870,572)	(4,133,500)
Purchase and construction of infrastructure	4(b) (9,866,179)	(2,930,584)	(2,720,900)
Non-operating grants, subsidies and contributions	9(b) 11,512,179	1,661,493	1,410,545
Proceeds from sale of plant and equipment	4(c) 170,000	133,000	210,000
Net cash provided by (used in) investing activities		<u>(5,251,500)</u>	<u>(5,233,855)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	6(a) (91,176)	(44,985)	(45,000)
Proceeds from new borrowings	6(b) 0	980,000	980,000
Net cash provided by (used in) financing activities		<u>(91,176)</u>	<u>935,015</u>
Net increase (decrease) in cash held	(5,104,655)	2,119,805	(2,420,400)
Cash at beginning of year	9,924,741	7,804,936	7,796,975
Cash and cash equivalents at the end of the year	3 <u><u>4,820,086</u></u>	<u><u>9,924,741</u></u>	<u><u>5,376,575</u></u>

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

SHIRE OF CUE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at 01 Jul - surplus/(deficit)		3,924,344	3,220,738	3,291,633
		3,924,344	3,220,738	3,291,633
Revenue from operating activities (excluding rates)				
General purpose funding		1,089,786	2,104,740	1,150,464
Law, order, public safety		10,500	8,712	10,500
Health		1,200	1,208	500
Housing		73,320	25,480	25,480
Community amenities		84,885	72,303	85,500
Recreation and culture		8,100	6,093	7,000
Transport		306,700	276,542	557,106
Economic services		298,200	219,327	371,200
Other property and services		124,000	99,333	120,800
		1,996,691	2,813,739	2,328,550
Expenditure from operating activities				
Governance		(397,697)	(255,266)	(408,911)
General purpose funding		(261,447)	(204,087)	(251,573)
Law, order, public safety		(113,100)	(58,323)	(81,399)
Health		(78,411)	(46,080)	(92,201)
Education and welfare		(74,556)	(2,590)	(16,955)
Housing		(285,937)	(192,795)	(259,910)
Community amenities		(445,479)	(322,339)	(400,186)
Recreation and culture		(922,896)	(623,146)	(988,224)
Transport		(3,671,806)	(3,482,078)	(3,503,931)
Economic services		(724,119)	(604,124)	(696,558)
Other property and services		(38,696)	(16,055)	(60,561)
		(7,014,145)	(5,806,882)	(6,760,409)
Non-cash amounts excluded from operating activities	2(a)	2,791,100	2,736,898	2,755,888
Amount attributable to operating activities		1,697,991	2,964,493	1,615,662
INVESTING ACTIVITIES				
Purchase property, plant and equipment	4(a)	(7,067,500)	(870,572)	(4,133,500)
Purchase and construction of infrastructure	4(b)	(9,866,179)	(2,930,584)	(2,720,900)
Non-operating grants, subsidies and contributions	9(b)	11,512,179	1,661,493	1,410,545
Proceeds from disposal of assets	4(c)	170,000	133,000	210,000
Amount attributable to investing activities		(5,251,500)	(2,006,664)	(5,233,855)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(91,176)	(44,985)	(45,000)
Proceeds from new borrowings	6(b)	0	980,000	980,000
Transfers to cash backed reserves (restricted assets)	7(a)	(85,000)	(429,258)	(463,135)
Transfers from cash backed reserves (restricted assets)	7(a)	1,364,070	68,021	809,200
Amount attributable to financing activities		1,187,894	573,778	1,281,065
Budgeted deficiency before general rates		(2,365,615)	1,531,607	(2,337,128)
Estimated amount to be raised from general rates	1(a)	2,365,615	2,392,737	2,337,128
Net current assets at 30 Jun - surplus/(deficit)	2(c)	0	3,924,344	0

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

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

1. RATES AND SERVICE CHARGES

(a) Rating Information

General rate	Rate in	Number of properties	Rateable value	2020/21 Budget	2019/20 Actual	2019/20 Budget
Gross rental valuations	\$	#	\$	\$	\$	\$
GRV Residential	0.106200	93	561,024	59,581	60,050	60,050
GRV Commercial	0.106200	5	299,208	31,776	31,776	31,776
GRV Vacant Land	0.106200	0	0	0	0	0
GRV M & T Workforce	0.300000	2	246,750	74,025	74,025	74,025
UV Mining	0.283334	332	7,418,800	2,101,999	2,073,300	2,077,651
UV Pastoral	0.076564	14	563,097	43,112	43,112	43,112
Sub-Totals		446	9,088,879	2,310,493	2,282,263	2,286,614
Minimum payment						
Gross rental valuations						
GRV Residential	451	46	105,129	20,746	20,295	20,295
GRV Commercial	451	0	0	0	0	0
GRV Vacant Land	451	41	8,780	18,491	18,491	18,491
GRV M & T Workforce	451	0	0	0	0	0
UV Mining	451	131	100,402	59,081	56,375	55,924
UV Pastoral	451	4	12,295	1,804	1,804	1,804
Sub-Totals		222	226,606	100,122	96,965	96,514
		668	9,315,485	2,410,615	2,379,228	2,383,128
Discounts (Refer Note 1(h))				(6,355)	(6,355)	(1,000)
Rates Written-off				(43,645)	(5,378)	(50,000)
Interim and Back Rates				5,000	25,242	5,000
Total amount raised from general rates				2,365,615	2,392,737	2,337,128

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 2020/21 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, the estimated revenue to be received from all sources other than rates, as well as 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.

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

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	05 Oct 2020	15	3.0%	8.0%
Option two	07 Dec 2020	15	3.0%	8.0%
Option three	08 Feb 2021	15	3.0%	8.0%
Option four	12 Apr 2021	15	3.0%	8.0%

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
Instalment plan admin charge revenue	1,500	1,200	1,500
Instalment plan interest earned	5,500	4,508	5,500
Unpaid rates and service charge interest earned	16,000	17,893	24,000
	<u>23,000</u>	<u>23,601</u>	<u>31,000</u>

(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 rate

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 2020/21 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 29th July 2020. These rates are in accordance with the advertised schedule. As rates have not increased from 2020, Ministerial approval was not required for the above differential rates in accordance with the *Local Government (COVID-19 Response) Order 2020*.

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.

1. RATES AND SERVICE CHARGES (CONTINUED)

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.

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.

1. RATES AND SERVICE CHARGES (CONTINUED)

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.

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.

**SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021**

1. RATES AND SERVICE CHARGES (CONTINUED)

(f) Specified Area Rate

No Specified Area Rates are expected to be levied in the year ended 30th June 2021.

(g) Service Charges

No Service Charges are expected to be levied in the year ended 30th June 2021.

(h) Rates discounts

Rate or fee to which discount is granted	Discount	2020/21 Budget	2019/20 Actual	2019/20 Budget
	%	\$	\$	\$
GRV - Commercial	20.0%	6,355	6,355	1,000
		6,355	6,355	1,000

Circumstances in which discount is granted

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.

(i) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30 June 2021.

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

2. NET CURRENT ASSETS

Items excluded from calculation of 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.

(a) Operating activities excluded from budgeted deficiency

The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.

	Note	2020/21 Budget 30 Jun 21	2019/20 Actual 30 Jun 20	2019/20 Budget 30 Jun 20
Adjustments to operating activities		\$	\$	\$
Less: Profit on asset disposals	4(c)	(53,700)	(3,966)	(64,606)
Less: Movement in employee provisions		0	(11,676)	0
Less: Movement in fair value of financial assets		0	(288)	0
Less: Movement in deferred pensioner rates		0	(1,170)	0
Add: Loss on disposal of assets	4(c)	0	7,051	11,432
Add: Depreciation on assets	5	2,844,800	2,746,947	2,809,062
Amounts excluded from operating activities		2,791,100	2,736,898	2,755,888

(b) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.

	Note	2020/21 Budget 30 Jun 21	2019/20 Actual 30 Jun 20	2019/20 Budget 30 Jun 20
Adjustments to net current assets		\$	\$	\$
Less: Cash - restricted reserves	7(a)	(4,762,905)	(6,041,975)	(5,334,672)
Less: Current portion of borrowings		91,176	91,176	91,176
Total adjustments to net current assets		(4,671,729)	(5,950,799)	(5,243,496)

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

2. NET CURRENT ASSETS (CONTINUED)

(c) Composition of estimated net current assets

	Note	2020/21 Budget 30 Jun 21	2019/20 Actual 30 Jun 20	2019/20 Budget 30 Jun 20
Current assets		\$	\$	\$
Cash and cash equivalents- unrestricted	3	49,856	2,667,889	33,943
Cash and cash equivalents - restricted				
Cash backed reserves	7(a)	4,762,905	6,041,975	5,334,672
Unspent borrowings	6(c)	0	917,191	0
Deposits and bonds		7,326	7,326	7,960
Unspent grants, subsidies and contributions	9(c)	0	290,360	0
Receivables		630,485	1,050,605	268,579
Contract Asset		26,589	26,589	0
Inventories		16,831	16,831	23,205
		<u>5,493,992</u>	<u>11,018,766</u>	<u>5,668,359</u>
Less: current liabilities				
Trade and other payables		(603,499)	(634,499)	(218,681)
Income received in Advance		(2,525)	(2,525)	(3,595)
Contract liabilities		0	(290,360)	0
Loan Liability		(91,176)	(91,176)	(91,176)
Provisions		(125,064)	(125,064)	(111,411)
		<u>(822,264)</u>	<u>(1,143,624)</u>	<u>(424,863)</u>
Net current assets		<u>4,671,728</u>	<u>9,875,143</u>	<u>5,243,496</u>
Less: Total adjustments to net current assets	2(b)	<u>(4,671,729)</u>	<u>(5,950,799)</u>	<u>(5,243,496)</u>
Closing funding surplus / (deficit)		<u>0</u>	<u>3,924,344</u>	<u>0</u>

SHIRE OF CUE

NOTES TO AND FORMING PART OF THE BUDGET FOR THE YEAR ENDED 30 JUNE 2021

2. 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.

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

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.

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 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.

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.

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

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:

	Note	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
Cash at bank and on hand		57,182	1,575,344	41,903
Term deposits		4,762,905	8,349,397	5,334,672
		<u>4,820,086</u>	<u>9,924,741</u>	<u>5,376,575</u>
Unrestricted cash and cash equivalents		49,856	2,667,889	33,943
Restricted cash and cash equivalents		4,770,230	7,256,852	5,342,632
		<u>4,820,086</u>	<u>9,924,741</u>	<u>5,376,575</u>

The following restrictions have been imposed by regulation or other externally imposed requirements on cash and cash equivalents, and financial assets at amortised cost:

Cash backed reserves	7(a)	4,762,905	6,041,975	5,334,672
Deposits and bonds		7,326	7,326	7,960
Unspent borrowings	6(c)	0	917,191	0
Unspent grants, subsidies and contributions	9(c)(i)	0	290,360	0
		<u>4,770,230</u>	<u>7,256,852</u>	<u>5,342,632</u>

Reconciliation of net cash provided by operating activities to net result

Net result		8,860,340	1,061,087	(684,186)
Depreciation	5	2,844,800	2,746,947	2,809,062
(Profit)/loss on sale of asset	4(c)	(53,700)	3,084	(53,174)
(Increase)/decrease in receivables		420,120	347,266	1,217,298
(Increase)/decrease in inventories		0	6,374	0
Increase/(decrease) in payables		(321,360)	671,992	0
Increase/(decrease) in employee provisions		0	16,196	0
Non-operating grants, subsidies and contributions		(11,512,179)	(1,661,493)	(1,410,545)
Net cash from operating activities		<u>238,021</u>	<u>3,191,454</u>	<u>1,878,455</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.

FINANCIAL ASSETS AT AMORTISED COST

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

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

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

4. FIXED ASSETS

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

(a) Property, Plant and Equipment

(i) Land and buildings

Housing

Staff Unit Housing Development
Pensioner Housing Development
GROH Housing
Staff Housing

Recreation and culture

Great Fingal Mine Office
Old Railway Building and Youth Centre
Town Hall Upgrades
Heritage Building Renovations
Bowling Green Upgrade

Transport

Works Depot Improvements

Economic services

Tourist Park House and Office
Tourist Park Ablutions
Old Gaol Restoration
Old Municipal Building Improvements
Pension Hut Renovation

Other property and services

Administration Building Improvements

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
Staff Unit Housing Development	1,000,000		
Pensioner Housing Development	1,000,000		
GROH Housing	917,000		
Staff Housing	250,000		
Great Fingal Mine Office	2,000,000		
Old Railway Building and Youth Centre	395,000		
Town Hall Upgrades	190,000		
Heritage Building Renovations	130,000		
Bowling Green Upgrade	10,000		
Works Depot Improvements	30,000		
Tourist Park House and Office	400,000		
Tourist Park Ablutions	100,000		
Old Gaol Restoration	60,000		
Old Municipal Building Improvements	60,000		
Pension Hut Renovation	10,500		
Administration Building Improvements	35,000		
	6,587,500	342,039	3,260,500

(ii) Furniture and equipment

Governance

Council Furniture and Equipment

Housing

Staff Housing

Economic services

Pension Hut Furniture and Equipment

Other property and services

Administration Furniture and Equipment

Council Furniture and Equipment	10,000		
Staff Housing	15,000		
Pension Hut Furniture and Equipment	10,000		
Administration Furniture and Equipment	25,000		
	60,000	7,095	60,000

(iii) Plant and equipment

Transport

Caterpillar Skid Steer Loader
Toyota Landcruiser VX
Street Sweeper
Town Crew Tipping Tray Ute
Nissan Navarra 2WD
Ride-on Mower
Excavator Grapple
Bitumen Sprayer
Road Maintenance Equipment
Workshop Equipment
Dual Axle Heavy Duty Bitumen Trailer
Town Maintenance Equipment

Caterpillar Skid Steer Loader	120,000		
Toyota Landcruiser VX	85,000		
Street Sweeper	50,000		
Town Crew Tipping Tray Ute	45,000		
Nissan Navarra 2WD	30,000		
Ride-on Mower	25,000		
Excavator Grapple	15,000		
Bitumen Sprayer	12,000		
Road Maintenance Equipment	12,000		
Workshop Equipment	10,000		
Dual Axle Heavy Duty Bitumen Trailer	10,000		
Town Maintenance Equipment	6,000		
	420,000	521,438	813,000

Total Property, Plant and Equipment

	7,067,500	870,572	4,133,500
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SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

4. FIXED ASSETS (CONTINUED)

(b) Infrastructure

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
(i) Road Infrastructure			
Transport			
Flood Damage Restoration	3,123,336		
Wilgie Mia Road	2,100,000		
Roads to Recovery	593,843		
Construction - Muni Funds Roads	190,000		
Regional Roads Group	180,000		
Cue-Beringarra Road	150,000		
Grid Widening Program	100,000		
	6,437,179	2,320,123	1,083,400
(ii) Other Infrastructure			
Community amenities			
Waste Site - Fencing and Improvements	325,000		
Deep Sewerage	240,000		
Cemetery Niche Wall	35,000		
Recreation and culture			
Playground Equipment	220,000		
Sporting Facilities	100,000		
Oval Infrastructure	50,000		
Walk and Cycle Trails	40,000		
Transport			
Airport Runway Resealing	1,400,000		
Artificial Lawn and Retic	45,000		
Economic services			
Heydon Place Industrial Development	372,500		
Museum Project	180,000		
Austin Street Development	100,000		
Garden Rock Development	100,000		
Streetscape	75,000		
Tourist Park Improvements	40,000		
CCTV	33,500		
RV Site	30,000		
Oasis Visitor Parking Project	23,000		
Standpipe Automation	20,000		
	3,429,000	610,461	1,637,500
Total Infrastructure	9,866,179	2,930,584	2,720,900
Total acquisitions	16,933,679	3,801,156	6,854,400

SIGNIFICANT ACCOUNTING POLICIES

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. Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

4. FIXED ASSETS (CONTINUED)

(c) Disposals of Assets

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

(i) 2020/21 Budget

Property, Plant and Equipment	Net Book Value	Sale Proceeds	Profit on Disposal	Loss on Disposal
	\$	\$	\$	\$
Transport				
Caterpillar Skid Steer Loader	23,700	45,000	21,300	0
Town Crew Tipping Tray Ute	25,200	30,000	4,800	0
Toyota Landcruiser VX	62,400	85,000	22,600	0
Nissan Navarra 2WD	5,000	10,000	5,000	0
	116,300	170,000	53,700	0

(ii) 2019/20 Actual

Property, Plant and Equipment	Net Book Value	Sale Proceeds	Profit on Disposal	Loss on Disposal
	\$	\$	\$	\$
Transport				
Mitsubishi Pajero Wagon 4x4 (CEO)	40,000	36,364	0	(3,636)
Mitsubishi Pajero Wagon 4x4 (DCEO)	35,837	37,273	1,435	0
Isuzu D-Max Space Cab 4x4 (Works Manager)	23,378	25,909	2,531	0
Isuzu D-Max Dual Cab Ute 4x4 (Roads Crew)	27,348	25,455	0	(1,893)
P72 Iveco Eurotech MP4500 Prime Mover	9,521	8,000	0	(1,521)
	136,084	133,000	3,966	(7,051)

(iii) 2019/20 Budget

Property, Plant and Equipment	Net Book Value	Sale Proceeds	Profit on Disposal	Loss on Disposal
	\$	\$	\$	\$
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)

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

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.

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

5. ASSET DEPRECIATION

	2020/21 Budget	2019/20 Actual	2019/20 Budget
By Program	\$	\$	\$
Governance	1,830	1,816	0
Law, order, public safety	230	225	227
Health	1,420	1,222	909
Housing	36,830	35,489	35,796
Community amenities	10,450	10,418	9,530
Recreation and culture	115,220	107,409	103,850
Transport	2,120,200	2,090,006	2,115,500
Economic services	193,930	182,061	179,000
Other property and services	364,690	318,300	364,250
	2,844,800	2,746,947	2,809,062
By Class			
Land and buildings	226,400	218,160	217,243
Furniture and equipment	9,500	9,452	22,760
Plant and equipment	322,700	277,489	311,659
Road Infrastructure	1,978,900	1,958,438	1,985,000
Other Infrastructure	307,300	283,407	272,400
	2,844,800	2,746,947	2,809,062

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. 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.

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

Asset	Years	Asset	Years
Land and buildings	30 to 50	Sealed roads and streets	
Furniture and equipment	4 to 10	formation	N/A
Plant and equipment	5 to 15	pavement	50
Parks and Ovals	12 to 35	seal	
Other Infrastructure	12 to 60	bituminous seals	20
Sewerage Piping	50	asphalt surfaces	25
Water Supply Piping Systems	75	Gravel Roads	
Water Supply Drainage Systems	75	formation	N/A
Footpaths - slab	40	pavement	50
		gravel sheet	12
		Formed roads	
		formation	N/A
		pavement	50

SHIRE OF CUE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

(i) 2020/21 Budget

	Principal 01 Jul 20	New Loans	Principal Repayments	Principal 30 Jun 21	Interest Repayments
Housing	\$	\$	\$	\$	\$
GROH House*	935,015	0	91,176	843,839	22,500
	935,015	0	91,176	843,839	22,500

(ii) 2019/20 Actual

	Principal 01 Jul 19	New Loans	Principal Repayments	Principal 30 Jun 20	Interest Repayments
Housing	\$	\$	\$	\$	\$
GROH House*	0	980,000	44,985	935,015	12,180
	0	980,000	44,985	935,015	12,180

(iii) 2019/20 Budget

	Principal 01 Jul 19	New Loans	Principal Repayments	Principal 30 Jun 20	Interest Repayments
Housing	\$	\$	\$	\$	\$
GROH House*	0	980,000	45,000	935,000	8,800
	0	980,000	45,000	935,000	8,800

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

* - WATC - Western Australian Treasury Corporation

SHIRE OF CUE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

6. INFORMATION ON BORROWINGS (CONTINUED)

(b) New borrowings - 2020/21

The Shire does not intend to undertake any new borrowings for the year ended 30 June 2021.

(c) Unspent borrowings

Loan Details	Purpose of the loan	Year loan taken	Amount b/fwd.	Amount used 2020/21 Budget	New loans unspent at 30 Jun 21	Amount as at 30 Jun 21
			\$	\$	\$	\$
Housing						
GROH House	Housing	2020	917,191	917,000	0	0
			917,191	917,000	0	0

(d) Credit Facilities

	2020/21 Budget	2019/20 Actual	2019/20 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

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.

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

(i) 2020/21 Budget

	Opening Balance	Transfer Interest	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$
(a) Long Service Leave Reserve	62,945	625	0	0	63,570
(b) Building Maintenance Reserve	648,556	6,441	0	(235,000)	419,997
(c) Plant Replacement Reserve	514,091	5,105	0	(150,000)	369,196
(d) Streetscape Reserve	317,311	3,151	0	(123,000)	197,462
(e) Sports Facilities Reserve	122,177	1,213	0	0	123,390
(f) Tourist Park Development Reserve	252,361	2,506	0	(140,000)	114,867
(g) Water Playground Reserve	60,699	603	0	0	61,302
(h) Beringarra Road Reserve	2,660,835	26,423	0	(150,000)	2,537,258
(i) Tourism Reserve	123,258	1,224	0	(40,000)	84,482
(j) Housing / Land Development Reserve	191,829	1,905	25,000	(150,000)	68,734
(k) Heritage Reserve	626,815	6,225	0	(281,070)	351,970
(l) Road Maintenance Reserve	232,939	2,313	0	(50,000)	185,252
(m) Infrastructure Reserve	228,160	2,266	0	(45,000)	185,426
	6,041,975	60,000	25,000	(1,364,070)	4,762,905

(ii) 2019/20 Actual

	Opening Balance	Transfer Interest	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$
(a) Long Service Leave Reserve	62,406	539	0	0	62,945
(b) Building Maintenance Reserve	637,216	11,340	0	0	648,556
(c) Plant Replacement Reserve	504,540	9,551	0	0	514,091
(d) Streetscape Reserve	311,763	5,548	0	0	317,311
(e) Sports Facilities Reserve	120,040	2,136	0	0	122,177
(f) Tourist Park Development Reserve	247,949	4,413	0	0	252,361
(g) Water Playground Reserve	59,638	1,061	0	0	60,699
(h) Beringarra Road Reserve	2,681,140	47,715	0	(68,021)	2,660,835
(i) Tourism Reserve	121,102	2,155	0	0	123,258
(j) Housing / Land Development Reserve	188,474	3,354	0	0	191,829
(k) Heritage Reserve	615,855	10,960	0	0	626,815
(l) Road Maintenance Reserve	130,614	2,325	100,000	0	232,939
(m) Infrastructure Reserve	0	0	228,160	0	228,160
	5,680,738	101,098	328,160	(68,021)	6,041,975

(iii) 2019/20 Budget

	Opening Balance	Transfer Interest	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$
(a) Long Service Leave Reserve	62,406	707	0	0	63,113
(b) Building Maintenance Reserve	637,216	14,888	0	(150,000)	502,104
(c) Plant Replacement Reserve	504,540	12,526	0	(150,000)	367,066
(d) Streetscape Reserve	311,762	7,277	0	(100,000)	219,039
(e) Sports Facilities Reserve	120,041	2,805	0	0	122,846
(f) Tourist Park Development Reserve	247,949	5,796	0	(50,000)	203,745
(g) Water Playground Reserve	59,638	1,399	0	0	61,037
(h) Beringarra Road Reserve	2,681,140	62,307	0	(150,000)	2,593,447
(i) Tourism Reserve	121,102	2,834	0	(23,000)	100,936
(j) Housing / Land Development Reserve	188,475	4,418	0	0	192,893
(k) Heritage Reserve	615,854	14,388	0	(186,200)	444,042
(l) Road Maintenance Reserve	130,614	2,495	103,135	0	236,244
(m) Infrastructure Reserve	0	1,160	227,000	0	228,160
	5,680,737	133,000	330,135	(809,200)	5,334,672

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

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
(a) Long Service Leave Reserve	as required	to be used to fund long service leave requirements
(b) Building Maintenance Reserve	as required	to be used to fund maintenance and capital expenditure on Council owned buildings
(c) Plant Replacement Reserve	as required	to be used for the purchase or significant overhaul of major plant
(d) Streetscape Reserve	as required	to be used to fund streetscape improvements within the town centre of Cue
(e) Sports Facilities Reserve	as required	to be used to fund maintenance and capital expenditure on the sports facilities
(f) Tourist Park Development Reserve	as required	to be used to fund the development of the Cue Tourist Park
(g) Water Playground Reserve	as required	to be used to fund the maintenance of the Water Playground
(h) Beringarra Road Reserve	as required	to be used for maintenance and capital expenditure on Beringarra Road
(i) Tourism Reserve	as required	to be used to fund and maintain Tourism related infrastructure and programs
(j) Housing / Land Development Reserve	as required	to be used to assist with the provision of affordable housing and the establishment of an incubator hub
(k) Heritage Reserve	as required	to be used to maintain / renovate / promote heritage places and buildings owned or under a Shire management order
(l) Road Maintenance Reserve	as required	to be used for maintenance and capital expenditure on Shire roads
(m) Infrastructure Reserve	as required	to be used to fund maintenance and capital expenditure for Shire's infrastructure assets

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

8. FEES & CHARGES REVENUE

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
General purpose funding	1,000	1,170	500
Law, order, public safety	3,000	2,195	3,000
Health	1,200	1,208	500
Housing	73,320	25,480	25,480
Community amenities	84,885	72,303	85,500
Recreation and culture	4,800	3,235	1,800
Transport	145,000	144,784	102,000
Economic services	290,700	214,070	357,200
Other property and services	37,000	25,149	23,800
	640,905	489,592	599,780

9. GRANT REVENUE

(a) Operating grants, subsidies and contributions

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
General purpose funding	952,786	1,912,856	941,964
Law, order, public safety	7,500	6,517	7,500
Recreation and culture	800	0	800
Transport	108,000	127,792	390,000
Other property and services	40,000	33,311	50,000
	1,109,086	2,080,476	1,390,264

(b) Non-operating grants, subsidies and contributions

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
General purpose funding	340,000	0	0
Housing	1,200,000	0	0
Community amenities	260,000	0	120,000
Recreation and culture	2,190,000	39,404	691,545
Transport	7,337,179	1,622,089	569,000
Economic services	185,000	0	30,000
	11,512,179	1,661,493	1,410,545
Total Operating and Non-operating Funding	12,621,265	3,741,969	2,800,809

(c) Unspent grants, subsidies and contributions liability

(i) Non-operating grants, subsidies and contributions

	Liability at 01 Jul 20	Increase in Liability	Decrease in Liability	Total Liability 30 Jun 21
	\$	\$	\$	\$
Transport	290,360	0	(290,360)	0
Roads to Recovery	290,360	0	(290,360)	0

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations satisfied	Payment terms	Returns / Refunds / Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund if event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund if event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

10. REVENUE RECOGNITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations satisfied	Payment terms	Returns / Refunds / Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

11. OTHER INFORMATION

(a) The net result includes as revenues

	2020/21 Budget	2019/20 Actual	2019/20 Budget
(i) Interest earnings	\$	\$	\$
Investments - Reserve funds	60,000	101,098	133,000
Investments - Other funds	32,000	46,592	22,000
Other interest revenue (Refer Note 1b)	21,500	22,401	29,500
	<u>113,500</u>	<u>170,091</u>	<u>184,500</u>
(ii) Other revenue			
Reimbursements and recoveries	12,000	11,828	20,400
Other	67,500	57,784	69,000
	<u>79,500</u>	<u>69,612</u>	<u>89,400</u>

(b) The net result includes as expenses

	2020/21 Budget	2019/20 Actual	2019/20 Budget
(i) Auditors remuneration	\$	\$	\$
Audit services	35,750	36,800	35,750
	<u>35,750</u>	<u>36,800</u>	<u>35,750</u>
(ii) Interest expenses (finance costs)			
Borrowings (Refer Note 6(a))	22,500	12,180	8,800
	<u>22,500</u>	<u>12,180</u>	<u>8,800</u>
(iii) Elected members remuneration			
Meeting fees	30,500	26,386	30,500
Mayor/President's allowance	10,900	9,988	10,900
Deputy Mayor/President's allowance	2,800	2,724	2,800
Travelling expenses	19,500	15,934	25,000
Telecommunications allowance	24,500	23,780	24,500
	<u>88,200</u>	<u>78,812</u>	<u>93,700</u>
(iv) Write offs			
General rate	43,645	5,378	50,000
	<u>43,645</u>	<u>5,378</u>	<u>50,000</u>

SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

11. OTHER INFORMATION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

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.

**SHIRE OF CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021**

12. MAJOR LAND TRANSACTIONS

It is not anticipated any major land transactions will occur in 2020/21.

13. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any major trading undertakings will occur in 2020/21.

14. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2020/21.

15. 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 30 Jun 20	Estimated amounts received	Estimated amounts paid	Estimated balance 30 Jun 21
	\$	\$	\$	\$
Cue LCDC	2,080	0	0	2,080
	2,080	0	0	2,080

10.5 WRITE OFF RATES MAVIA PTY LTD

APPLICANT: Shire of Cue
 DISCLOSURE OF INTEREST: Nil
 AUTHOR: Richard Towell – Deputy Chief Executive Officer
 DATE: 14 August 2020

Matters for Consideration:

That Council write off the balance of penalty interest owing on eleven assessments by Mavia Pty Ltd, amounting to \$2008.01, following settlement of rates outstanding.

Background:

The Shire of Cue commenced legal proceedings against Mavia Pty Ltd for collection of outstanding rates and penalty charges. This matter was settled in late July 2020 with payment being received for outstanding amounts.

Comments:

The amounts proposed for write off are for accumulated interest penalty charges that have accumulated over the period of proceedings. While the amounts are legitimate charges against the assessments, the recommendation to write off these charges leaves only current rates charges outstanding on the assessments and treats the payment received as full settlement of all outstanding arrears for Mavia Pty Ltd.

Statutory Environment:

Local Government Act 1995, Section 6.12.

Power to defer, grant discounts, waive or write off debts

- (1) Subject to subsection (2) and any other written law, a local government may —
 - (a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or
 - (b) waive or grant concessions in relation to any amount of money; or
 - (c) write off any amount of money, which is owed to the local government.

* *Absolute majority required.*

- (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.
- (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.
- (4) Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.

Policy Implications:

Shire of Cue Policy Manual

D1 – Debt Recovery, 2.2 Recovery of Rate Arrears.

Financial Implications:

The Shire has a budgeted contingency amount of \$43,645 for rates write offs. The write off of the penalty charges will leave the current outstanding rates balances for 2019-2020 still owing on the assessments and eliminate any dispute over charges that relate to the now concluded legal proceedings.

Strategic Implications:

Nil

Consultation:

Rob Madson – Chief Executive Officer

Officer's Recommendation:

Voting Requirement: Simple Majority

That Council authorise the Chief Executive Officer to write off penalty charges accrued on Mavia Pty Ltd rates assessments amounting to \$2,008.01.

Council Decision:

Voting requirement: Simple Majority

MOVED:

SECONDED:

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 15 September 2020.

Signed:.....

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